

Globaltrans Investment PLC

**Condensed consolidated interim financial information
(unaudited)**

for the six months ended 30 June 2022

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Condensed consolidated interim financial information (unaudited) for the six months ended
30 June 2022

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Condensed consolidated interim income statement

for the six months ended 30 June 2022

	Note	Six months ended 30 June	
		2022	2021
		RUB'000 Unaudited	RUB'000 Unaudited
Revenue	11	48,414,907	32,078,608
Cost of sales	12	(27,451,748)	(23,885,976)
Gross profit		20,963,159	8,192,632
Selling and marketing costs	12	(118,159)	(113,870)
Administrative expenses	12	(2,493,209)	(1,720,458)
Other income		-	157,749
Other gains – net		18,539	86,508
Operating profit		18,370,330	6,602,561
Finance income	14	427,181	92,224
Finance costs	14	(1,514,815)	(1,168,372)
Net foreign exchange transaction losses on financing activities	14	(473,259)	(11,829)
Finance costs – net		(1,560,893)	(1,087,977)
Profit before income tax		16,809,437	5,514,584
Income tax expense	22	(4,468,788)	(1,352,200)
Profit for the period		12,340,649	4,162,384
<i>Profit attributable to:</i>			
Owners of the Company		11,804,343	3,281,025
Non-controlling interests		536,306	881,359
		12,340,649	4,162,384
<hr/>			
Weighted average number of ordinary shares outstanding (thousand)	23	178,420	178,664
<hr/>			
Basic and diluted earnings per share for profit attributable to the equity holders of the Company during the period (expressed in RUB per share) ⁽¹⁾	23	66.16	18.36

⁽¹⁾ Basic and diluted earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the period.

The notes on pages 7 to 26 are an integral part of this condensed consolidated interim financial information.

Condensed consolidated interim statement of comprehensive income

for the six months ended 30 June 2022

	Six months ended 30 June	
	2022	2021
	RUB'000	RUB'000
	Unaudited	Unaudited
Profit for the period	12,340,649	4,162,384
<i>Other comprehensive income:</i>		
<i>Items that may be reclassified subsequently to profit or loss</i>		
Currency translation differences	(2,866,377)	(391,606)
Losses on cash flow hedging instrument	-	(62,095)
Reclassification adjustment to the income statement	-	62,095
Total items that may be reclassified subsequently to profit or loss	(2,866,377)	(391,606)
<i>Items that will not be reclassified subsequently to profit or loss</i>		
Currency translation differences attributable to non-controlling interest	(1,325,647)	(208,975)
Other comprehensive income for the period, net of tax	(4,192,024)	(600,581)
Total comprehensive income for the period	8,148,625	3,561,803
<i>Total comprehensive income for the period attributable to:</i>		
- owners of the Company	8,937,966	2,889,419
- non-controlling interests	(789,341)	672,384
	8,148,625	3,561,803

Items in the statement above are disclosed net of tax. There is no income tax relating to the components of other comprehensive income above.


The notes on pages 7 to 26 are an integral part of this condensed consolidated interim financial information.

Condensed consolidated interim balance sheet

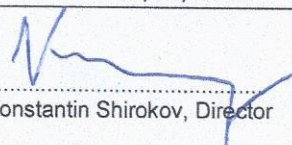
at 30 June 2022

	Note	30-Jun-2022 RUB'000 Unaudited	31-Dec-2021 RUB'000 Audited
ASSETS			
<i>Non-current assets</i>			
Property, plant and equipment	15	73,656,257	81,101,184
Right-of-use assets	16	6,574,443	5,606,845
Intangible assets	10	77	85
Other assets	18	268,868	1,146,917
Loans and other receivables	17(b)	2,208	237,680
Total non-current assets		80,501,853	88,092,711
<i>Current assets</i>			
Inventories		754,432	680,363
Other assets	18	1,903,345	2,681,218
Loans and other receivables	17(b)	424,551	30,358
Trade receivables	17(a)	4,837,212	3,638,450
Current income tax assets		208,644	307,189
Cash and cash equivalents		11,943,169	12,854,707
Total current assets		20,071,353	20,192,285
TOTAL ASSETS		100,573,206	108,284,996
EQUITY AND LIABILITIES			
<i>Equity attributable to the owners of the Company</i>			
Share capital	25	516,957	516,957
Share premium	25	27,929,478	27,929,478
Treasury shares		(145,993)	(31,496)
Common control transaction reserve		(10,429,876)	(10,429,876)
Translation reserve		2,012,498	4,878,875
Capital contribution		2,694,851	2,694,851
Retained earnings		30,190,746	24,688,577
Total equity attributable to the owners of the Company		52,768,661	50,247,366
Non-controlling interests		2,379,687	6,257,857
TOTAL EQUITY		55,148,348	56,505,223
<i>Non-current liabilities</i>			
Borrowings	20	11,223,653	17,650,210
Other lease liabilities	21	4,297,933	3,928,163
Trade and other payables	19	5,077	9,225
Contract liabilities	11	14,395	14,019
Deferred tax liabilities		10,112,268	9,752,314
Total non-current liabilities		25,653,326	31,353,931
<i>Current liabilities</i>			
Borrowings	20	13,487,160	13,668,260
Other lease liabilities	21	2,630,401	1,913,410
Trade and other payables	19	3,049,653	2,721,027
Contract liabilities	11	326,482	1,371,024
Current tax liabilities		277,836	752,121
Total current liabilities		19,771,532	20,425,842
TOTAL LIABILITIES		45,424,858	51,779,773
TOTAL EQUITY AND LIABILITIES		100,573,206	108,284,996

By order of the Board



Sergey Tolmachev, Director



Konstantin Shirokov, Director

Limassol, 16 September 2022

Condensed consolidated interim statement of changes in equity

for the six months ended 30 June 2022

	Attributable to the owners of the Company											
	Note	Share capital RUB'000	Share premium RUB'000	Treasury shares RUB'000	Common control transaction reserve RUB'000	Translation reserve RUB'000	Cash flow hedge reserve RUB'000	Capital contribution RUB'000	Retained earnings RUB'000	Total RUB'000	Non-controlling interests RUB'000	Total RUB'000
Balance at 1 January 2022		516,957	27,929,478	(31,496)	(10,429,876)	5,443,187	-	2,694,851	20,724,107	46,847,208	5,926,605	52,773,813
<i>Comprehensive income</i>												
Profit for the period		-	-	-	-	-	-	-	3,281,025	3,281,025	881,359	4,162,384
<i>Other comprehensive income</i>												
Currency translation differences		-	-	-	-	(391,606)	-	-	(391,606)	(391,606)	(208,975)	(600,581)
Losses on cash flow hedging instrument	3	-	-	-	-	(62,095)	-	-	(62,095)	(62,095)	-	(62,095)
Reclassification adjustment to income statement	3	-	-	-	-	62,095	-	-	62,095	62,095	-	62,095
Total comprehensive income for the period ended 30 June 2022		-	-	-	-	(391,606)	-	-	3,281,025	2,889,419	672,384	3,561,803
<i>Transactions with owners</i>												
Dividends to owners of the Company	24	-	-	-	-	-	-	-	(5,002,613)	(5,002,613)	-	(5,002,613)
Dividends to non-controlling interests	24	-	-	-	-	-	-	-	-	-	(257,898)	(257,898)
Total transactions with owners		-	-	-	-	-	-	-	(5,002,613)	(5,002,613)	(257,898)	(5,260,511)
Balance at 30 June 2022 (unaudited)		516,957	27,929,478	(31,496)	(10,429,876)	5,051,581	-	2,694,851	19,002,519	44,734,014	6,341,091	51,075,105

The notes on pages 7 to 26 are an integral part of this condensed consolidated interim financial information.

