# VK Consolidated Annual Report 2024





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Environmental initiatives in VK offices Greenhouse gas emissions Biodiversity
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## VK in brief

[2-1], [2-6]

K

VK is the biggest technology company in terms of user base in the Russian Internet segment. VK digital products help tens of millions of users go on with their daily chores online: communication, education, entertainment, and personal growth. VK creates tools that help entrepreneurs develop and promote businesses on social networks and content platforms. For business clients, VK develops digitalisation products and services.

#### Team

VK is a team of professionals creating a welcoming and secure online environment for millions of people and thousands of business clients. The company recruits top talent and provides them with the chance to realise their potential in an amicable and safe atmosphere while working as a team to develop popular digital products and services.







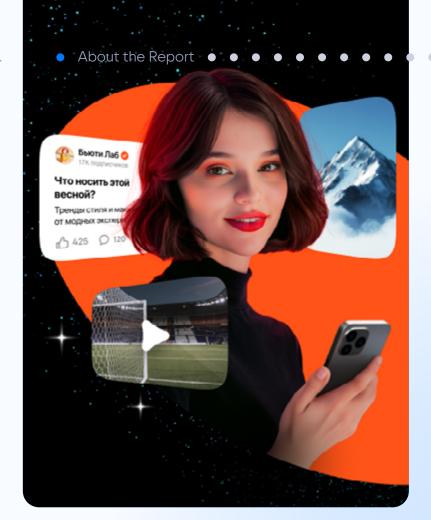
**VK Музыка** 

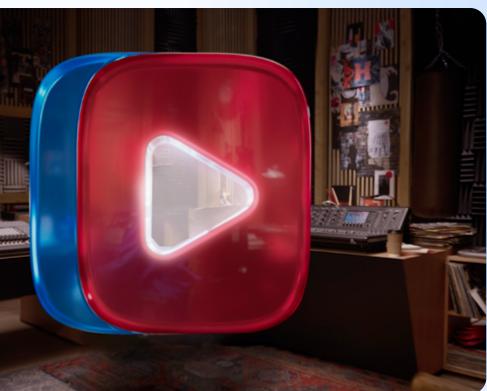
#### Mission

VK's mission is to develop the best digital services possible that go above and beyond what users and clients anticipate.





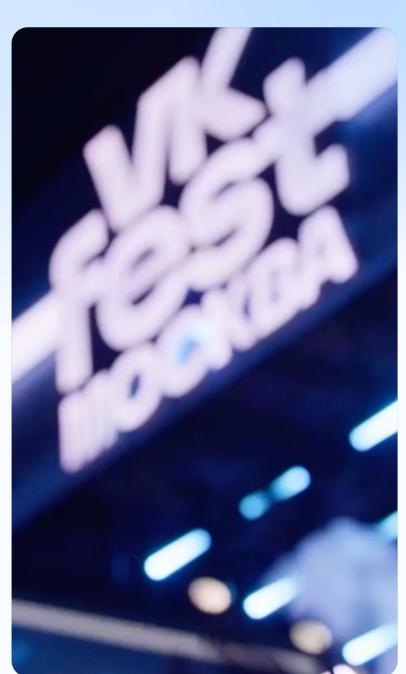




















#### K Key highlights of 2024 [TC-IM-000.A]

#### VK's operational highlights<sup>1</sup>

mn users average daily audience

#### VK's financial highlights



bn minutes +29% YoY per day, time spent<sup>2</sup>

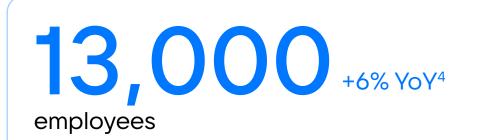
**96** bn RUB +20% YoY online advertising revenue

#### VK's ESG highlights

bn RUB donated by VK Dobro users over 11 years of the platform's operation

>150 ESG projects implemented

#### VK team growth<sup>3</sup>



offices and co-working spaces

Hereinafter, internal data unless otherwise indicated. 2024 data, unless otherwise indicated.

Source: Mediascope, 2024, Russia 0+, age 12+, desktop and mobile. From 1 January 2024, Mediascope applied a new algorithm of measuring user activity on websites which had an impact on audience metrics and time spent using VK and all RuNet web resources.

>95<sup>°</sup> monthly audience reach within the Russian Internet segment

52 bn RUB +27% YoY non-advertising revenue

## mn RUB

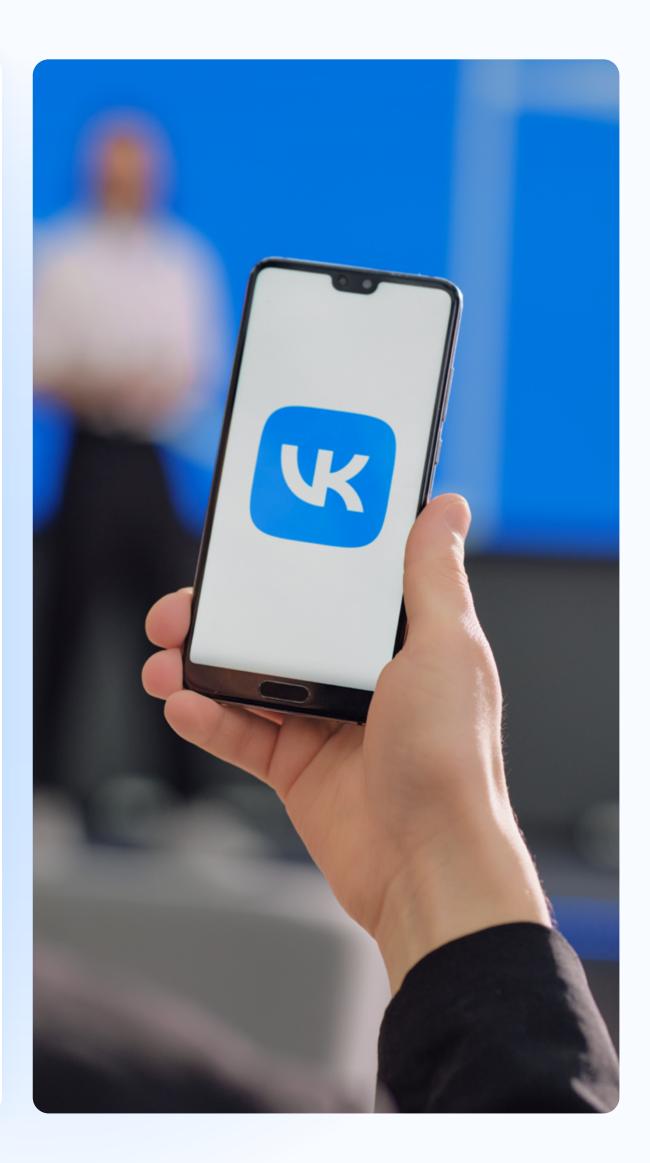
health, safety, and environment spending

cities of presence

<sup>2</sup> Time spent means average time users spend on VK's services.

<sup>3</sup> As of the end of 2024.

<sup>4</sup> The YoY growth is presented in line with the scope of 2024 IFRS financial statements.

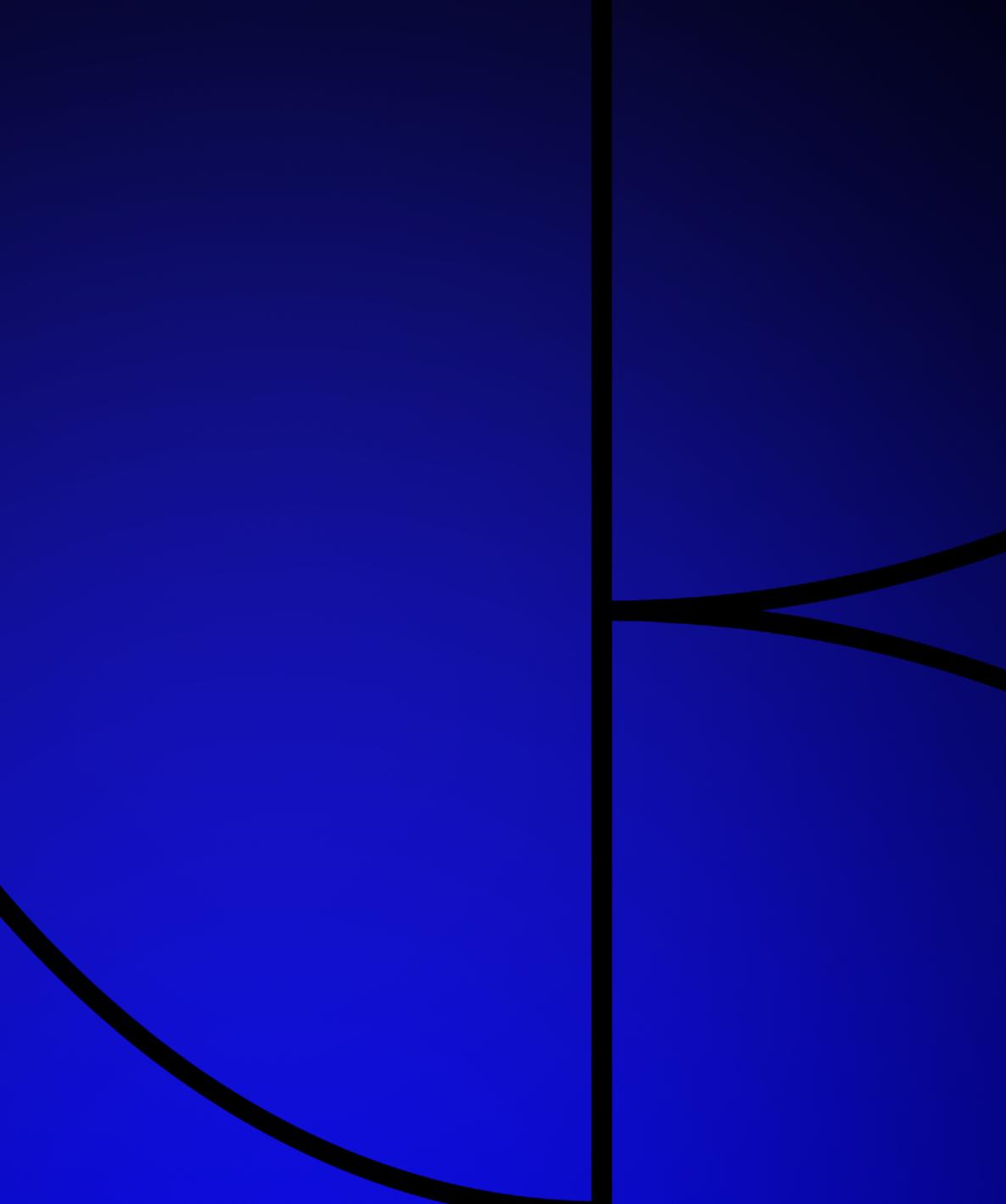








# Strategic report



## VK is the biggest Russian technology company in terms of user base

As of the end of 2024, the number of monthly Internet users in Russia reached 103.1 mn accounting for 85% of the population aged 12+<sup>1</sup>, according to Mediascope. Over the year, users spent an average of 5.4 hours online daily, accessing content via mobile web and apps 86% of the time<sup>2</sup>.

## **103.1**<sup>mn</sup>

monthly Internet users in Russia<sup>1</sup>

**85**<sup>%</sup>

Russians aged 12+1

VK retains its leadership in audience metrics in the Russian Internet segment, as over 95% of monthly Russian Internet users utilise VK services<sup>1</sup>. Almost all Russian Internet users are VK product users, with the average daily user engaging with two company's services<sup>3</sup>.

In 2024, social networks and messengers accounted for around a third of time spent in the Russian Internet segment, with some 21% and 8% of this time dedicated to watching videos and online games, respectively<sup>2</sup>. VK services like VKontakte, OK, Dzen, VK Video, VK Clips, VK Messenger, and VK Play address most needs of the Russian Internet users.

>95<sup>%</sup> Russian Internet users choose VK services<sup>1</sup>

Source: Mediascope, December 2024, Russia 0+, age 12+, desktop and mobile

- <sup>2</sup> Source: Mediascope, 2024 average, Russia 0+, age 12+, desktop and mobile.
- <sup>3</sup> Source: Mediascope Cross Web data, December 2024, Russia 0+, age 12+, desktop and mobile.



• • Strategic Report • • • • • • • • • •







## VK on Russia's IT market

The IT industry unlocks increasingly broader opportunities annually to boost business performance and enhance quality of life. This sector is a strategic pillar of Russia's economy, growing at an accelerated pace.

VK offers products and service across IT subsegments, with many holding market-leading positions.

#### Social networks

According to Mediascope, 82% of the country's population use social networks monthly, while 62% engage daily<sup>1</sup>.

Social platforms and content services are one of VK's core business segments. Brand Analytics' 2024 study shows VKontakte leads Russian social platforms in active creators and content volume, with OK retaining second place historically.

C For more details, see the Social platforms and media content section.

#### **vkontakte**

Nº1 in terms of active creators and content volume<sup>2</sup>

**OK** 

Nº2 in terms of content volume<sup>2</sup>

#### **Video services**

#### VK Video

Nº1 video platform in Russia<sup>1</sup>

#### **VK** Clips

Nº1 platform for short-form vertical videos

- Source: Mediascope, December 2024, Russia 0+, age 12+, desktop and mobile.
- <sup>2</sup> Source: Brand Analytics Social Networks in Russia: Figures and Trends (Autumn 2024).
- <sup>3</sup> VK Tech target markets includes public cloud services, private cloud software, corporate communication and productivity, data management, tax monitoring, and HR Tech.
- Source: Strategy Partners, Russian Corporate Software Market (February 2025).
- <sup>5</sup> Source: TAdviser Ranking of the Largest IT Solution Providers Listed in the Domestic Software Registry (December 2024).
- 6 Source: Smart Ranking Russia's largest EdTech companies in 2024.
- <sup>7</sup> Source: Mediascope, 2024 average, Russia 0+, age 12+, desktop and mobile.
- <sup>8</sup> Source: Mediascope Cross Web, Q4 2024, Russia, age 12+, Android only approach.

#### Corporate software

• Strategic Report • • • • • • • • • • •

In 2024, Russia's corporate software market (targeted by VK Tech<sup>3</sup>), grew by 34% YoY to RUB 199 bn and is projected to grow at an average annual rate of 24%, reaching RUB 700 bn by 2030, according to Strategy Partners. The driving force behind this growth will be digital transformation in business and government sectors, as well as development of domestic corporate ecosystem solutions<sup>4</sup>.

VK Tech is an active player in the corporate software development market, with its licensed products and cloud services (based on its technologies) address key challenges for businesses of any size across a variety of industries. The segment's key growth drivers in 2024 were VK Cloud and VK WorkSpace productivity services.

C For more details, see the VK Tech section.

Nº3 among the largest providers

N<sup>2</sup> in the corporate communication and

of in-house IT solutions<sup>5</sup>

🚺 VK WorkSpace

collaboration market<sup>4</sup>

#### **Online education**

According to Smart Ranking, Russia's Top 100 EdTech companies' revenue in 2024 totalled RUB 144.5 bn, up by 19% YoY. The children's education, which expanded by 33% YoY, remains the fastest-growing EdTech segment in Russia<sup>6</sup>.

VK consolidates the largest educational platform Uchi.ru and the online tutoring school Tetrika, securing a leading standing in children's education.

C For more details, see the EdTech section.

#### 🔁 UCHi.RU

Nº1 Russia's EdTech platform in terms of daily audience<sup>7</sup>

#### **Application stores**



Nº2 among Russia's Android app stores<sup>8</sup>

#### **Email services**

**k** tech

(a) mail Nº1 email service<sup>1</sup>

#### Video games



**VK** Play

Nº1 Russia's gaming platform

Annual Report 2024  $(\equiv)$ 



## VK's core business segments

VK develops the following segments: Social platforms and media content, Educational technologies (EdTech), Technologies for business (VK Tech), Ecosystem services and other business lines.

C For more details on each segment's performance, see the Results overview section.

#### K 😣 🛟 🚺 🐻 🖾 😇

#### Social platforms and media content

The segment combines services and products designed to develop social networks, create and manage content. The segment includes VKontakte and OK social networks, Dzen content platform, VK Clips and VK Video entertainment services, VK Music, VK Dating, and VK Messenger.

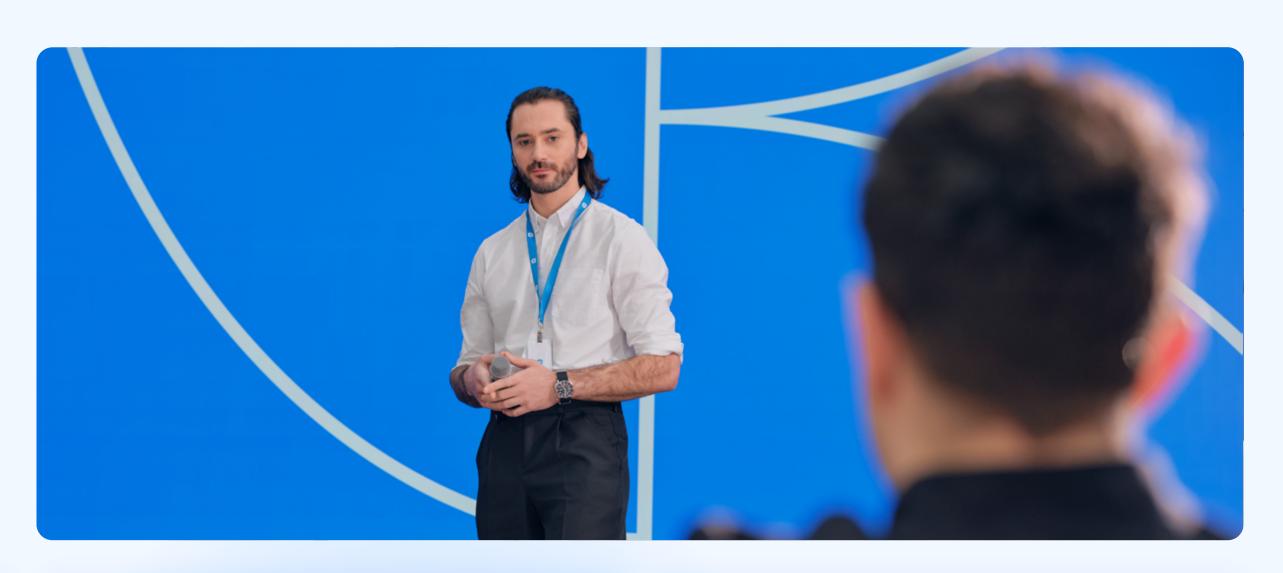
VK is focused on improving the quality of recommendation technologies and product functionality, as well as creating and promoting exclusive content on its platforms.

#### 

#### Technology for business (VK Tech)

The segment includes licensed software products and cloud services that address key needs of businesses across all scales and economic sectors. VK Tech's portfolio comprises four product lines: a cloud platform, productivity services, data services, and business applications.

Leveraging VK's technological expertise and in-house IT team, VK Tech rapidly responds to client needs, developing and launching new B2B solutions that help businesses achieve objectives.



## (EdTech)

🤁 📆

The segment comprises Uchi.ru and Tetrika online platforms that offer children's educational courses and programmes.

**Educational technologies** 

VK develops educational products for children and expands engagement with younger audiences.

#### 

#### **Ecosystem services and** other business lines

The segment includes Mail ecosystem services, RuStore app store, VK Play gaming platform, VK Pay payment service, VK ID single account for authentication, and smart devices. As part of this segment, VK is developing products for small and medium enterprises (SMEs), including the YCLIENTS online appointment and business automation and VK Predict analytical solution services.

VK invests in developing end-to-end technologies to enhance synergy among key services, while also creating and advancing strategic products for the domestic market.

## VK business model

VK focuses on increasing the number of creators and opinion leaders across its platforms, driving growth in content volume and user base. VK's business solutions enable companies to acquire new clients, retain existing ones, increase sales, and enhance brand awareness. Software developed by VK Tech addresses key digitalisation needs for businesses of all sizes.

#### Resources

#### Asset portfolio

- 4 strategic segments
- >200 projects

#### Audience

- 77 mn users average daily audience
- 4.4 bn minutes per day time spent

#### Human capital

- 13,000 employees
- 2/3 share of IT professionals

#### Intellectual capital

- Advanced technology and proprietary software
- >3,000 exclusive content releases<sup>1</sup>

#### Physical capital

- 3 owned data centres
- 15 offices and co-working spaces in 9 cities

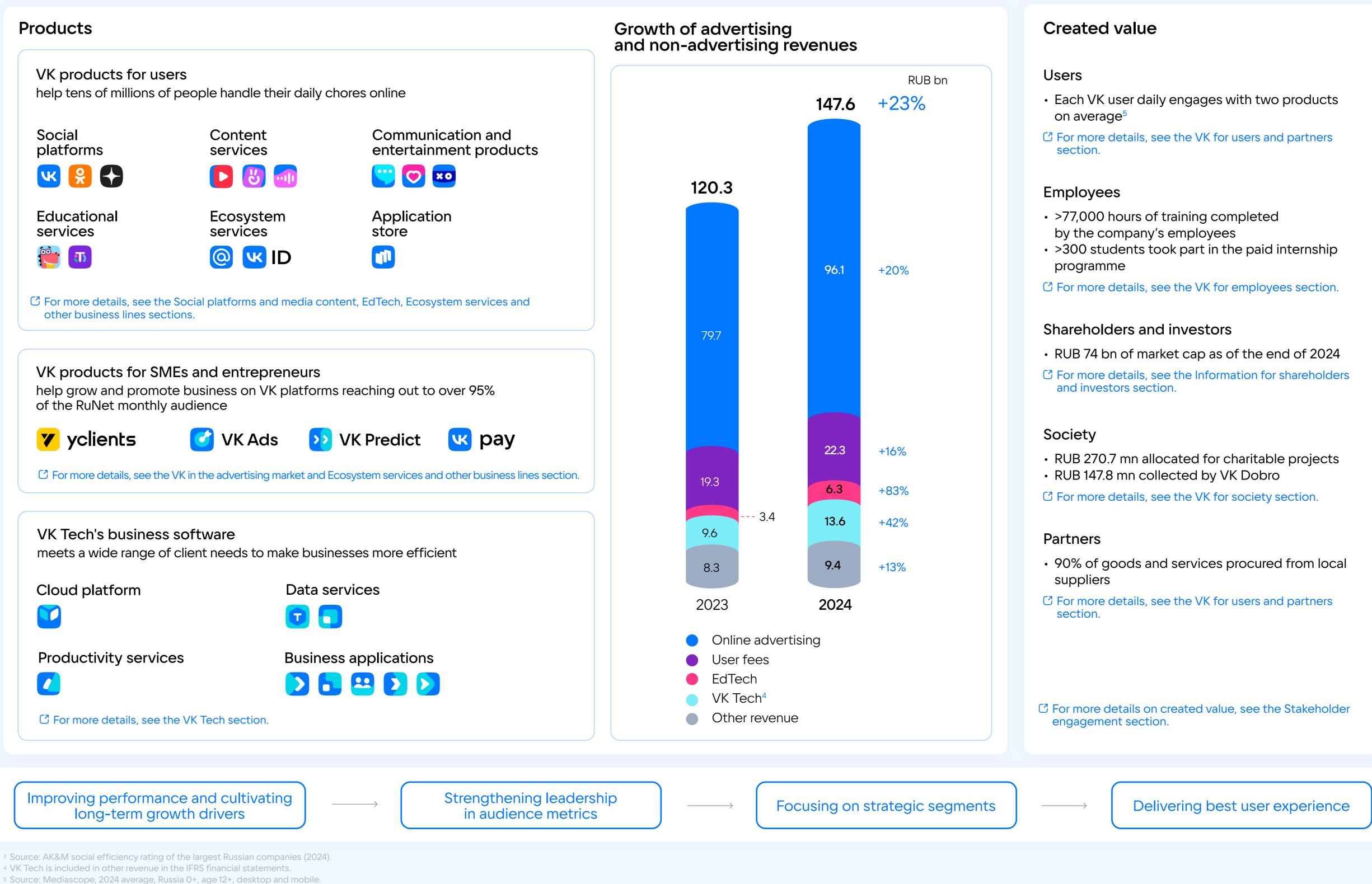
#### **Financial capital**

- RUB 333 bn in assets
- RUB 26.9 bn of investments in infrastructure and technology

#### Social and reputational capital

- ACRA credit rating: A (RU)<sup>2</sup>
- Nº1 in the IT social efficiency rating<sup>3</sup>
- >95% of the monthly RuNet audience

#### Products



services



of the RuNet monthly audience



#### VK's strategic directions

2024 data, unless otherwise indicated. <sup>1</sup> Unveiled on VK Video in 2024.

<sup>2</sup> As of 30 January 2025.

K

## VK brings people and businesses together around things that truly matter

Dear shareholders, investors, partners, and users!

For the second consecutive year, we continue publishing VK's consolidated Annual Report, where we share the highlights of the company's performance, major decisions, successes of our products, and sustainability initiatives.

In 2024, VK's revenue hit a record of RUB 147.6 bn, up by 23% compared to 2023. The primary growth driver continued to be advertising revenue, which increased by 20% to RUB 96.1 bn. Non-advertising revenue rose by 27% to RUB 51.5 bn, accounting for one-third of the total revenue.

Users spent an average of nearly 30% more time on VK services compared to 2022. The time spent metric averaged some 4.4 bn minutes a day. The average daily audience of VK services reached 77 mn users.

In 2024, one of our key focuses was the development of VK Video. Increased investments in the video service. driven by significant market shifts, enabled us to multiply its audience metrics. By the year-end, the total time users spent watching content on VK Video increased by 4.5 times YoY. By the year-end, VK Video became the leader among Russian video platforms and ranked second in the Russian market across all video services, including international ones.

VK announced plans to list VK Tech shares on the stock exchange, reflecting the segment's financial and technological successes. VK Tech's revenue has consistently grown at an accelerated pace: since its separation into a standalone segment in 2018 through 2024, the average annual growth rate of the segment's revenue reached 73%. The listing will further strengthen

VK Tech's development potential, enhance brand recognition, and solidify its position as a corporate software developer.

In 2024, VK actively developed key products and invested in advanced technologies. VKontakte, OK and Dzen released more than 500 product and tech updates. The number of installs of RuStore, Russia's № 1 app store, exceeded 100 mn in early 2025 thanks to its effective adaptation to various operating systems. VK implemented and enhanced AI (Artificial Intelligence) and generative neural networks across its services, improved content delivery network performance, strengthened the security of its resources, and continued building a data centre network.

VK's 2025 priorities will focus on cultivating long-term growth drivers and improving profitability. We expect our adjusted EBITDA to exceed RUB 10 bn in 2025.

Over recent years, VK has built a robust audience base and technology foundation. Looking ahead, the company will maintain its focus on improving operational efficiency, delivering superior user experiences, and boosting user lovalty and engagement.

VK Team





















## Key events in 2024

#### Q1

- OK released a new season of original shows and added a Master Classes section to the Hobbies service.
- O VK introduced beta versions of new capabilities in Mail services relying on its own generative neural network model.
- VK Ads launched an Al-powered image autoenhancement to improve image quality and increase resolution.
- K adopted an Environmental Policy as part of its ESG strategy.
- **VK** held VK JT, its first technology conference bringing together 1,300 offline participants and garnering over one million views of online broadcasts.
- **W** VK came second in the FutureToday ranking of the best employers for students<sup>1</sup>.
- **W** VK ranked among the Top 3 best employers for young people according to the Changellenge Best Company Award<sup>2</sup>.

#### Q2

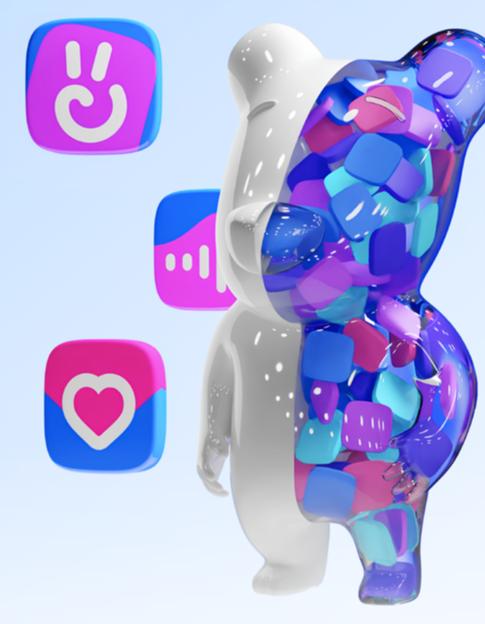
- Dzen launched a channel promotion tool for creators and businesses powered by VK Ads.
- VK Records opened a complex of four recording studios and a hall with a stage.
- **W** VK Fest 2024 spanned five Russian cities and saw a record 205,000 participants and over 22.5 mn views of online broadcasts, entering the Russian Book of Records.
- VK Cloud by VK Tech launched Dev Platform, a solution to build development platforms, and a content delivery network in Kazakhstan.
- Mail.ru Email launched a beta version of the Shopping service.

<sup>2</sup> Source: Changellenge Best Company Award survey (2024).



RuStore made it to the list of software approved for pre-installation in 2025.

- **V**K implemented a seamless integration of the YCLIENTS online appointment and business automation service with its platforms.
- VK acquired a stake in Intickets, a cloud-based ticket sales control and management platform for cultural and entertainment events.
- W VK opened an IT hub in Novosibirsk as part of its programme to develop an IT community across regions with a high R&D potential.









<sup>&</sup>lt;sup>1</sup> Source: FutureToday 2025 ranking in the Overall Employer, Most In-Demand Employer, and Target Audience categories.

#### **Q3**

- Dzen refreshed its visual identity, presenting a new logo and colour scheme.
- 는 Uchi.ru's subject-based content was added to the Russian Ministry of Education's Federal List of Electronic Educational Resources.
- K Tech developed VK Data Platform, an integrated data management solution.
- Mail rolled out a major upgrade of its services, introducing a new design and development concept.
- O Cloud Mail launched Al face recognition of users.
- Notes Mail integrated Al-powered summarisation.
- K launched a beta version of VK Board, an online collaboration space.
- RuStore transitioned its recommendation and search engine to AI-powered technologies.
- RuStore enabled app publishing for foreign individual developers.

- RuStore introduced a Kiosk section with a display of digital offerings, where users can top up balances for foreign games and services.
- **VK** Play provided access to games in the form of activation keys for foreign services.
- ✓ VK launched VK AdBlogger, a platform where businesses and creators meet.
- W VK Education launched the VK Education Projects database for students.

<sup>1</sup> Source: Brand Analytics – Social Networks in Russia: Figures and Trends (Autumn 2024).

<sup>2</sup> A DDoS (distributed denial of service) attack is a cyberattack aimed at disabling or limiting access to web systems.

#### Q4

- WKontakte led social networks in Russia in terms of publications and content creators<sup>1</sup>.
- Kontakte presented a redesigned feed and post editor focused on immersive content experience, minimalist interface aesthetics, and intuitive navigation.
- Kontakte enabled orders and delivery from Ozon.
- 😣 OK launched an infinite recommendation feed with a refreshed design.
- M VK Music released its largest-ever update, including redesign and changes to key sections and the recommendation system.
- W VK announced a contemplated IPO of VK Tech.
- K Tech introduced a virtual AI Assistant powered by generative AI into VK WorkSpace.
- O VK launched a beta version of the new Documents Mail service enabling individual work or team collaboration on text files and spreadsheets.

- Chinese developers increased investments in promoting their apps in RuStore fivefold.
- VK launched VK Business ID as a single account to access VK services for business.
- K developed Web Application Resilient Protection (WARP), an AI-powered tool to protect web resources from DDoS<sup>2</sup> attacks and botnet activity.
- K launched an OpenVK initiative to publish opensource software.
- K held its first-ever social Anti-Cyberbullying Month campaign reaching out to 112.5 mn people in 2024.

CFor more details on VK Video events, see the VK Video: priority focus in 2024 section.









## VK Video: priority focus in 2024

#### Leadership in audience metrics

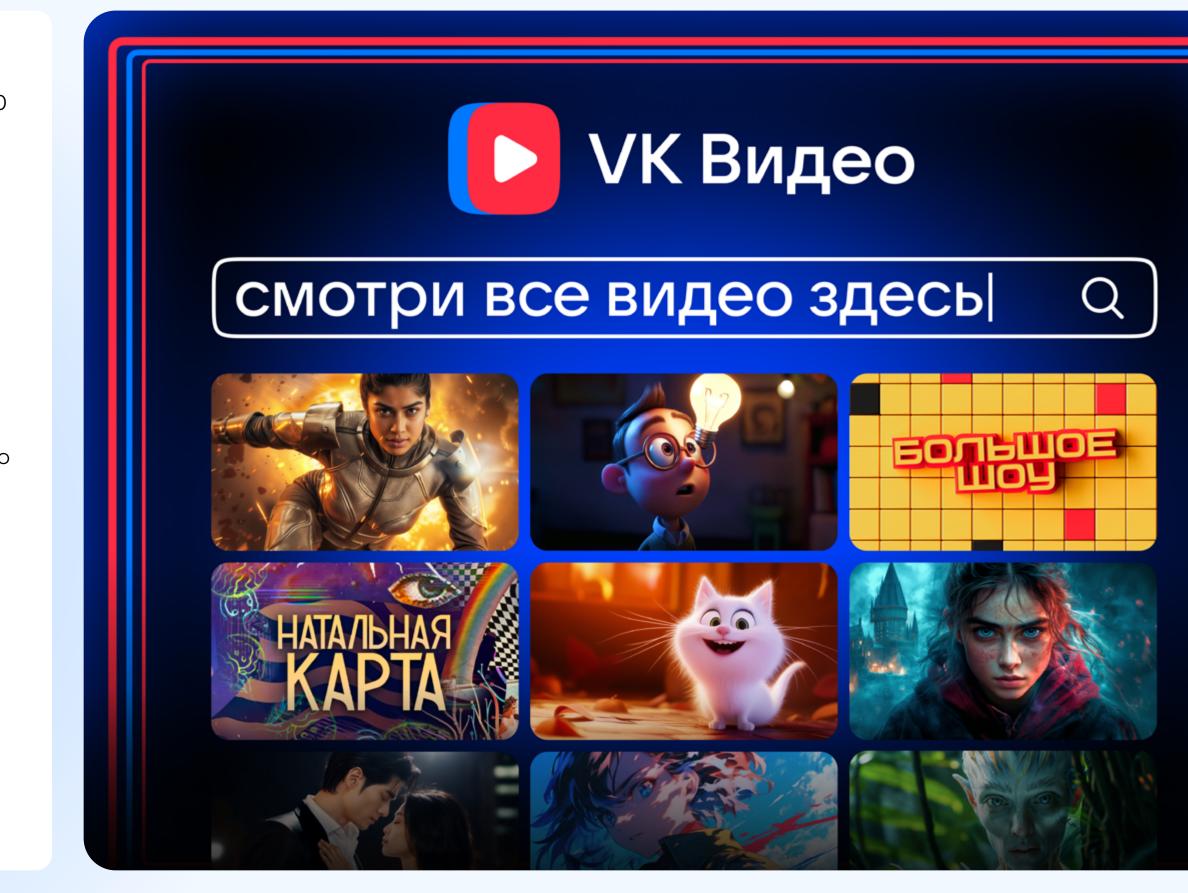
- VK Video became the leading platform for watching videos on smartphones, PCs, and laptops<sup>1</sup>.
- In Q4 2024, the average daily views of VK Video reached 2.74 bn, increasing by 18% YoY.
- ① Users installed the VK Video app on mobile devices and Android TVs more than 60 mn times<sup>2</sup>.
- 👽 In August 2024, VK Video topped the Russian charts on the App Store and Google Play.

#### Collaborating with creators and bloggers

- 😳 Over the year, the platform attracted over 42,000 content creators.
- In September 2024, VK Video launched a new monetisation programme for bloggers and content creators, which boosted their earnings 2.5-fold<sup>3</sup>.
- 🕞 In 2024, VK Video's native advertising doubled to exceed RUB 2.4 bn.
- VK Video enabled creators to edit the structure and design of content pages.
- VK introduced a grant support programme for creators of educational and entertaining video content.

Source: research conducted by VCIOM (Russian Public Opinion Research Centre) on 20–24 September 2024.

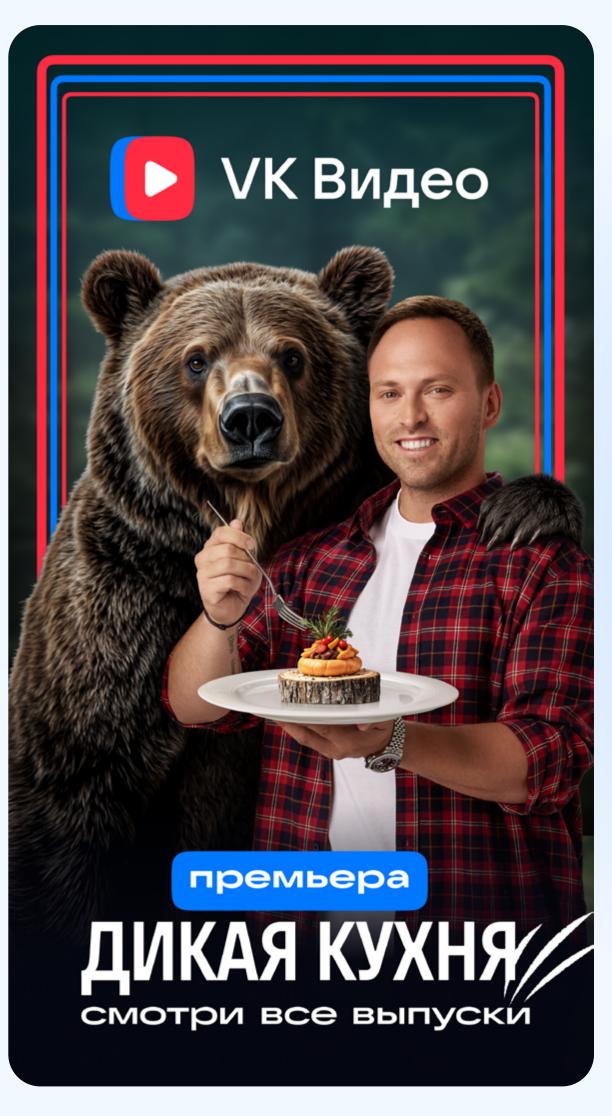
- <sup>2</sup> Mobile device and TV installs since the mobile app's launch in September 2023 to February 2025.
- <sup>3</sup> Internal data from September to December 2024.











#### Creation and promotion of exclusive content

- 🟠 In 2024, VK Video unveiled more than 3,000 piece of exclusive content and produced 38 original sl
- 🛤 VK Video was the first platform in Russia to intro interactive content featuring famous bloggers.
- The platform unveiled a new season of the By the show, the Roast Battle comedy show, On the Ver educational action show, Serious Games docume on the game industry, Wild Kitchen reality show, Subcultures documentary project with Sergey Minaev, and the Stars show.

#### Product updates and raising brand awareness

- **VK Video refreshed the design of its app and web** version while also introducing new features, including a redesigned subscriptions section, watch-later functionality, and notification management.
- Q VK Video launched a new recommendation and search engine, which offers more relevant content due to a deeper understanding of the audience's interests.
- UK Video is now accessible on the separate domain vkvideo.ru, accelerating integration of new technologies and tools and creating new monetisation opportunities for vloggers.
- 😇 VK Video added the Child Mode feature, granting kids access to a vast library of educational and entertainment content while ensuring a safe viewing environment.

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K VK Video users watched an exclusive live stream of the Media Football League cup tournament.

🐼 VK Video launched its Super Cup annual football

tournament.

video platform.

multi-million library.

- △ VK Video live streamed the Bolshoi Theatre's legendary Nutcracker ballet on 31 December 2024.
- 💮 VK Video and the Russian Museum created an AI-generated short film based on Vasily Surikov's painting.

**b** The VK Play Live streaming service integrated with

VK Video, offering streamers and content creators

X VK Video updated its video editor enabling creators

K VK Video ran large-scale federal ad campaigns and

an image promotion campaign for its kids' content.

VK Video users gained access to the VK Clips

access to a multi-million audience of Russia's largest

to edit videos after uploading them to their channels.

#### Integrating advanced technologies and developing infrastructure

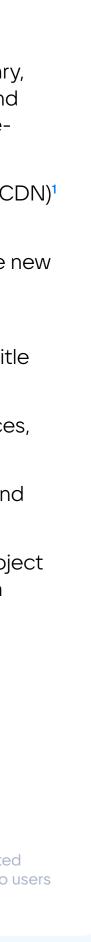
- VK created Russia's largest cloud video library, consolidating content of VK Video, Dzen, and OK.Video into a unified storage system (onecloud), its proprietary development.
- (I) VK expanded its network delivery network (CDN)<sup>1</sup> to support VK Video's growth.
- SVK Video, VKontakte, and OK pioneered the new AV1 video codec in Russia.
- **I** VK Video implemented new Al algorithms for automated speech recognition and subtitle generation.
- VK Video is now accessible on Xiaomi devices, Hisense TVs, and Apple TV boxes.
- The VK Video app is now available to iPad and Android tablet users.
- VK carved out VK Video as a standalone project under its Bug Bounty vulnerability detection programme.

<sup>1</sup> CDN (Content Delivery Network) is a geographically distributed hat enables fast delivery of content to users of web services and websites.

CFor more details on VK Video, see the Social platforms and media content section.

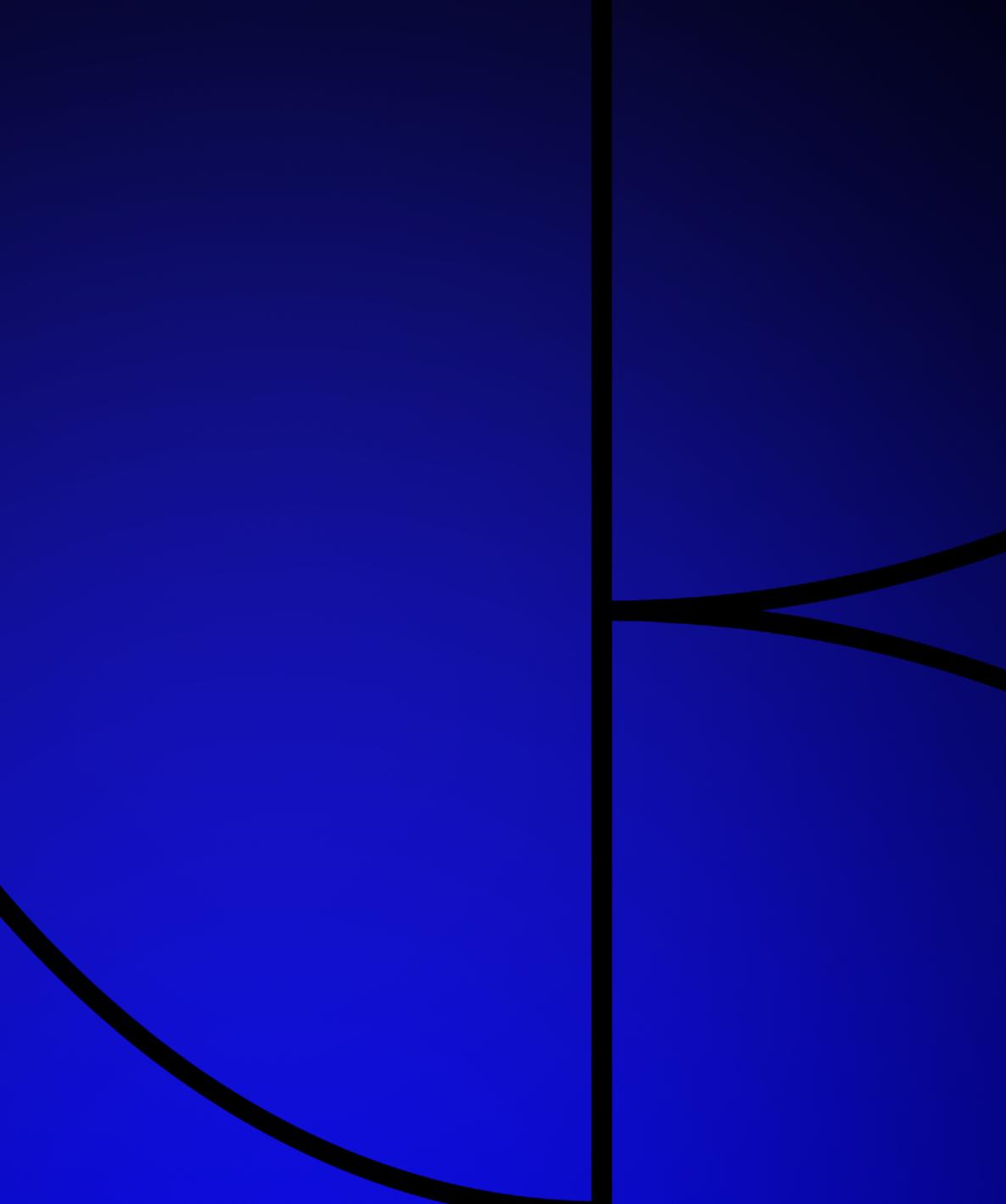








# Results overview



## Social platforms and media content

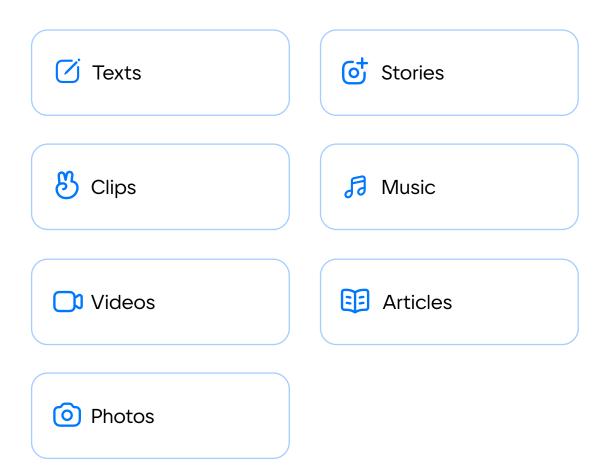


## VKontakte is Russia's Nº 1 social network

VKontakte is a multipurpose platform for communication, creativity and business.

In 2024, VKontakte released over 200 product and technology updates: introduced a new feed design, revamped recommendations, and continued to enhance tools for creators by updating payout dashboard and improving VK Donut.

### On VKontakte, it is possible to share content in all available formats



91.2<sup>mn</sup> +3.5 mn YoY +4% YoY

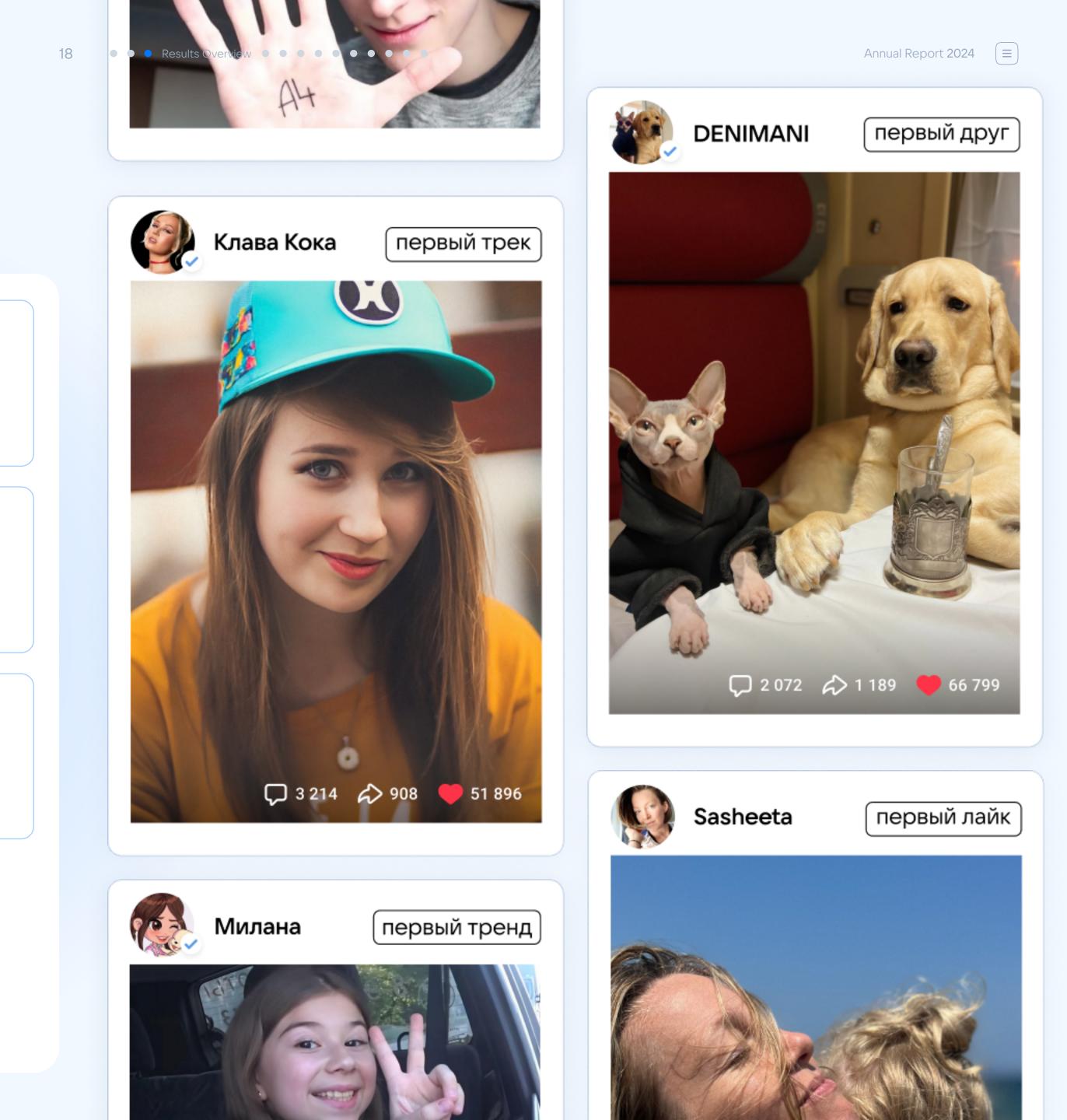
monthly users in Russia in Q4 2024

59.5 mn +3.4 mn YoY +6% YoY

daily users in Russia in Q4 2024

3<sup>bn</sup> +144% YoY

views of VK Clips per day in Q4 2024



In 2024, VKontakte continued to solidify its leadership among Russian social networks. In Q4 2024, its average daily audience in Russia grew by 6% YoY, reaching a record 59.5 mn users, while the average monthly audience added 4% YoY, reaching a record 91.2 mn users. VKontakte is visited monthly by 88% of the Russian Internet audience, with 56% of users visiting the platform every day<sup>1</sup>. Each month, the platform is used by 106.5 mn people from all around the world<sup>2</sup>.

# 106.5<sup>mn</sup>

monthly users globally in Q4 2024

## 6% YoY

VKontakte's daily audience growth in Russia in Q4 2024



#### Feed and recommendations

In 2024, VKontakte introduced a new design for the main feed and the post creation screen. Users gained access to new content publishing and content interaction features. The updates focused on immersive content experience, minimalist interface aesthetics, and intuitive navigation.

Thanks to enhanced recommendations, feed redesign, and creator-focused improvements, the total time users spent in VKontakte's feed increased by 11% YoY in Q4 2024.

The updates also boosted user engagement: in 2024, the average number of reactions per post rose by 32% YoY.

Story views grew by 40% YoY in Q4 2024, driven by enhanced recommendations and technical upgrades to the stories platform.

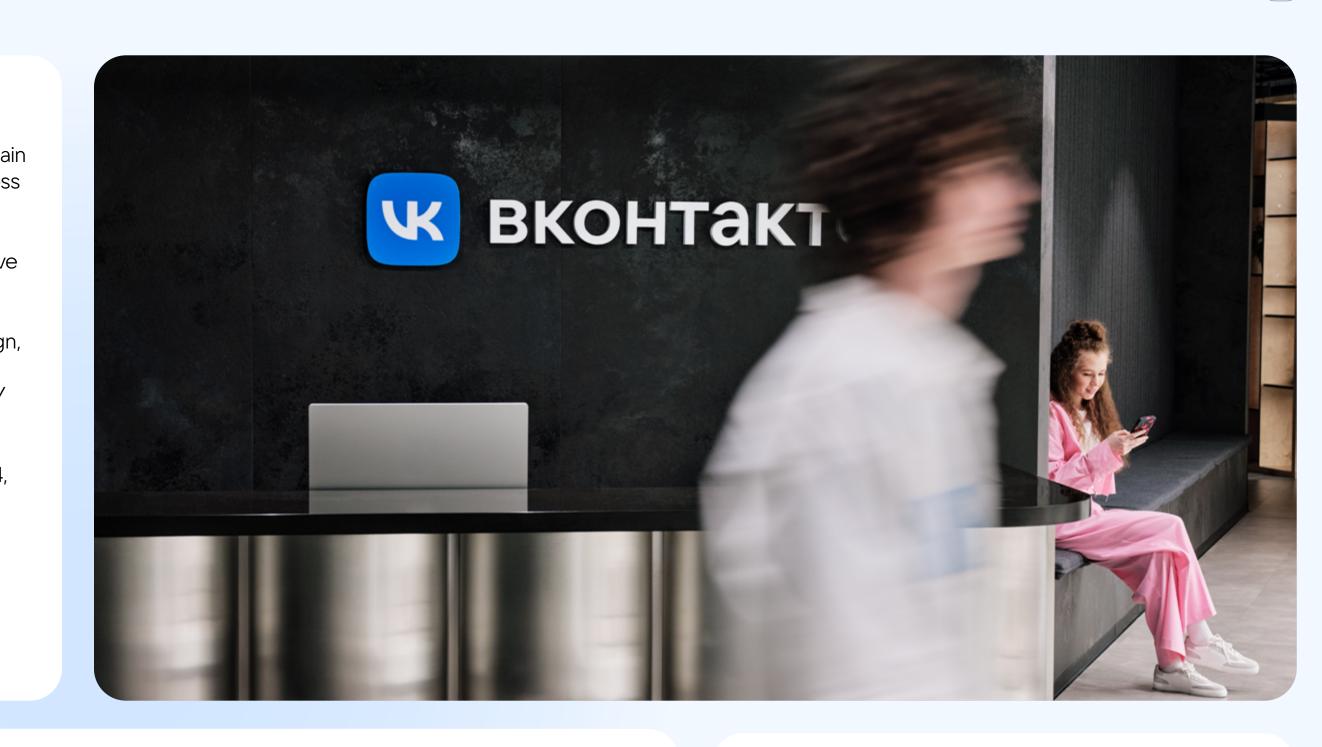
#### Working with creators

In 2024, VKontakte revamped its payout dashboard, Combined creator earnings through VKontakte's official making it more user-friendly for content creators. monetisation tools grew by 28% YoY in 2024, reaching RUB 7.1 bn. Individuals can now receive earnings directly, with instant bank transfers available via the Faster Payment System (FPS).

VKontakte became the first platform to launch VK AdBlogger, a new collaboration tool connecting content creators and advertisers. This platform helps businesses attract clients and boost brand recognition, while creators can monetise their communities and receive advertising requests from major companies.

C For more details, see the VK in the Advertising market section.

<sup>1</sup> Source: Mediascope, Q4 2024, Russia 0+, age 12+, desktop and mobile. <sup>2</sup> Source: Q4 2024 Company data.



Through VK Donut, creators earned a record of RUB 1.4 bn in 2024 – double the 2023 figure. The number of creators using VK Donut increased by 1.7 times. In September 2024, content creators gained the ability to set fundraising goals for specific purposes, with this feature ultimately used by 43,000 communities.

In Q4 2024, the number of active VKontakte communities increased by 7% YoY.

#### Promoting exclusive content

In 2024, VKontakte expanded partnerships with bloggers and the scope of exclusive content on VK Video, unveiling over 3,000 exclusive content releases, including such titles as Serious Games, One Crazy Story, Stars, Roast Battle, and Wild Kitchen.

C For more details, see the VK Video section.

#### User safety

VKontakte pays special attention to user safety and employs advanced technologies to create a secure communication environment.

C For more details, see the Comfortable digital environment section.





#### **OK**

## OK is a social network focused on interests and hobbies

OK is one of the leading social and content platforms in Russia, where users find interesting content on their hobbies and discuss it with like-minded people, communicate with friends and family, listen to music, play games and watch videos.

In 2024, OK enhanced its technologies and services to foster a comfortable user environment, introduced new content formats, and expanded its content library. The OK feed now includes short-form videos from VK Clips and longreads from Dzen. The platform also integrated videos from VK Video and launched an infinite recommendation feed with a refreshed design.

36.2<sup>mn</sup> +1.2 mn YoY +3% YoY

monthly users in Russia in Q4 2024

OK us	sers can:
ଝ	Look for content pertaining to interests
٢»	Listen to favourite music and radio
Q	Create own content and discuss it with like-minded people
	Watch short and long videos
ର	Find friends and communicate
(#3)	Play free games
ø	Subscribe to popular bloggers and media



## всё о ваших увлечениях на <mark>ok.ru</mark>









In Q4 2024, OK's monthly audience in Russia reached 36.2 mn users, up by 3% YoY.

In 2024, OK users sent a total of 43 bn virtual gifts, cards, and stickers.

virtual gifts, cards, and stickers sent by OK users in 2024

#### Hobbies service in OK

OK continued to develop its Hobbies service and its content, adding a Master Classes section with free educational content. The platform collaborated with bloggers, media, and partners to produce hundreds of master classes throughout the year and added new thematic categories for hobbies.

#### Supporting culture and education

OK actively promotes culture and art in digital formats, granting users access to exclusive content from leading cultural institutions.

C For more details, see Support of culture and educational projects section.

#### Content platform

In 2024, OK continued to support creators and develop OK released 164 episodes across 11 original shows focused its content offering. The number of active bloggers on healthy living, fishing, psychology, cottage life, and increased by 43% over the year. In 2024, content creators cooking. These shows amassed some 830 mn views. on OK earned 34% more from monetisation programmes than in 2023. The top five monetisable content The platform also launched a new season of OK People, categories included cooking, travel, crafts, gardening, simultaneously premiering on OK and the STS TV channel. OK ran the second season of its BlogShow idea contest, and pets. helping creators bring to life and produce five original online shows.

34%

growth in OK creators' monetisation earnings in 2024

# окнутые люди 2

Каждую

## original shows

released in 2024

episodes

aired in 2024

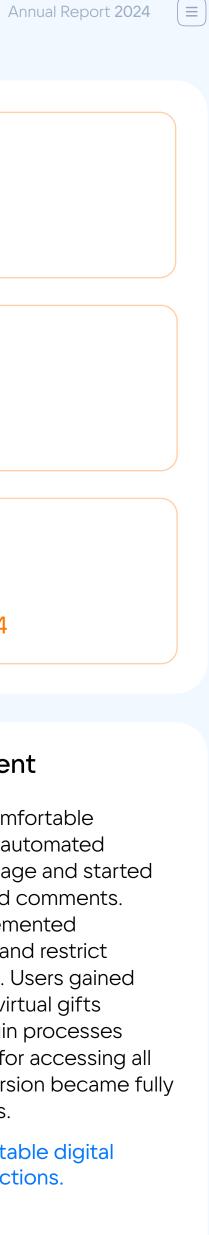
show views as of the end of 2024



#### Comfortable user environment

In 2024, OK continued to foster a comfortable environment for users. The platform automated the detection of inappropriate language and started hiding offensive content in posts and comments. A machine learning model was implemented to identify inappropriate comments and restrict their authors from posting new ones. Users gained opportunity to opt out of receiving virtual gifts or limit senders. Registration and login processes were simplified via a single account for accessing all VK services, VK ID, and OK's web version became fully accessible for visually impaired users.

C For more details, see the Comfortable digital environment and the Inclusion sections.



#### **Дзен**<sup>1</sup>

## Dzen is a content platform for staying updated on global events

Dzen offers the latest news, insights into trends, information on movie premieres and game releases, as well as reviews of new technologies and gadgets. Publications by expert authors in various formats help users stay informed about the most relevant events.

mn daily users in Russia

in Q4 2024<sup>2</sup>

bn hours

time spent on Dzen by users in 2024

#### Creator audience growth and content monetisation

Over one million new creators joined Dzen in 2024. The number of authors monetising their content went up by 20% YoY. Texts remained the most popular format among creators. Users spent 63% of their time reading articles and posts, with the rest spent watching videos.

#### Redesigned interface, thematic channels, and other key updates

In 2024, Dzen rolled out over 200 product updates. One of the key launches was thematic channels with a follow option. Users can now easily find, subscribe to, and follow topics of interest, staying updated on all trends and news. By the year-end, Dzen hosted over 3,000 thematic channels.

In 2024, the platform refreshed its visual identity, introducing a new logo and interface colour scheme for improved readability. These changes were applied consistently across all Dzen touchpoints, including the dzen.ru homepage, the mobile app, thematic channels, and advertising creatives. Dzen's mobile app also gained adaptive fonts.

The Dzen Pro subscription was introduced, offering users ad-free access to articles, news, and videos.

Dzen expanded its range of earning tools for creators. Besides the platform's main monetisation system, bloggers can also earn from their exclusive content. The new Dzen Premium tool enables creators to offer tiered subscriptions priced from RUB 99 to RUB 100,000. All content creators eligible for Dzen monetisation can use Dzen Premium.

The News section added a revamped Sports category, enabling users to quickly engage with sports content, track upcoming tournaments, check real-time match results, and stay updated on the latest sports events.

product updates for users and creators

>3,000 thematic channels with a follow option

#### Charitable initiatives

Dzen actively supports charitable projects, engaging users in solving social issues.

C For more details, see the Charity services section.

Annual Report 2024

# →ДЗен

## всё актуальное по Øтеме в твоей ленте

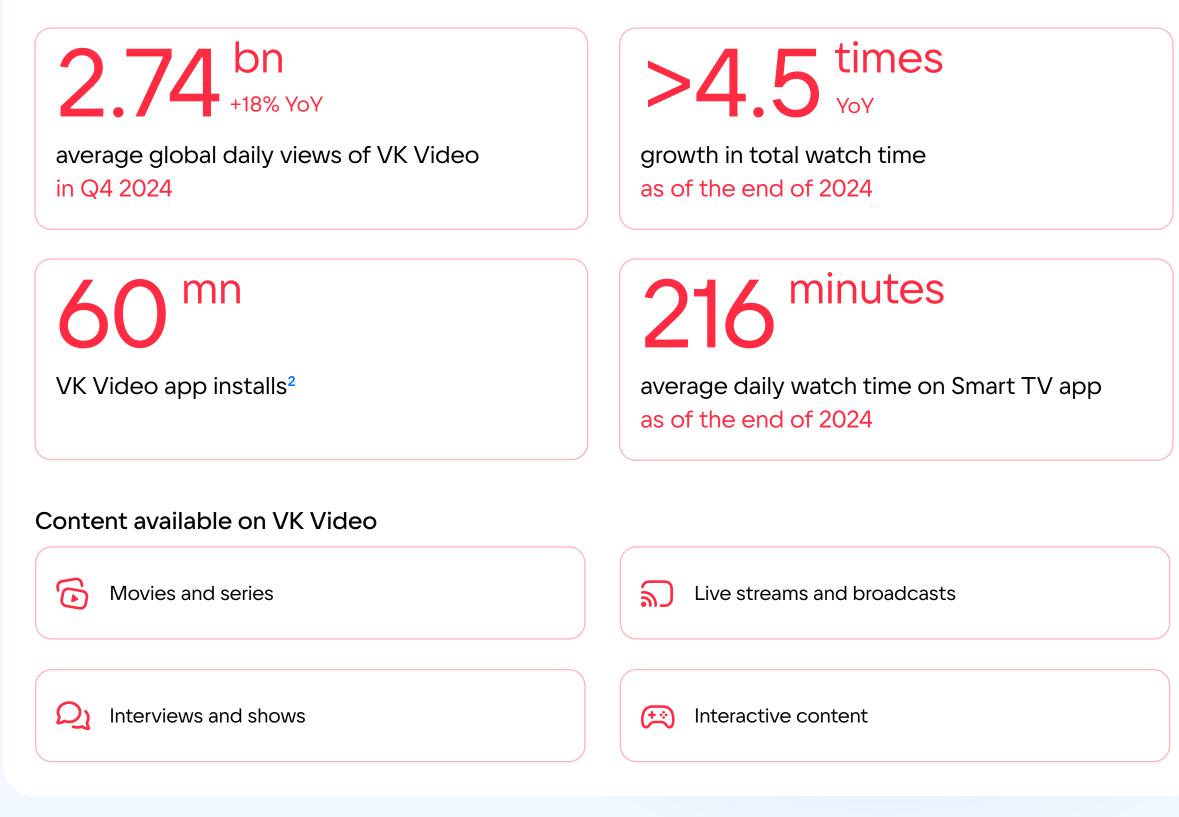
Путешествия

Осень на Алтае



## VK Video is Russia's largest video service

VK Video integrates horizontal videos and broadcasts from VK platforms, including videos from VKontakte and OK social networks. It offers viewers an extensive library of professional and UGC content.<sup>1</sup>



<sup>1</sup> User-generated content.

<sup>2</sup> Mobile device and TV installs since the mobile app's launch in September 2023 to February 2025.

## HOBOE УДОБНОЕ ПРИЛОЖЕНИЕ

# VK Видео



In 2024, VK Video actively expanded its audience and viewership. In Q4 2024, the average global daily views of VK Video reached 2.74 bn, increasing by 18% YoY. Since its official launch in September 2023, the VK Video app was installed on mobile devices and Android TV over 60 mn times<sup>1</sup>. By the end of 2024, total watch time on the platform increased by 4.5 times YoY. Users spent the most time watching content on the Smart TV app, averaging 216 minutes per day.

#### **Exclusive content**

In 2024, VK Video unveiled over 3,000 exclusive content releases, including original platform productions such as the gaming documentary Serious Game, the historical documentary One Crazy Story, comedy shows Stars and Roast Battle, and the survival cooking reality series Wild Kitchen. VK Video became Russia's first video service to introduce interactive content, where users actively shape the storyline, with the outcome hinging on their choices.

#### Working with creators

In 2024, the platform focused on developing tools for bloggers and content creators. The monetisation programme was updated, introducing a revenue sharing model, where creators of original content earn between 50 to 80% of the platform's revenue generated from ads displayed in their videos. By the end of 2024, the average creator earnings within this programme increased by 2.5 times since its launch.

New features for creators were also introduced, including personalised content pages, clip creation from long videos, a new video editor, and the ability to link long videos with short clips. Over the year, the number of original content creators on VK Video increased by 52% compared to 2023. >3,000

exclusive content releases unveiled on VK Video in 2024

38 new original shows released

in 2024

<sup>1</sup> Mobile device and TV installs since the mobile app's launch in September 2023 to February 2025.

VK Видео

#### Major platform updates

In 2024, VK Video rolled out a number of new technological solutions and optimised internal app architecture. The platform launched its standalone domain, vkvideo.ru, and introduced the VK Video Live live-streaming service. The Child Mode feature was added, granting kids access to a vast library of educational and entertainment content while ensuring a safe viewing environment.

#### C For more details on the Child Mode across other VK products, see the Children's Internet safety and Cybersecurity education programmes section.

The platform enhanced its search and recommendations, implemented new AI algorithms for automated speech recognition and subtitle generation in video content, and introduced new features, including a redesigned subscriptions section, watch-later functionality, and notification management. Users also gained access to a multimillion clip library.

300

product updates rolled out in 2024

# Казам, включи детский режим





## VK Clips is Russia's leading platform for short-form vertical videos

VK Clips daily audience surpassed 35.9 mn viewers<sup>1</sup>. Average daily views in Q4 2024 surged by 144% YoY to 3 bn, driven, in particular, by audience growth, refined recommendations, and product updates. Time spent on VK Clips in Q4 2024 soared by 291% YoY, while the number of published clips and content creators increased eightfold and by 72% respectively.

In 2024, VK Clips became available in the VK Video app on Android, enabling creators to leverage short-form content to attract new audiences, while VK Video users gained access to clips directly in the app.

New tools for clip creators were introduced in the VKontakte app, including the voice-over, colour correction, and advanced analytics. A Link a Clip feature was also added for connecting short clips with long-form videos and vice versa, enabling the creation of teasers to promote core content.

For viewers, VK Clips introduced a redesigned clip viewing interface and added Savings section for saving favourite clips into themed collections.

VK Clips also partnered with the Moscow Zoo's capybara guardianship programme, raising awareness about biodiversity conservation.

C For more details, see the Biodiversity section.

+144% YoY

average daily views of VK Clips in Q4 2024

<sup>1</sup> Source: Mediascope, Q4 2024 average, Russia 0+, age 12+, desktop and mobile devices.



Клипы

6



## VK Music is a popular Russian music service

VK Music offers a vast library of music and audio content, including podcasts, audiobooks, and radio programmes. The service is available both in the standalone VK Music app and within VKontakte.

In Q4 2024, VK Music's average global monthly audience reached 45 mn people, including 41 mn users based in Russia. As of late 2024, the subscriber base grew by 17% YoY.

monthly users in Russia in Q4 2024

mn

In 2024, VK Music released its largest-ever update. The major change was the redesign of the VK Music app and the music section in VKontakte, now unified in style. Key sections were revamped, including the homepage featuring the VK Mix endless dynamic playlist, along with the user's track collection, and the player.

Recommendations became faster and more accurate thanks to improved algorithms and the introduction of a dislike feature. VK Mix recommendations can now be customised by mood, track recognisability, and language. Dedicated playlists were launched, such as Love, Joyful, Sad, Active, and Calm.

VK Music expanded its subscription options. Users gained access to an annual subscription, a family plan for four, and a student subscription now available to vocational college and distance learning students.

The musician dashboard – VK Studio – was enhanced. Audiences can now be segmented by engagement level: Fans, Frequent Listeners, and Occasional Listeners. A new Upcoming Releases section was added, featuring a musician's forthcoming tracks, which can be pitched<sup>1</sup> directly from the Studio.

VK Records actively promoted Russian musicians, with over 300 performers collaborating with the label and its music catalogue exceeding 7,000 tracks. In April 2024, the VK Records music studio was launched, offering artists full-cycle recording and music production services.

C For more details on supporting young music talent, see the Educational initiatives and the Support of creative communities and creators sections.

# Совершенно НОВАЯ

12:48



# **VK Микс**

Умные рекомендации для вас





## VK Dating is a popular Russian dating service

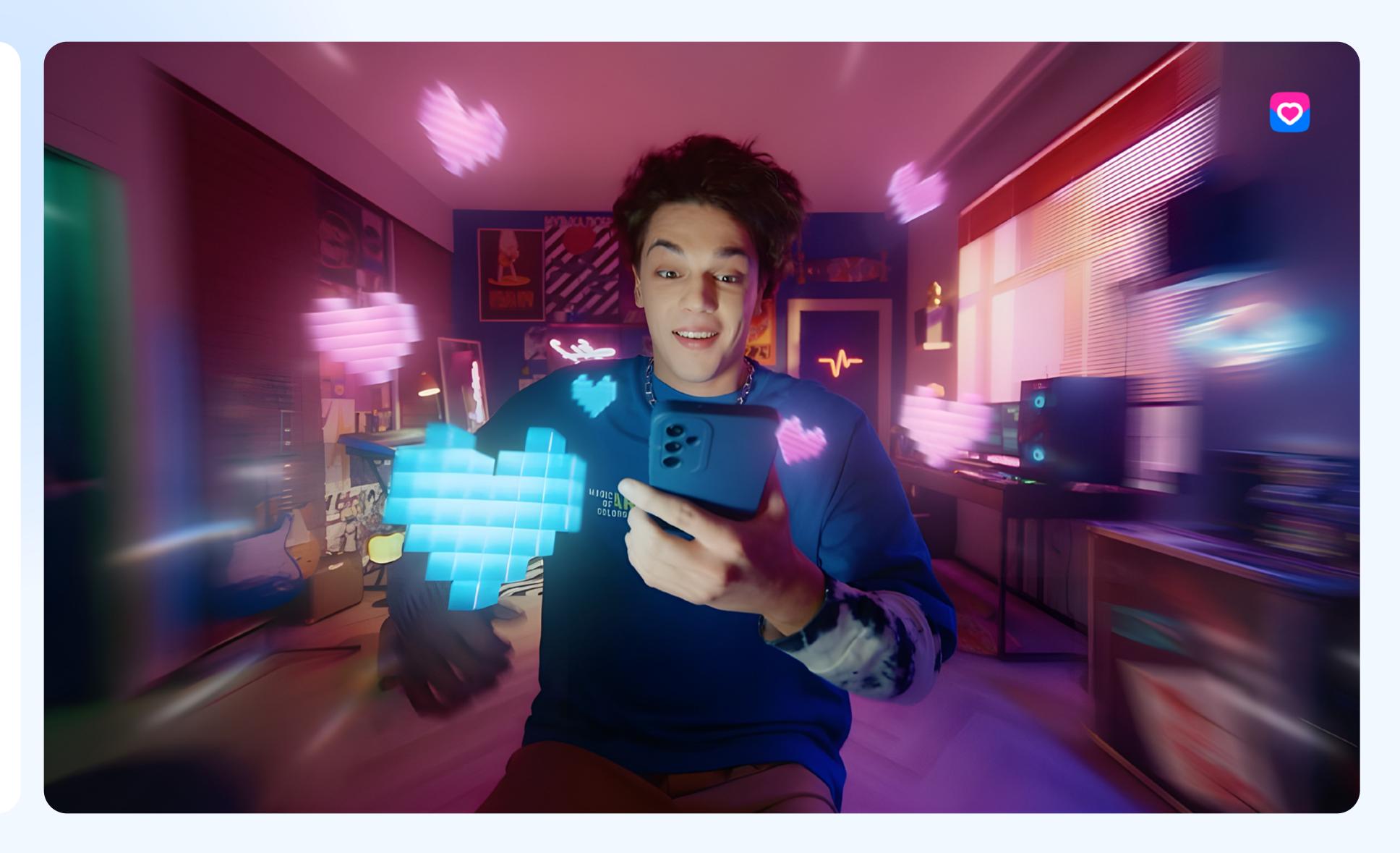
VK Dating is a dating service with smart algorithms that match people based on shared interests. The service is available both in the standalone VK Dating app and within VKontakte.

In Q4 2024, VK Dating's average monthly audience reached 4.6 mn users globally, up by 55% YoY.

4.6<sup>mn</sup>+55% YoY monthly users globally in Q4 2024

In 2024, VK Dating introduced a new interest-based matching feature: users can browse profiles in themed collections aligned with hobbies. Students gained the ability to search for matches within their university. Verified celebrity profiles are now marked with a golden checkmark. Premium subscribers gained advanced search filters, including verification status, dating goals, attitude towards sports, and other parameters.

The service is monetised through premium subscriptions and specialised additional features. In 2024, revenue from VK Dating rose by 95% YoY, the service showed positive result in terms of adjusted EBITDA.



#### Annual Report 2024 $(\equiv)$





#### **VK Messenger**

VK Messenger is a communication service available within VKontakte and in the standalone app.

In Q4 2024, VK Messenger's average monthly audience in Russia reached 78.3 mn users, up by 7% YoY. As of the end of 2024, the standalone VK Messenger app was installed 61.3 mn times.

In 2024, the messenger's web version underwent a redesign. Users can now choose between chats displayed either with a contact list or in a separate window. Features such as chat folders, video message transcription, and themed chat designs became available. The speed of user interaction with the server improved by 30% due to transitioning to a new codebase.

New animated reactions and pop-up stickers became available across all VK Messenger platforms. Users gained the ability to delete messages regardless of when they were sent.

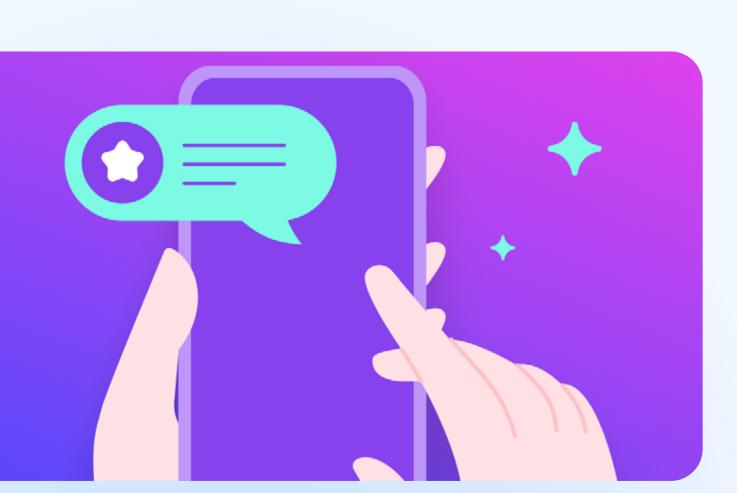
78.3 mn +7% YoY

monthly users in Russia in Q4 2024

🗑 Посметрите 👀 все невые реакции







#### 🙆 sferum

Sferum is an information and communication service for learning purposes and for interaction of teachers, students, and their parents in a shared and secure space. Within the Sferum learning profile in VK Messenger users can communicate in chats, make online calls, arrange online classes and parent-teacher conferences, make live streams, create communities, share learning materials, run polls, and operate information channels.

In 2024, Sferum's audience exceeded 30 mn users, including approximately 20 mn students from all types of educational institutions, 2.1 mn teachers, and

Sferum's users in 2024

8 mn parents. Around 80,000 educational institutions connected to the service.

One of Sferum's most popular features is group calls for online lessons and parent-teacher meetings. In 2024, the average call duration increased by 9% YoY, reaching 36 minutes.

By the end of 2024, Sferum was integrated with electronic academic registers and journals in 85 regions across Russia, enabling teachers, students, and parents to easily transition from their electronic registers and journals to Sferum for communication.

C For more details on Sferum's socially significant projects, see the Educational initiatives for schoolchildren section.





#### **VK Fest 2024**

VK Fest is Russia's biggest music and entertainment festival. It brings together VK products, popular bloggers and performers, a wide range of activities, and hundreds of thousands of visitors.

In 2024, VK Fest took place in five cities, including Ufa, Krasnoyarsk, St Petersburg, Sochi, and Moscow.

- · Throughout its run, the festival welcomed a recordhigh 205,000 people, while its online broadcasts garnered more than 22.5 mn views.
- VK Fest 2024 entered the Russian Book of Records for the highest number of performers and entertainment activities.
- Over 500 performers, influencers, and speakers participated, including Ruki Vverh!, Timati, Basta, and Dima Bilan.
- Guests enjoyed 500 themed zones with unique activities, including dozens of educational areas, including those of Znanie.Lectoriy, where more than 100 speakers hosted lectures, discussions, and interviews attended by thousands of people.
- VK Fest received coverage in over 11,000 media publications<sup>1</sup>.
- Attendees could take part in a charity event run by VK Dobro, following which VK Fest donated RUB 2 mn to charity organisations. The festival featured separate waste collection, cup sharing, and other environmental initiatives. A sign language stream for the hearing-impaired attracted 4.5 mn views.

#### C For more details, see the Charity services, Inclusion, and Awareness projects on reducing the environmental footprint sections.



## 205,000

visitors at VK Fest in 2024

## Russian records

for the number of performers and entertainment activities

#### Offline events and venues

In 2024, VKontakte hosted Fandom Fest for the second time at the Main Stage venue in Moscow. The festival attracted 15,000 fans of diverse pop culture niches, including cosplayers, gamers, movie enthusiasts, K-pop followers, comics lovers, anime fans, video game players, esports aficionados, J-drama enthusiasts, and digital art admirers. Attendees explored the latest in TV series, comics, and cinema, enjoyed live performances by K-pop bands, watched professional cosplayers, and attended workshops by illustrators and artists. Over 400 media publications covered the festival, and its live stream garnered more than 8 million views. Stage performances and their live broadcasts were translated into Russian sign language.

C For more details on inclusive environment at Fandom Fest, see the Inclusivity initiatives section.

