

# **Public Joint Stock Company “M.video”**

Interim Condensed Consolidated  
Financial Statements (Unaudited)  
Half-Year Ended 30 June 2025

# **PUBLIC JOINT STOCK COMPANY “M.VIDEO”**

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**STATEMENT OF MANAGEMENT’S RESPONSIBILITIES FOR THE PREPARATION AND  
APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 30 JUNE 2025 (UNAUDITED)**

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Management is responsible for the preparation of the interim condensed consolidated financial statements that present the consolidated financial position of Public Joint Stock Company “M.video” (the “Company”) and its subsidiaries (the “Group”) as at 30 June 2025, and the consolidated results of its operations, cash flows and changes in equity for the half-year then ended, in compliance with International Accounting Standard 34 “Interim Financial Reporting”.

In preparing the interim condensed consolidated financial statements, management is responsible for:

- Properly selecting and applying accounting policies;
- Presenting information, including accounting policies, in manner that provides relevant, reliable, comparable and understandable information;
- Providing additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Group’s consolidated financial position and financial performance;
- Making an assessment of the Group’s ability to continue as a going concern.

Management is also responsible for:

- Designing, implementing and maintaining an effective and sound system of internal controls throughout the Group;
- Maintaining adequate accounting records that are sufficient to show and explain the Group’s transactions and disclose with reasonable accuracy at any time the consolidated financial position of the Group, and which enable them to ensure that the interim condensed consolidated financial statements of the Group comply with IFRS (IAS 34);
- Maintaining statutory accounting records in compliance with local legislation and accounting standards of Russian Federation;
- Taking such steps as are reasonably available to them to safeguard the assets of the Group; and
- Preventing and detecting fraud and other irregularities.

The interim condensed consolidated financial statements of the Group for the half-year ended 30 June 2025 were approved on 28 August 2025.

On behalf of the management:



**F. Lib**  
Chief Executive Officer



**E. Yarina**  
Chief Financial Officer

## **Report on Review of Interim Condensed Consolidated Financial Statements**

To the Shareholders and the Board of Directors of Public Joint Stock Company «M.video»

### **Introduction**

We have performed a review of the accompanying interim condensed consolidated statement of financial performance of Public Joint Stock Company «M.video» (OGRN 5067746789248) and its subsidiaries («the Group») as at 30 June 2025 and the related interim condensed consolidated statement of profit or loss and other comprehensive income, interim condensed consolidated statement of changes in equity and statement of cash flows for the six months then ended and a summary of explanatory notes (interim condensed consolidated financial statements). Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34, Interim Financial Reporting. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

### **Scope of Review**

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

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements were not prepared, in all material respects, in accordance with International Accounting Standard 34, Interim Financial Reporting.

***Ushakova Lyubov Igorevna,***

Power of Attorney No. 53-17/25-8 dated 09 January 2025

Registration No. 21906099483

The auditor:

Russaudit Valuation and Consulting, Limited Liability Company (Russaudit, LLC)

76 Butyrskaya St., bld. 1, Office I, Intra-urban Territory of the Federal City Butyrsky Municipal Okrug, Moscow, 127015, Russia,

Registration No. 11606048583

**28 August 2025**

*Translated from the original document executed in the Russian language*



*L.I. Ushakova*



PUBLIC JOINT STOCK COMPANY "M.VIDEO"

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2025 (UNAUDITED)  
(in millions of Russian Rubles)

	Notes	30 June 2025	31 December 2024
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	4	16 462	9 348
Investment property		275	156
Intangible assets	6	19 676	20 893
Goodwill	3	50 007	50 007
Right-of-use assets	5	42 411	50 213
Deferred tax assets	24	27 365	18 970
Other non-current assets		436	614
<b>Total non-current assets</b>		<b>156 632</b>	<b>150 201</b>
<b>CURRENT ASSETS</b>			
Inventories	7	123 880	138 256
Accounts receivable	8	27 712	37 546
Advances paid	8	8 025	5 206
Loans issued		381	114
Income tax receivable		72	104
Other taxes receivable	9	6 158	13 365
Cash and cash equivalents	10	5 877	22 659
<b>Total current assets</b>		<b>172 105</b>	<b>217 250</b>
<b>TOTAL ASSETS</b>		<b>328 737</b>	<b>367 451</b>
<b>EQUITY</b>			
Share capital	11	1 798	1 798
Prepaid capital	11	31 763	-
Other reserves	4,11	6 614	-
Additional paid-in capital		4 576	4 576
Treasury shares	11	(526)	(526)
Unrealised losses		(51 361)	(26 202)
<b>Total equity</b>		<b>(7 136)</b>	<b>(20 354)</b>
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities	5	42 935	48 283
Non-current borrowings and other financial liabilities	12	5 704	3 674
Deferred tax liabilities		1 894	60
Other liabilities		347	401
<b>Total non-current liabilities</b>		<b>50 880</b>	<b>52 418</b>
<b>CURRENT LIABILITIES</b>			
Trade accounts payable		152 936	187 352
Current borrowings and other financial liabilities	12	99 486	104 785
Other payables and accrued expenses	13	10 299	11 378
Contract liabilities	15	3 247	10 369
Lease liabilities	5	17 479	19 299
Other taxes payable	14	1 432	1 964
Provisions		114	240
<b>Total current liabilities</b>		<b>284 993</b>	<b>335 387</b>
<b>Total liabilities</b>		<b>335 873</b>	<b>387 805</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>328 737</b>	<b>367 451</b>

The Notes form an integral part of these interim condensed consolidated financial statements.

Signed on 28 August 2025 by:

  
F. Lib  
Chief Executive Officer

  
E. Yarina  
Chief Financial Officer

**PUBLIC JOINT STOCK COMPANY "M.VIDEO"**

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 30 JUNE 2025 (UNAUDITED)**

*(in millions of Russian Rubles, except earnings per share)*

	Notes	For the half-year ended	
		30 June 2025	30 June 2024
REVENUE	16	171 233	201 884
COST OF SALES	17	(144 244)	(160 257)
<b>GROSS PROFIT</b>		<b>26 989</b>	<b>41 627</b>
Selling, general and administrative expenses	18	(35 722)	(38 177)
Other operating income	19	1 383	385
Other operating expenses		(337)	(115)
Changes in fair value of investment property		128	-
<b>OPERATING LOSS/PROFIT</b>		<b>(7 559)</b>	<b>3 720</b>
Finance income	20	505	443
Finance expenses	20	(26 632)	(16 527)
<b>LOSS BEFORE INCOME TAX EXPENSE</b>		<b>(33 686)</b>	<b>(12 364)</b>
Income tax benefit		8 527	2 036
<b>NET LOSS for the period, being TOTAL COMPREHENSIVE LOSS for the period</b>		<b>(25 159)</b>	<b>(10 328)</b>
BASIC LOSS PER SHARE (in Russian Rubles)	21	(141,04)	(57,90)
DILUTED LOSS PER SHARE (in Russian Rubles)	21	(141,04)	(57,90)

The Notes form an integral part of these interim condensed consolidated financial statements.

