

OPINION
of the Internal Audit Commission of Public Joint-Stock Company LSR Group

- **On the Results of the Audit of PJSC LSR Group's Financial and Business Operations for 2019**
- **On the Results of the Audit of the Accounting (Financial) Statements for 2019**
- **On the Accuracy of the Information in the Annual Report and Accounting (Financial) Statements for 2019**
- **On the Accuracy of the Information in the Interested Party Transaction Report of PJSC LSR Group for 2019**

16 March 2020

St. Petersburg

Pursuant to the Charter and the Regulation on the Internal Audit Commission of Public Joint-Stock Company LSR Group, the Internal Audit Commission of PJSC LSR Group, composed of Lyudmila Fradina, Natalya Klevtsova, and Denis Sinyugin, has audited the financial and business operations of the Company for the period from 1 January 2019 to 31 December 2019.

The audit was performed between 12 February 2020 and 16 March 2020 in respect of:

- the accuracy of the information contained in the reports and other financial documents for 2019
- the procedure for accounting and preparation of financial statements for 2019

During the audit period, responsibility for the Company's financial and business operations was vested in:

- from 1 January 2019 to 28 June 2019: M.Yu. Sokolov, CEO
- from 28 June 2019 to 31 December 2019: A.Yu. Molchanov, CEO
- Yu.N. Reshetnikova, Chief Accountant

The Company's supreme corporate body is the General Meeting of Shareholders; in the interim period between meetings it is the Board of Directors chaired by the Chairperson.

The executive bodies of PJSC LSR Group are:

- Single-person executive body: Chief Executive Officer
- Collegial executive body: Executive Committee

Full corporate name: Public Joint-Stock Company LSR Group

Place of business: St. Petersburg, Russian Federation

The Company was registered by the Interdistrict Inspectorate of the Federal Tax Service No. 15 for St. Petersburg on 14 August 2006 under the Primary State Registration Number (OGRN) 5067847227300.

This inspection/audit has established the following:

The audit included a selective inspection of numerical data and comments contained in the accounting (financial) statements, and also of information in the annual and other reports. The Internal Audit Commission believes that the inspection performed provides a reasonable basis for expressing an opinion on the accuracy of these statements.

The inspection has established that, in its financial and business operations, PJSC LSR Group is governed by the Civil Code of the Russian Federation, the Tax Code of the Russian Federation, and other laws of the Russian Federation.

The accounting (financial) statements were prepared on the basis of the Accounting Regulations 'Company Accounting Statements' (PBU 4/99) approved by Order of the Ministry of Finance of the Russian Federation No. 43n, dated 6 July 1999 (as revised by Order of the Ministry of Finance of the Russian Federation No. 142n, dated 8 November 2010) and Order of the Ministry of Finance of the Russian Federation No. 66n, dated 2 July 2010 (as revised by Order of the Ministry of Finance of the Russian Federation No. 61n, dated 19 April 2019) 'On Company Accounting Forms'.

The Internal Audit Commission of PJSC LSR Group has not uncovered any material violations of the established procedure for accounting and preparation of accounting (financial) statements that could have a material effect on the accuracy of the accounting (financial) statements.

The accounting (financial) statements of PJSC LSR Group make it possible to collect complete and objective information on the Company's financial and business processes and performance. This information is required for operational direction and management, and is also for use by investors,

suppliers, buyers, lenders, tax bodies, and financial and banking institutions, as well as other interested organizations and individuals.

Opinion:

- The accounting (financial) statements are prepared in such a way as to reflect the assets and liabilities of PJSC LSR Group as of 31 December 2019 and its financial performance for 2019, taking into account regulations of the Ministry of Finance of the Russian Federation: Order No. 43n, dated 6 July 1999 (as revised by Order of the Ministry of Finance of the Russian Federation No. 142n, dated 8 November 2010) and Order of the Ministry of Finance of the Russian Federation No. 66n, dated 2 July 2010 (as revised by Order of the Ministry of Finance of the Russian Federation No. 61n, dated 19 April 2019).
- In its financial and business operations, PJSC LSR Group is governed by the Civil Code of the Russian Federation, the Tax Code of the Russian Federation, and other laws of the Russian Federation.
- The information contained in the Annual Report of PJSC LSR Group is accurate.
- The information contained in the Interested Party Transaction Report of PJSC LSR Group for 2019 is accurate.

Members of the Internal Audit Commission:

L.V. Fradina

N.S. Klevtsova

D.G. Sinyugin
