# JSC Pioneer Group

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

**Contents**

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# Independent Auditors' Report

## on Review of Condensed Consolidated Interim Financial Statements

**To the shareholders**
**JSC Pioneer Group**

### Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of JSC Pioneer Group and its subsidiaries as at 30 June 2026, the condensed consolidated interim statement of profit or loss and other comprehensive income for six months ended 30 June 2026, the condensed consolidated interim statement of changes in equity for six months ended 30 June 2026, the condensed consolidated interim statement of cash flows for six months ended 30 June 2026, and notes to the condensed consolidated interim financial statements (the "condensed consolidated interim financial statements"). Management 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.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated interim financial statements as at 30 June 2026 and for six months ended on 30 June 2026 is not prepared, in all material respects, in accordance with IAS 34 *Interim Financial Reporting*.

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

Fonareva Svetlana Borisovna

Principal registration number of the entry in the Register of Auditors and Audit organizations No. 21906100620, acts on behalf of the audit organization based on the power of attorney No. 336/25 as at 9 January 2025

JSC "Kept"

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

Moscow, Russia

25 August 2026

| RUB mln. | Note | 30 June 2026 | 31 December 2025 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | | 1 770 | 1 107 |
| Intangible assets | | 321 | 275 |
| Other investments | 8 | 13 716 | 12 488 |
| Deferred tax assets | | 5 519 | 4 333 |
| Trade and other receivables | | 27 | 27 |
| **Total non-current assets** | | **21 353** | **18 230** |
| **Current assets** | | | |
| Inventories | 11 | 100 908 | 100 143 |
| Other investments | | 502 | 51 |
| Contract assets | 3 | 51 779 | 56 213 |
| Assets recognized from costs to fulfil contracts | | 791 | 1 152 |
| Trade and other receivables | 10 | 2 321 | 1 355 |
| Other current assets | | 407 | 159 |
| Cash and cash equivalents | 9 | 4 549 | 4 585 |
| **Total current assets** | | **161 256** | **163 658** |
| **Total assets** | | **182 610** | **181 888** |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| Share capital | | 1 | 1 |
| Retained earnings | | 21 828 | 24 446 |
| **Equity attributable to the owners** | | **21 829** | **24 447** |
| **Total equity** | | **21 829** | **24 447** |
| **Non-current liabilities** | | | |
| Loans and borrowings | 13 | 97 271 | 68 416 |
| Deferred tax liabilities | | 489 | 499 |
| Other non-current liabilities | 12 | 34 | 272 |
| **Total non-current liabilities** | | **97 794** | **69 187** |
| **Current liabilities** | | | |
| Loans and borrowings | 13 | 25 074 | 54 191 |
| Contract liabilities | 3 | 19 944 | 19 424 |
| Trade and other payables | 11 | 7 892 | 4 501 |
| Provisions | 14 | 3 287 | 3 172 |
| Deferred income | | 6 790 | 6 966 |
| **Total current liabilities** | | **62 987** | **88 254** |
| **Total liabilities** | | **160 781** | **157 441** |
| **Total equity and liabilities** | | **182 610** | **181 888** |

The condensed consolidated statement of financial position is to be read in conjunction with the notes to, and forming part of, the consolidated financial statements set out on pages 9 – 21

| **RUB mln.** | **Note** | **For the six months ended 30 June 2026** | **For the six months ended 30 June 2025** |
|---|---|---|---|
| Revenue | 3 | 31 674 | 28 218 |
| Cost of sales | | (22 173) | (17 171) |
| **Gross profit** | | **9 501** | **11 047** |
| Other income | | 224 | 203 |
| Administrative expenses | 4 | (1 656) | (1 306) |
| Commercial expenses | 5 | (2 101) | (1 645) |
| Other expenses | | (38) | (72) |
| **Results from operating activities** | | **5 930** | **8 227** |
| Finance income | 6 | 1 119 | 811 |
| Finance costs | 6 | (9 796) | (9 021) |
| **(Loss) / profit before income tax** | | **(2 747)** | **17** |
| Income tax income | 7 | 405 | 79 |
| **(Loss) / profit and total comprehensive (loss) / income for the period** | | **(2 342)** | **96** |
| **(Loss) / profit and total comprehensive (loss) / income attributable to owners of the Company** | | **(2 342)** | **96** |
| Basic and diluted (loss) / earnings per share | 15 | (2,34) | 0,10 |

These Condensed Consolidated Interim Financial Statements were approved by Management of JSC Pioneer Group on 25 August 2026 and were signed on its behalf by

Chief Executive Officer
JSC Pioneer Group

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Miroshnikov A. A.

