



## Semi-Annual Report 2024





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## Letter to Shareholders

Dear shareholders,

For the six months ended 30 June 2024, the consolidated net profit for ENR Russia Invest SA and its subsidiaries was CHF 3.87 million (consolidated net loss of CHF 6.09 million for similar period in 2023). The net profit resulted mainly from ruble appreciation of 10.8% against the Swiss Franc in the reporting period. Shareholders equity, at 30 June 2024, was CHF 34.64 million (year-end 2023: CHF 28.94 million).

Our flower production facility supplies a large retail, wholesale and smaller customer base on a regular basis. Greenhouses are operating at full capacity with 25.1 hectares in productive use. Flower growing, cutting and sales remain solid. Personnel costs are higher due to labour shortages and a higher wage environment in Russia.

In Saint-Petersburg, office vacancies remain on the high side. Notwithstanding, our Petrovsky Fort business centre has low vacancies and rental income is solid. The new upmarket co-working area is operational. We continue with our UniCreditbank process for the buy-out of their loan financing towards the business centre.

At the Turgenevskaya parking garage, parking income is stable and the gradual improvement in longer-term individual and corporate rental contracts for parking bays continue.

For the Zaytsevo receivable, during the half-year, we received the final distribution proceeds from the liquidation process.

Due to sanctions the Russian operating environment remains impacted by import and export restrictions, import substitution, new regional and international sourcing and distribution routes, and capital controls. There are Central Bank of Russia ("CBR") currency exchange rules for transfers, whilst international intermediary banks compliance policies, at times, complicate transfers from our operational businesses. Our listed equities and bonds remain blocked, and we are restricted from trading or repatriating sales proceeds abroad.

The Russian economy continues to grow strongly and inflation remains high at 8% with strong domestic demand and higher salaries. The CBR, on 26 July 2024, increased the key rate to 18% as inflation is rising and there was no cooling of consumer activity and labour market tightness increased. The inflation forecast for 2024 has been revised upwards to 6.5 - 7.0%.

We monitor the development of the geopolitical situation and the Russian economic environment to evaluate what actions to take.

Geneva, 23 August 2024



Gustav Stenbolt  
Chairman



Ben de Bruyn  
Chief Executive Officer

## Economic Review

The Russian economy is still on a significant upward deviation from a balanced growth path and Gross Domestic Product ("GDP") data for Q1 2024 and indicators for Q2 2024 showed the Russian economy continues to grow strongly. The CBR revised upwards its estimate of GDP for 2024 to 3.5–4.0% but advised that labour shortages are becoming a major constraint on the expansion of output, and companies are making investments to increase labour productivity and automate production processes. It will take time for this to do so. Companies' costs for equipment purchases have been rising due to high inflation and, additionally, due to sanctions.

This is limiting businesses' potential to enhance labour productivity and upgrade production equipment. Although the supply of goods and services will continue to expand even in such conditions, this process will not be as quick as the current demand growth. High inflation and rising costs are forcing companies to constantly adjust their investment projects. The International Monetary Fund ("IMF") mentioned that investments from corporate and state owned enterprises and the robustness in private consumption within Russia promoted growth alongside strong exports of oil and expects full year GDP to grow 3.2% in 2024.

Inflationary pressures remain due to higher domestic demand surpassing the capacity to expand output and demand from the government sector remains high. Seasonally adjusted core inflation rose to 8.3% in annualised terms from 7.1% in Q1 2024.

The expansion of demand for loans significantly exceeded CBR estimates. Expecting the key rate to be cut in 2024 (as was assumed in the CBR forecast), enterprises continued to increase variable rate borrowing and the growth rate of variable rate loans accounted for 99% of the overall expansion of corporate lending from the start of 2024. Borrowers took out loans at higher interest rates due to growing inflation expectations, record-high profits, and expansion aspirations. The amount and structure of fiscal incentives affected lending to a greater extent than the CBR initially anticipated.

Companies that signed state contracts were willing to raise loans at elevated interest rates expecting payments from the budget. Subsidised mortgage lending contribute to credit demand. Consumer lending grew faster amid the rise in incomes of a considerable proportion of households, enabling people to both spend and save more.

The CBR updated the forecast of the balance of payments where exports will be slightly higher, while imports will be lower and have revised upwards the forecast of the current account surplus to \$72 billion for 2024.

China remains the largest importer of Russian fossil fuels, and trade volumes to India and Turkey continue to increase. Export settlements using the Chinese yuan has increased significantly by end June 2024 whilst a large share of foreign trade payments is settled in rubles.

## 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 metres rentable space) and two retail levels (5'815 square metres rentable space), two technical floors, a large central atrium, and underground parking for 118 cars (above ground parking for 36 cars).