VK Music regularly takes part in hallmark offline events and is integrated into Moscow's leading concert venues, such as VK Gipsy, VK Stadium, and VK Music Summer Stage. In 2024, these venues hosted 350 concerts attended by 980,000 guests.

In 2024, VK continued to expand the product range of its flagship VK Stores in Moscow, St Petersburg, and Sirius (Sochi). VK Stores are designed as a convergence point of fashion, technology, and entertainment, where visitors can buy VK-branded merchandise, ranging from smart speakers to hoodies, have a good time and gain first-hand brand experience.







Annual Report 2024  $\equiv$ 



## Children's education

In 2024, VK maintained its leadership in self-learning and tutoring segments, among other things through effective integration of Uchi.ru and Tetrika. On VK's platforms, schoolchildren can acquire new knowledge and skills across different formats and levels of education, and continue their professional development within the VK.

#### **UCHi.RU**

Uchi.ru is a group of companies that operates an online self-leaning platform of the same name for schoolchildren of grades 1–11.

By the end of 2024, Uchi.ru had 14.6 mn active students (approximately 80% of all schoolchildren in Russia), 6 mn parents, and over 750,000 teachers (60% of all educators in Russia).

14.6<sup>mn</sup>

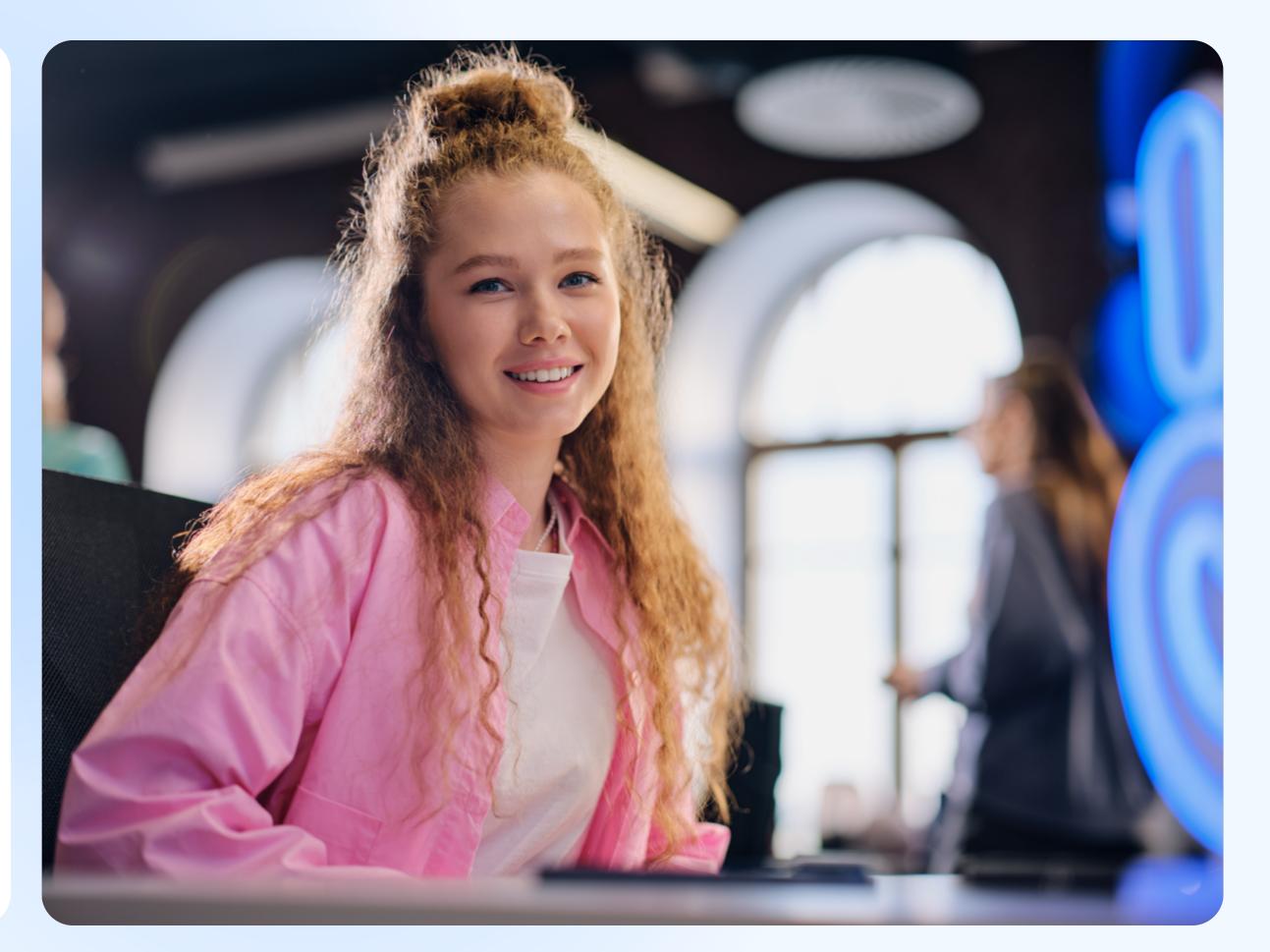
active students on the Uchi.ru platform in 2024

mn paying students on the Uchi.ru platform in 2024

For younger students, three new gamified courses were launched in 2024: Heroes of Programming, the multiplication table trainer Crazy Farm, and English with Little Animals. The platform hosted nine large-scale olympiads, with the unique participants count increasing by 9% YoY to 9 mn students. Three olympiads – in mathematics, English, and the regional studies Closer to the Far East olympiad – were included in the Russian Ministry of Education's official list. The flagship Safe Roads olympiad reached about a third of Russian schoolchildren (some 5.5 mn students). The nationwide August online conference gathered 60,000 teachers for the first time.

In 2024, an increasing number of users opted for the mobile app as a convenient way to access platform materials, with the app's audience growing by 34% YoY to 2.8 mn active users. Students spent 22% more time in the app compared to 2023.

The platform's educational solutions remain in high demand due to their methodological quality: in 2024, Uchi.ru's subject-based content was added to the Russian Ministry of Education's Federal List of Electronic Educational Resources.









Tetrika is an interactive online tutoring platform for preschoolers and students in grades 1–11.

In 2024, Tetrika showed robust growth across key operational metrics. The platform had 9,500 active tutors (a 55% YoY increase) and 63,000 unique paying students (a 37% YoY rise). This growth followed the merger of Tetrika with the online tutoring school Uchi.Doma.

A key focus in 2024 was expanding the product line. New offerings included programming courses (Scratch, Roblox, Python), updated subscription plans, and additional formats and disciplines.



<sup>1</sup> Тетрика — Tetrika.

#### **УМСКУЛ**<sup>2</sup> (non-consolidated asset)

Umschool is an online educational platform for preparing for the Basic State Exam, the Unified State Exam, and olimpiads, with AI algorithms tracking student performance. In 2024, Umschool had a total of over 120,000 graduates. The platform won the Effective Education award in the Leader of the Year in Student Performance category, with one in ten top scorers (100 out of 100) in Russia preparing for the Unified State Exam in 2024 with Umschool. The platform's revenue grew by over 30% YoY.

In 2024, Umschool introduced gamification updates. Students now receive timed tasks and achievement rewards on the homepage, and can unlock prize cases by completing homework, which altogether boosts their motivation and academic performance. A Tutors section was launched, enabling private lessons with teachers.

Umschool's chemistry course was added to the Federal List of Electronic Educational Resources.

<sup>2</sup> Умскул — Umschool.





## Further education (non-consolidated segment)

In 2024, VK continued to develop its further professional education segment through the Skillbox holding.

#### **Skillbox Holding Limited** (non-consolidated asset)

The Skillbox educational holding company brings together the platforms of Skillbox, GeekBrains, Skillfactory, Lerna, and Skillbox English.

In 2024, Skillbox continued to consolidate its assets, increasing its stake in Skillfactory to 100% and in Skillbox English to 71.83%. During the year, the holding sold a total of 160,000 programmes with an average check of RUB 77,000.

160,000

educational programmes sold in 2024

902,000

paid educational programme students in 2024

#### Skillbox

Skillbox is a platform offering reskilling programmes, short courses for honing specific skills, and higher and vocational education programmes.

In 2024, Skillbox launched the Skillbox Digital College - Russia's first online vocational education institution. By the end of 2024, it had more than 500 students pursuing the following programmes: Fullstack Developer, Python Developer, Java Developer, Frontend Developer, and Graphic Designer.

A new Health educational track was launched in partnership with the First Moscow State Medical University, the Russian National Research Medical University, the Federal Research Centre of Nutrition and Biotechnology, and the Moscow Institute of Psychoanalysis.

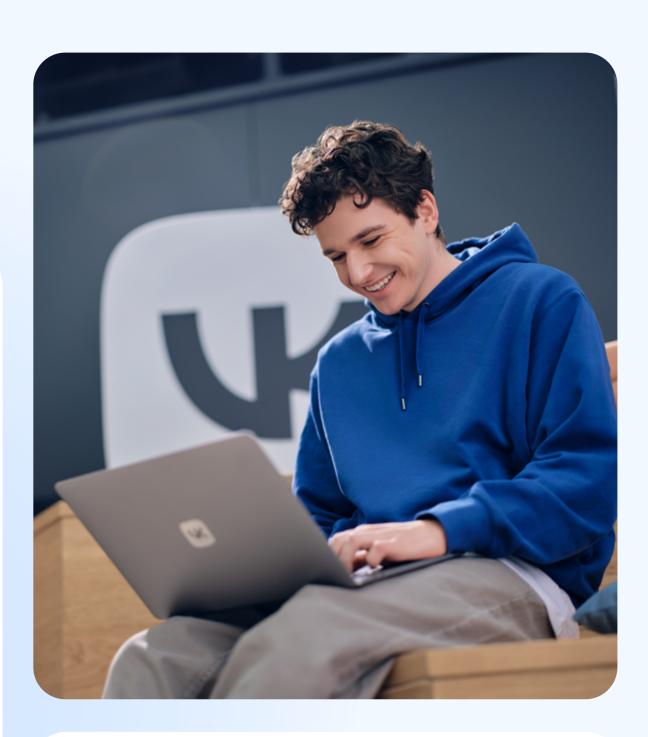
#### **69** GeekBrains

GeekBrains is a platform offering long-term IT-focused programmes. In 2024, it launched courses in artificial intelligence and co-hosted a neural network hackathon with VK.

#### SKILLFACTORY

Skillfactory is an online school that offers training programmes in data science, data analytics, programming, and design (Contented school) as well as higher education programmes run jointly with Russia's leading universities.

In 2024, Skillfactory expanded its higher education segment, launching eight new online master's programmes. These are delivered in collaboration with the Moscow Institute of Physics and Technology (MIPT), National Research Nuclear University (MEPhl), Tomsk State University, Russian Presidential Academy of National Economy and Public Administration (RANEPA), St Petersburg Polytechnic University, and Innopolis University in machine learning, neural networks, computer vision, and game development management. Over 1,700 students were enrolled in the online master's programmes in 2024, with the total number of students exceeding 2,000.



#### Skillbox (английский)

Skillbox English is an online school for learning foreign languages. It leverages speech recognition algorithms and offers personalised learning tracks based on language proficiency assessments.

In 2024, the focus was on integrating AI into the educational process. This included automating the selection and assignment of teachers, launching a pilot AI assistant for educators, and introducing an HR dashboard for B2B clients. New features comprised lesson outcome reports and video communication with lesson recording.

#### Lerna

Lerna is a platform offering educational solutions for users and businesses. By the end of 2024, it had a registered audience of over 2,400 companies and 285,000 employees. The platform offers more than 1,000 courses from holding schools and over 30 external providers.







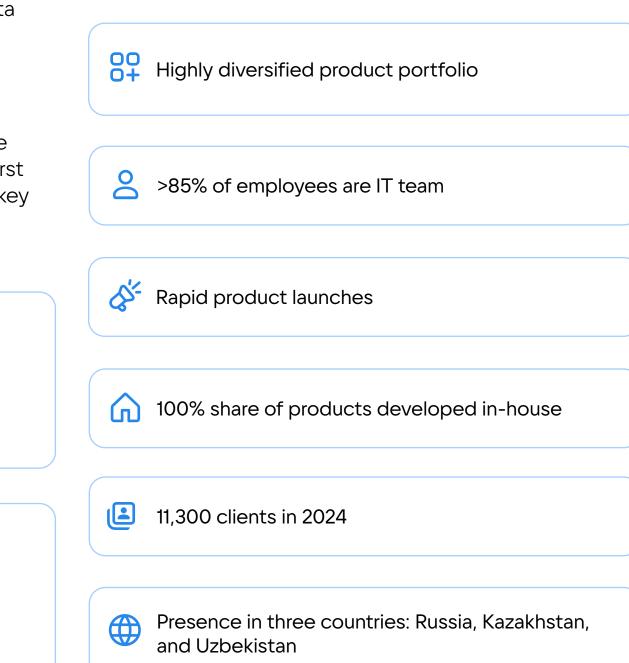


## VK Tech is a Russian corporate software developer

VK Tech is a provider of proprietary IT solutions for corporate clients. Its product portfolio comprises a comprehensive corporate software ecosystem, including a cloud platform, productivity services, data services, and business applications. Core products are the VK Cloud platform and VK WorkSpace productivity services.

VK Tech's products are listed in the Russian Software Register, comply with FSTEC<sup>1</sup> requirements for the first level of protection, and can be deployed using two key models: either on-premise<sup>2</sup> or on-cloud<sup>3</sup>.

VK Tech ranks among Russia's top 3 providers of proprietary IT solutions<sup>4</sup>



<sup>1</sup> Federal Service for Technical and Export Control of Russia.

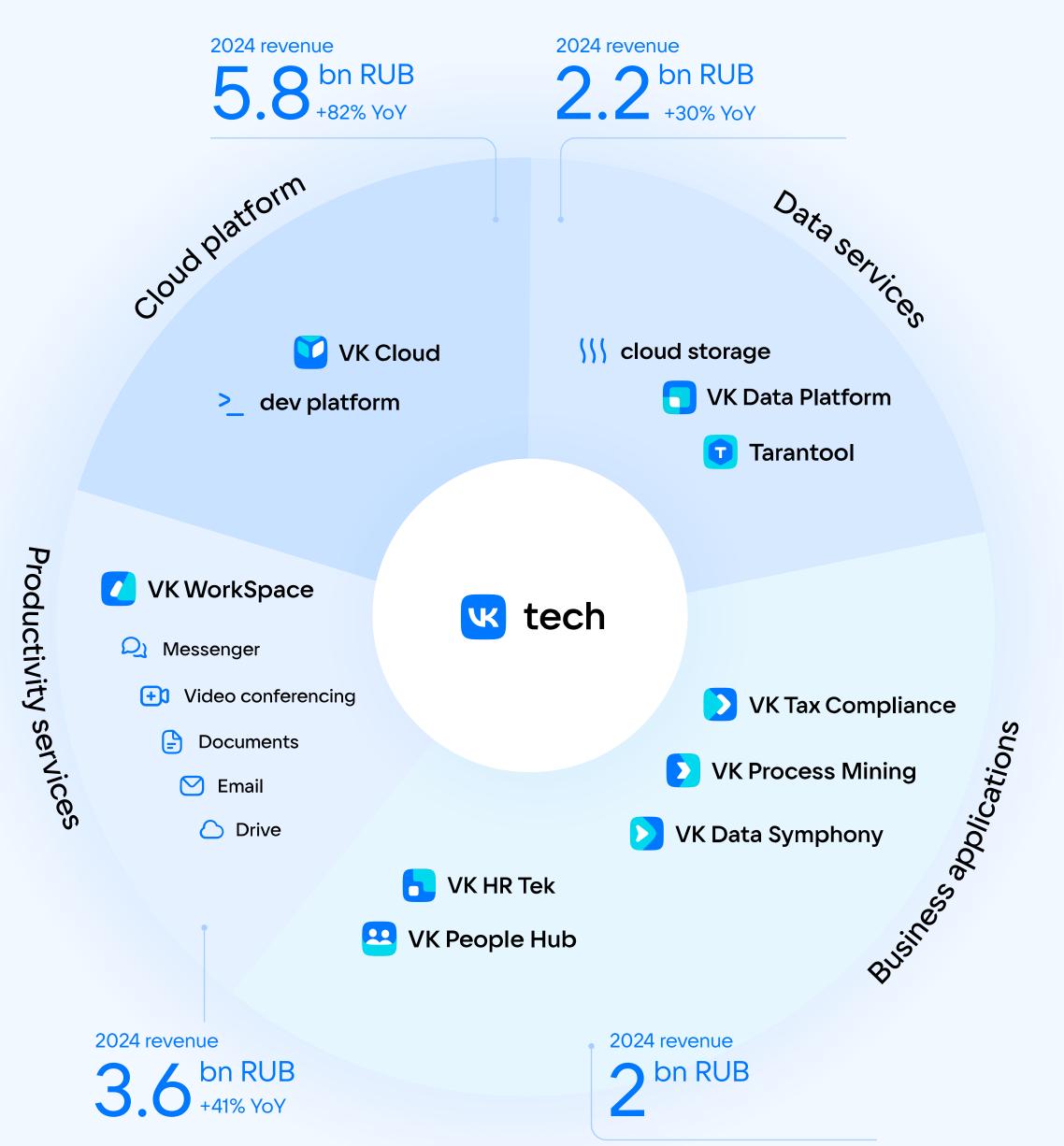
13.6 bn RUB +42% YoY

VK Tech's 2024 revenue

bn RUB

VK Tech's 2024 EBITDA

- <sup>2</sup> On-premise deployment involves granting non-exclusive rights to software hosted locally within the client's infrastructure.
- <sup>3</sup> On-cloud deployment involves granting subscription-based access to cloud services.
- <sup>4</sup> Source: TAdviser Ranking of the Largest IT Solution Providers Listed in the Domestic Software Registry (2024).









## **VK** Cloud

## Развивайте ваш бизнес c VK Cloud



#### **Cloud platform**

#### VK Cloud

VK Cloud is an integrated software platform for implementing corporate IT infrastructure tailored to client needs and enabling expanded adoption of VK Tech's products. It integrates over 50 laaS<sup>1</sup> and PaaS<sup>2</sup> cloud services for efficient development and data management.

Built on VK Cloud's infrastructure and services. the Dev Platform was launched to facilitate the creation of internal development platforms. This enables clients to consolidate their entire software product development lifecycle into a unified environment and improve development efficiency.

VK Cloud is available in public and private cloud formats, providing a competitive advantage that caters to diverse needs of clients of any scale and industry.

#### Key 2024 launches and updates

- Dev Platform and Cloud Desktop, a cloud service for deploying virtual workspaces, were launched.
- Private Cloud by VK Tech, a comprehensive solution for building private clouds on domestically produced hardware and software packages, was introduced.
- A new availability zone (ME1) was launched in the Moscow Region, regional Kubernetes clusters were added, and the number of GPUs for clients<sup>4</sup> was doubled. An Al-powered cloud services consultant was released.

<sup>1</sup> laaS means infrastructure as a service.

- <sup>2</sup> PaaS means platform as a service.
- <sup>3</sup> Программно-аппаратный комплекс.
- <sup>4</sup> A graphics processing unit is a processor designed for graphical computations and graphical data processing. It is essential for video and graphics processing, 3D modelling, and training ML models for AI-powered services.
- <sup>5</sup> S3 (Simple Storage Service) is a cloud-based heterogeneous object storage service designed to store and quickly retrieve virtually limitless data.
- <sup>6</sup> Source: Strategy Partners, Segment Analysis of the Russian Corporate Software Market (February 2025).
- <sup>7</sup> Application programming interface.

- FSTEC certifications for Private Cloud and S3-compatible object storage<sup>5</sup> were secured.
- VK Cloud expanded its product offering in Kazakhstan: clients gained access to a content delivery network (CDN), the Disaster Recovery solution for IT infrastructure and data restoration, and an enhanced suite of analytical tools.

#### **Productivity services**

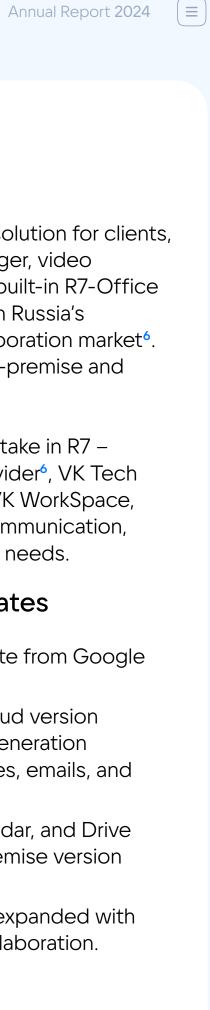
#### VK WorkSpace

VK WorkSpace is a comprehensive solution for clients, integrating corporate email, messenger, video conferencing, and storage with the built-in R7-Office suite. VK WorkSpace ranks second in Russia's corporate communication and collaboration market<sup>6</sup>. The platform is available for both on-premise and on-cloud deployment.

With the 2025 acquisition of a 25% stake in R7 – Russia's leading office software provider<sup>6</sup>, VK Tech integrated the R7-Office suite into VK WorkSpace, creating an all-in-one offering for communication, productivity, and team collaboration needs.

#### Key 2024 launches and updates

- Clients gained the ability to migrate from Google and Microsoft systems.
- AI Assistant was added to the cloud version of VK WorkSpace for automatic generation of summaries of video conferences, emails, and chat threads.
- An API<sup>7</sup> for backing up Mail, Calendar, and Drive data was introduced in the on-premise version of the platform.
- VK WorkSpace functionality was expanded with an online whiteboard for team collaboration.



### **Data services**

### Tarantool

Tarantool is an in-memory computing technology for processing large-scale databases. Capable of handling up to one million requests per second, it is ideal for highload solutions. The product is widely used by clients who store and process massive data volumes, such as banks, telecommunications companies, and retailers.

### **VK Data Platform**

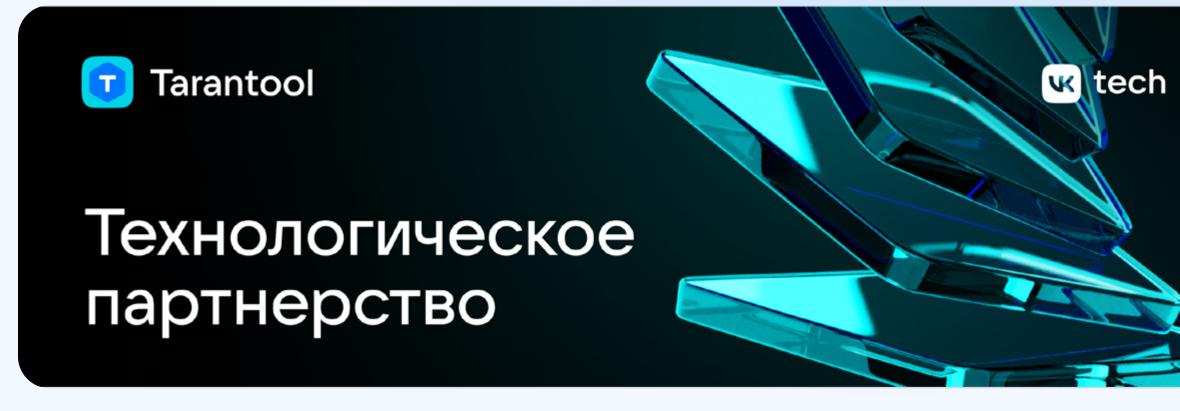
VK Data Platform is an integrated data management solution for companies, addressing tasks from storage and processing to analytics and ML model development. Built on proprietary technologies like Tarantool and Cloud Storage, it offers pre-configured architectures based on modern approaches, enabling rapid adaptation to client needs and swift integration into corporate IT environments.

### **cloud** storage

Cloud Storage is an S3 API-compatible object storage designed to handle large volumes of concurrent requests. It is optimised for managing unstructured data and scales instantly alongside data growth.

### Key 2024 launches and updates

- VK Data Platform was launched.
- Tarantool Column Store (a solution for real-time hybrid data processing), Tarantool Queue Enterprise (a distributed message queueing system), and Tarantool Graph DB (a high-speed graph and vector storage) were introduced
- Tarantool software received an FSTEC compliance certificate.



### **Business applications**

### Financial and operational management

### VK Tax Compliance

VK Tax Compliance is a solution for facilitating data exchange between companies under tax monitoring and the Federal Tax Service of Russia. Developed by VK Tech in 2021 in response to market demands following tax legislation changes, it leads the Russian tax monitoring market<sup>1</sup>.

### Solutions for comprehensive risk management, compliance, and operational processes

### VK Data Symphony

VK Data Symphony is a tool for managing data and automating metric calculations and reporting. It enables the creation of unified data storage and calculation systems, automates tax, financial, and management reporting, and consolidates data from disparate systems.

### VK Process Mining

VK Process Mining is a process analytics platform for managing business processes in large enterprises. The product helps analyse workflows, identify bottlenecks, mitigate risks, and evaluate automation and robotics potential to eliminate human error.

### Automation of HR functions

### **VK HR Tek**

VK HR Tek is an electronic HR document management system for businesses. The service enables paperless exchange of HR documents between HR departments, managers, and employees. Developed by VK Tech in 2022 in response to market needs arising from labour law changes, it currently ranks among Russia's top 3 electronic HR document management solutions<sup>1</sup>.

### 🔼 VK People Hub

VK People Hub is a corporate portal serving as a unified interface for managing employee performance and development, corporate information and knowledge, as well as projects and collaboration.

### Key 2024 launches and updates

- A connector with 1C:Enterprise was released to export data from 1C software to the VK Tax Compliance data mart.
- VK Process Mining became available in a cloud version, enabling simultaneous analysis of multiple processes and real-time detection of hidden deviations.
- VK HR Tek introduced personal dashboards for HR specialists, managers, and employees.





## Ecosystem services and other business lines



Annual Report 2024  $(\equiv)$ 

### Mail is an updated ecosystem of services

Mail is an ecosystem comprising services such as Email, Cloud, Documents, Shopping, Calendar, and Notes.

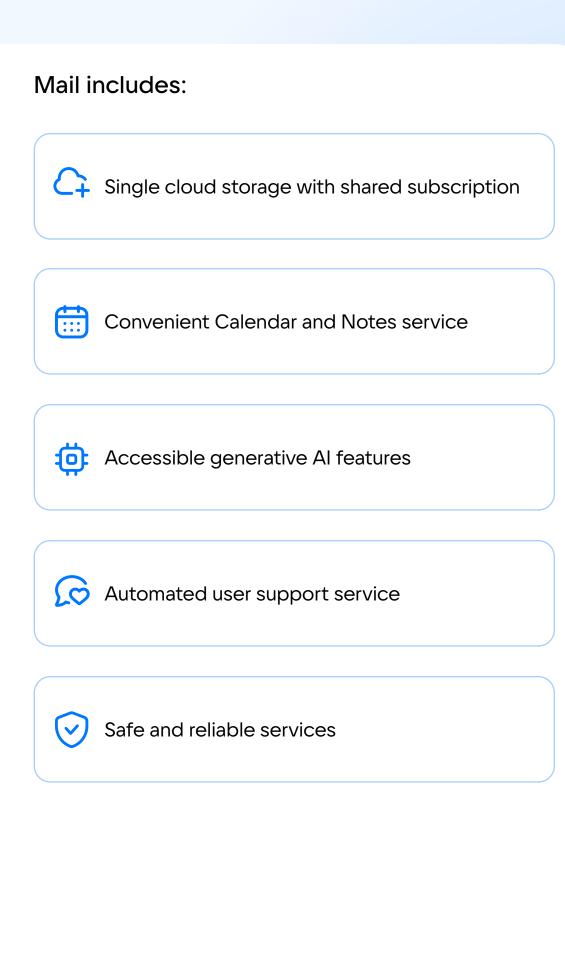
In 2024, Mail underwent a major update, introducing technological enhancements to products and a refreshed visual style to meet the demands of younger audiences, marking a new phase in the evolution of its services. The domain ".ru" was removed from the logo, and the colour palette now features updated shades of blue and lime green. Alongside the new visual identity, a mascot – a white dog named Byte - was introduced.

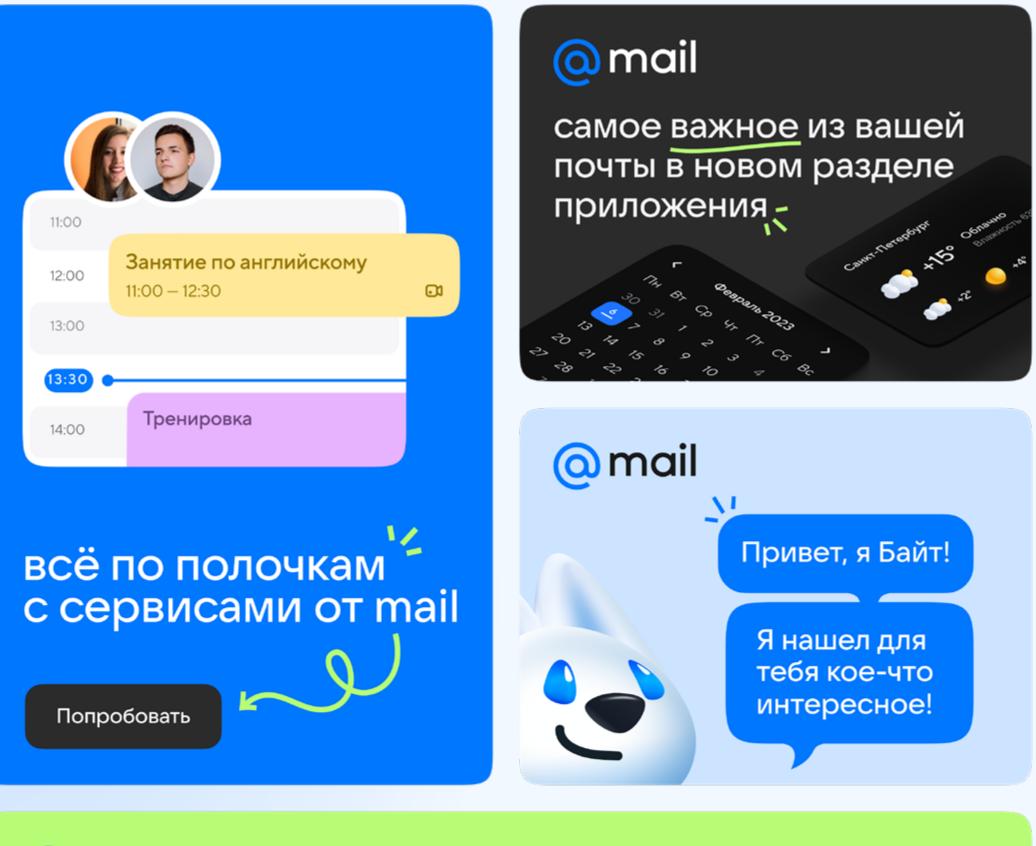
(a) mail mn 49.3 monthly users in Russia in Q4 2024<sup>1</sup>

**О** облако<sup>2</sup>

0

monthly users in Russia in Q4 2024<sup>1</sup>







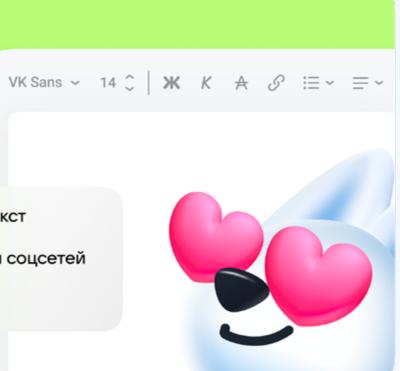
Попробовать

мы уже всё придумали: сделаем за вас всё скучное Сгенерировать текст

- Написать пост для соцсетей
- 😡 Придумать идеи







0

Mail.ru Email is the leader in terms of audience among email services in Russia.

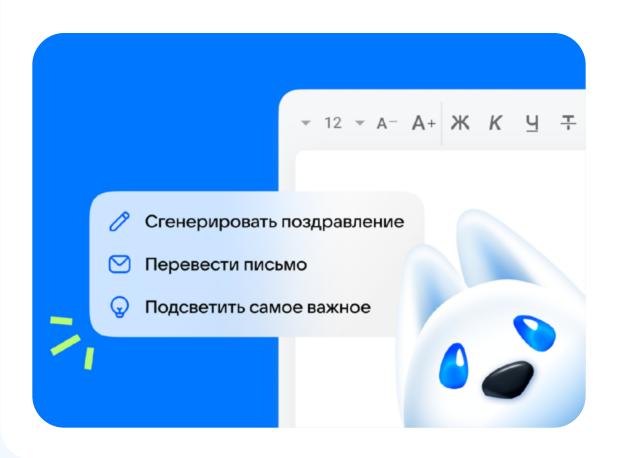
In Q4 2024, the average monthly audience of the Mail Email totalled 49.3 mn, while its daily audience amounted to 16.8 mn users<sup>1</sup>. In 2024, revenue from Mail Space, a single subscription to Mail.ru Email and Cloud Mail, grew by 50% YoY.

50% Yoy

growth in 2024 revenue from Mail Space, a single subscription to Mail.ru Email and Cloud Mail

Mail.ru Email employs advanced technologies to ensure user security.

C For more details, see the Mail.ru Email security section.



- <sup>1</sup> Source: Mediascope, Q4 2024, Russia 0+, age 12+, desktop and mobile.
- <sup>2</sup> Machine learning.
- <sup>3</sup> Large language model.
- <sup>4</sup> Облако Mail Cloud Mail.

- Key 2024 launches and updates
- A beta version of Documents a service for creating, editing, and sharing text and visual files - was launched. Users can work with Documents individually or collaborate on files and spreadsheets, make edits, track changes and version history, leave comments, and discuss issues in chat. Access settings for viewing, downloading, and editing are customisable.
- Mail.ru Email began implementing ML technologies<sup>2</sup> in its support operations, fully automating first-line support and the distribution of user inquiries, thereby reducing processing times. Al analyses incoming requests and routes them to specialists based on issue type.
- A text-driven LLM<sup>3</sup> was launched, granting all users access to AI across Mail services: Email, Cloud, Calendar, and Notes.
- The beta version of Shopping was introduced in Mail.ru Email. This service uses neural networks to organise and highlight information about purchases, scheduled deliveries, and currently available discounts.

<sup>5</sup> Заметки Mail — Notes Mail.

- <sup>6</sup> Календарь Mail Calendar Mail.
- <sup>7</sup> VK Доска VK Board.

### **О** облако<sup>4</sup>

Cloud Mail is one of the leading B2C cloud solutions in the Russian market.

In Q4 2024, the average monthly audience of Cloud Mail totalled 21.8 mn users, while its daily audience amounted to 2.8 mn users<sup>1</sup>.

32.5<sup>bn</sup>

files uploaded by users to Cloud Mail in 2024

### Key 2024 launches and updates

- E-book reading and uploading functionality was added to Cloud Mail. Users now benefit from intuitive navigation: each book features Savings and Quotes sections for quick information retrieval, along with customisable fonts and page colours for comfortable reading.
- PDF editing capabilities were introduced. Users can overlay text on documents, draw, add images and shapes, and edit pages individually by inserting new pages or deleting unnecessary ones.

### **О** заметки<sup>®</sup>

### Key 2024 launches and updates

- Notion data migration became available in Notes Mail. Users can seamlessly import notes, tables, and entries from Notion into Notes Mail without data loss.
- Al-powered summarisation was integrated into Notes Mail, enabling users to generate concise versions of lengthy entries.

### (О) календарь°

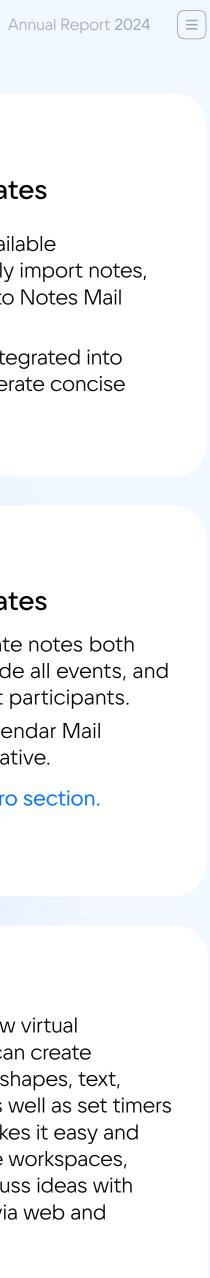
### Key 2024 launches and updates

- Calendar Mail users can now create notes both in advance or during meetings, hide all events, and restrict the addition of new event participants.
- In partnership with VK Dobro, Calendar Mail launched the Good Calendar initiative.

C For more details, see the VK Dobro section.

### Доска

In 2024, VK launched VK Board, a new virtual interactive workspace where users can create scalable smart boards with stickers, shapes, text, images, links, and other elements, as well as set timers for productive work. The service makes it easy and convenient to organise collaborative workspaces, share tasks, track progress, and discuss ideas with colleagues. VK Board is accessible via web and mobile devices.





## RuStore is Russia's leading app store

RuStore ranked first among Russian Android app stores by audience metrics and second in the Russian market overall, including foreign app stores. The service provides users with a wide selection of apps, ranging from globally popular gaming titles to niche products released by indie developers. It offers the entire infrastructure necessary to drive product success, including mobile app development solutions, monetisation and promotion tools, statistics and analytics capabilities.

50 monthly users in Russia as of the end of 2024

### **RuStore for users**

- As of the end of 2024, the average monthly audience of RuStore amounted to 50 mn users<sup>1</sup>.
- As of year-end, the store catalogue included 50,000 apps and games from developers in 40 countries, with all popular Russian services available to users.
- A new Kiosk section was launched, enabling users to top up their balance for in-game purchases and pay for subscriptions.
- Machine learning technologies were integrated into RuStore. Neural networks help users find the apps, generate recommendations, and curate collections.

### **RuStore for developers**

- As of the end of 2024, the total number of developers on RuStore reached 15,000.
- The gaming segment expanded significantly: the number of game developers tripled compared to 2023, accounting for one-third of all publishers on the platform.
- Requests from foreign developers to publish apps on RuStore quadrupled in 2024 compared to 2023.
- The store opened registration to individual foreign developers, which was previously available only to legal entities.
- Over 1,000 Russian and international companies use RuStore's infrastructure for developing and publishing apps.
- RuStore supports domestic technology development and serves as the official app source for Aurora OS, kvadraOS, ROSA Mobile OS, and RED OS M.
- In 2024, RuStore simplified app publishing via the GitFlic repository. Apps are automatically published on RuStore post-build, leveraging existing API authorisation solutions.

## 15,000

developers as of the end of 2024





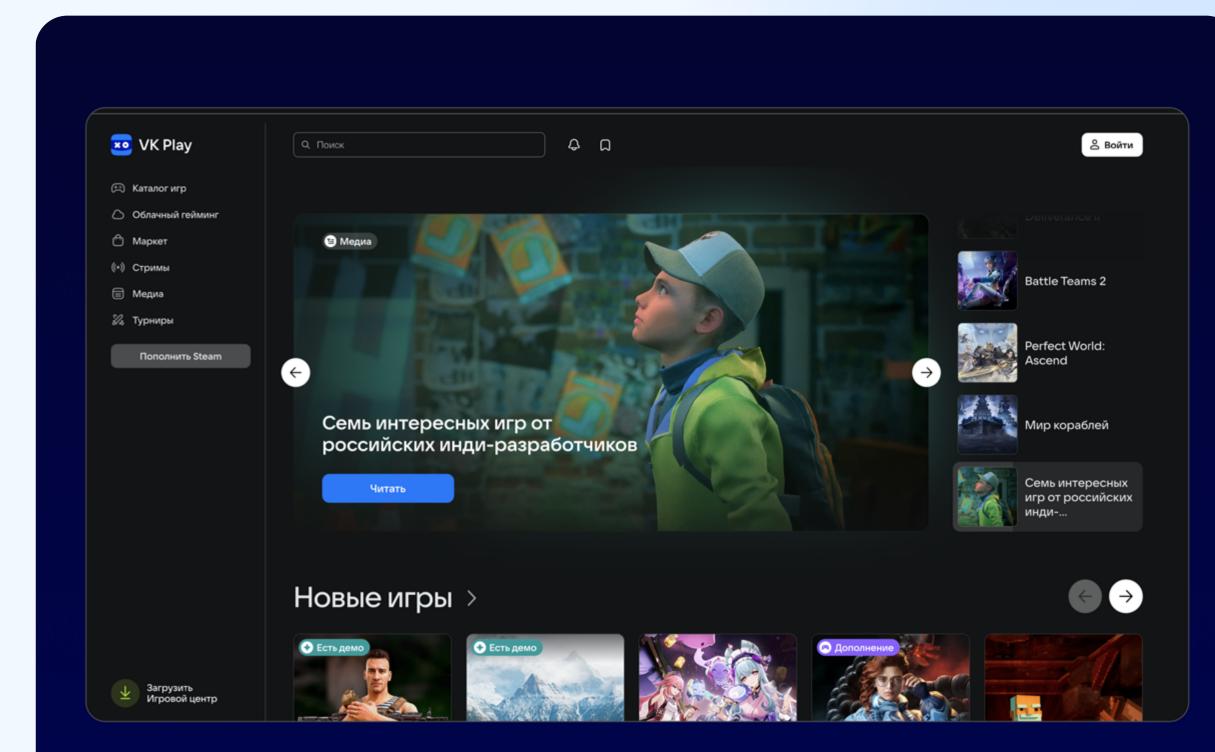




## VK Play is Russia's largest gaming platform

VK Play is Russia's largest platform for gamers, developers, and content creators, integrating streaming, esports, social interaction with fellow enthusiasts, a game catalogue, and cloud gaming. As of the end of 2024, over 49.4 mn accounts were registered on VK Play. Its average monthly global audience in Q4 2024 reached 14.7 mn users, including 12.8 mn users in Russia.

14.7<sup>mn</sup> monthly users in Russia in Q4 2024



### VK Play for gamers

- The VK Play catalogue features over 10,000 games. In 2024, the core catalogue expanded by 3,000 games via Steam keys, including classics like Dark Souls™ III and Death Stranding, as well as hits like Black Myth: Wukong and Elden Ring: Shadow of the Erdtree.
- Users gained the ability to top up Steam wallets directly through VK Play.
- 2024 saw major releases from Russian developers on VK Play, such as Smuta (a game and five educational modules on the Time of Troubles), Saturn, The Adventures of Petya and the Wolf, Ancient Rus, and Spear Song.
- A major redesign of VK Play was completed, unifying game and game-related content management. Updates included a new homepage, navigation system, and a unified game page.
- The user audience of VK Play Cloud grew by 4%, with a 69% increase in the gaming time.
- The VK Play Media platform released over 10,000 news articles, more than 1,000 in-depth articles, and over 500 game guides in 2024.
- The inaugural Demofest a seasonal festival of game demos – was held, amassing 153,000 hours of playtime. A platform for seasonal game sales was also developed.
- VK Play became the general partner of RED EXPO, Russia's largest interactive entertainment exhibition. Its 505 sq. m stand hosted a quest that attracted over 4,000 participants, while its broadcasts garnered 70,000 views.

### VK Play for developers

- The number of developers on the platform grew by 40% YoY, exceeding 3,500.
- A voluntary content rating system for games was introduced, featuring seven descriptors.
- The Laboratory project to support student developer teams was launched in collaboration with VK Education and RuStore. Around 100 projects were submitted, with the top ten receiving expert mentorship from VK Play and partners.

### VK Play for streamers and viewers

- The streaming platform VK Play Live became part of VK Video and received a refreshed design.
- The platform attracted 34,000 streamers, rolled out 105 updates, and ran 10 seasons of its streamer support programme.
- A total of 1.5 mn streams were broadcast, drawing more than 15 mn viewers.









VK Pay is a payment service for all VK products.

It enables users to make payments, and content creators to transfer their monetisation earnings to any Russian bank account. The total number of payment transactions made through VK Pay in 2024 surpassed 226 mn.

VK Pay launched a universal billing platform to simplify the launch of subscription solutions for VK services, with Dzen Pro, Dzen Premium, RuStore and the VKontakte business subscription for communities connected to the system. Content creators now enjoy a more convenient transfer of monetisation earnings via the Faster Payment System (FPS). More cost-effective payment methods saved RUB 112 mn, which had a positive impact on the service's revenue.

## **K**

## ваш пропуск в сервисы рунета

удобно

быстро

безопасно



### UI 😕

VK ID is a single account for accessing VK services, as well as partner websites and applications.

By the end of 2024, more than 20,000 partners integrated VK ID as an authorisation method for their websites and applications. VK Business ID was launched as a single account to access VK services for business, with more than 400,000 business profiles created by year-end.

VK continued to improve user experience in the ecosystem's products by using end-to-end solutions, with 13 services connected to the autologin technology and Mail and OK registrations now unified.

In 2024, 50 mn VK ID users used passwordless authentication methods such as verification through face, fingerprint, QR or a one-time code. VK recorded a 30% rise in the number of such authentications.

C For more details on VK ID, see the Security of ecosystem services section.



## VK in the advertising market



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VK's marketing solutions empower businesses and content creators to connect with over 95% of the Russian internet users. This extensive reach spans across VK projects as well as a vast network of websites and apps within the advertising network.

When it comes to advertising, VK focuses on enhancing technology efficiency and convenience for business and creator promotion. Thanks to improved advertising tools and AI-based process automation, VK Ads campaigns drove a 116% YoY increase in the number of target actions, such as purchases, applications, installations, and subscriptions. By the end of 2024, AI helped create more than 67% of advertising banners in VK Ads.

In 2024, the total number of ads on VK platforms grew 2.5 times YoY and the number of advertising campaigns in VK Ads more than doubled.

In 2024, business investments in native ads on VK Video doubled YoY, exceeding RUB 2.4 bn. International interest in VK Ads is picking up, particularly from Chinese advertisers. In 2024, they spent over RUB 2.2 bn on the platform, which is nearly three times more than in the previous year.

The platform's solutions helped drive a 39% increase in website conversions per rouble invested in promotion as well as a 13% rise in sales via mobile apps.

Over the year, the number of submitted lead forms increased 2.8 times. Lead forms enable users to share their contact information for follow-up through ads, which gives companies access to customers who are ready to make purchases. This helped increase the rate of conversion per rouble invested by 20%.

### Key 2024 launches and updates

- VK Ads launched tools for automatic generation of creatives that leverage AI capabilities to produce numerous images, texts and videos that advertisers can use in their advertisements.
- VK enabled promotion of AppGallery applications and optimisation of campaigns based on in-app events for RuStore applications.
- Advertisers can now launch promotions across the wide audience of VKontakte clips and videos. With in-video subscriptions, users can subscribe to a community or creator profile while watching the video.
- VK kicked off VK AdBlogger, a platform where businesses and creators meet. With the platform, advertisers can bring in new customers by advertising with relevant bloggers, while community creators can receive requests from business of various calibre, run ads and earn money. By the end of 2024, more than 44,000 communities joined VK AdBlogger with over 110,000 posts made using the platform.

## 2.5<sup>times YoY</sup>

growth in the total number of ads across VK platforms in 2024

## times YoY

increase in the number of advertising campaigns in VK Ads in 2024

### **n** times YoY

rise in business investments in native ads on VK Video in 2024



### **Solutions for SMEs**

Millions of small and medium-sized enterprises leverage VK projects to grow their businesses. VK is committed to creating easy-to-use and efficient tools for all-scale business. VKontakte is the most popular promotion platform<sup>1</sup>.

### Key 2024 launches and updates

- Following the seamless integration of YCLIENTS with VK platforms, VKontakte users are now able to make various appointments in just a few seconds as they view their news feed, clips and stories in VK, and service providers offer a more enjoyable customer journey and generate more revenue. VKontakte automatically migrates services from YCLIENTS to the community saving businesses time and resources.
- VKontakte and Ozon integration has been launched. VKontakte users can now buy goods in VKontakte enjoying the usual marketplace advantages such as a familiar checkout and ordering process, convenient payment, nationwide delivery, and possibility to return the goods. The business, in turn, expands its potential customer base, gets additional sales and develops the brand. By the end of 2024, more than 16,000 businesses with a total audience of more than 25 mn subscribers in VKontakte communities took advantage of the integration.
- VKontakte worked hard to develop tools that help increase subscribers' trust in businesses. Business community owners are now able to verify their business accounts via VK Business ID and get a grey check mark, while users are able to give feedback in business community.



### Data management products

### >> VK Predict

VK Predict focuses on developing analytics services and decision support systems powered by big data, machine learning, and Al.

### Key 2024 launches and updates

- Predict AutoML, a platform for creating machine learning-based solutions without engaging IT, was launched.
- Telecom Radar gained a new option to analyse communication quality for broadband operators.



VK CXhub is a marketing automation and advertising data management platform that helps communicate with customers in different channels: in messengers through chatbots, by text messages and e-mail with the help of a constructor. VK CXhub clients store about 200 bn events of their advertising campaigns and send about 80 mn messages a year using the CXP module<sup>1</sup>.

### Key 2024 launches and updates

- A VK CXhub-based platform was created and made available to all users to improve customer experience. The platform helps automate customer interactions – from the first meeting to repeat sales – across all channels, including e-mail, messengers, text messaging and social networks, all in one window and without engaging IT specialists.
- Following the update, a CDP module<sup>2</sup> now offers self-service<sup>3</sup> and new analytics and data visualisation tools.

CXP (Customer Experience Platform) module is a module that provides analytics and helps build strategies for personalised communications with business customers.

CDP (Customer Data Platform) module is a module for storing, processing and managing company data from various sources.

<sup>3</sup> A format where clients can work independently in a personal account without specialist involvement.









### Financial results for FY 2024

### VK key financial results

K

In 2024, VK demonstrated revenue growth by 23% YoY to RUB 147.6 bn. The main driver was online advertising revenue, which increased by 20% YoY to RUB 96.1 bn. Revenue from online advertising of the small and medium enterprises segment grew by 27% YoY, while revenue from video ads on VK platforms doubled to reach RUB 3.9 bn. VK's non-advertising revenue increased by 27% in 2024. The EdTech segment showed revenue growth of 83% YoY to RUB 6.3 bn, while the VK Tech segment showed a 42% YoY revenue increase to RUB 13.6 bn in 2024.

In 2024, VK's adjusted EBITDA was in the negative territory, while its net losses increased due to several factors, including higher investments in product and service development. The company made the investments to create and promote exclusive and partner content in H2 2024, and to support the development of advanced technologies and infrastructure upgrades, including establishing strategic server equipment reserves and building data centres. Additionally, financial results were affected by the growth of interest payments, depreciation charges, and non-cash IFRS adjustments resulting from the current macroeconomic environment.

### C For more details on consolidated financial and operational results for 2024, see the Company's website.

147.6 bn RUB

Revenue

### Key financial results by business segment

In 2024, VK redesigned its corporate structure. We reflected investment in Skillbox educational holding in IFRS financial statements as a joint ventu as the option to purchase a controlling interest had expired. VK shifted the focus of the Educational Technologies (EdTech) segment to children's education. The results of the VK Tech segment were presented in view of the target group structure of JSC VK Technologies. The segments' financial data is provided in line with the new corporate structure.

### The Social platforms and media content segment's revenue, RUB bn



In 2024, revenue of VK's key segment, Social platforms and media content, increased by 23% YoY to RUB 104.3 bn. The primary driver of the segment revenue growth was the increase in VKontake social network revenue, which expanded by 29% in 2024. Other growth factors included the expansion of VK Video total watch time by 4.5-fold as of the end of 2024, the growth of VK Clips average daily views by 118% in 2024, and the increase in VK Music subscriber base by 17% YoY as of the end of 2024.

## 96. bn RUB +20% YoY

Online advertising revenue

## 51.5 bn RUB +27% YoY

Non-advertising revenue

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2024	63	+83%
2023	3,4	

The EdTech segment's revenue, RUB bn

In 2024, EdTech segment showed revenue growth of 83% YoY to RUB 6.3 bn. The growth was driven by demand for educational courses for children, as well as the effect of consolidation of Uchi.ru from 17 February 2023 and Tetrika from 1 September 2023. The segment's adjusted EBITDA amounted to RUB 0.6 bn in 2024.

The VK Tech segment's revenue, RUB bn

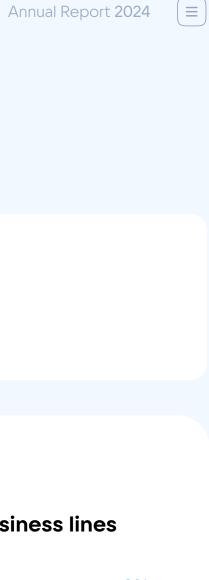


In 2024, VK Tech's revenue increased by 42% YoY, reaching RUB 13.6 bn. The key drivers of the revenue growth were the VK Cloud platform with an 82% YoY increase, and VK WorkSpace productivity services with a 41% YoY revenue growth. In 2024, VK Tech's adjusted EBITDA soared by 138% YoY to RUB 4.0 bn with an EBITDA margin of 29%.

### **Ecosystem services and other business lines** segment's revenue, RUB bn



Revenue of the Ecosystem services and other business lines segment increased by 9% to RUB 24.6 bn, partly due to a 34% YoY growth in Cloud Mail revenue, a whopping 7.7-fold increase in RuStore revenue, and the effect from the acquisition of the YCLIENTS service in December 2023.









### **Operating expenses**

In 2024, VK's operating expenses increased by 26% to RUB 152.6 bn, with the majority of them (around 70%) attributable to the Social platforms and media content segment.

### We developed the VK Video platform further:

- VK Video released more than 300 product updates for its users and content creators:
- according to VCIOM<sup>1</sup> data, VK Video became the leading platform for watching videos on smartphones, PCs, and laptops;
- according to Mediascope, VK Video surpassed YouTube in the number of daily users during the New Year holidays, with about 41 mn people watching content on the platform<sup>2</sup>;
- more than 60 mn times users installed the VK Video app on mobile devices and Android TVs<sup>3</sup>;
- more than 42,000 new content creators joined the platform, over 3,000 pieces of exclusive content were published, and 38 original shows were released in 2024.

### VK made investments in cutting-edge technology, large-scale updates and launch of new services:

 VKontakte, OK and Dzen rolled out more than 500 product and technology updates to boost user experience and performance;

- improved recommendation algorithms in VK Video helped increase views in recommended video bloc in the open player by 80%<sup>4</sup>;
- VK enhanced shopping experience in VKontakte as p of the partnership with Ozon;
- VK implemented a seamless integration of the YCLIENTS online appointment and business automation service with VK platforms;
- VK presented a new VK AdBlogger platform connecting content creators and businesses;
- VK Tech launched VK Data Platform, a multipurpose platform for businesses to manage big data in high-load systems and Al;
- VK rolled out and enhanced AI and generative neural networks functionality in the services, and improved CDN network for content delivery to accommodate for the growth of VK Video;
- VK developed the WARP (Web Application Resilient Protection) Al-based system to defend against DDoS attacks and bot activities.

### VK invested in projects with non-advertising monetisation:

- the compound annual revenue growth rate of VK Tech since its segregation as a separate segment in 2018 to 2024 amounted to 73%;
- revenue from the VK Cloud platform rose by 82% YoY, while revenue from VK Workspace productivity services increased by 41% YoY;

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• revenue from VK Dating rose by 95% YoY;

• revenue growth from sales of Mail Space, as single subscription to Email and Cloud Mail, reached 50% YoY.

### VK invested in increasing awareness and strengthening public perception of key services and products:

- in 2024, we conducted more than 15 nationwide advertising campaigns for VK Video, VK Music, VKontakte, and VK Fest;
- VK Fest was attended by a record-high 205,000 guests, while its online broadcasting enjoyed 22.5 mn views.

Through significant investment aimed at bolstering its leadership in key audience metrics, the Company succeeded in growing revenue across all segments and establishing a solid audience and technological foundation for future efficiency gains.

### **Capital expenditures**

VK's capital expenditures in 2024 amounted to RUB 26.9 bn, down by 17% YoY. The company is building up reserves of network and server equipment and investing in the construction of its own data centres to scale up and improve the reliability and resilience of its infrastructure as well as investing in cutting-edge technologies and product development.

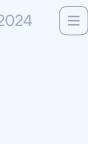
In 2024, VK commissioned the first stage of its data centre in the Moscow region with a capacity of 5 MW.

### Net debt

The company's net debt stood at RUB 174.3 bn as of the end of 20245<sup>5</sup>.

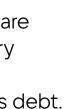
In March 2025, VK's Board of Directors decided to convene an Extraordinary General Meeting of Shareholders to consider an increase in the share capital through the issuance of additional ordinary shares via a private offering. VK plans to raise up to RUB 115 bn and use the proceeds to reduce its debt.

The company does not plan to increase its debt burden, planning instead to implement major investment projects through partnerships.









<sup>&</sup>lt;sup>1</sup> Source: research conducted by VCIOM (Russian Public Opinion Research Centre) on 20–24 September 2024. 2,000 Russians aged 14 and over took part in the survey.

<sup>&</sup>lt;sup>2</sup> Source: Mediascope, 29 December 2024 – 8 January 2025, Russia 0+, age 12+, desktop and mobile.

<sup>&</sup>lt;sup>3</sup> Mobile device and TV installs since the mobile app's launch in September 2023 to February 2025.

<sup>&</sup>lt;sup>4</sup> We ran performance analysis from the launch of the updated recommendation system in September 2024 to November 2024 to assess the performance of the recommendation algorithms. <sup>5</sup> Excluding lease payments.

## VK investment portfolio

VK's investments in shares or stakes in companies aim to strengthen its market position, create added value through synergies with existing assets, and develop new lines of business. The company categorises its investment portfolio into three groups based on acquisition objectives, stake size, and financial impact: consolidated strategic investments, consolidated core business investments, and portfolio investments.

### **Consolidated strategic investments**

Consolidated strategic investments include stakes in companies with high business autonomy and strategic development focus aligned with VK's long-term goals. These companies' financial results are consolidated in VK's IFRS statements. The objectives of these investments are to enter new markets and strengthen VK's position in existing business segments. In 2024, key consolidated assets achieved a revenue growth of 127% YoY.

In late 2023, VK acquired a 100% stake in YCLIENTS, Russia's largest SaaS<sup>1</sup> platform for online booking and business automation in the services sector, as part of its strategy to develop the SME offering. The acquisition enhanced VK's development potential by expanding its toolkit for businesses, driving synergies, and strengthening its integrated product offering.

The consolidation of online education platforms Uchi.ru fuelled audience growth and engagement, while enabling and Tetrika (Preprep.ru) in 2023 positioned VK as a leader the creation of highly-popular content, optimising in Russia's children's education market. In 2024, its production costs and timelines, and boosting margins. the EdTech segment's revenue grew by 83% YoY, partly due to the effect of this consolidation. In 2023, VK bolstered its position in influencer marketing by acquiring a 51% stake in Didenok Star, a communications C For more details on the Uchi.ru and Tetrika agency specialising in blogger partnerships. The agency's performance, see the EdTech section. network of influencers has driven solid growth in user acquisition and audience engagement across VK's As of the end of 2024, VK held a 100% stake in Medium platforms.

Quality Production (MQP), a leading digital video content producer in the CIS countries. MQP supplies VK Video with exclusive content, including hit shows like Big Show, Natal Chart, Women's Forum, Roast Battle, and the highly successful Stars. Collaboration between VK and MQP

Stake	Development focus
100%	SME process automation services
100%	Children's online education
100%	Video content production
90.18%	Children's online education
51%	Communications agency engaging with bloggers
40%	Cloud-based service for ticket sales management
	100% 100% 100% 90.18% 51%

In 2024, VK acquired a 40% stake in Intickets, a cloudbased ticket sales management platform for cultural and entertainment events. This investment enabled VK, acting as a trusted information system, to advance the development of the Pushkin Card government-backed cultural access programme for young people, enhancing its efficiency and security for cardholders, cultural organisations, and ticket operators.

### **Consolidated core business** investments

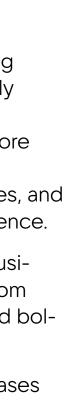
These investments focus on acquiring controlling stakes in companies with offerings that are highly integratable into VK's projects and products, making their financial impact inseparable from core operations. Goals include strengthening market positions across VK's products and business lines, and enhancing their operational efficiency and resilience.

To further advance its strategic products and business lines, VK integrated development teams from Many Apps and VK Art Lab, optimising costs and bolstering in-house development expertise.

To optimise expenses, VK secured long-term leases in St Petersburg's Singer House and one of the towers of the Skylight business centre in Moscow, which serve as headquarters for VKontakte and VK respectively.







### Portfolio investments

VK acquires non-controlling stakes in companies to implement projects that drive deep product integration, effectively diversify business, and increase synergies with core assets. In 2024, the carrying value of equity-accounted investments in associates and subsidiaries rose by 74.9% YoY to RUB 24.3 bn, while VK's share of net profit surged more than eightfold compared to 2023.

In 2023, VK acquired a 25% stake in Tochka (sole owner of Tochka Bank, Russia's leading bank for entrepreneurs offering a range of financial and non-financial services) to enhance its SME value proposition.

In Q1 2025, VK finalised the acquisition of a 24.996% stake in R7, a Russian office software developer, in line with VK Tech's development strategy. R7's cloud-based editors for documents, spreadsheets, and presentations are integrated into Email and Cloud Mail services, as well as VK Tech's corporate solutions (VK WorkSpace).

CFor more details on the Mail.ru Email, Cloud Mail, and VK Tech performance in 2024, see the Ecosystem services and other business lines, and the VK Tech sections.

In 2024, VK purchased a 10% stake in Kassir.ru – National Ticket Operator, as part of its strategy to add value to key products.

Skillbox Holding was deconsolidated in 2024 following the expiry of the call option to acquire a controlling stake (up to 100%), but remains part of VK's continued efforts to develop further professional education through a joint venture.

CFor more details on the Skillbox performance in 2024, see the EdTech section.

Key portfolio investments	Stake	Development focus
Umschool	25%	Children's online education
Tochka	25%	Comprehensive solutions for SMEs
R7	24.996%	Office software solutions
Kassir.ru – National Ticket Operator	10%	Ticket operator
Skillbox Holding	55.96% <sup>1</sup>	Further professional education







# ESG and sustainable business development

### [2-22], [2-23]

W

VK is committed to creating positive social and environmental impact through responsible business practices. The company has embedded ESG principles into its business processes, ensuring all stakeholders' interests are considered while establishing a clear long-term direction.

Within its ESG framework, VK focuses on several key areas:

### E (Environmental):

- environmental education;
- minimising environmental impact.

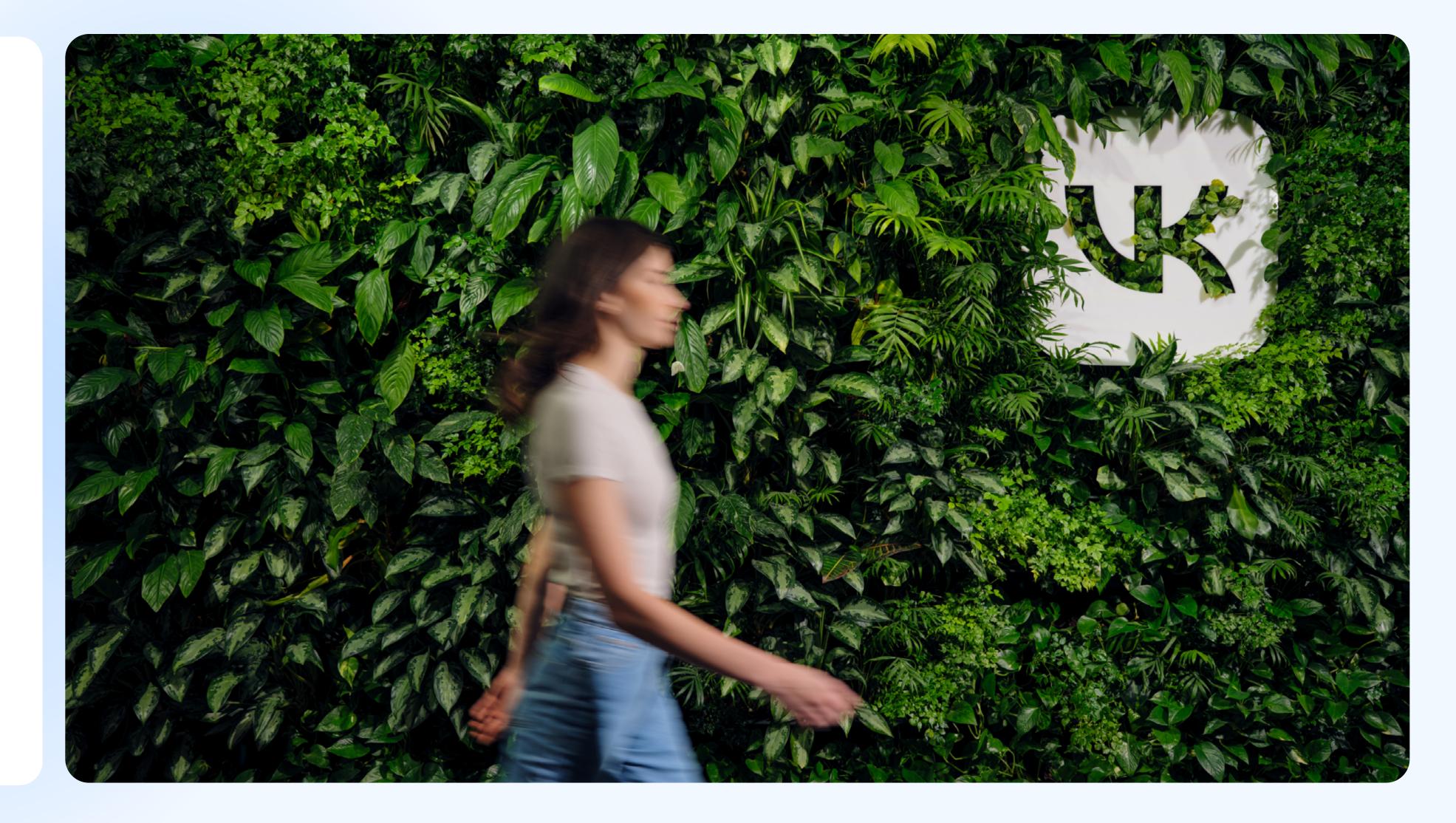
### S (Social):

- digital accessibility;
- information security;
- charity;
- employee care.

### G (Governance):

- ESG leadership;
- transparent non-financial reporting;
- VK's participation in ESG rankings;
- gender balance in governing bodies.

In each area, VK implements initiatives and projects aimed at making the lives of users and employees safer and more convenient. The company maintains a focus on environmental and social initiatives.







## VK's contribution to the UN Sustainable Development Goals

In its ESG agenda, VK highlights the UN's Sustainable Development Goals (SDGs) that its see as its priorities, goals important for the company, and the goals VK generally supports.



### Goal 3. Ensure healthy lives and promote well-being for all at all ages.

To achieve this goal, VK implements employee and user care programmes and holds awareness and educational events to help people learn more about healthy lifestyles.

### **Goal 4.** Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

VK develops online education services, including early childhood and school education projects, higher education programmes drafted jointly with high-profile universities, and skill development courses, particularly in the IT sphere.

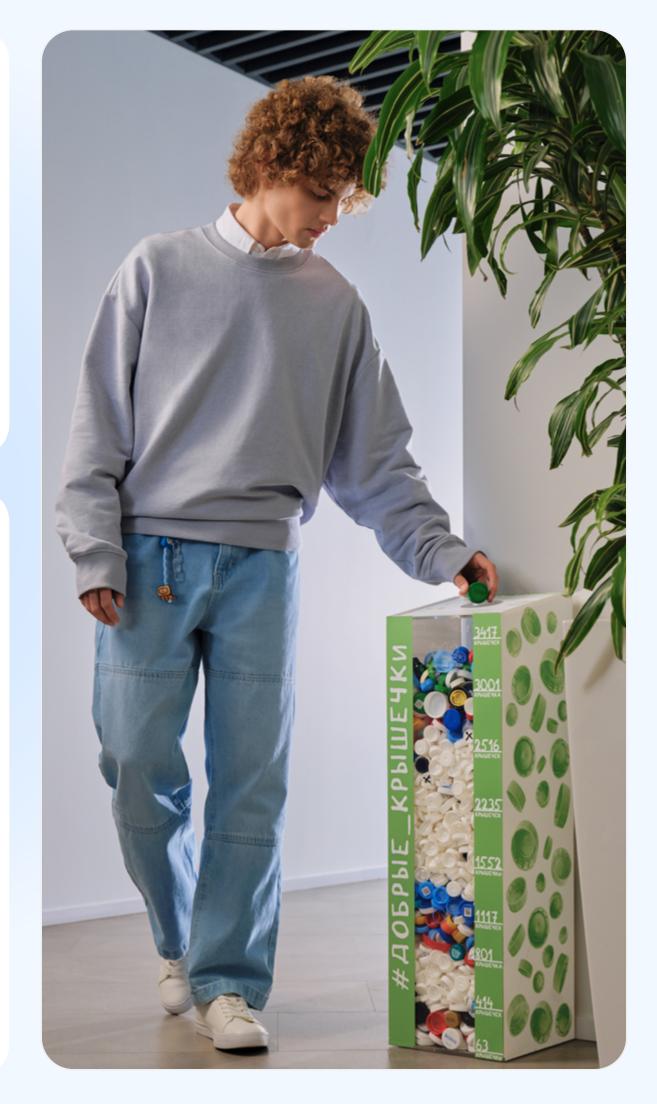
### Goal 8. Promote sustained, inclusive, and sustainable economic growth, full and productive employment, a decent work for all.

VK focuses on attracting, retaining and developing tale employees across different age categories, including p with special needs.

### Goal 9. Build resilient infrastructure, promote inclusiv and sustainable industrialization, and foster innovation

The company continually strengthens the security of its resources while expanding its network of data cer VK fosters business development by providing services for small, medium, and large companies.

e and ented	Goal 16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all, and build effective, accountable and inclusive institutions at all levels.
people	VK promotes a corporate culture of respect for human rights, openness, and equal opportunities. VK's projects help highlight social issues.
<b>ive</b> tion. entres. es	C For more details on VK's contribution to the priority SDGs, please see this Report and Appendix "VK's Contribution to the Priority Sustainable Development Goals of the United Nations".







### Steering VK's sustainable development

### [2-12], [2-13], [2-23]

VK has a number of sustainable development regulations. The Sustainable Development Policy embraces all the company's ESG initiatives, which makes VK's efforts in this area more transparent for all stakeholder groups, from users and employees to partners and shareholders.

### C VK's sustainable development documents

The Audit, Risk, Compliance and Sustainable Development Committee is involved in making decisions related to sustainability. An internal working group on sustainable development spearheads the ESG agenda at the corporate level.

With a view to expanding collective knowledge, skills, and experience in sustainable development, VK includes information on ESG initiatives in reports to be discussed by the Board of Directors. [2-17]

C Regulations on the Audit, Risk, Compliance and Sustainable Development Committee of the Board of Directors.

VK's sustainable development management framework

### **Board of Directors**

- · Identifies strategic development areas.
- In charge of enhancing corporate governance.

### Audit, Risk, Compliance and Sustainable Development Committee

- Gives recommendations to the Board of Directors on implementing best practices in corporate governance and sustainable development.
- Makes sure that the Company's compliance and sustainable development policies and requirements are duly observed.

### Top management

• Makes sure that the strategic initiatives are implemented.

### Sustainable Development Working Group

• Comes up with sustainable development initiatives.







## Stakeholder engagement

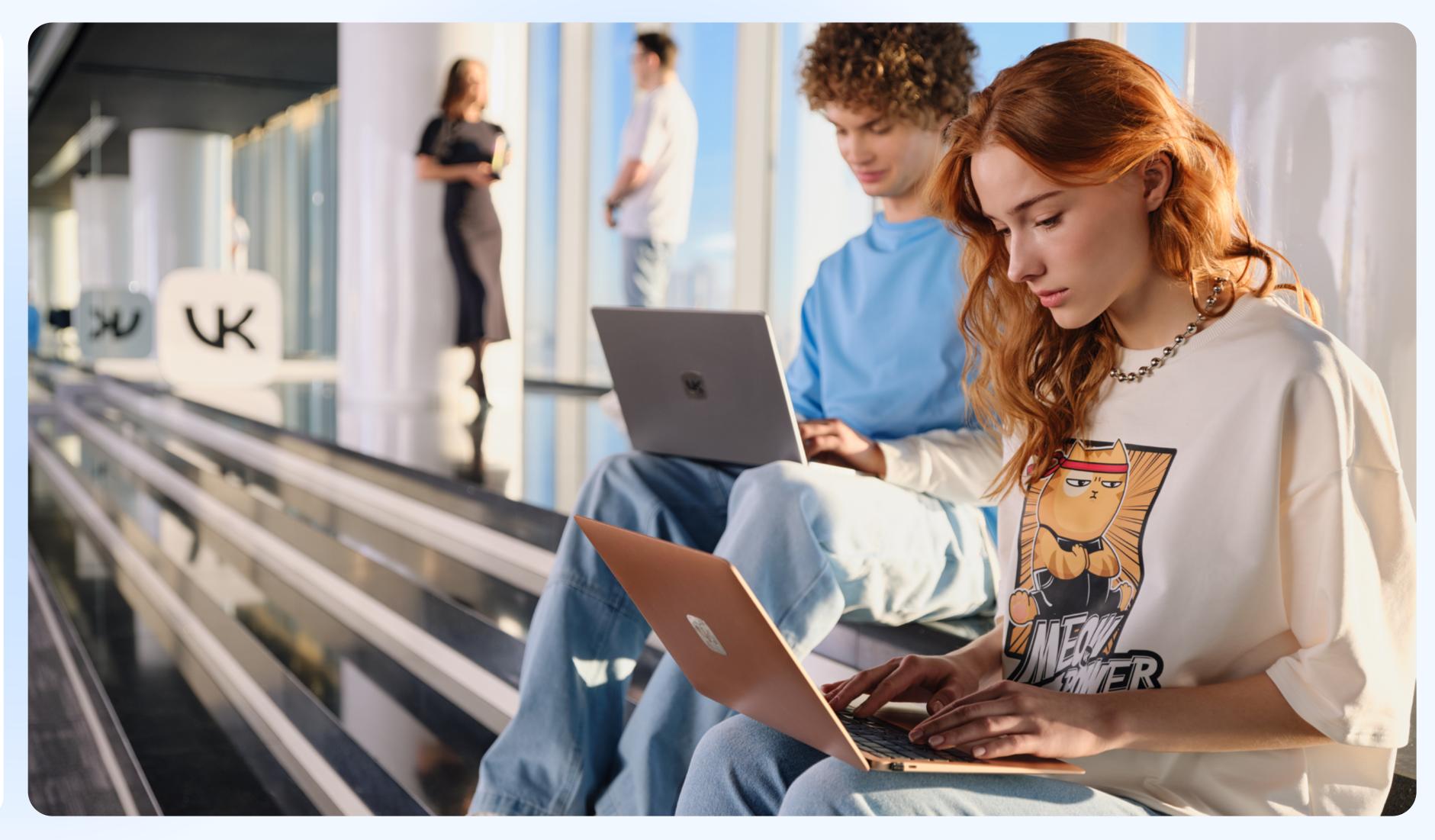
### [2-29]

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VK is committed to establishing partnering relationships and having an open and transparent dialogue with all the stakeholders<sup>1</sup>. VK seeks to collect and analyse feedback – stakeholders' opinions and comments make an important contribution to the development of the company's products and services.

In 2024, VK conducted a reassessment of stakeholder groups, considering current/potential and negative/ positive impacts, while updating stakeholder interests, engagement performance indicators, and communication channels. In accordance with Global Reporting Initiative (GRI) standards, the main criterion used to identify stakeholders is the level of VK's influence on each group. This reassessment followed a two-stage process: initially, VK functions responsible for interaction completed surveys; subsequently, after necessary adjustments, the Report preparation working group completed surveys. Based on these results, VK approved an updated stakeholder list and refreshed the information characterising the company's stakeholder interactions.

For stakeholder convenience, the corporate website features a dedicated ESG section where VK publishes its ESG reports, quarterly presentations, relevant policies and codes, as well as news related to social and ESG initiatives. VK annually updates its interactive landing page to engage its stakeholders in the company's ESG outcome.



<sup>1</sup> Stakeholders are all groups and individuals that are affected by the company's operations and can have an impact on its sustainability and long-term value.



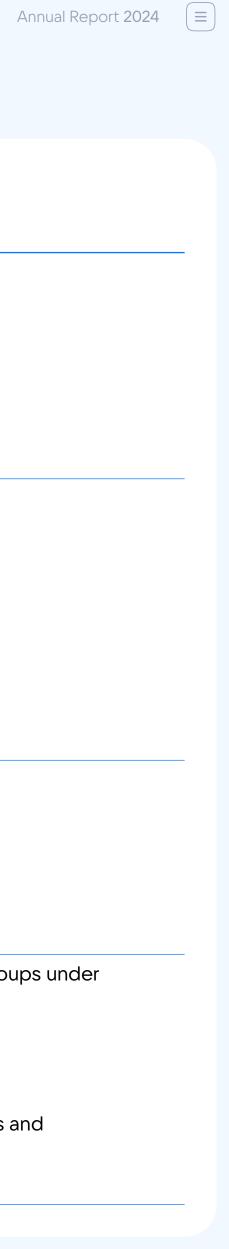


### Stakeholder communication channels and engagement performance indicators<sup>1</sup>

[2-29]

Stakeholder	Interests	Performance indicators	Communication channels [2–25], [2–26]
Users	Quality of products and services	Satisfaction level	Official social media profiles
	Information security	Monthly audience reach within the Russian Internet segment	Feedback
	Personal data protection	Time spent by users	Surveys
	Environmental and social initiatives	Average monthly active audience	Personal user account
	Comfortable environment	Average daily active audience	Information sharing via mass media
	Innovations	Engagement	Corporate website
	Client support		Email newsletters
Employees	Career prospects	Improvement of remuneration	Intranet portal
	Corporate culture	Social support (average per employee)	VK Teams, a corporate messenger by VK Tech
	Competitive salaries	Training expenses (average per employee)	Corporate email
	Fair working conditions	Share of employees covered by voluntary health insurance (VHI)	Regular meetings with team leads
	Training and development	VHI expenses (average per employee)	Whistleblowing hotline
	Information transparency and feedback	Staff turnover rate	Satisfaction surveys
	Social package	Loyalty, satisfaction, and engagement scores	Corporate events
	Compliance with business ethics rules and anti-corruption measures		Advanced training and professional development programmes
Management/top management	Business sustainability	Transparent remuneration policy	Corporate website
	High quality of corporate governance	Development of long-term incentive programmes	VK Teams, a corporate messenger by VK Tech
	Strategy and development prospects	Number of training programmes for managers	Corporate email
	Corporate reputation and public perception		Satisfaction surveys
	HR potential unlocking		Corporate events
	Ethics and integrity		Advanced training and professional development programmes
Board of Directors	Ensuring the company's sustainable development	Approval of the company's strategy and control over its progress	Meetings of the Board of Directors, relevant committees, and working groups under
	Effective management of risks and opportunities	Control over the implementation of key initiatives and projects	the Board of Directors
	Enforcing regulatory compliance	Tracking the evolution of key financial and ESG indicators	Regular meetings with management
	Reputation, social and environmental responsibility	Effective risk management	Reports provided by relevant departments
	Due oversight of projects in progress, including ESG	Assessing independence of the Board of Directors and	External and internal ESG reports
	projects, and integration of ESG factors into the corporate	its committees	Dedicated software to automate the work flows of the Board of Directors and
	governance framework	Tracking attendance at the meetings of the Board of Directors	its committees
		Determining scope of ESG disclosures	

<sup>1</sup> Stakeholders are grouped based on the impact that VK has on them.