Chief Financial Officer
JSC Pioneer Group

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Solntseva A. V.

The condensed consolidated statement of profit or loss and other comprehensive income is to be read in conjunction with the notes to, and forming part of, the consolidated financial statements set out on pages 9 – 21.

**RUB mln.**

| | Share capital | Retained earnings | Total equity |
|---|---|---|---|
| **Balance at 1 January 2025** | **1** | **21 668** | **21 669** |
| Income for the period | - | 96 | 96 |
| **Total comprehensive income for the period** | **-** | **96** | **96** |
| Other transactions with Shareholders (Note 15(c)) | | 23 | 23 |
| **Balance at 30 June 2025** | **1** | **21 787** | **21 788** |

| | Share capital | Retained earnings | Total equity |
|---|---|---|---|
| **Balance at 1 January 2026** | **1** | **24 446** | **24 447** |
| Loss for the period | - | (2 342) | (2 342) |
| **Total comprehensive loss for the period** | **-** | **(2 342)** | **(2 342)** |
| Other transactions with Shareholders (Note 15(c)) | | (276) | (276) |
| **Balance at 30 June 2026** | **1** | **21 828** | **21 829** |

The condensed consolidated statement of changes in equity is to be read in conjunction with the notes to, and forming part of, the consolidated financial statements set out on pages 9 – 21.

| RUB mln. | Note | For the six months ended 30 June 2026 | For the six months ended 30 June 2025 |
|---|---|---|---|
| **OPERATING ACTIVITIES** | | | |
| **(Loss) / Profit before income tax** | | **(2 747)** | **17** |
| Adjustments for: | | | |
| Amortization, incl. amortization of right-of-use assets | | 273 | 254 |
| Capitalized interest attributed to cost of sales | 6 | 2 563 | 1 474 |
| Loss on disposal of intangible assets | | - | 12 |
| Finance income | 6 | (1 119) | (811) |
| Finance costs | 6 | 9 889 | 9 021 |
| **Cash flows from operating activities before changes in working capital and provisions** | | **8 859** | **9 967** |
| Decrease / (increase) in inventories | | 338 | (3 358) |
| Decrease in contract assets | | 4 434 | 900 |
| Decrease / (increase) in contract costs | | 361 | (163) |
| Increase in trade and other receivables | | (1 017) | (1 216) |
| Decrease in contract liabilities | | (3 310) | (753) |
| (Decrease) / increase in deferred income | | (175) | 456 |
| Increase / (decrease) in trade and other payables | | 3 775 | (2 293) |
| Decrease in provisions | | (224) | (44) |
| **Cash flows from operations before income taxes and interest paid** | | **13 041** | **3 496** |
| Income tax paid | | (1 003) | (665) |
| Interest paid | | (4 884) | (6 037) |
| **Net cash from / (used in) operating activities** | | **7 154** | **(3 206)** |
| **INVESTING ACTIVITIES** | | | |
| Interest received | | 390 | 178 |
| Acquisition of property, plant and equipment | | (36) | (91) |
| Acquisition of intangible assets | | (115) | (83) |
| Proceeds from sale of non-current assets | | 2 | 1 |
| Loans granted | | (1 302) | (974) |
| Loans repaid | | 352 | 2 156 |
| **Net cash (used in) / from investing activities** | | **(709)** | **1 187** |
| **FINANCING ACTIVITIES** | | | |
| Proceeds from borrowings | | 21 195 | 33 452 |
| Repayment of borrowings | | (26 852) | (28 021) |
| Rental payments | | (152) | (92) |
| Contributions of Shareholders | | 178 | 472 |
| Dividends paid and other distributions to Shareholders | | (850) | (432) |
| **Net cash (used in) / from financing activities** | | **(6 481)** | **5 379** |
| Net (decrease) / increase in cash and cash equivalents | | (36) | 3 360 |
| Cash and cash equivalents at 1 January | | 4 585 | 923 |
| **Cash and cash equivalents at the end of the period** | | **4 549** | **4 283** |

Note: in the first half of 2026 the owners of escrow accounts placed 15 798 RUB million for the payment of the contract amount for participation in construction (in the first half of 2025: RUB 23 854 million).

