

SEGEZHA GROUP ANNOUNCES FINANCIAL AND OPERATING RESULTS FOR 6M 2022

Moscow, August 26, 2022 – Segezha Group (MOEX: SGZH, owned by AFK Sistema), Russia’s leading vertically integrated wood and paper holding company carrying out a full cycle of logging and added-value wood processing operations, has announced its unaudited consolidated financial results and operating results for the first six months of 2022.

- Revenue went up by 48% year-on-year (YoY) to RUB 63.3 bn, driven by the higher average selling prices of the Group’s products and the effect of the consolidation of the assets of the Novoeniseisk Wood-Chemical Complex (NLHK) and Inter Forest Rus (IFR), which became part of the Group in Q3 and Q4 2021, respectively.
- OIBDA rose by 34% YoY to reach RUB 17.7 bn, driven by revenue growth and strict cost control by management.
- The OIBDA margin stood at 28%.
- Net profit went up by 58% YoY to RUB 12.0 bn thanks to an increase in operating profit and the positive effect of exchange rate differences and cross-currency and interest rate swaps.
- Net debt as of 30 June 2022 had increased to RUB 95.2 bn (up 3.3x compared with 30 June 2021), due to the implementation of an investment programme during the last year, payments for M&A transactions with IFR and NLHK, as well as the payout of the Company’s interim and final dividends for 9M and 12M 2021.
- CAPEX stood at RUB 6.4 bn (-25% YoY) amid adjustments to the investment programme at a time of heightened macroeconomic uncertainty.

Financial performance, RUB mln	6M 2022	6M 2021	YoY
Revenue	63,327	42,671	48%
OIBDA	17,689	13,185	34%
margin, %	28%	31%	-3 pp
Net profit	12,001	7,582	58%
Capital expenditure	6,377	8,554	-25%
M&A	18,390	4,678	3.9x
Free cash flow	(24,919)	(8,911)	(2.8x)
Net debt	95,153	28,847	3.3x
Net debt/12M OIBDA, x	2.8	1.2	-

Rovshan Aliev, Segezha Group’s Vice President for Finance and Investment, said:

“In the second quarter of 2022, we continued adapting our business to the new environment in an effort to ensure the uninterrupted operation of our production facilities. Our priorities were the further expansion of our sales geography, the conclusion of new partnerships and the transformation of our logistic schemes to meet our business needs. It should be emphasised that, in the first half of the year, we succeeded in increasing deliveries to the domestic market across a number of products.

“All of our efforts manifest themselves in the Company’s financial results. Revenue and OIBDA for the first six months of the year grew by 48% and 34%, respectively. Consistent work to control costs enabled us to maintain a high OIBDA margin. That said, net profit almost doubled vs last year to RUB 12.0 bn. The net debt to OIBDA ratio as of June 30, 2022 was 2.8x, compared with 2.1x as of year-end 2021 and 1.2x as of June 30, 2021. This

kind of growth is manageable and primarily driven by the implementation of our investment programme and M&A transactions.

“We have all the necessary resources in place to maintain stable growth in the second half of 2022.”

CONFERENCE CALL AND WEBCAST

A conference call and webcast will take place on August 26, 2022, at 1:00 pm Moscow time (11:00 am London time).

To participate in the call:

- from Russia: +7 495 283 98 58
- from the United Kingdom: +44 203 984 9844
- the numbers for other countries can be found [on the website](#).

Access code: 738667

To participate in the webcast, go to <https://mm.closir.com/slides?id=738667>.

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MANAGEMENT COMMENTS

Market review

In Q2 2022, the average selling prices of Segezha Group's products were as follows:

- Sack paper – EUR 821/t (+31% YoY)
- Sawn timber – EUR 224/cu m (-12% YoY)
- Birch plywood – EUR 735/cu m (+28% YoY)
- Glulam – EUR 526/cu m (+30% YoY)

Q2 2022 saw the following trends in the Group's key products:

- Demand in the sack paper market remained high; supply, limited. Buyers sought to maximise their warehouse stocks before restrictions on the import into Europe of paper made in Russia entered into force on 10 July 2022. Positive price trends were also boosted by the growing prices of energy resources, raw materials and freight transportation. Segezha Group increased kraft paper sales to its own converting plants in Europe in order to supply them with the feedstock ahead of the import ban. In the context of logistics challenges in external markets, the Group built up deliveries for in-house converting in Russia, allowing for import substitution of industrial sacks in the domestic market and increased sales in Russia, the CIS, Turkey and South Africa. Moreover, Segezha Group developed alternative logistics routes to Latin American, MENA and Southeast Asian countries, which enabled it to reduce the cost of delivery and renew shipments to countries where logistics had previously been temporarily missing.
- Birch plywood manufacturers in Russia faced a decrease in production and exports to Europe and the USA, putting pressure on plywood prices. However, Segezha Group

maintained the selling prices of plywood at the level of Q1 2022 amid the replenishment of warehouse stocks by European buyers in the run-up to the entry into force of sanctions in respect of Russian plywood imports, and due to the step-by-step substitution of exports to Europe with sales in Russia as well as Asian, MENA, African and Latin American countries. According to the forecasts of sectoral experts, the European market will start experiencing a shortage of birch plywood in September–October 2022.

- Q2 2022 saw a decrease in the market prices of sawn timber and glulam in the key markets of China, Egypt and Europe amid a demand reduction. The key factors were as follows:
 - Q2 2022 in China witnessed a considerable slowdown of economic growth amid the country's zero-tolerance policy with regard to COVID-19, as well as lockdowns in China's biggest cities. Economic growth was 0.4% YoY, the second-lowest result in terms of quarterly growth since the outbreak of the COVID-19 pandemic in 2020. According to estimates by industry participants, most Chinese enterprises focused on timber product exports, which were reduced by one third in 6M 2022 vs the same period of the previous year. Many processing plants consuming sawn timber in China shut down in Q2 2022 or greatly reduced their capacity utilisation rate due to a decreased number of export orders.
 - Q2 2022 in Egypt also saw a reduction in sawn timber demand due to 1) the restrictions imposed on the opening of letters of credit for sawn timber buyers, thus preventing payments for deliveries; and 2) the devaluation of the national currency.
- In 2022, Russian exporters of timber and pulp and paper products were faced with container shortages and higher rates for container freight due to supply cuts by major logistics operators. The cost of logistics went up 1.5–2-fold.

Overview of the Group's results

The Group's revenue for 6M 2022 grew by 48% YoY to RUB 63.3 bn. This was mainly attributable to higher average prices for the Group's products and the effect of the consolidation of the assets of NLHK and IFR, which started in Q3 and Q4 2021, respectively. The share of the Company's export revenue remained at about 71%, like the year before.

Segezha Group's OIBDA for 6M 2022 went up by 34% YoY to RUB 17.7 bn. The increase in OIBDA was primarily driven by the growth of Paper and Packaging as well as the Forestry Management and Woodworking segments. The OIBDA margin for 6M 2022 was 28%, down by 3 pp due to inflation in respect of key materials used as well as harvesting and transportation costs.

In 6M 2022, the Group's net profit amounted to RUB 12.0 bn (+58% YoY) owing to OIBDA growth as well as the positive effect of exchange rate differences and cross-currency and interest rate swaps.

Financial position

As of June 30, 2022, total debt stood at RUB 98.9 bn (+97% vs June 30, 2021). The debt portfolio at the end of 6M 2022 consisted of liabilities denominated in foreign currencies (18%) and in roubles (82%). This data includes the conversion of a portion of previously placed rouble exchange-traded bonds into euros in cross-currency swap transactions. As of June 30, 2022, the rouble had strengthened by 43% against the euro compared with the exchange rate on March 31, 2022, which resulted in an adjustment of the fair value of liabilities denominated in foreign currencies of RUB (6.0) bn.

RUB 63 bn

The Group's revenue for 6M 2022

RUB 18 bn

The Group's OIBDA for 6M 2022

RUB 95 bn

The Group's net debt as of June 30, 2022

Interest income less interest expense and the results from cross-currency and interest rate swaps for 6M 2022 totalled RUB (1.8) bn, which was driven by higher borrowings, a slight increase in interest rates on the debt portfolio and the positive effect of the revaluation and cancellation of a portion of cross-currency and interest rate swaps denominated in euros.

