

**Joint-Stock Company
SOYUZDORSTROY**

**Consolidated Interim Condensed
Financial Statements
for the six months ended 30 June 2021**

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JSC SOYUZDORSTROY
Consolidated Interim Condensed Statement of Profit or Loss and Other Comprehensive Income
for the six months ended 30 June 2021

<i>In Millions of RUB</i>	Note	Six months ended 30 June 2021	Six months ended 30 June 2020
Revenue	4	34 603	32 259
Cost of sales	5	(26 408)	(23 680)
Gross profit		8 195	8 579
Other income		233	1 112
Administrative expenses	6	(3 764)	(2 291)
Other expenses		(401)	(315)
Results from operating activities		4 263	7 085
Finance income	7	3 704	2 947
Finance costs	7	(5 035)	(3 819)
Profit before income tax		2 932	6 213
Income tax expense		(721)	(1 944)
Profit attributable to:		2 211	4 269
Owners of the Company		2 043	4 307
Non-controlling interests		168	(38)
Profit for the period		2 211	4 269
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		(93)	(35)
Non-controlling interests		(36)	(10)
Other comprehensive loss		(129)	(45)
Total comprehensive income attributable to:		2 082	4 224
Owners of the Company		1 950	4 272
Non-controlling interests		132	(48)
Total comprehensive income for the period		2 082	4 224

These consolidated interim condensed financial statements were approved by management on 3 September 2021 and were signed on its behalf by:



 General Director
«СОЮЗДОРСТРОЙ»
 Andrey A.V.
 (signed)

Director of Economics and Finance
 JSC DSK AVTOBAN

Shtrek Y.M.



 (signed)

The consolidated interim condensed statement of profit or loss and other comprehensive income is to be read in conjunction with the notes to, and forming part of, the consolidated interim condensed financial statements set out on pages 8-23.

<i>In Millions of RUB</i>	Note	30 June 2021	31 December 2020
ASSETS			
Non-current assets			
Property, plant and equipment	10	4 461	3 551
Investment property		230	230
Intangible assets		302	231
Other investments and loans issued	11	807	3 306
Receivables and contract assets	13	86 725	77 101
Deferred tax assets		3 584	3 521
Total non-current assets		96 109	87 940
Current assets			
Inventories	12	4 858	2 698
Receivables and contract assets	13	9 865	8 322
Prepayments		17 439	12 175
Other receivables	13	5 842	8 684
Other investments and loans issued	11	7 616	1 872
Cash in special bank accounts	14	32 948	21 798
Cash and cash equivalents	14	3 238	1 854
Total current assets		81 806	57 403
Total assets		177 915	145 343
EQUITY AND LIABILITIES			
Equity			
Retained earnings		31 975	30 125
Total equity attributable to owners of the Company		31 975	30 125
Non-controlling interests		78	(25)
Total equity		32 053	30 100
Non-current liabilities			
Loans and borrowings	15	84 039	63 122
Trade and other payables	16	949	1 011
Provisions		1 753	1 304
Deferred tax liabilities		4 752	4 655
Total non-current liabilities		91 493	70 092
Current liabilities			
Loans and borrowings	15	9 386	10 668
Contract liabilities		22 519	14 297
Trade and other payables	16	19 337	18 589
Provisions		3 127	1 597
Total current liabilities		54 369	45 151
Total liabilities		145 862	115 243
Total equity and liabilities		177 915	145 343

In Millions of RUB

Balance at 1 January 2020
 Total comprehensive income / (loss)
 Profit/(loss) for the period
 Other comprehensive loss
 Actuarial gains/losses on defined benefit plans (net of income tax)
 Total other comprehensive loss for the period
 Total comprehensive income for the period
 Transactions with owners of the Company
 Dividends
 Total transactions with owners of the Company
 Balance at 30 June 2020

'000 000 RUB

Balance at 1 January 2021
 Total comprehensive income
 Profit for the period
 Other comprehensive loss
 Actuarial losses on defined benefit plans (net of income tax)
 Total other comprehensive loss for the period
 Total comprehensive income for the period
 Transactions with owners of the Company
 Dividends
 Decrease in non-controlling interest due to acquisition of shares in subsidiaries
 Total transactions with owners of the Company
 Balance at 30 June 2021