Signed on 28 August 2025 by:

  
F. Lib

Chief Executive Officer

  
E. Yarina

Chief Financial Officer

**PUBLIC JOINT STOCK COMPANY "M.VIDEO"**

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE HALF-YEAR ENDED 30 JUNE 2025 (UNAUDITED)  
(in millions of Russian Rubles)**

	Share capital	Additional paid-in capital	Other reserves	Prepaid capital	Treasury shares	Unrealised losses	Total
<b>Balance as at 31 December 2023</b>	1 798	4 576	-	-	(526)	(6 081)	(233)
Total comprehensive loss for the period	-	-	-	-	-	(10 328)	(10 328)
<b>Balance as at 30 June 2024</b>	1 798	4 576	-	-	(526)	(16 409)	(10 561)
<b>Balance as at 31 December 2024</b>	1 798	4 576	-	-	(526)	(26 202)	(20 354)
Revaluation of fixed assets at fair value			6 354				6 354
Prepaid capital				31 763			31 763
Loans from shareholders at fair value			260				260
Total comprehensive loss for the period						(25 159)	(25 159)
<b>Balance as at 30 June 2025</b>	1 798	4 576	6 614	31 763	(526)	(51 361)	(7 136)

The Notes form an integral part of these interim condensed consolidated financial statements.

Signed on 28 August 2025 by:



**F. Lib**  
Chief Executive Officer



**E. Yarina**  
Chief Financial Officer

**PUBLIC JOINT STOCK COMPANY “M.VIDEO”**

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE HALF-YEAR ENDED 30 JUNE 2025 (UNAUDITED)  
(in millions of Russian Rubles)**

		For the half-year ended	
	Notes	30 June 2025	30 June 2024
<b>OPERATING ACTIVITIES</b>			
Total net loss for the period		(25 159)	(10 328)
Adjustments for:			
Income tax benefit		(8 527)	(2 036)
Depreciation and amortisation	18	11 512	12 751
Disposals of lease liabilities	19	(1 040)	-
Change in allowance for advances paid		(20)	27
Change in allowance for obsolete and slow-moving inventories and inventory losses, net of surpluses		(461)	(1)
Interest income	20	(397)	(398)
Interest expenses	20	26 632	16 527
Changes in fair value of investment property		(128)	-
Net foreign exchange income		(182)	(35)
Other non-cash reconciling items, net		347	(286)
<b>Operating cash flows received from operations before movements in working capital</b>		<b>2 577</b>	<b>16 221</b>
Decrease/(Increase) in inventories		14 837	(10 605)
Decrease receivable and advances paid		6 648	8 540
Increase/ (decrease) in other taxes receivable		7 217	(967)
Decrease in trade accounts payable		(33 810)	(1 093)
Decrease in other payables and accrued expenses		(1 193)	(2 676)
(Decrease)/ Increase in contract liabilities		(122)	2 883
(Decrease)/Increase in other liabilities		(179)	15
Decrease in other taxes payable		(535)	(169)
Other changes in working capital, net		190	(105)
<b>Cash (used in)/ received from operations</b>		<b>(4 370)</b>	<b>12 044</b>
Income taxes paid		(48)	(348)
Interest paid		(22 969)	(15 940)
<b>Net cash used in operating activities</b>		<b>(27 387)</b>	<b>(4 244)</b>
<b>INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment		(504)	(1 472)
Proceeds from disposal of property, plant and equipment		23	2 306
Purchase of intangible assets		(2 158)	(2 523)
Issuance of consumer loans		(527)	-
Receipts of consumer loans		258	-
Interest received		398	398
<b>Net cash used in investing activities</b>		<b>(2 510)</b>	<b>(1 291)</b>
<b>FINANCING ACTIVITIES</b>			
Proceeds from bonds	12	2 000	-
Repayment of bonds	12	(5 170)	(4 225)
Proceeds from borrowings		59 771	57 046
Repayment of borrowings		(61 888)	(48 249)
Prepaid capital	11	23 000	-
Repayment of lease liabilities	5	(4 598)	(6 044)
<b>Net cash received /(used in) from financing activities</b>		<b>13 115</b>	<b>(1 472)</b>



**PUBLIC JOINT STOCK COMPANY "M.VIDEO"**

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)**  
**FOR THE HALF-YEAR ENDED 30 JUNE 2025 (UNAUDITED)**  
*(in millions of Russian Rubles)*

	Notes	For the half-year ended	
		30 June 2025	30 June 2024
NET DECREASE IN CASH AND CASH EQUIVALENTS		(16 782)	(7 007)
CASH AND CASH EQUIVALENTS, at the beginning of the period		22 659	18 662
CASH AND CASH EQUIVALENTS, at the end of the period		5 877	11 655

The Notes form an integral part of these interim condensed consolidated financial statements.

Signed on 28 August 2025 by:



F. Lib

Chief Executive Officer



E. Yarina

Chief Financial Officer

# PUBLIC JOINT STOCK COMPANY “M.VIDEO”

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2025 (UNAUDITED) (in millions of Russian Rubles)

### 1. GENERAL INFORMATION

The interim condensed consolidated financial statements of Public Joint Stock Company “M.video” (“the Company”) and its subsidiaries (the “Group”) for the half-year ended 30 June 2025 were authorized for issue by management on 28 August 2025.

The Group is the operator of a chain of household appliances and consumer electronics stores and online stores operating in the Russian Federation. The Group specializes in the sale of TV, audio, video, Hi-Fi, home appliances and digital equipment, as well as related services.

#### Shareholders

As at 30 June 2025 and 31 December 2024, registered shareholders of PJSC “M.video” and their ownership interests are presented as follows:

	30 June 2024	31 December 2024
ILLC “ERICARIA”	50,0000%	50,0000%
Media-Saturn-Holding GmbH	15,0000%	15,0000%
LLC “SFI Capital”	10,3735%	-
PJSC “SFI”	-	10,3735%
Treasury shares	0,7720%	0,7720%
Various shareholders	23,8545%	23,8545%
<b>Total</b>	<b>100%</b>	<b>100%</b>

As of 30 June 2025 and 31 December 2024, the ultimate controlling party of the Company is Bilan Abdurakhimovich Uzhakhov.