As of June 30, 2022, the weighted average funding rate on borrowed funds was 6.4% per annum. The weighted average financing period decreased to 2.3 years as a result of new short-term loans as well as the issuance of a new RUB 8.2 bn tranche of bonds with an 11.0% coupon rate that will mature in 2023. As of June 30, 2022, cash and cash equivalents, including bank deposits with maturities of three months or less, were down 83% YoY to RUB 3.7 bn. The currency split of cash and cash equivalents was 37% in foreign currencies and 63% in roubles.

Net debt increased to RUB 95.2 bn, or 3.3x YoY, due to the implementation of a RUB 20.9 bn investment programme in the previous 12 months, payments for M&A transactions with IFR and NLHK (RUB 33.9 bn), as well as the payout of the Company's interim and final dividends for 2021. The net debt to LTM OIBDA ratio was 2.8x, vs 1.2x as of June 30, 2021.

Investments

Capital investments for 6M 2022 stood at RUB 6.4 bn (-25% YoY), of which 64% was directed towards new capacity expansion projects and 36% in support of existing assets (maintenance). Investments in the completion of the M&A acquisition of IFR totalled RUB 18.4 bn.

Excluding M&A, key areas of investment were as follows:

- RUB 1.4 bn – upgrade of the Sokol PPM;
- RUB 0.5 bn – expansion of capacity at the Vyatka Plywood Mill;
- RUB 0.3 bn – upgrade of the Lesosibirsk Sawmills;
- RUB 0.3 bn – upgrade of the Segezha PPM;
- RUB 0.3 bn – development of converting facilities and acquisition of relevant equipment.

Detailed information by segment

Paper and Packaging

Paper and Packaging segment **revenue**² for 6M 2022 was RUB 22.6 bn (+RUB 3.9 bn, or +21% YoY). The key drivers for the segment were the growth of product selling prices as compared with the same period of the previous year, as well as an increase in sales of paper sacks and consumer packaging. The segment's **OIBDA** grew to RUB 5.6 bn (+9% YoY). **The OIBDA margin** was 25%.

6M 2022	Production output	Sales volume	Average price, euros per unit (FCA)
Sack paper, ths t	182	175 ¹	789
Paper packaging, mln units	782	768	218 ³

Market overview: during 6M 2022, the global market was influenced by factors that persisted from 2021 into 2022, such as paper supply constraints, including due to logistical

¹ Sales volume of 175 ths t, including 90 ths t of paper directed to Segezha Group's own converting facilities

² Excluding revenue from intersegment transactions

³ Price for one thousand sacks

RUB 25 bn

Capex, incl. the Group's M&A for 6M 2022

RUB 23 bn

Revenue in the Paper and Packaging segment for 6M 2022

difficulties, as well as low inventory levels throughout the supply chain, which put upward pressure on market prices. The selling prices of Segezha Group's paper in Q2 2022 grew significantly to EUR 821/mt⁴ (+31% YoY).

In the Russian paper sacks market, the appreciation of the rouble led to a decrease in the prices of imported sacks, yet a paper shortage in Europe and logistical problems restrained product imports. Sack prices in the global market grew alongside an increase in the price of kraft paper. In Q2 2022, the average selling prices of Segezha Group's sacks and consumer packaging grew by 38% YoY to EUR 232 per thousand units.

Key investment projects:

1. The upgrade of the Sokol Pulp and Paper Mill continues. Wastewater treatment facilities and new steam boilers are being designed. Works on the installation of a new paper-making machine continue. The structural steelwork for the main building of the mill and the shop for a wastepaper preparation plant are being built. The production of various types of paper will increase by 65 ths t per year to 100 ths t per year thanks to the construction of a new paper-making machine. Investment in the project is about RUB 17 bn.
2. The main phase of the equipment upgrade at the Segezha Pulp and Paper Mill has been completed, as have annual capital repairs. The upgrade of the manufacturing plant will increase sack paper capacity by 25 ths t. Investment in the project will be RUB 4.5 bn.

