# GTLK EUROPE CAPITAL DAC

## DIRECTORS’ REPORT AND FINANCIAL STATEMENTS

## FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

Registration Number: 619002

## Contents

## Directors and other information

| | |
|---|---|
| **Directors** | Roman Lyadov |
| | Patrick Flynn |
| | Declan Fitzpatrick |
| | |
| **Registered office** | 2nd Floor, 2 Hume Street |
| | Dublin 2, Ireland. |
| | |
| **Secretary** | Flynn O'Driscoll Secretarial Limited |
| | |
| **Independent auditor** | Grant Thornton |
| | Chartered Accountants and Statutory Audit Firm |
| | 13-18 City Quay |
| | D02 ED70 |
| | Dublin 2, Ireland |
| | |
| **Principal bankers** | Barclays Bank PLC |
| | One Molesworth Street |
| | Dublin 2 |
| | D02 RF29 |
| | Ireland |
| | |
| **Solicitors** | Flynn O'Driscoll |
| | Lower Mount Street |
| | Dublin 2 |
| | Ireland |
| | |
| **Parent** | GTLK Europe Designated Activity Company (DAC) |
| | 2nd Floor, 2 Hume Street |
| | Dublin 2, Ireland |

## Directors' report

The Directors present their annual report and audited financial statements of GTLK Europe Capital DAC (the "Company") for the financial year ended 31 December 2019.

**Principal activities, business review and future developments**
The Company is a designated activity company incorporated under the Companies Acts 2014 of Ireland with a registration number of 619002. The principal activity of the Company is the raising of finance and provision of financial investment services and facilities.

The Company is a wholly owned subsidiary of GTLK Europe DAC (the "Parent"), a company incorporated in Ireland with a registered address at 2nd Floor, 2 Hume Street, Dublin 2, Ireland. The Parent is a wholly owned subsidiary of PJSC State Transport Leasing Company, a company incorporated in Russia with a registered address at Room 100, Building 73, ul. Respubliki, Salekhard, Yamalo-Nenetsky Avtonomny Okrug, Russian Federation 629008 (the "Ultimate Parent").

During the year and since the year end the Company issued USD $1.65b guaranteed notes on the Euronext Dublin. The notes are payable between 2025-2027 with bi-annual interest repayments at rates between 4.65% and 5.95%. The notes are guaranteed by the Ultimate Parent. The funds raised were subsequently used to finance Group transactions for the purchase of assets through intercompany loan arrangements. The Directors' expect the same level of business to continue in the future.

**Principal risks and uncertainties**
The following risks and uncertainties, to which the company is exposed, are addressed in note 13 to these financial statements. These include:

- Foreign exchange risk
- Interest rate risk
- Credit risk
- Liquidity risk

**Results and dividends for the period**
The results for the financial year ended 31 December 2019 are set out in the Statement of Profit or Loss and Other Comprehensive Income on page 13 and in the Statement of Changes in Equity on page 16.

The Directors do not recommend payment of a dividend for the financial year ended 31 December 2019 (2018: Nil).

**Going concern**
The financial statements are prepared on a going concern basis as the Company earned a profit after taxation for the year of USD 43k (2018: USD 26k loss) and net assets of USD 17k (2018: net liabilities USD 26k) as at 31 December 2019.

The Directors believe that the Company is a going concern as the Parent has received a letter of support from the Ultimate Parent (PJSC State Transport Leasing Company) confirming that the Ultimate Parent will continue to support the Parent for a period of at least 12 months from the date of signing the financial statements. The Parent will have sufficient funds to support the Company. The Directors believe that the going concern basis is an appropriate basis for the preparation of the financial statements of the Company.

The directors also note that the Company has sufficient resources to meet its' day-to-day expenses. The Company has cash and cash equivalents at the year-end of USD 15.5 million (2018: USD 1k). The directors believe that the going concern basis is an appropriate basis for the preparation of the financial statements of the Company.

## Directors' report (continued)

**Interest of directors and company secretary**
The names of the Directors and Company Secretary together with details of appointments and resignations during the reporting year are listed on page 2.

The Directors and secretary who held office at 31 December 2019 had no interests in the share capital of the Company or any Group company at any time during the year.

**Political donations**
The Company made no political donations during the year ended 31 December 2019 (2018: Nil).

**Subsequent events**
Details of the subsequent events affecting the Company which have taken place since the end of the reporting period are disclosed in Note 15 in the financial statements.

**Relevant audit information**
The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's statutory auditor is unaware; and each director has taken all the steps that ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's statutory auditor is aware of that information.

**Directors' compliance statement**
The directors, in accordance with Section 225(2) of the Companies Act 2014, acknowledge that they are responsible for securing the Company's compliance with certain obligations specified in that section arising from the Companies Act 2014, the Market Abuse (Directive 2003/6/EC) Regulations 2005, the Prospectus (Directive 2003/71/EC) Regulations 2005, the Transparency (Directive 2004/109EC) Regulations 2007, and Tax laws ('relevant obligations'). The directors confirm that:

- a compliance policy statement has been drawn up setting out the Company's policies with regard to such compliance;
- appropriate arrangements and structures that, in their opinion, are designed to secure material compliance with the Company's relevant obligations, have been put in place; and
- a review has been conducted, during the financial year, of the arrangements and structures that have been put in place to secure the Company's compliance with its relevant obligations.

