NanduQ plc

Unaudited interim condensed consolidated financial statements

June 30, 2025

NanduQ plc

Interim condensed consolidated financial statements

for the six-month period ended 30 June, 2025

Content

Russell Bedford
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Report on Review of Condensed Consolidated Interim Financial Statements
To the Shareholders and Board of Directors of NanduQ plc.

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of **NanduQ plc** and its subsidiaries (together - the "Group") as at 30 June 2025 and the related interim condensed consolidated statement of comprehensive (loss)/income for the six-month periods then ended, condensed consolidated interim statements of changes in equity and cash flows for the six-month period then ended, and the related explanatory notes. Management is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with International Accounting Standard 34, "Interim Financial Reporting". Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

Scope of review

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

Conclusion

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

Shyngysbek Sartayev
General Director
Russell Bedford A+ Partners Ltd. PC

License for auxiliary services
No. AFSA-A-LA-2020-0024,
issued by AFSA, the regulatory
authority of AIFC as at 1 July 2020.

Shyngysbek Sartayev
Auditor

The qualification certificate of the auditor
No. MF-0000297 dated 9 November 2015.

05 September 2025
Astana, Republic of Kazakhstan

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Registered office: 34 Abish Kekilbayuly Street, Almaty, 050043, Republic of Kazakhstan

MEMBER OF THE FORUM OF FIRMS

NanduQ plc

Interim condensed consolidated statement of financial position

(in thousands of US Dollars)

	Notes	As of December 31, 2024 (Audited)	As of June 30, 2025 (Unaudited)
Assets			
Non-current assets			
Property and equipment		598	431
Goodwill and other intangible assets		660	703
Investments in associates		2,308	–
Long-term receivables from sale of QIWI JSC	4	30,821	42,681
Deferred tax assets		669	1,083
Other non-current assets		707	670
Total non-current assets		**35,763**	**45,568**
Current assets			
Trade and other receivables	7	18,258	5,789
Short-term receivables from sale of QIWI JSC	4	137,788	215,308
Short-term loans issued	6	56,088	58,207
Short-term debt securities and term deposits	9	38,552	38,172
Income tax prepaid		1,717	1,971
Other current assets		2,492	2,488
Cash and cash equivalents	8	75,184	90,186
Total current assets		**330,079**	**412,121**
Total assets		**365,842**	**457,689**
Equity and liabilities			
Equity attributable to equity holders of the parent			
Share capital		35	35
Additional paid-in capital		73,340	73,340
Share premium		255,220	255,220
Other reserves		47,802	47,786
Retained earnings		133,738	226,903
Translation reserve		(167,293)	(166,678)
Total equity attributable to equity holders of the parent		**342,842**	**436,606**
Non-controlling interests		–	–
Total equity		**342,842**	**436,606**
Non-current liabilities			
Long-term debt		446	510
Long-term lease liabilities		37	19
Deferred tax liabilities		833	856
Other non-current liabilities		271	–
Total non-current liabilities		**1,587**	**1,385**
Current liabilities			
Trade and other payables	10	16,314	15,148
Short-term lease liabilities		227	168
Other current liabilities		4,872	4,382
Total current liabilities		**21,413**	**19,698**
Total equity and liabilities		**365,842**	**457,689**

On September 05, 2025 the Board of Directors of NanduQ plc authorized these interim condensed consolidated financial statements for issue.

Director…………………….Alexey Mashchenkov

NanduQ plc

Interim condensed consolidated statement of comprehensive (loss) / income

(in thousands of US Dollars, except per share data)

(Unaudited)

Continuing operations	Notes	Six months ended June 30, 2024	Six months ended June 30, 2025
Revenue:		**22,540**	**13,503**
Revenue from contracts with customers	11	16,571	9,547
Interest revenue calculated using the effective interest rate	11	5,278	2,941
Fees from inactive accounts and unclaimed payments		691	1,015
Operating (costs and expenses)/income:		**(77,096)**	**(14,204)**
Cost of revenue (exclusive of items shown separately below)	12	(10,580)	(5,893)
Selling, general and administrative expenses	13	(7,520)	(3,240)
Personnel expenses		(6,112)	(6,454)
Depreciation and amortization		(417)	(397)
Credit loss (expense)/recovery	4,6,7	(52,467)	1,780
Loss from operations		**(54,556)**	**(701)**
Share of loss of an associate		(1,728)	–
Loss from disposal of associate	4	–	(1,999)
Foreign exchange gain, net		8,519	84,979
Interest income and expenses, net	14	13,247	15,041
Other income and expenses, net		1,264	(3,907)
(Loss)/profit before tax from continuing operations		**(33,254)**	**93,413**
Income tax expense	15	(1,356)	(248)
Net (loss)/profit from continuing operations		**(34,610)**	**93,165**
Discontinued operations			
Loss after tax from discontinued operations	4	(472,176)	–
Net (loss)/profit for the period		**(506,786)**	**93,165**
Attributable to:			
Equity holders of the parent		(507,066)	93,165
Non-controlling interests		280	–
Other comprehensive (loss)/income			
Other comprehensive (loss)/income to be reclassified to profit or loss in subsequent periods:			
Foreign currency translation:			
Exchange differences on translation of foreign operations		5,338	615
Net gain recycled to profit or loss upon disposal		223,334	–
Debt securities at fair value through other comprehensive income (FVOCI):			
Net loss arising during the period, net of tax		(15)	(16)
Net loss recycled to profit or loss upon disposal		(4,316)	–
Share of other comprehensive income of an associate		33	–
Total other comprehensive income, net of tax		**224,374**	**599**
Total comprehensive (loss)/income for the period, net of tax		**(282,412)**	**93,764**
Attributable to:			
Equity holders of the parent		(282,692)	93,764
Non-controlling interests		280	–
(Loss)/earnings per share:			
Basic, (loss)/earnings attributable to ordinary equity holders of the parent		(8.08)	1.50
Diluted, (loss)/earnings attributable to ordinary equity holders of the parent		(8.08)	1.50
(Loss)/earnings per share from continuing operations			
Basic, (loss)/profit from continuing operations attributable to ordinary equity holders of the parent		(0.55)	1.50
Diluted, (loss)/profit from continuing operations attributable to ordinary equity holders of the parent		(0.55)	1.50

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

NanduQ plc

Interim condensed consolidated statement of cash flows

(in thousands of US Dollars)

(Unaudited)

	Notes	Six months ended June 30, 2024*	Six months ended June 30, 2025
Operating activities			
(Loss)/Profit for the period		**(506,786)**	**93,165**
Adjustments to reconcile profit before tax to net cash flows generated from operating activities:			
Depreciation and amortization		417	397
Foreign exchange gain, net		(8,654)	(84,979)
Interest income, net	11	(23,873)	(17,977)
Credit loss expense/(recovery)		51,954	(1,780)
Loss from disposal of associate	4	–	1,999
Share of loss of an associate		1,728	–
Loss from disposal of discontinued operations		478,858	–
Income tax expense		3,225	248
Other		1	4,557
Changes in operating assets and liabilities:			
Decrease in trade and other receivables		39,834	4,997
Increase in other assets		(2,406)	(192)
Increase in customer accounts and amounts due to banks		(10,435)	–
Decrease in trade and other payables and accruals		(87,337)	(386)
Decrease/(increase) in other liabilities		61	(779)
Decrease in loans issued from banking operation		443	–
Cash used in operations		**(62,970)**	**(730)**
Interest received		6,681	5,219
Interest paid		(2,745)	–
Income tax paid		(2,860)	(462)
Net cash flow (used in)/generated from operating activities		**(61,894)**	**4,027**
Investing activities			
Net cash outflow from disposal of discontinued operations	4	(317,437)	–
Purchase of property and equipment		(21)	(14)
Purchase of intangible assets		–	(218)
Loans issued		(276)	(2,922)
Repayment of loans issued		10,178	9,049
Purchase of debt securities		(40,627)	(51,780)
Proceeds from sale and redemption of debt instruments		74,913	52,889
Net cash flow (used in)/generated from investing activities		**(273,270)**	**7,004**
Financing activities			
Repayment of debt		(3,237)	–
Proceeds from borrowings		549	–
Payment of principal portion of lease liabilities	4	–	(95)
Net cash flow used in financing activities		**(2,688)**	**(95)**
Effect of exchange rate changes on cash and cash equivalents		(422)	4,066
Net (decrease)/increase in cash and cash equivalents		**(338,274)**	**15,002**
Cash and cash equivalents at the beginning of the period	8	424,761	75,184
Cash and cash equivalents at the end of the period	8	**86,487**	**90,186**

