



Tatneft Group

**IFRS® ACCOUNTING STANDARDS
CONSOLIDATED INTERIM CONDENSED
FINANCIAL STATEMENTS (UNAUDITED)**

30 JUNE 2026

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REPORT ON REVIEW OF CONSOLIDATED INTERIM CONDENSED FINANCIAL STATEMENTS

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Report on Review of Consolidated Interim Condensed Financial Statements

To the Shareholders and Board of Directors of Public Joint Stock Company TATNEFT named after V.D. Shashin:

Introduction

We have reviewed the accompanying consolidated interim condensed financial statements of Public Joint Stock Company TATNEFT named after V.D. Shashin and its subsidiaries (together – the "Group"), which comprise the consolidated interim condensed statement of financial position at 30 June 2026, the consolidated interim condensed statements of profit or loss and other comprehensive income, of changes in equity and of cash flows for the six months then ended, and the related explanatory notes. Management is responsible for the preparation and presentation of these consolidated interim condensed financial statements in accordance with IAS 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on these consolidated interim condensed financial statements based on our review.

Scope of review

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

Conclusion

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

26 August 2026
Moscow, Russian Federation



Kriventsev Evgenii Nikolaevich is authorised to sign on behalf of the General Director of Joint-Stock Company "Technologies of Trust – Audit" (Principal Registration Number of the Record in the Register of Auditors and Audit Organizations (PRNR) – 12006020338), certified auditor (PRNR – 21906099944)

TATNEFT
Consolidated Interim Condensed Statement of Financial Position at 30 June 2026 (Unaudited)

(In million of Russian Rubles)

	Note	30 June 2026	31 December 2025
Assets			
Cash and cash equivalents		144,206	66,949
Financial services: Mandatory reserve deposits with the Bank of Russia		882	930
Short-term accounts receivable, net		211,981	176,805
Financial services: Loans to customers		108,019	95,698
Other short-term financial assets		24,402	25,181
Inventories		102,331	118,211
Prepaid expenses and other current assets		37,581	42,493
Prepaid income tax		1,941	1,169
Non-current assets held for sale		8,700	7,983
Total current assets		640,043	535,419
Long-term accounts receivable, net		45,299	15,547
Financial services: Loans to customers		90,617	105,928
Other long-term financial assets		121,372	90,839
Investments in associates and joint ventures		12,268	12,089
Property, plant and equipment, net	6	1,240,366	1,283,493
Right-of-use assets		5,262	25,473
Deferred income tax assets		20,114	19,427
Intangible assets		22,663	31,783
Other non-current assets		6,206	13,860
Total non-current assets		1,564,167	1,598,439
Total assets		2,204,210	2,133,858
Liabilities and equity			
Short-term debt and current portion of long-term debt		10,120	24,904
Accounts payable and accrued liabilities		160,445	165,297
Dividends payable		72,771	72,932
Financial services: Due to banks and the Bank of Russia		27,461	27,258
Financial services: Customer accounts		200,560	203,695
Financial services: Other financial liabilities at fair value through profit or loss		6,196	11,092
Taxes payable, other than income tax	5	134,111	81,800
Income tax payable		1,221	4,022
Total current liabilities		612,885	591,000
Long-term debt, net of current portion		685	10,052
Financial services: Customer accounts		4	43
Decommissioning provision, net of current portion		29,757	34,962
Lease liabilities, net of current portion		3,684	20,323
Deferred income tax liability		103,405	109,028
Other long-term liabilities		43,177	43,772
Total non-current liabilities		180,712	218,180
Total liabilities		793,597	809,180
Equity			
Preferred shares	1	746	746
Ordinary shares	1	11,021	11,021
Additional paid-in capital		84,437	84,437
Accumulated other comprehensive (loss)/income		(1,619)	6,701
Retained earnings		1,317,449	1,229,842
Less: Ordinary shares held in treasury, at cost		(10,345)	(10,345)
Total equity owned by shareholders of PJSC Tatneft		1,401,689	1,322,402
Non-controlling interest		8,924	2,276
Total equity		1,410,613	1,324,678
Total liabilities and equity		2,204,210	2,133,858

Approved for issue and signed on August, 26 2026.


CEO Maganov N.U.


Chief Accountant Gaysin A.I.

TATNEFT
Consolidated Interim Condensed Statement of Profit or Loss and Other Comprehensive Income for the six months ended 30 June 2026 (Unaudited)

(In million of Russian Rubles)

