

**Joint-Stock Company
SOYUZDORSTROY**

**Consolidated Interim Condensed
Financial Statements
for the six months ended 30 June 2020**

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'000 000 RUB	Note	For the six months ended 30 June 2020	For the six months ended 30 June 2019
Revenue	3	32 259	36 213
Cost of sales	4	(23 680)	(22 336)
Gross profit		8 579	13 877
Other income		1 112	449
Administrative expenses	5	(2 291)	(2 083)
Other expenses		(351)	(914)
Results from operating activities		7 049	11 328
Finance income	6	2 925	1 375
Finance costs	6	(3 797)	(2 635)
Share of profit of equity-accounted investees (net of income tax)		36	-
Profit before income tax		6 213	10 068
Income tax expense		(1 944)	(2 097)
Profit attributable to		4 269	7 971
Owners of the Company		4 307	8 190
Non-controlling interests		(38)	(219)
Profit for the period		4 269	7 971
Other comprehensive loss			
<i>Items that will never be reclassified to profit or loss:</i>			
Actuarial losses on defined benefit plans (net of income tax) attributable to			
Owners of the Company		(35)	(128)
Non-controlling interests		(10)	(15)
Other comprehensive loss		(45)	(143)
Total comprehensive income attributable to:		4 224	7 828
Owners of the Company		4 272	8 062
Non-controlling interests		(48)	(234)
Total comprehensive income for the period		4 224	7 828

These condensed consolidated interim financial statements were approved by management on 30 September, 2020 and were signed on its behalf by:

General Director

Director of Economics and Finance JSC DSK
AVTOBAN»

Andreev A.V.

Shtrek Y.M.

(signed)

(signed)

*000 000 RUB		30 June 2020	31 December 2019
ASSETS	Note		
Non-current assets			
Property, plant and equipment		3 598	3 963
Investment property		230	230
Intangible assets		167	176
Other investments and loans issued	10	2 923	1 690
Trade and other receivables	12	6 177	6 957
Deferred tax assets		4 705	5 140
Total non-current assets		17 800	18 156
Current assets			
Inventories	11	5 867	5 236
Receivables under construction contracts	12	66 345	45 366
Prepayments	12	2 981	3 244
Other receivables	12	4 135	6 149
Other investments and loans issued	10	3 914	5 817
Cash in special bank accounts		11 831	15 717
Cash and cash equivalents		89	347
Total current assets		95 162	81 876
Total assets		112 962	100 032
EQUITY AND LIABILITIES			
Equity			
Retained earnings		22 636	18 391
Total equity attributable to owners of the Company		22 636	18 391
Non-controlling interests		138	239
Total equity		22 774	18 630
Non-current liabilities			
Loans and borrowings	13	49 916	48 670
Trade and other payables		186	517
Provisions		897	846
Deferred tax liabilities		6 669	6 408
Total non-current liabilities		57 668	56 441
Current liabilities			
Loans and borrowings	13	18 574	9 661
Contract liabilities	14	438	888
Trade and other payables	14	12 314	13 330
Provisions		1 194	1 082
Total current liabilities		32 520	24 961
Total liabilities		90 188	81 402
Total equity and liabilities		112 962	100 032

The condensed consolidated interim statement of financial position is to be read in conjunction with the notes to, and forming part of, the consolidated financial statements set out on pages 7-21.