**Amounts do not correspond with the previously presented due to recalculation of the loss after tax from discontinued operations (please refer to Note 2.6)*

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NanduQ plc

Interim condensed consolidated statement of changes in equity

(in thousands of US Dollars, except number of shares)

(Unaudited)

		Attributable to equity holders of the parent									
		Share capital									
	Notes	Number of shares issued and outstanding	Amount	Additional paid-in capital	Share premium	Other reserves	Retained earnings	Translation reserve	Total	Non-controlling interests	Total equity
Balance as of January 1, 2025		**62,712,975**	**35**	**73,340**	**255,220**	**47,802**	**133,738**	**(167,293)**	**342,842**	**–**	**342,842**
Profit for the period		–	–	–	–	–	93,165	–	93,165	–	93,165
Other comprehensive income:											
Foreign currency translation		–	–	–	–	–	–	615	615	–	615
Debt instruments at FVOCI		–	–	–	–	(16)	–	–	(16)	–	(16)
Total comprehensive income/(loss) for the period		**–**	**–**	**–**	**–**	**(16)**	**93,165**	**615**	**93,764**	**–**	**93,764**
Balance as of June 30, 2025		**62,712,975**	**35**	**73,340**	**255,220**	**47,786**	**226,903**	**(166,678)**	**436,606**	**–**	**436,606**

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

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NanduQ plc

Interim condensed consolidated statement of changes in equity (continued)

(in thousands of US Dollars, except number of shares)

(Unaudited)

		Attributable to equity holders of the parent									
		Share capital									
	Notes	Number of shares issued and outstanding	Amount	Additional paid-in capital	Share premium	Other reserves	Retained earnings	Translation reserve	Total	Non-controlling interests	Total equity
Balance as of January 1, 2024		62,712,975	35	73,340	255,220	52,025	672,249	(394,094)	658,775	7,948	666,723
Loss for the period		–	–	–	–	–	(507,066)	–	(507,066)	280	(506,786)
Other comprehensive income:											
Foreign currency translation		–	–	–	–	–	–	5,338	5,338	–	5,338
Reclassification of the translation reserve related to disposed subsidiaries to profit or loss	4	–	–	–	–	–	–	223,334	223,334	–	223,334
Debt instruments at FVOCI		–	–	–	–	(15)	–	–	(15)	–	(15)
Reclassification of the Debt instruments at FVOCI related to disposed subsidiaries to profit or loss	4	–	–	–	–	(4,316)	–	–	(4,316)	–	(4,316)
Share of OCI of an associate		–	–	–	–	33	–	–	33	–	33
Total comprehensive income/(loss) for the period		–	–	–	–	(4,298)	(507,066)	228,672	(282,692)	280	(282,412)
Reclassification of non-controlling interest related to disposed subsidiaries to profit or loss		–	–	–	–	–	–	–	–	(8,228)	(8,228)
Balance as of June 30, 2024		62,712,975	35	73,340	255,220	47,727	165,183	(165,422)	376,083	–	376,083

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

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1. Corporate Information and description of business

The interim condensed consolidated financial statements of NanduQ plc (hereinafter "the Company") and its subsidiaries (collectively "the Group") for the six months ended June 30, 2025 were authorized for issue on September 05, 2025.

The Company was registered on February 26, 2007 as a limited liability company OE Investments in Cyprus under the Cyprus Companies Law, Cap. 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 directors of the Company resolved to change the name of the Company from OE Investments Limited to QIWI Limited and later to QIWI plc. On August 27, 2024 the shareholders of the Company approved the change of name of the Company from QIWI PLC to NanduQ PLC.

Sergey Solonin is the ultimate controlling shareholder of the Group as of June 30, 2025.

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

The Group operates electronic online payment system primarily in Kazakhstan and other countries and provides consumer and small and medium enterprises (SME) financial services. In January 2024 the Group sold its 100% share in QIWI JSC, the holding company for its Russian business, to a related party (see Note 4).

2. Basis of preparation and changes to the Group's accounting policies

2.1. Basis of preparation

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

The interim condensed consolidated financial statements are presented in US Dollars ("USD") and all values are rounded to the nearest thousand except where otherwise indicated.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual consolidated financial statements as of December 31, 2024. However, selected explanatory notes are included to explain events and transactions that are significant to the understanding of the changes in financial position and performance of the Group since the last annual consolidated financial statements.

The interim condensed consolidated financial statements have been prepared on a going concern basis.

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2. Basis of preparation and changes to the Group's accounting policies (continued)

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

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended December 31, 2024, except for the adoption of new and amended IFRSs and IFRIC interpretations effective as of January 1, 2025. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

The following standard and amendments became effective for the Group from January 1, 2025, but did not have any material impact on the interim condensed consolidated financial statements:

- *Amendments to IAS 21: Lack of Exchangeability.*

2.3 Standards issued but not yet effective

The following other new pronouncements are not expected to have a material impact on the Group's interim condensed consolidated financial statements when adopted:

- Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7 (effective for the annual periods beginning on or after January 1, 2026)
- Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7 (effective for the annual periods beginning on or after January 1, 2026)
- Annual Improvements to IFRS Accounting Standards – Volume 11 (effective for the annual periods beginning on or after January 1, 2026)
- IFRS 18 Presentation and Disclosure in Financial Statements (effective for the annual periods beginning on or after January 1, 2027)
- IFRS 19 Subsidiaries without Public Accountability: Disclosures (effective for the annual periods beginning on or after January 1, 2027)
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28) – the effective date for these Amendments was deferred indefinitely. Early adoption continues to be permitted.

2.4 Changes in functional and presentation currency

The functional currency is the currency of the primary economic environment in which the entity operates. The primary economic environment in which an entity operates is normally the one it primary generates and expend cash. Due to the sale of the Russian business in January 2024 and changes in relevant underlying events and circumstances, the Company performed an analysis as to which currency is the most appropriate to be considered as the functional currency based on the factors determined in IAS 21 *The Effects of Changes in Foreign Exchange Rates*. The Company determined that after the sale of the Russian business the main part of Group's cash is generated and expended in US Dollars. Effective from January 1, 2024 the Company has adopted the change in functional currency from Russian ruble to US Dollar.

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2. Basis of preparation and changes to the Group's accounting policies (continued)

2.4 Changes in functional and presentation currency (continued)

Along with the change in the functional currency, the Company has changed the presentation currency of interim condensed consolidated financial statements. Effective from January 1, 2024, the Group has adopted the US Dollar as presentation currency, replacing the Russian ruble which was used up until December 31, 2023.