Condensed consolidated interim statement of changes in equity

for the six months ended 30 June 2022

Attributable to the owners of the Company												
	Note	Share capital RUB'000	Share premium RUB'000	Treasury shares RUB'000	Common control transaction reserve RUB'000	Translation reserve RUB'000	Cash flow hedge reserve RUB'000	Capital contribution RUB'000	Retained earnings RUB'000	Total RUB'000	Non-controlling interests RUB'000	Total RUB'000
Balance at 1 January 2022		516,957	27,929,478	(31,496)	(10,429,876)	4,878,875	-	2,694,851	24,688,577	50,247,366	6,257,857	56,505,223
<i>Comprehensive income</i>												
Profit for the period		-	-	-	-	-	-	-	11,804,343	11,804,343	536,306	12,340,649
<i>Other comprehensive income</i>												
Currency translation differences		-	-	-	-	(2,866,377)	-	-	-	(2,866,377)	(1,325,647)	(4,192,024)
Losses on cash flow hedging instrument	3	-	-	-	-	-	-	-	-	-	-	-
Reclassification adjustment to income statement	3	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period ended 30 June 2022		-	-	-	-	(2,866,377)	-	-	11,804,343	8,937,966	(789,341)	8,148,625
<i>Transactions with owners</i>												
Dividends to owners of the Company	24	-	-	-	-	-	-	-	-	-	-	-
Dividends to non-controlling interests	24	-	-	-	-	-	-	-	-	-	(291,003)	(291,003)
Acquisition of NCI		-	-	-	-	-	-	-	(6,302,174)	(6,302,174)	(2,797,826)	(9,100,000)
Purchasing of treasury shares		-	-	(114,497)	-	-	-	-	-	(114,497)	-	(114,497)
Total transactions with owners		-	-	(114,497)	-	-	-	-	(6,302,174)	(6,416,671)	(3,088,829)	(9,505,500)
Balance at 30 June 2022 (unaudited)		516,957	27,929,478	(145,993)	(10,429,876)	2,012,498	-	2,694,851	30,190,746	52,768,661	2,379,687	55,148,348

The notes on pages 7 to 26 are an integral part of this condensed consolidated interim financial information.

Condensed consolidated interim cash flow statement

for the six months ended 30 June 2022

		Six months ended 30 June	
		2022	2021
		RUB'000	RUB'000
	Note	Unaudited	Unaudited
<i>Cash flows from operating activities</i>			
Profit before tax		16,809,437	5,514,584
Adjustments for:			
Depreciation of property, plant and equipment	12	3,359,884	3,268,522
Depreciation of right-of-use assets	12	1,348,720	375,874
Amortisation of intangible assets	12	8	646
Net loss / (gain) on sale of property, plant and equipment	12	9,777	(52,280)
Loss on derecognition arising on capital repairs	12	189,940	283,119
Impairment charge on property, plant and equipment		3,712,569	-
Interest income	14	(424,742)	(92,224)
Interest expense and other finance costs	14	1,514,815	1,168,372
Foreign exchange losses on financing activities	14	473,259	11,829
Other losses		2,896	3,628
		26,996,563	10,482,070
<i>Changes in working capital:</i>			
Inventories		219,277	316,841
Trade receivables		(1,478,354)	(537,301)
Other assets		674,838	373,746
Other receivables		282,800	(171,965)
Trade and other payables		354,594	(230,942)
Contract liabilities		(1,044,166)	230,710
Cash generated from operations		26,005,552	10,463,159
Tax paid		(4,398,659)	(826,587)
Net cash from operating activities		21,606,893	9,636,572
<i>Cash flows from investing activities</i>			
Payment for acquisition of non-controlling interest		(8,800,000)	-
Purchases of property, plant and equipment		(3,697,115)	(3,965,936)
Proceeds from disposal of property, plant and equipment		11,605	70,061
Loans granted to third parties		-	(75,000)
Loans granted to related parties		(400,000)	-
Loan repayments received from third parties		-	3,909
Interest received		430,392	91,828
Receipts from finance lease receivable		22,584	59,770
Other		(31,095)	(19,525)
Net cash used in investing activities		(12,463,629)	(3,834,893)
<i>Cash flows from financing activities</i>			
Proceeds from bank borrowings		-	9,990,000
Repayments of borrowings		(6,568,523)	(9,734,047)
Principal elements of lease payments for other lease liabilities		(1,200,009)	(402,601)
Interest paid on bank borrowings and non-convertible unsecured bonds		(1,074,388)	(1,059,447)
Interest paid on other lease liabilities		(479,185)	(49,207)
Dividends paid to non-controlling interests in subsidiaries	24	(111,412)	(139,996)
Dividends paid to owners of the Company	24	-	(5,002,613)
Purchase of treasury shares		(114,497)	-
Net cash used in financing activities		(9,548,014)	(6,397,911)
Net decrease in cash and cash equivalents		(404,750)	(596,232)
Effect of exchange rate changes on cash and cash equivalents		(506,788)	(9,474)
Cash and cash equivalents at beginning of period		12,854,707	4,978,322
Cash and cash equivalents at end of period		11,943,169	4,372,616

The notes on pages 7 to 26 are an integral part of this condensed consolidated interim financial information.

Notes to the condensed consolidated interim financial information

1. GENERAL INFORMATION

Globaltrans Investment PLC (the "Company") and its subsidiaries (together the "Group") are a freight rail transportation group operating in Russia, the CIS countries and the Baltics.

The main business of the Group is the provision of freight rail transportation services with a focus on the transportation of key industrial freight including metallurgical cargoes, oil products and oil, coal and various construction materials. The Group is also engaged in operating lease of rolling stock.

The Company is a public limited company incorporated and domiciled in Cyprus in accordance with the provisions of the Cyprus Companies Law, Cap. 113. The address of its registered office is 20 Omirou Street, Agios Nikolaos, CY-3095 Limassol, Cyprus. The Group's principal place of business is at Nizhnaya Krasnoselskaya st. 39, bld. 1, Moscow, Russia.

Global Depository Receipts, each representing one ordinary share of the Company, are listed on the Main market of London Stock Exchange, and as of October 2021, in Moscow Stock Exchange.

Russian Rouble denominated bonds, issued by the Company's subsidiary New Forwarding Company, AO, for a total amount of RUB 10 billion, out of a RUB 100 billion registered program, are listed in the Moscow Stock Exchange.

This condensed consolidated interim financial information was approved by the Board of Directors of the Company on 16 September 2022, who authorized the Directors to sign on the same date.

This condensed consolidated interim financial information has been reviewed, not audited.

2. BASIS OF PREPARATION

The condensed consolidated interim financial information for the six months ended 30 June 2022 has been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting", as adopted by the European Union.

This condensed consolidated interim financial information does not include all the notes of the type normally included in annual consolidated financial statements. Accordingly, the condensed consolidated interim financial information should be read in conjunction with the annual consolidated financial statements for the year ended 31 December 2021, which have been prepared in accordance with International Financial Reporting Standards, as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation applied in the preparation of this condensed consolidated interim financial information are consistent with those of the annual consolidated financial statements for the year ended 31 December 2021, as described in those annual consolidated financial statements, and those of the corresponding interim reporting period, with the exception of the estimation of taxes in the six-month period ended 30 June 2022, as set out below:

(a) Taxes

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to the expected annual earnings for each tax jurisdiction and applied individually to the interim period pre-tax income of the relevant jurisdiction. Adjustments due to changes in estimates of prior year taxes are not taken into account in the calculation of the estimated average annual tax rate but are charged in full in the interim period in which it becomes probable that such adjustments are needed.

4. ADOPTION OF NEW AND AMENDED STANDARDS

(a) New and amended standards and interpretations adopted by the Group

A number of new or amended standards, as disclosed in the Group's consolidated financial statements for the year ended 31 December 2021, became effective for the Group from 1 January 2022 and were adopted by the Group. This adoption did not have a material effect on the accounting policies of the Group and, therefore, the Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards.

(b) New and amendment standards and interpretations not yet adopted by the Group

Since the Company published its annual consolidated financial statements for the year ended 31 December 2021, no new standards, amendments to existing standards or interpretations were issued that are effective for annual periods after 1 January 2022 and could have a material impact on the accounting policies of the Group.

5. ESTIMATES AND JUDGEMENTS

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this condensed consolidated interim financial information, the significant estimates and judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2021, with the additions of the estimation of residual value of rolling stock and wheel pairs described below.

