Rusagro Group PJSC

Condensed Consolidated Interim Financial Statements for the six months ended 30 June 2026

The condensed consolidated interim financial statements of Rusagro Group PJSC for the six months ended 30 June 2026, prepared in accordance with IAS 34 Interim Financial Reporting, and the Independent Auditors' Report on Review of Condensed Consolidated Interim Financial Statements thereon, were prepared in Russian. This translation of these documents was undertaken for the convenience of users. In case of any divergence of the Russian text from the English text, the Russian text prevails.

Contents

Notes to the Condensed Consolidated Interim Financial Statements

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kept

Independent Auditors’ Report
on Review of Condensed Consolidated Interim Financial Statements

To the Shareholders and the Board of Directors of Rusagro Group Public Joint-Stock Company

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of Rusagro Group Public Joint-Stock Company and its subsidiaries (the “Group”) as at 30 June 2026, the condensed consolidated interim statement of profit or loss and other comprehensive income for the six months ended 30 June 2026, the condensed consolidated interim statement of changes in equity for the six months ended 30 June 2026, the condensed consolidated interim statement of cash flows for the six months ended 30 June 2026, and notes to the condensed consolidated interim financial statements (the “condensed consolidated interim financial statements”). Management of the Group is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with IAS 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.

Basis for Qualified Opinion

As indicated in Note 22, based on Decree of the President of the Russian Federation dated January 27, 2024, No. 73, the Group’s management decided not to disclose the name of the ultimate controlling party as at 30 June 2026, which is required by IAS 24 *Related Party Disclosures*. It is not possible for us to provide this information.

Qualified Opinion

Based on our review, except for the effect of the matter described in the *Basis for Qualified Opinion* section, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements do not present fairly, in all material respects, the consolidated interim financial position of the Rusagro Group Public Joint-Stock Company and its subsidiaries (the "Group") as at 30 June 2026 and for the six months ended 30 June 2026 in accordance IFRS Accounting Standards including the requirements of IAS 34 *Interim Financial Reporting.*

The engagement partner on the engagement resulting in this independent auditors' review report is:

Gnatovskaya Valentina Vladimirovna

Principal registration number of the entry in the Register of Auditors and Audit Organizations No. 21906100181, acts on behalf of the audit organization based on the power of attorney No. 57/25 as of 9 January 2025

JSC "Kept"

Principal registration number of the entry in the Register of Auditors and Audit Organizations No. 12006020351

Moscow, Russia

27 August 2026

(IN THOUSANDS OF RUSSIAN ROUBLES, UNLESS OTHERWISE STATED)

	Note	30 June 2026	31 December 2025
ASSETS			
Current assets			
Cash and cash equivalents	3	30,741,916	14,560,243
Short-term investments	4	1,807,816	4,786,805
Trade and other receivables	5	90,520,683	108,826,613
Prepayments (advances given)	6	13,569,406	15,387,502
Current income tax receivable		573,623	501,308
Other taxes receivable		10,114,616	8,080,457
Inventories	7	84,121,809	102,856,887
Short-term biological assets	8	39,408,616	14,778,974
Total current assets		**270,858,485**	**269,778,789**
Non-current assets			
Property, plant and equipment	9	211,455,418	210,637,858
Inventories intended for construction		1,131,177	1,263,086
Right-of-use assets		11,184,927	8,730,014
Goodwill	20	3,840,150	3,840,150
Advances issued for the purchase of property, plant and equipment	6	3,851,773	3,319,199
Long-term biological assets	8	6,103,473	6,398,902
Long-term investments		33,970,448	33,970,495
Investments in associates		131,204	161,045
Deferred tax assets		8,022,543	4,080,030
Intangible assets		8,798,330	8,986,598
Total non-current assets		**288,489,443**	**281,387,377**
TOTAL ASSETS		**559,347,928**	**551,166,166**
LIABILITIES AND EQUITY			
Current liabilities			
Short-term loans and borrowings	11	133,718,185	135,889,084
Lease liabilities		1,251,202	1,602,794
Trade and other payables	12	61,456,800	50,947,632
Current income tax payable		456,287	1,092,448
Other taxes payable		4,754,409	4,762,931
Provision for other liabilities and charges		408,477	744,009
Total current liabilities		**202,045,360**	**195,038,898**
Non-current liabilities			
Long-term borrowings	11	62,512,286	64,357,758
Government grants		19,256,200	19,279,210
Lease liabilities		7,005,921	5,560,929
Deferred tax liabilities		8,093 ,612	6,550,700
Total non-current liabilities		**96,868,019**	**95,748,597**
TOTAL LIABILITIES		**298,913,379**	**290,787,495**
EQUITY			
Share capital	10	2,396,874	2,396,874
Fair value reserve		3,597,586	3,597,586
Retained earnings		232,131,957	233,531,805
Equity attributable to owners of Rusagro Group PJSC		**238,126,417**	**239,526,265**
Non-controlling interests		22,308,132	20,852,406
TOTAL EQUITY		**260,434,549**	**260,378,671**
TOTAL LIABILITIES AND EQUITY		**559,347,928**	**551,166,166**

Anna Stafeeva
Under Power of Attorney No. 77/2092-н/77-2025-11-221 dated 26 December 2025

27 August 2026

(IN THOUSANDS OF RUSSIAN ROUBLES, UNLESS OTHERWISE STATED)

	Note	**For the six months ended 30 June 2026**	**For the six months ended 30 June 2025, Restated***
Revenue	13	183,039,298	167,774,391
Net gain on revaluation of biological assets and agricultural produce	8	2,963 ,541	8,936,223
Cost of sales	14	(161,544,850)	(139,740,383)
Gross profit		**24,457 ,989**	**36,970,231**
Distribution and selling expenses	15	(12,458,452)	(13,800,069)
General and administrative expenses	16	(8,623,035)	(8,322,966)
Other operating income/(expenses), net	17	3,514,264	(3,704,333)
Operating profit		**6,890,766**	**11,142,863**
Interest expense	18	(8,590,301)	(9,546,078)
Interest income		2,340,787	5,311,914
Other finance costs, net	18	(839,178)	(2,669,992)
(Loss)/profit before tax		**(197,926)**	**4,238,707**
Income tax benefit		253,804	592,620
(Loss)/profit for the period		**55,878**	**4,831,327**
Total comprehensive (loss)/income for the period		**55,878**	**4,831,327**
(Loss)/profit attributable to:			
- Owners of Rusagro Group PJSC		(1,399,848)	5,649,704
- Non-controlling interests		1,455,726	(818,377)
(Loss)/profit for the period		**55,878**	**4,831,327**
Total comprehensive (loss)/income attributable to:			
- Owners of Rusagro Group PJSC		(1 399 848)	5,649,704
- Non-controlling interests		1,455,726	(818,377)
Total comprehensive (loss)/income for the period		**55,878**	**4,831,327**
(Loss)/earnings per ordinary share for (loss)/profit attributable to the owner of Rusagro Group PJSC, basic and diluted (RUB per share)	23	(1.46)	5.89

The accompanying notes on pages 5–31 are an integral part of the condensed consolidated interim financial statements.

*See Note 19 Acquisition of a subsidiary

(IN THOUSANDS OF RUSSIAN ROUBLES, UNLESS OTHERWISE STATED)

		Equity attributable to owners of Rusagro Group PJSC					
	Note	**Share capital**	**Fair value reserve**	**Retained earnings**	**Total**	**Non-controlling interests**	**Total equity**
Balance as at 1 January 2025		**2,396,874**	**3,597,586**	**215,001,400**	**220,995,860**	**19,426,161**	**240,422,021**
Profit and total comprehensive income for the period (restated*)		-	**-**	5,649,704	5,649,704	(818,377)	4,831,327
Balance as at 30 June 2025*		**2,396,874**	**3,597,586**	**220,651,104**	**226,645,564**	**18,607,784**	**245,253,348**
Balance as at 1 January 2026		**2,396,874**	**3,597,586**	**233,531,805**	**239,526,265**	**20,852,406**	**260,378,671**
Profit and total comprehensive income for the period		-	**-**	(1,399,848)	(1,399,848)	1,455,726	55,878
Balance as at 30 June 2026		**2,396,874**	**3,597,586**	**232,131,957**	**238,126,417**	**22,308,132**	**260,434,549**

*See Note 19 Acquisition of a subsidiary

(IN THOUSANDS OF RUSSIAN ROUBLES, UNLESS OTHERWISE STATED)