	Attributable to equity holders of the Company		Non-controlling interests	Total equity
	Share capital	Retained earnings		
	0,01	18 391	239	18 630
	-	4 307	(38)	4 269
	-	(35)	(10)	(45)
	-	(35)	(10)	(45)
	-	4 272	(48)	4 224
	-	(27)	(53)	(80)
	-	(27)	(53)	(80)
	0,01	22 636	138	22 774

	Attributable to equity holders of the Company		Non-controlling interests	Total equity
	Share capital	Retained earnings		
	0,01	30 125	(25)	30 100
	-	2 043	168	2 211
	-	(93)	(36)	(129)
	-	(93)	(36)	(129)
	-	1 950	132	2 082
	-	(100)	-	(100)
	-	-	(29)	(29)
	-	(100)	(29)	(129)
	0,01	31 975	78	32 053

<i>In Millions of RUB</i>	Note	Six months ended 30 June 2021	Six months ended 30 June 2020
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the year		2 211	4 269
<i>Adjustments for:</i>			
Depreciation and amortisation		707	618
Loss/(gain) on disposal of property, plant and equipment		3	(17)
Share of profit of equity accounted investees (net of income tax)		5	(36)
Finance income	7	(3 704)	(2 947)
Finance costs	7	5 035	3 819
Income tax expense		721	1 944
Cash flows from operating activities before changes in working capital and provisions		4 978	7 650
Changes in inventories	12	(2 160)	(631)
Changes in trade and other receivables	13	(10 089)	(16 596)
Changes in trade and other payables and provisions	16	11 566	(1 673)
Changes in cash in special bank accounts		(11 150)	3 886
Cash flows used in operations before income taxes and interest paid		(6 855)	(7 364)
Income tax paid		(2 334)	(828)
Interest paid		(3 780)	(2 748)
Net cash used in operating activities		(12 969)	(10 940)
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment	10	(1 519)	(421)
Proceeds from sale of property, plant and equipment		7	188
Acquisition of intangible assets		(71)	-
Acquisition of subsidiaries		(60)	-
Interest received		429	474
Loans issued and deposits with maturities of three months or more from the acquisition date		(4 360)	(6 530)
Repayment of loans issued		726	7 154
Net cash from/(used in) investing activities		(4 848)	865

JSC SOYUZDORSTROY
Consolidated Interim Condensed Statement of Cash Flows
for the six months ended 30 June 2021

<i>In Millions of RUB</i>	Note	Six months ended 30 June 2021	Six months ended 30 June 2020
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		24 522	19 505
Repayment of borrowings		(4 804)	(9 579)
Payment of lease liabilities		(417)	-
Payment of bank commissions		-	(29)
Dividends paid to owners of the Company		(100)	(27)
Dividends paid to holders of non-controlling interests		-	(53)
Net cash from financing activities		19 201	9 817
Net increase/(decrease) in cash and cash equivalents		1 384	(258)
Cash and cash equivalents at 1 January excluding cash in special bank accounts		1 854	347
Cash and cash equivalents at 30 June excluding cash in special bank accounts		3 238	89

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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, established 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 COVID 19 coronavirus pandemic has further increased uncertainty in the business environment.

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 2021.

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. Management 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 operation.

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 2020. 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.

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

3 Acquisitions and establishment of subsidiary

In June 2021 the Group acquired 50% share in JSC Asphalt from third party for RUB 60 million. As a result, as at 30 June 2021 the effective ownership of the Group in JSC "Asphalt" was 99.932%.

In April 2021 new subsidiaries were established: OOO KSK No. 5 and OOO KSK No. 7 with an effective ownership interest of 99.932% and OOO KSK No. 6 with an effective ownership interest of 99%.

4 Revenue

The following table presents revenue from contracts with customers as disaggregated by contracts:

In Millions of RUB

	Six months ended 30 June 2021	Six months ended 30 June 2020
Revenue from road construction recognised over time	33 208	32 160
<i>Including the following contracts:</i>		
<i>The Bypass of Tolyatti</i>	12 388	158
<i>Central Ring Road-4</i>	9 982	20 569
<i>M-12 Moscow - Kazan 224 - 347 km</i>	2 493	-
<i>M-5 Ulyanino-Nepetsino</i>	1 651	237
<i>M-12 Moscow - Kazan 454 - 586 km</i>	1 273	-
<i>M-4 "DON" tul'skiye gor'ki</i>	1 213	286
<i>Road reconstruction 1P 351 Ekaterinburg-Tyumen on the location 148+900 - 168+000 km</i>	592	-
<i>A-113 CRR-3 from TI №18 CRR-3 to TI №31 CRR-5</i>	375	1 393
<i>Central Ring Road-3</i>	-	2 635
<i>Arrangement of well pads for Priobskoye field</i>	-	2 525
<i>M-8 "Kholmogory Highway"</i>	-	1 480
Revenue from road operation services recognised over time	1 226	-
Other revenue	169	99
	34 603	32 259

As at 30 June 2021 and 31 December 2020 the Group pledged its rights for proceeds under construction contracts of RUB 24 940 million as 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.