The condensed consolidated statement of cash flows is to be read in conjunction with the notes to, and forming part of, the consolidated financial statements set out on pages 9 – 21.

# 1. Reporting entity

## (a) Organization and operations

JSC Pioneer Group (hereinafter the "Company") and its subsidiaries (hereinafter collectively the "Group") are registered in the Russian Federation and carry out projects on the construction of residential and commercial real estate and their subsequent sale. The Group operates principally in Moscow.

The Company was founded in 2007 and is registered at the address: 119435, Malaya Pirogovskaya street, Moscow, building 3, floor 4, premise I, room 18.

The ultimate parent company is LLC Management Company "ELEMENT" (100% ownership).

The Group is one operating segment.

As at 30 June 2026 and 31 December 2025 the ultimate beneficiary owner of the Group is Mr. Maksimov L.V., who is entitled to manage the Group's operations at his own discretion and in his own interest. Related party transactions are disclosed in note 17.

## (b) Business environment

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.

The events in Ukraine continued to significantly influence the economic environment in which the Group operates in 2026. 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.

In response to the increasing pressure on the Russian economy, the Government of the Russian Federation and Central Bank of the Russian Federation have introduced a set of counter-sanctions, currency control measures, 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 have resulted in elevated economic uncertainty, including reduced liquidity and high volatility in the capital markets, volatility of the RUB exchange rate and the key interest rate, a decrease in foreign and domestic direct investments, difficulties in making payments for Russian Eurobond issuers, a significant reduction in the availability of sources of debt financing, as well as changes in the structure of the population's effective demand. 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.

The 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.

# 2. Basic of accounting

## (a) Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting. Selected notes have been included in these financial statements to explain significant events and transactions necessary to understand changes in the Group's financial position and results of operations that have occurred since the annual reporting period ended 31 December 2025. These condensed consolidated interim financial statements do not contain complete information, the disclosure of which is required for full annual statements prepared in accordance with International Financial Reporting Standards (IFRS).

## (b) Use of estimates and judgements

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

The most significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty are the same as those described in the most recent annual financial statements prepared.

# 3. Revenue

## (a) Revenue breakdown

| | **For the six months ended 30 June 2026** | | **For the six months ended 30 June 2025** | |
|---|---|---|---|---|
| **RUB mln.** | **Recognised over time** | **Recognised at a point in time** | **Recognised over time** | **Recognised at a point in time** |
| Revenue from the sale of flats | 20 850 | 1 500 | 21 205 | 81 |
| Revenue from the sale of commercial real estate | 6 592 | 167 | 5 302 | 18 |
| Revenue from the sale of parking slots | 2 010 | 241 | 1 306 | 5 |
| Revenue from other services | 193 | 60 | - | 40 |
| **Total revenue from contracts with customers** | **29 645** | **1 968** | **27 813** | **144** |
| Rental income | 61 | | 261 | |
| **Total revenue for the period** | **31 674** | | **28 218** | |

Revenue recognized in the first half of 2026 and 2025 at the time primarily relates to sales of finished goods.

The transaction amount for projects sold with application of escrow accounts was determined with economy on interest expenses in view of the application of lower interest rates compared to base rates provided by loans' agreements. Lower rates are applied to the loan balances covered by cash received from customers to escrow accounts and are additionally reduced in case when cash on escrow accounts is higher than loans received, as a result of which accrual interest rates are lower than base rates. The economy on escrow accounted in revenue in the first half of 2026 was RUB 5 452 million (for the first half of 2025: RUB 5 636 million).

### (b) Trade receivables, contract assets and contract liabilities

Information about trade receivables, contract assets and contract liabilities are provided in the table below.

| RUB mln. | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Trade accounts receivable | 1 021 | 547 |
| Contract assets | 51 779 | 56 213 |
| Contract liabilities | (19 944) | (19 424) |
| | **32 856** | **37 336** |

Contract assets relate to contracts concluded using escrow accounts.

During the first half of 2026 revenue from contracts concluded as at 31 December 2025 in the amount of RUB 13 742 million (the first half of 2025: RUB 12 953 million) was recognised.

