PROSPECTUS CONTAINED IN SUCH REGISTRATION STATEMENTS.

REGISTRATION STATEMENTS ON FORM S-8 (FILE NO. 333-190918; FILE NO. 333-212441) OF QIWI PLC AND IN THE OUTSTANDING

“ADJUSTED NET PROFIT PER SHARE”, EXHIBIT 99.1 TO THIS REPORT ON FORM 6-K IS INCORPORATED BY REFERENCE IN THE

SEGMENT NET REVENUE YIELD”, “ADJUSTED EBITDA”, “ADJUSTED EBITDA MARGIN”, “ADJUSTED NET PROFIT”, AND

OTHER REVENUE”, “PS OTHER ADJUSTED NET REVENUE”, “PAYMENT AVERAGE ADJUSTED NET REVENUE YIELD”, “CFS

EXCEPT FOR REFERENCES TO “TOTAL NET REVENUE”, “PS PAYMENT REVENUE”, “PS PAYMENT ADJUSTED NET REVENUE”, “PS

If ‘‘Yes’’ is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b):

Yes ☐ No ☒

Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the

Form 20-F ☒ Form 40-F ☐

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

(Address of principal executive offices)

1087 Nicosia Cyprus

Kennedy Business Centre, 2nd Floor, Office 203

12-14 Kennedy Ave.

QIWI plc

For August 19, 2021

OF THE SECURITIES EXCHANGE ACT OF 1934

PURSUANT TO RULE 13A-16 OR 15D-16

REPORT OF A FOREIGN ISSUER

FORM 6-K

Washington, D.C. 20549

SECURITIES AND EXCHANGE COMMISSION

99.3

Acknowledgment letter of Ernst & Young LLC

99.2

Interim condensed consolidated financial statements (unaudited) of QIWI plc for the six months ended June 30, 2021

99.1

“QIWI Announces Second Quarter 2021 Financial Results” press release dated August 19, 2021

Exhibits

Interim Chief Financial Officer

Elena Nikonova

Date: August 19, 2021

By: /s/ Elena Nikonova

QIWI PLC (Registrant)

undersigned, thereunto duly authorized.

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the

SIGNATURES

https://investor.qiwi.com/news-releases/news-release-details/qiwi-announces-sale-its-stake-tochka-project

1 For more details please refer to the respective press release disclosed at Company’s website:

the key niches, high standards of service and operational efficiency pays off with growing volumes and sustainable margins.

“Despite overall challenging environment we managed to deliver another quarter of strong results coming above our initial expectations. Our focus on

Andrey Protopopov, QIWI’s CEO commented:

Antimonopoly Service of the Russian Federation (“FAS Approval”) and is expected to take place in 3Q 2021.

performance adjustments depending on Tochka’s FY 2021 audited results1. The Closing is subject to the approval of the Federal

•

QIWI entered into a definitive agreement to sell its 40% stake (45% economic interest) in Tochka for RUB 4.95 billion, subject to

•

The Board of Directors approved an interim dividend for 2Q 2021 in the amount of 30 cents per share

•

Andrey Protopopov was appointed as CEO of the Company and became a member of the Board of Directors

AGM. Sergey Solonin was elected Chairman of the Board of Directors

•

The Board of Directors comprised of seven members, including three independent non-executive directors, was elected at the Company’s

Key events in 2Q 2021 and after the reported period

•

PS Net Profit decreased by 6% YoY to RUB 3,042 million ($42.0 million). PS Net Profit margin decreased by 6.5ppt to 53.6%

•

PS Net Revenue increased by 5% YoY to RUB 5,678.1 million ($78.5 million)

•

Total PS volume increased by 32% YoY to RUB 457.6 billion ($6.3 billion)

Payment Services (PS) segment results

margin went up by 4.4ppt to 44.7%

•

Adjusted Net Profit decreased by 2% YoY to RUB 2,704 million ($37.4 million), or RUB 43.30 per diluted share. Adjusted Net Profit

and reached 63.7%

•

Adjusted EBITDA decreased by 1% YoY and stood at RUB 3,850 million ($53.2 million). Adjusted EBITDA margin improved by 6.6ppt

operations Total Net Revenue decreased by 12% YoY.

•

Total Net Revenue from continued operations increased by 3% YoY to RUB 6,049 million ($83.6 million). Including discontinued

Group results

2Q 2021 Financial Highlights

generation payment and financial services in Russia and the CIS, today announced its financial results for the second quarter ended June 30, 2021.

NICOSIA, CYPRUS – August 19, 2021 – QIWI plc (NASDAQ: QIWI) (MOEX: QIWI) (“QIWI” or the “Company”), a leading provider of next

Board of Directors approved dividends of 30 cents per share

QIWI upgraded FY 2021 guidance

Adjusted Net Profit amounted to RUB 2,704 million (2% decrease YoY) or RUB 43.30 per diluted share

Second Quarter Total Net Revenue amounted to RUB 6,049 million (3% YoY increase for continued operations)

QIWI Announces Second Quarter 2021 Financial Results

Exhibit 99.1

PS Payment segment breakdown by verticals

PS Net Revenue in 2Q 2021 was RUB 5,678 million ($78.5 million) – 5.2% higher compared to last year driven by PS Payment Net Revenue increase.

Including discontinued operations of Sovest (reflected in CFS) and Rocketbank Total Net Revenue decreased by 11.6% YoY.

Total Net Revenue from continued operations increased by 2.6% YoY to RUB 6,049 million ($83.6 million) driven by PS segment Net Revenue growth.

official exchange rate quoted by the Central Bank of the Russian Federation as of June 30, 2021.

(1)

Throughout this release dollar translation calculated using a ruble to U.S. dollar exchange rate of RUB 72.3723 to U.S. $1.00, which was the

Corporate and Other

496

371

(125)

(25.1%)

5.1

Rocketbank

509

—

(509)

(100.0%)

—

Consumer Financial Services (CFS)

437

—

(437)

(100.0%)

—

PS Other Net Revenue

788

745

(42)

(5.4%)

10.3

PS Payment Net Revenue

4,609

4,933

324

7.0%

68.2

Payment Services (PS)

5,397

5,678

282

5.2%

78.5

Total Net Revenue

6,839

6,049

(790)

(11.6%)

83.6

RUB million

RUB million

RUB million

%

USD(1)

2Q 2020

2Q 2021

YoY change

2Q 2021

Net Revenue breakdown by segments

2Q Results

sustainable and profitable long-term growth to our shareholders.”

Despite the headwinds we face, we are committed to achieving our goals. I believe, together with our professional team, we are able to deliver

are constantly enhancing our product portfolio mix and look for new opportunities that emerge on the market.

Factoring PLUS project where we continued to expand our portfolios and launched credit products for contracts execution and for market places. We

products, signing new partnerships and onboarding of new merchants. I also look forward, with enthusiasm, to the developments in B2B segment via our

key strategic directions on the back of our continuous efforts to improve customer value proposition. The team is progressing well on launch of new

vertical demonstrated growth year over year. We were well prepared for the Euro 2020 football championship and observed solid volumes across our

despite negative effect from temporary block of cross-border payments. Our Money Remittance vertical volume reached record highs and E-commerce

I’m pleased with the developments in our core Payment Services segment, which shows sound volume growth of 32% and net revenue growth of 7% YoY

3 Mobile network operators

2 Disclosed in the Report of Foreign Private Issuer on Form 6-K furnished to the SEC on December 9, 2020

etc. We

mostly represent use-cases connected to peer-to-peer transactions, light banking, collection of proceeds services we provide to self-employed customers,

We note significant growth within the B2B and B2B2C streamlines as we continuously enhance our customer value proposition. These transactions

RUB 13 billion.

in utilities and other government payments as well as charity organizations to which we offer payment processing services increased by 59.5% YoY to

on lower volumes coming through MNOs3 and adverse impact of the downsizing kiosk network. Other category comprising a broad range of merchants

temporary restrictions imposed by the CBR2 in December 2020 and expired in June 2021. Telecom volume decreased by 32.1% YoY to RUB 29 billion

YoY on increased TSUPIS operations and recovery of tourism partially offset by the decrease in payment volumes to foreign merchants due to

Financial services vertical by 26.2% YoY was driven by increased bank and micro loans repayments. E-commerce vertical Volume went up by 4.1%

product offering for self-employed and increase in peer-to-peer operations, and money remittances via Contact (up 29% YoY). Volume growth in the

customers’ betting winnings on the QIWI Wallet (up 59% YoY), B2B2C transactions (up 135% YoY) resulting largely from the development of our

streamlines, namely card-to-card money transfers to Master Card, Visa and MIR from Qiwi Wallet accountholders (up 109% YoY), repayment of

Remittances vertical went up by 71.4% YoY reaching a historical high level of RUB 244 billion represented by increased volumes across all key

PS Payment Volume increased by 32.0% to RUB 458 billion primarily due to the Money remittance and Financial services verticals. Money

Payment volume by 32.0% which was partially offset by a decrease of PS Payment Net Revenue Yield by 25bps YoY.

In 2Q 2021 PS Payment Net Revenue increased by 7.0% YoY and amounted to RUB 4,933 million ($68.2 million) as a result of an increase of the PS

(3)

PS Payment Net Revenue Yield is defined as PS Payment net revenue divided by Payment Services payment segment volume.

Payment Revenue primarily consists of merchant and consumer fees. Cost of PS Payment Revenue primarily consists of commission to agents.

(2)

PS Payment Net Revenue is calculated as the difference between PS Payment Revenue and PS Cost of Payment Revenue (excluding D&A). PS

the methodology used by QIWI.

presented volumes, net revenues and net revenue yields data in case the methodology of Contact and Rapida will be brought in conformity with

different market verticals in Contact and Rapida may differ from the methodology used by QIWI. We therefore retain the right to restate the

customers included in each of those market verticals less intra-group eliminations. The methodology of payment volumes allocation between

(1)

PS Payment Volume by market verticals and consolidated payment volume consist of the amounts paid by our customers to merchants or other

Other

0.63%

0.13%

n/a

(0.50%)

0.13%

Telecom

0.56%

0.43%

n/a

(0.13%)

0.43%

Money remittances

0.93%

0.96%

n/a

0.03%

0.96%

Financial services

0.58%

0.24%

n/a

(0.35%)

0.24%

E-commerce

2.68%

2.20%

n/a

(0.48%)

2.20%

PS Payment Net Revenue Yield(3)

1.33%

1.08%

n/a

(0.25%)

1.08%

Other

51.0

17.2

(33.8) (66.2%)

0.2

Telecom

238.7

124.4

(114.3) (47.9%)

1.7

Money remittances

1,317.5

2,337.0

1,019.5

77.4%

32.3

Financial services

313.6

161.5

(152.1) (48.5%)

2.2

E-commerce

2,687.7

2,292.6

(395.1)

(14.7%)

31.7

PS Payment Net Revenue (million)(2)

4,608.4

4,932.8

324.4

7.0%

68.2

Other

8.1

12.9

4.8

59.5%

0.2

Telecom

42.6

28.9

(13.7) (32.1%)

0.4

Money remittances

142.2

243.7

101.5

71.4%

3.4

Financial services

53.7

67.8

14.1

26.2%

0.9

E-commerce

100.2

104.3

4.1

4.1%

1.4

PS Payment Volume (billion)(1)

346.8

457.6

110.8

32.0%

6.3

RUB

RUB

RUB

%

USD

2Q 2020

2Q 2021

YoY change

2Q 2021

outflow of clients that customarily used our services specifically for payments to merchants that have become subject to the restrictions.

and compliance procedures. The number of active QIWI Wallets was also affected by the CBR restrictions imposed in December 2020 resulting in

year. The decrease primarily resulted from the introduction of limitations on the anonymous wallets, and enhancement of certain KYC, identification

The number of active QIWI Wallet accounts was 15.5 million as of end of 2Q 2021, a decrease of 5.4 million, or 25.7%, compared to 20.9 million last

remains an important part of our omni-channel infrastructure.

that limited our consumers’ access to certain retail locations as well as changed customer behavior. Nevertheless, our physical distribution network

distribution network was also negatively affected by the spread of the COVID-19 pandemic, corresponding lockdown measures, and other restrictions

previous year. The number of kiosks and terminals is generally decreasing as market evolves towards a higher share of digital payments. Our physical

The number of active kiosks and terminals was 100,324, including Contact and Rapida physical points of service, a decrease of 15.3% compared to the

months from the reporting date.

(2)

Active QIWI Wallet accounts calculated on a yearly basis, i.e. an active account is an account that had at least one transaction within the last 12

period.

kiosks and terminals are calculated as an average of the number of active kiosks and terminals for the last 30 days of the respective reporting

which at least one payment has been processed during the day, which we refer to as active kiosks and terminals. The period end numbers of our

(1)

We measure the numbers of our kiosks and terminals on a daily basis, with only those kiosks and terminals being taken into calculation through

PS Payment volume per active QIWI Wallet account (RUB thousand)

16.6

29.5

12.9

77.6%

Active Qiwi Wallet accounts (million)(2)

20.9

15.5

(5.4) (25.7%)

Active kiosks and terminals (units)(1)

118,455 100,324 (18,131) (15.3%)

2Q 2020 2Q 2021

YoY change

Payment Services other operating data

RUB 332 million ($4.6 million) driven by cost optimization measures resulting into lower expenses for call center, SMS and Voicemail.

Other Net Revenue largely composed of interest revenue, revenue from overdrafts provided to agents, and advertising increased by 16.0% YoY up to

inactivity terms from 6 to 12 months as well as decreased number of QIWI Wallet accounts.

Fees for inactive accounts and unclaimed payments were RUB 413 million ($5.7 million) or 17.6% lower compared to 2Q 2020 due to extension of

PS Other Net Revenue decreased by 5.4% YoY and stood at RUB 745 million ($10.3 million).

Other Net Revenue

287

332

46

16.0%

4.6

Fees for inactive accounts and unclaimed payments

501

413

(88)

(17.6%)

5.7

PS Other Net Revenue

788

745

(42)

(5.4%)

10.3

RUB million

RUB million

RUB million

%

USD million

2Q 2020

2Q 2021

YoY change

2Q 2021

PS Other Net Revenue breakdown

currently facilitated by our system may materially adversely affect our results of operations.

Any changes in the regulatory regime or in the interpretation of current regulations that affect the continuation of one or more types of transactions

imposed on higher-yielding cross-border payments.

by 48bps to 2.20% and (2) lower share of E-commerce vertical in total PS volume by 6.1ppt to 22.8%, both resulting from the temporary restrictions

A decline in PS Payment Net Revenue Yield by 25bps to 1.08% was mainly driven by a combination of (1) decreased E-commerce Net Revenue Yield

believe that significant growth in revenue from peer-to-peer transaction may not be representative of revenue from such transactions in future periods.

Operating expenses and other non-operating income and expenses

amounted to RUB 10.5 million ($0.1 million) of loss.

•

Corporate and Other projects Net Revenue include result of operations of different projects in the start-up stage and in 2Q 2021 it

traffic-providers (7% YoY) using Flocktory’s platform and marketing services underpinned by growth of average check.

•

Flocktory Net Revenue increased by 9.0% YoY and reached RUB 127 million ($1.8 million) driven by growing number of clients and

•

Factoring portfolio increased by 59% YoY and reached RUB 5.3 billion with number of active clients going up by 39% YoY to 492.

•

Bank Guarantees portfolio increased by 87% YoY to RUB 24.8 billion with average check growth by 3% to RUB 1.1 million.

bank guarantees and factoring portfolios:

of RUB 50 million. Excluding the one-off effect, Factoring Net Revenue would have shown growth of 17.1% YoY on further expansion of

•

Factoring Net Revenue decreased by 11.6% YoY to RUB 181 million ($2.5 million) due to a one-off adjustment in 2Q 2020 in the amount

the next quarters impact on operating results from Tochka is expected to cease.

Profit growth through the equity pick up. In the beginning of 3Q 2021 QIWI entered into agreement to sell its stake in the project. Thus, in

Tochka bank. The technical change of cash and settlement service bank provider resulted into Net Revenue decline partially offset with Net

•

Tochka Net Revenue decreased by 55.6% YoY to RUB 74 million ($1.0 million) due to switch of some SME customers from QIWI to

partially offset by successful roll out of Factoring and Flocktory projects:

CO Net Revenue in 2Q 2021 decreased by 25.1% YoY to RUB 371 million ($5.1 million) driven by Tochka and Other projects Net Revenue decline

Corporate and Other projects

8

(10)

(19)

(223.5%)

(0.1)

Flocktory

117

127

10

9.0%

1.8

Factoring

204

181

(24)

(11.6%)

2.5

Tochka

166

74

(92)

(55.6%)

1.0

CO Net Revenue

496

371

(124)

(25.1%)

5.1

RUB million

RUB million

RUB million

%

USD million

2Q 2020

2Q 2021

YoY change

2Q 2021

Corporate and Other (CO) Net Revenue breakdown

Volume per active QIWI Wallet account was RUB 29 thousand which is 78% higher YoY.

We are focused on diversification of our product proposition and increase of payment volumes per QIWI Wallet account. In 2Q 2021 PS Payment

Profitability results

rate in 2Q 2021 was 2.6ppt lower YoY and stood at 26.3%.

Income tax expense increased by 25.6% YoY to RUB 941 million mainly resulting from divesture of SOVEST and Rocketbank projects. Effective tax

Income tax expense

Other expenses (net) decreased by 90.2% YoY to RUB 65 million ($0.9 million) driven by divestiture of SOVEST project.

decreased by 54.5% YoY to RUB 15 million ($0.2 million) driven by divestiture of SOVEST and Rocketbank projects.

Interest expenses (net) primarily related to interest on non-banking loans issued and interest expense accrued on lease liabilities held by the Company,

Foreign exchange loss (net) decreased by 82.9% YoY to RUB 50 million ($0.7 million) driven by currency rates fluctuations.

strong performance of Tochka in 2Q 2021 compared to last year.

Share of gain of an associate and a joint venture represented by Tochka equity pick up increased by 31.8% YoY to RUB 141 million ($1.9 million) on

driven by divestiture of SOVEST and Rocketbank projects.