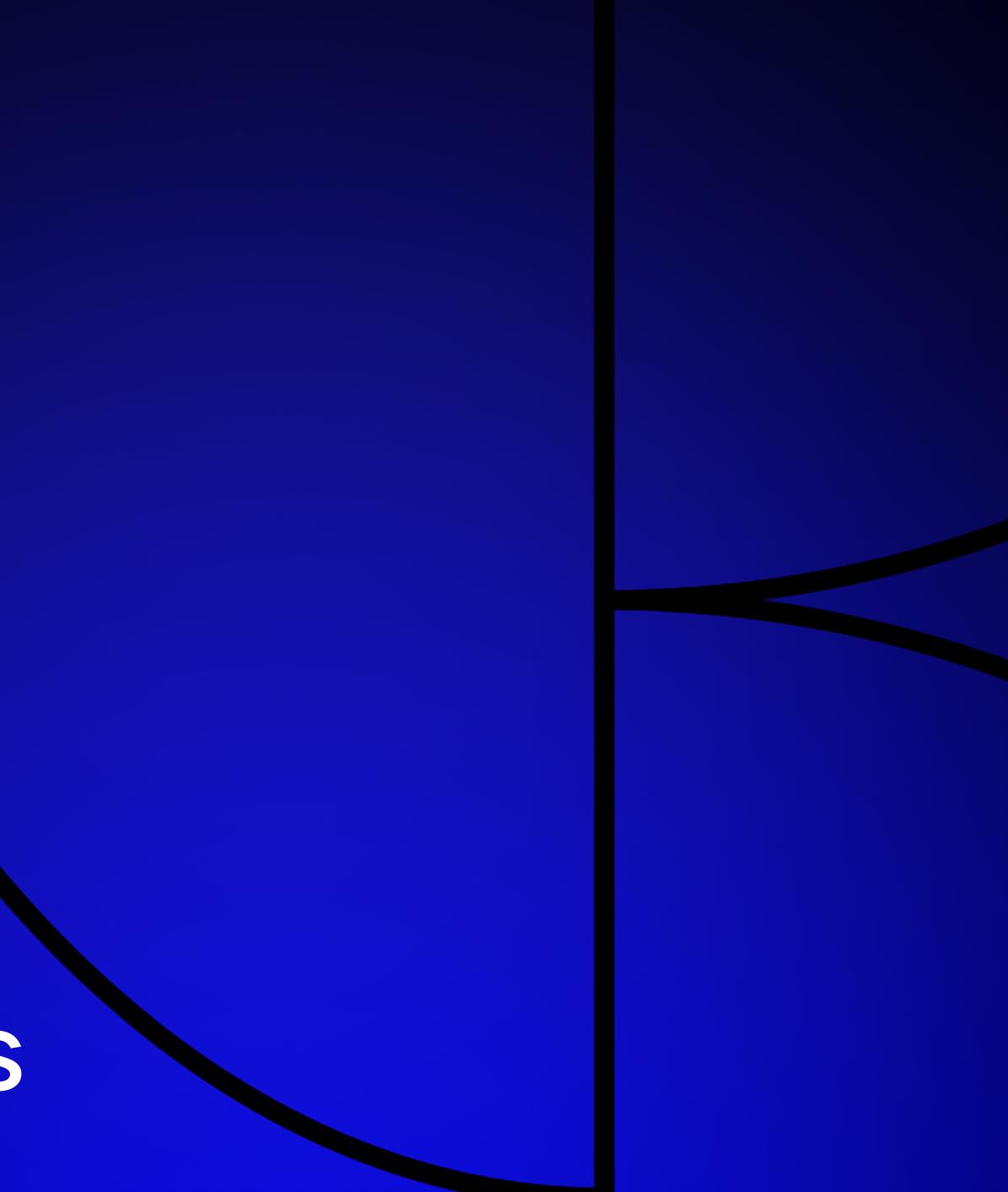
Stakeholder	Interests	Performance indicators	Communication channels [2–25], [2–26]
Shareholders and investors	Business sustainability	Reliable and timely disclosure of information	General Meeting of Shareholders
	Financial results	High level of corporate governance	Page on the website of Interfax-TsRKI (Corporate Information Disclosure Centre)
	Strategy and development prospects	Business profitability	Investors section of the corporate website
	Investment efficiency	Leverage profile	Investor relations via email: ir@vk.team
	Information transparency		Investor relations via the T-Pulse social network for investors through the company's official channel VK_official
	Compliance with business ethics rules and anti-corruption measures		Postal address: 39 Leningradsky Avenue, Building 79, Moscow, 125167, Russia
Non-profit organizations	Social responsibility	Number of ESG-focused joint projects	Joint events
	Environmental performance	Social and environmental initiatives	Programmes and research
	Cooperation and partnership	Social reporting	Press releases
	Contribution to socially important projects and initiatives	Participation in socially important projects	Projects as part of social partnership
			Social responsibility reports
			Sponsorship support
			Communication with foundations
			Official social media profiles of VK Dobro and VKontakte Charity
			Chats of charitable communities
Partners	Transparent procurement	Share of competitive procurement	Whistleblowing hotline
	Information security	Share of procurement from SMEs	Contractual relations
	Fulfilment of financial obligations	Share of procurement from local suppliers	Working meetings
	Win-win cooperation	Number of supplier audits as part of procurement procedures	Business discussions
	Innovative solutions	VK's share of the advertising market	Competitive procurement procedures
	Quality performance of works and services	Number of renegotiated contracts	Participation in industry unions and associations, conferences and forums
		Quality control of suppliers' performance	
Government authorities	Compliance with legal and environmental requirements	Participation in federal IT projects	Participation in meetings and working groups
	Payment of taxes and fees	Tax payments to the budget	Participation in federal and regional programmes and conferences
	Social and economic development of the country and	Non-financial reporting	

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Shareholders and investors	Business sustainability	Reliable and timely disclosure of information	General Meeting of Shareholders
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	Payment of taxes and fees	Tax payments to the budget	Participation in federal and regional programmes and conferences
	Social and economic development of the country and its regions	Non-financial reporting Legal compliance	
	Contribution to Russia's national goals		
	Environmental protection		
	Development of the Russian IT sector		
	Job creation		





## VK for employees



### VK's approach

### [2-22], [2-23]

VK focuses on attracting, retaining, and developing talent. VK is building a comfortable, inclusive, and fair work environment, and taking steps to support team diversity. Special emphasis is on increasing the share of women within the company and the IT industry at large.

### VK's ratings as an employer

## Nº2 in the FutureToday ranking

of best employers for students<sup>1</sup>

## in the Changellenge Best Company Award survey

of best employers for young people among IT companies<sup>2</sup>

## NP3 in the HeadHunter ranking

of best employers among IT companies<sup>3</sup>

### VK does not accept discrimination

in any of its manifestations. All aspects of employment hiring, performance appraisal, training, advancement, promotion, termination, and other employment conditions - are based exclusively on the applicable labour laws and objective criteria within the framework of recognised business practice, such as experience, job duties, and performance indicators.

### C For the ratio of the base salary and remuneration of women and men [405–2], see the Databook.

As of the end of 2024, VK employed 35 people with various disabilities, or 0.3% of its total headcount. Depending on the needs of disabled employees, the HR team takes steps to adapt workplaces and offices: for blind employees, workplaces provide storage space for canes, signatures on coffee machines and meeting room names are duplicated in Braille, tactile floor plans and building evacuation plans have been created, and additional adaptation is provided. [403-6]

<sup>3</sup> Source: HeadHunter employer ranking (2024).







<sup>&</sup>lt;sup>1</sup> Source: FutureToday 2025 ranking in the Overall Employer, Most In-Demand Employer, and Target Audience categories.

<sup>&</sup>lt;sup>2</sup> Source: Changellenge Best Company Award survey (2024).

## Employee profile<sup>1</sup>

K

### Personnel structure by age and position [405-1], [TC-IM-330a.3], [TC-SI-330a.3], [~2]

Indicator		2022		2023 <sup>2</sup>		2024
	Overall share, %	Number of persons	Overall share, %	Number of persons	Overall share, %	Number of persons
Management <sup>3</sup>	17.1	1,927	17.6	2,150	17.3	2,236
<30 years old	4.7	527	4.0	490	3.6	464
30–50 years old	12.2	1,375	13.3	1,626	13.3	1,727
>50 years old	0.2	25	0.3	34	0.3	45
Employees	82.9	9,319	82.4	10,086	82.7	10,716
<30 years old	47.3	5,320	44.9	5,497	42.5	5,502
30–50 years old	34.8	3,913	36.7	4,489	39.3	5,086
>50 years old	0.8	86	0.8	100	1	128
Total	100	11,246	100	12,236	100	12,952

### Personnel structure by gender and position [2-7], [405-1], [TC-IM-330a.3], [TC-SI-330a.3], [\*2]

Indicator	2022	2023 <sup>2</sup>	2024
Management	1,927	2,150	2,236
Women	743	768	836
Men	1,184	1,382	1,400
Employees	9,319	10,086	10,716
Women	4,259	4,225	4,422
Men	5,060	5,861	6,294
Total	11,246	12,236	12,952
Total women, %	44	41	41
Total men, %	56	59	59



<sup>1</sup> For other employee profile tables, see the Databook.

- <sup>2</sup> Data for 2023 have been recalculated following deconsolidation of Skillbox.
- <sup>3</sup> Management means employees making corporate/strategic decisions (level of directors, vice-presidents, and above) and employees who occupy managerial positions and are in charge of financial responsibility centres, business units, functional lines, or a group of employees; employees means line personnel.





### Personnel structure by type of employment contract and gender

### [2-7], [~옴]

Employee category	2024
Employees with a permanent employment contract	12,689
Women	5,111
Men	7,578
Employees with a temporary employment contract [2-8]	263
Women	165
Men	98
Total	12,952
Women	5,276
Men	7,676

### Personnel structure by type of employment and gender

[2-7], [~옴]

Employee category	2024
Full-time employees	12,593
Women	5,084
Men	7,509
Part-time employees	359
Women	191
Men	168
Total	12,952
Women	5,275
Men	7,677

### Staff turnover, %

### [401-1]

Indicator	2020	2021	2022	2023	
Forced turnover	7.0	8.0	8.7	6.9	









## **Recruitment and onboarding**

### Recruitment

VK creates advanced technologies for users, content creators, developers, and businesses of varying scales. The company seeks to attract talent across diverse specialities – from IT experts to creative industry professionals, from corporate function specialists to customer support agents. In 2024, VK filled over 4,400 vacancies in various departments.

In a market still defined by intense competition for highly qualified developers, VK continues to enhance its appeal to IT job seekers. The company employs sophisticated recruitment tools, explores innovative talent acquisition channels, collaborates closely with HR marketing teams, and focuses on improving recruitment performance while reducing candidate offer rejection rates.

Total number of new hires by age and gender [401-1], [-2]

Indicator
<30 years old
Women
Men
30–50 years old
Women
Men
>50 years old
Women
Men
Total

<sup>1</sup> Data for 2023 have been recalculated following deconsolidation of Skillbox.

<sup>2</sup> In 2024, the company entered the final stage of its active investment phase, which led to a slight decrease in hiring rates compared to 2023. VK's overall hiring level remains consistent with industry averages across the IT sector.

2022	2023 <sup>1</sup>	2024
2,433	2,574	2,531
958	1,109	1,066
1,475	1,465	1,465
1,986	2,165	1,820
655	718	702
1,331	1,447	1,118
33	41	40
16	26	15
17	15	25
4,452	4,780	4,391 <sup>2</sup>

### **Onboarding programmes**

VK pays special attention to the employee onboarding stage. For the company, it is important not only to bring a new employee to operational efficiency as quickly as possible but also to ensure the entire process is comfortable.

New employees can access comprehensive information about VK through the internal information portal, which provides answers to essential first-day questions, an extensive knowledge base, and a course on office protocols that helps newcomers adapt more quickly to VK's corporate culture.

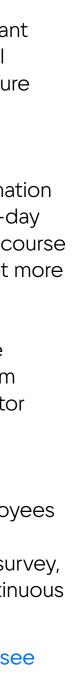
The onboarding process also includes welcome training sessions featuring company experts from various departments, alongside dedicated mentor support to help with everyday questions and challenges.

Throughout the entire onboarding period, employees receive automated communications, including a checklist for the first week, an end-of-month survey, important reminders, and opportunities for continuous feedback.

C For length of service of existing employees, see the Databook.







## Internal communications and engagement

### Internal communications

The internal communications team fosters open dialogue between employees at various levels, ensuring each team member fully understands VK's mission, strategy and values. This work plays a crucial role in uniting diverse individuals working together within VK's multicultural environment.

The internal communications team does the following:

- organises live streams and meetings with product teams, and educates employees on products and technologies;
- fosters communities where people share interests and find common ground;
- organises live streams with top managers to align on strategic goals;
- creates corporate events bringing people together.

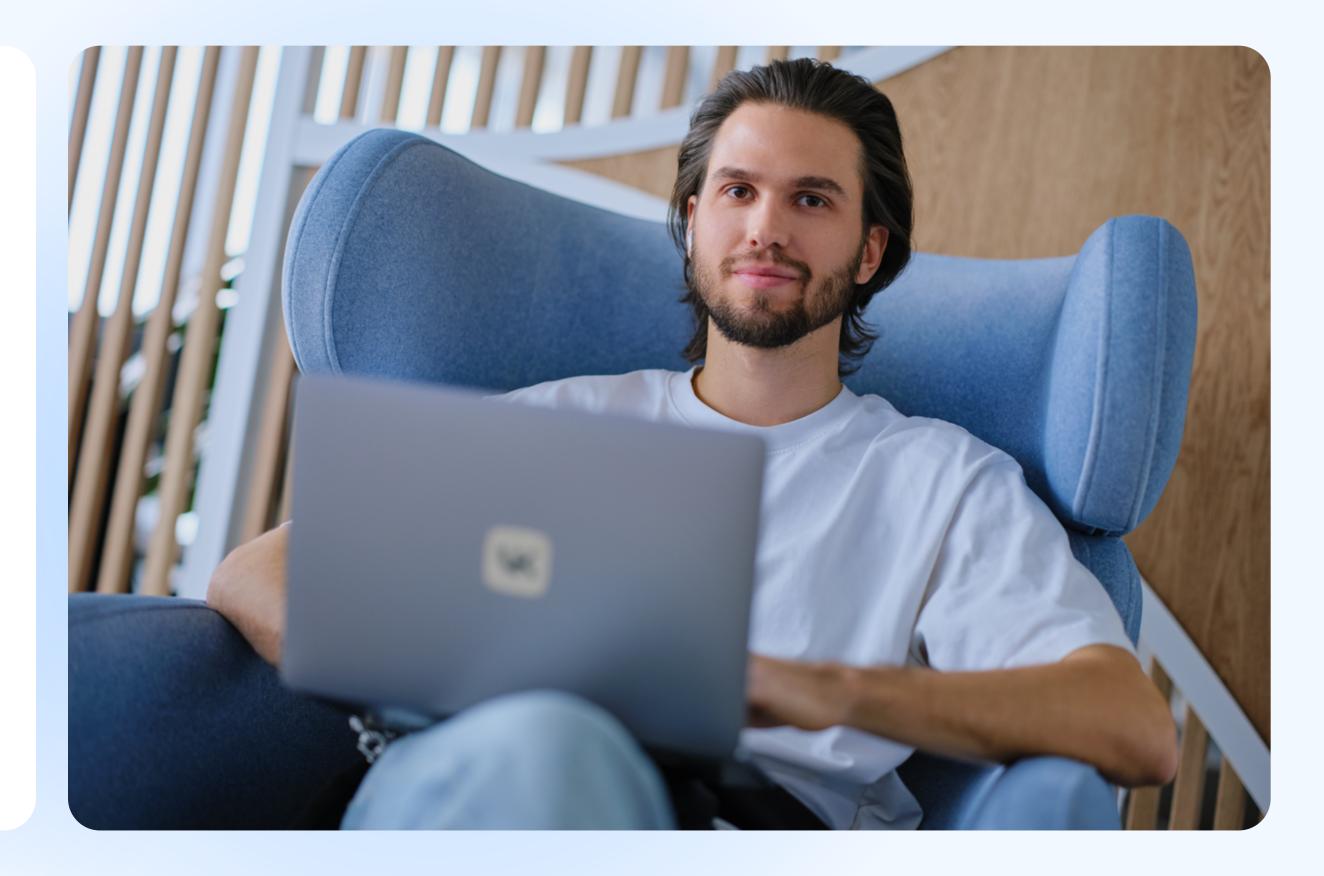
VK's internal communications comprise several channels for communication and information exchange. For more details, see this webpage.

### Employee engagement surveys

### [TC-IM-330a.2], [TC-SI-330a.2]

VK actively seeks and values employee feedback. Beyond regular pulse surveys, measurements, and focus groups, the company conducts an annual engagement survey on the Happy Job platform, including assessment of loyalty and eNPS<sup>1</sup>. VK's loyalty, satisfaction, and engagement scores (78.7%, 85.9%, and 87.0%, respectively) are above the average in Russia.

<sup>1</sup> eNPS (Employee Net Promoter Score) - willingness to recommend the company to friends as an employer.







### **Corporate events**

### Social initiatives for employees

VK is developing a culture of effective charity among its employees. The company transfers charity coins (internal currency) that employees have donated via VK Dobro. In 2024, employee donations doubled compared to the previous year, reaching approximately RUB 2 mn, all directed to charitable foundations partnered with VK Dobro.

VK regularly hosts Donor Day events across its offices. Participation more than doubled in 2024, with 279 employees donating blood and 26 joining the bone marrow donor registry. These events also facilitated charitable giving, with approximately RUB 50,000 raised for the Helping Hand for Homeless Animals and Faithfulness foundations. In 2024, VK employees from various units hosted char sales and swaps, with proceeds in excess of RUB 1.5 r designated for charity purposes.

- OK held its inaugural online charity sale of vintage clothing and merchandise, raising more than RUB 250,000 for the Hope foundation.
- VK Tech launched its first charity swap, enabling employees to acquire items and vintage clothing and merchandise through donations, generating RUB 25,000 for the Second Breath foundation.
- VK Dobro collaborated with the Technical Support Department on a charitable initiative where 50% of equipment sales in the internal corporate shop were donated to charity. Nearly RUB 900,000 were raised for the Faithfulness foundation through the participation of more than 50 employees.
- The Moscow VK office organised an online charity sale of vintage clothing and merchandise, raising over RUB 340,000 for the Reconciliation, AiF. Kind Heart, Caritas in Siberia, and Master OK foundations.

ritable	VK employees extended their support beyond financial
mn	contributions, collecting useful items and gifts for special
	occasions:
	Ear Knowledge Day, VK Dobro coordinated a stationery

- For Knowledge Day, VK Dobro coordinated a stationery collection across nine VK offices, gathering more than 500 items for beneficiaries of the Big Change, Street of Peace, Bureau of Good Deeds, and Alpari foundations.
- VK conducted a pre-New Year campaign titled Really Useful Gifts across Moscow, St Petersburg and Sochi, collecting approximately 350 items for beneficiaries of the Lighthouse, Virta, I Love Life, Perspectives and Enjoying Old Age charitable foundations.

## ~2<sup>mn RUB</sup>

donated by employees through the VK Dobro service in 2024

279 employees

donated blood as part of Donor Day

>1,5<sup>mn RUB</sup>

collected at VK charity sales and swaps in 2024



### VK Fest

In 2024, the VK team enjoyed a dedicated space at VK Fest. Entertainment for kids arranged by VK included animators, face painting, creative workshops, soap bubbles, colouring, and much more. Environmental workshops were also featured to strengthen employee engagement with the sustainable development agenda.

### VK Team Junior

Summer 2024 saw VK host a family-oriented event – VK Team Junior – designed for employees and their children. The programme featured family quizzes, music quizzes from VK Music, educational sessions about AI in voice assistants, and children's interviews. The event drew more than 2,000 attendees across eight cities.

### The two-day event welcomed:

>8,000

employees and their guests in Moscow

## >3,000

employees and their guests in St Petersburg

C For more details on VK Fest, see the Social platforms and media content section.

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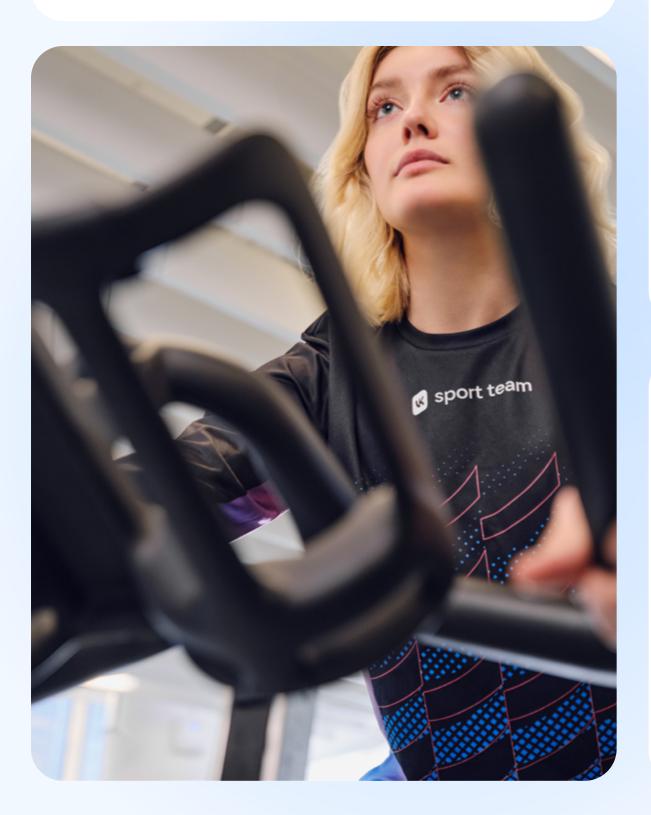


## Social package and convenient working conditions

### [401-2], [403-6]

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In 2024, VK continued to expand its corporate benefits package to provide employees with better conditions for their physical and mental health, as well as social well-being.



### The number of employees who availed themselves of VK benefits<sup>1</sup> [-2]

Indicator	2022	2023	2
VHI (employees)	11,300	12,800	10,
VHI insurance for employees' children	5,700	8,000	4,
Pregnancy and childbirth support under VHI	100	180	
VHI-supported telemedicine	1,050	1,900	3
Other benefits <sup>3</sup>	4,198	5,063	13,
Doctors' consultations in the office	494	741	
Financial aid	559	526	
Up to 100% paid sick leave	1,922	2,887	3
Compensation for fitness and sports	2,462	4,318	5

### Parental leave statistics<sup>5</sup>

### [401-3]

### Indicator

Employees on parental leave as of the end of the yea
Employees on parental leave during the year
Employees who returned to work after parental leave
Employees who continued to work <sup>6</sup>

<sup>1</sup> Data on benefits exclude assets acquired as part of M&As.

- <sup>2</sup> VHI (employees) and VHI (employees' children under 18): number of unique policyholders in each group as of the end of the reporting period.
- <sup>3</sup> Other benefits include consultations of psychologists and real estate agents, massage services.
- <sup>4</sup> For 2022–2023, the number of unique employees is indicated. From 2024, the methodology for calculating the indicator has been changed the total number of sessions provided to employees is shown.
- <sup>5</sup> Data on parental leaves exclude assets acquired as part of M&As.
- <sup>6</sup> Within 12 months after returning from parental leave.

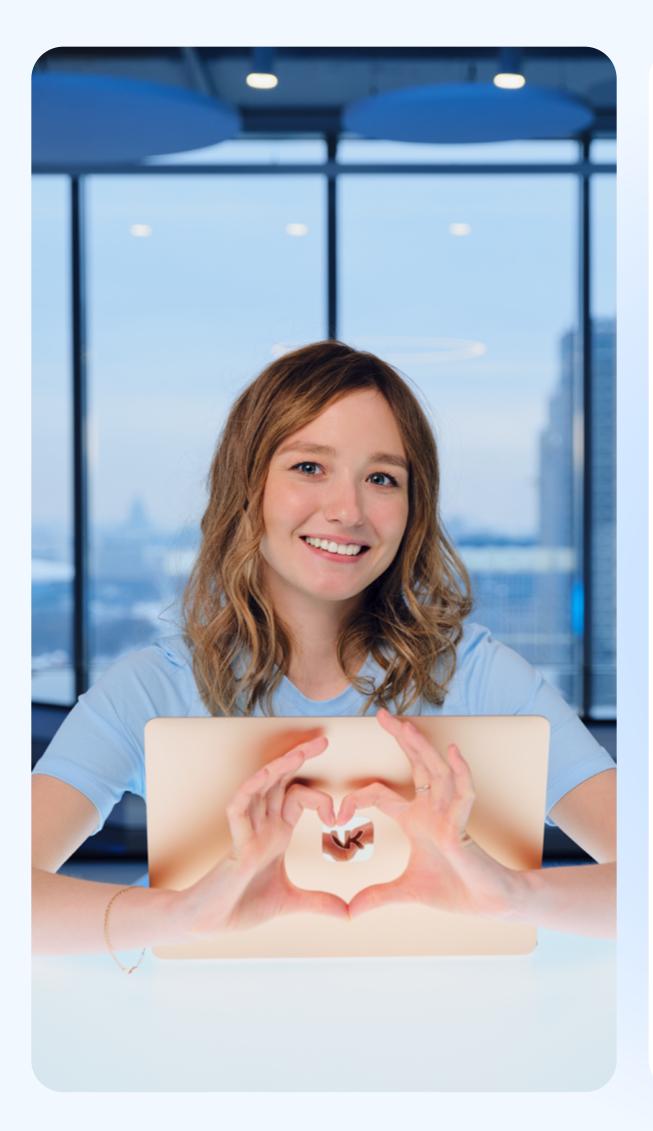
	2020	2021	2022	2023	:
ər	220	228	206	181	
	117	78	127	242	
e	76	46	89	56	
	59	21	37	9	











### VHI

### [403-6]

VK prioritises the well-being of its employees and their families by offering a comprehensive voluntary healthcare insurance programme from the first month of employment. The VHI package provides access outpatient and inpatient treatment, telemedicine, dental care, ambulance services, home doctor visits, and at-home testing. Beyond traditional medical services, the VHI policy includes online consultations with dietitians, nutritionists, and healthy lifestyle specialists.

In 2024, VK expanded its VHI programme to include approximately 2,000 additional medical facilities throughout the country, alongside introducing new medical services.

For employees' children under 18, the programme covers outpatient treatment, home doctor visits, dental care, ambulance services, hospital admission, telemedicine, lab checkups, COVID-19 recovery, and a preventive full-body massage at home for infants.

Female employees with more than one year of service at VK are eligible for specialised pregnancy management and childbirth support services.

### Physical and mental health

VK promotes the physical well-being of its employees, providing ample opportunities for them to engage in sports and participate in competitions. Employees can take advantage of group or individual training programmes at modern on-site gyms.

Over 1,500 employees take part in sports contests. In 2024, VK built eight teams of 80 people to participate in the Hero Race hurdling competition.

VK subsidises employee fitness expenses. More than 5,000 people used this opportunity in 2024.

Recognising the importance of mental well-being, VK also provides access to corporate psychologists, with over 400 employees availing themselves of these services in 2024.

### Other benefits and compensations

The company runs children's and family events, offers IT mortgage assistance, and provides financial aid in cases of childbirth or the death of a close relative.

VK also compensates employees for meals in the office and nearby cafés and restaurants. In 2024, over 12,000 people used this compensation each month.

### Workplace improvements

In 2024, VK reopened its headquarters in St. Petersburg's Singer House following extensive renovation. The project honoured the building's historical legacy while introducing a modern, technologically advanced and expanded workspace.

Employees now benefit from upgraded infrastructure, new soundproofed rooms, comfortable work and relaxation areas, and state-of-the-art furniture and equipment. The renovation expanded the office space by nearly a third, accommodating 20% more workplaces.



## Safe working conditions

### Health and safety system

VK is committed to a comprehensive approach to employee safety. The primary documents on the health, safety, and environment system at VK are the Occupational Health and Safety Policy, the Regulations on Occupational Health and Safety Management System, as well as other internal regulations. [403-1], [403-3], [403-4]

VK has three levels of occupational health and safety control:

- Level I heads of VK business units;
- Level II persons in charge of occupational safety;
- Level III Managing Director.

To prevent occupational injuries and diseases, VK conducts a special assessment of workplace conditions and professional risks, one of the key health and safety initiatives. To identify minor health damage at work, the company built a process to record and investigate microtrauma. Employees can report any situations anonymously via a trust line or a dedicated HR business partner. Incidents and workplace injuries are investigated in line with applicable Russian laws. [403-2]

In 2024, the lost time frequency rate (LTIFR) was zero. [403-9]

VK's expenses on health, safety, and environment stood at RUB 48 mn<sup>1</sup>. They included personal protective equipment, workplace improvements, prevention of occupational diseases, reducing injuries, and accident prevention.

### Health and safety training

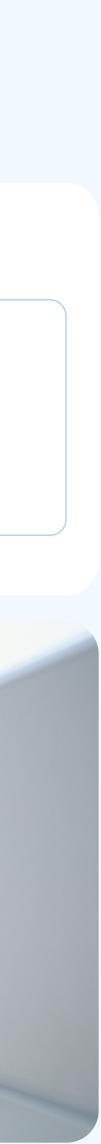
### [403-5]

VK actively promotes safety awareness, including through a robust occupational health and safety training programme. Regular video briefings followed by assessments using VK's internal platform serves as the primary training tool. For specialised skills, employees attend training sessions at dedicated centres.

## >10,000

employees completed health and safety briefings and training in 2024





## Contributing to IT workforce development

### **Employee training and** development

In a competitive talent market, VK recognises employee training and development as crucial for success. By fostering specialised skills, VK drives innovation, creates cutting-edge products, and nimbly adapts to market changes.

In 2024, management and line personnel took the following training: [404-2]

- 9,000 employees took part in one or more training sessions of the coaching team, which is an all-time high for VK;
- employees attended 2,100 sessions of external courses and training programmes;
- employees participated in conferences 1,100 times;
- 2,300 new employees took welcome trainings;
- employees continued to learn foreign languages and study with mentors.

In 2024, the company's employees completed 27,700 hours of mandatory synchronous trainings. Also, each employee had the opportunity to undergo additional asynchronous training from the available list at their own request. The average number of asynchronous training hours per employee in 2024 was 3.73 hours.

### Total hours of training in 2024 by gender, hours

Indicator	Synchronous training	Asynchronous training	Total number of training hours
Women	9,359.5	22,581	31,940.5
Men	18,408.3	25,774.5	44,182.8
Total	27,767.8	48,355.5	76,123.3

### Average hours of training per year per employee in 2024 broken down by gender, hours/person

### [404-1], [**~**음]

Indicator	Synchronous training	Asynchronous training
Women	1.78	4.29
Men	2.39	3.35
Total	2.14	3.73

### Total number of training requests from employees [2]

Indicator	2022		2023		2024	
	Number of requests	Overall share, %	Number of requests	Overall share, %	Number of requests	Overall share, %
Requests for participation in conferences	4,614	79	1,744	51	1,123 <sup>1</sup>	53
Training requests	1,106	19	1,613	47	928 <sup>2</sup>	44
Book orders	96	2	83	2	52	3

<sup>1</sup> The decrease in conference participation requests is attributed to the launch of VK's corporate online broadcasts of industry conferences in 2024.

<sup>2</sup> Fewer training requests is due to the expansion of pre-recorded online courses that effectively address employee learning needs.

### Training of IT personnel

In 2024, VK launched several key initiatives for technical staff, training 970 mid-level and senior employees, as well as 430 juniors transitioning to new tech stacks and exploring alternative technologies.

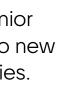
Another priority for the company is product manager development. In 2024, VK collaborated with a partner to deliver two training streams for internal and external specialists, host workshops, and launch internal e-learning courses, benefitting over 250 product managers.

### **Developing management team**

VK's success hinges on strong leaders committed to achieving results while cultivating a collaborative work environment. Equipped with robust HR tools and the guidance of dedicated HR business partners, VK leaders also participate in the specialised VK Leadership Path programme. It offers tailored development tracks for leaders at all levels, from aspiring managers to top executives. In 2024, the number of programme participants soared by 2.5 times year-on-year, reaching 1,500 leaders.

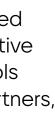
- C For in-class (online and offline) training by employee category, see the Databook.
- C For self-education programmes by type, see the Databook.

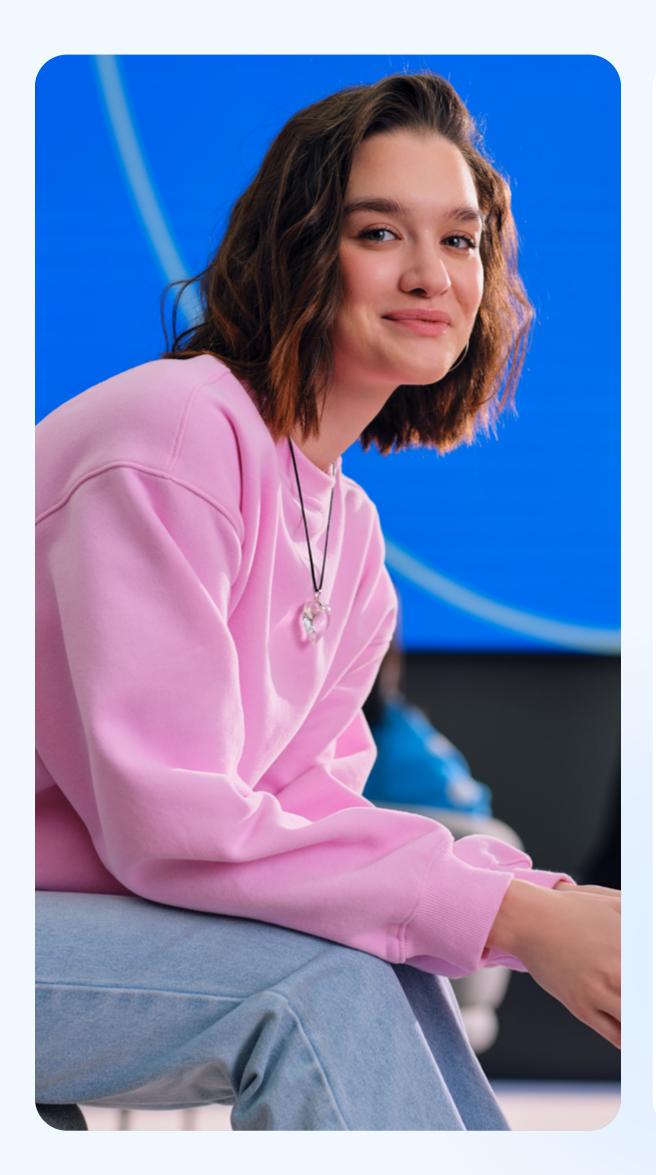












### Youth engagement

VK is running major projects to train and develop talented Also in 2024, VK offered a year-round paid internship young people. They can join the VK team while studying programme for university students, tripling the number as the company partners with 37 leading Russian of available positions. The expanded programme covered universities and offers educational programmes, courses, more than 30 IT and digital specialisations, providing and internships for students and young professionals. insights into VK's popular services and technologies under the mentorship of VK experts. As a result, 600 students either completed internships or transitioned into junior roles at VK in 2024.

For school students, VK is developing a major career guidance programme and running projects to help them choose a future IT profession. In 2024, VK's career guidance projects reached over 3.8 million schoolchildren. The company actively promotes olympiads: in 2023–2024, it supported over 30 intellectual contests in fields like computer science, mathematics, Al, cybersecurity, and creative industries, with 111,500 students participating.

### C For more details on these projects, see the Educational initiatives section.

For the first time, VK launched a paid internship programme for high school students aged 14 and above, timed to coincide with Children's Day. This two-month programme offered hands-on experience in five areas: machine learning, front-end and back-end development, and manual and automated testing. Guided by experienced mentors, over 30 students tackled realworld projects, receiving career guidance advice from VK's HR team upon completion of the programme.

C More details on the internship programme.

C More details on VK internships.

## >300 students

participated in the paid internship programme in 2024

## 3,8<sup>mn students</sup>

benefitted from VK's career guidance initiatives in 2024

by FutureToday Ranked

as a top employer for students<sup>1</sup>

### **Developing highly-skilled talent**

VK recognises the importance of skilled professionals and invests in their continuous growth. The company's conferences serve as a key platform for knowledge sharing and professional networking. In 2024, VK hosted four major conferences: VK JT, VK JT Mobile, VK Design Conf X VK JT, VK Security Confab. Additionally, VK facilitated 16 external and over 50 internal meetups focusing on a range of IT topics. These events showcased the advanced technologies behind the company's products, addressed pressing industry issues, and offered the IT community a glimpse into VK's culture and values, attracting more than 15,000 attendees.

In late 2024, VK launched the OpenVK initiative to publish open-source software. The initiative features projects spanning IT systems and products, developer tools and libraries, and AI models. With ongoing updates and new additions, OpenVK encourages knowledge sharing among IT professionals, driving the collective advancement of technology and the industry.









## VK for users and partners

## VK's approach

### [2-6]

VK is committed to improving people's lives by making digital tech accessible to as many users and partners as possible. As it designs and enhances solutions that transform lives, VK takes a prudent stance on the societal impacts of its products.









## Inclusion

### [2-23], [2-24]

A core tenet of VK's social policy is ensuring digital and physical accessibility for individuals with disabilities, including sensory impairments. To this end, we work to improve the accessibility of its digital products and consider these needs when creating content and organising events.

### Accessibility of VK services

In 2024, OK's web version was adapted for visually impaired users. The website now supports screen reader software, enabling access to on-screen content. Most web elements now have labels in all OK-supported languages. With the support of VK's Digital Accessibility Group, the service also received external certification, following its earlier achievement as Russia's first social network app accessible to blind users.

### C For more details on OK, see the Social platforms and media content section.

VK ID (web and mobile versions and apps) and VK Calls (iOS) also received accessibility certifications in 2024.

The Dzen mobile app introduced adaptive fonts, making articles, news, and posts easier to read for everyone, especially visually challenged users.



### Educational initiatives in the area of inclusion

For International Day of Sign Languages and International Day of the Deaf, VKontakte created an inclusive project featuring the charitable sticker pack Quip in the City of the Deaf. Over 12,000 users learned several RSL phrases through video tutorials and exercises in a dedicated chatbot within the VKontakte Charity community.

VK Clips also released a series of short videos about communicating with the deaf and hearing-impaired people.

VK Education launched a free online course on SMM and digital marketing tools, taught in RSL.

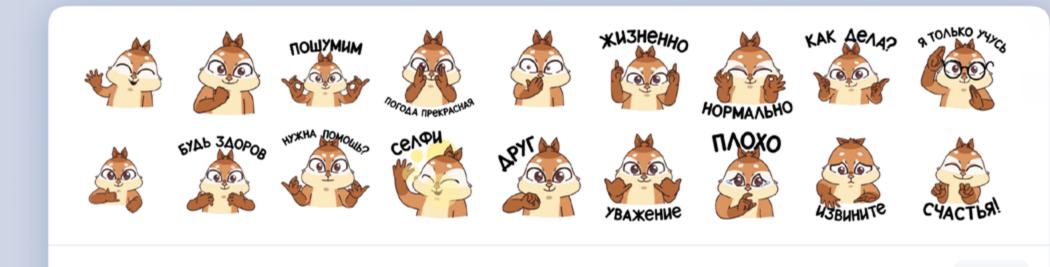
OK, VK Dobro, and the Naked Heart Foundation partnered to celebrate World Autism Awareness Day with a digital art exhibition showcasing the talents of autistic artists. They also shared several posts in the OK Social Projects group to raise awareness about autism spectrum disorder.

## >221,000 views

of videos released for International Day of Sign Languages on VK Clips

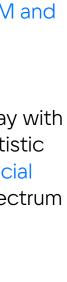
### 600,000 VIEWS

coverage of posts related to the OK digital art exhibition











Added

## Inclusivity initiatives

VK regularly hosts inclusive events, providing accessible venues, Russian Sign Language (RSL) interpretation, and trained staff and volunteers.

#### VK Inclusion '24

W

The second VK Inclusion conference took place in 2024. The programme featured panel discussions on digital accessibility, inclusive tourism, accessibility in the arts, banking, retail, and media, as well as TED-style<sup>1</sup> talks on the role of people with disabilities in business, and various workshops.

During the Inclusion at Events session, VK presented its Making Events Accessible for Everyone guide, sharing best practices learned from VK Fest. This guide offers recommendations for improving the user experience for people with disabilities and specific health needs.

C More details on VK Inclusion '24.

VK Inclusion '24: key figures

attendees >300

at VK's Moscow headquarters

4,500 views

of RSL-interpreted live streams on the day of the conference

mn views >10

of recorded conference sessions with RSL interpretation

speakers

from business, NGOs, cultural institutions, and influencer communities

<sup>1</sup> A TED talk (Technology, Entertainment, Design) is a short presentation, typically lasting 5 to 18 minutes, in which a speaker shares an idea, research, or story with the audience.









### **VK JT**

VK's first technology conference, VK JT, focused on security, architecture, user experience (UX), user interface (UI), and artificial intelligence (AI). The event was fully in line with inclusivity guidelines. As part of a general discussion, VK and the GES-2 House of Culture teams explored the use of RSL in digital resources, while speakers from VK and OK shared insights into integrating digital inclusion into business processes.

The conference venue was adapted for people with disabilities, and all presentations and speeches featured simultaneous RSL interpretation.

1,300

in-person attendees at GES-2

mn online viewers



media mentions

C More details on VK JT.



#### VK Fest

In 2024, the VK Fest team continued its active work to enhance accessibility for people with diverse needs. Festival venues in all host cities were adapted for people with limited mobility, featuring ramps for access to interactive sectors, dedicated platforms, and accessible restrooms. Some 1,000 attendees with disabilities enjoyed the festival.

For deaf and hearing-impaired people, VK Fest organised the most extensive RSL interpretation service of any festival in Russia, covering over 150 performances, including artist collaborations, the blue carpet event, and regional segments. The RSL-interpreted video broadcast reached 4.5 million viewers.

C For more details on VK Fest, see the Social platforms and media content section.

#### Fandom Fest

VKontakte held its second Fandom Fest, a festival for fans of diverse pop culture niches, with a strong emphasis on accessibility. A dedicated ramp was installed to provide a clear view of the stage for attendees using wheelchairs, and volunteers assisted guests with disabilities. Stage performances and their live broadcasts were translated into Russian sign language.

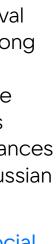
C For more details on Fandom Fest, see the Social platforms and media content section.

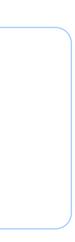
mn views

of the RSL-interpreted broadcast









## Information security

#### [TC-IM-230a.2], [TC-SI-230a.2]

Throughout 2024, VK remained devoted to bolstering the functional security of its platforms, maintaining focus on infrastructure protection, automation of secure development practices and user security.

With the introduction of new proprietary tools and the reorganisation of integrated monitoring and response processes for information security incidents, VK's Security Operation Centre (SOC) increased its throughput to 1.3 million EPS<sup>1</sup>, handling 54% more information security incidents than in 2023. At the same time, the total number of alerts<sup>2</sup> per day declined by 47%, and the average response time of on-duty personnel dropped to 20 minutes.

To automate secure development processes, VK continued to enhance its Security Gate<sup>3</sup> application security platform, expanding tool functionality and increasing the number of daily scans to 5,000. Some 32,000 projects using open-source libraries<sup>4</sup> were scanned at least once by Security Gate, with 24,000 undergoing regular automated code vulnerability audits.

In 2024, VK developed and implemented WARP<sup>5</sup>, an Al-powered universal tool to protect web resources from DDoS attacks and botnet activity, safeguarding VK services from malicious traffic and ensuring seamless service for users.

VK took significant steps to improve user experience and security in 2024. New features included an account security status, personalised recommendations, and background checks for compromised passwords. A new service to combat brute-force<sup>6</sup> attacks was developed and integrated, significantly reducing account hacking attempts and optimising company expenses on SMS notifications by countering illegitimate requests and malicious activity. A new process for detecting and blocking botnets<sup>7</sup> helped reduce overall traffic in critical authorisation scenarios by 36% in 2024.

VK updated existing information security policies and created new ones for data protection and Al technologies.

- EPS is the number of events processed per second.
- <sup>2</sup> An alert is a notification about an unusual or suspicious event that may pose a security threat to the organisation's IT infrastructure.
- <sup>3</sup> Security Gate is VK's internal platform for application security analysis.
- <sup>4</sup> Open-source libraries are libraries with publicly available source code.
- <sup>5</sup> WARP (web application resilient protection) is VK's AI-based system for protecting web applications.
- <sup>6</sup> A brute-force attack is a method where attackers attempt to guess login credentials, encryption keys, or hidden webpages through exhaustive trial and error. 7 A botnet is a network of devices infected with malware, typically used by cybercriminals for malicious activities without the hardware owner's awareness.







### Certificates

In 2024, VK obtained the following certifications:

- PCI DSS (latest version) compliance achieved for:
- VK Cloud;
- VK Cloud Kazakhstan;
- VK Pay;
- VKontakte;
- –OK.
- VK Cloud confirmed its compliance with ISO/IEC 27001, 27017, 27018 and expanded compliance scope;
- VK Cloud Kazakhstan was certified according to ISO/IEC 27001, 27017, 27018;
- VK Cloud and VK Cloud Kazakhstan were certified according to ISO/IEC 27701, an international standard in the field of ensuring privacy and protection of personal data;
- VK Cloud was certified for compliance with Order Nº 21 of the Federal Service for Technical and Export Control (FSTEC);
- VK ID achieved ISO/IEC 27001 certification;
- VK HR Tek KEDO system was certified for compliance with Order Nº 21 of the Federal Service for Technical and Export Control (FSTEC);
- VK Cloud expanded the scope of its compliance with GOST 57580 to include new services and availability zones.

### Information security statistics

VK implements a multi-layered perimeter defence. 24 penetration tests and 288 internal security audits, In 2024, the company's IT security team successfully analysing over 258.8 billion lines of code for potential coped with the intruders' activity: more than 500 security vulnerabilities. incidents were prevented, including 52 proactively identified by VK's Security Operations Centre (SOC) using publicly available data. The team conducted

## **Prevention of potential threats**

VK's Bug Bounty programme saw significant enhancements in 2024, including the removal of may reward limits thanks to the innovative Bounty Pass mechanism (the more vulnerabilities a security resea finds, the larger the cumulative bonus).

VK increased maximum payouts across all three Bug Bounty platforms: Standoff Bug Bounty, BI.ZONE Bug Bounty, and bugbounty.ru, raising average vulnerability payments by 45%.

VK services

in the Bug Bounty programme in 2024

mn RUB  $\sim /$ 

maximum one-off reward in 2024

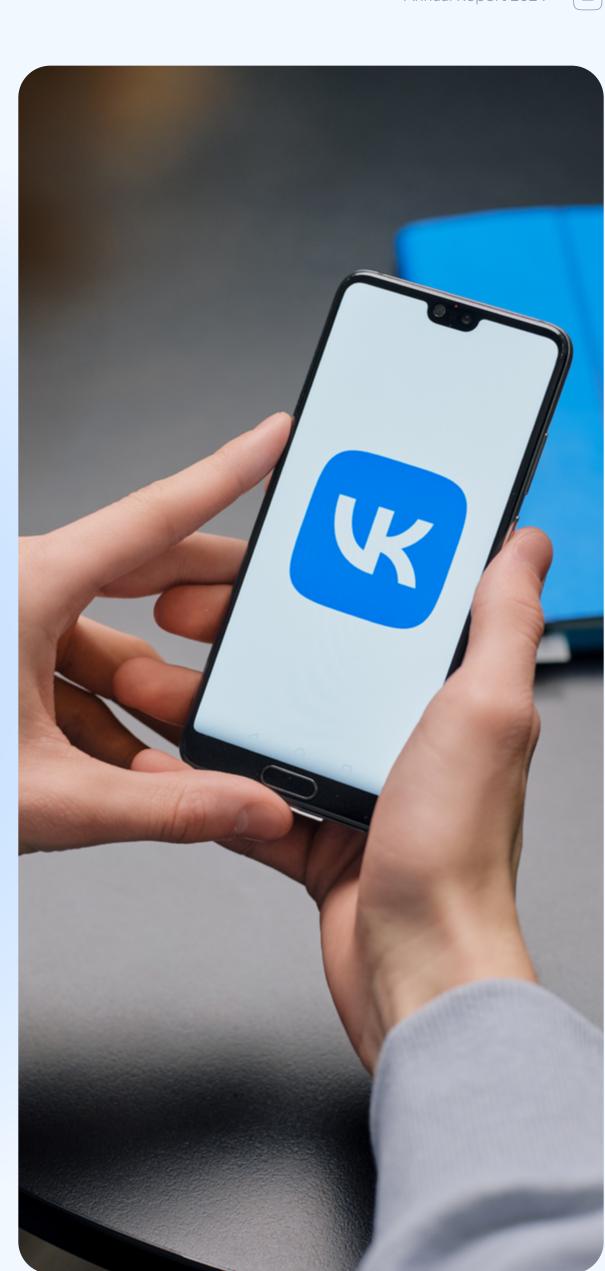
	Overall, payouts to security researchers in 2024 grew
aximum	by 60% year-on-year to more than RUB 63 mn. [名]
	The maximum payout exceeded RUB 3.9 mn, a new
archer	record for VK's Bug Bounty programme. In total,
	VK processed around 1,700 reports from independent
	researchers, paying for more than 600 reports.

# **200** mn RUB

total payouts since the programme's inception in 2013

# 

bughunter reports since the programme's inception in 2013



# Safe Internet

#### Security of ecosystem services

As digital technologies evolve rapidly and cyberthreats grow, VK continues to put an emphasis on user and data security. The company actively implements a wide range of measures and initiatives to protect all VK services and platforms.

To this end, VK is advancing the VK Protect programme, encompassing all tech solutions and initiatives that secure both VK's offerings and those of its partners. The company is also pushing forward its strategy of passwordless authentication. In 2024, we developed a new notification system to provide information about the security of VK ID accounts under different scenarios and for various types of users. Additionally, we updated password breach detection approaches and recommendations. Over the past year, the number of accounts using VK ID increased by 10%, reaching 126 million. In 2024, the share of seamless and passwordless authentications grew to 90%.

C For more details on VK ID, see the Ecosystem services and other business lines section.

# w protect 12:30 .ıl ຈ =

## Небезопасный пароль

Этот пароль найден в открытом доступе: его могут использовать злоумышленники. Установите другой.

#### Изменить пароль

#### Mail.ru Email Security

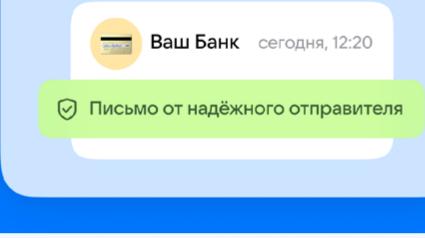
Mail team continuously develops new algorithms and machine learning models to enhance user security and respond to emerging threats, with more than 20 ML models deployed to detect spam in emails and protect users from harmful content. Email categorisation system automatically filters and sorts all incoming messages into folders, preventing spam from reaching the inbox. Anti-spam systems evaluate publicly available sender data and mark verified messages with a green shield icon. In 2024, Mail's algorithms blocked 30 billion spam and phishing emails.

In 2024, Mail launched Garm, a new account recovery system automatically analysing user recovery requests and determining their validity. The process automation helps avoid human errors in handling requests and speed up account recovery. As a result, the share of automated recoveries increased to 80%, with the total number of successful recoveries doubling.

C For more details on Mail.ru Email. see the Ecosystem services and other business lines section.



Предупредит о подозрительных действиях в ящике, не пропустит спам и защитит от мошенников



#### Information security channels on social media

VK promotes official information security channels on VKontakte, Dzen, and OK to raise the awareness of VK users about cyberthreats. Over the year, their total audience doubled to 47.5 million people. In 2024, we ran more than 30 information security initiatives, engaging over 50 million people.

C For more details, see the Children's internet safety and cybersecurity education programmes section.













Children's Internet safety and cybersecurity education programmes

VK regularly runs digital education and awareness-raising initiatives, including:

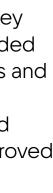
- Digital Literacy, an educational initiative run by VK and Digital Economy with support from the Ministry of Education and the Ministry of Digital Development, Communications and Mass Media. In 2024, the project reached out to over 500,000 school students through interactive sessions, introducing them to safe authentication methods and other data protection technologies.
- CyberMarathon, a series of open cybersecurity lessons involving the company's experts and ambassadors. The marathon included a wide range of themed video lectures, clips, memos, comics and cyber hygiene tasks in the Drugoe Delo mini-app. The endeavour engaged an audience exceeding 900,000 users.
- Digital Dictation, an initiative under which VK's information security experts prepared questions for all age groups and participated in offline events to share their knowledge. Over 2.1 million people took part in the digital dictation.
- How to Protect Yourself Online, an educational project run in collaboration with the Russian State Library. It features a series of lectures from VK's cybersecurity experts and popular bloggers, which were viewed by over 5 million people.
- A summer special project and a campaign run with VK ID to promote user account protection tools. Thanks to the initiative, over 80,000 users enabled extra security features on their accounts.
- Cyber Literacy Month organised in partnership with the Movement of the First. As part of the initiative, more than 30,000 participants improved their cyber hygiene skills.

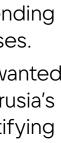
#### Child mode

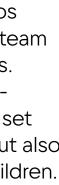
Child safety is a top priority for VK and one of the key features across VK's product range. VK has embedded the child mode function into the following products and services:

- Kids' Mail from Mail Email protects from spam and scammers: only emails from reliable senders approved by parents will get into the inbox.
- The child mode in RuStore enables parents to customise browsing and search content depending on their child's age, as well as to manage purchases.
- Voice assistant Marusia shields children from unwanted information. If the child mode is not enabled, Marusia's child recognition function will be triggered, identifying a child by voice and replying in a safe manner.
- VK Video introduced the child mode in the form of a free library featuring thousands of safe videos for children aged 0 to 12, which are curated by a team of professional children's editors and have no ads. In 2024, kids' content became one of the fastestgrowing categories on VK Video. That is why VK set out not only to offer a wide variety of content, but also to create a safe and secure viewing space for children.









# Personal data protection

### Information processed by VK

#### [TC-IM-220a.1], [TC-SI-220a.1]

VK reaches over 95% of Russia's Internet audience; hence, it is essential to uphold strong trust and guarantee personal data protection. To deliver top-tier and secure services, VK responsibly examines certain data, staunchly maintaining user privacy.

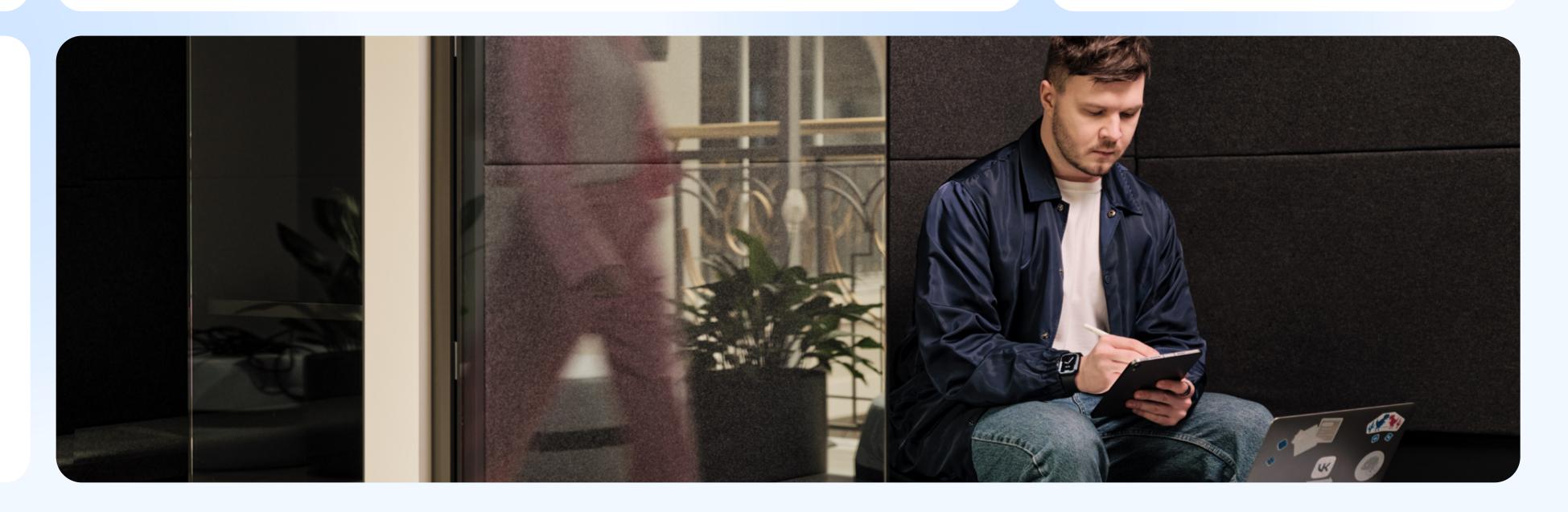
#### Information storage and sharing

In accordance with the Russian Federal Law on Information, Information Technology, and Informa Protection, VK is obliged to store certain user data for a set period of time. The platform itself determin how long user information is stored and processed for services not covered by this law, giving account owners the chance to reclaim their accounts in the that they are deleted.

#### **Registration information and user** content

VK treats all personal data as confidential information in accordance with applicable Russian laws. When users register, the company processes the data they provide, including their first and last names, birth dates, gender, mobile phone number, and email address.

To help users find friends on social networks, VK uses information about users' connections provided that they granted VK access to their address book.



	VK can use anonymised data to create analytical statistics
ation	about services, behaviour and user activity. The platforms
	and services segment the audience by gender, age and
nes	other data. All information is anonymous, which means
	that no specific user can be identified.
:	
event	Account owners can manage access to their publicly

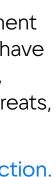
available data through flexible profile privacy settings, including access to photos, friends list and geolocation, and invitations to groups and conversations.

#### Attitude towards incidents

Protection of personal data is an important element of VK's corporate responsibility. All VK services have an embedded security system to minimise risks, effectively respond to emerging data breach threats, and prevent potential incidents in the future.

- C More details on VK user personal data protection.
- C VK's information protection principles.
- C Terms of use and confidentiality policies of VK services.





# Safer online environment

VK puts a lot of effort into creating a safer online environment for its users. Convenience, accessibility and safety play a key role in shaping user experience.

## VK's Digital Comfort Centre

In 2024, VK launched the Digital Comfort Centre. As part of the project, the company teamed up with experts from the Shalash charity to develop tips for healthy communication online, resources on mental well-being, and themed posts for users. The Centre offers practical advice on how to respond to and cope with cyberbullying, build trust with children and talk to them about online safety, recognise potential online threats, and much more.

C For more details on VKontakte, see the Social platforms and media content section.

## Anti-Cyberbullying Month

VK considers cyberbullying a serious issue, as studies show that one in three users has encountered bullying both online and offline. For five years, VK held Anti-Cyberbullying Day every 11 November. In 2024, the company launched the first-ever Anti-Cyberbullying Month to get even more people talking about the problem.

VK's products and services joined the campaign, along with more than 350 brands (twice as many as in 2023) and over 140 universities and schools. Partners took part in various educational and social projects to raise awareness about combating cyberbullying.

Over 30 influencers supported the initiative by sharing their own stories and spreading the message through their blogs.

The awareness campaign was integrated into the show By the Way, which garnered over 12 million views. Three episodes of the podcast One in Three, featuring influencers and celebrities, were released and streamed more than 38 million times.

The campaign website saw over 2.2 million visitors. It even included a live chat with psychologists from the 1221 online counselling service for teens, where 267 people reached out for support during the campaign.

# **112,5**<sup>mn people</sup>

covered by the campaign in 2024

# 2,2<sup>mn people</sup>

visited kiberbulling.net

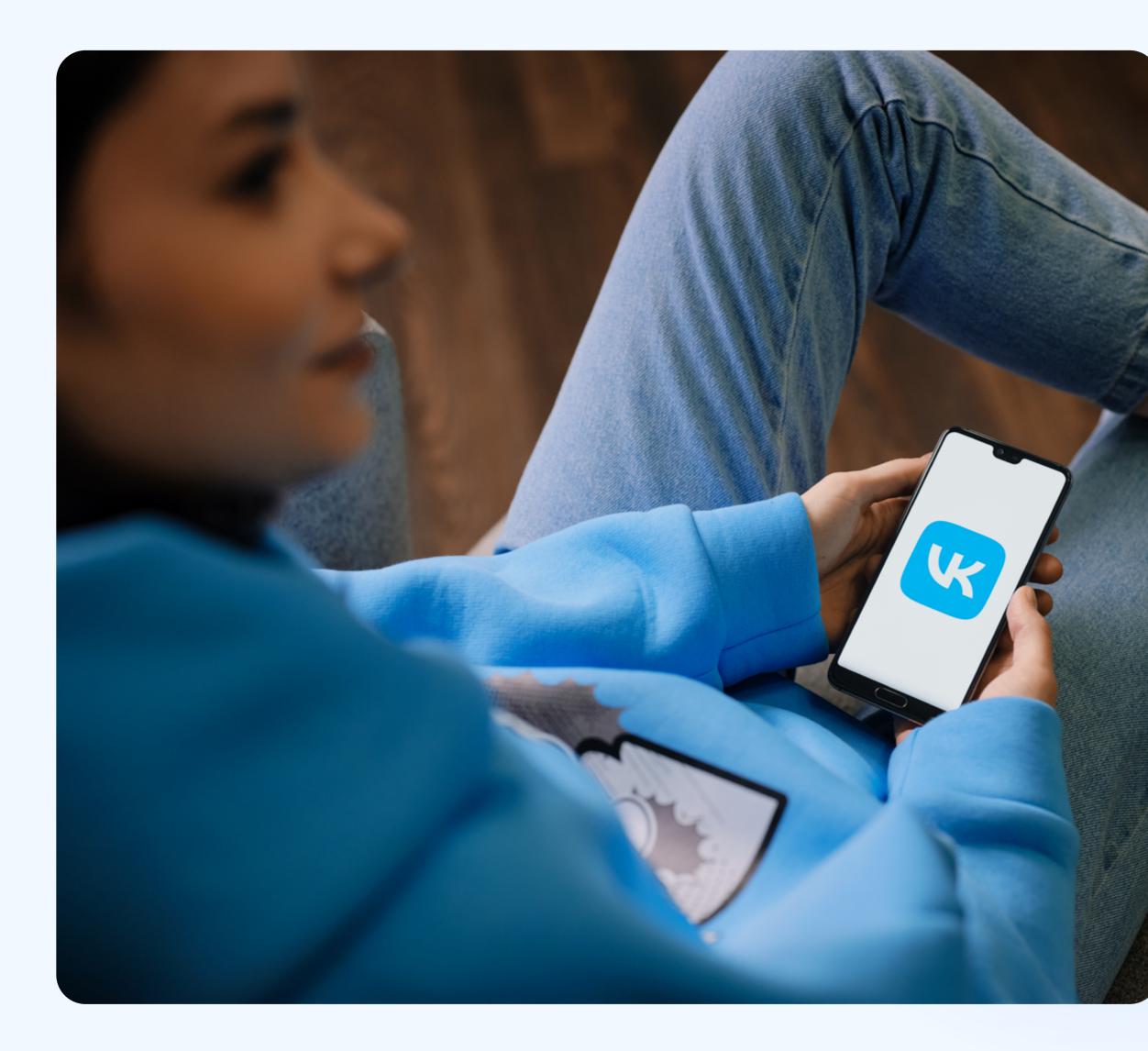
C More details on VK's initiatives and partners in support of Anti-Cyberbullying Month.











#### Countering the spread of illegal content

#### VKontakte

VKontakte responds promptly to user complaints and regulatory requests. The social network's moderation team not only reviews incoming requests, but also engages in internal monitoring of harmful content, with most rule-violating materials blocked before they become available to other users.

VKontakte uses a hybrid moderation method, which boasts the expertise of moderators combined with advanced technologies such as automated search engines and neural networks. To quickly detect and block re-uploaded content, a digital fingerprinting technology is used. This helps prevent rapid distribution of illegal or offensive content, as well as content published with copyright violations.

- C More details on VK's seamless user experience.
- C For the VKontakte platform compliance report, see the Databook.
- C For more details on VKontakte, see the Social platforms and media content section.

#### OK

The key focus area for the OK team is ensuring user comfort and safety.

In 2024, OK took major steps to better protect its users by introducing the following new tools:

- automatic hiding of new types of photo content that users flag as inappropriate;
- automatic replacement of offensive language in posts and comments with asterisks;
- filtering of toxic commentators based on a machine learning model;
- new privacy settings that allow users to restrict access to their posts and reactions for strangers;
- new content reporting form giving users an opportunity to indicate more specific reasons for flagging a material as inappropriate;
- separate inbox section for message requests from unknown users;
- improved anti-spam and moderation metrics, reduction in spam delivery.
- C More details on OK users' safety.
- C For the OK platform compliance report, see the Databook.
- C For more details on OK, see the Social platforms and media content section.



# Responsible supply chain

[2-6], [2-22], [2-23], [2-24]

#### **Procurement system**

VK's procurement operations are governed by the Regulation on Procurement of Goods, Works, and Services at VK LLC, which sets out uniform rules and basic principles for procurement to ensure transparency, streamline processes, and increase the efficiency of VK's procurement procedures.

The Regulation contains, among other things:

- Methods, procedure, and specific aspects of procurement processes
- Procedure for setting requirements for participants of procurement processes
- Procedure for setting requirements for products to be purchased
- Procedure for crafting procurement documentation
- Procedure for contract conclusion, amendment, and termination

All purchases subject to the Regulation are carried out in two sections of the Roseltorg electronic trading platform. The corporate section facilitates strategic procurements, while the Roseltorg. Business platform for private business needs is used for small-volume purchases.

## Social and environmental aspects of the supply chain

VK cooperates with over a thousand suppliers, inclu wholesalers, retailers, contractors, consultants, venc and their official representatives.

Suppliers are chosen based on their product and serv quality, market experience, competitive pricing, and offered guarantees. VK seeks to prioritise local suppl with 94% now coming from the same country where the purchasing entity is registered. [204-1]

Procurements primarily include IT equipment, softwa consulting services, construction, installation and commissioning works, marketing services, works and services related to the creation and development of media content.

Mandatory business conduct principles are set out in the VK Supplier Code of Conduct as follows:

- Fulfil contractual obligations
- Comply with applicable laws and fair competition practices
- Avoid conflicts of interest
- Report openly and transparently
- Protect confidential information
- Take special care of VK assets
- Respect human rights, protect health, safety, and the environment

The Code applies to all VK suppliers and lays the foundation for ethical business practices. Provisions on compliance with the Code are included

iding dors,	in the company's template anti-corruption clause and tender documents. When entering into contracts, all VK suppliers confirm that they have read and agree to abide by the principles of the Code.
vice	[414-1]
liers,	VK reserves the right to conduct audits or request information from suppliers to ensure compliance with the Code where necessary. If any breach is identified, VK expects its suppliers to take quick steps
are,	to correct it. A supplier's unwillingness to cooperate or disregard for the feedback may constitute
b	grounds for the termination of business relations with the company.

VK expects all supply chain participants, in particular consultants, agents, and other contractors providing goods, works or services to VK, to adhere to the basic rules of business and corporate ethics, and to comply with the relevant anti-corruption laws and with the VK Supplier Code of Conduct.

Suppliers can report any violations of this Code or the law to the whistleblowing hotline. [2-25], [2-26]



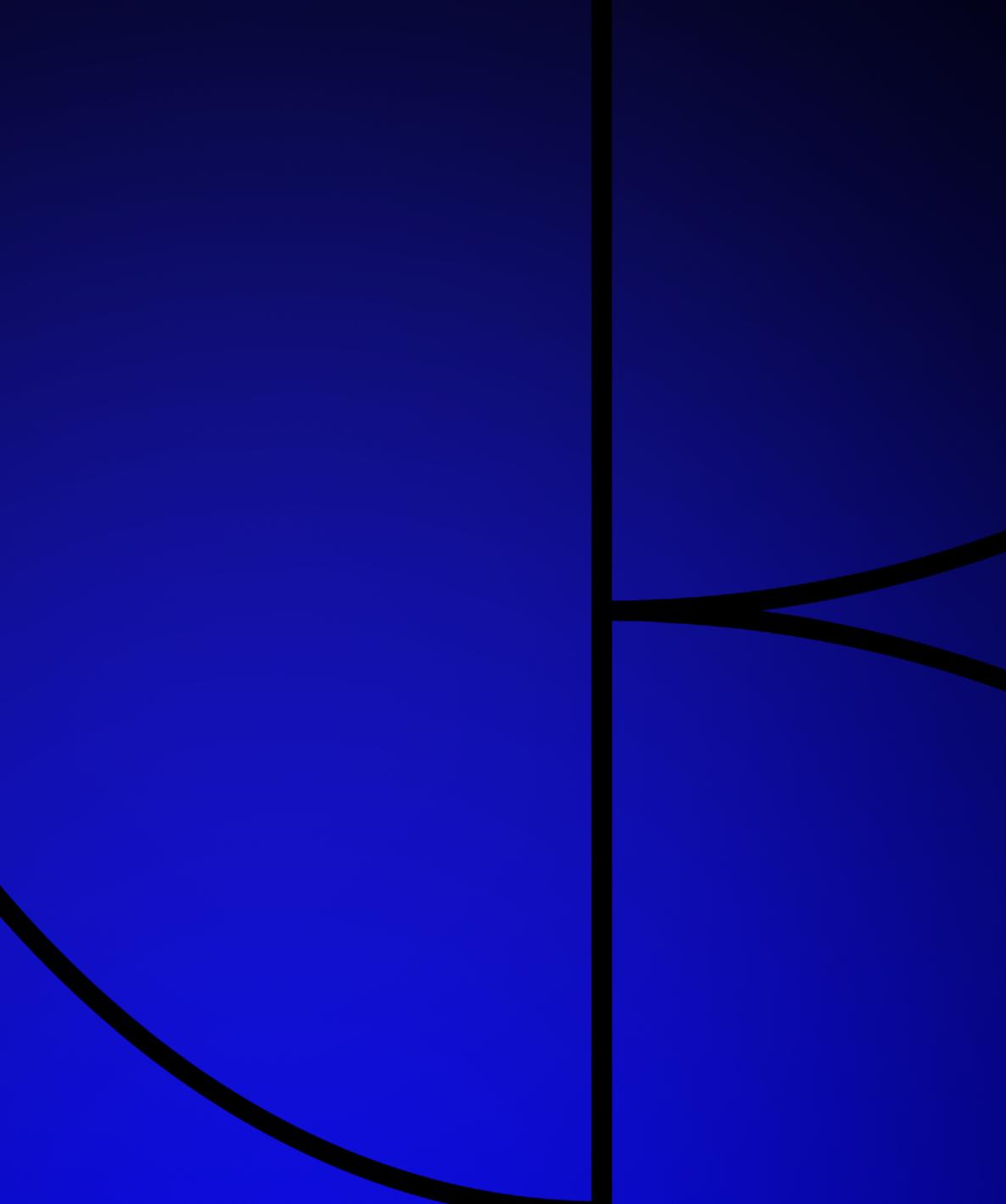








# VK for society



# VK's approach

VK invests in technology and expertise to support the development of social initiatives in Russia. Through its services and products, the company engages an increasing number of users in charity, and provides state-of-the-art infrastructure capabilities to non-governmental organisations. VK launches awareness campaigns and improves tools and technologies to make its projects safe and comfortable for all users.

VK's social strategy prioritises three main areas: technology for everyone (charity, inclusion, and technological support for NGOs), safety, and the environment.







# Charity services

## **VK Dobro**

For over a decade, VK has been fostering the VK Dobro charity service (Dobro Mail.ru until 2023), which helps users take part in charitable initiatives across Russia and makes charitable pursuits easier and more accessible.

# ~150 mn RUB

donated by platform users to Russian charities in 2024

>455

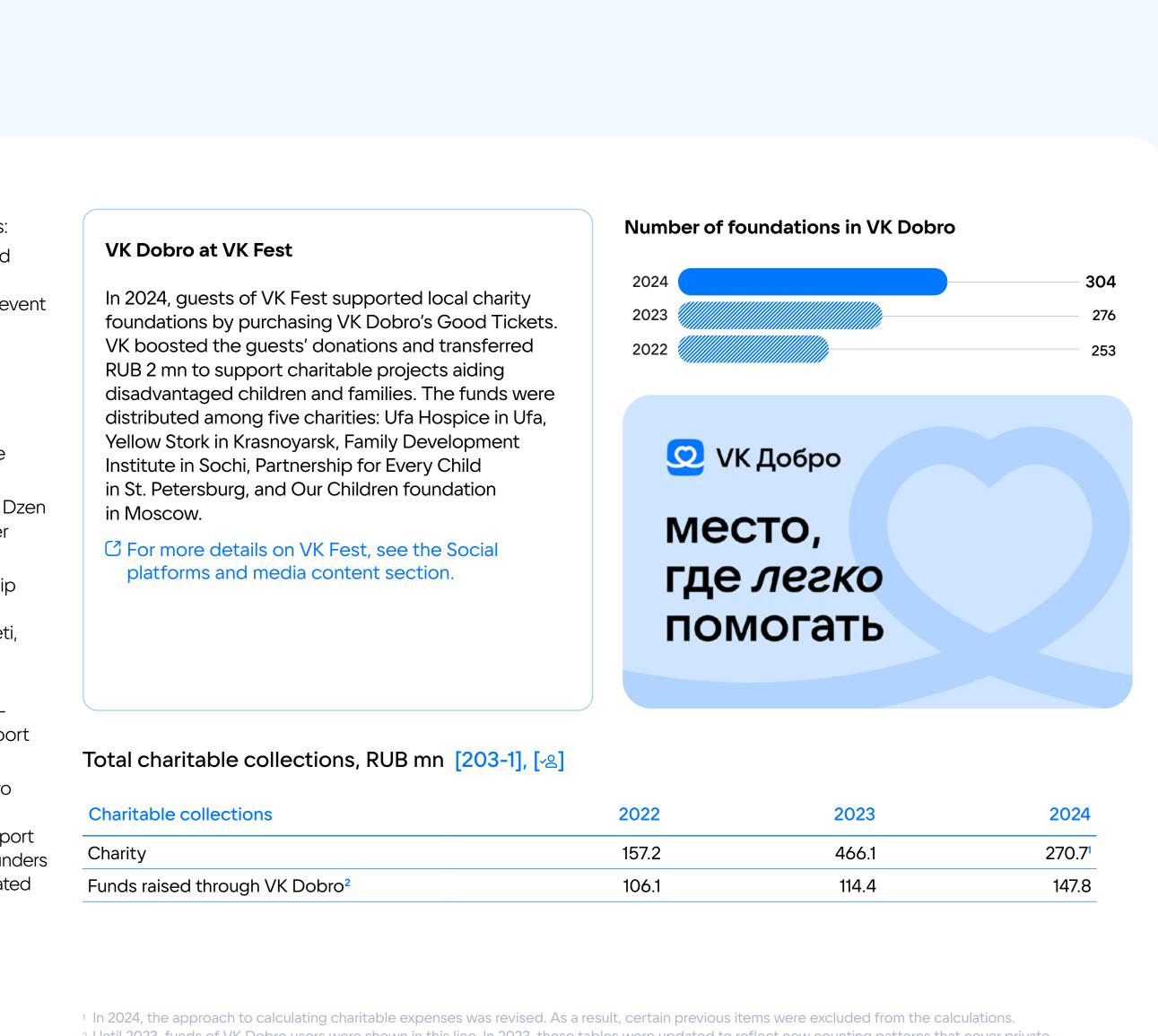
fund-raising campaigns received contributions from VK Dobro users in 2024

foundations

partnered by VK Dobro

In 2024, VK Dobro implemented the following projects:

- In partnership with Mail Calendar, VK Dobro launched the Good Calendar initiative, allowing users to add socially significant events, holidays and dates. Each event provides links to a relevant section in VK Dobro with descriptions and ways to get involved.
- Together with Dzen, VK Dobro launched More Than a Game, a charity project where participants can win prizes from famous athletes. As a result, more than RUB 230,000 was raised for the Love Syndrome foundation.
- As part of the joint #dobrolikes project, each like on Dzen articles converted into RUB 1. The project raised over RUB 100,000 for the RAY animal rescue foundation.
- Time for Good Deeds, a campaign held in partnership with Fix Price, raised more than RUB 5 mn for such charitable foundations as Butterfly Children, Svet.Deti, Love and Gratitude, Love Syndrome, and Touch.
- During a year-long Good Calendar campaign held in collaboration with Magnit, VK Dobro ran four fundraising drives collecting more than RUB 7 mn to support 20 charitable foundations.
- Together with Chekhov Moscow Art Theatre, VK Dobro continues the #TheatreHelps charity project launched in 2022. Every month, the theatre and its audience support one of the charity foundations whose trustees and founders are the theatre's actors. In 2024, 650 contributors donated RUB 625,400, twice as much as in 2023.



	Charitable collections	2022	2023	2024
5	Charity	157.2	466.1	270.7
	Funds raised through VK Dobro <sup>2</sup>	106.1	114.4	147.8

<sup>2</sup> Until 2023, funds of VK Dobro users were shown in this line. In 2023, these tables were updated to reflect new counting patterns that cover private donations of VK Dobro and those received through VK's corporate Code of Good fund.

### Social advertising

In accordance with the law, VK provides IRI (Institute for Internet Development), a social advertising provider, with 5% of traffic for social ad campaigns free of charge.

IRI selects projects on a competitive basis, with 307 campaigns implemented in 2024 and covering a total of 75 million users. The main topics of advertising campaigns on VK platforms were Improving Financial Literacy, Volunteering, Social Support, Donation of Blood and Organs, and Environment.

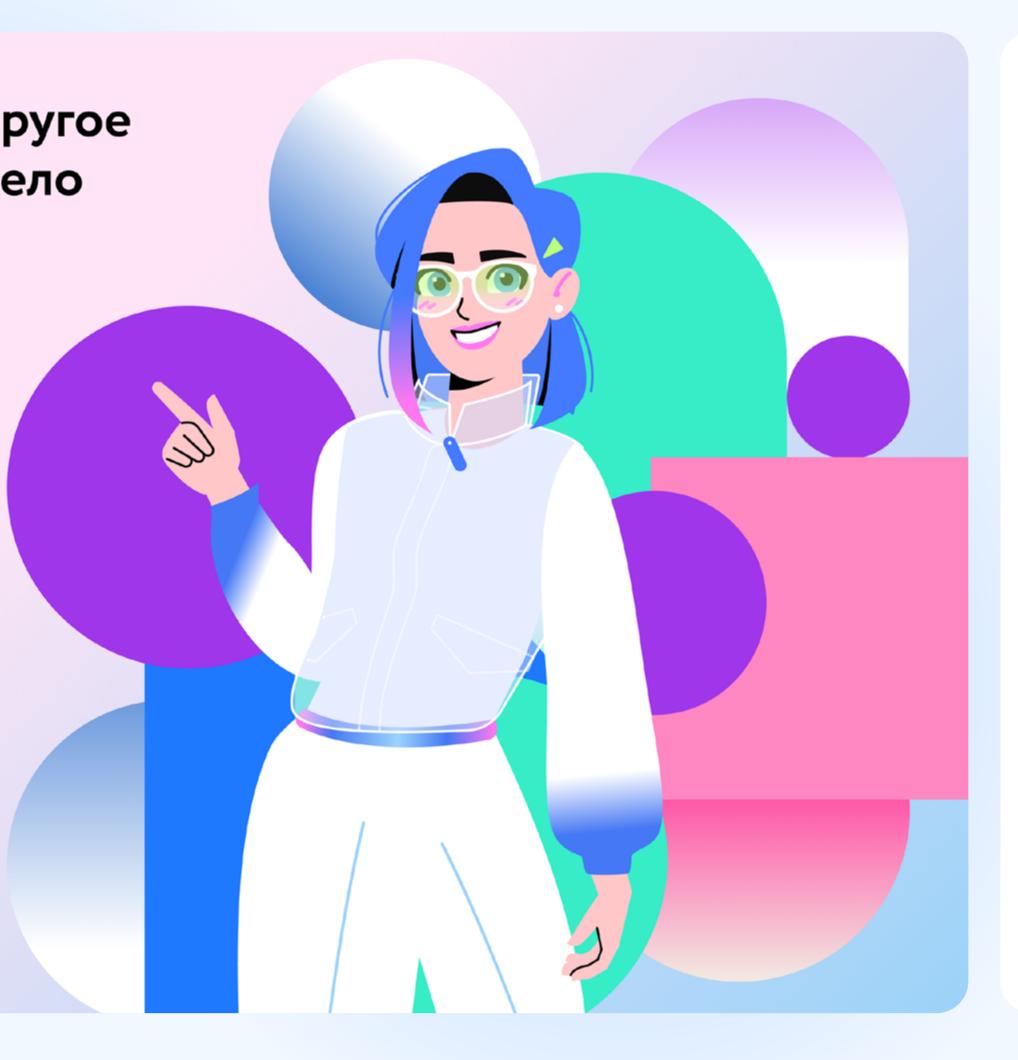
#### Code of Good fund

Code of Good is a fund for charity foundations created by VK for charity development in Russia. The fund helps charities that have been vetted by VK Dobro by offering them resources and assistance to grow.