	Attributable to equity holders of the Company		Non-controlling interests	Total equity
	Retained earnings	Total		
*000 000 RUB				
Balance at 1 January 2019	11 663	11 663	911	12 574
Total comprehensive income				
Profit for the period	8 190	8 190	(219)	7 971
Other comprehensive loss				
Actuarial losses on defined benefit plans (net of income tax)	(128)	(128)	(15)	(143)
Total other comprehensive loss for the period	(128)	(128)	(15)	(143)
Total comprehensive income for the period	8 062	8 062	(234)	7 828
Transactions with owners of the Company				
Dividends	(69)	(69)	(54)	(123)
Disposal of subsidiaries shares	-	-	9	9
Total transactions with owners of the Company	(69)	(69)	(45)	(114)
Balance at 30 June 2019	19 656	19 656	632	20 288
*000 000 RUB				
Balance at 1 January 2020	18 391	18 391	239	18 630
Total comprehensive income				
Profit for the period	4 307	4 307	(38)	4 269
Other comprehensive loss				
Actuarial gains/losses on defined benefit plans (net of income tax)	(35)	(35)	(10)	(45)
Total other comprehensive loss for the period	(35)	(35)	(10)	(45)
Total comprehensive income for the period	4 272	4 272	(48)	4 224
Transactions with owners of the Company				
Dividends	(27)	(27)	(53)	(80)
Total transactions with owners of the Company	(27)	(27)	(53)	(80)
Balance at 30 June 2020	22 636	22 636	138	22 774

The consolidated interim condensed statement of changes in equity is to be read in conjunction with the notes to, and forming part of, the consolidated interim condensed financial statements set out on pages 7-21.

JSC SOYUZDORSTROY
Consolidated Interim Condensed Statement of Cash Flows
for the six months ended 30 June 2020

*000 000 RUB	Note	For the six months ended 30 June 2020	For the six months ended 30 June 2019
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the year		4 269	7 971
<i>Adjustments for:</i>			
Depreciation and amortisation		618	589
Gain on disposal of property, plant and equipment		(17)	(74)
Finance income	6	(2 925)	(1 767)
Finance costs	6	3 797	2 768
Income tax expense		1 944	2 097
Cash flows from operating activities without taking into account changes in working capital and provisions		7 686	11 584
Changes in inventories	11	(631)	(3 630)
Changes in trade and other receivables	12	(16 632)	(20 288)
Changes in trade and other payables and provisions	14	(1 673)	(5 511)
Changes in cash in special bank accounts		3 886	9 263
Cash flows used in operations before income taxes and interest paid		(7 364)	(7 582)
Income tax paid		(828)	(837)
Interest paid		(2 748)	(1 998)
Net cash used in operating activities		(10 940)	(10 417)
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment	9	(421)	(805)
Proceeds from sale of property, plant and equipment		188	151
Interest received		474	13
Loans issued		(6 530)	(1 676)
Repayment of loans issued		7 154	1 473
Net cash from/(used in) investing activities		865	(844)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		19 505	21 186
Repayment of borrowings		(9 579)	(9 493)
Payment of bank commissions		(29)	(23)
Dividends paid to owners of the Company		(27)	(69)
Dividends paid to holders of non-controlling interests		(53)	(54)
Net cash from financing activities		9 817	11 547
Net (decrease)/ increase in cash and cash equivalents		(258)	287
Cash and cash equivalents at 1 January without taking into account cash in special bank accounts		347	354
Cash and cash equivalents at 30 June without taking into account cash in special bank accounts		89	641

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1 Reporting entity

(a) Organisation and operations

Joint-Stock Company SOYUZDORSTROY (the "Company") and its subsidiaries (the "AVTOBAN Group" or the "Group") comprise Russian joint-stock companies and limited liability companies, formed in accordance with the legislation of the Russian Federation. Prior to 20 December 2018, the Company operated as a limited liability company. The legal form of the Company changed to a joint-stock company following the resolution of its sole owner.

The Company's registered office is 119571 Moscow, Vernadsky Prospekt 92, building 1, room 2.

The Group's principal activity is construction of roads and public infrastructure. The Group is involved in a number of concession agreements and long-term investment agreements to build and operate toll roads.

The Group operates in the Russian Federation and has been recognized as one of the leaders in road construction.

The Group is ultimately controlled by Mr. Andreev A.V.

(b) Business environment

The Group's operations are primarily located in the Russian Federation. Consequently, the Group is exposed to the economic and financial markets of the Russian Federation, which display the characteristics of an emerging market. The legal, tax and regulatory frameworks continue development, but are subject to varying interpretations and frequent changes which contribute together with other legal and fiscal impediments to the challenges faced by entities operating in the Russian Federation.