Depreciation, amortizanion and impairment as well as Credit loss expenses combined decreased by 5.0ppt YoY to 5.8% as percent of Total Net Revenue

million) or 25.2% as percent of Total Net Revenue — 3.1ppt improvement compared to last year.

Discontinuation of SOVEST and Rocketbank projects also resulted in optimization of personnel expenses by 21.3% YoY to RUB 1,525 million ($21.1

Rocketbank projects partially offset by higher taxes expenses and expenses related to the Tochka platform.

remained almost flat decreasing by 0.1ppt YoY to 10.1% primarily on lower advertising, client acquisition and related expenses of SOVEST and

Selling, general and administrative expenses decreased by 12.1% to RUB 612 million ($8.5 million). SG&A expenses as percent of Total Net Revenue

temporary restrictions imposed on cross-border payments.

driven by divestiture of SOVEST and Rocketbank projects that offset the negative operating leverage effect resulting from Total Net Revenue decline on

Operating expenses went down by 26.2% YoY to RUB 2,486 million ($34.4 million) and improved by 8.2ppt to 41.1% as percent of Total Net Revenue

Other income and expenses, net

(665)

(9.7%)

(65)

(1.1%)

600

(90.2%)

8.6%

(0.9)

Interest income and expenses, net

(33)

(0.5%)

(15)

(0.2%)

18

(54.5%)

0.2%

(0.2)

Foreign exchange loss, net

(292)

(4.3%)

(50)

(0.8%)

242

(82.9%)

3.4%

(0.7)

Share of gain of an associate and a joint venture

107

1.6%

141

2.3%

34

31.8%

0.8%

1.9

Other non-operating income and expenses

(883)

(12.9%)

11

0.2%

894

(101.2%)

13.1%

0.2

Credit loss (expense)

(290)

(4.2%)

(64)

(1.1%)

226

(77.9%)

3.2%

(0.9)

Depreciation, amortization & impairment

(445)

(6.5%)

(285)

(4.7%)

160

(36.0%)

1.8%

(3.9)

Personnel expenses

(1,938)

(28.3%)

(1,525)

(25.2%)

413

(21.3%)

3.1%

(21.1)

Selling, general and administrative expenses

(696)

(10.2%)

(612)

(10.1%)

84

(12.1%)

0.1%

(8.5)

Operating expenses

(3,369)

(49.3%) (2,486)

(41.1%)

883

(26.2%)

8.2%

(34.4)

million

Revenue

million

Revenue

million

million

RUB

% of Net

RUB

% of Net

RUB

%

ppt

USD

2Q 2020

2Q 2021

YoY change

2Q 2021

forex exchange gain.

•

Floctory Net Profit in 2Q 2021 stood at RUB 17 million as a result of Net Revenue growth by 9.0% YoY, lower personnel expenses and

YoY.

adjustment of about RUB 40 million related to agent expenses. Excluding the one-off effect Factoring Net Profit would have stayed flat

digital bank guarantees and factoring portfolios growth, increased personnel expenses for business scale up and last year’s one-off

•

Factoring Plus Net Profit declined by 42.6% YoY to RUB 54 million as a result of the accrual of reserves for expected credit losses due to

Tochka is expected to cease.

of 3Q 2021 QIWI entered into agreement to sell its stake in the project. Thus, in the next quarters the impact on operating results from

SME customers from QIWI to Tochka bank which was partially offset with Net Profit growth through the equity pick up. In the beginning

•

Tochka Net Profit decreased by 20.3% YoY to RUB 132 million driven by Net Revenue decline by 55.6% YoY due to switch of some

based payments) and foreign exchange gain partially offset by higher income tax expenses.

•

Corporate Net Loss in 2Q 2021 decreased by 5.7% YoY to RUB 512 million mainly due to lower personnel expenses (excluding share-

($4.7 million) driven primarily by the following factors:

(iv) corporate expenses, and (v) net loss from other projects in the start-up stage. CO Net Loss in 2Q 2021 decreased by 14.8% YoY to RUB 338 million

CO Net Loss includes: (i) net profit from the Tochka JV operations; (ii) net profit of our Factoring PLUS project; (iii) net profit of the Flocktory project;

foreign exchange gain for the reported period and PS Net Revenue growth of 5.2%.

temporary restrictions imposed on higher-yielding cross-border payments, increase in personnel expenses and higher income tax partially offset by

Payment Services Net Profit decreased by 6.2% YoY to RUB 3,042 million ($42.0 million) mainly driven by margin decrease by 6.5ppt to 53.6% due to

stood at 44.7% primarily driven by the same factors affecting Adjusted EBITDA.

Adjusted Net Profit in 2Q 2021 decreased by 1.9% YoY to RUB 2,704 million ($37.4 million). Adjusted Net Profit margin improved by 4.4ppt and

measures resulting from divesture of SOVEST and Rocketbank projects.

EBITDA margin improvement by 6.6ppt to 63.7%. Adjusted EBITDA margin went up despite negative operating leverage effect offset by optimization

Adjusted EBITDA decreased by 1.4% YoY to RUB 3,850 million ($53.2 million) driven by Total Net Revenue decline and partially offset by Adjusted

Other projects

(90)

(28)

62

(68.4%)

(0.4)

Corporate

(543)

(512)

31

(5.7%)

(7.1)

Flocktory

(23)

17

40

172.3%

0.2

Factoring

94

54

(40)

(42.6%)

0.7

Tochka

165

132

(33)

(20.3%)

1.8

Corporate and Other

(397)

(338)

59

(14.8%)

(4.7)

Rocketbank

44

—

(44)

(100.0%)

—

Consumer Financial Services

(134)

—

134

(100.0%)

—

PS Net Profit margin, %

60.1%

53.6%

n/a

(6.5%)

53.6%

Payment Services

3,243

3,042

(201)

(6.2%)

42.0

Adjusted Net Profit margin, %

40.3%

44.7%

n/a

4.4%

44.7%

Adjusted Net Profit

2,756

2,704

(52)

(1.9%)

37.4

Adjusted EBITDA margin, %

57.1%

63.7%

n/a

6.6%

63.7%

Adjusted EBITDA

3,905

3,850

(55)

(1.4%)

53.2

RUB million

RUB million

RUB million

%

USD million

2Q 2020

2Q 2021

YoY change

2Q 2021

and don’t provide guidance on the recovery process. There can be no assurance that new laws and regulations that have emerged recently or may emerge

regulatory developments and cannot be accurately estimated as well as may never be restored. Considering existing uncertainties, we remain cautious

However, the recovery of the payment volume and revenue lost in the wake of restrictions is highly dependent on changed customer behavior and new

imposed in December 2020. In June 2021 the term of restrictions imposed by the CBR expired. As a result, we started to onboard foreign merchants.

At the beginning of 2021 the CBR permitted us to resume processing payments to certain key foreign merchants and lifted some of the other restrictions

The CBR restrictions

Recent Developments

6.6% compared to the end of 1H 2020.

As a result of factors described above cash and cash equivalents as of the end of 1H 2021 was RUB 35,583 million ($495.4 million) – an increase by

816 million due to an increase of distributable profit and lower payout ratio in 1H 2020 due to the COVID-19 outbreak.

was primarily driven by (i) the increase in repayment of borrowings by RUB 902 million and (ii) higher dividend payments in 1H 2021 by RUB

Net cash flow used in financing activities for 1H 2021 increased by 92.8% YoY to RUB 3,533 million ($48.8 million). The increase in net cash outflow

down of Rocketbank.

outflow was primarily driven by the less treasury operations comprising purchases of publicly traded debt securities in the last year following the wind-

Net cash flow received from investing activities for 1H 2021 increased by 29.2% YoY to RUB 837 million ($11.6 million). This increase in net cash

net profit for the reported period by 36%.

amount of RUB 4,257 million driven predominantly due to seasonal factor; (iii) increase of income tax paid to RUB 1,443 million driven by increase in

back of the temporary CBR prescriptions related to cross-border operations; (ii) decrease in in customer accounts and amounts due to banks in the

primarily due to (i) lower accounts payable and accruals of RUB 12,028 million resulted from discontinuation of payments to foreign merchants on the

changes in working capital and increased income tax paid. Change in working capital for 1H 2021 resulted in cash outflow of RUB 14,131 million

million). Net cash flow used in operating activities for 1H 2021 increased by 13.4% YoY to RUB 8,722 million ($120.5 million) driven by significant

Net cash generated from operating activities before changes in working capital for 1H 2021 increased by 6.7% YoY to RUB 5,663 million ($78.2

Cash and cash equivalents at the end of the period

33,629

35,853

2,224

6.6%

495.4

Cash and cash equivalents at the beginning of the period

42,101

47,382

5,281

12.5%

654.7

Net decrease in cash and cash equivalents

(8,472)

(11,529)

(3,057)

36.1%

(159.3)

Effect of exchange rate changes on cash and cash equivalents

403

(111)

(514) (127.5%)

(1.5)

Net cash used in from financing activities

(1,832)

(3,533)

(1,701)

92.8%

(48.8)

Net cash received from investing activities

648

837

189

29.2%

11.6

Net cash flow used in operating activities

(7,691)

(8,722)

(1,031)

13.4%

(120.5)

Net interest and income tax paid

848

(254)

(1,102) (130.0%)

(3.5)

Change in working capital

(13,844)

(14,131)

(287)

2.1%

(195.3)

Net cash generated from operating activities before changes in working capital

5,305

5,663

358

6.7%

78.2

RUB million

RUB million

RUB million

%

USD million

1H 2020

1H 2021

YoY change

1H 2021

Consolidated cash flow statement

2020.

•

Loss from Other projects decreased by 68.4% YoY as a result of optimization measures and ceasing of some of the projects in the end of

4 Guidance is provided in Russian rubles

•

Adjusted Net Profit is expected to decrease by 15% to 30% YoY.

•

Payment Services Net Revenue is expected to decrease by 10% to 20% YoY;

•

Total Net Revenue is expected to decrease by 10% to 20% YoY;

QIWI revised its FY 2021 guidance:

2021 Guidance4

accordance with the target range provided, though the payout ratios for each of the quarters may vary and be outside of this range.

The Board of Directors reserves the right to distribute the dividends on a quarterly basis, as it deems necessary so that the total annual payout is in

September 9, 2021. The holders of ADSs will receive the dividend shortly thereafter.

approved a dividend of USD 30 cents per share. The dividend record date is September 7, 2021, and the Company intends to pay the dividend on

Following the determination of 2Q 2021 financial results and taking into consideration the current operating environment, the Board of Directors

the Company aims to distribute at least 50% of Group Adjusted Net Profit for 2021.

In March 2021, the Board of Directors has approved a target dividend payout ratio for 2021. In accordance with the decision of the Board of Directors,

Dividends

million) of PS Payment Net Revenue.

Payment Net Revenue. QIWI’s TSUPIS business and related acquiring services with winning payouts for 1H 2021 accounted 23% (or RUB 2,083

The combined betting stream for 1H 2021 represented 27% (or RUB 223.3 billion) of PS Payment Volume and 37% (or RUB 3,368 million) of PS

margins of our Payment Services business, as well as overall usage of Qiwi Wallet.

payouts expected to be retained. This or any further significant change in betting legislation may negatively affect the payment volume, revenue, and

the same time, part of the betting revenues generated from QIWI Wallet services, including commissions for betting accounts top-ups and winning

TSUPIS business in Russia and acquiring services with winning payouts provided to sports betting companies in a bundle with TSUPIS operations. At

If we are not able to secure an active role in this new industry landscape, QIWI may lose the ability to generate volume and income directly related to

serve as the ETSUP pursuant to the new regulatory regime, however, there can be no assurance that our bid will be successful.

appointed ETSUP will replace the existing TSUPIS. Currently, both we and the operator of the competing TSUPIS have publicly made proposals to

betting market, and creating the role of a single Unified Interactive Bets Accounting Center (ETSUP). By the end of September 2021, the newly-

December 2020, a new law was adopted, establishing a Unified Gambling Regulator as a new governmental agency with broad authority to oversee the

associations of bookmakers in order to enable us to accept electronic bets on behalf of sports betting companies and process related payments. In

Since 2016, we have been operating an Interactive Bets Accounting Center (TSUPIS), which we established together with one of the self-regulated

Betting industry regulation

Services Segment.

in our E-Commerce market vertical and therefore have adversely affected and will continue to adversely affect the results of operations of our Payment

in the near term will not adversely affect the recovery process. The restrictions introduced by the CBR have substantially decreased the volume mainly

for goods and services or transfer money across virtual or physical environments interchangeably.

consumers using its network at least once a month. QIWI’s consumers can use cash, stored value and other electronic payment methods in order to pay

and enabled merchants and customers to accept and transfer over RUB 140 billion cash and electronic payments monthly connecting over 26 million

payment services across online, mobile and physical channels. It has deployed around 15.5 million virtual wallets, over 100,000 kiosks and terminals,

QIWI is a leading provider of next generation payment and financial services in Russia and the CIS. It has an integrated proprietary network that enables

About QIWI plc.

website at https://www.qiwi.ru under the Corporate Investor Relations section or directly at http://investor.qiwi.com/.

callers; the pin number is 13722017. The replay will be available until Thursday, September 2, 2021. The call will be webcast live from the Company’s

(201) 493-6780. A replay will be available at 11:30 a.m. ET and can be accessed by dialing +1 (844) 512-2921 or +1 (412) 317-6671 for international

Nikonova, interim CFO. The conference call can be accessed live over the phone by dialing +1 (877) 407-3982 or for international callers by dialing +1

QIWI will host a conference call to discuss 2Q 2021 financial results today at 8:30 a.m. ET. Hosting the call will be Andrey Protopopov, CEO and Elena

Earnings Conference Call and Audio Webcast

becomes available.

The Company reserves the right to revise guidance in the course of the year or when additional information regarding the effect of the ongoing events

improve further the impact on our business and operations could deviate from than currently expected.

Our current views and expectations only and are based on the trends we see as of the day of this press release. If such trends were to deteriorate or

recovery of cross-borders operations, and (3) sale of stake in Tochka project, previously accounted for under the equity pick-up method.

Our outlook reflects (1) recent changes in the betting industry landscape described in the “Recent developments” section, (2) conservative projections on

ir@qiwi.com

+357.25028091

Investor Relations

Contact

or to report future events that may affect such forward-looking statements unless QIWI is required to do so by law.

other reports QIWI files with the U.S. Securities and Exchange Commission. QIWI undertakes no obligation to revise any forward-looking statements

perform in accordance with its expectations and other risks identified under the Caption “Risk Factors” in QIWI’s Annual Report on Form 20-F and in

cyberattacks and security vulnerabilities in QIWI’s products and services, QIWI’s ability to expand geographically, the risk that new projects will not

capital risk associated with new projects, a decline in net revenue yield, regulation, QIWI’s ability to grow physical and virtual distribution channels,

verticals, competition, the introduction of new products and services and their acceptance by consumers, QIWI’s ability to estimate the market risk and

to, the macroeconomic conditions of the Russian Federation and in each of the international markets in which we operate, growth in each of our market

factors that could cause actual future results and other future events to differ materially from those estimated by management include, but are not limited

QIWI plc. to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Various

looking statements involve known and unknown risks, uncertainties, and other factors that may cause the actual results, performance or achievements of

respect to payments to foreign merchants, developments in the betting industry in the Russian Federation and its regulation, and others. Such forward-

business, merchants, customers, and employees, the impact of the restrictions imposed on us by the CBR on December 7, 2020, in particular with

the development of our Factoring, Flocktory and Tochka businesses, the impact of the COVID-19 pandemic and related public health measures on our

payments, payment volume growth, growth of physical and virtual distribution channels, trends in each of our market verticals and statements regarding

Reform Act of 1995, including, without limitation, statements regarding expected total net revenue, adjusted net profit and net revenue yield, dividend

This press release includes “forward-looking statements” within the meaning of, and subject to the protection of, the Private Securities Litigation

Forward-Looking Statements

Bank of the Russian Federation as of June 30, 2021.

(1)

Calculated using a ruble to U.S. dollar exchange rate of RUB 72.3723 to U.S. $1.00, which was the official exchange rate quoted by the Central

Total equity and liabilities

83,315

68,227

942.7

Total current liabilities

44,617

27,292

377.1

Other current liabilities

647

745

10.3

VAT and other taxes payable

147

108

1.5

Short-term lease liability

354

357

4.9

Short-term debt

1,640

638

8.8

Customer accounts and amounts due to banks

12,301

8,047

111.2

Trade and other payables

29,528

17,397

240.4

Current liabilities

Total non-current liabilities

6,926

7,084

97.9

Deferred tax liabilities

1,161

1,362

18.8

Other non-current liabilities

44

49

0.7

Long-term customer accounts

36

—

—

Long-term lease liability

762

737

10.2

Long term debt

4,923

4,936

68.2

Non-current liabilities

Total equity

31,772

33,851

467.7

Non-controlling interests

96

64

0.9

Total equity attributable to equity holders of the parent

31,676

33,787

466.8

Translation reserve

554

530

7.3

Retained earnings

14,602

16,730

231.2

Other reserve

2,575

2,582

35.7

Share premium

12,068

12,068

166.7

Additional paid-in capital

1,876

1,876

25.9

Share capital

1

1

0.0

Equity attributable to equity holders of the parent

Equity and liabilities

Total assets

83,315

68,227

942.7

Total current assets

64,944

51,945

717.7

Assets held for sale

31

1,949

26.9

Cash and cash equivalents

47,382

35,853

495.4

Other current assets

1,202

875

12.1

Prepaid income tax

197

207

2.9

Short-term debt securities and deposits

2,888

1,899

26.2

Short-term loans

5,799

5,615

77.6

Trade and other receivables

7,445

5,547

76.6

Current assets

Total non-current assets

18,371

16,282

225.0

Deferred tax assets

209

178

2.5

Other non-current assets

112

120

1.7

Long-term loans

214

257

3.5

Long-term debt securities and deposits

3,495

3,456

47.8

Investments in associates

1,635

0

0.0

Goodwill and other intangible assets

10,813

10,590

146.3

Property and equipment

1,893

1,681

23.2

Non-current assets

Assets

RUB

RUB

USD(1)

2020

2021 (unaudited)

2021 (unaudited)

As of December 31,

As of June 30,

As of June 30,

(in millions)

Consolidated Statement of Financial Position

QIWI plc.

implemented to make our financial statements comparable with industry peers.