# 40 mn RUB 3,5x times YoY

collected for charity foundations in 2024





#### **Drugoe Delo service**

In 2024, VK launched a variety of helpful activities on Drugoe Delo, Russia's largest social digital service. Drugoe Delo is a VKontakte-based service offering personal development challenges that help young people make their leisure time more diverse and meaningful for themselves and people around them. Users earn points by completing tasks, which they can exchange for rewards such as discounts, promo codes, subscriptions to online services, and tickets to the cinema, concerts, exhibitions and tours.

By the end of 2024, 6.5 million users registered for the Drugoe Delo service, with the project's audience growing 1.5 times over the year. Over 85% of the audience is between the ages of 14 and 35. The number of completed tasks nearly doubled, reaching 7.8 million. Tasks related to education and career guidance are the most popular ones. In response to user demand, the service launched four educational projects in 2024, which generated 2.8 million task completions.

C For more details on Drugoe Delo projects, see the Awareness projects on reducing the environmental footprint section.



# **Educational initiatives**

VK plays an active role in promoting education by launching diverse initiatives and programmes for learners of all ages and levels. VK Education focuses on providing free IT education for young talents, helping schoolchildren, university students and young professionals develop their skills and build careers. VK programmes include an open online lecture series, asynchronous courses for beginners, longterm programmes for students from Russia's leading universities, and advanced selective courses.

# 120 educational programmes

implemented by VK Education in 2024

# 220,000

course students and intellectual competition participants engaged by VK Education in 2024



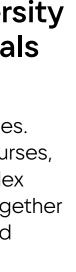
#### **Educational initiatives for university** students and young professionals

VK's educational initiatives are implemented in partnerships with 37 leading Russian universities. There are joint educational programmes and courses, career events, contests, hackathons, and complex projects for the development of universities. Together with the ITMO University, VK Education launched a corporate master's programme for future web developers. VK and the Higher School of Economics unveiled three master's programmes for the School of Engineering and Mathematics and two bachelor's programmes for the School of Informatics, Physics and Technology.

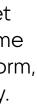
In 2024, VK Education launched an educational programme for music producers and managers, giving young professionals an opportunity to get insights into in the music industry. The programme is led by experts from the Prostor creative platform, VK Records music label, and Universal University. The project offered 16 scholarships for studying at Moscow Music School.

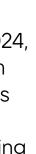
VK Education launched VK Education Projects, a programme designed to assist students and teachers in their coursework and research (homework, R&D, term papers and theses). In 2024, 2,000 students used practical case studies from the database of VK Education Projects. Students showed the greatest interest in cases related to natural language processing models, identifying vulnerabilities in VK services as part of the Bug Bounty programme, exploring new market niches for VK WorkSpace, and developing advertising campaigns for VK services.













### Educational initiatives for schoolchildren

VK regularly participates in Digital Lesson, a nationwide educational project sponsored by Digital Economy jointly with the Ministry of Education and the Ministry of Digital Development, Communications and Mass Media. In 2024, VK's lesson on App Stores introduced more than 3.3 million schoolchildren to the secrets and technologies behind app stores using the example of RuStore.

In 2024, VK relaunched the IT Diving project as an online career guidance camp where schoolchildren could explore various in-demand career paths by solving realworld practical tasks under the supervision of VK experts. In 2024, 1,800 students participated in the project.

VK joined forces with the nation's leading technical universities to hold the Technocup Programming Olympiad. Winners and finalists of the Olympiad were eligible for university admission without entrance exams, could earn a score of 100 points on the Unified State Exam in Informatics, or could have additional benefits when applying to VK Education programmes. In ten years, more than 40,000 schoolchildren took part in Technocup, with more than 120 participants joining VK as employees (as at the end of 2024).

DreamLab is a project providing high school students with In the reporting year, VK Education launched its first free training programme for schoolchildren preparing to take insights into in-demand digital professions. In 2024, 6,900 part in programming Olympiads. The programme includes school students became part of the project. The lab's the Start in Olympiad Programming online course and key focus areas included Management and Development, Digital Product Promotion, and Digital Product Research an interactive simulator powered by the All Cups platform. In 2024, 1,400 school students enrolled in the training and Design. course.

VK is a partner of the Go and Solve It! nationwide test intended to raise awareness about technical and natural sciences in Russia. In 2024, 57,900 people participated in the test.

111,500 people

took part in Olympiads and intellectual competitions in 2024

mn times

users took the Digital Lesson on app stores in 2024

In 2024, Sferum joined forces with NGOs to launch a number of socially significant projects, including Leaders of Sferum, a support programme for teachers; The Teacher of Today: How to Teach and Learn in the Modern World, a free online course for teachers sponsored by the Russian Ministry of Education; and the Classroom Friendship project. Sferum became a partner of the Mini-Robot Battle, a new track of the international Robot Battle championship supported by the Russian Ministry of Digital Development.

C For more details on Sferum, see the Social platforms and media content section.

# dream lab.

w education







# Support of creative communities and creators

Prostor is VK's open creative platform, offering development opportunities in design, directing, music, and visual arts to young talent. In 2024, the platform launched free educational programmes in five areas: Commercial, Music Production, Content Marketing, Documentary Film, and Fundamentals of Creativity. Leading industry representatives served as the programme's curators, speakers, and participants.

In 2024, VK launched the Prostor Studio service on the VKontakte platform. This service enables designers to monetise their skills, while clients can find talented artists for design services and tasks. Over 33,000 designers joined the service. The first projects were completed for Ozon and Cofix.

At the end of 2024:

>350,000 people

audience on the Prostor platform

160,000 people

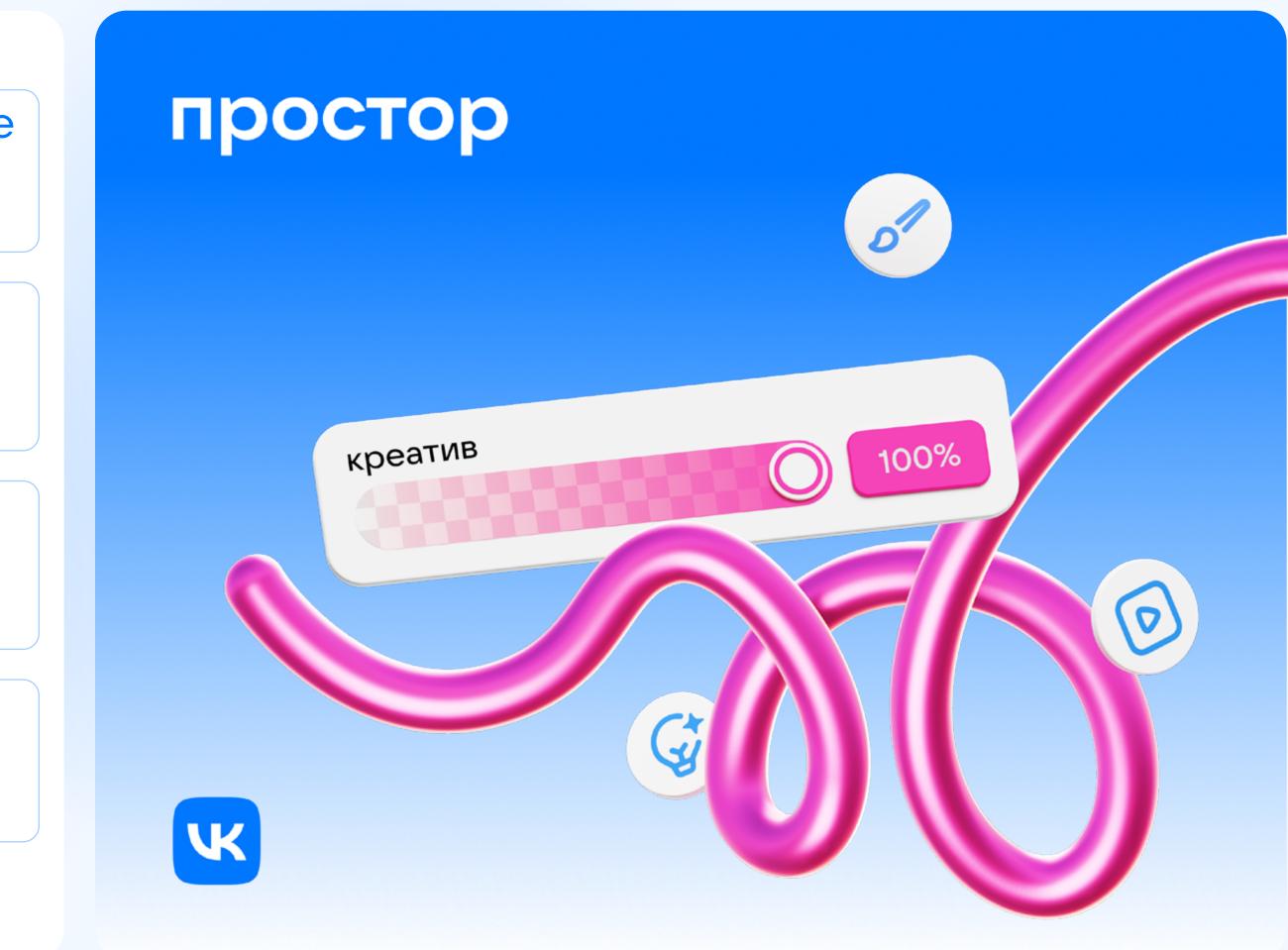
completed open training programmes

30

training programmes and projects

projects 1,20

created by young artists







# Support of culture and educational projects

VK Grants supports content projects of cultural institutions and authors active in culture and the arts. The grant competition helps cultural projects attract new audiences and provide young VKontakte users with digital content they want in a format that is relevant for them.

In 2024, VK expanded its grant support programme, offering applicants two types of grants: money grants for content creation and digital grants for promoting content on VKontakte. Museums, theatres, philharmonics, planetariums, exhibition centres, cultural centres, art spaces, specialist media outlets, portals, bloggers, authors, and other cultural projects were eligible to apply for support.

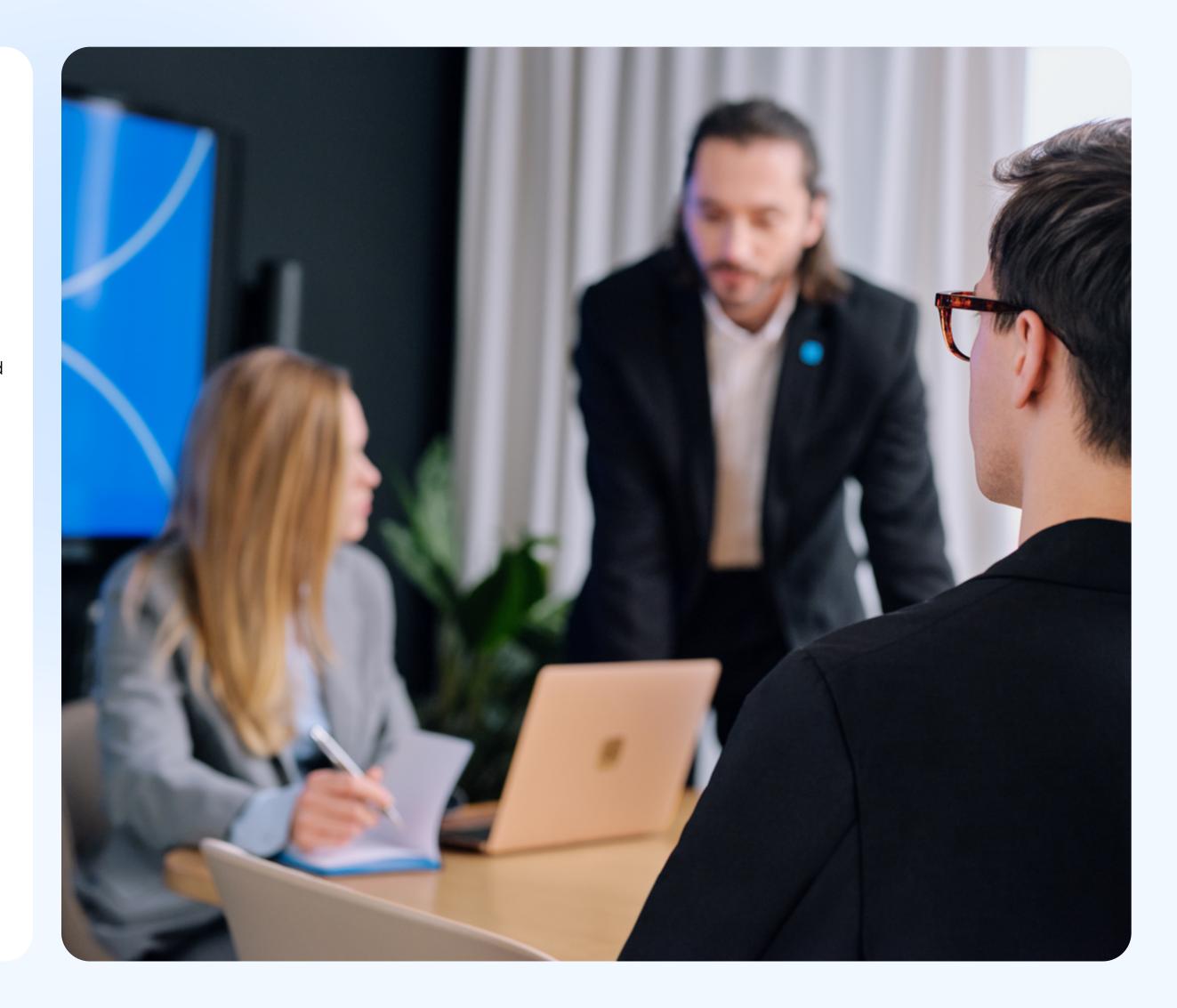
# >60<sup>mn RUB</sup>

total value of digital and monetary grants in 2024

VK Grants finalists from 20 regions of Russia

In 2024, VK continued initiatives and projects focused on developing culture and art and offering more educational and enlightening content to users.

- OK joined the Museum Night campaign. The online programme featured 56 broadcasts from 32 cultural institutions across Russia, garnering almost 4.3 million views. VKontakte and OK users gained access to Museum World featuring virtual lectures, performances, excursions, and other exclusive content from 80 Russian museums and bloggers.
- As part of the Night of Arts, OK launched the Fascinated by Culture project, which introduced users to arts collections from renowned Russian museums viewed from the perspective of different hobbies.
- For the Theatre Day, VKontakte, OK, and Dzen joined the World of Theatre project. Online, users could watch exclusive content from over 70 cultural institutions, artists, and bloggers free of charge.
- For the World Opera Day, OK granted users access to online broadcasts from 20 theatres and cultural projects across different regions of Russia.
- OK, together with Culture.ru, launched an educational project titled I Speak Russian, creating an online dictionary of Russian dialects from across Russia. OK users added over 3,000 entries to the dictionary via the website form.







# VK charity projects

## VKontakte charity projects

VKontakte, together with the Khabensky Foundation, launched the Charity Mode On project – a series of educational videos featuring celebrities discussing charity and the work of charitable foundations. The videos received over 1.8 million views.

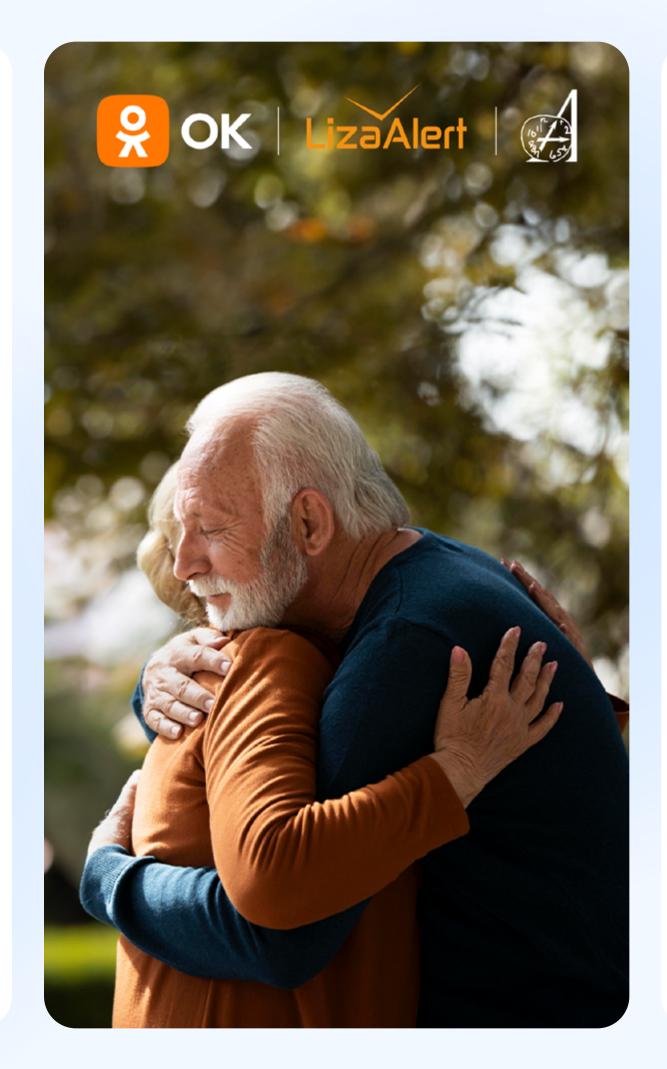
VKontakte ran the #MakeGoodVisible campaign. A virtual mask for stories and videos helped users share the good deeds they do in collaboration with charity foundations. Thirteen NGOs supported the initiative, and the campaign reached 2 million people. VKontakte also backed the Love-Powered Support campaign, a global initiative promoting consistent support for nongovernmental organisations. The campaign engaged an audience of 2.5 million.

In partnership with the Vse Vmeste Charity Association, VKontakte launched the Transparent Charity Week to promote transparency in fundraising. VKontakte users could share their experiences of supporting foundations by posting with the hashtag #itrustfoundations. The best stories received prizes and special grants for promoting charity foundations through advertising. Specifically for the campaign, VKontakte created the Transparent Foundations selection to show a broader audience how foundations operate internally. Over 130 NGOs joined the campaign.

VKontakte held a homeless animals support month and a marathon in the Steps app to back the Nika Foundation. Over 500,000 people supported the marathon, and the campaign's total reach exceeded 15 million people.

VKontakte continued to release charity sticker packs. The Snezhok Dragon sticker pack helped raise RUB 2.4 mn. The funds were used to support three foundations: It Needs You, Dogs Who Love, and Light in Hands. The sticker pack, released for the Children's Day, raised over RUB 500,000, which was donated to the Change One Life foundation.

C For more details on VKontakte, see the Social platforms and media content section.



#### **OK charity projects**

For the Ageism Awareness Day, OK and Young Old Lab presented a joint project showcasing older adults pursuing unconventional hobbies. The campaign aimed to challenge societal stereotypes about senior people, their interests, and hobbies. The project's videos received over 1.5 million views.

For the World Cancer Day, OK and the Cancer Prevention Foundation held a broadcast with an oncologist who answered questions about the disease.

OK, VK Dobro, and the Naked Heart Foundation launched a digital exhibition featuring works by artists with autism spectrum disorder.

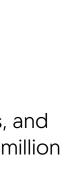
#### C For more details, see the Educational Projects in the Area of Inclusion section.

For the World Alzheimer's Month, OK, volunteer search-and-rescue team Liza Alert, and the Alzrus Foundation launched their first joint social impact project. This initiative enabled OK users to ask experts questions and learn more about dementia, including how to recognise it, prevent loved ones from going missing, and assist individuals with dementia in crisis situations.

C For more details on OK, see the Social platforms and media content section.

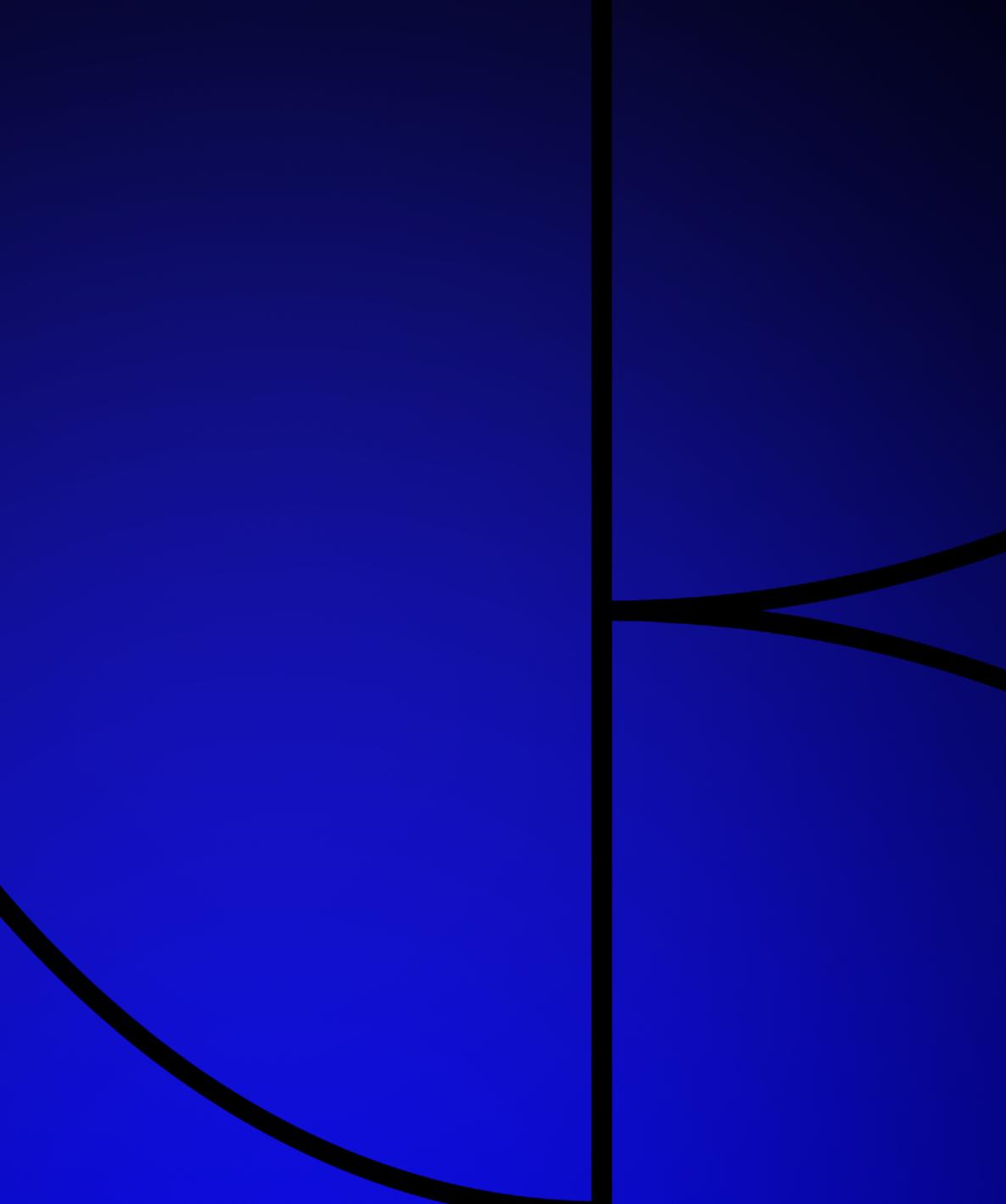








# VK for nature



# VK's approach

Focus on the environmental agenda is integral to the company's business. VK's strategic goal is to reduce the environmental and climate change impacts by ensuring the company's environmentally friendly and sustainable development.

The core principles, goals, objectives, and directions of the company's activities in this area are set out in VK's Sustainable Development Policy and Environmental Policy approved in March 2024 by the Audit Committee.

The company operates in line with the following environmental principles:

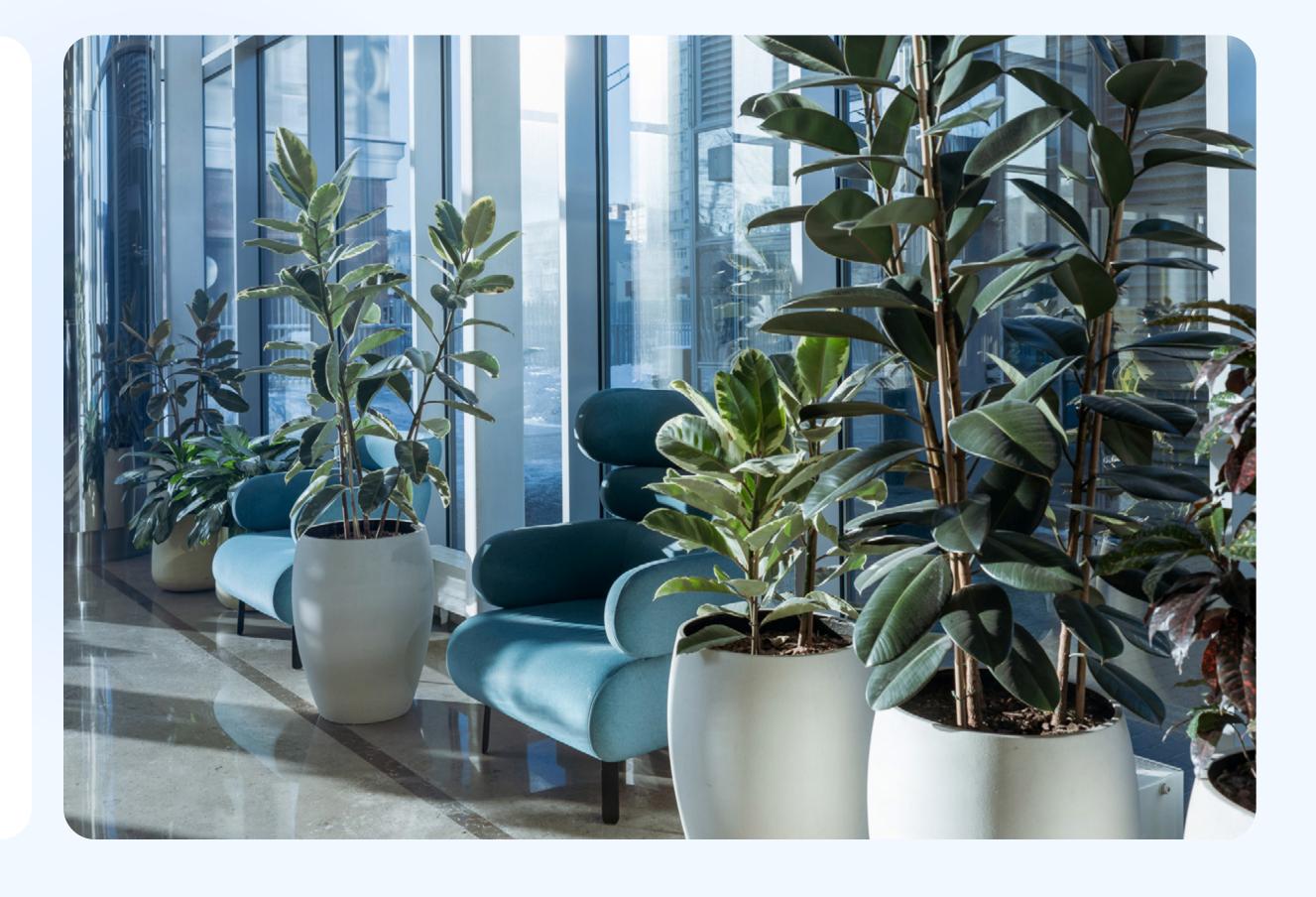
- compliance with laws and regulations;
- environmental and climate risk management;
- setting long-term goals;
- consistent improvement and expert support;
- transparency and accessibility;
- fostering environmental culture and values.

Throughout its history, VK has received no fines or sanctions for non-compliance with environmental laws.

VK actively integrates sustainability and environmental principles across all its operations, including educational projects, B2B products, and other initiatives designed to reduce the digital and carbon footprint of both users and partners. VK discloses information on its environmental activities and performance in quarterly ESG presentations available on the company's

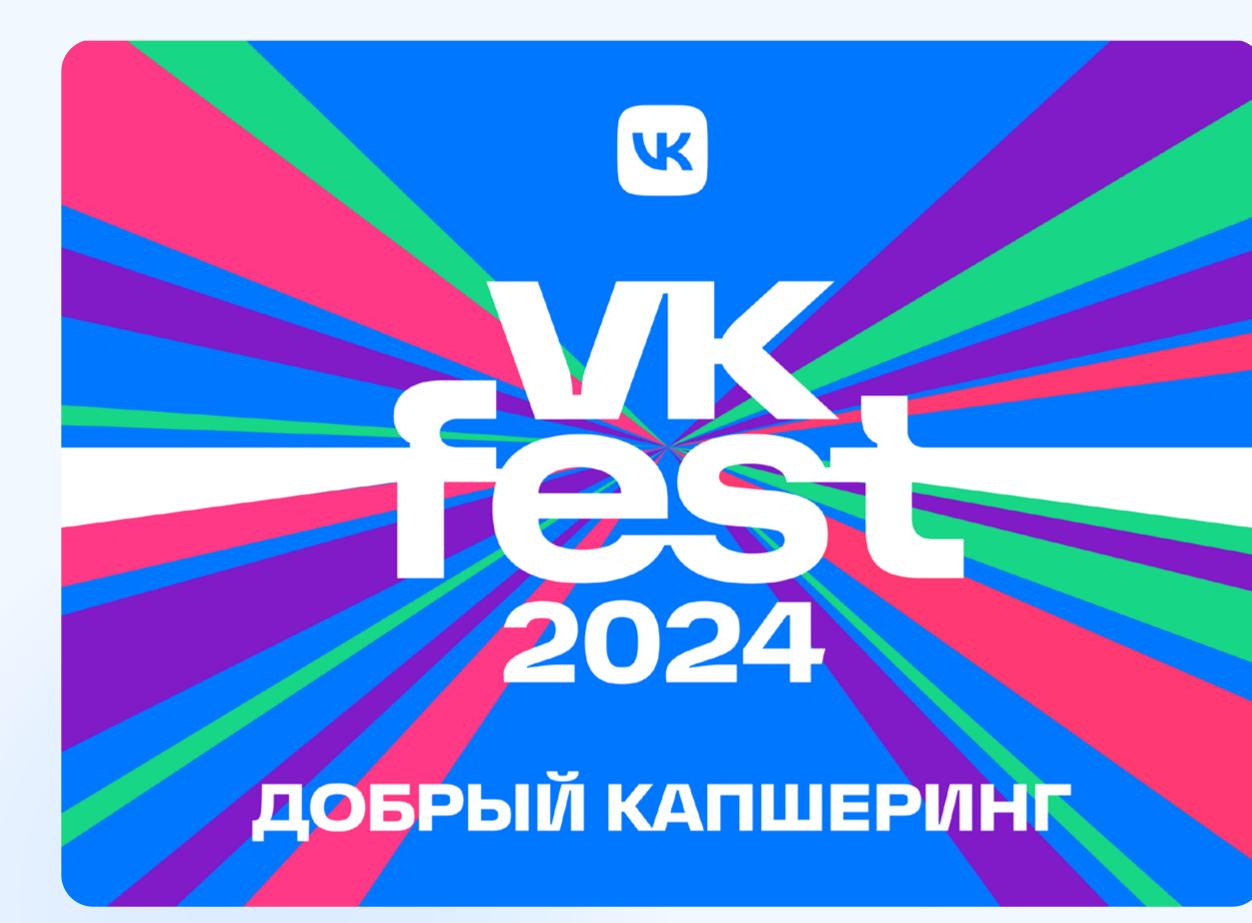
official website. VK endeavours to raise environmental awareness among its employees through corporate educational and informational resources. Employees participate in various corporate initiatives focused on environmental protection, rational use of natural resources, environmental safety, and climate action.

C For more details, see the Social initiatives for employees section.









#### Minimising VK Fest's environmental footprint

In 2024, VK Fest implemented several environmental initiatives to reduce the event's ecological footprint.

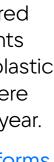
Separate waste collection was organised in all host cities. Volunteers worked on-site to help visitors sort waste. A total of 30.8 tonnes of recyclable materials – including plastics, aluminium cans, and cardboard – were collected and sent for recycling. After the festival, 27.5 tonnes of structures and decorations were dismantled and donated to animal shelters and charitable foundations for reuse - including banners, carpeting, chipboard, plywood, and other materials for site improvement.

One of VK Fest's core principles is maintaining the condition of the area that hosts the event. To minimise the impact on parks, the organisers used special protective flooring. In St Petersburg and Moscow, over 12,000 sq.m of lawn was covered this way. In all host cities, measures included using granite slabs to fence specialised equipment in operation, washing asphalt surfaces, and topping up paths.

For the second consecutive year, the festival featured the Kind Cup Sharing campaign, enabling participants to buy reusable cups and thus reduce disposable plastic use. As part of the initiative, 3,200 reusable cups were purchased - three times more than in the previous year.

C For more details on VK Fest, see the Social platforms and media content section.





# Power consumption and energy efficiency

#### Energy consumption [302-1], [TC-IM-130a.1], [TC-SI-130a.1], [-2]

Indicator	Unit of measurement	2022	2023	2024
Energy consumption by data centres				
Electric power	million kWh	53.7	59.7	75.6 <sup>1</sup>
Heat	Gcal	94	116	266
Diesel fuel	litres	12,954	22,001	181,182 <sup>2</sup>
Energy consumption by offices				
Electric power	million kWh	7.5	8.9	16.8 <sup>3</sup>
Heat	Gcal	11,503	12,876	15,283
Diesel fuel	litres	14,044	25,594	26,352
Total				
Electric power	million kWh	61.2	68.6	92.4
Heat	Gcal	11,597	12,992	15,549
Diesel fuel	litres	26,998	47,595	207,534 <sup>2</sup>

Energy consumption by data centres in 2024 grew following the opening of a new data centre. The increase is also driven by higher data centre loads due to the growth of VK audience and increased content consumption by users of the VK platforms. <sup>2</sup> Diesel fuel consumption figures for 2024 increased due to the introduction of new energy security regulations for data centres. Since 2024, guaranteed and uninterrupted power supply systems have been tested monthly to ensure fault tolerance of data centres. <sup>3</sup> Office energy resource consumption figures for 2024 increased due to changes in the calculation perimeter of power consumption. Since 2024, three more VK offices have been included in the perimeter. <sup>4</sup> American Society of Heating, Refrigerating, and Air-Conditioning Engineers. ASHRAE standards aim to create uniform testing methods and efficiency criteria.

#### Data centres

#### [TC-IM-130a.3], [TC-SI-130a.3]

VK seeks to reduce specific power consumption per data centre by optimising IT equipment usage and implementing modern cooling systems. The company optimises power supply, distribution, and redundancy arrangements to minimise electricity transmission losses.

To improve energy efficiency, VK conducts laboratory tests striving to expand the temperature range for operating server equipment beyond the ASHRAE recommendations<sup>4</sup>. Since 2023, a higher operating temperature has been set for IT equipment, reducing energy consumption for air cooling and enabling the use of server room heat surplus to warm storage areas.

VK uses its own data centres and leases capacity from third-party providers. As of the end of 2024, VK had three data centres: in Moscow and in the Moscow and Leningrad regions. The one in the Moscow Region,

launched in 2024, boasts an average annual PUE of 1.25. It features innovative solutions that expand the temperature range in data halls and efficiently cool servers through direct free cooling – a technology that uses outside air to cool server equipment, eliminating the need for compressor-based and chilled water cooling systems that rely on refrigerants.

#### Offices

VK offices grow more eco-friendly and energy efficient every year. Automatic lighting dimming outside business hours was introduced at the Moscow head

office in 2023 and at four regional offices in 2024. The head office's lighting system was replaced with LFDs.



# Water consumption

#### [303-1], [303-2], [303-3]

Water supply and wastewater disposal for VK's data centres and offices are handled by city municipal services under contracts with operators of this engineering infrastructure. Data centres are equipped with local treatment facilities for stormwater, domestic and process wastewater. Process wastewater from cooling is discharged into water bodies at sub-zero temperatures. In summer, process wastewater evaporates naturally from the free cooling system. Regular wastewater analysis is conducted to ensure environmental safety. Russian laws regulate the composition of wastewater discharged into centralised water supply systems and water bodies.

Water metering systems and energy-efficient plumbing fixtures have been installed to optimise water consumption. VK does not withdraw water in the regions with water shortages.

C For the Water Consumption table [303-1], [TC-IM-130a.2], [TC-SI-130a.2], see the Databook.

#### **Data centres**

Data centres use water for both domestic and process purposes. Water used for process purposes is not polluted but evaporates during cooling, reducing non-renewable energy consumption and VK's carbon footprint.

#### Offices

VK offices only use water for domestic purposes: toilets and showers, as well as filtered water for drinking and cooking. Wastewater is also domestic only.



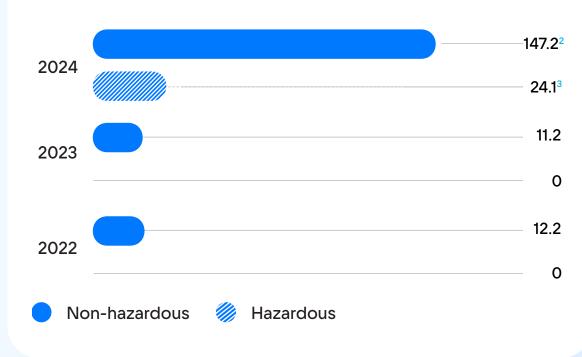




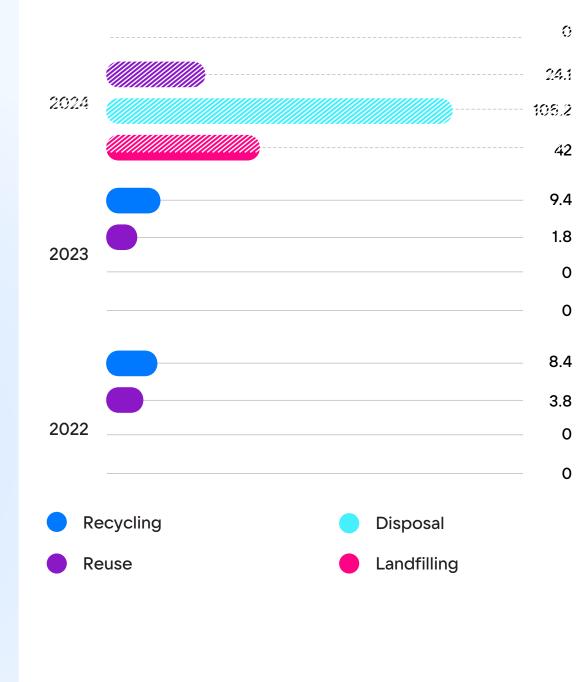
## Waste management

#### [306-3]

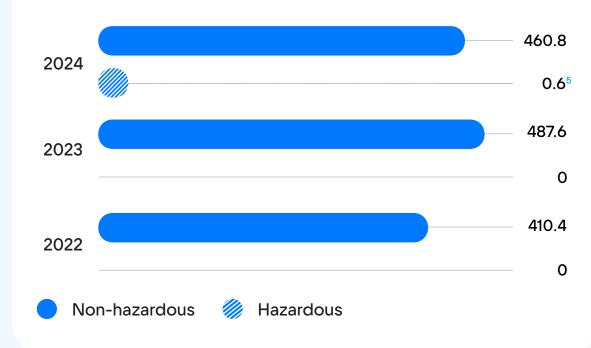
Waste generated by data centres<sup>1</sup>, tonnes



#### Management of waste generated by data **centres**<sup>6</sup>, **tonnes** [306-4], [306-5]



#### Waste generated by offices<sup>4</sup>, tonnes



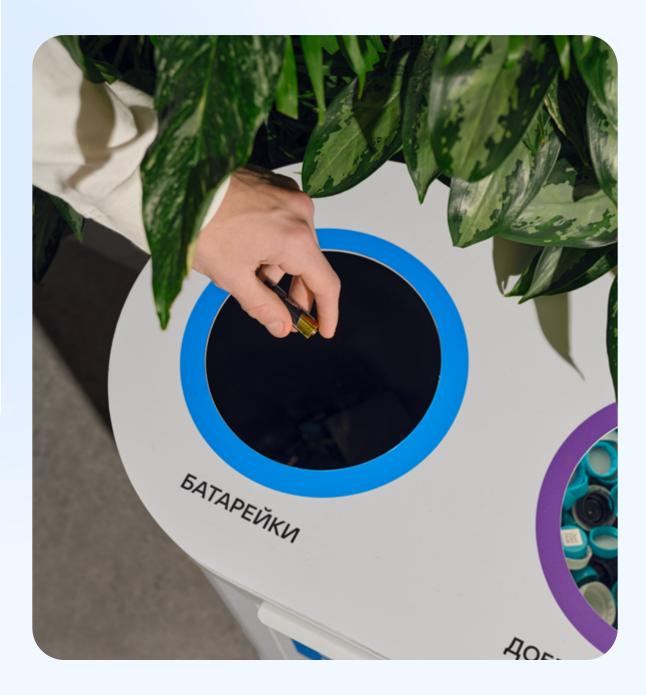
- <sup>1</sup> Waste generated by the company's own data centres.
- <sup>2</sup> Waste generation indicators at VK's data centres increased in 2024 due to the revision of waste registration and monitoring systems, changes in the accounting scope (following addition of a new data centre in the Moscow Region), and construction works.
- <sup>3</sup> In 2024, battery cells were reclassified as hazardous waste due to their replacement at the end of their service life.
- <sup>4</sup> Waste generated by the company's own offices.

<sup>5</sup> 2024 saw fluorescent lamps reclassified as hazardous waste during their phase-out for energy-efficient alternatives.

<sup>6</sup> The addition of new types of waste management in 2024 is due to the launch of a data centre in the Moscow Region and the signing of a contract with a new waste removal and processing operator. This operator employs an expanded waste classification and ensures waste is managed in compliance with environmental regulations.

#### [306-1]

The major part of waste generated by VK is solid waste, including paper, cardboard, plastic, food waste, electrical equipment, lamps, and hard drives. Waste management for VK's own offices and data centres is governed by direct contracts with licensed waste processing and disposal service providers. Transfer of waste from leased offices and data centres is regulated by lease agreements containing waste transfer clauses, and disposal agreements. [306-2] Most of waste is non-hazardous and transported to certified landfills under contracts with regional waste management operators. [306-4]



#### Offices

VK strives to reduce the consumption of various resources or find eco-friendly alternatives while designing workspaces that empower employees to reduce their environmental footprint.

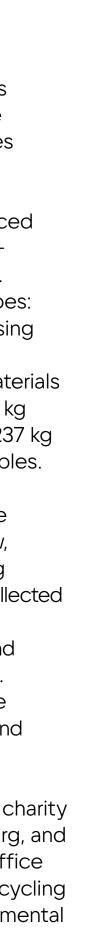
The Moscow head office has housed an advanced waste sorting station since 2023, accepting 20+ waste categories for recycling from employees. In 2024, we added six new recyclable waste types: polypropylene, polystyrene, vaporisers, dispensing systems, printed materials, and thin cardboard. Annual recycling drives yielded 4.1 tonnes of materials for the eco-centre programme, including 2,500 kg of e-waste/batteries, 1,200 kg of waste paper, 237 kg of plastics, and 153 kg of miscellaneous recyclables.

2024 saw the full deployment of dual-stream waste collection systems across all VK offices in Moscow, St Petersburg, Kazan, and Nizhny Novgorod. During the year, 8.1 tonnes of recyclable materials were collected and sent for recycling, 2.5 times more than in 2023. Batteries are collected separately in each office and handed over to certified organisations for disposal. To reduce domestic waste generation, all VK office kitchens were equipped with reusable tableware and dishwashers in 2024.

Containers for collecting clothes and shoes for charity have been installed in the Moscow, St Petersburg, and Nizhny Novgorod offices. VK's Moscow head office has containers in place to collect badges for recycling and lanyards for reuse in the company's environmental initiatives.







# **Environmental initiatives** in VK offices

#### VK and RE:BOOKS

In 2024, VK, together with RE:BOOKS, a secondhand bookstore, launched an environmental initiative: containers for books, textbooks, and periodicals were installed in two offices in Moscow and St Petersburg. The collected books were sold at a discount or donated to rural libraries. Since August, VK employees have collected over 350 books.

#### VK and FoodWaster

VK, together with the social and environmental project FoodWaster, launched an initiative to collect food waste from the Moscow office's fresh bar for industrial composting. This initiative transforms food waste into fertile soil, aligning with the principles of circular economy. Since September 2024, over 15.8 tonnes of waste have been collected and sent for processing.

## Greenhouse gas emissions

Since VK does not have its own production, VK's operations do not generate significant greenhouse gas emissions. The main sources of adverse environmental impact are direct emissions from fossil

fuel used to power uninterrupted operation of diesel generators, and indirect emissions from electricity consumption from the power grid.

#### Greenhouse gas emissions, tonnes CO<sub>2</sub>-equivalent [305-1], [305-2], [-2]

Indicator	2022	2023	<b>2024</b> <sup>3</sup>
Direct emissions, Scope 1 <sup>1</sup>	471	529	798
Indirect emissions, Scope 2 <sup>2</sup>	22,848	25,621	34,706

<sup>1</sup> Scope 1 emissions are direct emissions from sources owned or controlled by a company.

<sup>2</sup> Scope 2 emissions are indirect emissions associated with the purchase of electricity, steam, or heat.

<sup>3</sup> Greenhouse gas emission figures for 2024 increased due to the overall rise in energy and diesel fuel consumption.

# **Biodiversity**

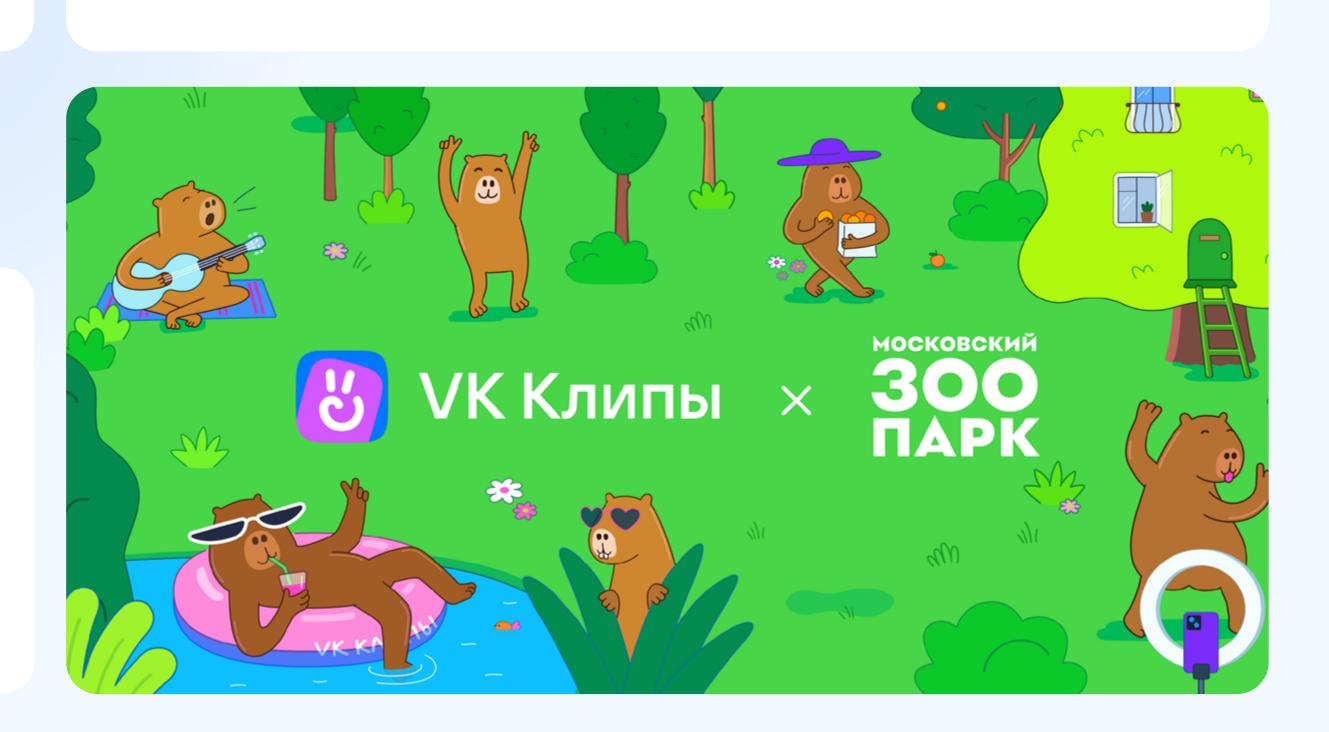
VK supports initiatives to reduce negative impact on biodiversity and conserve natural biosystems.

#### VK Clips and the Moscow Zoo

In autumn 2024, VK Clips became the official guardian of a capybara family at the Moscow Zoo. The animals received a year's supply of food and gifts to make their lives more comfortable and safe. Through participation in the guardian programme, VK Clips contributed to biodiversity conservation. Concurrent with the start

of the guardian programme, the Capyhouse project was launched jointly with the Moscow Zoo, helping users learn interesting facts about capybaras.

C For more details on VK Clips, see the Social platforms and media content section.









# Awareness projects on reducing the environmental footprint

### VK Star Market

In 2024, the VK Star Market charity project, organised jointly with the Second Breath Foundation, continued its operations. The project involves selling items and accessories from famous influencers in a "garage sale" format. Sale visitors could also donate their items for charity or recycling. In 2024, the event raised RUB 1.4 mn, which was transferred to the Second Breath and Nika charitable foundations via the VK Dobro service.

Besides the market itself, guests could attend free masterclasses and lectures, including on responsible consumption.





## **Rich Recycle Project**

VK and singer INSTASAMKA, in partnership with EcoTechnologies and the plastic recycling workshop Recycle Object, launched Rich Recycle, a major environmental project to combat plastic pollution. As part of the project, plastic waste collection took place in seven cities: Moscow, Yekaterinburg, Novosibirsk, Krasnodar, Saratov, Tomsk, and Nizhny Novgorod. A total of six tonnes of plastic were collected.

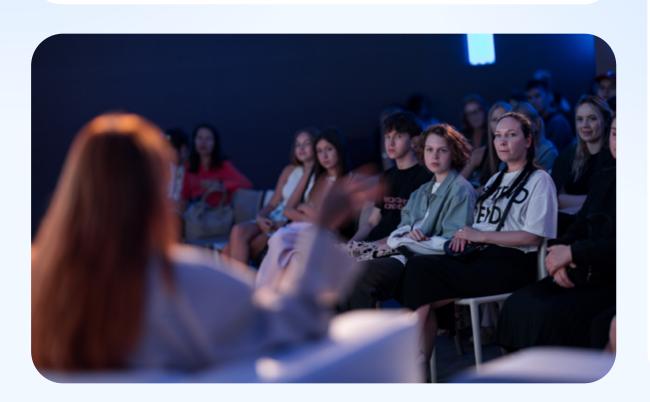
The project involved creating a collection of accessories made from recycled materials by Instasamka. Sales of the exclusive collection started at the VK Star Market, with the accessories later becoming available online via Recycle Object and offline at the VK Store. All proceeds (RUB 3 mn) were used to support the Vse Poluchitsya! (Everything Will Work Out!) social project, which fosters the employment of people with disabilities.

#### **Green Footprint Project**

For the World Environment Day, VK launched the Green Footprint project, aimed at raising public awareness of environmental protection and ecological issues. As part of the initiative, over 120 authors shared environmental protection recommendations on the VKontakte, OK, and Dzen platforms. The project's external media reach totalled eight million people.

#### **Ecologic service**

VKontakte continued to develop the Ecologic service. A key update was the introduction of an eco-label scanner, which uses a machine learning model to accurately identify the type of material and its recyclability. The service now features a map showing locations where popular types of recyclable materials are collected.



#### **Environmental projects** in the Drugoe Delo service

In 2024, as part of partner events, users of the Drugoe Delo service participated in environmental activities: attending environmental masterclasses, school clean-up cup events, conscious consumption festivals, and community clean-up days; learning about global environmental challenges and ecological projects in Russia; sorting waste; and calculating their water and carbon footprints. Over 352,000 people took part in environmental activities and completed more than 655,500 tasks.

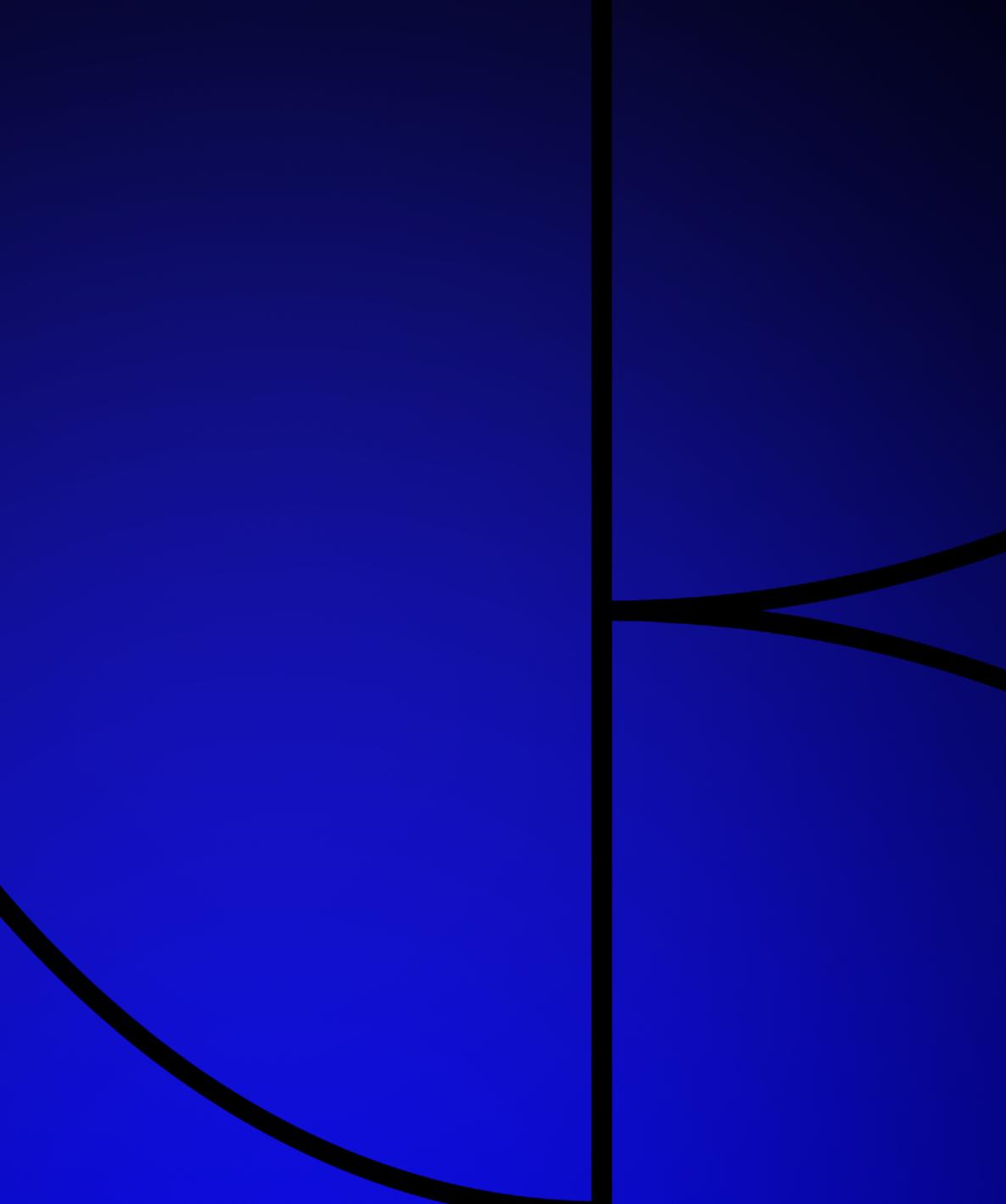
The Drugoe Delo service, together with the Centre for the Study of Animal Nutrition and Well-being, ran a campaign where over 110,000 people nationwide performed pet care tasks, participated in research, and could use received service points to acquire a prize: a daily food ration for one shelter animal. In total, over 20 tonnes of pet food were collected during the campaign and sent to shelters.

C For more details on the Drugoe Delo service, see the Charity services section.





# Corporate governance



## Corporate governance principles and practice

The Company was incorporated in 2023 in the Russian Federation following its re-domiciliation from the British Virgin Islands (BVI). Due to this transition and its status as an international company, the Company's corporate governance framework is now subject to specific requirements of Russian legislation as per the provisions of Federal Law Nº 290-FZ dated 3 August 2018 On International Companies and International Funds (the "International Companies Law"). Furthermore, with the Company's ordinary shares being listed on the Moscow Exchange, the corporate governance practices must adhere to the Moscow Exchange's Listing Rules, which are mandatory for the issuers of shares included in the First Level list.

In accordance with Article 4.1.2 of the International Companies Law, the charter of an international company established through re-domiciliation may stipulate the application thereto of the provisions of foreign laws governing the relations of members of the corporations established according to the law which was applied to the foreign legal entity before the date of state registration of the international company. In line with this provision, the Charter of VK IPJSC in its Article 32.2 sets out that the BVI law shall apply to the relations associated with participation in the Company and/or its management (unless otherwise provided for in the Charter, the Company's internal regulations governing such relations, or mandatory provisions of the International Companies Law).

The core principles of corporate governance in the Company:

#### [2-22]

- the Group is focused on sustainable development and increasing return on investment in the long term;
- the Board of Directors is accountable to shareholders and the General Meeting;
- the executive bodies are accountable to the Board of Directors and the General Meeting;
- the interactions between all corporate governance stakeholders rely on trust and confidence;
- a reasonable balance is struck between commitment to transparency and pursuit of the Company's commercial objectives;
- the Company makes social commitments, including compliance with service quality and environmental safety standards and creating the most progressive working conditions;
- the Company ensures compliance with ethical standards preventing employees from using their positions to the detriment of the Group, and from the illegal use of confidential and insider information.

Following its registration in Russia and the listing of its ordinary shares on the Moscow Exchange, the Company is subject to the Corporate Governance Code recommended by the Bank of Russia (Bank of Russia's Letter Nº 06-52/2463 dated 10 April 2014) (the "Code"). In its approach to corporate governance, the Company strives to embrace the governance principles, standards and best practices set forth in the Code to the fullest extent possible and is committed to continuously enhancing its corporate governance practices each year.

C For more details, see the Report on Compliance with the Principles and Recommendations of the Corporate Governance Code section.

#### Measures to enhance the Company's corporate governance framework

VK is committed to enhancing its corporate governance framework and upholding high standards of corporate governance. Its corporate governance framework is aligned with the requirements applicable to the issuers of shares included in the Moscow Exchange's First Level list. The Company has adopted all the relevant internal regulations, implemented risk management, internal control, internal and external audit procedures, established committees under the Board of Directors. and Elected Independent Directors to serve on the Board of Directors. In accordance with best corporate governance practices, the Board of Directors has elected a Senior Independent Director, appointed a Corporate Secretary and an Internal Audit Director. Furthermore, the Board of Directors, upon the recommendation of the Remuneration and Nomination Committee. conducts regular self-assessments of its performance and that of its committees. The Board of Directors will consider conducting an external assessment of its performance for 2025 with the involvement of an independent organisation.

In managing corporate governance matters, the Company is guided by the following internal regulations:

- Regulations on the General Meeting of Shareholders
- Regulations on the Board of Directors
- Regulations on the Remuneration and Nomination Committee
- Regulations on the Audit, Risk, Compliance and Sustainable Development Committee
- Internal Audit Regulations
- Regulations on the Dividend Policy
- Regulations on the Corporate Secretary
- Conditions for Transactions with Financial Instruments by Insiders

- Sustainable Development Policy
- Corporate Risk Management and Internal Control Policy of VK IPJSC, its Subsidiaries and Affiliates (VK Group)

These internal regulations are available on VK's website and some of them are posted on the Company's Interfax page in accordance with the requirements of applicable law. These documents are reviewed and updated as necessary. In 2024, the Corporate Risk Management Policy underwent a review and update, with provisions added to strengthen the internal control system.

In 2024, to further enhance the corporate governance framework and improve compliance with the recommendations of the Code, the Company's authorised governing bodies adopted several additional internal regulations on corporate governance:

- Remuneration Policy
- Regulations on Information Policy
- Environmental Policy.



## Corporate governance framework

In accordance with VK's Charter and applicable legislation, the General Meeting of Shareholders is the supreme governing body of the Company.

The Board of Directors is responsible for the overall management of VK, including strategy coordination and general supervision. The Board of Directors has the Audit, Risk, Compliance and Sustainable Development Committee and the Remuneration and Nomination Committee. In the reporting year, following the results of the Board of Directors' self-assessment and based on recommendations to improve the performance of the Board of Directors and its committees, a budget working group was established as an advisory body under the Board of Directors.

The top management is in charge of the day-to-day running of the Group.

#### [2-9]

Corporate governance structure



2024	$\blacksquare$
,	
Group	

# Governing bodies

### **General Meeting of Shareholders**

The General Meeting of Shareholders is the Company's supreme governing body, which takes key decisions on the strategy of VK's development. In accordance with the Charter, a General Meeting is held at least once every two years. General Meetings are convened by the Board of Directors at its own discretion or as may be required by shareholders (a shareholder) who hold, in aggregate, at least 30% of the outstanding votes.

The share capital of the Company is divided into two classes of shares: Class A shares and ordinary shares. Class A shares each carry 25 votes at a General Meeting of Shareholders or in any decision to be taken by shareholders in the form of a written resolution. Ordinary shares each carry 1 vote at a General Meeting of Shareholders or in any decision to be taken by shareholders in the form of a written resolution.

The remit of the General Meeting of Shareholders includes, without limitation, the following:

- making changes or amendments to the Charter or approving Charter revisions;
- reorganisation and liquidation of the Company;
- decisions on the number of members on the Company's Board of Directors:
- election of members of the Board of Directors and early termination of some or all the members of the Board of Directors;
- increasing or decreasing the share capital of the Company;
- share split or consolidation;

• authorising substantial transactions<sup>1</sup>, taking obligations as part of substantial transactions or cancelling substantial transactions, etc.

The agenda for the General Meetings of Shareholders is determined by the Board of Directors. A shareholder or shareholders who hold, in aggregate, at least 7.5% of the outstanding voting shares of the Company may add items to the agenda of a meeting. Agenda items shall be proposed at least 26 days prior to the date of the General Meeting. Decisions may be taken either at a meeting of shareholders held in person or in absentia or through a written resolution of shareholders.

C Regulations on the General Meeting of Shareholders.

#### **Board of Directors**

The Board of Directors is a backbone of VK's corporate governance framework. It is responsible for the overall governance and effective management of the Group, including strategic planning and general supervision.

#### [2-12], [2-13]

The Board of Directors has the authority to make decisions relating to, among other things, the following:

- approval of the annual budget and annual financial (accounting) statements of the Group;
- approval of the Group's interim IFRS financial statements;
- declaration of dividend;
- convening of General Meetings of Shareholders;
- appointment of the Group's auditors;
- · appointment of committees of the Board of Directors;
- approval of any transactions that the General Director is not authorised to approve without the Board of Directors' consent and that do not require a consent from the General Meeting.

#### [2-10]

The procedure for the formation of the Board of Directors, its status, membership, functions, goals, objectives and powers, as well as the procedure for its functioning and interaction with other governing bodies are stipulated in the Company's Charter and the Regulations on the Board of Directors.

The Board of Directors is composed of ten members, which include eight directors<sup>2</sup> elected by the General Meeting (the "Elected Directors") and two directors appointed by the Elected Directors (the "Appointed Directors"). Each of the Appointed Directors and at least one of the Elected Directors shall be Independent Directors. The Board of Directors elects one of its members to act as the Chairman of the Board.

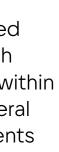
#### [2-11]

Any shareholder, or a group of shareholders who hold, in aggregate, at least 5% of the outstanding votes, or of the outstanding shares, shall be entitled to nominate candidates for Elected Directors. Such candidates shall be nominated in the manner and within the time specified by the Regulations on the General Meeting of Shareholders in line with the requirements thereof.

Each candidate shall be voted for separately, with each voting member being entitled to vote on each proposed candidate. The term of office of the directors on the Board extends from the date of the Elected Directors' election to the next ordinary General Meeting, which shall be convened no later than after two years and three months from the Elected Directors' election. If the relevant General Meeting for the election of the Elected Directors has not been held before the date of expiry of a period of two years and three months from the election date of the Elected Directors, the powers of the Elected Directors and the Appointed Directors they appointed shall cease, except for the powers to prepare, convene and hold a General Meeting for the election of the Elected Directors.

The candidates for the two Appointed Directors are nominated by the Board of Directors and appointed by a resolution of the Board of Directors at the nearest meeting of the Board of Directors following the resolution of the General Meeting to elect the Elected Directors.









If the powers of an Elected Director are terminated early, the Board of Directors appoints as an Elected Director:

- a candidate proposed by the shareholder(s) having nominated the Elected Director whose powers are terminated early, or
- if no such candidate is proposed by the shareholder(s) or if the proposed candidate does not meet the Charter requirements, a candidate elected by the Board of Directors at its own discretion.

The Board of Directors, or any committees thereof, meet when and how the directors determine it to be necessary or desirable. Decisions at meetings and decisions by written resolution of the Board of Directors are taken by a simple majority of votes. For the purposes of establishing a majority, the Chairman of the Board (or chairman of the meeting, as the case may be) has a casting vote in the event of a tie.

In accordance with the requirements of the Company's constituent documents, if a director has a conflict of interest relating to an agenda item reviewed by the Board of Directors, they shall promptly notify the Board of Directors thereof.

#### C Regulations on the Board of Directors.

#### [2-9]

The existing composition of the Board of Directors confirmed by a written resolution of the Company's shareholders dated 10 August 2023 is comprised of ten members, which include eight Non-Executive Directors, with three Independent Directors among them. In 2025,

in accordance with the requirements of the Charter, an Annual General Meeting of Shareholders is planned to elect a new Board of Directors.

#### [2-15]

Independent Directors serve to play a key role in preventing internal conflicts in the Company and taking corporate actions. Independent Directors are elected from among people having sufficient professional qualities, experience and self-reliance to articulate their perspective and capable of unbiased and good faith judgement free from the influence by the Company's sole executive body, individual groups of shareholders or other stakeholders. Any candidate for the position of an Independent Director must satisfy the independence criteria established in the Moscow Exchange's Listing Rules or be formally recognised as independent under the applicable listing rules

and/or the Charter and internal regulations of the Company. Attendance at Board meetings held during the reporting year in person or via video conferencing was as follows: [2-17] two out of four in-person meetings achieved 100% The existing members of the Board of Directors have attendance, one meeting was attended by nine out of ten directors, and one meeting was attended by eight the necessary knowledge of strategic, financial, legal, IT, digitalisation, mass communications, media and out of ten directors. A quorum was present at all meetings. All the written resolutions were signed by all educational technology matters. VK is committed the directors on the Board. Directors who were not present to ensuring gender diversity of its Board of Directors, which currently consists of three women and seven men. at the meetings submitted their written opinions regarding all items on the agenda.

#### Activities of the Board of Directors in 2024

#### [2-16]

In 2024, the Board of Directors held four in-person meetings and signed two written resolutions.

The Board of Directors duly reviewed key matters within its remit and made decisions on them, including:

- approval of the Company's annual financial statements and Consolidated Annual Report for 2023;
- approval of the budget for 2025;
- approval of the possibility of using and transferring the Company's shares for the purposes of the Incentive Scheme;

• approval of the external auditor.

#### [2-18]

In accordance with the recommendations of the Code and the Regulations on the Board of Directors, the Board conducted a self-assessment of its performance in Q1 2024. The performance of the Board of Directors and its committees was deemed effective in all material aspects, including key areas of Board responsibility, composition and structure, organisational efficiency, management interaction, etc. Following this assessment, a plan of recommended measures was developed and implemented to enhance the effectiveness of both the Board of Directors and its committees, which included the establishment of a Budget Working Group to address matters related to the Company's strategy implementation and budget formation and execution.

The Board of Directors, acting upon the recommendation of the Remuneration and Nomination Committee, has decided to conduct a self-assessment of its performance for 2024, with results expected to be finalised in 2025.





#### **Committees of the Board of Directors**

#### [2-9]

The Board of Directors has two standing committees.

#### Audit, Risk, Compliance and Sustainable **Development Committee**

#### [2-13]

The Audit, Risk, Compliance and Sustainable Development Committee (the "Audit Committee") is appointed by the Company's Board of Directors and meets on a regular basis, but at least once every quarter. The purpose of the Audit Committee is to assist the Company's Board of Directors in fulfilling its responsibilities in respect of:

- ensuring the quality and reliability of the Group's integrated reporting, including that on financial and ESG matters;
- the Group's compliance with key applicable legal and regulatory requirements as relating to financial reporting;
- ensuring the competence and independence of the Group's external auditors;
- the performance of the Group's internal audit function and external auditors:
- the effectiveness of internal control and risk management measures and their adequacy in line with compliance requirements, accounting regulations, and audit and inspection procedures;
- monitoring adherence to the requirements of applicable law, VK Code of Conduct and the Company's risk management, compliance and sustainable development policies.
- C Regulations on the Audit, Risk, Compliance and Sustainable Development Committee.

The Audit Committee consists of three members. including two Independent Directors and one Non-Executive Director. The Audit Committee is chaired by an Independent Director having experience in and knowledge of preparation, analysis, assessment and audit of financial (accounting) statements.

In 2024, the Audit Committee held four in-person meetings and signed one written resolution. The Committee meetings saw full attendance of its members, achieving a 100% quorum, and the written resolution was signed by all Committee members.

Each Committee meeting is also attended by the Company's external auditor.

#### **Remuneration and Nomination Committee**

#### [2-20]

The Remuneration and Nomination Committee is responsible for articulating an effective, efficient and transparent policy related to remuneration of the members of VK's governing bodies, and also for reinforcing the professional composition and improving performance of the Board of Directors.

The Committee, which consists of five members, including three Independent Directors and two Non-Executive Directors, meets on a regular basis.

The Committee's remit is as follows:

- drafting and approval of VK's remuneration policy, including that for the directors, sole executive body, and the Group's key management talent;
- assessment of the annual performance of the Group's key management talent;

#### formalised and detailed annual assessment of the Board of Directors' performance;

- approval of long-term incentive plans and conditions for employees' participation therein.
- C Regulations on the Remuneration and Nomination Committee.

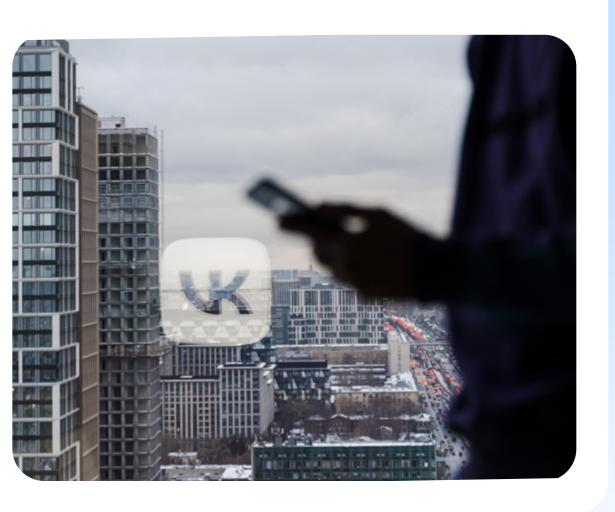
In 2024, the Remuneration and Nomination Committee adopted two written resolutions that were signed by all Committee members.

#### **Corporate Secretary**

The Corporate Secretary ensures that the Company's bodies and managers comply with corporate governance rules and procedures that safeguard the rights and interests of the Company and its shareholders. The Corporate Secretary is accountable and reports to the Board of Directors.

#### C Regulations on the Corporate Secretary.

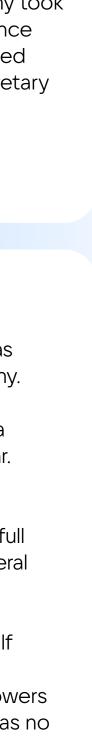
The current Corporate Secretary of the Company took office effective 26 September 2023, in accordance with the resolution of the Board of Directors dated 10 August 2023. The Company's Corporate Secretary meets all the requirements of the Company's Regulations on the Corporate Secretary.



#### Top management

From 26 September 2023, the General Director has served as the sole executive body of the Company. A resolution to appoint the General Director is made by the Board of Directors. Elena Bagudina was the General Director during the reporting year.

The General Director is responsible for managing the Company's day-to-day operations and holds full authority on the matters not reserved to the General Meeting and the Board of Directors. In particular, the General Director represents the Company without a power of attorney, acts for and on behalf of the Company, effects transactions, manages the Company's bank accounts, and has other powers as set out in the Charter. The General Director has no conflict of interest. [2-15]











# Remuneration to governing bodies

#### [2-19], [2-20], [2-21]

The Remuneration and Nomination Committee of the Board of Directors is responsible for approving the remuneration of the Group's directors and management, as well as reviewing and approving general policies relating to the remuneration of the Group's key employees and approving the terms and conditions of incentive schemes. In 2024, the Committee adopted the Remuneration Policy, an internal regulation defining the main principles and approaches used by the Company to form an effective remuneration system for members of the Board of Directors, the sole executive body, and a number of key executives of the Group.

#### **Remuneration to executive bodies**

**Incentive Scheme** The remuneration system for executive bodies and other key executives of the Group ensures a balanced equilibrium between fixed and variable components Following the Company's re-domiciliation to Russia, of remuneration. The variable component of remuneration its long-term incentive plan based on real shares (RSUs/ depends on both the Group's overall performance and PSUs) was discontinued. the employee's individual contribution to the final results.

A key performance indicator (KPI) framework has been implemented to incentivise key executives to actively contribute to the delivery of the Group's strategy. This framework incorporates a number of weighted KPI metrics that take into account financial performance, key user engagement metrics, and the Group's wider strategic objectives.

The total remuneration of the Group's key employees includes a fixed component comprising the base salary for the hours worked and a variable component linked to the achievement of KPIs and project goals set for the reporting period.

In 2024, the total cash remuneration paid to members of the Group's executive bodies and other key executes amounted to RUB 2.861 mn.

In November 2024, the Board of Directors approved the potential use and transfer of the Company's treasury shares for the purposes of VK's Long-term Incentive Scheme.



In accordance with the Company's Charter and the Regulations on the Board of Directors, members of the Board of Directors are entitled to receive remuneration for performing their duties and reimbursement of expenses associated with their roles as Directors. Members of the Board of Directors are entitled to be compensated for travel and other expenses incurred while performing their duties in connection with the Company's activities.

The Company remunerates members of the Board of Directors on a fixed annual basis, without providing remuneration for attending individual Board or committee meetings, short-term incentives or other financial rewards.

In 2024, the total cash remuneration paid to members of the Company's Board of Directors amounted to RUB 143 mn.

No loans were extended to members of the Board of Directors by the Group companies in the reporting year.







# Internal control and audit framework

### Internal control

The Company's internal control system is built on advanced principles and approaches with the aim of ensuring its utmost efficiency. It covers all processes, including finance and risk management, compliance, legal and tax control, etc.

Internal control is exercised by the Company's Board of Directors, sole executive body, officers, and operational management. Its aim is to ensure the achievement of VK's goals, which include ensuring:

- the efficiency and effectiveness of the Group's business operations;
- the reliability and accuracy of reporting;
- compliance with regulatory requirements and internal documents.

In November 2024, the Audit, Risk, Compliance and Sustainable Development Committee of the Board of Directors adopted a revised Corporate Risk Management and Internal Control Policy to develop, improve and formalise the internal control system.

In 2025, efforts will continue to improve the internal control system, including implementation of best practices and recommendations for internal control processes, enhancing the control environment, developing monitoring tools, and establishing control procedures.

#### Internal audit

The Company has an independent function in charg of internal audit – the Internal Audit Department. For the sake of independence and impartiality, the Internal Audit Department is accountable to the Board of Directors. It is managed by the Intern Audit Director, who is appointed and dismissed by resolution of the Board of Directors.

The key functions of internal audit include:

- planning and conducting audits of business proce functions, and structural divisions of the Company
- performing unscheduled audits as instructed by the Board of Directors and the Audit Committe
- advising management and the Board of Directors on internal control, risk management, and corpora governance matters;
- monitoring the implementation of audit recommendations.

In their activities, employees of the Internal Audit Department are guided by the principles of integrity objectivity, and independence and apply a riskoriented approach in conducting audits and prepari recommendations.

The annual audit plan is reviewed, discussed, and approved by the Audit Committee and the Board of Directors. In addition, the Internal Audit Department monitors the effectiveness and efficiency of the management's corrective actions to address audit findings, providing quarterly progress reports at the Audit Committee meetings.

ge	The Internal Audit Department consistently works to improve the maturity of the internal audit function and the competencies of its staff. In 2024, it underwent an annual qualitative evaluation of its performance
nal	by the Board of Directors' Audit Committee. Based on evaluation of the Department's performance for the reporting year, its activities were deemed successful in improving internal controls and business processes. In the reporting year, the Internal
esses, y;	Audit Department underwent its first assessment by management regarding value delivery, efficiency and effectiveness, resulting in the highest possible rating.
ee; ate	In alignment with international and Russian best practices, continuous audit and monitoring processes were developed in 2024. These include ongoing analysis and monitoring of several key operational areas (procurement, payments, contract management, and information security).
y, ng	In 2025, the Company plans to further enhance the internal audit function, focusing particularly on developing the professional competencies of team members and expanding the internal audit knowledge base.

C Internal Audit Regulations.

#### **External audit**

Each year, the Company engages an external auditor to assure that its financial statements are accurate. The external auditor is approved by the Board of Directors.

Due to the listing of its ordinary shares on the Moscow Exchange, the Company is classified as a publicly significant organisation on the financial market. Consequently, the Company's audit services can only be provided by an organisation included in the official register of approved audit organisations maintained by the Bank of Russia. In 2024, VK engaged Centre for Audit Technologies and Solutions LLC for auditing and reviewing the IFRS consolidated financial statements and the RAS accounting (financial) statements. Their actual audit and other audit-related fees for 2024 amounted to RUB 119.1 mn (including payments from entities controlled by VK IPJSC), while non-audit fees totalled RUB 23.4 mn (both figures include VAT).

The auditor confirmed the accuracy of the Company's financial statements for 2024.

The Audit Committee monitors the performance of the external auditor on a quarterly basis. The external auditor's performance is assessed by the Audit Committee as effective. The independence of the external auditor is assessed on a regular basis.







# **Risk management**

#### Risk management system

VK is exposed to certain risks that could have a material impact on its strategic, financial and operational activities and its ability to fulfil its obligations towards stakeholders. Timely identification, assessment, control, and monitoring of risks are integral to the Company's risk management.

The objectives of the risk management and internal control system are as follows:

- assessing risks and providing reasonable assurance that the Group's strategic objectives will be achieved;
- ensuring a balance between risks and profitability, taking into account legislative requirements, fulfilment of internal regulation provisions and the Charter;
- controlling and evaluating the efficiency of the Group's operational, financial and business activities.