Starting in 2014, the United States of America, the European Union and some other countries have imposed and gradually expanded economic sanctions against a number of Russian individuals and legal entities. The imposition of the sanctions has led to increased economic uncertainty, including more volatile equity markets, a depreciation of the Russian rouble, a reduction in both local and foreign direct investment inflows and a significant tightening in the availability of credit. As a result, some Russian entities may experience difficulties accessing the international equity and debt markets and may become increasingly dependent on state support for their operations. The longer-term effects of the imposed and possible additional sanctions are difficult to determine.

The consolidated interim condensed financial statements reflect management's assessment of the impact of the Russian business environment on the operations and the financial position of the Group. The future business environment may differ from management's assessment.

(c) Impact of Coronavirus Infection (COVID-19)

On 11 March 2020 the World Health Organization announced the COVID-19 pandemic outbreak.

The Government of the Russian Federation determined that companies engaged in the construction and operation of highways are considered to be continuously operating organizations. Therefore the Group didn't suspend work at construction sites during the first half of 2020.

The companies of the Group continue to fulfill their obligations under agreements with its customers and do not expect significant delays in completions of major contracts. The management team also believes that the main customers of the Group, which are state-owned enterprises and institutions, will not defer financing of the construction, however, the Group's management is taking preventive measures to ensure sufficient operating liquidity.

Up to the date of these consolidated financial statements, the Group's major customers made their progress payments in accordance with the terms of the relevant agreements. In addition, the main construction companies of the Group JSC DSK «AVTOBAN» and OJSC Khanty-Mansiyskdorstroy were included in the list of backbone companies of the Russian Federation. Such companies are eligible for state support due to their critical importance for the Russian economy. Therefore, the Group does not expect a significant increase in the probability of default and expected credit losses.

Taking into account the above measures and the current operating and financial performance of the Group, the management team does not expect an immediate material adverse impact of the COVID-19 outbreak on the financial position and results of Group's operations.

2 Basis of accounting

(a) Statement of compliance

These consolidated interim condensed financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting*. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the last annual consolidated financial statements as at and for the year ended 31 December 2019. These consolidated interim condensed financial statements do not include all the information required for full annual financial statements prepared in accordance with International Financial Reporting Standards ("IFRSs").

(b) Functional and presentation currency

The national currency of the Russian Federation is the Russian Rouble (RUB), which is the Company's functional currency and the currency in which these consolidated interim condensed financial statements are presented. All financial information presented in RUB has been rounded to the nearest million, except when otherwise indicated.

(c) Use of estimates and judgements

Preparation of the consolidated interim condensed financial statements requires Management to make judgements, estimates assumptions that affect the application of accounted policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated interim condensed financial statements is included in Note 15 Assessment of completion stages for construction contracts.

The Group's management believes that the Group's business represents a single reporting segment.

3 Revenue

*000 000 RUB	Six months ended 30 June 2020	Six months ended 30 June 2019
Revenue from road construction	32 160	35 751
<i>Including the following projects:</i>		
<i>Central Ring Road-4</i>	20 569	12 519
<i>Central Ring Road-3</i>	2 635	20 475
<i>Arrangement of well pads for Priobskoye field</i>	2 525	-
<i>M-8 "Kholmogory Highway"</i>	1 480	629
<i>A-113 CRR-3 from TI №18 CRR-3 to TI №31 CRR-5</i>	1 393	-
<i>Road reconstruction IP 351 Ekaterinburg-Tyumen on the location 148+900 - 168+000 km</i>	-	487
<i>Road construction Kommunistichesky – Uryagan</i>	-	976
Other revenue	99	462
Total revenue	32 259	36 213

As at 30 June 2020 the Group pledged its rights for proceeds under construction contracts of RUB 24 204 million (31 December 2019: RUB 44 785 million) as a collateral for guarantees issued by banks to secure the Group's obligations and bank loans.

The following table provides information about receivables, contract assets and contract liabilities under contracts with customers.

