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# ABC GROUP

## MODEL INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

## **Introduction**

This publication contains an illustrative set of interim condensed consolidated financial statements (the “consolidated financial statements” or the “financial statements”) for PAO ABC (“ABC” or the “Company”) and its subsidiaries (collectively, the “Group” or “ABC Group”) that is prepared in accordance with IFRS Accounting Standards.

These financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting* and should be read in conjunction with the Group’s annual financial statements as at 31 December 2024.

The Group is a fictitious, large machine-building company. The parent is publicly listed and is incorporated in the Russian Federation. The Group’s presentation currency is the Russian ruble.

We consider the transactions, events and circumstances reflected in these illustrative financial statements to be most common for a broad range of companies across a wide variety of industries in the non-financial sector.

## **How to use these illustrative consolidated financial statements**

Users of this publication are encouraged to prepare entity-specific disclosures, including disclosures related to other transactions which are significant for the entity, if any, other than those illustrated in these financial statements. It should be noted that the illustrative financial statements are not designed to satisfy any particular stock market or country-specific regulatory requirements, nor is this publication intended to reflect disclosure requirements that apply mainly to regulated or specialized industries.

## **Format and content of the interim condensed consolidated financial statements**

In these illustrative financial statements, we structure the notes to the financial statements according to their nature and perceived importance, which, in our view, enhances the effectiveness of the financial statements presentation because users may find it easier to extract the relevant information.

At the same time, entities may structure the notes to their financial statements in another way as a result of careful assessment of their specific circumstances and the preferences of the primary users.

An interim financial report may contain either a complete set of financial statements in accordance with IAS 1 *Presentation of Financial Statements* or a condensed set of financial statements in accordance with IAS 34. This publication contains an illustrative set of interim condensed consolidated financial statements of the Group for the six months ended 30 June 2025, assuming that the Group only publishes half-year interim financial statements. If the Group issued quarterly interim financial statements, the second quarter information would include, in addition to the information included here, statements of profit or loss for the three months ended 30 June 2025 and 30 June 2024, irrespective of whether the Group presents a condensed or complete set of interim financial statements.

## **IFRS Accounting Standards as at 20 May 2025**

These illustrative financial statements do not early adopt standards, amendments or interpretations before their effective date. The standards applied in these illustrative financial statements are those that were in issue as at 20 May 2025 and effective for annual periods beginning on or after 1 January 2025. It is important to keep in mind that these illustrative financial statements will require continual updating as standards are issued and/or revised.

Users of this publication are cautioned to check that there has been no change in the requirements of IFRS Accounting Standards in the period from 20 May 2025 and through the date on which their financial statements are authorized for issue. Furthermore, if the financial year of an entity is other than the calendar year, new and revised standards applied in these illustrative financial statements may not be applicable.

**PAO ABC**

Interim condensed consolidated financial statements

*for the six months ended 30 June 2025*

# PAO ABC

## Interim condensed consolidated financial statements

for the six months ended 30 June 2025

*(in millions of Russian rubles)*

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## **Report on Review of Interim Financial Information**

Not illustrated in this publication.

PAO ABC

Interim condensed consolidated statement of profit or loss  
for the six months ended 30 June

(in millions of Russian rubles)

	Note	Unaudited	
		2025	2024
<b>Continuing operations</b>			
<b>Revenue</b>			
Revenue from distribution of machinery and tools	7	XXX	XXX
Revenue from construction services	7	XXX	XXX
		<b>XXX</b>	<b>XXX</b>
Cost of sales		XXX	XXX
<b>Gross profit</b>		<b>XXX</b>	<b>XXX</b>
Selling and distribution expenses		XXX	XXX
General and administrative expenses		XXX	XXX
Expected credit losses		XXX	XXX
Other operating income		XXX	XXX
Other operating expenses		XXX	XXX
<b>Operating profit</b>		<b>XXX</b>	<b>XXX</b>
Finance income		XXX	XXX
Finance costs		XXX	XXX
Share of profit of an associate and a joint venture		XXX	XXX
<b>Profit before tax from continuing operations</b>		<b>XXX</b>	<b>XXX</b>
Income tax expense	11	XXX	XXX
<b>Net profit for the period from continuing operations</b>		<b>XXX</b>	<b>XXX</b>
<b>Discontinued operations</b>			
Net profit for the period from discontinued operations	4	XXX	XXX
<b>Net profit for the period</b>		<b>XXX</b>	<b>XXX</b>
<b>Attributable to:</b>			
- Shareholders of the parent		XXX	XXX
- Non-controlling interests		XXX	XXX
Earnings per share attributable to shareholders of PAO ABC, basic		XXX	XXX
Earnings per share attributable to shareholders of PAO ABC, diluted		XXX	XXX
Earnings per share for continuing operations attributable to shareholders of PAO ABC, basic		XXX	XXX
Earnings per share for continuing operations attributable to shareholders of PAO ABC, diluted		XXX	XXX
Earnings per share for discontinued operations attributable to shareholders of PAO ABC, basic		XXX	XXX
Earnings per share for discontinued operations attributable to shareholders of PAO ABC, diluted		XXX	XXX

I. Ivanov,  
Chief Executive Officer,  
PAO ABC

10 August 2025

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

PAO ABC

Interim condensed consolidated statement of comprehensive income  
for the six months ended 30 June

(in millions of Russian rubles)

	Note	Unaudited	
		2025	2024
<b>Net profit for the period</b>		<b>XXX</b>	<b>XXX</b>
<b>Other comprehensive income</b>			
<b><i>Other comprehensive income that will be reclassified to profit or loss in subsequent periods, net of tax</i></b>			
Foreign exchange differences on translation of foreign subsidiaries to presentation currency		XXX	XXX
Foreign exchange differences on translation of a foreign associate to presentation currency		XXX	XXX
Gain on debt instruments at fair value through other comprehensive income		XXX	XXX
		<b>XXX</b>	<b>XXX</b>
<b><i>Other comprehensive income that will not be reclassified to profit or loss in subsequent periods, net of tax</i></b>			
Gain on equity instruments at fair value through other comprehensive income	10	XXX	XXX
Loss on revaluation of defined benefit obligations		XXX	XXX
		<b>XXX</b>	<b>XXX</b>
<b>Total other comprehensive income for the period, net of tax</b>		<b>XXX</b>	<b>XXX</b>
<b>Total comprehensive income for the period, net of tax</b>		<b>XXX</b>	<b>XXX</b>
<b>Attributable to:</b>			
- Shareholders of the parent		XXX	XXX
- Non-controlling interests		XXX	XXX
		<b>XXX</b>	<b>XXX</b>

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

PAO ABC

Interim condensed consolidated statement of financial position

as at

(in millions of Russian rubles)