To achieve these risk management and internal control objectives, the Company has developed appropriate processes, policies and procedures. Dedicated

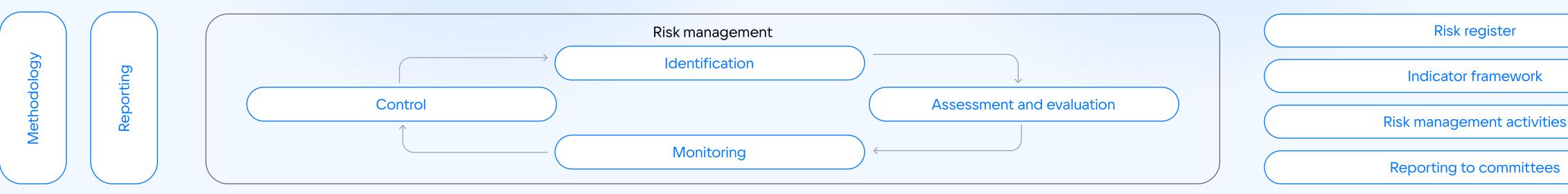
committees and working groups are in place, along with industry-leading practices in both quantitative and qualitative risk assessment. The Company's risk management and internal control framework is based on a three lines of defence model, which defines the roles and responsibilities of the risk management process participants at various management levels.

The principles underpinning the Company's risk management system include:

- its integration into the Company's management system and business processes;
- accountability of all participants and involvement of every employee;
- allocation of roles and timely response to identified risks, whilst maintaining a reasonable balance between mitigation costs and potential damage from risk events.

#### VK's comprehensive approach to risk management





VK ensures the collection and accumulation of all essential information about the risks that arise in its operations, and continuously enhances its risk assessment and management system. In 2024, the Company assessed its risk management and internal control system as generally effective and still evolving. This assessment was based on the results of scheduled and unscheduled audits, the monitoring of corrective measures, and other inputs gathered from the Company's various business units. In 2024, the Company demonstrated sufficient resilience and ability to manage existing and emerging challenges. The development of VK's risk management system continued, including the update of the Corporate Risk Management and Internal Control Policy. A project to enhance the business continuity management system is progressing successfully, with new risk management processes and tools now successfully implemented.

In 2025, we plan to further develop the process, regulatory and methodological framework for risk management through:

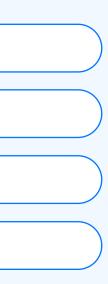
- diversification of applied risk management tools tailored to specific risk factors;
- creation and automation of control environments within the Company's regular processes for risk assurance as the foundation of the internal control system;
- automation of the risk management process through development of the corporate GRC<sup>1</sup> system, automation of risk assessment, monitoring of risk events and control procedures, and planning of risk management measures;
- enhancement of corporate risk culture tools.

C Corporate Risk Management Policy.

<sup>1</sup> Governance, Risk and Compliance.







## The risk management system involves the following risk management levels:

#### 1. The Board of Directors:

- oversees that the Group appropriately manages risks through structured, proper, and effective risk management and internal control systems and processes;
- establishes a risk appetite that is adequate to achieve the Group's strategic objectives;
- ensures that an effective risk-based internal audit is in place.

#### 2. The Audit Committee:

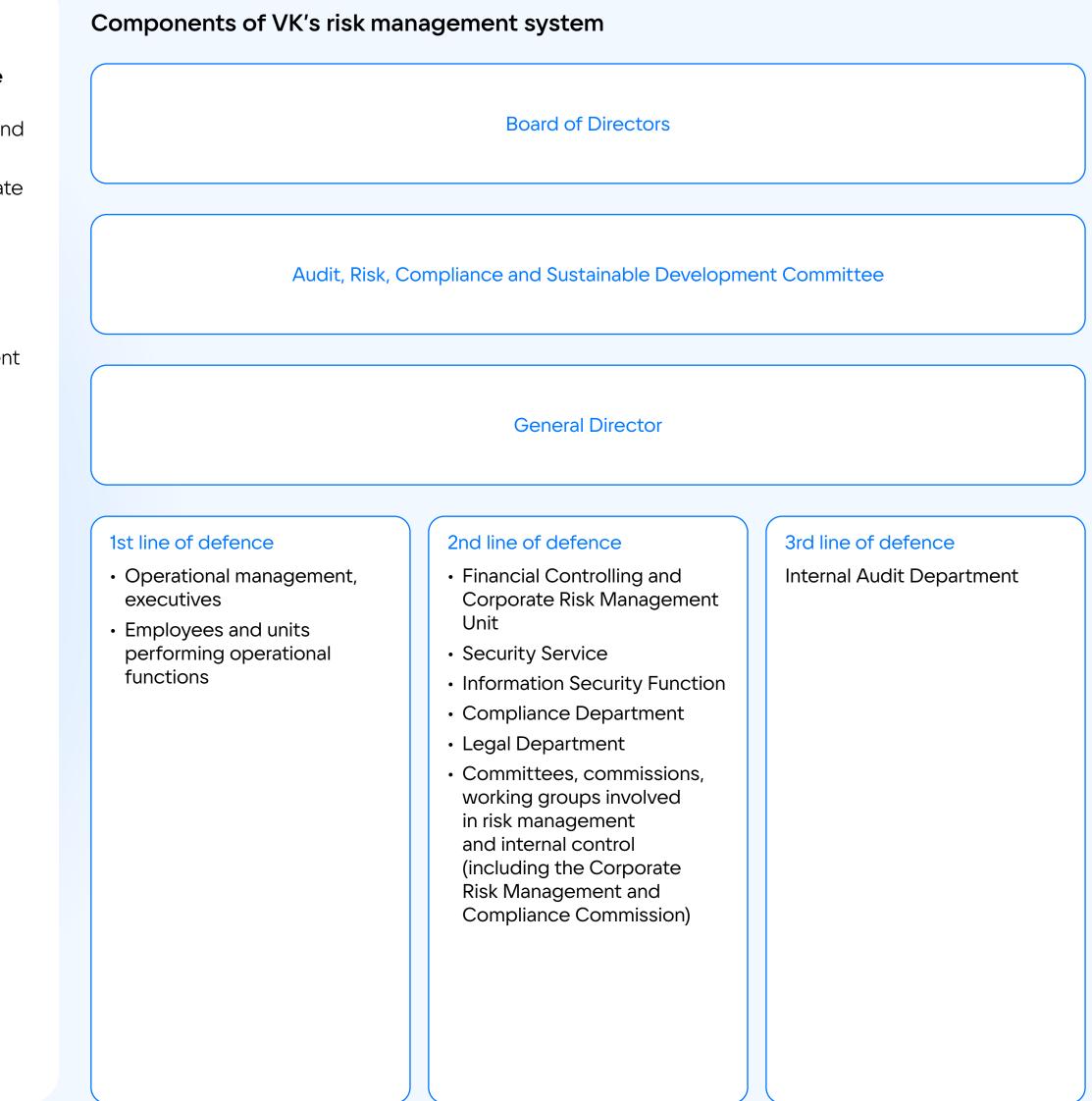
 assists the Board of Directors in monitoring the reliability and effectiveness of the corporate risk management and internal control systems.

#### 3. The General Director:

• updates the Board of Directors on matters related to overall corporate risk management.

- 4. The Corporate Risk Management and Compliance Commission (internal working group):
- provides day-to-day control over the management and monitoring of corporate risks and internal control;
- delivers recommendations on enhancing the corporate risk management culture;
- reviews and analyses information on significant incidents within the Company;
- provides the Audit Committee and the Board with a sufficient level of assurance that the Company maintains a well-structured, effective risk management system.
- C Corporate risk management policy.







External auditor

## VK's three lines of defence

#### The first line of defence

The first line of defence involves operational management as well as business units that run corporate risk management as part of their day-to-day activities.

Heads of business units and structural divisions are responsible for the outcome and effectiveness of their processes, as well as for proper organisation, formalisation, and monitoring of corporate risk management and internal control within those processes.

Persons in charge of control procedures proceed in accordance with their job duties and in compliance with applicable regulations.

#### The second line of defence

The second line is provided by the Financial Controlling and Corporate Risk Management Unit, which coordinates the overall process of corporate risk management and internal control. This line also includes other divisions, working groups, committees and commissions that participate in corporate risk management and internal control functions within their specific remits.

#### The third line of defence

The third line of defence comprises the Internal Audit Department, which conducts an independent assessment of the effectiveness of the Company's corporate risk management and internal control system, identifies gaps in the first and second lines of defence, makes proposals for the improvement of the system, and monitors the implementation of corrective measures put in place following audits.



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## Potential key risks

To minimise potential risks and mitigate their possible negative impacts, VK has identified a list of potential risks and is implementing comprehensive measures to manage them.

## Potential key risks and approaches to manage them

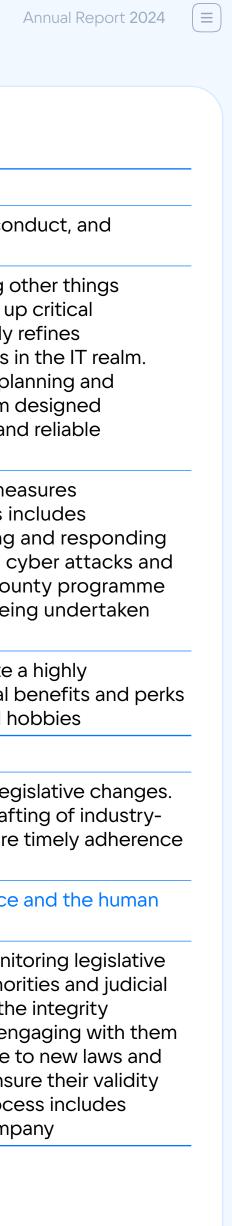
[TC-SI-550a.2], [2–25]

Risk	Description	Risk management activities
Financial risks		
Market risk	Possible fluctuations in market prices driving changes in the fair value of future cash flows associated with VK's financial instruments. These financial instruments	VK monitors fluctuations in FX rates and the value of financial instruments and assesses potential scena that may impact the value of its assets.
	include accounts payable, cash and cash equivalents, short-term deposits, financial investments in associates, and derivative financial instruments	If deemed necessary, the Company is in a position to employ hedging instruments to mitigate currency
Credit risk	Possible financial losses arising from counterparties' failure to fulfil their obligations to VK under financial instruments or customer contracts	To minimise this risk, VK places its cash and cash equivalents in financial institutions with a strong finan standing and minimal risk of default.
		None of the liabilities to VK represents more than 10% of its revenue. The Company has a receivables management process in place and uses it as necessary
Liquidity risk	Potential difficulties VK may face in fulfilling its financial obligations	VK implements liquidity planning based on predicted and actual cash flow values, maturity of existing financial assets and liabilities, and detailed annual budgeting
Risk of capital availability	Potential losses arising from VK's inability to secure capital for its financial and business needs on acceptable terms	The Company continuously engages with its investors and creditors and monitors the cost of capital in the market and as part of government programmes and projects. The goal of managing this risk is to minimise the cost of debt
Business risks		
Risk of changes in the market environment and macroeconomic conditions	Potential losses and impact on operations arising from significant deterioration in the market environment and macroeconomic conditions	VK places great emphasis on macroeconomic factors that shape its prevailing operating environment. It monitors the market landscape and swiftly responds to any significant changes, adjusting its development strategy as necessary for both individual products and the overall VK business
Risk of user attrition due to intensified external competition	Possibility of user attrition and decline in the appeal of VK's products as a result of alternative products entering the market, or other competitor moves	To mitigate this risk, VK develops products that cater to a wide range of users, aiming to satisfy existing a potential needs of diverse audiences in a competitive landscape. Through ongoing research and surveys the Company shapes its product marketing strategy, taking into account potential alternative solutions ar competitor moves
Reputational risk ESG	Potential damage to VK's reputation or impairment of the Group's image, including brand value, due to negative perceptions of the Company and the Group's operations among users, regulators, counterparties, and other stakeholders	The Company implements a proactive communication policy, promptly informing users and the public about any significant changes. It conducts online monitoring of VK's mentions, user complaints, and inquiries across all channels (through a dedicated department) and promptly responds to those

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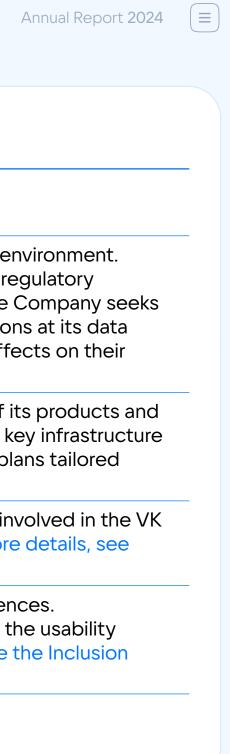
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Risk	Description	Risk management activities
Operational risks		
Operational risk (risk of process deficiencies)	Possibility of incurring losses due to incorrectly configured internal processes and internal control deficiencies	VK maintains oversight of its operations, takes steps to prevent employee error or misconduct, and conducts monitoring of internal processes
Business continuity and IT risk	Potential disruptions affecting the continuity of VK's products and services, as well as IT failures and/or malfunctions and/or mismatch between IT capabilities and the Company's needs	VK seeks to maintain the continuity of its services and products on a 24/7 basis, among other things by upholding a high level of IT service and infrastructure redundancy, regularly backing up critical information, and closely monitoring products and processes. The Company consistently refines its IT processes and promptly addresses a diverse range of deficiencies and challenges in the IT realm. VK is committed to efficient use of IT resources, including in terms of hardware needs planning and procurement. The Company is implementing a business continuity management system designed to consolidate efforts to ensure robust management oversight, operational resilience, and reliable functioning of the Company's software and hardware
Information security risk ESG	Occurrence of information security risk events	With regard to the information security of the Company's users and clients, a set of measures
[TC-IM-230a.2], [TC-SI-230a.2]		to enhance the information security system is implemented on an ongoing basis. This includes technologies for identifying and eliminating vulnerabilities and solutions for monitoring and respondir to information security incidents. The Company is developing a toolkit for countering cyber attacks a ensuring the protection of network infrastructure as well as the crowdsourcing Bug Bounty programm to identify potential vulnerabilities in the information resources. Continuous work is being undertaken to strengthen the information security culture
HR management risk (ESG)	Potential staff management issues	VK implements a personalised approach to employee management, seeking to cultivate a highly conducive work environment. The Company offers its employees a wide range of social benefits and p and actively promotes well-being programmes spanning health, sports, education, and hobbies
Legal and regulatory risks		
Legal and regulatory risk	Potential financial losses and implications resulting from non-compliance with legal requirements, as well as potential legal proceedings	VK upholds full legal compliance and conducts ongoing monitoring to stay abreast of legislative chang The Company liaises with regulatory authorities as part of discussions related to the drafting of industry specific legislative acts and leverages the expertise of legal firms to interpret and ensure timely adhere to the forthcoming laws, standards, and requirements
Compliance risk ESG	Potential breach of applicable laws and VK's compliance policies (including those related to anti-corruption, conflicts of interest, and human rights)	For more details on measures to mitigate compliance risk, see the Ethics and compliance and the huma rights and anti-discrimination sections
Tax risk	The risk of unintentional violation of tax legislation due to unfavourable changes of the same, ambiguous interpretations by regulators, and disputes regarding previously uncontested transactions and approaches.	VK is committed to upholding full compliance with applicable laws by continuously monitoring legislative changes in the countries where it operates, reviewing interpretations of regulatory authorities and judic practice, assessing tax risks prior to entering into transactions and contracts, verifying the integrity of contractors, seeking clarifications from regulatory bodies on disputed matters, and engaging with the as part of the legislative process. The Company takes steps to ensure timely adherence to new laws an requirements. When applying tax benefits, VK undertakes all necessary measures to ensure their validit and provide appropriate supporting documentation. The annual independent audit process includes a review of the accuracy of the tax legislation application and interpretation by the Company



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Risk	Description	Risk management activities
ESG risks ESG		
[2-23]		
Environmental risk	VK's negative impact on the environment	VK is engaged in activities that are not directly associated with adverse effects on the environment. Nevertheless, the Company has implemented processes to monitor the environmental regulatory framework, including sanitary standards and rules, to ensure regulatory compliance. The Company seel to employ state-of-the-art energy-saving and energy-efficient technologies and solutions at its data centres with a view to minimising infrastructure and equipment wear and its negative effects on their condition. For more details, see the VK for nature section
Natural and climate-related risk	The risk of negative impacts from natural and climate-related factors, including earthquakes and floods, on VK's operational activities	VK has management processes in place to ensure business continuity and continuity of its products an services. The Company conducts regular training and testing to ensure the recovery of key infrastructu components in the event of natural emergencies and develops and tests contingency plans tailored to diverse operational conditions
Social risk	The risk of underestimating society's call for socially responsible business	To address that, VK has implemented a social strategy. Since 2013, it has been actively involved in the N Dobro project and has established the Code of Kindness charitable foundation. For more details, see the VK for society section
Digital accessibility risk	Risk of insufficient digital accessibility of VK's products to people with disabilities	VK strives to ensure that its products and services are accessible to the broadest audiences. The Company believes that while benefiting people with disabilities this also enhances the usability of its products for individuals with diverse needs and preferences. For more details, see the Inclusion section



## Ethics and compliance

## [2-23], [2-24] Compliance

In 2024, the Company continued its active work in the area of compliance and ethics, guided by the Regulations on the Audit, Risk, Compliance and Sustainable Development Committee, the VK Code of Conduct, and policies governing key compliance areas. Significant attention was devoted to the promotion of compliance principles within the Company and in the public domain.

The Compliance Department played an instrumental role in the integration of the Company's new assets to champion business ethics, which contributed to strengthening VK's corporate culture.

## VK's whistleblowing hotline

The Company has in place a whistleblowing hotline, which serves as a confidential channel for anonymous reports of actual and suspected violations of applicable law, VK Code of Conduct and other internal policies.

In 2024, the whistleblowing hotline underwent improvements: a personal user account was developed, making the reporting process more convenient and user-friendly. All reports are handled by the Compliance Department and treated as highly confidential. [2-25], [2-26]

## Human rights and anti-discrimination

## [2-23], [2-24]

The principle of respecting human rights and zero tolerance to discrimination is enshrined in VK's various internal regulations, including the Code of Conduct, Supplier Code of Conduct, and Policy on Human Rights. In 2024, there were no reported cases of VK violating anti-discrimination laws. [406-1]

In case of any form of discrimination, employees may contact the Compliance Department or the whistleblowing hotline. [2-25], [2-26]

## **Dealing with insider information**

The Company's ordinary shares are traded on the Moscow Within the calendar year, the Company's insiders Exchange. VK operates in strict compliance with Russian are notified on an ongoing basis about the start of 'closed' laws on insider trading and other regulations governing and 'open' periods, the launch and completion of projects insider information. in connection with which they receive insider information, and about the forbidding/authorisation of trading The Company maintains and regularly updates the list the Company's shares.

of insiders and notifies those who are included into or excluded from it. The Company has developed its insider management software.

If documents containing insider information are transferred to counterparties, provisions are introduced in agreements with them obliging counterparties to maintain the list of insiders and ensure confidentiality and protection of the information disclosed. The relevant counterparty is included in the insider list.

## Anti-corruption

The Company adheres to the principle of zero tolerance for corruption in any form and manifestation. This principle is inter alia embedded in the VK Code of Conduct and VK Anti-Corruption Policy. VK complies with applicable anti-corruption legislation and takes the necessary measures to prevent and counteract corruption. In 2024, no cases of corruption were identified in the Company. [205-3]

## Managing conflicts of interest

#### [2-15]

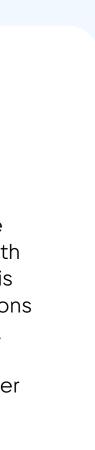
VK has adopted the Conflict of Interest Policy, requiring each employees to make disclosure to the Company of any conflicts of interest. The Company has a variety of controls in place to identify and manage conflicts of interest, with regular corporate communications covering this matter. All potential conflict of interest situations are managed by the Compliance Department. Conflict of interest provisions are included in the VK Supplier Code of Conduct and tender documentation.

The Company has internal regulations that set out rules to prevent misuse of insider information.

- C List of Insider Information.
- C Conditions for Transactions with Financial Instruments by Insiders.
- C Procedure for Accessing Insider Information, Confidentiality Rules and Compliance with Laws on Prevention of Misuse of Insider Information and Market Manipulation.













## Company's share capital

The share capital of the Company is divided into 11,500,100 million class A shares and 227,874,940 million ordinary shares. There are differences in the number of votes at General Meetings of Shareholders which both types of shares carry.

#### C For more details, see the General Meeting of Shareholders section.

At the request of a shareholder holding class A shares, they can automatically be converted into ordinary shares. In this case, each class A share is automatically converted into one ordinary share and holds the same position in all respects as the existing ordinary shares traded on the Moscow Exchange.

The Company's ordinary shares are traded on the Moscow Exchange (VKCO ticker). The free float<sup>1</sup> is 47%.

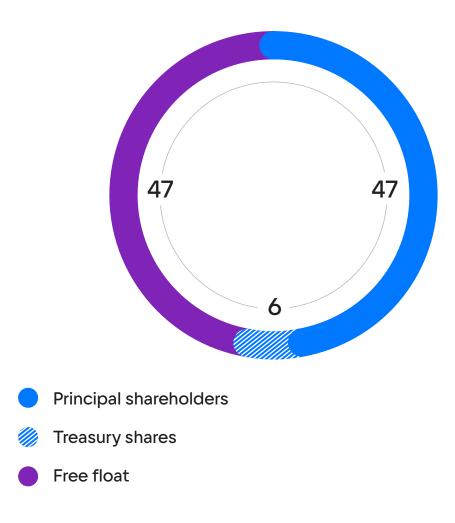
Following VK's re-domiciliation, holders of the Company's Global Depositary Receipts (GDRs) registered outside the Russian infrastructure and not subject to automatic conversion could pursue either standard conversion (under the depository agreement) or forced conversion. Standard conversion has been suspended starting 24 September 2024. GDR holders could participate in forced conversion by submitting applications accompanied with the required set of documents between 25 September 2024 and 22 January 2025.

#### Share capital as of the date of the Report

#### **Class of shares**

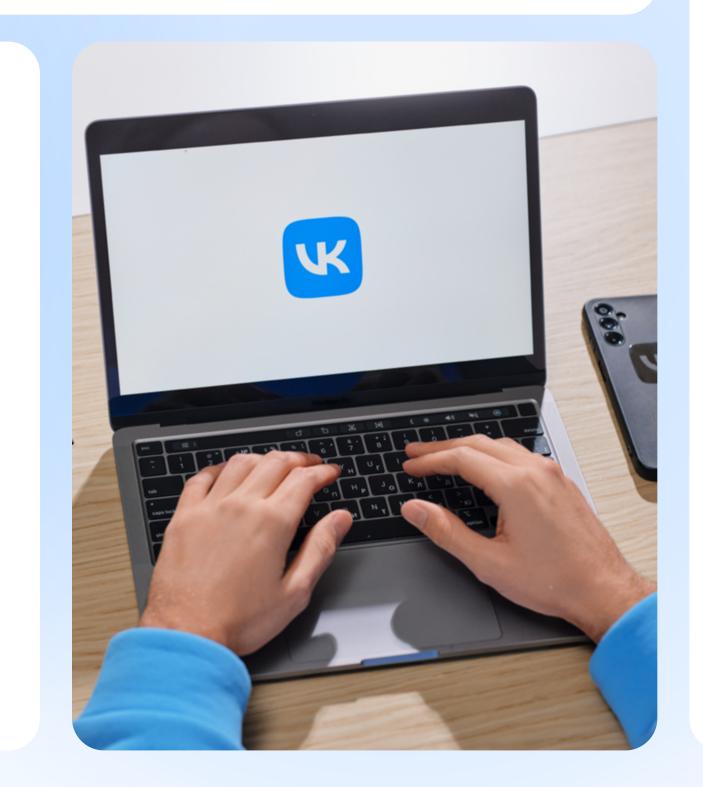
Class A (RUB 0.000450595 par value each) Ordinary (RUB 0.000450595 par value each)

Share capital structure as of the Report date, %<sup>2</sup>



<sup>1</sup> Portion of shares that are publicly traded as of the Report date, determined in accordance with the Free Float Methodology approved by the Moscow Exchange.

Issued shares	ISIN
11,500,100	RU000A106YG8
227,874,940	RU000A106YF0



## **Dividend policy**

The Company's Dividend Policy was adopted by the Board of Directors in August 2023. It sets out the principles that the Board of Directors is guided by when deciding on profit distribution and dividend payments.

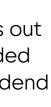
Basic principles of the Dividend Policy:

- enhancement of the Company's investment case;
- financially sound decision making on dividend payment to balance the Company's investment needs and the interests of its shareholders;
- transparency of the procedure to determine the dividend amount.

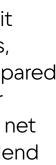
Under the current Dividend Policy, dividends on the Company's shares are paid from net profit (including from retained profit for previous years, if needed) as set out in financial statements prepared in accordance with Russian laws, and from other sources permitted in Russia. The percentage of net profit to be paid out as dividends for each dividend period is determined by the Board of Directors for each such period.

In 2024, the Board of Directors made no decision on the payment of dividends.









## Bonds

In October 2023, VK's subsidiary Mail.ru Finance completed the offering on the Moscow Exchange of Russian bonds (ZO25 series) to replace the Eurobonds of VK Company Limited (ISIN XS2239639433), which are registered within Russian depositaries. The replacement bonds (ISIN RU000A106YZ8) have the Eurobonds-equivalent par value, coupon rate, coupon dates, and maturities: the par value of each security is USD 200,000 with maturity on 1 October 2025 and coupon yield of 1.625% per annum (paid semi-annually on 1 October and 1 April).

In 2024, in line with the President of Russia's Decree Nº 198 dated 19 March 2024, the Company accepted applications and required documents from holders of Eurobonds registered outside Russia in order to fulfil its obligations to pay coupons on Eurobonds.

Previously, in September 2021, Mail.ru Finance completed the offering on the Moscow Exchange of five-year non-convertible exchange-traded interest-bearing uncertificated bonds with centralised record-keeping of rights with a total par value of RUB 15 bn and a coupon rate of 7.9% (RU000A103QK3). The exchange-traded bonds of Mail.ru Finance were included in the Second Level list of securities admitted to trading on the Moscow Exchange, where they are traded currently.

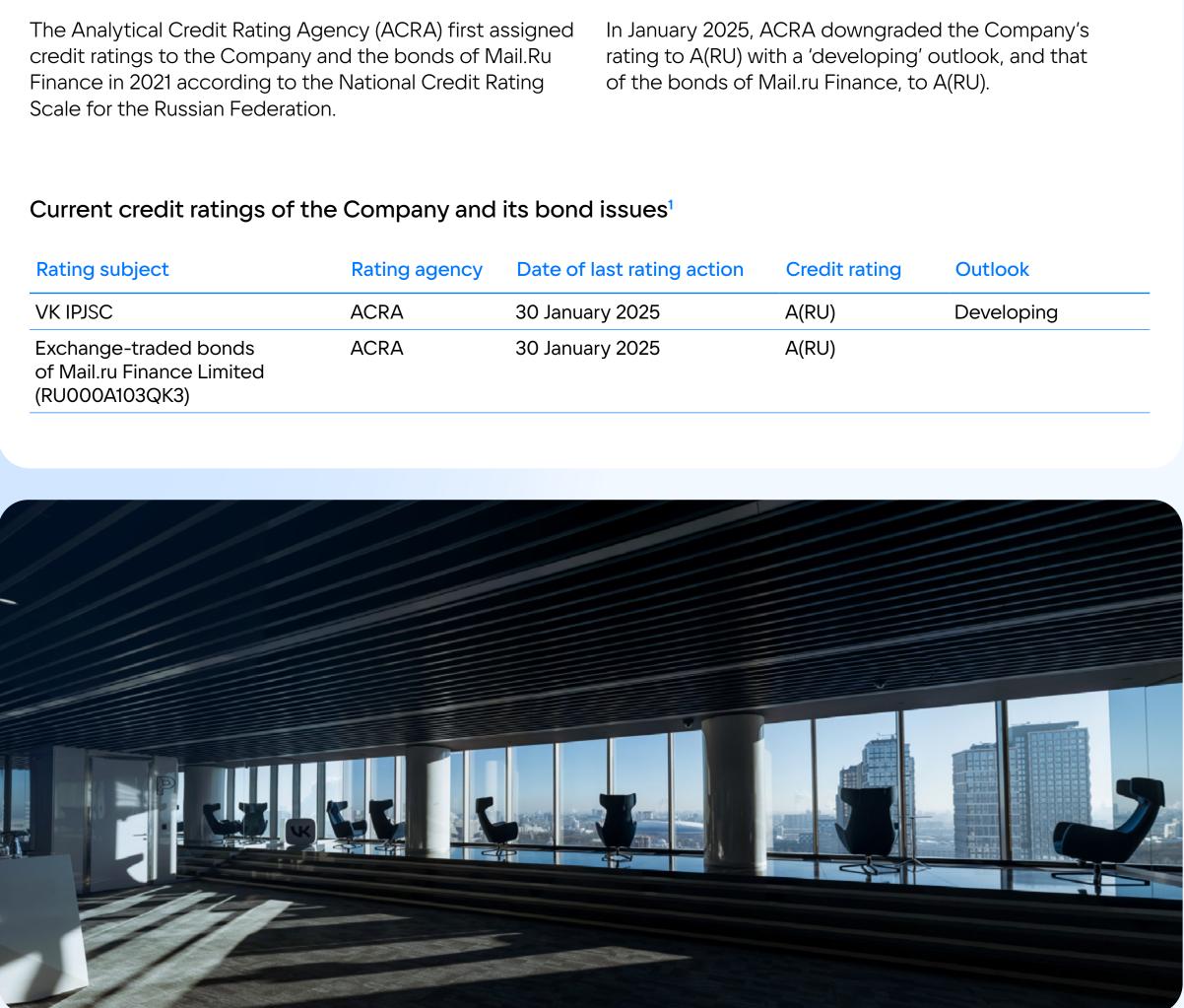
Bonds	Currency	Coupon rate	Offering size	Par value	Offering end date	Maturity date	Status
Eurobonds of VK Company Limited (XS2239639433)	USD	1.625%	400,000,000	200,000	1 October 2020	1 October 2025	Delisted / more tha 50% of the offering size replaced and/ or repurchased
Exchange- traded bonds of Mail.ru Finance (RU000A103QK3)	RUB	7.900%	15,000,000,000	1,000	21 September 2021	15 September 2026	Outstanding
ZO25 bonds of Mail.ru Finance (RU000A106YZ8)	USD	1.625%	29,200,000	200,000	19 October 2023	1 October 2025	Outstanding

### Bonds of the Company

## **Credit ratings**

Finance in 2021 according to the National Credit Rating Scale for the Russian Federation.

Rating subject	Rating agency	Date of last rating action	Credit rating	Outlook
VK IPJSC	ACRA	30 January 2025	A(RU)	Developing
Exchange-traded bonds of Mail.ru Finance Limited (RU000A103QK3)	ACRA	30 January 2025	A(RU)	



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## **Disclosure of information**

The Company strives to ensure that material information about its operations is made available to all shareholders at the same time. It strictly adheres to the requirements of Russian legislation regarding public disclosure of information, while observing permissible limitations in accordance with Resolution of the Russian Government Nº 1102 dated 4 July 2023 On the Specifics of Disclosure and/or Provision of Information Subject to Disclosure and/or Provision in Accordance with the Federal Law On Joint-Stock Companies and the Federal Law On the Securities Market.

Disclosures are made on the Internet on the website of Interfax-TsRKI (Corporate Information Disclosure Centre). Some of the information is posted on the Company's website, including translations of public disclosures to other languages.

## Shareholder and investor relations

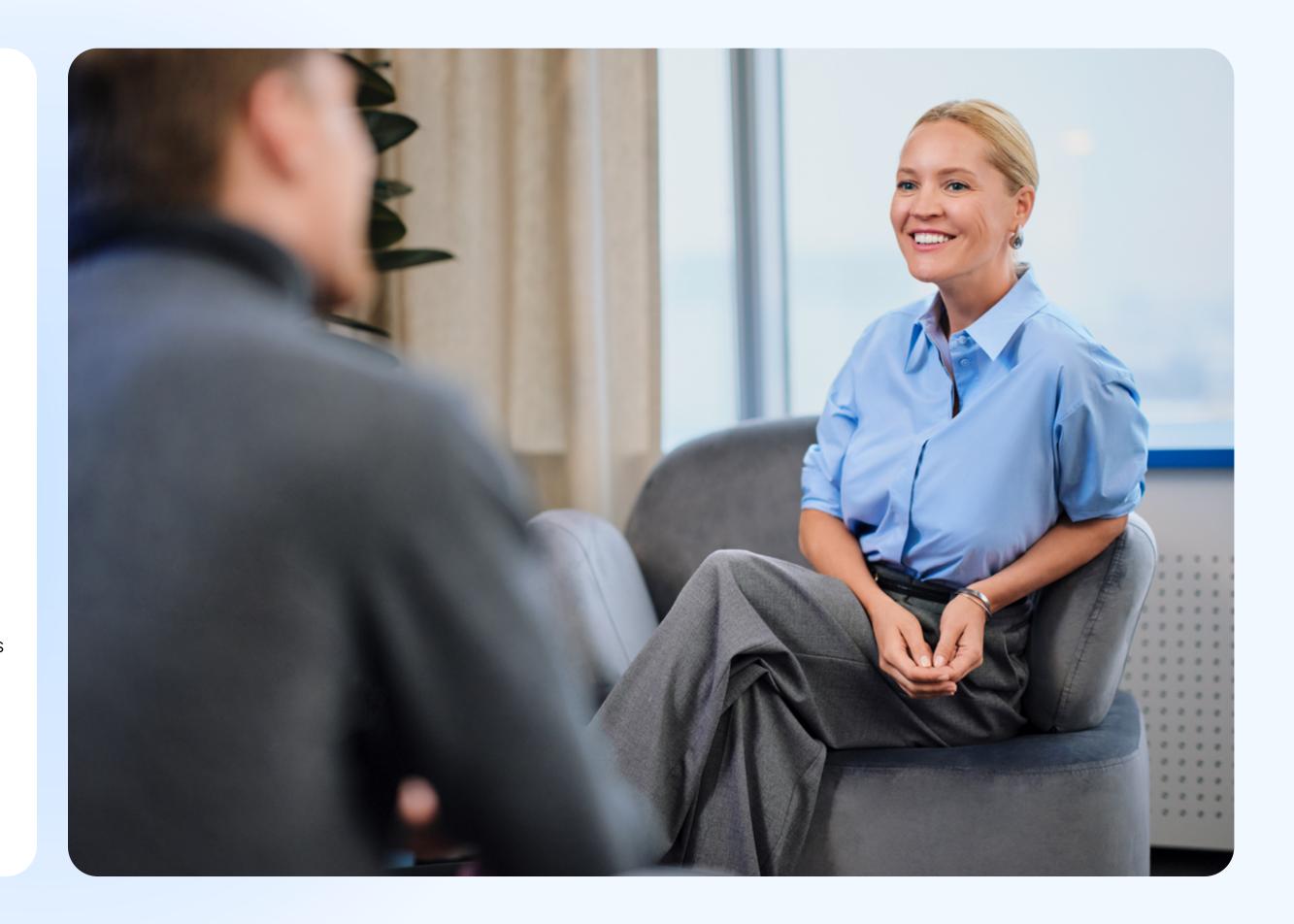
VK IPJSC maintains an open dialogue with a wide range of investors and shareholders so that securities market participants remain well-informed about its activities.

To ensure strong investor and shareholder engagement, the Company relies on several communication channels:

- Investors section of the corporate website: https://vk.company/en/investors/
- e-mail: ir@vk.company;
- postal address: 39 Leningradsky Avenue, building 79, Moscow, 125167, Russia.

Since June 2024, the Company has been actively engaging with private investors on the T-Pulse social network for investors through its official channel VK\_official.

A list of the Company's upcoming and past key events is available in the IR Calendar section of the corporate website.







## About the Report

This Report is the second consolidated annual report of VK (the "Report") presenting both consolidated operating results of VK in line with its strategic goals and objectives, and information on important sustainability decisions and achievements. Previously, VK regularly published two separate types of reports – annual and ESG reports. Going forward, VK will continue to release consolidated annual reports as a way to streamline its financial and ESG reporting, and to provide information to stakeholders in a more user-friendly form.

The financial results of VK were calculated based on the 2024 IFRS financial statements certified by an auditor report and included in the Appendix "Consolidated Financial Statements". Financial results are reported on an annual basis to coincide with the Report's cycle. [2-3]

The reporting period saw several changes in the methodology used for calculating sustainability indicators. The Report provides adjustments to historical data, with comments on changes and updated methodologies included in the text. [2-4]

The Report was approved by a written resolutions of the Board of Directors<sup>1</sup> on 23 April 2025. [2-14]

The Report is published in Russian and English. This Report was released on 23 April 2025. [2-3]

## **Report boundaries**

The Report presents the results of VK International Public Joint-Stock Company (VK IPJSC) and its subsidiaries listed in the IFRS consolidated financial statements (unless specified otherwise) for the reporting period from 1 January to 31 December 2024, while also disclosing the evolution of data for previous years. [2-2] In this Report, a reference to the "Company" means VK IPJSC, which jointly with its subsidiaries is referred to as the "Group" or "VK".

## Rounding

Certain figures included in this Report were subject to rounding adjustments. Accordingly, figures shown for the same category in different tables may vary slightly, while figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

## Standards and recommendations

The Report complies with the following principles, requirements and recommendations:

- Regulations of the Bank of Russia № 714-P On Disclosing Information by Issuers of Issue-Grade Securities dated 27 March 2020 (as amended on 30 September 2022);
- the Corporate Governance Code recommended for application in joint-stock companies by letter of the Bank of Russia № 06-52/2463 dated 10 April 2014:
- information letter of the Bank of Russia Nº IN-06-28/49 On Recommendations for Public Joint-Stock Companies to Disclose Non-Financial Information Regarding their Operations dated 12 July 2021;
- the Moscow Exchange's guidance for issuers on best sustainability practices;
- GRI<sup>2</sup> Standards;
- SASB<sup>3</sup> Standards, including industry-specific standards such as Software & IT Services, and Internet Media & Services;
- the company's internal regulations.







<sup>&</sup>lt;sup>1</sup> Material impacts of VK and their disclosure by material topic are agreed by the Board of Directors through the approval of the Report.

<sup>&</sup>lt;sup>2</sup> Global Reporting Initiative.

<sup>&</sup>lt;sup>3</sup> Sustainability Accounting Standards Board.

## **Determination of materiality**

In 2024, following an expert review by the working group responsible for preparing VK's Report on Environmental, Social and Economic Impact, along with the analysis of the macroeconomic landscape, monitoring of public information space, and benchmarking of material topics against those disclosed in the reports of peer companies, it was concluded that the company's material impacts did not change compared to the previous reporting period. Hence, the lists of VK's material topics and impacts on economy, environment and society were confirmed to still be relevant. [3-1]

C For more details on the materiality determination procedure, see the Consolidated Annual Report for 2023.

## List of material topics:

#### [3-2]

- 1. Use of innovations to protect personal data.
- 2. Information security and minimisation of incidents related to information security breaches.
- 3. Development of digital content services to satisfy users' daily needs.
- 4. Impact of Internet content on the moral values of society.
- 5. Improvements in service quality.
- 6. Decent working conditions and fair compensation.
- 7. Talent pool enlargement, youth engagement.
- 8. Occupational health and safety in the company and across the supply chain.
- 9. Fostering domestic demand for hi-tech products.
- 10. Development of innovative products, including digital solutions for businesses.
- 11. Promotion of science and education through joint projects with universities and research centres.

The following topics were not deemed material, even though the company recognises their importance and intends to disclose them to an extent that meets the Report's objectives:

- 1. Ensuring business continuity.
- 2. Market presence.
- 3. Risk management.
- 4. Management of critical incidents.
- 5. Responsible consumption, awareness-raising campaigns and customer products.
- 6. PUE of VK data centres.
- 7. Energy saving and energy efficiency improvements.

The Report has [GRI] marks where indicators are disclosed in accordance with material topics or otherwise pursuant to the Appendix "GRI Standards Index".

## **Report assurance**

#### [2-5]

The consolidated financial statements were prepared in accordance with applicable laws and the International Financial Reporting Standards (IFRS). The financial statements were audited by Centre for Audit Technologies and Solutions LLC. The report of an independent auditor on the consolidated financial statements is provided in the Appendix "Consolidated Financial Statements".

To ensure the independent review of certain ESG indicators for 2024 disclosed in the Report, VK engaged Centre for Audit Technologies and Solutions LLC. The audit complied with ISAE 3000 (revised version) for a limited assurance engagement.

The independently assured indicators of VK include:

- energy consumption by offices and data centres (electricity and heat);
- direct and indirect greenhouse gas emissions (Scopes 1 and 2);
- personnel structure by type of employment contract, employment type, and gender;
- total number of new hires by age and gender;
- personnel structure by gender, age, and position;
- number of VK employees who availed themselves of benefits;
- average hours of training per year per employee;
- total number of training requests from employees;
- total charitable collections;
- payments under the Bug Bounty vulnerability discovery programmes.

These indicators are marked in the text with [2].

The report of an independent practitioner responsible for the assurance engagement is provided in the Appendix "Independent Practitioner's Assurance Report".

### Auditor details:

Name: Centre for Audit Technologies and Solutions LLC.

On 5 December 2002, an entry was made in the Uniform State Register of Legal Entities, with the assignment of state registration number 1027739707203.

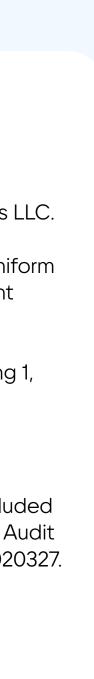
Address: 77 Sadovnicheskaya Embankment, Building 1, Moscow, 115035, Russia.

Centre for Audit Technologies and Solutions LLC is a member of the Sodruzhestvo Association, a self-regulated organisation of auditors, and is included in the control copy of the Register of Auditors and Audit Entities under principal registration number 12006020327.

#### Report survey

C Questionnaire for the readers of the 2024 Annual Report.





## Disclaimer

This Report of VK IPJSC may contain projected data or projections. The words "believe", "assume", "anticipate", "target", "potential", "expect", "intend", "predict", "plan", "could", "must", "may", "will", "forecast", "strive", "seek an opportunity" and similar expressions are intended to express forward-looking statements, but are not the only means of identifying such statements. The above statements containing projected data and/ or projections with respect to future events are subject to risks, uncertainties, changes in the macroeconomic and market environment, and other factors which may cause the actual results to differ materially from the projected ones.

Forward-looking statements contained in this Report are largely based on the company's expectations, reflecting assessments and assumptions made by the management. These assessments and assumptions, in their turn, reflect a judgement based on the currently known market conditions and other factors that are beyond the company's control and are uncertain. Furthermore, the management's assumptions with respect to future events may prove to be inaccurate.

The company cautions that forward-looking statements contained in this Report do not constitute guarantees with respect to the future results of the company, and the company cannot guarantee that such forward-looking statements or projected events and circumstances will eventually materialise.

The company cautions that a wide range of important factors may cause substantial differences between the actual results and the plans, targets, expectations, assessments, and intentions expressed in such forward-looking

statements of the company. The company's actual results, financial condition and liquidity, as well as changes occurrin in the industry in which the company operates, may differ materially from those made in or suggested by the forwardlooking statements or the projections contained in this Report.

The company does not undertake to review or confirm any expectations or assessments, nor does it intend to update any forward-looking statements or projections to reflect events or circumstances occurring or arising after the date of this Report.

The data provided in this Report is for information purposes only; it is not and cannot be deemed/construed as investment advice and/or advertisement, nor can it be viewed as solicitation to deal in the company's securities.

Except as expressly required by the applicable law, the company does not undertake to circulate or publish any updates or revisions of forward-looking statements to reflect changes in expectations or new information, as well as subsequent events, conditions, or circumstances.

## Contacts

#### [2–1], [2–3]

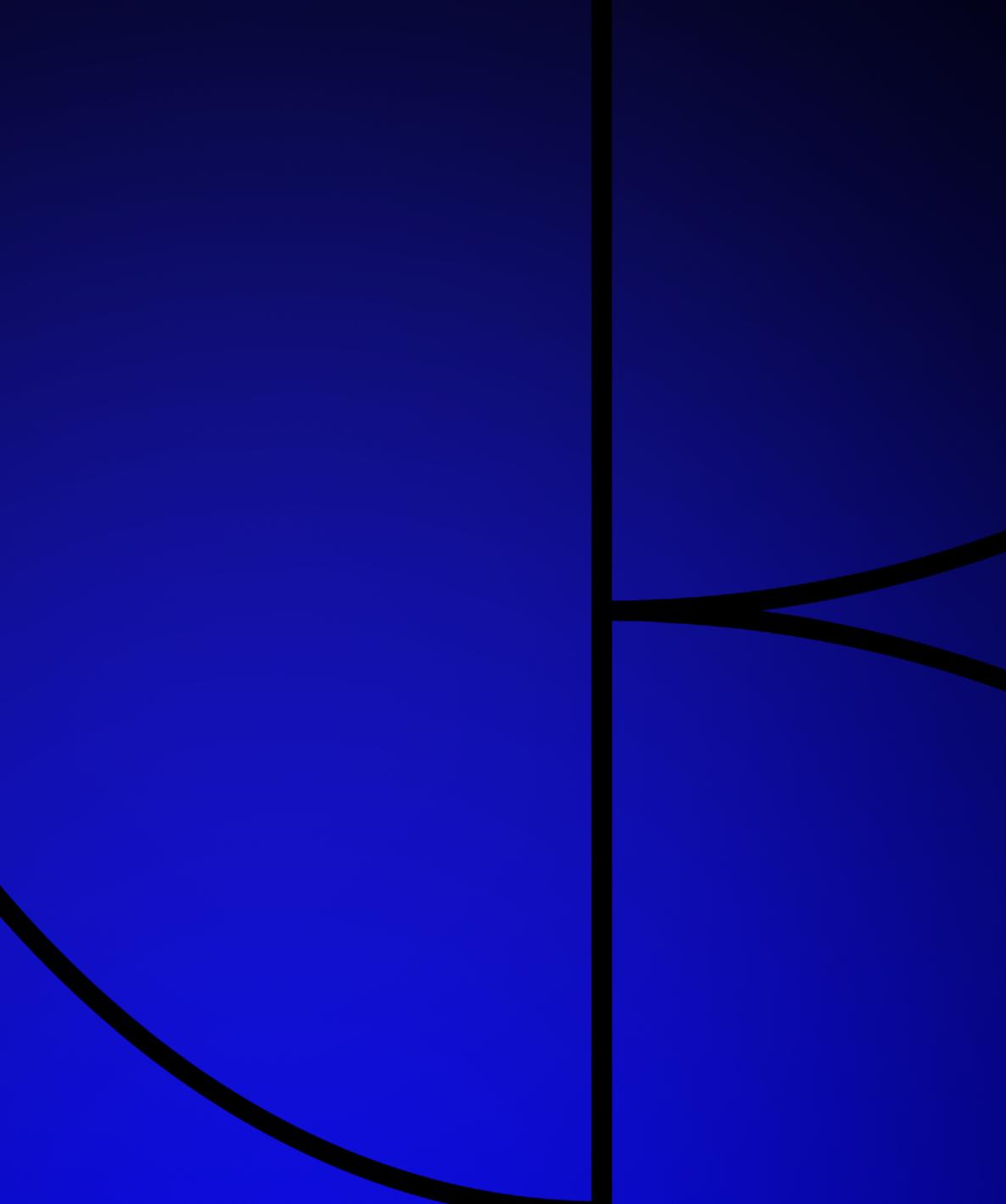
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[2–1], [2–3]	
Name	VK International Public Joint-Stock Company (VK IPJSC)
Date of state registration in Russia	26 September 2023
Registered address	12 Oktyabrskaya St., Office 23, Kaliningrad, Kaliningrad Region, 236006, Russia
Corporate website	
Page on the website of Interfax-TsRKI (Corporate Information Disclosure Centre)	
Contact details	Investor Relations: ir@vk.team
	ESG: esg@vk.team
	Press service: pr@vk.team

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# Appendices



## Report on compliance with the principles and recommendations of the Corporate Governance Code

The report on compliance with the principles and recommendations of the Corporate Governance Code recommended by the Bank of Russia (Bank of Russia's letter Nº 06-52/2463 dated 10 April 2014) was approved by written resolutions of the Board of Directors of VK International Public Joint-Stock Company ("VK IPJSC", the "Company") on 23 April 2025.

As part of the Report preparation, the Company analysed the Code's principles and recommendations.

A number of recommendations and assessment criteria are incompatible with the existing specifics of the Company's status as an international company governed by the British Virgin Islands (BVI) law. However, the Company does not suppose this fact makes an impact on the high standards of corporate governance.

The Board of Directors confirms that the data provided in this report contains complete and reliable information

#### Corporate governance principles Compliance criteria

1.1	The company shall ensure fair and	equitable treatment of all shareholders in exercising their corporate goverr	nance rights.		
1.1.1	The company ensures the most favourable conditions for its shareholders to participate in the general meeting, develop	<ol> <li>The company provides an accessible method of communication with the company, such as a "hotline", e-mail, or online forum, to enable shareholders to express their opinion and send questions on the agenda in preparation for the general meeting.</li> </ol>	Complied with Partially complied with <b>Vot complied with</b>	Not complied with. During the reporting period, no General Meetings of Shareholders were held and r written shareholder resolutions were signed, making it impossible to properly assess compliance with this criterion. However, the Company continuously maintains accessible communication channels with shareholders, such as IR e-mail and communication with investors through relevant social networks.	
	an informed position on agenda items of the general meeting,	The above means of communication were organised by the company and made available to shareholders in the course of preparation for each general		Additionally, when holding the General Meetings of Shareholders in 2025, the Company will seek to meet this criterion.	
	coordinate their actions, and voice their opinions on items considered.	meeting held in the reporting period.		Event after the reporting date: during preparations for the extraordinary General Meeting of Shareholders in the form of absentee voting on 30 April 2025 (the "EGM"), shareholders were provided with accessible means of communication with the Company – in particular, by post.	
1.1.2	The procedure for giving notice of, and providing relevant materials for, the general meeting enables shareholders to properly prepare for attending the general meeting.	<ol> <li>In the reporting period the notice of an upcoming general meeting of shareholders is posted (published) on the company's website on the Internet no later than 30 days prior to the date of the general meeting, unless a longer period is required by law.</li> </ol>	Complied with Partially complied with	During the reporting period, no General Meetings of Shareholders were held, making it impossible to properly assess compliance with this criterion.	
			✓ Not complied with	Criteria 1–3 are not complied with. When holding General Meetings of Shareholders, the Company will see to meet these criteria.	
		<ol><li>The notice of an upcoming meeting indicates the documents required for admission.</li></ol>		Event after the reporting date: during preparations for the EGM, the notice of an upcoming EGM was poste (published) on the Company's website more than 30 days before the meeting date (in accordance with	
		3. Shareholders were given access to the information on who proposed the agenda items and who proposed nominees to the company's board of directors and the revision committee (if its establishment is stipulated by the company's charter).		the requirements of the Company's Charter – no later than 36 days before the EGM). The EGM is being hel in the form of absentee voting, therefore criterion 2 is not applicable in this case. Shareholders were also provided with access to the information on who proposed the agenda items for the EGM.	

1 The status is "complied with" only when the company's corporate practice meets all the criteria of compliance with the principles of the company's corporate practice meets only some of the compliance with the principles of the company's corporate practice meets all the criteria of compliance with the principles of the compliance with the principles of the company's corporate practice meets all the criteria of compliance with the principles of the compliance with the principles of the compliance with the principles of the company's corporate practice meets all the criteria of compliance with the principles of the compliance with th of them, Column 4 of the report on compliance with the principles of the Code form shall have the status "partially complied with" or "not complied with", respectively.

<sup>2</sup> Given for each assessment (compliance) criterion related to a corporate governance principle if the company only complies with some, or with none, of the criteria.

on the Company's compliance with the principles and recommendations of the Code for 2024.

Following the Bank of Russia's recommendations and clarifications on properly explaining the reasons for non-compliance or partial compliance with corporate governance principles, the Company indicates that it did not observe certain recommendations on holding a General Meeting of Shareholders during the reporting period as the Code's relevant recommendations can be fully

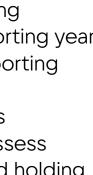
or partially complied with only if the General Meeting of Shareholders is held in the same year as the reporting year for the purposes of the Report. However, in the reporting year, the Company did not hold a General Meeting of Shareholders and adopted no written resolutions of shareholders, making it impossible to properly assess compliance with criteria related to preparing for and holding a General Meeting of Shareholders.

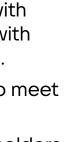
#### Compliance status<sup>1</sup>

Reasons<sup>2</sup> for non-compliance















#### Corporate governance principles N⁰

#### Compliance criteria

In preparing for, and holding of, 1.1.3 the general meeting, shareholders were able to receive clear and timely information on the meeting and related materials, put questions to the company's executive bodies and the board of directors, and to communicate with each other.

1. In the reporting period shareholders were given an opportunity to put questions to members of executive bodies and members of the board of directors in the course of preparation for, and during, the general meeting.

2. The position of the board of directors (including dissenting opinions (if available) entered in the minutes) on each item on the agenda of general meetings held in the reporting period was included in the materials for the general meeting.

3. The company gave duly authorised shareholders access to the list of persons entitled to participate in the general meeting, as from the date when such list was received by the company, for all general meetings held in the reporting period.

1.1.4 There were no unjustified difficulties preventing shareholders from exercising their right to request that a general meeting be convened, to propose nominees to the company's governing bodies, and to make proposals for the agenda of the general meeting.

1. The company's charter defines the deadline for shareholders to submit proposals to the agenda of the annual general meeting which shall be at least 60 days after the end of the respective calendar year.

2. In the reporting period the company did not reject any proposals for the agenda or nominees to the company's governing bodies due to misprints or other insignificant flaws in the shareholder's proposal.

1.1.5 Each shareholder was able to freely exercise their voting right in the simplest and most convenient way.

1. The company's charter provides for an opportunity to fill in the electronic form of the ballot on the website specified in the notice of the general meeting of shareholders.

Compliance status <sup>1</sup>	Reasons <sup>2</sup> for non-compliance
Complied with Partially complied with	During the reporting period, no General Meetings of Shareholders were held, making it impossible to properly assess compliance with these criteria.
Vot complied with	Criterion 1 is not complied with. However, the Company continuously maintains accessible communic channels with shareholders, such as IR e-mail, through which shareholders have the opportunity to p questions to members of the executive bodies and members of the Company's Board of Directors, i in the course of preparation for, and during, the General Meeting of Shareholders.
	Criterion 2 is not complied with. When holding General Meetings of Shareholders, the Company will to meet these criteria to the extent possible.
	Criterion 3 is not complied with. The relevant corporate relations in the Company are governed by the law in accordance with the Charter based on the provisions of Federal Law Nº 290-FZ dated 3 August On International Companies and International Funds (the "International Companies Law") and the Corr Regulations on Information Policy regarding shareholders' right to access information. In the near future the Company does not plan to change the regulation of these relations to regulation under the law of
	Event after the reporting date: criterion 1 – during preparations for the EGM, shareholders were given an opportunity to put questions to members of the executive bodies and members of the Company Board of Directors via e-mail; criterion 2 – no dissenting opinions on the EGM agenda items were pro by Board members; criterion 3 – access to the list of persons is provided in accordance with the prov of applicable law.
Complied with <b>V</b> Partially complied with Not complied with	Criterion 1 is partially complied with. The provisions as to the timelines for proposals for the agenda of the general meeting are inapplicable to the Company as these corporate legal relationships in the Company are governed by the BVI law. In the near future, the Company does not plan to chang the regulation of these relations to regulation under the law of Russia.
	Pursuant to the Company's Regulations on the General Meeting of Shareholders proposals for the ag of a General Meeting of Shareholders and nominee proposals can be made by shareholders at least prior to a General Meeting of Shareholders, while the total term of office of elected members of the of Directors is two years in accordance with the Company's Charter. The 26-day period allows for en shareholders' right to nominate candidates, therefore in this case it can be concluded that the Code recommendations are partially complied with.
	Criterion 2 is not complied with. During the reporting period, no General Meetings of Shareholders w held, making it impossible to properly assess compliance with this criterion. However, the Regulation on the General Meeting of Shareholders contain a closed list of grounds on which the Company may any proposals for the agenda or nominees to the Company's governing bodies, and all grounds listed in the Regulations on the General Meeting of Shareholders are considered material. When holding General Meetings of Shareholders, the Company will seek to meet the above requirements.
	Event after the reporting date: during preparations for the EGM, criterion 2 is being complied with.
Complied with Partially complied with Not complied with	

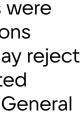
1 The status is "complied with" only when the company's corporate practice meets all the criteria of compliance with the principles of the company's corporate practice meets only some of the compliance criteria, or none





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of them, Column 4 of the report on compliance with the principles of the Code form shall have the status "partially complied with" or "not complied with", respectively.

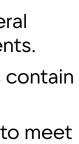
<sup>&</sup>lt;sup>2</sup> Given for each assessment (compliance) criterion related to a corporate governance principle if the company only complies with some, or with none, of the criteria.

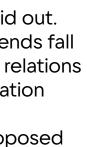
N⁰	Corporate governance principles	Compliance criteria	Compliance status <sup>1</sup>	Reasons <sup>2</sup> for non-compliance
1.1.6	The procedure for holding a general meeting set by the company provides equal opportunities for all persons attending the meeting to voice their opinions and ask questions.	<ol> <li>During general meetings of shareholders held in the reporting period in the form of a meeting (joint presence of shareholders), sufficient time was allocated for reports on, and discussion of, the agenda items. Shareholders had an opportunity to express their opinions and to ask questions on the agenda.</li> <li>The company invited candidates to the company's governing and control bodies and took all necessary measures to ensure their participation in the general meeting of shareholders at which their nominations were put to vote. The candidates to the company's governing and control bodies who were present at the general meeting of shareholders were available to answer questions of shareholders.</li> <li>The sole executive body, the person responsible for the accounting, the chairman or other members of the board of directors' audit committee were available to answer shareholders' questions at the general meetings of shareholders held in the reporting period.</li> <li>In the reporting period the company used telecommunication means to ensure the remote participation of shareholders in general meetings, or the board of directors made a reasonable decision on the fact there was no need (opportunity) to use such means in the reporting period.</li> </ol>	Complied with Partially complied with	During the reporting period, no General Meetings of Shareholders were held, making it impossible to properly assess compliance with these criteria. Criterion 1 is not complied with. The Regulations on the General Meeting of Shareholders stipulate the allocation of time for reports on agenda items and answers to questions. When holding a General Meeting of Shareholders in the form of a meeting, the Company will seek to meet these requirements. Criteria 2, 3, and 4 are not complied with. However, the Company's Charter and internal regulations cor no provisions that would impede compliance with these criteria. When holding a General Meeting of Shareholders in the form of a meeting, the Company will seek to n these criteria.
1.2	Shareholders are given equal and	fair opportunities to receive a share in the company's profit in the form of d	ividends.	
1.2.1	The company has developed and put in place a transparent and clear mechanism to determine the dividend amount and payout procedure.	<ol> <li>The company's regulations on the dividend policy have been approved by the board of directors and disclosed on the company's website on the Internet.</li> <li>If the dividend policy of the company that prepares the consolidated financial statements uses reporting figures to determine the dividend amount, then relevant provisions of the dividend policy take into account the consolidated financial statements.</li> <li>The explanation of the proposed net profit distribution, including payment of dividends and the company's own needs, and the assessment of its compliance with the dividend policy adopted by the company, with clarifications and economic explanation of the requirement to direct a certain part of net profit to the company's needs in the reporting period, were included in the materials for the general meeting of shareholders, the agenda of which contains an item on profit distribution (including the payment (declaration) of dividends).</li> </ol>	Complied with	Criteria 1 and 2 are complied with. Criterion 3 is not complied with. In the reporting period, no General Meetings of Shareholders were held and no dividends were paid of In accordance with the Company's Charter, matters concerning the payment (distribution) of dividend within the remit of the Board of Directors, not the General Meetings of Shareholders, due to these rela- being governed by the BVI law. In the near future, the Company does not plan to change the regulation of these relations to regulation under the law of Russia. However, going forward, should the Board of Directors decide to pay dividends, the Company will seek to disclose the explanation of the proposi- net profit distribution in line with the Company's dividend policy.
1.2.2	The company does not resolve to pay out dividends if such resolution, while formally compliant with law, is economically unjustified and may lead to a false representation of the company's performance.	1. In addition to the restrictions established by law, the company's regulations on the dividend policy identify financial/economic circumstances under which the company shall not make decisions on the dividend payment.		

<sup>&</sup>lt;sup>1</sup> The status is "complied with" only when the company's corporate practice meets all the criteria of compliance with the principles of the company's corporate practice meets only some of the compliance criteria, or none of them, Column 4 of the report on compliance with the principles of the Code form shall have the status "partially complied with" or "not complied with", respectively.









<sup>&</sup>lt;sup>2</sup> Given for each assessment (compliance) criterion related to a corporate governance principle if the company only complies with some, or with none, of the criteria.

Corporate governance principles	Compliance criteria	(
The company does not allow for dividend rights of its existing shareholders to be impaired.	1. In the reporting period the company did not take any actions that would lead to the impairment of the dividend rights of its existing shareholders.	
The company makes every effort to prevent its shareholders from profiting from the company through any means other than dividends and liquidation value.	1. In the reporting period the means of profiting from the company by the controlling persons, other than dividends (for example, through the transfer pricing, unjustified provision of services to the company by the controlling person at inflated prices, through internal loans replacing dividends to the controlling persons and (or) its controlled persons) were not used.	
The corporate governance framew	ork and practices ensure equal conditions for the shareholders owning the	e s
The company has created conditions for fair treatment of each shareholder by the company's governing and control bodies, including conditions that rule out abuse by major shareholders against minority shareholders.	1. In the reporting period the company's controlling persons did not abuse their rights with respect to the company's shareholders, there were no conflicts between the company's controlling persons and shareholders, and if such conflicts occurred, the board of directors paid due attention to them.	
The company does not take any actions that lead or may lead to artificial redistribution of corporate control.	1. No quasi-treasury shares were issued or used to vote in the reporting period.	
Shareholders are provided with rel	iable and efficient ways of recording their rights to shares and are able to	fre
Shareholders are provided with reliable and efficient ways of recording their rights to shares and are able to freely dispose of their shares without any hindrance.	1. The technologies and terms of provided services used by the company's registrar meet the needs of the company and its shareholders and ensure the account of rights for shares and realisation of shareholders' rights in the most efficient way.	
	The company does not allow for dividend rights of its existing shareholders to be impaired. The company makes every effort to prevent its shareholders from profiting from the company through any means other than dividends and liquidation value. <b>The corporate governance framew</b> The company has created conditions for fair treatment of each shareholder by the company's governing and control bodies, including conditions that rule out abuse by major shareholders against minority shareholders. The company does not take any actions that lead or may lead to artificial redistribution of corporate control. <b>Shareholders are provided with rel</b> Shareholders are provided with reliable and efficient ways of recording their rights to shares and are able to freely dispose of their shares without	The company does not allow for dividend rights of its existing shareholders to be impaired.1. In the reporting period the company did not take any actions that would lead to the impairment of the dividend rights of its existing shareholders.The company makes every effort to prevent its shareholders from profiting from the company through and liquidation value.1. In the reporting period the means of profiting from the company by the controlling persons, other than dividends (for example, through the transfer pricing, unjustified provision of services to the company by the controlling persons and (or) its controlled persons) were not used.The corporate governance framework and practices ensure equal conditions for the shareholders owning the conditions for fair treatment of each shareholder by the company's governing and control bodies, including conditions that rule out abuse by major shareholders.1. In the reporting period the company's controlling persons and shareholders, and if such conflicts between the company's controlling persons and shareholders, and if such conflicts occurred, the board of directors paid due attention to them.The company does not take any actions that lead or may lead to artificial redistribution of corporate control.1. No quasi-treasury shares were issued or used to vote in the reporting period.Shareholders are provided with reliable and efficient ways of recording their rights to shares and are able to registrar meet the needs of the company and its shareholders' rights to shares and are able to freely dispose of their shares without1. The technologies and terms of provided services used by the company's registrar meet the needs of the company and its shareholders' rights in the most efficient way.

#### Compliance status<sup>1</sup> Reasons<sup>2</sup> for non-compliance

#### $\checkmark$ Complied with

Partially complied with Not complied with

### $\checkmark$ Complied with

Partially complied with Not complied with

#### e same type (class) of shares, including minority and non-resident shareholders, and their equitable treatment by the company

#### $\checkmark$ Complied with

Partially complied with Not complied with

### $\checkmark$ Complied with

Partially complied with Not complied with

#### reely dispose of their shares without any hindrance.

#### $\checkmark$ Complied with

Partially complied with Not complied with

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<b>y.</b>	
or none	

<sup>1</sup> The status is "complied with" only when the company's corporate practice meets all the criteria of compliance with the principles of the company's corporate practice meets only some of the compliance criteria, or of them, Column 4 of the report on compliance with the principles of the Code form shall have the status "partially complied with" or "not complied with", respectively.

<sup>&</sup>lt;sup>2</sup> Given for each assessment (compliance) criterion related to a corporate governance principle if the company only complies with some, or with none, of the criteria.

#### Corporate governance principles Compliance criteria N⁰

- 2.1 on other core responsibilities. The board of directors 1. The board of directors has the authority stipulated in the charter 2.1.1 to appoint and remove members of executive bodies and to set out is responsible for appointing and the terms and conditions of their contracts. dismissing executive bodies, including due to improper 2. In the reporting period the nomination (appointments and HR) committee<sup>3</sup> performance of their duties. reviewed the compliance of the professional expertise, skills and experience The board of directors also of the members of the executive bodies with the company's current and ensures that the company's expected needs determined by the company's approved strategy. executive bodies act in accordance 3. In the reporting period the board of directors reviewed the report(s) with the company's approved by the sole executive body or the collective executive body (if available) development strategy and core on the implementation of the company's strategy. lines of business. 2.1.2 The board of directors 1. At its meetings in the reporting period, the board of directors reviewed strategy implementation and updates, approval of the company's financial sets key long-term targets and business plan (budget), as well as criteria and performance (including for the company, assesses and approves its key performance interim) of the company's strategy and business plans. indicators and key business goals, as well as the strategy and business plans for the company's core lines of business.
- 21.3 The board of directors defines 1. The company's principles of, and approaches to, setting up a risk the company's principles of, and management and internal control system were defined by the board of directors and specified in the company's internal regulations determining approaches to, setting up a risk management and internal control the risk management and internal control system policy. system. 2. In the reporting period the board of directors approved (revised) the appropriate amount of risks (risk appetite) of the company, or the audit
- appetite for consideration by the board of directors. 2.1.4 The board of directors 1. The company has developed, approved by the board of directors and put defines the company's policy on remuneration payable to, and/ or reimbursement (compensation) of costs incurred by, members matters related to such policy (policies). of the board of directors, the company's executive bodies, and other key executives of the company.

in place a remuneration and reimbursement (compensation) policy (policies) for its directors, members of executive bodies and other key executives. 2. At its meetings in the reporting period, the board of directors discussed

committee and (or) risk management committee (if available) considered

if it was reasonable to submit the issue of revising the company's risk

- of them, Column 4 of the report on compliance with the principles of the Code form shall have the status "partially complied with" or "not complied with", respectively.
- <sup>2</sup> Given for each assessment (compliance) criterion related to a corporate governance principle if the company only complies with some, or with none, of the criteria.

<sup>3</sup> The "nomination committee".

#### Compliance status<sup>1</sup> Reasons<sup>2</sup> for non-compliance

The board of directors is responsible for the strategic governance of the company, defining key principles and approaches to risk management and internal controls, exercising control over the company's executive bodies, and delivering

Complied with	Criteria 1 and 3 are complied with.
$\checkmark$ Partially complied with	Criterion 2 is not complied with.
Not complied with	Matter from criterion 2 was not part of the Remuneration and Nomination Committee's agenda. This Committee did not put forward for consideration the question of whether the expertise, skills and experience of the members of the executive body comply with the Company's current and expected The Remuneration and Nomination Committee of the Board of Directors will consider this matter bef the end of the term of office of the executive body (five years from the commencement of powers f the date of re-domiciliation).

#### Complied with

Partially complied with Not complied with

Complied with	Criterion 1 is complied with.
Partially complied with Not complied with	Criterion 2 is partially complied with. During the reporting period, the appropriate amount of risks (risk appetite) of the Company, previously approved by the Board of Directors in 2023, was not revised. H the Audit, Risk, Compliance and Sustainable Development Committee (the "Audit Committee") review changes to the risk map at each meeting, at least four times a year, and corresponding reports are re- submitted to the Board of Directors.
	Event after the reporting date: at the Board of Directors meeting on 19 March 2025, the Company's previously approved risk appetite was revised.
Complied with	Criterion 1 is complied with.
Partially complied with Not complied with	Criterion 2 is partially complied with. During the reporting period, the Company developed and appro the Remuneration Policy, which regulates matters of remuneration and reimbursement (compensation for members of the Board of Directors, executive bodies and other key executives of the Company. The approval of the relevant Policy falls within the remit of the Remuneration and Nomination Commi in accordance with the regulations on this committee. In accordance with the BVI law, which regulate the relevant corporate relations in the Company, the Board of Directors' committees may be vested independent remit by the Board of Directors. In the near future, the Company does not plan to chang the regulation of these relations to regulation under the law of Russia.
	During the reporting period, the Board of Directors did not additionally discuss matters related to the policy, due to the fact that this matter falls within the remit of the Remuneration and Nomination Con In 2025, the Remuneration and Nomination Committee plans to consider the need to update the said

<sup>1</sup> The status is "complied with" only when the company's corporate practice meets all the criteria of compliance with the principles of the company's corporate practice meets only some of the compliance criteria, or none

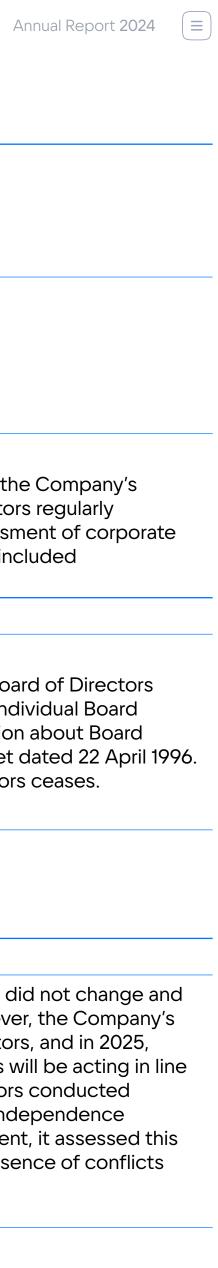




N⁰	Corporate governance principles	Compliance criteria	Compliance status <sup>1</sup>	Reasons <sup>2</sup> for non-compliance
2.1.5	The board of directors plays a key role in preventing, identifying,	<ol> <li>The board of directors plays a key role in preventing, identifying, and resolving internal conflicts.</li> </ol>	Complied with Partially complied with	
	and resolving internal conflicts between the company's bodies, shareholders, and employees.	<ol><li>The company has set up mechanisms to identify transactions leading to a conflict of interest and to resolve such conflicts.</li></ol>	Not complied with	
2.1.6	The board of directors plays a key role in ensuring the company's transparency, full and well-timed information disclosures, and unhindered access of shareholders to corporate documents.	1. Persons responsible for implementing the information policy are identified in the company's internal regulations.	Complied with Partially complied with Not complied with	
2.1.7	The board of directors oversees	1. In the reporting period the board of directors reviewed the results of self-	Complied with	Partially complied with.
	the company's corporate governance practices and plays a key role in material corporate events.	assessment and (or) external assessment of the company's corporate governance practices.	Partially complied with Not complied with	In the reporting period, no formalised self-assessment and (or) external assessment of the Company's corporate governance practices was run in the Company. However, the Board of Directors regularly addresses the Company's corporate governance practices in its operations. The assessment of corporate governance practices in the Company by the Company's Internal Audit Department is included in the internal audit plan for 2025.
2.2	The board of directors is accounta	able to the company's shareholders.		
2.2.1	Performance of the board	1. The company's annual report for the reporting period includes	Complied with	Criterion 1 is partially complied with.
	of directors is disclosed and made available to the shareholders.	the information on attendance of the board of directors and committee meetings by each member of the board of directors.	Partially complied with	The Company's annual report includes aggregated information on attendance of the Board of Director and committee meetings by members of the Board of Directors. Information for each individual Board
		2. The annual report discloses key performance assessment (self- assessment) results of the board of directors in the reporting period.	Not complied with	member is not disclosed due to the fact that the Company does not disclose information about Boar members on the grounds provided for in Federal Law № 39-FZ On the Securities Market dated 22 Ap The Company will seek to change this approach if the negative impact of external factors ceases.
				Criterion 2 is complied with.
2.2.2	The chairman of the board	1. The company has a transparent procedure in place enabling its shareholders to forward inquiries to the chairman of the board of directors	$\checkmark$ Complied with	
	of directors is available to communicate with the company's shareholders.	its shareholders to forward inquiries to the chairman of the board of directors (and, if applicable, to the senior independent director) and receive feedback on them.	Partially complied with Not complied with	
2.3	The board of directors manages t	he company in an efficient and competent manner and is capable of making	fair and independent judgen	nents and decisions in line with the interests of the company and its shareholders.
2.3.1	Only persons of impeccable business and personal reputation who have the knowledge, expertise, and experience required to make decisions within the authority of the board of directors and essential to perform its functions in an efficient way are elected to the board of directors.	1. In the reporting period the board of directors (or its nomination committee) assessed nominees to the board of directors for required experience, expertise, business reputation, absence of conflicts of interest, etc.	Complied with <b>Partially complied with</b> Not complied with	Criterion 1 is partially complied with. The composition of the Board of Directors in 2024 did not chang no re-election took place – consequently, there was no need for this procedure. However, the Comp- internal regulations contain provisions for evaluating candidates for the Board of Directors, and in 202 when preparing for the annual General Meeting of Shareholders, the Board of Directors will be acting with provisions of internal regulations. During the reporting period, the Board of Directors conducted an assessment of independent directors against applicable criteria for evaluating the independence of Board members, and as part of recognising one of the Board members as independent, it assessed director for the required experience, knowledge, business reputation, as well as the absence of confl of interest and other criteria.

<sup>1</sup> The status is "complied with" only when the company's corporate practice meets all the criteria of compliance with the principles of the company's corporate practice meets only some of the compliance criteria, or none of them, Column 4 of the report on compliance with the principles of the Code form shall have the status "partially complied with" or "not complied with", respectively.

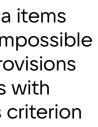
<sup>2</sup> Given for each assessment (compliance) criterion related to a corporate governance principle if the company only complies with some, or with none, of the criteria.



N⁰	Corporate governance principles	Compliance criteria	Compliance status <sup>1</sup>	Reasons <sup>2</sup> for non-compliance
2.3.2	The company's directors are elected via a transparent procedure that enables shareholders to obtain information on nominees sufficient to judge on their personal and professional qualities.	1. Whenever the agenda of the general meeting of shareholders included election of the board of directors, the company provided to shareholders the biographical details of all nominees to the board of directors, the results of assessment of the compliance of the professional expertise, skills and experience of the nominees with the company's current and expected needs, carried out by the board of directors (or its nomination committee), and the information on whether the nominee meets the independence criteria set forth in Recommendations 102–107 of the Code, as well as information on availability of the nominees' written consent to be elected to the board of directors.	Complied with Partially complied with ✓ Not complied with	Not complied with. No General Meetings of Shareholders, including one that would include agenda it related to the election of the Board of Directors, were held during the reporting period, making it import to properly assess compliance with this criterion. The Company's internal regulations contain no provious that would impede compliance with this criterion. When holding General Meetings of Shareholders with agenda items related to the election of the Board of Directors, the Company will seek to meet this cri- where possible.
2.3.3	The board of directors has a balanced membership, including in terms of directors' qualifications, experience, expertise, and business skills, and it has the trust of shareholders.	1. In the reporting period the board of directors reviewed its requirements for professional expertise, experience and skills and defined expertise essential to the board of directors in the short and long term.	<b>Complied with</b> Partially complied with Not complied with	
2.3.4	The company has a sufficient number of directors to organise the board of directors' activities in the most efficient way, including the ability to set up committees of the board of directors and enable the company's substantial minority shareholders to elect a nominee to the board of directors for whom they vote.	1. In the reporting period the board of directors considered whether the number of directors met the company's needs and shareholders' interests.	Complied with Partially complied with Not complied with	

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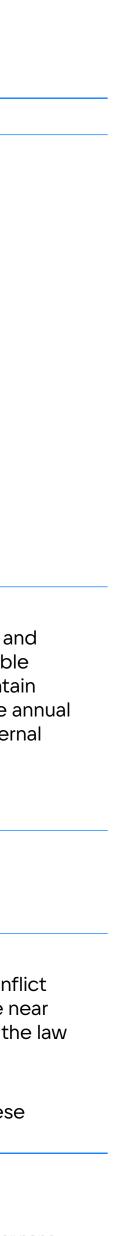
<sup>&</sup>lt;sup>2</sup> Given for each assessment (compliance) criterion related to a corporate governance principle if the company only complies with some, or with none, of the criteria.



2.4	The board of directors includes a sufficient number of independent directors.			
2.4.1	An independent director is a person with professional expertise, experience and independence sufficient to have his/her own opinions and make fair unbiased judgements that are not influenced by the company's executive bodies, shareholder groups, or other stakeholders. It should be noted that a nominee (elected director) who is related to the company, its substantial shareholder, substantial counterparty, or competitor of the company, or is related to the government, may not be considered as independent under normal circumstances.	1. In the reporting period all independent directors met all independence criteria set out in Recommendations 102–107 of the Code, or were deemed independent by resolution of the board of directors.	<ul> <li>Complied with Partially complied with Dot complied with</li> </ul>	
2.4.2	The company assesses compliance of nominees to the members of the board of directors and reviews compliance of independent directors with independence criteria on a regular basis. In such assessment, substance prevails over form.	<ol> <li>In the reporting period the board of directors (or its nomination committee) made a judgement on the independence of each nominee to the board of directors and provided its opinion to shareholders.</li> <li>In the reporting period the board of directors (or its nomination committee) reviewed, at least once, the issue on independence of incumbent directors (after their election).</li> <li>The company has in place procedures defining the actions to be taken by directors if they cease to be independent, including the obligation to timely notify the board of directors thereof.</li> </ol>	Complied with <b>Partially complied with</b> Not complied with	Criterion 1 is not complied with. In the reporting period, the composition of the Board of Directors did not change in the Company and no re-election took place – consequently, there was no need for this procedure, making it impossible to properly assess compliance with this criterion. However, the Company's internal regulations contain provisions for evaluating candidates for the Board of Directors, and in 2025, when preparing for the an General Meeting of Shareholders, the Board of Directors will be acting in line with provisions of interna- regulations. Criteria 2 and 3 are complied with.
2.4.3	Independent directors make up at least one third of elected directors.	1. Independent directors make up at least one third of elected directors.	Complied with Partially complied with Not complied with	
2.4.4	Independent directors play a key role in preventing internal conflicts in the company and in overseeing the company's material corporate actions.	1. Independent directors (with no conflicts of interest) ran a preliminary assessment of material corporate actions implying a potential conflict of interest in the reporting period and submitted the results to the board of directors.	Complied with <b>Partially complied with</b> Not complied with	Partially complied with. In the Company's constituent documents, there is an alternative way of action in case there is a conflict of interest, which is observed in all material respects. This matter is governed by the BVI law. In the ne future, the Company does not plan to change the regulation of these relations to regulation under the of Russia. However, in the Company's opinion, the way of action in case of conflicts of interest, specified in the Company's constituent documents, provides adequate protection for the participants in these corporate relations.

