

OZON HOLDINGS PLC

Interim Condensed Consolidated Financial Statements
for the three and six months ended June 30, 2024

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

**To the Shareholders and Board of Directors
Ozon Holdings PLC**

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Ozon Holdings PLC (the “Company”) and its subsidiaries (the “Group”) as at June 30, 2024 and the related interim condensed consolidated statements of profit or loss and other comprehensive income for the three- and six-month periods ended June 30, 2024 and the related interim condensed consolidated statements of changes in equity and cash flows for the six-month period ended June 30, 2024, and notes to the interim condensed consolidated financial statements (the “interim condensed consolidated financial information”). Management is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with IAS 34 *Interim Financial Reporting*. Our responsibility is to express a conclusion on this interim condensed consolidated financial information 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 interim condensed consolidated financial information 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 interim condensed consolidated financial information as at June 30, 2024 and for the three- and six-month periods ended June 30, 2024 is not prepared, in all material respects, in accordance with IAS 34 *Interim Financial Reporting*.

Suprun Olga Mikhailovna

JSC “Kept”

Moscow, Russia

August 5, 2024



OZON HOLDINGS PLC

**INTERIM CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2024**
(in millions of Russian Rubles, unless otherwise stated)

	Notes	Three months ended June 30		Six months ended June 30	
		2024 (unaudited)	2023* (unaudited)	2024 (unaudited)	2023* (unaudited)
Revenue:					
Sales of goods		41,600	37,004	84,401	76,634
Service revenue		71,092	54,675	143,151	106,548
Interest revenue		9,838	2,485	17,909	4,232
Total revenue	4	122,530	94,164	245,461	187,414
Cost of revenue	5	(106,958)	(84,357)	(208,390)	(162,480)
Gross profit		15,572	9,807	37,071	24,934
Operating expenses:					
Sales and marketing	6	(12,116)	(6,837)	(20,939)	(11,746)
Technology and content	7	(9,218)	(6,608)	(18,074)	(12,395)
General and administrative	8	(5,807)	(4,574)	(10,405)	(8,907)
Expected credit losses on Fintech financial assets		(1,473)	(265)	(2,337)	(307)
Losses related to the fire incident		(86)	(152)	(57)	(325)
Total operating expenses		(28,700)	(18,436)	(51,812)	(33,680)
Operating loss		(13,128)	(8,629)	(14,741)	(8,746)
Finance (expense)/income, net	9	(13,725)	(5,053)	(24,199)	9,101
(Loss)/gain on disposal and impairment of non-current assets		(76)	106	(230)	20
Share of (loss)/profit of an associate		(98)	88	181	260
Foreign currency exchange gain/(loss), net		138	684	(175)	(2,310)
Total non-operating (expense) / income		(13,761)	(4,175)	(24,423)	7,071
Loss before income tax		(26,889)	(12,804)	(39,164)	(1,675)
Income tax expense		(1,082)	(283)	(1,973)	(756)
Loss for the period		(27,971)	(13,087)	(41,137)	(2,431)
Items that are or may be reclassified to profit or loss (net of tax):					
Exchange differences on translation of foreign operations		(49)	51	(29)	142
Fair value reserve of financial assets at FVOCI		(9)	—	(9)	—
Other comprehensive income, net of tax		(58)	51	(38)	142
Total comprehensive income for the period		(28,029)	(13,036)	(41,175)	(2,289)
Loss per share, in RUB:					
Basic and diluted loss per share attributable to ordinary equity holders of the parent		(133,6)	(62,7)	(196,6)	(11,6)
Basic and diluted weighted average number of ordinary shares		209,408,380	208,823,287	209,196,121	208,823,287

* Certain amounts have been reclassified to comply with the presentation adopted in the current period (Note 2.2).