Below is a breakdown of revenue (not including the amount of savings from using escrow) expected to be recognized in the future under contracts registered as at 30 June 2026, where the contract liabilities are not fulfilled and / or partly not fulfilled by the Group as at 30 June 2026.

| RUB mln. | 2027 | 2028 | 2029-2031 |
|---|---|---|---|
| Revenue | 27 097 | 6 789 | 164 |
| **Total revenue** | **27 097** | **6 789** | **164** |

Breakdown of revenue (not including the amount of savings from using escrow) to be recognized in the future periods under the contracts registered as at 31 December 2025, where the contract liabilities are not fulfilled and / or partly not fulfilled by the Group by the Group as at 31 December 2025, is following.

| RUB mln. | 2026 | 2027 | 2028-2030 |
|---|---|---|---|
| Revenue | 31 889 | 8 369 | 1 327 |
| **Total revenue** | **31 889** | **8 369** | **1 327** |

## 4. Administrative expenses

| RUB mln. | For the six months ended 30 June 2026 | For the six months ended 30 June 2025 |
|---|---|---|
| Personnel costs | 840 | 573 |
| Depreciation and amortization, including amortization of right-of-use assets | 212 | 183 |
| Taxes | 106 | 83 |
| Training and corporate events for staff | 66 | 20 |
| Consulting services | 28 | 57 |
| Other administrative expenses | 404 | 390 |
| | **1 656** | **1 306** |

# 5. Commercial expenses

| **RUB mln.** | **For the six months ended 30 June 2026** | **For the six months ended 30 June 2025** |
|---|---|---|
| Advertising expenses | 887 | 760 |
| Amortization of assets recognized from costs to fulfil contracts – realtor services | 744 | 439 |
| Personnel costs | 408 | 370 |
| Amortization of other assets used for commercial purposes | 61 | 71 |
| Other commercial expenses | 1 | 5 |
| | **2 101** | **1 645** |

# 6. Financial income and financial costs

| **RUB mln.** | **For the six months ended 30 June 2026** | **For the six months ended 30 June 2025** |
|---|---|---|
| **Finance income** | | |
| Interest income on loans and deposits | 1 106 | 755 |
| Other financial income | 13 | 56 |
| | **1 119** | **811** |
| **Finance costs** | | |
| Interest expenses on loans and borrowings | (12 608) | (12 433) |
| Interest expenses on financing component | (469) | (94) |
| Interest expenses on rent | (49) | (5) |
| Costs of deferred payments for land lease | (6) | (513) |
| **Finance costs before capitalization to cost of inventories** | **(13 132)** | **(13 045)** |
| Capitalized interest (*) | 3 666 | 4 291 |
| **Total finance costs after capitalization** | **(9 466)** | **(8 754)** |
| Unwinding of discount on provisions | (244) | (187) |
| Write off of loans given and receivables | (32) | (24) |
| Other finance expenses | (54) | (56) |
| | **(9 796)** | **(9 021)** |

(*) In the first half of 2026 the weighted average capitalization rate of financial expenses incurred for land and infrastructure was 21% (the first half of 2025: 21%).

During the first half of 2026 interest expense capitalized in inventories was recognized in cost of production of RUR 2 563 million (the first half of 2025: RUR 1 474 million).

## 7. Income tax expense

The Group estimated that the annual effective tax rate will not significantly differ from the applicable rate 25% for the Company and its subsidiaries.

| **RUB mln.** | **For the six months ended 30 June 2026** | **For the six months ended 30 June 2025** |
|---|---|---|
| ***Current income tax expense*** | | |
| Current period | (669) | (610) |
| ***Deferred income tax*** | | |
| Origination and reversal of temporary differences | 1 074 | 689 |
| **Total income tax income** | **405** | **79** |

## 8. Other investments

| **RUB mln.** | **30 June 2026** | **31 December 2025** |
|---|---|---|
| Long-term loans issued | 13 578 | 12 488 |
| Other long-term investments | 138 | - |
| | **13 716** | **12 488** |

The Group issued unsecured loans at 2%-24% per annum with maturities in 2027-2032.

These loans were issued primarily to related parties of the Group (refer to note 17) and were recognised at the market interest rate.

## 9. Cash and cash equivalents

As at 30 June 2026 cash and cash equivalents in the amount of RUB 2 184 million (31 December 2025: RUB 888 million) can only be used to finance the construction of a property of one of the Group's developers.