This change in the presentation currency is in line with the Group's strategic decision to align its financial reporting more closely with its international operations and investor base. The US dollar is a widely accepted currency for international transactions and is expected to provide a more stable measure for financial reporting. Management believes that this change will enhance the comparability of the Group's interim condensed consolidated financial statements with its global peers and provide more clarity to the stakeholders regarding the Group's financial performance.

The change in functional currency has been accounted for prospectively in accordance with IAS 21 *The Effects of Changes in Foreign Exchange Rates.* The change in the financial statements presentation currency is considered an accounting policy change and has been accounted for retrospectively. Accordingly, for the purpose of these interim condensed consolidated financial statements the comparative information was recalculated into US Dollars in line with the requirements of IAS 21 *The Effects of Changes in Foreign Exchange Rates,* specifically:

- Assets and liabilities are translated based on the exchange rate at the comparative reporting date.
- Items of income and expenses, capital transactions and cash flows relating to the transactions in previous period are translated using the exchange rate prevailing at the transaction dates.
- Equity items were translated at the historical exchange rate starting from December 31, 2010 representing the earliest day from which it was practicable to perform a restatement, given the lack of sufficiently reliable data for earlier periods, except for the transactions which resulted in Additional paid-in-capital and Share premium which were translated using the exchange rates prevailing at the dates of the transactions.
- All resulting exchange differences arising from the translation are included as a separate component of other comprehensive income and Translation reserve in equity.

2.5 Significant judgement: Recognition and derecognition of control, joint control, or significant influence over entities

In assessing subsidiaries disposals, the Group analyses all relevant terms and conditions of management of the disposed entities and exercises judgment in deciding whether the Group lost control over them. See Note 4 for details.

2.6 Recalculation of the effect from sale of Russian business

The net loss from discontinued operations has been restated. The restatement was necessary due to adjustments to the major classes of assets and labilities disposed of. The comparative information for the six-months period ended June 30, 2024 has also been restated accordingly. This restatement affected the loss from discontinued operations and related disclosure, but did not impact the Group's total net cash flows.

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(in thousands of US Dollars, except when otherwise indicated)

3. Group structure

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

		Ownership interest	
Subsidiary	**Main activity**	**As of December 31, 2024**	**As of June 30, 2025**
QIWI Kazakhstan LP (Kazakhstan)	Operation of electronic payment kiosks	100%	100%
LALIRA DMCC (UAE)	Payment Services Provider	100%	100%
SETTE FZ-LLC (UAE)	Payment Services Provider	100%	100%
ContactPay Solution (United Kingdom)	Operation of on-line payments	100%	100%
Flocktory Ltd (Cyprus)	Holding company	100%	100%
Flocktory Spain S.L. (Spain)	SaaS platform for customer lifecycle management and personalization	100%	100%
Polet Finance LLC (Russia)	Retail financial services	100%	100%
QIWI International Payment System LLC (USA)	Operation of electronic payment kiosks	100%	100%
IT LAB AND PAYMENTS FE LLC (Uzbekistan)	Software development	100%	100%
Associate			
Advanced Digital Applications Holding Ltd (BVI)	Operation of on-line payments	10.18%	–

4. Disposals and discontinued operations

Sale of Russian business

In June 2023, following a decision by NASDAQ to allow to continuance of the Company's listing subject to divestment of its Russian assets, management announced the restructuring plan to achieve the goal for the Company to cease substantially all its business activities in Russia. During the second half of 2023 the Group was considering different options for the divestment. By the end of the year 2023 management committed to a plan to sell QIWI JSC together with its subsidiaries to the CEO of the Group.

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(in thousands of US Dollars, except when otherwise indicated)

4. Disposals and discontinued operations (continued)

Receivable from the sale of Russian business

On January 19, 2024 the Company entered into an agreement to sell its Russian business consolidated under QIWI JSC (hereinafter "the Transaction") to a company wholly-owned by the CEO of the Group (the "Buyer") and registered in Hong-Kong. The contract payment terms at the date of the Transaction were the following, with the amounts fixed in the Russian Rubles:

	As of January 19, 2024			
Maturity date	**Amount in RUB mln**	**Amount in thousand USD**	**Amount in RUB mln as discounted**	**Amount in thousand USD as discounted**
Close to the Transaction date (settled on time)	100	1,125	100	1,125
May 19, 2024	11,775	132,499	11,155	125,528
December 31, 2024	2,969	33,406	2,543	28,610
December 31, 2025	2,969	33,406	2,160	24,306
December 31, 2026	2,969	33,406	1,835	20,649
December 31, 2027	2,968	33,406	1,559	17,543
Total receivable from the sale of the Russian business	**23,750**	**267,248**	**19,352**	**217,761**

100% shares of the Buyer were pledged in favour of QIWI plc to secure the payment of the Transaction price. Upon effecting the Transaction at the end of January 2024, CEO of QIWI plc immediately resigned his offices at QIWI, as well as any other executive offices in subsidiaries or affiliates of QIWI. Management analyzed the circumstances and terms of the Transaction and concluded that the Group ceased controlling the Russian business as of January 19, 2024.

On February 21, 2024, the Central Bank of Russia revoked QIWI Bank's banking license for non-compliance with certain Russian laws and CBR regulations and appointed the Deposit Insurance Agency as the temporary administrator to oversee the process of the Bank's liquidation. During the period there were several prolongations in the QIWI Bank's liquidation process. During 2024 and 2025, at the request of the Buyer and based on the Board of Directors approval, the Group and the Buyer negotiated several postponements of the original payment dates. In April 2025 the Group and the Buyer agreed the postponement of payment of the second and third instalments of RUB 11,775 mln and RUB 2,969 mln (USD 143,742 thousand and USD 36,241 thousand, respectively, at the exchange rate as of the date of the postponement) until October 2025. The postponement of the payment date was deemed to constitute a non-substantial modification of the terms of the receivable, therefore, the amortized cost of the receivable was recalculated as of the date of postponement at the original effective interest rate (Note 14).

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(in thousands of US Dollars, except when otherwise indicated)

4. Disposals and discontinued operations (continued)

The detailed information in relation to the receivable from the sale of the Russian business during the reporting period is presented below:

	Contractual amount	Discount	Expected credit losses	Net amount
As of January 1, 2025				
Long-term receivable	53,168	(18,024)	(4,323)	30,821
Short-term receivable	164,540	(8,198)	(18,554)	137,788
Total	**217,708**	**(26,222)**	**(22,877)**	**168,609**
Interest income under the effective interest method				
Long-term receivable	–	3,972	–	3,972
Short-term receivable	–	9,174	–	9,174
Total	**–**	**13,146**	**–**	**13,146**
Non-refundable fee in consideration for the payment extension				
Short-term receivable	7,928	–	–	7,928
Total	**7,928**	**–**	**–**	**7,928**
Modification of the terms of the receivables				
Short-term receivable	–	(6,128)	–	(6,128)
Total	**–**	**(6,128)**	**–**	**(6,128)**
Foreign exchange difference				
Long-term receivable	22,794	(6,938)	(1,854)	14,002
Short-term receivable	71,149	(3,347)	(7,953)	59,849
Total	**93,943**	**(10,285)**	**(9,807)**	**73,851**
Change in ECL				
Long-term receivable	–	–	(6,114)	(6,114)
Short-term receivable	–	–	6,697	6,697
Total	**–**	**–**	**583**	**583**
As of June 30, 2025				
Long-term receivable	75,962	(20,990)	(12,291)	42,681
Short-term receivable	243,617	(8,499)	(19,810)	215,308
Total	**319,579**	**(29,489)**	**(32,101)**	**257,989**

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(in thousands of US Dollars, except when otherwise indicated)

4. Disposals and discontinued operations (continued)

The ECL was calculated based on the individual characteristics of the Buyer. Particularly, for the maturity date the Company used an assumption that was determined based on the current negotiations with the Buyer and possible outcomes based on these negotiations. Probability of default (PD) was calculated based on Moody's credit rating Ca-C that the Buyer's actual financial condition was assumed to correspond to. For the loss-given default (LGD) calculation the Company used the same effective interest rate that was used for the calculation of modification (Note 14).