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

OZON HOLDINGS PLC

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS OF JUNE 30, 2024

(in millions of Russian Rubles)

	Notes	June 30, 2024 (unaudited)	December 31, 2023*
Assets			
Non-current assets			
Right-of-use assets	10	156,327	118,492
Property, plant and equipment		94,331	73,414
Investments in an associate		1,302	1,262
Intangible assets		593	572
Deferred tax assets		60	149
Other non-financial assets		1,223	915
Loans to customers	11	780	1,299
Other financial assets		4,044	3,015
Total non-current assets		258,660	199,118
Current assets			
Inventories		35,774	40,409
VAT receivable		4,474	5,423
Other non-financial assets		4,482	4,870
Loans to customers	11	57,185	45,370
Accounts receivable		9,584	7,156
Other financial assets		9,501	3,866
Cash and cash equivalents	12	164,734	169,814
Total current assets		285,734	276,908
Total assets		544,394	476,026
Equity and liabilities			
Equity			
Share capital		12	12
Share premium		136,229	135,685
Treasury shares		(1)	(1)
Equity-settled employee benefits reserves		19,528	15,622
Other capital reserves		25	63
Accumulated losses		(258,996)	(217,958)
Total equity		(103,203)	(66,577)
Non-current liabilities			
Lease liabilities	10	140,001	108,644
Borrowings	13	92,528	88,328
Derivative liabilities	13	341	1,974
Liability for cash-settled share-based awards		—	1,065
Trade and other payables		522	495
Deferred tax liabilities		450	212
Total non-current liabilities		233,842	200,718
Current liabilities			
Liabilities to marketplace sellers and customers	14	156,039	140,254
Fintech customer deposits and other financial liabilities	15	121,595	65,049
Trade and other payables		65,104	69,349
Borrowings	13	4,202	16,043
Lease liabilities	10	20,371	15,691
Accrued expenses		16,505	13,289
Derivative liabilities	13	21,243	10,548
Liability for cash-settled share-based awards		4,666	6,019
VAT and taxes payable		4,030	5,643
Total current liabilities		413,755	341,885
Total liabilities		647,597	542,603
Total equity and liabilities		544,394	476,026

* Certain amounts have been reclassified to comply with the presentation adopted in the current period (Note 2.2).

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

OZON HOLDINGS PLC

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED JUNE 30, 2024

(in millions of Russian Rubles)

	Share capital	Share premium	Treasury shares	Equity-settled employee benefits reserves	Other capital reserves	Accumulated losses	Total
As of January 1, 2024	12	135,685	(1)	15,622	63	(217,958)	(66,577)
Loss for the period	—	—	—	—	—	(41,137)	(41,137)
Other comprehensive income	—	—	—	—	(38)	—	(38)
Total comprehensive income for the period	—	—	—	—	(38)	(41,137)	(41,175)
Issue of shares upon exercise of share-based awards	—	544	—	(544)	—	—	—
Share-based compensation expense	—	—	—	4,438	—	—	4,438
Cash settlement of vested share-based awards	—	—	—	(9)	—	120	111
Reclassification to liability for cash-settled share-based awards, net	—	—	—	21	—	(21)	—
As of June 30, 2024 (unaudited)	12	136,229	(1)	19,528	25	(258,996)	(103,203)
	Share capital	Share premium	Treasury shares	Equity-settled employee benefits reserves	Other capital reserves	Accumulated losses	Total
As of January 1, 2023	12	135,523	(1)	18,200	(70)	(170,311)	(16,647)
Loss for the period	—	—	—	—	—	(2,431)	(2,431)
Other comprehensive income	—	—	—	—	142	—	142
Total comprehensive income for the period	—	—	—	—	142	(2,431)	(2,289)
Share-based compensation expense	—	—	—	4,083	—	—	4,083
Cash settlement of vested share-based awards	—	—	—	(1,716)	—	(104)	(1,820)
As of June 30, 2023 (unaudited)	12	135,523	(1)	20,567	72	(172,846)	(16,673)

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

OZON HOLDINGS PLC
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED JUNE 30, 2024
(in millions of Russian Rubles)