*000 000 RUB	30 June 2020	31 December 2019
Non-current receivables under completed construction contracts, including retentions	5 636	6 001
Current receivables under completed contracts and contracts in progress	2 310	1 876
Net contract assets, including completed projects	64 035	43 490
Contract liabilities	(438)	(888)

The contract assets primarily relate to the Group's rights to receive consideration for work completed but not billed at the reporting date. The contract assets are reclassified to receivables when the rights for the consideration becomes unconditional. This usually occurs when the Group issues an invoice to the customer. The contract liabilities primarily relate to the advance consideration received from customers for services provided where revenue is recognised over time.

The change (decrease) in revenue recognized during the reporting period for the performance obligations satisfied or partially satisfied in previous periods is RUB 1 448 million.

The following table provides information on remaining performance obligations under contracts entered prior to 30 June 2020 and 31 December 2019 and their expected timing of recognition as revenue:

'000 000 RUB	<u>30 June</u> <u>2020</u>	<u>31 December</u> <u>2019</u>
Completion period		
2020 year	43 197	51 054
2021 – 2023 years	33 234	51 850
	<u>76 431</u>	<u>102 904</u>

4 Cost of sales

'000 000 RUB	<u>Six months</u> <u>ended</u> <u>30 June 2020</u>	<u>Six months</u> <u>ended</u> <u>30 June 2019</u>
Services of contractors	10 158	8 927
Materials	6 927	8 027
Salaries and related payroll taxes	2 300	2 020
Transportation expenses	1 696	2 131
Expenses from derecognition of non-refundable VAT	685	291
Other	1 914	940
	<u>23 680</u>	<u>22 336</u>

5 Administrative expenses

'000 000 RUB	<u>Six months</u> <u>ended</u> <u>30 June 2020</u>	<u>Six months</u> <u>ended</u> <u>30 June 2019</u>
Salaries and related payroll taxes	1 462	1 281
Audit and consulting services	380	297
Other administrative expenses	449	505
	<u>2 291</u>	<u>2 083</u>

6 Finance income and costs

*000 000 RUB	Six months ended 30 June 2020	Six months ended 30 June 2019
Finance income		
Significant financing component, net	2 114	831
Interest income	461	497
Gain on sale of securities	82	2
Unwinding of discounts	70	31
Other	198	14
	<u>2 925</u>	<u>1 375</u>
Finance costs		
Interest expense	(3 037)	(2 335)
Other	(760)	(300)
	<u>(3 797)</u>	<u>(2 635)</u>

7 Employee benefit expenses

*000 000 RUB	Six months ended 30 June 2020	Six months ended 30 June 2019
Salaries	2 922	2 493
Social security and State pension fund contributions	845	756
Loss/(gains) related to defined benefit plans	(5)	52
	<u>3 762</u>	<u>3 301</u>

The Group's average number of employees for the six months ended 30 June 2020 and 2019 was 6 650 and 6 371, respectively.

8 Income taxes

Income tax expense is recognized in the amount determined by multiplying the profit before tax for the reporting period by a rate equal to management's best estimate of the weighted average annual income tax rate for the financial year. As such, the effective tax rate in the interim financial statements may differ from management's estimate of the effective tax rate for the annual financial statements.

The Group's consolidated effective tax rate for continuing operations for the six months ended 30 June 2020 and 30 June 2019 was 31% and 21%, respectively.

9 Property, plant and equipment

During the six months ended 30 June 2020, the Group acquired property, plant and equipment of RUB 421 million (six months ended 30 June 2019 – RUB 805 million).

During the six months ended 30 June 2020 the depreciation charge of RUB 581 million was recognized in cost of sales (six months ended 30 June 2019 – RUB 541 million), and RUB 37 million in administrative costs (six months ended 30 June 2019 – RUB 48 million).

10 Other investments and loans issued

*000 000 RUB	<u>30 June 2020</u>	<u>31 December 2019</u>
Non-current		
Deposits	2 054	1 395
Investment in associates	296	-
Interest-bearing bank promissory notes – at amortised cost	-	92
Other non-current financial assets	573	203
	<u>2 923</u>	<u>1 690</u>
Current		
Interest-bearing bank promissory notes – at amortised cost	3 896	5 576
Other current financial assets	18	241
	<u>3 914</u>	<u>5 817</u>

At the reporting date the fair value of assets does not materially differ from the carrying amount.