<i>In Millions of RUB</i>	30 June 2021	31 December 2020
Non-current assets		
Receivables under completed construction contracts, including:	45 662	47 060
<i>Central Ring Road-3</i>	40 621	41 619
Contract assets classified as long-term assets, including:	40 939	29 963
<i>Central Ring Road-4</i>	40 939	29 963
Total	86 601	77 023
Current assets and liabilities		
Receivables under completed contracts and contracts in progress, including:	7 688	4 865
<i>Central Ring Road-3</i>	2 864	2 987
<i>Revenue from road operation services</i>	1 092	30
Current contract assets, including	2 177	3 457
<i>Central Ring Road-4</i>	-	1 133
Contract liabilities, including	(22 519)	(14 297)
<i>The Bypass of Tolyatti</i>	(16 295)	(9 989)
Total	(12 654)	(5 975)

The contract assets primarily relate to the Group's rights to receive consideration for work completed but not billed at the reporting date. The short-term part of the contract assets includes payments corresponding to the operating period, which is the facility construction period. The long-term part of the contract assets includes payments expected to be received in periods after the end of facilities construction (exceeding the operating period). The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the customer accepts the work completed that enables the Group to issue an invoice. The contract liabilities primarily relate to the consideration received from customers in advance for services provided where revenue is recognised over time.

The customer accepts construction services provided by the Group related to contracts to build «Central Ring Road-3» and «Central Ring Road-4» only after all works are completed. The construction of Central Ring Road-3 was fully completed and accepted in 2020. The construction of Central Ring Road-4 is expected to be completed in the second half of 2021. During the first half of 2021 the Group received cash consideration for construction services on Central Ring Road-3 and Central Ring Road-4 of RUB 2 959 million and RUB 1 320 million (2020: RUB 5 872 million and RUB 22 720 million), respectively.

The decrease in revenue for the period ended 31 December 2020 for performance obligations satisfied (or partially satisfied) in the previous periods amounted to RUB 321 million (2020: RUB 2 835 million).

The following table provides information on remaining performance obligations under contracts entered prior to 30 June 2021 and their expected timing of recognition as revenue.

In Millions of RUB

Completion period	Performance obligations	Performance obligations under exploitation*
2021 year	13 145	-
2022-2024 years	223 871	-
2025-2047 years	-	155 362
	<u>237 016</u>	<u>155 362</u>

The comparative information as at 31 December 2020 is presented below:

In Millions of RUB

Completion period	Performance obligations	Performance obligations under exploitation*
2021 year	27 010	-
2022-2024 years	281 606	-
2025-2047 years	-	155 226
	<u>308 616</u>	<u>155 226</u>

() For some contracts at early stages of construction the performance obligation are presented net of significant financing component which is included in finance income.*

5 Cost of sales

In Millions of RUB

	Six months ended 30 June 2021	Six months ended 30 June 2020
Services of contractors	12 064	10 158
Materials	7 282	6 927
Salaries and related payroll taxes	2 363	2 300
Transportation expenses	1 818	1 696
Depreciation and amortization	638	581
Estimated liability on tax savings	-	685
Other	2 243	1 333
	<u>26 408</u>	<u>23 680</u>

6 Administrative expenses

In Millions of RUB

	<u>Six months ended 30 June 2021</u>	<u>Six months ended 30 June 2020</u>
Salaries and related payroll taxes	2 619	1 462
Audit and consulting services	277	380
Insurance	200	62
Depreciation and amortization	69	37
Other administrative expenses	599	350
	<u>3 764</u>	<u>2 291</u>