	Notes	Six months ended June 30,	
		2024 (unaudited)	2023* (unaudited)
Cash flows from operating activities			
Loss before income tax		(39,164)	(1,675)
Adjusted for:			
Depreciation and amortization of non-current assets	5,8	18,844	12,369
Finance expense/(income), net	9	24,199	(9,101)
Foreign currency exchange loss, net		175	2,310
Loss/ (gain) on disposal and impairment of non-current assets		190	(34)
Share of profit of an associate		(181)	(260)
Expected credit losses on Fintech financial assets		2,338	307
Share-based compensation expense on the equity-settled share-based awards		4,438	4,083
Movements in working capital:			
Changes in inventories		4,622	550
Changes in accounts receivable		(2,390)	1,445
Changes in loans to customers	11	(13,750)	(16,960)
Changes in other financial and non-financial assets		(9,832)	3,098
Changes in accounts payable, liabilities to marketplace sellers and customers, and other liabilities		17,235	14,753
Changes in Fintech customer deposits and other financial liabilities		60,807	7,458
Changes in liability for the cash-settled share-based awards		1,482	—
Cash generated from operations		69,013	18,343
Interest paid		(20,343)	(6,272)
Income tax paid		(1,511)	(1,216)
Cash settlement of vested share-based awards		(3,790)	(1,820)
Net cash from operating activities		43,369	9,035
Cash flows from investing activities			
Purchase of property, plant and equipment		(28,594)	(11,181)
Proceeds from disposal of property, plant and equipment		60	190
Purchase of intangible assets		(216)	(96)
Advances on lease contracts not yet commenced		(2,112)	(1,423)
Dividends received from an associate		140	165
Interest received		5,593	1,168
Issuance of loans to employees		(616)	(499)
Repayment of employee loans		184	138
Net cash used in investing activities		(25,561)	(11,538)
Cash flows from financing activities			
Proceeds from borrowings, net of transaction costs	13	11,500	22,400
Net proceeds from / (settlement of) liabilities to marketplace sellers and customers with extended payment terms		(1,952)	168
Payments related to bond restructuring		(100)	(35,665)
Repayment of borrowings		(23,868)	(495)
Payment of principal portion of lease liabilities		(7,179)	(4,548)
Net cash used in financing activities		(21,599)	(18,140)
Net decrease in cash and cash equivalents		(3,791)	(20,643)
Cash and cash equivalents at the beginning of the period	12	169,814	90,469
Effects of exchange rate changes on the balance of cash held in foreign currencies		(2,234)	4,694
Effects of change in expected credit loss of cash and cash equivalents		945	120
Cash and cash equivalents at the end of the period	12	164,734	74,640

* Certain amounts have been reclassified to comply with the presentation adopted in the current period (Note 2.2).

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

OZON HOLDINGS PLC

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2024 (in millions of Russian Rubles, unless otherwise stated)

1. CORPORATE INFORMATION

These interim condensed consolidated financial statements of Ozon Holdings PLC (hereinafter “the Company”) and its subsidiaries (collectively, “the Group”) for the three and six months ended June 30, 2024 were authorized by the resolution of the Board of directors on August 5, 2024.

Ozon is a multi-category e-commerce platform operating in Russia, Belarus, Kazakhstan, Kyrgyzstan, Armenia, China and Turkey. The Group’s fulfillment infrastructure and delivery network enable it to provide its customers with fast and convenient delivery via couriers, pickup points or parcel lockers. The Group’s extensive logistics footprint and fast-developing marketplace platform enable entrepreneurs to sell their products across 11 time zones and offer customers wide selections of goods across multiple product categories. Ozon offers a range of value-added services such as fintech services and develops business through other new verticals such as Ozon fresh online grocery delivery.

2. ACCOUNTING POLICIES

2.1 Basis of preparation

The interim condensed consolidated financial statements for the three and six months ended June 30, 2024 have been prepared in accordance with IAS 34 Interim Financial Reporting on a going concern basis.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements prepared in accordance with International Financial Reporting Standards (“IFRS”) and should be read in conjunction with the Group’s annual consolidated financial statements as at and for the year ended December 31, 2023.

2.2 Accounting policies and presentation of the interim condensed consolidated financial statements

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those applied in the Group’s consolidated financial statements as at and for the year ended December 31, 2023, except where the Group applied new and amended standards and interpretations. The amendments to the standards and interpretations adopted by the Group from January 1, 2024, did not have a significant impact on the interim condensed consolidated financial statements.

As of June 30, 2024, the Group revisited the presentation of the statements of financial position to present its payables to third-party sellers on the marketplace platform and the marketplace customer advances and contract liabilities in a single line item “Liabilities to marketplace sellers and customers”. Consequently, the “Trade and other payables” line item includes primarily amounts payable to the Group’s suppliers and other similar items. The Group believes that such a presentation provides more relevant information to the users of the consolidated financial statements.