(3)

Starting December 31, 2020, we present foreign exchange gain and foreign exchange loss on a netted basis. This change in presentation was

Bank of the Russian Federation as of June 30, 2021.

(2)

Calculated using a ruble to U.S. dollar exchange rate of RUB 72.3723 to U.S. $1.00, which was the official exchange rate quoted by the Central

order to conform to the current period’s presentation.

(1)

Following the divestiture of SOVEST and the wind-down of Rocketbank, certain amounts have been reclassified to Discontinued operations in

Diluted, profit from continuing operations attributable to ordinary equity holders of the parent

44.72

41.92

0.58

Basic, profit from continuing operations attributable to ordinary equity holders of the parent

44.88

41.94

0.58

Earnings per share for continuing operations

Diluted, profit attributable to ordinary equity holders of the parent

29.13

41.92

0.58

Basic, profit attributable to ordinary equity holders of the parent

29.24

41.94

0.58

Earnings per share:

Non-controlling interests

21

15

0.2

Equity holders of the parent

1,798

2,589

35.8

Attributable to:

Total comprehensive income, net of tax effect of nil

1,819

2,604

36.0

Total other comprehensive income/(loss), net of tax

(18)

(29)

(0.4)

Net gains recycled to profit or loss upon disposal

(25)

—

—

Net gains arising during the period, net of tax

40

—

—

Debt securities at fair value through other comprehensive income (FVOCI):

Exchange differences on translation of foreign operations

(33)

(29)

(0.4)

Foreign currency translation:

Other comprehensive income to be reclassified to profit or loss in subsequent periods:

Other comprehensive income

Non-controlling interests

21

15

0.2

Equity holders of the parent

1,816

2,618

36.2

Attributable to:

Net profit

1,837

2,633

36.4

Loss after tax from discontinued operations

(973)

—

—

Discontinued operations

Net profit from continuing operations

2,810

2,633

36.4

Income tax expense

(678)

(941)

(13.0)

Profit before tax from continuing operations

3,488

3,574

49.4

Other income and expenses, net

(7)

(65)

(0.9)

Interest income and expenses, net

(23)

(15)

(0.2)

Foreign exchange gain/(loss), net (3)

(299)

(50)

(0.7)

Share of gain of an associate and a joint venture

107

141

1.9

Profit from operations

3,710

3,563

49.2

Impairment of non-current assets

(32)

—

—

Credit loss expense

(5)

(64)

(0.9)

Depreciation and amortization

(268)

(285)

(3.9)

Personnel expenses

(1,400)

(1,525)

(21.1)

Selling, general and administrative expenses

(510)

(612)

(8.5)

Cost of revenue (exclusive of items shown separately below)

(3,501)

(4,764)

(65.8)

Operating costs and expenses:

(5,716)

(7,250)

(100.2)

Other revenue

474

544

7.5

Fees from inactive accounts and unclaimed payments

501

413

5.7

Interest revenue calculated using the effective interest rate

655

694

9.6

Payment processing fees

7,796

9,162

126.6

Revenue:

9,426

10,813

149.4

Continuing operations

RUB(1)

RUB

USD(2)

June 30, 2020

June 30, 2021

June 30, 2021

Three months ended (unaudited)

(in millions, except per share data)

Consolidated Statement of Comprehensive Income

QIWI plc.

implemented to make our financial statements comparable with industry peers.

(3)

Starting December 31, 2020, we present foreign exchange gain and foreign exchange loss on a netted basis. This change in presentation was

Bank of the Russian Federation as of June 30, 2021.

(2)

Calculated using a ruble to U.S. dollar exchange rate of RUB 72.3723 to U.S. $1.00, which was the official exchange rate quoted by the Central

order to conform to the current period’s presentation.

(1)

Following the divestiture of SOVEST and the wind-down of Rocketbank, certain amounts have been reclassified to Discontinued operations in

Diluted, profit from continuing operations attributable to ordinary equity holders of the parent

87.65

73.02

1.01

Basic, profit from continuing operations attributable to ordinary equity holders of the parent

87.97

73.07

1.01

Earnings per share for continuing operations

Diluted, profit attributable to ordinary equity holders of the parent

54.58

73.02

1.01

Basic, profit attributable to ordinary equity holders of the parent

54.78

73.07

1.01

Earnings per share:

Non-controlling interests

44

26

0.4

Equity holders of the parent

3,530

4,537

62.7

Attributable to:

Total comprehensive income, net of tax effect of nil

3,574

4,563

63.0

Total other comprehensive income/(loss), net of tax

138

(24)

(0.3)

Net gains recycled to profit or loss upon disposal

(47)

—

—

Net gains arising during the period, net of tax

32

—

—

Debt securities at fair value through other comprehensive income (FVOCI):

Exchange differences on translation of foreign operations

153

(24)

(0.3)

Foreign currency translation:

Other comprehensive income to be reclassified to profit or loss in subsequent periods:

Other comprehensive income

Non-controlling interests

33

26

0.4

Equity holders of the parent

3,403

4,561

63.0

Attributable to:

Net profit

3,436

4,587

63.4

Loss after tax from discontinued operations

(2,063)

—

—

Discontinued operations

Net profit from continuing operations

5,499

4,587

63.4

Income tax expense

(1,344)

(1,656)

(22.9)

Profit before tax from continuing operations

6,843

6,243

86.3

Other income and expenses, net

(23)

(73)

(1.0)

Interest income and expenses, net

(44)

(27)

(0.4)

Foreign exchange gain/(loss), net (3)

(239)

(42)

(0.6)

Share of gain of an associate and a joint venture

239

306

4.2

Profit from operations

6,910

6,079

84.0

Impairment of non-current assets

(32)

(12)

(0.2)

Credit loss expense

(25)

(157)

(2.2)

Depreciation and amortization

(528)

(571)

(7.9)

Personnel expenses

(2,777)

(3,230)

(44.6)

Selling, general and administrative expenses

(1,204)

(1,161)

(16.0)

Cost of revenue (exclusive of items shown separately below)

(7,354)

(8,837)

(122.1)

Operating costs and expenses:

(11,920)

(13,968)

(193.0)

Other revenue

897

1,073

14.8

Fees from inactive accounts and unclaimed payments

991

854

11.8

Interest revenue calculated using the effective interest rate

1,211

1,343

18.6

Payment processing fees

15,731

16,777

231.8

Revenue:

18,830

20,047

277.0

Continuing operations

RUB(1)

RUB

USD(2)

June 30, 2020

June 30, 2021

June 30, 2021

Six months ended (unaudited)

(in millions, except per share data)

Consolidated Statement of Comprehensive Income

QIWI plc.

Bank of the Russian Federation as of June 30, 2021.

(1)

Calculated using a ruble to U.S. dollar exchange rate of RUB 72.3723 to U.S. $1.00, which was the official exchange rate quoted by the Central

Cash and cash equivalents at the end of the period

33,629

35,853

495.4

Cash and cash equivalents at the beginning of the period

42,101

47,382

654.7

Net increase in cash and cash equivalents

(8,472)

(11,529)

(159.3)

Net cash (used in)/generated from financing activities

(1,832)

(3,533)

(48.8)

Dividends paid to non-controlling shareholders

(54)

(54)

(0.7)

Dividends paid to owners of the Group

(1,630)

(2,446)

(33.8)

Payment of principal portion of lease liabilities

(46)

(29)

(0.4)

Repayment of borrowings

(102)

(1,004)

(13.9)

Financing activities

Net cash used in investing activities

648

837

11.6

Proceeds from sale and redemption of debt securities

3,230

971

13.4

Purchase of debt securities and deposits

(2,358)

—

—

Repayment of loans issued

—

11

0.2

Loans issued

(11)

(20)

(0.3)

Proceeds from sale of fixed and intangible assets

54

12

0.2

Purchase of intangible assets

(111)

(37)

(0.5)

Purchase of property and equipment

(90)

(90)

(1.2)

Cash paid for acquisition

(66)

(10)

(0.1)

Investing activities

Net cash flow used in operating activities

(7,691)

(8,722)

(120.5)

Income tax paid

(805)

(1,443)

(19.9)

Interest paid

(332)

(279)

(3.9)

Interest received

1,985

1,468

20.3

Cash used in operations

(8,539)

(8,468)

(117.0)

Decrease/(increase) in loans issued from banking operations

807

156

2.2

Decrease in accounts payable and accruals

(3,391)

(12,028)

(166.2)

Decrease in customer accounts and amounts due to banks

(12,441)

(4,257)

(58.8)

Decrease/(increase) in other assets

(37)

311

4.3

Increase in trade and other receivables

1,218

1,687

23.3

Working capital adjustments:

Other

33

13

0.2

Impairment of non-current assets

134

12

0.2

Loss on forward contract to sell Sovest loans’ portfolio

658

—

—

Share of gain of an associate and a joint venture

(239)

(306)

(4.2)

Credit loss expense

810

157

2.2

Interest income, net

(1,595)

(1,069)

(14.8)

Foreign exchange loss, net

255

42

0.6

Depreciation and amortization

650

571

7.9

Adjustments to reconcile profit before tax to net cash flows generated from operating activities

Profit before tax

4,599

6,243

86.3

Loss before tax from discontinued operations

(2,244)

—

—

Profit before tax from continuing operations

6,843

6,243

86.3

Operating activities

RUB

RUB

USD(1)

June 30, 2020

June 30, 2021

June 30, 2021

Six months ended (unaudited)

(in millions)

Consolidated Statement of Cash Flows

QIWI plc.

Bank of the Russian Federation as of June 30, 2021.

(1)

Calculated using a ruble to U.S. dollar exchange rate of RUB 72.3723 to U.S. $1.00, which was the official exchange rate quoted by the Central

Other projects

(90)

(28)

(0.4)

Corporate

(543)

(512)

(7.1)

Flocktory

(23)

17

0.2

Factoring

94

54

0.7

Tochka

165

132

1.8

Corporate and Other

(397)

(338)

(4.7)

Rocketbank

44

—

—

Consumer Financial Services

(134)

—

—

Payment Services

3,243

3,042

42.0

Adjusted Net Profit

2,756

2,704

37.4

Corporate and Other projects

8

(10)

(0.1)

Flocktory

117

127

1.8

Factoring

204

181

2.5

Tochka

166

74

1.0

Corporate and Other

496

371

5.1

Rocketbank

509

—

—

Consumer Financial Services

437

—

—

Payment Services

5,397

5,678

78.5

Total Net Revenue

6,839

6,049

83.6

RUB

RUB

USD (1)

June 30, 2020

June 30, 2021

June 30, 2021

Three months ended (unaudited)

Reporting Segments Data

QIWI plc.

Bank of the Russian Federation as of June 30, 2021.

(1)

Calculated using a ruble to U.S. dollar exchange rate of RUB 72.3723 to U.S. $1.00, which was the official exchange rate quoted by the Central

Others

(142)

(57)

(0.8)

Corporate

(782)

(954)

(13.2)

Flocktory

12

(103)

(1.4)

Factoring

92

34

0.5

Tochka

308

323

4.5

Corporate and Other

(512)

(757)

(10.5)

Rocketbank

(616)

—

—

Consumer Financial Services

(656)

—

—

Payment Services

6,294

5,522

76.3

Adjusted Net Profit

4,510

4,765

65.8

Corporate and Other projects

4

(20)

(0.3)

Flocktory

206

260

3.6

Factoring

305

375

5.2

Tochka

331

155

2.1

Corporate and Other

846

770

10.6

Rocketbank

532

—

—

Consumer Financial Services

1,003

—

—

Payment Services

10,718

10,440

144.3

Total Net Revenue

13,099

11,210

154.9

RUB

RUB

USD (1)

June 30, 2020

June 30, 2021

June 30, 2021

Six months ended (unaudited)

Reporting Segments Data

QIWI plc.

settlement services and advertising.

for inactive accounts and unclaimed payments, interest revenue, revenue from overdrafts provided to agents, rent of space for kiosks, cash and

level-marketing, utility bills, government payments, education services and many others. PS Other Net Revenue primarily consists of revenue from fees

and pay television providers. Other payment net revenue consists of consumer and merchant fees charged for a variety of payments including multi-

certain wallet-to-wallet transfers. Telecom payment net revenue primarily consists of fees charged for payments to MNOs, internet services providers

Remittance payment net revenue primarily consists of fees charged for transferring funds via money remittance companies, card-to-card transfers and

payment net revenue primarily consists of fees charged for payments accepted on behalf of our bank partners and microfinance companies. Money

networks, betting, online stores, game developers, software producers, coupon websites, tickets and numerous other merchants. Financial Services

payment net revenue consists of fees charged to customers and merchants that buy and sell products and services online, including online games, social

PS Payment Net Revenue is the Net Revenue consisting of the merchant and consumer fees collected for the payment transactions. E-commerce

earnings release.

Revenue and Net Profit in the case of Adjusted EBITDA and Adjusted Net Profit, see Reconciliation of IFRS to Non-IFRS Operating Results in this

comparable IFRS financial performance measure, which is revenue in the case of Total Net Revenue, PS Payment Net Revenue and PS Other Net

reconciliation of Total Net Revenue, PS Payment Net Revenue, PS Other Net Revenue, Adjusted EBITDA and Adjusted Net Profit to the most directly

Other Net Revenue, Adjusted EBITDA, Adjusted EBITDA margin, Adjusted Net Profit, and Adjusted Net Profit per share, including a quantitative

information in its entirety and not rely on a single financial measure. For more information regarding Total Net Revenue, PS Payment Net Revenue, PS

may not be comparable to other similarly titled measures presented by other companies. QIWI encourages investors and others to review our financial

Furthermore, because these non-IFRS financial measures are not determined in accordance with IFRS, they are susceptible to varying calculations and

Adjusted EBITDA; and Adjusted Net Profit, or earnings per share, in the case of Adjusted Net Profit per share, each prepared in accordance with IFRS.

substitutes for or superior to revenue, in the case of Total Net Revenue, PS Payment Net Revenue and PS Other Net Revenue; Net Profit, in the case of

Net Profit and Adjusted Net Profit per share, which are non-IFRS financial measures. You should not consider these non-IFRS financial measures as

This release presents Total Net Revenue, PS Payment Net Revenue, PS Other Net Revenue, Adjusted EBITDA, Adjusted EBITDA margin, Adjusted

Non-IFRS Financial Measures and Supplemental Financial Information

Diluted

62,362

62,446

62,446

Basic

62,147

62,424

62,424

Weighted-average number of shares used in computing Adjusted Net Profit per share

Diluted

44.19

43.30

0.60

Basic

44.35

43.32

0.60

Adjusted Net Profit per share:

Adjusted Net Profit

2,756

2,704

37.4

Effect of taxation of the above items

73

(14)

(0.2)

Loss from sale of Sovest loans’ portfolio

658

—

Offering expenses

—

—

—

Share-based payment expenses

(11)

2

0.0

Impairment of non-current assets

114

—

—

Fair value adjustments recorded on business combinations and their amortization(9)

85

83

1.1

Net profit

1,837

2,633

36.4

Adjusted EBITDA margin

57.1%

63.7%

63.7%

Adjusted EBITDA

3,905

3,850

53.2

Impairment of non-current assets

114

—

—

Share-based payment expenses

(11)

2

0.0

Loss from sale of Sovest loans’ portfolio

658

—

Offering expenses

—

—

—

Income tax expenses

751

941

13.0

Share of gain of an associate and a joint venture

(107)

(141)

(1.9)

Foreign exchange (gain)/loss, net

292

50

0.7

Other income and expenses, net

7

65

0.9

Depreciation and amortization

331

285

3.9

Plus:

Net Profit

1,837

2,633

36.4

Total Segment Net Revenue

6,839

6,049

83.6

Corporate and Other Category Net Revenue

496

371

5.1

Minus: Cost of CO revenue (exclusive of depreciation and amortization)

82

297

4.1

Corporate and Other Category Revenue

578

668

9.2

Rocketbank Net Revenue

509

—

—

Minus: Cost of Rocketbank revenue (exclusive of depreciation and amortization)

179

—

—

Rocketbank Revenue

688

—

—

Consumer Financial Services Segment Net Revenue

437

—

—

Minus: Cost of CFS revenue (exclusive of depreciation and amortization)

49

—

—

Consumer Financial Services Segment Revenue

486

—

—

Payment Services Segment Net Revenue

5,397

5,678

78.5

PS Other Adjusted Net Revenue

788

745

10.3

Minus: Cost of PS Other Revenue (exclusive of depreciation and amortization)(8)

244

238

3.3

PS Other Revenue (7)

1,032

983

13.6

PS Payment Adjusted Net Revenue

4,609

4,933

68.2

Minus: Cost of PS Payment Revenue (exclusive of depreciation and amortization)(6)

3,187

4,229

58.4

PS Payment Revenue (5)

7,796

9,162

126.6

Payment Services Segment Revenue

8,828

10,145

140.2

Segment Net Revenue

Total Net Revenue

6,839

6,049

83.6

Minus: Cost of revenue (exclusive of depreciation and amortization)(4)

3,741

4,764

65.8

Revenue(3)

10,580

10,813

149.4

RUB(1)

RUB

USD(2)

June 30, 2020

June 30, 2021

June 30, 2021

Three months ended (unaudited)

(in millions, except per share data)

Reconciliation of IFRS to Non-IFRS Operating Results

QIWI plc.

(9)

Amortization of fair value adjustments primarily includes the effect of the acquisition of control in Contact and Rapida.

costs, including but not limited to: costs of call-centers and advertising commissions.

(8)

Cost of PS Other Revenue (exclusive of depreciation and amortization) primarily consists of direct costs associated with other revenue and other

overdrafts provided to agents, rent of space for kiosks, cash and settlement services and advertising.

(7)

PS Other Revenue primarily consists of revenue from fees for inactive accounts and unclaimed payments, interest revenue, revenue from

customers payable to agents, mobile operators, international payment systems and other parties.

(6)

Cost of PS Payment Revenue (exclusive of depreciation and amortization) primarily consists of transaction costs to acquire payments from our

transactions.