		Six months ended 30 June 2026	Six months ended 30 June 2025 (restated, Note 2)
	Note		
Continuing operations			
Revenue (excluding financial services)	6	881,649	761,176
Costs and other expenses (excluding financial services)			
Operating expenses		(132,124)	(117,258)
Purchased crude oil and refined products		(125,099)	(126,287)
Exploration		(724)	(1,724)
Transportation		(36,343)	(41,901)
Selling, general and administrative		(54,817)	(50,919)
Depreciation, depletion and amortization	6	(37,235)	(31,285)
Expected credit losses on financial assets net of reversal		(8,933)	(4,433)
Impairment losses on property, plant and equipment and other non-financial assets net of reversals		(2,716)	(1,912)
Taxes other than income taxes	5	(249,195)	(263,597)
Maintenance of social infrastructure and transfer of social assets		(8,898)	(8,145)
Total costs and expenses (excluding financial services)		(656,084)	(647,461)
Other operating expenses, net		(3,559)	(2,406)
Operating profit (excluding financial services)		222,006	111,309
Net interest, fee and commission and other operating income/(expenses) and gains/(losses) from financial services			
Interest, fee and commission income		21,709	26,140
Interest, fee and commission expense		(14,518)	(19,897)
Net expense on creating of provision for credit losses on financial assets		(1,221)	(521)
Operating expenses		(4,903)	(4,175)
Gain arising from dealing in foreign currencies, net		127	98
Other operating expenses, net		(892)	(1,848)
Total net interest, fee, commission and other operating income/(expenses) and gains/(losses) from financial services		302	(203)
Other (expenses)/income			
Foreign exchange loss, net	6	(4,297)	(24,937)
Financial income (excluding financial services)		9,440	10,050
Financial expense (excluding financial services)		(3,316)	(15,557)
Share of results of associates and joint ventures, net		160	26
Total other income/(expenses), net		1,987	(30,418)
Profit before income tax	6	224,295	80,688
Income tax			
Current income tax expense		(56,716)	(29,186)
Deferred income tax (expense)/benefit		(6,113)	3,586
Total income tax expense		(62,829)	(25,600)
Profit from continuing operations		161,466	55,088
Profit/(loss) from discontinued operations	8	3,997	(878)
Profit for the period		165,463	54,210

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

TATNEFT
Consolidated Interim Condensed Statement of Profit or Loss and Other Comprehensive Income for the six months ended 30 June 2026 (Unaudited)

(In million of Russian Rubles)

	Note	Six months ended 30 June 2026	Six months ended 30 June 2025 (restated, Note 2)
Other comprehensive (loss)/income net of income tax:			
Continuing operations			
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation adjustments		(216)	(4,509)
Loss/(gain) on debt financial assets at fair value through other comprehensive income, net		(25)	1,851
Items that will not be reclassified to profit or loss:			
Loss on equity financial assets at fair value through other comprehensive income, net		(1,595)	(1)
Other comprehensive loss from continuing operations		(1,836)	(2,659)
Other comprehensive loss from discontinued operations	8	(6,491)	(8,527)
Total comprehensive income for the period		157,136	43,024
Profit/(loss) attributable to:			
- Shareholders of PJSC Tatneft		165,231	58,015
- Non-controlling interest		232	(3,805)
		165,463	54,210
Total comprehensive income/(loss) attributable to:			
- Shareholders of PJSC Tatneft		156,911	46,402
- Non-controlling interest		225	(3,378)
		157,136	43,024
Total comprehensive income/(loss) attributable to shareholders of PJSC Tatneft from:			
- continuing operations		159,405	52,072
- discontinued operations		(2,494)	(5,670)
		156,911	46,402
Basic and diluted earnings per share (RR)			
Ordinary		73.42	25.78
Preferred		73.42	25.78
Basic and diluted earnings per share from continuing operations (RR)			
Ordinary		71.64	24.56
Preferred		71.64	24.56
Weighted average shares outstanding (millions of shares)			
Ordinary		2,103	2,103
Preferred		148	148

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

TATNEFT
Consolidated Interim Condensed Statement of Changes in Equity for the six months ended 30 June 2026 (Unaudited)

(In million of Russian Rubles)

	Total equity owned by shareholders of PJSC Tatneft							Non-controlling interest	Total equity
	Share capital	Additional paid-in capital	Treasury shares	Actuarial (loss)/profit on employee benefit plans	Foreign currency translation adjustments	Gain/(loss) on financial assets at fair value through other comprehensive income, net	Retained earnings		
Balance at 1 January 2025	11,767	84,437	(10,345)	(395)	16,960	511	1,218,834	8,475	1,330,244
Profit/(loss) for the six months	-	-	-	-	-	-	58,015	(3,805)	54,210
Other comprehensive (loss)/income for the six months	-	-	-	-	(12,929)	1,316	-	427	(11,186)
Total comprehensive (loss)/income for the six months	-	-	-	-	(12,929)	1,316	58,015	(3,378)	43,024
Other movements	-	-	-	-	-	-	-	(988)	(988)
Dividends declared	-	-	-	-	-	-	(97,022)	(164)	(97,186)
Balance at 30 June 2025	11,767	84,437	(10,345)	(395)	4,031	1,827	1,179,827	3,945	1,275,094
Balance at 1 January 2026	11,767	84,437	(10,345)	(283)	3,291	3,693	1,229,842	2,276	1,324,678
Profit for the six months	-	-	-	-	-	-	165,231	232	165,463
Other comprehensive income/(loss) for the six months	-	-	-	17	(6,724)	(1,613)	-	(7)	(8,327)
Total comprehensive income/(loss) for the six months	-	-	-	17	(6,724)	(1,613)	165,231	225	157,136
Effect of disposal of subsidiaries (Note 8)	-	-	-	-	-	-	(51,478)	6,426	(45,052)
Dividends declared (Note 1)	-	-	-	-	-	-	(26,129)	(3)	(26,132)
Other movements	-	-	-	-	-	-	(17)	-	(17)
Balance at 30 June 2026	11,767	84,437	(10,345)	(266)	(3,433)	2,080	1,317,449	8,924	1,410,613