		<b>Unaudited</b>	<b>Audited</b>
	<b>Note</b>	<b>30 June 2025</b>	<b>31 December 2024</b>
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	9	XXX	XXX
Right-of-use assets		XXX	XXX
Intangible assets		XXX	XXX
Goodwill	8	XXX	XXX
Prepayments for purchase of property, plant and equipment		XXX	XXX
Investments in a joint venture		XXX	XXX
Investments in an associate		XXX	XXX
Investments in equity and debt instruments	10	XXX	XXX
Deferred tax assets		XXX	XXX
		<b>XXX</b>	<b>XXX</b>
<b>Current assets</b>			
Inventories		XXX	XXX
Receivables	10	XXX	XXX
Contract assets		XXX	XXX
Investments in equity and debt instruments	10	XXX	XXX
Cash and cash equivalents	12	XXX	XXX
		<b>XXX</b>	<b>XXX</b>
Assets of discontinued operations	4	–	XXX
		<b>XXX</b>	<b>XXX</b>
<b>Total assets</b>		<b>XXX</b>	<b>XXX</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
<b>Equity attributable to shareholders of the parent</b>			
Issued capital		XXX	XXX
Treasury shares		XXX	XXX
Share premium		XXX	XXX
Foreign exchange differences on translation of foreign operations to presentation currency		XXX	XXX
Gain on debt instruments at fair value through other comprehensive income		XXX	XXX
Gain on equity instruments at fair value through other comprehensive income		XXX	XXX
Gain on revaluation of defined benefit obligations		XXX	XXX
Revaluation reserve for property, plant and equipment		XXX	XXX
Share-based payment reserve		XXX	XXX
Retained earnings		XXX	XXX
Reserves related to discontinued operations	4	–	XXX
		<b>XXX</b>	<b>XXX</b>
Non-controlling interests, continuing operations		XXX	XXX
Non-controlling interests, discontinued operations		–	XXX
		<b>XXX</b>	<b>XXX</b>

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

PAO ABC

Interim condensed consolidated statement of financial position (continued)

		<b>Unaudited</b>	<b>Audited</b>
	<b>Note</b>	<b>30 June 2025</b>	<b>31 December 2024</b>
<b>Non-current liabilities</b>			
Long-term loans and borrowings	10	XXX	XXX
Employee benefit obligations		XXX	XXX
Contract liabilities		XXX	XXX
Lease liabilities		XXX	XXX
Provisions	13	XXX	XXX
Financial guarantees issued	6	XXX	XXX
Deferred tax liabilities		XXX	XXX
Government grants		XXX	XXX
Liabilities arising from cash-settled share-based payment transactions		XXX	XXX
Other non-current financial liabilities		XXX	XXX
Other non-current non-financial liabilities		XXX	XXX
		<b>XXX</b>	<b>XXX</b>
<b>Current liabilities</b>			
Short-term loans and borrowings and current portion of long-term loans and borrowings	10	XXX	XXX
Payables		XXX	XXX
Employee benefit obligations		XXX	XXX
Financial liabilities under supplier finance arrangements		XXX	XXX
Contract liabilities		XXX	XXX
Lease liabilities		XXX	XXX
Income tax payable		XXX	XXX
Other taxes and levies payable		XXX	XXX
Provisions	13	XXX	XXX
Derivative financial instruments		XXX	XXX
Financial guarantees issued	6	XXX	–
Government grants		XXX	XXX
		<b>XXX</b>	<b>XXX</b>
Liabilities directly associated with discontinued operations	4	–	XXX
		<b>XXX</b>	<b>XXX</b>
<b>Total liabilities</b>		<b>XXX</b>	<b>XXX</b>
<b>Total equity and liabilities</b>		<b>XXX</b>	<b>XXX</b>

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

PAO ABC

Interim condensed consolidated statement of cash flows  
for the six months ended 30 June

(in millions of Russian rubles)

	Note	Unaudited	
		2025	2024
<b>Operating activities</b>			
Profit before tax from continuing operations		XXX	XXX
Profit before tax from discontinued operations	4	XXX	XXX
<i>Adjustments to reconcile profit for the period to net cash flows from operating activities</i>			
Depreciation of property, plant and equipment and right-of-use assets and amortization of intangible assets		XXX	XXX
Gain on disposal of property, plant and equipment	9	XXX	XXX
Finance income		XXX	XXX
Finance costs		XXX	XXX
Write-off of inventories to net realizable value		–	XXX
Foreign exchange gains		XXX	XXX
Gains on write-off of payables		–	XXX
Share of profit of an associate and a joint venture		XXX	XXX
Movement in allowance for expected credit losses		XXX	XXX
Share-based payment expense		XXX	XXX
Change in the fair value of a cross-currency interest rate swap		XXX	–
Amortization of the initial value of financial guarantees		XXX	–
Movements in provisions, government grants, defined benefit obligations and other non-current liabilities		XXX	XXX
		<b>XXX</b>	<b>XXX</b>
<i>Working capital movements</i>			
Inventories		XXX	XXX
Receivables		XXX	XXX
Contract assets		XXX	XXX
Payables and other debt		XXX	XXX
Contract liabilities		XXX	XXX
		<b>XXX</b>	<b>XXX</b>
Income tax paid		XXX	XXX
Interest paid		XXX	XXX
Fees and commissions received from financial guarantees issued		XXX	–
<b>Net cash flows from operating activities</b>		<b>XXX</b>	<b>XXX</b>
<b>Investing activities</b>			
Acquisition of a subsidiary, net of cash and cash equivalents acquired	4	XXX	XXX
Proceeds from the sale of discontinued operations, net of cash disposed of	4	XXX	–
Purchase of property, plant and equipment and intangible assets		XXX	XXX
Disposal of property, plant and equipment and intangible assets		XXX	XXX
Receipt of government grants		XXX	XXX
Interest received		XXX	XXX
<b>Net cash flows used in investing activities</b>		<b>XXX</b>	<b>XXX</b>

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

PAO ABC

Interim condensed consolidated statement of cash flows (continued)

	Note	Unaudited	
		2025	2024
<b>Financing activities</b>			
Dividends paid to shareholders of the parent	15	XXX	–
Proceeds from loans and borrowings	10	XXX	XXX
Repayment of loans and borrowings	10	XXX	XXX
Settlement of financial liabilities under supplier finance arrangements		XXX	XXX
Settlement of lease liabilities, excluding interest		XXX	XXX
Purchase of treasury shares	15	–	XXX
<b>Net cash flows from / (used in) financing activities</b>		<b>XXX</b>	<b>XXX</b>
Cash and cash equivalents, beginning of the year	12	XXX	XXX
Effect of foreign exchange differences on cash and cash equivalents		XXX	XXX
Effect of movements in allowance for expected credit losses on cash and cash equivalents		XXX	XXX
Net increase in cash and cash equivalents for the period		XXX	XXX
<b>Cash and cash equivalents, at 30 June</b>	12	<b>XXX</b>	<b>XXX</b>

The interim condensed consolidated statement of cash flows includes discontinued operations (Note 4).