(5)

PS Payment Revenue represents payment processing fees, which primarily consists of the merchant and consumer fees charged for the payment

(4)

Including cost of revenue from discontinued operations of RUB 240 million for second quarter ended June 30, 2020.

(3)

Including revenue from discontinued operations of RUB 1,154 million for the second quarter ended June 30, 2020.

Bank of the Russian Federation as of June 30, 2021.

(2)

Calculated using a ruble to U.S. dollar exchange rate of RUB 72.3723 to U.S. $1.00, which was the official exchange rate quoted by the Central

IFRS.

(1)

The results presented in Reconciliation differ from IFRS results due to Rocketbank and CFS results are presented as discontinued operations in

Diluted

62,367

62,459

62,459

Basic

62,137

62,418

62,418

Weighted-average number of shares used in computing Adjusted Net Profit per share

Diluted

72.31

76.29

1.05

Basic

72.58

76.34

1.05

Adjusted Net Profit per share:

Adjusted Net Profit

4,510

4,765

65.8

Effect of taxation of the above items

55

(10)

(0.1)

Loss from sale of Sovest loans’ portfolio

658

—

Offering expenses

10

—

—

Share-based payment expenses

48

8

0.1

Impairment of non-current assets

134

12

0.2

Fair value adjustments recorded on business combinations and their amortization(9)

169

168

2.3

Net profit

3,436

4,587

63.4

Adjusted EBITDA margin

47.4%

59.5%

59.5%

Adjusted EBITDA

6,203

6,670

92.2

Impairment of non-current assets

134

12

0.2

Share-based payment expenses

48

8

0.1

Loss from sale of Sovest loans’ portfolio

658

—

Offering expenses

10

—

—

Income tax expenses

1,163

1,656

22.9

Share of gain of an associate and a joint venture

(239)

(306)

(4.2)

Foreign exchange (gain)/loss, net

255

42

0.6

Other income and expenses, net

23

73

1.0

Depreciation and amortization

650

571

7.9

Plus:

Net Profit

3,436

4,587

63.4

Total Segment Net Revenue

13,099

11,210

154.9

Corporate and Other Category Net Revenue

846

770

10.6

Minus: Cost of CO revenue (exclusive of depreciation and amortization)

277

585

8.1

Corporate and Other Category Revenue

1,123

1,355

18.7

Rocketbank Net Revenue

532

—

—

Minus: Cost of Rocketbank revenue (exclusive of depreciation and amortization)

593

—

—

Rocketbank Revenue

1,125

—

—

Consumer Financial Services Segment Net Revenue

1,003

—

—

Minus: Cost of CFS revenue (exclusive of depreciation and amortization)

123

—

—

Consumer Financial Services Segment Revenue

1,126

—

—

Payment Services Segment Net Revenue

10,718

10,440

144.3

PS Other Adjusted Net Revenue

1,514

1,439

19.9

Minus: Cost of PS Other Revenue (exclusive of depreciation and amortization)(8)

570

476

6.6

PS Other Revenue (7)

2,085

1,915

26.5

PS Payment Adjusted Net Revenue

9,203

9,002

124.4

Minus: Cost of PS Payment Revenue (exclusive of depreciation and amortization)(6)

6,528

7,775

107.4

PS Payment Revenue (5)

15,731

16,777

231.8

Payment Services Segment Revenue

17,816

18,692

258.3

Segment Net Revenue

Total Net Revenue

13,099

11,210

154.9

Minus: Cost of revenue (exclusive of depreciation and amortization) (4)

8,091

8,837

122.1

Revenue (3)

21,190

20,047

277.0

RUB(1)

RUB

USD(2)

June 30, 2020

June 30, 2021

June 30, 2021

Six months ended (unaudited)

(in millions, except per share data)

Reconciliation of IFRS to Non-IFRS Operating Results

QIWI plc.

(9)

Amortization of fair value adjustments primarily includes the effect of the acquisition of control in Contact and Rapida.

costs, including but not limited to: costs of call-centers and advertising commissions.

(8)

Cost of PS Other Revenue (exclusive of depreciation and amortization) primarily consists of direct costs associated with other revenue and other

overdrafts provided to agents, rent of space for kiosks, cash and settlement services and advertising.

(7)

PS Other Revenue primarily consists of revenue from fees for inactive accounts and unclaimed payments, interest revenue, revenue from

customers payable to agents, mobile operators, international payment systems and other parties.

(6)

Cost of PS Payment Revenue (exclusive of depreciation and amortization) primarily consists of transaction costs to acquire payments from our

transactions.

(5)

PS Payment Revenue represents payment processing fees, which primarily consists of the merchant and consumer fees charged for the payment

(4)

Including cost of revenue from discontinued operations of RUB 737 million for the six months ended June 30, 2020.

(3)

Including revenue from discontinued operations of RUB 2,360 million for the six months ended June 30, 2020.

Bank of the Russian Federation as of June 30, 2021.

(2)

Calculated using a ruble to U.S. dollar exchange rate of RUB 72.3723 to U.S. $1.00, which was the official exchange rate quoted by the Central

IFRS.

(1)

The results presented in Reconciliation differ from IFRS results due to Rocketbank and CFS results are presented as discontinued operations in

months from the reporting date.

(6)

Active Qiwi Wallet accounts calculated on a yearly basis, i.e. an active account is an account that had at least one transaction within the last 12

period.

kiosks and terminals are calculated as an average of the number of active kiosks and terminals for the last 30 days of the respective reporting

which at least one payment has been processed during the day, which we refer to as active kiosks and terminals. The period end numbers of our

(5)

We measure the numbers of our kiosks and terminals on a daily basis, with only those kiosks and terminals being taken into calculation through

(4)

PS Payment Net Revenue Yield is defined as PS Payment net revenue divided by Payment Services payment segment volume.

Payment Revenue primarily consists of merchant and consumer fees. Cost of PS Payment Revenue primarily consists of commission to agents.

(3)

PS Payment Net Revenue is calculated as the difference between PS Payment Revenue and PS Cost of Payment Revenue (excluding D&A). PS

conformity with the methodology used by QIWI.

to restate the presented volumes, net revenues and net revenue yields data in case the methodology of Contact and Rapida will be brought in

allocation between different market verticals in Contact and Rapida may differ from the methodology used by QIWI. We therefore retain the right

merchants or other customers included in each of those market verticals less intra-group eliminations. The methodology of payment volumes

(2)

Payment Services Payment Volume by market verticals and consolidated payment volume consist of the amounts paid by our customers to

Bank of the Russian Federation as of June 30, 2021.

(1)

Calculated using a ruble to U.S. dollar exchange rate of RUB 72.3723 to U.S. $1.00, which was the official exchange rate quoted by the Central

PS Payment volume per active QIWI Wallet account (RUB thousand)

16.6

29.5

12.9

Active Qiwi Wallet accounts (million)(6)

20.9

15.5

15.5

Active kiosks and terminals (units)(5)

118,455

100,324

100,324

Payment Services Segment Net Revenue Yield

1.56%

1.24%

1.24%

Other

0.63%

0.13%

0.13%

Telecom

0.56%

0.43%

0.43%

Money remittances

0.93%

0.96%

0.96%

Financial services

0.58%

0.24%

0.24%

E-commerce

2.68%

2.20%

2.20%

Payment Net Revenue Yield(4)

1.33%

1.08%

1.08%

Other

51.0

17.2

0.2

Telecom

238.7

124.4

1.7

Money remittances

1,317.5

2,337.0

32.3

Financial services

313.6

161.5

2.2

E-commerce

2,687.7

2,292.6

31.7

Payment Net Revenue (million)(3)

4,608.4

4,932.8

68.2

Other

8.1

12.9

0.2

Telecom

42.6

28.9

0.4

Money remittances

142.2

243.7

3.4

Financial services

53.7

67.8

0.9

E-commerce

100.2

104.3

1.4

Payment Volume (billion)(2)

346.8

457.6

6.3

Payment Services Segment key operating metrics

RUB

RUB

USD (1)

June 30, 2020

June 30, 2021

June 30, 2021

Three months ended (unaudited)

Other Operating Data

QIWI plc.

months from the reporting date.

(6)

Active Qiwi Wallet accounts calculated on a yearly basis, i.e. an active account is an account that had at least one transaction within the last 12

period.

kiosks and terminals are calculated as an average of the number of active kiosks and terminals for the last 30 days of the respective reporting

which at least one payment has been processed during the day, which we refer to as active kiosks and terminals. The period end numbers of our

(5)

We measure the numbers of our kiosks and terminals on a daily basis, with only those kiosks and terminals being taken into calculation through

(4)

PS Payment Net Revenue Yield is defined as PS Payment net revenue divided by Payment Services payment segment volume.

Payment Revenue primarily consists of merchant and consumer fees. Cost of PS Payment Revenue primarily consists of commission to agents.

(3)

PS Payment Net Revenue is calculated as the difference between PS Payment Revenue and PS Cost of Payment Revenue (excluding D&A). PS

conformity with the methodology used by QIWI.

to restate the presented volumes, net revenues and net revenue yields data in case the methodology of Contact and Rapida will be brought in

allocation between different market verticals in Contact and Rapida may differ from the methodology used by QIWI. We therefore retain the right

merchants or other customers included in each of those market verticals less intra-group eliminations. The methodology of payment volumes

(2)

Payment Services Payment Volume by market verticals and consolidated payment volume consist of the amounts paid by our customers to

Bank of the Russian Federation as of June 30, 2021.

(1)

Calculated using a ruble to U.S. dollar exchange rate of RUB 72.3723 to U.S. $1.00, which was the official exchange rate quoted by the Central

PS Payment volume per active QIWI Wallet account (RUB thousand)

34.3

54.2

19.9

Active Qiwi Wallet accounts (million)(6)

20.9

15.5

15.5

Active kiosks and terminals (units)(5)

118,455

100,324

100,324

Payment Services Segment Net Revenue Yield

1.49%

1.24%

1.24%

Other

0.60%

0.34%

0.34%

Telecom

0.52%

0.45%

0.45%

Money remittances

0.93%

0.98%

0.98%

Financial services

0.49%

0.25%

0.25%

E-commerce

2.58%

2.10%

2.10%

Payment Net Revenue Yield(4)

1.28%

1.07%

1.07%

Other

103.9

85.3

1.2

Telecom

430.1

276.4

3.8

Money remittances

2,668.5

4,236.8

58.5

Financial services

600.1

328.1

4.5

E-commerce

5,400.5

4,074.6

56.3

Payment Net Revenue (million)(3)

9,203.1

9,001.2

124.4

Other

17.3

24.7

0.3

Telecom

82.7

60.8

0.8

Money remittances

286.5

433.8

6.0

Financial services

121.3

128.7

1.8

E-commerce

209.4

193.6

2.7

Payment Volume (billion)(2)

717.1

841.6

11.6

Payment Services Segment key operating metrics

RUB

RUB

USD (1)

June 30, 2020

June 30, 2021

June 30, 2021

Six months ended (unaudited)

Other Operating Data

QIWI plc.

June 30, 2021

financial statements

Unaudited interim condensed consolidated

QIWI plc

Exhibit 99.2

Table of Contents

7

Notes to interim condensed consolidated financial statements

F-

5

Interim condensed consolidated statement of changes in equity

F-

4

Interim condensed consolidated statement of cash flows

F-

3

Interim condensed consolidated statement of comprehensive income

F-

2

Interim condensed consolidated statement of financial position

F-

1

Report of Independent Registered Public Accounting Firm

F-

Content

June 30, 2021

Unaudited interim condensed consolidated financial statements

QIWI plc

Table of Contents

F-1

August 19, 2021

Moscow, Russia

/s/ Ernst & Young LLC

opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

substantially less in scope than an audit conducted in accordance with the standards of the PCAOB, the objective of which is the expression of an

consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is

of the SEC and the PCAOB. We conducted our review in accordance with the standards of the PCAOB. A review of interim financial statements

and are required to be independent with respect to the Group in accordance with the U.S. federal securities laws and the applicable rules and regulations

These interim financial statements are the responsibility of the Group’s management. We are a public accounting firm registered with the PCAOB

Basis for Review Results

consolidated statement of financial position from which it has been derived.

accompanying condensed consolidated statement of financial position as of December 31, 2020, is fairly stated, in all material respects, in relation to the

April 15, 2021, we expressed an unqualified audit opinion on those consolidated financial statements. In our opinion, the information set forth in the

consolidated statements of cash flows and changes in equity for the year then ended, and the related notes (not presented herein); and in our report dated

consolidated statement of financial position of the Group as of December 31, 2020, the related consolidated statements of comprehensive income,

We have previously audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the

International Financial Reporting Standards (IFRS) promulgated by the International Accounting Standards Board.

any material modifications that should be made to the interim condensed consolidated financial statements for them to be in conformity with

and the related notes (collectively referred to as the “interim condensed consolidated financial statements”). Based on our reviews, we are not aware of

2021 and 2020, interim condensed consolidated statements of cash flows and changes in equity for the six-month periods ended June 30, 2021 and 2020,

of June 30, 2021, the related interim condensed consolidated statements of comprehensive income for the six and three-month periods ended June 30,

We have reviewed the accompanying interim condensed consolidated statement of financial position of Qiwi plc and subsidiaries (“the Group”) as

Results of Review of Interim Financial Statements

To the Shareholders and Board of Directors of Qiwi plc

Report of Independent Registered Public Accounting Firm

Table of Contents

F-2

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

Total equity and liabilities

83,315

68,227

Total current liabilities

44,617

27,292

Other current liabilities

9

647

745

VAT and other taxes payable

147

108

Short-term lease liabilities

14

354

357

Short-term debt

12

1,640

638

Customer accounts and amounts due to banks

11

12,301

8,047

Trade and other payables

10

29,528

17,397

Current liabilities

Total non-current liabilities

6,926

7,084

Deferred tax liabilities

1,161

1,362

Other non-current liabilities

44

49

Long-term customer accounts

11

36

—

Long-term lease liabilities

14

762

737

Long-term debt

12

4,923

4,936

Non-current liabilities

Total equity

31,772

33,851

Non-controlling interests

96

64

Total equity attributable to equity holders of the parent

31,676

33,787

Translation reserve

554

530

Retained earnings

14,602

16,730

Other reserves

2,575

2,582

Share premium

12,068

12,068

Additional paid-in capital

1,876

1,876

Share capital

1

1

Equity attributable to equity holders of the parent

Equity and liabilities

Total assets

83,315

68,227

Total current assets

64,944

51,945

Assets held for sale

4

31

1,949

Cash and cash equivalents

8

47,382

35,853

Other current assets

9

1,202

875

Prepaid income tax

197

207

Short-term debt securities and deposits

22

2,888

1,899

Short-term loans

6

5,799

5,615

Trade and other receivables

7

7,445

5,547

Current assets

Total non-current assets

18,371

16,282

Deferred tax assets

209

178

Other non-current assets

112

120

Long-term loans

6, 22

214

257

Long-term debt securities and deposits

22

3,495

3,456

Investments in associates

13

1,635

—

Goodwill and other intangible assets

10,813

10,590

Property and equipment

1,893

1,681

Non-current assets

Assets

Notes

2020

(unaudited)

December 31,

June 30, 2021

As of

As of

(in millions of rubles)

June 30, 2021

Interim condensed consolidated statement of financial position

QIWI plc

Table of Contents

F-3

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

gain/(loss) netting (please refer to Note 2.3)

\*

Amounts do not correspond with the previously presented ones due to discontinued operations (please refer to Note 4) and foreign exchange

parent

44.72

87.65

41.92

73.02

Diluted, profit from continuing operations attributable to ordinary equity holders of the

parent

44.88

87.97

41.94

73.07

Basic, profit from continuing operations attributable to ordinary equity holders of the

Earnings per share for continuing operations

Diluted, profit attributable to ordinary equity holders of the parent

29.13

54.58

41.92

73.02

Basic, profit attributable to ordinary equity holders of the parent

29.24

54.78

41.94

73.07

Earnings per share:

Non-controlling interests

21

44

15

26

Equity holders of the parent

1,798

3,530

2,589

4,537

Attributable to:

Total comprehensive income, net of tax

1,819

3,574

2,604

4,563

Total other comprehensive income/(loss), net of tax

(18)

138

(29)

(24)

Net gains recycled to profit or loss upon disposal

(25)

(47)

—

—

Net gains arising during the period, net of tax

40

32

—

—

Debt securities at fair value through other comprehensive income (FVOCI):

Exchange differences on translation of foreign operations

(33)

153

(29)

(24)

Foreign currency translation:

periods:

Other comprehensive income to be reclassified to profit or loss in subsequent

Other comprehensive income

Non-controlling interests

21

33

15

26

Equity holders of the parent

1,816

3,403

2,618

4,561

Attributable to:

Net profit

1,837

3,436

2,633

4,587

Loss after tax from discontinued operations

4

(973)

(2,063)

—

—

Discontinued operations

Net profit from continuing operations

2,810

5,499

2,633

4,587

Income tax expense

19

(678)

(1,344)

(941)

(1,656)

Profit before tax from continuing operations

3,488

6,843

3,574

6,243

Other income and expenses, net

(7)

(23)

(65)

(73)

Interest income and expenses, net

(23)

(44)

(15)

(27)

Foreign exchange gain/(loss), net

(299)

(239)

(50)

(42)

Share of gain/(loss) of an associate and a joint venture

13

107

239

141

306

Profit from operations

3,710

6,910

3,563

6,079

Impairment of non-current assets

(32)

(32)

—

(12)

Credit loss expense

6, 7, 8

(5)

(25)

(64)

(157)

Depreciation and amortization

(268)

(528)

(285)

(571)

Personnel expenses

(1,400)

(2,777)

(1,525)

(3,230)

Selling, general and administrative expenses

17

(510)

(1,204)

(612)

(1,161)

Cost of revenue (exclusive of items shown separately below)

16

(3,501)

(7,354)

(4,764)

(8,837)

Operating costs and expenses:

(5,716)

(11,920)

(7,250)

(13,968)