**Accounting records**
The directors believe that they have complied with the requirements of Section 281-285 of the Companies Act 2014 with regard to keeping adequate accounting records by employing personnel with appropriate expertise and by providing adequate resources to the financial function. The accounting records of the Company are maintained at 2nd Floor, 2 Hume Street, Dublin 2 Ireland.

**Auditors**
Grant Thornton, Chartered Accountants, who were appointed during the year in accordance with Section 383(1) of the Companies Act 2014, will continue in office in accordance with Section 383(2) of the Companies Act 2014.

On behalf of the board

| | |
|---|---|
| Roman Lyadov | Patrick Flynn |
| *Director* | *Director* |

Date 29 May 2020

## Statement of Directors' responsibilities in respect of the Directors' Report and the financial statements

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and applicable law.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company and of its profit or loss for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRS as adopted by the European Union;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Company and enable them to ensure that its financial statements comply with the Companies Act 2014. They are responsible for such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities. The directors are also responsible for preparing a directors' report that complies with the requirements of the Companies Act 2014.

On behalf of the board

| | |
|---|---|
| Roman Lyadov | Patrick Flynn |
| *Director* | *Director* |

Date: 29 May 2020

# Independent auditor's report to the members of GTLK Europe Capital Designated Activity Company

## Report on the audit of the financial statements

### Opinion

We have audited the financial statements of GTLK Europe Capital DAC (the 'Company'), which comprise the Statement of profit or loss and other comprehensive income, the Statement of financial position, the Statement of cash flows and the Statement of changes in equity, for the financial year ended 31 December 2019, and the related notes to the financial statements, including the summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is Irish law and International Financial Reporting Standards (IFRS) as adopted by the European Union.

In our opinion, GTLK Europe Capital DAC's financial statements:

- give a true and fair view in accordance with IFRS as adopted by the European Union of the assets, liabilities and financial position of the Company as at 31 December 2019 and of Company's financial performance and cash flows for the financial year then ended; and
- have been properly prepared in accordance with the requirements of the Companies Act, 2014.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) ('ISAs (Ireland)') and applicable law. Our responsibilities under those standards are further described in the 'Responsibilities of the auditor for the audit of the financial statements' section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, namely the Irish Auditing and Accounting Supervisory Authority (IAASA) Ethical Standard concerning the integrity, objectivity and independence of the auditor, and the ethical pronouncements established by Chartered Accountants Ireland, applied as determined to be appropriate in the circumstances for the entity. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (Ireland) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

# Independent auditor's report to the members of GTLK Europe Capital Designated Activity Company

## Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit, and the directing of efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and therefore we do not provide a separate opinion on these matters.

### *Overall audit strategy*

We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we looked at where the directors made subjective judgements, for example, the Company's assessment of the recoverability of loans to related parties and shareholders. We also addressed the risk of management override of internal controls, including evaluating whether there was any evidence of potential bias that could result in a risk of material misstatement due to fraud.

### *How we tailored the audit scope*

The Company is the owner of a portfolio of related party and shareholder loans used to finance the acquisition of aircraft and vessel assets for other group member companies, which are leased to airlines and vessel operators around the world. The Company has listed debt on Euronext Dublin. We have tailored our audit approach and the scope of our audit taking into account the portfolio of related party and shareholder loan assets owned by the Company, the accounting processes and controls, and the industry in which the Company operates.

In establishing the overall approach to our audit we assessed the risk of material misstatement at a level taking into account the nature, likelihood and potential magnitude of any misstatement. As part of our risk assessment, we considered the control environment in place for the Company.

### *Materiality and audit approach*

The scope of our audit is influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the Company as follows: 1% of total assets at 31 December 2019. We have applied this benchmark because of the nature of the Company's industry and our experience in auditing companies in this sector.
We agreed with the board of directors that we would report to them misstatements identified during our audit above 5% of materiality, as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

# Independent auditor's report to the members of GTLK Europe Capital Designated Activity Company

*Significant matters identified*

The risks of material misstatement that had the greatest effect on our audit, including the allocation of our resources and effort, are set out below as significant matters together with an explanation of how we tailored our audit to address these specific areas in order to provide an opinion on the financial statements as a whole. This is not a complete list of all risks identified by our audit.

*Recoverability of loans receivable from related parties and shareholders:*

| Description of the significant matter | Audit Response to significant matter |
|---|---|
| The Company holds interests in a number of loans to related parties and shareholders. Loans receivable to related parties and shareholders account for 98% of total assets in the Company's statement of financial position at 31 December 2019.<br>Net investment in loans receivable are stated net of allowance for expected credit losses (ECL). ECL assessment requires management to apply professional judgment and to make subjective assumptions:<br>• Timely identification of significant increase in credit risk and default events related to loans to related parties and shareholders (Stages 1, 2 and 3 in accordance with IFRS 9 Financial Instruments);<br>• Assessment of probability of default (PD) and loss given default (LGD);<br>• Assessment of expected cash flows for Stage 3.<br><br>Due to the material volume of loans receivable from related parties and shareholders as well as uncertainty inherent to the estimation of allowance for ECL, this area is a key audit matter. There is a risk that the loans receivable as included in the Statement of Financial Position are not recoverable as at 31 December 2019. | • Verified all loans receivable to source documentation and ensured that all inputs used in the loan calculation were correct<br>• Verified other inputs in the calculation of the balance to independent sources where possible<br>• Recalculated loan receivables based on the loan agreements in place.<br>• Assessed the Company's estimated credit loss ('ECL') model for reasonableness<br>• Analysed the adequacy of professional judgment and assumptions made by the management in relation to the estimation of allowance for ECL.<br>• Ensured loans made to related parties and shareholders are made at an arm's length transaction<br>• Ensured that measurement and disclosures made are reasonable. |

# Independent auditor's report to the members of GTLK Europe Capital Designated Activity Company

### Other matter

The financial statements of the Company for the financial year ended 31 December 2018 were audited by the predecessor auditor, KPMG, who expressed an unmodified opinion on those financial statements in their audit report dated 29 March 2019.