At 30 June 2020 the interest-bearing promissory notes measured at amortised cost with a carrying amount of RUB 3 896 million (2019: RUB 5 668 million) were pledged as a collateral to secure the Group's bank loans.

11 Inventories

*000 000 RUB	<u>30 June 2020</u>	<u>31 December 2019</u>
Raw materials and consumables	5 000	4 651
Goods for resale	112	179
Work in progress	755	406
	<u>5 867</u>	<u>5 236</u>

12 Trade and other receivables

Non-current and current trade and other receivables include:

*000 000 RUB	<u>30 June 2020</u>	<u>31 December 2019</u>
Non-current trade and other receivables		
Receivables under completed construction contracts	5 636	6 001
Prepayments	6	3
Other receivables	535	953
	<u>6 177</u>	<u>6 957</u>
Current trade and other receivables		
Receivables under completed contracts and contracts in progress	2 310	1 876
Net contract assets	64 035	43 490
Prepayments	2 981	3 244
VAT receivable	1 555	2 243
Other receivables	2 580	3 906
	<u>73 461</u>	<u>54 759</u>

13 Loans and borrowings

*000 000 RUB	<u>30 June 2020</u>	<u>31 December 2019</u>
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Non-current liabilities

Secured loans and borrowings received under Public-private partnership agreements	42 315	36 435
Loans secured by the owner's guarantee received under Public-private partnership agreements	3 624	1 302
Secured bond loans	2 067	8 145
Unsecured loans and borrowings	7	2 244
Lease liabilities	505	544
Other financial liabilities	1 398	-
	<u>49 916</u>	<u>48 670</u>

*000 000 RUB

Current liabilities

	<u>30 June 2020</u>	<u>31 December 2019</u>
Current portion of non-current secured loans and borrowings	3 172	2 534
Secured bond loans	5 753	111
Notes payable	38	579
Secured loans and borrowings	2 467	704
Loans secured by the owner's guarantee	6 299	5 116
Unsecured loans and borrowings	14	14
Lease liabilities	582	603
Other financial liabilities	249	-
	<u>18 574</u>	<u>9 661</u>

At the reporting date the fair value of liabilities does not materially differ from their carrying amount.

(a) Terms and debt repayment schedule

Terms and conditions of outstanding loans and borrowings in RUB were as follows:

Terms and debt repayment schedule			30 June	31 December
'000 000	Nominal	Year of	2020	2019
RUB	interest rate	maturity	Carrying amount	Carrying amount
Secured loans				
	9%	2036	8 213	-
	8,4-9,25%	2033	33 539	34 886
	6-8%	2025	3 291	3 490
	8,2-13%	2020-2023	881	1 297
Loans secured by the owner's guarantee				
	10,3-12%	2023-2043	6 035	4 305
	7,77-8,86%	2039	1 233	912
	9,8-10,85%	2020-2022	2 655	1 201
Total secured loans			55 847	46 091
Secured borrowings from third-party companies				
	10,5%	2020	2 030	-
Total secured borrowings from third-party companies			2 030	-
Secured bond loans				
	9,25-11%	2021-2024	3 536	3 256
Secured bond loans secured by the owner's guarantee				
	7,2-9%	2022-2024	4 283	5 000
Total secured bond loans			7 819	8 256

'000 000 RUB	Nominal interest rate	Year of maturity	30 June 2020	31 December 2019
			Carrying amount	Carrying amount
Unsecured loans				
	8,77-8,86%	2043	-	2 244
Total unsecured loans			-	2 244
Notes payable				
	8,8-16,5%	2020	38	579
Total notes payable			38	579
Unsecured borrowings				
	0-11%	2020	21	14
Total unsecured borrowings			21	14
Lease liabilities				
	1,49-29,1%	2020- 2023	1 088	1 147
Total lease liabilities			1 088	1 147
Other financial liabilities				
	9,67%	2020- 2030	1 647	-
Total other financial liabilities			1 647	-
Total liabilities			68 490	58 331

The par value does not materially differ from the carrying amount of the liabilities.