Other revenue

15

474

897

544

1,073

Fees from inactive accounts and unclaimed payments

501

991

413

854

Interest revenue calculated using the effective interest rate

15

655

1,211

694

1,343

Payment processing fees

7,796

15,731

9,162

16,777

Revenue:

9,426

18,830

10,813

20,047

Continuing operations

Notes

June 30, 2020 (restated)\*

June 30, 2021

ended

ended

ended

ended

Three months

Six months

Three months

Six months

Unaudited

(in millions of rubles)

June 30, 2021

Interim condensed consolidated statement of comprehensive income

QIWI plc

Table of Contents

F-4

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

Cash and cash equivalents at the end of the period

8

33,629

35,853

Cash and cash equivalents at the beginning of the period

8

42,101

47,382

Net decrease in cash and cash equivalents

(8,472)

(11,529)

Effect of exchange rate changes on cash and cash equivalents

403

(111)

Net cash flow used in financing activities

(1,832)

(3,533)

Dividends paid to non-controlling shareholders

(54)

(54)

Dividends paid to owners of the Group

18

(1,630)

(2,446)

Payment of principal portion of lease liabilities

(46)

(29)

Repayment of borrowings

(102)

(1,004)

Financing activities

Net cash flow received from investing activities

648

837

Proceeds from sale and redemption of debt instruments

3,230

971

Purchase of debt securities and deposits

(2,358)

—

Repayment of loans issued

—

11

Loans issued

(11)

(20)

Proceeds from sale of fixed and intangible assets

54

12

Purchase of intangible assets

(111)

(37)

Purchase of property and equipment

(90)

(90)

Cash paid for acquisitions

(66)

(10)

Investing activities

Net cash flow used in operating activities

(7,691)

(8,722)

Income tax paid

(805)

(1,443)

Interest paid

(332)

(279)

Interest received

1,985

1,468

Cash used in operations

(8,539)

(8,468)

Decrease in loans issued from banking operations

807

156

Decrease in accounts payable and accruals

(3,391)

(12,028)

Decrease in customer accounts and amounts due to banks

(12,441)

(4,257)

(Increase)/decrease in other assets

(37)

311

Decrease in trade and other receivables

1,218

1,687

Changes in operating assets and liabilities:

Other

33

13

Impairment of non-current assets

134

12

Loss on forward contract to sell Sovest loans’ portfolio

4

658

—

Share of (gain) / loss of an associate and a joint venture

13

(239)

(306)

Credit loss expense

4, 6, 7, 8

810

157

Interest income, net

15

(1,595)

(1,069)

Foreign exchange loss, net

255

42

Depreciation and amortization

650

571

Adjustments to reconcile profit before tax to net cash flows (used in) /generated from operating activities:

Profit before tax

4,599

6,243

Loss before tax from discontinued operations

4

(2,244)

—

Profit before tax from continuing operations

6,843

6,243

Operating activities

Notes

June 30, 2020

June 30, 2021

Six months ended (unaudited)

(in millions of rubles)

June 30, 2021

Interim condensed consolidated statement of cash flows

QIWI plc

Table of Contents

F-5

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

(unaudited)

62,430,834

1

1,876 12,068 2,582 16,730

530 33,787

64 33,851

Balance as of June 30, 2021

Other

—

—

—

—

(1)

—

—

(1)

—

(1)

interests

—

—

—

—

—

—

—

—

(58)

(58)

Dividends to non-controlling

Dividends

18

—

—

—

—

—

(2,433)

(2,433)

—

(2,433)

Exercise of options

52,002

—

—

—

—

—

—

—

—

—

Share-based payments

—

—

—

—

8

—

—

8

—

8

Total comprehensive income

—

—

—

—

—

4,561

(24) 4,537

26

4,563

Foreign currency translation

—

—

—

—

—

—

(24)

(24)

—

(24)

Other comprehensive income:

Profit for the period

—

—

—

—

—

4,561

—

4,561

26

4,587

Balance as of December 31, 2020

62,378,832

1

1,876 12,068 2,575 14,602

554 31,676

96 31,772

Notes

outstanding

Amount

capital

premium

reserve s

earnings

reserve

Total

interests

equity

issued an d

paid-in

Share

Other

Retained

Translation

Non-controlling

Total

shares

Additional

Number of

Share capital

Attributable to equity holders of the parent

(in millions of rubles, except per share data)

June 30, 2021

Interim condensed consolidated statement of changes in equity

QIWI plc

Table of Contents

F-6

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

(unaudited)

62,172,773

1

1,876 12,068 2,600 12,305

431 29,281

60 29,341

Balance as of June 30, 2020

Other

—

—

—

—

(9)

—

—

(9)

—

(9)

interests

—

—

—

—

—

—

—

—

(54)

(54)

Dividends to non-controlling

Dividends

18

—

—

—

—

—

(1,655)

(1,655)

(1,655)

Exercise of options

79,938

—

—

—

—

—

—

—

—

—

Share-based payments

—

—

—

—

48

—

—

48

—

48

Total comprehensive income

—

—

—

—

(15) 3,403

142

3,530

44

3,574

Debt instruments at FVOCI

—

—

—

—

(15)

—

—

(15)

—

(15)

Foreign currency translation

—

—

—

—

—

—

142

142

11

153

Other comprehensive income:

Profit for the period

—

—

—

—

—

3,403

—

3,403

33

3,436

Balance as of December 31, 2019

62,092,835

1

1,876 12,068 2,576 10,557

289 27,367

70 27,437

Notes

outstanding

Amount

capital

premium

reserve s

earnings

reserve

Total

interests

equity

issued an d

paid-in

Share

Other

Retained

Translation

Non-controlling

Total

shares

Additional

Number of

Share capital

Attributable to equity holders of the parent

(in millions of rubles, except per share data)

June 30, 2021

Interim condensed consolidated statement of changes in equity (continued)

QIWI plc

Table of Contents

F-7

•

Amendments to IFRS 16: Covid-19 Related Rent Concessions beyond June 30, 2021.

• Phase 2 amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16: Interest rate benchmark (IBOR) reform.

financial statements of the Group:

The following amended standards and interpretations became effective for the Group from January 1, 2021, but did not have any material impact on the

interpretation or amendment that has been issued but is not yet effective.

December 31, 2020, except for the adoption of new standards effective as of January 1, 2021. The Group has not early adopted any other standard,

statements are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended

The accounting policies adopted in the preparation of the interim condensed consolidated financial

2.2. New standards, interpretations and amendments adopted by the Group

and should be read in conjunction with the Group’s annual financial statements as of December 31, 2020.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements

(RUB (000,000)) except when otherwise indicated.

The condensed consolidated financial statements are presented in Russian rubles (“RUB”) and all values are rounded to the nearest million

Financial Reporting.

The interim condensed consolidated financial statements for the six months ended June 30, 2021 have been prepared in accordance with IAS 34 Interim

2.1. Basis of preparation

2.

Basis of preparation and changes to the Group’s accounting policies

Information on the Company’s principal subsidiaries is disclosed in Note 3.

Sergey Solonin is the ultimate controlling shareholder of the Group as of June 30, 2021.

directors of the Company resolved to change the name of the Company from OE Investments Limited to QIWI Limited and later to QIWI plc.

113. The registered office of the Company is Kennedy 12, Kennedy Business Centre, 2nd Floor, P.C.1087, Nicosia, Cyprus. On September 13, 2010 the

The Company was registered on February 26, 2007 as a limited liability Company OE Investments in Cyprus under the Cyprus Companies Law, Cap.

six months ended June 30, 2021 were authorized for issue on August 12, 2021.

The interim condensed consolidated financial statements of QIWI plc (hereinafter “the Company”) and its subsidiaries (collectively “the Group”) for the

1.

Corporate Information and description of business

Notes to interim condensed consolidated financial statements

QIWI plc

Table of Contents

F-8

Foreign exchange gain, net

—

(299)

—

(239)

Foreign exchange loss

(1,042)

—

(594)

—

Foreign exchange gain

743

—

355

—

reported

Restated

reported

Restated

As previously

As previously

June 30, 2020

June 30, 2020

For the three months ended

For the six months ended

The effects of the restatement on the previously reported amounts in the condensed consolidated statement of comprehensive income are set out below:

the financial statements more comparable with the industry peers and to provide fair presentation of these amounts.

As at December 31, 2020, the Group started presenting foreign exchange gains and losses on a net basis. The change in presentation was made to make

2.3. Changes in presentation

2.

Basis of preparation and changes to the Group’s accounting policies (continued)

Notes to interim condensed consolidated financial statements (continued)

QIWI plc

Table of Contents

F-9

3

The Entities were acquired during 2021 for insignificant consideration

2

The Entity was established during 2021

1

The Entities were liquidated during 2021

Tochka Investitsii LLC (Russia)3

Digital services for banks

—

40%

JSC Tochka (Russia)

Digital services for banks

40%

40%

QIWI Platform LLC (Russia)

Software development

60%

60%

Associate and Joint Venture

QPCD LLC (RF)3

Software development

—

51%

QIWI Finance LLC (Russia)

Financing management

100%

100%

MFC «Polet Finance» LLC(Russia)2

Retail financial services

—

100%

LALIRA DMCC (UAE)

Payment Services Provider

100%

100%

SETTE FZ-LLC (UAE)

Payment Services Provider

100%

100%

and personalization

100%

100%

FreeAtLast LLC (Russia)

SaaS platform for customer lifecycle management

and personalization

100%

100%

Flocktory Spain S.L. (Spain)

SaaS platform for customer lifecycle management

Flocktory Ltd (Cyprus)

Holding company

100%

100%

Billing Online Solutions LLC (Russia)

Software development

100%

100%

Rocket Universe LLC (Russia)

Software development

100%

100%

ContactPay Solution (United Kingdom)

Operation of on-line payments

100%

100%

Factoring PLUS LLC (Russia)

Software development

51%

51%

Qiwi Blockchain Technologies LLC (Russia)

Software development

100%

100%

Future Pay LLC (Russia) 1

Operation of on-line payments

100%

—

Postomatnye Tekhnologii LLC (Russia) 1

Logistic

100%

—

Attenium LLC (Russia) 1

Management services

100%

—

QIWI - M S.R.L. (Moldova)

Operation of electronic payment kiosks

51%

51%

JLLC OSMP BEL (Belarus)

Operation of electronic payment kiosks

51%

51%

Qiwi Kazakhstan LP (Kazakhstan)

Operation of electronic payment kiosks

100%

100%

QIWI International Payment System LLC (USA)

Operation of electronic payment kiosks

100%

100%

QIWI Payments Services Provider Ltd (UAE)

Operation of on-line payments

100%

100%

transfer, consumer and SME financial services

100%

100%

QIWI Bank JSC (Russia)

Maintenance of electronic payment systems, money

JSC QIWI (Russia)

Operation of electronic payment kiosks

100%

100%

Subsidiary

Main activity

2020

2021

December 31,

June 30,

As of

As of

Ownership interest

The subsidiaries are listed below:

The interim condensed consolidated IFRS financial statements include the assets, liabilities and financial results of the Company and its subsidiaries.

3.

Group structure

Notes to interim condensed consolidated financial statements (continued)

QIWI plc

Table of Contents

F-10

SOVEST project represented the entire Group’s Consumer Financial Services operating segment.

The sale of SOVEST assets was completed in July 2020, resulting in a pre-tax loss on disposal of 712.

reimbursed to the Group corresponding redundancy costs.

As a part of the transaction, the Group was to dismiss most SOVEST employees and the buyer extended job offers to certain SOVEST employees and

brands and domains. Since then, SOVEST was classified as a disposal group held for sale and as a discontinued operation.

an unrelated party. As a part of the transaction, the Group assigned the portfolio of SOVEST instalment card loans as well as transferred respective

In June 2020, the Group entered into the framework agreement and several related binding agreements to sell certain specific SOVEST project assets to

In the second quarter of 2020 the Group made a decision to dispose its SOVEST project.

SOVEST disposal

Services segment.

Rocketbank represented the entire Group’s respective operating segment. Assets that remained after Rocketbank liquidation were transferred to Payment

Since that date the Rocketbank’s operations are considered as discontinued.

In March 2020, the Board of Directors decided to wind down the Rocketbank project and had finished the process by the end of third quarter 2020.

Rocketbank wind down

2020

The sale is expected to be completed in third quarter of the year 2021.

of two elements: i) a fixed amount of 4,947, and; ii) an amount contingent on Tochka’s earnings for the year 2021.

it carrying amount and fair value less costs to sell. No impairment was recognized upon reclassification. The price the Group is due to receive consists

date of classification into assets held for sale the Group discontinued the use of the equity method of accounting and started measuring it at the lower of

associate. By June 30, 2021, the carrying value of investment in associate in the amount of 1,949 had been reclassified to assets held for sale. From the

In June 2021, the Group decided to enter into an agreement with Otkritie Bank to sell its 40% stake (45% economic interest) in the capital of Tochka

Tochka sale

2021

4.

Acquisitions, disposals and discontinued operations

Notes to interim condensed consolidated financial statements (continued)

QIWI plc

Table of Contents

F-11

Net cash (outflow)/inflow

(11,621)

801

(10,820)

Financing

(42)

(14)

(56)

Investing

1,256

(7)

1,249

Operating

(12,835)

822

(12,013)

Rocketbank SOVEST

Total

Six months ended June 30, 2020

The net cash flows incurred by the discontinued operations are, as follows:

loss.

group to their fair values less cost to sell. This impairment of non-current assets was recognized in discontinued operations in the statement of profit or

assets and impairment loss was identified and recognized in June 2020 in the amount of 68 to reduce the carrying amount of the assets in the disposal

Immediately before the classification of SOVEST as discontinued operations, the recoverable amount was estimated for certain items of Intangible

Impairment of non-current assets

the parent

(15.59)

(33.07)

Diluted, loss from discontinued operations attributable to ordinary equity holders of

the parent

(15.64)

(33.19)

Basic, loss from discontinued operations attributable to ordinary equity holders of

Earnings per share for discontinued operations

Net loss from discontinued operations

(3)

(970)

(973)

(661)

(1,402)

(2,063)

Income tax benefit/(expense) (Note 19)

(30)

(43)

(73)

112

69

181

Profit/(Loss) before tax from discontinued operations

27

(927)

(900)

(773)

(1,471)

(2,244)

Interest income and expenses, net

(8)

(2)

(10)

(17)

(4)

(21)

Foreign exchange gain and loss, net

7

—

7

(16)

—

(16)

Loss on forward contract to sell Sovest loans’ portfolio

—

(658)

(658)

—

(658)

(658)

Profit/(Loss) from operations

28

(267)

(239)

(740)

(809)

(1,549)

Impairment of non-current assets

(14)

(68)

(82)

(34)

(68)

(102)

Credit loss (expense)/income

4

(289)

(285)

6

(791)

(785)

Depreciation and amortization

(44)

(19)

(63)

(84)

(38)

(122)

Personnel expenses

(309)

(229)

(538)

(843)

(601) (1,444)

Selling, general and administrative expenses

(119)

(66)

(185)

(318)

(401)

(719)

Cost of revenue (exclusive of items shown separately below)

(178)

(62)

(240)

(592)

(145)

(737)

Operating costs and expenses:

(660)

(733)

(1,393)

(1,865)

(2,044)

(3,909)

Other revenue

636

305

941

903

740

1,643

Interest revenue calculated using the effective interest rate

52

161

213

222

495

717

Revenue:

688

466

1,154

1,125

1,235

2,360

Rocketbank

SOVEST

Total

Rocketbank

SOVEST

Total

Three months ended June 30, 2020

Six months ended June 30, 2020

The results of discontinued operations for the reporting periods are presented below:

4.

Acquisitions, disposals and discontinued operations (continued)

Notes to interim condensed consolidated financial statements (continued)

QIWI plc

Table of Contents

F-12

the purpose of segment reporting.

presented separately to the CODM. Results of other operating segments and corporate expenses are included in Corporate and Other (CO) category for

For the purpose of management reporting, expenses related to corporate back-office operations were not allocated to any operating segment and are

customers.

•

Rocketbank (RB), operating segment that generates revenue through offering digital banking service including debit cards and deposits to retail

SOVEST installment card project;

•

Consumer Financial Services (CFS), operating segment that generates revenue through financial services rendered to individuals, presented by

customers through a diverse range of channels and interfaces;

•

Payment Services (PS), operating segment that generates revenue through operations of the payment processing system offered to the Group’s

Services and Rocketbank:

segment profit before tax and segment net profit separately for each of the following reportable segments: Payment Services, Consumer Financial

The Group has identified its operating segments based on the types of products and services the Group offers. The CODM reviews segment net revenue,

not monitor balances of assets and liabilities by segments as the CODM considers they have no impact on decision-making.

tax and segment net profit. Segment net revenue is a measure of profitability defined as the segment revenues less segment direct costs. The Group does

tax and segment net profit. The Group measures the performance of its operating segments by monitoring: segment net revenue, segment profit before

The financial data is presented on a combined basis for all key subsidiaries and associates representing the segment net revenue, segment profit before

profit before tax and segment net profit for the Group as well as certain operational data.

•

The CEO regularly reviews the financial and operational reports of the Group. These reports primarily include segment net revenue, segment

•

The CEO is actively involved in the operations of the Group and regularly chairs meetings on key projects of the Group; and

on bonus pool distribution is left with the Board of directors (BOD);

indicators (KPIs) and total bonus pool for those executive officers. In case of underperformance of corporate KPIs a right to make a final decision

•

The CEO determines compensation of other executive officers while the Group’s board of directors approves corporate key performance

In determining that the CODM was the CEO, the Group considered its responsibilities as well as the following factors:

performance of the Group and allocating resources, the CODM reviews selected items of each segment’s statement of comprehensive income.

The Chief executive officer (CEO) of the Group is considered as the chief operating decision maker of the Group (CODM). In reviewing the operational

5.