### Other information

Other information comprises information included in the annual report, other than the financial statements and the auditor's report thereon, including the Directors' report and Statement of directors' responsibilities. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies in the financial statements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.
We have nothing to report in this regard.

### Matters on which we are required to report by the Companies Act 2014

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the Directors' report is consistent with the financial statements. Based solely on the work undertaken in the course of our audit, in our opinion, the Directors' report has been prepared in accordance with the requirements of the Companies Act 2014.

### Matters on which we are required to report by exception

Based on our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

Under the Companies Act 2014 we are required to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of the Act have not been made. We have no exceptions to report arising from this responsibility.

# Independent auditor's report to the members of GTLK Europe Capital Designated Activity Company

### Corporate governance statement

In our opinion, based on the work undertaken in the course of our audit of the financial statements, the description of the main features of the internal control and risk management systems in relation to the financial reporting process included in the Corporate Governance Statement, is consistent with the financial statements and has been prepared in accordance with section 1373(2)(c) of the Companies Act 2014.

Based on our knowledge and understanding of the Company and its environment obtained in the course of our audit of the financial statements, we have not identified material misstatements in the description of the main features of the internal control and risk management systems in relation to the financial reporting process included in the Corporate Governance Statement.

### Responsibilities of management and those charged with governance for the financial statements

As explained more fully in the Statement of directors' responsibilities, management is responsible for the preparation of the financial statements which give a true and fair view in accordance with IFRS as adopted by the European Union, and for such internal control as they determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

### *Responsibilities of the auditor for the audit of the financial statements*

The auditor's objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes their opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (Ireland), the auditor will exercise professional judgement and maintain professional scepticism throughout the audit. The auditor will also:

# Independent auditor's report to the members of GTLK Europe Capital Designated Activity Company

***Responsibilities of the auditor for the audit of the financial statements (continued)***

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If they conclude that a material uncertainty exists, they are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify their opinion. Their conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a matter that achieves a true and fair view.

The auditor communicates with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that may be identified during the audit.
The auditor also provides those charged with governance with a statement that they have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on their independence, and where applicable, related safeguards.
From the matters communicated with those charged with governance, the auditor determines those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. These matters are described in the auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, the auditor determines that a matter should not be communicated in the report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

# Independent auditor's report to the members of GTLK Europe Capital Designated Activity Company

**The purpose of our audit work and to whom we owe our responsibilities**

This report is made solely to the Company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

**Report on other legal and regulatory requirements**

We were appointed by the Board of Directors on 13 September 2019 to audit the financial statements for the year ended 31 December 2019. This is the first year we have been engaged to audit the financial statements of the Company.

We are responsible for obtaining reasonable assurance that the financial statements taken as a whole are free from material misstatement, whether caused by fraud or error. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements of the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs. Our audit approach is a risk-based approach and is explained more fully in the 'responsibilities of the auditor for the audit of the financial statements' section of our report.
We have not provided non-audit services prohibited by the IAASA's Ethical Standard and have remained independent of the entity in conducting the audit.
The audit opinion is consistent with the additional report to the audit committee.

Colin Feely
For and on behalf of
**Grant Thornton**
Chartered Accountants & Statutory Audit Firm
Dublin

Date: 29 May 2020

## Statement of profit or loss and other comprehensive income
## For the year ended 31 December 2019

In thousands of US Dollars

| | Note | Year ended 31 December 2019 | Period from incorporation on 17 January 2018 to 31 December 2018 |
|---|---|---|---|
| Finance income | 3 | 29,376 | - |
| Finance expenses | 3 | (29,153) | - |
| **Net finance income** | | **223** | **-** |
| | | | |
| **Expenses** | | | |
| Management fee | 12 | (20) | (20) |
| General and administration expenses | 4 | (163) | (6) |
| **Results from operating activities** | | (183) | (26) |
| | | | |
| **Profit/(loss) before income tax** | | 40 | (26) |
| | | | |
| Total tax credit | 6 | 3 | - |
| | | | |
| **Profit/(loss) for the year/period** | | 43 | (26) |
| Other comprehensive income (items that may or may not be reclassified to profits or loss) | | - | - |
| **Total comprehensive profit/(loss) for the year/period** | | 43 | (26) |

All activities derive from continuing operations. All profits and total comprehensive income for the year and the preceding financial period are attributable to the owners of the Company.

The accompanying notes form an integral part of these financial statements.