The Company believes that the Buyer will have sufficient funds resulting from liquidation of QIWI Bank to meet its obligation under the Transaction.

The completion of settlement under the Transaction can be affected by uncertainties resulting from complex business environment in Russian Federation (see Note 16) which includes varying interpretation of current legislation and potential changes in relevant legal framework, as well as sanctions and restrictions against Russian Federation.

If the settlement default occurs, selling the pledged shares may involve various scenarios with different levels of complexity and uncertainty regarding the terms of settlement and the value of receivable that could be ultimately recovered.

The Group is exposed to a currency risk due the receivables from the sale of the Russian business being denominated in Russian Rubles. The strengthening / weakening of the Russian Ruble by 30% will decrease / increase the Group's loss before tax by USD 83,178 thousand.

The list of subsidiaries that were disposed of is presented below:

Name of subsidiary	Location	Ownership interest
QIWI JSC	Russia	100%
QIWI Bank JSC	Russia	100%
QIWI Technologies LLC	Russia	100%
ROWI Factoring Plus LLC	Russia	51%
Rocket Universe LLC	Russia	100%
Billing Online Solutions LLC	Russia	100%
FreeAtLast LLC	Russia	100%
QIWI Finance LLC	Russia	100%
ROWI Tech LLC	Russia	51%
Flocktory LLC	Russia	100%
QIWI Lab LLC	Russia	100%
QIWI Payments LLC	Russia	100%
IntellectMoney LLC	Russia	100%
Managing Company "RealWeb" LLC	Russia	100%
IA RealWeb LLC	Russia	75%
Sfera LLC	Russia	83%
Centra LLLC	Russia	100%
De Vision LLC	Russia	75%
Vailmobail LLC	Russia	75%
Konversiya LLC	Russia	75%
Epic Growth LLC	Russia	83%
Data Go LLC	Russia	75%
IA REAL WEB CJSC	Armenia	75%
JLLC OSMP BEL	Belarus	51%
QIWI-M S.R.L.	Moldova	51%

These entities represented a significant part of the Group's Payment services operating segment and entire Digital Marketing and ROWI operating segments.

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(in thousands of US Dollars, except when otherwise indicated)

4. Disposals and discontinued operations (continued)

Financial performance and cash flow information

The major classes of assets and liabilities of Russian entities as of the date of disposal were, as follows:

	As of January 19, 2024
Assets	
Debt securities	350,176
Loans issued	209,275
Tax receivables	6,687
Deferred tax assets	10,321
Trade and other receivables	225,402
Other assets	13,134
Cash and cash equivalents	318,562
Assets directly associated with the disposal group	**1,133,557**
Liabilities	
Deferred income	16,927
Tax payables	11,177
Trade and other payables	304,753
Customer accounts and amounts due to banks	171,020
Debt	97,065
Lease liabilities	6,552
Other liabilities	4,286
Liabilities directly associated with the disposal group	**611,780**
Net assets directly associated with the disposal group	**521,777**
Consideration received, satisfied in cash	1,125
Cash and cash equivalents disposed of	(318,562)
Net cash outflow from disposal of discontinued operations	**(317,437)**

Additionally discontinued business had USD 35,948 thousand of net liabilities owed to the continuing one that were eliminated as intra-group balances as of January 19, 2024, and not included into the amount of net assets above.

Write-down of non-current assets

Immediately before the classification of Russian subsidiaries as a disposal group, the recoverable amount was estimated for the CGUs included in this group and no impairment loss was identified. Following the classification, an impairment loss of USD 160,042 thousand for write-down of non-current assets was recognised on December 31, 2023, to reduce the carrying amount of the non-current assets classified as held for sale effectively to zero, in order to measure the disposal group held for sale at the lower of the carrying amount and fair value less costs to sell. The additional loss of USD 478,858 thousand was recognized upon disposal including USD 223,334 thousand reclassification from the currency translation reserve. The impairment loss was applied to the carrying amount of Goodwill USD 97,269 thousand, Intangible assets USD 44,793 thousand and property and equipment USD 17,981 thousand within the disposal group. This impairment of non-current assets was recognized in discontinued operations in the consolidated statement of profit or loss. The fair value of the disposal group was determined using the price of the offer received from the buyer without any adjustments (Level 2).

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4. Disposals and discontinued operations (continued)

The results of the discontinued operations for the six months period ended June 30, 2024 are presented below:

	Notes	Six months ended June 30, 2024 Russian business
Revenue:		**31,949**
Revenue from contracts with customers	12	24,733
Interest revenue calculated using the effective interest rate	12	6,400
Fees from inactive accounts and unclaimed payments		816
Operating costs and expenses:		**(22,435)**
Cost of revenue (exclusive of items shown separately below)	13	(13,919)
Selling, general and administrative expenses	14	(2,406)
Personnel expenses		(6,739)
Depreciation and amortization		–
Credit loss income	4,6,7	629
Profit from operations the ordinary activities		**9,514**
Foreign exchange gain, net		135
Other income and expenses, net		(1,098)
Profit before tax from the ordinary activities		**8,551**
Income tax expense		(1,869)
Net profit from the ordinary activities		**6,682**
Fair value of consideration		217,761
Carrying amount of net assets sold		(521,777)
Intra-group balances		35,948
Non-controlling interests disposed		8,228
Total		**(259,840)**
Reclassification of other comprehensive items related to disposed subsidiaries		4,316
Reclassification of foreign currency translation reserve		(223,334)
Net loss on sale of discontinued operation		**(478,858)**
Total loss for the period from discontinued operations		**(472,176)**
Attributable to:		
Equity holders of the parent		(472,456)
Non-controlling interests		280
Loss per share from discontinued operations		
Basic, loss from discontinued operations attributable to ordinary equity holders of the parent		(7.53)
Diluted, loss from discontinued operations attributable to ordinary equity holders of the parent		(7.53)

(in thousands of US Dollars, except when otherwise indicated)

4. Disposals and discontinued operations (continued)

Subsequent to the disposal, the Group continues to purchase processing from some of its former subsidiaries. Although intra-group transactions have been fully eliminated in the interim consolidated financial results, management has elected to attribute the elimination of transactions between continuing and discontinued operations before the disposal in a way that reflects the planned continuance of these transactions subsequent to the disposal, because management believes this is useful to the users of the financial statements. This presentation only covers operating activities. To achieve this presentation the intra-group revenues and costs thereof have been eliminated from the results of the discontinued operations. Because purchases from the discontinued operations were planned to continue after the disposal, intra-group purchases made by the continuing operations are retained in continuing operations. All investing and financing relationships between the Group and these Russian subsidiaries were terminated and are not considered ongoing.

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

	Six months ended 30 June, 2024	Six months ended 30 June, 2025
Operating	(28,071)	–
Investing	3,265	–
Financing	–	–
Net cash outflow	**(24,806)**	**–**

Investment in associate

In June 2025 the Group sold its minority stake in a fintech company the provides financial services for underbanked customers in Middle East and North Africa region for total consideration of USD 309 thousand. The loss on disposal of the associate of USD 1,999 thousand was recognized in the interim condensed consolidated statement of comprehensive income.

5. Operating segments

The Chief executive officer (CEO) of the Group is considered as the chief operating decision maker of the Group (CODM). In reviewing the operational performance of the Group and allocating resources, the CODM reviews selected items of each segment's interim condensed consolidated statement of comprehensive income.