Operating segments

Notes to interim condensed consolidated financial statements (continued)

QIWI plc

Table of Contents

F-13

Segment net profit/(loss)

3,042

(338)

2,704

Income tax

(831)

(124)

(955)

Segment profit/(loss) before tax

3,873

(214)

3,659

Other gains and losses

(88)

(42)

(130)

Share of gain of an associate and a joint venture

— 141

141

Depreciation, amortization and impairment

(170)

(30)

(200)

Credit loss expense

(47)

(17)

(64)

Overheads

(1,500)

(637)

(2,137)

Segment net revenue

5,678

371

6,049

Cost of revenue

(4,467)

(297)

(4,764)

Revenue

10,145 668

10,813

PS

CO

Total

Three months ended June 30, 2021

The segments’ statement of comprehensive income for the three months ended June 30, 2021, as presented to the CODM are presented below:

Segment net profit/(loss)

5 522

(757)

4,765

Income tax

(1,450)

(216)

(1,666)

Segment profit/(loss) before tax

6,972

(541)

6,431

Other gains and losses

(76) (66) (142)

Share of gain of an associate and a joint venture

— 306

306

Depreciation, amortization and impairment

(342) (61) (403)

Credit loss expense

(39) (118) (157)

Overheads

(3,011)

(1,372)

(4,383)

Segment net revenue

10,440

770

11,210

Cost of revenue

(8,252) (585) (8,837)

Revenue

18,692 1,355 20,047

PS

CO

Total

Six months ended June 30, 2021

The segments’ statement of comprehensive income for the six months ended June 30, 2021, as presented to the CODM are presented below:

evaluated for adjustment as and when they occur. The tax effect of these adjustments is also excluded from management reporting.

subsidiaries and fair value adjustments, such as amortization and impairment, as well as non-recurring items that occur from time to time and are

the operating performance of the business. The adjustments affect such major areas as share-based payments, offering expenses, the effect of disposal of

Management reporting is different from IFRS, because it does not include certain IFRS adjustments, which are not analyzed by the CODM in assessing

5.

Operating segments (continued)

Notes to interim condensed consolidated financial statements (continued)

QIWI plc

Table of Contents

F-14

Segment net profit/(loss)

3,243

(134)

44

(397)

2,756

Income tax

(558)

32

(42) (110)

(678)

Segment profit/(loss) before tax

3,801

(166)

86

(287)

3,434

Other gains and losses

(199)

(4)

(2) (127)

(332)

Share of gain of an associate and a joint venture

—

—

—

107

107

Depreciation, amortization and impairment

(158)

(20)

(43)

(25)

(246)

Credit loss (expense)/recovery

11 (290)

3

(14)

(290)

Overheads

(1,250) (289) (381) (724) (2,644)

Segment net revenue

5,397

437

509

496

6,839

Cost of revenue

(3,431) (49) (179) (82) (3,741)

Revenue

8,828

486

688

578 10,580

PS

CFS

RB

CO

Total

Three months ended June 30, 2020

The segments’ statement of comprehensive income for the three months ended June 30, 2020, as presented to the CODM are presented below:

Segment net profit/(loss)

6,294

(656)

(616)

(512)

4,510

Income tax

(1,231)

169

101

(147) (1,108)

Segment profit/(loss) before tax

7,525

(825)

(717)

(365)

5,618

Other gains and losses

(286)

(14)

(36)

(7)

(343)

Share of gain of an associate and a joint venture

—

—

—

239

239

Depreciation, amortization and impairment

(314)

(39)

(83)

(45)

(481)

Credit loss (expense)/recovery

3

(792)

6

(27)

(810)

Overheads

(2,596)

(983) (1,136) (1,371) (6,086)

Segment net revenue

10,718

1,003

532

846

13,099

Cost of revenue

(7,098) (123) (593) (277) (8,091)

Revenue

17,816 1,126

1,125

1,123 21,190

PS

CFS

RB

CO

Total

Six months ended June 30, 2020

The segments’ statement of comprehensive income for the six months ended June 30, 2020, as presented to the CODM are presented below:

5.

Operating segments (continued)

Notes to interim condensed consolidated financial statements (continued)

QIWI plc

Table of Contents

F-15

Total segments profit before tax, as presented to CODM

3,434

5,618

3,659

6,431

Loss on forward contract to sell Sovest loans’ portfolio

658

658

—

—

Offering expenses

—

10

—

—

Share-based payments

(11)

48

2

8

Impairment of non-current assets

114

134

—

12

amortization

85

169

83

168

Fair value adjustments recorded on business combinations and their

IFRS (Note 4)

(900)

(2,244)

—

—

Consolidated loss before tax from discontinuing operations under

IFRS

3,488

6,843

3,574

6,243

Consolidated profit before tax from continuing operations under

2020

2020

2021

2021

ended June 30,

ended June 3 0,

ended June 30,

ended June 3 0,

Three months

Six months

Three months

Six months

months ended June 30, 2021 and 2020, is presented below:

A reconciliation of segment profit before tax as presented to the CODM to IFRS consolidated profit before tax of the Group, for the three and six

Total segments net revenue, as presented to CODM

6,839

13,099

6,049

11,210

Cost of revenue from discontinuing operations (Note 4)

(240)

(737)

—

—

Cost of revenue from continuing operations

(3,501)

(7,354)

(4,764)

(8,837)

Revenue from discontinuing operations under IFRS (Note 4)

1,154

2,360

—

—

Revenue from continuing operations under IFRS

9,426

18,830

10,813

20,047

2020

2020

2021

2021

ended June 30,

ended June 3 0,

ended June 30,

ended June 3 0,

Three months

Six months

Three months

Six months

from revenue as presented in the table below:

Segment net revenue, as presented to the CODM, for the three and six months ended June 30, 2021 and 2020 is calculated by subtracting cost of revenue

5.

Operating segments (continued)

Notes to interim condensed consolidated financial statements (continued)

QIWI plc

Table of Contents

F-16

three months ended June 30, 2020). This revenue was generated within the PS segment.

June 30, 2021 (11.1% for the six months ended June 30, 2020), and 21.5% for the three months ended June 30, 2021 (has no such customers for the

The Group has only one external customer where revenue exceeded 10% of the Group’s total revenue and amounted to 21.4% for the six months ended

Revenue is recognized according to merchants’ or consumers’ geographic place. The majority of the Group’s non-current assets are located in Russia.

Total revenue from continued and discontinued operations

10,580

21,190

10,813

20,047

Other

1,365

2,758

330

641

EU

710

1,384

92

221

Other CIS

365

762

473

938

Russia

8,140

16,286

9,918

18,247

2020

2020

2021

2021

ended June 30,

ended June 3 0,

ended June 30,

ended June 3 0,

Three months

Six months

Three months

Six months

Revenues from external customers are presented below:

Geographic information

Total segments net profit, as presented to CODM

2,756

4,510

2,704

4,765

Effect from taxation of the above items

73

55

(14)

(10)

Loss on forward contract to sell Sovest loans’ portfolio

658

658

—

—

Offering expenses

—

10

—

—

Share-based payments

(11)

48

2

8

Impairment of non-current assets

114

134

—

12

amortization

85

169

83

168

Fair value adjustments recorded on business combinations and their

(Note 4)

(973)

(2,063)

—

—

Consolidated net loss from discontinuing operations under IFRS

Consolidated net profit from continuing operations under IFRS

2,810

5,499

2,633

4,587

2020

2020

2021

2021

ended June 30,

ended June 3 0,

ended June 30,

ended June 3 0,

Three months

Six months

Three months

Six months

June 30, 2021 and 2020, is presented below:

A reconciliation of segment net profit as presented to the CODM to IFRS consolidated net profit of the Group, for the three and six months ended

5.

Operating segments (continued)

Notes to interim condensed consolidated financial statements (continued)

QIWI plc

Table of Contents

F-17

Total revenue from contracts with customers

15,897

754

903

717

18,271

Other revenue

63 — 91 20

174

Fees for guarantees issued

12 — — 156

168

Platform and marketing services related fees

67 — 15 282

364

Installment cards related fees

— 754 — —

754

Cash and settlement service fees

24 — 797 259 1,080

Payment processing fees

15,731 — — — 15,731

PS

CFS RB CO

Total

presented below:

Disaggregation of revenues from contracts with customers, including those from discontinued operations, for the six months ended June 30, 2020 are

Total revenue from contracts with customers

9,298

408

9,706

Other revenue

79

2

81

Fees for guarantees issued

4 135

139

Platform and marketing services related fees

40 176

216

Cash and settlement service fees

13

95

108

Payment processing fees

9,162 — 9,162

PS CO

Total

presented below:

Disaggregation of revenues from contracts with customers, including those from discontinued operations, for the three months ended June 30, 2021 are

Total revenue from contracts with customers

17,035

815

17,850

Other revenue

141

3

144

Fees for guarantees issued

10 265

275

Platform and marketing services related fees

75 358

433

Cash and settlement service fees

32 189

221

Payment processing fees

16,777 — 16,777

PS

CO

Total

June 30, 2021 are presented below:

Disaggregation of revenues from contracts with customers under IFRS 15, including those from discontinued operations, for the six months ended

The types of Group’s revenue from contracts with customers is represented by those disclosed in tables below.

Disaggregated revenue information

5.

Operating segments (continued)

Notes to interim condensed consolidated financial statements (continued)

QIWI plc

Table of Contents

F-18

for credit risk rating grades analysis. The major part of loans issued are not collateralized.

The amounts in the tables show the maximum exposure to credit risk regarding loans issued. The Group has no internal grading system of loans issued

Total short-term loans

5,836

(37)

5,799

Loans to legal entities

5,836

(37)

5,799

Short-term loans

Total long-term loans

214

–

214

Loans to legal entities

214

–

214

Long-term loans

2020

loss allowance

2020

December 31,

Expected credit

December 31,

Total as of

Net as of

As of December 31, 2020, long-term and short-term loans consisted of the following:

Total short-term loans

5,660

(45)

5,615

Loans to legal entities

5,660

(45)

5,615

Short-term loans

Total long-term loans

257

–

257

Loans to legal entities

257

–

257

Long-term loans

June 30, 2021

loss allowance

June 30, 2021

Total as of

Expected credit

Net as of

As of June 30, 2021, long-term and short-term loans issued consisted of the following:

6. Long-term and short-term loans issued

Total revenue from contracts with customers

7,883

305

635

388

9,211

Other revenue

34 – 24

4

62

Fees for guarantees issued

6 – – 94 100

Platform and marketing services related fees

32 – – 159 191

Installment cards related fees

– 305 – – 305

Cash and settlement service fees

15 – 611 131 757

Payment processing fees

7,796 – – – 7,796

PS CFS RB CO Total

presented below:

Disaggregation of revenues from contracts with customers, including those from discontinued operations, for the three months ended June 30, 2020 are

5.

Operating segments (continued)

Notes to interim condensed consolidated financial statements (continued)

QIWI plc

Table of Contents

F-19

As of June 30, 2021, and December 31, 2020, the Group had no overdue but not impaired loans.

ECL allowance as of June 30, 2020

–

–

(41)

(41)

Reclassification to disposal group

212

338 1,073

1,623

Transfers between stages

9

9

(18)

–

the reporting period

65

44

(392)

(283)

Changes because of financial instruments (originated or acquired)/derecognized during

ECL allowance as of April 1, 2020

(286)

(391)

(704)

(1,381)

Collectiv e

Collectiv e

Stage 3

Total

Stage 1

Stage 2

was the following:

An analysis of the changes in the ECL allowances due to changes in corresponding gross carrying amounts for the three months ended June 30, 2020,

ECL allowance as of June 30, 2020

–

–

(41)

(41)

Reclassification to disposal group

212

338 1,073

1,623

Transfers between stages

140

(8)

(132)

–

the reporting period

(123)

(210)

(488)

(821)

Changes because of financial instruments (originated or acquired)/derecognized during

ECL allowance as of January 1, 2020

(229)

(120)

(494)

(843)

Collectiv e

Collectiv e

Stage 3

Total

Stage 1

Stage 2

the following:

An analysis of the changes in the ECL allowances due to changes in corresponding gross carrying amounts for the six months ended June 30, 2020, was

ECL allowance as of June 30, 2021

(9)

(1)

(35)

(45)

Transfers between stages

–

–

–

–

during the reporting period

(4)

–

(2)

(6)

Changes because of financial instruments (originated or acquired)/derecognized

ECL allowance as of April 1, 2021

(5)

(1)

(33)

(39)

Collective

Collective

Stage 3

Total

Stage 1

Stage 2

was the following:

An analysis of the changes in the ECL allowances due to changes in corresponding gross carrying amounts for the three months ended June 30, 2021,

ECL allowance as of June 30, 2021

(9)

(1)

(35)

(45)

Transfers between stages

–

–

–

–

during the reporting period

(4)

–

(4)

(8)

Changes because of financial instruments (originated or acquired)/derecognized

ECL allowance as of January 1, 2021

(5)

(1)

(31)

(37)

Collective

Collective

Stage 3

Total

Stage 1

Stage 2

the following:

An analysis of the changes in the ECL allowances due to changes in corresponding gross carrying amounts for the six months ended June 30, 2021, was

6.

Long-term and short-term loans issued (continued)

Notes to interim condensed consolidated financial statements (continued)

QIWI plc

Table of Contents

F-20

overdraft.

interest rate of 20%-36% per annum and credit terms generally do not exceed 30 days. There is no requirement for collateral for customer to receive an

of Trade and other receivables for credit risk rating grades analysis. Receivables are non-interest bearing, except for agent receivables bearing, generally,

The amounts in the tables show the maximum exposure to credit risk regarding Trade and other receivables. The Group has no internal grading system

Total trade and other receivables

7,729

(284)

7,445

Advances issued

254

(1)

253

Total financial assets

7,475

(283)

7,192

Other receivables

343

(97)

246

Commissions receivable

135

(19)

116

Deposits issued to merchants

4,639

(17)

4,622

Cash receivable from agents

2,358

(150)

2,208

2020

for impairment

2020

December 31,

allowance/Provision

December 31,

Total as of

Expected credit loss

Net as of

As of December 31, 2020, trade and other receivables consisted of the following:

Total trade and other receivables

5,970

(423)

5,547

Advances issued

203

(1)

202

Total financial assets

5,767

(422)

5,345

Other receivables

422

(199)

223

Commissions receivable

158

(20)

138

Deposits issued to merchants

2,236

(16)

2,220

Cash receivable from agents

2,951

(187)

2,764

2021

for impairment

2021

June 30,

allowance/Provision

June 30,

Total as of

Expected credit loss

Net as of

As of June 30, 2021, trade and other receivables consisted of the following:

7.

Trade and other receivables

Notes to interim condensed consolidated financial statements (continued)

QIWI plc

Table of Contents

F-21

Since 2017 the Company has a bank guarantee and secured it by a cash deposit of U.S.$ 2.5 mln until July 31, 2021.

Total

47,382

35,853

Others

1,088

1,099

US Dollar

2,847

1,038

Euro

3,407

1,330

Russian ruble

40,040

32,386

December 31, 2020

June 30, 2021

As of

As of

The Group holds cash and cash equivalents in different currencies and therefor is exposed to foreign currency risk.

the external rating agencies. These banks have low credit risk and are approved by the Board of Directors of the Group on a regular basis.

system of cash and cash equivalents for credit risk rating grades analysis all its cash is held in highly rated banks and financial institutions according to

The amounts in the table show the maximum exposure to credit risk regarding cash and cash equivalents. While the Group has no internal grading

Total cash and cash equivalents

47,382

35,853

Less: Allowance for ECL

(2)

(2)

Other short-term bank deposits

2,028

12,987

Short-term CBR deposits

32,800

19,000

Cash with banks and on hand

9,089

3,261

Correspondent accounts with Central Bank of Russia (CBR)

3,467

607

December 31, 2020

June 30, 2021

As of

As of

As of June 30, 2021, and December 31, 2020, cash and cash equivalents consisted of the following:

8.

Cash and cash equivalents

ECL allowance as of June 30,

(264)

(423)

Amounts written off

15

2

reporting period

(10) (58)

Changes because of financial instruments (originated or acquired)/ derecognized during the

ECL allowance as of April 1,

(269) (367)

2020 2021

and June 30, 2020, was the following:

An analysis of the changes in the ECL allowances due to changes in the corresponding gross carrying amounts for the three months ended June 30, 2021

ECL allowance as of June 30,

(264)

(423)

Amounts written off

43 10

reporting period

(18) (149)

Changes because of financial instruments (originated or acquired)/ derecognized during the

ECL allowance as of January 1,

(289) (284)

2020 2021

June 30, 2020, was the following:

An analysis of changes in the ECL allowances due to changes in the corresponding gross carrying amounts for the six months ended June 30, 2021 and

7.

Trade and other receivables (continued)

Notes to interim condensed consolidated financial statements (continued)

QIWI plc

Table of Contents

F-22

Total trade and other payables

29,528

17,397

Other payables

794

650

Accrued personnel expenses and related taxes

1,386

1,185

Commissions payable

465

356

Deposits received from agents

8,357

3,301

Money remittances and e-wallets accounts payable

5,725

6,463

Payables to merchants

12,801

5,442

December 31, 2020

June 30, 2021

As of

As of

As of June 30, 2021, and December 31, 2020, the Group’s trade and other payables consisted of the following:

10.

Trade and other payables

Total other current liabilities

647

745

Other

60

50

Contract liability related to loyalty programs

66

–

Contract liability related to guarantees issued

521

695

December 31, 2020

June 30, 2021

As of

As of

As of June 30, 2021, and December 31, 2020, other current liabilities consisted of the following:

9.2 Other current liabilities

The Group has no internal grading system of other current assets for credit risk rating grades analysis.

from cash and cash equivalents for the purposes of cash flow statement and does not have a repayment date.

mandatory reserves established by the CBR constitute 4.75% for liabilities in RUR and 8% for liabilities in foreign currency. The amount is excluded

\* Banks are currently required to post mandatory reserves with the CBR to be held in non-interest bearing accounts. Starting from July 1, 2019, such

Total other current assets

1,202

875

Other

207

209

Prepaid expenses

259

146

Total other financial assets

736

520

Reserves at CBR\*

736

520

December 31, 2020

June 30, 2021

As of

As of

As of June 30, 2021, and December 31, 2020, other current assets consisted of the following:

9.1 Other current assets

9.

Other current assets and other current liabilities

Notes to interim condensed consolidated financial statements (continued)

QIWI plc

Table of Contents

F-23

revolving credit facilities in the amount of 2,000 are secured by a pledge of assets (see Note 20).

