



## Semi-Annual Report 2021





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## Letter to Shareholders

Dear shareholders,

For the six months ended 30 June 2021 ENR Russia Invest SA ("ENR" or the "Company") and its subsidiaries produced a consolidated net profit of CHF 2.94 million (consolidated net loss of CHF 4.58 million for the similar period in 2020) mainly due to higher valuations arising from ruble appreciation against the Swiss Franc in the reporting period. The consolidated equity increased to CHF 41.05 million (CHF 36.76 million at 31 December 2020).

ENR sold shares and fixed income instruments for CHF 2.59 million in the reporting period. Proceeds were used to fund further investments in Kaluga Flower Holding LLC (ruble 90.4 million or CHF 1.08 million) in Russia, to reinvest in equities (CHF 0.67 million) and to increase cash on hand.

In 2021 growing and sales programs for tulips and summer flowers were successfully completed. In February 2021 Russian bank also approved funding facilities of ruble 1.21 billion (CHF 14.21 million) for Kaluga Flower Holding LLC. These facilities are linked to lower interest rate agricultural programs in Russia and are used to complete capex and enhancement programs at the flower growing facilities and, if required, also for working capital.

12 hectares are now planted with roses, 2 hectares with gerberas and 0.5 hectares with chrysanthemums. On 5 hectares seasonal flowers are grown. The remaining 5.5 hectares will be planted with roses and chrysanthemums in September 2021 and early 2022.

At Petrovsky Fort overall vacancies in the business center decreased by 2% in the reporting period. Regular ongoing improvements capex programs continue. A new upmarket 500 square meter retail area was successfully developed, with a passage between the business center and next-door Hotel Saint Petersburg. This will increase footfall and allow for joint marketing, retail and service initiatives with the hotel, enhancing the attractiveness of the business center for tenants.

At the Turgenevskaya parking garage in Moscow, rental of parking bays to corporates and their employees and hourly parking demand has started to pick up in 2021 and the use of the parking garage continue to improve.

The COVID-19 pandemic continues to impact on economic conditions worldwide. Economic activity started to pick up in many economies, coupled with inflation growth. Supply chains have been disrupted and will take time to recover. New challenges and uncertain economic activity and recovery remain with new outbreaks linked to more infectious variants of the virus. Russia is no exception. In this environment the Bank of Russia expects 2021 full year GDP growth of 3.8%. Oil and gas prices remain key factors to the prospects of the Russian economy (majority of exports and the bulk of federal budget revenues) and lower oil prices and earnings have a detrimental impact on the Russian economy, leads to lower domestic demand and consumption and results in ruble depreciation.

ENR continues to monitor the economic situation in Russia and ENR's investments to evaluate how the situation is evolving.

Geneva, 26 August 2021



Gustav Stenbolt  
Chairman



Ben de Bruyn  
Chief Executive Officer

## Economic and Political Review

### COVID-19 impact

The COVID-19 pandemic triggered a global economic recession and economic activity contracted across major and emerging economies. Over the reporting period, economic activity has picked up in many countries, coupled with inflation growth. Supply chains have been disrupted and will take time to recover whilst new challenges and uncertain economic activity and recovery remain with new outbreaks linked to more infectious variants of the virus.

### Russian Federation

#### *Oil Prices and ruble appreciation or depreciation*

As oil and gas prices remain key factors to the prospects of the Russian economy (majority of exports and generating the bulk of federal budget revenues) lower oil earnings have a detrimental impact on the Russian economy and leads to lower domestic demand and consumption. Lower oil prices have a negative impact on the ruble, which in 2020 depreciated by 25% against the Swiss Franc. The opposite scenario, with higher oil prices, usually leads to a positive impact on the ruble. In 2021, oil prices increased by 51.42% in the first six months of the year, whilst the ruble appreciated by 6.40% against the Swiss Franc over this period.

### *GDP, Federal budget and actions taken*

Most sectors of the Russian economy are affected by the COVID-19 pandemic, including manufacturing and production; retail; tourism; hospitality; entertainment, sports and other services industries. The Bank of Russia ("CBR") expects 2021 full year GDP growth of 3.8%. The CBR also expects economic growth to continue from a revival of both domestic and external demand. The recovery of domestic demand will be driven by the cancellation of restrictions if the epidemic situation improves, especially in the service sector. External demand will be boosted by a rebound in the global economy. The CBR views inflation (in June 2021 increased to above 6% for the first time in more than four years, beyond the 4% target) and inflation acceleration not as transitory, but more persistent. Accordingly, the CBR increased interest rates by 125 basis points between March and May 2021 and advised that more monetary tightening will be necessary to curb price pressures and restrain inflation expectations. In June 2021 the key rate was further increased by 50 basis points to 5.50%, followed by another increase of 100 basis points to 6.50% in July 2021.

## Ukraine, Kazakhstan and Belarus

### *Ukraine*

In Ukraine, GDP grew by 6 % in the second quarter of 2021 driven by internal consumer demand and stronger foreign trade. Inflation increased to 9.5%, above the central bank's target range of 5.0%. The National Bank of Ukraine held the key policy rate at 7.5 % in June 2021.

The government is forecasting 4.1% GDP growth for 2021. This will require the economy to rebound from the negative Covid 19 impact with increased consumer demand and exports. Structurally it is required to revive, sound bank lending to the business sector and completing the reform of state-owned banks; attracting private investment; establishing a transparent market for agricultural land; demonopolising key sectors of the economy; strengthening anti-monopoly policy and enforcement; privatising state-owned enterprises, tackling corruption; safeguarding macroeconomic stability; securing adequate financing; reducing inflation and rebuilding international reserves.

### *Kazakhstan*

In Kazakhstan , GDP contracted by 1.5% in the first quarter of 2021. Inflation increased to 7.9%, above the central bank's target of 5.0%. The National Bank of Kazakhstan held the key policy rate at 9% at its June 2021 policy meeting and expects full year GDP growth of 2.8% in 2021.

### *Belarus*

In Belarus inflation increased to 9.9%, above the central bank's target range of 5.0%. The National Bank of Belarus raised the key policy rate 9.25% at its July 2021 meeting.

New European Union ("EU") sanctions against Belarus add to negative pressure on its sovereign rating. The sanctions target key export products and restrict access to financing for the government from EU leaders.

In all these countries future growth depends on similar factors linked to the Covid 19 pandemic as highlighted before and accelerating the reform momentum to address bottlenecks in investment and productivity.

## Portfolio Investments

### *Petrovsky Fort*

(<http://www.petrofort.ru/en/>)

Petrovsky Fort is a class B+ office and retail center in Saint-Petersburg near the embankment of the Neva river. There are nine office floors (15'328 square meters of rentable space) and two retail levels (5'815 square meters of rentable space), two technical floors and a large central atrium, together with underground parking for 118 cars and above ground parking for 36 cars. The Saint-Petersburg based team of ENR is actively involved in the day-to-day management of the building and its tenants (many small and mid-sized businesses and a few larger tenants). A turnkey service offering is provided to the tenants (i.e. utility services, central heating, venting and air conditioning; telecommunication lines and high-speed internet access; daily cleaning; security services; reception services as well as engineering and maintenance services).

Overall vacancies in the business center decreased by 2% in the six months ended 30 June 2021. Regular ongoing improvements capex programs continue. A new upmarket 500 square meter retail area was successfully developed, with a passage between the business center and next-door Hotel Saint Petersburg. This will increase footfall and allow for joint marketing, retail and service initiatives with the hotel, enhancing the attractiveness of the business center for tenants.

At 30 June 2021 the carrying value of Petrovsky Fort LLC was CHF 36.44 million.