Revenue recognition

As discussed in the consolidated financial statements for the year ended 31 December 2021, critical judgement is required in determining the number of performance obligations in the Group's operator's services contracts and whether the Group is acting as a principal or as an agent in certain arrangements for operators' services. There were no changes in the terms of these arrangements during the six-month period to 30 June 2022. Had OAO "Russian Railways" tariff directly attributable to such services been excluded from revenues and cost of sales for the six months ended 30 June 2022 both would have decreased by RUB 4,661,649 thousand (for six months ended 30 June 2021: RUB 6,441,989 thousand).

Estimation of residual value of rolling stock and wheel pairs

Management has reassessed the residual value of the Group's rolling stock and wheel pairs as of 1 January 2022 based on market levels of cost of scrap metal.

As a result of a significant change in the scrap prices and the revision of the residual values of the Group's rolling stock and wheel pairs, the depreciation charged in the income statement for the six-month period ended 30 June 2022 is lower than the one that would have been charged for the same period if there was no revision in residual value by RUB 163,171 thousand.

6. FINANCIAL RISK MANAGEMENT

Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, cash flow and fair value interest rate risk), credit risk and liquidity risk.

The condensed consolidated interim financial information does not include all financial risk management information and disclosures required in the annual consolidated financial statements; it should be read in conjunction with the Group's consolidated financial statements as at and for the year ended 31 December 2021. There have been no changes in the Group's risk management policies since the year end..

Liquidity risk

Management controls current liquidity based on expected cash flows and expected revenue receipts. In the long-term perspective, the liquidity risk is determined by forecasting future cash flows at the moment of signing new credit, loan or lease agreements and by budgeting procedures. As at 30 June 2022, Group's current liabilities exceeded its current assets by RUB 299,821 thousand (31 December 2021: RUB 3,683,220 thousand). Due to availability of committed credit lines amounting to RUB 36,729,778 thousand as of 30 June 2022 (31 December 2021: RUB 29,732,000 thousand), together with long-term borrowings (Note 20) the Group has the ability to meet its liabilities as they fall due and mitigate risks of adverse changes in the financial markets environment.

Fair value of financial assets and liabilities measured at amortised cost

The estimated fair values of financial instruments have been determined by the Group using available market information, where it exists, appropriate valuation methodologies and assistance of experts, as relevant. However, judgement is necessarily required to interpret market data to determine the estimated fair value. The Russian Federation continues to display some characteristics of an emerging market and economic conditions continue to limit the volume of activity in the financial markets. Market quotations may be outdated or reflect distress sale transactions and therefore do not always represent the fair values of financial instruments. The Group has used all available market information in estimating the fair value of financial instruments.

Fair value measurements are analysed by level in the fair value hierarchy. The different levels in fair value hierarchy have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The carrying values and fair values of current and non-current borrowings are as follows:

	Carrying values		Fair values	
	As at 30-Jun-2022 RUB'000	As at 31-Dec-2021 RUB'000	As at 30-Jun-2022 RUB'000	As at 31-Dec-2021 RUB'000
Bank borrowings	16,985,656	22,309,598	16,202,178	21,424,779
Non-convertible unsecured bonds	7,725,157	9,008,872	7,306,250	8,705,000
	24,710,813	31,318,470	23,508,428	30,129,779

The fair value as at 30 June 2022 and 31 December 2021 of fixed interest rate bank borrowings with stated maturity denominated in Russian Rouble was estimated based on expected cash flows discounted using the rate of similar Russian Rouble denominated instruments entered into by the Group close to the reporting dates. The discount rate used was 12.1% p.a. (31 December 2021: 8.3% p.a.). The fair value measurement of the bank borrowings is within level 2 (31 December 2021: level 2) of the fair value hierarchy.

The fair value as at 30 June 2022 and 31 December 2021 of the fixed interest rate non-convertible bonds was equal to their quoted price and the resulting fair value measurement is within level 1.

The fair value of the following financial assets and liabilities as at 30 June 2022 and 31 December 2021 approximates their carrying amount:

- Trade receivables
- Loans and other receivables
- Finance lease receivables
- Trade and other payables
- Cash and cash equivalents.

7. SEGMENT INFORMATION

The chief operating decision-maker has been identified as the Board of Directors of the Company. The Board reviews the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

The Board considers the business from two perspectives: by type of activity and by type of rolling stock used. From a type of activity perspective, the Board reviews revenues with no further analysis of the underlying cost components. From the type of rolling stock used perspective the Board assesses the performance of each type of rolling stock at the level of adjusted revenue. In particular, the Board reviews discrete financial information for gondola cars and rail tank cars, whereas all other types of rolling stock (such as hopper cars and platforms) are reviewed together.

Adjusted revenue for reportable segments is the measure of profit looked at by the chief operating decision-maker and this includes the revenues derived from the relating type of rolling stock used less infrastructure tariff paid for the loaded trips of the relevant rolling stock and services provided by other transportation organisations. Further, the Board receives information in respect of depreciation charges for rolling stock and right-of-use assets relating to rolling stock, amortisation charges for customer relationships, impairment charges/reversals of impairment in respect of rolling stock, right-of-use assets relating to rolling stock and customer relationships and loss on derecognition arising on capital repairs. All other information provided to the Board is measured in a manner consistent with that in the financial statements.

The Board also reviews additions to segment assets. Segment assets consist of rolling stock, right-of-assets relating to rolling stock and customer relationships. Unallocated assets comprise all the assets of the Group except for rolling stock, right-of-assets relating to rolling stock and customer relationships, as included within segment assets. Liabilities are not segmented since they are not reviewed from that perspective by the chief operating decision maker. Capital expenditure comprises additions of rolling stock to property, plant and equipment and additions of right-of-use assets relating to rolling stock.

The Group does not have transactions between different business segments.

	Gondola cars	Rail tank cars	Other railcars	Total
	RUB'000	RUB'000	RUB'000	RUB'000
<i>Six months ended 30 June 2022</i>				
Total revenue – operator's services	32,273,496	13,899,372	10,230	46,183,098
Total revenue – operating lease	361,941	1,111,136	452,475	1,925,552
Inter-segment revenue	-	-	-	-
Revenue (from external customers)	32,635,437	15,010,508	462,705	48,108,650
less Services provided by other transportation organisations	(994,142)	(131,982)	-	(1,126,124)
less Infrastructure and locomotive tariffs: loaded trips	(1,985,322)	(2,672,755)	(3,572)	(4,661,649)
Adjusted revenue for reportable segments	29,655,973	12,205,771	459,133	42,320,877

	Gondola cars	Rail tank cars	Other railcars	Total
	RUB'000	RUB'000	RUB'000	RUB'000
<i>Six months ended 30 June 2021</i>				
Total revenue – operator's services	16,959,420	12,560,948	363,282	29,883,650
Total revenue – operating lease	11,972	691,209	171,989	875,170
Inter-segment revenue	-	-	-	-
Revenue (from external customers)	16,971,392	13,252,157	535,271	30,758,820
less Services provided by other transportation organisations	(849,923)	(1,356)	-	(851,279)
less Infrastructure and locomotive tariffs: loaded trips	(3,662,339)	(2,593,841)	(81,392)	(6,337,572)
Adjusted revenue for reportable segments	12,459,130	10,656,960	453,879	23,569,969

Adjusted revenue for reportable segments increased by RUB 18,750,908 thousand during the six-month period ended 30 June 2022 as compared to the corresponding period in 2021 reflecting mainly the decrease in Average Price per Trip due to the continued, as expected, weak pricing in the gondola segment which is partially compensated by relatively stable pricing in the tank cars segment.