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

- The CEO determines compensation of other executive officers while the Group's board of directors approves corporate key performance indicators (KPIs) and total bonus pool for those executive officers. In case of underperformance of corporate KPIs a right to make a final decision on bonus pool distribution is left with the Board of directors (BOD);
- The CEO is actively involved in the operations of the Group and regularly chairs meetings on key projects of the Group; and
- The CEO regularly reviews the financial and operational reports of the Group. These reports primarily include segment net revenue, segment profit before tax and segment net profit for the Group as well as certain operational data.

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5. Operating segments (continued)

The financial data is presented on a combined basis for all key subsidiaries and associates representing the segment net revenue, segment profit before tax and segment net profit, which are the metrics the Group uses to measure the performance of its operating segments. Segment net revenue is a measure of profitability defined as the segment revenues less segment direct revenue-related costs. The Group does not monitor balances of assets and liabilities by segment as the CODM considers they have no impact on decision-making.

The Group has identified its operating segments based on the types of products and services the Group offers. The CODM reviews segment net revenue, segment profit before tax and segment net profit within one segment. For the purposes of interim condensed consolidated financial statements the analysis made by CODM considers only the metrics related to continuing operations.

As a result of Russian business disposal, the Group has changed the composition of its operating segments. This change led to the change in reportable segments. The major part of reported revenue and profit or loss from continued operations relates to payment services. Therefore, management identified one segment – Payment Services. Starting from January 2024 CODM has been monitoring performance within one segment for making operating decisions

- Payment Services (PS) is the operating segment that generates revenue through operations of the payment processing system offered to the Group's customers through a diverse range of channels and interfaces.

All corporate expenses were allocated to this segment accordingly.

Management reporting is different from IFRS, because it does not include certain IFRS adjustments, which are not analysed by the CODM in assessing the operating performance of the business. The adjustments affect such major areas as the effect of disposal of subsidiaries and associate, discontinued operations and fair value adjustments, such as amortization, interest income under the effective interest method and credit loss expenses on receivables from sale of discontinued operations, forex gain or loss and impairment, as well as non-recurring items that occur from time to time and are evaluated for adjustment as and when they occur. The tax effect of these adjustments is also excluded from management reporting.

The segments' interim condensed consolidated statement of comprehensive income for the six months ended June 30, 2025 and 2024, as presented to the CODM are presented below:

	Six months ended June 30, 2024	Six months ended June 30, 2025
Segment net revenue	**29,990**	**7,610**
Segment profit before tax	3,559	11,601
Segment net profit	**334**	**11,353**

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(in thousands of US Dollars, except when otherwise indicated)

5. Operating segments (continued)

Segment net revenue, as presented to the CODM, for the six months ended June 30, 2025 and 2024 is calculated by subtracting cost of revenue from revenue as presented in the table below:

	Six months ended June 30, 2024	Six months ended June 30, 2025
Revenue from continuing operations under IFRS	**22,540**	**13,503**
Cost of revenue from continuing operations	(10,580)	(5,893)
Revenue from discontinued operations (Note 4)	**31,949**	**–**
Cost of revenue from discontinued operations (Note 4)	(13,919)	–
Total segments net revenue, as presented to CODM	**29,990**	**7,610**

A reconciliation of segment profit before tax as presented to the CODM to IFRS interim condensed consolidated (loss)/profit before tax of the Group, for the six months ended June 30, 2025 and 2024, is presented below:

	Six months ended June 30, 2024	Six months ended June 30, 2025
Interim condensed consolidated (loss) / profit before tax from continuing operations under IFRS	**(33,254)**	**93,413**
Consolidated loss before tax from discontinued operations under IFRS (Note 4)	**(470,307)**	**–**
Fair value adjustments recorded on business combinations, and their amortization	1,417	–
Interest income under the effective interest method net of loss on modification of receivable from sale of discontinued operations	(13,216)	(14,946)
Credit loss expense / (recovery)	49,272	(583)
Forex gain, net	(9,211)	(75,862)
Loss on disposal of subsidiary/associate	478,858	1,999
Penalties and other	–	(20)
Writing off accounts receivable	–	7,600
Total segments profit before tax, as presented to CODM	**3,559**	**11,601**

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5. Operating segments (continued)

A reconciliation of segment net profit as presented to the CODM to IFRS interim condensed consolidated net profit of the Group, for the six months ended June 30, 2025 and 2024, is presented below:

	Six months ended June 30, 2024	**Six months ended June 30, 2025**
Interim condensed consolidated net (loss) / profit from continuing operations under IFRS	**(34,610)**	**93,165**
Consolidated net loss from discontinued operations under IFRS (Note 4)	**(472,176)**	**–**
Fair value adjustments recorded on business combinations, and their amortization	1,417	–
Interest income under the effective interest method net of loss on modification of receivable from sale of discontinued operations	(13,216)	(14,946)
Credit loss expense / (recovery)	49,272	(583)
Forex gain	(9,211)	(75,862)
Loss on disposal of subsidiary/associate	478,858	1,999
Penalties and other	–	(20)
Writing off accounts receivable	–	7,600
Effect from taxation of the above items	–	–
Total segments net profit, as presented to CODM	**334**	**11,353**

Geographic information

Revenues from external customers from continuing and discontinued operations are presented below:

	Six months ended June 30, 2024	**Six months ended June 30, 2025**
Continuing operations		
Kazakhstan	12,669	12,187
EU	2,402	779
USA and Canada	2,223	–
UK	374	–
Hongkong	783	–
Other	4,089	537
Total revenue from continuing operations	**22,540**	**13,503**
Discontinued operations		
Russia	31,949	–
Total revenue from discontinued operations	**31,949**	**–**

Revenue is categorized according to merchants' or consumers' geographic location.

(in thousands of US Dollars, except when otherwise indicated)

5. Operating segments (continued)

The Group allocates non-current assets by geographical region based on the principal country of major operations of a particular legal entity within the Group. 44% of the Group's non-current assets are located in Kazakhstan, 29% - in UAE, 7% - in EU and 16% - in Uzbekistan as of June 30, 2025. Non-current assets for this purpose consist of property and equipment and intangible assets.

The Group has one external customer where revenue exceeds 10% of the Group's total - 35% for the period ended June 30, 2025 and 9% for the period ended June 30, 2024.

6. Short-term loans issued

As of June 30, 2025, short-term loans issued consisted of the following:

	Total as of June 30, 2025	Expected credit loss allowance	Net as of June 30, 2025
Short-term loans			
Convertible loan to legal entity (Note 18)	52,987	–	52,987
Loan to individual	5,220	–	5,220
Total short-term loans	**58,207**	**–**	**58,207**

The Convertible loan to legal entity is denominated in Euro. The loan to individual is denominated in USD.

As of December 31, 2024, short-term loans issued consisted of the following:

	Total as of December 31, 2024	Expected credit loss allowance	Net as of December 31, 2024
Short-term loans			
Convertible loan to legal entity (Note 18)	46,793	–	46,793
Loan to individual	5,207	–	5,207
Loan to former group company	4,477	(389)	4,088
Total short-term loans	**56,477**	**(389)**	**56,088**

Loan to former group company was denominated in RUB and had a maturity date April 2024. Due to QIWI Bank license revoking and restrictions imposed by the Deposit Insurance Agency the loan to former group company was not repaid on time. The loan was repaid in April 2025 within the process of the Bank's liquidation.

The amounts in the tables show the maximum exposure to credit risk regarding loans issued. Loans issued are not collateralized.