	Note	For the six months ended 30 June 2026	For the six months ended 30 June 2025, Restated*
Cash flows from operating activities			
(Loss)/profit before tax		(197,926)	4,238,707
Adjustments:			
Depreciation and amortisation of property, plant and equipment, intangible and right-of-use assets	14, 15, 16	6,890,900	8,172,026
Interest expense	18	13,619,541	13,912,731
Government grants	17,18	(6,005,583)	(5,879,818)
Interest income		(2,340,787)	(5,311,914)
Loss/(gain) on disposal of property, plant and equipment	17	283,986	(58,114)
Net gain on revaluation of biological assets and agricultural produce	8	(2,963,541)	(8,936,223)
Change in allowance for impairment of assets to net realisable value		149,425	1,114,671
Finance lease expenses	18	254,342	237,528
Change in allowance for impairment of receivables and prepayments		17,838	61,743
Foreign exchange (gain)/loss, net	17,18	(802,924)	8,496,267
Change in fair value of financial instruments		(125,869)	(545,189)
Profit from loan repayment	17	-	(269,192)
Gain on acquisition of subsidiary		(1,162,788)	
Other non-cash and non-operating expenses /(income), net		210,301	(313,047)
Cash flows from operating activities before changes in working capital		**7,826,915**	**14,920,176**
Change in trade and other receivables and advances given		20,680,532	5,739,203
Change in other taxes receivable		(2,034,159)	(1,679,033)
Change in inventories		20,281,341	18,001,312
Change in biological assets		(21,676,868)	(29,533,920)
Change in trade and other payables		10,730,947	935,489
Change in other taxes payable		(89,026)	(1,033,673)
Cash flows from operating activities		**35,719,682**	**7,349,554**
Income tax paid		(2,854,272)	(3,109,293)
Net cash from operating activities		**32,865,410**	**4,240,261**
Cash flows from investing activities			
Purchase of property, plant and equipment		(7,884,828)	(13,899,322)
Acquisition of intangible assets		(354,039)	(155,400)
Purchase of land lease rights		-	(15,120)
Proceeds from sales of property, plant and equipment		77,037	272,279
Purchase of inventories intended for construction		(109,241)	(496,791)
Proceeds from cash withdrawals from deposits		2,926,000	2,102,312
Cash placed on bank deposits		-	(2,650,234)
Dividends received		29,199	-
Granting of loans issued		-	(47,143)
Repayment of loans issued		426,893	176
Interest received		2,074,149	6,323,997
Proceeds from sale of other investments		(6)	(7)
Other investing activities		(4,303)	225,971
Net cash used in investing activities		**(2,819,139)**	**(8,339,282)**
Cash flows from financing activities			
Proceeds from loans and borrowings		14,161,534	20,437,511
Repayment of loans and borrowings		(18,793,013)	(12,219,835)
Interest and other finance cost paid		(8,642,736)	(10,183,450)
Proceeds from government grants		717,562	893,332
Repayment of lease liabilities – principal		(1,458,812)	(367,219)
Net cash used in financing activities		**(14,015,465)**	**(1,439,661)**
Effect of exchange rate changes on cash and cash equivalents		150,867	(375,487)
Net increase/(decrease) in cash and cash equivalents		**16,181,673**	**(5,914,169)**
Cash and cash equivalents at the beginning of the reporting period	3	**14,560,243**	**33,329,058**
Cash and cash equivalents at the end of the reporting period	3	**30,741,916**	**27,414,889**

The accompanying notes on pages 5–31 *are an integral part of the condensed consolidated interim financial statements.*

*See Note 19 Acquisition of a subsidiary

(IN THOUSANDS OF RUSSIAN ROUBLES, UNLESS OTHERWISE STATED)

1. Background

Business description

These condensed consolidated interim financial statements were prepared for Rusagro Group PJSC (hereinafter the “Company”) and its subsidiaries (hereinafter together referred to as the “Group”).

The principal activities of the Group are:

- agricultural production (cultivation of sugar-beet, grain and other agricultural crops);
- cultivation of pigs and meat processing;
- processing of raw sugar and production of sugar from sugar-beet;
- vegetable oil extraction and processing.

The registered address of Rusagro Group PJSC is: 20B Studenetskaya Naberezhnaya Str., floor 3, room 303, Tambov Region, Tambov.

The Group mainly operates in the Russian Federation except for goods trading activity. The subsidiaries of the Group were incorporated and are domiciled in the Russian Federation.

Principal subsidiaries of the Group included into these condensed consolidated interim financial statements are listed below. The Group’s ownership share is the same as the voting share.

		Group’s share in the share capital, %	
Entity	**Principal activity**	**30 June 2026**	**31 December 2025**
Group of Companies Rusagro LLC	Investment holding, financing	100	100
Rusagro Technologii LLC	IT services	100	100
GK Agro-Belogorie LLC	Financing activity	100	100
	Sugar segment		
Rusagro-Sakhar LLC	Sugar division trading company, sales operations	100	100
Rusagro-Belgorod LLC	Beet and raw sugar processing	100	100
Rusagro-Tambov LLC	Beet and raw sugar processing	100	100
Krivets-Sakhar JSC	Beet and raw sugar processing	100	100
Kshenskiy Sugar Plant JSC	Beet and raw sugar processing	100	100
Otradinskiy Sugar Plant JSC	Beet and raw sugar processing	100	100
Hercules JSC	Buckwheat processing plant	100	100
Rusagro-Center LLC	Beet and raw sugar processing	100	100
Nika Sugar Plant LLC	Beet and raw sugar processing	100	100
Nikiforovsky Sugar Plant LLC	Beet and raw sugar processing	100	100
Zherdevsky Sugar Plant LLC	Beet and raw sugar processing	100	100
Chernyansky Sugar Plant LLC	Beet and raw sugar processing	100	100
SoyuzSemSvekla LLC	Beet and raw sugar processing	50	50
	Oil and Fat segment		
Fats and Oil Integrated Works JSC	Oil processing	76	76
Samaraagroprompererabotka JSC	Oil extraction	76	76
Primorskaya Soya LLC	Oil extraction and processing	76	76
Rusagro-Saratov LLC	Oil processing	76	76
Rusagro-Atkarsk LLC	Oil extraction	76	76
Rusagro-Balakovo LLC	Oil extraction	76	76
Rusagro-Zakupki LLC	Oil and Fat raw materials procurement	76	76
Etalon JSC	Holding shares or other equity instruments	76	76
Trading House NMGK JSC	Sales, Marketing or Distribution	76	76
NMGK JSC	Oil processing	76	76
Borskiy Elevator LLC	Storage and Safekeeping of seeds	76	76
Balashovskaya Khlebnaya Baza JSC	Storage and Safekeeping of seeds	76	76
Ermolaevskiy Khleb JSC	Storage and Safekeeping of seeds	76	76
Glushitsa Station JSC	Storage and Safekeeping of seeds	76	76
Pestravska Station JSC	Storage and Safekeeping of seeds	76	76
Ekaterinovskiy Elevator JSC	Storage and Safekeeping of seeds	76	76
Uryupinsk Oil Extraction Plant JSC	Oil extraction	76	76
Uryupinskiy Elevator JSC	Storage and Safekeeping of seeds	76	76
Sorochinsk Oil Extraction Plant LLC	Oil extraction	76	76
Sorochinskiy Elevator LLC	Storage and Safekeeping of seeds	76	76
Energoset NN LLC	Provision of Services to unrelated parties	76	76
NMGK-Logistic LLC	Provision of Services to unrelated parties	-	76
Rusagro Dairy Products LLC	Production of oil and fat and dairy products	68.15	68.15

(IN THOUSANDS OF RUSSIAN ROUBLES, UNLESS OTHERWISE STATED)

1. Background (continued)

Business description (continued)

		Group's share in the share capital, %	
Entity	**Principal activity**	**30 June 2026**	**31 December 2025**
	Meat segment		
Tambovsky Bacon LLC	Cultivation of pigs	100	100
Rusagro-Primorie LLC	Cultivation of pigs	100	100
Belgorod Pork Complex-1 LLC	Cultivation of pigs	100	100
Rakityansky SK LLC	Cultivation of pigs	100	100
Strigunovsky SK LLC	Cultivation of pigs	100	100
Graivoronsky SK1 LLC	Cultivation of pigs	100	100
Graivoronsky SK2 LLC	Cultivation of pigs	100	100
Graivoronsky SK LLC	Cultivation of pigs	100	100
Belgorodsky SK LLC	Cultivation of pigs	100	100
Borisovsky SK LLC	Cultivation of pigs	100	100
Borisovsky SK1 LLC	Cultivation of pigs	100	100
Kolomytsevsky SK LLC	Cultivation of pigs	100	100
Krasnogvardeysky SK LLC	Cultivation of pigs	100	100
Streletsky SK LLC	Cultivation of pigs	100	100
Krasnogvardeysky SK1 LLC	Cultivation of pigs	100	100
Krasnogvardeysky SK2 LLC	Cultivation of pigs	100	100
Krasnoyaruzhsky SK OJSC	Cultivation of pigs	100	100
SK Klimovoye LLC	Cultivation of pigs	-	100
MPZ Agro-Belogorie LLC	Cultivation of pigs	100	100
Krukovsky SK JSC	Cultivation of pigs	100	100
Agro-Privolzhye LLC	Cultivation of pigs	100	100
Yakovlevsky Sanvetutilzavod LLC	Cultivation of pigs	-	100
Agro-Belogorie TH LLC	Sales, Marketing or Distribution	-	100
LTD AGRO BELOGORIE LLC	Sales, Marketing or Distribution	100	100
TP Belogorie LLC	Cultivation of pigs	-	100
Grafovsky SK OJSC	Cultivation of pigs	100	100
Belgorodskaya Svinina LLC	Cultivation of pigs	100	100
Novoborisovskoye Station OJSC	Cultivation of pigs	81.85	81.85
Selection Hybrid Center LLC	Cultivation of pigs	100	100
Agro Belogorie Krasnodar LLC	Cultivation of pigs	100	100
Nikitovsky SK JSC	Cultivation of pigs	100	100
Livensky KZ OJSC	Agriculture	100	100
Yakovlevsky KZ LLC	Agriculture	100	100
Agro Belogorie Voronezh LLC	Cultivation of pigs	-	100
Agro Belogorie Kursk LLC	Cultivation of pigs	-	100
	Agriculture segment		
Rusagro-Invest LLC	Agriculture	100	100
Agrotehnology LLC	Agriculture	100	100
Primagro JSC	Agriculture	100	100
Kshenagro LLC	Agriculture	100	100
Otradaagroinvest LLC	Agriculture	100	100
Astreya JSC	Agriculture	61	61
Agromeliorant LLC	Production of fertilizers	100	100
Biotekhnologii LLC	Agriculture	100	100
Borisovskaya ZK LLC	Agriculture	100	100
Khotmyzhskoye Station OJSC	Agriculture	99.64	99.64
Prokhorovskaya ZK LLC	Agriculture	100	100
Krasnogvardeyskaya ZK LLC	Agriculture	100	100
Solrost LLC	Seed production	66.99	-
Tsentralnoye LLC	Agriculture	51	-

1. Background (continued)

Business description (continued)

On 30 April 2026, the Khamovnichesky District Court of Moscow, in civil case No. 2 1859/26, issued a ruling on the adoption of interim measures on the claim of the Deputy Prosecutor General of the Russian Federation against the former shareholders of the Group, including, inter alia, the seizure of shares and interests in the charter capital of the operating subsidiaries of the Group, as well as shares in PJSC Rusagro Group. Interim measures restrict the management bodies of the respective companies in making a number of corporate decisions (reorganization, liquidation, disposal of fixed assets, etc.), and do not affect the Group's operating activities.