Forestry Management and Woodworking

RUB 29 bn

Revenue in the Forestry Management and Woodworking segment for 6M 2022

Revenue² in the Forestry Management and Woodworking segment in 6M 2022 grew 2.4-fold, or by RUB 17.1 bn, to RUB 29.4 bn. In addition to the growth of product selling prices vs the same period last year, the segment was significantly impacted by the consolidation of the results of NLHK and IFR, which occurred in Q3 and Q4 2021 respectively. **OIBDA** grew by 70% YoY to RUB 9.7 bn. The **OIBDA margin** was 33%.

6M 2022	Production output	Sales volume	Average price, euros per unit (FCA)
Sawn timber, ⁵ ths cu m	1,097	1,059	228
Pellets, ths t	128	129	58
Fibreboard, mln sq m	15	12	0.86 ⁶
Harvesting, ths cu m	4,850	-	-

Market overview: in Q2 2022, China's market faced weaker demand for sawn timber due to its persistent zero-tolerance policy with regard to COVID-19 and strict lockdowns in a number of big cities, which also led to a reduction in railway service throughput and increase in vessel downtime in ports. Egypt, the second-largest target market for Segezha Group's sawn timber, was characterised by the imposition of restrictions on the opening of letters of credit to pay for deliveries as well as logistics constraints, thus affecting the rhythm and volume of shipments to the region. The prices of sawn timber in the reporting period decreased by 12% YoY after a significant spike in 2021 to EUR 224/cu m.

Key investment projects:

1. As part of the modernisation of the Lesosibirsk Sawmills, the delivery of equipment for the second drying kiln complex is expected. Foundation work for the thermal power

⁴ Hereinafter prices are based on the FCA

⁵ Excluding the production volume of the Sokol LDK, the results of which are reflected in the Laminated Wood Products segment

⁶ Price per ths. conv. sq m

plant is underway. Works related to the detailed engineering of new sorting lines for sawn logs and dry sawn timber were completed. The modernisation of the Lesosibirsk LDK will increase the production of sawn timber by 50 ths cu m, reduce the production cost, switch manufacturing to more state-of-the-art technologies and boost product competitiveness in export markets. Lesosibirsk Sawmills' production will become waste-free due to the construction of a new boiler house fired by bark waste with a capacity of 40 MW. The project budget will be about RUB 6.0 bn.

Plywood and Boards

RUB 7 bn

Revenue in the Plywood and Boards segment for 6M 2022

Plywood and Boards segment **revenue**² in 6M 2022 grew by 37% YoY to RUB 7.4 bn. The main driver of growth was a significant increase in the average selling price of birch plywood. **OIBDA** grew by 22% YoY to RUB 3.0 bn. **The OIBDA margin** was 41%.

6M 2022	Production output	Sales volume	Average price, euros per unit (FCA)
Plywood, ths cu m	99	92	719
Fibreboard, mln sq m	13	11	0.86 ⁶

Market overview: Q2 2022 saw pressure from adverse market factors and previous supply chain disruptions; Russian manufacturers reduced birch plywood exports to European countries and the United States while simultaneously increasing exports to Asian and MENA countries. There was price decline of 10%–15% QoQ due to a decrease in the share of high-margin markets in the sales portfolio as well as increased competition in Russia and in export markets. However, in Q2 2022, Segezha Group kept the average selling prices of birch plywood at the level of Q1 2022 (EUR 735 per cu m), which corresponds to growth of 28% YoY. Segezha Group is working intensively to enter new regions and increase its market share in friendly countries.

Key investment projects:

1. Modernisation of the Vyatka Plywood Mill: equipment has been purchased and delivered to the mill. Segezha Group has temporarily suspended work to expand the production capacity of the project due to supply chain disruptions and newly imposed restrictions on the import of birch plywood into the EU. The project time line is being adjusted.
2. The construction of the Galich Plywood Mill has been completed. Startup and commissioning of 10 lines; construction work to assemble ventilation, firefighting and heating systems; as well as finishing work is underway. The raw material yard site is being arranged. The mill annual capacity is 125,000 cu m.