The Saint-Petersburg based team is actively involved in the day-to-day management of the building and its tenants. A turnkey service offering is provided to tenants (i.e. utility services, central heating, venting and air conditioning; telecommunication lines and internet access; daily cleaning; security services; reception services as well as engineering and maintenance services).

For office space, vacancies reduced to 4.5.% (31 December 2023: 9%). For the two retail floors, excluding the 1'000 square metres coworking space, vacancies increased to 27.5.% (31 December 2023: 19%). Overall, the vacancy rate remained similar to year-end 2023 at 11.%. The co-working area is operational and regular ongoing improvements and capex programs continue.

At the half-year, the Petrovsky Fort valuation was ruble 2.92 billion (31 December 2023: ruble 2.84 billion). With ruble appreciation against the Swiss Franc in the reporting period, the carrying value, in Swiss Franc, increased to CHF 31.82 million at 30 June 2024 (31 December 2023: CHF 27.63 million).

### *Kaluga Flower Holding LLC - Florentika*

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

ENR has a 50% interest in LLC Kaluga Flower Holding, who owns a greenhouse complex for flower growing in the Kaluga Oblast in Russia (135 km south-west of Moscow) ("Flower Growing Facility"). ENR invested ruble 764.42 million in Kaluga Flower Holding LLC via promissory notes and ruble 32 million via equity.

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 flower growing and harvesting machinery and equipment.

Greenhouses are at full capacity utilisation with 25.1 hectares in productive use. 15 hectares are planted with more than 40 rose varieties; 2 hectares are planted with more than 20 germini and gerbera varieties; 5 hectares are used for a large annual tulip program as well as a range of seasonal flower programs; 3 hectares are used for chrysanthemums and 0.1 hectares for flower plant propagation. Flower growing, cutting and sorting and sales remain solid.

Russia remains one of the 5 largest flower consumption markets in the world and imports 85% of all flowers. The Flower Growing Facility is the largest Russian domestic flower producer. Its flowers are high-quality, last longer than imported flowers and there is regular and reliable supply to customers.

At 30 June 2024, the carrying value of the investment in Kaluga Flower Holding LLC increased to CHF 11.85 million due to the stronger ruble against the Swiss Franc (31 December 2023: CHF 10.15 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 parking lot above ground and 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, with three subway stations within close walking distance. Daily parking income is stable.

At 30 June 2024, the carrying value of the Turgenevskaya parking garage increased to CHF 3.25 million due to the stronger ruble against the Swiss Franc (31 December 2023: CHF 2.86 million).

*Listed equities*

These are shares in Severstal, a vertically integrated steel and steel-related mining business listed on the Moex Moscow stock exchange, with an attributable value of CHF 0.243 million at 30 June 2024 (31 December 2023: CHF 0.196 million).

*Fixed Income Investments*

These are bonds of the VTB group, a financial services group in Russia with an attributable value of CHF 0.242 million at 30 June 2024 (31 December 2023: CHF 0.229 million).

At 30 June 2024 the listed equities and fixed income instruments were blocked for trading due to sanctions.

## Net Asset Value and Attributable Net Asset Value

	30.06.2024		31.12.2023	
	Following IFRS presentation	Representing the existing shareholders' economic interest	Following IFRS presentation	Representing the existing shareholders' economic interest
<b>Assets</b>				
Treasury stock	-	943,058	-	788,955
Cash, investments and other assets	50,399,373	50,399,373	43,681,614	43,681,614
<b>Total assets</b>	<b>50,399,373</b>	<b>51,342,431</b>	<b>43,681,614</b>	<b>44,470,569</b>
<b>Liabilities</b>				
<b>Total liabilities</b>	<b>15,763,805</b>	<b>15,763,805</b>	<b>14,737,435</b>	<b>14,737,435</b>
<b>Shareholders' Equity</b>				
Treasury stock - at cost	-2,370,696	-	-2,370,696	-
Remaining Equity	37,006,264*	35,578,626*	31,314,875*	29,733,134*
<b>Total shareholders' equity</b>	<b>34,635,568</b>	<b>35,578,626</b>	<b>28,944,179</b>	<b>29,733,134</b>
<b>Total liabilities and shareholders' equity</b>	<b>50,399,373</b>	<b>51,342,431</b>	<b>43,681,614</b>	<b>44,470,569</b>
Number of shares outstanding		2,644,402		2,644,402
Net asset value per share		13.45**		11.24**
Attributable net asset value per share		13.45**		11.24**
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.

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 2024 was CHF 34.64 million (year-end 2023: CHF 28.94 million). The consolidated net profit for the 2024 half-year is CHF 3.87 million (2023 half-year: consolidated net loss of CHF 6.09 million). The consolidated accumulated loss at 30 June 2024 is CHF 16.52 million (31 December 2023: CHF 20.39 million consolidated accumulated loss)(see consolidated statement of changes in equity for the half-year ended 30 June 2024).