The interim measures introduced by the court expressly stipulate exceptions aimed at ensuring the continuity of production and business operations of Group companies: settlements with suppliers, contractors and other counterparties, payment of wages, payment of taxes and other mandatory payments, servicing of loan obligations, as well as the sale of manufactured products and the use of raw materials and materials in current production.

Management of the Group believes that the interim measures imposed did not and do not affect the operating activities of the Group's companies, which continue as usual.

Russian Federation. The Group's operations are primarily located in the Russian Federation. Consequently, the Group is exposed to the economic and financial markets of the Russian Federation, which display the characteristics of an emerging market. The legal, tax and regulatory frameworks continue development, but are subject to varying interpretations and frequent changes which contribute together with other legal and fiscal impediments to the challenges faced by entities operating in the Russian Federation.

In 2026, the events in Ukraine continued to significantly influence the economic environment in which the Group operates. Sanctions imposed by the United States of America, the European Union and some other countries against the 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 were imposed on the export and import of goods, including capping the price of certain types of raw materials; restrictions were also 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 correspondent accounts was introduced; and certain large banks were disconnected from the SWIFT international financial messaging system, and other restrictive measures were implemented. Also, as part of the imposed sanctions a number of large international companies from the United States, the European Union and other countries either discontinued, significantly reduced, or suspended activities in the Russian Federation, as well as doing business with Russian citizens and legal entities.

In response to the increasing pressure on the Russian economy, the Government of the Russian Federation and the Central Bank of the Russian Federation have introduced a set of measures, which are counter-sanctions, currency control measures, a number of key interest rate decisions and other special economic measures to ensure the security and maintain the stability of the Russian economy, financial sector and citizens.

The imposition and subsequent strengthening of sanctions resulted in elevated economic uncertainty, including reduced liquidity and higher volatility in the capital markets, volatility of the Rouble exchange rate and the key interest rate, a decrease in foreign and domestic direct investments, difficulties in making payments to Russian Eurobond issuers, and also a significant reduction in the availability of sources of debt financing.

In addition, Russian companies have virtually no access to the international stock market, the debt capital market and other development opportunities, which may lead to their increased dependence on the governmental support. The Russian economy is in the process of adaptation associated with the replacement of retiring export markets, a change in supply markets and technologies, as well as changes in logistics, supply and production chains.

It is difficult to assess the consequences of the imposed and possible additional sanctions in the long term, however, sanctions may have a significant negative impact on the Russian economy.

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

(IN THOUSANDS OF RUSSIAN ROUBLES, UNLESS OTHERWISE STATED)

2. Material accounting policies

2.1 Basis of preparation of the condensed consolidated interim financial statements

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting*. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the last annual consolidated financial statements as at and for the year ended 31 December 2025. These condensed consolidated interim financial statements do not include all the information required for full annual financial statements prepared in accordance with IFRS Accounting Standards.

2.2 Critical accounting estimates and judgements in applying accounting policies

Preparing the condensed consolidated interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements.

Fair value of livestock and agricultural produce

The fair value less estimated point-of-sale costs of livestock at the end of each reporting period is determined using the physiological characteristics of the animals, management expectations concerning the potential productivity and market prices of animals with similar characteristics.

The fair value of the Group's bearer livestock is determined by using valuation techniques, as there were no observable market prices near the reporting date for pigs of the same physical conditions, such as weight and age. The fair value of the bearer livestock was determined based on the expected quantity of remaining farrows for pigs and the market prices of the young animals. The fair value of mature animals is determined based on the expected cash flow from the sale of the animals at the end of the production usage. The cash flow was calculated based on the actual prices of sales of culled animals from the Group's entities to independent processing enterprises taking place near the reporting date, and the expected weight of the animals. Future cash flows were discounted to the reporting date at a current market-determined pre-tax rate. In the fair value calculation of the immature animals of bearer livestock management considered the expected culling rate.

Key inputs used in the fair value measurement of bearer livestock of the Group were as follows:

	30 June 2026		**31 December 2025**	
	Pigs (sows)	**Pigs (boars)**	**Pigs (sows)**	**Pigs (boars)**
Length of production usage in farrows	7	-	7	-
Market prices for comparable bearer livestock in the same region (in Russian Roubles/kg, excl. VAT)	286	517	292	816

(IN THOUSANDS OF RUSSIAN ROUBLES, UNLESS OTHERWISE STATED)

2. Material accounting policies (continued)

2.2 Critical accounting estimates and judgements in applying accounting policies (continued)

Should the key assumptions used in determination of fair value of bearer livestock have been 10% higher/lower with all other variables held constant, the fair value of the bearer livestock as at the reporting dates would be higher or lower by the following amounts:

	30 June 2026		31 December 2025	
	10% increase	**10% decrease**	**10% increase**	**10% decrease**
Pigs				
Length of production usage in farrows	65,864	(48,005)	80,141	(66,224)
Market prices for comparable bearer livestock in the same region	540,537	(540,537)	577,317	(577,317)

The fair value of consumable livestock (pigs) is determined based on the market prices multiplied by the livestock weight at the end of each reporting period, adjusted for the expected culling rates. The average market price of consumable pigs being the key input used in the fair value measurement was RUB 117.8 per kilogram, excluding VAT, as at 30 June 2026 (31 December 2025: RUB 112 per kilogram, excluding VAT).

Should the market prices used in determination of fair value of consumable livestock have been 10% higher/lower with all other variables held constant, the fair value of the breeding livestock as at 30 June 2026 would be higher/lower by RUB 1,183,937 thousand (31 December 2025: RUB 1,217,046 thousand).

The fair value less estimated point-of-sale costs for unharvested crops are calculated based on expected yield, degree of readiness for each crop and the forward market prices.

The average forward market prices (Russian Roubles/tonne, excluding VAT) used for fair value measurement of unharvested crops as at 30 June 2026 and the average market prices used for fair value measurement of unharvested crops as at 30 June 2025 were as follows:

	30 June 2026	**30 June 2025**
Sugar beet	4,550	4,558
Wheat	11,787	15,091
Barley	13,743	16,378
Sunflower	29,771	33,118
Corn	12,823	13,769
Soya bean	34,488	37,489

Should the forward market prices used in determining the fair value of the unharvested crops have been 10% higher/lower with all other variables held constant, the fair value of the unharvested crops would be higher/lower by RUB 2,985,278 thousand (30 June 2025: RUB 3,188,580 thousand).

2.3 Adoption of new or revised standards and interpretations

The accounting policies applied in these condensed consolidated interim financial statements are the same as those applied in the consolidated financial statements as at and for the year ended 31 December 2025. The policies for recognising and measuring income tax in the interim period are consistent with those applied in the previous interim period.

(IN THOUSANDS OF RUSSIAN ROUBLES, UNLESS OTHERWISE STATED)

3. Cash and cash equivalents

	30 June 2026	31 December 2025
Bank balances receivable on demand	28,737,374	14,347,754
Bank deposits with original maturity of less than three months	1,994,288	201,861
Cash on hand	10,254	10,628
Total cash and cash equivalents	**30,741,916**	**14,560,243**

4. Short-term investments

	30 June 2026	31 December 2025
Loans to third parties	1,090,832	1,122,761
Other short-term investments	259,707	133,837
Bank deposits with original maturity of more than three months	238,000	3,310,918
Interest receivable on long-term bonds held to collect	219,277	219,289
Total	**1,807,816**	**4,786,805**

5. Trade and other receivables

	30 June 2026	31 December 2025
Trade receivables	89,101,871	109,224,900
Other receivables	4,757,603	2,682,070
Less: allowance for expected credit losses	(3,448,306)	(3,317,895)
Total financial assets within trade and other receivables	**90,411,168**	**108,589,075**
Deferred expenses	109,515	237,538
Total trade and other receivables	**90,520,683**	**108,826,613**

The following table explains the changes in the credit loss allowance for trade and other receivables under the simplified expected credit loss model between the beginning and the end of the reporting period:

	Trade receivables	Other receivables
As at 1 January 2026	**3,204,267**	**113,628**
Accrued	191,250	408,359
Utilised	(175,215)	(293,983)
As at 30 June 2026	**3,220,302**	**228,004**

	Trade receivables	Other receivables
As at 1 January 2025	**3,639,583**	**61,067**
Accrued	46,169	532,085
Reversed	(328,714)	(421,856)
Utilised	(503,406)	(16)
As at 30 June 2025	**2,853,632**	**171,280**

The majority of the Group’s trade debtors are proven counterparties with whom the Group has long-lasting sustainable relationships.