The Group amended the presentation of comparative amounts as of December 31, 2023 to comply with the presentation adopted in the current period as follows:

	As previously reported	Change in presentation	As currently reported
Trade and other payables (current liabilities)	169,222	(99,873)	69,349
Customer advances and contract liabilities	40,381	(40,381)	—
Liabilities to marketplace sellers and customers	—	140,254	140,254
Deferred income	171	(171)	—
Trade and other payables (non-current liabilities)	324	171	495

Further, from January 1, 2024, the Group presented cash flows from changes in liabilities to marketplace sellers and customers with extended payment terms within cash flows from financing activities. The Group amended the presentation of comparative amounts for prior periods accordingly.

From January 1, 2024, following the expansion of its Fintech segment, the Group presented its interest revenues on the financial assets accounted for at amortized costs using the effective interest method separately from other types of

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2024**
(in millions of Russian Rubles, unless otherwise stated)

revenue in the interim condensed consolidated statement of profit or loss and other comprehensive income. Further, the Group also presented expected credit losses on Fintech financial assets separately from the cost of revenue. The corresponding amounts for the three and six months ended June 30, 2023 were reclassified accordingly.

From January 1, 2024, with the continuing growth of its Fintech operation, the Group presented operating expenses related to arranging flexible payment option for clients within the cost of sales line items as such presentation improves comparability of the financial statements. The comparative amounts for the three and six months ended June 30, 2023 were restated to comply with the presentation adopted in the current period as follows:

	Three months ended June 30, 2023			Six months ended June 30, 2023		
	As previously reported	Change in presentation	As currently reported	As previously reported	Change in presentation	As currently reported
Cost of revenue	(84,094)	(263)	(84,357)	(161,756)	(724)	(162,480)
Sales and marketing expenses	(7,365)	528	(6,837)	(12,777)	1,031	(11,746)
Expected credit losses on Fintech financial assets	—	(265)	(265)	—	(307)	(307)

The cost of arranging flexible payment option for clients amounted to 1,554 and 777 for the six and three months ended June 30, 2024, correspondently.

Certain other amounts in the notes to the interim condensed consolidated financial statements were reclassified to comply with the presentation adopted in 2024.

2.3 Seasonality

The Group's business is affected by seasonality, which historically has resulted in higher sales volume during the second half of the year rather than in the first half. Higher sales during that period are mainly attributed to the increased demand for goods during the peak New-year season in December, as well as Black Friday sales in November. The Group recognized 56% and 56% of annual revenue during the second half of 2023 and 2022, correspondently.

3. SEGMENT INFORMATION

The Group's operating segments are based on how the chief operating decision maker ("CODM") manages the business, allocates resources, makes operating decisions and evaluates operating performance of business units, initiatives and verticals. For management purposes, the business of the Group is organized into operating segments, including

- E-Commerce, the Group's primary core e-commerce business, which is comprised of sales of multi-category consumer products through our application and websites,
- Fintech, which designs and develops products and financial solutions for buyers and sellers, and
- other initiatives and verticals within E-Commerce or Fintech segments with a potential to become operating segment in future.

From January 1, 2024, the Group determined that E-Commerce and Fintech became reportable segments.

The Group's operating segments rely on reciprocal services and products, for which they pay various service fees and compensations. Such service fees and compensations represent intersegment transactions, which are included in revenues of the reportable segments presented below. Intersegment revenues are eliminated upon consolidation within the eliminations line item below.

The CODM evaluates segment profits (or losses), performance and allocates resources based on revenues and segment adjusted EBITDA. The adjusted EBITDA is calculated as (loss)/profit for the period before income tax expense/(benefit), total non-operating expense/(income), depreciation and amortization, share-based compensation expense from the equity-settled share-based awards and losses related to the fire incident. The adjusted EBITDA is not

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adjusted for the interest revenue and interest expenses related to the core activities of Fintech segment. The CODM does not use assets and capital expenditures by segment to evaluate performance or allocate resources.