	Gondola cars	Rail tank cars	Other railcars	Total
	RUB'000	RUB'000	RUB'000	RUB'000
<i>Additions to non-current assets (included in reportable segment assets)</i>				
Six months ended 30 June 2022	4,584,168	1,968,885	10,258	6,563,311
Six months ended 30 June 2021	3,942,980	827,996	108,607	4,879,583
<i>Depreciation and amortisation</i>				
Six months ended 30 June 2022	(3,433,539)	(1,003,018)	(122,602)	(4,559,159)
Six months ended 30 June 2021	(2,328,114)	(835,765)	(213,459)	(3,377,338)
<i>Loss on derecognition arising on capital repairs</i>				
Six months ended 30 June 2022	(85,706)	(104,230)	(4)	(189,940)
Six months ended 30 June 2021	(103,092)	(180,027)	-	(283,119)
<i>Impairment charge on PPE</i>				
Six months ended 30 June 2022	(3,617,720)	(39,332)	(43,000)	(3,700,052)
Six months ended 30 June 2021	-	-	-	-
<i>Reportable segment assets</i>				
30 June 2022	52,898,505	22,490,950	3,822,116	79,211,571
31 December 2021	56,346,167	25,650,477	3,569,334	85,565,978

A reconciliation of total adjusted revenue for reportable segments to total profit before income tax is provided as follows:

	Six months ended 30-Jun-2022 RUB'000	Six months ended 30-Jun-2021 RUB'000
Adjusted revenue for reportable segments	42,320,877	23,569,969
Other revenues	306,257	1,319,788
Total adjusted revenue for reportable segments	42,627,134	24,889,757
Cost of sales (excl. infrastructure and locomotive tariffs - loaded trips, services provided by other transportation organisations, depreciation of property, plant and equipment, depreciation of right-of-use assets, amortisation of intangible assets and loss on derecognition arising on capital repairs)	(13,167,283)	(12,784,230)
Cost of sales (containers) - infrastructure and locomotive tariffs - loaded trips, services provided by other transportation organisations	-	(104,417)
Selling, marketing and administrative expenses (excl. depreciation, amortisation and impairments)	(2,496,218)	(1,716,672)
Depreciation and amortisation	(4,708,612)	(3,645,042)
Reversal of expected credit losses / (Impairment losses on trade and other receivables)	(721)	2,027
Impairment charge on PPE	(3,712,569)	-
Loss on derecognition arising on capital repairs	(189,940)	(283,119)
Other income	-	157,749
Other gains/ (losses) – net	18,539	86,508
Operating profit	18,370,330	6,602,561
Finance income	427,181	92,224
Finance costs	(1,514,815)	(1,168,372)
Net foreign exchange transaction losses on financing activities	(473,259)	(11,829)
Profit before income tax	16,809,437	5,514,584

8. NON-IFRS FINANCIAL INFORMATION

In addition to financial information under IFRS, as adopted by the EU (“EU IFRS”), the Group also uses certain measures not recognised by EU IFRS (referred to as “non-IFRS measures”) as supplemental measures of the Group’s operating and financial performance. The management believes that these non-IFRS measures provide valuable information to readers, because they enable them to focus more directly on the underlying day-to-day performance of the Group’s business. These might not be consistent with measures (of similar description) used by other entities.

Adjusted Revenue

Adjusted Revenue is defined as “Total revenue” adjusted for “pass through” items: “Infrastructure and locomotive tariffs: loaded trips” and “Services provided by other transportation organisations”. “Infrastructure and locomotive tariffs: loaded trips” comprises revenue resulting from tariffs that customers pay to the Group and the Group pays on to OAO “Russian Railways”, which are reflected in equal amounts in both the Group’s Total revenue and Cost of sales. “Services provided by other transportation organisations” is revenue resulting from the tariffs that customers pay to the Group and the Group pays on to third-party rail operators for subcontracting their rolling stock, which are reflected in equal amounts in both the Group’s Total revenue and Cost of sales.

The following table provides details of Adjusted revenue for the six months ended 30 June 2022 and 30 June 2021 and its reconciliation to Total revenue.

	Six months ended 30-Jun-2022 RUB'000	Six months ended 30-Jun-2021 RUB'000
Total revenue	48,414,907	32,078,608
Minus “pass through” items:		
Infrastructure and locomotive tariffs: loaded trips	(4,661,649)	(6,441,989)
Services provided by other transportation organisations	(1,126,124)	(851,279)
Adjusted Revenue	42,627,134	24,785,340

Total Operating Cash Costs and Non-cash Costs

In order to show the dynamics and nature of the Group’s cost base, individual items of Total cost of sales, selling and marketing costs and administrative expenses have been regrouped into Operating cash costs and Operating non-cash costs.

Total Operating Cash Costs represent operating cost items payable in cash and calculated as “Total cost of sales, selling and marketing costs and administrative expenses” less the “pass through” items: “Infrastructure and locomotive tariffs:

loaded trips” and “Services provided by other transportation organisations” and non-cash items: “Depreciation of property, plant and equipment”, “Depreciation of right-of-use assets”, “Amortisation of intangible assets”, “Net impairment (losses) / gains on trade and other receivables”, “Impairment of property, plant and equipment”, “Net (loss) / gain on sale of property, plant and equipment” and “Loss on derecognition arising on capital repairs”.

Total Operating Non-cash Costs include cost items such as “Depreciation of property, plant and equipment”, “Depreciation of right-of-use assets”, “Amortisation of intangible assets”, “Loss on derecognition arising on capital repairs”, “Net impairment (losses) / gains on trade and other receivables”, “Impairment of property, plant and equipment” and “Net (loss) / gain on sale of property, plant and equipment”.

Other Operating Cash Costs include cost items such as “Advertising and promotion”, “Auditors’ remuneration”, “Communication costs”, “Information services”, “Legal, consulting and other professional fees”, “Expense relating to short-term leases – tank containers”, “Expense relating to short-term leases – office”, “Taxes (other than income tax and value added taxes)” and “Other expenses”.

	Six months ended 30-Jun-2022	Six months ended 30-Jun-2021
	RUB'000	RUB'000
“Pass through” cost items	(5,787,773)	(7,293,268)
Infrastructure and locomotive tariffs: loaded trips	(4,661,649)	(6,441,989)
Services provided by other transportation organisations	(1,126,124)	(851,279)
Total cost of sales, selling and marketing costs and administrative expenses (adjusted for “pass through” cost items)	(24,275,343)	(18,427,036)
Total Operating Cash Costs	(15,653,724)	(14,553,182)
Infrastructure and locomotive tariffs - empty runs and other tariffs	(8,597,353)	(8,306,918)
Repairs and maintenance	(1,927,837)	(2,163,294)
Employee benefit expense	(3,560,161)	(2,281,483)
Expense relating to short-term leases - rolling stock	(27,486)	(209,270)
Fuel and spare parts – locomotives	(994,376)	(911,116)
Engagement of locomotive crews	(71,879)	(163,423)
Other Operating Cash Costs	(474,632)	(517,678)
<i>Advertising and promotion</i>	(18,238)	(21,054)
<i>Auditors' remuneration</i>	(22,172)	(15,240)
<i>Communication costs</i>	(11,662)	(12,283)
<i>Information services</i>	(8,481)	(7,768)
<i>Legal, consulting and other professional fees</i>	(46,597)	(36,642)
<i>Expense relating to short-term leases – tank containers</i>	-	(13,937)
<i>Expense relating to short-term leases - office</i>	(46,164)	(50,067)
<i>Taxes (other than on income and value added taxes)</i>	(13,492)	(14,049)
<i>Other expenses</i>	(307,826)	(346,638)
Total Operating Non-Cash Costs	(8,621,619)	(3,873,854)
Depreciation of property, plant and equipment	(3,359,884)	(3,268,522)
Depreciation of right-of-use assets	(1,348,720)	(375,874)
Amortisation of intangible assets	(8)	(646)
Loss on derecognition arising on capital repairs	(189,940)	(283,119)
Net impairment (losses) / gains on trade and other receivables	(721)	2,027
Net (loss) / gain on sale of property, plant and equipment	(9,777)	52,280
Total cost of sales, selling and marketing costs and administrative expenses	(30,063,116)	(25,720,304)

Adjusted EBITDA

Adjusted EBITDA represents EBITDA excluding “Net foreign exchange transaction losses on financing activities”, “Share of profit/(loss) of associate”, “Other gains - net”, “Net (loss) / gain on sale of property, plant and equipment”, “Impairment of property, plant and equipment”, “Impairment of intangible assets”, “Loss on derecognition arising on capital repairs” and “Reversal of impairment of intangible assets”.

EBITDA represents “Profit for the period” before “Income tax expense”, “Finance costs - net” (excluding “Net foreign exchange transaction losses on financing activities), “Depreciation of property, plant and equipment”, “Depreciation of right-of-use assets” and “Amortisation of intangible assets”.