## Consolidated Financial Statements

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

(Currency - CHF)

	Note	30.06.2024	31.12.2023
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	6	987,627	415,015
Accounts receivable and accrued interest	7	572,378	919,398
Investments at fair value through profit or loss	4.1	484,746	425,616
<b>Total Current Assets</b>		<b>2,044,751</b>	<b>1,760,029</b>
<b>Non-Current Assets</b>			
Accounts receivable and accrued interest	7	15,102,786	13,011,727
Investment in associates		131	131
Investment property	5.1.1	31,816,080	27,628,750
Goodwill	9	1,435,625	1,280,977
<b>Total Non-Current Assets</b>		<b>48,354,622</b>	<b>41,921,585</b>
<b>Total Assets</b>		<b>50,399,373</b>	<b>43,681,614</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accounts payable and accrued expenses	10	2,882,855	2,267,754
Loans from banks	11	11,238,550	10,479,128
Income tax liabilities	12	40,763	39,494
Other current liabilities	13	179,836	595,096
<b>Total Current Liabilities</b>		<b>14,342,004</b>	<b>13,381,472</b>
<b>Non-Current Liabilities</b>			
Accounts payable and accrued expenses	10	53,273	47,303
Financial lease liabilities: Investment property	14	1,199,966	1,073,494
Deferred tax liabilities, net		168,562	235,166
<b>Total Non-Current Liabilities</b>		<b>1,421,801</b>	<b>1,355,963</b>
<b>Total liabilities</b>		<b>15,763,805</b>	<b>14,737,435</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)		31,922,676	31,922,676
Treasury stock	16.3	-2,370,696	-2,370,696
Accumulated (deficit) / profit		-16,515,366	-20,385,402
Cumulative translation adjustment	17	-11,191,631	-13,012,984
<b>Total shareholders' equity</b>		<b>34,635,568</b>	<b>28,944,179</b>
<b>Total liabilities and shareholders' equity</b>		<b>50,399,373</b>	<b>43,681,614</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

The notes on pages 14 to 31 are an integral part of these Consolidated financial statements.

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

(Currency - CHF)

	Note	1.1.-30.06.2024	1.1.-30.06.2023
<b>Gross rental income</b>	5.1.5	1,727,990	1,983,754
Operating costs	5.1.5	- 689,705	- 642,754
<b>Net rental income</b>	5.1.5	1,038,285	1,341,000
Fair value adjustment on investment property	5.1.1	355,824	52,334
Interest income	19	490,786	546,130
Other income		14,130	82,816
Realised and unrealised gain on investments through profit or loss	4; 4.1	59,130	98,266
Foreign exchange gain, net		2,732,867	-
Release of impairments	25	722,084	93,495
<b>Total income</b>		5,413,106	2,214,041
<b>Operating and financial expenses</b>			
Finance costs	5.1.6	- 489,707	- 449,102
Management fees	18.2	- 259,819	- 265,517
Staff remuneration		- 353,149	- 334,713
Professional fees	20	- 177,125	- 275,593
Legal fees	21	- 8,102	- 8,290
Other expenses	22	- 241,265	- 42,631
Directors' fees and expenses		- 37,500	- 37,500
Audit fees		- 43,890	- 41,675
Information technology	23	- 13,211	- 19,418
Administrative costs	24	- 17,427	- 18,715
Travel expenses		- 5,195	- 3,851
Tax other than on income		- 160	- 973
Foreign exchange loss, net		-	- 6,770,661
<b>Total expenses</b>		- 1,646,550	- 8,268,639
<b>Gain / (loss) for the year before taxes</b>		3,766,556	- 6,054,598
Taxes		103,480	- 40,564
<b>Gain / (loss) for the year after taxes</b>		3,870,036	- 6,095,162
<b>Attributable to</b>			
Equity holders of the Company		3,870,036	- 6,095,162
<b>Other comprehensive income</b>			
Cumulative translation adjustment (net of tax) **			
whereof related to fully consolidated subsidiaries (see "Consolidated changes in Equity", page 13)		1,821,353	- 3,262,969
<b>Total comprehensive profit for the year (net of tax)</b>		5,691,389	- 9,358,131
<b>Attributable to</b>			
Equity holders of the Company		5,691,389	- 9,358,131
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)		1.503	- 2.368
Diluted earnings per share (in CHF)		1.503	- 2.368

The notes on pages 14 to 31 are an integral part of these Consolidated financial statements.

