

**Information (materials) provided to PJSC LSR Group shareholders  
in preparation for the Annual General Meeting of Shareholders on 29 April 2020**

In accordance with the notice of the Annual General Meeting of Shareholders of PJSC LSR Group, shareholders are provided with the following information:

**Auditors:**

**1. Auditor of accounting (financial) statements prepared in accordance with the Russian Accounting Standards**

**Limited Liability Company Audit-service SPb**

Address: Office 505, Building 51-N, 18A Fonarny Pereulok, St. Petersburg 190000.

LLC Audit-service SPb was established through reorganization as a result of the restructuring of CJSC Audit-service, which was incorporated in 1996 in St. Petersburg, and is its legal successor.

This reorganization as a result of restructuring was registered by the Interdistrict Inspectorate of the Federal Tax Service No. 15 for St. Petersburg on 30 December 2014, Certificate No. 009195339, series 78.

LLC Audit-service SPb is a member of the Sodruzhestvo Association, a self-regulatory organization of auditors, abbreviated as SRO AAS (ORNZ 11606064748).

LLC Audit-service SPb is a member of the St. Petersburg Audit Chamber.

LLC Audit-service SPb specializes in the following areas: audit of companies that invest in securities, construction, property development, production of building materials and products, and transport and other services.

The six auditors have a single qualification certificate.

In 2005, 2009, 2014, and 2016, following quality control of the company's auditing activity and compliance with professional ethics, positive opinions were received from NP Russian Audit Chamber.

A positive opinion was also received from the Federal Service for Fiscal and Budgetary Supervision (Rosfinnadzor) following quality control of the company's auditing activity and compliance with professional ethics (No. 72-13-04/2752, dated 5 August 2014).

Following a scheduled on-site external inspection of the quality of auditing and compliance with professional ethics, a positive opinion was received from the Federal Treasury Department for St. Petersburg (No. 7200-24-07/8625, dated 9 July 2018).

In 2019, following quality control of the company's auditing activity and compliance with professional ethics, a positive opinion was received from SRO AAS.

LLC Audit-service has been auditing the financial (accounting) statements of LSR Group subsidiaries since 2015, and has also consulted on complex bookkeeping and tax accounting issues.

To uphold the principle of objectivity, the auditor periodically rotates its audit teams.

LLC Audit-Service observes the principle of independence in accordance with the Rules on Independence of Auditors and Auditing Organizations and the Code of Professional Ethics for Auditors, and also observes the principle of confidentiality.

The auditor selection process complies with the requirements established by the Regulation on Procurement applied in LSR Group.

Information on the proposed remuneration of auditors: RUB 1,200,000 (excluding VAT and overhead costs).

## **2. Auditor of consolidated financial statements prepared in accordance with the IFRS**

### **KPMG Joint-Stock Company**

Address: Room 24E, Suite 1, Floor 3, Building 5, 16 Olimpiisky Prospekt, Moscow 129110

JSC KPMG is a member of the Sodruzhestvo Association, a self-regulatory organization of auditors, abbreviated as SRO AAS (ORNZ 12006020351).

### **KPMG around the world and in the CIS**

KPMG is an international network of companies that provide auditing, tax, and consulting services. There are 219,000 KPMG employees working in 147 countries around the world.

KPMG has been operating in Russia for 30 years, and is the fastest-growing member of the 'Big Four' accounting firms; more than 6,300 specialists are currently employed in the company's 23 offices.

KPMG has been the largest audit firm in Russia since 2009.\*

KPMG considers its goal to be the transformation of professional knowledge into real economic benefit for its clients, employees, and international capital markets.

\* Rankings of the largest audit organizations for 2009–2018, RAEX (Expert RA).

### **KPMG's experience of working with construction companies**

KPMG provides services to a number of major Russian and international construction companies in Russia and the CIS. These services include auditing to international and Russian standards, as well as tax, legal, general, financial, and business management consulting.

KPMG has been involved in the implementation of a variety of projects, including transforming financial statements drawn up in accordance with national standards into IFRS or GAAP format, training staff in bookkeeping and management, carrying out international audits, preparing the relevant documents for companies that plan to become listed or issue bonds on the global stock exchanges, and providing assistance to potential credit organizations and investors.

JSC KPMG has been auditing the Company's consolidated financial statements in accordance with IFRS since 2006.

To uphold the principle of objectivity, the auditor periodically rotates its audit teams.

The auditor selection process complies with the requirements established by the Regulation on Procurement.

Information on the proposed remuneration of auditors: RUB 16,875,000 (excluding VAT and overhead costs).

Board of Directors, PJSC LSR Group