7 Finance income and costs

In Millions of RUB

	<u>Six months ended 30 June 2021</u>	<u>Six months ended 30 June 2020</u>
Finance income		
Significant financing component	3 251	2 114
Interest income	445	461
Unwinding of discounts	6	92
Gain on sale of securities	-	82
Other	2	198
	<u>3 704</u>	<u>2 947</u>
Finance costs		
Interest expense	(4 025)	(3 037)
Unwinding of discounts	(538)	(22)
Other	(472)	(760)
	<u>(5 035)</u>	<u>(3 819)</u>
Net finance costs recognised in profit or loss	<u>(1 331)</u>	<u>(872)</u>

8 Employee benefit expenses

In Millions of RUB

	Six months ended 30 June 2021	Six months ended 30 June 2020
Salaries	3 861	2 922
Social security and State pension fund contributions	1 084	845
Loss/(gains) related to defined benefit plans	37	(5)
	4 982	3 762

The Group's average number of employees for the months ended 30 June 2021 and 2020 was 7 275 and 6 650, respectively.

9 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 2021 and 30 June 2020 was 25% and 31%, respectively.

10 Property, plant and equipment

During the six months ended 30 June 2021, the Group acquired property, plant and equipment of RUB 1 519 million (six months ended 30 June 2020 – RUB 421 million).

During the six months ended 30 June 2021 the depreciation charge of RUB 638 million was recognized in cost of sales (six months ended 30 June 2020 – RUB 581 million) and RUB 69 million in administrative costs (six months ended 30 June 2020 - RUB 37 million).

11 Other investments and loans issued

In Millions of RUB

	<u>30 June 2021</u>	<u>31 December 2020</u>
<i>Non-current</i>		
Deposits	-	3 044
Loans issued	712	102
Investment in associates	92	97
Interest-bearing bank promissory notes – at amortised cost	-	60
Other non-current financial assets	3	3
	<u>807</u>	<u>3 306</u>
<i>Current</i>		
Deposits	5 110	-
Loans issued	1 730	124
Interest-bearing bank promissory notes – at amortised cost	776	1 748
	<u>7 616</u>	<u>1 872</u>

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

At 30 June 2021 the interest-bearing promissory notes measured at amortised cost with a carrying amount of RUB 776 million (2020: – RUB 1 748 million) were pledged as a collateral to secure the Group's bank loans.

Deposits represent investments in deposit bank accounts maturing on 30 April 2022 with an average interest rate of 6%.

As at 30 June 2021, RUB 3 044 million of long-term deposits had been reclassified to short-term deposits. During the 6 months ended 30 June 2021 cash in the amount of RUB 2 066 million was additionally placed on deposit accounts and classified as short-term deposits at 30 June 2021.

12 Inventories

In Millions of RUB

	<u>30 June 2021</u>	<u>31 December 2020</u>
Raw materials and consumables	4 252	2 617
Goods for resale	601	78
Work in progress	5	3
	<u>4 858</u>	<u>2 698</u>

13 Trade and other receivables

Non-current and current trade and other receivables include:

In Millions of RUB

	<u>30 June 2021</u>	<u>31 December 2020</u>
<i>Non-current trade and other receivables</i>		
Receivables under concession agreement, including withholdings	45 662	47 060
Contract assets	40 939	29 963
Prepayments	60	20
Other receivables	64	58
	<u>86 725</u>	<u>77 101</u>
<i>Current trade</i>		
Receivables under completed contracts and contracts in progress	7 688	4 865
Contract assets	2 177	3 457
	<u>9 865</u>	<u>8 322</u>
<i>Other receivables</i>		
VAT receivable	3 499	6 813
Other receivables	2 343	1 871
	<u>5 842</u>	<u>8 684</u>

14 Cash and cash equivalents

In Millions of RUB

	<u>30 June 2021</u>	<u>31 December 2020</u>
Cash	1 214	1 657
Deposits from third-party banks with maturities of three months or less from the acquisition date	2 024	197
Cash and cash equivalents	<u>3 238</u>	<u>1 854</u>

As at 30 June 2021 cash in special accounts of RUB 32 948 million (31 December 2020: RUB 21 798 million) represents cash balances with restrictions imposed by state-owned customers and banks. Under the terms of the related government contracts, the cash balances can only be used to finance construction of certain projects under treasury or bank support, or to service or repay the related loan obligations.