\*\* 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)

	30.06.2024	30.06.2023
<b>Consolidated cash flow statement</b>		
Gain before tax	3,766,556	- 6,054,598
<b>Adjustments for:</b>		
(Release of impairments) / impairments	- 722,084	- 93,495
Realised and unrealised result on investments through profit or loss, including exchange gains or losses	- 2,854,700	6,473,913
Fair value change on investment property	- 355,824	- 52,334
Other non-cash income and expenses	491,419	199,630
<b>Operating profit before working capital changes</b>	<b>325,367</b>	<b>473,116</b>
<b>Movement in working capital:</b>		
Investment portfolio movement, net	-	-
Change in accounts receivable and accrued interests	477,832	74,174
Change in accounts payable and accrued expenses	- 8,775	63,856
Change in other assets	212	- 3
Taxes paid	12,665	18
<b>Net cash flow from operating activities</b>	<b>807,301</b>	<b>611,161</b>
<b>Cash Flows from Investment Activities</b>		
Investments in investment property	- 448,075	- 264,509
Interest received	37,497	15,182
Dividends received	-	-
<b>Net cash flow (used in) investment activities</b>	<b>- 410,578</b>	<b>- 249,327</b>
<b>Cash Flows from Financing Activities</b>		
(Decrease) / Increase in short term debts	- 2,706	61,493
Increase / (Decrease) in long term debts	184,614	- 1,591
Interest paid	- 67,881	- 445,915
<b>Net cash flow from / (used in) financing activities</b>	<b>114,027</b>	<b>- 386,013</b>
Foreign currency translation effects on cash and cash equivalents	61,862	- 70,753
<b>Net change in cash and cash equivalents</b>	<b>572,612</b>	<b>- 94,932</b>
Cash and cash equivalents at beginning of the period	415,015	495,573
Cash and cash equivalents at the end of the period	987,627	400,641

The notes on pages 14 to 31 are an integral part of these Consolidated financial statements.

## 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 2023</b>	<b>32,790,585</b>	<b>31,922,676</b>	<b>-2,370,696</b>	<b>-8,220,625</b>	<b>-12,437,493</b>	<b>41,684,447</b>		<b>41,684,447</b>
Profit for the half year after tax	-	-	-	-	-6,095,163	-6,095,163	-	-6,095,163
Other comprehensive income / (loss)	-	-	-	-3,262,969*	-	-3,262,969	-	-3,262,969
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-3,262,969*</b>	<b>-6,095,163</b>	<b>-9,358,132</b>	<b>-</b>	<b>-9,358,132</b>
<b>Balance as at 30 June 2023</b>	<b>32,790,585</b>	<b>31,922,676</b>	<b>-2,370,696</b>	<b>-11,483,594</b>	<b>-18,532,656</b>	<b>32,326,315</b>	<b>-</b>	<b>32,326,315</b>
<b>Balance as at 1 January 2024</b>	<b>32,790,585</b>	<b>31,922,676</b>	<b>-2,370,696</b>	<b>-13,012,984</b>	<b>-20,385,402</b>	<b>28,944,179</b>		<b>28,944,179</b>
Profit (loss) for the half year after tax	-	-	-	-	3,870,036	3,870,036	-	3,870,036
Other comprehensive income / (loss)	-	-	-	1,821,353*	-	1,821,353	-	1,821,353
<b>Total comprehensive income (loss) for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,821,353*</b>	<b>3,870,036</b>	<b>5,691,389</b>	<b>-</b>	<b>5,691,389</b>
<b>Balance as at 30 June 2024</b>	<b>32,790,585</b>	<b>31,922,676</b>	<b>-2,370,696</b>	<b>-11,191,631</b>	<b>-16,515,366</b>	<b>34,635,568</b>	<b>-</b>	<b>34,635,568</b>

\* 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. The notes on pages 14 to 31 are an integral part of these Consolidated financial statements.

## Condensed notes to the consolidated unaudited interim financial statements as of 30 June 2024 (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 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 22 August 2024.

### *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 2024 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 2023, 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 2023.

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

The following new and revised standards and interpretations had no material impact on the financial statements of the Group at the time of their first application or were of no significance to it:

Amendment to IAS 1 - Classification of Liabilities as Current or Non-current;  
Amendments to IAS 1 - Non-current Liabilities with Covenants;  
Amendment to IFRS 16 - Lease Liability in a Sale and Leaseback; and  
Amendments to IAS 7 and IFRS 7 - Supplier Finance Arrangements.