PAO ABC

Interim condensed consolidated statement of changes in equity

for the six months ended 30 June 2025

(in millions of Russian rubles)

	Issued capital	Treasury shares	Share premium	Foreign exchange differences on translation of foreign operations to presentation currency	Gain on debt instruments at fair value through OCI	Gain on equity instruments at fair value through OCI	Gain on revaluation of defined benefit obligations	Share-based payment reserve	Revaluation reserve for property, plant and equipment	Retained earnings	Reserves related to discontinued operations	Total	Non-controlling interests (continuing operations)	Non-controlling interests (discontinued operations)	Total equity
<b>At 31 December 2024</b>	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Net profit for the period	-	-	-	-	-	-	-	-	-	XXX	-	XXX	XXX	XXX	XXX
<b>Total other comprehensive income for the period, net of tax</b>	-	-	-	XXX	XXX	XXX	XXX	-	-	XXX	XXX	XXX	XXX	XXX	XXX
<b>Total comprehensive income for the period, net of tax</b>	-	-	-	XXX	XXX	XXX	XXX	-	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Transfer of reserve and derecognition of non-controlling interest as a result of disposal of discontinued operations (Note 4)	-	-	-	-	-	-	-	-	-	XXX	XXX	-	-	XXX	-
Non-controlling interest recognized on acquisition of a subsidiary (Note 4)	-	-	-	-	-	-	-	-	-	-	-	-	XXX	-	XXX
Free of charge issue of financial guarantees to the benefit of parties under common control (Note 6)	-	-	-	-	-	-	-	-	-	XXX	-	XXX	-	-	XXX
Share-based payments	-	-	-	-	-	-	-	XXX	-	-	-	XXX	-	-	XXX
Dividends declared by the parent (Note 15)	-	-	-	-	-	-	-	-	-	XXX	-	XXX	-	-	XXX
<b>At 30 June 2025 (unaudited)</b>	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	-	XXX	XXX	-	XXX

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

PAO ABC

Interim condensed consolidated statement of changes in equity (continued)

for the six months ended 30 June 2024

	Issued capital	Treasury shares	Share premium	Foreign exchange differences on translation of foreign operations to presentation currency	Gain on debt instruments at fair value through OCI	Gain on equity instruments at fair value through OCI	Gain on revaluation of defined benefit obligations	Share-based payment reserve	Revaluation reserve for property, plant and equipment	Retained earnings	Total	Non-controlling interests	Total equity
<b>At 31 December 2023</b>	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Net profit for the period	-	-	-	-	-	-	-	-	-	XXX	XXX	XXX	XXX
<b>Total other comprehensive income for the period, net of tax</b>	-	-	-	XXX	XXX	XXX	XXX	-	-	XXX	XXX	XXX	XXX
<b>Total comprehensive income for the period, net of tax</b>	-	-	-	XXX	XXX	XXX	XXX	-	XXX	XXX	XXX	XXX	XXX
Non-controlling interest recognized on acquisition of a subsidiary (Note 4)	-	-	-	-	-	-	-	-	-	-	-	XXX	XXX
Share-based payments	-	-	-	-	-	-	-	XXX	-	-	XXX	-	XXX
Purchase of treasury shares (Note 15)	-	XXX	XXX	-	-	-	-	-	-	-	XXX	-	XXX
<b>At 30 June 2024 (unaudited)</b>	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX

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

# PAO ABC

## Notes to the interim condensed consolidated financial statements for the six months ended 30 June 2025

(in millions of Russian rubles)

### **1. Corporate information**

PAO ABC ("ABC" or the "Company") is a holding company which owns enterprises engaged in the production and sale of computer numerical control (CNC) machines, electric power tools and accessories as well as in the turnkey construction of industrial facilities based on CNC production lines.

These interim condensed consolidated financial statements were authorized for issue by a resolution of the Board of Directors of PAO ABC on 10 August 2025.

On 20 February 2025, the Group completed the sale of China Equipment Ltd. As at 31 December 2024, this company was classified as discontinued operations in the financial statements (Note 4).

On 3 March 2025, the Group acquired 70% of voting shares of Mumbai Machinery Ltd. (Note 4).

### **Effect of geopolitical situation**

The continuing conflict related to Ukraine and the resulting aggravation of geopolitical tensions are having an impact on the economy of the Russian Federation. The European Union, the United States and several other countries have imposed sanctions against a number of Russian state organizations and commercial entities, including banks, individuals and certain industries, as well as restrictions on certain types of transactions. The Russian Federation has introduced temporary restrictive economic measures; in particular, it prohibited Russian residents from providing foreign currency loans to non-residents and from crediting foreign currency to their accounts with foreign banks, as well as imposed restrictions on securities-related payments to foreign investors and on transactions involving persons of a number of foreign countries.

The Group continues to assess the effect of these circumstances and changes in micro- and macroeconomic conditions on its operations, financial position and financial performance.

### **2. Basis of preparation**

These interim condensed consolidated financial statements for the six months ended 30 June 2025 have been prepared in accordance with IAS 34 *Interim Financial Reporting*. The Group has prepared the financial statements using the going concern assumption. The Board of Directors believes that there are no material uncertainties that may cast significant doubt regarding this assumption, and it can be reasonably expected that the Group has sufficient resources to continue its operations in the foreseeable future and for at least 12 months after the end of the reporting period.

These interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2024.

## Notes to the interim condensed consolidated financial statements (continued)

**3. Changes in accounting policies****New standards, interpretations and amendments to existing standards and interpretations applied by the Group for the first time**

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the following amendments effective from 1 January 2025.

*Amendments to IAS 21 – Lack of Exchangeability*

On 20 August 2023, the IASB issued amendments to IAS 21 *The Effects of Changes in Foreign Exchange Rates*, which introduce the definition of an 'exchangeable currency' and provide the following explanations:

- ▶ A currency is exchangeable into another currency when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations.
- ▶ An entity shall assess whether a currency is exchangeable into another currency at a measurement date and for a specified purpose. If an entity is able to obtain no more than an insignificant amount of the other currency at the measurement date for the specified purpose, the currency is not exchangeable into the other currency.
- ▶ The guidance relating to a situation where several exchange rates are available remained the same, but the requirement to use the first subsequent rate at which exchanges could be made if exchangeability between two currencies is temporarily lacking was removed. In this case, an entity is required to estimate a spot exchange rate.

