



**Press Release**  
**Geneva, 7 April 2020**

### **ENR RUSSIA INVEST SA ANNOUNCES 2019 RESULTS**

ENR Russia Invest SA (“ENR”) produced a consolidated net profit of CHF 6.23 million for the year ended 31 December 2019 (2018: CHF 4.44 million consolidated net loss). At year-end 2019 the consolidated net asset value increased to CHF 48.13 million (2018: CHF 40.47 million).

At Petrovsky Fort vacancies decreased with an improved Saint-Petersburg rental market in 2019. There is an ongoing capex improvement program at the business center. ENR also introduced a number of new initiatives in 2019 (new strategy to improve the mix of retail and service focused tenant businesses; a new flagship bistro food hall & gastro-bar restaurant was opened; and a new-look interactive website is in place - [www.petrofort.ru](http://www.petrofort.ru)). The value of the business center increased by 12.03% in ruble terms in 2019. With a stronger ruble at year-end there was a further value uplift of 11.23% in CHF terms. A benefit from the refinanced loan from UniCreditbank towards the business center was that interest costs reduced by 50% in 2019.

At the Turgenevskaya parking garage in Moscow, rentals of parking bays to corporates and their employees improved in 2019. For the Zaytsevo real estate residential development near Moscow ENR has registered a claim for amounts invested and penalties following the liquidation of the developer. ENR has a mortgage over the land plot where its apartments were to be constructed.

During the reporting period ENR generated CHF 4.65 million via the sale of fixed income instruments and CHF 1.45 million for the sale of listed equity positions. These proceeds were used to fund a new private equity investment.

ENR, together with a Russian partner, acquired a greenhouse complex for flower production in Russia (close to Moscow). The complex is well engineered and equipped with five stand-alone greenhouses. Investments are required to service or replace parts of engineering systems, to buy flower plants and bulbs and to part fund operations until the business is cash-flow positive. At 31 December 2019 ENR had invested Ruble 342.91 million (CHF 5.35 million). It is anticipated that ENR and its partner could ultimately invest some CHF 10 million each (less if Russian bank funding is obtained under Russian agricultural incentive programs).

In 2019 Russia’s economy grew by 1.2% and the Russian Central Bank continued with rate cuts to the key lending rate (currently 6%). Oil and gas prices remain key to the prospects of the Russian economy. Higher oil earnings impact positively on Russian consumer and investor sentiment, boosting domestic demand and consumption. During March 2020 OPEC+ group talks failed to reach agreement on curbing production volumes to curb the lower demand due to the coronavirus outbreak. Saudi Arabia responded by cutting its crude oil prices and indicated it will ramp up oil

output. Oil prices then fell sharply and this triggered a large ruble depreciation against the CHF (some 23% to date).

The ENR annual report is available from today on ENR's website at <http://www.enr.ch/Download.aspx?mode=pressrelease&id=u6Hp230k%2fsclzu4KKdPvag%3d%3d>

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ENR Russia Invest SA is an investment company listed on the SIX Swiss Exchange. It specialises in the management of equities and equity-like investments, real estate as well as fixed income instruments in Russia, other members of the Commonwealth of Independent States and the Baltic States. Additional information on ENR Russia Invest SA is available on the company website [www.enr.ch](http://www.enr.ch)