### 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:

	30.06.2024	01.01-30.06.2024	31.12.2023	01.01-30.06.2023
	Balance Sheet date rates	Annual average rates	Balance Sheet date rates	Annual average rates
EUR/CHF	0.9624	0.9641	0.9281	0.9882
USD/CHF	0.8997	0.8942	0.8401	0.9149
CHF/RUB	95.3289	101.0101	106.8376	85.6531

### 4. Investment portfolio

in CHF

	30.06.2024	31.12.2023
Fair value of trading portfolio assets at beginning of the period	425,616	318,540

#### Investment Portfolio Movement for the Period

Net investment portfolio movement for the period	-	-
Increase in fair value	59,130	107,076
Fair value of portfolio at the end of the period	484,746	425,616
- of which investments at fair value through profit or loss	484,746	425,616

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

Designated as Fair Value Through Profit or Loss:		
Listed equity securities and bonds held for trading	484,746	425,616
Total designated as fair value through profit or loss	484,746	425,616
Total financial assets at fair value through profit or loss	484,746	425,616

#### Profit / (Loss) on investments at fair value through profit or loss

Changes in fair value increase and foreign exchange impact	59,130	107,076
Total	59,130	107,076

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

in CHF

Balance as of 01.01.2024

	Quantity	CHF
<b>Listed equity securities</b>		
Reg Shs SEVERSTAL PAO	15,000	196,532
<b>Sub-total: Listed equity securities</b>		<b>196,532</b>
<b>Fixed income</b>		
VTB Capital SA 4.0725% , 24.10.2024, BOND	500,000	80,000
VTB EURASIA LIMITED 9.5 %, (perpetual), BOND	1,000,000	149,084
<b>Sub-total: Fixed income</b>		<b>229,084</b>
<b>Total investments at fair value through profit and loss</b>		<b>425,616</b>
<b>Total investments</b>		<b>425,616</b>



Movement in period (CHF)		Realised (CHF)		Changes in fair value (CHF)		Balance as of 30.06.2024	
Purchases and Additions	Sales, Redemptions and Withdrawals	Gains	Losses	Gains	Losses	Quantity	CHF
-	-	-	-	46,574	-	15,000	243,106
-	-	-	-	46,574	-		243,106
-	-	-	-	-	-	500,000	80,000
-	-	-	-	12,556	-	1,000,000	161,640
-	-	-	-	12,556	-		241,640
-	-	-	-	59,130	-		484,746
-	-	-	-	59,130	-		484,746

#### 4.2 Fixed income instruments

Details of fixed income instruments are set out in the table under note 4.1. During the reporting period no fixed income instruments were sold. At the half year the aggregate fair value attributed to fixed income instruments was CHF 0.24 million (31 December 2023: CHF 0.23 million).

#### 4.3 Listed equities

Details of listed equities are set out in the table under note 4.1. At the half year, the aggregate value of these shares was CHF 0.24 million (31 December 2023: 0.20 million).

### 5. Investment Property

#### 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
Opening balance at 1 January 2023	35,335,626	1,382,937	36,718,563
Investments	1,027,344	-	1,027,344
Disposals	-	-	-
Fair value adjustments	- 563,783	56,834	- 506,949
Foreign exchange translation differences	- 9,243,930	- 366,278	- 9,610,208
Carrying amount at 31 December 2023	26,555,257	1,073,493	27,628,750
Opening balance at 1 January 2024	26,555,257	1,073,493	27,628,750
Investments	448,075	-	448,075
Disposals	-	-	-
Fair value adjustments	358,775	- 2,951	355,824
Foreign exchange translation differences	3,254,007	129,424	3,383,431
Carrying amount at 30 June 2024	30,616,114	1,199,966	31,816,080
Carrying amount at 31 December 2023	26,555,257	1,073,493	27,628,750
Carrying amount at 30 June 2024	30,616,114	1,199,966	31,816,080

### *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 metres are designated for office use and 5,815 square metres 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 2024, the vacancy rate (as percentage of total rentable space in the building) was 11% (2023:11.80%). For office space, vacancies were 4.5% (31 December 2023: 9%). For the two retail floors, vacancies were 27.5 % (excluding the 1'000 square metre area for coworking)(31 December 2023: 19%).

### *5.1.4 Value and Valuation Method*

For the half-year 2024, 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 2024. 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 when compared to the annual reporting period where an independent third-party valuator is used to determine the value of the investment property and changes in the assumptions used may impact on the reported fair value of Petrovsky Fort.

At year-end 2023, an independent third-party real estate valuation expert (DMA Valuation LLC ("DMA") (ex JLL valuation team - JLL ceased operations in Russia)) 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. DMA's key assumptions were set out in the 2023 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 (DMA advised that for the half year 2024, the discount rate and capitalisation rate should remain the same as for year-end 2023):

Property	Fair value as of 30 June 2024	Valuation technique	Key unobservable inputs	
			ERV *	
Petrovsky Fort	2'918'600'000 ruble	Income capitalisation	Discount rate	15.50%
			Capitalisation rate	10.75%
			ERV *	13'560 ruble

  

Property	Fair value as of 31 December 2023	Valuation technique	Key unobservable inputs	
			ERV *	
Petrovsky Fort	2'837'100'000 ruble	Income capitalisation	Discount rate	15.50%
			Capitalisation rate	10.75%
			ERV *	13'133 ruble

\* Estimated rental income per square meter

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 business centre. At 30 June 2024, the valuation was ruble 2.92 billion and the carrying value of the investment CHF 31.82 million (31 December 2023: valuation of 2.84 billion ruble and a carrying value of 27.63 CHF million). The increase in carrying value in Swiss Franc was mainly due to the appreciation of the ruble against the Swiss Franc in the reporting period.