Laminated wood products

RUB 4 bn

Revenue in the Laminated wood products segment for 6M 2022

Laminated wood products segment **revenue**² in 6M 2022 grew by 40% YoY to RUB 3.8 bn. This growth was mainly driven by an increase in the segment's product prices, such as glulam beams and prefabricated housing. **OIBDA** grew by 29% YoY to RUB 1.6 bn. **The OIBDA margin** was 41%.

6M 2022	Production output	Sales volume	Average price, euros per unit (FCA)
Glulam, ths cu m	26	32	486
Prefabricated housing, ths cu m	7	8	655
CLT panels, ths cu m	9	6	368

Sawn timber, ⁷ ths cu m	68	49	228
Pellets, ths t	26	26	58

Market overview: In Q2 2022, weaker demand was seen in Russia on the market of glulam housing construction amid a reduction in purchasing power. Many developers decided to postpone project timelines.

The segment of glulam beams and CLT in the principal consumer market, European countries, has witnessed a decrease in the number of new orders and the growth of warehouse stocks since April. There has been no market recovery since early May, contrary to the tradition for this season, due specifically to the growth of project and mortgage financing costs alongside a policy rate hike, as well as tighter conditions on the part of banks for loan extensions in Q2 2022. The totality of these factors impacted trends in Europe's construction industry.

The average selling prices of Segezha Group's glulam beams in Q2 2022 grew by 30% YoY to EUR 526/cu m.

Events subsequent to the reporting date

August 2022: Segezha Group placed 002P-05R series bonds worth RUB 10 bn. Coupon was set at 10.75%. The offer date was February 17, 2026; the maturity date, August 2037.

Segezha Group has a robust financial position and comfortable level of debt, and also has all the necessary resources, management experience and expertise to ensure the smooth operation of all of the Group's assets and the Group itself.

That said, given the high level of uncertainty and rapidly changing environment, Segezha Group cannot rule out the possibility of material adverse effects on the operations and the financial results of the Group's companies and, consequently, on the Company's operations and financial results due to current and/or future external factors beyond its control, including macroeconomic changes and/or restrictions on business or trade.

Segezha Group is a unique Russian wood and paper holding company. It stands out in the industry for its full cycle of operations from logging to specialised manufacturing of a wide range of high-margin products. Segezha Group's development focus is on green technologies for advanced wood processing and waste-free use of raw materials. The Group is one of the world's largest forestry companies, with a total leased forest area of 16.1 million hectares and an annual allowable cut of 23.2 million cubic metres (including PIPs, or priority investment projects). Segezha Group has a high level of self-sufficiency in raw materials, with 93% of the Company's timber needs covered by its own resources. The Company's international status as an environmentally and socially responsible forest user is supported by the fact that 88% of the Company's forest lands are certified for compliance with voluntary international forest certification standards (not including Inter Forest Rus LLC). To increase the contribution of Russian forests to the global fight against climate change, as well as to improve productivity, sustainable forest management principles based on a scientifically proven intensive model are being introduced across all of the Group's forest assets. Segezha Group is a leader in several green carbon-capturing forestry products. It is Russia's largest manufacturer of paper for multilayer sacks, industrial paper sacks and sawn timber. Globally, the Group is the world's second-largest producer of kraft paper and industrial paper packaging, and the world's fifth-largest producer of large-format birch plywood. The Company is also Europe's third-largest sawn timber manufacturer. Segezha Group is an international holding company that operates in 14 countries, although all of its primary production facilities are located exclusively in the Russian Federation. The Company is confident in its position in the global market for forestry products and responds flexibly to the slightest changes in the global business environment. It is represented in more than 100 countries. The Group's workforce grows and develops together with the holding, and currently numbers approximately 20 thousand employees. More information is available on the website: <http://segezha-group.com>

⁷ Sawn timber produced at the Sokol LDK. Not accounted for in the Forestry Management and Woodworking segment

APPENDIX 1**SEGEZHA GROUP PJSC****INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)**
(in millions of Russian Rubles)