The following table provides details on Adjusted EBITDA for the six months ended 30 June 2022 and 30 June 2021 and its reconciliation to EBITDA and Profit for the period:

	Six months ended 30-Jun-2022 RUB'000	Six months ended 30-Jun-2021 RUB'000
Profit for the period	12,340,649	4,162,384
<i>Plus (Minus)</i>		
Income tax expense	4,468,788	1,352,200
Finance costs – net	1,560,893	1,087,977
Net foreign exchange transaction losses on financing activities	(473,259)	(11,829)
Amortisation of intangible assets	8	646
Depreciation of property, plant and equipment	3,359,884	3,268,522
Depreciation of right-of-use assets	1,348,720	375,874
EBITDA	22,605,683	10,235,774
<i>Minus (Plus)</i>		
Loss on derecognition arising on capital repairs	(189,940)	(283,119)
Net foreign exchange transaction losses on financing activities	(473,259)	(11,829)
Other gains – net	18,539	86,508
Net (loss) / gain on sale of property, plant and equipment	(9,777)	52,280
Impairment of PPE	(3,712,569)	-
Adjusted EBITDA	26,972,689	10,391,934

Free Cash Flow

Free Cash Flow is calculated as “Cash generated from operations” (after “Changes in working capital”) less “Tax paid”, “Interest paid on bank borrowings and non-convertible unsecured bonds”, “Interest paid on leases with financial institutions”, “Interest paid on other lease liabilities”, “Purchases of property, plant and equipment”, “Purchases of intangible assets”, “Acquisition of subsidiary undertakings - net of cash acquired” and “Principal elements of lease payments for other lease payments”.

The **Attributable Free Cash Flow** means Free Cash Flow less Adjusted profit attributable to non-controlling interests.

Total CAPEX calculated on a cash basis as the sum of “Purchases of property, plant and equipment”, “Purchases of intangible assets” and “Acquisition of subsidiary undertakings - net of cash acquired”.

Adjusted Profit Attributable to Non-controlling Interests is calculated as “Profit attributable to non-controlling interests” less share of “Impairment of property, plant and equipment” and “Impairment of intangible assets” attributable to non-controlling interests.

The following tables set out details on Free Cash Flow and Attributable Free Cash Flow for the six months ended 30 June 2022 and 30 June 2021, and its reconciliation to Cash generated from operations.

	Six months ended 30-Jun-2022 RUB'000	Six months ended 30-Jun-2021 RUB'000
Cash generated from operations	26,005,552	10,463,159
Tax paid	(4,398,659)	(826,587)
Interest paid on bank borrowings and non-convertible unsecured bonds	(1,074,388)	(1,059,447)
Interest paid on other lease liabilities	(479,185)	(49,207)
Purchases of property, plant and equipment	(3,697,115)	(3,965,936)
Principal elements of lease payments for other lease liabilities	(1,200,009)	(402,601)
Payment for acquisition of non-controlling interest	(8,800,000)	-
Free Cash Flow	6,356,196	4,159,381

	Six months ended 30-Jun-2022 RUB'000	Six months ended 30-Jun-2021 RUB'000
Free Cash Flow	6,356,196	4,159,381
<i>Minus</i>		
Adjusted profit attributable to non-controlling interests	536,306	881,359

Attributable Free Cash Flow	5,819,890	3,278,022
	Six months ended 30-Jun-2022 RUB'000	Six months ended 30-Jun-2021 RUB'000
Purchase of property, plant and equipment	3,697,115	3,965,936
Total CAPEX	3,697,115	3,965,936

Net Debt and Net Debt to Adjusted LTM EBITDA

Net Debt is defined as the sum of total borrowings (including interest accrued) less "Cash and cash equivalents".

Total Debt is defined as total borrowings (including interest accrued).

Adjusted LTM EBITDA represents Adjusted EBITDA for the last twelve months ended at the balance sheet date.

The following table sets out the details on the Group's Net Debt and Net Debt to Adjusted EBITDA at 30 June 2022 and 31 December 2021 and reconciliation of Net Debt to Total Debt.

	30 June 2022 RUB'000	31 December 2021 RUB'000
Total debt	24,710,813	31,318,470
<i>Minus</i>		
Cash and cash equivalents	11,943,169	12,854,707
Net Debt	12,767,644	18,463,763
Net Debt to Adjusted LTM EBITDA	0.28x	0.62x

9. SHARE-BASED PAYMENTS

The Group has recognised an employee benefit expense of RUB 43,024 thousand in this respect for the six months ended 30 June 2022 (RUB 47,776 thousand for the six months ended 30 June 2021) and share based payment liability as at 30 June 2022 of RUB 43,023 thousand (31 December 2021: RUB 123,971 thousand) under the existing cash-settled share-based remuneration program of the Company.

10. INTANGIBLE ASSETS

<i>Six months ended 30 June 2021</i>	Other RUB'000	Total RUB'000
Opening net book amount on 1 January 2021	1,460	1,460
Amortisation charge (Note 12)	(646)	(646)
Closing amount on 30 June 2021	814	814

<i>Six months ended 30 June 2022</i>	Other RUB'000	Total RUB'000
Opening net book amount on 1 January 2022	85	85
Amortisation charge (Note 12)	(8)	(8)
Closing amount on 30 June 2022	77	77

11. REVENUE

(a) Disaggregation of revenue

	Six months ended 30-Jun-2022 RUB'000	30-Jun-2021 RUB'000
Railway transportation – operators services (tariff borne by the Group)	13,959,398	15,242,135
Railway transportation – operators services (tariff borne by the client)	32,223,700	14,641,515
Revenue from specialised container transportation	-	1,042,499
Other	306,257	277,289
Total revenue from contracts with customers recognised over time	46,489,355	31,203,438
Operating leasing of rolling stock	1,925,552	875,170
Total revenue	48,414,907	32,078,608

Note: Revenue from railway transportation – operators services (tariff borne by the Group) includes infrastructure and locomotive tariffs for loaded trips for the six months ended 30 June 2022 amounting to RUB 4,661,649 thousand (for the six months ended 30 June 2021: RUB 6,441,989 thousand) and the cost of engaging the fleet from third parties recharged to clients of the Group amounting to RUB 1,126,124 thousand (for the six months ended 30 June 2021: RUB 851,279 thousand).

(b) Liabilities related to contracts with customers

The Group has recognised the following liabilities related to contracts with customers:

	As at	
	30-Jun-2022 RUB'000	31-Dec-2021 RUB'000
<i>Contract liabilities relating to railway transportation contracts</i>		
Non-current contract liabilities - third parties	9,516	9,140
Non-current contract liabilities - related parties	4,879	4,879
Current contract liabilities - third parties	325,829	1,369,599
Current contract liabilities - related parties	653	1,425
Total contract liabilities	340,877	1,385,043

Contract liabilities represent advances from customers for transportation services. The increase in advances from customers as at 30 June 2022 as compared to those as at 31 December 2021 mainly arose as a result of timing of advances from customers close to the year end.

(c) Revenue recognised in relation to contract liabilities

The Group's revenue for the six-month period to 30 June 2022 includes RUB 1,296,190 thousand out of the balance of contract liabilities as of 31 December 2021 (for the six-month period to 30 June 2021: RUB 944,950 thousand out of the balance of contract liabilities as of 31 December 2020).

The Group does not have any contracts where the period of provision of the services (that is, the period between the start and completion of a trip) exceeds one year. As permitted under IFRS 15, the transaction price allocated to unsatisfied (or partially unsatisfied) performance obligations as of the balance sheet date is not disclosed.