Interest expense related to Group’s debt for the six months ended June 30, 2021 amounted to 257 (for the six months ended June 30, 2020 – 66). Bank’

all covenants stipulated by the public irrevocable offers.

The Group is subject to different covenants regarding its bonds issued. As of June 30, 2021, and December 31, 2020, the Group was in compliance with

Including short-term portion

1,640

638

Total debt

6,563

5,574

Bonds issued

5,000

9.3%

October 10, 2023

5,014

5,025

Bank’ revolving credit facility

1,000

8.5%

December 22, 2021

945

247

Bank’ revolving credit facility

1,000

8.5%

October 7, 2021

604

302

Non-current interest-bearing debt

Bank’ revolving credit facility

500

Up to 15%

April 20, 2026

—

—

Bank’ revolving credit facility

460

Up to 10%

December 31, 2021

—

—

Current interest-bearing debt

Credit limit

interest rat e

Maturity

December 31, 2020

June 30, 2021

Effective

As of

As of

As of June 30, 2021, and December 31, 2020, Group’s debt consisted of the following:

12. Debt

Customer accounts and amounts due to banks bear interest of up to 2.65% (2020 – 4%).

Including long-term deposits

36

—

Total customer accounts and amounts due to banks

12,337

8,047

Due to banks

2,647

1,622

Term deposits

1,156

364

Legal entities’ current/demand accounts

6,995

5,949

Individuals’ current/demand accounts

1,539

112

December 31, 2020

June 30, 2021

As of

As of

As of June 30, 2021, and December 31, 2020, customer accounts and amounts due to banks consisted of the following:

11. Customer accounts and amounts due to banks

Notes to interim condensed consolidated financial statements (continued)

QIWI plc

Table of Contents

F-24

\* up to the date of reclassification to assets held for sale

Group’s share (45%) of total net profit

107

239

143

314

Total net profit/(loss)

237

531

320

699

including depreciation and amortization

(73)

(137)

(84)

(168)

including personnel expenses

(621)

(1,370)

(1,019)

(1,853)

Other income and expenses, net

(1,311)

(2,687)

(1,677)

(3,264)

Cost of revenue

(77)

(162)

(138)

(333)

Revenue

1,625

3,380

2,135

4,296

2020

2020

2021\*

2021\*

ended June 30,

ended June 3 0,

ended June 30,

ended June 3 0,

Three months

Six months

Three months

Six months

Associate’s revenue and net income for the three and six months ended June 30 was as follows:

Carrying amount of investment in associates (45%) of net assets

1,635

Net assets

3,633

including financial liabilities

(959)

Current liabilities

(1,270)

Non-current financial liabilities

(263)

including cash and cash equivalents

2,631

Current assets

3,729

Non-current assets

1,437

Associates’ statement of financial position:

December 31, 2020

As of

The following table illustrates summarized financial information of the Group’s investment in JSC Tochka associate:

was accounted for using the equity method until the reclassification to assets held for sale in June 2021 (Note 4).

QIWI Group assesses its share in the entity at 45% according to its share in dividends and potential capital gains. The Group’s interest in JSC Tochka

The Group has a single associate: JSC Tochka.

13.

Investment in associates

Notes to interim condensed consolidated financial statements (continued)

QIWI plc

Table of Contents

F-25

June 30, 2020 see note 17.

For the amount of rent expense recognized from short-term leases and variable lease payments for the three and six months ended June 30, 2021 and

Including short-term portion

385

As of June 30, 2020

1,362

1,490

Payments

—

(107)

Interest expense

—

63

Depreciation

(166)

—

Derecognition

(28)

(28)

Additions

205

205

As of January 1, 2020

1,351

1,357

Office buildings

liabilitie s

Right-of-use assets

Lease

The change in the balances of Right-of-use assets and Lease liabilities for the six months ended June 30, 2020 was as follows:

Including short-term portion

357

As of June 30, 2021

950

1,094

Payments

—

(73)

Interest expense

—

44

Depreciation

(144)

—

Derecognition

(18)

(18)

Additions

25

25

As of January 1, 2021

1,087

1,116

Office buildings

liabilitie s

Right-of-use assets

Lease

change in the balances of Right-of-use assets and Lease liabilities for the six months ended June 30, 2021 was as follows:

For long-term contracts, right-of-use assets and lease liabilities were recognized. Right-of-use assets are included into property and equipment. The

one year as of June 30, 2021 are 8 (December 31, 2020 – 21).

contracts is 20 (six months 2020 – 32). Future minimum lease rentals under non-cancellable lease commitments for office premises for a term less than

year fall under the recognition exemption for being short-term leases. Total lease expense for the six months ended June 30, 2021 recognized under such

The Group has commercial lease agreements of office buildings. The leases have an average life up to nine years. The contracts for a term of less than a

14.

Leases

Notes to interim condensed consolidated financial statements (continued)

QIWI plc

Table of Contents

F-26

Total cost of revenue

3,501

7,354

4,764

8,837

Other expenses

271

737

402

814

Interest expense

42

89

133

247

Transaction costs

3,188

6,528

4,229

7,776

2020

2020

2021

2021

ended June 30,

ended June 3 0,

ended June 30,

ended June 3 0,

Three months

Six months

Three months

Six months

16.

Cost of revenue

statement

(1,595)

(1,069)

Interest income, net, for the purposes of consolidated cash flow

Interest income and expenses related to discontinued operations

(517)

–

separately in the consolidated statement of comprehensive income

44

27

Interest income and expenses from non-banking loans, net, classified

Interest expense classified as part of cost of revenue

89

247

Interest revenue calculated using the effective interest rate

(1,211)

(1,343)

June 30, 2020

June 30, 2021

Six months ended

consists of the following:

For the purposes of consolidated condensed statement of cash flow, “Interest income, net” includes both continued and discontinued operations and

Total Other revenue

474

897

544

1,073

Other revenue

37

97

81

144

Fees for guarantees issued

100

168

139

275

Platform and marketing services related fees

191

349

216

433

Cash and settlement service fees

146

283

108

221

2020

2020

2021

2021

ended June 30,

ended June 3 0,

ended June 30,

ended June 3 0,

Three months

Six months

Three months

Six months

Other revenue for three and six months ended June 30 was as follows:

15.

Revenue

Notes to interim condensed consolidated financial statements (continued)

QIWI plc

Table of Contents

F-27

Dividends payable as of June 30:

—

—

20,517,015 or U.S.$ 0.33 per share)

1,503

(Three months ended June 30, 2020: Interim dividend for 2020: U.S.$

18,730,240 or U.S.$ 0.30 per share

1,385

Three months ended June 30, 2021: Interim dividend for 2021: U.S.$

(not recognized as a liability as of June 30):

Proposed for approval

U.S.$ 8,699,680 or U.S.$ 0.14 per share)

1,630

13,667,632 or U.S.$ 0.22 per share, Interim dividend for Q1 2020:

(Six months ended June 30, 2020: Final dividend for 2019: U.S.$

U.S.$ 13,734,622 or U.S.$ 0.22 per share

2,446

19,347,534 or U.S.$ 0.31 per share, Interim dividend for 1Q 2021:

Six months ended June 30, 2021: Final dividend for 2020: U.S.$

Paid during the period:

U.S.$ 8,699,680 or U.S.$ 0.14 per share)

1,655

13,667,632 or U.S.$ 0.22 per share, Interim dividend for Q1 2020:

(Six months ended June 30, 2020: Final dividend for 2019: U.S.$

U.S.$ 13,734,622 or U.S.$ 0.22 per share

2,433

19,347,534 or U.S.$ 0.31 per share, Interim dividend for 1Q 2021:

Six months ended June 30, 2021: Final dividend for 2020: U.S.$

Proposed, declared and approved during the period:

June 30, 2020

June 30, 2021

Six months ended

Dividends paid and proposed by the Group are presented below:

18.

Dividends paid and proposed

Total selling, general and administrative expenses

510

1,204

612

1,161

Other expenses

120

264

116

233

Offering expenses

–

10

–

–

IT related services

75

145

99

185

Expenses related to Tochka platform services

75

186

82

135

Rent of premises

24

49

26

54

Advisory and audit services

137

286

146

284

taxes

49

129

78

150

Tax expenses, except of income and payroll relates

Advertising, client acquisition and related expenses

30

135

65

120

2020

2020

2021

2021

ended June 30,

ended June 3 0,

ended June 30,

ended June 3 0,

Three months

Six months

Three months

Six months

17.

Selling, general and administrative expenses

Notes to interim condensed consolidated financial statements (continued)

QIWI plc

Table of Contents

F-28

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings of its subsidiaries.

Discontinued operations

(73)

181

—

—

Continuing operations

(678)

(1,344)

(941)

(1,656)

Including:

Total income tax expense for the period

(751)

(1,163)

(941)

(1,656)

Deferred tax expense

(215)

(166)

(152)

(232)

Current income tax expense

(536)

(997)

(789)

(1,424)

2020

2020

2021

2021

ended June 30,

ended June 3 0,

ended June 30,

ended June 3 0,

Three months

Six months

Three months

Six months

The major components of income tax expense in the interim condensed consolidated statement of comprehensive income are:

The Company’s subsidiary incorporated in Kazakhstan is subject to corporate income tax at the standard rate of 20% applied to their taxable income.

Republic of Kazakhstan

fulfills the conditions for application of the reduced 5% tax rate under the amended Russia-Cyprus Double Tax Treaty in respect of dividend income.

income paid to Cyprus (though it provides for a number of exceptions where the lower rates of 5% or 0% are envisaged). The Company believes that it

The new Protocol of September 8, 2020 effective from January 1, 2021 established withholding tax rates as 15% in respect of interest and dividend

received from Russia government bonds and 20% applied to their taxable income.

The Company’s subsidiaries incorporated in the Russian Federation are subject to corporate income tax at the standard rate of 15% applied to income

The Russian Federation

minor shareholders.

accept in writing not to impose any deemed dividend distribution liability since the Company is a public entity and it is impossible to identify the final

In 2020 the Company obtained a written confirmation from the Cyprus tax authorities in the form of a tax ruling in which the Cyprus tax authorities

The Company is exempt from the special contribution to the Defence Fund on dividends received from abroad.

The Company is subject to 12.5% corporate income tax applied to its worldwide income.

Cyprus

taxation in multiple jurisdictions, the most significant of which include:

The Company is incorporated in Cyprus under the Cyprus Companies Law, but the business activity of the Group and joint ventures is subject to

19.

Income tax

Notes to interim condensed consolidated financial statements (continued)

QIWI plc

Table of Contents

F-29

results of operations.

development of alternative payment channels. All of these factors could have a material adverse effect on the Group’s business, financial condition and

contribute to a decline in the use of kiosks and terminals, including regulatory changes, increases in consumer fees imposed by the agents and the

restrictions that limited users’ access to certain retail locations, as well as reducing the overall activity of the population. Other factors could also

and, to a certain extent, continues to be negatively affected by the spread of the COVID-19 pandemic, corresponding lockdown measures, and other

decreasing as the market shifts towards a higher share of digital payments. Since the first quarter of 2020, the Group’s physical distribution network was

in emerging markets adopts credit and debit card payments and electronic banking, and the number of kiosks and terminals in the QIWI network is

reload and client acquisition channel for Qiwi Wallet. Over time, the prevalence of cash payments is declining as a greater percentage of the population

Group has since largely outgrown that model, the network of kiosks and terminals remains a significant part of the Group’s infrastructure and serves as a

The Group’s business has developed as a network of kiosks and terminals that allow consumers to use physical currency for online payments. While the

A substantial portion of the Russian population continues to rely on cash payments, rather than credit and debit card payments or electronic banking.

of one or more types of transactions currently facilitated by the Group’s system may materially adversely affect its results of operations.

from such transactions in future periods. Any changes in the regulatory regime or in the interpretation of current regulations that affect the continuation

employed customers, etc. Management believes that significant growth in revenue from peer-to-peer transaction may not be representative of revenue

transactions mostly represent use-cases connected to peer-to-peer transactions, light banking, collection of proceeds services the Group provides to self-

Significant growth within the B2B and B2B2C streamlines was noted as the Group continuously enhance its customer value proposition. These

QIWI. The Group was able to grow payment volumes and improve margins by adapting to the rapidly changing environment and customer behaviour.

of payments and emerging opportunities around the growing gig-economy, which are supportive trends for payment and financial service providers like

accordingly, on the Group’s business. The negative impact of the pandemic was mitigated by accelerating inflation, an overall increase in digitalization

likely to be very significant. A prolonged economic slowdown in Russia could have a significant negative effect on consumer spending in Russia and,

the ongoing COVID-19 pandemic and the lockdown measures adopted in response thereto may have on the Russian economy remains unclear but is

Euro. This volatile exchange rate environment continues to prevail even though the oil prices have rebounded. The full scope of the negative impact that

demand across the globe and across industries. As a result, the Russian ruble has significantly and abruptly depreciated against the U.S. dollar and the

responses from various countries around the world, which began in early 2020 and continue to unfold to date, have negatively affected consumer

modest recovery that the Russian economy had experienced in the few preceding years. The outbreak of the COVID-19 pandemic and associated

deterioration of the Russian economy. Consumer spending had generally remained cautious even prior to the COVID-19 pandemic, which upended the

political and economic uncertainty, among other factors. The ongoing COVID-19 pandemic and related lockdown measures have also contributed to the

record weakening of the Russian ruble against the U.S. dollar, a lack of access to financing for Russian issuers, capital flight and a general climate of

certain Russian companies and individuals, as well as against entire sectors of the Russian economy, by the US, the EU, Canada and other countries, a

deterioration of Russia’s relationships with many Western countries, the economic and financial sanctions imposed in connection with these events on

Russia’s economy has been facing significant challenges for the past few years due to the combined effect of the ongoing crisis in Eastern Ukraine, the

Operating environment

20.

Commitments, contingencies and operating risks

Notes to interim condensed consolidated financial statements (continued)

QIWI plc

Table of Contents

F-30

events could have a material adverse effect on the Group’s business, financial condition and results of operations.

violations of various banking regulations, or what sanctions the CBR may impose on QIWI in connection with such deficiencies or violations. Any such

perceived deficiencies in its conduct, that any currently planned or future inspections will not result in discovery of any significant or minor additional

imposed on QIWI as a result of such or any past or future findings, that the Group will not come under greater CBR scrutiny in connection with any

There can be no assurance that new laws and regulations adverse to the Group’s business will not come into force, that new sanctions will not be

changed customer behaviour and cannot be accurately estimated as well as may never be restored.

CBR in December 2020 have expired. The recovery of the payment volumes and revenues lost in the wake of restrictions is highly dependent on

deficiencies and violations and to eliminate or limit the restrictions that have been imposed. As of the date of this report, the restrictions imposed by the

pre-paid cards from corporate accounts. During the first half of 2021, management has been working closely with the CBR to remediate the identified

six-month period starting December 7, 2020, the suspension of, or limitation on, most types of payments to foreign merchants and money transfers to

findings was RUB 11 million. In addition, the CBR introduced certain restrictions with respect to Qiwi Bank’s operations, including, effective for a

applicable banking legislation and regulations and reporting requirements to the CBR. The monetary fine imposed on Qiwi Bank as a result of these

scheduled audit of Qiwi Bank. In the course of this audit the CBR identified certain violations and deficiencies with respect to compliance with

management believes QIWI has generally rectified. In the second half of 2020, the CBR, acting in its supervisory capacity, performed another routine

requirements, anti-money laundering, cybersecurity, compliance with applicable electronic payments thresholds requirements and other issues which

subject of CBR investigations in the past that have uncovered various violations and deficiencies in relation to, among other things, reporting

In recent years the CBR has considerably increased the intensity of its supervision and regulation of the Russian banking sector. Qiwi Bank has been the

may materially adversely affect its results of operations.

in the interpretation of current regulations that affect the continuation of one or more types of transactions currently facilitated by the Group’s system

with such laws and regulations, which may sometimes result in the imposition of monetary or other sanctions. Any changes in the regulatory regime or

laws and privacy and data protection laws. As a result, the Group experiences periodic investigations by various regulatory authorities in connection

terrorism, financial services regulations, payment services regulations, consumer protection laws, currency control regulations, advertising laws, betting

The Group is subject to a variety of regulations, including those aimed at preventing money laundering and the financing of criminal activity and

QIWI’s business is impacted by laws and regulations that affect its industry. The number of such regulations has increased significantly in recent years.

Regulatory environment

20.

Commitments, contingencies and operating risks (continued)

Notes to interim condensed consolidated financial statements (continued)

QIWI plc

Table of Contents

F-31

20-F and Financial Statements filed with the Securities and Exchange Commission.

For more detailed disclosure on the operating and regulatory environment and other key risks please refer to the most recent annual report on Form

operating environment in the betting industry, there is no guarantee that these operations will be sustainable.

the form of winnings payouts to QIWI Wallets as those are not currently restricted by the new law. However, due to the rapidly changing legislation and

due to discontinuation of operations of the TSUPIS established by Qiwi Bank. The Group will continue to generate volumes and income from betting in

existing TSUPIS. These developments are expected to negatively affect the payment volume, revenue and margins of QIWI Payment Services business

a proposal made by the Government. By the end of September 2021, such newly-appointed Unified Interactive Bets Accounting Centre will replace the

Interactive Bets Accounting Centre. This role is required to be assigned to a credit institution specifically authorized by the President of Russia based on

Gambling Regulator as a new governmental agency with broad authority to oversee the betting market, and creating the role of a single Unified

In December 2020, a new law was adopted, abolishing the mandatory participation of bookmakers in self-regulated organizations, establishing a Unified

services providers that are able to accept electronic bets on behalf of sports betting companies in Russia.

the self-regulated associations of bookmakers in order to be able to accept such payments, and the Group thereby became one of the two payment

and actively developing regulation in Russia, as well as increasing government scrutiny. In 2016 Qiwi Bank established a TSUPIS together with one of

depend on merchants in the betting industry and their use of the Group’s services for the foreseeable future. The betting industry is subject to extensive

important and economically beneficial Qiwi Wallet reload channel and a new customer acquisition tool. The Group’s operating results will continue to

processing payments to merchants in most other categories. Moreover, the repayment of winnings by such merchants to customers also serves as an

payments to such merchants represents a significant portion of the Group’s revenue. Processing such payments generally carries higher margins than

As part of its business operations, the Group provides payment processing services to a number of merchants in the betting industry. Processing

Regulatory environment (continued)

20.