(IN THOUSANDS OF RUSSIAN ROUBLES, UNLESS OTHERWISE STATED)

6. Prepayments (advances given)

Prepayments classified as current assets represent the following advance payments:

	30 June 2026	31 December 2025
Prepayments for raw and other materials	7,578,356	8,352,129
Prepayments for transportation services	1,651,657	1,306,957
Prepayments for fuel and energy	522,959	867,777
Prepayment for animals	431,085	73,692
Prepayments under insurance contracts	252,550	601,659
Prepayments for rent	245,080	352,533
Prepayments for advertising	94,143	41,320
Prepayments to customs	89,716	228,865
Other prepayments	3,442,663	4,413,946
Less: allowance for impairment	(738,803)	(851,376)
Total	**13,569,406**	**15,387,502**

As at 30 June 2026 prepayments classified as non-current assets and included in the line “Advances paid for property, plant and equipment” in the condensed consolidated interim statement of financial position in the amount of RUB 3,851,773 thousand (31 December 2025: RUB 3,319,199 thousand) represent advance payments for construction works and purchases of production equipment.

7. Inventories

	30 June 2026	31 December 2025
Raw materials	53,303,099	63,151,403
Finished goods	29,012,795	31,417,963
Work-in-progress	5,299,310	11,631,491
Less: impairment allowance to net realisable value	(3,493,395)	(3,343,970)
Total	**84,121,809**	**102,856,887**

8. Biological assets

The fair value of biological assets belongs to level 3 measurements in the fair value hierarchy. Pricing model is used as a valuation technique for biological assets fair value measurement. There were no changes in the valuation technique during the six months ended 30 June 2026. The reconciliation of changes in biological assets between the beginning and the end of the reporting period can be presented as follows:

Short-term biological assets

	Consumable livestock, pigs*	Unharvested crops	Total*
As at 1 January 2025	**12,149,073**	**1,713,370**	**13,862,443**
Increase due to acquisitions and growth costs	22,699,034	24,293,587	46,992,621
Decrease due to harvest and sales of the assets	(19,881,413)	-	(19,881,413)
Gain arising from changes in fair value less estimated costs to sell	1,229,821	4,066,940	5,296,761
As at 30 June 2025	**16,196,515**	**30,073,897**	**46,270,412**
As at 1 January 2026	**12,928,932**	**1,850,042**	**14,778,974**
Increase due to acquisitions and growth costs	33,588,224	23,399,847	56,988,071
Decrease due to harvest and sales of the assets	(34,583,423)	(394,033)	(34,977,456)
Gain arising from changes in fair value less estimated costs to sell	738,923	1,880,104	2,619,027
As at 30 June 2026	**12,672,656**	**26,735,960**	**39,408,616**

*See Note 19 Acquisition of a subsidiary

(IN THOUSANDS OF RUSSIAN ROUBLES, UNLESS OTHERWISE STATED)

8. Biological assets (continued)

Long-term biological assets

	Breeding livestock, pigs*
As at 1 January 2025	**6,150,070**
Increase due to acquisitions and growth costs	1,518,274
Decrease due to sales	(103,892)
Gain arising from changes in fair value less estimated costs to sell	1,215,460
As at 30 June 2025	**8,779,912**
As at 1 January 2026	**6,398,902**
Increase due to acquisitions and growth costs	502,772
Decrease due to sales	(954,892)
Gain arising from changes in fair value less estimated costs to sell	156,691
As at 30 June 2026	**6,103,473**

Net profit/(loss) from the revaluation of biological assets and agricultural products was recorded in the condensed consolidated interim statement of profit or loss and other comprehensive income for the six months ended 30 June 2026 in the amount of RUB 2,963,541 thousand (for the six months ended 30 June 2025*: RUB 8,936,223 thousand), including the cumulative profit from the initial recognition of agricultural products and from changes in fair value less estimated costs for the sale of biological assets in the amount of RUB 2,775,718 thousand (for the six months ended 30 June 2025: RUB 6,512,221 thousand) and profit related to the sale of biological assets and agricultural products in the amount of RUB 187,823 thousand (for the six months ended 30 June 2025*: RUB 2,424,002 thousand).

Livestock population was as follows:

	30 June 2026	31 December 2025
Pigs within breeding livestock (heads)	220,183	234,281
Pigs within consumable livestock (tonnes)	116,883	124,629

As at 30 June 2026, total area of arable land was 746 thousand ha (31 December 2025: 745 thousand ha).

9. Property, plant and equipment

	30 June 2026	31 December 2025
Land	14,005,077	13,009,923
Machinery, vehicles and equipment	44,535,575	45,246,761
Buildings and constructions	66,477,380	67,467,706
Construction-in-progress	86,040,510	84,601,802
Other	396,876	311,666
Total	**211,455,418**	**210,637,858**

During the six months ended 30 June 2026, the Group acquired property, plant and equipment with a cost of RUB 9,112,967 thousand (for the six months ended 30 June 2025*: RUB 16,077,799 thousand). Depreciation charges for the reporting period amounted to RUB 7,477,577 thousand (for the six months ended 30 June 2025*: RUB 8,216,067 thousand). Disposal of property, plant and equipment for the reporting period amounted to RUB 1,187,258 thousand (for the six months ended 30 June 2025*: RUB 456,321 thousand).

As at 30 June 2026 and 31 December 2025, assets under construction relate mainly to the construction of pig farms in Primorsky Krai. During the reporting period, the Group capitalised borrowing costs of RUB 365,181 thousand within assets under construction (for the six months ended 30 June 2025: RUB 1,027,880 thousand). The average capitalisation rate for the six months ended 30 June 2026 was 1.71% (for the six months ended 30 June 2025: 4.19%).

*See Note 19 Acquisition of a subsidiary

(IN THOUSANDS OF RUSSIAN ROUBLES, UNLESS OTHERWISE STATED)

10. Share capital and transactions with non-controlling interests

Share capital

As at 30 June 2026, the issued and fully paid share capital comprised 958,749,600 ordinary shares (31 December 2025: 958,749,600 ordinary shares) with a nominal value of RUB 2.5 each.

Dividends

No dividends were declared or paid during the six months ended 30 June 2026 and 30 June 2025.

11. Loans and borrowings

Short-term loans and borrowings

	30 June 2026	31 December 2025
Bank loans	42,731,486	41,794,088
Loans received	3,395,886	3,210,353
Current portion of long-term loans	87,590,813	90,884,643
Total	**133,718,185**	**135,889,084**

Short-term loans and borrowings have fixed and floating interest rates. The above loans and borrowings are denominated in the following currencies

	Interest rate	30 June 2026	Interest rate	31 December 2025
RUB	1.5%–10.7%	133,718,185	2.7%–12.0%	135,889,084
Total		**133,718,185**		**135,889,084**

Long-term loans and borrowings

	30 June 2026	31 December 2025
Bank loans	150,103,099	155,242,401
Less: current portion of long-term loans:		
Bank loans	(87,590,813)	(90,884,643)
Total	**62,512,286**	**64,357,758**

The above loans and borrowings are denominated in the following currencies:

	Interest rate	30 June 2026	Interest rate	31 December 2025
RUB	1.5%–9.1%	62,512,286	2.7%–10.0%	64,357,758
Total		**62,512,286**		**64,357,758**

Maturity of long-term loans and borrowings

	30 June 2026	31 December 2025
Fixed interest rate loans and borrowings:		
2 years	11,441,340	6,943,426
3–5 years	30,134,946	19,249,556
More than 5 years	13,160,358	12,208,004
Floating interest rate loans and borrowings:		
2 years	1,403,136	4,672,234
3–5 years	2,266,153	16,693,881
More than 5 years	4,106,353	4,590,657
Total	**62,512,286**	**64,357,758**

(IN THOUSANDS OF RUSSIAN ROUBLES, UNLESS OTHERWISE STATED)

12. Trade and other payables

	30 June 2026	31 December 2025
Trade payables	32,355,001	23,479,980
Payables for property, plant and equipment	1,349,530	1,704,859
Other payables	15,376,445	15,772,126
Total financial liabilities within trade and other payables	**49,080,976**	**40,956,965**
Payables to employees	2,769,498	1,514,865
Advances received	9,606,326	8,475,802
Total trade and other payables	**61,456,800**	**50,947,632**

13. Revenue

The operations of the Sugar and Agriculture Group segments depend on weather conditions. The adverse climate conditions shift the crop harvesting schedule resulting in later sales. The Group takes certain steps to manage inventories and takes appropriate measures to ensure that they are sufficient to meet demand during this period. However, in the first half of the year, as a rule, the revenue and corresponding profit of the Agriculture and Sugar segments are lower compared to the second half of the year.

For 12 months ended 30 June 2026, the Sugar segment recorded revenue excluding intra-Group eliminations in the amount of RUB 75,925,859 thousand (for 12 months ended 30 June 2025: RUB 63,024,846 thousand) and profit before tax excluding intra-Group eliminations in the amount of RUB 6,586,481 thousand (for 12 months ended 30 June 2025: in the amount of RUB 9,646,398 thousand), the Agriculture segment recorded revenue excluding intra-Group eliminations in the amount of RUB 70,112,410 thousand (for 12 months ended 30 June 2025: RUB 48,150,937 thousand) and a pre-tax loss excluding intra-Group eliminations in the amount of RUB (5,129,401) thousand (for 12 months ended 30 June 2025: RUB 3,865,574 thousand).