## 10. Trade and other receivables

| **RUB mln.** | **30 June 2026** | **31 December 2025** |
|---|---|---|
| Trade receivables | 1 022 | 547 |
| Advances given | 370 | 234 |
| Taxes receivable other than profit tax | 369 | 218 |
| Profit tax receivables | 11 | 31 |
| Other receivables | 549 | 325 |
| | **2 321** | **1 355** |

# 11. Inventories

| **RUB mln.** | **30 June 2026** | **31 December 2025** |
|---|---|---|
| Construction in progress at the stage of active construction | 64 807 | 74 810 |
| Construction in progress at a design stage and receipt of project permissions | 23 092 | 15 542 |
| Finished goods and goods for resale | 13 009 | 9 791 |
| | **100 908** | **100 143** |

# 12. Trade and other payables

| **RUB mln.** | **30 June 2026** | **31 December 2025** |
|---|---|---|
| Trade payables to suppliers | 5 361 | 2 826 |
| Payables to employees | 580 | 396 |
| Taxes payables other than profit tax | 542 | 343 |
| Accounts payable to Moscow department of civil property | 346 | 411 |
| Profit tax payables | 98 | 423 |
| Other payables | 999 | 374 |
| | **7 926** | **4 773** |
| Other non-current liabilities | 34 | 272 |
| Accounts payable current | 7 892 | 4 501 |
| | **7 926** | **4 773** |

# 13. Loans and borrowings

Most loan agreements of the Group contain financial and non-financial covenants which are mostly calculated based on actual parameters of the Group projects under construction, including selling prices and sales rates, as well as statutory financial statements of the Group's entities. As at 30 June 2026 and 31 December 2025 there are no significant future risks regarding covenants.

| **RUB mln.** | **30 June 2026** | **31 December 2025** |
|---|---|---|
| ***Non-current liabilities*** | | |
| Long-term secured bank loans | 89 440 | 65 655 |
| Debt securities | 6 806 | 2 274 |
| Long-term liabilities for leases | 858 | 287 |
| Long-term borrowings | 167 | 200 |
| | **97 271** | **68 416** |
| ***Current liabilities*** | | |
| Short-term secured bank loans | 24 680 | 53 950 |
| Short-term liabilities for leases | 394 | 234 |
| Debt securities | - | 7 |
| | **25 074** | **54 191** |

## (a) Terms and debt repayment schedule

| | | | | | 30 June 2026 | | 31 December 2025 | |
|---|---|---|---|---|---|---|---|---|
| **RUB mln.** | **Currency** | **Nominal interest rate** | **Effective interest rate** | **Year of maturity** | **Face value** | **Carrying amount** | **Face value** | **Carrying amount** |
| Debt securities issued | RUB | Bank of Russia key interest rate + 4.5% | Bank of Russia key interest rate + 4.5% | 2028-2029 | 6 806 | 6 806 | 2 274 | 2 274 |
| Debt securities issued | RUB | Bank of Russia key interest rate + 4.5% | Bank of Russia key interest rate + 4.5% | 2026 | - | - | 7 | 7 |
| Secured bank loans | RUB | floating* | floating* | 2027-2031 | 68 213 | 68 213 | 52 344 | 52 344 |
| Secured bank loans | RUB | floating* | floating* | 2026-2027 | 23 942 | 23 942 | 46 972 | 46 972 |
| Secured bank loans | RUB | Bank of Russia key interest rate + 5.25%-6.7% | Bank of Russia key interest rate + 5.25%-6.7% | 2026-2027 | 739 | 739 | 6 979 | 6 979 |
| Secured bank loans | RUB | Bank of Russia key interest rate + 3.5%-5.75% | Bank of Russia key interest rate + 3.5%-5.75% | 2027-2031 | 21 227 | 21 227 | 13 311 | 13 311 |
| Borrowings | RUB | From 2% up to Bank of Russia key interest rate + 6% | From 2% up to Bank of Russia key interest rate + 6% | 2028-2030 | 167 | 167 | 200 | 200 |
| Lease liabilities | RUB | 10%-27.75% | 10%-27.75% | 2025-2029 | 1 251 | 1 251 | 520 | 520 |
| | | | | | **122 345** | **122 345** | **122 607** | **122 607** |

* During the first half of 2026 the Group used credit lines to finance the Group's construction projects at an interest rate adjusted depending on the amount of escrow balances. As at 30 June 2026 the loan rate is in the range from a base rate of 16.65% - 20.5% to a preferential rate of 0.01% - 4.3% applicable to loan debt covered by escrow balances (as at 31 December 2025: base rate of 18.4% - 21.8%, preferential rate of 0.01% - 13%). Base interest rate for such loans depends in the key rate of the Central Bank of the Russian Federation.