In addition, some new disclosure requirements were added. An entity is required to disclose information about:

- ▶ The nature and financial effects of the currency not being exchangeable into the other currency;
- ▶ The spot exchange rate(s) used;
- ▶ The estimation process; and
- ▶ The risks to which the entity is exposed because of the currency not being exchangeable into the other currency.

The amendments had no impact on the Group's interim condensed consolidated financial statements, as the Group does not operate in the context where there is a lack of exchangeability.

The Group has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective for interim and/or annual reporting periods beginning on or after 1 January 2025.

## Notes to the interim condensed consolidated financial statements (continued)

**3. Changes in accounting policies (continued)****New types of transactions and accounting policies applied to them for the first time***Financial guarantees issued*

In the current interim reporting period, acting as a guarantor, the Group for the first time issued financial guarantee contracts to the benefit of related parties under common control with respect to the raised bank financing. Some contracts were issued with payment of consideration at market rates whereas others were issued free of charge. The accounting policies applied by the Group to the financial guarantee contracts issued are described below.

On initial recognition, the Group measures financial guarantee contracts issued at fair value. If a financial guarantee contract was issued to an unrelated party or to a related party in an arm's length transaction, its fair value at the date of initial recognition will equal the premium received, unless there is evidence to the contrary. If a financial guarantee contract was issued free of charge to the benefit of a related party under common control, its fair value measured under IFRS 13 *Fair Value Measurement* is recorded as a distribution to the ultimate controlling party.

Subsequently, financial guarantees issued are measured at the higher of:

- ▶ The amount of an allowance for expected credit losses determined in accordance with the impairment requirements in IFRS 9 *Financial Instruments*; and
- ▶ The amount initially recognized less, when appropriate, the cumulative amount of income recognized in accordance with IFRS 15 *Revenue from Contracts with Customers*. Generally, the fair value of a financial guarantee determined on initial recognition is amortized over the life of the guarantee on a straight-line basis.

Financial guarantees issued are recorded as a separate line item in the statement of financial position. The Group presents the amortization of the initial fair value of the financial guarantee (premium) as finance income in the statement of profit or loss. Gains and losses from revaluation of the allowance for expected credit losses are recorded as part of expected credit losses. In case of reversal of impairment losses, the Group limits the amounts of gain from reversal of impairment losses to the cumulative amount of impairment losses recognized in prior periods.

**4. Changes in the Group's composition****Acquisition of subsidiaries in 2025***Acquisition of Mumbai Machinery Ltd.*

On 3 March 2025, the Group acquired 70% of voting shares of Mumbai Machinery Ltd., a non-listed company, in exchange for cash consideration of XXX. The acquiree operates in India and specializes in manufacturing chips for CNC machines. The Group acquired Mumbai Machinery Ltd. because it significantly enlarges the range of products that can be offered to its customers both in this region and in other markets where the Group operates. The Group elected to measure the non-controlling interest in the acquiree at its proportionate share in the acquiree's identifiable net assets.

## PAO ABC

Notes to the interim condensed consolidated financial statements (continued)

### 4. Changes in the Group's composition (continued)

#### Acquisition of subsidiaries in 2025 (continued)

The fair values of the identifiable assets and liabilities of Mumbai Machinery Ltd. as at the acquisition date were as follows:

	<b>Mumbai Machinery Ltd.</b>
<b>Assets</b>	
Property, plant and equipment	XXX
Intangible assets	XXX
Inventories	XXX
Receivables	XXX
Cash and cash equivalents	XXX
	<b>XXX</b>
<b>Liabilities</b>	
Payables	XXX
Contract liabilities	XXX
Loans and borrowings	XXX
Deferred tax liabilities	XXX
	<b>XXX</b>
<b>Fair value of identifiable net assets</b>	<b>XXX</b>
Non-controlling interest	XXX
Fair value of consideration given	XXX
<b>Goodwill</b>	<b>XXX</b>
Cash paid for the acquisition	XXX
Cash acquired with the subsidiary	XXX
<b>Net cash outflow</b>	<b>XXX</b>

The fair value of the trade receivables amounts to XXX. The gross amount of trade receivables is XXX. Trade receivables are expected to be collected in full.

The goodwill of XXX comprises the value of expected synergies arising from the acquisition. Goodwill is allocated entirely to the CGUs within the Machine Tools segment.

From the date of acquisition, Mumbai Machinery Ltd. contributed XXX to the Group's revenue and XXX to the Group's profit before tax from continuing operations. If the combination had taken place at the beginning of the year, revenue from continuing operations would have been XXX and profit before tax from continuing operations for the Group would have been XXX.

#### Acquisition of subsidiaries in 2024

On 5 April 2024, the Group acquired 80% interest in OOO Komplektuyushchiye. Details of the acquisition are disclosed in Note X to the consolidated financial statements of PAO ABC for 2024.

### 5. Discontinued operations

As at 31 December 2024, China Equipment Ltd. was classified as discontinued operations (disposal group). The business of China Equipment Ltd. was a significant geographical region of the Group's operations and part of the Machine Tools segment.

On 20 February 2025, the Group recorded the disposal of China Equipment Ltd. for XXX and recognized a gain on disposal in the amount of XXX.

PAO ABC

Notes to the interim condensed consolidated financial statements (continued)

**5. Discontinued operations (continued)**

The full amount of consideration from the sale was received in cash in the first half of 2025.

The results of discontinued operations for the six months ended 30 June are presented in the table below:

	<b>2025*</b>	<b>2024</b>
Revenue from sales of microchips for CNC machines	XXX	XXX
	<b>XXX</b>	<b>XXX</b>
Cost of sales	XXX	XXX
<b>Gross profit</b>	<b>XXX</b>	<b>XXX</b>
Selling and distribution expenses	XXX	XXX
General and administrative expenses	XXX	XXX
Other operating income	XXX	XXX
Other operating expenses	XXX	XXX
Finance income	XXX	XXX
Finance costs	XXX	XXX
<b>Profit before tax received from discontinued operations for the period</b>	<b>XXX</b>	<b>XXX</b>
Income tax expense	XXX	XXX
<b>Net profit received from discontinued operations for the period</b>	<b>XXX</b>	<b>XXX</b>
Gain on disposal of discontinued operations, including reclassification of accumulated foreign exchange gains arising from translation of discontinued operations' financial statements into the presentation currency (Note 15)	XXX	–
Income tax expense related to the sale/impairment of discontinued operations	XXX	–
<b>Profit after tax from the sale of discontinued operations</b>	<b>XXX</b>	<b>XXX</b>
<b>Net profit from discontinued operations for the period attributable to:</b>		
- Shareholders of the parent	XXX	XXX
- Non-controlling interests	XXX	XXX
	<b>XXX</b>	<b>XXX</b>

\* The amounts represent performance for the period to the date of the sale, 20 February 2025.

