

Consolidated Statement of Financial Position

As at 31 December 2019

	Note	31.12.19	31.12.18
RUB mln			
ASSETS			
Non-Current Assets			
Fleet	5	4,982	5,677
Rolling stock and other tangible fixed assets	6	24,067	29,827
Goodwill	4	6,418	8,493
Investments in associates and joint ventures	7	68	141
Other non-current assets	9	1,584	1,042
Total non-current assets		37,119	45,180
Current Assets			
Inventories	8	1,046	1,085
Accounts receivable	9	10,542	10,367
Other current assets	9	52	665
Cash and cash equivalents	9	1,232	3,313
Assets classified as held for sale	19	11,336	217
Total current assets		24,208	15,647
Total assets		61,327	60,827
Equity and liabilities			
Shareholders' Equity			
Share capital	12	2,951	2,951
Share premium		23,697	23,697
(Accumulated losses)/retained earnings		(908)	1,312
Reserves		(22,255)	(26,518)
Equity attributable to owners of the Company		3,485	1,442
Non-controlling interests			
Total equity		5,609	3,176
Non-current liabilities			
Long-term debt obligations and finance lease liabilities	10	26,741	40,952
Long-term lease liabilities	2,10	2,881	-
Deferred tax liability	11	1,496	1,348
Other long term liabilities		192	200
Total non-current liabilities		31,310	42,500
Current Liabilities			
Accounts payable	9	10,666	10,456
Short-term debt obligations and finance lease liabilities	10	6,145	4,695
Short-term lease liabilities	2,10	343	-
Liabilities classified as held for sale	19	7,254	-
Total current liabilities		24,408	15,151
Total liabilities		55,718	57,651
Total equity and liabilities		61,327	60,827

M.V. Sakharov, President
Date: 20 May 2020

L.G. Zvyagintsev, Vice President and CFO

Consolidated Statement of Profit or Loss For the year ended 31 December 2019

	Note	2019	2018
		RUB mln	
Revenue	14	56,673	56,993
Operating expenses	15	(37,279)	(39,634)
Gross profit before depreciation and amortization		19,394	17,359
Depreciation and amortisation	5,6	(3,485)	(2,480)
Administrative expenses	16	(7,341)	(6,983)
(Impairment)/impairment reversal, net	17	(141)	124
Other (expenses)/income, net		(123)	314
Profit from operating activity		8,304	8,334
Finance income	18	77	4,707
Finance costs	18	(7,450)	(5,148)
Result of disposal of subsidiaries and associates		-	816
Other non-operating expenses		(268)	(417)
Share of profit of equity accounted investees	7	77	1,662
Profit before income tax		740	9,954
Income tax expense	11	(2,582)	(2,945)
(Loss)/profit for the year		(1,842)	7,009
Attributable to:			
Owners of the Company		(2,232)	6,723
Non-controlling interests		390	286
(Loss)/earnings per share (in RUB)	20	(0,756)	2,278

Consolidated Statement of Comprehensive Income For the year ended 31 December 2019

	2019	2018
	RUB mln	
(Loss)/profit for the year	(1,842)	7,009
Other comprehensive income/(loss):		
Items that are not to be reclassified to profit or loss		
Recycling of accumulated foreign currency translation loss upon subsidiaries and associates disposal	–	56
Effect of foreign currency translation	4,330	(7,851)
Revaluation of fleet	(52)	196
Depreciation of fleet revaluation reserve	(11)	–
Deferred tax on fleet revaluation	10	(39)
Other comprehensive income/(loss) for the year	4,277	(7,638)
Total comprehensive income/(loss) for the year	2,435	(629)
Total comprehensive income/(loss) attributable to:		
Ordinary shareholders of the Company	2,045	(915)
Non-controlling interests	390	286

Consolidated Statement of Changes in Equity For the year ended 31 December 2019

	Share capital (Note 12)	Share premium
Balance at 1 January 2018	2,951	23,697
Profit for the year	-	-
Other comprehensive loss		
Effect of foreign currency translation	-	-
Share of other comprehensive loss of associates	-	-
Revaluation of fleet	-	-
Disposal of fleet revaluation reserve	-	-
Deferred tax on fleet revaluation	-	-
Total other comprehensive loss	-	-
Total comprehensive loss for the year	-	-
Transactions with owners, recorded directly in equity		
Acquisition of non-controlling interest	-	-
Total transactions with owners	-	-
Balance at 31 December 2018	2,951	23,697
Balance at 1 January 2019	2,951	23,697
Loss for the year	-	-
Other comprehensive income		
Effect of foreign currency translation	-	-
Revaluation of fleet	-	-
Disposal of fleet revaluation reserve	-	-
Depreciation of fleet revaluation reserve	-	-
Deferred tax on fleet revaluation	-	-
Total other comprehensive income	-	-
Total comprehensive income for the year	-	-
Transactions with owners, recorded directly in equity		
Dividends paid	-	-
Total transactions with owners	-	-
Balance at 31 December 2019	2,951	23,697