### 2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

#### Basis of Preparation

These interim condensed consolidated financial statements for the half-year ended 30 June 2025 have been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting” (“IAS 34”). The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2024.

**Functional and presentation currency** – Presentation currency of the interim condensed consolidated financial statements is Russian Ruble (“RUB”), which is functional currency of the Group’s entities.

#### Going concern

In preparing the consolidated financial statements management has performed an assessment of the Group’s ability to continue as a going concern, covering the period of 12 months, from the reporting date.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 30 JUNE 2025 (UNAUDITED)  
*(in millions of Russian Rubles)*

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Within such assessment, management of the Group considered the following:

- For the first half of 2025 year, the Group's EBITDA<sup>1</sup> was 3 825 with a net loss of 25 129;
- As at 30 June 2025, the Group breached a number of financial covenants set forth in loan agreements (Note 12) giving banks the right to demand early repayment of the relevant obligations. At the date of issuance of the interim condensed consolidated financial statements, none of the banks has exercised the right.

The Group's management has prepared a cash flow budget for a period of at least 12 months after the reporting date. On top of the Company's ongoing efforts to improve internal efficiency and reduce operating costs, such measures comprise:

- **Strategic management efforts** aimed at realizing the potential of the expected recovery of the household appliances and electronics market in 2026, further development of online sales, the M.Master service line, including the provision of services for the delivery and installation of goods, equipment repair, increasing the volume of fintech products, such as POS lending, with the help of its own financial broker, Direct Credit, as well as the further development of the retail network;
- **Utilization of credit lines available to the Group:** As of June 30, 2025, the Group had a portfolio of loans, borrowings, and issued bonds amounting to 105,190, of which 99,486 is due for repayment within the next 12 months. As of June 30, 2025, the unused amount of credit lines requiring additional bank acceptance was 8,886 (Note 12). In the process of refinancing obligations that matured after the reporting date, the entire amount was accepted by the banks. The Group is also in negotiations with all its banks to refinance its current debt

The Group's management believes that these measures will enable the Group to refinance its current debt for a period exceeding 12 months from the reporting date.

- **Additional capitalization by the Group's shareholders** in the amount of 30 000 during the first half of 2025 (as at 30 June 2025 the amount of funds has been fully contributed). The funds received from the Company's shareholders were used to replenish its working capital;
- In addition to the above, the ultimate beneficial owner has confirmed its intention to provide financial support to the Group for a period of at least 12 months from the date of approval of the Group's interim condensed consolidated financial statements.

Based on the assessment of the above circumstances together with all information available at the reporting date and the measures taken, management has concluded that the Group will continue as a going concern.

Based on the assessment, which included consideration of the facts mention above and all the relevant information available at the date of issuance of consolidated financial statements, the Group's management concluded that the going concern assumption is appropriate. However, due to frequent and significant changes in operating environment, as well as events, which are outside of the Group's control, the Group's going concern assessment is subject to a higher degree of uncertainty.

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<sup>1</sup> Adjusted EBITDA represents net profit (loss) before income tax, finance expense, finance income, depreciation/amortization of PPE, intangible assets, changes in fair value of investment property and right-of-use assets and other non-operating expenses. The metric is not defined in IFRS. The Group's management uses the metric to assess the Group's ability to continue as a going concern since it is an indicator of the sustainability and efficiency of the Group's operations including the ability to finance capital expenditures, raise debt finance and service debt.



### **Seasonality of operations**

Generally, the Group's revenue is subject to seasonal fluctuations with higher demand in the second half of the year. Business seasonality results from a combination of higher sales in holiday periods (for example, New Year) and certain costs such as depreciation of fixed assets, of rights-of-use assets, and some general and administrative expenses that do not precisely follow sales trends. The timing of new store openings, cost associated with restructuring or asset impairment, if any, as well as general economic conditions, may also affect the Group's future results.

### **Significant accounting policies**

The accounting policies and calculation methods applied in the preparation of these interim condensed consolidated financial statements are consistent with the accounting policies and calculation methods applied in the preparation of the Group's consolidated financial statements for the year ended 31 December 2024, except for:

- Recognition of income taxes using the expected annual effective interest rate for the year ended 31 December 2025;
- New and revised standards and interpretations, as described in more detail below.
- Effective from 1 January 2025, the Group's management decided to change the accounting policy for property, plant and equipment and investment property and adopting the revaluation model.

As at 1 January 2025, the fair value of property, plant and equipment (including assets within the "Land and buildings") and investment property amounted to 18,147, compared to their aggregate carrying amount of 9,504 as at 31 December 2024.

As a result of the change in accounting policy and the transition to the revaluation model, the carrying amount of property, plant and equipment increased by 8,472 due to the revaluation of the "Land and buildings", and that of investment property increased by 171. A deferred tax liability of 2,118 was recognised for property, plant and equipment and 43 for investment property. The revaluation surplus in equity increased by 6,354, and the statement of profit or loss reflected a net revaluation gain of investment property of 128.

### **Standards and interpretations**

The adoption of Amendments to IAS 21 Lack of Exchangeability to the following standards for annual periods beginning 1 January 2025 did not have an impact on the interim condensed consolidated financial statements.

## **3. GOODWILL**

At 30 June 2025, the Group performed an impairment test for goodwill related to the acquisition of the Eldorado, Media Markt and Direct Credit businesses as well as "Eldorado" trademark.

For the purpose of impairment testing, the cash-generating units (CGU) (being each group of stores located in one city) were grouped at the level of the Group's single operating segment. The recoverable amount of CGUs was determined as value in use.



# PUBLIC JOINT STOCK COMPANY "M.VIDEO"

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2025 (UNAUDITED) (in millions of Russian Rubles)

Cash flows were projected based on budgets approved by the Group. A forecast period of 5 years was used, as this period was determined by the management of the Group as an acceptable planning horizon.

Cash flows beyond 5 years are extrapolated using growth rates comparable to the forecast growth rates of the consumer price index.

As at 30 June 2025 the assumptions used to calculate the value in use for which the recoverable amount is most sensitive are: annual EBITDA growth rate from 6% to more than 20%, the pre-tax discount rate applicable to the projected cash flows of 18,1% and terminal growth rates of 3%.

Based on the results of the testing, the Group has not identified any impairment.

Management reviewed the impact of changes in key assumptions on recoverable amount. Changes in key assumptions that could result in a possible impairment of goodwill are not probable under current market conditions.