The net cash flows generated from the sale of China Equipment Ltd. were as follows:

Cash received from the sale of discontinued operations	XXX
Cash disposed of with discontinued operations	XXX
<b>Net cash inflow at the date of disposal</b>	<b>XXX</b>

The net cash inflow/(outflow) incurred by China Equipment Ltd. for the six months ended 30 June is presented in the table below:

	<b>2025*</b>	<b>2024</b>
Operating activities	XXX	XXX
Investing activities	XXX	XXX
Financing activities	XXX	XXX

\* The amounts represent performance for the period to the date of sale, 20 February 2025.

As China Equipment Ltd. was sold prior to 30 June 2025, the assets and liabilities classified as held for sale are not included in the statement of financial position as at that date.

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Notes to the interim condensed consolidated financial statements (continued)

**6. Segment information**

The segment information includes the discontinued operations (Note 4) because this is the way in which management analyses the information.

For the six months ended 30 June 2025:

	<b>Machine tools</b>	<b>Turnkey construction of industrial facilities based on CNC production lines</b>	<b>Production and sale of electric power tools and accessories to wholesale and retail customers</b>	<b>Adjustments and eliminations</b>	<b>Total</b>
<b>Revenue</b>					
External customers	XXX	XXX	XXX	–	<b>XXX</b>
Inter-segment sales	XXX	XXX	XXX	XXX	<b>XXX</b>
<b>Total revenue</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>
Cost of sales*	XXX	XXX	XXX	XXX	<b>XXX</b>
Selling and distribution expenses*	XXX	XXX	XXX	–	<b>XXX</b>
General and administrative expenses*	XXX	XXX	XXX	XXX	<b>XXX</b>
Expected credit losses	XXX	XXX	XXX	–	<b>XXX</b>
Other operating income	XXX	XXX	XXX	XXX	<b>XXX</b>
Other operating expenses	XXX	XXX	XXX	XXX	<b>XXX</b>
<b>Segment result – EBITDA</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>

\* Excluding depreciation of property, plant and equipment and right-of-use assets and amortization of intangible assets.

For the six months ended 30 June 2024:

	<b>Machine tools</b>	<b>Turnkey construction of industrial facilities based on CNC production lines</b>	<b>Production and sale of electric power tools and accessories to wholesale and retail customers</b>	<b>Adjustments and eliminations</b>	<b>Total</b>
<b>Revenue</b>					
External customers	XXX	XXX	XXX	–	<b>XXX</b>
Inter-segment sales	XXX	XXX	XXX	XXX	<b>XXX</b>
<b>Total revenue</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>
Cost of sales*	XXX	XXX	XXX	XXX	<b>XXX</b>
Selling and distribution expenses*	XXX	XXX	XXX	–	<b>XXX</b>
General and administrative expenses*	XXX	XXX	XXX	XXX	<b>XXX</b>
Expected credit losses	XXX	XXX	XXX	–	<b>XXX</b>
Other operating income	XXX	XXX	XXX	XXX	<b>XXX</b>
Other operating expenses	XXX	XXX	XXX	XXX	<b>XXX</b>
<b>Segment result – EBITDA</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>

\* Excluding depreciation of property, plant and equipment and right-of-use assets and amortization of intangible assets.

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Notes to the interim condensed consolidated financial statements (continued)

**6. Segment information (continued)**

The table below presents a reconciliation of segment EBITDA to the financial results reported in the consolidated statement of profit or loss.

For the six months ended 30 June 2025:

	Machine tools	Turnkey construction of industrial facilities based on CNC production lines	Production and sale of electric power tools and accessories to wholesale and retail customers	Adjustments and eliminations	Total
<b>EBITDA</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>
Elimination of inter-segment sales	XXX	XXX	XXX	XXX	<b>XXX</b>
Amortization and depreciation	XXX	XXX	XXX	XXX	<b>XXX</b>
<b>Operating profit</b>					<b>XXX</b>
<b>Unallocated income and expenses</b>					
Finance income and costs, net					<b>XXX</b>
Share of profit of an associate and a joint venture					<b>XXX</b>
<b>Elimination of profit before tax from discontinued operations</b>					
Profit before tax from discontinued operations					<b>XXX</b>
<b>Profit before tax from continuing operations</b>					<b>XXX</b>

For the six months ended 30 June 2024:

	Machine tools	Turnkey construction of industrial facilities based on CNC production lines	Production and sale of electric power tools and accessories to wholesale and retail customers	Adjustments and eliminations	Total
<b>EBITDA</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>
Elimination of inter-segment sales	XXX	XXX	XXX	XXX	<b>XXX</b>
Amortization and depreciation	XXX	XXX	XXX	XXX	<b>XXX</b>
<b>Operating profit</b>					<b>XXX</b>
<b>Unallocated income and expenses</b>					
Finance income and costs, net					<b>XXX</b>
Share of profit of an associate and a joint venture					<b>XXX</b>
<b>Elimination of profit before tax from discontinued operations</b>					
Profit before tax from discontinued operations					<b>XXX</b>
<b>Profit before tax from continuing operations</b>					<b>XXX</b>

## PAO ABC

### Notes to the interim condensed consolidated financial statements (continued)

#### 6. Segment information (continued)

The Group's management has concluded that its business is not 'highly seasonal', as defined in IAS 34.

There have been no significant changes in measurements of assets and liabilities of individual segments as compared with the information disclosed in the Group's most recent annual financial statements.

#### 7. Related parties

##### Transactions with related parties

Receivables from and payables to related parties as well as turnover with related parties were as follows:

	Receivables from related parties		Payables to related parties	
	At 30 June 2025	At 31 December 2024	At 30 June 2025	At 31 December 2024
<b>Loans issued</b>				
Entities under common control	XXX	XXX	–	–
Allowance for expected credit losses	XXX	XXX	–	–
<b>Loans received</b>				
Ultimate controlling party	–	–	XXX	XXX
<b>Trade receivables and payables</b>				
AO Stroyprom (a joint venture)	–	–	XXX	XXX
TOO Astana Instrument (an associate)	XXX	XXX	–	–
Allowance for expected credit losses	XXX	XXX	–	–
	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>

Loans issued and loans received as well as receivables from and payables to related parties are unsecured. Trade receivables from and payables to related parties are interest-free. The Group recognized expenses for allowance for expected credit losses of XXX for loans issued and of XXX for trade receivables for the six months ended 30 June 2025 (30 June 2024: nil for loans issued and nil for trade receivables).