## Statement of financial position
## As at 31 December 2019
In thousands of US Dollars

| | Note | 2019 | 2018 |
|---|---|---|---|
| **Assets** | | | |
| Loans to related parties | 12 | 991,614 | - |
| Deferred tax asset | 9 | 3 | - |
| **Total non-current assets** | | **991,617** | **-** |
| | | | |
| Cash and cash equivalents | | 15,464 | 1 |
| Prepayments | | 352 | - |
| Receivables from related parties | 12 | 1 | - |
| Loans to shareholders | 12 | 50,071 | - |
| Loans to related parties | 12 | 1,829 | - |
| **Total current assets** | | **67,717** | **1** |
| **Total assets** | | **1,059,334** | **1** |
| | | | |
| **Equity** | | | |
| Share capital | 10 | - | - |
| Retained surplus/(deficit) | | 17 | (26) |
| **Total equity** | | **17** | **(26)** |
| | | | |
| **Liabilities** | | | |
| Loans and borrowings | 7 | 1,039,257 | - |
| Borrowings from shareholders | 12 | 8,842 | - |
| **Total non-current liabilities** | | **1,048,099** | **-** |
| | | | |
| Loans and borrowings | 7 | 10,479 | - |
| Payable to related parties | 12 | 614 | 21 |
| Trade and other payables | 8 | 125 | 6 |
| **Total current liabilities** | | **11,218** | **27** |
| **Total liabilities** | | **1,059,317** | **27** |
| **Total equity and liabilities** | | **1,059,334** | **1** |

The accompanying notes form an integral part of these financial statements.

On behalf of the board

Roman Lyadov
*Director*

Patrick Flynn
*Director*

Date 29 May 2020

# Statement of cash flows
## For the year ended 31 December 2019
In thousands of US Dollars

| | Year ended 31 December 2019 | Period from incorporation on 17 January 2018 to 31 December 2018 |
|---|---|---|
| **Cash flows from operating activities** | | |
| Profit/(loss) for the year/period | 43 | (26) |
| ***Adjustments for:*** | | |
| Income tax | (3) | - |
| Increase in trade and other payables | 119 | 6 |
| Increase in trade and other receivables | (352) | - |
| Movement in related party balances | 591 | 21 |
| Net finance income | (223) | - |
| Interest paid | (14,875) | - |
| Interest received | 3,745 | |
| Tax paid | - | - |
| **Net cash (used in)/from operating activities** | **(10,955)** | **1** |
| **Cash flows from investing activities** | | |
| Loans to shareholders | (50,000) | - |
| **Net cash (used in)/from investing activities** | **(50,000)** | **-** |
| **Cash flows from financing activities** | | |
| Issue of intercompany loans | (1,063,220) | - |
| Intercompany loans repaid | 95,338 | - |
| Proceeds from borrowings | 1,050,000 | |
| Third party facility fee | (14,450) | |
| Receipt of shareholder financing | 8,750 | |
| **Net cash from financing activities** | **76,418** | **-** |
| **Net increase in cash and cash equivalents** | 15,463 | 1 |
| Cash and cash equivalents at beginning of year/period | 1 | - |
| **Cash and cash equivalents at end of year/period** | 15,464 | 1 |

The accompanying notes form an integral part of these financial statements.

## Statement of changes in equity
## For the year ended 31 December 2019
In thousands of US Dollars

| | Share Capital | Profit and Loss Reserves | Total Equity |
|---|---|---|---|
| **At 17 January 2018** | **-** | **-** | **-** |
| **Total comprehensive loss for the period** | | | |
| Loss for the period | - | (26) | (26) |
| **Transaction with shareholders** | | | |
| Share capital issued | - | - | - |
| **At 31 December 2018** | **-** | **(26)** | **(26)** |
| **Total comprehensive profit for the year** | | | |
| Profit for the year | - | 43 | 43 |
| **Transaction with shareholders** | - | - | - |
| **At 31 December 2019** | **-** | **17** | **17** |

All equity is attributable to the holders of the ordinary shares in the Company.

The accompanying notes form an integral part of these financial statements.

# Notes to the financial statements

## 1. Reporting entity

GTLK Europe Capital DAC (the "Company") is a designated activity company incorporated and domiciled in the Republic of Ireland. The address of the Company's registered office is 2nd Floor, 2 Hume Street, Dublin 2, Ireland. The financial statements of the Company are presented for the financial year ended 31 December 2019.

The Company's 100% shareholder is GTLK Europe DAC (the "Parent"), a company incorporated under the laws of Ireland, which is owned by PJSC "State Transport Leasing Company" (the "Ultimate Parent") a company incorporated under the laws of the Russian Federation, which in turn is wholly owned by the Ministry of Transport of the Russian Federation.

The Company's primary business is the raising of finance and provision of financial investment services and facilities.

## 2. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

***Basis of preparation***

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union ("EU") and as applied in accordance with the Companies Act 2014.

***Going concern***

The financial statements are prepared on a going concern basis as the Company earned a profit after taxation for the year of USD 43k (2018: USD 26k loss) and net assets of USD 17k (2018: net liabilities USD 26k) as at 31 December 2019.

The directors believe that the Company is a going concern as the Parent has received a letter of support from the Ultimate Parent (PJSC State Transport Leasing Company) confirming that the Ultimate Parent will continue to support the Parent for a period of at least 12 months from the date of signing the financial statements. The Parent will have sufficient funds to support the Company. The directors believe that the going concern basis is an appropriate basis for the preparation of the financial statements of the Company.

The directors also note that the Company has sufficient resources to meet its' day-to-day expenses. The Company has cash and cash equivalents at the year-end of USD 15.5 million (2018: USD 1k). The directors believe that the going concern basis is an appropriate basis for the preparation of the financial statements of the Company.

***Basis of measurement***

The financial statements are stated in United States Dollars ("USD"), the functional and presentational currency of the Company. The Directors of the Company believe that USD most accurately represents the economic effects of underlying transactions, events and conditions.