Real estate investment property is a long-term asset class and hold periods are usually for longer than five years and investment decisions are made with a long-term perspective. During the holding period the underlying economy may accelerate or slow-down markedly for certain periods. At a particular valuation date, even though medium to longer term real estate fundamentals may be attractive, prevailing economic or political conditions could present an unrealistic picture of sustainable future rental rates when comparing current rates to rates that could be achievable over the medium to longer term. Movements in the exchange rate between the ruble and the Swiss Franc during a reporting period can have a meaningful impact on the carrying value of the investment property in Swiss Franc. All these factors are uncertain and may impact on the fair value attributed to this investment, which may differ from the realisable value.

### 5.1.5 Net rental income

The breakdown of net rental income for the half-year ending 30 June 2024 and 2023, respectively, is shown below:

in CHF		
	1.1.-30.06.2024	1.1.-30.06.2023
Gross rental income	1,727,990	1,983,754
Operating cost, land lease and tax expenses	- 689,705	- 642,754
of which : operating expenses	- 495,371	- 445,752
of which : property tax and non-recoverable VAT	- 194,334	- 197,002
<b>Net rental income</b>	<b>1,038,285</b>	<b>1,341,000</b>

### 5.1.6 Finance Costs

in CHF		
	1.1.-30.06.2024	1.1.-30.06.2023
Interest	- 372,708	- 364,152
Other bank interest, fees and charges	- 49,370	- 9,174
Interest expenses on land lease liabilities (Petrovsky Fort)	- 67,629	- 75,776
<b>Total</b>	<b>- 489,707</b>	<b>- 449,102</b>

The balance sheet movement on the bank loan 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		
	30.06.2024	31.12.2023
Cash at bank and in hand	987,627	415,015
<b>Cash and cash equivalents</b>	<b>987,627</b>	<b>415,015</b>

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

in CHF

	30.06.2024	31.12.2023
Loans to Inkonika LLC (Turgenevskaya parking)	3,251,618	2,864,974
Promissory notes and accrued interest to LLC Kaluga Flower Holding	11,851,168	10,146,512
Zaytsevo claim	-	653,285
Other	572,378	266,354
<b>Total accounts receivable and accrued interest</b>	<b>15,675,164</b>	<b>13,931,125</b>
whereof current assets	572,378	919,398
whereof non-current assets	15,102,786	13,011,727

### 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). There are loans to Inkonika LLC which 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). Each reporting period an impairment review is done by management to assess the recoverability of these loans, taking into account the valuation of the parking garage. At year-end the valuation is made by a third-party appraiser. For half-year periods, ENR determines the valuation of the parking garage. As of 30 June 2024, the value of 100% of the parking garage remained at ruble 612 million (31 December 2023: ruble 612 million) as market conditions remained similar to year-end 2023. Following an impairment review, a release of impairment of CHF 50'282 was made (see note 25). Due to the stronger ruble against the Swiss Franc at 30 June 2024, the attributable value for these loans, in Swiss Franc, increased from CHF 2.86 million to CHF 3.25 million .

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

The Group has a 50% interest in an associate company, Kaluga Flower Holding LLC (see note 8.2). At 30 June 2024, the Group had invested via promissary notes ruble 764.42 million (31 December 2023: RUB 764.42 million). The investment was structured via two promissory notes, one for ruble 61.42 million and the other for ruble 703 million (interest rate: 12% interest; repayment date: 31 December 2031). Promissory notes are recognised on the balance sheet at fair value (amortised cost principle) based on actual rubles invested less repayments. Each reporting period an impairment review is made by management to assess the recoverability of these loans, considering, inter alia, the future cashflow and equity position of the business. No impairment was required at 30 June 2024 (31 December 2023: none)

### *7.3 Zaytsevo account receivable*

The Group participated in a residential real estate development comprising free-standing multi-story apartment buildings at Zaytsevo, south-west of Moscow. During late 2019, the developer was liquidated. ENR successfully registered its claim for what it had invested, together with contractual penalties. As part of the liquidation process, all land plots forming part of the residential real estate development were sold in 2023 to a third party and the purchase price was paid. During 2024, the liquidator made final distributions to claimholders. For reporting periods an impairment review is made by management to assess the recoverability of the account receivable. Considering the carrying value of the account receivable and actual proceeds received, a release of the remaining impairment for the Zaytsevo claim of CHF 0.67 was made (see note 25) (31 December 2023: CHF 0.11 million) (see note 7 Accounts Receivable).