### 4. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment as at 30 June 2025 and 31 December 2024 consisted of the following:

	For the half-year ended 30 June 2025	For the half-year ended 30 June 2024
<b>Cost</b>		
<b>As at 31 December</b>	<b>49 315</b>	<b>48 997</b>
Additions	1 380	1 444
Revaluation	3 258	-
Disposals	(3 803)	(2 058)
<b>As at 30 June</b>	<b>50 150</b>	<b>48 383</b>
<b>Accumulated depreciation</b>		
<b>As at 31 December</b>	<b>39 967</b>	<b>38 232</b>
Charge for the period	1 803	1 791
Revaluation	(5 214)	-
Disposals	(2 916)	(1 256)
Impairment loss	48	-
<b>As at 30 June</b>	<b>33 688</b>	<b>38 767</b>
<b>Net book value</b>		
<b>As at 31 December</b>	<b>9 348</b>	<b>10 765</b>
<b>As at 30 June</b>	<b>16 462</b>	<b>9 616</b>

During the half-year ended 30 June 2025, the Group's total capital expenditures were 1 380 (for the half-year ended 30 June 2024: 1 444), which were primarily related to leasehold improvements, computer and trade equipment.

# PUBLIC JOINT STOCK COMPANY “M.VIDEO”

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2025 (UNAUDITED) (in millions of Russian Rubles)

Depreciation expenses have been included in “Selling, general and administrative expenses” (Note 18).

Assets mainly related to the closed stores with net book value of 887 were disposed of by the Group in the half-year ended 30 June 2025 (for the half-year ended 30 June 2024: 802).

Profit on disposal of these items of 4 (for the half-year ended 30 June 2024, loss amounted to 172) was recorded within other operating income.

As at 30 June 2025 and 31 December 2024, the Group did not pledge fixed assets.

### 5. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

Set out below is an overview of a book value of right-of-use assets and lease liabilities of the Group and changes for the period:

	<u>Right-of-use assets</u>	<u>Lease liabilities</u>
<b>As at 1 January 2025</b>	<b>50 213</b>	<b>(67 582)</b>
New agreements	478	(452)
Modification of agreements	415	(343)
Depreciation charge	(6 334)	-
Disposals	(2 361)	3 635
Foreign exchange	-	108
Interest expenses	-	(6 151)
Lease payments	-	10 641
<b>As at 30 June 2025</b>	<b>42 411</b>	<b>(60 414)</b>

  

	<u>Right-of-use assets</u>	<u>Lease liabilities</u>
<b>As at 1 January 2024</b>	<b>51 688</b>	<b>(66 785)</b>
New agreements	1 444	(1 343)
Recognition of sale-leaseback agreements	724	(2 056)
Modification of agreements	3 951	(3 837)
Depreciation charge	(7 458)	-
Disposals	(475)	670
Reassessment of termination options	5 556	(5 556)
Interest expenses	-	(5 281)
Lease payments	-	11 228
<b>As at 30 June 2024</b>	<b>55 430</b>	<b>(72 960)</b>

During the half-year ended 30 June 2025, the Group’s Contingent lease expenses were 304 (for the half-year ended 30 June 2024: 533), gain from exchange differences on financial liabilities were 108 (for the half-year ended 30 June 2024: 45).

# PUBLIC JOINT STOCK COMPANY “M.VIDEO”

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2025 (UNAUDITED) (in millions of Russian Rubles)

### 6. INTANGIBLE ASSETS

Intangible assets as at 30 June 2025 and 31 December 2024 consisted of the following:

	For the half-year ended 30 June 2025	For the half-year ended 30 June 2024
<b>Cost</b>		
As at 31 December	42 595	38 188
Additions	2 235	2 523
Disposals	(5 511)	(378)
As at 30 June	39 319	40 333
<b>Accumulated amortisation</b>		
As at 31 December	21 702	14 789
Charge for the period	3 375	3 715
Disposals	(5 434)	(378)
As at 30 June	19 643	18 126
<b>Net book value</b>		
As at 31 December	20 893	23 399
As at 30 June	19 676	22 207

The total cost of acquisition of intangible assets was 2 235 and 2 523 in the half-year ended 30 June 2025 and 30 June 2024, respectively, which for the most part relate to the improvement of the front-office and back-office systems, web site platform, development of software for automation of business processes and purchase of software licenses.

Amortisation expenses have been included in Selling, general and administrative expenses (Note 18).

### 7. INVENTORIES

Inventories as at 30 June 2025 and 31 December 2024 consisted of the following:

	30 June 2025	31 December 2024
Goods for resale	121 561	135 762
Right of return assets	2 040	2 324
Other inventories	279	170
<b>Total</b>	<b>123 880</b>	<b>138 256</b>

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## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2025 (UNAUDITED) (in millions of Russian Rubles)

### 8. ACCOUNTS RECEIVABLE AND ADVANCES PAID

Accounts receivable and advances paid as at 30 June 2025 and 31 December 2024 consisted of the following:

	30 June 2025	31 December 2024
<b>Accounts receivable</b>		
Bonuses receivable from suppliers	21 326	27 542
Accounts receivable from marketplaces	2 783	6 272
Other accounts receivable	3 606	3 736
Expected credit losses on accounts receivable	(3)	(4)
		(4)
<b>Total accounts receivable</b>	<b>27 712</b>	<b>37 546</b>
<b>Advances paid</b>		
Advances paid to suppliers and prepaid expenses	8 107	5 303
Impairment allowance for advances paid	(82)	(97)
<b>Total advances paid</b>	<b>8 025</b>	<b>5 206</b>
<b>Total</b>	<b>35 737</b>	<b>42 752</b>

### 9. OTHER TAXES RECEIVABLE

Other taxes receivable as at 30 June 2025 and 31 December 2024 consisted of the following:

	30 June 2025	31 December 2024
VAT recoverable	5 751	13 132
Other	407	233
<b>Total</b>	<b>6 158</b>	<b>13 365</b>

### 10. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at 30 June 2025 and 31 December 2024 consisted of the following:

	30 June 2025	31 December 2024
Cash at banks	4 993	16 657
Cash in transit	632	5 090
Cash on hand in stores and petty cash	202	321
Short-term bank deposits	50	591
<b>Total</b>	<b>5 877</b>	<b>22 659</b>

Cash and cash equivalents are denominated in rubles.

Cash in transit represents acquiring and cash collected from the Group's stores and not yet deposited into the bank accounts at the period end.