As at 30 June 2026, bank loans were secured by the following assets:

- Inventories with a carrying amount of RUR 97 737 million (31 December 2025: RUR 95 683 million).
- Cash and cash equivalents with a carrying amount of RUB 72 million (31 December 2025: RUB 477 million).
- Pledge of shares and stakes in the majority of the Group’s subsidiaries.



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### (b) Reconciliation between changes in loans and borrowings and financing cash flow activities

| RUB mln. | For the six months ended 30 June 2026 | For the six months ended 30 June 2025 |
|---|---|---|
| Balance of loans and borrowings as at 1 January | **122 607** | **98 053** |
| Proceeds from borrowings | 21 195 | 33 452 |
| Repayment of borrowings | (26 852) | (28 021) |
| Interest paid * | (4 884) | (6 037) |
| Interest expense on loans and borrowings (Note 6) | 12 608 | 12 433 |
| Subtraction of economy on escrow accounted in interest expense on loans and borrowings | (6 644) | (6 018) |
| Changes in the book value of economy on escrow in loans and borrowings for the period | 3 532 | (2 446) |
| Other movements | 783 | 91 |
| Balance of loans and borrowings as at 30 June | **122 345** | **101 507** |

* Interest paid is presented in the nominal amount of the payment and does not include the effect of savings from using escrow

## 14. Provisions

| RUB mln. | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Provision for construction of infrastructure | 2 977 | 2 802 |
| Provision for onerous contracts | 254 | 315 |
| Other provisions | 56 | 55 |
| **Total provisions** | **3 287** | **3 172** |

Provision for construction of infrastructure is the estimate of future expenses to be incurred by the Group to construct objects of infrastructure and social facilities such as networks, schools, kindergartens, roads etc. for the Group's projects considering stage of completion of these projects.

These estimates depend on the current construction laws regulating infrastructure requirements for developers because changes to such laws can lead to changes in investments and other agreements between the Group and city authorities, as well as they depend on costs of workforce and construction materials.

During the six-month period ended 30 June 2026 the Group used a provision of RUB 288 million for the construction of infrastructure, accrued new provisions of RUB 463 million, the unwinding of the discount was RUR 244 million (see Note 6).

During the six-month period ended 30 June 2025 the Group used a provision of RUB 306 million for the construction of infrastructure, accrued new provisions of RUB 619 million, the unwinding of the discount was RUR 187 million (see Note 6).

# 15. Equity

## (a) Share capital

**RUB mln.**

| *Declared authorized capital* | 30 June 2026 | 31 December 2025 |
|---|---|---|
| Ordinary shares at 1,000 rubles, 1,000 pieces | 1 | 1 |
| **Issued at the end of the year, fully paid** | **1** | **1** |
| (Expense) / income attributable to the owners of the company | (2 342) | 3 347 |
| Basic and diluted (loss) / earnings per share | (2,34) | 3,35 |

### Common shares

All shares provide equal rights to the Company's residual assets.

Holders of common shares are entitled to receive dividends and also have the right to vote at the Company's meetings based on the "one share - one vote" rule.

## (b) Dividends

According to current Russian legislation, the Company's distributable reserves are limited to the remaining accumulated retained earnings reflected in the Company's statutory financial statements prepared in accordance with Russian accounting standards. No dividends were distributed in the first half of 2026 and the first half of 2025.

## (c) Transactions with shareholders

Transactions with shareholders accounted for directly in equity, net of tax, were as follows:

| RUB mln. | For the six months ended 30 June 2026 | For the six months ended 30 June 2025 |
|---|---|---|
| The effect of initial recognition of loans issued to related parties at market interest rates of 15%-18% and the amount of debt written off | (494) | (172) |
| The effect of early repayment of issued loans and interest debt by related parties | 168 | 388 |
| Termination of a financial guarantee for a debt obligation of a related party due to repayment of the debt | 227 | - |
| Related party expenses incurred by the Group | (176) | (192) |
| | **(276)** | **23** |

# 16. Contingencies

## (a) Insurance

The Group insured construction and installation risks for several buildings under construction until 2025-2029, book value of insured inventories was RUB 54 032 million as at 30 June 2026 (31 December 2025: RUB 53 834 million).

As at 30 June 2026 the Group insured finished goods in the amount of RUB 8 953 million (31 December 2025: RUB 9 687 million).