Commitments, contingencies and operating risks (continued)

Notes to interim condensed consolidated financial statements (continued)

QIWI plc

Table of Contents

F-32

company paying the dividends throughout a 365-day period that includes the day of payment of the dividends.

exchange provided that at least 15% of the voting shares of that company are in free float and which holds directly at least 15% of the capital of the

interest income is envisaged for certain categories of income recipients, including public companies whose shares are listed on a registered stock

(though it provides for a number of exceptions where the lower rates of 5% or 0% are envisaged). The reduced 5% tax rate in respect of dividend and

The new Protocol of September 8, 2020 came into effect from January 2021 increasing WHT rates in respect of interest and dividend income to 15%

Double Tax Treaty (including Cyprus) if certain conditions stipulated thereto are met.

The Group commonly seeks to claim treaty protection, as such withholding tax rate (hereinafter “WHT)” may be reduced to 5% under the available

Withholding tax at the rate of 15% is applied to any dividends paid by the entities incorporated in Russia to the entities incorporated outside of Russia.

foreign tax authorities.

reduced tax rates or exemptions. In these cases, the Russian tax authorities obtained relevant information by means of information exchange with the

introduced in the Russian Tax Code) on the grounds that double tax treaties already include beneficial ownership requirement to allow application of

the Russian tax authorities actively challenge application of double tax treaty benefits retroactively (i.e. prior to concept of beneficial ownership was

double tax treaty through structures which historically have benefited from double tax treaty protection in Russia. Recent court cases demonstrate that

introduction of the concept of beneficial ownership may result in the inability of the foreign companies within the Group to claim benefits under a

Russian and the CIS’s tax, currency and customs legislation is subject to varying interpretations, and changes, which can occur frequently. For instance,

Taxation in the Russian Federation

reporting tax arrangements to ensure its compliance with the abovesaid obligations.

complex technical and procedural issues for taxpayers and intermediaries. The Company would review its policies and strategies for logging and

hallmarks). The hallmarks cover a broad range of structures and transactions. Determining if there is a reportable cross-border arrangement raises

arrangements) to the relevant EU member state tax authority. Cross-border arrangements will be reportable if they contain certain features (known as

(including EU-based tax consultants, banks and lawyers) and in some situations, taxpayers, to report certain cross-border arrangements (reportable

Law). The Cypriot Tax Department launched a public consultation on the AC19 Law on October 22, 2019. The Directive requires intermediaries

DAC6 was implemented in Cyprus on June 25, 2018 as part of the Administrative Cooperation in the Field of Taxation (Amendment) Law 2019 (AC19

(subject to the relevant thresholds). The Cyprus draft transfer pricing legislation is expected to be enacted within the coming months.

and require the preparation of a Local and Master File as well as Summary Information Table in line with the OECD Transfer Pricing Guidelines

other related party transactions. However, Cyprus is in the late stages of adopting transfer pricing rules, covering all types of inter-company transactions

As of today, there are no specific transfer pricing rules or any transfer pricing documentation requirements in the Cyprus tax laws with respect to any

Taxation in Cyprus

20.

Commitments, contingencies and operating risks (continued)

Notes to interim condensed consolidated financial statements (continued)

QIWI plc

Table of Contents

F-33

Cyprus). Application of MLI could potentially limit tax benefits granted by double tax treaties of Russian Federation and Cyprus.

came into effect in respect of withholding taxes covered by tax treaties concluded by the Russian Federation with 34 countries (including tax treaty with

by Russia with respect to more than 71 double tax treaties signed by Russia with potential effective date of January 1, 2021. Starting from 2021, MLI

treaties limiting the use of tax benefits provided thereof, e.g. by means of introduction of the “business purpose” test. To date the MLI has been ratified

In addition, on November 24, 2016, the OECD published the multilateral instrument (“MLI”) which introduces new provisions to existing double tax

multinational enterprise groups generating consolidated annual turnover exceeding EUR 750 million) the Group may be liable to submit relevant CbCR.

presence (e.g. in Cyprus, where the Decree issued by the Cyprus Minister of Finance on December 30, 2016 introduced a mandatory CbCR for

with the CbCR requirements, if the Group reaches the reporting threshold in Russia (over RUB 50 billion), or alternatively in any other jurisdiction of

On November 27, 2017 the Federal Law No. 340-FZ introducing country-by-country reporting (“CbCR”) requirements was published. In accordance

ownership status.

simplified approach is relatively new and untested there is no assurance that the Russian tax authorities will not challenge the Company’s beneficial

respective confirmation letter on its beneficial ownership status and documents confirming publicly traded company status are in place. Since this

with shares and (or) depository receipts comprising more that 25% of their share capital admitted to trade on a qualifying stock exchange if the

Company intends to use simplified approach for confirmation of the beneficial ownership status that has recently been adopted for public companies

from double taxation treaty protection in Russia.

inability of the foreign companies within the Group to claim benefits under a double taxation treaty through structures which historically have benefited

beneficial owner status of the recipient of income. As a result, there is a risk that application of the concept of beneficial ownership may result in the

to investments and/or financing of a group of companies, it cannot be considered as an independent business activity and it is not enough to confirm the

does not benefit from the use of such income and its employees actually do not control/ manage such company. If activities of the company are limited

treaty if its activity does not have a real business purpose, if such company does not bear any risks that are normal for business activity, such company

will be available in practice. According to the recent clarifications of the Russian tax authorities, a foreign company may not benefit from a double tax

status of the recipient with respect to the received income. Due to the introduction of these changes, there can be no assurance that treaty relief at source

income. Russian tax law provides neither the form of such confirmation nor the precise list of documents which can demonstrate the beneficial owner

Russian Tax Code requires the tax agent to obtain confirmation from the non-resident holder-legal entity that it is the beneficial owner of the relevant

Cyprus Double Tax Treaty may be applied to interest income, thus 15% WHT rate will be applied to interest income. Starting from January 1, 2017, the

Russian tax authorities will not challenge the Company’s position in this respect. It is rather unlikely that the reduced WHT rate under the Russia-

respect of dividend income. However, there is no assurance that the Russian Ministry of Finance will not revise its position in the future or that the

The Company believes that it fulfils the conditions for application of the reduced 5% tax rate under the amended Russia-Cyprus Double Tax Treaty in

Taxation in the Russian Federation (continued)

20.

Commitments, contingencies and operating risks (continued)

Notes to interim condensed consolidated financial statements (continued)

QIWI plc

Table of Contents

F-34

Securities and Exchange Commission.

For more detailed disclosure on taxation please refer to the most recent annual report on Form 20-F and Financial Statements filed with the

significant fines, penalties and enforcement measures, despite the best efforts at compliance, and could result in a greater than expected tax burden.

view of this trend and taking into the account the uncertainties with application of anti-avoidance concept, this could possibly expose the Group to

Federation stating that more than 85% of tax disputes based on Article 54.1 of the Russian Tax Code are ruled out in favour of the tax authorities. In

authorities in a broader sense. There were some recent publications in mass media with reference to the Head of Federal Tax Service of the Russian

not be applied by the enactment of new anti-avoidance rules. However, it cannot be excluded that this new concept could be applied by the tax

The Russian Ministry of Finance issued clarifications that the concepts expressed in Resolution No. 53 and evolved in the relevant court practice should

challenged by the Russian tax authorities

application of these criteria is still under consideration of the tax authorities, therefore, no assurance can be given that positions of taxpayers will not be

prohibited by law cannot be considered in itself as a basis for recognizing the reduction of the tax base or the amount of tax unlawful. However,

person, violation by the counterparty of tax legislation, the possibility to obtain the same result by a taxpayer by entering into other transactions not

transferred under a contract or law. The Russian Tax Code specifically indicates that signing of primary documents by an unidentified or unauthorized

a person who is a party to a contract entered into with the taxpayer and / or a person to whom the obligation to execute a transaction (operation) was

non-payment (incomplete payment) and (or) offset (refund) of the amount of tax; and (ii) the obligation under the transaction (operation) is executed by

met simultaneously to entitle a taxpayer to reduce the tax base or the amount of tax: (i) the main purpose of the transaction (operation) is not a

which replaced the previously existing concept of “unjustified tax benefit”. These anti-avoidance provisions establish two specific criteria that should be

On July 19, 2017, new anti-avoidance provisions were introduced into the Russian Tax Code and the Article 54.1 of the Russian Tax Code was adopted,

business, financial condition and results of operations.

There is no assurance that it would not be required to make substantially larger tax payments in the future, which may adversely affect the Group’s

The introduction of new taxes or amendments to current taxation rules may have a substantial impact on the overall amount of the Group’s tax liabilities.

Russian tax system. These factors, together with the potential for state budget deficits, raise the risk of the imposition of additional taxes on the Group.

There can be no assurance that the Russian Tax Code will not be changed in the future in a manner adverse to the stability and predictability of the

established in Russia may become subject to transfer pricing tax audits by tax authorities in the foreseeable future.

transfer-pricing adjustments and impose additional tax liabilities in respect of certain types of transactions. It is therefore possible that the Group entities

The existing Russian transfer pricing rules became effective from January 1, 2012. Under these rules the Russian tax authorities are allowed to make

Taxation in the Russian Federation (continued)

20.

Commitments, contingencies and operating risks (continued)

Notes to interim condensed consolidated financial statements (continued)

QIWI plc

Table of Contents

F-35

issued as of June 30, 2021 is 25,930 (as of December 31, 2020 – 22,036).

The Group issues financial and performance guarantees to non-related parties for the term up to five years at market rate. The amount of guarantees

Guarantees issued

collateral for bank guarantees issued on Group’s behalf to its major partners and for credit facilities received.

As of June 30, 2021, the Group pledged debt securities (government bonds) with the carrying amount of 1,756 (December 31, 2020 – 4,339) as

Pledge of assets

negative outcome could result in payments of substantial monetary damages and accordingly Group’s business could be seriously harmed.

reasonably predict the timing or outcomes, or estimate the amount of loss, if any, or their effect, if any, on the Group’s financial statements. Any

associated with defending against these actions. At this early stage of the litigations, the ultimate outcomes are uncertain and management cannot

allegations. Management believes that these lawsuits are without merit and intend to defend against them vigorously, and expects to incur certain costs

plaintiffs perceive as a violation of Sections 10(b) and 20(a) of the 1934 Securities Exchange Act, and seek damages and other relief based upon such

false or misleading statements that were supposedly revealed when the CBR audit results and restrictions were disclosed in December 2020, which the

officers have been named as defendants in the putative class action filed in the United States. These lawsuits allege that the defendants made certain

Following the disclosure of the restrictions imposed by the CBR on us in December 2020 QIWI plc and certain of its current and former executive

from such actions or complaints will not have a material adverse effect on the financial condition or the results of future operations of the Group.

In the ordinary course of business, the Group is subject to legal actions and complaints. Management believes that the ultimate liability, if any, arising

Legal proceedings

outweighs the benefits in management’s view.

significant physical assets to insure. Management has considered the possibility of insurance of business interruption in Russia, but the cost of it

The Group holds no insurance policies in relation to its assets, operations, or in respect of public liability or other insurable risks. There are no

Insurance policies

December 31, 2020).

could be significant, and amount up to RUB 2.6 billion rubles that was assessed by the Group as of June 30, 2021 (RUB 2.4 billion rubles as of

an uncertain tax treatment and the maximum effect of additional losses, if the authorities were successful in enforcing their different interpretations,

and that the Group’s currency, customs, tax and other regulatory positions will be sustained. However, it is possible that a taxation authority will accept

The Group’s management believes that its interpretation of the relevant legislation is appropriate and is in accordance with the current industry practice

Risk assessment

20.

Commitments, contingencies and operating risks (continued)

Notes to interim condensed consolidated financial statements (continued)

QIWI plc

Table of Contents

F-36

during the six months ended June 30, 2020).

2021 (199—during the six months ended June 30, 2020) and share-based payments amounted to nil during the six months ended June 30, 2021 (5 loss—

Benefits of key management and Board of Directors generally comprise of short-term benefits amounted to 174 during the six months ended June 30,

Other related parties

1

(8)

8

(9)

Key management personnel

—

(194)

—

(142)

Associates

1

(256)

170

(116)

related parties

parties

parties

parties

income fro m

from related

related

related

Sales to/

expenses

owed by

owed to

Purchases/

Amounts

Amounts

June 30, 2020

As of December 31, 2020

For the six months ended

Other related parties

5

(9)

5

(3)

Key management personnel

—

(174)

—

(89)

Associates

3

(133)

170

(33)

related parties

parties

parties

parties

income fro m

from related

related

related

Sales to/

expenses

owed by

owed to

Purchases/

Amounts

Amounts

June 30, 2021

As of June 30, 2021

For the six months ended

and 2020, as well as balances with related parties as of June 30, 2021 and December 31, 2020:

The following table provides the total amount of transactions that have been entered into with related parties during the six months ended June 30, 2021

21.

Balances and transactions with related parties

Notes to interim condensed consolidated financial statements (continued)

QIWI plc

Table of Contents

F-37

measurement of these loans the Group uses comparable marketable interest rate which is in range of 7-35%.

Long-term loans generally represent RUB nominated loans to Russian legal entities and have a maturity up to six years. For the purpose of fair value

maturity up to January 2023. Some of debt securities are pledged (Note 20).

Debt instruments of the Group mostly consist of RUB nominated government and high-quality corporate bonds with interest rate 7.0%—7.6% and

instruments.

CBR, lease liabilities, customer accounts and amounts due to banks approximate their fair values largely due to short-term maturities of these

Carrying amounts of cash and cash equivalents, short-term loans issued, short-term deposits placed, debt, accounts receivable and payable, reserves at

•

FVPL – accounted at fair value through profit or loss.

•

AC – accounted at amortized cost;

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

Bonds issued

AC

5,014

5,134

5,025 5,070

Financial liabilities

Total financial assets

6,597

6,690

5,612

5,577

Long-term loans

FVPL

18

18

29

29

Long-term loans

AC

196

196

228

228

Debt securities and deposits

AC

6,383

6,476

5,355 5,320

Financial assets

amount

value

amount

value

Carrying

Fair

Carrying

Fair

As of December 31, 2020

As of June 30, 2021

table below:

The fair value of the Group’s financial instruments as of June 30, 2021 and December 31, 2020 is presented by type of the financial instrument in the

and liabilities which arise directly from its operations. During the reporting period, the Group did not undertake trading in financial instruments.

trade and other payables, cash and cash equivalents, long and short-term debt instruments and reserves at CBR. The Group has various financial assets

The Group’s principal financial instruments consisted of loans receivable, trade and other receivables, customer accounts and amounts due to banks,

22.

Financial instruments

Notes to interim condensed consolidated financial statements (continued)

QIWI plc

Table of Contents

F-38

sensitive for financial assets accounted at fair value.

With regard to the level 3 assessment of fair value, management believes that no reasonably possible change in any of the unobservable inputs would be

•

Level 3: Techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

•

Level 2: Other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly;

•

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities;

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

six months ended June 30, 2021.

There were no transfers between Level 1 and Level 2 fair value measurements and no transfers into or out of Level 3 fair value measurements during the

Bonds issued

December 31, 2020

5,134

5,134

–

–

Liabilities for which fair values are disclosed

Long-term loans

December 31, 2020

196

–

–

196

Debt instruments and deposits

December 31, 2020

6,476

6,476

–

–

Assets for which fair values are disclosed

Long-term loans

December 31, 2020

18

–

–

18

Assets accounted at fair value through profit or loss

Bonds issued

June 30, 2021

5,070

5,070

–

–

Liabilities for which fair values are disclosed

Long-term loans

June 30, 2021

228

–

–

228

Debt securities and deposits

June 30, 2021

5,320

5,320

–

–

Assets for which fair values are disclosed

Long-term loans

June 30, 2021

29

–

–

29

Assets accounted at fair value through profit or loss

Date of valuation

Total

(Level 1)

(Level 2)

(Level 3)

markets

inputs

inputs

in active

observable

unobservabl e

Quoted prices

Significant

Significant

Fair value measurement using

The following table provides the fair value measurement hierarchy of the Group’s financial instruments to be accounted or disclosed at fair value:

22.

Financial instruments (continued)

Notes to interim condensed consolidated financial statements (continued)

QIWI plc

Table of Contents

F-39

On August 12, 2021 the Board of Directors of the Company approved dividends of U.S.$ 18,730,240 (equivalent of 1,385).

Dividends distribution

available, and is expected to be settled in second quarter of 2022.

place in third quarter of 2021. The final deal price adjustment will be performed on the basis of Tochka’s audited results for the year 2021, once

In July 2021, the Group has entered into an agreement with Otkritie Bank to sell all its stake in the capital of JSC Tochka. Closing is expected to take

Tochka sale

23.

Events after the reporting date

risk factors and individual creditworthiness of the customer.

Long-term fixed-rate loans issued are evaluated by the Group based on parameters such as interest rates, terms of maturity, specific country and industry

willing parties, other than in a forced or liquidation sale.

The fair value of the financial assets and liabilities are evaluated at the amount the instrument could be exchanged in a current transaction between

Valuation methods and assumptions

22.

Financial instruments (continued)

Notes to interim condensed consolidated financial statements (continued)

QIWI plc

Table of Contents

August 19, 2021

Moscow, Russia

/s/ Ernst & Young LLC

2021 relating to the unaudited condensed consolidated interim financial statements of Qiwi plc that are included in its Form 6-K dated August 19, 2021.

Amended and Restated Employee Stock Option Plan and the 2015 Employee Restricted Stock Units Plan of Qiwi plc of our report dated August 19,

We are aware of the incorporation by reference in the Registration Statements (Form S-8 No. 333-190918; Form S-8 No. 333-212441) pertaining to the

To the Shareholders and Board of Directors of Qiwi plc

Acknowledgment Letter of Independent Registered Public Accounting Firm

Exhibit 99.3