(in thousands of US Dollars, except when otherwise indicated)

6. Short-term loans issued (continued)

An analysis of the changes in the ECL allowances due to changes in corresponding gross carrying amounts for the six months ended June 30, 2025, was the following:

	Stage 1 Collective	Stage 2 Collective	Stage 3	Total
ECL allowance as of January 1, 2025	**(389)**	–	–	**(389)**
Amounts sold and written off	389	–	–	**389**
ECL allowance as of June 30, 2025	–	–	–	–

An analysis of the changes in the ECL allowances due to changes in corresponding gross carrying amounts for the six months ended June 30, 2024, was the following:

	Stage 1 Collective	Stage 2 Collective	Stage 3 Collective	Total
ECL allowance as of January 1, 2024	**(77)**	**(104)**	**(1,748)**	**(1,929)**
Net remeasurement of loss allowance during the reporting period	–	(210)	(3,351)	**(3,561)**
Transfers between stages	76	104	(180)	–
Amounts sold and written off	–	–	223	**223**
ECL allowance as of June 30, 2024	**(1)**	**(210)**	**(5,056)**	**(5,267)**

7. Trade and other receivables

As of June 30, 2025, trade and other receivables consisted of the following:

	Total as of June 30, 2025	Expected credit loss allowance	Net as of June 30, 2025
Cash receivable from agents	1,402	(127)	1,275
Deposits issued to merchants	3,179	(520)	2,659
Other receivables	1,851	(290)	1,561
Total financial assets	**6,432**	**(937)**	**5,495**
Advances issued	294	–	294
Total trade and other receivables	**6,726**	**(937)**	**5,789**

As of December 31, 2024, trade and other receivables consisted of the following:

	Total as of December 31, 2024	Expected credit loss allowance	Net as of December 31, 2024
Cash receivable from agents	931	(86)	845
Deposits issued to merchants	17,156	(363)	16,793
Other receivables	683	(268)	415
Total financial assets	**18,770**	**(717)**	**18,053**
Advances issued	205	–	205
Total trade and other receivables	**18,975**	**(717)**	**18,258**

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7. Trade and other receivables (continued)

The amounts in the tables above show the maximum exposure to credit risk regarding Trade and other receivables. Receivables are non-interest bearing, except for agent receivables bearing, generally, 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 overdraft.

An analysis of changes in the ECL allowances due to changes in the corresponding gross carrying amounts for the six months ended June 30, 2025 and June 30, 2024, was the following:

	2024	2025
ECL allowance as of January 1	**(845)**	**(717)**
Changes because of financial instruments (originated or acquired)/derecognized during the reporting period from continuing operations	(97)	(362)
Amounts written off from continuing operations	7	146
Changes because of financial instruments (originated or acquired)/derecognized during the reporting period from discontinued operations	513	–
Amounts written off from discontinued operations	(513)	–
ECL allowance as of June 30	**(935)**	**(933)**

8. Cash and cash equivalents

As of June 30, 2025, and December 31, 2024, cash and cash equivalents consisted of the following:

	As of December 31, 2024	As of June 30, 2025
Cash with banks and on hand	7,688	3,215
Other short-term bank deposits	67,496	86,971
Total cash and cash equivalents	**75,184**	**90,186**

The other short-term bank deposits are placed for the period less than three months.
The amounts in the table show the maximum exposure to credit risk regarding cash and cash equivalents. The banks, where the Group holds its cash, have low credit risk and are approved by the Board of Directors of the Group on a regular basis.

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

	As of December 31, 2024	As of June 30, 2025
US Dollar	29,488	31,564
Euro	23,753	32,488
Kazakhstani Tenge	14,683	19,806
Others	7,260	6,328
Total cash and cash equivalents	**75,184**	**90,186**

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(in thousands of US Dollars, except when otherwise indicated)

9. Debt securities and term deposits

The table below discloses investments in debt securities and term deposits by classes and its credit risk exposure as of June 30, 2025, and December 31, 2024:

	As of December 31, 2024	As of June 30, 2025
	Stage 1	Stage 1
Securities accounted at FVOCI		
Foreign government bonds	35,782	36,442
Deposits accounted at amortized cost		
Term deposits in bank rated Baa1 and above	2,770	1,730
Total debt securities and term deposits	**38,552**	**38,172**

The Group has no internal grading system for debt securities' credit risk rating grades analysis. Credit quality of debt securities presented is based on external scale of rating agencies.

10. Trade and other payables

As of June 30, 2025, and December 31, 2024, the Group's trade and other payables consisted of the following:

	As of December 31, 2024	As of June 30, 2025
Payables to merchants	6,269	5,430
Deposits received from agents	4,603	3,533
Commissions payable	736	705
Accrued personnel expenses and related taxes	1,322	2,723
Other payables	3,384	2,757
Total trade and other payables	**16,314**	**15,148**

11. Revenue from contracts with customers

Revenue from contracts with customers from continuing operations was as follows:

	Six months ended June 30, 2024	Six months ended June 30, 2025
Payment processing fees	15,008	8,608
Other revenue	1,563	939
Total revenue from contracts with customers	**16,571**	**9,547**

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(in thousands of US Dollars, except when otherwise indicated)

11. Revenue from contracts with customers (continued)

Revenue from contracts with customers from discontinued operations was as follows:

	Six months ended June 30, 2024	Six months ended June 30, 2025
Payment processing fees	11,487	–
Platform and marketing services related fees	9,970	–
Fees for guarantees issued	1,192	–
Cash and settlement service fees	1,044	–
Other revenue	1,040	–
Total revenue from contracts with customers	**24,733**	**–**

For the purposes of interim condensed consolidated statement of cash flows, "Interest income, net" consists of the following:

	Six months ended June 30, 2024	Six months ended June 30, 2025
Interest revenue calculated using the effective interest rate	(11,693)	(2,941)
Interest expense classified as part of cost of revenue	1,042	5
Interest income and expenses classified separately in the consolidated statement of comprehensive income	(13,222)	(15,041)
Interest income, net, for the purposes of interim condensed consolidated statement of cash flows	**(23,873)**	**(17,977)**

12. Cost of revenue

Cost of revenue from continuing operations was as follows:

	Six months ended June 30, 2024	Six months ended June 30, 2025
Transaction costs	9,064	5,738
Other expenses	1,516	155
Total cost of revenue	**10,580**	**5,893**

Cost of revenue from discontinued operations was as follows:

	Six months ended June 30, 2024	Six months ended June 30, 2025
Transaction costs	5,980	–
Platform and marketing services related expenses	5,893	–
Guarantees issued related expenses	423	–
Interest expense	1,068	–
Other expenses	555	–
Total cost of revenue	**13,919**	**–**

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(in thousands of US Dollars, except when otherwise indicated)

13. Selling, general and administrative expenses

Selling, general and administrative expenses from continuing operations were as follows:

	Six months ended June 30, 2024	Six months ended June 30, 2025
Advisory and audit services	5,516	1,616
Other expenses	2,004	1,624
Total selling, general and administrative expenses	**7,520**	**3,240**

Selling, general and administrative expenses from discontinued operations were as follows:

	Six months ended June 30, 2024	Six months ended June 30, 2025
Processing support expenses	1,064	–
Tax expenses, except for income and payroll taxes	360	–
IT related services	272	–
Advisory and audit services	166	–
Advertising, client acquisition and related expenses	120	–
Rent of premises	57	–
Business travel and representative expenses	32	–
Other expenses	335	–
Total selling, general and administrative expenses	**2,406**	**–**

14. Interest income and expenses, net

Interest income and expenses from continuing operations were as follows:

	Six months ended June 30, 2024	Six months ended June 30, 2025
Interest income under the effective interest method on receivable for the sale of QIWI JSC (Note 4)	15,660	21,074
Loss on modification of receivables for the sale of QIWI JSC (Note 4)	(2,444)	(6,128)
Other interest income and expenses, net	31	95
Total Interest income and expenses, net	**13,247**	**15,041**

On initial recognition the receivable for the sale of Russian business was discounted at the rate 17.71%. Subsequently, upon non-substantial modification (Note 4), the carrying amount of the financial asset was recalculated at the original effective interest rate.