15 Loans and borrowings

In Millions of RUB

	30 June 2021	31 December 2020
<i>Non-current liabilities</i>		
Secured loans and borrowings received under Public-private partnership agreements	65 223	52 451
Loans secured by the owner's guarantee received under Public-private partnership agreements	5 336	5 864
Secured bond loans	10 341	2 102
Unsecured bank loans	1 075	1 010
Lease liabilities	826	453
Other financial liabilities	1 238	1 242
	84 039	63 122
<i>Current liabilities</i>		
Current portion of non-current secured loans and borrowings	2 561	3 209
Secured bond loans	26	5 790
Notes payable	20	38
Secured loans and borrowings	2 104	886
Loans secured by the owner's guarantee	3 757	3
Lease liabilities	830	654
Other financial liabilities	88	88
	9 386	10 668

Other financial liabilities represent a debt under a factoring agreement.

As at 31 December 2020 AVTOBF BP2 bond loan of RUB 2 980 million maturing in March 2024 was classified as a current liability due to the expected redemption in 2021. During the six months ended 30 June 2021, part of the bonds of RUB 1 358 million were repurchased and then sold again for the amount of RUB 1 319 million. As at 30 June 2021 the bonds of RUB 2 941 million were included in the long-term liabilities.

During the 6 months ended 30 June 2021 the Group sold previously repurchased AVTOBF BP1 bonds of RUB 2 278 million maturing in April 2024. On 30 June 2021, the loan was included in the long-term liabilities.

In addition, during the 6 months ended 30 June 2021 the bonds held by Group companies as at 31 December 2020 of RUB 2 997 million were sold to third parties (see Appendix 15 (c)).

(a) **Terms and debt repayment schedule**

The terms of the outstanding loans and borrowings in RUB were as follows:

<i>In Millions of RUB</i>	Nominal interest rate	Year of maturity	30 June 2021 Carrying amount	31 December 2020 Carrying amount
Secured loans in RUB	9%	2036	30 743	19 194
	7,25-9,25%	2033	33 899	33 061
	4,25-8%	2025	2 863	3 083
	8,2-13%	2021-2023	2 311	1 171
Loans in RUB secured by the owner's guarantee	10,3-12%	2023-2043	2 523	2 028
	7,77-9,33%	2039	3 177	1 851
	7,5-10,85%	2021-2022	3 393	1 988
Total secured loans in RUB			78 909	62 376
Secured borrowings from third-party companies in RUB	11,7%	2039	72	37
Total secured borrowings from third-party companies in RUB			72	37
Secured bond loans	7,95-11%	2021-2024	5 389	2 981
Secured bond loans secured by the owner's guarantee	7,2-9,95%	2022-2024	4 978	4 911
Total secured bond loans in RUB			10 367	7 892
Unsecured loans in RUB	8,77-11,7%	2043	1 067	1 002
Notes payable	7,15-8%	2021	20	38
Unsecured borrowings	0-11%	2021	8	8
Lease liabilities	1,49%-29,1%	2021-2023	1 656	1 107
Other financial liabilities	9,67%	2021-2030	1 326	1 330
Total liabilities			93 425	73 790

(b) **Security**

The bank loans at 30 June 2021 are secured by cash in special accounts of RUB 14 248 million (31 December 2020: RUB 4 282 million), 100% shares in LLC Dorozhnaya kontsessiya, 75% shares in LLC

ASK. The long-term deposit of RUB 5 110 million secures bank guarantees received by the Group (31 December 2020: RUB 3 044 million). The 50.01% shares of LLC YVM is pledged as a security for customer advances.

(c) **Bonds**

In Millions of RUB

		Date issued	Quantity	Maturity	Nominal value	Carrying amount
Balance at 1 January 2020						7 892
Repurchase and redemption of previously issued bonds						
Repurchase of issued bonds	AVTOBF BP2	March 2021	1 358 227	March 2024	(1 358)	(1 358)
Sale of previously repurchased bonds	AVTOBF BP2	May-June 2021	1 358 227	March 2024	1 358	1 319
Sale of previously repurchased bonds	AVTOBF BP1	June 2021	2 271 205	April 2024	2 271	2 278
Redemption of bonds	AVTOBF-F1	June 2021	3 000 000	June 2021	(3 000)	(2 739)
Sale of bonds by Group companies						2 997
	AVTOBF BP2		693 683	March 2024	694	702
	AVTOBF BP1		140 771	April 2024	141	142
	AVTOBF-F1		2 104 280	June 2021	2 104	2 153
Total bonds sold, repurchased and redeemed						2 497
Other changes						(22)
Balance at 30 June 2021						10 367

16 Trade and other payables

In Millions of RUB

	30 June 2021	31 December 2020
<i>Non-current trade and other payables</i>		
Contract liabilities	591	597
Other payables	358	414
	949	1 011
<i>Current trade and other payables</i>		
Payables for construction services	6 283	4 505
Payables for other services	9 457	8 008
VAT payable	2 046	3 322
Other payables	1 551	2 754
	19 337	18 589

17 Contingencies

The nature and amounts of contingent liabilities of the Group as at 30 June 2021 have not materially changed compared to similar indicators as at 31 December 2020 except for contingent tax liabilities, the amount of which increased to RUB 6 790 million.