## *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, LLC Kaluga Flower Holding, 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. 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 LLC Kaluga Flower Holding, which is treated as a joint-venture and accounted for under the equity method. The same applies for Florentika Management Company LLC.

### *8.3 Florentika Management Company LLC*

During the last quarter of 2021 ENR Investment Limited, a wholly owned subsidiary of ENR, acquired a 50% interest in Florentika Management Company LLC ("FMC") for ruble 10'000. The other shareholder is ENR's partner in LLC Kaluga Flower Holding. FMC forms part of the LLC Kaluga Flower Holding group.

## 9 Goodwill

in CHF

	1.1.-30.06.2024	1.1.-31.12.2023
Balance at beginning of period	1,280,977	1,731,235
Currency Translations Adjustments in consolidated equity	154,648	- 450,258
Balance at the end of the period	1,435,625	1,280,977

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 2024 (31 December 2023: no impairment).

## 10 Accounts Payable and Accrued Expenses: current and non-current liabilities

in CHF

	30.06.2024	31.12.2023
Other creditors *	2,936,128	2,315,057
Balance at the end of the period	2,936,128	2,315,057
whereof current liabilities	2,882,855	2,267,754
whereof non-current liabilities	53,273	47,303

\* This includes management fees of CHF 1.082 million payable to the Valartis group (31 December 2023: CHF 1.286 million).

## 11 Loans from banks

in CHF

	1.1.-30.06.2024	1.1.-31.12.2023
Balance at beginning of period - UniCreditbank loan	10,116,525	10,910,165
Quarterly loan repayments	-	- 201,003
Foreign exchange translation differences	373,867	- 592,637
Balance at the end of period - UniCreditbank loan	10,490,392	10,116,525
Balance at beginning of period - UniCreditbank accrued interest	362,603	-
Accrued interest	357,504	362,603
Foreign exchange translation differences	28,051	-
Balance at the end of the period	11,238,550	10,479,128
of which in current liabilities	11,238,550	10,479,128
of which in non-current liabilities	-	-

The loan from UniCreditbank to Stainfield Limited, a wholly owned ENR subsidiary, is a Euro based loan. 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 0.09 million per quarter. Balance due via a balloon payment at loan expiry date).



Collateral provided to the bank in respect of the loan includes a mortgage of the Petrovsky Fort LLC premises and a pledge over lease rights and movables. The loan expired on 31 December 2023 and Stainfield and UniCredit bank are working together to finalise a buy-out solution.

### *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

	30.06.2024	31.12.2023
<b>Balance at beginning of period</b>	<b>39,494</b>	<b>37,083</b>
Payment during the period	-	-1,477
Adjustment	1,269	3,888
<b>Balance at the end of the period</b>	<b>40,763</b>	<b>39,494</b>

### *13 Other current liabilities*

Other current liabilities

	30.06.2024	31.12.2023
Third party service providers: Petrovsky Fort	92,640	517,489
Other *	87,196	77,607
<b>Closing balance</b>	<b>179,836</b>	<b>595,096</b>

\* Relates mainly to social contributions of staff.

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

in CHF

	30.06.2024	31.12.2023
Financial lease liabilities Petrovsky Fort: non-current      Financial Lease	<b>1,199,966</b>	<b>1,073,494</b>

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 centre and the present value of these payments as at 30 June 2024 and 31 December 2023 are as presented above. The increase in liabilities is mainly due to a stronger ruble against the Swiss Franc at 30 June 2024.

## 15 Provisions

in CHF

	30.06.2024	31.12.2023
Position at 1 January	-	2,841
Provisions released and credited to income statement	-	-2,378
Foreign exchange translation differences	-	-463
Balance at 31 December	-	-

## 16 Equity

### 16.1 Overview

As of 30 June 2024 the issued and authorised ordinary share capital of the ENR Russia Invest SA was CHF 32.8 million (31 December 2023: CHF 32.8 million), divided into 2'644'402 (31 December 2023: 2'644'402) bearer shares with a par value of CHF 12.40 (31 December 2023: 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	30.06.2024		31.12.2023	
	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

	30.06.2024		31.12.2023	
	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 Definition*

Persons and companies are considered related parties if they could control the Group or can exert a significant influence on operational and financial decisions.

### *18.2 Management fees*

The consolidated financial statements comprise of the financial position of ENR Russia Invest SA, its subsidiaries and associates. Other than consolidated and associated entities disclosed in the annual report, 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) (also see note 10).

in CHF

	1.1.-30.06.2024	1.1.-30.06.2023
Management fees for the period	-259,819	-265,517

Out-of-pocket expenses incurred by Valartis 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, Valartis 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.