# Notes to the financial statements

## 2. Accounting policies (continued)

***Significant accounting policies***

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements. IFRS applied in the preparation of these financial statements are those that were effective at 31 December 2019.

**Standards, amendments and interpretations that are effective from 1 January 2019 and adopted by the Company during the reporting period:**

The following amendments to existing IFRS became effective for and have been applied in preparing these consolidated financial statements.

- IFRIC 23 Uncertainty over Income Tax Treatments
- IFRS 9 Prepayment Features with Negative Compensation (Amendments to IFRS 9)
- IAS 28 Long-term Interests in Associates and Joint Ventures (Amendments to IAS 28)
- Annual Improvements to IFRS 2015-2017 Cycle
- Plan Amendment, Curtailment or Settlement (Amendments to IAS 19)
- IFRS 16 Leases

The application of these amendments did not result in material changes to the Company's financial statements.

**Accounting standards in issue that are not yet effective and have not been early adopted:**

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning on or after 1 January 2020, and have not been applied in preparing these financial statements. The Company does not plan to adopt these standards early; instead it will apply them from their effective dates as determined by their dates of EU endorsement.

The following amendments are not expected to have a significant impact on the financial statements upon application:

- IFRS 17 Insurance Contracts
- Definition of a Business (Amendments to IFRS 3)
- Definition of Material (Amendments to IAS 1 and IAS 8)

There are no other new standards, amendments to standards and interpretations that are effective subsequent to the year-end that would have a material impact on the results or financial position of the Company.

***Significant accounting judgements and estimates***

The preparation of the financial statements requires management to make judgments, estimates and assumptions that may affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates with revisions being recognised prospectively.

# Notes to the financial statements

## 2. Accounting policies (continued)

Estimates and underlying assumptions are reviewed on an ongoing basis. Information about estimates and underlying assumptions that have a significant risk of resulting in a material adjustment to the results for the year ending 31 December 2019 is included in the following accounting policies:

- Recoverability of loans and receivables

See the specific accounting policies for more detail of the judgements and estimates used.

***Foreign currencies***

Transactions in foreign currencies are translated to USD at exchange rates ruling at the dates of the transactions. Monetary assets and liabilities are retranslated to the functional currency at the currency rate ruling at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency rate are translated using the exchange rate as at the date of initial transaction. Profit or losses arising from foreign currency translation and on settlement of amounts receivable and payable in other currencies are dealt with in the Statement of Comprehensive Income.

***Operating expenses***

Operating expenses have been recognised in the Statement of Profit or Loss and Other Comprehensive Income on an accruals basis.

***Taxation***

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the period and any adjustment to the tax payable or receivable in respect of previous periods. It is measured using tax rate enacted or substantively enacted at the reporting date. Current tax assets and liabilities are offset only if certain criteria are met. Deferred tax is recognised in respect of temporary difference between the carrying amounts of assets and liabilities for the financial reporting purposes and the amount used for taxation purposes.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future profits will be available against which they can be used. Deferred tax assets are reviewed at reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profit will be available against which they can be used. Deferred tax assets and liabilities are offset only if certain criteria are met.

## Notes to the financial statements

### 2. Accounting policies (continued)

***Cash and cash equivalents***
Cash and cash equivalents for the purpose of the Statement of Financial Position include cash on hand and deposits repayable on demand with any qualifying financial institution. Deposits are repayable on demand if they can be withdrawn at any time without notice and without penalty or if a maturity or period of notice of not more than 24 hours or one working day has been agreed.

Cash and cash equivalents for the purpose of Statement of Cash Flows includes bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

***Trade debtors***
Trade debtors are stated net of impairment for expected credit losses.

***Loans and receivables***
Loans and receivables are recognised in the Statement of Financial Position initially at fair value and subsequently measured at amortised cost. Interest due on loans and receivables is accrued in the Statement of Comprehensive Income.

***Loans and borrowings***
Loans and borrowings are initially booked at fair value less transaction costs and subsequently measured at amortised cost in the Statement of Financial Position using the effective interest method.

***Trade and other payables***
Trade and other payables are carried at amortised cost.

***Finance income and expense***
Interest income and expenses are recognised on an accrual basis by reference to the principal outstanding using the effective interest rate method.

***Other expenses***
Other expenses have been recognised in the Statement of Comprehensive Income on an accruals basis.

***Dividends***
Dividends are recognised in the financial statements when they have been appropriately approved or authorised by the Directors.

***Share capital***
Ordinary shares are classified as equity as per the Company's Constitution.

***Provisions***
A provision is recognised if, as a result of a past event, a present legal or constructive obligation exists that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

# Notes to the financial statements

## 2. Accounting policies (continued)

***Financial instruments***

***Non-derivative financial instruments***

Non-derivative financial instruments comprise cash, trade and other receivables, loans and other payables.

Non-derivative financial instruments are recognised initially at fair value. Subsequent to initial recognition, non-derivative financial instruments are measured at amortised cost using the effective interest rate method, less any impairment losses in the case of financial assets.

Financial liabilities are derecognised if the obligations specified in the contract expire or are discharged or cancelled.

Fair values of non-derivative financial instruments, which are determined for disclosure purposes, are calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

The company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following which are measured at 12 month expected credit losses:

- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime expected credit losses.

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive).

Expected credit losses are discounted at the effective interest rate of the financial asset.