### *Kaluga Flower Holding LLC - Florentika*

(<https://www.florentika.ru/>)

ENR and its Russian partner each has a 50% interest in LLC Kaluga Flower Holding ("KFH"). KFH owns a greenhouse complex for flower growing in the Kaluga Oblast in Russia (135 km southwest of Moscow) ("Flower Growing Facility"). The Flower Growing Facility is well engineered and equipped with five stand-alone greenhouses. Each greenhouse has gas driven combined cycle generators and heating systems, water treatment and distribution systems and flower growing and harvesting machinery and equipment (mainly Dutch manufactured).

In 2021, growing and sales programs for tulips and summer flowers were successfully completed. In February 2021 Russian bank also approved funding facilities of ruble 1.21 billion (CHF 14.21 million) for Kaluga Flower Holding LLC. These facilities are linked to lower interest rate agricultural programs in Russia and are used to complete capex and enhancement programs at the flower growing facilities and, if required, also for working capital.

12 hectares are now planted with roses, 2 hectares with gerberas and 0.5 hectares with chrysanthemums. On an area of 5 hectares seasonal flowers are grown. The remaining 5.5 hectares will be planted with roses and chrysanthemums in September 2021 and early 2022.

At 30 June 2021, ENR's total investment in Kaluga Flower Holding LLC was ruble 796.42 million.

*Turgenevskaya parking garage*  
(<http://www.turgenevka-parking.ru/>)

The parking garage is well located in the central business district of Moscow at Turgenevskaya square on the Boulevard Ring. It has a gross built area of almost 10'000 square meters, with 297 parking lots (18 above ground and the rest in six levels underground). Parking lots are leased to corporate clients and to individuals and on an hourly basis for other users. There are several business centers and retail properties in the surrounding area (including Lukoil head office), with three subway stations within close walking distance.

Rental of parking bays to corporates and their employees and hourly parking demand has started to pick up in 2021 and the use of the parking garage continue to improve.

At 30 June 2021 the carrying value of the Turgenevskaya parking garage was CHF 3.91 million (see note 7).

*Listed equities*

During the reporting period ENR sold the shares it held in Russian electricity sector companies for an aggregate amount of CHF 391'140. ENR acquired and sold Severstal shares, resulting in aggregate net sales of CHF 401'578. ENR also sold the shares it held in the Lenta group for CHF 283'446. At 30 June 2021 the aggregate value of the listed equities was CHF 296'663 (see note 4.1).

*Fixed Income Investments*

VTB group is one of the largest banking and financial services groups in Russia. At 30 June 2021 ENR owned fixed income instruments issued by this group valued at CHF 1.53 million.

The following positions were sold during the reporting period: Moscow Domodedovo airport for CHF 455'220; Lukoil for CHF 189'153 and Norilsk Nickel for CHF 191'091.

At 30 June 2021 the carrying value of the fixed income investments was CHF 1.53 million (see note 4.1).

## Net Asset Value and Attributable Net Asset Value

	30.06.2021		31.12.2020	
	Following IFRS presentation	Representing the existing shareholders' economic interest	Following IFRS presentation	Representing the existing shareholders' economic interest
<b>Assets</b>				
Treasury stock	-	1,119,180	-	659,579
Cash, investments and other assets	59,982,895	59,982,895	55,420,207	55,420,207
<b>Total assets</b>	<b>59,982,895</b>	<b>61,102,075</b>	<b>55,420,207</b>	<b>56,079,786</b>
<b>Liabilities</b>				
<b>Total liabilities</b>	<b>18,934,572</b>	<b>18,934,572</b>	<b>18,663,951</b>	<b>18,663,951</b>
<b>Shareholders' Equity</b>				
Treasury stock - at cost	- 2,370,696	-	- 2,370,696	-
Remaining Equity	43,419,019*	42,167,503*	39,126,952*	37,415,835*
<b>Total shareholders' equity</b>	<b>41,048,323</b>	<b>42,167,503</b>	<b>36,756,256</b>	<b>37,415,835</b>
<b>Total liabilities and shareholders' equity</b>	<b>59,982,895</b>	<b>61,102,075</b>	<b>55,420,207</b>	<b>56,079,786</b>
Number of shares outstanding		2,644,402		2,644,402
Net asset value per share		15.95**		14.15**
Attributable net asset value per share		15.95**		14.15**
Number of treasury shares		70,168		70,168

\* Net of a CHF 29.95 million dividend paid in July 2015

\*\* Net of a CHF 11.50 per share dividend paid in July 2015

### *Note*

The net asset value ("NAV") per share is calculated in Swiss Francs as the aggregate of the value of all investments and treasury shares less the aggregate amount of the liabilities and accrued expenses divided by the total number of shares issued.

The main differences between the NAV calculation and the International Financial Reporting Standards ("IFRS") based Shareholders Equity relate to the calculation of treasury shares and reclassifying out of shareholders' equity. As of 30 June 2021, treasury shares are shown at NAV in the column representing the existing shareholder's economic interest. If, at year-end 2020, these shares were shown at NAV, the value attributed to these shares would have been CHF 1 million, with remaining equity at CHF 37.76 million and NAV per share of CHF 14.28.

Attributable NAV per share is the consolidated NAV, less the aggregate value of any minority interests, reflecting the economic value attributed to shareholders, divided by the total number of shares issued.

### *Consolidated Results*

The consolidated shareholders' equity, based on IFRS representation, at 30 June 2021 was CHF 41.05 million (year-end 2020: CHF 36.76 million). The consolidated net profit for the 2021 half-year is CHF 2.94 million (2020 half-year: consolidated net loss of CHF 4.58 million). The consolidated accumulated deficit as of 30 June 2021 is CHF 13.01 million (31 December 2020: CHF 15.95 million)(see consolidated statement of changes in equity for the half-year ended 30 June 2021).

## Financial Statements

### Condensed consolidated statement of financial position (unaudited)

(Currency - CHF)

	Note	30.06.2021	31.12.2020
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	6	821,675	461,289
Accounts receivable and accrued interest	7	1,407,606	843,401
Financial assets at fair value	4.1	92,241	88,073
Investments at fair value through profit or loss	4.1	5,088,850	6,513,922
<b>Total Current Assets</b>		<b>7,410,372</b>	<b>7,906,685</b>
<b>Non-Current Assets</b>			
Accounts receivable and accrued interest	7	14,333,720	12,063,799
Investment in Associates	8	2	2
Investment property	5.1.1	36,513,039	33,843,025
Goodwill	9	1,725,762	1,606,696
<b>Total Non-Current Assets</b>		<b>52,572,523</b>	<b>47,513,522</b>
<b>Total Assets</b>		<b>59,982,895</b>	<b>55,420,207</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accounts payable and accrued expenses	10	4,080,722	3,916,940
Loans from banks	11	415,185	409,139
Income tax liabilities	12	41,262	13,391
Other current liabilities	13	177,821	202,948
<b>Total Current Liabilities</b>		<b>4,714,990</b>	<b>4,542,418</b>
<b>Non-Current Liabilities</b>			
Loan from bank	11	12,372,250	12,409,325
Financial lease liabilities: Investment property	14	1,351,381	1,299,745
Deferred tax liabilities, net		452,597	372,100
Provisions	15	43,354	40,363
<b>Total Non-Current Liabilities</b>		<b>14,219,582</b>	<b>14,121,533</b>
<b>Total Liabilities</b>		<b>18,934,572</b>	<b>18,663,951</b>
<b>Shareholders' Equity</b>			
Share capital	16.1; 16.2	32,790,585	32,790,585
Capital paid in excess of par value (share premium)	16.1	31,922,676	31,922,676
Treasury stock	16.3	-2,370,696	-2,370,696
Accumulated deficit		-13,007,574	-15,950,027
Cumulative translation adjustment	17	-8,286,668	-9,636,282
<b>Total Shareholders' Equity</b>		<b>41,048,323</b>	<b>36,756,256</b>
<b>Total Liabilities and Shareholders' Equity</b>		<b>59,982,895</b>	<b>55,420,207</b>
Number of shares issued and fully paid-in	16.1	2,644,402	2,644,402
Nominal value (in CHF)		12.40	12.40