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

TATNEFT
Consolidated Interim Condensed Statement of Cash Flows for the six months ended 30 June 2026 (Unaudited)

(In million of Russian Rubles)

	Note	Six months ended 30 June 2026	Six months ended 30 June 2025
Operating activities			
Profit for the period		165,463	54,210
Adjustments:			
Net interest, fee and commission and other operating (income)/expenses and (gains)/losses from financial services		(302)	203
Depreciation, depletion and amortization	6	37,235	33,203
Income tax expense		62,393	27,333
Expected credit losses on financial assets net of reversal		8,933	4,434
Impairment losses on property, plant and equipment and other non-financial assets net of reversal		2,716	5,773
(Income)/loss on disposals of interests in subsidiaries and associates, net	8	(4,181)	28
Effects of foreign exchange		(227)	(675)
Share of results of associates and joint ventures, net		(160)	(26)
Financial income (excluding financial services)		(9,440)	(9,951)
Financial expense (excluding financial services)		3,316	16,259
Other, net		(2,886)	3,170
Changes in working capital related to operating activities, excluding cash:			
Accounts receivable		(68,720)	45,550
Inventories		(9,000)	3,057
Prepaid expenses and other current assets		(774)	20,354
Securities at fair value through profit or loss		-	679
Accounts payable and accrued liabilities		25,635	(34,283)
Taxes payable, other than income tax		58,035	(18,092)
Net cash provided by operating activities before income tax and interest (excluding financial services)		268,036	151,226
Net interest, fee and commission and other operating income/(expenses) and gains/(losses) from financial services		302	(203)
Adjustments:			
Net expense on creating of provision for credit losses on financial assets		1,221	521
Other		79	49
Changes in working capital related to financial services, excluding cash:			
Mandatory reserve deposits with the Bank of Russia		49	67
Due from banks		1,185	238
Loans to customers		1,545	6,205
Due to banks and the Bank of Russia		316	(8,053)
Customer accounts		(3,129)	(17,084)
Promissory notes issued		(124)	101
Securities at fair value through profit or loss		(609)	2,365
Other financial liabilities at fair value through profit or loss		(4,896)	1,043
Net cash used in operating activities from financial services before income tax		(4,061)	(14,751)
Income taxes paid		(60,126)	(38,444)
Financial expense paid (excluding financial services)		(856)	(1,757)
Financial income received (excluding financial services)		4,915	8,391
Net cash provided by operating activities		207,908	104,665

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

TATNEFT
Consolidated Interim Condensed Statement of Cash Flows for the six months ended 30 June 2026 (Unaudited)

(In million of Russian Rubles)

	Note	Six months ended 30 June 2026	Six months ended 30 June 2025
Investing activities			
Additions to property, plant and equipment	6	(59,753)	(65,617)
Acquisition of intangible assets		(2,700)	(2,162)
Proceeds from disposal of property, plant and equipment		324	62
Acquisition of interest in associate		(21)	-
Net cash flow from acquisitions of subsidiaries		-	(796)
Net cash flow from sales of subsidiaries	8	(8,571)	-
Purchase of securities at fair value through other comprehensive income		(25,743)	(1,735)
Proceeds from disposal of securities at fair value through other comprehensive income		14,227	3,398
Proceeds from redemption of securities at amortised cost (Acquisition)/proceeds from sale of non-current assets held for sale		3,405	292
Proceeds from redemption of bank deposits measured at amortised cost		(281)	855
Placement of bank deposits measured at amortised cost		11,430	8
Proceeds from redemption of loans		(18,778)	(12,212)
Issuance of loans		359	6,923
Proceeds from disposal of other non-current assets		(5,271)	(7,292)
Dividends received		6	60
Proceeds from government grants		3,412	-
		-	55
Net cash used in investing activities		(87,955)	(78,161)
Financing activities			
Proceeds from issuance of debt (excluding financial services)		54,117	73,664
Repayment of debt (excluding financial services)		(69,969)	(17,517)
Repayment of principal portion of lease liabilities		(568)	(1,359)
Redemption of promissory notes and bonds		-	(1)
Dividends paid to shareholders		(26,336)	(132,314)
Unclaimed dividends		46	91
Dividends paid to non-controlling interest		(3)	(164)
Net cash used in financing activities		(42,713)	(77,600)
Net change in cash and cash equivalents		77,240	(51,096)
Effect of foreign exchange on cash and cash equivalents		17	(5,779)
Cash and cash equivalents at the beginning of the period		66,949	117,454
Cash and cash equivalents at the end of the period		144,206	60,579

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

Note 1: Organisation

PJSC TATNEFT n.a. V.D. Shashin (the “Company” or PJSC Tatneft) and its subsidiaries (jointly referred to as the “Group”) are engaged in crude oil exploration, development and production principally in the Republic of Tatarstan (“Tatarstan”), a republic within the Russian Federation. The Group also engages in refining of crude oil and associated petroleum gas processing, marketing of crude oil and refined products, financial services (Note 6).