(b) **Security**

The bank loans at 30 June 2020 are secured by cash in special accounts of RUB 2 381 million (31 December 2019: RUB 3 617 million), 100% shares in LLC Dorozhnaya kontsessiya, 75% shares in LLC ASK. Long-term deposit of RUB 2 054 million secures bank guarantees received by the Group. The 50.01% shares of LLC YVM is pledged as a security for customer advances.

14 Trade and other payables

Current trade and other payables include:

*000 000 RUB	30 June 2020	31 December 2019
Contract liabilities	438	888
Payables under construction activity	6 447	9 808
Payables for other services	4 385	2 297
VAT payable	332	193
Other payables	1 150	1 032
	12 752	14 218

15 Construction contracts in progress

	30 June 2020	31 December 2019
Invoices issued to customers to the reporting date	21 869	15 913
Uninvoiced revenue	137 235	112 292
Revenue recognized to the reporting date	159 104	128 205
Contract costs incurred to the reporting date	(112 284)	(89 527)
Recognized income from contracts in progress	46 820	38 678
Revenue recognized to the reporting date	159 104	128 205
Cash received from customers	(99 574)	(88 039)
Accumulated finance income	5 000	3 231
Net receivable from / (payable to) customers	64 530	43 397
<i>Including:</i>		
Contract assets before expected credit loss*	64 429	43 700
Receivables	539	585
Contract liabilities	(438)	(888)
	64 530	43 397

* At 30 June 2020 the expected credit loss on contract assets amounted to RUB 394 million (31 December 2019: RUB 238 million).

	30 June 2020	
	Central Ring Road-3	Central Ring Road-4
Uninvoiced revenue	74 774	58 153
Contract costs incurred to the reporting date	(54 060)	(36 476)
Recognized income from contracts in progress	20 714	21 677
Revenue recognized to the reporting date	74 774	58 153
Cash received from customers	(43 277)	(32 737)
Accumulated finance income/(costs)	5 035	(35)
Net receivable from / (payable to) customers	36 532	25 381
<i>Including:</i>		
Contract assets before expected credit loss	36 532	25 380
	31 December 2019	
	Central Ring Road-3	Central Ring Road-4
Uninvoiced revenue	72 049	37 583
Contract costs incurred to the reporting date	(50 512)	(23 704)
Recognized income from contracts in progress	21 537	13 879
Revenue recognized to the reporting date	72 049	37 583
Cash received from customers	(41 842)	(28 546)
Accumulated finance income/(costs)	3 688	(456)
Net receivable from / (payable to) customers	33 895	8 581
<i>Including:</i>		
Contract assets without expected credit loss	33 895	8 581

16 Contingencies

The nature and amounts of contingent liabilities of the Group as at 30 June 2020 have not materially changed compared to similar indicators as at 31 December 2019.

17 Transactions with related parties

(a) Ultimate controlling party

The Group's ultimate beneficial owner and the Company's sole shareholder is Mr. Andreev A.V.

(i) Key management remuneration

Key management includes Chief executive officers and the Groups' directors. Key management received the following remuneration during the year, which is included in employee benefit expenses (see Note 7):

*000 000 RUB	Transaction value 30 June 2020	Transaction value 30 June 2019
Salaries and bonuses	243	432
Contributions to State pension fund	45	56
Contributions to defined benefit plan (non-state pension insurance)	2	2
	<u>290</u>	<u>490</u>

(b) Other related party transactions

(i) Other revenue

*000 000 RUB	Transaction value 30 June 2020	Transaction value 30 June 2019
Other revenue	3	11
	<u>3</u>	<u>11</u>

(ii) Finance income and costs

Finance income and costs

*000 000 RUB	Transaction value 30 June 2020	Transaction value 30 June 2019
Interest income on loan issued	4	9
Discount of long-term payables and loans received from related parties	34	20
	<u>38</u>	<u>29</u>

(iii) Purchases

During the six months ended 30 June 2020 and 2019, the cost of services provided to the Group by related parties amounted to RUB 22 million and RUB 122 million, respectively.