#### Compliance status<sup>1</sup>

#### Reasons<sup>2</sup> for non-compliance



<sup>&</sup>lt;sup>1</sup> The status is "complied with" only when the company's corporate practice meets all the criteria of compliance with the principles of the company's corporate practice meets only some of the compliance criteria, or none of them, Column 4 of the report on compliance with the principles of the Code form shall have the status "partially complied with" or "not complied with", respectively.

<sup>&</sup>lt;sup>2</sup> Given for each assessment (compliance) criterion related to a corporate governance principle if the company only complies with some, or with none, of the criteria.



2.5	The chairman of the board ensures	s that the board of directors discharges its duties in the most effective and e
2.5.1	The chairman of the board of directors has been elected from among the independent	<ol> <li>The chairman of the board of directors is an independent director, or a senior independent director has been appointed from among the independent directors<sup>3</sup>.</li> </ol>
	directors, or a senior independent director has been appointed from among the elected independent directors, to coordinate the work of the independent directors and liaise with the chairman of the board of directors	2. The role, rights, and duties of the chairman of the board of directors (and, if applicable, of the senior independent director) are duly set out in the company's internal regulations.
2.5.2	The chairman of the board of directors maintains a constructive environment at meetings, enables free discussion of agenda items, and supervises the execution of resolutions passed by the board of directors.	1. Performance of the chairman of the board of directors was assessed as part of assessment (self-assessment) of the board of directors' performance in the reporting period.
2.5.3	The chairman of the board of directors takes all steps necessary for the timely provision to directors of information required to pass resolutions on agenda items.	1. The company's internal regulations set out the duty of the chairman of the board of directors to take all steps necessary for the timely provision to directors of complete and reliable information for the agenda of a board meeting.
2.6	Members of the board of directors	act reasonably and in good faith to protect the interests of the company and
2.6.1	Members of the board of directors pass resolutions on a fully informed basis, with no conflict of interest, subject to equal treatment	1. The company's internal regulations stipulate that a member of the board of directors shall notify the board of directors of any existing conflict of interest as to any agenda item of a meeting of the board of directors or its committee, prior to discussing the relevant agenda item.
	of the company's shareholders, and assuming normal business risks.	<ol> <li>The company's internal regulations stipulate that a members of the board of director shall abstain from voting on any item in connection with which they have a conflict of interest.</li> </ol>
		<ol> <li>The company has in place a procedure enabling the board of directors to get professional advice on matters within its remit at the expense of the company.</li> </ol>

#### Compliance status<sup>1</sup> Reasons<sup>2</sup> for non-compliance

#### efficient way.

#### $\checkmark$ Complied with

Partially complied with Not complied with

#### $\checkmark$ Complied with

Partially complied with Not complied with

#### $\checkmark$ Complied with

Partially complied with Not complied with

and its shareholders, based on sufficient awareness and with due care and diligence.

#### $\checkmark$ Complied with

Partially complied with Not complied with

rt 2024	
or none	

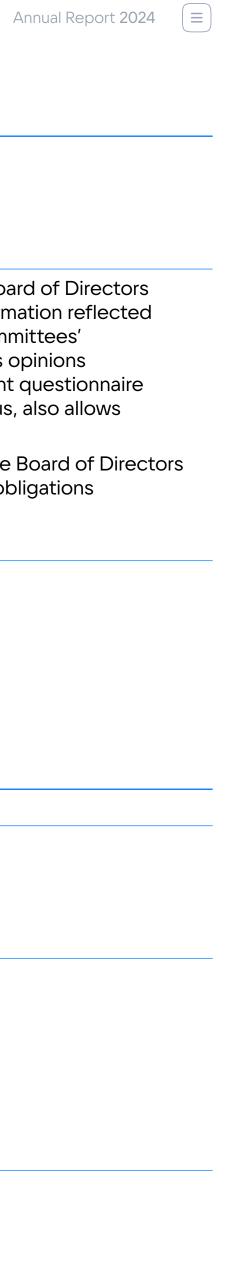
<sup>1</sup> The status is "complied with" only when the company's corporate practice meets all the criteria of compliance with the principles of the report on compliance with the principles isted in Column 3 of the report on compliance with the principles isted in Column 4 of the company's corporate practice meets only some of the compliance criteria, o of them, Column 4 of the report on compliance with the principles of the Code form shall have the status "partially complied with" or "not complied with", respectively.

<sup>&</sup>lt;sup>2</sup> Given for each assessment (compliance) criterion related to a corporate governance principle if the company only complies with some, or with none, of the criteria.

<sup>&</sup>lt;sup>3</sup> It is recommended to specify in Column 5 of the report on compliance with the principles of the Code form which of the two alternative approaches envisaged by the principle the company adheres to, and why.

N⁰	Corporate governance principles	Compliance criteria	Compliance status <sup>1</sup>	Reasons <sup>2</sup> for non-compliance
2.6.2	The rights and obligations of the members of the board of directors are clearly stated and incorporated in the company's internal regulations.	1. The company has adopted and published an internal regulation that clearly defines the rights and obligations s of the members of the board of directors.	<b>Complied with</b> Partially complied with Not complied with	
2.6.3	The members of the board of directors have sufficient time to perform their obligations.	<ol> <li>Individual attendance at board and committee meetings, as well as the sufficiency of time for work on the board of directors, including its committees, was analysed as part of the procedure of assessment (self- assessment) of the board of directors' performance in the reporting period.</li> <li>Under the company's internal regulation, the members of the board</li> </ol>	Complied with <b>Partially complied with</b> Not complied with	Criterion 1 is partially complied with. The Company keeps track of attendance of the Board of Directo and committee meetings by members of the Board of Directors, with aggregated information reflected in the Annual Report. As part of the self-assessment of the Board of Directors' and committees' performance, members of the Board of Directors and committees could freely express opinions on any matters related to the activities of the Board of Directors, as the self-assessment questionnair
		of directors notify the board of directors of their intentions to be elected to governing bodies of other entities (apart from the entities controlled		allows for adding comments on all aspects of the Board of Directors' activities and, thus, also allows for evaluating individual attendance.
		by the company), and of their election to such bodies.		Event after the reporting date: as part of the self-assessment of the performance of the Board of Dire and committees for 2024, the sufficiency of time for Board members to perform their obligations on the Board of Directors and its committees was analysed.
				Criterion 2 is complied with.
2.6.4	All members of the board of directors have equal access to the company's documents and information. Newly elected members of the board of directors s are provided with sufficient information about the Company and work of the board of directors within the shortest time possible	1. Under the company's internal regulations, directors are entitled to receive information and documents necessary for the board of directors' members to perform their duties and related to the company and its controlled entities, while executive bodies of the company are required to ensure the provision of the relevant information and documents.	<b>Complied with</b> Partially complied with Not complied with	
		<ol><li>The company carries out a formalised induction programme for newly elected members of the board of directors.</li></ol>		
2.7	Meetings of the board of director	s, preparation for such meetings, and participation of directors ensure effic	ient performance by the boa	rd of directors.
2.7.1	Meetings of the board of directors are held as needed, taking into account the scale of operations and goals of the company at a particular time.	1. The board of directors held at least six meetings in the reporting year.	<b>Complied with</b> Partially complied with Not complied with	
2.7.2	The company's internal regulations formalise a procedure for arranging and holding meetings of the board of directors, enabling members of the board of directors to properly prepare for such meetings.	<ol> <li>The company has an approved internal regulation that describes the procedure for arranging and holding meetings of the board of directors and stipulates, in particular, that the notice of the meeting is to be given, as a rule, at least five days prior to such meeting.</li> <li>In the reporting period members of the board of directors who were not able to attend the meeting of the board of directors were provided with an opportunity to participate in the discussion of agenda items and voting</li> </ol>	Complied with Partially complied with Not complied with	

<sup>1</sup> The status is "complied with" only when the company's corporate practice meets all the criteria of compliance with the principles of the report on compliance with the principles of the company's corporate practice meets only some of the compliance criteria, or none of them, Column 4 of the report on compliance with the principles of the Code form shall have the status "partially complied with", respectively. <sup>2</sup> Given for each assessment (compliance) criterion related to a corporate governance principle if the company only complies with some, or with none, of the criteria.



N⁰	Corporate governance principles	Compliance criteria	Compliance status <sup>1</sup>	Reasons <sup>2</sup> for non-compliance
2.7.3	The format of the meeting of the board of directors is determined taking into account the importance of its agenda items. The most important matters are dealt with at meetings of the board of directors held in person.	1. The company's charter or internal regulation provides for the most important matters (including those listed in Recommendation 168 of the Code) to be passed at meetings of the board of directors held in person.	Complied with <b>Partially complied with</b> Not complied with	Partially complied with. This provision is not formalised in the Charter and/or an internal regulation of the Company; however, the Company seeks to meet it in practice in all material respects.
2.7.4	Resolutions on the most important matters related to the company's operations are adopted at meetings of the board of directors by a qualified majority vote or by a majority vote of all elected directors.	1. The company's charter provides for resolutions on the most important matters, including those set out in Recommendation 170 of the Code to be passed at a meeting of the board of directors by a qualified majority of at least three quarters or by a majority of all elected directors.	<b>Complied with</b> Partially complied with Not complied with	
2.8	The board of directors sets up co	mmittees to preview key matters related to the company's operations.		
2.8.1	An audit committee comprised of independent directors is set up to preview matters related to controlling the company's financial and business activities.	<ol> <li>The board of directors set up an audit committee comprised solely of independent directors.</li> <li>The company's internal documents set out the tasks of the audit committee, including those listed in Recommendation 172 of the Code.</li> <li>At least one member of the audit committee represented by an independent director has experience and knowledge of preparing, analysing, assessing, and auditing accounting (financial) statements.</li> <li>In the reporting period meetings of the audit committee were held at least once during the reporting period.</li> </ol>	Complied with <b>Partially complied with</b> Not complied with	Criterion 1 is partially complied with. The Company has established an Audit Committee, with two out of its three members being independ directors (including the chairman of the committee). The committee effectively performs the tasks as to it, which is confirmed by the results of the self-assessment of the Board of Directors and its commit conducted during the reporting period. Prior to the Company's re-domiciliation to Russia, this commit consisted of three members, with only its chairman being an independent director. After re-domiciliat the Company is consistently striving for maximum implementation of, and compliance with, the Code's recommendations. Criteria 2–4 are complied with.

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<sup>2</sup> Given for each assessment (compliance) criterion related to a corporate governance principle if the company only complies with some, or with none, of the criteria.



#### Corporate governance principles N⁰

#### 2.8.2 To preview matters related to adopting an efficient and transparent remuneration scheme, a remuneration committee was set up, comprised of independent directors and headed by an independent director who is not the chairman of the board of directors.

1. The board of directors set up a remuneration committee comprised solely of independent directors.

2. The remuneration committee is headed by an independent director who is not the chairman of the board of directors.

3. The company's internal documents set out the tasks of the remuneration committee, including those listed in Recommendation 180 of the Code, and conditions (events), upon the occurrence of which the remuneration committee considers the revision of the company's remuneration policy for members of the board of directors, executive bodies and other key executives.

1. The board of directors set up a nomination committee (or its tasks listed 2.8.3 To preview matters related to talent management (succession planning), in Recommendation 186 of the Code are fulfilled by another committee<sup>3</sup>) professional composition, and predominantly comprised of independent directors. efficiency of the board of directors, 2. The company's internal documents set out the tasks of the nomination a nomination (appointments committee (or the tasks of the committee with combined functions), including and HR) committee was set those listed in Recommendation 186 of the Code. up, predominantly comprised 3. For the purpose of forming the board of directors that meets the company's of independent directors. goals and objectives most fully, in the reporting period the nomination committee, on its own or jointly with other board of directors' committees or the company's authorised shareholder relations unit, organised the engagement with shareholders, not limited to the largest shareholders, in the context of choosing nominees to the company's board of directors.

Compliance criteria

<sup>3</sup> If the tasks of the nomination committee are covered by another committee, the name of that committee is to be specified.

Reasons <sup>2</sup> for non-compliance
Criterion 1 is partially complied with.
The Company has established the Remuneration and Nomination Committee, consisting of five director all three independent directors on the Board of Directors serving on this committee. Prior to re-domici the committee consisted of four members, with no independent Board members included in the commit Thus, after re-domiciliation, the Company is consistently striving for maximum implementation of, and compliance with, the Code's recommendations.
Criterion 2 is partially complied with.
The Remuneration and Nomination Committee is headed by a non-executive director, who is not the Chairman of the Board of Directors and who performed the duties of chairman of this committee p to re-domiciliation, thereby having significant relevant experience.
Criterion 3 is partially complied with.
The Company's Regulations on the Remuneration and Nomination Committee set out the tasks of the Committee, including those listed in Recommendation 180 of the Code. However, the determinat of specific conditions (events) upon the occurrence of which the Remuneration and Nomination Commission considers the revision of the Company's remuneration policy for members of the Board of Directors, ex- bodies and other key executives is carried out by the said committee at its discretion. In particular, it set appropriate to initiate a review of this policy once a year.
Criteria 1 and 2 are complied with.
Criterion 3 is not complied with.
In the reporting period, the composition of the Board of Directors did not change, no General Meetin of Shareholders took place, and there was no need for the specified activities, making it impossible to properly assess compliance with this criterion. However, the Regulations on the Remuneration and Nomination Committee assign this matter to the committee's remit. Additionally, the Company's Cha the Regulations on the General Meeting of Shareholders outline a mechanism for shareholders, whose is not limited to the largest shareholders, to nominate candidates to the Company's Board of Director and when holding a General Meetings of Shareholders to elect directors, the respective committee or the authorised shareholder relations unit will carry out the necessary engagement with them when shareholders nominate candidates.



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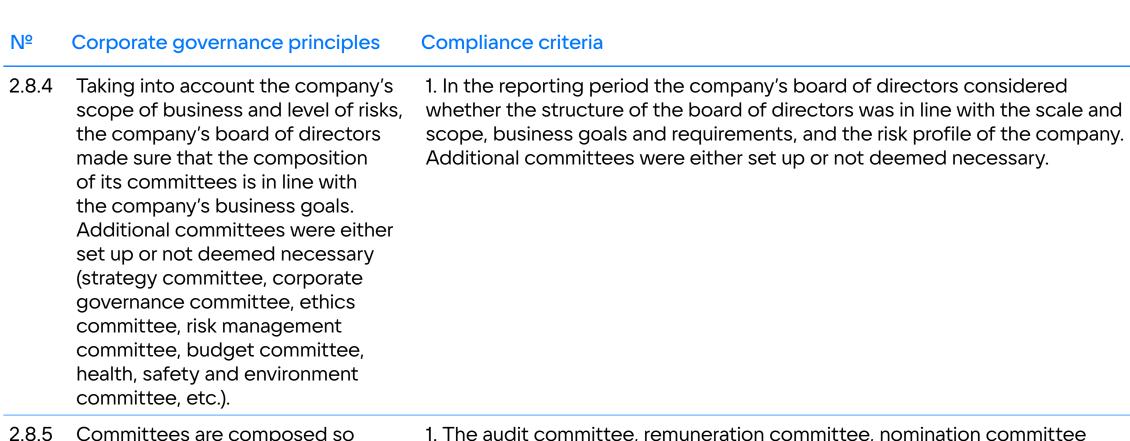
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<sup>&</sup>lt;sup>2</sup> Given for each assessment (compliance) criterion related to a corporate governance principle if the company only complies with some, or with none, of the criteria.



2.8.5 Committees are composed so as to enable comprehensive discussions of matters under preview, taking into account the diversity of opinions.

2.8.6 Committee chairmen inform the board of directors and its chairman on the performance of their committees on a regular

1. In the reporting period committee chairmen reported to the board of directors on the performance of committees on a regular basis

(or the relevant committee with a combined function) were headed

committee (or the relevant committee with a combined function)

by invitation of the chairman of the respective committee.

or the remuneration committee may attend committee meetings only

2. The company's internal documents (policies) include provisions stipulating

that persons who are not members of the audit committee, the nomination

by independent directors in the reporting period.

## basis.

The board of directors ensures performance assessment of the board of directors, its committees, and members of the board of directors. 2.9

The board of directors' 2.9.1 1. The procedures of conducting the assessment (self-assessment) performance assessment of the board of directors' performance are determined in the company's is aimed at determining internal documents. the efficiency of the board 2. Assessment (self-assessment) of the board of directors' performance of directors, its committees carried out in the reporting period included performance assessment and members, consistency of committees, individual assessment of directors, and the board of their work with the company's of directors in general. growth requirements, 3. Results of assessment (self-assessment) of the board of directors' as well as at bolstering the work performance carried out in the reporting period were reviewed of the board of directors and at the meeting of the board of directors held in person. identifying areas for improvement.

<sup>1</sup> The status is "complied with" only when the company's corporate practice meets all the criteria of compliance with the principles of the company's corporate practice meets only some of the compliance criteria, or none of them, Column 4 of the report on compliance with the principles of the Code form shall have the status "partially complied with" or "not complied with", respectively. <sup>2</sup> Given for each assessment (compliance) criterion related to a corporate governance principle if the company only complies with some, or with none, of the criteria.

#### Compliance status<sup>1</sup>

#### Reasons<sup>2</sup> for non-compliance

#### ✓ Complied with

Partially complied with Not complied with

Complied with	Criterion 1 is partially complied with.
Partially complied with Not complied with	During the reporting period, the Audit Committee was chaired by an independent director, while the Remuneration and Nomination Committee was chaired by a non-executive director. Prior to re-domiciliation, these committees were chaired by the same Board members, so they have extensive experience in this field.
	Criterion 2 is partially complied with.
	This provision is included in the Regulations on the Audit Committee, but is absent from the Regulations on the Remuneration and Nomination Committee; however, in all cases, this provision is observed in practice, regardless of whether or not it has been formally established. This provision will be included during the next scheduled review of the Regulations on the Remuneration and Nomination Committee.
Complied with Partially complied with	

Not complied with

Complied with	Criteria 1 and 3 are complied with.
$\checkmark$ Partially complied with	Criterion 2 is partially complied with.
Not complied with	The Regulations on the Board of Directors state that the assessment procedure includes assessment of committees, the chairman and individual directors, and the self-assessment carried out in the repor- period included these sections, but individual assessment of each member of the Board of Directors was not carried out. However, the self-assessment questionnaire allows for adding comments on all aspects of the Board of Directors' activities and, thus, also allows for evaluating each member of the lo of Directors.





Nº	Corporate governance principles	Compliance criteria	Compliance status <sup>1</sup>	Reasons <sup>2</sup> for non-compliance
2.9.2	Performance of the board of directors, its committees and members is assessed regularly at least once a year. An external advisor is engaged at least once in three years to conduct an independent assessment of the board of directors' performance.	1. The company engaged an external advisor to conduct an independent assessment of the board of directors' performance at least once over the last three reporting periods.	Complied with <b>Partially complied with</b> Not complied with	Partially complied with. No assessment of the Board of Directors' performance was conducted prior to the re-domiciliation. Following the re-domiciliation, it was introduced to the Regulations on the Board of Directors, which also stipulate that the Board of Directors may from time to time engage an external advisor to conduc an independent assessment of its performance. In 2024, a self-assessment of the Board of Directors' performance was conducted for the 2023 reporting period. In 2025, a self-assessment of the Board of Directors' performance will be conducted for the 2024 reporting period. In 2025, the Board of Directors will consider engaging an external advisor to conduct an independent assessment.
3.1	The company's corporate secreta	ry ensures an efficient ongoing interaction with shareholders, coordinates t	the company's efforts to prote	ect shareholder rights and interests, and supports efficient performance of the board of directors.
3.1.1	The corporate secretary has the expertise, experience, and qualifications sufficient to perform his/her duties, as well as an impeccable reputation and the trust of shareholders.	1. The biographical data of the corporate secretary are published on the corporate website and in the company's annual report (including information on age, education, expertise, experience), and information on positions in the governing bodies of other legal entities held by the corporate secretary at least for the last five years.	Complied with Partially complied with ✓ <b>Not complied with</b>	Not complied with. This information is not disclosed in accordance with Federal Law № 39-FZ On the Securities Market d 22 April 1996. The Company will seek to change this approach if the negative impact of external factors ceases.
3.1.2	The corporate secretary is sufficiently independent of the company's executive bodies and has the powers and resources required to perform his/her tasks.	<ol> <li>The company has adopted and published an internal document – regulations on the corporate secretary.</li> <li>The board of directors approves the nominee to the position of the corporate secretary, terminates his/her powers, and considers the corporate secretary's additional remuneration.</li> <li>The company's internal documents stipulate the right of the corporate secretary to request, receive documents and information from the company's governing bodies, structural units and officials.</li> </ol>	Complied with Partially complied with Not complied with	
4.1		pany is sufficient to attract, motivate, and retain persons with competenci- with the approved remuneration policy of the company.	es and qualifications required	I by the company. Remuneration payable to directors, executive bodies, and other key executives
4.1.1	The amount of remuneration paid by the company to directors, executive bodies, and other key executives creates sufficient incentives for them to work efficiently while enabling the company to engage and retain competent and qualified	1. Remuneration of members of the board of directors, executive bodies, and other key executives of the company is determined based on the results of a comparative analysis of the level of remuneration in comparable companies.	Complied with Partially complied with Not complied with	

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<sup>2</sup> Given for each assessment (compliance) criterion related to a corporate governance principle if the company only complies with some, or with none, of the criteria.

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specialists. At the same time, the company avoids

unnecessarily high remuneration,

as well as unjustifiably large gaps between remunerations

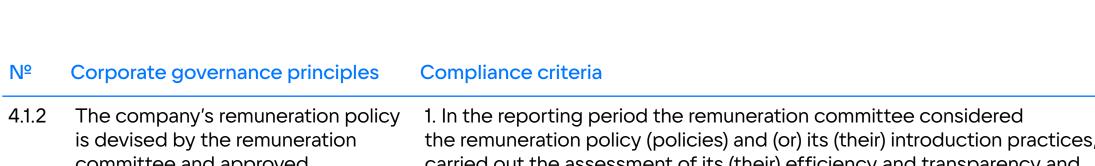
of the above persons and the company's employees.







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	is devised by the remuneration committee and approved by the board of directors. The board of directors, assisted by the remuneration committee, ensures control over the introduction and implementation of the company's remuneration policy, revising and amending it as required.	the remuneration policy (policies) and (or) its (their) introduction practices, carried out the assessment of its (their) efficiency and transparency and provided relevant recommendations on the revision of the policy (policies) to the board of directors as required.
4.1.3	The company's remuneration policy includes transparent mechanisms for determining the amount of remuneration due to directors, executive bodies, and other key executives of the company, and regulates all types of expenses, benefits, and privileges provided to such persons.	1. The company's remuneration policy (policies) includes (include) transparent mechanisms for determining the amount of remuneration due to directors, executive bodies, and other key executives of the company, and regulates (regulate) all types of expenses, benefits, and privileges provided to such persons.
4.1.4	The company defines a policy on reimbursement (compensation) of expenses detailing a list of reimbursable expenses and specifying service levels that directors, executive bodies, and other key executives of the company may claim. Such policy can make part of the company's remuneration policy.	1. The remuneration policy (policies) defines (define) the rules for reimbursement of expenses incurred by directors, executive bodies, and other key executives of the company.

Remuneration system for directors ensures alignment of financial interests of directors with long-term financial interests of shareholders. 4.2

1. In the reporting period the company paid remuneration to the board 4.2.1 The company pays fixed annual remuneration to its directors. of directors in accordance with the remuneration policy adopted by the company. The company does not pay remuneration for attending 2. In the reporting period the company did not apply any forms of shortparticular meetings of the board term motivation or additional financial motivation, the payment of which of directors or its committees. depends on the results (indicators) of the company's performance, The company does not apply in relation to the board of directors' members. Payments of remuneration for the participation in meetings of the board of directors or committees any form of short-term motivation or additional financial incentive of the board of directors were not made. for its directors.

<sup>2</sup> Given for each assessment (compliance) criterion related to a corporate governance principle if the company only complies with some, or with none, of the criteria.

#### Compliance status<sup>1</sup> Reasons<sup>2</sup> for non-compliance Partially complied with. The approval of the Remuneration Policy falls within the remit of the Remuneration Complied with and Nomination Committee in accordance with the regulations on this committee. During the reporting $\checkmark$ Partially complied with period, the Remuneration Policy was developed, approved and implemented by the Remuneration and Not complied with Nomination Committee as a single document, therefore assessment of its effectiveness and transparency, as well as matters of revising this policy, were not submitted for consideration as insufficient time had elapsed since implementation. The committee will consider these matters during 2025, after one year from its implementation.

#### ✓ Complied with

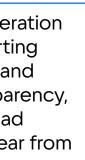
Partially complied with Not complied with

#### Complied with

Partially complied with Not complied with

Complied with Partially complied with Not complied with







<sup>1</sup> The status is "complied with" only when the company's corporate practice meets all the criteria of compliance with the principles of the company's corporate practice meets only some of the compliance with the principles of the company's corporate practice meets all the criteria, or none of them, Column 4 of the report on compliance with the principles of the Code form shall have the status "partially complied with" or "not complied with", respectively.

N⁰	Corporate governance principles	Compliance criteria	Compliance status <sup>1</sup>	Reasons <sup>2</sup> for non-compliance
4.2.2	Long-term ownership of the company's shares ensures the best alignment of directors' financial interests with the long- term interests of shareholders. At the same time, the company does not link the right to dispose of shares to performance targets, and directors do not participate in stock option plans.	1. If the company's internal document(s) – the remuneration policy (policies) stipulates (stipulate) provision of the company's shares to members of the board of directors, clear rules for share ownership by board members shall be defined and disclosed, aimed at stimulating long-term ownership of such shares.	Complied with Partially complied with ✓ Not complied with	Not complied with. The criterion is not applicable to the Company. The Company does not provide its shares to members of the Board of Directors.
4.2.3	The company does not provide for any extra payments or compensations in the event of early termination of directors' tenure resulting from the change of control or any other reasons.	1. The company does not provide for any extra payments or compensations in the event of early termination of directors' tenure resulting from the change of control or any other reasons.	<b>Complied with</b> Partially complied with Not complied with	
4.3	The company considers its perform of the company.	mance and the personal contribution of each executive to the achievement	of such performance when d	etermining the amount of a fee payable to members of executive bodies and other key executives
4.3.1	Remuneration due to members of executive bodies and other key executives of the company is determined in a manner providing for reasonable and justified ratio of the fixed and variable parts of remuneration, depending on the company's results and the employee's personal contribution.	1. In the reporting period annual performance results approved by the board of directors were used to determine the amount of the variable part of remuneration due to members of executive bodies and other key executives of the company.	Complied with Partially complied with Not complied with	
		2. During the latest assessment of the remuneration system for members of executive bodies and other key executives of the company, the board of directors (remuneration committee) made sure that the company applies an efficient ratio of the fixed and variable parts of remuneration.		
		3. When determining the amount of remuneration to be paid to the members of the executive bodies and other key executives of the company, the risks borne by the company are taken into account in order to avoid incentives to take excessively risky management decisions.		
4.3.2		1. If the company has in place a long-term incentive programme for members	Complied with	Not complied with.
	term incentive programme for members of executive		Partially complied with	The criterion is not applicable to the Company.
	bodies and other key executives of the company with the use of the company's shares (options and other derivative instruments	shares), the programme implies that the right to dispose of shares and other financial instruments takes effect no sooner than three years after such shares or other financial instruments are granted. The right to dispose of such shares or other financial instruments is linked to the company's	Not complied with	In the reporting year, the Company had no long-term incentive programme for members of executive bodies and other key executives with the use of the Company's shares (financial instruments based on the Company's shares).

certain performance targets.

where the company's shares

are the underlying asset).

1 The status is "complied with" only when the company's corporate practice meets all the criteria of compliance with the principles of the company's corporate practice meets only some of the compliance criteria, or

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them, Column 4 of the report on compliance with the principles of the Code form shall have the status "partially complied with" or "not complied with", respectively.

<sup>&</sup>lt;sup>2</sup> Given for each assessment (compliance) criterion related to a corporate governance principle if the company only complies with some, or with none, of the criteria.

#### Nº Corporate governance principles Compliance criteria

4.3.3	The compensation ("golden	1. In th	
		parachute") payable	by the
		by the company in case of early	bodie
		termination of powers of members	have l
		of executive bodies or key	amou
		executives at the company's	
		initiative, provided that there	
		have been no actions in bad faith	
		on their part, shall not exceed	
		the double amount of the fixed part	
		of their annual remuneration.	

1. In the reporting period the compensation ("golden parachute") payable by the company in case of early termination of the powers of executive bodies or key executives at the company's initiative, provided that there have been no actions in bad faith on their part, did not exceed the double amount of the fixed part of their annual remuneration.

5.1	The company has in place an effective risk management and internal control system providing reasonable assu				
5.1.1	The company's board of directors determined the principles of, and approaches to, setting up a risk management and internal control system at the company.	1. Functions of different management bodies and business units of the company in the risk management and internal control system are clearly defined in the company's internal documents / relevant policy approved by the board of directors.			
5.1.2	The company's executive bodies ensure establishment and continuous operation of an efficient risk management and internal control system at the company.	1. The company's executive bodies ensured the distribution of duties, powers, responsibilities related to risk management and internal control between the heads (managers) of business units and departments accountable to them.			
5.1.3	The company's risk management and internal control system ensures an objective, fair, and clear view of the current state and future prospects of the company, the integrity and transparency of the company's reporting, as well as reasonable and acceptable risk exposure.	<ol> <li>The company has in place an approved anti-corruption policy.</li> <li>The company established a safe, confidential and accessible method of notifying the board of directors or the board's audit committee of breaches or any violations of the law, the company's internal procedures and code of ethics.</li> </ol>			

<sup>1</sup> The status is "complied with" only when the company's corporate practice meets all the criteria of compliance with the corporate governance principles listed in Column 3 of the report on compliance with the principles of the Code form. If the company's corporate practice meets only some of the compliance criteria, or them, Column 4 of the report on compliance with the principles of the Code form shall have the status "partially complied with" or "not complied with", respectively.

<sup>2</sup> Given for each assessment (compliance) criterion related to a corporate governance principle if the company only complies with some, or with none, of the criteria.

#### Compliance status<sup>1</sup>

#### Reasons<sup>2</sup> for non-compliance

#### $\checkmark$ Complied with

Partially complied with Not complied with

#### surance in the achievement of the company's goals.

#### $\checkmark$ Complied with

Partially complied with Not complied with

#### $\checkmark$ Complied with

Partially complied with Not complied with

#### $\checkmark$ Complied with

Partially complied with Not complied with

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		_		
0	none	of		

#### Corporate governance principles N⁰

of internal audit.

#### Compliance criteria

The company's board of directors 1. In the reporting period the board of directors (the audit committee and 5.1.4 (or) the risk management committee (if available) organised the assessment takes necessary measures to make sure that the company's of the reliability and efficiency of the risk management and internal control risk management and internal system. control system is consistent 2. In the reporting period the board of directors reviewed the results with the principles of, and of assessment of the reliability and efficiency of the company's risk approaches to, its setup and management and internal control system. Information on the results efficient functioning determined consideration is included in the company's annual report. by the board of directors.

5.2	The company performs internal audits for regular independent assessment of the reliability and efficiency of its			
5.2.1	The company has set up a separate business unit or engaged an independent external organisation to carry out internal audits. Functional and administrative reporting lines of the internal audit unit are delineated. The internal audit unit functionally reports to the board of directors.	1. To perform internal audits, the company has set up a separate business unit – internal audit division, functionally reporting to the board of directors, or engaged an independent external organisation with the same line of reporting.		
5.2.2	The internal audit division assesses the reliability and efficiency of the risk management	<ol> <li>In the reporting period, the reliability and efficiency of the risk management and internal control system were assessed as part of the internal audit procedure.</li> </ol>	•	
	and internal control system, as well as the corporate governance system, applies generally accepted standards	2. In the reporting period, the corporate governance practice (certain practices) was (were) assessed as part of the internal audit procedure, including the procedures of the information interaction (including internal control and risk management issues) at all levels of the company's		

management, as well as stakeholders engagement.

1 The status is "complied with" only when the company's corporate practice meets all the criteria of compliance with the principles of the company's corporate practice meets only some of the compliance with the principles of the company's corporate practice meets all the criteria of compliance with the principles of the compliance wit them, Column 4 of the report on compliance with the principles of the Code form shall have the status "partially complied with" or "not complied with", respectively.

<sup>2</sup> Given for each assessment (compliance) criterion related to a corporate governance principle if the company only complies with some, or with none, of the criteria.

Compliance status <sup>1</sup>	Reasons <sup>2</sup> for non-compliance
Complied with <ul> <li>Partially complied with</li> <li>Not complied with</li> </ul>	Criterion 1 is partially complied with. In 2024, pursuant to the Internal Audit Regulations, the Internal Audit Department drafted reports on the findings of assessing, among other things, the efficiency of the risk management and internal control system, and presented the said reports to the Company's Board of Directors. Reports were submitted to the Board of Directors on a quarterly basis as part of the Audit Committee's general we reports. As part of its activities, the Internal Audit Department conducts audits of individual process and/or business units of the Company, which include an assessment of the risk management and internal control system in these business processes / business units. The Company conducts internal audits of risks and internal controls on an annual basis across all priority areas of the Company's activities, we provides assurance of the reliable functioning of this system. The Company is currently in the process of establishing and developing its centralised internal control function. Formal verification and assess of the centralised risk management and internal control system will be expanded as this function dev and becomes established in the Company.
	Criterion 2 is partially complied with. As indicated in explanation to item 1 above, in 2024, planned audits of individual elements and processes of the risk management and internal control system were conducted and corresponding reports were submitted to the Board of Directors. Information on the consideration by the Audit Committee is included in the Annual Report.
its risk management and inter	rnal control system, as well as corporate governance practice.

### Complied with Partially complied with Not complied with

 $\checkmark$  Complied with Partially complied with Not complied with



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#### Corporate governance principles Compliance criteria N⁰

6.1	The company and its operations ar	e transparent for its shareholders, investors, and other stakeholders.		
6.1.1	The company has developed and implemented an information	1. The company's board of directors approved an information policy developed in accordance with the Code's recommendations.		
	policy ensuring efficient exchange of information by the company, its shareholders, investors, and other stakeholders	2. In the reporting period the board of directors (or one of its committees) considered the issue on the efficiency of information engagement of the company, shareholders, investors and other stakeholders, and considered if it was reasonable (necessary) to revise the company's information policy.		
6.1.2	The company discloses information on its corporate governance system and practice, including	<ol> <li>The company discloses information on its corporate governance system and general principles of corporate governance, including disclosure on its website.</li> </ol>		
	detailed information on compliance with the principles and recommendations of the Code.	2. The company discloses information on the membership of its executive bodies and board of directors, independence of directors and their membership in the board of directors' committees (as defined by the Code).		
		<ol> <li>If the company has a controlling person, the company publishes a memorandum of the controlling person setting out this person's plans for the company's corporate governance.</li> </ol>		
6.2	The company makes timely disclos	ures of complete, updated, and reliable information to allow shareholders		
6.2.1	The company discloses information based on the principles of regularity, consistency, and promptness, as well as availability,	1. The company has a procedure ensuring coordination of work of all structural units and employees of the company who are related to information disclosure or whose operation may result in the requirement to disclose information.		
	reliability, completeness, and comparability of disclosed data.	2. If the company's securities are traded in foreign organised markets, the company makes disclosures of material information in the Russian Federation and in the said markets in the reporting year on a concurrent and equal basis.		
		3. If foreign shareholders hold a substantial number of shares in the company, the relevant information was disclosed in the reporting period both in the Russian language and in one of the most widely used foreign languages.		

1 The status is "complied with" only when the company's corporate practice meets all the criteria of compliance with the principles of the company's corporate practice meets only some of the compliance criteria, or them, Column 4 of the report on compliance with the principles of the Code form shall have the status "partially complied with" or "not complied with", respectively.

<sup>2</sup> Given for each assessment (compliance) criterion related to a corporate governance principle if the company only complies with some, or with none, of the criteria.

#### Compliance status<sup>1</sup>

#### Reasons<sup>2</sup> for non-compliance

	Complied with			
	Partially complied with			
)	Not complied with			

Complied with	Criterion 1 is complied with.
$\checkmark$ Partially complied with	Criterion 2 is partially complied with.
Not complied with	Information about the sole executive body is available. However, other information is not disclosed in accordance with Federal Law Nº 39-FZ On the Securities Market dated 22 April 1996.
	The Company will seek to change this approach if the negative impact of external factors ceases.
	Criterion 3 is not applicable to the Company.

#### s and investors to make informed decisions.

 $\checkmark$  Complied with Partially complied with

Not complied with

t	2024		$(\equiv)$	
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				-
				-
				-
				_
C	none	of		

N⁰	Corporate governance principles	Compliance criteria	
6.2.2	The company avoids a formalistic approach to information disclosure and discloses material information on its operations, even if disclosure	1. The company's information policy outlines the approaches to the disclosure of information on other events (actions) that have a significant impact on the value or price of its securities in cases where the disclosure is not required by law.	
	of such information is not required by law.	<ol> <li>The company discloses information on its shareholding structure in its annual report and on its website as required by Recommendation 290 of the Code.</li> </ol>	
		3. The company discloses information on the controlled entities that are of significant importance to the company, including the key areas of operation, tools ensuring accountability of the controlled entities, the powers of the company's board of directors to determine the strategy and assess the performance of the controlled organisation.	
		4. The company publishes a non-financial report – a sustainability report, an environmental report, a corporate social responsibility report or any other report containing non-financial information, including that on factors related to the environment (including environmental and climate change factors), society (social factors) and corporate governance, except for a report of the issuer of issue-grade securities and a report of the joint-stock company.	
6.2.3	The company's annual report, being one of the key tools for keeping	1. The company's annual report contains the results of the assessment by the audit committee of the effectiveness of external and internal audit.	
	its shareholders and other stakeholders informed, includes data that can be used to assess the company's performance in the reporting year.	2. The company's annual report outlines the company's environmental protection and safety policies, as well as the social policy of the company.	
6.3	The company provides shareholde	rs with equal and unhindered access to information and documents as per	
6.3.1	No unreasonable difficulties prevent the shareholders from exercising their right to access the Company's documents and	<ol> <li>The company's information policy (internal documents determining the information policy) establishes (establish) the procedure for providing shareholders with unhindered access to information and documents of the company at the request of shareholders.</li> </ol>	
	information.	2. The company's information policy (internal documents determining the information policy) contains (contain) provisions stipulating that if a shareholder requests information on the company's controlled entities, the company shall make the necessary efforts to obtain such information from the relevant controlled entities of the company.	

The status is "complied with" only when the company's corporate practice meets all the criteria of compliance with the corporate governance principles listed in Column 3 of the report on compliance with the principles of the Code form. If the company's corporate practice meets only some of the compliance criteria, or none of them, Column 4 of the report on compliance with the principles of the Code form shall have the status "partially complied with" or "not complied with" or "

<sup>2</sup> Given for each assessment (compliance) criterion related to a corporate governance principle if the company only complies with some, or with none, of the criteria.

Compliance status <sup>1</sup>	Reasons <sup>2</sup> for non-compliance
Complied with	Criteria 1 and 4 are complied with.
$\checkmark$ Partially complied with	Criteria 2 and 3 are not complied with.
Not complied with	This information is not disclosed in accordance with Federal Law Nº 39-FZ On the Securities Market of 22 April 1996. The Company will seek to change this approach if the negative impact of external factor ceases.

#### $\checkmark$ Complied with

Partially complied with Not complied with

#### r their request.

Complied with
 Partially complied with
 Not complied with

2	0	2	4	





#### Corporate governance principles

#### Compliance criteria

6.3.2 When providing information to shareholders, the company maintains a reasonable balance between the interests of individual shareholders and those of the company, as it is in the company's best interests to keep confidential any sensitive commercial information that may have a material effect on its competitive position.

of the company's independent

directors.

1. In the reporting period, the company did not refuse to provide shareholders with requested information, or such refusals were justified.

2. In cases specified by the information policy, shareholders are informed of the confidential nature of the information provided and undertake to keep it confidential.

#### Actions that have or may have a material effect on the company's shareholding structure and financial position and, consequently, on the shareholders' position (material corporate actions) are taken on fair terms ensuring that rights and 7.1 interests of the shareholders and other stakeholders are respected.

7.1.1	Material corporate actions include reorganisation of the company, acquisition of 30% or more of the company's voting shares (takeover), execution by the company of major transactions, increase or decrease of the company's charter capital, listing or delisting of the company's shares, as well as other actions which may lead to material changes in the rights of shareholders or violation of their interests. The company's articles of association set out a list (criteria) of transactions or other actions classified as material corporate actions, which are reserved to the company's board of directors.	1. The company's articles of association include a list (criteria) of transactions or other actions classified as material corporate actions. In accordance with the company's articles of association, decision-making with regard to material corporate actions is reserved to the board of directors. If and when the law expressly reserves such corporate actions to the general meeting of shareholders, the board of directors provides shareholders with relevant recommendations.
7.1.2	The board of directors plays a major role in making decisions or recommendations with regard to material corporate actions and relies on the opinion	1. The company has in place a procedure for independent directors to express their opinions on material corporate actions prior to their approval.

<sup>2</sup> Given for each assessment (compliance) criterion related to a corporate governance principle if the company only complies with some, or with none, of the criteria.

#### Compliance status<sup>1</sup>

#### Reasons<sup>2</sup> for non-compliance

#### $\checkmark$ Complied with

Partially complied with Not complied with

Complied with  $\checkmark$  Partially complied with Not complied with

Criterion 1 is partially complied with.

The Company's Charter does not include the concept of "material corporate actions", but it does provide a definition and establishes a procedure for approving major transactions. Most of the material corporate actions listed in the Corporate Governance Code fall within the remit of the General Meeting of Shareholders or the Board of Directors of the Company. Corporate relationships within the Company, including the authority of the governance bodies, are governed by the BVI law. In the near future, the Company does not plan to change the regulation of these relations to regulation under the law of Russia. However, in the Company's opinion, the list of corporate actions specified in the Company's Charter that require approval by the Board of Directors and the General Meeting of Shareholders adequately protects the rights of participants in these corporate relations.

Complied with	Partially complied with.
Partially complied with Not complied with	The Company's Charter does not include the concept of "material corporate actions", but it does pro a definition and establishes a procedure for approving major transactions. Before re-domiciliation, the Company's constituent documents did not contain provisions regarding the procedure for indep directors to express their opinions on material corporate actions prior to their approval, and these pro were not added to the constituent documents after re-domiciliation. However, independent director an active and important role in the corporate governance of the Company. They possess the necessar expertise, experience, and autonomy to form independent opinions and make fair unbiased judgeme on all items on the Board of Directors' agenda, and in practice they always voice their position on mar corporate actions when these matters are considered.

1 The status is "complied with" only when the company's corporate practice meets all the criteria of compliance with the principles of the report on compliance with the principles of the company's corporate practice meets only some of the compliance criteria, or none of



ependent orovisions tors play sary nents naterial

them, Column 4 of the report on compliance with the principles of the Code form shall have the status "partially complied with" or "not complied with", respectively.

N⁰	Corporate governance principles	Compliance criteria	Compliance status <sup>1</sup>	Reasons <sup>2</sup> for non-compliance
7.1.3	When taking material corporate	1. Approval of the company's material transactions is reserved to board	Complied with	Criterion 1 is complied with.
	actions affecting the rights and legitimate interests of shareholders, the company ensures equal treatment of all its shareholders; and where the statutory procedures protecting shareholder rights are insufficient, the company takes additional measures to protect their rights and legitimate interests.	to regulatory requirements for transaction approvals. 2. All material corporate actions in the reporting period were duly approved before they were taken.	$\checkmark$ Partially complied with	Criterion 2 is partially complied with.
			Not complied with	The Company's Charter does not include the concept of "material corporate actions", but it does reflect the criteria and requirements for approving major transactions. Most corporate actions that the Code classifies as material corporate actions require approval in accordance with the provisions of the Company Charter by either the General Meetings of Shareholders or the Board of Directors; therefore, this regulation from the Company's perspective, adequately protects the rights of participants in these corporate relation
	In doing so, the company is guided by the corporate governance principles set forth in the Code, as well as by formal statutory requirements.			
7.2	The company ensures that materia when such actions are taken.	al corporate actions are taken in a manner enabling shareholders to receive	full information on such actio	ons in due time and influence them, and guarantees respect and due protection of shareholder rights
7.2.1	Information on material corporate actions is disclosed, with an explanation of the relevant reasons, conditions and consequences.	1. In the reporting period, the company disclosed information on its material corporate actions (if any) in a timely and detailed manner, including the relevant reasons, conditions and consequences for the shareholders.	Complied with <b>Partially complied with</b> Not complied with	The Company's Charter does not include the concept of "material corporate actions", but it does reflect the criteria and requirements for approving major transactions. During the reporting period, information about certain material corporate actions was not disclosed in accordance with Federal Law Nº 39-FZ On the Securities Market dated 22 April 1996. The Company will seek to change this approach if the negative impact of external factors ceases.
7.2.2	Rules and procedures for taking material corporate actions are set out in the company's internal documents	1. The company's internal documents set out the rules and procedure for engaging an appraiser to estimate the value of assets to be sold or acquired in a major transaction or a related party transaction	Complied with	Criterion 1 is partially complied with.
			Partially complied with Not complied with	The provisions regarding the approval of major transactions and related party transactions are not applicab
		or acquired in a major transaction or a related party transaction. 2. The company's internal documents set out a procedure for engaging an appraiser to estimate the value of shares to be acquired and bought back.		to the Company as these matters are governed by the BVI law. In the near future, the Company does not plan to change the regulation of these relations to regulation under the law of Russia. The Company's Charte establishes criteria for transactions that require appropriate levels of approval by the Company's bodies – the Board of Directors or the General Meetings of Shareholders.
		3. If a member of the company's board of directors, the sole executive body, a member of the collegial executive body, or a person who is a controlling person of the company or a person entitled to give the company binding		The Company's internal regulations do not set out a requirement for engaging an appraiser. In practical term the Company complies with the criterion in all material respects.
		instructions has no formal interest in the company's transactions, but has		Criterion 2 is not complied with.
	a conflict of interest or other actual interest with regard to s such persons shall abstain from voting on the approval of s as required by the company's internal documents.	such persons shall abstain from voting on the approval of such transactions		The Company's internal regulations do not contain conditions for mandatory engagement of an appraiser; however, in practice, should a relevant situation arise, the Company will seek to meet this criterion.
				Criterion 3 is partially complied with. These relations, in accordance with the Company's Charter, are governed by the BVI law. The mechanism for regulating interests and conflicts of interest in the Compar differs from that described in the criterion under consideration; however, in the Company's opinion, it adequately protects the rights of participants in these corporate relations. In the near future, the Compan does not plan to change the regulation of these relations to regulation under the law of Russia.

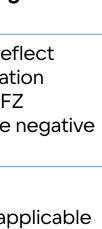
<sup>1</sup> The status is "complied with" only when the company's corporate practice meets all the criteria of compliance with the principles of the company's corporate practice meets only some of the compliance criteria, or none of them, Column 4 of the report on compliance with the principles of the Code form shall have the status "partially complied with" or "not complied with", respectively.

<sup>2</sup> Given for each assessment (compliance) criterion related to a corporate governance principle if the company only complies with some, or with none, of the criteria.













Company Company



ООО «ЦАТР – аудиторские услуги» Россия, 115035, Москва Садовническая наб., 75 Тел.: +7 495 705 9700 +7 495 755 9700 Факс: +7 495 755 9701 ОГРН: 1027739707203 ИНН: 7709383532 ОКПО: 59002827 КПП: 770501001

TSATR - Audit Services LLC Sadovnicheskaya Nab., 75 Moscow, 115035, Russia Tel: +7 495 705 9700 +7 495 755 9700 Fax: +7 495 755 9701 www.b1.ru

#### Translation of the original Russian version

Independent practitioner's assurance report with respect to certain indicators in the sphere of sustainable development included in the Integrated annual report of VK, IPJSC for 2024

#### To the Board of Directors of VK, IPJSC

#### Subject matter information

We completed a limited assurance engagement with respect to certain indicators in the sphere of sustainable development included in the Integrated annual report (hereinafter, the "Report') of VK, IPJSC (hereinafter, the "Company) and identified there by the «2» symbol (hereinafter, the "Indicators"), as of 31 December 2024 or for 2024 (hereinafter, the "Reporting period"):

- Energy consumption by offices and data ► centres (electricity and heat)
- Direct and indirect greenhouse gas emissions ► (Scopes 1 and 2)
- Personnel structure by type of employment ► contract, employment type, and gender
- Total number of new hires by age and gender ►
- Personnel structure by gender, age, and ► position
- Number of VK employees who availed ► themselves of benefits
- Average hours of training per year per ► employee with breakdown by gender
- Total number of training requests from ► employees
- Total charitable collections ►
- Payments under the Bug Bounty vulnerability ► discovery programmes

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform procedures on the remaining information included in the Report, and accordingly, we do not express a conclusion on this information.

#### Applicable criteria

In preparing the Indicators the Company applied criteria defined in chapter "Methods for collection of and accounting for indicators" of the Report (hereinafter, the "Criteria").

#### Responsibilities of the Company's management

The Company's management is responsible for selecting the Criteria and preparing the Indicators in accordance with the Criteria. In particular, the Company's management is responsible for internal controls designed and implemented to prevent the information related to the Indicators from being materially misstated.

In addition, the Company's management is responsible for ensuring that the documentation provided to the practitioner is complete and accurate.

#### Practitioner's responsibilities

We conducted our assurance engagement in accordance with International Standard for Assurance Engagements (revised)International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information (hereinafter, "ISAE 3000").

ISAE 3000 requires that we comply with ethical standards, plan and perform our engagement to obtain limited assurance with respect to the Indicators.

#### Independence and quality management

We apply International Standard on Quality Management 1, Quality Management for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements, which requires our firm to develop, implement and ensure operation of quality management system that includes policies or procedures with regard to compliance with ethical requirements, professional standards and applicable laws and regulations.

We comply with the professional ethical and independence requirements of the Code of professional ethics for auditors and the Independence rules of auditors and audit organizations and also the IESBA Code of Ethics for Professional Accountants (including international independence standards establishes the fundamental principles integrity, objectivity, professional corr



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NEW CHALLENCES NEW SOLUTIONS

and due care, confidentiality and professional behavior.

## Procedures

The nature, timing, and extent of the procedures selected depend on our professional judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within information technology systems.

A limited assurance engagement consists of making inquiries, primarily of persons responsible for preparing the Indicators and related information, and applying analytical and other appropriate procedures.

Our procedures included:

Inquiries of the representatives of the ► Company's management and specialists responsible for its sustainability policies, activities, performance and relevant reporting

- Analysis of key documents related to the Company's sustainability policies, activities, performance and relevant reporting
- Obtaining understanding of the process used to prepare the information on the Indicators
- Review of data samples regarding the Indicators for the reporting period to assess whether this data has been collected, prepared, collated and reported appropriately

The assurance engagement performed represents a limited assurance engagement. The nature, timing and extent of procedures performed in a limited assurance engagement are less than in a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is lower.

We believe that the procedures performed provide a reasonable basis for our conclusion.

## Practitioner's conclusion

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Indicators are not prepared appropriately, in all material respects, in accordance with the Criteria.

E.N. Lezhankova Partner TSATR – Audit Services Limited Liability Company

22 April 2025

## Details of the independent practitioner

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-regulating Organization of Auditors Association "Sodruzhestvo" (SRO AAS). 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, Oktyabrskaya street, building 12, room 23.





## **Consolidated Financial Statements**

For the year ended December 31, 2024



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ООО «ЦАТР – аудиторские услуги» Россия, 115035, Москна Садовническая наб., 75 Тел.: +7 495 705 9700 +7 495 755 9700 Факс: +7 495 755 9701 ОГРН: 1027739707203 ИНН: 7709383532 ОКПО: 59002627 КПП: 770501001 TSATR Audit Services LLC Sadovnicheskaya Nab , 75 Moscow, 115035, Russia Tel: +7 495 705 9700 +7 495 755 9700 Fax: +7 495 755 9701 www.bl.ru

## Independent auditor's report

To the shareholders and Board of Directors of VK (PJSC)

## Opinion

We have audited the consolidated financial statements of VK IPLSC and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at December 31, 2024, and the consolidated statement of comprehensive income, consolidated statement of cash flows and consolidated statement of changes in equity for the year then ended, and hotes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Oroup as at December 31, 2024 and its consolidated financial performance and its consolidated pash flows for the year then ended in accordance with IFRS Accounting Standards,

## **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the ethical requirements of the Code of professional ethics for auditors and the Independence rules of auditors and audit organizations that are relevant to our audit of the consolidated financial statements in the Russian Ferderation together with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have fulfilled our other ethical resoonsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have cotained is sufficient and appropriate to provide a pass for our opinion.

### Material uncertainty related to going concern

We draw attention to Note 2.1 "Going concorn" in the consolidated financial statements, which indicates that for the year ended December 31, 2024 the Group induired net loss of 94,948 millions of Russian Roubles. As stated in Note 2.1 "Going concern" to the consolidated if nancial statements, these events or conditions, a ong with other matters as set forth in Note 2.1 "Going concern", indicate that a material uncertainty exists that may cast significant doubtion the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matrix.

### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated I nancial statements of the current period. In addition to the matters described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our doin on thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.



We have fulfillion the responsibilities described in the Auditor's *responsibilities for the audit of the consolidated financial* statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

### Key audit matter

### Annual goodwill impairment analysis

Under IFRSs, the Group is required to test the amount of goodwill for impairment annually by assessing the recoverable amounts of each cash generating unit (COU) or a group of CGU comprising operating segments of the Group and comparing it with the carrying amount of relevant CGU or groups of CGU. This annual impairment test was a key audit matter because the balance of goodwill is material to the consolidated financial statements. In addition, the management's process to assess the recoverable amounts is complex and highly judgmental and is based on assumptions, specifically cash flow projections from financial budgets approved hy management, These assumptions are affected by expectations about "Uture market or economic conditions, particularly those expectations related to Russian internet market.

Information about goodwill impairment is disclosed in Note 8 to the consolidated financial statements,

### **Revenue** recognition

We identified two aspects of the Group's revenue recognition as key audit matters.

- The Croup's online advert sing revenues, commanity IVAS as well as revenues from other services is a complex automated process. It involves volume discounts and third-party commissions that require judgment in recognizing them as expenses or a reduction in revenue.
- 2) Recognition of revenue from multiple-element arrangements with customers involving licenses and subscriptions for software and respective technical support, software development and integration, hardware and software oackages, requires judgment to determine performance obligations, fair value of each performance obligation and timing of revenue recognition (over time or at a point of time).

Selecting and applying revenue recognition policies requires management judgment, therefore, this maller was a key audit matter.

Information about revenue is disclosed in Notes 4 and 18 to the consolidated financial statements,

### How our audit addressed the key audit matter

Our audit procedures included, among others, examining the amounts of goodw'll allocated to each operating segment. evaluation of the significant assumptions and methodologies. used by the Group, in particular those relating to the forecasted revenue growth and earnings before interest, taxes, depreciation and amort zation (SBITDA), profit margins. for operating segments, terminal value of the CGU and discount rate. As part of the analysis, we involved our evaluation specialists, in addition, we tested mathematical accuracy of the impairment models and analysed the sensitivity of the recoverable amount to the changes in key assumptions. We also focused on the disclosures in the Group consolidated financial statements about those assumptions to which the outcome of the impairment test is the most sensitive, that is, those that have the most sign?" cant effect on determination of the recoverable amount of goodwill,

We reviewed the adequacy of disclosures in the Group's consolidated financial statements,

- 1) We tested application and IT-dependent manual controls over revenue recognition process. We examined and tested, on a sample basis, significant standard and non-standard revenue atrangements. We considered revenue recognition policy in respect of specific revenue streams (including various incentives and volume robates) and relevant disclosures. We tested the Group's reconciliation of the amount of revenues recognized in the accounting systems to the relevant outomated IT systems.
- 2) We analysed significant agreements, allocation of standalone set ing prices between components of an arrangement, the possibility of complexing agreements in order to identify correct performance obligations calculation of deferred revenue and estimation of the percentage of completion of the arrangements.

We involved our Hill specialists to assist us with the abovementioned audit procedures. We reviewed respective pisclosures in the consolidated financial statements.



### Key audit matter

### Accounting for software development and content creation costs

The Group indurred costs related to software development and croation and acquisition of all group and video content. These costs are significant for the consolidated financial statements. The Group used judgment as to the recognition of these costs as assets to be included in the statement of financial position as "Other intangible assets" or as expenses to be included in the statement of comprehensive income as "Agent/partner fees and modial content" and "Personnel expenses." The choice and the application of the cost allocation policy and the determination of amortization periods are highly judgmental and affect the operating profit and the respective decisions made oy the Group's management, Hence, this issue is a key audit matter.

Information on costs related to software development and creation and acquisition of audio and video content is disclosed in Notos 3.8 and 7 to these consolidated financial statements.

## Allowance for expected credit losses on trade and other accounts receivable and loans issued

As at 31 December 2024, as a result of the revision of the maturity dates of accounts receivable, the Group recorded an allowance for expected oredit losses related to other accounts receivable for the sale of subsidiaries in the amount of 38,151 million of Russian Roubles, accounts receivable from subsidiaries sold in the amount of 2,001 million of Russian Roubles and loans issued to subsidiaries sold in the amount of 3,322 million of Russian Roubles.

The amount of the allowance for expected credit losses on trace and other accounts receivable and loans issued to subsidiaries sold is significant, its assessment is complex and requires management to make judgments.

Hence, this issue is a key addit matter,

Information is disclosed in Notes 14, 24,1 and 26 to the consolidated financial statements,

### Other information included in the Annual report 2024

### Row our audit addressed the key audit matter

In the course of our audit procedures, we verified whether the costs qualified for recognition as assets to be included in the statement of financial position and analyzed whether these assets would generate probable future economic benefits over their amortization period. Probable future conomic benefits were assessed using a model of future cash flows. In this model, we reviewed the key assumptions concerning income and expenses over the amortization period and the discount rate, we verified the mathematical accuracy and analyzed the sensitivity of the recoverable amount to changes in key assumptions. We analyzed the useful lives of these assets. We reviewed the adequacy of disclosures in the Group's consolidated financial statements.

As part of our audit procedures, we reviewed the Group's mothodology used to calculate the allowance for expected credit losses on trade and other accounts receivable and loans, ssued, as well as the classification of and accounting for the allowance in the consolidated statement of financial position and consolidated statement of comprehensive income.

Our audit procedures included the analysis of information used by the Group to identify overdue accounts receivables and ioans issued, including historical data on recayment and applied provisioning levels. We assessed the recoverabilities of the management's judgments concerning the recoverability of trade and other accounts receivable and ioans issued.

We reviewed the adequacy of disclosures in the Group's consolidated financial statements

Other information consists of the information included in The Annual report 2024, other than the consolicated financial statements and our auditor's report thereon. Management is responsible for the other information. The Annual report 2024 is expected to be made available to us after the date of this auditor's report.

Our opmonion the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon;

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is material yrindonsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard,

## Responsibilities of management and the Audit, Risk, Compliance and Sustainable Development Committee of the Board of Directors for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated (inancial statements in accordance with If RS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated (inancial statements that are free from material misstatement, whether due to fraud or error,



In preparing the consolicated financial statements, management is resconsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either interosito liquidate the Group or to coase operations, or has no realistic alternative but to do so,

The Audit, Risk, Compliance and Sustainable Development Committee of the Board of Directors is responsible for overseeing the Group's financial reporting process.

## Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whother the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our option. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 'SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material fill individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit is accordance with 'SAs, we exercise professional judgment and maintain professional skepticism throughout the audit, We also

- Identify and assess the risks of tratorial misstatement of the consolicated financial statements, whether due to frace or error, design and perform all of procedures responsive to those risks and obtain auck evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internat control.
- Obtain an understanding of internet control relevant to the audit in order to design audit procedures that are appropriate in the procedures, but not for the purpose of expressing an opmion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolicated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence dotained up to the date of our auditor's report. However, future events or conditions may cause the Group to coase to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolicated financial statements, including the disclosures, and whether the consolicated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- We plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units of the group as a basis for forming our obmich on the consolicated financial statements of the group.
   We are responsible for the direction, supervision and review of audit work performed for group audit ourposes. We remain fully responsible for our audit opinion.

We communicate with the Audit, Risk, Compliance and Sustainable Development Committee of the Board of Directors regarding, among other matters, the planned scope and timing of the audit and sign ficantia.colt findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit, Risk, Compliance and Sustainable Development Committee of the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.



From the matters communicated with the Audit, Risk. Compliance and Sustainable Development Committee of the Board of Directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to cutweigh the public interest benefits of such communication.

The partner in charge of the audit resulting in this independent auditor's report is Ustimeriko Anton Sergeovich.

Ustimenko Anton Sergeevich, acting on behalf of TSATR – Audit Services Limited Llability Company on the basis of power of attorney dated February 19, 2025, partner in charge of the audit resulting in this independent auditor's report (main registration number 21906/110496)

March 19, 2025

Dotells of the euditor

Name: TSATR – Audit Services Limited Llability Company Record made in the State Register of Legal Entitios on December 5, 2002, State Registration Number 1027739707203. Address, Russia (15035, Moscow, Sadowicheskaya nabarezonaya, 75, ISATR – Audit Services Limited Llability Company is a member of Self-regulatory organization of auditors Association. 'Sodrazhestvo', TSATR – Audit Services Limited Llability Company is included in the control copy of the register of auditors and audit organizations, main registration number 12006020327

### Datalis of the audited entity

Name, VK IPISC Record made in the State Register of Laga-Entities on September 26, 2023, State Registration Number 1233900010585 Address: Russia 236006, Kaliningrad region, Kalingrad, Oktyabrskaya streat, 12, room, 23

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## **Consolidated Statement of Financial Position**

As of December 31, 2024

(in millions of Russian Roubles)

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	Notes	December 31, 2024	December 31, 2023
Assets			
Non-current assets	11	24,321	13,909
Investments in equity accounted associates and joint ventures Goodwill	3	151,470	165.646
Right-of-use assets	6	9,599	10,308
Other intangible assets	7	25,990	30,530
	ģ	54,633	51,089
Property and equipment Financial assets at fair value through profit or loss	24	533	471
Deferred income tax assets	20	3,240	1.666
Other financial assets	16, 24	2,357	1,164
Advance under office lease contracts	10, 24	435	404
Total non-current assets		272,778	275 187
Corrent assets			
Trade accounts receivable and other receivables	14	23.651	64,1/5
Prepaid expenses and advances to suppliers		3,429	3,000
Loans issued	24.1	628	3.193
Inventorios		287	1.054
Other current assets	16	4,295	2,627
Cash and cash equivalents	15	28,424	51,294
Total current assets		60,714	125,553
Total assets		333,492	400,740
Equity and liabilities			
Equity attributable to equity holders of the parent			
Issued capital			
Share premium		80,279	80,774
Treasury shares		(1.039)	(1,039)
(Accumulated deficit) / retained earnings		(41,244)	54,414
Foreign currency translation reserve		6,113	6,070
Total equity attributable to equity holdors of the parent		44,109	140,219
Non-controlling interests	17.2	700	(2,685)
Total equity		44,809	137,534
Non-current liabilities			
Deferred income tax liabilities	20	2,692	2./13
Deferred revenue		279	664
Non-current lease liabilities	6	4,018	5,929
Non-current financial liabilities at fair value through profit or loss	24	148	3,948
Long-term interest-bearing loans and bonds	24	97.456	115,208
Deferred income on loan obligations	24	9,094	12,442
Other non-current liabilities		746	702
Total non-current llabilities		114,433	141,606
Current liabilities	_		
Trade accounts payable	24	20,098	20,482
Income tax payable		1,978	1,901
VAT and other taxes payable		4,532	4,811
Deferred revenue and customer advances		9,358	11,121
Short-term portion of long-term interest-bearing loans and bonds	24	105,229	52,954
Çyrrent lease liabilities	6	5,086	3,725
Current financial liabilities at fair value through profit or loss	24	1,637	2,658
Other payables and accrued expenses	16	26,332	23,748
Total current liabilities		174,250	121,600
Total liabilities		286,683	263,206

General director

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March 19, 2025

VK 2024 Results

## Consolidated Statement of Comprehensive Income

For the year ended December 31, 2024 (in millions of Russian Roubles)

	Notes	2024	2023
Continuing operations			
Online advertising		96,082	79,749
Community IVAS		22,263	19,268
Education technology services		6,247	3,427
Other revenue		22,981	17,856
Total revenue	18	147,573	120,300
Personnel expenses	25	(67,284)	(52,112)
Agent/partner fees and media content		(52,523)	(39,909)
Marketing expenses		(22,055)	(20,513)
Professional services		(982)	(1,007)
Other operating income		27	205
Other operating expenses	14, 26	(9,804)	(7,991)
Total operating expenses, net		(152,621)	(121,327)
Depreciation and amortisation	6, 7, 9	(28,846)	(23,494)
Share of loss of equity accounted associates and joint ventures	11	5,771	684
Finance income	19	8,613	10,197
Finance expenses	6, 19, 24.3	(28,472)	(17,749)
Recovery of reserves due to the expiration of the limitation period		1,215	906
Other non-operating gain		283	220
Goodwill impairment	7, 8	(11,242)	-
Net loss on financial assets and liabilities at fair value through profit or loss	24	(810)	(581)
Profit from sale of subsidiaries		-	92
Impairment recovery of equity accounted associates Gain on remeasurement of previously held interest in joint ventures and equity	11	-	295
accounted associate	11	-	310
Loss on remeasurement of financial instruments	14, 24.1	(41,473)	(4,584)
Expected credit loss allowance on restricted cash		25	(64)
Foreign exchange		(1,444)	1,634
Loss before income tax expense from continuing operations		(101,428)	(33,161)
Income tax expense	20	1,144	(74)
Net loss from continuing operations		(100,284)	(33,235)
Discontinued operations			<i></i>
Net profit/(loss) from discontinued operations	13	5,336	(1,056)
Net loss		(94,948)	(34,291)
Other comprehensive income			
Other comprehensive income that may be reclassified to profit or loss			
in subsequent periods			
Exchange difference on translation of foreign operations		81	3,509
Total other comprehensive income that may be reclassified to profit or loss			0.500
in subsequent periods		81	3,509
Total other comprehensive income net of tax effect of 0		81	3,509
Total comprehensive loss, net of tax		(94,867)	(30,782)

## Consolidated Statement of Comprehensive Income (continued)

	Notes	2024	2023
Net (loss)/profit, attributable to: Equity holders of the parent Non-controlling interests	21	(95,496) 548	(33,716) (575)
Total comprehensive (loss)/profit, net of tax, attributable to: Equity holders of the parent Non-controlling interests		(95,415) 548	(30,207) (575)
Loss per share, in RUB: Basic loss per share attributable to ordinary equity holders of the parent Diluted earnings per share attributable to ordinary equity holders of the parent	21	(422) n/a	(149) n/a
Loss per share from continuing operations, in RUB: Basic loss per share attributable to ordinary equity holders of the parent Diluted earnings per share attributable to ordinary equity holders of the parent		(446) n/a	(144) n/a
Profit/(loss) per share from discontinued operations, in RUB: Basic profit per share attributable to ordinary equity holders of the parent Diluted earnings per share attributable to ordinary equity holders of the parent		24 24	(5) n/a

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## **Consolidated Statement of Cash Flows**

For the year ended December 31, 2024

(in millions of Russian Roubles)

	Notes	2024	2023
Cash flows from operating activities			
Loss before income tax:		(95,993)	(34,208)
Loss before income tax from continuing operations		(101,428)	(33,161)
Profit/(loss) before income tax from discontinued operations		5,435	(1,047)
Adjustments to reconcile loss before income tax to cash flows		<b>00</b> // /	
Depreciation and amortisation	6, 7, 9	29,116	23,714
Share of loss of equity accounted associates and joint ventures	11	(5,771)	(684)
Finance income	10, 04, 0	(8,646)	(10,288)
Finance expenses	19, 24.3 14, 26	28,479 2,328	17,759 1,500
Expected credit loss allowance on trade receivables Expected credit loss allowance on restricted cash	14, 20	(25)	1,500
Goodwill impairment	8	11,242	22
Net loss on financial assets and liabilities at fair value through profit or loss	24	621	1,838
Profit from disposal of subsidiaries	13	(3,828)	(92)
Impairment recovery of associates	11	(3,020)	(295)
Gain on remeasurement of previously held interest in equity accounted associates	11	_	(310)
Loss on remeasurement of financial instruments	14, 24.1	41,473	4,584
Foreign exchange	,	1,455	(1,681)
Cash settled and equity settled share-based payments	28	30	(1,098)
Recovery of allowances due to the expiration of the limitation period		(1,215)	(906)
Other non-cash items		690	295 <sup>´</sup>
Change in operating assets and liabilities			
Increase in accounts receivable		(3,013)	(980)
Increase in prepaid expenses and advances to suppliers		(686)	(1,132)
Decrease/(increase) in inventories and other assets		144	(441)
Increase in accounts payable and accrued expense		7,641	7,284
Decrease/(increase) in other non-current assets		31	(202)
Increase in deferred revenue and customer advances		788	39
Increase in financial assets at fair value through profit or loss		-	(239)
Operating cash flows before interest and income taxes		4,861	4,479
Interest received		5,390	4,106
Interest paid	6, 24.3	(20,509)	(6,786)
Income tax paid	20	(438)	(529)
Net cash (provided)/received from operating activities		(10,696)	1,270
Cash flows from investing activities			
Cash paid for property and equipment	9	(15,345)	(21,173)
Cash paid for intangible assets	7	(11,579)	(11,231)
Dividends received from equity accounted associates	11	133	109
Dividends from venture capital investees		33	35
Loans issued		(602)	(625)
Loans collected		307	202
Cash paid for acquisitions of subsidiaries, net of cash acquired	12	(6,672)	(6,747)
Cash paid for the acquisition of financial assets		(510)	-
Cash paid for acquiring long-term lease rights less cash received	6	(245)	(2,673)
Cash received from selling subsidiaries		3,727	8,768
Cash received from sale of financial assets	10	465	-
Cash outflow from disposal of subsidiary	13	(146)	(90)
Cash paid for investments in equity accounted associates and joint ventures	11	(2,500)	(11,625)
Net cash used in investing activities		(32,934)	(45,050)

## Consolidated Statement of Cash Flows (continued)

 $\bullet$   $\bullet$   $\bullet$   $\bullet$   $\bullet$ 

	Notes	2024	2023
Cash flows from financing activities			
Payment of lease liabilities	6	(4,368)	(3,763)
Loans received	24.3	39,966	64,467
Loans repaid	24.3	(14,340)	(14,470)
Cash paid for non-controlling interests in subsidiaries		(421)	(200)
Dividends paid by subsidiaries to non-controlling shareholders		(69)	(14)
Net cash provided by financing activities		20,768	46,020
Net decrease in cash and cash equivalents		(22,862)	2,240
Effect of exchange differences on cash balances		(33)	156
Change in expected credit loss allowance on restricted cash		25	(22)
Cash and cash equivalents included in assets held for sale		-	161
Cash and cash equivalents at the beginning of the period		51,294	48,759
Cash and cash equivalents at the end of the period		28,424	51,294

# **Consolidated Statement of Changes in Equity**

For the year ended December 31, 2023 (in millions of Russian Roubles)

K

	Share capital		Share capital			Accumulated other			
	Number of shares issued and outstanding	Amount	Share premium	Treasury shares	Retained earnings	comprehensive income/(loss) (net of tax effect of 0)	Total equity attributable to equity holders of the parent	Non-controlling interests	
Balance at January 1, 2023	226,150,707	-	81,872	(1,039)	86,841	2,585	170,259	(2,147)	16
Loss for the year	_	_	_	_	(33,716)	_	(33,716)	(575)	(34
<i>Other comprehensive income</i> Foreign currency translation	_	_	_	_	_	3,509	3,509	_	3
Total other comprehensive loss	-	_	_	-	-	3,509	3,509	_	3
Total comprehensive loss	-	_	_	_	(33,716)	3,509	(30,207)	(575)	(30
Share-based payment transactions Dividends by subsidiaries to	_	_	(1,098)	_	_	_	(1,098)	_	(1
non-controlling shareholders Acquisitions of non-controlling interests Recognition of non-controlling interests as					_ 1,289		_ 1,289	(14) 44	1
a result of business acquisitions Disposal of equity as a result of subsidiary	_	_	_	_	_	_	_	7	
sell	_	_	_	_	_	(24)	(24)	_	
Balance at December 31, 2023	226,150,707	_	80,774	(1,039)	54,414	6,070	140,219	(2,685)	137



# **Consolidated Statement of Changes in Equity**

For the year ended December 31, 2024 (in millions of Russian Roubles)

	Share capital		Share capital					Accumulated other			
	Number of shares issued and outstanding	Amount	Share premium	Treasury shares	Retained earnings/ (accumulated deficit)	comprehensive income/(loss) (net of tax effect of 0)	Total equity attributable to equity holders of the parent	Non-controlling interests			
Balance at January 1, 2024	226,150,707	_	80,774	(1,039)	54,414	6,070	140,219	(2,685)	137		
Loss for the year	_	_	_	_	(95,496)	_	(95,496)	548	(94		
<i>Other comprehensive income</i> Foreign currency translation	_	_	_	_	_	81	81	_			
Total other comprehensive income	_	_	_	_	_	81	81	_			
Total comprehensive loss	_	_	_	_	(95,496)	81	(95,415)	548	(94		
Share-based payment transactions Dividends by subsidiaries to	_	_	30	_	_	_	30	_			
non-controlling shareholders Acquisitions of non-controlling interests	_ _		_	_ _	_ (162)	_ _	(162)	(69) (9)			
Recognition of non-controlling interests as a result of business acquisitions (Note 12) Disposal of elements of capital due to	_	_	_	_	_	_	-	552			
disposal of subsidiaries (Note 13)	_	_	(525)	_	_	(38)	(563)	2,363	1,		
Balance at December 31, 2024	226,150,707	_	80,279	(1,039)	(41,244)	6,113	44,109	700	44,		





## Notes to the Consolidated Financial Statements

For the year ended December 31, 2024 (in millions of Russian Roubles)

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#### Corporate information and description of business 1

These consolidated financial statements of VK International Public Joint-Stock Company (hereinafter "the Company") and its subsidiaries (collectively - "the Group" or "VK") for the year ended December 31, 2024 were authorized for issue by the directors of the Company on March 19, 2025.

On September 26, 2023, the Company was registered as VK International Public Joint-Stock Company in accordance with Russian legislation in a special administrative region "Oktyabrsky Island" at the address: 236006, Kaliningrad region, Kaliningrad, Oktyabrskaya St., 12, room 23.

The Company consolidates businesses that operate Internet portals, social networking, 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 VK International Public Joint-Stock Company is MF Technologies. MF Technologies does not have a single controlling shareholder.

Information on the Company's main subsidiaries is disclosed in Note 10.

#### Basis of preparation of consolidated financial statements 2

These consolidated financial statements have been prepared on a historical cost basis, except for financial assets and liabilities designated as at fair value through profit or loss and derivative financial instruments that have been measured at fair value.

#### Going concern 2.1

The Group has prepared the 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 the amount of debt facilities and other funds available to the Group to assess the Group's ability to operate as a going concern.

### Operating results and liquidity position

As of December 31, 2024, the Group had cash and cash equivalents of RUB 28,424 (as of December 31, 2023: RUB 51,294). The net loss under IFRS for the year ended December 31, 2024 of RUB 94,948 (for the year ended December 31, 2023: RUB 34,291), negative working capital (current liabilities exceeding current assets) as of December 31, 2024 of RUB 113,536 (December 31, 2023: positive RUB 3,953), cash outflow from operating activities for the year ended December 31, 2024 of RUB 10,696 (for the year ended December 31, 2023: inflow of RUB 1,270).

As of December 31, 2024, the Group violated a number of restrictive covenants in several loan agreements with banks that are related parties. As of December 31, 2024, 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 December 31, 2024. See note 24.3.

### Debt/Equity Ratio

As of December 31, 2024, the debt/equity ratio (total liabilities to total equity) was 6.44.

The likelihood and sources of the Group's repayment of its existing debt burden 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 is investing in business growth and expects to be able to repay its obligations through debt restructuring from a Related Party, as well as attracting additional financing and future inflows from operating activities.

#### **Presentation of comparative information** 2.2

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 and adjusted EBITDA reflected in these consolidated financial statements in Note 5 "Operating segments" for the reporting periods.

#### 2 Basis of preparation of consolidated financial statements (continued)

#### 2.3 **Statement of compliance**

These consolidated financial statements have been prepared in accordance with and comply with International Financial Reporting Standards ("IFRS").

The Group maintains its accounting records and prepares its statutory accounting reports in accordance with domestic accounting legislation and instructions for each of its subsidiaries. These consolidated financial statements are based on the underlying accounting records, appropriately adjusted and reclassified for fair presentation in accordance with the standards and interpretations issued by the International Accounting Standards Board ("IASB"). IFRS adjustments include and affect such major areas as consolidation, revenue recognition, accruals, deferred taxation, fair value adjustments, business combinations, impairment, share-based payments etc.

#### 2.4 **Application of new and amended IFRS and IFRIC**

The accounting policies adopted are consistent with those followed in the preparation of the Group's consolidated financial statements for the year ended December 31, 2023, except for the adoption of new standards effective as of January 1, 2024.

In 2024, the Group first applied the following amendments, but they had no impact on its consolidated financial statements.

Amendments to IAS 1 Presentation of Financial Statements - Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants

In January 2020 and October 2022, the International Accounting Standards Board (IASB) issued amendments to IAS 1 Presentation of Financial Statements to clarify the requirements for classifying liabilities as current or non-current, including non-current liabilities with covenants. The amendments clarify that:

- Where a right to defer settlement of a liability arising from a loan arrangement for at least twelve months is subject to compliance with covenants in future periods (future covenants), this right exists even if such future covenants are not complied with at the reporting date
- Management expectations of the likelihood of using the deferral do not affect the existence of the right. A liability is classified as noncurrent at the reporting date even if settlement of the liability has occurred in the period after the reporting date but before the issue of financial statements.
- Terms of a liability (option) that could, at the option of the counterparty, result in its settlement by the transfer of the entity's own equity instruments do not affect its classification as current or non-current if the option is classified as an equity instrument and recognised separately from the liability as an equity component of a compound financial instrument in accordance with IAS 32 Financial Instruments: Presentation.

In addition, the amendments introduce the requirement to disclose additional information about liabilities arising from loan arrangements if the entity classifies such liabilities as non-current and its right to defer settlement of these liabilities is subject to its compliance with covenants within twelve months after the reporting date.

### Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures – Supplier Finance Arrangements

In May 2023, the IASB issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures that clarify the characteristics of supplier finance arrangements and require additional disclosures for such arrangements. The disclosure requirements in the amendments aim to assist users of financial statements in understanding the impact of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. Transitional provisions in the amendments state that entities do not have to disclose certain comparative information for any reporting periods presented before the beginning of the annual reporting period in which the entity first applies those amendments, and certain information as of the beginning of the year otherwise required to be disclosed as of the beginning of the annual reporting period in which the entity first applies those amendments.

## Amendments to IFRS 16 Lease Liability in a Sale and Leaseback

In September 2022, the IFRS Board issued amendments to IFRS 16 Leases clarifying the requirements according to which the seller-lessee, when assessing a lease obligation arising from a sale-leaseback transaction involving fully variable payments, does not recognise profit or loss in respect of the rights of use retained by him the asset sold.

The Group has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective for interim and/or annual reporting periods beginning on or after January 1, 2024.