	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
E-Commerce:				
Revenue, including	109,690	90,599	222,295	181,338
Sales of goods	41,600	37,004	84,401	76,634
Service revenue	67,528	53,417	136,823	104,327
Intersegment revenue	562	178	1,071	377
Segment adjusted EBITDA	(6,517)	(2,424)	(3,195)	3,145
Fintech:				
Revenue, including	18,447	6,028	33,089	10,533
Service revenue	3,564	1,258	6,328	2,221
Interest revenue	9,838	2,485	17,909	4,232
Intersegment revenue	5,045	2,285	8,852	4,080
Segment adjusted EBITDA	5,859	2,486	11,793	4,886
Total segment revenue	128,137	96,627	255,384	191,871
Total segment adjusted EBITDA	(658)	62	8,598	8,031
Eliminations:				
Revenue	(5,607)	(2,463)	(9,923)	(4,457)
Segment adjusted EBITDA	—	—	—	—
Total revenue from external customers	122,530	94,164	245,461	187,414
Total adjusted EBITDA	(658)	62	8,598	8,031

The following table presents a reconciliation of the Group's loss for the period to adjusted EBITDA for each of the period indicated:

	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
Loss for the period	(27,971)	(13,087)	(41,137)	(2,431)
Income tax expense	1,082	283	1,973	756
Total non-operating expense / (income)	13,761	4,175	24,423	(7,071)
Depreciation and amortization	9,970	6,449	18,844	12,369
Share-based compensation expense on the equity-settled share-based awards	2,414	2,090	4,438	4,083
Losses related to the fire incident	86	152	57	325
Adjusted EBITDA	(658)	62	8,598	8,031

For the six months ended June 30, 2024, revenues from external customers attributed to the Russia-based subsidiaries of the Group amounted to 93% of the Group's total revenues from external customers (six months ended June 30, 2023: 95%).

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2024**
(in millions of Russian Rubles, unless otherwise stated)

4. REVENUE FROM CONTRACTS WITH CUSTOMERS

	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
Sales of goods	41,600	37,004	84,401	76,634
Service revenue:				
Marketplace commissions	37,674	36,459	80,706	75,067
Advertising revenue	27,622	14,878	51,335	25,681
Financial services	1,183	185	2,025	252
Delivery services	3,884	2,650	7,650	4,556
Other revenue	729	503	1,435	992
Total service revenue	71,092	54,675	143,151	106,548
Total revenue from contracts with customers	112,692	91,679	227,552	183,182
Interest revenue	9,838	2,485	17,909	4,232
Total revenue	122,530	94,164	245,461	187,414

The Group recognizes revenue from sales of goods and marketplace commission primarily at a point in time, while advertising revenue, financial services revenue and delivery revenues are recognized primarily over time. Interest revenue is recognized over time under the effective interest method.

5. COST OF REVENUE

	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
Cost of goods sold and other inventory-related costs	37,953	33,176	75,695	69,925
Employee-related cost	18,174	9,042	33,667	17,346
Transportation services and vehicle maintenance	14,124	6,741	28,705	11,761
Outsourcing services	12,035	9,464	23,479	17,980
Depreciation and amortization	8,183	4,822	15,487	9,229
Delivery fees	4,819	14,776	10,588	25,139
Cost of interest revenue and financial service revenue	5,479	912	9,332	1,675
Premises maintenance and packaging costs	2,550	1,612	5,754	3,035
Fees for cash collection	688	2,053	1,328	4,059
Share-based compensation expense	399	139	711	247
Other expenses	2,554	1,620	3,644	2,084
	106,958	84,357	208,390	162,480

6. SALES AND MARKETING EXPENSES

	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
Media and advertising	5,976	2,833	9,573	4,635
Employee-related cost	3,261	2,176	6,333	4,165
Share-based compensation expense	584	252	1,114	494
Online marketing	368	294	721	582
Other sales and marketing expenses	1,927	1,282	3,198	1,870
	12,116	6,837	20,939	11,746

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2024 (in millions of Russian Rubles, unless otherwise stated)

7. TECHNOLOGY AND CONTENT EXPENSES

	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
Employee-related cost	7,741	5,537	15,127	10,269
Share-based compensation expense	760	514	1,607	1,003
IT and telecommunication services	462	312	871	636
Other technology and content expenses	255	245	469	487
	9,218	6,608	18,074	12,395

8. GENERAL AND ADMINISTRATIVE EXPENSES

	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
Depreciation and amortization	1,787	1,627	3,357	3,140
Employee-related cost	1,338	1,106	2,533	2,198
Share-based compensation expense	1,278	1,185	2,489	2,339
Other general and administrative expenses	1,404	656	2,026	1,230
	5,807	4,574	10,405	8,907