Transactions for the six months ended 30 June included the following:

	Sales to related parties		Purchases from related parties	
	2025	2024	2025	2024
AO Stroyprom	–	–	XXX	XXX
TOO Astana Instrument	XXX	XXX	–	–
	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>

Notes to the interim condensed consolidated financial statements (continued)

**7. Related parties (continued)**

**Transactions with related parties (continued)**

	Interest income		Interest expense	
	2025	2024	2025	2024
Entities under common control	XXX	XXX	–	–
Ultimate controlling party	–	–	XXX	XXX
	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>

**Financial guarantees issued**

In the current interim reporting period, acting as a guarantor, the Group for the first time issued financial guarantee contracts to the benefit of related parties under common control with respect to the raised bank financing. Some contracts were issued with payment of consideration at market rates whereas others were issued free of charge. The Group's guarantees issued for the six months ended 30 June 2025 totaled XXX (30 June 2024: nil) and the amount of consideration received was XXX (30 June 2024: nil). The carrying amount of liabilities under the financial guarantees was XXX as at 30 June 2025 (31 December 2024: XXX). In the current and comparative periods, the Group had no financial guarantees received from related parties.

The following table presents the distribution of the maximum undiscounted amount of payments under the financial guarantees issued by the Group. Payments under the guarantees are allocated to the earliest period in which they could be called upon.

	On demand	Less than 3 months	3 to 12 months	1 to 2 years	2 to 5 years	More than 5 years	Total
30 June 2025	XXX	XXX	XXX	XXX	XXX	–	<b>XXX</b>
31 December 2024	–	–	–	–	–	–	–

The Group expects that not all of the financial guarantees will be called upon before expiry.

**Compensation to key management personnel**

Total compensation paid to key management personnel was recorded in general and administrative expenses and included the following.

For the six months ended 30 June:

	2025	2024
Salary	XXX	XXX
Bonuses	XXX	XXX
Social security contributions	XXX	XXX
Expenses for defined benefit plan	XXX	XXX
	<b>XXX</b>	<b>XXX</b>

PAO ABC

Notes to the interim condensed consolidated financial statements (continued)

**8. Revenue**

**Information on the Group's revenue from contracts with customers by reportable segment**

<b>For the six months ended 30 June 2025</b>	<b>Machine tools</b>	<b>Turnkey construction of industrial facilities based on CNC production lines</b>	<b>Production and sale of electric power tools and accessories to wholesale and retail customers</b>	<b>Total</b>
<b>Type of goods or services</b>				
Sales of CNC machines	XXX	–	–	XXX
Sales of after-sales maintenance services for CNC machines	XXX	–	–	XXX
Sales of services involving turnkey construction of industrial facilities based on CNC production lines	–	XXX	–	XXX
Sales of electric power tools and accessories to wholesale and retail customers	–	–	XXX	XXX
<b>Total revenue from contracts with customers</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>
<b>Geographical regions</b>				
Russia	XXX	XXX	XXX	XXX
China	XXX	XXX	XXX	XXX
India	XXX	XXX	XXX	XXX
Kazakhstan	XXX	XXX	XXX	XXX
<b>Total revenue from contracts with customers</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>
<b>Timing of revenue recognition</b>				
Revenue recognized at a point in time	XXX	–	XXX	XXX
Revenue recognized over time	XXX	XXX	–	XXX
<b>Total revenue from contracts with customers</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>
<b>For the six months ended 30 June 2024</b>	<b>Machine tools</b>	<b>Turnkey construction of industrial facilities based on CNC production lines</b>	<b>Production and sale of electric power tools and accessories to wholesale and retail customers</b>	<b>Total</b>
<b>Type of goods or services</b>				
Sales of CNC machines	XXX	–	–	XXX
Sales of after-sales maintenance services for CNC machines	XXX	–	–	XXX
Sales of services involving turnkey construction of industrial facilities based on CNC production lines	–	XXX	–	XXX
Sales of electric power tools and accessories to wholesale and retail customers	–	–	XXX	XXX
<b>Total revenue from contracts with customers</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>
<b>Geographical regions</b>				
Russia	XXX	XXX	XXX	XXX
China	XXX	XXX	XXX	XXX
Kazakhstan	XXX	XXX	XXX	XXX
<b>Total revenue from contracts with customers</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>
<b>Timing of revenue recognition</b>				
Revenue recognized at a point in time	XXX	–	XXX	XXX
Revenue recognized over time	XXX	XXX	–	XXX
<b>Total revenue from contracts with customers</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>

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Notes to the interim condensed consolidated financial statements (continued)

### 8. Revenue (continued)

#### Information on the Group's revenue from contracts with customers by reportable segment (continued)

Set out below is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information:

	For the six months ended					
	30 June 2025			30 June 2024		
Revenue	Machine tools	Turnkey construction of industrial facilities based on CNC production lines	Production and sale of electric power tools and accessories to wholesale and retail customers	Machine tools	Turnkey construction of industrial facilities based on CNC production lines	Production and sale of electric power tools and accessories to wholesale and retail customers
External customers	XXX	XXX	XXX	XXX	XXX	XXX
Inter-segment sales	XXX	XXX	XXX	XXX	XXX	XXX
	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>
Inter-segment adjustments and eliminations	XXX	XXX	XXX	XXX	XXX	XXX
<b>Total revenue from contracts with customers</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>

The Group recognized impairment losses on receivables and contract assets arising from contracts with customers in the amount of XXX and XXX for the six months ended 30 June 2025 and 30 June 2024, respectively, as part of administrative expenses in the statement of profit or loss.

### 9. Impairment testing of goodwill and intangible assets with indefinite useful lives

Goodwill and intangible assets with indefinite useful lives are tested for impairment annually as at 31 December and when circumstances indicate that their carrying amounts may be impaired. Impairment is determined by assessing the recoverable amount of each cash-generating unit (CGU) to which these assets are allocated.

The carrying amounts of goodwill and intangible assets with indefinite useful lives allocated to the respective CGUs were as follows:

	At 30 June 2025		At 31 December 2024	
	Goodwill	Trademark	Goodwill	Trademark
Mumbai Machinery Ltd. (CGU 1)	XXX	–	–	–
AO Elektroinstrument (CGU 2)	XXX	XXX	XXX	XXX
	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>

As at 31 December 2024, goodwill of XXX previously allocated to China Equipment Ltd., which was classified as a disposal group as at 31 December 2024, was reclassified to assets of the disposal group (discontinued operations). As at 30 June 2025, this business unit was sold (Note 4).

## Notes to the interim condensed consolidated financial statements (continued)

**9. Impairment testing of goodwill and intangible assets with indefinite useful lives (continued)****Impairment testing of CGUs**

As at 30 June 2025, the Group identified several external adverse indicators such as a continuing decrease in indices of business activity and growth rates of the machine tool industry compared with prior expectations, a decline in investments in the industrial production sector in the regions where the Group operates and new sanctions against a number of Russian state organizations and commercial entities. The Group performed impairment testing of all non-current assets, including intangible assets with indefinite useful lives and goodwill. All assets were tested at the level of respective CGUs.