The Company does not have an ultimate controlling party. As at 30 June 2026 and 31 December 2025 the government of Tatarstan controls about 36% of the Company’s voting stock. Tatarstan also holds a “Golden Share”, a special governmental right, in the Company.

At 30 June 2026 and 31 December 2025, the authorised, issued and paid share capital of PJSC Tatneft consists of 2,178,690,700 voting ordinary shares and 147,508,500 non-voting preferred shares; both classes of shares have a nominal value of RR 1.00 per share. At 30 June 2026 and 31 December 2025 treasury shares include 75.6 million ordinary shares of the Company owned by wholly-owned subsidiaries of the Group.

In June 2026, the shareholders of the Company approved the payment of dividends for the year ended 31 December 2025, in the amount of RR 34.09 per preferred and ordinary share, including previously paid interim dividends for the six and nine months of 2025, in the amount of RR 22.48 per preferred and ordinary share.

The Company is operating primarily in the Russian Federation. The address of its registered office is Lenina St., 75, Almetyevsk, Republic of Tatarstan, Russian Federation.

Note 2: Basis of preparation

The consolidated interim condensed financial statements have been prepared in accordance with IAS 34 “Interim Financial Reporting”. The consolidated interim condensed financial statements should be read in conjunction with the annual consolidated financial statements for the year ended 31 December 2025, which have been prepared in accordance with IFRS Accounting Standards.

The accounting policies used in preparing these consolidated interim condensed financial statements were the same as those that applied to the consolidated financial statements for the previous financial year, except for the income tax accounting policy, which is reflected in these consolidated interim condensed financial statements based on an analysis of the weighted average annual income tax rate expected for the full financial year. In addition, in 2026, the accounting policy was amended regarding recording results of transactions with shareholders, as discussed in “Discontinued operations” section.

Use of estimates in the preparation of financial statements. The Group makes estimates and assumptions that affect the amounts recognised in the financial statements and the carrying amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on management’s experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Judgements that have the most significant effect on the amounts recognised in the consolidated interim condensed financial statements and estimates that can cause a significant adjustment to the carrying amount of assets and liabilities within the next financial year include:

- Estimation of oil and gas reserves;
- Useful life of property, plant and equipment;
- Decommissioning provisions;
- Impairment of property, plant and equipment;
- Accounting of investments in JSC “National Non-State Pension Fund”;
- Sale and purchase of oil under contracts for counter oil deliveries;
- Financial assets impairment;
- Financial instruments fair value estimation;
- Presentation of excise tax, including reverse excise;
- Determining the absence of control as a result of transactions for the sale of shares and interests in enterprises;
- Recording directly in the equity the results from the disposal of subsidiaries.

The significant estimates and judgements used by The Group’s management in the preparation of the consolidated interim condensed financial statements, are consistent with those that disclosed in the consolidated financial statements for the year ended 31 December 2025.

During the six months ended 30 June 2026 and 2025 sales of crude oil under counter-delivery contracts in the amount of RR 178,216 million and RR 224,843 million respectively are presented net in the consolidated interim condensed statement of profit or loss and other comprehensive income of the Group in accordance with the IFRS 15 requirements for exchange of products of similar quality.

Note 2: Basis of preparation (continued)**Determining the absence of control as a result of transactions for the sale of shares and interests in enterprises.**

In the 1st quarter of 2026, the Group disposed of shares and interests in entities of the tire business segment, as well as in certain other subsidiaries. The Company analyzed the terms of the agreements and existing relationships. As a result of the disposal of the ownership interest and other factors, the Group lost control over these entities as of the beginning of the first quarter of 2026 (Note 8).

Discontinued operations. A discontinued operation is a component of the Group that has been disposed of and represents a separate major line of business; is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations. Earnings and cash flows of discontinued operations are disclosed separately from continuing operations with comparatives being re-presented. The result of the disposal of subsidiaries as a result of a transaction with a Group shareholder was recognised directly in equity. In prior periods such effects were recognised through profit or loss. The Group believes that recognising the results of shareholder transactions directly in equity provides a better assessment of their impact and allows separate evaluation of the Group's core operating results. Cash flows from discontinued operations are disclosed in Note 8.

Changes in financial statement presentation. In 1st quarter of 2026, the Group sold all of its shares and interests in subsidiaries that comprised the tire business segment, as well as in certain other subsidiaries (Note 8). The table below shows the impact of the presentation changes for the six months ended 30 June 2025 due to the classification of the disposed assets as discontinued operations:

Consolidated Interim Condensed Statement of Profit or Loss and Other Comprehensive Income	Items before the separation of discontinued operations	Separation of discontinued operations	Items after separation of discontinued operations
Revenue (excluding financial services)	878,148	(116,972)	761,176
Operating expenses	(131,433)	14,175	(117,258)
Purchased crude oil and refined products	(190,447)	64,160	(126,287)
Transportation	(42,322)	421	(41,901)
Selling, general and administrative	(57,885)	6,966	(50,919)
Depreciation, depletion and amortization	(33,203)	1,918	(31,285)
Expected credit losses on financial assets net of reversal	(4,434)	1	(4,433)
Impairment losses on property, plant and equipment and other non-financial assets net of reversals	(5,773)	3,861	(1,912)
Taxes other than income taxes	(289,374)	25,777	(263,597)
Maintenance of social infrastructure and transfer of social assets	(8,159)	14	(8,145)
Total costs and expenses (excluding financial services)	(764,754)	117,293	(647,461)
Other operating expenses, net	(2,216)	(190)	(2,406)
Operating profit (excluding financial services)	111,178	131	111,309
Foreign exchange loss, net	(23,150)	(1,787)	(24,937)
Financial income (excluding financial services)	9,951	99	10,050
Financial expense (excluding financial services)	(16,259)	702	(15,557)
Total other expenses, net	(29,432)	(986)	(30,418)
Profit before income tax	81,543	(855)	80,688
Income tax			
Current income tax expense	(31,515)	2,329	(29,186)
Deferred income tax (expense)/benefit	4,182	(596)	3,586
Total income tax expense	(27,333)	1,733	(25,600)
Profit from continuing operations	-	55,088	55,088
Profit/(loss) from discontinued operations	-	(878)	(878)
Other comprehensive income/(loss) net of income tax:			
Continuing operations			
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation adjustments	(13,036)	8,527	(4,509)
Other comprehensive loss from continuing operations	-	(2,659)	(2,659)
Other comprehensive loss from discontinued operations	-	(8,527)	(8,527)

Note 3: Adoption of new or revised standards and interpretations

New standards and amendments to existing standards effective from 1 January 2026 did not have a material impact on the Group's consolidated interim condensed financial statements. In addition, the Management of the Group does not expect that the amendments to current standards issued in 2026 prior to the date of signing of these consolidated interim condensed financial statements will have a material impact on the Group's consolidated financial statements.

Note 4: Operating Environment of the Group

The economy of the Russian Federation displays certain characteristics of an emerging market. It is particularly sensitive to oil and gas prices. The legal, tax and regulatory frameworks continue to develop and are subject to frequent changes and varying interpretations. Continued political tension in the region, as well as sanctions imposed by a number of countries against certain sectors of the Russian economy, Russian companies and citizens, continue to have a negative impact on the Russian economy.

Ban imposed in 2022 by a number of countries on new investments by citizens and legal entities of such countries in the energy industry of Russia, as well as on the supply of certain nomenclatures of goods, equipment and a number of technologies continues. Since December 2022, some countries, including EU countries, have banned their citizens and legal entities from importing Russian oil, as well as from providing brokerage, transport, insurance and other services in relation to Russian oil transported by tankers and sold at a price above the price threshold set by these countries. In February 2023, similar restrictive measures came into force for Russian refined products. From June 2024, trading in dollars and euros, as well as instruments that involve the use of these currencies in settlements, were suspended on the Moscow Exchange. At the same time, transactions with the US dollar and euro continue to be conducted on the over-the-counter market. In January 2025, the United States imposed new large-scale sanctions against the Russian energy sector. In December 2025, the United Kingdom imposed sanctions on PJSC Tatneft.

Further restrictions on the foreign business activities of Russian organizations, as well as further negative consequences for the Russian economy as a whole, cannot be ruled out, but it is not possible to fully assess the duration, extent and scale of possible consequences.

Due to changes in the geopolitical situation, crude oil and refined products prices were highly volatile in 2026.

The Group is characterized by a low level of debt and, although the current uncertainty may affect the Group's future profitability and cash flows in the near future, management believes this will not affect the Group's ability to continue as a going concern and meet its obligations for the foreseeable future.

The Group's management takes the necessary measures to ensure its sustainable operation. However, the future impact of the current economic and geopolitical situation is difficult to predict and the Group's management's current expectations and estimates may differ from actual results.

Note 5: Taxes

The Group's effective income tax rate differs from the statutory tax rate primarily due to non-deductible expenses, including social expenses.

The Group is subject to a number of taxes other than income taxes, which are detailed as follows:

	Six months ended 30 June 2026	Six months ended 30 June 2025
Mineral extraction tax	237,993	226,724
Tax on additional income from hydrocarbon extraction	61,997	74,620
Excise	(62,016)	(46,969)
incl. reverse excise	(117,642)	(105,169)
Property tax	9,767	8,126
Other	1,454	1,096
Total taxes, other than income taxes	249,195	263,597

Taxes payable, other than income taxes were as follows:

	At 30 June 2026	At 31 December 2025
Mineral extraction tax	36,871	20,290
Tax on additional income from hydrocarbon extraction	41,296	16,027
Value Added Tax	37,896	20,504
Excise	8,743	14,214
Property tax	4,694	4,755
Other	4,611	6,010
Total taxes payable, other than income taxes	134,111	81,800

Note 6: Segment information

Operating segments are components that engage in business activities that may earn revenues or incur expenses, whose operating results are regularly reviewed by the Board of Directors and the Management Committee and for which discrete financial information is available.

Segments whose revenue, result or assets are 10% or more of all the segments are reported separately.