## Condensed consolidated statement of comprehensive income for the period (unaudited)

(Currency - CHF)

	Note	1.1.-30.06.2021	1.1.-30.06.2020
<b>Gross rental income</b>	5.1.5	<b>1,857,214</b>	<b>1,948,896</b>
Operating costs and tax	5.1.5	- 593,354	- 713,565
<b>Net rental income</b>	5.1.5	<b>1,263,860</b>	<b>1,235,331</b>
Share of result of associated companies		-	- 188,508
Interest income		545,204	419,592
Dividend income		12,991	9,414
Other income		17,218	57,777
Realised and unrealised profit / (loss) on investments through profit or loss, net	4; 4.1	490,722	- 437,038
Foreign exchange result		1,781,613	- 3,641,714
<b>Total income and financial result</b>		<b>4,111,608</b>	<b>- 2,545,146</b>
<b>Expenses</b>			
Finance costs	5.1.6	- 352,285	- 362,499
Management fees	18.1	- 289,273	- 290,901
Staff remuneration		- 342,528	- 369,346
Professional fees	19	- 208,651	- 210,641
Legal fees	20	- 21,626	- 27,530
Other expenses	21	- 28,394	- 102,858
Directors' fees and expenses		- 76,096	- 75,000
Audit fees		- 50,500	- 45,500
Information technology	22	- 24,787	- 38,231
Administrative fees	23	- 25,033	- 26,044
Travel expenses		- 10,085	- 12,673
Tax other than on income		- 16,013	- 18,867
<b>Total expenses</b>		<b>- 1,445,271</b>	<b>- 1,580,090</b>
Reversal of impairments / (Impairments)	24	357,318	- 427,983
<b>Gain / (Loss) for the year before taxes</b>		<b>3,023,655</b>	<b>- 4,553,219</b>
Taxes		- 81,202	- 28,828
<b>Gain / (Loss) for the year after taxes</b>		<b>2,942,453</b>	<b>- 4,582,047</b>
<b>Attributable to</b>			
Equity holders of the Company		2,942,453	- 4,582,047
<b>Other comprehensive income</b>			
Cumulative translation adjustment (net of tax) *			
whereof related to fully consolidated subsidiaries (see "Consolidated changes in Equity", page 15)		1,349,614	- 2,880,172
<b>Total comprehensive profit / (loss) for the year (net of tax)</b>		<b>4,292,067</b>	<b>- 7,462,219</b>
<b>Attributable to</b>			
Equity holders of the Company		4,292,067	- 7,462,219
Earnings per share for profit attributable to equity holders during the period			
Time-weighted average number of outstanding shares		2,574,234	2,574,234
Basic earnings per share (in CHF)		1.143	- 1.780
Diluted earnings per share (in CHF)		1.143	- 1.780

\* Will be reclassified subsequently to profit and loss when specific conditions are met.

## Condensed consolidated statement of cash flows for the period (unaudited)

(Currency - CHF)

	30.06.2021	30.06.2020
<b>Cash Flows from Operating Activities</b>		
Gain / (loss) before tax	3,023,655	- 4,553,219
<b>Adjustments for:</b>		
(Reversal of impairment) / Impairment	- 357,318	427,983
Realised and unrealised result on investments through profit or loss and loans, including foreign exchange loss / (profit)	- 2,978,997	4,436,145
Share of results of associated companies	-	188,508
Other non-cash income and expenses	1,668,031	- 3,580,798
<b>Operating profit / (loss) before working capital changes</b>	<b>1,355,371</b>	<b>- 3,081,381</b>
<b>Movement in working capital:</b>		
Investment portfolio movement, net	1,583,375	5,197,159
Change in accounts receivable and accrued interest	- 2,156,587	- 1,449,748
Change in accounts payable and accrued expenses	2,207	- 88,899
Change in other assets	11	- 8
Taxes paid	- 2,883	- 573
<b>Net cash flow from operating activities</b>	<b>781,494</b>	<b>576,550</b>
<b>Cash Flows from Investment Activities</b>		
Investments in investment property	- 156,937	- 165,244
Disvestment from investment property	-	2,037
Interest received	1,588	164,505
Dividends received	12,991	9,414
<b>Net cash flow from / (used in) investment activities</b>	<b>- 142,358</b>	<b>10,712</b>
<b>Cash Flows from Financing Activities</b>		
(Decrease) / increase in long term debts	- 80,346	- 245,356
Loans increased / (repaid)	126,138	- 151,373
Interest paid	- 342,250	- 349,360
<b>Net cash flow (used in) financing activities</b>	<b>- 296,458</b>	<b>- 746,089</b>
Foreign currency translation effects on cash and cash equivalents	17,708	- 76,456
<b>Net change in cash and cash equivalents</b>	<b>360,386</b>	<b>- 235,283</b>
Cash and cash equivalents at beginning of the period	461,289	2,040,992
Cash and cash equivalents at the end of the period	821,675	1,805,709

## Condensed consolidated statement of changes in equity for the period (unaudited)

(Currency - CHF)

	Share capital	Share premium	Treasury stock	Cumulative translation adjustment	Retained earnings	Total	Non-controlling interests	Total Shareholders
<b>Balance as at 1 January 2020</b>	32,790,585	31,922,676	-2,370,696	-3,992,901	-10,221,610	48,128,054		48,128,054
Profit for the year after tax	-	-	-	-	-5,728,417	-5,728,417	-	-5,728,417
Other comprehensive income	-	-	-	-5,643,381*	-	-5,643,381	-	-5,643,381
<b>Total comprehensive income for the year</b>	-	-	-	-5,643,381	-5,728,417	-11,371,798	-	-11,371,798
<b>Balance as at 31 December 2020</b>	32,790,585	31,922,676	-2,370,696	-9,636,282	-15,950,027	36,756,256	-	36,756,256
<b>Balance as at 1 January 2021</b>	32,790,585	31,922,676	-2,370,696	-9,636,282	-15,950,027	36,756,256		36,756,256
Profit for the period after tax	-	-	-	-	2,942,453	2,942,453	-	2,942,453
Other comprehensive income	-	-	-	1,349,614*	-	1,349,614	-	1,349,614
<b>Total comprehensive income for the period</b>	-	-	-	1,349,614	2,942,453	4,292,067	-	4,292,067
<b>Balance as at 30 June 2021</b>	32,790,585	31,922,676	-2,370,696	-8,286,668	-13,007,574	41,048,323	-	41,048,323

\* Due to cumulative translation adjustments (net of tax) arising from Group subsidiaries denominated in currencies other than the Group presentation currency, i.e. Swiss Franc.

## Condensed notes to the consolidated unaudited interim financial statements as of 30 June 2021 (Currency - CHF)

### *1. Incorporation and activity*

ENR Russia Invest SA (the "Company" or "ENR") was founded on 18 May 2007 for an unlimited duration. On 25 May 2007, it was registered with the Commercial Register of the Canton of Geneva under the reference number CH-660-1263007-3 (LEI number: 549300YZZWAR230IMD33) and the Company name "ENR Russia Invest SA". The Company is incorporated as a limited company by shares under the laws of Switzerland. The Company's registered office is rue du Rhône 118, 1211 Geneva, Switzerland. The Company is trading under Swiss security number 3447695 with ISIN number of the shares CH0034476959 and the ticker symbol of the shares is RUS.

These condensed interim financial statements have been approved by the Board of Directors on 25 August 2021.

### *2. Basis for the presentation of the condensed consolidated interim financial statements*

These condensed interim consolidated financial statements represent the unaudited condensed interim consolidated financial statements for the half year ended 30 June 2021 of the Company and its subsidiaries (collectively the "Group") and are prepared in accordance with IAS 34 'Interim Financial Reporting'. These condensed interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the annual financial statements for the year ended 31 December 2020, which have been prepared in accordance with International Financial Reporting Standards ("IFRS").