*Mumbai Machinery Ltd. (CGU 1)*

As at 30 June 2025, the recoverable amount of this CGU totaled XXX and was determined based on a value in use calculation using cash flow projections from financial budgets covering a five-year period. The pre-tax discount rate applied to the cash flow projections is XXX% and cash flow projections beyond the five-year period are extrapolated using the growth rate of XXX%. The growth rate is consistent with the long-term average growth rate for the electronics industry in India. The Group's management determined that the value in use of this CGU exceeded its carrying amount including goodwill by XXX and concluded that there was no impairment.

*AO Elektroinstrument (CGU 2)*

As at 30 June 2025, the recoverable amount of this CGU totaled XXX and was determined based on a value in use calculation using cash flow projections from financial budgets covering a five-year period. The pre-tax discount rate applied to the cash flow projections is XXX% (31 December 2024: XXX%) and cash flow projections beyond the five-year period are extrapolated using the growth rate of XXX% (31 December 2024: XXX%). The growth rate is consistent with the long-term average growth rate for the electric power tool industry in the Russian Federation. The Group's management determined that the value in use of this CGU as at 30 June 2025 exceeded its carrying amount including goodwill by XXX, therefore, it concluded that there was no impairment at that date.

The calculation of value in use for all CGUs to which the goodwill and intangible assets with indefinite useful lives were allocated is most sensitive to the following assumptions:

*Discount rates*

Discount rates represent the current market assessment of the risks specific to each CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and is derived from its weighted average cost of capital (WACC). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on the interest rates on loans and borrowings the Group is obliged to service.

## Notes to the interim condensed consolidated financial statements (continued)

**9. Impairment testing of goodwill and intangible assets with indefinite useful lives (continued)****Impairment testing of CGUs (continued)**

As at 30 June 2025, the recoverable amounts of CGU 1 and CGU 2 exceeded their carrying amounts by XXX and XXX, respectively. A rise in the pre-tax discount rate by XXX% for CGU 1 and XXX% for CGU 2 from the current XXX% and XXX%, respectively, would result in the recoverable amounts of CGU 1 and CGU 2 becoming equal to their carrying amounts.

*Raw materials price inflation*

Estimates are obtained from published indices and other data for the countries in which the Group purchases raw and other materials. Management has considered the possibility of greater-than-forecast increases in raw materials price inflation. The forecast price inflation lies within a range of XXX% to XXX% for CGU 1 and XXX% to XXX% for CGU 2, depending on the country from which materials are purchased. If prices of raw materials increase on average by XXX% more than the forecast price inflation, the Group will recognize an impairment loss for CGU 1 of XXX and the impairment loss for CGU 2 will be XXX.

*Growth rates used to extrapolate cash flows beyond the forecast period*

Growth rates are based on published industry research. Management recognizes that the speed of technological change and the possibility of new entrants to the markets can have a significant impact on growth rate assumptions. The effect of new entrants is not expected to have an adverse impact on the forecasts, but could yield a reasonably possible alternative to the estimated long-term growth rate of XXX% for CGU 1 and XXX% for CGU 2. A reduction in the long-term growth rate by XXX% for CGU 1 and by XXX% for CGU 2 would result in recognition of an impairment loss for CGU 1 of XXX and the impairment loss for CGU 2 will be XXX.

**10. Property, plant and equipment****Acquisitions and disposals of property, plant and equipment**

During the six months ended 30 June 2025, the Group acquired motor vehicles with a cost of XXX (30 June 2024: XXX).

During the six months ended 30 June 2025, the Group sold motor vehicles and equipment with a total carrying amount of XXX (30 June 2024: XXX) for a cash consideration of XXX (30 June 2024: XXX). The net gains on these disposals of XXX (30 June 2024: XXX) were recognized as part of other operating income in the statement of profit or loss.

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Notes to the interim condensed consolidated financial statements (continued)

**11. Financial assets and liabilities**

Financial assets (except for cash and cash equivalents which are disclosed in Note 12) were as follows:

	At 30 June 2025			At 31 December 2024		
	Total	Non-current	Current	Total	Non-current	Current
<b>Debt instruments at amortized cost</b>						
Receivables	XXX	–	XXX	XXX	–	XXX
Loans to entities under common control	XXX	XXX	XXX	XXX	XXX	XXX
<b>Debt instruments at fair value through OCI</b>						
Investments in unquoted bonds	XXX	XXX	–	XXX	XXX	–
<b>Equity instruments at fair value through OCI</b>						
Investments in unquoted equity instruments of entities in related industries	XXX	XXX	–	XXX	XXX	–
	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>

Loans and borrowings were as follows:

	Interest rate	Maturity	At 30 June 2025	At 31 December 2024
<b>Short-term loans and borrowings and current portion of long-term loans and borrowings</b>				
INR XXX bank loan	XXX	XXX	XXX	XXX
USD XXX bank loan	XXX	XXX	XXX	XXX
USD XXX bank loan	XXX	XXX	XXX	XXX
RUB XXX bank loan	CBR key rate + XXX	XXX	XXX	XXX
<b>Total short-term loans and borrowings and current portion of long-term loans and borrowings</b>			<b>XXX</b>	<b>XXX</b>

	Interest rate	Maturity	At 30 June 2025	At 31 December 2024
<b>Long-term loans and borrowings</b>				
INR XXX bank loan	XXX	XXX	XXX	XXX
USD XXX bank loan	XXX	XXX	XXX	XXX
RUB XXX bank loan	CBR key rate + XXX	XXX	XXX	XXX
RUB XXX bank loan	CBR key rate + XXX	XXX	XXX	XXX
RUB XXX loans from the ultimate controlling party	XXX	XXX	XXX	XXX
<b>Total long-term loans and borrowings</b>			<b>XXX</b>	<b>XXX</b>

All of the Group's financial liabilities were measured at amortized cost at both reporting dates.

In January 2025, following the decision made in December 2024, the Group repaid early a portion of a long-term loan in the amount of XXX, originally maturing in 2027. Also, in February 2025, the Group adopted the decision to repay early and, in March 2025, repaid early a portion of a long-term loan in the amount of USD XXX (RUB XXX thousand), originally maturing in 2026. As a result, the Group recognized a loss from the early repayments in the amount of XXX.

Notes to the interim condensed consolidated financial statements (continued)

**11. Financial assets and liabilities (continued)**

**Fair values**

The following table shows financial instruments with carrying amounts that differ from their fair values as at 30 June 2025 and 31 December 2024. The carrying amounts of other financial assets and liabilities approximate their respective fair values at both reporting dates.

