

SEGEZHA GROUP PJSC

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME (in thousands of Russian Rubles) (UNAUDITED)

	For the nine months ended	
	30 September 2021	30 September 2020
Revenue	68,280,026	50,177,290
Cost of sales	(37,296,284)	(33,439,584)
Gross profit	30,983,742	16,737,706
Selling and administrative expenses	(14,736,740)	(10,539,707)
Other operating income, net	453,670	396,617
Operating profit	16,700,672	6,594,616
Interest income	452,560	126,296
Interest expense	(2,760,329)	(3,668,662)
Other finance income	687,566	126,296
Foreign exchange differences, net	1,253,826	(8,607,373)
Other income	685	18,281
Profit/(loss) before tax	16,334,980	(5,410,546)
Income tax expense	(5,205,430)	(78,365)
Net profit/(loss) for the reporting period	11,129,550	(5,488,911)
Other comprehensive income		
Items that may be reclassified subsequently to profit and loss:		
Exchange differences on translation of foreign operations	87,444	1,122,232
Other comprehensive income	87,444	1,122,232
Total comprehensive income/(loss) for the reporting period	11,216,994	(4,366,679)
Net profit/(loss) attributable to:		
Shareholders of Segezha Group PJSC /participants of Group of Companies Segezha LLC	11,150,914	(5,468,972)
Non-controlling interests	(21,364)	(19,939)
	11,129,550	(5,488,911)
Total comprehensive income/(loss) attributable to:		
Shareholders of Segezha Group PJSC /participants of Group of Companies Segezha LLC	11,238,358	(4,346,740)
Non-controlling interests	(21,364)	(19,939)
	11,216,994	(4,366,679)

SEGEZHA GROUP PJSC

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(UNAUDITED)

(in thousands of Russian Rubles)

	30 September 2021	31 December 2020
ASSETS		
NON-CURRENT ASSETS:		
Property, plant and equipment	51,919,627	42,315,222
Right-of-use assets	16,878,000	14,649,041
Intangible assets	2,752,361	1,822,070
Goodwill	443,838	443,838
Investments in joint ventures and associates	684,841	458,192
Deferred tax assets	472,259	1,132,567
Prepayments for non-current assets, net	4,860,469	2,482,463
Loans issued to related parties	5,441,061	1,347,870
Other non-current assets	358,960	230,470
Total non-current assets	83,811,416	64,881,733
CURRENT ASSETS:		
Inventories, net	15,761,712	9,432,609
Contract assets	1,465,747	1,290,658
Trade and other receivables, net	7,495,601	5,862,900
Taxes receivable	4,023,270	3,057,269
Advances and other current assets	2,386,614	1,222,277
Cash and cash equivalents	11,925,446	3,670,197
Total current assets	43,058,390	24,535,910
TOTAL ASSETS	126,869,806	89,417,643
EQUITY AND LIABILITIES		
EQUITY:		
Share capital	1,569,000	1,194,000
Additional paid-in capital	35,128,800	6,323,605
Retained earnings	10,762,686	(345,035)
Accumulated other comprehensive income	1,656,460	1,569,016
Equity attributable to the shareholders of Segezha Group PJSC	49,116,946	8,741,586
Non-controlling interest	105,278	126,630
Total equity	49,222,224	8,868,216
NON-CURRENT LIABILITIES:		
Loans and borrowings	38,552,174	50,758,014
Lease liabilities	12,077,219	9,573,338
Other financial liabilities	666,195	943,358
Pension obligations	825,657	917,435
Deferred tax liabilities	1,986,253	1,835,476
Other non-current liabilities	917	5,931
Total non-current liabilities	54,108,415	64,033,552
CURRENT LIABILITIES:		
Loans and borrowings	7,718,404	2,494,023
Trade and other payables	9,072,148	9,612,693
Lease liabilities	1,588,687	1,380,598
Provisions	1,049,019	559,758
Taxes payable	2,374,491	1,210,363
Advances received and other liabilities	1,736,418	1,258,440
Total current liabilities	23,539,167	16,515,875
TOTAL EQUITY AND LIABILITIES	126,869,806	89,417,643

SEGEZHA GROUP PJSC**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS****(UNAUDITED)*****(in thousands of Russian Rubles)***

	For the nine months ended	
	30 September 2021	30 September 2020
Cash flows from operating activities:		
Net profit/(loss) for the reporting period	11,129,550	(5,488,911)
<i>Adjustments for:</i>		
Depreciation and amortisation	4,201,534	4,052,578
Depreciation of right-of-use assets	809,854	618,656
Interest income recognised in profit and loss	(452,560)	(126,296)
Interest expense recognised in profit and loss	2,760,329	3,668,662
Other finance income	(687,566)	(126,296)
Income tax expense recognised in profit and loss	5,205,430	78,365
Allowance for expected credit losses	102,288	16,007
Loss on write-off of inventories	3	26,271
Allowance for inventory impairment	(1,500)	61,690
Loss/(gain) on disposal of property, plant, equipment and inventories	45,292	(164,064)
Foreign exchange differences, net	(1,253,826)	8,607,373
Gain on disposal and deconsolidation of Group companies	(685)	(18,282)
Other non-monetary operating expenses, net	65,796	56,020
	21,923,939	11,261,773
<i>Movements in working capital:</i>		
Increase in trade and other receivables	(3,535,459)	(215,197)
(Increase)/decrease in inventories	(5,366,298)	518,456
(Increase)/decrease in other assets	(2,692,281)	540,737
Decrease in trade and other payables	(670,590)	(1,838,114)
Increase in other liabilities	1,854,429	429,683
Cash generated from operating activities	11,513,740	10,697,338
Interest paid	(2,095,781)	(1,812,931)
Income taxes paid	(3,456,691)	(1,514,951)
Net cash from operating activities	5,961,268	7,369,456

SEGEZHA GROUP PJSC**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS****(UNAUDITED)*****(in thousands of Russian Rubles)***

	For the nine months ended	
	30 September 2021	30 September 2020
Cash flows from investing activities		
Payments for property, plant and equipment and intangible assets	(12,877,847)	(9,317,699)
Proceeds on disposal of property, plant and equipment	217,834	83,952
Loans issued to joint ventures	(4,093,192)	(791,610)
Repayment of loans issued to joint venture	-	924,956
Interest received	452,560	126,296
Cash outflow from deconsolidation of Group companies	-	(44,657)
Dividends received	3,805	3,805
Advances on business acquisitions	(1,500,000)	-
Investments in joint ventures	(280,448)	(274,915)
Imputed dividends paid	(43,196)	(36,100)
Net cash outflow on acquisition of Group companies	(3,540,295)	(894,938)
Net cash used in investing activities	(21,660,779)	(10,220,910)
Cash flows from financing activities		
Proceeds from Issue of shares through public offering	30,000,000	-
Share issue transactions costs	(941,283)	-
Proceeds from loans and borrowings	13,342,443	22,003,334
Repayment of principal of loans and borrowings	(18,206,761)	(17,510,473)
Other finance income	410,404	160,719
Lease liability payments	(1,265,024)	(996,466)
Net cash generated from financing activities	23,339,779	3,657,114
Net increase in cash and cash equivalents	7,640,268	805,660
Cash and cash equivalents, beginning of the period	3,670,197	3,214,409
Effect of exchange rate changes on cash held in foreign currencies	614,981	276,527
Cash and cash equivalents, end of the period	11,925,446	4,296,596