### *3. Significant accounting policies*

#### *3.1 Accounting policies*

The accounting policies adopted in the preparation of these interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2020. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not effective yet.

#### *3.2 New and amended standards and interpretation relevant to the Group.*

None.

### 3.3 Foreign currency translation

Transactions denominated in foreign currencies are translated into the functional currencies of Group entities at the ruling exchange rates on the date of the transaction. At the balance sheet date, all monetary assets and liabilities denominated in foreign currencies are converted to the functional currencies using the closing exchange rate. Non-monetary items measured at historical cost are converted at the exchange rate on the date of the transaction.

The following exchange rates were used:

	30.06.2021	01.01-30.06.2021	31.12.2020	01.01-30.06.2020
	Balance Sheet date rates	Annual average rates	Balance Sheet date rates	Annual average rates
EUR / CHF	1.09701	1.09587	1.08216	1.06450
USD / CHF	0.92290	0.91130	0.88120	0.96378
CHF / RUB	79.3021	81.8889	85.1789	72.8952

#### 4. Investment portfolio

in CHF

	30.06.2021	31.12.2020
Fair value of trading portfolio assets at beginning of the period	6,601,995	11,972,397
<b>Investment Portfolio Movement for the Period</b>		
Purchase of investments	674,621	280,856
Sale of investments	- 2,586,249	- 4,977,021
Net realised profit / (loss) on disposal of investments	242,181	- 178,073
<b>Net investment portfolio movement for the period</b>	<b>- 1,669,447</b>	<b>- 4,874,238</b>
Increase / (decrease) in fair value	248,541	- 496,164
Fair value of portfolio at the end of the period	5,181,089	6,601,995
- of which financial assets at fair value	92,241	88,073
- of which investments at fair value through profit or loss	5,088,850	6,513,922

The investment portfolio is represented as follows on the Consolidated statement of financial position:

<b>As Investments at fair value through profit or loss</b>		
Listed equity securities and bonds held for trading	1,821,927	3,394,611
Unlisted equity securities and fixed income instruments held for trading	3,266,923	3,119,311
Financial assets at fair value	92,241	88,073
<b>Total designated as fair value through profit or loss</b>	<b>5,181,091</b>	<b>6,601,995</b>
<b>Total financial assets at fair value through profit or loss</b>	<b>5,181,091</b>	<b>6,601,995</b>
<b>Profit / (Loss) on investments at fair value through profit or loss</b>		
Net profit / (loss) and foreign exchange impact	242,181	- 178,073
Changes in fair value increase / (decrease) and foreign exchange impact	248,541	- 496,164
<b>Total</b>	<b>490,722</b>	<b>- 674,237</b>



#### 4.1 Details of investments at fair value through profit or loss

Balance as of 01.01.2021		
Listed equity securities	Quantity	CHF
FEDERAL GRID COMPANY OF UES OJSC	10,173,273	26,526
RUSHYDRO PJSC	27,325,615	250,931
MOSCOW UNITED ELECTRIC GRID	7,313,327	119,344
SEVERSTAL PAO	25,000	387,067
LENTA LTD	94,793	289,978
<b>Sub-total: Listed equity securities</b>		<b>1,073,846</b>
Fixed income		
VTB Capital SA 4.0725% , 24.10.2024, BOND	500,000	513,750
LUKOIL INTL FIN BV 4.563%, 04/2023, BOND	200,000	188,859
DME AIRPORT Ltd 5.075%,02/2023, BOND	500,000	441,173
MMC NORILSK NICKEL 6.625%, 10/2022, BOND	200,000	191,802
VTB EURASIA LIMITED 9.5 %, (perpetual), BOND	1,000,000	985,181
<b>Sub-total: Fixed income</b>		<b>2,320,765</b>
Private equity		
Transterm - ordinary shares	9,310,000	3,119,311*
<b>Sub-total: Private equity</b>		<b>3,119,311</b>
<b>Total investments at fair value through profit and loss</b>		<b>6,513,922</b>
<b>Receivables: Potential milestone payments (European Property Holdings Ltd)</b>		
Non-Current assets	-	88,073
<b>Total unlisted investments at fair value through profit and loss</b>		<b>88,073</b>
<b>Total investments</b>	-	<b>6,601,995</b>

\* Please refer to note 4.2 for the net position in relation to Transterm.

Movement in period (CHF)		Realised (CHF)		Changes in fair value (CHF)		Balance as of 30.06.2021	
Purchases and Additions	Sales, Redemptions and Withdrawals	Gains	Losses	Gains	Losses	Quantity	CHF
-	-25,237	-	-1,290	-	-	-	-
-	-252,018	1,086	-	-	-	-	-
-	-113,885	-	-5,459	-	-	-	-
674,621	-1,076,199	240,746	-	70,428	-	15,000	296,663
-	-283,446	-	-6,532	-	-	94,793	-
674,621	-1,750,785	241,832	-13,281	70,428	-	-	296,663
-	-	-	-	5,000	-	500,000	518,750
-	-189,153	294	-	-	-	-	-
-	-455,220	14,047	-	-	-	-	-
-	-191,091	-	-711	-	-	-	-
-	-	-	-	21,333	-	1,000,000	1,006,514
-	-835,464	14,341	-711	26,333	-	-	1,525,264
-	-	-	-	147,612	-	9,310,000	3,266,923*
-	-	-	-	147,612	-	-	3,266,923
674,621	-2,586,249	256,173	-13,992	244,373	-	-	5,088,850
-	-	-	-	4,168	-	-	92,241
-	-	-	-	4,168	-	-	92,241
674,621	-2,586,249	256,173	-13,992	248,541	-	-	5,181,091

#### 4.2 Transterm Holdings Cyprus Limited

Transterm uses loan distributions to distribute proceeds to its shareholders as it does not have sufficient distributable reserves for dividend distributions. These loans are only repayable at election of the borrower. ENR recognises these loans as part of "Accounts payable and accrued expenses" as they are not repayable and do not carry interest. Non-repayable loans will be set-off in a future Transterm capital reduction.

At 30 June 2021, the net book value attributable to Transterm was CHF 184'415 (31 December 2020: CHF 176'082), i.e. the CHF equivalent of what may still be received in future distributions from Transterm. The valuation of the Transterm investment bears inherent uncertainties due to the absence of a liquid market and as the realisation of these proceeds is uncertain. This may impact expected future distributions from Transterm. Accordingly, the fair value attributed to this investment may differ from the realisable value.

The following table illustrates the calculation of the net carrying value at 30 June 2021 and at year-end 2020:

in CHF

	30.06.2021	31.12.2020
Carrying value at the beginning of the period (gross)	3,119,311	3,427,454
Non-repayable loans received in prior periods	-2,943,229	-3,233,978
<b>Carrying value at the beginning of the period (net)</b>	<b>176,082</b>	<b>193,476</b>
Unrealised gain / (loss) on carrying value due to foreign exchange movements	147,612	-308,143
Carrying value at the end of the period (gross)	3,266,923	3,119,311
Non-repayable loans received (in current and prior periods)	-3,082,508	-2,943,229
<b>Carrying value at the end of the period (net)</b>	<b>184,415</b>	<b>176,082</b>

#### 4.3 Fixed income instruments

The Group owns a range of fixed income instruments issued by Russian corporates. Details of fixed income instruments are set out in the table under note 4.1. At 30 June 2021, the aggregate fair value attributed to fixed income instruments was CHF 1.53 million (31 December 2020: CHF 2.32 million). During the reporting period CHF 835'464 was generated from the sale of fixed income instruments

#### 4.4 Listed equities

During the reporting period ENR sold the shares it held in Russian electricity sector companies for an aggregate amount of CHF 391'140. ENR acquired and sold Severstal shares, resulting in aggregate net sales of CHF 401'578. ENR also sold shares the shares it held in the Lenta group for CHF 283'446. At 30 June 2021 the aggregate value of the listed equities was CHF 296'663.