9. FINANCE (EXPENSE)/INCOME, NET

	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
Extinguishment of the convertible bond liability	—	—	—	18,446
Interest income	2,605	735	5,591	1,495
Interest expense	(11,837)	(4,640)	(21,730)	(8,731)
Revaluation of financial instruments at fair value through profit or loss	(4,659)	(1,086)	(8,719)	(2,257)
Change in expected credit losses on E-commerce financial assets	151	(84)	657	126
Other finance income	15	22	2	22
	(13,725)	(5,053)	(24,199)	9,101

10. LEASES

The Group has lease contracts of office premises, fulfillment and sorting centers, vehicles and other assets. The increase in right-of-use assets and lease liabilities as of June 30, 2024 as compared to December 31, 2023 is primarily related to recognition of 49,421 of right-of-use assets and 42,828 of lease liabilities as a result of commencement of new leases as well as modifications of existing leases during the period.

For the six months ended June 30, 2024, the Group paid 10,121 of interest on lease liabilities (six months ended June 30, 2023: 5,334).

Lease commitments

The Group entered into lease contracts for offices, fulfillment and sorting centers that have not yet commenced as of June 30, 2024. The future undiscounted lease payments for these lease contracts are as follows:

	Within 1 year	1-3 years	3-5 years	More than 5 years	Total
As of June 30, 2024	9,240	56,551	71,438	352,251	489,480
As of December 31, 2023	6,348	43,681	53,840	242,734	346,603

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11. LOANS TO CUSTOMERS

	June 30, 2024	December 31, 2023
Loans to customers		
Loans to legal entities and individual entrepreneurs	38,630	34,021
Loans to individuals	23,309	14,168
Allowance for expected credit losses	(3,974)	(1,520)
Loans to customers	57,965	46,669
out of which:		
Non-current	780	1,299
Current	57,185	45,370

12. CASH AND CASH EQUIVALENTS

	June 30, 2024	December 31, 2023
Cash and cash equivalents	164,800	170,825
out of which:		
Held by the Group's credit institutions (Fintech)	113,257	58,696
Held by other entities of the Group	51,543	112,129
Allowance for expected credit losses	(66)	(1,011)
Cash and cash equivalents	164,734	169,814

13. BORROWINGS

	Effective interest rate (2024/2023)	Currency	Maturity (2024/2023)	June 30, 2024	December 31, 2023
Credit facility	26.3%/20.2%	RUB	2025-2026/2025-2026	64,941	60,186
Bank loans	20.2%/20.2%	RUB	2026/2026	29,967	29,959
Credit line	n/a/20%	RUB	n/a/2024	—	12,037
Equipment financing	9,9%/10.2%	RUB	2024-2030/ 2024-2030	1,822	2,189
Total				96,730	104,371
out of which:					
Non-current				92,528	88,328
Current				4,202	16,043

Credit facility

In March 2024, pursuant to the terms of the Credit facility, the effective interest rate on the 19,900 tranche was re-set to the market rate. This re-set resulted in a prospective increase in the effective interest rate on the debt component of the Credit facility to 26.3%.

As of June 30, 2024, the fair value of the derivative feature linked to the Credit facility was 19,724 (as of December 31, 2023:12,522) and was determined based on the quoted market prices and indexes (level 2 of the fair value hierarchy, significant inputs are: price of the Company's shares and estimates of the Russian key rate over the life of the instrument) and included in financial liabilities.

Credit line

In May 2024, the Group made early repayment of 10,000 under the credit line with a third-party bank and incurred 15 of additional commission.

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14. LIABILITIES TO MARKETPLACE SELLERS AND CUSTOMERS

	June 30, 2024	December 31, 2023
Liabilities to third-party sellers on the marketplace platform	102,776	99,933
Payables to third-party sellers on standard terms	97,790	93,215
Payables to third-party sellers on extended payment terms	4,986	6,718
Liabilities to customers	53,263	40,321
Customer advances related to third-party sellers' goods	46,668	33,624
Customer advances related to sales of goods	6,595	6,697
Total	156,039	140,254

15. FINTECH CUSTOMER DEPOSITS AND OTHER FINANCIAL LIABILITIES

	June 30, 2024	December 31, 2023
Outstanding balances on current accounts	83,961	47,887
Term deposits from customers	10,433	5,139
Short-term financing	19,467	9,243
Digital notes	2,016	—
Other liabilities	5,718	2,780
Total	121,595	65,049

In April 2024, the Group issued digital notes with the total cash proceeds of 2,000. The maturity period of the notes is 6 months. The notes carry a floating interest rate linked to the Russian key rate. The coupon is payable on a monthly basis.