(iv) *Outstanding balances*

*000 000 RUB	<u>Outstanding balances 30 June 2020</u>	<u>Outstanding balances 31 December 2019</u>
<i>Non-current assets</i>		
Other account receivables	255	267
	<u>255</u>	<u>267</u>
<i>Current assets</i>		
Other trade account receivables	178	26
Advances issued	110	93
Loans issued	246	196
	<u>534</u>	<u>315</u>

During the six months ended 30 June 2020 and 2019 the Group did not provide loans to related parties.

*000 000 RUB	<u>Outstanding balances 30 June 2020</u>	<u>Outstanding balances 31 December 2019</u>
<i>Non-current liabilities</i>		
Trade accounts payables	(3)	(18)
	<u>(3)</u>	<u>(18)</u>
<i>Current liabilities</i>		
Trade accounts payables	(21)	(63)
Advances received	(62)	-
Other accounts payables	(245)	(258)
Short-term bank loans and borrowings	-	(11)
	<u>(328)</u>	<u>(332)</u>

(v) *Guarantees*

As at 30 June 2020 and 31 December 2019 the Group's bank loans in the amount of RUB 11 090 million and RUB 11 388 million, respectively, were secured by guarantees provided by the ultimate beneficial owner.

18 Subsequent events

(a) *Construction of a new facility*

OJSC Khanty-Mansiyskdorstroy entered into a contract for the reconstruction of 11 kilometers of the road R-402 "Tyumen - Yalutorovsk - Ishim - Omsk" on the location Borovskiy - Vinzili. The contract value is RUB 3,2 billion. Completion of work is scheduled for 31 December 2024.

OJSC Khanty-Mansiyskdorstroy entered into a contract for the overhaul of the R-351 Ekaterinburg-Tyumen highway, Sverdlovsk region. The contract value is RUB 3,9 billion.

JSC DSK AVTOBAN has secured two contracts to design and construct M-12 Moscow - Kazan motorway for the total amount of RUB 148 billion.

(b) *Loans and borrowings*

After the reporting date the Group received loans for the total amount of RUB 6 555 million under the existed loan agreements.



Independent Auditors' Report on Review of Consolidated Interim Condensed Financial Statements

To the Shareholder of Joint-Stock Company SOYUZDORSTROY

Introduction

We have reviewed the accompanying consolidated interim condensed statement of financial position of Joint-Stock Company SOYUZDORSTROY (the "Company") and its subsidiaries (the "Group") as at 30 June 2020, and the related consolidated interim condensed statements of profit or loss and other comprehensive income, changes in equity and cash flows for the six-month period then ended, and notes to the consolidated interim condensed financial statements ("the consolidated interim condensed financial statements"). 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 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.

Reviewed entity: JSC SOYUZDORSTROY
Registration number in the Unified State Register of Legal Entities:
№ 5077461032
Website: www.soyuzdorstroy.ru

Independent auditor: JSC WFOC, a company incorporated under the Laws of the Russian Federation, a member firm of the IFAC network of independent member firms affiliated with IFAC's member organizations (IFAC member firm), a Swiss entity

Registration number in the Unified State Register of Legal Entities: № 5077461032

Member of the IFAC network: O'Jendriev & Partners, Association "Biosphere"
JSC A&P, Foreign registration number of the entity in the Register of Auditors and Audit Organizations: № 127802020



JSC SOYUZDORSTROY

Independent Auditors' Report on Review of Consolidated Interim Condensed Financial Statements

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Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the consolidated interim condensed financial statements as at 30 June 2020 and for the six-month period then ended are not prepared, in all material respects, in accordance with IAS 34 *Interim Financial Reporting*.



Samarin M.V.
JSC "KPMG"

Moscow, Russia

1 October 2020