#### 4.5 Possible Future Milestone Payments: European Property Holdings Limited

At 30 June 2021, the book value of further amounts the Group may receive from the sale of its shares in European Property Holdings Limited ("EPH") in future years was CHF 92'241 (31 December 2020: CHF 88'073). As the realisation of these possible future milestone payments proceeds is uncertain and depends on EPH successfully completing and disposing of certain real estate projects (which may materially impact the expected amount), the fair value attributed to this investment may differ from the realisable value.

#### 5. Investment Property (Petrovsky Fort business center in Saint-Petersburg, Russia)

##### 5.1.1 Carrying value

The following table explains the movement in the carrying value of the investment property (as shown on the asset side of the balance sheet):

in CHF

	Investment Property Building	Investment Property Land Lease	Total
<b>Opening balance at 1 January 2020</b>	<b>38,928,231</b>	<b>1,730,795</b>	<b>40,659,026</b>
Investments	584,974	-	584,974
Disposals	-2,417	-	-2,417
Fair value adjustments including foreign currency effects	2,941,796	-3,958	2,937,838
Foreign exchange translation differences	-9,909,303	-427,093	-10,336,396
<b>Carrying amount at 31 December 2020</b>	<b>32,543,281</b>	<b>1,299,744</b>	<b>33,843,025</b>
<b>Opening balance at 1 January 2021</b>	<b>32,543,281</b>	<b>1,299,744</b>	<b>33,843,025</b>
Investments	156,937	-	156,937
Disposals	-	-	-
Fair value adjustments	-	-	-
Foreign exchange translation differences	2,416,759	96,318	2,513,077
<b>Carrying amount at 30 June 2021</b>	<b>35,116,977</b>	<b>1,396,062</b>	<b>36,513,039</b>
<b>Carrying amount at 31 December 2020</b>	<b>32,543,281</b>	<b>1,299,744</b>	<b>33,843,025</b>
<b>Carrying amount at 30 June 2021</b>	<b>35,116,977</b>	<b>1,396,062</b>	<b>36,513,039</b>

### *5.1.2 The business center*

Petrovsky Fort is a 47,600 square meter Class B office and retail building located at Finlandsky Prospect 4 in central Saint-Petersburg. The building has nine office levels and two retail levels and a large central atrium. Of the net rentable space, 15,328 square meters are designated for office use and 5,815 square meters for retail space. The building has an underground parking facility with 118 parking spaces and an above-ground car park with 36 parking spaces.

### *5.1.3 Vacancies*

At 30 June 2021, the vacancy rate (as percentage of total rentable space in the building) decreased to 18% (31 December 2020: vacancy rate of 20%). For office space, vacancies decreased to 7% (31 December 2020: vacancy rate of 10%). The Covid 19 pandemic is slowing the implementation of the optimisation program for the two retail floors (to re-align the tenant mix and introduce new service focused retail tenants in the building). Vacancies on these floors at the half-year 2021 remained at 48% (31 December 2020: 48%).

### *5.1.4 Value and Valuation Method*

The carrying value of the investment property represents the fair value plus the adjustment for land lease liabilities for rent payments to the city of Saint-Petersburg for the long-term land lease of the land related to the Petrovsky Fort business center. At 30 June 2021, the carrying value was CHF 36.51 million (see note 5.1.1) (31 December 2020: 33.84 CHF million).

For the half-year 2021, ENR determined the fair value of the investment property based on the income approach, using the discounted cash flow method and taking account of capex investments made in the first six months of 2021 (see following table). As per IAS 34.41, when determining the fair value of an investment property for the interim report period, there is a greater use of estimates and adjustments than when compared to the annual reporting period where an independent third party valuator is used to determine the value of investment properties and changes in the assumptions used could impact on the reported fair value of Petrovsky Fort.

At year-end 2020, an independent third party real estate valuation expert Jones Lang LaSalle LLC ("JLL") performed the valuation of Petrovsky Fort using the yield method (within the income approach), where anticipated future cash flow benefits from rental income are converted into the present value (see following table). JLL's key assumptions are set out in the 2020 annual report and related to rental rates at which space can be leased out; equivalent yield and future occupancy levels.

The significant unobservable inputs used in the fair value measurement of the investment property are shown in the following table:

Property	Fair value as of 30 June 2021	Valuation technique	Key unobservable inputs	
			ERV *	12'600 ruble
Petrovsky Fort	2'772'000'000 ruble	Income capitalisation	Discount rate	13.50%
			Capitalisation rate	10.25%
Property	Fair value as of 31 December 2020	Valuation technique	Key unobservable inputs	
			ERV *	12'600 ruble
Petrovsky Fort	2'772'000'000 ruble	Income capitalisation	Discount rate	13.50%
			Capitalisation rate	10.25%

\* Estimated rental income per square meter.

### 5.1.5 Net rental income

The breakdown of net rental income for the half years ending 30 June 2021 and 2020, respectively, is shown below:

in CHF

	1.1.-30.06.2021	1.1.-30.06.2020
Gross rental income	1,857,214	1,948,896
Operating expenses	- 386,579	- 519,174
Property tax and non-recoverable VAT	- 206,775	- 194,391
Operating cost and tax	- 593,354	- 713,565
Net rental income	1,263,860	1,235,331

### 5.1.6 Finance Costs

in CHF

	1.1.-30.06.2021	1.1.-30.06.2020
UniCreditbank interest payments	- 260,039	- 261,915
Other bank interest, fees and charges	- 10,952	- 8,485
Interest expenses on land lease liabilities (Petrovsky Fort)	- 81,294	- 92,099
Total	- 352,285	- 362,499

The balance sheet movement on the loan with UniCreditbank is disclosed under note 11.

## 6. Cash and cash equivalents: current assets

This comprises cash at bank and in hand and short-term deposits with an original maturity of three months or less.

in CHF

	30.06.2021	31.12.2020
Cash at bank and in hand	821,675	461,289
Cash and cash equivalents	821,675	461,289

## 7. Accounts receivable and accrued interest: current assets and non-current assets

in CHF

	30.06.2021	31.12.2020
Loans to Inkonika LLC (Turgenevskaya parking)	3,911,939	3,437,675
Promissory notes (loans) to Kaluga Flower Holding LLC	9,639,336	7,912,760
Zaytsevo claim	808,852	753,047
Accrued interest	1,133,717	590,101
Other	247,482	213,617
<b>Total accounts receivable and accrued interest</b>	<b>15,741,326</b>	<b>12,907,200</b>
whereof current assets	1,407,606	843,401
whereof non-current assets	14,333,720	12,063,799

### 7.1 Loans to Inkonika LLC - Turgenevskaya parking garage

The Group has a 50% interest in an associate company, Vestive Limited, who owns the Turgenevskaya parking garage in Moscow (via a wholly owned subsidiary, Inkonika LLC). As part of the corporate structure there are loans to Inkonika LLC and Vestive Limited and these loans are treated as accounts receivable. On acquisition in 2017 these loans were recognised on the balance sheet at fair value (based on the transaction price paid for the investment in the parking garage). At each reporting period an impairment review is done by management to assess the recoverability of these loans.

At year-end a third party real estate appraiser performs a valuation of the Turgenevskaya parking garage (Vestive's main asset) and an impairment review is done to evaluate if the value attributed to the loans require adjustment. At 31 December 2020, JLL valued 100% of the parking garage at RUB 612 million. For the half-year no independent third party valuation is done as ENR makes a determination of the fair value of the parking garage based on a discounted cash-flow valuation, using methodology similar to JLL (the value 100% of the parking garage at 30 June 2021 was RUB 612 million). Following an impairment review of the loans and due to the appreciation of the ruble against the Swiss Franc in the reporting period, impairments of these loans were released by an amount of CHF 357'318. Consequently, the attributable value for these loans increased from CHF 3.44 million to CHF 3.91 million (see table above).