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#### 11. EQUITY

##### Share capital

As at 30 June 2025 and 31 December 2024, the Company had the following number of outstanding, issued and authorized ordinary shares:

	Outstanding ordinary shares	Issued ordinary shares	Authorized ordinary shares
Balance as at 31 December 2024 and 30 June 2025	178 380 477	179 768 227	209 768 227

Each share has par value of 10 RUB per share. All issued ordinary shares were fully paid.

##### Prepaid capital

Prepaid capital reflects contributions to the Group's equity made prior to the registration and placement of additional shares. The decision for this capital increase was approved during the half-year period ended 30 June 2025 for an amount of no less than 30 000. As of the reporting date, these funds had been received in full by the Group: 7 000 was received in 2024, and 23 000 was received during the first half of 2025 and 1 763 represents interest accrued on the received funding as of the reporting date.

As of the reporting date the general meeting of shareholders approved to increase the share capital. Subsequent to the reporting date but prior to the approvment of the interim condensed consolidated financial statements, the state registration of the additional shares issuance was completed (Note 27).

##### Treasury shares

As at 30 June 2025 the Group owned 1 387 750 treasury shares (31 December 2024: 1 387 750 treasury shares) held at cost of 526 (31 December 2024: 526).

##### Dividends declared

In June 2025 at the General Meeting of Shareholders of the Company it was decided not to pay dividends for the year 2024.

In June 2024 at the General Meeting of Shareholders of the Company it was decided not to pay dividends for the year 2023.

As of 30 June 2025 and 31 December 2024, the Group had no obligations to pay dividends.

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### 12. BORROWINGS AND OTHER FINANCIAL LIABILITIES

This note provides information about the contractual terms of the Group's interest-bearing long-term and short-term borrowings, credit lines and other financial liabilities, which are measured at amortized cost.

	<u>Maturity</u>	<u>30 June 2025</u>	<u>31 December 2024</u>
<b>Non-current financial liabilities</b>			
Bonds	August 2026	5 704	3 674
<b>Total non-current financial liabilities</b>		<b>5 704</b>	<b>3 674</b>
<b>Current borrowings and other financial liabilities</b>			
<b>Unsecured borrowings and credit lines</b>			
	July 2025 – December 2027	47 542	47 613
Bank 1			
Bank 2	July- September 2025	12 238	12 235
Bank 8	July 2025	10 000	10 000
Bank 4	September – May 2026	11 970	9 040
Bank 3	November 2025	5 620	8 549
Bank 6	September 2027	5 000	5 000
		<b>92 370</b>	<b>92 437</b>
<b>Other financial liabilities</b>			
Bonds	July 2025, April 2026	7 116	12 348
		<b>7 116</b>	<b>12 348</b>
<b>Total current borrowings and other financial liabilities</b>		<b>99 486</b>	<b>104 785</b>
<b>Total borrowings, credit lines and other financial liabilities</b>		<b>105 190</b>	<b>108 459</b>

As at 30 June 2025, the Group has violated a number of financial covenants established in loan agreements, which gives banks an unconditional right to demand early repayment of the relevant obligations. In the process of refinancing the obligations, that matured after the reporting date, the entire amount was accepted by the banks. The Group is also in the process of negotiating with all banks to refinance its current obligations. The Group's management believes that these measures will enable to the Group to refinance its current obligations for a period exceeding 12 months after the reporting date.

In April 2025, investors partially exercised their put option for the fourth bond issue, resulting in the Group redeeming bonds for a total amount of 5 152 and fully fulfilled all obligations under the presented bonds.

In April 2025, the Group placed long-term non-convertible ruble-denominated bonds with a fixed coupon rate for a total amount of 2 000 with a maturity date in April 2027.

In August 2024 the Group has fully repaid its obligations under the second bonds issue in the amount of 9 000.

In August 2024 the Group issued long-term non-convertible ruble-denominated bonds with floating coupon rate for a total amount of 3 750 with redemption in August 2026.

As at 30 June 2025, the Group had unutilized uncommitted credit facilities of 8 886 (31 December 2024: 11 286). The unused limit on the issue of bonds as of 30 June 2025 is 13 250 (31 December 2024: 15 250).

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### 13. OTHER PAYABLES AND ACCRUES EXPENSES

Other payables and accrued expenses as at 30 June 2025 and 31 December 2024 consisted of the following:

	30 June 2025	31 December 2024
Refund liabilities for goods	1 672	1 904
Salaries and bonuses	1 553	2 362
Purchase of property, plant and equipment and intangible assets	1 102	1 622
Consulting expenses	638	429
Repairs and maintenance expenses	623	504
Commissions to marketplaces	549	926
Contingent lease and utility expenses	522	1 367
Outsourcing services	432	336
Advances received	381	529
Service centre expenses	345	123
Warehouse services	275	139
Insurance expenses	216	36
Package services	171	130
Other payables and accrued expenses	1 820	971
<b>Total</b>	<b>10 299</b>	<b>11 378</b>

### 14. OTHER TAXES PAYABLE

Other taxes payable as at 30 June 2025 and 31 December 2024 consisted of the following:

	30 June 2025	31 December 2024
Payroll taxes	616	1 050
VAT payable	494	709
Other taxes payable	322	205
<b>Total</b>	<b>1 432</b>	<b>1 964</b>

### 15. CONTRACT LIABILITIES

Contract liabilities as at 30 June 2025 and 31 December 2024 consisted of the following:

	30 June 2025	31 December 2024
Prepayments received for goods	2 070	9 418
Deferred revenue	1 177	951
<b>Total</b>	<b>3 247</b>	<b>10 369</b>



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Deferred revenue for half-year periods ended 30 June 2025 and 30 June 2024 consisted of the following:

	For the half-year ended 30 June 2025			For the half-year ended 30 June 2024				
	Customer loyalty programs	Gift certificates	Additional services	Total	Customer loyalty programs	Gift certificates	Additional services	Total
As at 1 January	247	704	-	951	2 190	602	6	2 798
Revenue deferred during the period	5 637	272	-	5 909	12 212	1 636	-	13 848
Revenue recognized in the interim condensed consolidated statement of profit or loss and other comprehensive income*	(5 330)	(353)	-	(5 683)	(13 851)	(1 628)	(3)	(15 482)
As at 30 June	554	623	-	1 177	551	610	3	1 164

\* In anticipation of launching new integrated loyalty program, as of 30 June 2024 the Group has reclassified balance of organic bonus rubles to promotional bonus rubles with limited validity period. Based on historical statistic data, the Group estimated the probability of using these promotional bonus rubles as lower than organic ones.

Revenue for the half-year ended 30 June 2025 includes the amount of obligations under the contract with customers at the beginning of the year in the amount of 2 856 (for the half-year ended 30 June 2024: 6 726).