***Measurement of fair values***

When measuring the fair value of an asset or a liability, the Company uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

## Notes to the financial statements

### 3. Finance income and expenses

| *In thousands of USD* | **Year ended 31 December 2019** | **Period from incorporation on 17 January 2018 to 31 December 2018** |
|---|---|---|
| Interest income | | |
| - Interest on related party loans | 27,012 | - |
| - Interest on shareholder loans | 1,968 | - |
| - Bank interest income | 396 | - |
| Finance income | 29,376 | - |
| | | |
| Interest expense | | |
| - Third party | (27,721) | - |
| - Interest on shareholder loans | (92) | - |
| Amortisation of deferred costs | (1,340) | - |
| Finance expense | (29,153) | - |
| Net finance income and expenses | 223 | - |

### 4. General and administrative expenses

| *In thousands of USD* | **Year ended 31 December 2019** | **Period from incorporation on 17 January 2018 to 31 December 2018** |
|---|---|---|
| Legal and professional fees | 116 | 3 |
| Administrative expenses | 47 | 3 |
| Total general and administrative expenses | 163 | 6 |

The Company did not employ any persons during the period. Staff are employed directly by the Parent and the cost of employees is borne by the Parent. The Company had three directors during the period and the estimated cost of services provided by the Directors is USD 13k (2018: USD 4k) and was borne by the Parent.

The Company has not paid any fees or other remuneration to the directors related to the directorship role they provided to the company as part of their group-wide executive management role. The amount of USD 13k (2018: USD 4k) is an estimated allocation of the emoluments paid or payable by the Parent to those individuals in relation to their group wide executive management role. The estimated allocation is based on an estimate of the qualifying services, including management of the affairs of the company, they provided to the company during the financial year.

# Notes to the financial statements

## 5. Statutory information

| *In thousands of USD* | **Year ended 31 December 2019** | **Period from incorporation on 17 January 2018 to 31 December 2018** |
|---|---|---|
| The profit for the year/period has been arrived at after charging: | | |
| Auditors' remuneration exclusive of VAT: | | |
| Statutory auditors' remuneration | 5 | 2 |
| Total | 5 | 2 |

## 6. Income tax expense included in the determination of profit or loss for the year/period

| *In thousands of USD* | **Year ended 31 December 2019** | **Period from incorporation on 17 January 2018 to 31 December 2018** |
|---|---|---|
| **Current tax expense** | | |
| Current period | - | - |
| Adjustments for prior periods | - | - |
| Total current tax expense | - | - |
| **Deferred tax asset** | | |
| Origination and reversal of temporary differences | - | - |
| Adjustment for prior periods | 3 | - |
| Total deferred tax asset | 3 | - |
| Total income tax asset | 3 | - |

**Reconciliation of effective tax rate**

| *In thousands of USD* | | |
|---|---|---|
| Profit for the year | 40 | (26) |
| Income tax using the Company's domestic tax rate (12.5%) | 5 | 3 |
| Group relief used | (54) | - |
| Income taxed at different rates | 49 | - |
| Movement in unrecognized deferred tax asset | 3 | (3) |
| Total tax credit | 3 | - |

# Notes to the financial statements

## 7. Loans and borrowings

The contractual terms of the Company's interest-bearing loans and borrowings are:

| *In thousands of USD* | **2019** | **2018** |
|---|---|---|
| Unsecured bond issues | 1,050,000 | - |
| Accrued and unpaid interest | 12,846 | - |
| Total bank loans | 1,062,846 | - |
| Debt issuance costs | (13,110) | - |
| Net loans and borrowings | 1,049,736 | - |

| *In thousands of USD* | **2019** | **2018** |
|---|---|---|
| **Non-current liabilities** | | |
| Unsecured bond issues | 1,050,000 | - |
| Debt issuance costs | (10,743) | - |
| Non-current loans and borrowings | 1,039,257 | - |
| | | |
| **Current liabilities** | | |
| Unsecured bond issues | 12,846 | - |
| Debt issuance costs | (2,367) | - |
| Current loans and borrowings | 10,479 | - |

Amortisation of debt issuance costs included in finance expenses was USD 1.34 million during the year ended 31 December 2019. The unamortised debt issuance costs amortise over the term of the related borrowing.

**Movements**

| *In thousands of USD* | **Total** |
|---|---|
| **Balance at 31 December 2018** | **-** |
| | |
| **Charges from finance cashflows** | |
| Loans issued | 1,050,000 |
| Loans repaid | - |
| **Total charges from finance cashflows** | **1,050,000** |
| | |
| **Other charges** | |
| Interest paid | (14,875) |
| Interest expense | 27,721 |
| Debt issuance costs paid | (14,450) |
| Debt issuance costs amortised | 1,340 |
| **Total other charges** | **(264)** |
| | |
| **Balance at 31 December 2019** | **1,049,736** |

## Notes to the financial statements

### 7. Loans and borrowings (continued)

Terms and conditions of outstanding loans at 31 December 2019 were as follows:

| *In thousands of USD* | **Average nominal Interest rate** | **Year of maturity** | **2019** |
|---|---|---|---|
| **Fixed rate loans:** | | | |
| Unsecured bond issue | 5.95% | 2025 | 500,000 |
| Unsecured bond issue | 4.949% | 2026 | 550,000 |
| Total interest-bearing liabilities | | | 1,050,000 |

The unsecured bond issues are guaranteed by the Ultimate Parent.