### 7.2 Promissory notes (loans) to Kaluga Flower Holding LLC (investment in flower greenhouse complex)

The Group has a 50% interest in an associate company, Kaluga Flower Holding LLC (see note 8.2). At 30 June 2021 the Group, invested via loans ruble 764.42 million (31 December 2020: RUB 674 million) corresponding to CHF 10.76 million at the exchange rate at the time of the investments.

The loans were converted into promissory notes during the first half of 2021 as part of the new Sberbank financing facilities to Kaluga Flower Holding LLC. The promissory notes are recognised on the balance sheet at fair value (amortised cost principle) based on actual ruble value invested. At each reporting period an impairment review is made by management to assess the recoverability of these loans. No impairment was required at 30 June 2021 (31 December 2020: none).

### *7.3 Zaytsevo account receivable*

The Group participated in a residential real estate development comprising of free standing multi-story apartment buildings at Zaytsevo south-west of Moscow. The investment was regulated via an agreement for the participation in shared construction. During late 2019 the developer was placed in liquidation. ENR, who has a mortgage over the landplot where its apartments were to be constructed, successfully registered its claim for what it invested, together with contractual penalties. This claim is shown as an account receivable. The liquidation process takes time and proceeds ENR may realise from this process is uncertain. At each reporting period an impairment review is made by management to assess the recoverability of this account receivable. No impairment was required at 30 June 2021 (31 December 2020: none).

## *8. Other investments accounted for under the equity method.*

### *8.1 Inkonika LLC - Turgenevskaya parking garage*

In July 2017 the Group acquired its 50% interest in the Turgenevskaya parking garage via its 50% interest in Vestive Limited (see note 7.1). As per the corporate charter and shareholder agreement decisions are made on a joint basis and both shareholders must approve protected shareholder matters. Accordingly, the Group does not fully control Vestive Limited (treated as an associated company and accounted for under the equity method).

### *8.2 Kaluga Flower Holding LLC (investment in flower greenhouse complex)*

During late 2019 the Group acquired a 50% interest in a joint-venture company, Kaluga Flower Holding LLC, who owns a greenhouse complex for flower production in Russia (135 km south-west of Moscow). ENR teamed-up with a Russian investor, who owns the remaining 50% interest in Kaluga Flower Holding LLC. As per the corporate charter and shareholder agreement decisions are made on a joint basis and both shareholders must approve protected shareholder matters. Accordingly, the Group does not fully control Kaluga Flower Holding LLC, which is therefore treated as a joint-venture and accounted for under the equity method.

## 9 Goodwill

in CHF

	30.06.2021	31.12.2020
Balance at beginning of period	1,606,696	2,133,594
Currency Translations Adjustments in consolidated equity	119,066	- 526,898
<b>Balance at the end of the period</b>	<b>1,725,762</b>	<b>1,606,696</b>

Goodwill arose on the acquisition of the Petrovsky Fort business centre, Saint-Petersburg, Russia via a share deal. IFRS requires the recognition of deferred taxes on a nominal basis, whilst any share transaction in relation to the asset they relate to is based on the market value of these taxes. Any difference is reflected as goodwill. The impairment test compares the accounting value of goodwill and potential tax optimisation at the reporting date. No impairment was required at 30 June 2021 (31 December 2020: no impairment).

## 10 Accounts Payable and Accrued Expenses: current liabilities

in CHF

	30.06.2021	31.12.2020
Transterm Holdings Cyprus Ltd (note 4.2)	3,082,508	2,943,229
Other creditors	998,214	973,711
<b>Balance at the end of the period</b>	<b>4,080,722</b>	<b>3,916,940</b>
whereof current liabilities	4,080,722	3,916,940
whereof non-current liabilities	-	-

## 11 Loans from banks

in CHF

	30.06.2021	31.12.2020
<b>Balance at beginning of period - UniCreditbank loan</b>	<b>12,818,424</b>	<b>13,272,501</b>
Quarterly loan repayments	- 204,293	- 405,931
Foreign exchange translation differences	172,831	- 48,146
<b>Balance at the end of period - UniCreditbank loan</b>	<b>12,786,962</b>	<b>12,818,424</b>
Banque Cramer - Credit facility	473	40
<b>Balance at the end of the period</b>	<b>12,787,435</b>	<b>12,818,464</b>
of which in current liabilities	415,185	409,139
of which in non-current liabilities	12,372,250	12,409,325

The loan from UniCreditbank to Stainfield Limited, a wholly owned ENR subsidiary, is an Euro based loan and has an expiry date of 31 December 2023. Key terms: Interest rate/margin (per annum) of 4% plus 3 months Euro LIBOR (if negative, then zero); Interest payments are made quarterly; Amortisation of Euro 94'510 per quarter. Balance via a balloon payment in year of loan expiry date. At 30 June 2021, Petrovsky Fort LLC had registered one mortgage on the building, serving as part of the collateral package for the loan from UniCreditbank.

### 12 Income Tax liabilities shown on the consolidated balance sheet

The following table shows the movement in income tax payable and receivable during the reporting period and resulting income tax liability at the end of the period.

in CHF		
	30.06.2021	31.12.2020
Balance at beginning of period	13,391	21,869
Payment during the period	- 16,596	- 33,147
Reversal of provision (net)	44,467	24,669
Balance at the end of the period	41,262	13,391

### 13 Other current liabilities

	30.06.2021	31.12.2020
Accounts payables	103,766	56,714
Other *	74,055	146,234
Closing balance	177,821	202,948

\* Relates mainly to social contributions of staff.

### 14 Financial lease liabilities Petrovsky Fort: non-current liabilities

in CHF		
	30.06.2021	31.12.2020
Financial lease liabilities Petrovsky Fort: non-current	1,351,381	1,299,745
Financial Lease		

Finance lease liabilities represent non-current liabilities of Petrovsky Fort LLC in relation to rent payments to the city of Saint-Petersburg for the lease of the land of the Petrovsky Fort office center and the present value of these payments as at 30 June 2021 and 31 December 2020 are as presented above.

### 15 Provisions

in CHF		
	30.06.2021	31.12.2020
Position at 1 January	40,363	148,071
Provisions released and credited to income statement	-	- 77,660
Foreign exchange translation differences	2,991	- 30,048
Balance at 31 December	43,354	40,363
Maturity of provisions		
Within one year	-	-
More than one year	43,354	40,363

## 16 Equity

### 16.1 Overview

As of 30 June 2021 the issued and authorised ordinary share capital of the ENR Russia Invest SA was CHF 32.8 million (31 December 2020: CHF 32.8 million), divided into 2'644'402 (31 December 2020: 2'644'402) bearer shares with a par value of CHF 12.40 (31 December 2020: CHF 12.40) each and one voting right per share. There are no restrictions on share transfers. Article 13 of the Company's articles of association contains an "Opting Out" clause regarding matters dealt with in pursuant to article 135 of the Federal Act on Financial Market Infrastructures and Market Conduct in Securities and Derivatives Trading of 19 June 2015 and waives the requirement to make a public tender offer whenever a shareholder acquires shares exceeding the threshold of 33 1/3 %, conversely 49 %, of the voting rights

### 16.2 Issued capital

Issued Capital	30.06.2021		31.12.2020	
	Number of shares	CHF	Number of shares	CHF
Opening balance	2,644,402	32,790,585	2,644,402	32,790,585
Closing balance	2,644,402	32,790,585	2,644,402	32,790,585

### 16.3 Treasury stock

	30.06.2021		31.12.2020	
	Number of shares	Weighted average cost price	Number of shares	Weighted average cost price
Opening balance	70,168	-2,370,696	70,168	-2,370,696
Closing balance	70,168	-2,370,696	70,168	-2,370,696

## 17 Functional and presentation currency

Upon consolidation, assets and liabilities of foreign operations are converted into CHF at the closing exchange rate on the balance sheet date and income and expense items are translated at monthly ruling exchange rates for the prior month. The resulting foreign currency translation differences represents a cumulative translation adjustment ("CTA") attributable to ENR's shareholders, recognised directly within equity (forming part of total equity attributable to ENR's shareholders), whereas CTA differences attributable to non-controlling interests are shown within equity attributable to non-controlling interests. As subsidiaries and associate companies of the Group use different functional currencies than the Group's presentation currency (i.e. CHF), the cumulative amount of the exchange rate differences from the translation of those entities functional currencies to the Group's presentation currency is presented in accordance with IAS 21 as a separate component of equity, and in the Consolidated statement of comprehensive income in the sub-segment other comprehensive income.

