The Moscow Times
30 YEARS
INDEPENDENT NEWS FROM RUSSIA

VK Logs 6th Straight Annual Loss Despite Revenue Growth

March 19, 2026

Vladimir Kiriyenko, VK CEO. **Yegor Aleyev / TASS**

Russian internet giant VK reported a net loss of 24.9 billion rubles ($288.8 million) in 2025, extending its run of annual losses to six years despite higher revenue and cost cuts, according to financial results published Thursday.

VK operates Russia's largest social network VKontakte as well as the VK Video platform and is developing the state-backed messaging app Max. It has been led since 2021 by Vladimir Kiriyenko, the son of senior Kremlin official Sergei Kiriyenko.

The results highlight mounting pressure on Russia's largest domestic tech platform as slowing advertising growth, rising financing costs and heavy investment needs weigh on its path to profitability.

Revenue rose 8% to 159.9 billion rubles ($1.85 billion) in 2025, down from 23% growth a year earlier.

Growth in VK's core social platforms and media content segment — which includes VKontakte and Odnoklassniki and accounts for around 70% of total revenue — slowed to 5% from 23%, reaching 109.8 billion rubles ($1.27 billion).

The slowdown was even more pronounced in the education technology segment, where growth decelerated to 19% from 83% a year earlier, with revenue of 7.4 billion rubles ($85.8 million).

Related article: Former VK Chief Takes Over Russian Gaming Studio Behind World of Tanks

VK's net loss narrowed significantly from 94.9 billion rubles ($1.10 billion) in 2024, but the company remains in the red. Cumulatively, it has lost 195.1 billion rubles ($2.26 billion) over the past six years.

Revenue continues to be driven primarily by online advertising and user payments. Advertising revenue rose just 2% to 98.3 billion rubles ($1.14 billion), compared with 20% growth a year earlier. Growth from small and medium-sized business advertisers — a key client base — slowed to 12% from 27%.

Income from user payments increased by less than 4%.

While VK has reduced its net debt by more than half to 82 billion rubles ($951 million), financial pressure remains high. Interest expenses on loans and borrowings totaled 23.25 billion rubles ($269.7 million) in 2025 — roughly in line with adjusted EBITDA of 22.6 billion rubles ($262.2 million).

The company also cut costs, with capital expenditure down 7% to 24.9 billion rubles ($288.8 million) and operating expenses down 9% to 138.6 billion rubles ($1.61 billion), including reductions in marketing and content spending.

Analysts say structural challenges persist, including weak advertising momentum, high borrowing costs and uncertainty around monetising new products such as the Max messaging app, which has been promoted by Russian authorities.

A return to net profit in the near term appears unlikely, they say.

Read this story in Russian at The Moscow Times' Russian service.

Original url:
https://www.themoscowtimes.com/2026/03/19/vk-logs-6th-straight-annual-loss-despite-revenue-growth-a92270