The availability of the Company's retained earnings for distribution to shareholders is determined by the Company's Charter and by Russian law and does not correspond with the figures shown above. The Company's retained earnings available for distribution under Russian Accounting Standards as at 31 December 2019 were RUB nil (as at 31 December 2018: RUB nil).

Attributable to equity holders of the Company					
(Accumulated losses)/ retained earnings	Revaluation reserve	Translation reserve	Total	Non-controlling interests	Total equity
RUB mln					
(5,483)	32	(18,828)	2,369	785	3,154
6,723	–	–	6,723	286	7,009
–	26	(7,877)	(7,851)	–	(7,851)
56	–	–	56	–	56
–	196	–	196	–	196
28	(28)	–	–	–	–
–	(39)	–	(39)	–	(39)
84	155	(7,877)	(7,638)	–	(7,638)
6,807	155	(7,877)	(915)	286	(629)
(12)	–	–	(12)	663	651
(12)	–	–	(12)	663	651
1,312	187	(26,705)	1,442	1,734	3,176
1,312	187	(26,705)	1,442	1,734	3,176
(2,232)	–	–	(2,232)	390	(1,842)
–	(17)	4,347	4,330	–	4,330
–	(52)	–	(52)	–	(52)
–	(11)	–	(11)	–	(11)
14	(14)	–	–	–	–
–	10	–	10	–	10
14	(84)	4,347	4,277	–	4,277
(2,218)	(84)	4,347	2,045	390	2,435
(2)	–	–	(2)	–	(2)
(2)	–	–	(2)	–	(2)
(908)	103	(22,358)	3,485	2,124	5,609

Consolidated Statement of Cash Flows

For the year ended 31 December 2019

	Note	2019	2018
		RUB mln	
Cash flows from operating activities			
(Loss)/profit for the year		(1,842)	7,009
Adjustments for:			
Depreciation and amortisation		3,485	2,480
Impairment/(impairment reversal)		141	(124)
Gain on disposal of tangible fixed assets		(123)	(605)
Foreign exchange loss/(gain)		2,713	(4,391)
Other finance costs, net		4,660	4,832
Result on disposal of subsidiaries and associates		-	(816)
Share of profit of equity accounted investees		(77)	(1,662)
Income tax expense		2,582	2,945
Other income and expense		(77)	132
Cash from operating activities before changes in working capital and provisions		11,462	9,800
Change in inventories		39	(314)
Change in trade and other receivables		448	(2,829)
Change in trade and other payables		(387)	1,028
Cash flows from operations before income taxes paid		11,562	7,685
Income tax paid		(2,688)	(1,787)
Cash flows generated from operating activities		8,874	5,898
Cash flows from investing activities			
Expenditure on rolling stock and other fixed assets	6	(2,862)	(4,657)
Proceeds on disposal of other fixed assets		1,588	1,798
Vessels acquired	5	(701)	(411)
Proceeds on disposal of fleet	5	610	88
Expenditure on dry-docking	5	(275)	(236)
Acquisition of subsidiary, net of cash acquired		-	(732)
Disposal of subsidiary, net of cash disposed		-	234
Disposal of associated company		-	14,625
Other investments disposal/ (acquisition), net		514	(561)
Dividends received		92	912
Restricted deposits		-	614
Interest received		51	75
Net cash (used in)/generated from investing activities		(983)	11,749
Cash flows from financing activities			
Proceeds from borrowings		-	500
Repayment of borrowings		(3,731)	(10,140)
Lease liabilities repayments		(1,139)	-
Redemption of bonds		(120)	(3,997)
Finance charges		(4,872)	(6,060)
Dividends paid		(2)	-
Acquisition of non-controlling interests		-	(28)
Net cash used in financing activities		(9,864)	(19,725)
Effect of exchange rate fluctuations on cash and cash equivalents		108	(320)
Net decrease in cash and cash equivalents		(2,081)	(2,398)
Cash and cash equivalents at the beginning of the year		3,313	5,711
Cash and cash equivalents at the end of the year	9	1,232	3,313