12. EXPENSES BY NATURE

	Six months ended	
	30-Jun-2022 RUB'000	30-Jun-2021 RUB'000
<i>Cost of sales</i>		
Infrastructure and locomotive tariffs: loaded trips	4,661,649	6,441,989
Infrastructure and locomotive tariffs: empty run trips and other tariffs	8,597,353	8,306,918
Services provided by other transportation organisations	1,126,124	851,279
Expense relating to short-term leases - rolling stock	27,486	209,270
Expense relating to short-term leases – tank containers	-	13,937
Employee benefit expense	1,432,535	919,891
Repairs and maintenance	1,927,837	2,163,294
Depreciation of property, plant and equipment	3,313,488	3,225,530
Depreciation of right-of-use assets	1,280,695	299,191
Loss on derecognition arising on capital repairs	189,940	283,119
Amortisation of intangible assets	-	638
Fuel and spare parts – locomotives	994,376	911,116
Engagement of locomotive crews	71,879	163,423
Loss / (gain) on sale of property, plant and equipment	10,585	(51,502)
Other expenses	105,232	147,883
Total cost of sales	27,451,748	23,885,976

	Six months ended	
	30-Jun-2022 RUB'000	30-Jun-2021 RUB'000
<i>Selling, marketing and administrative expenses</i>		
Depreciation of property, plant and equipment	46,396	42,992
Depreciation of right-of-use assets	68,025	76,683
Amortisation of intangible assets	8	8
Gain on sale of property, plant and equipment	(808)	(778)
Employee benefit expense	2,127,626	1,361,592
Net impairment losses / (gains) on trade and other receivables	721	(2,027)
Expense relating to short-term leases - office	46,164	50,067
Auditors' remuneration	22,172	15,240
Legal, consulting and other professional fees	46,597	36,642
Advertising and promotion	18,238	21,054
Communication costs	11,662	12,283
Information services	8,481	7,768
Taxes (other than income tax and value added taxes)	13,492	14,049
Other expenses	202,594	198,755
Total selling, marketing and administrative expenses	2,611,368	1,834,328

	Six months ended	
	30-Jun-2022 RUB'000	30-Jun-2021 RUB'000
Total expenses		
Depreciation of property, plant and equipment (Note 15)	3,359,884	3,268,522
Depreciation of right-of-use assets (Note 16)	1,348,720	375,874
Loss on derecognition arising on capital repairs (Note 15)	189,940	283,119
Amortisation of intangible assets (Note 10)	8	646
Net loss / (gain) on sale of property, plant and equipment	9,777	(52,280)
Expense relating to short-term leases – tank containers	-	13,937
Employee benefit expense (Note 13)	3,560,161	2,281,483
Net impairment losses / (gains) on trade and other receivables	721	(2,027)
Expense relating to short-term leases – rolling stock	27,486	209,270
Expense relating to short-term leases – office	46,164	50,067
Repairs and maintenance	1,927,837	2,163,294
Fuel and spare parts – locomotives	994,376	911,116
Engagement of locomotive crews	71,879	163,423
Infrastructure and locomotive tariffs: loaded trips	4,661,649	6,441,989
Infrastructure and locomotive tariffs: empty run trips and other tariffs	8,597,353	8,306,918
Services provided by other transportation organisations	1,126,124	851,279
Auditors' remuneration	22,172	15,240
Legal, consulting and other professional fees	46,597	36,642
Advertising and promotion	18,238	21,054
Communication costs	11,662	12,283
Information services	8,481	7,768
Taxes (other than income tax and value added taxes)	13,492	14,049
Other expenses	307,826	346,638
Total cost of sales, selling and marketing costs and administrative expenses	30,063,116	25,720,304

Infrastructure and locomotive tariffs: loaded trips for the six-month period to 30 June 2022 decreased by RUB 1,780,340 thousand, representing a 28% decrease as compared to the six-month period to 30 June 2021, mainly due to decrease in the proportion of clients that pay Infrastructure and locomotive tariffs: loaded trips through the Group.

Infrastructure and locomotive tariffs: empty run trips and other tariffs for the six-month period to 30 June 2022 increased by RUB 290,435 thousand, representing a 3% increase as compared to the six-month period to 30 June 2021, due to increase of the RZD regulated tariffs for the traction of empty railcars which was partially offset by a decline in Group's Freight Rail Turnover in the reporting period by 3%.

13. EMPLOYEE BENEFIT EXPENSE

	Six months ended	
	30-Jun-2022	30-Jun-2021
	RUB'000	RUB'000
Wages and salaries	1,466,335	1,314,935
Bonuses	1,457,204	496,764
Share based payment expense (Note 9)	43,024	47,776
Social insurance costs	593,598	422,008
Total employee benefit expense	3,560,161	2,281,483

Employee benefit expense increased by RUB 1,278,678 thousand during the six-month period ended 30 June 2022 as compared to the corresponding period in 2021. The increase was the result of the increase in average headcount reflecting the move to having in-house locomotive crews, inflation driven growth in wages and increase in bonuses.

14. FINANCE INCOME AND COSTS

	Six months ended	
	30-Jun-2022	30-Jun-2021
	RUB'000	RUB'000
<i>Interest expense:</i>		
Bank borrowings	(709,966)	(699,821)
Non-convertible bond	(321,236)	(399,635)
Total interest expense calculated using the effective interest rate method	(1,031,202)	(1,099,456)
Other lease liabilities	(483,566)	(52,557)
Total interest expense	(1,514,768)	(1,152,013)
Other finance costs	(47)	(16,359)
Total finance costs	(1,514,815)	(1,168,372)
<i>Interest income:</i>		
Bank balances	238,314	61,667
Short term deposits	166,966	5,396
Loans to related parties	9,863	-
Loans to third parties	-	773
Total interest income calculated using the effective interest rate method	415,143	67,836
Finance leases – related parties	913	-
Finance leases – third parties	8,686	24,388
Total interest income	424,742	92,224
Other finance income	2,439	-
Total finance income	427,181	92,224
Net foreign exchange transaction (losses) / gains on borrowings and other liabilities	(1,557)	1,115
Net foreign exchange transaction (losses) on cash and cash equivalents and other monetary assets	(471,702)	(12,944)
Net foreign exchange transaction (losses)/gains on financing activities	(473,259)	(11,829)
Net finance costs	(1,560,893)	(1,087,977)

15. PROPERTY, PLANT AND EQUIPMENT

	Six months ended	
	30-Jun-2022 RUB'000	30-Jun-2021 RUB'000
Opening net book amount on 1 January 2022 / 1 January 2021	81,101,184	84,420,941
Additions	4,311,035	4,034,751
Disposals	(32,581)	(22,474)
Transfer to inventories	(296,242)	(324,156)
Depreciation charge (Note 12)	(3,359,884)	(3,268,522)
Loss on derecognition arising on capital repairs (Note 12)	(189,940)	(283,119)
Currency translation differences	(4,164,746)	(611,431)
Closing net book amount on 30 June 2022 / 30 June 2021	73,656,257	83,945,990

Additions during the period ended 30 June 2022 related to purchases of tank cars contracted in 2021, as well as to capital repairs of rolling stock, which were capitalised to property, plant and equipment, in accordance with the Group's accounting policy regarding capitalisation upon periodic capital repairs, as disclosed in the Group's consolidated financial statements for the year ended 31 December 2021.

'Loss on derecognition arising on capital repairs' represents the loss arising upon the capitalisation of periodic capital repairs of rolling stock as a result of the derecognition of the carrying amount of the rolling stock that is attributable to the previous periodic capital repair, in accordance with the Group's accounting policy regarding capitalisation of repair costs upon periodic capital repairs, as disclosed in the Group's consolidated financial statements for the year ended 31 December 2021.

16. RIGHT-OF-USE ASSETS

	Six months ended	
	30-Jun-2022 RUB'000	30-Jun-2021 RUB'000
Opening net book amount on 1 January 2022 / 1 January 2021	5,606,845	1,080,415
Additions	2,303,918	1,516,948
Disposals	-	-
Depreciation charge (Note 12)	(1,348,720)	(375,874)
Currency translation differences	(4,461)	(376)
Other	16,861	21,443
Closing net book amount on 30 June 2022 / 30 June 2021	6,574,443	2,242,556

17. FINANCIAL ASSETS

(a) Trade receivables

	As at	
	30-Jun-2022 RUB'000	31-Dec-2021 RUB'000
Trade receivables – third parties	4,900,750	3,736,801
Trade receivables – related parties	1,251	604
Less: provision for impairment of trade receivables	(64,789)	(98,955)
Trade receivables – net	4,837,212	3,638,450
Total non-current portion	-	-
Total current portion	4,837,212	3,638,450

(b) Loans and other receivables

	As at	
	30-Jun-2022	31-Dec-2021
	RUB'000	RUB'000
Loans receivables – related parties	401,688	-
Other receivables – third parties	35,253	282,886
Other receivables – related parties	23	18
Less: provision for impairment of other receivables	(10,205)	(14,866)
Loans and other receivables – net	426,759	268,038
<i>Less non-current portion:</i>		
Other receivables – third parties	2,208	237,680
Total non-current portion	2,208	237,680
Total current portion	424,551	30,358