(IN THOUSANDS OF RUSSIAN ROUBLES, UNLESS OTHERWISE STATED)

13. Revenue (continued)

Breakdown of revenue for the six months ended 30 June 2026 by category as per revenue recognition guidance:

	Sugar	Meat	Agriculture	Oil and Fat	Other	Elimination	Total
Type of goods and services							
Sale of goods	22,296,943	40,718,698	20,927,614	99,759,185	-	(6,597,780)	**177,104,660**
Transportation services	349,727	670,771	-	2,775,221	-	-	**3,795,719**
Other services	2,002,725	202,191	646,875	1,136,990	2,230,932	(4,080,794)	**2,138,919**
Total revenue from contracts with customers	**24,649,395**	**41,591,660**	**21,574,489**	**103,671,396**	**2,230,932**	**(10,678,574)**	**183,039,298**
Geographical region							
Russian Federation	24,649,395	35,462,569	19,123,170	89,057,128	2,230,716	(10,678,574)	**159,844,404**
Foreign countries	-	6,129,091	2,451,319	14,614,268	216	-	**23,194,894**
Total revenue from contracts with customers	**24,649,395**	**41,591,660**	**21,574,489**	**103,671,396**	**2,230,932**	**(10,678,574)**	**183,039,298**
Timing of revenue recognition							
Goods sold at a point in time	22,296,943	40,718,698	20,927,614	99,759,185	-	(6,597,780)	**177,104,660**
Services rendered during the period	2,352,452	872,962	646,875	3,912,211	2,230,932	(4,080,794)	**5,934,638**
Total revenue from contracts with customers	**24,649,395**	**41,591,660**	**21,574,489**	**103,671,396**	**2,230,932**	**(10,678,574)**	**183,039,298**

(IN THOUSANDS OF RUSSIAN ROUBLES, UNLESS OTHERWISE STATED)

13. Revenue (continued)

Breakdown of revenue for the six months ended 30 June 2025 by category as per revenue recognition guidance:

	Sugar	Meat*	Agriculture	Oil and Fat	Other*	Elimination	Total
Type of goods and services							
Sale of goods	16,229,670	46,201,449	6,065,215	99,096,800	145,502	(2,917,108)	**164,821,528**
Transportation services	200,771	-	-	1,806,277	-	-	**2,007,048**
Other services	93,336	-	125,732	238,069	1,843,398	(1,354,720)	**945,815**
Total revenue from contracts with customers	**16,523,777**	**46,201,449**	**6,190,947**	**101,141,146**	**1,988,900**	**(4,271,828)**	**167,774,391**
Geographical region							
Russian Federation	15,803,179	42,284,357	3,453,127	67,925,201	1,988,900	(4,271,828)	**127,182,936**
Foreign countries	720,598	3,917,092	2,737,820	33,215,945	-	-	**40,591,455**
Total revenue from contracts with customers	**16,523,777**	**46,201,449**	**6,190,947**	**101,141,146**	**1,988,900**	**(4,271,828)**	**167,774,391**
Timing of revenue recognition							
Goods sold at a point in time	16,229,670	46,201,449	6,065,215	99,096,800	145,502	(2,917,108)	**164,821,528**
Services rendered during the period	294,107	-	125,732	2,044,346	1,843,398	(1,354,720)	**2,952,863**
Total revenue from contracts with customers	**16,523,777**	**46,201,449**	**6,190,947**	**101,141,146**	**1,988,900**	**(4,271,828)**	**167,774,391**

** Segment comparisons were reclassified to ensure consistency between periods. Revenue for the 6 months of 2025 by Meat, Agriculture and Other segments includes revenue of Agro-Belogorye Group companies in the amount of RUB 20,019,267 thousand, net of elimination with these segments, presented in the condensed consolidated interim financial statements of the Group for the period ended 30 June 2025 as a separate segment.*

The transportation expenses related to Revenue from transportation services in the amount of RUB 3,795,719 thousand were recognised within Cost of sales (for the six months ended 30 June 2025: RUB 2,007,048 thousand).

(IN THOUSANDS OF RUSSIAN ROUBLES, UNLESS OTHERWISE STATED)

14. Cost of sales

	6 months 2026	6 months 2025 Restated*
Raw materials and consumables used	87,452,751	101,494,713
Acquisition of goods for resale	48,708,293	21,303,180
Payroll	16,154,753	11,953,343
Services	6,974,020	7,128,182
Depreciation of property, plant and equipment	7,117,153	7,903,664
Purchase of biological assets	3,165,892	905,131
Depreciation of right-of-use assets	217,045	153,108
Other	4,388,267	4,182,481
Change in work in progress, finished goods and goods for resale, biological assets	(12,633,324)	(15,283,419)
Total	**161,544,850**	**139,740,383**

The line ‘Change in work in progress, finished goods and goods for resale, biological assets’ above includes changes in balances of goods produced and goods purchased for resale, changes in work in progress and changes in biological assets excluding the effect of revaluation adjustments. This line also includes change in depreciation as included in work in progress, finished goods and biological assets in the amount of RUB (1,609,937) thousand (for the six months ended 30 June 2025: RUB (949,313) thousand).

Payroll costs include salaries of RUB 12,496,515 thousand (for the six months ended 30 June 2025: RUB 9,719,333 thousand) and statutory pension contributions of RUB 3,658,238 thousand (for the six months ended 30 June 2025: RUB 2,234,010 thousand).

15. Distribution and selling expenses

	6 months 2026	6 months 2025
Transportation and loading services	6,259,438	6,845,210
Payroll	2,064,323	2,387,825
Other services	1,061,270	95,012
Depreciation and amortisation	686,431	618,345
Advertising	436,879	1,187,326
Customs duties	257,127	987,950
Materials	177,444	349,956
Depreciation of right-of-use assets	163,257	52,312
Fuel and energy	136,682	63,663
Allowance for impairment of receivables	16,671	189,609
Lease payments	31,894	17,776
Other	1,167,036	1,005,085
Total	**12,458,452**	**13,800,069**

Payroll costs include salaries of RUB 1,592,068 thousand (for the six months ended 30 June 2025: RUB 1,810,811 thousand) and statutory pension contributions of RUB 472,255 thousand (for the six months ended 30 June 2025: RUB 577,014 thousand).

*See Note 19 Acquisition of a subsidiary

(IN THOUSANDS OF RUSSIAN ROUBLES, UNLESS OTHERWISE STATED)

16. General and administrative expenses

	6 months 2026	6 months 2025
Payroll	3,700,476	4,437,984
Services of professional organisations	1,248,928	1,125,932
Travel expenses	659,612	230,072
Taxes other than income tax	586,262	789,348
Bank services	495,192	402,547
Security	255,814	100,693
Repair and maintenance	248,201	193,935
Depreciation and amortisation	239,107	315,757
Fuel and energy	150,079	42,406
Fines, penalties and forfeits	121,241	34,395
Insurance	120,166	107,946
Depreciation of right-of-use assets	77,844	78,153
Materials	67,776	61,089
Lease payments	51,301	20,137
Communication	50,139	37,779
Other shortages and losses	13,454	119,295
Other	537,443	225,498
Total	**8,623,035**	**8,322,966**

Payroll costs above include salaries of RUB 2,870,997 thousand (for the six months ended 30 June 2025: RUB 3,513,701 thousand) and statutory pension contributions of RUB 829,479 thousand (for the six months ended 30 June 2025: RUB 924,283 thousand).

17. Other operating income/(expenses), net

	6 months 2026	6 months 2025
Reimbursement of operating expenses (government grants)	770,389	1,322,017
Gain on acquisition of subsidiary	1,162,788	-
Operating foreign exchange gain/(loss), net	434,808	(4,549,695)
Amortisation of deferred income to match related depreciation	205,954	191,148
(Loss)/gain on disposal of property, plant and equipment	(283,986)	58,114
Charitable donations and social costs	(140,898)	(1,800,469)
Other staff expenses	50,016	-
Fines and penalties payable	(13)	(12,241)
Provisions for receivables, other liabilities and charges	335,440	339,265
Gain on loans redemption	-	269,192
Loss from disposal of other assets	(167)	-
Gain/(loss) on sale of goods and materials, except for main products	415,117	(49,545)
Loss of livestock net of compensation received	-	(24,717)
Gain/(loss) on implementation of work, services	278,541	(154,410)
Other shortages and losses and their reversal	57,705	34,571
Other	278,586	672,437
Total	**3,514,264**	**(3,704,333)**

(IN THOUSANDS OF RUSSIAN ROUBLES, UNLESS OTHERWISE STATED)

17. Other operating income/(expenses), net (continued)

The Group management excludes the following components of Other operating expenses from Adjusted EBITDA calculation as non-recurring items (Note 24):

Non-recurring other operating adjustments

	6 months 2026	6 months 2025
Amortisation of deferred income to match related depreciation	205,954	191,148
Net operating profit/(loss) on foreign exchange differences	283,476	(5,807,869)
(Loss)/gain on disposal of property, plant and equipment	(283,986)	58,114
Charitable donations and social costs	(140,898)	(1,800,469)
Fines and penalties payable	(13)	(12,241)
Gain on loans redemption	-	269,192
Loss from disposal of other assets	(167)	-
Provisions for receivables, other liabilities and charges	335,440	(62,752)
Gain on acquisition of subsidiary	1,162,788	-
Other	(123,559)	238,518
Total	**1,439,035**	**(6,926,359)**

18. Interest expense and other finance costs, net

Interest expenses comprise:

	6 months 2026	6 months 2025
Interest expense	13,619,541	13,912,731
Reimbursement of interest expenses (government grants)	(5,029,240)	(4,366,653)
Interest expense, net	**8,590,301**	**9,546,078**

Other finance costs, net, comprise:

	6 months 2026	6 months 2025
Foreign exchange gain/(loss) on financing activities, net	368,116	(2,688,572)
Lease interest expense	(254,342)	(237,528)
Other finance (costs)/income, net	(952,952)	256,108
Other finance costs, net	**(839,178)**	**(2,669,992)**

19. Acquisition of a subsidiary

Group of companies Agro-Belogorie LLC

In 2022, the Group acquired 22.5% equity interest in the Group of companies Agro-Belogorie LLC from ROS AGRO PLC, the parent company of Rusagro Group PJSC until 5 September 2024. The fair value of the equity interest as at 31 December 2023 was RUB 8,556,570 thousand.

At the end of 2024, the Group acquired control over the Group of companies Agro-Belogorie LLC and its subsidiaries (referred to as GK Agro-Belogorie LLC) through the acquisition of an additional 77.5% interest in this company. As a result of this transaction, the Group's share in the equity of GK Agro-Belogorie LLC amounted to 100%.