16. RELATED PARTIES

The following table provides the total amounts of transactions that have been entered into with related parties for the six months ended June 30, 2024 and 2023, as well as balances with related parties as of June 30, 2024 and December 31, 2023.

	Associate:		Other related parties:	
	2024	2023	2024	2023
For the six months ended June 30:				
Revenue and finance income	11	7	466	172
Operating and finance expenses	2	2	3,327	1,031
As of June 30, 2024 and December 31, 2023:				
Accounts receivable	—	—	43	89
Accounts payable	8	14	3,888	2,648
Cash and cash equivalents	—	—	1,278	7,501

Transactions with key management personnel

The remuneration of key management personnel amounted to:

	Six months ended June 30,	
	2024	2023
Short-term employee benefits	20	5
Share-based compensation expense	89	148
	109	153

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During the six months ended June 30, 2024, the Group settled 96 in cash of fully vested share-based awards (six months ended June 30, 2023: 11). As of June 30, 2024, the liability for the cash-settled share-based awards to the key management personnel amounted to 101 (December 31, 2023: 237).

17. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The following table shows the carrying amounts of financial assets and financial liabilities.

	Fair value hierarchy	June 30, 2024	December 31, 2023
Financial assets measured at amortized cost			
Cash and cash equivalents (note 12)		164,734	169,814
Accounts receivable		9,188	6,865
Loans to customers (note 11)		57,965	46,669
Other financial assets		13,545	6,881
Financial assets measured at fair value through profit or loss (on a recurring basis)			
Accounts receivable	Level 3	396	291
Total financial assets		245,828	230,520
Financial liabilities measured at amortized cost			
Trade and other payables		61,493	67,159
Lease liabilities		160,372	124,335
Borrowings (note 13)		96,730	104,371
Liabilities to marketplace sellers and customers (note 14)		149,444	133,557
Fintech customer deposits and other financial liabilities (note 15)		121,595	65,049
Financial liabilities measured at fair value through profit or loss (on a recurring basis)			
Derivative liabilities	Level 2	21,584	12,522
Total financial liabilities		611,218	506,993

As of June 30, 2024, management assessed that the carrying values of the Group's financial assets and financial liabilities measured at amortized cost are a reasonable approximation of their fair values.

As of June 30, 2024 and December 31, 2023, the fair value of derivative feature linked to the credit facility is determined based on the quoted prices of the Company's shares in active markets as well as other observable market inputs underlying or derived from the quoted market prices of the instruments, using conventional option pricing methodology with a reference to the Groups credit spread, volatility of the Company's share price, and forward risk-free interest rates and Russian key rate.

During the six months ended June 30, 2024, the Group entered into non-delivery Ruble / Yuan currency forward contracts ("currency forwards") with a notional amount 1,183,700,000 CNY (equivalent to 13,702 at the exchange rate at the reporting date) with an objective to economically hedge its currency exposure related to payments to its suppliers and sellers. The Group did not designate the economic hedge as an accounting hedge as of June 30, 2024. As of June 30, 2024, the fair value of the currency forwards amounted to 1,859. The fair value of currency forwards linked to observable forward rates.

During the six months ended June 30, 2024, the Group included interest received by its Fintech segment within cash flows from operating activities. The amounts of such interest inflows substantially correspond to our interest revenue for all the periods presented.

18. CONTINGENCIES

The Group has been and continues to be the subject of legal proceedings and adjudications from time to time, none of which has had, individually or in aggregate, a material adverse impact on the Group. Management believes that the resolution of all current and potential legal matters will not have a material adverse impact on the Group's financial position or operating results.

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The taxation system in the Russian Federation continues to evolve and is characterized by frequent changes in legislation, official pronouncements and court decisions, which are sometimes contradictory and subject to varying interpretation by tax authorities. There is a risk that the management's interpretation of such legislation as applied to the transactions and activity of the Group may be challenged by a number of authorities, which may impose substantial fines and penalties. As of June 30, 2024, the Group estimates that possible exposure in relation to the above-mentioned risks amounts to 4,262 (as of December 31, 2023: 2,388). This estimation should not be considered as an estimate of the Group's potential tax liability.