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15. Income tax

The Company is incorporated in Cyprus under the Cyprus Companies Law, but the business activity of the Group and joint ventures is subject to taxation in multiple jurisdictions, the most significant of which include:

Cyprus

The Company is subject to 12.5% corporate income tax applied to its worldwide income. As of December 31, 2023, Cyprus was set to implement a 15% global minimum tax for multinational enterprises (MNEs) – groups with consolidated annual revenues exceeding EUR 750 million in at least two of the four fiscal years preceding the tested fiscal year. The implementation was to be made in a form of transposition into national law the Council Directive (EU) 2022/2523 (Pillar 2 Directive). Duly implemented in the national legislation of Cyprus on December 28, 2024, it partially takes effect retroactively from January 1, 2024. Management estimated that for the periods through June 30, 2025 the regime is not applicable to the Company as the Group's annual consolidated revenues do not exceed the threshold.

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

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 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 minor shareholders.

Republic of Kazakhstan

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

The United Arab Emirates

On December 9, Federal Decree-Law No. 47/2022 "On Corporate Tax and Income Tax" was published by the Ministry of Finance of the UAE, which established corporate income tax in the UAE. Corporate income tax is governed by Federal Decree-Law No. 60/2023 "Amending Certain Provisions of the Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses".

The new legislation applies from January 1, 2024 to the companies with financial year corresponding to a calendar year.

The Corporate Tax law also imposes an obligation to pay Corporate Tax on residents of Free Zones. The law suggests that a Qualifying Free Zone Person can have both Qualifying Income (taxed at the rate of 0% subject to satisfying certain conditions) and non-qualifying Taxable Income (taxed at 9%).

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(in thousands of US Dollars, except when otherwise indicated)

15. Income tax (continued)

The United Arab Emirates (continued)

The conditions to be considered a Qualifying Free Zone Person include among others maintaining adequate substance, complying with transfer pricing provisions, not electing to be subject to Corporate Tax, having non-qualifying income not exceeding the amount prescribed by the de minimis requirements. All Free Zone entities will be required to register and file a Corporate Tax return, irrespective of whether they are a Qualifying Free Zone Person or not.

The Company`s subsidiaries incorporated in UAE Free Zones are subject to corporate income tax at a standard rate of 9% on taxable income exceeding AED 375,000.

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

	Six months ended June 30, 2024	Six months ended June 30, 2025
Current income tax expense	(1,607)	(462)
Deferred tax benefit	251	214
Income tax expense for the period	**(1,356)**	**(248)**

16. Commitments, contingencies and operating risks

Operating environment

Starting from February 2022, because of the military conflict between the Russian Federation and Ukraine, a number of countries imposed numerous sanctions against the Russian Federation. The conflict affects not only the economic activity of these two countries but the global economy as well. As a result of sanctions, commodity and food prices have risen in many countries around the world, the established links between supplies of resources have been disrupted, inflation also affects the prices, and analysts also forecast economic implications for the global industry. Substantial restrictions were imposed on cross-border capital transactions in multiple jurisdictions.

Sanctions imposed by the United States of America, the European Union and some other countries against Government of the Russian Federation, as well as many large financial institutions, legal entities and individuals in Russia continue to be in effect and have been expanded. In particular, restrictions have been imposed on the export and import of goods, including capping the price of certain types of raw materials, restrictions were introduced on the provision of certain types of services to Russian enterprises, the assets of a number of Russian individuals and legal entities were blocked, a ban on maintaining correspondent accounts has been established, certain large banks have been disconnected from the SWIFT international financial messaging system, and other restrictive measures have been implemented. Also, in the context of the imposed sanctions, a number of large international companies from the United States, the European Union and other countries discontinued, have significantly reduced or suspended their own activities in the Russian Federation, as well as doing business with Russian citizens and legal entities. Sanctions imposed on the Russian Federation and restrictions on capital flow introduced by the Russian Government may negatively affect the recoverability of Group's receivables.

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16. Commitments, contingencies and operating risks (continued)

Operating environment (continued)

The Group is exposed to the economic and financial markets of Kazakhstan which display characteristics of an emerging market. The legal, tax and regulatory frameworks continue development, but are subject to varying interpretations and frequent changes which together with other legal and fiscal impediments contribute to the challenges faced by entities operating in Kazakhstan. The volatility in the global price of oil and the ongoing military conflict between the Russian Federation and Ukraine have also increased the level of uncertainty in the business environment.

In addition to Kazakhstan, the Group have operations in UAE and other emerging markets. In many respects, the risks the Group faces in operating the payment business in emerging markets are similar to those in Kazakhstan as set out above. As is typical of an emerging market, such countries do not possess a well-developed business, legal and regulatory infrastructure and may experience substantial political, economic and social change.

The Group's business in emerging markets is subject to specific laws, regulations and inspections including with respect to tax, anti-corruption, and foreign exchange controls. Such laws are often rapidly changing and are unpredictable, as these countries continue to develop its regulatory framework. Any new laws that may be introduced may significantly affect the regulatory environment in those countries which, in turn, may impact the Group's operations there and impose additional regulatory compliance burden on the Group.

The interim condensed consolidated financial statements reflect management's assessment of the impact of the Group's business environment on the operations and the financial position of the Group. The future business environment may differ from management's assessment.

Taxation

Tax, currency and customs legislation in countries of the Group's presence is subject to varying interpretations, and changes, which can occur frequently. The taxation system in Kazakhstan is relatively new and is characterized by frequent changes in legislation, official pronouncements and court decisions, which are often unclear, contradictory and subject to varying interpretation by different tax authorities. Taxes are subject to review and investigation by various levels of authorities, which have the authority to impose severe fines and penalties. A tax year generally remains open for review by the tax authorities for three to five subsequent calendar years; however, under certain circumstances a tax year may remain open longer.

These circumstances may create tax risks in Kazakhstan that are more significant than in other countries. Management believes that it has provided adequately for tax liabilities based on its interpretations of applicable tax legislation, official pronouncements and court decisions. However, the interpretations of the relevant authorities could differ and the effect on these consolidated financial statements, if the authorities were successful in enforcing their interpretations, could be significant.

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16. Commitments, contingencies and operating risks (continued)

Risk assessment

The Group's management believes that its interpretation of the relevant legislation is appropriate and is in accordance with the current industry practice and that the Group's currency, customs, tax and other regulatory positions will be sustained. Even though the interpretations of the relevant authorities could differ, the Group assessed the maximum possible effect of additional losses, if the authorities were successful in enforcing their different interpretations, and came to a conclusion that no material risks arise as of June 30, 2025 and December 31, 2024.

Legal proceedings

In the ordinary course of business, the Group is subject to legal actions and complaints. Management does not believe that the ultimate liability, if any, arising from such actions or complaints will have a material adverse effect on the financial condition or the results of future operations of the Group.