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## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2025 (UNAUDITED) (in millions of Russian Rubles)

### 16. REVENUE

Revenue for the half-year periods ended 30 June 2025 and 30 June 2024 consisted of the following:

	For the half-year ended	
	30 June 2025	30 June 2024
Retail revenue	167 677	198 654
Fintech revenue	2 136	1 990
Rental income from investment property	184	176
Other revenue	1 236	1 064
<b>Total</b>	<b>171 233</b>	<b>201 884</b>

Retail revenue includes sales in stores, pick-up in stores, internet sales, home-delivery services and commission fees.

Other revenue includes revenue from services of installation, recycling of home appliances and digital assistance.

Revenue for the half-year ended 30 June 2025 recognized at a point in time was 171 049 (for the half-year ended 30 June 2024: 201 708), and revenue for the half-year ended 30 June 2025 recognized over a period of time was 184 (for the half-year ended 30 June 2024: 176).

### 17. COST OF SALES

Cost of sales for the half-year periods ended 30 June 2025 and 30 June 2024 consisted of the following:

	For the half-year ended	
	30 June 2025	30 June 2024
Cost of goods sold		
- Cost of goods sold	139 513	155 466
- Transportation to stores	1 289	2 103
- Inventory losses net of surpluses and related compensations from suppliers	(318)	117
Cost of fintech services		
- Payroll of credit broker staff and related taxes	1 426	1 043
- Consumer credit services	1 027	-
- Purchased credit broker services	-	3
Cost of Additional services	64	27
Cost of other services	1 243	1 498
<b>Total</b>	<b>144 244</b>	<b>160 257</b>

For the half-year ended 30 June 2025, cost of goods sold includes supplier bonuses of 36 127 (for the half-year ended 30 June 2024: 44 772).

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**18. SELLING, GENERAL AND ADMINISTRATIVE EXPENSES**

Selling, general and administrative expenses for the half-year periods ended 30 June 2025 and 30 June 2024 consisted of the following:

	For the half-year ended	
	30 June 2025	30 June 2024
Payroll and related taxes	12 774	13 088
Depreciation and amortisation	11 512	12 751
Advertising and promotional expenses, net	2 120	1 846
Commissions to marketplaces	1 452	1 855
Utilities expenses	1 422	1 390
Bank charges	1 379	1 219
Repairs and maintenance	1 076	1 130
Security	1 009	1 115
Consulting services	802	788
Warehouse services	657	839
Contingent lease expenses	304	533
Office expenses	170	268
Taxes other than income tax	137	143
Communication	130	144
Maintenance and other property operating costs	93	77
Other expenses	685	991
<b>Total</b>	<b>35 722</b>	<b>38 177</b>

Payroll and related taxes for the half-year ended 30 June 2025 include 2 630 of contribution to the social and medical insurance (for the half-year ended 30 June 2024: 2 727).

For the half-year ended 30 June 2025 the Group received 625 from its suppliers as a compensation of advertising and promotional expenses (for the half-year ended 30 June 2024: 613).

**19. OTHER OPERATING INCOME**

Other operating income for the half-year ended 30 June 2025 primarily consists of income from the disposals of the lease agreements in the amount of 1,040.

Other operating income for the half-year period ended 30 June 2024 includes income from sale and leaseback of real estate objects in the amount of 172, other marketing income and other items.

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### 20. FINANCE INCOME AND EXPENSES

Finance income and expenses for the half-year periods ended 30 June 2025 and 30 June 2024 consisted of the following:

	For the half-year ended	
	30 June 2025	30 June 2024
Interest income	397	398
Exchange differences on lease	108	45
<b>Total financial income</b>	<b>505</b>	<b>443</b>
Interest on borrowings, credit lines and other	(20 481)	(11 246)
Interest expense on lease liabilities, net of interest income	(6 151)	(5 281)
<b>Total financial expenses</b>	<b>(26 632)</b>	<b>(16 527)</b>
<b>Total</b>	<b>(26 127)</b>	<b>(16 084)</b>

### 21. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing net profit for the period attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period, excluding treasury shares.

Diluted earnings per share are calculated by dividing the net profit attributable to equity holders of the Company (while share-based payments accounted as equity-settled only), by the weighted average number of ordinary shares outstanding during the period, plus the weighted average number of all potentially dilutive common shares.

The earnings and number of shares used in calculating basic and diluted earnings per share are set out below:

	For the half-year ended	
	30 June 2025	30 June 2024
Net loss attributable to equity holders of the Company	(25 159)	(10 328)
Weighted average number of ordinary shares in issue (millions of shares)	178,38	178,38
<b>Basic loss per share (in Russian Rubles)</b>	<b>(141,04)</b>	<b>(57,90)</b>
Net loss attributable to equity holders of the Company, adjusted for the effect of dilution	(25 159)	(10 328)
Weighted average number of ordinary shares for the purpose of diluted earnings per share (millions of shares)	178,38	178,38
<b>Diluted loss per share (in Russian Rubles)</b>	<b>(141,04)</b>	<b>(57,90)</b>

### 22. RELATED PARTIES

Related parties include shareholders, key management, entities under common ownership and control, entities under the control of key management and entities over which the Group has significant influence.



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The following table provides the total amount of transactions, which have been entered into with related parties during the half-year periods ended 30 June 2025 and 30 June 2024 and the outstanding balances owed by/to related parties as at 30 June 2025 and 31 December 2024, respectively:

	For the half-year ended 30 June 2025			For the half-year ended 30 June 2024			31 December 2024	
	Sales to related parties	Purchases from related parties	Amounts owed by related parties	Amounts owed to related parties	Sales to related parties	Purchases from related parties	Amounts owed by related parties	Amounts owed to related parties
Entities under common control (i)	-	-	-	-	-	-	-	-
Entities under significant influence of the controlling shareholder (ii)	2	-	2	-	1 406	110	-	7 000
<b>Total</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 406</b>	<b>110</b>	<b>-</b>	<b>7 000</b>

The nature of transactions with related parties is as follows:

- (i) Entities under common control – purchase and sale of Group’s goods, consulting, warehouses and trade premises rent, charity, etc.;
- (ii) Entities under significant influence of the controlling shareholder – agent services for sales of insurance, sale of goods, credit broker services, sale of Group’s goods.