#### 2 Basis of preparation of consolidated financial statements (continued)

#### 2.5 Standards issued but not yet effective

The new and amended standards and interpretations that were issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

Stan	dards not effective for the reporting period ended 31 December 2024	Effective for annual reporting periods beginning on or after
•	Amendments to IAS 21 – <i>Lack of Exchangeability</i>	January 1, 2025
•	Amendments to IFRS 9 and IFRS 7 - Amendments to the Classification and Measurement of Financial	
	Instruments	January 1, 2026
•	Annual Improvements to IFRS Accounting Standards – Volume 11:	January 1, 2026
	Initial cost (Amendments to IAS 7)	
	Derecognition of lease liabilities (Amendments to IFRS 9)	
	Determination of a 'de facto agent' (Amendments to IFRS 10)	
	Disclosure of deferred difference between fair value and transaction price (Amendments to Guidance o Implementing IFRS 7)	n
	Gain or loss on derecognition (Amendments to IFRS 7)	
	<ul> <li>Hedge accounting by a first-time adopter (Amendments to IFRS 1)</li> </ul>	
	Introduction (Amendments to Guidance on implementing IFRS 7)	
	Credit risk disclosures (Amendments to Guidance on Implementing IFRS 7)	
	Transaction price (Amendments to IFRS 9)	
•	IFRS 18 Presentation and Disclosure in Financial Statements	January 1, 2027
	IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 1, 2027
	ese amendments and new standards are not expected to have a material impact on the Group, except for IFRS rently in the process of analysing its impact on the financial reporting.	18 for which the Group is
	April 2024, the IASB issued a new standard, IFRS 18 <i>Presentation and Disclosure in Financial Statements</i> , which v <i>Financial Statements</i> . IFRS 18 introduces new requirements, the most important of which are:	will replace IAS 1 <i>Presentation</i>
•	On the classification of income and expenses in the statement of profit or loss into three defined categor operating, investing and financing activities. It also requires all entities to provide new defined subtotals,	
	Operating profit or loss, and	
	Profit or loss before financing and income taxes.	
2.	On the disclosure of information on management-defined performance measures in the financial stateme of those measures to the closest total or subtotal presented in the statement of profit or loss.	nts, including reconciliation
3.	On the presentation of aggregated and disaggregated financial information in the primary financial staten	nents and in the notes.
FR	S 18 has also introduced limited changes to the statement of cash flows and certain other changes.	
	ities shall apply IFRS 18 for annual reporting periods beginning on or after January 1, 2027. Earlier application is s standard for an earlier period, it shall disclose that fact.	permitted. If an entity applie
The	e amendments are not expected to have a material impact on the Group's financial statements.	
3	Accounting Policies	
3.1	Principles of consolidation	
TI	ese consolidated financial statements comprise the financial statements of the Company and its subsidiaries a	a at December 21, 2024 and

These consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at December 31, 2024 and for the year then ended.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

#### 3 Accounting policies (continued)

#### 3.1 **Principles of consolidation (continued)**

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated.

If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary;
- Derecognises the carrying amount of any non-controlling interests;
- Derecognises the cumulative translation differences recorded in equity;
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained;
- Recognises any surplus or deficit in profit or loss; and
- Reclassifies the parent's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

#### 3.2 **Business combinations and goodwill**

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value, and the amount of any non-controlling interest in the acquiree. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred, such as finder's fees, legal fees, due diligence fees, and other professional and consulting fees, are expensed and included in operating expenses.

The Group measures goodwill as the fair value of the consideration transferred including the recognised amount of any non-controlling interest in the acquiree, less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date.

Consideration transferred includes the fair value of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent consideration and vested share-based payment awards of the acquiree that are replaced in the business combination.

If control is achieved in stages, the acquirer's previously held equity interest in the acquiree is remeasured to fair value as at the acquisition date through profit or loss.

A contingent liability of the acquiree is recognised in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

Only components of non-controlling interest constituting a present ownership interest that entitles their holder to a proportionate share of the entity's net assets in the event of liquidation are measured at either fair value or at the present ownership instruments' proportionate share of the acquiree's identifiable net assets. All other components are measured at their acquisition date fair value.

The Group accounts for a change in the ownership interest of a subsidiary (without loss of control) as a transaction with owners in their capacity as owners. Therefore, such transactions do not give rise to goodwill, nor do they give rise to a gain or loss and are accounted for as an equity transaction.

#### 3 Accounting policies (continued)

#### 3.2 **Business combinations and goodwill (continued)**

After initial recognition, goodwill is measured at initial cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill forms part of a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

If the Group reorganises its reporting structure in a way that changes the composition of one or more cash-generating units to which goodwill has been allocated, the goodwill is reallocated to the units affected. The reallocation is performed using a relative value approach similar to that used in connection with the disposal of an operation within a cash-generating unit, unless some other method better reflects the goodwill associated with the reorganised units.

#### Classification of assets and liabilities into current/short-term and non-current/long-term 3.3

The Group presents assets and liabilities in the consolidated statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Group classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

#### 3.4 Fair value measurement

The Group measures financial instruments such as derivatives, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

#### 3 Accounting policies (continued)

#### 3.4 Fair value measurement (continued)

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable:
- Level 3 valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the consolidated financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group determines the policies and procedures for both recurring fair value measurement, such as financial derivatives and unquoted financial assets, and for non-recurring measurement, such as assets held for sale in discontinued operations.

At each reporting date, the Group analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies. For this analysis, the Group verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. The Group also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

#### Investments in associates and joint ventures 3.5

Associates are entities in which the Group generally has between 20% and 50% of the voting rights, or is otherwise able to exercise significant influence, but which it does not control or jointly control. A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group participates in the operating management of its equity accounted associates and joint ventures and intends to stay involved in their operations from a long-term perspective. Under the equity method, the investments in associates and joint ventures are carried in the consolidated statement of financial position at cost plus post acquisition changes in the Group's share of net assets of the associate or joint venture. Distributions received from an investee reduce the carrying amount of the investment. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment.

The consolidated statement of comprehensive income reflects the Group's share of the results of operations of associates and joint ventures. Where there has been a change recognised directly in the equity of the associates or joint ventures, the Group recognises its share of any changes in the investment balance and discloses this, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate or joint venture.

Dividends received from equity accounted associates and joint ventures are shown in investing activities in the consolidated statement of cash flows.

The share of profit and other comprehensive income of equity accounted associates and joint ventures is shown on the face of the consolidated statement of comprehensive income. This is the profit attributable to equity holders of the associates and joint ventures and therefore is profit after tax of the associates and joint ventures and after non-controlling interests in the subsidiaries of the associates or joint ventures. The Group's share of movements in reserves is recognised in equity. However, when the Group's share of accumulated losses in an equity accounted associate or joint venture equals or exceeds its interest in the associate or joint venture, the Group does not recognise further losses, unless the Group is obliged to make further payments to, or on behalf of, the associate or joint venture.

The financial statements of equity accounted associates and joint ventures are prepared for the same reporting period as the Group. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on the Group's investment in its associates and joint ventures. The Group determines at each reporting date whether there is any objective evidence that the investment in the associate or joint venture is impaired. Determining whether the investment is impaired is based on the guidance of IFRS 9 discussed under 3.15.6.

If there is objective evidence that an associate or joint venture is impaired, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value in accordance with IAS 36 (as discussed under 3.17) and recognises the amount of impairment in earnings under 'Impairment losses related to equity accounted associates or joint ventures'. If the recoverable amount of the impaired investment subsequently increases, the related impairment is reversed to the extent of such increase.

#### 3 Accounting policies (continued)

#### 3.5 Investments in associates and joint ventures (continued)

Step acquisitions of significant influence in equity accounted associates previously classified as available-for-sale financial assets are accounted for using a cost-based approach whereby the investment in associate is recognised at the aggregate of (a) the historical cost of the available-for-sale investment and (b) the consideration transferred by the Group upon acquisition of significant influence. Any changes in the fair value of the available-for-sale investment are reversed through other comprehensive income upon acquisition of significant influence. Goodwill is calculated as a difference between (c) the cost of the investment so determined and (d) the Group's share in the fair value of the investee's net assets at the date significant influence is attained.

Upon acquisition of an additional stake in an existing associate where control is not obtained, the fair value of the consideration transferred for the additional stake is allocated to the acquired share of the fair value of associate's assets and liabilities, and the excess is recognised as goodwill as part of the investment in equity accounted associates.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

#### 3.6 The Group as a lessee

## Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are amortised on a straight-line basis over the shorter of its estimated useful life and the lease term as follows:

Premises Racks in data centers and optic fibre channels Land

1 to 25 years 1 to 7 years 6 to 41 years

Right-of-use assets are tested for impairment.

### Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

### Leases of low-value assets

The Group applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value. Lease payments on leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

### Accounting for short-term leases

The Group elects not to apply simplifications for short-term leases and account for them using right-of-use asset model.

## 3.6.1 The Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in other operating income in the consolidated statement of comprehensive income due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

With respect to finance leases, the Group records lease receivables in an amount equal to the net investment in the lease from the commencement date of the lease term.

#### 3 Accounting policies (continued)

#### 3.6 The Group as a lessee (continued)

Net investment in the lease is calculated as the gross investment in the lease discounted at the interest rate implicit in the lease. Gross investment in the lease is calculated as the sum of the lease payments received by the lessor under the finance lease agreement and the non-guaranteed liquidation value owed to the lessor.

The interest rate implicit in the lease agreement is the interest rate at which the present value of lease payments and the non-guaranteed residual value becomes equal to the sum of the fair value of the underlying asset and the initial direct costs of the lessor.

The difference between the amount of gross investment in the lease and the amount of net investment in the lease represents unearned financial income. The Group recognises finance income over the lease term based on a schedule reflecting a constant periodic rate of return on the lessor's net investment in the lease.

#### 3.7 **Property and equipment**

## 3.7.1 Recognition and measurement

Property and equipment are recorded at purchase or construction cost less accumulated depreciation and accumulated impairment. Interest costs on borrowings to finance the construction of property and equipment are capitalised, during the period of time that is required to complete and prepare the asset for its intended use. Expenditures for continuing repairs and maintenance are charged to earnings as incurred.

Initial cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property and equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

Gains and losses on disposal of an item of property and equipment are recognised net under 'Other non-operating gain/(loss)' in the consolidated statement of comprehensive income.

The cost of replacing part of an item of property and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognised.

## 3.7.2 Depreciation and useful life

Depreciation is calculated on property and equipment on a straight-line basis from the time the assets are available for use, over their estimated useful lives as follows:

	Estimated useful life (in years)
Servers and computers	1-5
Buildings and structures	3-50
Leasehold improvements	3-6
Other property and equipment	3-20

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted as appropriate, at each financial year-end. The Group classifies advances paid to equipment suppliers as assets under construction in property and equipment in the consolidated statement of financial position.

#### 3.8 Intangible assets other than goodwill

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

## 3.8.1 Software development costs

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in the consolidated statement of comprehensive income when incurred.

Development activities involve a plan or design for the production of new or substantially improved products and processes. Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalised includes the cost of materials, direct labour and overhead costs that are directly attributable to preparing the asset for its intended use. Other development expenditure is recognised in profit or loss as incurred.

#### 3 Accounting policies (continued)

#### 3.8 Intangible assets other than goodwill (continued)

### 3.8.2 Audio-content costs

Audio content costs include the purchase of licensing rights to musical works. Licensing rights are purchased at a compound price, which includes a fixed part (the minimum guaranteed price), as well as a floating part, the amount of which depends on the number of times the content is played.

The Group capitalises a fixed (minimum guaranteed) part of the price into intangible assets. Expenses related to the floating portion of the price are recognised in the consolidated statement of comprehensive income when incurred. Capitalised audio content is amortised over its useful life, which is determined by the contractual terms.

## 3.8.3 Video-content costs

Video-content costs include purchases of licensing rights for films, shows and other units of video content, as well as the costs of producing content units in-house. Licence rights are acquired for a fixed fee and for a specified period.

For licensing rights, the Group capitalises the fixed cost per unit of content. For content created in-house, production costs are capitalised. Preparatory and promotional expenses are recognised in the consolidated statement of comprehensive income when incurred.

Capitalised video content is amortised over its useful life.

Research and development costs including audio- and video-content costs that do not meet criteria for capitalisation according to IAS 38 are recognised as an expense in the consolidated statement of comprehensive income during 2024 amounted to RUB 4,350 (2023: RUB 4,308).

## 3.8.4 Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

### 3.8.5 Useful life and amortisation of intangible assets

The Group assesses whether the useful life of an intangible asset is finite or indefinite and, if finite, the length of, or number of production or similar units constituting, that useful life. An intangible asset is regarded by the entity as having an indefinite useful life when, based on an analysis of all of the relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the entity. The Group did not have any intangible assets with an indefinite useful life in the years ended December 31, 2024 and 2023.

Intangible assets with finite lives are amortised over the useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Amortisation periods and methods for intangible assets with finite useful lives are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, and treated as changes in accounting estimates.

The estimated useful lives of the Group's intangible assets are as follows:

	Estimated useful life (in years)
Patents and trademarks	5-10
Capitalised software development costs	2-3
Domain names	1-10
Games	1-3
Customer base	3-10
Licences and produced content	1-3
Purchased software	1-3
Database of authors	11
Platform	9

#### 3.9 **Cash and cash equivalents**

Cash and cash equivalents comprise cash at banks and on hand, short-term deposits with an original maturity of three months or less and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. All these items are included as a component of cash and cash equivalents for the purpose of the consolidated statement of financial position and consolidated statement of cash flows.

#### 3 Accounting policies (continued)

## 3.10 Employee benefits

Wages and salaries paid to employees are recognised as expenses in the current period or are capitalised as part of software development costs. The Group also accrues expenses for future vacation payments.

Under provisions of Russian legislation, social contributions are made through social insurance payments calculated by the Group by the application of a 30% rate to the portion of the annual gross remuneration of each employee not exceeding RUB 2,225 and a rate of 15.1% to the portion exceeding this threshold.

A number of subsidiaries applied the IT benefit and benefit of Skolkovo residents during 2024 on insurance premiums. For accredited IT organizations, reduced rates of 7.6% are provided, for Skolkovo resident companies, rates of 15% are provided.

## 3.11 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Group expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

If the effect of discounting is material, provisions are determined by discounting the expected value of future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as an interest expense.

## 3.12 Revenue recognition

Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. Revenues from services are recognised in the period when services are rendered.

## 3.12.1 Online advertising

Promo posts in social networks, video and banner advertising space for display advertising is sold on a dynamic basis (i.e., a function of time that an advertisement lasts) or a static basis (i.e., according to the number of page views on an advertisement). The Group has standard rates for online advertisements that depend on several factors, including the specific web page on which the banner appears, the length of the contract, the season, and the format, size and position of the advertisement. Display advertising revenue is recognised as the services are provided (i.e., as per page view for dynamic banners and over the contractual term for static banners). For display advertising sold through some third party advertising agencies, revenue generally is recognised net of any portion attributable to the third parties. For arrangements related to display advertising where the Group does not control advertising services before these services are transferred to end customers, and hence, the Group is an agent rather than a principal in these contracts and recognises revenue on net basis.

The Group earns revenues for search context advertising through partnerships with third parties. Once a user carries out a search on certain of the Group's websites, search results and advertisement links are displayed on the webpage based on relevancy to the search topic and other known user parameters. When clicked on by the user, the advertisement links lead to sites owned by the third parties' advertising customers, for which the third party receives a fee, a portion of which it shares with the Group. Context advertising revenue is recognised as the services are provided (i.e., upon "click-through", which is when a user clicks on an advertiser's listing) on a net basis. This type of context advertising revenues is based on reports provided by third parties.

Context advertising also includes mobile monetization revenue related to the placement of target advertising, display advertising and advertising through integration in applications, advertising thought offers on the Group's applications. The revenue from mobile monetization is recognised on a net basis (gross revenue less advertising networks fee).

Context advertising also includes revenue related to the placement of target advertising, display advertising and advertising through integration in applications, advertising thought offers on the Group's websites and in applications, advertising via networks comprising advertising banners placement on third party websites and advertising on the Group's site communities pages. The revenue from advertising in applications, on the web pages of communities and via networks is recognised on a gross basis with costs and commissions paid to third party owners and administrators of websites, applications, platforms and communities recognised in "Agent/partner fees".

## 3.12.2 Community IVAS

The Group derives Community IVAS revenues through certain communication products, where users pay a fee for the paid content and online services, mainly through social networking web sites and through the commission from third party developers of the various applications placed on social networking web sites, including games, based on the respective applications' revenue. The fees for such services are collected from customers using various payment channels, including bank cards, online payment systems and mobile operators and from the applications developers. The mobile network operators collect fees for such services from their customers, usually through mobile short message services, and transfer such fees to the Group. Revenue is recognised over time as the benefits are received and consumed by customers.

#### 3 Accounting policies (continued)

#### 3.12 Revenue recognition (continued)

Revenue from hosting third-party applications on the Group's platforms is recognised net of mobile operator fees and amounts due to the developers of the relevant applications upon receipt of payments from customers.

## 3.12.3 Education Technology services (EdTech) revenue

The pre-recorded courses and professional training programs are based on the pre-recorded content, which is available to a customer for unlimited period from the moment of getting access to the education platform and the purchased course or professional training program. The period for which access can be granted has several options depending on the platform: one, six, twelve months or unlimited. Such courses and professional training programs do not include obligatory webinars, and customers have opportunity to study the materials in their own timeline.

Sales are made under the Group's standard terms specified in contracts. The time between the customer's payment and the receipt of funds usually does not exceed one day. Payment terms are fixed and do not include variable consideration. Revenue is recognised net of refunds, discounts and value added tax.

Performance obligations committed in a contract are identified based on the services that will be transferred to the customer that are both capable of being distinct, whereby the customer can benefit from the service either on its own or together with other resources that are readily available from third parties or from the Group, and are distinct in the context of the contract, whereby the transfer of the services and the products is separately identifiable from other promises in the contract. Access to a certain category of courses and games on the educational platform is provided to users indefinitely. For such courses, the Group analyzes the period of user access to these courses and games and distributes revenue over the average period of access by content category. According to the analysis, the time for users to access this category of content ranges from two to six months.

Revenue is recognised at the time the related performance obligation is satisfied by transferring the control of the promised service to a customer. Revenue is recognised in an amount that reflects the consideration that the Group expects to receive in exchange for those services. The Group has a stand-ready obligation to deliver its services continually throughout the contract period, which is unlimited in respect of the access to the content and education platforms. As such, the Group recognises revenue on a straight-line basis as it satisfies the performance obligation over the customers' period of studying which is determined based on the program duration (for live webinar programs) or estimated based on historical customer activity patterns and studying behavior (for pre-recorded courses and professional training programs). According to the general rules for the provision of services under a contract with customers, returns for subscriptions mainly affect the remaining term of the subscription and are reflected as a reduction in deferred revenue.

## 3.12.4 Other revenue

Other revenue mainly includes revenue from small space advertisement, non-advertising B2B big data services, implementation of software of data base and auxiliary services, receipt of registration fees and also revenue from the sale of hardware-software complexes (hereinafter "HSC").

Other revenue by type is mainly represented by:

- Implementation of software licences (hereinafter "Software");
- Updates and technical support for implemented software;
- Implementation of software and hardware complexes (hereinafter "HSC");
- Implementation of software development and refinement works;
- Implementation of subscriptions for the use of cloud data storage; and
- Complex contracts

Revenue is recognised at the transaction price. The transaction price is the amount recoverable that the Group expects to be entitled to in exchange for transferring control of the promised goods or services to the buyer. Revenue is recognised net of value added tax and discounts.

Revenue is recognised when, or as the Group fulfills a performance obligation by transferring promised goods or services to a customer (i.e., when the customer gains control of that product or service).

The Group applies professional judgment with respect to revenue recognition at a given time or over time based on the specific time of transfer of control over the promised product or service.

#### 3 Accounting policies (continued)

#### 3.12 Revenue recognition (continued)

Detailed information and revenue recognition judgments applied by the Group are presented below.

Implementation of software licences (cloud platform, productivity services, data services, business applications)

Revenue from the sale of software licences is recognised at a certain point in time or over time, depending on the nature of the agreement (contract) with the buyer:

Licences for standard on-premises software products that are installed on customers' servers are typically provided by transferring a key with access to download the software. Revenue from these on-premises licenses are recognised when the Company grants the licence rights to the customer and the customer gains access to, and thus control over, the software, or from the date the software is used, if specified in the contract.

In assessing whether a local software licence is a purchaser's right to use the software rather than a right to access the Group's intellectual property, the Group considers the usefulness and usability of the software without subsequent modifications and updates to it. If the software can be used without ongoing support and is separate from it, revenue is recognised at a point in time.

For software subscription agreements, revenue is recognised over time in proportion to the duration of the subscription agreement.

For agreements that combine the delivery of software and a commitment to deliver non-specific software products in the future, including software updates, revenue is recognised at the point in time when licences are made available to the customer.

Updates and technical support for implemented software (cloud platform, productivity services, data services, business applications)

The right to updates, support, and other tools to improve the efficiency of using licences are recognised in revenue over time in proportion to the term of the agreement.

## Implementation of hardware-software complex (HSC) (data services)

A SHC is a set of technical servers and software that work together to perform one or more specialized tasks, the functional and technical characteristics of which are determined solely by the combination of software and hardware and cannot be implemented when they are separated.

The SHC include:

- Software (licence) pre-installed during production of the HSC;
- Hardware for software operation; and
- Service maintenance of the HSC from the Group or from an integrator partner.

A software and hardware complex is a complex of technical (server hardware) and software, the functional and technical characteristics of which are determined solely by the combination of software and hardware and cannot be implemented when they are separated. The transfer of control is carried out at the time of the actual transfer of the hardware and software complex to the buyer.

Revenue from the sale of the hardware and software complex is recognised at one time at the time of transfer of control over the hardware and software complex to the buyer. In the case of sale of a certificate for technical support, revenue is recognised over time in proportion to the validity period of the certificate.

As a rule, software and hardware complex contracts contain a condition for warranty service of server equipment for a period of 1 to 3 years. The guarantee is a compliance guarantee in terms of IFRS 15. The provision for warranty service of server equipment is calculated based on the probability and statistics of the occurrence of the event.

### Carrying out work on the development and modification of software (other areas)

Revenue from the performance of work on the development and refinement of third-party software for customer orders is recognised over time in proportion to the percentage of work completed.

Revenue from contracts for the sale of a software licence and its implementation is recognised at a certain point in time in relation to the licence, and in terms of the performance of implementation work - over time.

Implementation of subscriptions for the use of cloud data storage (cloud platform)

Revenue from the sale of cloud storage subscriptions is recognised over time in proportion to the duration of the subscription agreement.

### Complex contracts (cloud platform, productivity services, data services, business applications)

The Group enters into contracts for the sale of several components: software licences, software updates and technical support, subscriptions and other services under the main agreement.

#### 3 Accounting policies (continued)

#### 3.12 Revenue recognition (continued)

When reviewing such contracts, the Group determines whether the products or services are distinct. A product or service is distinct if:

- The buyer can benefit from the product or service, or together with other resources that are readily available to the buyer; and
- The Group's promise to deliver a product or service to a customer is separately identified from other contractual promises.

If a product or service is distinct, the Company recognises revenue when (or as) the Group satisfies a performance obligation by transferring the promised product or service to the customer.

If the products or services are not distinct, the Group recognises revenue from such contracts over time, similar to revenue from updates and technical support for software sold.

## 3.13 Income taxes

### Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date. Current income tax relating to items recognised directly in other comprehensive income is recognised in other comprehensive income and not in profit or loss.

## Deferred income tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

## 3.14 Share-based payment transactions

Employees (including senior executives) of the Group and its associates (each of which a "share-based payment recipient"), may receive remuneration in the form of share-based payment transactions, whereby share-based payment recipients render services as consideration for equity instruments ("equity-settled transactions") or a cash equivalent thereof ("cash-settled share-based payments").

If the Group has a choice to settle share-based payments in cash or in equity, the entire transaction is treated either as cash-settled or as equity-settled, depending on whether or not the Group has a present obligation to settle in cash.

## 3.14.1 Equity-settled transactions

The cost of equity-settled transactions with share-based payment recipients for awards granted is measured by reference to the fair value of the awards at the date on which they are granted. The fair value is determined using an appropriate pricing model (binomial model, Black-Scholes model).

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant share-based payment recipients become fully entitled to the award ("the vesting date"). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or income for a period recognised in profit or loss represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest based on estimated forfeiture rates or as actual forfeitures occur for groups of employee where we cannot make reliable estimates.

#### 3 Accounting policies (continued)

#### 3.14 Share-based payment transactions (continued)

Where the terms of an equity-settled award are modified, the minimum expense recognised is the expense as if the terms had not been modified. An additional expense is recognised for any modification, which increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the share-based payment recipient as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. This includes any award where non-vesting conditions within the control of either the entity or the counterparty are not met. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the preceding paragraph.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share (Note 21).

## 3.14.2 Cash-settled transactions

The cost of cash-settled transactions is measured initially at fair value at the grant date using a binomial model and the Black-Scholes model (further details of which are provided in Note 28). This fair value is expensed over the period until the vesting date with recognition of a corresponding liability. The liability is remeasured to fair value at each reporting date up to, and including the settlement date, with changes in fair value recognised in 'Personnel expenses' in the consolidated statement of comprehensive income.

## 3.14.3 Accounting for the change in form of settlement of share-based payments

As a result of modification of share-based payment awards from equity-settled to cash-settled the Group recognises a share-based payment expense which comprises as a minimum the following elements:

- The grant date fair value of the original equity-settled award; plus
- Any incremental fair value arising from the modification of that award; plus
- Any remeasurement of the liability between its fair value at modification date and the amount finally settled.

At the date of modification a liability is recognised based on the fair value of the cash-settled award as at that date and the extent to which the vesting period has expired.

The corresponding change is taken to equity only to the extent of the fair value of the original equity-settled award as at the date of modification. Any incremental fair value of the cash-settled award over the equity-settled award as at the modification date is expensed immediately on modification to the extent that the vesting period has expired. The remainder of any incremental value is expensed over the period from the date of modification to the date of settlement.

The total fair value of the cash-settled award is remeasured through profit or loss on an ongoing basis between the date of modification and the date of settlement

## 3.15 Financial instruments

## 3.15.1 Initial recognition and measurement

Financial assets within the scope of IFRS 9 are classified as financial assets at fair value through profit or loss, financial assets through other comprehensive income or financial assets at amortised cost, as appropriate.

Financial liabilities within the scope of IFRS 9 are classified as financial liabilities at fair value through profit or loss and financial liabilities at amortised cost as appropriate.

The Group determines the classification of its financial assets and liabilities at initial recognition. All financial assets are recognised initially at fair value plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs. At initial recognition, the Group measures trade receivables at their transaction price (as defined in IFRS 15) if the trade receivables do not contain a significant financing component in accordance with IFRS 15. Financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, directly attributable transaction costs.

In order for a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

#### 3 Accounting policies (continued)

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## 3.15 Financial instruments (continued)

The Group's financial assets include cash and cash equivalents, short-term deposits, trade and other receivables, financial investments in venture capital investees (as defined under 3.20), and derivative financial assets, mainly over equity instruments of the Group's investees. The Group's financial liabilities include trade and other payables, loans and borrowings, and derivative financial liabilities, mainly over equity instruments of the Group's associates and subsidiaries. None of the derivative financial instruments held by the Group were designated as effective hedging instruments.

## 3.15.2 Subsequent measurement

The subsequent measurement of financial instruments depends on their classification. The Group classifies its financial assets and liabilities into the categories below in accordance with IFRS 9, as follows:

## 3.15.2.1 Financial assets and liabilities at fair value through profit or loss

Financial assets and liabilities at fair value through profit and loss are carried in the consolidated statement of financial position at fair value. The changes in their fair value are recognised in the consolidated statement of comprehensive income under 'Net gain on financial assets and liabilities at fair value through profit or loss'.

## 3.15.2.2 Financial assets and liabilities at amortised cost

The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

After initial recognition, interest bearing loans and borrowings and other financial liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the consolidated statement of comprehensive income when the liabilities are derecognised as well as through the amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in 'Finance expenses' in the consolidated statement of comprehensive income.

## 3.15.2.3 Contingent consideration

Contingent consideration recognised by the Group in a business combination to which IFRS 3 applies is subsequently measured at fair value with changes recognised in profit or loss under 'Net gain on financial assets and liabilities at fair value through profit or loss'.

Contingent consideration includes the liabilities shown in the consolidated statement of financial position under 'Other payables, accrued expenses and contingent consideration liabilities'.

## 3.15.3 Derecognition

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is de-recognised where:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and
- Either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The Group de-recognises a financial liability when the obligation under the liability is discharged, cancelled or expires.

## 3.15.4 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the consolidated statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

#### 3 Accounting policies (continued)

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## 3.15 Financial instruments (continued)

## 3.15.5 Fair value of financial instruments

The fair value of financial instruments that are actively traded in organised financial markets is determined by reference to quoted market bid prices at the close of business on the reporting date. For financial instruments where there is no active market, fair value is determined using valuation techniques. Such techniques may include: using recent arm's length market transactions; reference to the current fair value of another instrument that is substantially the same; discounted cash flow analysis or other valuation models.

An analysis of fair values of financial instruments and further details as to how they are measured are provided in Note 24.

## 3.15.6 Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For trade receivables the Group applies a simplified approach in calculating ECLs. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

## 3.15.6 Financial assets carried at amortised cost

For financial assets carried at amortised cost (loans and receivables), evidence of impairment may include indications that the debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred) discounted using the asset's original EIR. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in profit or loss as a 'Bad debt expense' in 'Other operating expenses'. The allowance is estimated based on a combination of specific accounts and general ageing analysis.

Trade accounts receivable are recorded at the invoiced amount and are non-interest bearing. Credit is only granted to customers after a review of credit history.

## 3.16 Foreign currency translation

The consolidated financial statements are presented in RUB, which is the Group's presentation currency, and all values are rounded to the nearest million, except per share information and unless otherwise indicated. Each entity in the Group determines its own functional currency and items included in the consolidated financial statements of each entity are measured using that functional currency. The functional currency of the Group's Russian subsidiaries and associates as well as the Company itself is RUB.

Transactions in foreign currencies are initially recorded in the functional currency at the rate ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the measurement currency rate of exchange ruling at the reporting date. All resulting differences are taken to the consolidated statement of comprehensive income and included in the determination of net profit as 'Net foreign exchange (losses)/gains'. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of initial transaction.

As at the reporting date, the assets and liabilities of the Company, its subsidiaries and joint venture with functional currencies other than the RUB are translated into the presentation currency of the Group (RUB) at the rate of exchange ruling at the reporting date and their operations are translated at exchange rates prevailing at the date of the transactions. The exchange differences arising on the translation are recognised in other comprehensive income.

#### 3.17 Impairment of non-financial assets and investments in equity accounted associates and joint ventures

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's ("CGU") fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

#### 3 Accounting policies (continued)

#### 3.17 Impairment of non-financial assets and investments in equity accounted associates and joint ventures

Impairment losses are recognised in earnings in those expense categories consistent with the function of the impaired asset.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in earnings.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. Where the recoverable amount of the CGU is less than its carrying amount an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

## 3.18 Earnings per share

The Group presents basic and diluted earnings per share ("EPS") data for its ordinary and Class A shares. Basic EPS is calculated by dividing the profit or loss attributable to shareholders of the Company by the weighted average number of shares outstanding during the period, adjusted for own shares held.

Diluted EPS is determined by adjusting the profit or loss attributable to shareholders and the weighted average number of shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which may comprise share options granted to employees of the Group.

#### 3.19 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the Group's chief operating decision maker ("CODM") to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

## 3.20 Financial investments in venture capital investees

Financial investments in venture capital investees, are the Group's investments in start-up Internet ventures and smaller Internet companies in Russia and abroad with ownership ranging from 1.5% to 50% and which gives the Group significant influence in some of these investments. They form the Group's venture capital portfolio and are monitored and managed exclusively on the basis of their fair values. The Group's involvement in the operating management of the investees is limited, and the possibility of the Group maintaining a specific financial investment in its investment portfolio in the long run is remote. Financial investments in such associates are carried in the consolidated statement of financial position at fair value even though the Group may exert significant influence over those companies. This treatment is permitted by IAS 28 Investments in Associates and Joint Ventures, which allows investments held by venture capital organisations to be excluded from its scope where those investments are designated, upon initial recognition, as at fair value through profit or loss and accounted for in accordance with IFRS 9, with changes in fair value recognised in consolidated statement of comprehensive income in the period of the change. Accounting policies of the Group with respect to financial investments in associates are discussed in more detail under Note 3.15 above as part of the Group's accounting policies with respect to financial assets.

#### Non-current assets held for sale and discontinued operations 3.21

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale.

#### 3 Accounting policies (continued)

#### Non-current assets held for sale and discontinued operations (continued) 3.21

Assets and liabilities classified as held for sale are presented separately in the consolidated statement of financial position.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations;
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
- Is a subsidiary acquired exclusively with a view to resale.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the consolidated statement of comprehensive income.

In cases the Group ceases to classify the asset (or disposal group) as held for sale then the asset is measured at the lower of:

- Its carrying amount before the asset (or disposal group) was classified as held for sale, adjusted for any depreciation, amortisation or revaluations that would have been recognised had the asset (or disposal group) not been classified as held for sale; and
- Its recoverable amount at the date of the subsequent decision not to sell.

The Group shows all the needed adjustments of the carrying amount of non-current asset which is no longer classified as held for sale in profit or loss from continuing activity in the period during which the criteria for asset classification as held for sale are no longer met. The consolidated financial statements should be adjusted accordingly for the periods from the moment of applying the asset classification (or disposal group) as held for sale.

#### 4 Significant accounting judgments, estimates and assumptions

The preparation of consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities at the reporting dates and the reported amounts of revenues and expenses during the reporting periods. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

#### 4.1 **Judgments**

In the process of applying the Group's accounting policies, management has made the following judgments which have the most significant effect on the amounts recognised in the consolidated financial statements.

## 4.1.1 Investments in associates and joint ventures

The Company directly or indirectly owned up to 50% in certain of its investments. Based on its voting rights and restrictions in the respective governing documents, the Group made judgments about whether it has control or significant influence over these investments.

Subsequently, these entities are either accounted for as subsidiaries (consolidated) or associates (accounted for under the equity method or as financial assets at fair value through profit or loss).

Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment separately.

The consolidated statement of comprehensive income reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the consolidated statement of comprehensive income outside operating profit and represents profit or loss after tax and noncontrolling interests in the subsidiaries of the associate or joint venture.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

#### 4 Significant accounting judgments, estimates and assumptions (continued)

#### 4.1 Judgments (continued)

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss within *Impairment of equity* accounted associates' in the consolidated statement of comprehensive income.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

## 4.1.2 Accounting treatment of share-based payments where the Group has a choice to settle in cash or equity

The Group has wide discretion over the manner of settlement of options issued and determines the accounting treatment of the options based on whether the Group has a present obligation to settle in cash. Specifically, any option holder granted an aggregate of 20,000 or more options was only allowed to exercise the respective portion options in the form of GDRs, while exercises by the optionees granted a smaller cumulative number of options can continue to be in GDRs or cash at the Group's discretion. The terms of the option plan and past exercise history make it reasonable to expect cash settlement of most of the smaller option exercises, even though the Group continues to have discretion over the way of option exercise settlement. Larger than cumulative 20,000 options per person continue to be accounted for as equity awards.

#### 4.2 **Estimates and assumptions**

Significant estimates and assumptions reflected in the Group's consolidated financial statements include, but are not limited to the following:

- Revenue recognition:
- Fair value of financial instruments;
- Useful lives of intangible assets;
- Software development costs;
- Impairment of goodwill and other intangible assets;
- Fair value of assets and liabilities in business combinations; and
- Recoverability of deferred tax assets.

Actual results could materially differ from those estimates.

The key assumptions concerning the future events and other key sources of estimation uncertainty at the reporting date that have a significant risk of a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

## 4.2.1 Revenue recognition

## EdTech

The pre-recorded courses and professional training programs are based on the pre-recorded content, which is available to a customer for unlimited period from the moment of getting access to the education platform and the purchased course or professional training program. Such courses and professional training programs do not include obligatory webinars, and customers have opportunity to study the materials in their own timeline

The Group considers internally available historical data for the past 2 years to estimate the customers' period of studying. The Group analyses the historical activity patterns of customers who purchased the pre-recorded courses and professional training programs. To assess the customers' period of studying for the pre-recorded courses and professional training programs, the Group calculates the length of the period starting from the date when the customer receives control of the education materials until the latest date the customer is active on the education platform, to arrive at the best estimate for period of studying. The Group applies stratified approach splitting the learners into strata by the period of studying based on the historical data. The Group recognises revenue for each stratum rateably over the estimated period of studying.

## Other revenue

The Group's contracts with customers often include various products and services. As a rule, the products and services listed in the "Types of revenue" section (Note 3.12.4) are classified as separate performance obligations, and the corresponding recoverable amounts allocated to them are recognised separately. However, professional judgment is required to determine whether a product or service is considered a separate performance obligation.

#### 4 Significant accounting judgments, estimates and assumptions (continued)

#### 4.2 **Estimates and assumptions (continued)**

The Group also enters into complex agreements for the sale of several components: software licences, software updates and technical support, software implementation, subscriptions and other services under the main agreement.

Regarding software implementation activities, professional judgment is required to assess the extent to which such services significantly integrate, customize, or modify the software to which they relate. In this context, we consider the nature of the professional services provided, their uniqueness and the scope of improvements and modifications, new functionality if it arises as part of improvements and modifications, as well as the presence of other contractors on the market providing similar services.

As a rule, software integration services do not involve significant software modifications, they can be carried out by the customer independently or with the help of a network of partners of the Company, the software has sufficient functionality for its use. Accordingly, software integration services are classified as separate performance responsibilities from the implementation of the relevant software licences.

If the products or services are not distinguishable, the Group recognises revenue from such contracts over a period of time similar to revenue from software support and updates.

## 4.2.2 Fair value of financial instruments

Where the fair value of financial assets and financial liabilities recorded in the consolidated statement of financial position cannot be derived from active markets, they are determined using valuation techniques including the discounted cash flows model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimates and assumptions have to be made, and a degree of judgment has to be applied in establishing fair values. The judgments, estimates and assumptions include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could impact the fair value of financial instruments reported in the financial statements.

The expected volatility in the pricing models used to measure the fair value of the derivative financial assets and liabilities is determined by reference to peer companies' historical volatility, as the issuers of the underlying equity instruments are not public. When determining risk-free rates to be used in the pricing models, regard is given to US Treasury bonds or Russian government bonds with maturities equal to the expected terms of the respective derivative financial instruments.

Detailed information on the fair values of the Group's financial instruments is available in Note 24.

## 4.2.3 Useful life of intangible assets

The Group estimates remaining useful lives of its intangible assets at least once a year at the reporting date. If the estimation differs from the previous estimations, the changes are accounted for in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. These estimates may have a significant impact on the carrying value of intangible assets and amortisation, charged to earnings. The carrying value of intangible assets is disclosed in Note 7.

## 4.2.4 Software development costs

Software development costs are capitalised in accordance with the accounting policy described in Note 3.8.1 Initial capitalisation of costs is based on management's judgment that technological and economical feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised management makes assumptions regarding the expected future cash generation of the assets, discount rates to be applied and the expected period of benefits (Note 7).

### 4.2.5 Impairment of goodwill and other intangible assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow ("DCF") model. The cash flows are derived from management forecast. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the growth rate used for extrapolation purposes. The key assumptions used to determine the recoverable amount for the different CGUs are disclosed and further explained in Notes 7 and 8.

## 4.2.6 Fair value of assets and liabilities in business combinations

At the acquisition date the Group recognises separately the identifiable assets, liabilities and contingent liabilities acquired or assumed in a business combination as well as contingent considerations at their fair values, which involves estimates. Such estimates are based on valuation methods that require considerable judgment in forecasting future cash flows and developing other assumptions.

#### 4 Significant accounting judgments, estimates and assumptions (continued)

#### 4.2 **Estimates and assumptions (continued)**

## 4.2.7 Deferred taxes on retained earnings

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Deferred tax is recognised based on estimated dividends distributions of Company's subsidiaries taking into account limitation of cash and cash equivalents available at the reporting date.

## 4.2.8 Significant judgement in determining the lease term of contracts with renewal options

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised

The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew (e.g., a change in business strategy).

## 4.2.9 Significant judgments in determining the rate for attracting additional borrowed funds

The Group obtained estimates of interest rates from banks and compared them to the interest swap rate for the currency of the lease agreement with a similar term, adjusted by the average credit spread for entities with a credit rating similar to the Group's. As of December 31, 2024, the rate was close to 16.6% for the weighted average lease term. The period for the discount rate is determined based on the weighted average lease period, which as of January 1, 2024 was 5.3 years. The discount rate applies to all leases.

#### 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. Also the segment "Social platforms and media content" comprises "Sferum" developing within the project VK Messenger as a unite protected educational system for school children, teachers and parents.

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.

The "EdTech" segment includes the Group's online education platforms with educational courses and programs Uchi.ru, Uchi.Doma and Tetrika. 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 VK Tech which includes cloud platforms and data management solutions, corporate communication services, tax monitoring platform, and other corporate software.

The "Ecosystem services and other business lines" segment includes Mail, Cloud Mail, Rustore, VK Play gaming platform, and smart devices. The segment contains, among other things, products and services that are in an active investment phase.

### 5 **Operating segments (continued)**

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 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 year ended December 31, 2024, as presented to the CODM, are stated below :

Segments	Social platforms and media content	EdTech	Technologies for business	Ecosystem services and other business lines	Not allocated	Elimination	Group
Revenue	104,303	6,258	13,594	24,561	-	(1,143)	147,573
Total operating expenses	(105,681)	(5,619)	(9,627)	(26,386)	(6,451)	1,143	(152,621)
Adjustments Share-based payment transactions	_	-	_	_	128	-	128
Adjusted EBITDA	(1,378)	639	3,967	(1,825)	(6,323)	-	(4,920)

The statement of comprehensive income items for each segment for the year ended December 31, 2023, as presented to the CODM, are stated below (restated):

Segments	Social platforms and media content	EdTech	Technologies for business	Ecosystem services and other business lines	Not allocated	Elimination	Group
Revenue	85,053	3,427	9,567	22,584	33	(364)	120,300
Total operating expenses	(79,215)	(3,464)	(7,901)	(24,568)	(6,543)	364	(121,327)
<i>Adjustments</i> Share-based payment transactions	-	_	-	-	1,217	-	1,217
Adjusted EBITDA	5,838	(37)	1,666	(1,984)	(5,293)	-	190

#### 5 **Operating segments (continued)**

A reconciliation of group adjusted EBITDA to IFRS net loss for the year ended December 31, 2023-2024 is presented below:

	2024	2023
Group adjusted EBITDA	(4,920)	190
Share-based payment transactions	(128)	(1,217)
Depreciation and amortisation	(28,846)	(23,494)
Share of loss of equity accounted associates and joint ventures	5,771	684
Finance income	8,613	10,197
Finance expenses	(28,472)	(17,749)
Recovery of reserves due to the expiration of the limitation period	1,215	906
Other non-operating gain	283	220
Goodwill impairment	(11,242)	-
Net loss on financial assets and liabilities at fair value through profit or loss	(810)	(581)
Profit from disposal of subsidiaries	_	92
Impairment recovery of equity accounted associates	-	295
Gain on remeasurement of previously held interest in joint ventures and equity accounted associate	-	310
Loss on remeasurement of financial instruments	(41,473)	(4,584)
Expected credit loss allowance on restricted cash	25	(64)
Foreign exchange	(1,444)	1,634
Income tax benefit/(expense)	1,144	(74)
Net profit/(loss) from discontinued operations	5,336	(1,056)
Net loss under IFRS	(94,948)	(34,291)
Effect of foreign exchange differences on translation of transactions of foreign companies	81	3,509
Consolidated loss after income tax expense under IFRS	(94,867)	(30,782)

#### 6 Lease contracts

#### 6.1 The Group as a lessee

Set out below are the carrying amounts of the Group's right-of-use assets and lease liabilities and the movements during the financial year ending December 31, 2024 and December 31, 2023:

Right-of-use assets					
Premises	Racks in data centers	Other	Total	Lease liability	
5,668	4,184	456	10,308	9,653	
1,221	3,339	593	5,153	4,838	
(266)	(669)	(297)	(1,232)	(1,019)	
(1,858)	(2,594)	(178)	(4,630)	_	
_	_	_		1,391	
-	-	-	-	(5,759)	
4,765	4,260	574	9,599	9,104	
	5,668 1,221 (266) (1,858) – –	Premises         Racks in data centers           5,668         4,184           1,221         3,339           (266)         (669)           (1,858)         (2,594)           –         –           –         –	Premises         Racks in data centers         Other           5,668         4,184         456           1,221         3,339         593           (266)         (669)         (297)           (1,858)         (2,594)         (178)           _         _         _           _         _         _	Premises         Racks in data centers         Other         Total           5,668         4,184         456         10,308           1,221         3,339         593         5,153           (266)         (669)         (297)         (1,232)           (1,858)         (2,594)         (178)         (4,630)           -         -         -         -	

In 2024, lease liabilities payments of RUB 5,759 included payment of lease liability principal amount of RUB 4,368 and interest of RUB 1,391.

	Premises	Racks in data centers	Other	Total	Lease liability
As at January 1, 2023	6,787	2,635	97	9,519	10,508
Additions	2,478	4,519	466	7,463	5,645
Disposals	(1,726)	(926)	-	(2,652)	(2,737)
Depreciation charge	(1,871)	(2,044)	(107)	(4,022)	_
Interest expense	_	_	_		958
Payments	-	-	-	-	(4,721)
As at December 31, 2023	5,668	4,184	456	10,308	9,653

In 2023, lease liabilities payments of RUB 4,721 included payment of lease liability principal amount of RUB 3,763 and interest of RUB 958.

Disposals include the disposal of a right-of-use asset of RUB 674 and lease liabilities of RUB 727 as a result of the acquisition of CJSC Zinger (Note 6.2) and the decrease of the lease office spaces.

### Lease contracts (continued) 6

#### 6.2 Group as a lessor

## Acquisition of CJSC Zinger

In May 2023, the Group acquired control under CJSC Zinger by purchasing a 100% stake for a cash consideration of RUB 2,500. CJSC Zinger owns long-term lease rights in the House of the company "Zinger" in St. Petersburg. Since 2010, it has been the headquarters of the VKontakte social network.

The main purpose of the purchase was to optimize the structure of the Group's lease payments, as well as to obtain additional income from subleasing premises. In accordance with IFRS 3 Business Combination, this acquisition is an acquisition of an asset.

As a result of the acquisition of CJSC Zinger, the Group acquired a long-term sublease agreement for part of the premises of the leased building and reviewed the terms of the sublease. The term of the sublease of the asset (until 2047) corresponds to the expected lease term of the underlying asset (until 2048). In accordance with IFRS 16 Leases this agreement is classified as a "Finance Lease".

The Group also recognised right-of-use assets in the amount of RUB 1,571 and other assets in the amount of RUB 54. Other assets mainly include advances received in the amount of RUB 23 and cash in the amount of RUB 77 (included in cash flows from investing activities).

The Group also recognised a liability for additional tax risks in the amount of RUB 114 and an asset in the form of a right to claim tax risks in a similar amount due to the existence of a seller's guarantee to indemnify claims.

The breakdown of components of the net investment in the lease and future cash flows as at December 31, 2023-2024, is presented below:

## Components of the net investment in the lease

	December 31, 2024	December 31, 2023
Future lease payments	2,841	3,082
Expected carrying amount on disposal Less: unearned financial income	_ (1,973)	(2,190)
Net investment in the lease	868	892

## Future cash flows

December 31, 2024	December 31, 2023
-	64
63	67
67	71
71	76
2,640	2,804
2,841	3,082
(1,973)	(2,190)
868	892
	- 63 67 71 2,640 2,841 (1,973)

### 7 Intangible assets

Goodwill 177,340 – 9,417 – 186,757 186,757 – 354 (3,288)	Trademark 16,924 2 (89) 1,630 - 22 18,489 - (13,948) - (799)	Customer base 27,332 - 1,873 - - 29,205 - (21,675) 368	licences and other 30,032 11,020 (4,341) 2,811 (42) 507 39,987 8,356 (8,084) 252	Video content	Total 251,628 13,177 (4,430) 15,731 (42) 529 276,593 9,178 (43,707)
- 9,417 - - 186,757 - 354 (3,288)	2 (89) 1,630 	- 1,873 - 29,205 (21,675)	11,020 (4,341) 2,811 (42) 507 <b>39,987</b> 8,356 (8,084)	2,155 - - - 2,155 822	13,177 (4,430) 15,731 (42) 529 276,593 9,178
- 9,417 - - 186,757 - 354 (3,288)	2 (89) 1,630 	- 1,873 - 29,205 (21,675)	11,020 (4,341) 2,811 (42) 507 <b>39,987</b> 8,356 (8,084)	2,155 - - - 2,155 822	13,177 (4,430) 15,731 (42) 529 276,593 9,178
- - - - - - 354 (3,288)	(89) 1,630 - 22 18,489 - (13,948) -	- 1,873 - - 29,205 - (21,675)	(4,341) 2,811 (42) 507 39,987 8,356 (8,084)	2,155	(4,430) 15,731 (42) 529 276,593 9,178
- - - - - - 354 (3,288)	1,630 - 22 18,489 - (13,948) -	1,873  29,205  (21,675)	2,811 (42) 507 39,987 8,356 (8,084)	- - 2,155 822	15,731 (42) 529 276,593 9,178
- - - - - - 354 (3,288)		 29,205  (21,675)	(42) 507 39,987 8,356 (8,084)	- 2,155 822	(42) 529 276,593 9,178
- 354 (3,288)	18,489 (13,948) 	- 29,205 - (21,675)	507 39,987 8,356 (8,084)	- 2,155 822	529 276,593 9,178
- 354 (3,288)	18,489 (13,948) 	29,205 _ (21,675)	39,987 8,356 (8,084)	2,155 822	276,593 9,178
- 354 (3,288)	_ (13,948) _	(21,675)	8,356 (8,084)	822	9,178
_ 354 (3,288)	-	(21,675)	(8,084)		
(3,288)	-			-	(43,707)
(3,288)	- (700)	368	252		
. ,	(700)		253	-	975
	(/00)	(31)	(1,239)	-	(5,346)
_	-	-	10	-	10
183,823	3,753	7,867	39,283	2,977	237,703
(21,111)	(12,870)	(20,318)	(18,851)	-	(73,150)
_	(1,423)	(1,812)	(7,634)	(487)	(11,356)
-	74	-	4,203	_	4,277
-	-	-	21	-	21
-	(20)	-	(189)	-	(209)
(21,111)	(14,239)	(22,130)	(22,450)	(487)	(80,417)
_	(1,247)	(1,809)	(9,284)	(1,106)	(13,446)
-	13,936	21,675	8,166	-	43,777
-	377	31	687	-	1,095
(11,242)	-	-	-	-	(11,242)
_	-	-	(10)	-	(10)
(32,353)	(1,173)	(2,233)	(22,891)	(1,593)	(60,243)
156,229	4,054	7,014	11,181	-	178,478
165,646	4,250	7,075	17,537	1,668	196,176
151,470	2,580	5,634	16,392	1,384	177,460
· · · · · · · · · · · · · · · · · · ·	- 183,823 (21,111) - - (21,111) (21,111) - (21,111) (21,111) - (21,111) - (21,111) - (21,111) - - (21,111) - - - (21,111) - - - (21,111) - - - - (21,111) - - - - - - - - - - - - -	(3,288)       (788)         -       -         183,823       3,753         (21,111)       (12,870)         -       (1,423)         -       -         -       (20)         (21,111)       (14,239)         (21,111)       (14,239)         -       (20)         (21,111)       (14,239)         -       13,936         -       3777         (11,242)       -         -       -         (32,353)       (1,173)         156,229       4,054         165,646       4,250	$\begin{array}{cccccccc} (3,288) & (788) & (31) \\ & & & & & & & & & \\ 183,823 & 3,753 & 7,867 \\ \hline 183,823 & 7,867 & & & & \\ (21,111) & (12,870) & (20,318) & (1,812) & & \\ & & & & & & & & \\ (21,111) & (14,239) & (22,130) & & \\ \hline (21,111) & (14,239) & (21,110) & & \\ \hline (21,111) & (14,239) & & \\ \hline (21,111) & & \\ \hline (21,111) & & \\ \hline (21,111) & & \\ \hline (21,$	$\begin{array}{c ccccc} (3,288) & (788) & (31) & (1,239) \\ - & - & - & 10 \\ \hline 183,823 & 3,753 & 7,867 & 39,283 \\ \hline (21,111) & (12,870) & (20,318) & (18,851) \\ - & (1,423) & (1,812) & (7,634) \\ - & 74 & - & 4,203 \\ - & 74 & - & 4,203 \\ - & - & 21 & 21 \\ - & (20) & - & (189) \\ \hline (21,111) & (14,239) & (22,130) & (22,450) \\ \hline (21,111) & (14,239) & (22,130) & (22,450) \\ - & (1,247) & (1,809) & (9,284) \\ - & 13,936 & 21,675 & 8,166 \\ - & 3777 & 31 & 687 \\ (11,242) & - & - & - \\ - & - & - & (10) \\ \hline (32,353) & (1,173) & (2,233) & (22,891) \\ \hline 156,229 & 4,054 & 7,014 & 11,181 \\ \hline 165,646 & 4,250 & 7,075 & 17,537 \\ \hline \end{array}$	$\begin{array}{c ccccccccccccccccccccccccccccccccccc$

#### 7.1 Analysis of indicators of impairment of other intangible assets

The Group conducted an impairment test on other intangible assets as part of its testing of CGUs disclosed in Notes 7 and 8. For other CGUs, the Group did not identify any indicators of impairment.

### 8 Goodwill

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The table below shows movements in goodwill per groups of CGUs, corresponding to the Group's operating segments for each of the years ended December 31, 2024 and 2023:

Group of CGU's	Cost at December 31, 2022	Addition	Cost at December 31, 2023	Addition	Disposal (Note 13)	Impairment	Cost at December 31, 2024
Vkontakte	102,888	300	103,188	_	_	_	103,188
Zen.Platform	28,584	-	28,584	-	-	(11,050)	17,534
Social Networks	21,619	-	21,619	-	_	_	21,619
Uchi.ru	_	4,476	4,476	-	-	-	4,476
YClients	-	3,292	3,292	-	-	-	3,292
Skillbox	3,126	-	3,126	-	(3,126)	-	-
Tetrika	-	995	995	-	_	-	995
Intickets	-	-	-	354	-	-	354
VK Art Lab	-	192	192	-	-	(192)	-
Skillbox English	-	162	162	-	(162)	-	-
Cube	12	-	12	-	_	-	12
Total	156,229	9,417	165,646	354	(3,288)	(11,242)	151,470

During the year ended December 31, 2024, the Group recognised goodwill in the amount of RUB 354 (2023: RUB 9,417 including Didenok Star LLC) as a result of business combination (Note 12).

Due to the full integration of the subsidiary of Skilfactory LLC into the Skillbox CGU, the goodwill due to the Skillfactory CGU was distributed to the Skillbox CGU.

For the year ended December 31, 2024, the amount of net cash paid for the acquisition of subsidiaries, net of cash received, was RUB 6,672 (2023: the amount of net cash received, net of cash paid for the acquisition of subsidiaries, was RUB 6,747) (Note 12).

#### 8.1 Impairment testing of goodwill

The recoverable amount of goodwill was determined based on value in use calculations as of October 1, 2024 and October 1, 2023. Value in use as of October 1, 2024 was determined using cash flow projections included in financial budgets and forecasts approved by senior management for the next five years.

The major assumptions used in the DCF models at October 1, 2024 are presented below:

	Vkontakte	Zen.Platform	Social Networks	Uchi.ru	YClients	Intickets	Tetrika
Terminal growth rate	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Pre-tax discount rate	21.2%	21.3%	22.0%	21.3%	19.4%	23.2%	20.9%

The major assumptions used in the DCF models at October 1, 2023 are presented below:

	Vkontakte	Zen.Platform	Social Networks	Skillbox	Skillfactory	Geekbrains
Terminal growth rate	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Pre-tax discount rate	20.4%	20.6%	20.6%	22.5%	22.7%	22.0%

Determining value in use requires the exercise of significant judgment, including judgment about appropriate discount rates, terminal growth rates, the amount and timing of expected future cash flows. The cash flows employed in the DCF analysis are based on the Group's most recent budget and, for years beyond the budget, the Group's estimates, which are based on assumed growth rates. The discount rates used in the DCF analysis are intended to reflect the risks inherent in the future cash flows of the respective cash generating units.

#### 8.2 Impairment of goodwill

During the year ended December 31, 2023, the Group did not recognise impairment of goodwill.

In Q4 2024, the Group concluded that the difficult market conditions resulting from the unstable geopolitical situation starting from 2022 the Group revised its cash flow forecasts for the Zen.Platform CGU downwards. As a result, the Group recorded an impairment of goodwill in respect of the Zen.Platform CGU in the amount of RUB 11,050.



## 9 **Property and equipment**

	Servers and computers	Buildings and structures	Assets under construction	Leasehold improvements	Other property and equipment	Total
Cost	· · · · · · · · · · · · · · · · · · ·					
At January 1, 2023	31,134	16,905	12,768	2,050	1,406	64,263
Additions	14	-	19,988	-	268	20,270
Reclassification	15,331	212	(16,457)	303	611	-
Disposals	(1,415)	(214)	(64)	(7)	(132)	(1,832)
Additions due to acquisition of subsidiaries	94	-	_	-	2	96
Disposal due to sale of subsidiaries	(4)	-	-	-	(1)	(5)
Translation adjustment	69	-	-	-	7	76
At December 31, 2023	45,223	16,903	16,235	2,346	2,161	82,868
Additions	-	_	14,819	91	112	15,022
Reclassification	16,360	1,727	(19,955)	788	1,080	-
Disposals	(579)	(6)	(103)	(17)	(139)	(844)
Additions due to acquisition of subsidiaries	1	-	_	_	13	14
Disposals due to loss of control in subsidiaries	(228)	-	-	-	(8)	(236)
At December 31, 2024	60,777	18,624	10,996	3,208	3,219	96,824
Accumulated depreciation and impairment						
At January 1, 2023	(22,478)	(510)	-	(815)	(1,210)	(25,013)
Charge for the year	(6,554)	(580)	-	(921)	(281)	(8,336)
Disposals	1,239	214	-	7	163	1,623
Additions due to acquisition of subsidiaries	(31)	-	-	-	(1)	(32)
Disposal due to sale of subsidiaries	2	-	-	-	-	2
Translation adjustment	(17)	-	-	-	(6)	(23)
At December 31, 2023	(27,839)	(876)	-	(1,729)	(1,335)	(31,779)
Charge for the year	(9,613)	(662)	_	(416)	(349)	(11,040)
Disposals	522	6	-	17	96	641
Additions due to acquisition of subsidiaries	-	-	-	-	(5)	(5)
Disposals due to loss of control in subsidiaries	185	-	-	-	7	192
At December 31, 2024	(36,745)	(1,532)	_	(2,128)	(1,586)	(41,991)
Net book value						
At January 1, 2023	8,656	16,395	12,768	1,235	196	39,250
At December 31, 2023	17,384	16,027	16,235	617	826	51,089
At December 31, 2024	24,032	17,092	10,996	1,080	1,633	54,833

As of December 31, 2024, property and equipment with a carrying value of RUB 14,232 (as of December 31, 2023: RUB 14,742) were pledged under loan agreements.

#### 9.1 Analysis of indicators of impairment of property and equipment

The Group conducted an impairment test for property and equipment as part of its testing of CGUs disclosed in Note 8. The Group did not identify any indicators of impairment for other CGUs.

#### **Consolidated subsidiaries** 10

These consolidated financial statements include the assets, liabilities and financial results of the Company and its subsidiaries, whose main activity is providing Russian-language Internet services. The significant subsidiaries as at December 31, 2024 and 2023 are listed below:

		Ownersh	ip, %
Subsidiary	Main activity	December 31, 2024	December 31, 2023
VK Company LLC	Holding entity	100.0%	100.0%
VK LLC	Online portal services, development and		
	support of online games, social network	100.0%	100.0%
International Company LLC VK MGL Limited			
(renamed from MGL MY.COM (CYPRUS) LIMITE	ED)		
(Cyprus)	Support of online games	100.0%	100.0%
Data Centre M100 LLC (Russia)	Hosting services	100.0%	100.0%
V kontakte LLC (Russia)	Social network	100.0%	100.0%
Skillbox LLC (Russia)*	Education technologies	-	55.28%
GeekBrains LLC (Russia)*	Education technologies	-	55.28%
Skillfactory LLC (Russia)*	Education technologies	-	55.28%
Uchi.ru LLC (Russia)	Education technologies	100.0%	100.0%
Preprep.ru LLC (Russia)	Education technologies	90.18%	85.97%
Zen.Platform LLC (Russia)	Social network, Online advertising	100.0%	100.0%
Medium Quality Production LLC (Russia)*	Media content production	100.0%	51.0%
Invite LLC (Russia)	Online advertising	100.0%	100.0%
ITR LLC (Russia)	Holding entity	100.0%	100.0%
YClients LLC (Russia)	CRM-system for automation of B2C business		
	operation	100.0%	100.0%
Intickets LLC	Ticket operator	40.0%	-
VK Technologies JSC	Technologies for business	100.0%	100.0%

\* As of December 31, 2024, it is accounted for as an investment in a joint venture, for details, see Notes 11 and 13

The ownership percentages above represent the Company's effective indirect ownership in each subsidiary.

#### 11 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 December 31, 2024 and December 31, 2023 comprised the following: Voting shares Carrying value

		voting snares		Carrying value	
	Main activity	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Joint ventures					
AliExpress (Russia)	E-commerce platform	18%	18%	-	-
International Company JC Skillbox Holding Joint Stock Company and its subsidiaries, hereinafter Skillbox					
(Russia) (Note 13)	Educational technologies	55.96%	-	2,274	-
Associates					
Tochka JSC (Russia)	All-in-one services for small and medium-				
	sized entrepreneurship	25%	25%	17,194	12,178
R7 JSC (Russia)	Software development	24.996%	-	2,880	-
Umskul LLC	Educational portal	25%	25%	1,307	1,076
Haslop Company Limited (Cyprus) and Russian subsidiaries	Provides content for www.love.mail.ru, one of the key services of the portal				
(collectively, "Mamba" JSC)	www.mail.ru managed by the Group	28.35%	28.35%	666	602
Other				-	53
Total				24,321	13,909

The above mentioned entities have the same reporting date as the Company. None of the entities were listed on a public exchange as of December 31, 2024.

### Investments in equity accounted associates and joint ventures (continued) 11

Movement in investments in equity accounted associates and joint ventures for the years ended December 31, 2024 and December 31, 2023 is presented below:

	2024	2023
Investments in equity accounted associates and joint ventures as of January 1	13,909	4,585
Share in net profit of equity accounted associates and joint ventures	5,771	684
Acquisition of control over associates and joint ventures	_	(3,481)
Acquisition of shares in equity accounted associates	2,500	11,625
Recognition of an investment in a joint venture resulting from a loss of control in a subsidiary		
(Note 13)	2,274	-
Gain on remeasurement of previously held interest in joint venture	_	310
Impairment recovery of associates and joint ventures	_	295
Dividends received from equity accounted associates	(133)	(109)
Investments in equity accounted associates and joint ventures as of December 31	24,321	13,909

During 2024, the Group acquired 24.996% shares of R7 JSC (Note 12.2) for a cash consideration of RUB 2,500. In accordance with IAS 28, the Group accounts for the investment in R7 JSC as an investment in equity accounted associates.

In 4Q 2023, the Group acquired 25% shares of Tochka JSC (Note 12.10) for a cash consideration of RUB 11,625. In accordance with IAS 28, the Group accounts for the investment in Tochka JSC as an investment in equity accounted associates

In 2023, the Group gained control over its associate Uchi.ru LLC (Note 12.3) and over joint venture Preprep.ru LLC (Note 12.7).

#### Impairment of equity accounted joint ventures 11.1

In 2023, given significant changes having a positive impact in the market conditions and given the improvement of the economic performance of Mamba JSC, the Group recovered the previously recognised impairment in the amount of RUB 295.

## 11.2 Tochka JSC

	December 31, 2024	December 31, 2023
Current assets	365,569	312,832
Non-current assets	17,524	21,029
Current liabilities	(325,499)	(295,721)
Non-current liabilities	(3,460)	(4,069)
Equity	54,134	34,071
Group's share in equity – 25% (as of December 31, 2023: 25%)	13,534	8,518
Goodwill	3,660	3,660
Group's carrying amount of the investment	17,194	12,178

	2024	November-December 2023
Revenue Cost of sales Administrative and commercial expenses Finance and other income/expenses	70,767 (38,751) (2,618) (5,264)	10,368 (5,590) (548) (1,063)
Profit before tax	24,134	3,167
Income tax expense	(4,123)	(956)
Profit for the year	20,011	2,211
Other comprehensive income	52	-
Total comprehensive income, net of tax	20,063	2,211
Group's share of profit for the period	5,016	553

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## Notes to the Consolidated Financial Statements (continued)

## 11 Investments in equity accounted associates and joint ventures (continued)

### R7 JSC 11.3

	December 31, 2024	October 4, 2024
Current assets	3,469	1,267
Non-current assets	1,740	1,781
Current liabilities	(3,068)	(2,320)
Non-current liabilities	(254)	(363)
Equity	1,887	365
Group's share in equity – 24.996% (as of December 31, 2023: 0%)	471	91
Goodwill	2,409	2,409
Group's carrying amount of the investment	2,880	2,500

	October-December 2024
Revenue Cost of sales Administrative and commercial expenses Finance and other income/expenses	1,899 (249) (73) (55)
Profit before tax	1,522
Income tax expense	-
Profit for the year	1,522
Group's share of profit for the period	380

## 11.4 Umschool LLC

Current assets	1,410	714
Non-current assets	201	224
Current liabilities	(1,636)	(1,895)
Non-current liabilities	(20)	(12)
Equity	(45)	(969)
Group's share in equity – 25% (as of December 31, 2023: 25%)	13	(218)
Goodwill	1,294	1,294
Group's carrying amount of the investment	1,307	1,076
	2024	2023
Revenue	3,500	2,837
Cost of sales	(2,814)	(2,219)
Administrative expenses	(287)	(241)
Finance and other income/expenses	1,061	483
Profit before tax	1,460	860
Income tax expense	(1)	(3)
Profit for the year	1,459	857
Group's share of profit for the period	365	214

## 11 Investments in equity accounted associates and joint ventures (continued)

### 11.5 Skillbox

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Provisional fair value as of December 31,2024
437
3,740
(6,526)
(4,480)
(6,829)
(3,822)
6,096
2,274

#### 12 Business combinations and acquisition of shares of associated companies

#### Intickets 12.1

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. The deal will allow the Group, as a trusted information system, to implement the task of developing the Pushkin Card, including increasing the effectiveness of the program, minimising the possibility of manipulation and ensuring security for participants - card users, cultural organizations and ticket operators.

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

	Provisional 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 identi	fiable
net assets	552
over	
(c) the net of the acquisition date amounts of the identifiable assets acquired and the liabilities assume	d 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.

2,409

# Notes to the Consolidated Financial Statements (continued)

### 12 Business combinations and acquisition of shares of associated companies (continued)

### 12.1 Intickets (continued)

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

## 12.2 R7 JSC

In Q4 2024, the Group acquired 24.996% of shares of R7 JSC (hereafter - "R7") for cash consideration of RUB 2,500. In accordance with IAS 28, the Group exercises significant influence and accounts for this investment as investments in equity accounted associates.

The fair value of the identifiable assets and liabilities of R7 as of the date of acquisition were as follows:

	Provisional fair value
Intangible assets and property and equipment	1,751
Trade accounts receivable	1,144
Other current assets	3
Cash and cash equivalents	150
Total assets	3,048
Deferred and other tax liabilities	83
Trade accounts payable	168
Deferred revenue	547
Other current liabilities	1,885
Total liabilities	2,683
Total net assets	365
Group's share in equity – 24.996%	91
Goodwill was calculated as the excess of:	
(a) The consideration transferred by the Group measured at fair value:	
[1] Cash consideration	2,500
Fair value of the consideration	2,500
over	
(b) The net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed measured at	
provisional fair value	91

Goodwill

Goodwill relates mainly to potential synergies with the Group's business in the amount of RUB 2,409 included in the cost of investment in R7.

Intangible assets mainly include software and a trademark with a useful life of 5 years.

## 12.3 Uchi.ru LLC

In the 1 guarter of 2023, the Group acquired control over the online educational platform Uchi.ru LLC (hereinafter - "Uchi.ru") by increasing its shareholding to 100% (plus 75% to the 25% share as at December 31, 2022) in the equity of an associate accounted for a cash consideration of RUB 8,110. As a result of the acquisition, the written put option for a 75% stake in Uchi.ru became invalid, in accordance with IFRS 3, the fair value of this option is included in the consideration transferred.

If the Group acquired control of Uchi.ru on January 1, 2023, this would increase the consolidated revenue of the Group by RUB 449 and increase the consolidated net loss of the Group by RUB 156.

In 2023, the Group finalised the purchase price allocation of Uchi.ru LLC, which resulted in no change from provisional values.

### 12 Business combinations and acquisition of shares of associated companies (continued)

## 12.3 Uchi.ru LLC (continued)

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

	Fair value
Intangible assets	4,120
Right-of-use assets	26
Property and equipment	35
Other non-current assets	101
Trade accounts receivable and advances to suppliers	85
The right to claim compensation for tax risks	275
Other current assets	7
Cash and cash equivalents	1,377
Total assets	6,026
Trade accounts payable	84
VAT and other tax payables	54
Deferred revenue	1,351
Tax risks reserve	505
Deferred tax liabilities	507
Other payables, reserves and accrued expenses	797
Total liabilities	3,298
Total net assets	2,728
Goodwill was calculated as the excess of:	
(a) The consideration transferred by the Group measured at fair value:	
[1] cash consideration	8,110
<ul><li>[2] fair value of the previously owned stake at the acquisition date</li></ul>	2,911
[3] fair value of the put option over acquisition of 75% interest at the acquisition date	(3,817)
Fair value of the consideration	7,204
(b) The amount of non-controlling interest in Uchi.ru LLC measured at the proportionate share of the identifiable net	
assets	-
over:	
(c) The net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed	
measured at final fair value	2,728
Goodwill	4,476
Goodwill relates mainly to educational services and potential synergy with the Group's business. It is assumed that goodwill v deductible for income tax purposes.	will not be
Intangible assets are mainly represented by software, trademark and customer base and are amortised over 4-10 years.	
The right to claim compensation for tax risks is represented by the seller's obligation to partially compensate the Group for cl authorities that may occur in the foreseeable future.	aims from tax

The cash flows on acquisition were as follows:

Cash paid (included in cash flows from investing activities)	(8,110)
Cash acquired (included in cash flows from investing activities)	1,377
Net cash flow on acquisition	(6,733)

#### 12 Business combinations and acquisition of shares of associated companies (continued)

#### 12.4 **Didenok Star**

In the 1 quarter of 2023, the Group acquired control of the creative agency Didenok Star LLC. Didenok Star LLC specializes in influencer marketing and promotion in social networks.

Goodwill relates mainly to the Vkontakte and potential synergies with the Group's business (Note 8). It is assumed that goodwill will not be deductible for income tax purposes. At the date of acquisition Didenok Star LLC had no significant assets and liabilities.

## 12.5 Digital education

In the 1 quarter of 2023, the Group acquired control over the software developers of Digital Education LLC (hereinafter - "Sferum") by increasing its participation share to 99.41% (plus 49.41% to the 50% share as of December 31, 2022) in the equity accounted of the joint venture, by conversion of the issued interest-bearing loan into the authorized capital of Sferum in the amount of RUB 270 (RUB 250 the amount of the principal debt of the loan and RUB 20 accrued interest at the date of acquisition).

The group will continue to develop the Sferum as part of the VK Messenger project as a single technological environment for communication between schoolchildren, teachers and parents.

In 2023, the Group finalised the purchase price allocation of Sferum, 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	172
Property and equipment	18
Other current assets	30
Cash and cash equivalents	68
Total assets	288
Other payables, reserves and accrued expenses	16
Total liabilities	16
Total net assets	272
Goodwill was calculated as the excess of:	
<ul> <li>(a) The consideration transferred by the Group measured at fair value:</li> <li>[1] Fair value of the loan and accrued interests as of the date of acquisition</li> </ul>	270
Fair value of the consideration	270
(b) The amount of non-controlling interest in Digital education measured at the proportionate share of the identifiable	
net assets	2
over (c) The net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed measured at	
final fair value	272
Goodwill	-
Intangible assets are mainly represented by software and is amortised over 4 years.	
The cash flows on acquisition were as follows:	
Cash paid (included in cash flows from investing activities)	_
Cash acquired (included in cash flows from investing activities)	68
Net cash flow on acquisition	68

### Business combinations and acquisition of shares of associated companies (continued) 12

## 12.6 VK Art Lab

In the 3 quarter of 2023, the Group gained control over VK Art Lab LLC (renamed from Nota-RTK LLC), acquired a 51% stake. The Group also signed options agreement to purchase the remaining 49% stake. In accordance with IFRS 10, the fair value of these options was accounted for deferred remuneration, and non-controlling interest was not recognised.

The main activity of VK Art Lab LLC is software development. The deal is aimed at the development of perspective products of the Group.

In 2023, the Group finalised the purchase price allocation of VK Art Lab LLC, 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
Property and equipment	1
Deferred tax assets	3
Cash and cash equivalents	69
Other current assets	8
Total assets	81
Trade accounts payable	5
VAT and other tax payables	9
Advances received	2
Other payables, reserves and accrued expenses	10
Total liabilities	26
Total net assets	55
Goodwill was calculated as the excess of:	
(a) The consideration transferred by the Group measured at fair value:	
[1] fair value of the put option over acquisition of 49% interest at the acquisition date	172
[2] the amount of actual settlement of pre-existing advance relations	75
over:	
(b) The net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed	measured at
final fair value	55
Goodwill	192

The cash flows on acquisition were as follows:

Cash paid (included in cash flows from investing activities) Cash acquired (included in cash flows from investing activities)	
Net cash flow on acquisition	69

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## 12 Business combinations and acquisition of shares of associated companies (continued)

#### 12.7 Tetrika

195

In 3Q 2023, the Group gained control over Preprep.ru LLC (hereafter – Tetrika) by increasing its share from 60.67% to 85.97%.

The main product of Tetrika is an online-platform that allows children to study with tutors online. The deal is aimed at expanding the Group's presence on the online education market.

In 2023, the Group specified the price allocation of the acquisition of Tetrika, as a result, the fair value of net assets decreased by RUB 68, the net effect amount to the increase of goodwill by RUB 68. As at December 31, 2024, the Group finalised the purchase price allocation of Tetrika, which resulted in no change from provisional values other than those noted above.

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

		Fair value
Inta	ngible assets	644
The	right to claim compensation for losses	112
		18
	·	371
Oth	er current assets	43
Tot	al assets	1,188
Tra	de accounts payable	79
Def	erred revenue	446
VA	and other tax payables	284
Oth	<ul> <li>[1] Fair value of the previously owned stake (60.67%) at the acquisition date</li> <li>[2] Cash and non-cash contributions to Tetrica's assets (22.02% increase in ownership)</li> <li>[3] Deferred cash consideration (stake increase by 3.28%)</li> <li>air value of the consideration</li> <li>b) The amount of non-controlling interest measured at the proportionate share of the identifiable net assets ver</li> <li>c) The net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed measured at</li> </ul>	40
Tot	al liabilities	849
Tot	al net assets	339
Go	odwill was calculated as the excess of:	
(a)	The consideration transferred by the Group measured at fair value:	
	[1] Fair value of the previously owned stake (60.67%) at the acquisition date	570
	[2] Cash and non-cash contributions to Tetrica's assets (22.02% increase in ownership)	637
	[3] Deferred cash consideration (stake increase by 3.28%)	70
Fair	value of the consideration	1,277
(b) ove		57
(c)	The net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed measured at final fair value	339
Go	odwill	995

Investments in the property of Tetrika are represented by a cash contribution in the amount of RUB 541 and a non-cash contribution in the form of net assets of Uchi.doma LLC in the amount of RUB 96.

Goodwill is mainly attributable to the educational services and potential synergy with the Group's business. Goodwill is not expected to be deductible for income tax purposes.

Intangible assets mainly include software, trademark and customer base and are amortised over the period of 3 to 5 years.

The right to claim compensation for losses is represented by the seller's obligation to partially compensate the Group for potential expenses that may occur in the foreseeable future.

The cash flows on acquisition were as follows:

Cash paid (included in cash flows from investing activities)	(541)
Cash acquired (included in cash flows from investing activities)	597
Net cash flow on acquisition	56

## 12 Business combinations and acquisition of shares of associated companies (continued)

## 12.8 Skillbox English

In 3Q 2023, the Group obtained control over System KESPA LLC (hereafter – Skillbox English) by increasing its stake from 30.00% to 63.38%.

The main product of Skillbox English is a platform for conducting online English lessons. The deal is aimed at expanding the Group's presence on the online education market.

In 2024, the Group finalised the purchase price allocation of Skillbox English, which resulted in no change from provisional values.

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

		Fair value
Inta	ngible assets	70
Tra	de accounts receivable	7
	h and cash equivalents	39
Oth	er current assets	7
Tot	al assets	123
Tra	de accounts payable	22
Def	erred revenue	160
Loa	ns and borrowings	62
	and other tax payables	7
Oth	er payables, reserves and accrued expenses	13
Tot	al liabilities	264
Tot	al net assets	(141)
God	odwill was calculated as the excess of:	
(a)	The consideration transferred by the Group measured at fair value:	
	[1] Fair value of the previously owned stake (30%) at the acquisition date	35
	[2] Cash consideration	38
Fair	value of the consideration	73
(b)	The amount of non-controlling interest measured at the proportionate share of the identifiable net assets	(52)
ove		
(c)	The net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed measured at	
	final fair value	(141)
	odwill	162

Intangible assets mainly include software and content and are amortised over 3 years.

The cash flows on acquisition were as follows:

Cash paid (included in cash flows from investing activities)	(38)
Cash acquired (included in cash flows from investing activities)	39
Net cash flow on acquisition	1

### Business combinations and acquisition of shares of associated companies (continued) 12

## 12.9 YClients

In 4Q 2023, the Group obtained control over VClients LLC (hereafter - VClients), having acquired a stake of 100%. VClients is the leading Russian SAAS-platform for B2C companies. The deal is aimed at the development of perspective services of the Group and the expansion of the customer base.

If the Group obtained control over YClients on January 1, 2023, it would increase the consolidated revenue by RUB 990 and increase the net loss by RUB 80.

In 2024, the Group finalised the purchase price allocation of YClients, 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
Inta	ngible assets	1,550
Prop	perty and equipment	10
		45
	Other current assets Total assets Trade and other accounts payable Deferred revenue and advances received VAT and other tax payables Deferred tax liabilities Other payables, reserves and accrues expenses Total liabilities Total net assets Goodwill was calculated as the excess of: (a) The consideration transferred by the Group measured at fair value: [1] Cash consideration [2] Deferred consideration Fair value of the consideration	28
Cash and cash equivalents Other current assets Total assets Trade and other accounts payable Deferred revenue and advances received VAT and other tax payables Deferred tax liabilities Other payables, reserves and accrues expenses		57 43
Oth	Other current assets Fotal assets Frade and other accounts payable Deferred revenue and advances received	
Tot	al assets	1,733
Trac	le and other accounts payable	99
Def	VAT and other tax payables Deferred tax liabilities	
Other payables, reserves and accrues expenses Total liabilities		128
		1,084
Tot	al net assets	649
God	dwill was calculated as the excess of:	
(a)	The consideration transferred by the Group measured at fair value:	
. ,	[1] Cash consideration	2,737
	[2] Deferred consideration	1,204
Fair	value of the consideration	3,941
(b)	The amount of non-controlling interest in YClients measured at the proportionate share of the identifiable net assets	_
ove		
(c)	The net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed measured at	
. ,	provisional fair value	649
	dwill	3,292

deductible for income tax purposes.

Intangible assets mainly include software, trademark and customer base and are amortised over the period of 4 to 5 years.