The Group maintains civil liability insurance to cover damages in accordance with Article 60 of the Urban Development Code of the Russian Federation, in connection with damage caused by deficiencies in construction work that impact the safety of construction projects. As at 30 June 2026 the insured amount was RUB 208 million (31 December 2025: RUB 223 million).

The Group is a member of the self-regulatory association of builders SRO ASK «MSK».

Until the Group has sufficient insurance coverage for its inventory, as well for risks of business shut down, there is a risk that the loss of or damage to certain assets could have a material adverse effect on the Group's operations and financial position.

### (b) Litigations and claims

The Group is a defendant in several litigations, which the Group does not consider to potentially have any significant negative impact, excluding those litigations for which a provision was accrued as at 30 June 2026 and 31 December 2025.

### (c) Tax contingencies

*Taxation system*

The tax system of the Russian Federation continues to develop and is characterized by frequent changes in legislative norms, official explanations and court decisions, which at times are contradictory, which allows for their ambiguous interpretation by various tax authorities.

Inspections and investigations regarding the correctness of the calculation of taxes are carried out by several regulatory bodies that have the right to impose large fines and charge penalties. The correctness of the calculation of taxes in the reporting period can be verified within the next three calendar years. Recently, the practice in the Russian Federation is such that the tax authorities take a tougher position in terms of interpretation and compliance with tax legislation.

All these circumstances may lead to the fact that the tax risks in the Russian Federation will be much higher than in other countries. The Group's management, based on its understanding of the applicable Russian tax legislation, official explanations and court decisions, believes that tax liabilities are reflected in an adequate amount. However, the interpretation of these provisions by the tax and judicial authorities, especially as a result of the reform of the supreme judicial bodies responsible for resolving tax disputes, may be different and, if the tax authorities are able to prove the validity of their position, this may have a significant impact on these condensed consolidated interim financial statements.

Due to the uncertainty of tax legislation and law enforcement practice, as at 30 June 2026 there is a risk of additional charges for income tax and VAT approximately totaling RUB 2 300 million (as at 31 December 2025: RUB 2 300 million) due to the validity of the deduction certain expenses for tax purposes.

A number of transactions carried out by the Group in the course of restructuring the legal structure of the Group and the transfer of ownership and lease right to land plots within the Group may lead to additional requirements from the tax authorities, the amount of which cannot be determined with sufficient accuracy, but may be significant for the Group.

Management has not recognized a provision for these obligations in these consolidated financial statements because it assesses the likelihood of an outflow of cash to settle them as possible, but not high.

**(d) Warranties**

According to effective Russian legislation, the Group is liable for the quality of the construction work performed under the concluded contracts for five years after the sale of the corresponding asset, with the exception of the technical and utilities equipment included in the asset. The warranty period for technical and engineering equipment is three years. Based on historical statistics which shows that warranty claims are immaterial, the Group has not accrued warranty provision in these condensed consolidated interim condensed financial statements.

The warranty period during which the Group's contractors are legally bound to eliminate defects is on average 5 years from the date final act of acceptance of construction works was signed with a contractor, from 2 to 2.5% of the total amount of liabilities under contracts with subcontractors is paid to them after 1 year from the date of final act of acceptance of construction works in case no defects were revealed as at date of act of acceptance.

## 17. Related party transactions

### (a) Transactions with key management personnel

Key management personnel received the following remuneration during the period, which is included in personnel costs:

| RUB mln. | For the six months ended 30 June 2026 | For the six months ended 30 June 2025 |
|---|---|---|
| Wages and salary | 41 | 36 |
| Bonuses | 53 | 39 |
| Contributions to social funds | 15 | 16 |
| | **109** | **90** |

The remuneration of independent directors for the first half of 2026 amounted to RUB 14.7 million, including social charges (the first half of 2025: 14.7 million).

### (b) Transactions with the ultimate parent company

As at 30 June 2026 the Group issued loans to the ultimate parent company in the amount of RUB 12 645 million until 2027-2031 at 2%-15% per annum (as at 31 December 2025: RUB 11 326 million). Interest income, including unwinding of the discount, amounted to RUB 645 million for the first half of 2026 (for the first half of 2025: RUB 514 million) and was recognised in finance income. Such loans are included in other investments.

### (c) Transactions with other related parties

Transactions with related parties are one-off in nature, and all settlements on transactions with related parties are to be made in cash within twelve months after the reporting date. All debt is unsecured.

Information on the Group's transactions with other related parties is presented below.