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The following table provides the total amount of financial transactions, which have been entered into with related parties during the half-year periods ended 30 June 2025 and 30 June 2024 and the outstanding balances owed by/to related parties as at 30 June 2025 and 31 December 2024, respectively:

	For the half-year ended 30 June 2025			For the half-year ended 30 June 2024			31 December 2024	
	Financial income from related parties	Financial expense from related parties	Amounts owed by related parties	Financial income from related parties	Financial expenses from related parties	Amounts owed by related parties	Amounts owed to related parties	
Entities under common control (i)	-	-	-	-	-	-	-	-
Entities under significant influence of the controlling shareholder (ii)	-	-	-	-	(97)	-	-	-
<b>Total</b>	-	-	-	-	(97)	-	-	-

The nature of transactions with related parties is as follows:

- (i) Entities under common control – financial expenses and lease obligations;
- (ii) Entities under significant influence of the controlling shareholder – financial expenses and insurance obligations.

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**Terms and conditions of transactions with related parties**

Related parties may enter into transactions, which unrelated parties might not, and transactions between related parties may not be effected on the same terms, conditions and amounts as transactions between unrelated parties. Outstanding balances at 30 June 2025 are unsecured and settlement occurs in cash. There were no guarantees received or provided on receivables and payables in favour of related parties. As at 30 June 2025 and 31 December 2024, the Group has no allowance for doubtful accounts receivable from related parties.

**Compensation of key management personnel of the Group**

The remuneration of directors and other members of key management paid during the half-year periods ended 30 June 2025 and 30 June 2024 was as follows:

	For the half-year ended	
	30 June 2025	30 June 2024
Short-term benefits *	246	542
<b>Total</b>	<b>246</b>	<b>542</b>

\* Short-term benefits include salaries, bonuses and annual leave, medical insurance and relocation expenses.

As at 30 June 2025, outstanding payables to key management personnel amounted to 0 (31 December 2024: 0).

During the reporting period, the Group did not assume any significant obligations for pension payments or other obligations to key management personnel, other than obligations to pay contributions to the social fund and social insurance funds as part of social contributions for salaries and bonuses. Social contributions relating to compensation of key management personnel amounted to 35 for the half-year ended 30 June 2025 (for the half-year ended 30 June 2024: 68) and are included in the amounts stated above.

**23. COMMITMENTS AND CONTINGENCIES**

**Operating environment**

The Group operates in the Russian Federation, which continues to implement economic reforms aimed at supporting and strengthening private entrepreneurship and enhancing market relations. These reforms are intended, among other things, to mitigate the impact of political and economic sanctions imposed by the United States of America, the European Union, and a number of other countries against the Russian Federation. Consequently, the Group operates in the economic and financial markets of the Russian Federation, which are undergoing a period of significant economic transformation driven by the restructuring of the national economy. This is reflected in elevated inflation, increased borrowing costs, fluctuations in employment levels, and disruptions in supply chains and international settlement methods.

In the first half of 2025, inflation in Russia remains high, although it has decreased from its peak levels in 2024. The Central Bank of Russia continues to pursue policies aimed at price stabilisation and strengthening the ruble, despite ongoing economic challenges. The ruble exchange rate remains volatile, reflecting the overall uncertainty in external markets. In the first half of 2025, the Central Bank of Russia began to reduce its key policy rate, which may positively impact on the market value of new external borrowings for the Group.



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The Group's primary market is the retail sector of household appliances and electronics, where demand is sensitive to abrupt changes in economic and social conditions affecting consumer spending. The volatile economic environment may influence consumer expenditure and preferences. Significant shifts in the pace of development of the Russian and global economy, disruptions in global production and/or logistics processes, and changes in payment methods may affect the range of appliances and electronics available in local markets, including Russia. All of these factors may directly impact the Group's operational and financial performance.

The Group is constantly working to expand the pool of partners and develop the assortment cooperating with both Russian and foreign companies within the frameworks of the current legislation. In addition, the Group started performing import operations, i.e. purchases goods both locally, in the domestic market, and abroad, including China, the UAE, Turkey, EAEU nations and others. This ultimately enables the Group to maintain a broad representation of various products in Russia and increase trade volumes with these partners. The Group has established all the necessary supply chains, documentation processes, payment instruments, etc. The growing volume of settlements with suppliers is conducted in national currencies.

At the date of approval of these interim condensed consolidated financial statements for issue, the aforementioned events have not had a significant direct adverse impact on the Group's operations. The Group's management believes that it is taking appropriate measures to maintain the Group's financial stability under current conditions. Nevertheless, a high degree of uncertainty remains regarding the impact of these events and potential further changes in the economic and geopolitical environment on the Group's future operating results and financial position.

The described events were considered as indicators of potential impairment of the assets of the Group. The Group has conducted impairment test of Goodwill as at 30 June 2025 (Note 3). No impairment of goodwill was identified.

**24. TAX RISK MANAGEMENT**

As at 30 June 2025 and 31 December 2024 the Group has recognized deferred tax assets in respect of tax losses available to be carried forward in the amount of 19 288 and 11 171 respectively.

The amount of tax loss carried forward, for which deferred assets are recognised, as of 30 June 2025 and 31 December 2024, is 77 026 and 44 658 respectively.

The management believes that the recognition of the deferred tax asset is appropriate, as the Group has accumulated a sufficient history of profitability up to 2022. The Group also determined that future taxable profit against which the accumulated tax losses can be offset will be available in the foreseeable future. In making this assessment, the Group took into account that, in accordance with the long-term strategic model, it will start using the accumulated losses starting from 2028 and fully use it during 2028-2035.

As a result of major economic and geopolitical changes, since 2025 the Group has revised long-term development model, which is currently at an early stage of implementation and is focused on the development of new sales channels, such as third-party marketplaces, own marketplace, as well as development the B2B direction. At the same time, the long-term plan is based on the development for the provision of a wide range of services, as well as financial sector services.

The key assumptions in the Group's long-term model for 2025-2035 include a recovery of the household appliances and electronics market starting in 2026, a key policy rate and consumer price



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inflation aligned with the current long-term forecast of the Central Bank of the Russian Federation, further development of the Group's retail network, online sales, and service segments, as well as a gradual reduction in the proportion of semi-fixed expenses due to economies of scale. Recognition of the deferred tax asset is dependent on the Group's ability to adhere to these key assumptions in its long-term model.

Recognition of the deferred tax asset depends on the ability of the Group's management to fulfill these key assumptions according to the long-term model. Based on the results of the previous period, the Group met the financial performance set out in the model.

Furthermore, when assessing the recoverability of deferred tax assets recognized in respect of accumulated tax losses carried forward, the Group's management has made the assumption that the tax legislation of the Russian Federation will permit the unlimited carryforward of accumulated tax losses throughout the entire period of the long-term model.