The Group's business activities are conducted predominantly through three main operating segments:

- Exploration and production consists of exploration, development, extraction and sale of own crude oil. Intersegment sales consist of transfer of crude oil to refinery and other goods and services provided to other operating segments;
- Refining and marketing comprises purchases and sales of crude oil and refined products from third parties, own refining activities and retail network;
- Financial services.

The tire business segment was excluded from the core operating segments due to the sale of assets in 1st quarter of 2026 (Note 8). The information in this note does not include information on discontinued operations.

The Group evaluates performance of its reportable operating segments and allocates resources based on segment earnings, defined as profit before income tax not including financial income and expense (excluding financial services), gains from equity investments, other income (expenses). Intersegment sales are at prices that approximate market. The Group uses an export netback calculated based on average Urals quotes less freight and transportation costs to calculate the cost of its own oil for refining. The Group financing including financial expense and interest income (excluding financial services) and income taxes are managed on a Group basis and are not allocated to operating segments.

For the six months ended 30 June 2026, revenues of RR 230,330 million or 25% and RR 129,877 million or 14% of the total revenue from continuing operations are derived from two external customers. For the six months ended 30 June 2025, revenues of RR 108,043 million or 14% of the Group's total revenue from continuing operations are derived from one external customer. These revenues represent sales of crude oil and refined products. Management does not believe the Group is dependent on any particular customer.

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(In million of Russian Rubles)

Note 6: Segment information (continued)
Segment sales

	Six months ended 30 June 2026	Six months ended 30 June 2025
Exploration and production		
Own crude oil	310,041	257,644
Other	3,101	3,961
Intersegment sales	209,242	220,996
Total exploration and production	522,384	482 601
Refining and marketing		
Refined products	504,002	450,659
Purchased crude oil	17,949	-
Other	13,443	14,987
Intersegment sales	3,385	3,201
Total refining and marketing	538,779	468,847
Financial services		
Interest income	20,091	24,532
Fee and commission income	1,618	1,608
Total financial services	21,709	26,140
Total segment sales	1,082,872	977,588
Segments that are not reportable	33,113	33,925
Elimination of intersegment sales	(212,627)	(224,197)
Total sales	903,358	787,316

Segments result

	Six months ended 30 June 2026	Six months ended 30 June 2025
Exploration and production	108,519	80,222
Refining and marketing	152,465	47,915
Financial services	681	(171)
Segments result	261,665	127,966
Segments that are not reportable	(43,654)	(41,797)
Other income/(expenses), net (w/o foreign exchange differences)	6,284	(5,481)
Profit before income tax	224,295	80,688

Note 6: Segment information (continued)

Segment result includes foreign exchange gain/(loss), net. For the six months ended 30 June 2026, the Group recorded a foreign exchange gain of RR 29,376 million and a foreign exchange loss of RR 33,673 million (for the six months ended 30 June 2025: RR 19,823 million and RR 44,760 million, respectively).

"Segments that are not reportable" line includes impairment losses on financial assets net of reversal, profit/(loss) on exchange rate differences at the Head Office, charity expenses, maintenance of social infrastructure and transfer of social assets, Head Office administrative expenses. From 2026, following the update in plans, the Group presents certain assets related to the construction of production facilities within the petrochemical segment, which is not reportable. Comparative information has been presented accordingly.

Segment assets

	At 30 June 2026	At 31 December 2025
Exploration and production	626,935	589,506
Refining and marketing	772,201	708,062
Financial services	276,951	282,161
Segments that are not reportable	528,123	356,110
Discontinued operations (Note 8)	-	198,019
Total assets	2,204,210	2,133,858

As at 30 June 2026 assets of segments that are not reportable include RR 185,262 million of property, plant and equipment, RR 27,185 million of securities, RR 29,682 million loans receivable, RR 131,493 million of bank deposits, RR 6,432 million of cash, RR 33,390 million of inventories.

As at 31 December 2025 assets of segments that are not reportable include RR 186,081 million of property, plant and equipment, RR 29,280 million of securities, RR 1,454 million loans receivable, RR 21,283 million of bank deposits, RR 17,257 million of cash, RR 31,525 million of inventories.

The Group's assets and operations are primarily located and conducted in the Russian Federation. Total revenue from sales of crude oil and refined products to near abroad and far abroad countries for the six months ended 30 June 2026 and 2025 amounted to RR 338,193 million and RR 256,687 million respectively.

Segment depreciation, depletion and amortization

	Six months ended 30 June 2026	Six months ended 30 June 2025
Exploration and production	19,768	15,735
Refining and marketing	14,790	13,515
Financial services	176	170
Segments that are not reportable	2,501	1,865
Total depreciation, depletion and amortization	37,235	31,285

Additions to property, plant and equipment by segments

	Six months ended 30 June 2026	Six months ended 30 June 2025
Exploration and production	37,628	26,731
Refining and marketing	13,255	19,566
Financial services	24	140
Segments that are not reportable	7,097	11,029
Total additions to property, plant and equipment	58,004	57,466

Note 7: Related party transactions

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

Transactions are entered into in the normal course of business with associates, joint ventures, government related companies, key management personnel and other related parties. These transactions include sales and purchases of refined products, purchases of electricity, transportation services and financial services. The Group enters into transactions with related parties based on market or regulated prices, except for loans to associates, the rates of which may be determined taking into account the agreements of the shareholders of the relevant companies.