The identifiable assets and liabilities acquired at the date when control over GK Agro-Belogorie LLC was obtained include 20 pig farms, 3 feed mills, a meat processing facility, a land bank, inventories and customer relationships.

Identifiable assets acquired and liabilities assumed

As the Group acquired control at the end of Q4 2024, the initial accounting for the GK Agro-Belogorie LLC acquisition was not finalised as at 31 December 2024 and 30 June 2025. In accordance with IFRS 3 *Business Combinations*, a retrospective adjustment was made to the previously estimated amounts recognised at the date of acquisition in 2025. The comparative figures for the six months ended 30 June 2025 were recalculated. The effect of the recalculation is presented in the table below.

(IN THOUSANDS OF RUSSIAN ROUBLES, UNLESS OTHERWISE STATED)

19. Acquisition of a subsidiary (continued)

	For the six months ended 30 June 2025 under the financial statements for the six months ended 30 June 2025	Effect of restating comparative figures	For the six months ended 30 June 2025 under the financial statements for the six months ended 30 June 2026
Revenue	167,774,391	-	167,774,391
Net gain on revaluation of biological assets and agricultural produce	8,507,143	429,080	8,936,223
Cost of sales	(138,726,927)	(1,013,456)	(139,740,383)
Gross profit	**37,554,607**	**(584,376)**	**36,970,231**
Distribution and selling expenses	(13,800,069)	-	(13,800,069)
General and administrative expenses	(8,322,966)	-	(8,322,966)
Other operating expenses, net	(3,704,333)	-	(3,704,333)
Operating profit	**11,727,239**	**(584,376)**	**11,142,863**
Interest expense	(9,546,078)	-	(9,546,078)
Interest income	5,311,914	-	5,311,914
Other finance costs, net	(2,669,992)	-	(2,669,992)
Profit before tax	**4,823,083**	**(584,376)**	**4,238,707**
Income tax benefit	339,256	253,364	592,620
Profit for the period	**5,162,339**	**(331,012)**	**4,831,327**
Total comprehensive income for the period	**5,162,339**	**(331,012)**	**4,831,327**
Profit attributable to:			
- Owners of Rusagro Group PJSC	5,980,716	(331,012)	5,649,704
- Non-controlling interest	(818,377)	-	(818,377)
Profit for the period	**5,162,339**	**(331,012)**	**4,831,327**
Total comprehensive income attributable to:			
- Owners of Rusagro Group PJSC	5,980,716	(331,012)	5,649,704
- Non-controlling interest	(818,377)	-	(818,377)
Total comprehensive income for the period	**5,162,339**	**(331,012)**	**4,831,327**
Earnings per ordinary share for profit attributable to the owner of Rusagro Group PJSC, basic and diluted earnings (RUB per share)	6.24	(0.35)	5.89

(IN THOUSANDS OF RUSSIAN ROUBLES, UNLESS OTHERWISE STATED)

19. Acquisition of a subsidiary (continued)

	Equity attributable to owners of Rusagro Group PJSC					
For the six months ended 30 June 2025 under the financial statements for the six months ended 30 June 2025	**Share capital**	**Fair value reserve**	**Retained earnings**	**Total**	**Non-controlling interest**	**Total equity**
Balance as at 1 January 2025	**2,396,874**	**-**	**205,403,169**	**207,800,043**	**19,330,358**	**227,130,401**
Profit and total comprehensive income for the period	-	-	5,980,716	5,980,716	(818,377)	5,162,339
Balance as at 30 June 2025	**2,396,874**	**-**	**211,383,885**	**213,780,759**	**18,511,981**	**232,292,740**

	Equity attributable to owners of Rusagro Group PJSC					
Effect of restating comparative figures	**Share capital**	**Fair value reserve**	**Retained earnings**	**Total**	**Non-controlling interest**	**Total equity**
Balance as at 1 January 2025	**-**	**3,597,586**	**9,598,231**	**13,195,817**	**95,803**	**13,291,620**
Loss and total comprehensive loss for the period	-	-	(331,012)	(331,012)	-	(331,012)
Balance as at 30 June 2025	**-**	**3,597,586**	**9,267,219**	**12,864,805**	**95,803**	**12,960,608**

	Equity attributable to owners of Rusagro Group PJSC					
For the six months ended 30 June 2025 under the financial statements for the six months ended 30 June 2026	**Share capital**	**Fair value reserve**	**Retained earnings**	**Total**	**Non-controlling interest**	**Total**
Balance as at 1 January 2025	**2,396,874**	**3,597,586**	**215,001,400**	**220,995,860**	**19,426,161**	**240,422,021**
Profit and total comprehensive income for the period	-	-	5,649,704	5,649,704	(818,377)	4,831,327
Balance as at 30 June 2025	**2,396,874**	**3,597,586**	**220,651,104**	**226,645,564**	**18,607,784**	**245,253,348**

(IN THOUSANDS OF RUSSIAN ROUBLES, UNLESS OTHERWISE STATED)

19. Acquisition of a subsidiary (continued)

	For the six months ended 30 June 2025 under the financial statements for the six months ended 30 June 2025	Effect of restating comparative figures	For the six months ended 30 June 2025 under the financial statements for the six months ended 30 June 2026
Cash flows from operating activities			
Profit before tax	4,823,083	(584,376)	4,238,707
Adjustments:			
Depreciation and amortisation of property, plant and equipment, intangible and right-of-use assets	7,534,267	637,759	8,172,026
Interest expense	13,912,731	-	13,912,731
Government grants	(5,879,818)	-	(5,879,818)
Interest income	(5,311,914)	-	(5,311,914)
(Gain)/ loss on disposal of property, plant and equipment	(58,114)	-	(58,114)
Net (gain)/loss on revaluation of biological assets and agricultural produce	(8,507,143)	(429,080)	(8,936,223)
Change in allowance for impairment of assets to net realisable value	1,114,671	-	1,114,671
Finance lease expenses	237,528	-	237,528
Change in allowance for impairment of receivables and prepayments	61,743	-	61,743
Foreign exchange loss, net	8,496,267	-	8,496,267
Change in fair value of financial instruments	(545,189)	-	(545,189)
Profit from loan repayment	(269,192)	-	(269,192)
Other non-cash and non-operating (income)/expenses, net	(313,047)	-	(313,047)
Cash flows from operating activities before changes in working capital	**15,295,873**	**(375,697)**	**14,920,176**
Change in trade and other receivables and advances given	5,739,203	-	5,739,203
Change in other taxes receivable	(1,679,033)	-	(1,679,033)
Change in inventories	18,001,312	-	18,001,312
Change in biological assets	(29,533,920)	-	(29,533,920)
Change in trade and other payables	839,311	96,178	935,489
Change in other taxes payable	(1,033,673)	-	(1,033,673)
Cash flows from operating activities	**7,629,073**	**(279,519)**	**7 349 554**
Income tax paid	(3,109,293)	-	(3,109,293)
Net cash from operating activities	**4,519,780**	**(279,519)**	**4,240,261**
Cash flows from investing activities			
Purchase of property, plant and equipment	(13,899,322)	-	(13,899,322)
Acquisition of intangible assets	(155,400)	-	(155,400)
Purchase of land lease rights	(15,120)	-	(15,120)
Proceeds from sales of property, plant and equipment	272,279	-	272,279
Purchase of inventories intended for construction	(496,791)	-	(496,791)
Proceeds from cash withdrawals from deposits	2,102,312	-	2,102,312
Cash placed on bank deposits	(2,650,234)	-	(2,650,234)
Granting of loans issued	(47,143)	-	(47,143)

(IN THOUSANDS OF RUSSIAN ROUBLES, UNLESS OTHERWISE STATED)

19. Acquisition of a subsidiary (continued)

	For the six months ended 30 June 2025 under the financial statements for the six months ended 30 June 2025	Effect of restating comparative figures	For the six months ended 30 June 2025 under the financial statements for the six months ended 30 June 2026
Repayment of loans issued	176	-	176
Interest received	6,323,997	-	6,323,997
Proceeds from sale of other investments	(7)	-	(7)
Other investing activities	225,971	-	225,971
Net cash used in investing activities	**(8,339,282)**	**-**	**(8,339,282)**
Cash flows from financing activities			
Proceeds from loans and borrowings	20,437,511	-	20,437,511
Repayment of loans and borrowings	(12,219,835)	-	(12,219,835)
Interest and other finance cost paid	(10,183,450)	-	(10,183,450)
Proceeds from government grants	893,332	-	893,332
Repayment of lease liabilities – principal	(646,738)	279,519	(367,219)
Net cash used in financing activities	**(1,719,180)**	**279,519**	**(1,439,661)**
Effect of exchange rate changes on cash and cash equivalents	(375,487)	-	(375,487)
Net decrease in cash and cash equivalents	**(5,914,169)**	**-**	**(5,914,169)**
Cash and cash equivalents at the beginning of the reporting period	**33,329,058**	**-**	**33,329,058**
Cash and cash equivalents at the end of the reporting period	**27,414,889**	**-**	**27,414,889**

20. Goodwill

As at 30 June 2026 and during the six months then ended, no indications of goodwill impairment were identified. No goodwill impairment losses were recognised during the reporting period.

21. Income tax

The Group's consolidated effective tax rate for continuing operations for the six months ended 30 June 2026 was 128% (for the six months ended 30 June 2025*: (14%)). Changes in the effective tax rate were mainly due to the following factors:

- a decrease in Net Profit in the Agriculture and Meat segment, which are predominantly subject to a 0% tax rate, during the six months ended 30 June 2026;

- an increase in Net Loss in the Meat segment, which is subject to a 25% tax rate (mainly due to the GK Agro-Belogorie LLC), during the six months ended 30 June 2026, and, as a result, deferred tax asset arising.