***(i) Revenue***

In the first half of 2026, revenue from leasing premises amounted to RUB 4 million (in the first half of 2025: RUB 19 million). As at 30 June 2026 accounts receivable from related parties amounted to RUB 210 million (31 December 2025: RUB 338 million).

***(ii) Purchase of goods and services***

During the first half of 2026 related parties provided utilities and other services to the Group in the amount of RUB 377 million (the first half of 2025: RUB 237 million). As at 30 June 2026 accounts payable on these transactions amounted to RUB 126 million (31 December 2025: RUB 80 million).

***(iii) Borrowings***

As at 30 June 2026 the Group's borrowings to related parties and group employees amounted to RUB 1 362 million (31 December 2025: RUB 1 083 million). Interest income, taking into account the unwinding of the discount, amounted to RUB 110 million for the first half of 2026 (first half of 2025: RUB 99 million) and is reflected in financial income.

As at 30 June 2026, the Group's loans received from related parties amounted to RUB 167 million (as at 31 December 2025: RUB 200 million). Both loans received and issued are subject to repayment mainly by 2032. Interest rates range from 2% to 24% per annum.

***(iv) Other operations***

In August 2024 the Group guaranteed debt obligations of a related party in the amount of RUB 5 000 million due September 2028. As at 30 June 2026 the debt was repaid (as at 31 December 2025: the amount of the liability under the issued financial guarantee agreement was RUB 303 million).

## 18. Liquidity management

As at 30 June 2026 the Group has resources of RUB 163 032 million, incl. cash and cash equivalents in the amount of RUB 4 549 million, cash balances on escrow accounts of RUB 76 036 million and unused credit line limits of RUB 82 447 million.

Based on the Group's liquidity at the date of approval of these condensed consolidated interim financial statements, management believes that the Group has sufficient resources and facilities.

## 19. Financial instruments

### (a) Fair value measurement

A number of the Group’s accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

As at 30 June 2026 the fair value of received loans and borrowings was RUB 3 700 million less than their book value (as at 31 December 2025: RUB 5 300 million less than book value), the fair value of loans issued was RUB 1 000 million less than their book value (as at 31 December 2025: RUB 2 200 million less than their book value). Fair value was estimated based on the present value of future cash flows, discounted at the market interest rate as at the reporting dates. The market rate was calculated based on the Bank of Russia's Banking Statistics Bulletin as at the reporting dates, based on the weighted average interest rates on loans provided by credit institutions to non-financial organizations in RUB.

The fair value of other financial assets and liabilities did not differ significantly from their carrying amounts.

### (b) Concentration of credit risk

The maximum level of credit risk as at the reporting date was:

| | **Book value** | |
|---|---|---|
| **RUB mln.** | **30 June 2026** | **31 December 2025** |
| Contract assets | 51 779 | 56 213 |
| Loans issued | 14 081 | 12 540 |
| Cash and cash equivalents | 4 549 | 4 585 |
| Trade receivables | 1 022 | 547 |
| Other receivables | 549 | 320 |
| | **71 980** | **74 205** |

- ***Contract assets***

The Group assesses the credit risk arising from the recognition of contract assets placed in escrow accounts based on the credit ratings of the partner banks with which the escrow accounts are opened. As at 30 June 2026 and 31 December 2025, these banks had credit ratings from AA+ to AAA according to the Analytical Credit Rating Agency (ACRA). Management estimated the expected credit losses on contract assets to be immaterial as at those dates.

- ***Loans issued***

The Group primarily issues loans to related parties. The Group manages the issuance and repayment of loans to related parties (see Note 17) and therefore does not consider this debt to be significantly exposed to credit risk. The related party credit rating was assessed as BBB+ and calculated based on the Group's credit rating, which was A- as at 30 June 2026 and 31 December 2025, according to the Analytical Credit Rating Agency (ACRA), minus 1 point. Expected credit losses were estimated to be insignificant based on the comparable credit rating of Moody's and its published data on the probabilities and amounts of possible losses.

- ***Cash and cash equivalents***

As at 30 June 2026 and 31 December 2025, cash and cash equivalents are held in banks with credit ratings from AA+ to AAA according to the Analytical Credit Rating Agency (ACRA), which does not result in significant expected credit losses.

- ***Trade and other receivables***

As at 30 June 2026 and 31 December 2025 overdue receivables were not significant.

## 20. Subsequent events

In July 2026 the Group received a loan for RUB 3 000 million payable on 31 December 2027 at Bank of Russia key interest rate + 4.35%.