Following the disclosure of the restrictions imposed by the CBR on the Group's subsidiaries comprising the discontinued operations in December 2020, the Company and certain of its current and former executive officers have been named as defendants in a putative class action filed in the United States. These lawsuits allege that the defendants made certain false or misleading statements that were alleged to be revealed when the CBR audit results and restrictions were disclosed in December 2020, which the 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 allegations. Management believes that these lawsuits are without merit and intends to defend against them vigorously, and expects to incur certain costs associated with defending against these actions. At this early stage of the litigations, the ultimate outcomes are uncertain and management cannot reasonably predict the timing or outcomes, or estimate the amount of loss, if any, or their effect, if any, on the Group's consolidated financial statements. Any negative outcome could result in payments of substantial monetary damages and accordingly the Group's business could be seriously harmed. On November 3, 2023 the case was dismissed without prejudice, however on December 4, 2023 the plaintiffs filed second amended complaint (the SAC). On May 2, 2024 the Company filed a motion to dismiss the proposed SAC.

After revocation of QIWI Bank's banking license by CBR, National Bank of Kazakhstan initiated an audit of books and records of QIWI Kazakhstan. The audit was finalized in May and the report was issued by the authorities in June 2024. Total penalties for miscellaneous violations did not exceed 40. Upon remediation of all identified regulatory breaches on December 11, 2024 QIWI Kazakhstan LLP notified the National Bank of Kazakhstan in writing with a list of the final measures taken in accordance with the previously approved remediation plan. Upon closure of the National Bank of Kazakhstan's supervisory review and confirmation of full remediation, the Financial Monitoring Agency has granted the QIWI Kazakhstan LLP a flawless compliance rating of 24/24 — the highest tier awarded to Payment Systems and Financial Institutions under Kazakhstan's AML/CTF regime. As per the latest FMA records (June 02, 2025), this status remains active, reflecting sustained adherence to regulatory standards.

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17. Balances and transactions with related parties

The following table provides the total amount of transactions that have been entered into with related parties during the six months ended June 30, 2025 and 2024, as well as balances with related parties as of June 30, 2025 and December 31, 2024. The details regarding the sale of Russian business are presented in Note 4.

	For the six months ended June 30, 2025		As of June 30, 2025	
	Sales to/ income from related parties	Purchases/ expenses from related parties	Amounts owed by related parties	Amounts owed to related parties
Associates	–	(7,556)	–	(20)
Key management personnel	–	(1,448)	–	(1,193)
Other related parties	–	–	–	–

	For the six months ended June 30, 2024		As of December 31, 2024	
	Sales to/ income from related parties	Purchases/ expenses from related parties	Amounts owed by related parties	Amounts owed to related parties
Associates	1,495	–	8,354	(154)
Key management personnel	–	(1,170)	–	(373)
Other related parties	–	(1)	–	–

Benefits of key management and Board of Directors for the six months ended June 30, 2025 amounted to USD 1,448 thousand and comprise salary costs, bonus accruals and benefits established by contracts and internal regulation of the Company (USD 1,170 thousand - for the six months ended June 30, 2024).

18. Financial instruments

The Group's principal financial instruments comprise loans receivable, trade and other receivables, trade and other payables, cash and cash equivalents, long-term debt instruments. The Group has various financial assets and liabilities which arise directly from its operations. During the reporting period, the Group did not undertake trading in financial instruments.

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18. Financial instruments (continued)

The fair value of the Group's financial instruments as of June 30, 2025 is presented by type of the financial instrument in the table below:

		Carrying amount	Fair value
Financial assets			
Debt securities and deposits	AC	1,730	1,730
Debt securities	FVOCI	36,442	36,442
Short-term loans	FVPL	52,987	52,987
Short-term loans	AC	5,220	5,220
Long-term receivables from sale of QIWI JSC	AC	42,681	35,095
Short-term receivables from sale of QIWI JSC	AC	215,308	208,933
Financial liabilities			
Third party borrowings	AC	510	510

The fair value of the Group's financial instruments as of December 31, 2024 is presented by type of the financial instrument in the table below:

		Carrying amount	Fair value
Financial assets			
Debt securities and deposits	AC	2,770	2,770
Debt securities	FVOCI	35,782	35,782
Short-term loans	AC	4,088	4,088
Short-term loans	FVPL	52,000	52,000
Long-term receivable for sale of discontinued operations	AC	30,821	25,137
Short-term receivable for sale of discontinued operations	AC	137,788	131,861
Financial liabilities			
Third party borrowings	AC	446	446

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

- AC – accounted at amortized cost;
- FVOCI – accounted at fair value through other comprehensive income;
- FVPL – accounted at fair value through profit or loss.

Carrying amounts of cash and cash equivalents, short-term loans issued, short-term deposits placed, debt, short-term accounts receivable and payable, lease liabilities approximate their fair values largely due to short-term maturities of these instruments.

Debt securities of the Group mostly consist of USD government bonds with zero coupon interest and maturity up to October 2025.

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(in thousands of US Dollars, except when otherwise indicated)

18. Financial instruments (continued)

Short-term loan to legal entity accounted at fair value through profit or loss comprised EUR-denominated convertible loan to a venture company with the conversion option within 12 months after the reporting date and nominal interest rate of 0.5%. During the reporting period the change in the loan fair value was immaterial, due to this the Company did not perform a revaluation as of 30 June 2025.

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

			Fair value measurement using		
			Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
	Date of valuation	Total	(Level 1)	(Level 2)	(Level 3)
Assets accounted at fair value through profit or loss					
Short-term loan	June 30, 2025	52,987	–	–	52,987
Assets accounted at fair value through other comprehensive income					
Debt securities	June 30, 2025	35,442	35,442	–	–
Assets for which fair values are disclosed					
Debt securities and deposits	June 30, 2025	1,730	1,730	–	–
Short-term loan	June 30, 2025	5,220	–	–	5,220
Long-term receivables from sale of QIWI JSC	June 30, 2025	35,095	–	–	35,095
Short-term receivables from sale of QIWI JSC	June 30, 2025	208,933	–	–	208,933
Liabilities for which fair values are disclosed					
Long-term third party borrowings	June 30, 2025	510	–	–	510
Assets accounted at fair value through profit or loss					
Short-term loans	December 31, 2024	52,000	–	–	52,000
Assets accounted at fair value through other comprehensive income					
Debt securities	December 31, 2024	35,782	35,782	–	–
Assets for which fair values are disclosed					
Debt securities and deposits	December 31, 2024	2,770	2,770	–	–
Short-term loans	December 31, 2024	4,088	–	–	4,088
Long-term receivables from sale of QIWI JSC	December 31, 2024	25,137	–	–	25,137
Short-term receivables from sale of QIWI JSC	December 31, 2024	131,861	–	–	131,861
Liabilities for which fair values are disclosed					
Long-term third party borrowings	December 31, 2024	446	–	–	446

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18. Financial instruments (continued)

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 six months ended June 30, 2025.

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

- Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities;
- 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 3: Techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Valuation methods and assumptions

The fair values of the financial assets and liabilities are evaluated at the amount the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The convertible loan to the venture company is evaluated using a discounted cash flow model, with cash flow projections covering a five-year period. As of June 30, 2025 the most significant unobservable inputs for the model were compound average growth rate (CAGR) of payment volume in forecasted period (13.8%), discount rate (14.2%) and terminal growth rate (4%). Increase/decrease in CAGR of payment volume by 1% would result in an increase/(decrease) in fair value by USD 3,877 thousand/(USD 3,743 thousand). Increase/decrease in the discount rate by 1% would result in a (decrease)/increase in fair value by (USD 4,745 thousand)/USD 5,808 thousand. Increase/decrease in terminal growth rate by 1% would result in an increase/(decrease) in fair value by USD 3,951 thousand/(USD 3,247 thousand).

Currency risk

The Group is exposed to currency risk to the extent that there is a mismatch between the currency in which sales and purchases are denominated and the respective functional currency of the Company. The functional currency of the Company is U.S Dollars, while the currency in which the Company's major receivables are denominated are Russian Ruble and EUR.

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