The aggregate principal repayment amounts of loans for each of the fiscal years subsequent to 31 December 2019 is as follows:

| | **Principal cash flows** | | **Contractual cash flow *** | |
|---|---|---|---|---|
| *In thousands of USD* | **2019** | **2018** | **2019** | **2018** |
| Due within one year | - | - | 53,647 | - |
| Due between one and five years | - | - | 227,900 | - |
| Due after five years | 1,050,000 | - | 1,105,713 | - |
| Total | 1,050,000 | - | 1,387,260 | - |

* Contractual cash flows include both scheduled payments of principal and interest.

### 8. Trade and other payables

| *In thousands of USD* | **2019** | **2018** |
|---|---|---|
| Other liabilities and accruals | 10 | 6 |
| Trade payables | 115 | - |
| Total current trade and other payables | 125 | 6 |

### 9. Deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

| *In thousands of USD* | **Assets 2019** | **Liabilities 2019** | **Net 2019** |
|---|---|---|---|
| Property, plant and equipment | - | - | - |
| Trade losses | 3 | - | 3 |
| Tax assets | 3 | - | 3 |
| Net tax assets | 3 | - | 3 |

## Notes to the financial statements

### 9. Deferred tax assets and liabilities (continued)

| *In thousands of USD* | Assets 2018 | Liabilities 2018 | Net 2018 |
|---|---|---|---|
| Property, plant and equipment | - | - | - |
| Trade losses | 3 | - | 3 |
| Tax assets | 3 | - | 3 |
| Deferred tax asset not recognised | (3) | - | (3) |
| Net tax assets | - | - | - |

At 31 December 2019, the Company had no unrecognised deferred tax asset (2018: USD 3k) in respect of Irish tax losses. The Company is allowed to carry forward Irish tax losses for an indefinite period to be set off against income of the same trade.

### 10. Share capital

| *In thousands of USD* | Share capital |
|---|---|
| At 31 December 2018 | - |
| At 31 December 2019 | - |

The authorised share capital of the Company at 31 December 2019 comprised 100 ordinary shares of EUR 1 par value each.

The issued share capital of the Company at 31 December 2019 comprised 100 ordinary share of EUR 1 each which is held by the parent and fully paid.

### 11. Financial instruments and financial risk management

The following table shows the carrying values and fair values of financial assets and liabilities. Where the carrying value of financial assets and financial liabilities is a reasonable approximation of fair value no adjustment to fair value is recognised. Financial assets and liabilities are deemed to be within Level 2 of the fair value hierarchy

| *In thousands of USD* | Carrying amount 2019 | Fair value 2019 | Carrying amount 2018 | Fair value 2018 |
|---|---|---|---|---|
| Cash and cash equivalents | 15,464 | 15,464 | 1 | 1 |
| Receivables from related parties | 1 | 1 | - | - |
| Loans and other receivables | 1,043,514 | 1,044,545 | - | - |
| Financial assets | 1,058,979 | 1,060,010 | 1 | 1 |
| | | | | |
| External loans | (1,062,846) | (1,078,191) | - | - |
| Borrowings from Shareholder | (8,842) | (8,842) | - | - |
| Trade and other payables | (125) | (125) | (6) | (6) |
| Payables to related parties | (614) | (614) | (21) | (21) |
| Financial liabilities | (1,072,427) | (1,087,772) | (27) | (27) |
| | | | | |
| Net financial liabilities | (13,448) | (27,762) | (26) | (26) |

# Notes to the financial statements

## 12. Related party transactions

The company considers GTLK Europe DAC, its subsidiaries and all entities controlled by GTLK Europe DAC as related parties.

### a) Balances with shareholders

| *In thousands of USD* | Loans to shareholders (i) | Borrowings from shareholders (ii) |
|---|---|---|
| Balance at 17 January 2018 | - | - |
| Drawdowns | - | - |
| Net movement in interest accrued | - | - |
| Repayments | - | - |
| Balance at 31 December 2018 | - | - |
| Drawdowns | 50,000 | (8,750) |
| Net movement in interest accrued | 71 | (92) |
| Repayments | - | - |
| Balance at 31 December 2019 | 50,071 | (8,842) |

(i) During the year the Company entered into a new loan agreement with the Ultimate Parent. The Ultimate Parent drew down USD 50 million in loans during the year under a new loan agreement. All of the loans to the Ultimate Parent are repayable on presentation of request from the Company. Interest on loans to shareholders accrues at a rate of 6.5%.

(ii) During the year the Company entered into a new loan agreement with the Parent. The Company drew down USD 8.75 million under a new loan agreement during the year. Outstanding loans with the Parent are repayable in 2024. Interest on this loan from shareholders accrues at a rate of 5.01%.

### b) Transactions with related parties

| *In thousands of USD* | Loans to related parties (i) | Receivables from related parties (ii) | Payables to related parties (ii) |
|---|---|---|---|
| At 17 January 2018 | - | - | - |
| Net advances /(drawdowns) | - | - | (21) |
| At 31 December 2018 | - | - | (21) |
| Loan drawdowns | 1,063,220 | 1 | - |
| Net advances / (drawdowns) | - | - | (593) |
| Net movement in interest accrued | 25,561 | - | - |
| Repayments | (95,338) | - | - |
| At 31 December 2019 | 993,443 | 1 | (614) |

# Notes to the financial statements

## 12. Related party transactions (continued)

(i) During the year the Company issued loans totaling USD 1.063 billion to related parties. Related parties made loan repayments during the year totaling USD 95 million. Interest on loans to related parties accrue at rates between 5.67% and 6.94%.

(ii) Payables/receivables to related parties represent outstanding balances payable/receivable between the Company and other Group companies. These balances do not bear any interest and are payable within one year.