18. OTHER ASSETS

	As at	
	30-Jun-2022	31-Dec-2021
	RUB'000	RUB'000
Prepayments - third parties	1,409,875	3,151,716
VAT recoverable	588,435	479,862
Finance leases to third parties	157,278	175,400
Finance leases to related parties	16,625	21,157
Other assets	2,172,213	3,828,135
<i>Less non-current portion:</i>		
Prepayments for property, plant and equipment - third parties	144,870	997,334
Finance leases to third parties	117,492	137,835
Finance leases to related parties	6,506	11,748
Total non-current portion	268,868	1,146,917
Total current portion	1,903,345	2,681,218

19. TRADE AND OTHER PAYABLES

	As at	
	30-Jun-2022	31-Dec-2021
	RUB'000	RUB'000
<i>Current</i>		
Trade payables - third parties	398,464	529,454
Other payables - third parties	2,013,230	927,666
Accrued expenses	108,049	95,960
Accrued key management compensation, including share-based payment (Note 27)	334,354	1,042,989
Dividends payable to non-controlling interests	195,556	124,958
	3,049,653	2,721,027
<i>Non-current</i>		
Accrued expenses	5,077	9,225
	5,077	9,225

20. BORROWINGS

	As at	
	30-Jun-2022	31-Dec-2021
	RUB'000	RUB'000
<i>Current</i>		
Bank borrowings	8,262,003	9,658,062
Non-convertible unsecured bonds	5,225,157	4,010,198
Total current borrowings	13,487,160	13,668,260

	As at	
	30-Jun-2022	31-Dec-2021
	RUB'000	RUB'000
<i>Non-current</i>		
Bank borrowings	8,723,653	12,651,536
Non-convertible unsecured bonds	2,500,000	4,998,674
Total non-current borrowings	11,223,653	17,650,210
Total borrowings	24,710,813	31,318,470

Movements in borrowings are analysed as follows:

	Six months ended
	30-Jun-2022
	RUB'000
Opening amount as at 1 January 2022	31,318,470
Cash flows:	
Proceeds from bank borrowings	(5,318,523)
Repayments of bank borrowings	(1,250,000)
Interest charged	1,035,254
Interest paid	(1,074,388)
Closing amount as at 30 June 2022	24,710,813

	As at	
	30-Jun-2022	31-Dec-2021
	RUB'000	RUB'000
<i>Maturity of non-current borrowings (excluding lease liabilities with financial institutions)</i>		
Between 1 and 2 years	8,832,279	11,188,564
Between 2 and 5 years	2,391,374	6,461,646
	11,223,653	17,650,210

The carrying amounts of the Group's borrowings are denominated in the following currencies:

	As at	
	30-Jun-2022	31-Dec-2021
	RUB'000	RUB'000
Russian Rouble	24,710,813	31,318,470
	24,710,813	31,318,470

The Group has the following undrawn borrowing facilities:

	As at	
	30-Jun-2022	31-Dec-2021
	RUB'000	RUB'000
Fixed rate:		
- expiring within one year	7,329,778	7,788,000
- expiring beyond one year	29,400,000	35,100,000
Total undrawn borrowing facilities	36,729,778	42,888,000

The weighted average effective interest rates at the balance sheet date were as follows:

	As at	
	30-Jun-2022	31-Dec-2021
	%	%
Bank borrowings	7.2	7.2
Non-convertible unsecured bonds	8.3	8.2

21. OTHER LEASE LIABILITIES

	As at	
	30-Jun-2022	31-Dec-2021
	RUB'000	RUB'000
<i>Other lease liabilities</i>		
Current other lease liabilities	2,630,401	1,913,410
Non-current other lease liabilities	4,297,933	3,928,163
Total other lease liabilities	6,928,334	5,841,573

	As at	
	30-Jun-2022	31-Dec-2021
	RUB'000	RUB'000
<i>Maturity of other lease liabilities</i>		
Between 1 and 2 years	2,684,138	2,002,349
Between 2 and 5 years	1,610,201	1,898,921
Over 5 years	3,594	26,893
	4,297,933	3,928,163

22. INCOME TAXES

Income tax expense is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year. The estimated average interim tax rate used for the six months to 30 June 2022 is 26.58% (30 June 2021: 24.52%).

23. EARNINGS PER SHARE

Basic and diluted

Basic and diluted earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the period.

	Six months ended	
	30-Jun-2022	30-Jun-2021
Profit for the period attributable to equity holders of the Company (RUB'000)	11,804,343	3,281,025
Weighted average number of ordinary shares outstanding (thousand)	178,420	178,664
Earnings per share for profit attributable to the equity holders of the Company:		
- basic and diluted (expressed in RUB per share)	66.16	18.36

24. DIVIDENDS

Dividends to Company shareholders

During the period ended 30 June 2022, the Group did not declare or pay any dividends (six months ended 30 June 2021: declared and paid RUB 5,002,613 thousand) of dividends in favor of shareholders of the Company.

Dividends declared and paid to the equity holders of the Company within the period ended 30 June 2021 excludes RUB 2,133 thousand relating to dividend declared and paid on the treasury shares.

Dividends to non-controlling interests

During the period ended 30 June 2022, the Group declared RUB 291,003 thousand and paid RUB 111,412 thousand (six months ended 30 June 2021: declared RUB 257,898 thousand and paid RUB 139,996 thousand) of dividends in favour of non-controlling interests.

25. SHARE CAPITAL AND SHARE PREMIUM

	Number of shares	Share capital RUB'000	Share premium RUB'000	Total RUB'000
At 31 December 2021 / 1 January 2022/ 30 June 2022	178,740,916	516,957	27,929,478	28,446,435

In accordance with the decision of the Extraordinary General Meeting which took place on 12 May 2020, the Company started a GDRs buyback program. The buyback programme is for the Company's Global Depositary Receipts ("GDRs) and will run till the earlier of the close of the Annual General Meeting of the Company to be held in 2021 and May 2021. The total number of purchased GDRs shall not exceed 5% of the Company's share capital (equivalent to 8,937,046 shares, with each GDR representing one ordinary share). The shareholders of the Company at the Annual General Meeting which took place on 29 April 2021 approved the prolongation of the term of the buyback program until the earlier of the close of the Annual General Meeting of the Company to be held in 2022 or 12 months from the date of the approval.

During the year 2020, the Company purchased a total of 76,877 GDRs, which are held in treasury for a total consideration of 422 thousand US Dollars (equivalent to RUB 31,496 thousand). No further acquisitions took place within the year 2021.

During the six months 2022, the Company purchased a total of 345,780 GDRs, which are held in treasury for a total consideration of 832 thousand US Dollars (equivalent to RUB 114,497 thousand). No further acquisitions took place within the six months 2022.

As of 30 June 2022, the Company had purchased a total of 422,657 GDRs / (31 December 2021 76,877 GDRs) which are held in treasury for a total consideration of 1.254 thousand US Dollars (equivalent to RUB 145,993 thousand).

In line with relevant legislation, GDRs repurchased by the Company may be held in treasury for up to two years.

26. CONTINGENCIES AND COMMITMENTS

Operating environment

During the six month period to 30 June 2022 and as at 30 June 2022 there are no other significant developments in relation to the events and circumstances disclosed in the contingencies and commitments note in the annual consolidated financial statements for the year ended 31 December 2021.

The economy of Russian Federation is still particularly sensitive to oil and gas prices and the legal, tax and regulatory frameworks in Russia continue to develop and are subject to frequent changes and varying interpretations.

The coronavirus (COVID-19) pandemic continued to develop during the six-month period to 30 June 2022. Measures taken by various governments to contain the virus have severely impacted and could continue to negatively impact economic activity and supply chains, both globally and in the Russian Federation and the other territories in which the Group operates for an unknown period of time. Management has taken and continues to take necessary measures to ensure minimum disruption to and sustainability of the Group's operations and support the Group's employees, customers and suppliers.

The geopolitical situation in Eastern Europe intensified on 24 February 2022 with the commencement of the conflict between Russia and Ukraine. As at the date of authorising these financial statements for issue, the conflict continues to evolve as military activity proceeds. In addition to the impact of the events on entities that have operations in Russia, Ukraine, or Belarus or that conduct business with their counterparties, the conflict is increasingly affecting economies and financial markets globally and exacerbating ongoing economic challenges.