Associates, joint ventures and other related parties

The amounts of transactions for each period with associates, joint ventures and other related parties are as follows:

	Six months ended 30 June 2026	Six months ended 30 June 2025
Revenues and income	17	299
Costs and expenses	1,399	1,230
Financial expenses	43	268
Dividends received	3,439	-

The outstanding balances with associates, joint ventures and other related parties were as follows:

	At 30 June 2026	At 31 December 2025
Short-term assets	588	4,075
Loans	-	3,635
Other	588	440
Long-term assets	21,143	18,709
Loans	9,249	5,635
Corporate shares	9,309	11,404
Other	2,585	1,670
Short-term liabilities	(8,589)	(1,260)

In 2025, the Group signed an agreement to establish a joint venture in the field of hydrocarbon processing and assumed obligations to provide guarantees for the joint ventures borrowings. The guarantee agreements with the bank that provided the financing were signed in 2026. The amount of future obligations (excluding future interest expense) for which the Group acts as a guarantor does not exceed RR 112 billion.

In 2026, the Group signed an agreement to establish a joint venture in the field of biotechnology. Under the terms of the agreement, upon fulfilment of certain conditions, the Group will provide guarantees for the joint ventures borrowings. The Group does not expect the amount of obligations (excluding future interest expense) to exceed RR 94 billion.

Government related companies

The amounts of transactions for each period with Government related companies are as follows:

	Six months ended 30 June 2026	Six months ended 30 June 2025
Sales of crude oil	19,954	-
Sales of refined products	34,572	20,149
Other sales	26,317	-
Other proceeds	10,998	8,429
Financial income	11,631	8,552
Financial expense	463	1,417
Purchases of refined products and natural gas	16,028	9,732
Purchases of electricity	19,924	15,551
Purchases of transportation and compounding services	20,939	20,143
Other purchases	4,415	4,503

Other sales include sales of equity interests and shares (Note 8).

Note 7: Related party transactions (continued)

The outstanding balances with Government related companies were as follows:

	At 30 June 2026	At 31 December 2025
Assets		
Cash and cash equivalents	109,602	23,192
Financial services: Mandatory reserve deposits with the Bank of Russia	882	930
Accounts receivable	34,964	24,298
Financial services: Loans to customers	13,876	11,432
Other short-term financial assets		
Bank deposits	4,176	10,009
Securities measured at amortised cost	3,153	2,896
Other	1,532	1,750
Prepaid expenses and other current assets	3,474	6,830
Total short-term assets	171,659	81,337
Financial services: Loans to customers	5,132	8,046
Accounts receivable	42,957	14,830
Other long-term financial assets		
Securities measured at fair value through other comprehensive income	42,570	35,958
Securities measured at amortised cost	2,793	4,406
Loans	28,054	-
Advances for the acquisition of non-current assets	207	196
Total long-term assets	121,713	63,436
Liabilities		
Accounts payable and accrued liabilities	(2,673)	(22,666)
Financial services: Due to banks and the Bank of Russia	(7,688)	(5,037)
Financial services: Customer accounts	(335)	(1,587)
Debt	(194)	(285)
Total short-term liabilities	(10,890)	(29,575)
Government grants	(36,939)	(37,508)
Other long-term liabilities	(419)	(427)
Total long-term liabilities	(37,358)	(37,935)

As at 30 June 2026 guarantees issued to government related parties amounted to RR 12,229 million (at 31 December 2025: RR 4,820 million).

As at 30 June 2026 and 31 December 2025 the Group's key management personnel accounts in the customer accounts amounted to RR 21,872 million and RR 20,231 million, respectively. For the six months ended 30 June 2026, financial expense accrued to key management personnel amounted to RR 1,337 million (for the six months ended 30 June 2025: RR 1,735 million).

During the six months ended 30 June 2026, there were no significant changes in the terms and conditions of remuneration for key management personnel.

Note 8: Discontinued operations

In the 1st quarter of 2026, the Group sold all its shares in subsidiaries comprising the tire business segment, as well as in several other subsidiaries, primarily to an entity controlled by the Republic of Tatarstan. Fair value of consideration determined based on discounted cash flows amounted to RR 27,944 million.

Carrying amount of the disposed assets and liabilities at the date of disposal are as follows:

	Carrying amount at the date of disposal
Cash and cash equivalents	8,571
Property, plant and equipment	52,588
Right-of-use assets	4,133
Intangible assets	14,265
Inventories	24,370
Accounts receivable and advances issued	66,092
Loans (including loans provided to the Group)	17,599
Other assets	13,516
Debt (including loans received from the Group)	(41,799)
Trade and other payables	(58,311)
Other liabilities	(14,364)
Net assets of subsidiaries	86,660
Less non-controlling interest	6,426
Carrying amount of disposed net assets	93,086

The impact of disposal of the tire business on the Group's financial results for the six months ended 30 June 2026 was the following:

Carrying amount of disposed net assets	(93,086)
Transfer into income of accumulated other comprehensive income	6,508
Income tax benefit, including deferred tax, recognised as a result of recording the loss from discounting the consideration and the expense from changes in the fair value of loans	11,153
Discounted value of the consideration	27,944
Loss from disposal of assets, including:	(47,481)
Income from discontinued operations in the statement of profit or loss	3,997
The effect of the disposal of subsidiaries as a result of a transaction with a shareholder	(51,478)

The effect of the disposal of subsidiaries as a result of a transaction with a shareholder is recorded in the corresponding line of the consolidated interim condensed statement of changes in equity.