	At 30 June 2025		At 31 December 2024	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>				
Loans to entities under common control	XXX	XXX	XXX	XXX
	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>
<b>Financial liabilities</b>				
Financial liabilities under supplier finance arrangements	XXX	XXX	XXX	XXX
Financial guarantees issued	XXX	XXX	–	–
Long-term bank loans	XXX	XXX	XXX	XXX
Loans from the ultimate controlling party	XXX	XXX	XXX	XXX
	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>	<b>XXX</b>

All financial assets and liabilities, for which fair value is measured or disclosed in the financial statements, are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- ▶ Level 1 – quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- ▶ Level 2 – valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- ▶ Level 3 – valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The following table provides the fair value measurement hierarchy of the Group's financial assets and liabilities as at 30 June 2025:

	Level 1	Level 2	Level 3
<b>Assets measured at fair value</b>			
Investments in equity instruments at fair value through OCI	–	–	XXX
Investments in debt instruments at fair value through OCI	–	XXX	–
<b>Assets for which fair values are disclosed</b>			
Loans to entities under common control – measured at amortized cost	–	–	XXX
<b>Liabilities measured at fair value</b>			
Derivative financial instruments	–	XXX	–
<b>Liabilities for which fair values are disclosed</b>			
Bank loans	–	XXX	–
Financial liabilities under supplier finance arrangements	–	–	XXX
Financial guarantees issued	–	–	XXX
Loans from the ultimate controlling party	–	–	XXX

There were no transfers between Level 2 and Level 3 during the reporting period.

## PAO ABC

### Notes to the interim condensed consolidated financial statements (continued)

#### 11. Financial assets and liabilities (continued)

##### Fair values (continued)

Reconciliation of recurring fair value measurements categorized within Level 3 of the fair value hierarchy is presented in the table below:

	<b>Investments in equity instruments at fair value through OCI</b>
<b>At 1 January 2025</b>	<b>XXX</b>
Remeasurement recognized in OCI	XXX
Purchases	XXX
	<b>XXX</b>
<b>At 30 June 2025</b>	<b>XXX</b>

##### Description of significant unobservable inputs to valuation

The significant unobservable inputs used in the fair value measurements categorized within Level 3 of the fair value hierarchy, together with the sensitivity analysis as at 30 June 2025 are shown below:

	<b>Valuation techniques</b>	<b>Unobservable inputs</b>	<b>Range (weighted average value)</b>	<b>Sensitivity to changes in inputs</b>
Investments in equity instruments at fair value through OCI	DCF model	Weighted average cost of capital	XXX	XXX% increase (decrease) would result in an decrease (increase) in fair value by XXX
		Long-term growth rate for cash flows for subsequent years	XXX	XXX% increase (decrease) would result in an increase (decrease) in fair value by XXX
Loans to entities under common control	DCF model	Discount rate	XXX	XXX% increase (decrease) would result in an decrease (increase) in fair value by XXX
		Discount for non-performance risk	XXX	XXX% increase (decrease) would result in an decrease (increase) in fair value by XXX
Loans from the ultimate controlling party	DCF model	Discount rate	XXX	XXX% increase (decrease) would result in an decrease (increase) in fair value by XXX
		Discount for own non-performance risk	XXX	XXX% increase (decrease) would result in an decrease (increase) in fair value by XXX

#### 12. Income taxes

The Group calculates income tax expense for the period using the tax rate that would be applicable to the expected total annual earnings. Set out below are the major components of income tax expense in the interim condensed consolidated statement of profit or loss.

For the six months ended 30 June:

	<b>2025</b>	<b>2024</b>
Current tax	XXX	XXX
Deferred tax relating to origination and reversal of temporary differences	XXX	XXX
<b>Income tax expense reported in the statement of profit or loss</b>	<b>XXX</b>	<b>XXX</b>

## PAO ABC

### Notes to the interim condensed consolidated financial statements (continued)

#### 13. Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprised the following:

	<b>At 30 June 2025</b>	<b>At 31 December 2024</b>
Cash at banks and on hand	XXX	XXX
Short-term deposits	XXX	XXX
Cash attributable to disposal group	–	XXX
	<b>XXX</b>	<b>XXX</b>

#### 14. Provisions

As at 31 December 2024, the Group recognized provisions of XXX for litigations in respect of delayed payments to suppliers for construction materials. In March 2025, these litigations were completed and the Group used the previously recognized provisions to pay the amounts claimed.

#### 15. Commitments and contingencies

##### Commitments

As at 30 June 2025, the Group had commitments of XXX, VAT (20%) included (31 December 2024: XXX, VAT (20%) included), relating to the completion of a new workshop for the production of auxiliary equipment.

The Group has various lease contracts that have not yet commenced as at 30 June 2025. The future lease payments for these non-cancellable leases amount to XXX, of which XXX is payable within one year, XXX within five years and XXX thereafter.

#### 16. Equity

##### Treasury shares

The Company purchased XXX of its own ordinary shares for XXX in April 2024. There were no transactions with treasury shares during the period from 1 January 2025 to 30 June 2025.

##### Dividends

In March 2025, the Board of Directors of PAO ABC declared the payment of dividends for 2024 in the amount of XXX, which is XXX per share. The dividends were paid in May 2025. During the six months of 2024, no dividends were declared or paid.

##### Components of other comprehensive income reclassified to profit or loss

Upon the disposal of China Equipment Ltd. classified as a foreign operation and discontinued operations in these interim condensed consolidated financial statements, foreign exchange gains from translation of its financial statements to the presentation currency before the disposal date, which were accumulated in equity in the amount of XXX before tax, and the corresponding tax effect in the amount of XXX were reclassified to profit or loss (Note 4).

## PAO ABC

Notes to the interim condensed consolidated financial statements (continued)

### **17. Events after the reporting period**

In July 2025, the Board of Directors of PAO ABC approved the transaction to purchase an additional 10% interest in the associate, TOO Astana Instrument (Kazakhstan), from one of its members for XXX. The transaction is expected to be finalized by the end of 2025.

## **ABOUT B1 GROUP**

B1 Group offers a comprehensive suite of professional services, including assurance, strategy, technology, consulting, transactions, valuation, tax, law and business support.

With over 35 years in Russia and 25 years in Belarus, we have built a strong team of professionals with diverse expertise and a wealth of experience in delivering the most challenging projects.

B1 Group operates across 12 cities: Moscow, Minsk, Vladivostok, Ekaterinburg, Kazan, Krasnodar, Novosibirsk, Rostov-on-Don, Samara, St. Petersburg, Togliatti and Chelyabinsk.

Our mission is to help clients uncover innovative solutions, drive growth, transform their business and achieve success – all while boosting their financial resilience and nurturing talent.

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