The European Union as well as United States of America, Switzerland, United Kingdom and other countries imposed a series of restrictive measures (sanctions) against the Russian government, various companies, and certain individuals. The sanctions imposed include an asset freeze and a prohibition from making funds available to the sanctioned individuals and entities. The Republic of Cyprus has adopted the United Nations and European Union measures. The rapid deterioration of the conflict in Ukraine may as well lead to the possibility of further sanctions in the future. Russian Federation have also imposed a series of restrictive measures against companies from non-friendly jurisdictions and on number of transactions in currency of non-friendly countries. Emerging uncertainty regarding global supply of commodities due to the conflict between Russia and Ukraine conflict may also disrupt certain global trade flows and place significant upwards pressure on commodity prices and input costs as seen through early March 2022. Challenges for companies may include availability of funding to ensure access to raw materials, ability to finance margin payments and heightened risk of contractual non-performance. The impact on the

Group largely depends on the nature and duration of uncertain and unpredictable events, such as further military action, additional sanctions, and reactions to ongoing developments by global financial markets.

The financial effect of the current crisis on the global economy and overall business activities cannot be estimated with reasonable certainty at this stage, due to the pace at which the conflict prevails and the high level of uncertainties arising from the inability to reliably predict the outcome.

Management has considered the unique circumstances and the risk exposures of the Group and has concluded that there is no significant impact in the Group's profitability or liquidity position. The event is not expected to have an immediate material negative impact on the business operations. Management will continue to monitor the situation closely and will assess the need for financial support in case the crisis becomes prolonged.

Legal proceedings

During the six-month period to 30 June 2022 there have been no significant developments in relation to the legal proceedings and other claims outstanding involving the Company's subsidiaries as claimants or defendants, as disclosed in the contingencies and commitments note in the annual consolidated financial statements for the year ended 31 December 2021, nor have been any new legal proceedings or claims.

Compliance with covenants

The Group is subject to certain covenants related primarily to its borrowings. Non-compliance with such covenants may result in negative consequences for the Group including claims for early repayment. The Group was in compliance with covenants as of 30 June 2022.

Commitments

(a) Capital commitments

Capital expenditure contracted for at the balance sheet date but not yet incurred is as follows:

	As at	
	30-Jun-2022	31-Dec-2021
	RUB'000	RUB'000
Property, plant and equipment	15,634	373,492

(b) Operating lease commitments – Group as lessor

The Group leases out rolling stock and locomotives under cancellable and non-cancellable operating lease agreements. The future aggregate minimum lease payments receivable under non-cancellable operating leases in which the Group is acting as the lessor are as follows:

	As at	
	30-Jun-2022	31-Dec-2021
	RUB'000	RUB'000
Not later than 1 year	2,037,513	2,612,600
Later than 1 year not later than 5 years	1,277,958	1,692,999
	3,315,471	4,305,599
<i>Including Related parties</i>	2,106,645	2,513,547

27. RELATED PARTY TRANSACTIONS

Litten Investments Ltd and Goldriver Resources Ltd, both controlled by directors of the Company, have a shareholding in the Company as at 30 June 2022 of 5.1% and 3.1%, respectively (31 December 2021: 5.1% and 3.1%, respectively).

As at 30 June 2022, another 0.2% of the shares of the Company (31 December 2021: 0.2%) is controlled by Directors and key management of the Group.

For the purposes of this condensed consolidated interim financial information, parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operational decisions as defined by IAS 24 "Related Party Disclosures". In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form. Related parties may enter

into transactions, which unrelated parties might not, and transactions between related parties may not be effected on the same terms, conditions and amounts as transactions between unrelated parties.

The following transactions were carried out with related parties:

(a) Key management compensation

	Six months ended	
	30-Jun-2022	30-Jun-2021
	RUB'000	RUB'000
Key management salaries and other short term employee benefits	1,533,868	575,752
Share based compensation (Note 9)	43,024	47,776
	1,576,892⁽¹⁾	623,528⁽¹⁾

⁽¹⁾ Includes directors' remuneration paid to the directors of the Company both by the Company and subsidiaries of the Company in respect of services provided to such subsidiaries amounting to RUB 452,265 thousand for the six months ended 30 June 2022 (six months ended 30 June 2021: RUB 161,594 thousand).

(b) Sales of goods and services

	Six months ended	
	30-Jun-2022	30-Jun-2021
	RUB'000	RUB'000
Revenue from entity under control of member of key management:		
Railway transportation - freight forwarding	24	-
Operating leasing of rolling stock	403,664	-
Other revenue	470	-
	404,158	-

(c) Other gains

	Six months ended	
	30-Jun-2022	30-Jun-2021
	RUB'000	RUB'000
Revenue from entity under control of member of key management:		
Other gains	1,390	-
	1,390	-

(d) Year-end balances arising from sale of shares/purchases of goods or services

	As at	As at
	30-Jun-2022	31-Dec-2021
	RUB'000	RUB'000
Trade receivables from related parties - current (Note 17):		
Entity under control of member of key management	1,251	604
	1,251	604
Other receivables from related parties – current (Note 17):		
Entity under control of member of key management	23	18
	23	18
Accrued key management remuneration – current (Note 19):		
Accrued salaries and other short-term employee benefits	291,331	919,018
Share based payment liability (Note 9)	43,023	123,971
	334,354	1,042,989

(e) Interest income

	Six months ended	
	30-Jun-2022	30-Jun-2021
	RUB'000	RUB'000

Loans (Note14):		
Entity under control of members of key management	9,863	-
	9,836	-
Finance leases (Note14):		
Entity under control of members of key management	913	-
	913	-

(f) Contract liabilities

	As at 30-Jun-2022 RUB'000	As at 31-Dec-2021 RUB'000
Contract liabilities relating to railway transportation contracts - current (Note 11b):		
Entity under control of member of key management	653	1,425
	653	1,425
Contract liabilities relating to railway transportation contracts – non-current (Note 11b):		
Entity under control of member of key management	4,879	4,879
	4,879	4,879

(g) Loans

	As at 30-Jun-2022 RUB'000	As at 31-Dec-2021 RUB'000
Loans (Note 17):		
Entity under control of member of key management	400,000	-
Interest receivable (Note 17):		
Entity under control of member of key management	1,688	-
	401,688	-
	As at 30-Jun-2022 RUB'000	As at 31-Dec-2021 RUB'000
At the beginning of the period	-	-
Loans advanced during the period	400,000	-
Interest charged	9,863	-
Interest received	(8,175)	-
At the end of the period	401,688	-

(h) Finance leases

	As at 30-Jun-2022 RUB'000	As at 31-Dec-2021 RUB'000
Finance leases - current (Note 18):		
Entity under control of member of key management	10,119	9,409
	10,119	9,409
Finance leases – non-current (Note 18):		
Entity under control of member of key management	6,506	11,748
	6,506	11,748

(i) Operating lease commitments – Group as lessor

	As at 30-Jun-2022	As at 31-Dec-2021

	RUB'000	RUB'000
Entity under control of member of key management		
Not later than 1 year	828,687	820,549
Later than 1 year not later than 5 years	1,277,958	1,692,998
At the end of the period	2,106,645	2,513,547

28. SUBSEQUENT EVENTS

There were no other material events after the balance sheet date which have a bearing on the understanding of the condensed consolidated interim financial information.

29. SEASONALITY

The operations of the Group are not subject to seasonal fluctuations.

Report on review of condensed consolidated interim financial information

To Globaltrans Investment Plc

Introduction

We have reviewed the accompanying condensed consolidated interim balance sheet of Globaltrans Investment Plc and its subsidiaries (the 'Group') as of 30 June 2022 and the related condensed consolidated interim statements of income, comprehensive income, changes in equity and cash flow for the six-month period then ended and notes, comprising a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, 'Review of interim financial information performed by the independent auditor of the entity'. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union.



Michalis Lambrianides

Certified Public Accountant and Registered Auditor
for and on behalf of

GAC Auditors Limited

Certified Public Accountants and Registered Auditors

16 September 2022
Larnaca
Cyprus