The cash flows on acquisition were as follows:

Cash paid (included in cash flows from investing activities)	_
Cash acquired (included in cash flows from investing activities)	57
Net cash flow on acquisition	57

### 12 Business combinations and acquisition of shares of associated companies (continued)

## 12.10 Tochka

In 4Q 2023 the Group purchased 25% of shares of Tochka JSC (hereafter – Tochka) for a cash consideration in the amount of RUB 11,625. In accordance with IAS 28, the Group accounts for the investments in Tochka JSC as an investments in equity accounted associates.

In 2024, the Group finalised the purchase price allocation of Tochka, which resulted in no change from provisional values.

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

	Fair value
Intangible assets and property and equipment	20,507
Deferred tax assets	567
Other non-current assets	308
Trade accounts receivable and advances to suppliers	1,197
Other current assets	4,157
Cash and cash equivalents and financial assets	258,937
Total assets	285,673
Deferred tax liabilities	3,812
Other non-current liabilities	174
Payables to customers, loans and borrowings	242,972
'ayables to customers, loans and borrowings Trade accounts payable Dther payables, reserves and accrued expenses	
Total net assets	31,860
Group's share in equity – 25%	7,965
Goodwill was calculated as the excess of:	
(a) The consideration transferred by the Group measured at fair value:	
[1] Cash consideration	11,625
Fair value of the consideration	11,625
over	
(b) The net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed measured at	
provisional fair value	7,965
Goodwill	3,660

Goodwill in the amount of RUB 3,660 is included in the cost of investment in Tochka JSC.

Intangible assets are mainly represented by software and are amortised over 3 years.

#### 13 **Discontinued operations**

## **Skillbox**

Due to the expiration of the call option to purchase a controlling (up to 100%) stake in Skillbox Holding IJSC (hereinafter Skillbox, the parent company of Skillbox LLC, Geekbrains LLC, Skillfactory LLC, Kespa LLC, Mentorama Ltd., Tefiti Ltd.), as of December 31, 2024, in accordance with IAS 28, the Group accounts for investments in IJSC Skillbox Holding as a joint venture accounted for using the equity method. Based on the aggregate of key decisions taken on the basis of the shareholders' agreement, the Group exercises joint control over Skillbox with 55.96%.

The above subsidiaries belonged to the Educational Technologies segment. In accordance with IFRS 5:

- Financial results relating to Skillbox are presented separately in the consolidated statement of comprehensive income.
- Gain on disposal of subsidiary recognised in the consolidated statement of comprehensive income equal to the difference between:
  - The fair value of the recognised investment in the Skillbox joint venture; and
  - The book value of net assets and capital elements related to Skillbox and its subsidiaries.

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## Notes to the Consolidated Financial Statements (continued)

## 13 **Discontinued operations (continued)**

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## Skillbox (continued)

Fair value of 55.96% of the share in JV Skillbox Carrying amount of negative net assets disposed of Skillbox and its subsidiaries attributable to the Disposed non-controlling interests Disposed other equity items reclassified to profit or loss	he parent company	2,274 3,622 (2,363) 563
Gain from the disposal of subsidiary		4,096
The financial results related to Skillbox are presented below:		
	2024	2023
Education technology services Other revenue	10,922 11	12,397 73
Total revenue	10,933	12,470
Personnel expenses	(4,771)	(4,912)
Agent/partner fees	(1,764)	(1,918)
Marketing expenses	(3,664)	(4,333)
Professional services	(164)	(244)
Other operating income/(expense)	949	(651)
Total operating expenses, net	(9,414)	(12,058)
Depreciation and amortisation	(270)	(220)
Finance income	33	91
Finance expenses	(7)	(10)
Other non-operating expense	(114)	(110)
Net profit/(loss) on financial assets and liabilities at fair value through profit or loss	189	(1,257)
Profit from sale of subsidiaries	4,096	_
Foreign exchange	(11)	47
Profit/(loss) before income tax expense from discontinued operations	5,435	(1,047)
Income tax expense	(99)	(9)
Net profit/(loss) from discontinued operations	5,336	(1,056)
Net cash flows from discontinued operations:		
	2024	2023.
Operating activities Discontinued operations	(963)	(912)
Net cash used from operating activities	(963)	(912)
Investing activities	(,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	(* -=)
Discontinued operations	(188)	(353)
Net cash used in investing activities	(188)	(353)
Financing activities		
Discontinued operations	-	-
Intragroup operations	491	174
Net cash received from financing activities	491	174
Net cash outflow from discontinued operations	(660)	(1,091)

### 14 **Trade accounts receivable**

As of December 31, 2024 and 2023 trade receivables comprised the following:

	December 31, 2024	December 31, 2023
Trade accounts receivable, gross	25,567	22,234
Other receivables*	44,732	47,879
Allowance for expected credit losses	(46,648)	(5,938)
Total trade receivables, net	23,651	64,175

During 2022, the Group signed a sale agreement and transferred control over its subsidiaries MY.GAMES HOLDINGS LTD (Cyprus) and My.Games LLC on September 27, 2022 and December 12, 2022, respectively.

The movements in the allowance for expected credit losses of trade and other receivables were as follows:

Balance as of January 1, 2023	(357)
Charge for the year Accounts receivable written off	(5,707) 126
Balance as of December 31, 2023	(5,938)
Charge for the year Foreign exchange	(40,479) (231)
Balance as of December 31, 2024	(46,648)

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns and the likelihood of default over a given time horizon. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

In 2024, the Group recognised a provision for expected credit losses in respect of other receivables generated during 2022 in the amount of RUB 38,151 (2023: RUB 4,207) due to the update of debt repayment forecasts, as well as in respect of other and trade receivables from sold companies in the amount of RUB 2,001 (2023: RUB 844 ), in respect of trade receivables in the amount of RUB 305.

Set out below is the information about the credit risk exposure on the Group's trade and other receivables as of December 31, 2024 and 2023 using a provision matrix:

		Trade accounts r	receivable			
		Days past due				
	<90 days	90-180	180-360	>360	Total	
As of December 31, 2024						
Expected credit loss rate	0.01-4.76%	0.67-8.16%	3.33-30.95%	100%		
Estimated total gross carrying amount						
at default	22,174	847	993	1,553	25,567	
Expected credit loss	(39)	(16)	(308)	(1,553)	(1,916)	

		Trade accounts receivable				
		Days past o	lue			
	<90 days	90-180	180-360	>360	Total	
As of December 31, 2023						
Expected credit loss rate	0.03-3.35%	0.39-5.8%	0.95-7.01%	50%-100%		
Estimated total gross carrying amount						
at default	20,176	496	234	1,328	22,234	
Expected credit loss	(6)	(4)	(3)	(885)	(898)	

The accounts receivable balances as of December 31, 2024 and 2023 mainly represented amounts due from online electronic payment systems and advertising customers. The trade receivables are non-interest bearing and are generally settled in RUB on a 40-90 days basis. There is no requirement for collateral to receive credit. Management considers that the carrying amount of the receivable balances approximated their fair value as of December 31, 2024 and 2023.

#### Cash and cash equivalents and short-term deposits 15

As of December 31, 2024 and 2023 cash and cash equivalents consisted of the following:

	Currency	December 31, 2024	December 31, 2023
Current accounts and cash on hand:	RUB	4,107	29,518
	USD	22	89
	EUR	24	56
	Other	120	295
Total current accounts and cash on hand		4,273	29,958
Deposit accounts with an original maturity of three months or less	RUB Other	23,908 243	21,201 135
Total deposit accounts with an original maturity of three months or less		24,151	21,336
Total cash and cash equivalents and short-term deposits		28,424	51,294

As at December 31, 2024, restricted cash amounted to RUB 2,110 (2023: RUB 1,982), the allowance for expected credit losses was formed in full. Balances are held by subsidiaries that operate in countries where exchange control apply.

## Other non-current assets, other payables, other current liabilities and accrued expense and other 16 current assets

Other non-current assets consist of the following:

	December 31, 2024	December 31, 2023
Non-current net investments in lease (Note 6.2)	808	832
Non-current accounts receivable	146	-
Non-current loans issued	1,403	332
Total other non-current assets	2,357	1,164

Other current assets consist of the following:

	December 31, 2024	December 31, 2023
Advances for single tax account	2,568	1,921
Advances issued under agency contracts	1,448	-
Right of claim on compensation for losses (Note 12)	119	399
Current net investments in lease (Note 6.2)	60	60
Advances for financial instruments	-	271
Other accounts receivable	100	176
Total other current assets	4,295	2,827

Other payables and accrued expenses consist of the following:

	December 31, 2024	December 31, 2023
Payables to personnel	13,119	10,026
Accrued vacations	4,200	3,375
Deferred income on loan obligations (Note 24.3)	3,542	3,277
Liabilities of payment systems and ticketing platforms	2,082	1,002
Accrued expenses	590	578
Contingent consideration liabilities (Note 24)	526	526
Liabilities for acquisition of interests in subsidiaries, associates and venture capital investees*	373	3,174
Liabilities under agency contracts	1,244	1,208
Other current liabilities	656	582
Total other payables and accrued expenses	26,332	23,748

As of December 31, 2024, the Group settled the debt for the acquisition of a 100% stake in YClients in the amount of RUB 2,737

### 17 **Share capital**

#### 17.1 Share capital and share issues

The charter capital of the Group consisted of 227,874,940 ordinary shares and 11,500,100 Class A shares with USD 0.000005 par value each as of December 31, 2024, while the number of authorised shares of the Company as of the same date consisted of 10,000,000,000 ordinary shares and 10,000,000,000 Class A shares. GDRs representing 13,238,213 shares of the Company were held in treasury by the Group as of December 31, 2024.

The charter capital of the Group consisted of 227,874,940 ordinary shares and 11,500,100 Class A shares with USD 0.000005 par value each as of December 31, 2023, while the number of authorised shares of the Company as of the same date consisted of 10,000,000,000 ordinary shares and 10,000,000,000 Class A shares. GDRs representing 13,238,213 shares of the Company were held in treasury by the Group as of December 31, 2023.

As of December 31, 2024 and 2023 all issued shares were fully paid.

## Rights attached to the share classes as of December 31, 2024 and 2023

The Class A shares and the ordinary shares rank pari passu in all respects, but constitute separate classes of shares, i.e. each and every ordinary share and Class A share has the following rights:

- The right to an equal share in any dividend or other distribution paid by the Company to the holders of the shares, pari passu with all (i) other Class A shares and ordinary shares; and, for the avoidance of doubt, any dividend or other distribution may only be declared and paid by the Company to the holders of the Class A shares and the ordinary shares together, and not to the holders of one of those classes of shares only.
- (ii) The right to an equal share in the distribution of the surplus assets of the Company pari passu with all other ordinary shares and Class A shares upon the winding up of the Company.

Each Class A share has the right to twenty five votes and each ordinary share has the right to one vote at a meeting of members of the Company or on any resolution of members of the Company.

For additional details on the options over the shares of the Company outstanding as of December 31, 2024 and 2023, refer to Note 28.

## 17.2 Non-controlling interests

	December 31, 2024	December 31, 2023
Skillbox LLC (Russia)	-	(1,345)
GeekBrains LLC (Russia)	-	(844)
Tefiti Ltd	-	(183)
System KESPA LLC	-	(107)
Skillfactory LLC (Russia)	-	43
Intickets LLC (Russia)	619	-
Other	81	(249)
Total	700	(2,685)

#### 18 Revenue

Contract balances comprise trade receivables presented as a separate line item in the consolidated statement of financial position. Contract liabilities comprise deferred revenue and customer advances presented as separate line items in the consolidated statement of financial position.

Detailed information on revenue from contracts with customers for the year ended December 31, 2024 is presented below in accordance with the requirements of IFRS 15:

Segments	Social platforms and media content	EdTech	Technologies for business	Ecosystem services and other business lines	Not allocated	Eliminations	Group
Timing of revenue recognition Services transferred at a point in time Services transferred over time	89,711 14,592	_ 6,258	6,184 7,410	22,917 1,644	-	(1,143) _	117,669 29,904
Total revenue	104,303	6,258	13,594	24,561	-	(1,143)	147,573

28,472

17,749

## Notes to the Consolidated Financial Statements (continued)

#### 18 **Revenue (continued)**

Detailed information on revenue from contracts with customers for the year ended December 31, 2023 (restated) is presented below:

Segments	Social platforms and media content	EdTech	Technologies for business	Ecosystem services and other business lines	Not allocated	Eliminations	Group
Timing of revenue recognition Services transferred at a point in time Services transferred over time	72,918 12,135	_ 3,427	4,055 5,512	21,850 734	33 -	(364) _	98,492 21,808
Total revenue	85,053	3,427	9,567	22,584	33	(364)	120,300

#### 19 **Finance income and expenses**

Finance income consists of:

	2024	2023
Deferred income on loan obligations	3,082	6,086
Interest on loans and deposits	5,357	4,004
Interest on financial lease	91	53
Modification of bond-secured loans	50	19
Dividends from venture capital investments	33	35
Total finance income	8,613	10,197
Finance expenses consist of:		
	2024	2023
Interest on loans and borrowings	26,596	15,797
Interest on lease liabilities	1,384	948
Bank charges and commissions	492	1,004

Total finance expenses

#### 20 **Income tax**

On July 14, 2022, Federal Law No. 321-FZ On Amendments to Part Two of the Tax Code of the Russian Federation ("the Law") was adopted, which expands the list of companies entitled to apply the tax benefits for IT companies. According to this law, the quantitative criterion for the share of IT revenue is reduced from 90% to 70%, which makes it possible to receive tax benefits. The new benefits come into effect for the periods from January 1, 2022 and are enforced until the end of 2024.

The major components of income tax expense in the consolidated statement of comprehensive income for the years ended December 31, 2024 and 2023 are as follows:

	2024	2023
	(680)	414
Impact of changes in tax rates	2,646	-
Deferred income tax benefit/(expense)	(822)	(488)
Total income tax benefit/(expense)	1,144	(74)

### 20 Income tax (continued)

The reconciliation between theoretical income tax and the actual income tax for the years ended December 31, 2024 and 2023 is as follows:

	2024	2023
Loss before income tax	(95,993)	(34,208)
From continuing operations	(101,428)	(33,161)
From discontinued operations	5,435	(1,047)
Theoretical tax at domestic rates applicable to individual group entities	9,616	(216)
Tax effect of amounts which are not deductible (or taxable) in calculating taxable income		
Non-deductible expenses	(396)	(645)
Non-taxable foreign exchange and other gains	704	2,326
Adjustments in respect of current income tax of previous period	(121)	6
Windfall tax	_	(104)
Effect of changes in tax rates (Note 22.2)	2,646	_
Tax accruals and penalties	(248)	232
Effect of the reserve for expected credit losses that do not reduce taxable income	(7,642)	(610)
Unrecognised deferred tax assets	(1,292)	(838)
Goodwill impairment	(2,248)	_
Share of results of equity accounted associates and joint ventures	(3)	(1)
Expected credit loss on restricted cash	(4)	(16)
Effect of applying tax benefits	_	(139)
Effect of profit from sale of subsidiaries	_	(15)
Other	33	(63)
Total income tax benefit/(expense)	1,045	(83)
From continuing operations	1,144	(74)
From discontinued operations	(99)	(9)

Deferred income tax assets and liabilities as of December 31, 2024 and 2023 are summarised below (restated):

	Consolidated statement	of financial position	Consolidated statement of comprehensive income	
	December 31, 2024	December 31, 2023	2024	2023
Deferred tax liabilities arising from:				
Intangible assets book basis in excess of tax basis	(1,390)	(2,828)	1,552	643
Property and equipment book basis in excess of tax basis	(790)	(448)	(342)	-
Right-of-use asset	(1,385)	(864)	(521)	
Excess of the cost of investments in associates and joint				
ventures compared to tax accounting	(862)	(68)	(794)	(80)
Other	(39)	(32)	(7)	(20)
Deferred tax liabilities netting	1,774	1,527	_	-
Total deferred tax liabilities	(2,692)	(2,713)	(112)	543
Deferred tax assets arising from:				
Tax credit carryforwards	77	70	7	(402)
Deferred compensation and accrued employee benefits	397	155	242	(97)
Accrued expenses	1,054	872	182	(684)
Lease liabilities	1,520	965	555	-
Revenue recognition	151	9	142	(5)
Unrealised intercompany profit	-	12	(12)	(30)
Prepaid expenses	344	743	(399)	83
Intangible assets cost excess in tax accounting				
compared to accounting	988	-	988	-
Other	483	367	129	104
Deferred tax assets netting	(1,774)	(1,527)	-	-
Total deferred tax assets	3,240	1,666	1,834	(1,031)
Net deferred tax assets/(liabilities)	548	(1,047)	1,722	(488)

The temporary differences associated with investments in subsidiaries for which deferred tax liabilities have not been recognised, aggregate to RUB 61,461 (2023: RUB 73,680). Deferred tax assets not recognised in the consolidated statement of financial position amounted to RUB 6,263 (including RUB 323 effect of changes in tax rates) and RUB 4,648 as of December 31, 2024 and 2023.

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### 20 Income tax (continued)

Changes in net deferred tax assets/(liabilities) from January 1, 2023 to December 31, 2024 were as follows:

	2024	2023
Total deferred income tax assets/(liabilities), net at January 1	(1,047)	186
Deferred tax expense	1,722	(488)
Translation reserve	6	(2)
Effect of disposal of subsidiaries (Note 13)	(19)	(2)
Effect of acquisition of subsidiaries (Note 12)	(114)	(741)
Total deferred income tax assets/(liabilities), net at December 31	548	(1,047)

#### 21 **EPS**

#### 21.1 **Basic EPS**

Basic EPS amounts are calculated by dividing earnings/loss for the year attributable to equity holders of the parent by the weighted average number of ordinary and Class A shares outstanding during the year.

	2024	2023
Net loss attributable to equity holders of the Company	(95,496)	(33,716)
Weighted average number of ordinary and class A shares in issue and outstanding	226,150,707	226,150,707
Basic loss per share (RUB per share)	(422)	(149)

## 21.2 Diluted EPS

Diluted EPS is calculated by adjusting the weighted average number of ordinary and Class A shares outstanding by the assumption of the conversion of all potential dilutive ordinary shares arising from share options and RSUs granted by the Company (collectively forming the denominator for computing the diluted EPS).

For share options and RSUs, a calculation is done to determine the number of shares that would have been issued assuming the exercise of the share options and RSUs. The above number is added to the denominator as an issue of ordinary shares for no consideration. Net profit/loss attributable to equity holders of the parent (numerator) is adjusted for the charge that would arise if equity settlement took place.

The calculation of diluted EPS is summarised in the table below:

	2024	2023
Net loss attributable to equity holders of the Company Adjustment for the gains from cash settled option	(95,496) –	(33,716) _
Adjusted net loss attributable to equity holders of the Company	(95,496)	(33,716)
Weighted average number of ordinary and class A shares in issue and outstanding Effect of equity-settled share based payments of the Company	226,150,707 –	226,150,707 _
Total diluted weighted average number of shares	226,150,707	226,150,707
Diluted EPS (RUB per share)	n/a	n/a

#### 22 Commitments, contingencies and operating risks

#### 22.1 **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 stabilizing 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 December 31, 2023, the key rate was still 16%.

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## 22 Commitments, contingencies and operating risks (continued)

### 22.1 **Operating environment of the Group (continued)**

In Q3 2024, the Bank of Russia raised the key rate from 16% to 19% and in Q4 2024 to 21% in response to increased volatility in financial markets and rising inflation risks. As of December 31, 2024, the key rate was still 21%.

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 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.

## 22.2 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.

As part of the 2024 tax changes, the President of the Russian Federation signed a number of Laws, including those of July 12, 2024 No. 176-FZ, August 8, 2024 No. 259-FZ, October 29, 2024 No. 362-FZ, November 29, 2024 No. 416-FZ, which amend the Tax Code of the Russian Federation and, among other things, provide:

- Increase in income tax rates. From January 1, 2025, the general income tax rate is set at 25%, the income tax rate for companies applying the IT benefit is set at 5% for the period 2025-2030. The new tax rate of 25% will be applicable to non-resident income from sources in the Russian Federation:
- Introduction of a progressive personal income tax scale and clarification of a number of benefits and special personal income tax rules. Starting from January 1, 2025, the following rates will be applied to salaries and other income related to the main tax base: 13% - up to 2.4 million roubles; 15% - from 2.4 million to 5 million roubles; 18% - from 5 million to 20 million roubles; 20% - from 20 million to 50 million roubles; 22% - from 50 million roubles;
- Expansion of the possibility of reorganization in the Group for companies operating in the field of information technology and using the IT tax benefit for income tax and insurance contributions; and
- Increase in the rate of property tax and land tax from January 1, 2025 for objects with a cadastral value of more than 300 million rubles. The increased rates will be applied if the relevant decision is made by the regional authorities;
- The ability to carry forward losses for tax periods starting from January 1, 2025, without a 50% limitation for companies operating in the field of information technology and using the IT tax benefit on profits;
- A unified insurance premium rate of 7.6% established for tax periods starting from January 1, 2025 for the entire amount of payments, regardless of the size of the contribution base for companies operating in the field of information technology and applying IT benefits;
- Extension of the preferential procedure for calculating penalties for 2024, according to which the penalty rate for companies is assumed to be equal to one three-hundredth of the key rate of the Central Bank of the Russian Federation in effect during this period;
- A new procedure for calculating penalties for 2025, including the following rates: during the first thirty calendar days (inclusive), as well as from the ninety-first day of delay in fulfilling the obligation to pay taxes in the amount of one three hundredth of the key rate of the Central Bank of the Russian Federation effective during the specified period, and from the thirty-first day of delay to the ninetieth day (inclusive) in the amount of one hundred and fiftieth of the key rate of the Central Bank of the Russian Federation effective during the specified period;
- The introduction of a ban on recording advertising expenses for income tax purposes if information about advertising was not transmitted to Roskomnadzor, or was distributed to resources that are restricted in the Russian Federation, or to resources of persons who did not comply with the requirements/prohibitions/restrictions provided for by Federal Law No. 236 (on the activities of foreign persons on the Internet on the territory of the Russian Federation) and other legislation of the Russian Federation; and
- Introduction of a 5% income tax rate for transactions with shares of companies operating in the field of information technology and applying IT benefits.

The Group's management is in the process of assessing the effect of the changes that are provided for within the framework of these legislative acts.

#### 22 Commitments, contingencies and operating risks (continued)

## 22.2 Taxation (continued)

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

Management estimates that the volume of uncertain tax positions related to the above-mentioned aspects, the recognition of liabilities for which is not required in accordance with IFRS 37, not exceed 5% of the Group's total assets recorded in the consolidated statement of financial position at the reporting date. This assessment is provided in accordance with the IFRS requirement for disclosure of information on possible taxes and should not be considered as an assessment of the Group's future tax liability.

## 22.3 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.

## 22.4 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.

## 22.5 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.

## 22.6 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.

## 22.7 Regulation

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

During 2024, the following laws came into force:

- The Law On Amendments to the Federal Law "On Advertising", which prohibits the placement of advertisements for information resources of foreign agents and the distribution of advertising on information resources of foreign agents;
- The Law On Amendments to the Federal Law "On Advertising" and Certain Legislative Acts of the Russian Federation, which introduces a mandatory deduction to the budget in the amount of 3% of income from the sale of services for the distribution of advertising on the Internet. Marketplaces and classifieds are required to provide 5% of user traffic for displaying social advertising. The obligation to label social advertising is introduced. The law comes into force in stages from January 1 to September 1, 2025;
- The Law On Amendments to the Administrative Code of the Russian Federation, in terms of increasing fines for violating the Federal Law On Advertising, in particular for non-compliance with the conditions for distributing advertising over telecommunication networks (lack of consent of subjects to send advertising messages). For legal entities (advertisers and advertising distributors), the maximum fine has been increased from 500 thousand to 1 million rubles;

### 22 Commitments, contingencies and operating risks (continued)

## 22.7 Regulation (continued)

- The Law On Amendments to the Federal Law on Control over the Activities of Persons under Foreign Influence. The law introduces the obligation of a foreign agent to open a special ruble account to which receipts (royalties, income from the rental and sale of real estate and other property, interest on deposits and other payments) will be credited. The law comes into force on March 1, 2025;
- The Law On Amendments to Certain Legislative Acts of the Russian Federation extends the moratorium on inspections of accredited IT companies in 2025;
- The Law On Personal Data, which imposes on personal data operators the obligation to transfer anonymized personal data to a specialized SIS at the request of the Ministry of Digital. The law comes into force on September 1, 2025;
- The Law On Information, Information Technologies and Information Protection, which obliges owners of social network pages with an audience of over 10 thousand to transfer data about themselves to a special register of Roskomnadzor (Register of Bloggers). Bloggers not included in the register are prohibited from placing advertisements and collecting money on their page. Social networks must mark pages included in the Register. The law came into force on November 1, 2024;
- The Law On Information, Information Technologies and the Protection of Information" and the Code of Administrative Offenses of the Russian Federation. The law prohibits "trash streams" (videos that insult human dignity and public morality, express obvious disrespect for society, etc.). Social networks are required to monitor destructive content and remove it. Violation of the law is subject to a fine of up to RUB 4 or RUB 8. The law entered into force on August 1, 2024;
- The Law On the Development of Creative Industries in the Russian Federation. The law introduces framework regulation of creative industries, i.e. economic activities directly related to the creation, promotion in the domestic and foreign markets, distribution and (or) sale of a creative product that is unique and has economic value. It provides for the creation of a register of creative industry entities and the possibility of receiving certain support measures. The law comes into force on February 1, 2025;
- The Law On Amendments to the Federal Law "On Narcotic Drugs and Psychotropic Substances". The law introduces additional requirements for the placement of information with references to drugs and their analogues (including in works of literature and art). Any distribution of works containing such information must be accompanied by an indication of administrative and criminal liability, as well as mental and behavioral disorders, other diseases caused by illegal drug use;
- The Law On Amendments to the Tax Code. The law increases a number of taxes and fees. The corporate income tax increases from 20 to 25%, the preferential rate for accredited IT companies will increase from 0 to 5%, the requirements for applying the preferential income tax rate to IT companies remain, including restrictions on the reorganization of IT companies in terms of the income tax benefit. New thresholds and rates of progressive personal income tax have been introduced (from 13 to 22%);
- The Law On Amendments to the Code of the Russian Federation on Administrative Offenses. The law establishes a differentiated fine for the leakage of personal data depending on the category of data and the volume of the leak - up to 3% of the annual turnover of a legal entity. Liability for failure to notify or untimely notification of the regulator about a leak of up to RUB 3 is established;
- The Law On Amendments to the Criminal Code of the Russian Federation. Criminal liability is introduced for up to 4 years in prison for the knowingly illegal use (distribution) of leaked personal data, and up to 10 years in prison for their use for selfish motives, involving the transfer of compromised personal data carriers outside the Russian Federation;
- The Law On Amendments to Articles 10-6 and 15-1 of the Federal Law "On Information, Information Technologies and Information Protection" and Certain Legislative Acts of the Russian Federation, which prohibits the dissemination in the media and on the Internet of information promoting the rejection of childbearing. Social networks are responsible for monitoring and deleting it. Extra-judicial measures are being introduced to block such information. An administrative fine of up to RUB 5 is provided for failure to comply;
- The Law On Amendments to Article 15-3 of the Federal Law on Information, Information Technologies and Information Protection. It prohibits the dissemination in the media and on the Internet of information containing proposals on the provision of illegal services in the field of migration, as well as on ways to organize illegal migration. Extra-judicial measures are being introduced to block such information. An administrative fine is provided for failure to comply.

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

- Bill On Amendments to the Federal Law "On State Control (Supervision) and Municipal Control in the Russian Federation". According to the bill, Roskomnadzor gets the right to carry out control measures (including unscheduled inspections) upon receiving reports of a personal data leak (without verifying the authenticity of the received messages);
- Bill on regulation of video games. The bill introduces definitions of video games, game property, and video game distribution services. It provides for the obligations of game developers and distributors to ensure the marking of game content and informing users. It provides for the obligation of game services to authorize users through Russian information systems and make payments through Russian legal entities;
- Bill on political advertising. Introduces a definition of political advertising, rules for its distribution and requirements for its content. Political advertising on the Internet must be marked;

### 22 Commitments, contingencies and operating risks (continued)

## 22.7 Regulation (continued)

- Bill On amendments to Article 10-5 of the Federal Law "On Information, Information Technologies and Information Protection" and Articles 3 and 5-1 of the Federal Law "On State Support of Cinematography of the Russian Federation". The bill proposes amendments to Federal Law No. 149-FZ, establishing a requirement for the owner of an audiovisual service to obtain a distribution certificate for film distribution.
- Bill On Amending the Federal Law "On Non-Commercial Organizations". The bill gives non-commercial organizations the right to post information about their activities on their official page in social networks. Non-commercial organizations in the form of a charitable foundation are required to create such pages. Authentication of organizations must be carried out through the Unified Identification and Authentication System;
- Bill On Amendments to the Federal Law "On Protection of Consumer Rights", which provide for:
  - the obligation of owners of product aggregators to provide sellers with the technical ability to add a link to the Unified Register of Issued Certificates of Conformity and Registered Declarations to the product description if the products are subject to mandatory certification. The bill also prohibits restricting the operation of applications and application stores that are required to be pre-installed. In addition, the consumer must be provided with the ability to download, update programs and make payments through applications and a single application store. According to the bill, it is prohibited to establish special requirements for pricing or for the technical capabilities of applications installed from application stores;
  - the obligation to notify the consumer about the cancellation of the subscription fee and provide these pages on the Internet where the consumer can clarify the terms and cancel the contract;
- Bill On Amendments to Article 9 of the Federal Law "On Personal Data" and Article 10 of the Law of the Russian Federation "On the Protection of Consumer Rights", which provides for the creation of a separate, specific and subject consent of the user to the processing of personal data, signed separately from other user documentation;
- Bill On Amendments to the Federal Law "On Personal Data" and Certain Legislative Acts of the Russian Federation. The draft provides for access to the IS of the personal data operator by law enforcement agencies (SVR, FSB, etc.) in relation to data of special categories (their employees), as well as police officers to "necessary for the performance of duties assigned to the police";
- Bill On Amendments to the Federal Law "On the Security of the Critical Information Infrastructure of the Russian Federation". According to the draft, the Government will determine for each industry the types of IS (i.e. a unique industry list of objects) that will need to be classified as significant objects of the critical information infrastructure "taking into account industry specifics".

## 22.8 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. One or more could join a competitor, or set-up a competing company, with the result that operations and profitability could be affected by a loss of strategic direction, users, know-how and additional staff.

## 22.9 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.

#### 23 Balances and transactions with related parties

The following table provides the total amount of transactions, which have been entered into with related parties for the relevant financial year ended December 31, 2024, excluding Directors and key management of the Group (see Notes 23.1 and 23.2). All related party transactions were made in accordance with contractual terms and conditions agreed between the parties.

### 23 Balances and transactions with related parties (continued)

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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 a government that has control or joint control of, or significant influence over the reporting entity.

	December	31, 2024	December 31, 2023		
	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	88	27	45	30	
Joint ventures	32	142	646	159	
Entities with significant influence over the Group					
including government related entities	2,407	239	2,373	723	
Loans issued and Loans received					
Equity accounted associates	-	-	175	-	
Joint ventures	1,410	-	-	-	
Entities with significant influence over the Group					
including government related entities	-	185,668	-	154,252	
Advance under office lease contracts					
Entities with significant influence over the Group and					
government related entities	344	-	310	-	
-					

	2024		2023	
	Sales to related parties	Purchases from related parties	Sales to related parties	Purchases from related parties
Sales and Purchases	Telated parties	Telated parties	related parties	
	<b></b>			
Equity accounted associates	316	83	270	115
loint ventures	234	-	861	-
Entities with significant influence over the Group				
including government related entities	9,054	3,613	6,914	2,885
	2024		2023	
	Finance income	Finance expenses	Finance income	Finance expenses
Finance income and expenses Entities with significant influence over the Group including government related entities	3,083	25,195	6,086	14,233
	2024		2023	
	Cash balances on	Cash balances on	Cash balances on	Cash balances on
Cash balances Cash balances on current and deposit accounts with government related banks	current accounts	deposit accounts 23,217	current accounts 27,250	deposit accounts
	2024		2023	
	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	4,845	2,710	3,855	1,690

As of December 31, 2024, the Russian Federation has significant influence over Sogaz JSC 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

#### 23 Balances and transactions with related parties (continued)

#### 23.1 **Directors of the Company**

For the year ended December 31, 2024, total cash remuneration of the members of the Board of Directors (each a "Director" and collectively, "Directors") of the Company amounted to RUB 143 (2023: RUB 139).

## 23.2 Key management of the Group

For the year ended December 31, 2024 total cash remuneration of the key management of the Group (excluding Directors) amounted to RUB 2,861 (2023: RUB 3,196).

For the year ended December 31, 2024, key management of the Group (excluding Directors) forfeited 50,000 PSUs (2023: 670,350).

For the year ended December 31, 2024, expenses on incentive programs, including payment of share-based remuneration and long-term bonus plan, amounted to RUB 65 (2023: due to forfeiture, income was recognised of RUB 2,464).

#### 24 **Financial instruments**

As of December 31, 2024 and December 31, 2023, the Group's financial instruments are presented by category in the table below:

•	• •		
	Category*	December 31, 2024	December 31, 2023
inancial assets at fair value through profit and loss			
Von-current			
Financial investments in venture capital investees	FAFVPL	533	471
inancial assets at amortised cost			
Von-current			
Loans issued	FAAC	1,403	332
Current			
Trade accounts receivable	FAAC	23,651	64,175
Loans issued and interest receivable	FAAC	628	3,193
Cash and cash equivalents	FAAC	28,424	51,294
Financial lease			
Net investment lease, long-term	Other	808	832
Net investment lease, short-term	Other	60	60
otal financial assets		55,507	120,357
	Category*	December 31, 2024	December 31, 2023
inancial liabilities at fair value through profit and loss			
Current			
Contingent consideration payable	FLFVPL	526	526
Financial liabilities at fair value through profit or loss	FLFVPL	1,637	2,443
Deferred consideration for the acquisition of a subsidiary's non-controlling			
interest	FLFVPL	-	415
Von-current			
Financial liabilities at fair value through profit or loss	FLFVPL	148	3,948
inancial liabilities at amortised cost			
Current			
Trade accounts payable	FLAC	20,098	20,482
Other payables and accrued expenses	FLAC	25,806	23,222
Short-term interest-bearing loans and bonds	FLAC	105,229	52,954
Short-term lease liabilities	FLAC	5,086	3,725
Non-current		07.457	
Long-term interest-bearing loans and bonds	FLAC	97,456	115,208
Deferred income on loan liabilities	FLAC	9,094	12,442
Non-current lease liabilities	FLAC	4,018	5,929
otal financial liabilities		269,098	241,294

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.

. . . . .

### 24 **Financial instruments (continued)**

None of the Group's financial investees are public companies and none of the Group's financial instruments are traded in active markets. 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.

Changes in accounts receivable for the year ended December 31, 2024 are mainly related to partial repayment and revaluation of other accounts receivable.

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

## 24.1 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

Trade accounts receivable are represented by balances on settlements with counterparties for the main types of activities, other accounts receivable are represented by balances on settlements with counterparties for other types of activities, including investment activities, including transactions in associates and subsidiaries.

For the year ended 31 December 2024, the Group recognised an allowance for expected credit losses on loans issued in the amount of RUB 3,322.

## 24.2 Fair value hierarchy

The 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 December 31, 2024 and December 31, 2023, all financial instruments of the Group measured at fair value through profit or loss were classified at Level 3 of the fair value hierarchy.

The following is a reconciliation of balances of financial assets and liabilities at fair value through profit or loss as of January 1, 2024 and December 31, 2024, also as of January 1, 2023 and December 31, 2023:

Balance as of January 1, 2024	Gains/(losses) recognised in profit and loss	Purchases/ settlement	Reclassification from non-current to current	Business combination (Note 12)	Sale of venture capital assets and disposals (Note 13)	Balance as of December 31, 2024
471	197	510	-	(180)	(465)	533
471	197	510	_	(180)	(465)	533
(3,948)	(623)	601	2,803	(167)	1,186	(148)
(2,443)	(195)	3,888	(2,803)	(84)	-	(1,637)
(526)	-	-	-	-	-	(526)
(415)	-	250	-	-	165	-
(7,332)	(818)	4,739	_	(251)	1,351	(2,311)
	471 471 (3,948) (2,443) (526) (415)	January 1, 2024         recognised in profit and loss           471         197           471         197           (3,948)         (623)           (2,443)         (195)           (526)         -           (415)         -	January 1, 2024         recognised in profit and loss         Purchases/ settlement           471         197         510           471         197         510           (3,948)         (623)         601           (2,443)         (195)         3,888           (526)         -         -           (415)         -         250	January 1, 2024         recognised in profit and loss         Purchases/ settlement         from non-current to current           471         197         510         –           471         197         510         –           (3,948)         (623)         601         2,803           (2,443)         (195)         3,888         (2,803)           (526)         –         –         –           (415)         –         250         –	January 1, 2024         recognised in profit and loss         Purchases/ settlement         from non-current to current         combination (Note 12)           471         197         510         -         (180)           471         197         510         -         (180)           (3,948)         (623)         601         2,803         (167)           (2,443)         (195)         3,888         (2,803)         (84)           (526)         -         -         -         -           (415)         -         250         -         -	January 1, 2024         recognised in profit and loss         Purchases/ settlement         from non-current to current         combination (Note 12)         capital assets and disposals (Note 13)           471         197         510         -         (180)         (465)           471         197         510         -         (180)         (465)           471         197         510         -         (180)         (465)           (3,948)         (623)         601         2,803         (167)         1,186           (2,443)         (195)         3,888         (2,803)         (84)         -           (526)         -         -         -         -         165

#### 24 **Financial instruments (continued)**

## 24.2 Fair value hierarchy (continued)

For the year ended December 31, 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 49% share.

For the year ended December 31, 2024, the Group settled deferred consideration for the purchase of a non-controlling interest in Skillfactory LLC in the amount of RUB 250.

For the year ended December 31, 2024, the Group sold interests in a number of venture capital investments for cash consideration of RUB 465.

	Balance as of January 1, 2023	Gains/(losses) recognised in profit and loss	Purchases/ settlement	Business combination (Note 12)	Acquisition of non-controlling interests	Balance as of December 31, 2023
Financial assets measured at fair value through profit or loss						
Financial investments in venture capital investees	118	145	243	(35)	-	471
Non-current convertible loans	-	-	58	(58)	-	-
Financial assets and derivatives under lease contracts	232	-	(232)	-	-	-
Total financial assets at fair value through profit or loss	350	145	69	(93)	_	471
Financial liability measured at fair value through profit or loss						
Non-current financial derivative on put options over non-controlling interests of the Group's	( )	<i></i>				
subsidiary	(3,982)	(1,958)	-	(172)	2,164	(3,948)
Current financial derivative on put options over interests of equity accounted associate	(4,806)	(250)		2,613		(2,443)
Contingent consideration payable	(4,800) (576)	(230)	73	2,013	_	(2,443)
Deferred consideration for the acquisition of a	(0/0)	(20)	70			(020)
subsidiary's non-controlling interest	-	248	-	-	(663)	(415)
Total financial liabilities measured at fair value through profit or loss	(9,364)	(1,983)	73	2,441	1,501	(7,332)

During 2023, the Group signed a number of agreements, as a result of which it recognised an increase in its share in Skillfactory LLC from 63.76% to 100%. The total amount of the transaction amounted to RUB 863, of which RUB 200 paid in cash in the Q3 2023, and a forward agreement was signed for the purchase of the remaining share at a floating price.

The Group also discontinued recognition of a long-term derivative financial instrument under a put option in respect of a non-controlling interest in Skillfactory LLC in the amount of RUB 2,164.

## 24.3 Interest-bearing loans and bonds

The table below represents the major loans and bonds as of December 31, 2024 and December 31, 2023:

Туре	Original currency	Type of rate	Average nominal interest rate	Maturity date	Outstanding amount as of December 31, 2024	Outstanding amount as of December 31, 2023
Unsecured loans	RUB	Fixed	24.80%	2025	-	4,414
Unsecured and secured loans	RUB	Floating	24.00%	2025-2027	125,100	89,472
Unsecured loans	USD	Fixed	3.00%	2025-2027	72	1,290
Unsecured loans	EUR	Fixed	2.50%	2027	64	196
Bonds	USD	Fixed	1.63%	On demand	11,176	9,913
Convertible bonds	USD	Fixed	1.63%	2025	3,007	2,653
Bonds	RUB	Fixed	4.19%	2026-2028	63,266	60,224
Total interest-bearing loans and bonds					202,685	168,162

As of December 31, 2024, 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.

As of December 31, 2024, the investment in an associate accounted for using the equity method in the amount of RUB 17,194, as well as 100% of the shares of the subsidiary VK Technologies JSC are the subject of collateral for the Group's loan liabilities.

### 24 **Financial instruments (continued)**

## 24.3 Interest-bearing loans and bonds (continued)

Movements in loans and bonds, including related interest, for the year ended December 31, 2024 are presented below:

	January 1, 2024	Principal amount, proceeds	Principal amount, repayment	Interest, accruals, discounting	Interest, repayment	Reclassifi- cation from non-current to current	Foreign exchange differences	Modification of financial liabilities	Other	December 31, 2024
Current										
Interest bearing loans	40,384	39,966	(13,541)	20,376	(16,097)	14,251	42	-	-	85,381
Private placement bonds	2,295		_	4,831	(1,795)	· -	-	-	-	5,331
MOEX replacement bonds	34	-	-	44	(44)	2,707	266	-	-	3,007
LSE convertible bonds	9,913	-	(161)	157	-	-	1,317	(50)	-	11,176
MOEX bonds	328	-	-	1,188	(1,182)	-	-	-	-	334
Non-current		-								
Interest bearing loans	54,988	-	(638)	-	-	(14,251)	8	-	(252)	39,855
Private placement bonds	42,601	-	_	-	-	_	-	-	-	42,601
MOEX replacement bonds	2,619	-	-	-	-	(2,707)	88	-	-	-
MOEX bonds	15,000	-	-	-	-	-	-	-	-	15,000
Total liabilities from financing activities	168,162	39,966	(14,340)	26,596	(19,118)	-	1,721	(50)	(252)	202,685

Movements in loans and bonds, including related interest, for the year ended December 31, 2023 are presented below:

	January 1, 2023	Principal amount, proceeds	Principal amount, repayment	Interest, accruals, discounting	Interest, repayment	Reclas- sification from non- current to current	Foreign exchange differences	Deferred income on loan obligations	Modification of financial liabilities	Recognition of loans as a result of disposal of a subsidiary	Other	December 31, 2023
Current												
Interest bearing loans	78,880	-	(6,631)	10,156	(3,679)	(34,184)	202	(4,360)	-	-	-	40,384
Private placement bonds	-	-	-	3,193	(898)	-	-	-	-	-	-	2,295
MOEX replacement bonds	-	-	-	11	-	-	-	-	-	-	23	34
LSE convertible bonds	9,841	-	(68)	186	(67)	(2,843)	2,906	-	(19)	-	(23)	9,913
MOEX bonds	-	-	-	1,182	(1,182)	328	-	-	-	-	-	328
Other borrowings	21	3	(24)	2	(2)	-	-	-	-	-	-	-
Non-current												
Interest bearing loans	20,447	4,464	(7,747)	1,067	-	34,184	2,534	-	-	39	-	54,988
Private placement bonds	-	60,000	-	-	-	-	-	(17,399)	-	-	-	42,601
MOEX replacement bonds	-	-	-	-	-	2,843	(224)	-	-	-	-	2,619
MOEX bonds	15,328	-	-	-	-	(328)	-	-	-	-	-	15,000
Total liabilities from financing												
activities	124,517	64,467	(14,470)	15,797	(5,828)	-	5,418	(21,759)	(19)	39	-	168,162

During 2023, the Group issued interest-bearing non-convertible bonds par value RUB 60,000 with a maturity period of 5 years by private placement. The Group will apply received funds toward the realization of its strategy, development of its current services and launch of new products. In accordance with IAS 20, the Group recognised a deferred income on loan obligations the amount of RUB 17,399.

## Bonds refunding

In October 2023, a company of the Group, Mail.Ru Finance LLC, placed "replacement" bonds on MOEX - Russian bonds repeating certain terms of the VK Company Limited Eurobonds, with a maturity date of October 1, 2025, interest rate – 1.625%, ISIN code – XS2239639433 (hereinafter - Eurobonds). Payment for the replacement bonds was made using Eurobonds within the Russian depository infrastructure. The replacement was made in the amount of USD 29.2, which is 7.3% of the originally issued Eurobonds.

The rest of the Eurobonds, which remain debt to foreign holders and are classified as "on demand". The terms of the replacement bonds are similar to the terms of the Eurobonds in terms of the amount of income on the bonds, the period for payment of such income, the maturity of the bonds and their nominal value.

Settlements on replacement bonds are made in Russian roubles at the Bank of Russia exchange rate on the date of the corresponding payment.

Obligations to service Eurobonds, which are accounted for in the Russian Federation, if the holders of such Eurobonds have not replaced them as part of the placement of replacement bonds of the Company, are currently fulfilled in accordance with the requirements of Decree of the President of the Russian Federation dated July 5, 2022 No. 430 On Repatriation by Residents – Participants in Foreign Economic Activity Foreign Currency and the Currency of the Russian Federation and the Decision of the Board of Directors of the Bank of Russia dated December 23, 2022 in full.

### 25 **Personnel expenses**

Personnel expenses for years ended December 31, 2024 and 2023 consist of:

	2024	2023
Salary and related taxes	41,930	34,364
Share-based payments*	128	1,217
Provisions and other expenses	25,226	16,531
Total personnel expenses	67,284	52,112

During 2024, the Group decided to make a replacement award offer to its employees holding RSUs or PSUs over the shares of the Company. The Group offered to replace RSUs/PSUs vesting in 2024 with rights to receive cash in the amount of RUB 139 (2023: RUB 2,198).

For the year ended December 31, 2024, the Group recognised expenses in the amount of RUB 18 (2023: RUB 1,253) in connection with the change in the form of remuneration. In addition, for the year ended December 31, 2024, the Group recognised income in the amount of RUB 111 (2023: RUB 143) for share-based payments settled in equity instruments.

Based on IFRS 2 requirements, the Group has reclassified the fair value of PSUs/RSUs and options modification from equity settled to cash settled, total amount was RUB 121 for the year ended December 31, 2024 (for the year ended December 31, 2023: RUB 945).

#### 26 Other operating expenses

Other operating expenses for the years ended December 31, 2024 and 2023 consist of:

	2024	2023
VAT and other taxes*	1,743	1,847
Change of expected credit loss allowance on trade receivables	2,306	1,500
Change in the provision for net realisable value of inventories	887	-
Cost of sales	1,203	1,773
Corporate events	802	733
Office maintenance	1,090	672
Charity	271	464
Security	159	118
Other operating expenses	1,343	884
Other operating expenses	9,804	7,991

As of December 31, 2024, the Group updated the assessment of tax risks and recognised expenses for VAT and other taxes of RUB 33 (2023: RUB 8) and also expenses for non-recoverable VAT write-off in the amount of RUB 210 (2023: RUB 585). In addition, the Group recognised RUB 1,333 (2023: 1,121) expenses related to write-off of input VAT due to 5% limit established by the Tax Code of the Russian Federation.

#### 27 **Financial risk management objectives and policies**

## 27.1 Introduction

The Group's principal financial liabilities mainly comprise interest-bearing loans and bonds, contingent consideration liability and trade accounts payable. The main purposes of these financial liabilities are to finance the Group's operations and, in the case of the contingent consideration, a business acquisition. The Group has short-term receivables, short-term time deposits, cash and cash equivalents and other current financial assets that arise directly from the Group's operations.

The Group also has a venture capital investment portfolio consisting of equity investments in Internet start-ups and smaller Internet companies and derivative contracts over the equity of the Group's venture capital investees.

The Group's senior management is responsible for identifying and controlling risks. These activities are supervised by the Board of Directors, the Group's governing body that is ultimately responsible for the Group's overall approach to risk management. The Board of Directors is developing risk management policies covering the following major aspects: identification and analysis of the risks the Group faces, setting appropriate risk limits and controls, and monitoring risks and adherence to limits. Risk management procedures and systems are contemplated to be reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and responsibilities.

The Group's Audit, Risk, Compliance and Sustainable Development Committee has been established to oversee, inter alia, how management monitors compliance with the Group's risk management practices and procedures when these are approved by the Board of Directors.

#### 27 Financial risk management objectives and policies (continued)

## 27.2 Liquidity and financial resources

Liquidity risk is defined as the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Group monitors its risk of a shortage of funds using a liquidity planning tool. Management regularly monitors projected and actual cash flow information, analyses the repayment schedules of the existing financial assets and liabilities and performs annual detailed budgeting procedures.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of operating cash flows, bank loans and overdrafts. Other financial liabilities of the Group are mostly represented by trade payables with maturity less than one year.

The contractual maturities of the Group's financial liabilities are presented below:

		Contractual	Less than			
For the year ended December 31, 2024	Carrying amount	cash flows	3 months	3 to 12 months	1 to 3 years	> 3 years
Short-term and long-term interest-						
bearing loans and bonds	202,685	253,695	20,871	100,303	71,623	60,898
Trade accounts payable	20,098	20,098	20,098	-	-	-
Current and non-current lease liabilities	9,104	11,725	1,451	4,064	4,682	1,528
Contingent consideration liabilities	526	526	526	-	-	-
Other payables, accrued expenses	25,806	25,806	25,806	-	-	-
Tatal financial linkilitian	258,219	311,850	68,752	104,367	76,305	62,426
Total financial liabilities	230,217	01,000	00,702	101,007		02,120
		Contractual	Less than			
For the year ended December 31, 2023	Carrying amount			3 to 12 months	1 to 3 years	> 3 years
For the year ended December 31, 2023 Short-term and long-term interest-	Carrying amount	Contractual cash flows	Less than 3 months	3 to 12 months	1 to 3 years	> 3 years
For the year ended December 31, 2023 Short-term and long-term interest- bearing loans and bonds	Carrying amount	Contractual cash flows 226,214	Less than 3 months 15,620			
For the year ended December 31, 2023 Short-term and long-term interest- bearing loans and bonds Trade accounts payable	Carrying amount 168,162 20,482	Contractual cash flows 226,214 20,482	Less than 3 months 15,620 20,482	3 to 12 months 51,018	1 to 3 years 67,552 –	> 3 years 92,024 –
For the year ended December 31, 2023 Short-term and long-term interest- bearing loans and bonds Trade accounts payable Current and non-current lease liabilities	Carrying amount	Contractual cash flows 226,214	Less than 3 months 15,620	3 to 12 months	1 to 3 years	> 3 years
For the year ended December 31, 2023 Short-term and long-term interest- bearing loans and bonds Trade accounts payable	Carrying amount 168,162 20,482 9,654	Contractual cash flows 226,214 20,482 11,357	Less than 3 months 15,620 20,482 1,094	3 to 12 months 51,018	1 to 3 years 67,552 –	> 3 years 92,024 –

## 27.3 Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss

Financial assets, which potentially subject the Company and its subsidiaries and associates to credit risk, consist principally of cash and cash equivalents, short-term time deposits, short-term receivables and convertible loans. The total of these account balances represents the Group's maximum exposure to credit risk.

The Group places its cash and cash equivalents with highly rated financial institutions, which are considered at the time of deposit to have minimal risk of default. The Group does not require collateral or other security to support the financial instruments subject to credit risk.

As of December 31, 2024, accounts receivable from the two largest customers collectively represented 16.1% of total trade accounts receivable of the Group (as of December 31, 2023: 13.5%). No customer accounted for more than 10% of revenue in 2024 or 2023. The Group provides credit payment terms to its customers in accordance with market practices and based on thorough review of the customer's profile and creditworthiness. Although collection of receivables could be influenced by economic factors, management believes that there is no significant risk of loss beyond the allowance already recorded.

## 27.4 Capital management policy

For the purpose of the Group's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Group's capital management is to maximise the shareholder value. The Group manages its capital structure and makes adjustments in light of changes in economic conditions.

## Notes to the Consolidated Financial Statements (continued)

#### Financial risk management objectives and policies (continued) 27

#### 27.5 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The market risks the Group is exposed to comprise two types of risk: currency risk (Note 27.6) and equity risk. The Group's financial instruments affected by market risk include payables, cash and cash equivalents, short-term time deposits, financial investments in associates and derivative financial instruments. The Group's equity risk arises from uncertainties about future values of the investment into unlisted securities.

#### 27.6 Foreign currency risk

The following table demonstrates the sensitivity to a reasonably possible change in USD and EUR exchange rate, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Group's exposure to foreign currency changes for all other currencies is not material. (Negative)/positive effect Change

	in USD rate	on profit before tax
2024	' +27%	(2,198)
	′ -10%	(2,198) 814
2023	' +30%	5,272
	' -10%	(1,757)

	Change in EUR rate	(Negative)/positive effect on profit before tax
2024	' +27% ' -10%	(323) 120
2023	' +30% ' -10%	351 (117)

#### 28 **Share-based payments**

#### 28.1 Share-based payment arrangements of the Company and its subsidiaries

#### 28.1.1 Option/RSU/PSU plans VK International Public Joint-Stock Company

During 2024 and 2023, the Company had the following unrealised option/RSU plans:

	2010 Option Plan	2015 RSU Plan	2017 RSU Plan	2021 PSU Plan
Adoption date	November 2010	February 2015	November 2017	March 2021
Type of shares	Ordinary shares	Ordinary shares	Ordinary shares	Ordinary shares
Number of options or RSU reserved	10,706,403	5,795,500	7,202,471	12,150,000
Exercise price	Granted:	-	-	• O;
	<ul> <li>Prior December 31, 2011 – USD 19.60</li> </ul>			• 20 USD
	<ul> <li>Since December 31, 2011 – USD 17.50</li> </ul>			
Exercise basis	Prior to November 2011 – net share basis only	Shares or cash at the Group's discretion	Shares or cash at the Group's discretion	Shares or cash at the Group's discretion
	Since November 2011 – net share basis or cash at the Group's discretion			
Expiration date	December 2022	December 2022	December 2026	December 2030
Vesting period	Generally 4 years	Generally 4 years	Generally 4 years	Generally 4 years following the performance Year in which PSUs are granted
Other major terms	• The options are not transferrable	• The RSUs are not transferrable	• The RSUs are not transferrable	• The PSUs are not transferrable
	• All other terms of the options under the 2010 Option Plan are to	• All other terms of the options under the 2015 RSU Plan are to be	<ul> <li>Performance conditions</li> <li>Immediate vesting due to change of ultimate controlling party</li> </ul>	1 5
	be determined by the Company's Board of Directors or Remuneration Committee	determined by the Company's Board of Directors or Remuneration Committee	<ul> <li>All other terms of the options under the 2017 RSU Plan are to be determined by the Company's Board of Directors or Remuneration Committee</li> </ul>	All other terms of the options under the 2021 PSU Plan are to be determined by the Company's Board of Directors or Remuneration Committee

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## Notes to the Consolidated Financial Statements (continued)

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#### 28 Share-based payments (continued)

#### 28.1 Share-based payment arrangements of the Company and its subsidiaries (continued)

#### 28.1.2 Changes in outstanding options VK International Public Joint-Stock Company

The table below summarises the number and weighted average exercise prices (WAEP) of and movements in share options and RSUs/PSUs in 2024 and 2023 for the Company.

	Number of options/RSU/PSU	WAEP
Outstanding as of December 31, 2022	5,954,323	10.56
Exercisable as of December 31, 2022 Available for grant as of December 31, 2022 Granted during the year Exercised during the year Cancelled during the year	2,176,267 10,149,019 _ _ 2,622,467	16.76 0.83 - - 11.51
Forfeited during the year	1,266,890	15.78
Outstanding as of December 31, 2023	2,064,966	15.58
Exercisable as of December 31, 2023 Available for grant as of December 31, 2023 Granted during the year Exercised during the year Cancelled during the year Forfeited during the year	1,121,925 14,038,376 - - 192,000 50,000	14.37 2.28 - 24.67 10.20
Outstanding as of December 31, 2024	1,822,966	17.10
Exercisable as of December 31, 2024 Available for grant as of December 31, 2024	1,339,425 14,280,376	12.04 2.70

In 2024 and 2023, there was no exercise of options and RSUs/PSUs.

The range of exercise prices for options and RSUs/PSUs outstanding as of December 31, 2024 and 2023 is presented in the table below:

Exercise price	December 31, 2024	December 31, 2023
-	228,986	420,986
17.5	255,700	255,700
19.6	190,080	190,080
20	1,148,200	1,198,200

#### 28.1.3 Valuations of share-based payments VK International Public Joint-Stock Company

The valuations of all equity-settled options and RSU/PSU granted during 2024 and 2023 are summarised in the table below:

		Share price	Fair value, total	Fair value per option/RSU
Option plan / grant date	Number of options	(USD)	(million RUB)	(RUB)
2021 PSU Plan / 2022	209,736	0.86	59	282

The valuations of all cash-settled options as of December 31, 2024 are summarised in the table below:

		R	isk-free interest				Fair value per	
	Dividend yield	Volatility,	rate,	Expected term,	Share price	Fair value, total	option	
Number of options	%	%	%	years	(USD)	(million RUB)	(RUB)	Valuation method
387,230	0%	32%	1.04%	n/a	11.59	_	-	Binomial model

The valuations of all cash-settled options as of December 31, 2023 are summarised in the table below:

		F	lisk-free interest				Fair value per	
	Dividend yield	Volatility,	rate,	Expected term,	Share price	Fair value, total	option	
Number of options	%	%	%	years	(USD)	(million RUB)	(RUB)	Valuation method
387,230	0%	32%	1.04%	n/a	11.59	-	-	Binomial model

The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options/RSUs/PSUs is indicative of future trends, which may not necessarily be the actual outcome.

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# Notes to the Consolidated Financial Statements (continued)

#### 28 Share-based payments (continued)

#### 28.2 Share-based payment expense

For the year ended December 31, 2024, the Group recognised RUB 168 in share-based payment expenses (2023: RUB 1,110), including expenses of RUB 168 (2023: RUB 1,110) related to share-based payments settled with equity instruments and no expenses related to the cashsettled portion (2023: 0).

The expense was included under "Personnel expenses" in the consolidated statement of comprehensive income

#### 29 **Events after the reporting period**

In February 2025, the Group received dividends from an equity accounted associate in the amount of RUB 1,957.

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# VK's contribution to the UN Sustainable Development Goals

## [2-22]

## Targets of the UN Sustainable Development Goals

## Goal 3. Ensure healthy lives and promote well-being for all at all ages

3.8. Achieve universal health coverage, including financial risk protection, access to quality essential healthcare services and a to safe, effective, quality and affordable essential medicines and vaccines for all

3.13. Strengthen the capacity of all countries, in particular developing countries, for early warning, risk reduction, and manager of national and global health risks

## Goal 4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

4.1. By 2030, ensure that all girls and boys complete free, equitable and quality primary and secondary education leading to re and effective learning outcomes

4.3. By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education including university

4.4. By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocationa for employment, decent jobs and entrepreneurship

4.5. By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations

4.7. By 2030, ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including, among others, through education for sustainable development and sustainable lifestyles, human rights, gender equality, prom of a culture of peace and non-violence, global citizenship and appreciation of cultural diversity and of culture's contribution to sustainable development

4a. Build and upgrade education facilities that are child, disability and gender sensitive and provide safe, non-violent, inclusive effective learning environments for all

## Goal 8. Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent

8.3. Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativ innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through acc to financial services

	Report Section
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	C Charity services
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	C Contributing to IT workforce development
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	C Contributing to IT workforce development
	C Educational initiatives
	C Support of creative communities and creators

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## Targets of the UN Sustainable Development Goals

8.5. By 2030, achieve full and productive employment and decent work for all women and men, including young people and p with disabilities, and equal pay for work of equal value

8.8. Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in part women migrants, and those in precarious employment

## Goal 9. Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation

9.3. Increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial service including affordable credit, and their integration into value chains and markets

9b. Support domestic technology development, research and innovation in developing countries, including by ensuring a con policy environment for, inter alia, industrial diversification and value addition to commodities

## Goal 16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all, and but

16.1. Significantly reduce all forms of violence and related death rates everywhere

16.5. Substantially reduce corruption and bribery in all their forms

16.10. Ensure public access to information and protect fundamental freedoms in accordance with national legislation and intera agreements

	Report Section
persons	C VK's approach (VK for employees)
	C Employee profile
	C Recruitment and onboarding
	C Employee training and development
articular	C <sup>3</sup> VK's approach (VK for employees)
ices,	C VK Tech
	C <sup>3</sup> VK Ads
onducive	C VK Tech
	C VK Ads
	C Contributing to IT workforce development
build effec	tive, accountable and inclusive institutions at all levels
	C Safer online environment
	C Ethics and compliance
ernational	C Cybersecurity
	C Safe Internet
	C Personal data protection
	C Ethics and compliance

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# **GRI Standards Index**

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Statement of use VK publishes the information listed in this GRI Content Index for the period 01.01.2024

Indicator number	Description	Report Section	Excluded information and reasons for exclusion
GRI 1 (2021)	: Foundation (contains no indicators)		
GRI 2 (2021)	: General Disclosures		
2-1	Organizational details	C VK in brief	
		C Contacts	
2-2	Entities included in the organization's sustainability reporting	C About the Report	
2-3	Reporting period, frequency and contact	C About the Report	
	point	C Contacts	
2-4	Restatements of information	C About the Report	
2-5	External assurance	C About the Report	
2-6	Activities, value chain and other business	C VK in brief	
	relationships	C VK business model	
		C Results overview	
		C VK for users and partners	
		C Responsible supply chain	
2-7	Employees	C Employee profile	
		🖸 Databook	
2-8	Workers who are not employees	C Employee profile	
		🖸 Databook	
		C GRI Standards Index	
2-9	Governance structure and composition	C Corporate governance framework	
		C Governing bodies	
2-10	Nomination and selection of the highest governance body	C Governing bodies	
2-11	Chair of the highest governance body	C Governing bodies	
		C GRI Standards Index	

e period 01.01.2024 to 31.12.2024, in accordance with the GRI Standards.		
ded information and ons for exclusion	Comments	
	The chair of VK's highest corporate governance body is not a VK top manager	

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Indicator number	Description	Report Section	Excluded information ar reasons for exclusion
2-12	Role of the highest governance body in overseeing the management	C ESG and sustainable business development	
	of impacts	C Governing bodies	
		C Risk management	
2-13	Delegation of responsibility for managing impacts	C ESG and sustainable business development	
		C Governing bodies	
2-14	Role of the highest governance body in sustainability reporting	C About the Report	
2-15	Conflicts of interest	C Governing bodies	
		C Ethics and compliance	
2-16	Communication of critical concerns	C Governing bodies	
		C GRI Standards Index	
2-17	Collective knowledge of the highest governance body	C ESG and sustainable business development	
		C Governing bodies	
		🖸 Databook	
2-18	Evaluation of the performance of the highest governance bode	C Governing bodies	
2-19	Remuneration policies	C Remuneration to governing bodies	
2-20	Process to determine remuneration	C Governing bodies	
		C Remuneration to governing bodies	
2-21	Annual total compensation ratio	C GRI Standards Index	
2-22	Statement on sustainable development	C VK business model	
	strategy	C ESG and sustainable business development	
		C VK's contribution to the UN Sustainable Development Goals	
		C VK's approach (VK for employees)	
		C Responsible supply chain	
		C Corporate governance principles and practice	

In the reporting year, the Board of Directors did not consider any critical matters related to negative impacts on stakeholders or matters that could potentially lead to negative impacts.

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Indicator number	Description	Report Section	Excluded information ar reasons for exclusion
2-23	Policy commitments	C ESG and sustainable business development	
		C VK's approach (VK for employees)	
		C Inclusion	
		C Responsible supply chain	
		C Risk management	
		C Ethics and compliance	
2-24	Embedding policy commitments		
		C Responsible supply chain	
		C Ethics and compliance	
2-25	Processes to remediate negative impacts	C Responsible supply chain	
		C Risk management	
		C Ethics and compliance	
		C Stakeholder engagement	
2-26	Mechanisms for seeking advice and	C Stakeholder engagement	
	raising concerns	C Responsible supply chain	
		C Risk management	
		C Ethics and compliance	
		C GRI Standards Index	
2-27	Compliance with laws and regulations	C GRI Standards Index	

#### Comments and

VK's whistleblowing hotline is the primary channel for submitting and reviewing grievances from employees, users, partners, shareholders and other stakeholders.

The Compliance Department is responsible for receiving, registering and reviewing grievances, and forwarding responses to respective authors.

Appropriate response measures were taken to address all the received grievances and necessary recommendations were pr to bridge the identified gaps.

In 2024, there were no material<sup>1</sup> breaches of applicable laws and regulations.

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Indicator number	Description	Report Section	Excluded information an reasons for exclusion
2-28	Membership associations	C GRI Standards Index	

2-29	Approach to stakeholder engagement	C Stakeholder engagement

2-30

Collective bargaining agreements

C GRI Standards Index

#### and Comments

1. Alliance for Digital Child Protection and the Digital Childhood Ethics Charter

VK is a member of the Alliance for Digital Child Protection. Its mission is to develop a safe online space for children where, regardless of age and location, they can communicate and make friends, learn and develop, and discover new opportunities and entertainment. The Media Leaders Alliance seeks to establish a dialogue with children and young people to better understand their digital needs and interests in receiving information. This will help to respond more effectively to new challenges and jointly develop clear rules of conduct and moral compasses in the digital environment. VK also participated in the development of the Digital Childhood Ethics Charter with other leading IT and media companies.

2. Artificial Intelligence Alliance and Al Code of Ethics

VK is a member of the Artificial Intelligence Alliance, which brings together leading technology companies to jointly develop their competencies and accelerate the use of artificial intelligence in education, research and business practices. The Alliance drafted an AI code of ethics that proclaims a humanistic approach in the development of AI technologies, the principles of non-discrimination, data security and cybersecurity, identification of AI in human communication and respect for human autonomy of will, responsibility for the consequences of the use of AI. Commitment to the Code of Ethics will be a key

element of social responsibility for companies that develop and deploy AI technology in Russia.

3. The Big Data Association and the Data Usage Code of Ethics

VK is a member of the Big Data Association, which is dedicated to creating common principles and standards for the processing, storage, transmission and use of big data. These developments serve as the basis for the big data policies of each member Company

The priorities of the Association are to develop a business-oriented strategy for big data market development, to improve the technical and operational efficiency of interaction between industry players, and to form a code of ethics for using big data to protect the interests of users.

The Data Usage Ethics Code, which has been developed by data market participants together with the government and members of the public, is a set of industry standards of professional and ethical conduct that participants, acting in good faith and reasonably, voluntarily recognise and undertake to comply with. It sets out the basic principles of stakeholder interaction (government, citizens, businesses), creates the basis for subsequent regulatory initiatives in the field of data, and formulates universal rules defining the boundaries of acceptable behaviour for the entire professional community. The provisions of the Code apply to the circulation of all types of data, from user to industrial, and contain principles of professional ethics in their collection, processing, use and storage.

### 4. Anti-Piracy Memorandum

VK, along with other IT companies and rights holders, signed an anti-piracy memorandum that created a register of links to pirated content. Search engines are required to check the register every five minutes and remove links that appear in it within six hours. The registry keeper checks the eligibility of links sent in by rights holders.

5. Memorandum on Digital Market Openness

The Memorandum on Digital Market Openness was signed by VK, the Federal Antimonopoly Service of Russia, and other significant IT businesses. It comprises guidelines for ethical business practices while fostering competition and abiding with Russian law. Principles include treating competitors neutrally, avoiding questionable language in platform rules, ensuring free access to information on how searches are ranked.

Employees of VK have an opportunity to exercise their right to freedom of association in full and take part in collective negotiations.

VK supports association of employees under professional or other public organisations. The Company values and supports employee initiatives promoting self-improvement, experience sharing, and participation in various communities.

The Company does not enter into collective bargaining agreements, including with trade unions.

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Indicator number	Description	Report Section	Excluded information a reasons for exclusion
GRI 3 (2021)	): Material Topics		
3-1	Process to determine material topics	C About the Report	
3-2	List of material topics	C About the Report	
1. Use of inr	novations to protect personal data		
3-3	Management of material topics	C Information security	
		🖒 Safe Internet	
		C Personal data protection	
		C Risk management	
GRI 418 (20	16): Customer Privacy		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	C GRI Standards Index	
2. Informat	ion security and minimisation of incidents	related to information security breach	es
3-3	Management of material topics	C Information security	
		🖒 Risk management	
3. Develop	ment of digital content services to satisfy	users' daily needs	
3-3	Management of material topics	C Results overview	
4. Impact o	f Internet content on the moral values of so	ociety	
3-3	Management of material topics	C Safer online environment	
		C VK's approach (VK for society)	
GRI 203 (20	016): Indirect Economic Impacts		
203-1	Infrastructure investments and services supported	C Charity services	
5. Improver	nents in service quality		
3-3	Management of material topics	C Results overview	
		C Inclusion	
		🖒 Safe Internet	
6. Decent w	vorking conditions and fair compensation		
3-3	Management of material topics	C VK for employees	
		C Ethics and compliance	

In 2024, there were no user data leaks.

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Indicator number	Description	Report Section	Excluded information a reasons for exclusion
GRI 401 (20 <sup>-</sup>	16): Employment		
401-1	New employee hires and employee turnover	C Recruitment and onboarding	
401-2	Benefits provided to fulltime employees that are not provided to temporary or part-time employees	C Social package and convenient working conditions	
401-3	Parental leave	🖒 Databook	
GRI 405 (20	16): Diversity and Equal Opportunity		
405-1	Diversity of governance bodies and	C Employee profile	
	employees	C Governing bodies	
		🖒 Databook	
405-2	Ratio of basic salary and remuneration of women to men	C Databook	
GRI 406 (20	16): Non-discrimination		
406-1	Incidents of discrimination and corrective actions taken	C Ethics and compliance	
GRI 408 (20	16): Child Labor		
408-1	Operations and suppliers at significant risk for incidents of child labor	C GRI Standards Index	
GRI 409 (20	16): Forced or Compulsory Labor		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	C GRI Standards Index	
7. Talent po	ol enlargement, youth engagement		
3-3	Management of material topics	C Contributing to IT workforce development	
GRI 404 (20	16): Training and Education		
404-1	Average hours of training per year per employee	C Databook	
404-2	Programs for upgrading employee skills and transition assistance programs	C Employee training and developmer	nt
404-3	Percentage of employees receiving regular performance and career development reviews	C GRI Standards Index	

Benefits are not provided to non-staff workers, as well as part-time employees or those on fixed-term contracts concluded t than six months

The Company has the VK Supplier Code of Conduct in place, which obliges suppliers to comply with applicable laws and exp prohibits forced, compulsory and child labour.

The Company has the VK Supplier Code of Conduct in place, which obliges suppliers to comply with applicable laws and exp prohibits forced, compulsory and child labour.

In 2024, all VK employees underwent a performance and career growth review.

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Indicator number	Description	Report Section	Excluded information a reasons for exclusion
8. Occupati	ional health and safety in the Company and	l across the supply chain	
3-3	Management of material topics	C Safe working conditions	
GRI 403 (20	18): Occupational Health and Safety		
403-1	Occupational health and safety management system	C Safe working conditions	
403-2	Hazard identification, risk assessment, and incident investigation	C Safe working conditions	
403-3	Occupational health services	C Safe working conditions	
403-4	Worker participation, consultation, and communication on occupational health and safety	C Safe working conditions	
403-5	Worker training on occupational health and safety	C Safe working conditions	
403-6	Promotion of worker health	C VK's approach (VK for employees)	
		C Social package and convenient working conditions	
403-8	Workers covered by an occupational health and safety management system	C GRI Standards Index	
403-9	Work-related injuries	C Safe working conditions	
403-10	Work-related ill health	C GRI Standards Index	
GRI 414 (201	16): Supplier Social Assessment		
414-1	New suppliers that were screened using social criteria	C Responsible supply chain	
9. Fostering	domestic demand for hi-tech products		
3-3	Management of material topics	C Results overview	
10. Develop	ment of innovative products, including dig	gital solutions for businesses	
3-3	Management of material topics	C Results overview	
11. Promotic	on of science and education through joint p	projects with universities and research c	entres
3-3	Management of material topics	C EdTech	
		C Safe Internet	
		C Educational initiatives	

The occupational health and safety system covers not only all employees of VK, but contractor workers who are not included in the scope of the system (provided that they work at the Company's facilities).

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In 2024, the Company recorded no instances of occupational diseases or related fatalities.

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Indicator number	Description	Report Section	Excluded information and reasons for exclusion	Comments
Additional (	GRI indicators			
GRI 204 (20	16): Procurement Practices			
204-1	Proportion of spending on local suppliers	C Responsible supply chain		
GRI 205 (20	16): Anti-corruption			
205-3	Confirmed incidents of corruption and action taken	C Ethics and compliance		
GRI 302 (20	16): Energy			
302-1	Energy consumption within the organization	C Power consumption and energy efficiency		
GRI 303 (20	18): Water and Effluents			
303-1	Interactions with water as a shared resource	C Water consumption		
303-2	Management of water discharge-related impacts	C Water consumption		
303-3	Water withdrawal	C Water consumption		
GRI 305 (20	16): Emissions			
305-1	Direct (Scope 1) GHG emissions	C Greenhouse gas emissions		
305-2	Energy indirect (Scope 2) GHG emissions	C Greenhouse gas emissions		
GRI 306 (20	20): Waste			
306-1	Waste generation and significant waste- related impacts	C Waste management		
306-2	Management of significant waste-related impacts	d 🕻 Waste management		
306-3	Waste generated	C Waste management		
306-4	Waste diverted from disposal	C Waste management		
306-5	Waste directed to disposal	C Waste management		

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# SASB Standards Index

Indicator number SASB: Internet Media & Services (2023)	Indicator number SASB: Software & IT Services (2023)	Indicato
TC-IM-130a.1	TC-SI-130a.1	(1) Total renewał
TC-IM-130a.2	TC-SI-130a.2	(1) Total in regior
TC-IM-130a.3	TC-SI-130a.3	Discuss planninę
TC-IM-220a.1	TC-SI-220a.1	Descrip privacy
TC-IM-220a.4	TC-SI-220a.4	(1) Numb of users in disclo
TC-IM-230a.1	TC-SI-230a.1	(1) Numb informat
TC-IM-230a.2	TC-SI-230a.2	Descrip
TC-IM-330a.2	TC-SI-330a.2	Employe
TC-IM-330a.3	TC-SI-330a.3	Percent manage
TC-IM-520a.1	TC-SI-520a.1	Total an with ant
—	TC-SI-550a.2	Descrip
TC-IM-000.A	_	Entity-d

tor	Report Section
al energy consumed, (2) percentage grid electricity, (3) percentage able	C Power consumption and energy efficiency
al water withdrawn, (2) total water consumed, percentage of each ons with High or Extremely High Baseline Water Stress	C Water consumption
sion of the integration of environmental considerations into strategic ng for data center needs	C VK's approach
ption of policies and practices relating to behavioral advertising and user	C Personal data protection
nber of law enforcement requests for user information, (2) number rs whose information was requested, (3) percentage resulting losure	C Databook
nber of data breaches, (2) percentage involving personally identifiable ation (PII), (3) number of users affected	In 2024, there were no user data leaks
ption of approach to identifying and addressing data security risks	C Information security
	C Risk management
yee engagement as a percentage	C Internal communications and engagement
ntage of gender and racial/ethnic group representation for (1) nement, (2) technical staff, and (3) all other employees	C Employee profile
mount of monetary losses as a result of legal proceedings associated nti-competitive behaviour regulations	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behaviour regulations are zero
ption of business continuity risks related to disruptions of operations	C Risk management
defined measure of user activity	C Key highlights of 2024

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# Methodologies used to collect and compile indicators

Indicator	Unit of measurement	Calculation methodology
Energy consumption by offices and data centres (electricity and heat)	Million kWh Gcal	Electricity and heat consumption by offices and data centres leased offices and data centres
Direct and indirect greenhouse gas emissions (Scopes 1 and 2)	Tonnes of CO <sub>2</sub> equivalent	Calculations of direct GHG emissions from diesel fuel and nat of Russia Nº 371 On Approving Methods for Quantitative Asse emissions. Indirect greenhouse gas emissions from power con Emission Ratios for the Energy System of the Russian Federati emissions from heat energy consumption by owned and lease on Assessing Carbon Footprint Reduction). The indicator is di GHG Emissions
Personnel structure by type of employment contract, employment type, and gender	People	The Group's total headcount in the reporting period. Number of the reporting period. Data is broken down by type of empl with the requirements of GRI 2-7 Employees but without brea
Total number of new hires by age and gender	People	The Group's new hires in the reporting period. Number of full- male) and age (under 30/30–50 / over 50 years). The indicator region as required by the standard
Personnel structure by gender, age, and position	People	Management (top and line managers) and employee headcou indicator is disclosed in accordance with the requirements of methodology of GRI 405-1 Diversity of Governance Bodies ar
Number of VK employees who availed themselves of benefits	People	VHI (employees) and VHI (employees' children under 18): numl company. Other benefits: unique number of employees who u the methodology of GRI 401-2 Benefits
Average hours of training per year per employee with breakdown by gender	Hours/person	The indicator is calculated as the total number of training hou and asynchronous training (additional activities at the discreti training hours per year per employee are broken down by gen Employee
Total number of training requests from employees	Requests	The indicator is calculated as the number of unique approved
Total charitable collections	RUB million	The indicator is calculated as the amount of own charitable de
Payments under the Bug Bounty vulnerability discovery programmes	RUB million	The indicator is calculated as the amount of remuneration awa bugs and vulnerabilities in the Group's services

es of the Group in the reporting period. The indicator is calculated as the total consumption of purchased electricity and heat by owned and

atural gas consumed by owned and leased offices and data centres comply with Order of the Ministry of Natural Resources and Environment sessment of Greenhouse Gas Emissions and Absorption dated 27 May 2022, while also relying on the IPCC Guidelines to determine refrigerant consumption by offices and data centres are assessed in accordance with the Concept for Calculating and Disclosing Greenhouse Gas ation (developed in 2022 by the NP Market Council association in collaboration with JSC ATS). For calculating indirect greenhouse gas ased offices and data centres, we used ratios specified in PNST 646-2022 (Green Standards. Green Products. Green Technologies. Guidelines disclosed in accordance with the requirements of GRI 305-1 Direct (Scope 1) GHG Emissions and GRI 305-2 Energy Indirect (Scope 2)

er of full-time employees, excluding external part-time employees and contractors performing work under civil law agreements, as of the end ployment (full-time/part-time), type of contract (permanent/temporary) and gender (female/male). The indicator is disclosed in accordance eakdown by region as required by the standard

Ill-time employees, excluding external part-time employees, as of the end of the reporting period. Data is broken down by gender (female/ or is disclosed in accordance with the requirements of GRI 401-1 New Employee Hires and Employee Turnover but without breakdown by

bunt as of the end of the reporting period. Data is broken down by age (under 30/30–50 / over 50 years) and gender (female/male). The of GRI 2-7 Employees but without breakdown by region as required by the standard. The indicator is disclosed in accordance with the and Employees

mber of unique policyholders in each group as of the end of the reporting period. Data on VHI services is provided by the Sogaz insurance used benefits during the reporting period. The calculation is based on internal reporting data. The indicator is disclosed in accordance with

purs provided to employees divided by the average headcount and includes both synchronous (mandatory trainings and training programmes) etion of employees, which include taking online courses, watching videos and reading articles). Average synchronous and asynchronous ender (female/male). The indicator is disclosed in accordance with the requirements of GRI 404-1 Average Hours of Training per Year per

ed training requests submitted by employees on the internal portal over the reporting period

donations made by Group companies in the reporting period, as well as funds raised via VK Dobro and Code of Good

wards paid to independent vulnerability reseachers under the Bug Bounty vulnerability discovery programmes (excluding VAT) for identifying