The cash flows analysis of discontinued operations is as follows:

	Six months ended 30 June 2026	Six months ended 30 June 2025
Cash flows from operating activities	-	(10,272)
Cash flows from investing activities	-	(5,707)
Cash flows from financing activities	-	1,911
Total cash flow from discontinued operations	-	(14,068)

Changes in the presentation of the consolidated interim condensed statement of profit or loss and other comprehensive income for the six months ended 30 June 2025, due to the classification of the disposed assets as discontinued operations are disclosed in Note 2.

Note 9: Fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date. The estimated fair values of financial instruments are determined with reference to various market information and other valuation techniques as considered appropriate.

The different levels of fair value hierarchy have been defined as follows:

Level 1 – Quoted prices in active markets for identical assets or liabilities that Group has the ability to assess at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 – Unobservable inputs for the asset or liability. These inputs reflect the Group's own assumptions about the assumptions a market participant would use in pricing the asset or liability.

Recurring fair value measurements

The levels in the fair value hierarchy for assets and liabilities carried at fair value to which the recurring fair value measurements are categorised are presented below:

	At 30 June 2026			
	Fair value			
	Level 1	Level 2	Level 3	Carrying value
Investment property	-	-	707	707
Other financial assets				
Securities measured at fair value through profit or loss	13	727	-	740
Securities measured through other comprehensive income	37,597	12,465	22,142	72,204
Financial services: Other financial liabilities measured at fair value through profit or loss	(6,196)	-	-	(6,196)
Total	31,414	13,192	22,849	67,455

	At 31 December 2025			
	Fair value			Carrying value
	Level 1	Level 2	Level 3	
Investment property	-	-	1,304	1,304
Other financial assets				
Securities measured at fair value through profit or loss	152	313	-	465
Securities measured through other comprehensive income	28,412	14,022	20,142	62,576
Financial services: Other financial liabilities measured at fair value through profit or loss	(11,092)	-	-	(11,092)
Other account payables	-	(19,000)	-	(19,000)
Total	17,472	(4,665)	21,446	34,253

There were no significant changes in valuation technique for Level 2 and Level 3 recurring fair value measurements during the six months ended 30 June 2026 and year ended 31 December 2025. There have been no transfers between Level 1, Level 2 and Level 3 during these periods.

Assets and liabilities not measured at fair value but for which fair value is disclosed

The carrying amounts of cash and cash equivalents, accounts receivable and accounts payable approximate their fair values as of 30 June 2026 and 31 December 2025, with the Group primarily classifying cash as Level 2 of the hierarchy and accounts receivable and accounts payable as Level 3.

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Note 9: Fair value (continued)

	At 30 June 2026				At 31 December 2025			
	Fair value			Carrying value	Fair value			Carrying value
	Level 1	Level 2	Level 3		Level 1	Level 2	Level 3	
Assets								
Financial services: Loans to customers measured at amortised cost	-	-	201,376	198,636	-	-	205,792	201,626
Other financial assets								
Loans measured at amortised cost	-	-	48,737	48,737	-	-	31,162	31,162
Securities measured at amortised cost	3,758	2,458	-	6,304	6,820	2,929	-	9,838
Other	-	17,176	613	17,789	-	11,186	800	11,979
Total	3,758	19,634	250,726	271,466	6,820	14,115	237,754	254,605
Liabilities								
Debt								
Subordinated debt	-	14	-	14	-	15	-	15
Promissory notes issued	-	195	1,127	1,327	-	315	1,134	1,457
Credit facilities in Russian Rubles	-	-	-	-	-	21,000	-	21,000
Other debt	-	-	9,464	9,464	-	-	12,484	12,484
Financial services: Due to banks and the Bank of Russia	548	26,571	-	27,461	983	25,981	-	27,258
Financial services: Customer accounts	-	40,310	157,705	200,564	-	35,137	166,112	203,738
Total	548	67,090	168,296	238,830	983	82,448	179,730	265,952

The fair values in Level 2 and Level 3 fair value hierarchy were estimated using the model of discounted cash flows. The fair value of instruments that do not have a quoted market price in an active market was estimated based on estimated future cash flows, discounted using prevailing market interest rates for new instruments with similar credit risk and maturity.

Note 10: Subsequent events

In August 2026, the Board of Directors of the Company decided to convene an extraordinary general meeting of shareholders on 23 September 2026, and also recommended that shareholders approved the payment of interim dividends for the six months ended 30 June 2026, in the amount of RR 32.88 per preferred and ordinary share.