### c) Income

During the year ended 31 December 2019 the Company earned loan interest income of USD 27 million (2018: Nil) on loans to related parties. In addition, the Company earned interest income of USD 2 million (2018: Nil) on loans to the Ulimate Parent.

### d) Expenses

During the year ended 31 December 2019, the Company incurred interest expenses of USD 92k (2018: Nil) on loans from shareholders. Also during the year ended 31 December 2019, the Company incurred USD 20k (2018: USD 20k) in management fees payable to the Parent.

There were no other transactions, and there are no other outstanding balances, relating to related companies, key management personnel and/ or entities over which they have control or significant influence.

## 13. Risks and uncertainties

The Company's directors have overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's exposure to risk on its financial instruments and the management of such risk is carried out on an ongoing basis. The Company's activities and the role of each party to the transaction are clearly defined and documented.

The Directors monitor the Company's performance, reviewing management accounts on the performance of the loan and lease portfolio. Such review is designed to ensure that the terms of the documentation have been complied with and that no unforeseen risks have arisen**.**

### Foreign exchange risk

The Company has a minimum exposure to foreign exchange risk as the majority of transactions are denominated in US dollars.

### Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The Company has fixed interest rates per annum for the loans and is therefore not exposed to fluctuations in interest rates as a result no sensitive analysis is included.

# Notes to the financial statements

## 13. Risks and uncertainties

### Credit risk

The Company holds significant cash balances which are invested on a short-term basis and are classified as cash and cash equivalents. These deposits and other financial instruments give rise to credit risk on amounts due from counterparties. Credit risk is managed by limiting the aggregate amount and duration of exposure to any one counterparty. The Company typically does not enter into deposits with a duration of more than three months.

*Exposure to credit risk*
The carrying amount of financial assets represents the maximum credit exposure before security. The maximum exposure to credit risk at the reporting date was:

| *In thousands of USD* | **2019** | **2018** |
|---|---|---|
| Cash and cash equivalents | 15,464 | 1 |
| Loans to shareholder | 50,071 | - |
| Receivables from related parties | 1 | - |
| Loans to related parties | 993,443 | - |
| Total | 1,058,979 | 1 |

Receivables from related parties represent trading balances with entities within the Group. These are unsecured and have no fixed term of repayments. No interest was charged on these receivables during year ended 31 December 2019.

### Liquidity risk

The Company has funded a significant part of its operations with third party financing. The ability of the Company to continue to operate is dependent upon its ability to meet its payment obligations. The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements

| *In thousands of USD* | **Carrying amount** | **Contractual cash flows** | **12 months or less** | **Between 2 and five years** | **After 5 years** |
|---|---|---|---|---|---|
| *2019* | | | | | |
| External borrowings | 1,062,846 | 1,387,260 | 53,647 | 227,900 | 1,105,713 |
| Borrowings from Shareholder | 8,842 | 10,806 | - | 10,806 | - |
| Payables to related parties | 614 | 614 | 614 | - | - |
| Trade and other payables | 125 | 125 | 125 | - | - |
| Total | 1,072,427 | 1,398,805 | 54,386 | 238,706 | 1,105,713 |

| *In thousands of USD* | **Carrying amount** | **Contractual cash flows** | **12 months or less** | **Between 2 and five years** | **After 5 years** |
|---|---|---|---|---|---|
| *2018* | | | | | |
| Payables to related parties | 21 | 21 | 21 | - | - |
| Trade and other payables | 6 | 6 | 6 | - | - |
| Total | 27 | 27 | 27 | - | - |

It is not expected that the cash flows in the maturity analysis could occur significantly earlier, or at significantly different amounts.

## Notes to the financial statements

### 14. Commitments and contingent liabilities

There have been no capital commitments other than those stated in the financial statements as at 31 December 2019.

There were no contingent liabilities at 31 December 2019. Contingent liabilities are assessed continually to determine whether transfers of economic benefits have become probable. Where future transfers of economic benefits change from previously disclosed contingent liabilities, provisions are recognised in the period in which the changes in probability occur.

### 15. Significant subsequent events

In March 2020, the Company issued USD 600 million 4.65% guaranteed notes on the Euronext Dublin. The notes are payable in 2027 and are guaranteed by the Ultimate Parent.

Since year end, the Company entered into loan agreements with related companies totaling USD 548 million to finance the acquisition of assets.

Subsequent to year end the outbreak of the COVID-19 virus has resulted in a reduction in global travel which may impact the activities of the Company. Due to the developing nature of the outbreak it is not possible to quantify the impact of the outbreak, the Directors continue to assess and monitor the impact on the activities of the Company.

There have been no other significant subsequent events since the period end until the date of signing of this report that would require adjustment or disclosure in these financial statements.

### 16. Immediate and ultimate parent company

The Company is a wholly-owned subsidiary of GTLK Europe Designated Activity Company. The Parent company is incorporated under the laws of Ireland with a registered office at 2nd Floor, 2 Hume Street, Dublin 2. The Company's financial statements are consolidated within the Parent's financial statements. PJSC State Transport Leasing Company is the Ultimate Parent and controlling party. The Ultimate Parent is incorporated under the laws of Russia with its registered office at Room 100, Building 73, Salekhard, Yamalo-Nenetsky Avtonomny Okrug, Russian Federation 629008.

### 17. Approval of financial statements

The financial statements were approved by the Board and authorised for issue on 29 May 2020.