As part of the sensitivity analysis, the Group estimated that if annual EBITDA is 10% lower than the long-term model, all other assumptions remaining constant, the deferred tax asset will be fully utilised from 2035 to 2036. Also, if the key rate is 3 p.p. higher in each period from 2035 to 2036 than the model, all other assumptions remaining constant, the deferred tax asset will be fully utilised from 2035 to 2036.

In the context of the assessment, the Group's management assumes that the deferred tax asset is recoverable. Management also believes that any shift in the term does not affect the possibility that the deferred tax asset can be realized, since tax losses can be carried forward indefinitely and have no limitation on the period of recovery, according to the legislation of the Russian Federation.

## **25. FINANCIAL GUARANTEES**

In the normal course of its operating activity the Group from time-to-time enters into financial guarantee contracts with banks. Under these contracts banks provide guarantees in favour of the Group's suppliers and the Group may be required to pay under those contracts only if it fails to make timely payments to its suppliers. As at 30 June 2025 the Group entered into such guarantee contracts for the total amount of 7 553 (31 December 2024: 10 463). As at 30 June 2025 and 31 December 2024, the Group has not pledged any assets as collateral under these guarantee contracts.

## **26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

### **Categories of financial instruments**

The carrying values of financial assets and liabilities grouped by each category of financial instruments as at 30 June 2025 and 31 December 2024 were as follows:

	<u>30 June 2025</u>	<u>31 December 2024</u>
<b>Financial assets</b>		
Assets carried at amortized cost	33 603	60 319
<b>Financial liabilities</b>		
Liabilities carried at amortized cost	328 839	374 771

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**Fair value of financial instruments**

	30 June 2025		31 December 2024	
	Carrying value	Fair value	Carrying value	Fair value
<b>Financial liabilities</b>				
Borrowings and other financial liabilities	92 370	92 370	92 437	92 437
Market value bonds	12 820	12 331	16 022	14 315
<b>Total</b>	<b>105 190</b>	<b>104 701</b>	<b>108 459</b>	<b>106 752</b>

Bonds were estimated using market quotes. Fair value measurement was categorised within level 1 of the fair value hierarchy.

The fair value of such assets and liabilities as long-term financial assets, cash and cash equivalents, accounts receivable, trade payables and other payables was categorised within level 3 of the fair value hierarchy and corresponds to the current value at which they are recorded due to the short maturity of these instruments.

**Liquidity risk management**

The Group's treasury monitors the risk of a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial investments and financial assets (e.g. accounts receivable, other financial assets) and projected cash flows from operations.

The Group's objective is to ensure continued funding and flexibility in the use of financial resources through the use of bank loans. The Group reviews its cash requirements and expected cash flows annually to determine its funding obligations. The assessment is based on the seasonal nature of the Group's operations, the store expansion program and the Group's projected working capital requirements. The Group uses financial instruments (loans, credits, bonds) to cover a significant portion of its basic cash requirements. To meet seasonal liquidity needs, the Group uses short-term loans. Every quarter the Group updates its liquidity needs and secures facilities with several banks to ensure that the Group has a sufficient amount of approved undrawn borrowing facilities.

In addition, in order to manage liquidity risk, the Group uses a balanced approach to working capital management with balancing the terms of inventory and accounts payable turnover, and therefore certain requirements are imposed on suppliers to provide deferred payment conditions. Various mechanisms are used to provide the necessary deferred payment, including supply financing agreements, commercial credit, etc. Since the Group does not receive significant additional financing benefits and does not provide additional collateral as a result of using these mechanisms, the corresponding liabilities are included in trade payables, interest expenses are included in finance expenses, and cash flows are included in operating cash flows.

As at 30 June 2025, trade payables in respect of which the Group used mechanisms to obtain an additional deferral of payment with the involvement of financial institutions amounted to 18 328 (as at 31 December 2024: 24 131), the corresponding interest expense for the half-year ended 30 June 2025 of 2 193 (for the half-year ended 30 June 2024: 3 261). Also, as at 30 June 2025, the Group had trade payables to suppliers in the amount of 3 455 (as at 31 December 2024: 36 450), in respect of which a compensated deferral of payment was provided. Finance expenses incurred by the Group in connection with the provision of such a grace period by suppliers amounted to 2 543 and 482 for the half-years ended 30 June 2025 and 2024, respectively.

The table below summarises the information of the Group's supplier finance arrangements:



# PUBLIC JOINT STOCK COMPANY “M.VIDEO”

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 30 JUNE 2025 (UNAUDITED) (in millions of Russian Rubles)

	30 June 2025	31 December 2024
<b>Carrying value of financial liabilities</b>		
Presented within trade accounts payable:	18 328	24 131
- from which suppliers received payment from factor	18 328	24 131
<b>Range of payment terms</b>		
Liabilities, which are the part of arrangements	31-180 days after financing date 1-269 days after date of acceptance of goods	88-272 days after financing date 1-304 days after date of acceptance of goods
Comparable trade payables, not part of the arrangements		
Comparable trade payables also include deferrals granted by suppliers, most of whom include the cost of such deferrals in the price of the goods or have direct factoring arrangements		

The table below summarizes the maturity profile of the Group's financial liabilities as at 30 June 2025 and 31 December 2024 based on contractual undiscounted payments:

	Less than 3 months	3-12 months	1-5 years	More than 5 years	Total
<b>As at 30 June 2025</b>					
Trade accounts payable	107 767	45 169	-	-	152 936
Borrowings and other financial liabilities	97 592	3 251	6 070	-	106 913
Lease liabilities	5 673	15 408	56 212	24 269	101 562
Other accounts payable and accrued expenses	10 299	-	-	-	10 299
<b>Total</b>	<b>221 331</b>	<b>63 828</b>	<b>62 282</b>	<b>24 269</b>	<b>371 710</b>
	Less than 3 months	3-12 months	1-5 years	More than 5 years	Total
<b>As at 31 December 2024</b>					
Trade accounts payable	179 919	7 433	-	-	187 352
Borrowings and other financial liabilities	93 068	13 265	4 385	-	110 718
Lease liabilities	6 028	16 982	59 265	27 569	109 844
Other accounts payable and accrued expenses	11 378	-	-	-	11 378
<b>Total</b>	<b>290 392</b>	<b>37 680</b>	<b>63 650</b>	<b>27 569</b>	<b>419 292</b>

## 27. SUBSEQUENT EVENTS

In July 2025, the Group has fully repaid its obligations under the third bonds issue in the amount of 5 000.

On 18 August 2025, the state registration of an additional issue of 500 million ordinary shares was completed.