18 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.

Transactions with related parties, comprising senior management, associates and other related parties, are disclosed below.

(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 (Note 8).

In Millions of RUB

	Transaction value 30 June 2021	Transaction value 30 June 2020
Salaries and bonuses	659	243
Contributions to State pension fund	79	45
Contributions to defined benefit plan (non-state pension insurance)	3	2
	741	290
		21

(b) **Other related party transactions**

(i) *Other revenue*

In Millions of RUB

	<u>Transaction value</u> <u>30 June 2021</u>	<u>Transaction value</u> <u>30 June 2020</u>
Other revenue	7	3
	<u>7</u>	<u>3</u>

(ii) *Finance income and costs*

In Millions of RUB

	<u>Transaction value</u> <u>30 June 2021</u>	<u>Transaction value</u> <u>30 June 2020</u>
Interest income on loan issued	4	4
Discount of long-term payables and loans received from related parties	5	34
	<u>9</u>	<u>38</u>

(iii) *Purchases*

For the 6 months ended 30 June 2021 and 2020 the Group's services to related parties amounted to RUR 236 million and RUR 22 million, respectively.

(iv) *Outstanding balances*

In Millions of RUB

	<u>Outstanding</u> <u>balances</u> <u>30 June 2021</u>	<u>Outstanding</u> <u>balances</u> <u>31 December 2020</u>
<i>Non-current assets</i>		
Loans issued	-	4
	<u>-</u>	<u>4</u>
<i>Current assets</i>		
Other trade account receivables	116	15
Advances issued	321	70
Loans issued	53	52
Notes receivable	65	-
	<u>555</u>	<u>137</u>

The Group did not provide loans to related parties for the 6 months ended 30 June 2021.

<i>In Millions of RUB</i>	Outstanding balances 30 June 2021	Outstanding balances 31 December 2020
<i>Non-current liabilities</i>		
Trade accounts payables	(8)	(4)
Long-term bank loans and borrowings	(8)	(8)
	<u>(16)</u>	<u>(12)</u>
<i>Current liabilities</i>		
Notes payable	(20)	-
Trade accounts payables	(33)	(39)
Other accounts payables	(537)	(338)
	<u>(590)</u>	<u>(377)</u>

(v) **Guarantees**

As at 30 June 2021 the Group's bank loans and borrowings amounted to RUB 14 071 million were secured by guarantees provided by the beneficial owner (31 December 2020: RUB 10 778 million).

19 Subsequent events

(a) **Loans, borrowings and other financing sources**

Subsequent to the balance sheet date the Group received loans of RUR 982 million under current loan agreements.

(b) **Split of the Company's shares**

In July 2021, state registration of amendments to the decision to issue ordinary and preferred shares of JSC SOYUZDORSTROY was performed. The par value of each outstanding ordinary and preference share decreased and the number of shares increased by 100 000. The Company's share capital, market capitalization and shareholder interest have not changed as a result of this event.

(c) **Dividends**

Subsequent to the balance sheet date the Group paid dividends of RUB 2 000 million.



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 2021, 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 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.

Representative JSC SOYUZDORSTROY
Registration number in the United States Register of Legal Entities:
No. E18746016555
Moscow, Russia

Audit firm JSC "KPMG" a company incorporated under the laws of the Russian Federation

Registration number in the United States Register of Legal Entities:
No. 10777K02668

Member of the Self-regulatory Organization of Auditors Accountants
"Socuzmor" (SRO AAS). Foreign registration number in the entry in
the Register of Auditors and Audit Organizations No. 1000000001



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 accompanying consolidated interim condensed financial statements as at 30 June 2021 and for the six-month period then ended are not prepared, in all material respects, in accordance with IAS 34 *Interim Financial Reporting*.


Saman M.Y.

JSC "KPMG"
Moscow, Russia

3 September 2021