Valartis Advisory Services was appointed by Petrovsky Fort LLC to provide property management services relating to the Petrovsky Fort building. For this an aggregate property management fee of USD 0.17 million per year (VAT exclusive) is paid. Stainfield Limited, to who UniCreditbank advanced loan funding for the Petrovsky Fort business centre, also appointed VI to perform specific services with respect to servicing the UniCreditbank relationship. For this a fee of Euro 0.08 million per annum (VAT exclusive) is paid. The services rendered under these contracts relate to the management of the Petro-

vsky Fort (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.

### *18.3 Significant shareholders as of 30 June 2024*

Valartis Group and Valartis AG jointly own 63.22% (1'627'554 shares) of the outstanding share capital (issued shares minus treasury shares) of the Company. Athris AG owns 34.68% (892'703 shares) of the outstanding share capital (issued shares minus treasury shares) of the Company.

### *18.4 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 Interest Income*

in CHF

	1.1.-30.06.2024	1.1.-30.06.2023
Interest income from fixed income instruments	10,181	10,181
Interest income LLC Kaluga Flower Holdings *	453,289	530,948
Interest income - other	27,316	5,001
<b>Interest income</b>	<b>490,786</b>	<b>546,130</b>

\* See note 7.2 for LLC Kaluga Flower Holdings promissary notes

## *20 Professional Fees*

in CHF

	1.1.-30.06.2024	1.1.-30.06.2023
Property management fees : Petrovsky Fort LLC	- 115,887	- 216,154
Other professional fees	- 61,238	- 59,439
<b>Total</b>	<b>- 177,125</b>	<b>- 275,593</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.

## 21 Legal Fees

in CHF

	1.1.-30.06.2024	1.1.-30.06.2023
Legal and tax advice	-8,102	-8,290

The majority of legal fees related to the Zaytsevo matter (see note 7.3).

## 22 Other Expenses

in CHF

	1.1.-30.06.2024	1.1.-30.06.2023
Other expenses	-241,265	-42,631

Other expenses relate mainly to projects at Petrovsky Fort LLC and the UniCreditbank loan buy-out process.

## 23 Information Technology

in CHF

	1.1.-30.06.2024	1.1.-30.06.2023
Information technology	-13,211	-19,418

These fees relate to payments for maintenance and support of information technology infrastructure.

## 24 Administrative Fees

in CHF

	1.1.-30.06.2024	1.1.-30.06.2023
Administrative costs	-17,427	-18,715

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.

## 25 Release of impairments

in CHF

	1.1.-30.06.2024	1.1.-30.06.2023
Release of impairments re Inkonika LLC (see note 7.3)	50,282	93,495
Release of impairment : Re Zaytsevo (see note 7.3)	671,802	-
<b>Total : Release of impairments</b>	<b>722,084</b>	<b>93,495</b>

## 26 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 2024:

	Level 1	Level 2	Level 3	Total
Financial assets, and investment properties at fair value through profit or loss:				
- Investments at fair value through profit or loss	243,106	241,640	-	484,746
- of which equity instruments	243,106	-	-	243,106
- of which fixed income	-	241,640	-	241,640
- Financial assets at fair value	-	-	-	-
- Total Financial assets, (liabilities) at fair value through profit or loss	243,106	241,640	-	484,746
- Investment property	-	-	31,816,080	31,816,080
<b>- Total Financial assets and investment property at fair value through profit or loss</b>	<b>243,106</b>	<b>241,640</b>	<b>31,816,080</b>	<b>32,300,826</b>

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 2023:

in CHF	Level 1	Level 2	Level 3	Total
Financial assets, (liabilities) and investment properties at fair value through profit or loss:				
- Investments at fair value through profit or loss	196,532	229,084	-	425,616
- of which equity instruments	196,532	-	-	196,532
- of which fixed income	-	229,084	-	229,084
- Financial assets at fair value	-	-	-	-
- Total Financial assets at fair value through profit or loss	196,532	229,084	-	425,616
- Investment property	-	-	27,628,750	27,628,750
<b>- Total Financial assets and investment property at fair value through profit or loss</b>	<b>196,532</b>	<b>229,084</b>	<b>27,628,750</b>	<b>28,054,366</b>

The following presents the movement in level 3 investments for the six months ended 30 June 2024:

	CHF
Opening balance at 1 January 2024	27,628,750
- Investment property: Investments	448,075
- Investment property building and land lease: Fair value adjustment	355,824
- Investment property: Foreign currency translation	3,383,431
<b>Closing balance at 30 June 2024</b>	<b>31,816,080</b>

The following presents the movement in level 3 investments for the year ended 31 December 2023:

	CHF
Opening balance at 1 January 2023	36,718,563
- Investment property: Investments	1,027,344
- Investment property building and land lease: Fair value adjustment	- 506,949
- Investment property : Foreign currency translation	- 9,610,208
<b>Closing balance at 31 December 2023</b>	<b>27,628,750</b>

### *27 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  
c/o Hauteville Trust (BVI) Limited  
Maduro Building, Baughers Bay  
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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