## 18 Related Parties

### 18.1 Valartis Group

There is an investment management contract with Valartis International Ltd ("VI"), a wholly owned subsidiary of Valartis Group AG, Fribourg, Switzerland. Under the contract VI receives a management fee in Swiss Francs of 1.5% (plus VAT if applicable) per year based on the consolidated average attributable NAV (adjusted by adding back any outstanding debt issued by the Company or any of its subsidiaries or affiliates that is convertible into or exchangeable for shares of ENR Group).

in CHF

	1.1.-30.06.2021	1.1.-30.06.2020
Management fees for the period	- 289,273	- 290,901

Out-of-pocket expenses incurred by VI in carrying out the investigative and "due diligence" analysis required in pursuing likely investment opportunities and in monitoring existing investments, based on contractual terms, are paid by the Group. In addition, based on contractual terms, VI is entitled to receive a performance fee equal to 17.5% (plus VAT if applicable) of the total net profits (sale proceeds less acquisition costs and transaction costs) realised by the Group on such investment in the event of a sale, another form of disposal or a refinancing of an investment held by the Group, provided an annual rate of 8% is reached.

The local Moscow branch of VI was appointed by Inkonika LLC, Vestive Limited's subsidiary holding the Turgenevskaya Moscow based parking garage, to perform management services relating to the parking garage (business development, management of tenant agreements; property administration and commercialisation, legal support, local accounting, financial and cash management, budgeting and preparation of monthly reports). For this a fee of US\$ 79'000 (VAT exclusive) is paid per annum. The local Moscow branch of VI and Valartis Advisory Services were appointed by Petrovsky Fort LLC to provide property management services relating to the Petrovsky Fort building (for example, business development, management of tenant agreements; third party broker agreements, property administration and commercialisation, legal support, local accounting, financial and cash management, budgeting and preparation of monthly feedback reports). For this an aggregate property management fee of US\$ 220'000 per annum (VAT exclusive) is paid. Stainfield Limited to whom Unicreditbank advanced loan funding for the Petrovsky Fort business center, also appointed VI to perform specific services with respect to servicing the UniCreditbank relationship. For this a fee of EUR 83'000 per annum (VAT exclusive) to be paid for 2021. The services rendered under the aforementioned contracts relate to the management of the Petrovsky Fort asset and the Turgenevskaya Moscow based parking garage (as opposed to investment management services rendered under the general investment management contract) and these fees are payable in addition to fees paid under the general investment management contract. Mr. Gustav Stenbolt is a board member of both ENR and Valartis Group AG and did not take part in the decisions involving the property management contracts.

### 18.2 Significant shareholders as of 30 June 2021

Valartis Group and Valartis AG jointly own 63.22% (1'627'378 shares) of the outstanding share capital (issued shares minus treasury shares) of the Company. Athris AG owns 33.76% (892'703 shares) of the outstanding share capital (issued shares minus treasury shares) of the Company.

### 18.3 Other

Gustav Stenbolt, via MCG Holding SA, is the majority shareholder of the Valartis Group AG and he is a member of the Group's Board of Directors.

### 19 Professional Fees

in CHF

	1.1.-30.06.2021	1.1.-30.06.2020
Property management fees : Petrovsky Fort LLC	- 145,975	- 151,503
Other professional fees	- 62,676	- 59,138
<b>Total</b>	<b>- 208,651</b>	<b>- 210,641</b>

Other professional fees comprise mainly of fees paid to entities supporting the Group's outsourced accounting functions as well as human resources functions and work done for the Group subsidiaries.

### 20 Legal Fees

in CHF

	1.1.-30.06.2021	1.1.-30.06.2020
Legal and tax advice	- 21,626	- 27,530
<b>Total</b>	<b>- 21,626</b>	<b>- 27,530</b>

The majority of legal fees relate to the Zaytsevo matter (see note 7.3) and the other private equity investments of the Group in Russia.

### 21 Other Expenses

in CHF

	1.1.-30.06.2021	1.1.-30.06.2020
Other expenses	- 28,394	- 102,858

Other expenses relate mainly to projects at Petrovsky Fort LLC.

### 22 Information Technology

in CHF

	1.1.-30.06.2021	1.1.-30.06.2020
Information technology	- 24,787	- 38,231

These fees relate to payments for Bloomberg services and maintenance and support of ENR's information technology infrastructure.

## 23 Administrative Fees

in CHF

	1.1.-30.06.2021	1.1.-30.06.2020
Administrative fees	-25,033	-26,044

Administrative fees relate mainly to direct and indirect costs to maintain the listing on SIX Swiss Exchange as well as the Group's subsidiaries administrative management.

## 24. Impairments

in CHF

	1.1.-30.06.2021	1.1.-30.06.2020
Release of impairment / (Impairment) *	357,318	-427,983
<b>Total : Release of impairment / (Impairment)</b>	<b>357,318</b>	<b>-427,983</b>

\* Related to Inkonika LLC, please refer to note 7.1

## 25 Fair value hierarchy

The following table shows the fair value hierarchy of the Group's financial assets and liabilities and investment property measured at fair value as of 30 June 2021 .

in CHF	Level 1	Level 2	Level 3	Total
Financial assets, and investment property at fair value through profit or loss at inception:				
- Investments at fair value through profit or loss	1,821,927	-	3,266,923	5,088,850
- of which equity instruments trading	296,663	-	3,266,923	3,563,586
- of which fixed income	1,525,264	-	-	1,525,264
- Financial assets at fair value	-	-	92,241	92,241
- Total Financial assets, (liabilities) at fair value through profit or loss at inception	1,821,927	-	3,359,164	5,181,091
- Investment property	-	-	36,513,039	36,513,039
- Total Financial assets and investment property at fair value through profit or loss at inception	1,821,927	-	39,872,203	41,694,130

The following table shows the fair value hierarchy of the Group's financial assets and liabilities and investment property measured at fair value as of 31 December 2020:

in CHF	Level 1	Level 2	Level 3	Total
Financial assets, (liabilities) and investment property at fair value through profit or loss at inception:				
- Investments at fair value through profit or loss	3,394,611	-	3,119,311	6,513,922
- of which equity instruments trading	1,073,846	-	3,119,311	4,193,157
- of which fixed income	2,320,765	-	-	2,320,765
- Financial assets at fair value	-	-	88,073	88,073
- Total Financial assets at fair value through profit or loss at inception	3,394,611	-	3,207,384	6,601,995
- Investment property	-	-	33,843,025	33,843,025
- Total Financial assets and investment property at fair value through profit or loss at inception	3,394,611	-	37,050,409	40,445,020

The following presents the movement in level 3 investments for the six months ended 30 June 2021:

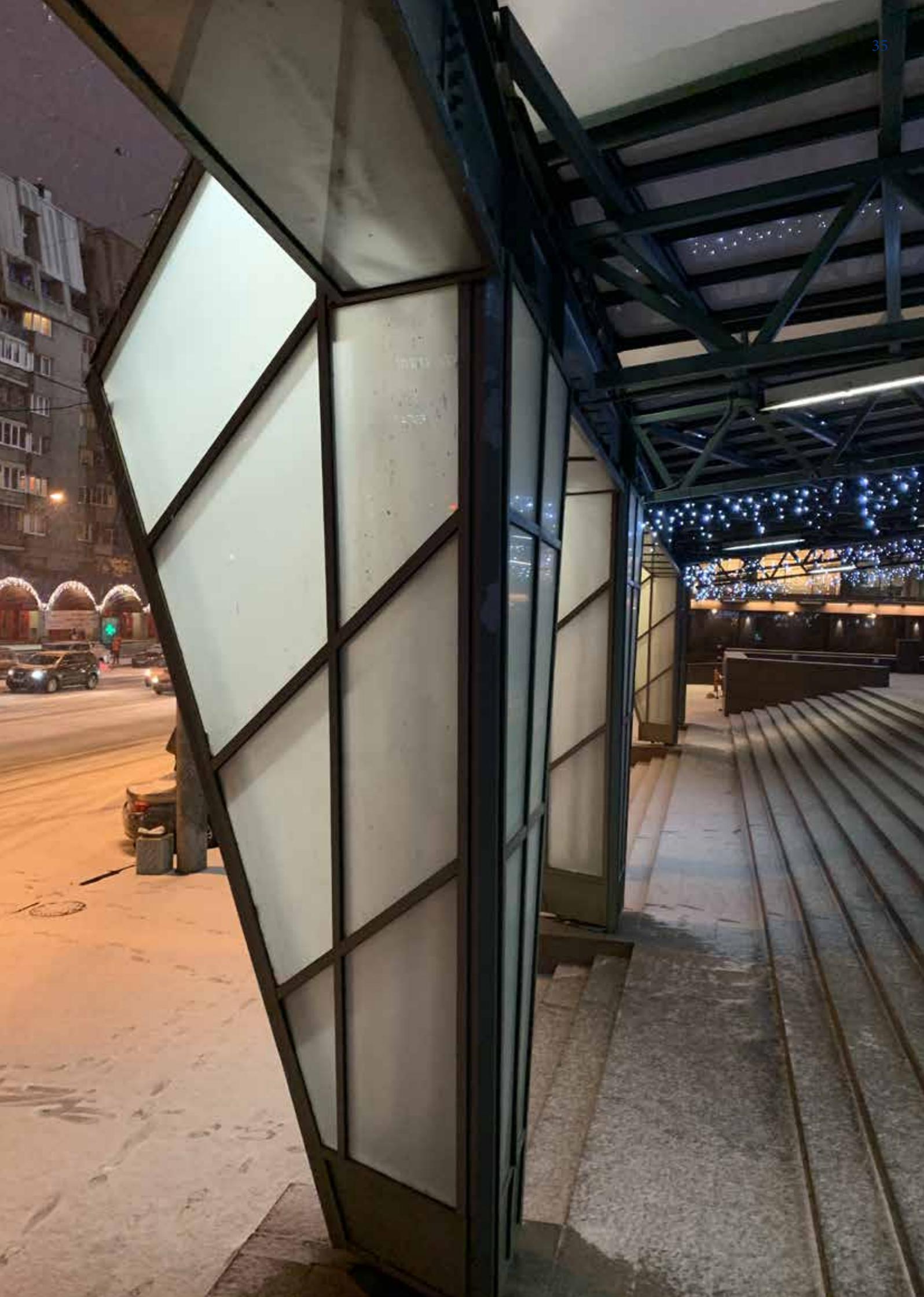
	CHF
Opening balance	37,050,409
- Financial assets at fair value	4,168
- Transterm Holdings Cyprus Ltd: fair value adjustment	147,612
- Investment property: Investments	156,937
- Investment property Building: disposals	-
- Investment property - foreign currency translation	2,513,077
Closing balance	39,872,203
Total gain for the period included in the statement of comprehensive income for assets and liabilities held at the end of the period	2,513,077

The following presents the movement in level 3 investments for the year ended 31 December 2020:

	CHF
Opening balance	44,183,254
- Financial assets at fair value	-8,701
- Transterm Holdings Cyprus Ltd: fair value adjustment	-308,143
- Investment property: Investments	584,974
- Investment property Building: Fair value adjustment	2,935,421
- Investment property - foreign currency translation	-10,336,396
Closing balance	37,050,409
Total gain for the year included in the statement of comprehensive income for assets and liabilities held at the end of the year	3,203,551

## 26 Subsequent Events

None.



## Investment Guidelines

### *1. Investment Objective*

To invest in private and public companies across different industry sectors as well as the real estate sector and to do so predominately in Russia and other Commonwealth of Independent States countries and in the Baltic States and to manage the asset portfolio to achieve long term capital appreciation on invested capital.

### *2. Investment Policy*

The investment philosophy is growth-oriented and the focus is primarily on longer term strategies and capital appreciation. However, from time to time there may be certain investments which have a shorter investment horizon, reflecting specific opportunities or taking account of prevailing market conditions. At times the asset portfolio may comprise entirely of cash or cash equivalents.

### *3. Investment Instruments*

Investments will be done primarily through equity and/or equity related and/or debt instruments or derivatives instruments.

Where capital resources have not been fully invested, same may be invested in a range of investment products, money market instruments, investment instruments issued by governments, financial institutions or companies, denominated in the currency of the country where investments are made or in any freely convertible currency. The Company may take temporary defensive positions if the investment manager

determines that opportunities for capital appreciation are limited or that significant diminutions in value may occur.

From time to time all or part of risks associated with investments may be hedged through the defensive use of derivative transactions, including, but not limited to, futures, options, swaps or any combination thereof.

From time to time leverage may be used in a manner commensurate with reasonable risk management to achieve investment objectives.

### *4. Investment Process and Factors considered*

While investment criteria may vary depending upon the type of transaction, factors taken into consideration when analysing potential investments include:

- Attractive valuations and purchase prices;
- Strength, depth and commitment of the management team;
- Existence of a coherent and realistic long term business plan;
- Relevant asset values;
- Corporate governance issues;
- Identifiable exit strategies;
- Risk management; and
- Active post-acquisition investment approach.

Investment opportunities will be identified and analysed by the investment manager or its delegates or agents within the framework of the investment guidelines. The investment manager or its delegates or agents will manage the screening process and, inter alia, conduct interviews with management and owners with the objective of aligning differing interests. The investment manager's responsibilities include valuations, market analyses, competition analyses, debt capacity calculations, bid tactics, tax optimizing holding structures, financing structures, raising of debt finance, management incentives, personnel reinforcements required, due diligence processes and the intended exit strategy. Day-to-day investment decisions will be made by the investment committee in accordance with the investment guidelines, as determined by the board of directors.

### *5. Amendments*

The investment guidelines may be amended by the board of directors at any time, in whole or in part. Amendments will become effective upon their approval by the board of directors (after expiry of any notice period for regulatory publications which may be required). The company may from time to time impose further investment restrictions, compatible with or in the interest of investors, or, in certain circumstances, in order to comply with relevant country laws and regulations.

Updated with effect 26 November 2016.

## Shareholder Information and Corporate Details

### Board of Directors

Gustav Stenbolt  
Walter Fetscherin

### Chief Executive Officer

Ben de Bruyn

### Domicile

ENR Russia Invest SA  
118 rue du Rhône  
1211 Geneva  
Switzerland

### Auditors

BDO SA  
Route de Meyrin 123  
1219 Châtelaine  
Switzerland

### Investment Manager

Valartis International Limited  
Vanterpool Plaza, 2nd Floor  
Wickhams Cay 1  
Road Town, Tortola, British Virgin Islands

### SIX Security Number

3447695

### ISIN Number

CH0034476959

### Ticker Symbol

RUS

### Group Website

[www.enr.ch](http://www.enr.ch)



[www.enr.ch](http://www.enr.ch)

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