Different types of the Group's segment activities are subject to income tax at different rates. Income tax expense is recognised in the amount determined by multiplying the profit (loss) before tax for the interim reporting period by the income tax rate applicable to the income from different types of activities. As such, the effective tax rate in the interim financial statements may differ from management's estimate of the effective tax rate for the annual financial statements.

	6 months 2026	6 months 2025 Restated*
(Loss)/profit before tax:	(197,926)	4,238,707
- taxable at 0%	4,044,655	6,672,652
- taxable at 5%	(11,397)	-
- taxable at 15%	7,027	-
- taxable at 20%	(5,913)	2
- taxable at 25%	(4,232,298)	(2,433,947)
Income tax benefit	**253,804**	**592,620**

*See Note 19 Acquisition of a subsidiary

(IN THOUSANDS OF RUSSIAN ROUBLES, UNLESS OTHERWISE STATED)

22. Related party transactions

Parties are generally considered to be related if the parties are under common control or if one party has the ability to control the other party or can exercise significant influence or joint control over the other party in making financial and operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form.

In accordance with Presidential Decree No. 73 of 27 January 2024, the Group does not disclose information on the ownership structure.

Key management personnel

Remuneration to key management personnel

Remuneration to 13 (6 months 2025: 13) representatives of key management personnel for the six months of 2026 included in payroll costs comprised short-term remuneration such as salaries, discretionary bonuses and other short-term benefits totalling RUB 920,889 thousand, including RUB 129,530 thousand payable to the State Pension Fund (6 months 2025: RUB 1,155,333 thousand and RUB 157,987 thousand, respectively).

Dividends

No dividends were declared during the six months ended 30 June 2026 and 30 June 2025.

Related party organisations

In the normal course of business, the Group carries out the following main transactions with related party organisations:

	6 months 2026
Transactions	
Sale of goods, works, services	585
Purchase of goods, works, services	1,002,997
Loans received	556,892
Loan repayment	10,571,295
Finance income	298,205
Finance costs	1,156,017

As at 30 June 2026, the largest part (59%) of cash and cash equivalents (Note 3), as well as deposits (Note 4), are located in banks that are related parties.

	30 June 2026
Balance	
Trade receivables and prepayments	1,204,469
Bonds held to collect	19 900 000
Trade and other payables	21,791
Loans and borrowings	119,631,715

Associates

Balances and transactions with associates are presented in the table below:

	6 months 2026	6 months 2025
Transactions		
Sale of goods, works, services	204,005	-
Purchase of goods, works, services	217,479	342,368

	30 June 2026	31 December 2025
Balance		
Trade receivables and prepayments	994,928	89,103

(IN THOUSANDS OF RUSSIAN ROUBLES, UNLESS OTHERWISE STATED)

23. (Loss)/earnings per share

Basic (loss)/earnings per share are calculated by dividing the (loss)/profit attributable to equity holders of the Company by the weighted average number of ordinary shares in equity during the year. Earnings per share for the six months ended 30 June 2025 were retrospectively restated in accordance with IAS 33 *Earnings per Share*.

	6 months 2026	**6 months 2025 Restated***
(Loss)/profit for the period attributable to the Company's equity holder	(1,399,848)	5,649,704
Weighted average number of ordinary shares	958,749,600	958,749,600
Basic and diluted (loss)/earnings per share (RUB per share)	**(1.46)**	**5.89**

*See Note 19 Acquisition of a subsidiary

(IN THOUSANDS OF RUSSIAN ROUBLES, UNLESS OTHERWISE STATED)

24. Segment information

During the six months ended 30 June 2026, the approach to determining reportable segments and measuring profit or loss, assets and liabilities of operating segments remained unchanged.

Information about reportable segment adjusted EBITDA, assets and liabilities

Segment information on assets and liabilities as at 30 June 2026 and 31 December 2025 is set out below:

30 June 2026	Sugar	Meat	Agriculture	Oil and Fat	Other	Elimination	Total
Assets	423,253,496	175,011,203	146,613,333	166,493,781	318,016,418	(670,040,303)	559,347,928
Liabilities	373,014,383	75,516,746	98,378,430	119,250,849	144,848,811	(512,095,840)	298,913,379
Additions to non-current assets**	1,365,621	508,233	1,711,018	3,850,615	454,839	-	7,890,326

31 December 2025	Sugar	Meat	Agriculture	Oil and Fat	Other	Elimination	Total
Assets	413,258,506	147,727,653	139,783,065	193,040,666	365,954,376	(708,598,100)	551,166,166
Liabilities	362,856,659	61,502,442	95,006,444	186,999,570	161,060,514	(576,638,134)	290,787,495
Additions to non-current assets**,***	3,478,481	5,388,052	3,293,628	2,423,057	175,303	-	14,758,521

*** Additions to non-current assets exclude additions to financial instruments, assets held-for-sale, deferred tax assets, goodwill and restricted cash. Additions to non-current assets are presented for the six months of 2026 and the six months of 2025.*

**** Segment comparisons were reclassified to ensure consistency between periods. The Meat, Agriculture and Other segments include the financial statements of the Agro-Belogorye Group companies presented in the Group's condensed consolidated interim financial statements for the period ended 30 June 2025 as a separate segment.*

*See Note 19 Acquisition of a subsidiary

(IN THOUSANDS OF RUSSIAN ROUBLES, UNLESS OTHERWISE STATED)

24. Segment information (continued)

Segment information on adjusted EBITDA for the six months ended 30 June 2026 and 2025 is presented in the table below:

For the six months ended 30 June 2026	**Sugar**	**Meat**	**Agriculture**	**Oil and Fat**	**Other**	**Elimination**	**Total**
Sales (Note 13)	24,649,395	41,591,660	21,574,489	103,671,396	2,230,932	(10,678,574)	183,039,298
incl. Sales to external customers (Note 13)	*23,061,357*	*41,468,709*	*15,791,939*	*102,461,924*	*255,369*	-	*183,039,298*
incl. Sales to other segments (Note 13)	*1,588,038*	*122,951*	*5,782,550*	*1,209,472*	*1,975,563*	*(10,678,574)*	-
Net gain/(loss) on revaluation of biological assets and agricultural produce (Note 8)***	-	1,047,408	2,153,362	-	-	(237,229)	2,963,541
Cost of sales (Note 14)	(19,665,930)	(39,061,660)	(20,136,759)	(87 602 693)	(1,753,362)	6,675,554	(161,544,850)
incl. depreciation	*(1,115,278)*	*(2,299,182)*	*(820,783)*	*(1 439 245)*	*(38,385)*	*(11,388)*	*(5,724,261)*
Gross profit	**4,983,465**	**3,577,408**	**3,591,092**	**16,068,703**	**477,570**	**(4,240,249)**	**24,457,989**
Selling and distribution, general and administrative expenses (Notes 15, 16)	(3,565,448)	(4,708,079)	(3,959,448)	(11,438,385)	(1,987,611)	4,577,484	(21,081,487)
incl. amortisation and depreciation	*(20,551)*	*(38,082)*	*(54,293)*	*(973,787)*	*(91,314)*	*11,388*	*(1,166,639)*
Other operating income, net (Note 17)	22,006	552,960	776,071	1,844,344	234,601	84,282	3,514,264
incl. reimbursement of operating expenses (government grants)	*168,206*	*218,003*	*217,153*	*167,027*	-	-	*770,389*
incl. non-recurring other operating adjustment (Note 17)	*221,063*	*(91,936)*	*(114,241)*	*602,378*	*(182,407)*	*1,004,178*	*1,439,035*
Income/ (loss) from operating activities	**1,440,023**	**(577 711)**	**407,715**	**6,474,662**	**(1,275,440)**	**421,517**	**6,890,766**
Adjustments:							
Depreciation and amortisation included in operating profit	1,135,829	2,337,264	875,076	2,413,032	129,699	-	6,890,900
Other non-recurring operating adjustment (Note 17)	(221,063)	91,936	114,241	(602,378)	182,407	(1,004,178)	(1,439,035)
Net (gain)/loss on revaluation of biological assets and agricultural produce	-	(1,047,408)	(2,153,362)	-	-	237,229	(2,963,541)
Adjusted EBITDA**	**2,354,789**	**804,081**	**(756,330)**	**8,285,316**	**(963,334)**	**(345,432)**	**9,379,090**

*** Non-IFRS required measure.*

**** Elimination includes the revaluation of fair value of sugar beet recognised as inventory in sugar segment.*

(IN THOUSANDS OF RUSSIAN ROUBLES, UNLESS OTHERWISE STATED)

24. Segment information (continued)

For the six months ended 30 June 2025 (Restated*)*****	**Sugar**	**Meat**	**Agriculture**	**Oil and Fat**	**Other**	**Elimination**	**Total**
Sales (Note 13)	16,523,777	46,201,449	6,190,947	101,141,146	1,988,900	(4,271,828)	167,774,391
incl. Sales to external customers (Note 13)	*16,210,968*	*46,201,449*	*3,968,796*	*100,229,552*	*1,163,626*	-	*167,774,391*
incl. Sales to other segments (Note 13)	*312,809*	-	*2,222,151*	*911,594*	*825,274*	*(4,271,828)*	-
Net gain/(loss) on revaluation of biological assets and agricultural produce (Note 8)***	-	4,580,283	4,662,352	-	-	(306,412)	8,936,223
Cost of sales (Note 14)	(12,280,658)	(39,596,150)	(5,704,640)	(82,899,713)	(1,527,868)	2,268,646	(139,740,383)
incl. depreciation	*(941,530)*	*(3,444,270)*	*(619,571)*	*(2,068,482)*	*(19,890)*	*(13,716)*	*(7,107,459)*
Gross profit	**4,243,119**	**11,185,582**	**5,148,659**	**18,241,433**	**461,032**	**(2,309,594)**	**36,970,231**
Selling and distribution, general and administrative expenses (Notes 15, 16)	(3,553,437)	(3,894,947)	(2,604,793)	(12,967,094)	(2,243,539)	3,140,775	(22,123,035)
incl. amortisation and depreciation	*(39,376)*	*(6,981)*	*(49,259)*	*(802,630)*	*(180,037)*	*13,716*	*(1,064,567)*
Other operating /(expenses)/income, net (Note 17)	(83,238)	188,342	885,229	(2,883,073)	4,861,895	(6,673,488)	(3,704,333)
incl. reimbursement of operating expenses (government grants)	-	*504,879*	*776,497*	*40,642*	-	-	*1,322,018*
incl. non-recurring other operating adjustment (Note 17)	*(17,243)*	*(254,097)*	*135,969*	*(4,501,330)*	*3,592,456*	*(5,882,114)*	*(6,926,359)*
Income from operating activities	**606,444**	**7,478,977**	**3,429,095**	**2,391,266**	**3,079,388**	**(5,842,307)**	**11,142,863**
Adjustments:							
Depreciation and amortisation included in operating profit	980,906	3,451,251	668,830	2,871,112	199,927	-	8,172,026
Other non-recurring operating adjustment (Note 17)	17,243	254,097	(135,969)	4,501,330	(3,592,456)	5,882,114	6,926,359
Net (gain)/loss on revaluation of biological assets and agricultural produce	-	(4,580,283)	(4,662,352)	-	-	306,412	(8,936,223)
Adjusted EBITDA**	**1,604,593**	**6,604,042**	**(700,396)**	**9,763,708**	**(313,141)**	**346,219**	**17,305,025**

*** Non-IFRS required measure.*

**** Elimination includes the revaluation of fair value of sugar beet recognised as inventory in sugar segment.*

***** Segment comparisons were reclassified to ensure consistency between periods. The Meat, Agriculture and Other segments include the financial statements of the Agro-Belogorye Group companies presented in the Group's condensed consolidated interim financial statements for the period ended 30 June 2025 as a separate segment.*

*See Note 19 Acquisition of a subsidiary

25. Fair value measurement

The estimated fair values of financial instruments have been determined by the Group using available market information, where it exists, and appropriate valuation methodologies. However, judgement is necessarily required to interpret market data to determine the estimated fair value. The Russian Federation continues to display certain characteristics of an emerging market and economic conditions continue to limit the volume of activity in the financial markets. Market quotations may be outdated or reflect distress sale transactions and therefore not represent fair values of financial instruments. Management has used all available market information in estimating the fair value of financial instruments.

Financial assets measured at amortised cost

The fair value of instruments with floating interest rates usually equals their carrying amount. The estimated fair value of fixed interest rate instruments is based on estimated future cash flows expected to be received discounted at current interest rates for new instruments with similar credit risk and remaining maturity. Discount rates used depend on credit risk of the counterparty.

Liabilities measured at amortised cost

The fair value of instruments with floating interest rates usually equals their carrying amount. The estimated fair value of fixed interest rate instruments with stated maturity was estimated based on expected cash flows discounted at current interest rates for new instruments with similar credit risk and remaining maturity.

As at 30 June 2026, the carrying amount of the Group's financial assets, excluding bank deposits and bonds held to maturity, approximates their fair value and amounts to RUB 122,503,623 thousand (as at 31 December 2025: RUB 124,405,916 thousand).

As at 30 June 2026, the fair value of bank deposits and bonds held to maturity, the fair value of which is determined for presentation purposes using only Level 2 inputs, is lower than their carrying amount by RUB 8,277,560 thousand (as at 31 December 2025: RUB 7,627,947 thousand).

Financial liabilities include loans and borrowings whose fair value is determined for presentation purposes only using Level 2 inputs. As at 30 June 2026, the fair value of loans and borrowings was lower than their carrying amount by RUB 4,302,113 thousand (as at 31 December 2025: RUB 5,777,489 thousand).

For valuation purposes, IFRS 9 *Financial Instruments* classifies bonds held to maturity, loans issued, long-term loans and borrowings within Level 2 of the fair value hierarchy. Other financial instruments, excluding bonds held for trading, are classified within Level 3 of the fair value hierarchy.

The fair value of bonds held for trading is determined based on open active markets and is classified within Level 1 of the fair value hierarchy.

26. Contingencies

Tax legislation

The tax system of the Russian Federation continues to be actively developing, which is accompanied by frequent changes in legislation, some of which may contain insufficiently clear formulations. Clarifications from authorised government agencies and judicial practice in some cases do not allow us to form an unambiguous position. As a result, situations may arise in which regulatory authorities and taxpayers may interpret legislation in different ways and determine their tax consequences.

In general, control over compliance with the legislation on taxes and fees, the correctness of calculation, completeness and timeliness of payment of taxes, fees and insurance premiums, as well as some other mandatory payments, are handled by tax authorities that have the right to impose additional taxes (fees, insurance premiums, other mandatory payments), as well as to levy large fines and penalties.

26. Contingencies (continued)

Tax legislation (continued)

A tax year generally remains open for review by the tax authorities during the three subsequent calendar years. In some cases, a tax audit may be conducted beyond this period.

Recent trends in law enforcement practice demonstrate the strengthening of the fiscal-oriented approach of the tax authorities to the interpretation of legislation, with increased attention to the essence of business operations. It is also more likely that the tax authorities will continue to identify additional opportunities for applying the norms of effective tax legislation through an extensive interpretation of its provisions.

In November 2025, a Federal Law was adopted stipulating a number of amendments to the RF Tax Code, in particular

- since 1 January 2026, the total VAT rate has been increased from 20% to 22%.
- until 2030, the limitation on the possibility of accounting for accumulated tax losses of no more than 50% of the tax base (exceptions not included) was extended.

In addition, there is an increase in the control of state authorities over the application of state support measures (for example, subsidies, benefits, etc.). For example, if the state authorities successfully challenge the legitimacy of applying tax concessions, the taxpayer may have additional consequences in the form of additional taxes, fines and penalties.

Current legislation in the Russian Federation requires transfer pricing analysis for the majority of cross-border intercompany transactions and major domestic intercompany transactions. The transfer pricing control, as a general rule, is applied to domestic transactions only if both criteria are met: the parties apply different income tax rates, and the annual turnover of transactions between them exceeds RUB 1 billion.

The Russian transfer pricing rules are close to OECD guidelines, but have certain differences that create uncertainty in practical application of tax legislation in specific circumstances. The limited number of publicly available transfer pricing court cases does not make it possible to assess with sufficient confidence the likelihood of challenging the Group's pricing method of pricing/testing controlled transactions for transfer pricing purposes in Russia. The impact of any additional transfer pricing tax charges may be material to the Group's financial statements, but the likelihood of such additional assessments cannot be reliably assessed.

In addition to transfer pricing audits, Russian tax authorities may review prices for intercompany transactions that do not formally fall under controlled criteria. They may charge additional taxes payable if they conclude that the taxpayer has received an unjustified tax benefit as a result of such transactions.

The Russian tax authorities, though to a limited extent, continue to exchange transfer pricing information and other tax-related matters with the tax authorities of other countries. This information may be used by the tax authorities to identify transactions for additional in-depth analysis.

Transfer pricing rules have become stricter in respect of transactions performed after 1 January 2024:

– an increase in the number of offshore jurisdictions (in particular, EU countries, USA, UK, Japan, etc.) leads to pricing control and, accordingly, transfer pricing risks for a wider range of transactions with unrelated parties;

– requirements for transfer pricing information to be submitted to the tax authorities have been expanded, including additional information to be disclosed in transfer pricing documentation and controlled transaction notifications, as well as the necessity to submit new reporting forms has been introduced;

– higher penalties apply to additional tax charges, including the introduction of withholding tax when the tax base is understated.

Suspension of provisions of Double Tax Treaties

In addition, the provisions of double taxation treaties (hereinafter referred to as DTTs) concluded with 38 countries, including provisions on the taxation of certain types of income, the establishment of reduced rates/exemptions with respect to passive income, and other specific provisions, have been suspended. Accordingly, certain types of income earned by foreign companies are subject to the rates established by the tax legislation of the Russian Federation, with certain exceptions.

26. Contingencies (continued)

Amendments to tax legislation from 2025

On 1 January 2025, amendments to the Tax Code of the Russian Federation became effective, in particular:

– an increase in the total income tax rate to 25%;

– an increase in the withholding tax rate to 25% (except for rates applicable to certain types of income);

– introduction of differentiated personal income tax rates depending on the size and type of income received by the taxpayer in the tax period.

The Group’s Management believes that its interpretation of the relevant legislation is appropriate, and the Group’s tax and customs positions will be sustained. Accordingly, as at 30 June 2026, no provision for potential tax liabilities was created (31 December 2025: no provision was created). Management will vigorously defend the Group's positions and interpretations that were applied in determining taxes recognised in these consolidated financial statements if these are challenged by the authorities.

Contractual capital commitments

As at 30 June 2026, the Group had outstanding contractual commitments for the acquisition or construction of property, plant and equipment in the amount of RUB 3,595,643 thousand (31 December 2025: RUB 6,229,020 thousand).

27. Subsequent events

After the reporting period ended 30 June 2026, the Extraordinary General Meeting of Shareholders approved the payment of part of retained earnings of previous years in the form of dividends in the total amount of RUB 15,003,994 thousand. Dividends were paid in full. These consolidated financial statements do not record dividends that have not been approved as at the reporting date.