	For the six months ended	
	30 June 2022	30 June 2021
Revenue	63,327	42,671
Cost of sales	(37,752)	(25,394)
Gross profit	25,575	17,277
Selling and administrative expenses	(14,627)	(8,036)
Other operating (expense)/income, net	(308)	545
Operating profit	10,640	9,786
Interest income	720	255
Interest expense	(4,748)	(1,814)
Other finance income	2,145	344
Foreign exchange differences, net	5,966	1,175
Profit before tax	14,723	9,746
Income tax expense	(2,722)	(2,164)
Net profit for the reporting period	12,001	7,582
Other comprehensive loss		
Items that may be reclassified subsequently to profit and loss:		
Exchange differences on translation of foreign operations	(1,068)	(33)
Other comprehensive loss	(1,068)	(33)
Total comprehensive income for the reporting period	10,933	7,549
Net profit/(loss) attributable to:		
Shareholders of Segezha Group PJSC	11,999	7,583
Non-controlling interests	2	(1)
	12,001	7,582
Total comprehensive income/(loss) attributable to:		
Shareholders of Segezha Group PJSC	10,931	7,550
Non-controlling interests	2	(1)
	10,933	7,549
Earnings per share for profit attributable to the ordinary equity holders of the Company (in RUB)	0.76	0.58

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)
(in millions of Russian Rubles)

	30 June 2022	31 December 2021*
ASSETS		
NON-CURRENT ASSETS:		
Property, plant and equipment	84,098	84,308
Right-of-use assets	47,814	49,430
Intangible assets	5,990	5,984
Goodwill	444	444
Investments in joint ventures and associates	1,387	593
Deferred tax assets	2,472	1,947
Prepayments for non-current assets, net	5,566	5,280
Loans issued to related parties	9,907	8,266
Other financial assets	181	-
Other non-current assets	1,012	629
Total non-current assets	158,871	156,881
CURRENT ASSETS:		
Inventories, net	25,889	21,965
Contract assets	1,062	1,186
Trade and other receivables, net	7,807	7,370
Taxes receivable	3,364	5,245
Income tax receivable	3,634	2,263
Advances and other current assets	2,938	2,815
Cash and cash equivalents	3,714	12,634
Total current assets	48,408	53,478
TOTAL ASSETS	207,279	210,359
EQUITY AND LIABILITIES		
EQUITY:		
Share capital	1,569	1,569
Additional paid-in capital	35,129	35,129
Retained earnings	9,446	7,758
Accumulated other comprehensive income	641	1,709
Equity attributable to the shareholders of Segezha Group PJSC	46,785	46,165
Non-controlling interest	29	27
Total equity	46,814	46,192
NON-CURRENT LIABILITIES:		
Loans and borrowings	60,177	52,362
Lease liabilities	18,387	19,446
Other financial liabilities	-	974
Pension obligations	520	737
Deferred tax liabilities	10,814	8,652
Consideration payable for business acquisition	2,558	3,715
Other non-current liabilities	3,576	3,472
Total non-current liabilities	96,032	89,358
CURRENT LIABILITIES:		
Loans and borrowings	38,690	21,409
Trade and other payables	15,482	14,481
Lease liabilities	3,168	3,203
Provisions	1,437	1,214
Taxes payable	1,941	2,489
Income tax payable	874	1,484
Consideration payable for business acquisition	945	18,411
Dividends payable	-	6,590
Advances received	1,896	5,528
Total current liabilities	64,433	74,809
TOTAL EQUITY AND LIABILITIES	207,279	210,359

* adjusted – see Note **Ошибка! Источник ссылки не найден.** of interim condensed consolidated financial statements for the six months ended 30 June 2022 available at Segezha Group’s website at Investors section

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)
(in millions of Russian Rubles)

	For the six months ended	
	30 June 2022	30 June 2021
Cash flows from operating activities:		
Net profit/(loss) for the reporting period	12,001	7,582
<i>Adjustments for:</i>		
Depreciation and amortisation	5,701	2,866
Depreciation of right-of-use assets	1,345	534
Interest income recognised in profit and loss	(720)	(255)
Interest expense recognised in profit and loss	4,748	1,814
Other finance income	(2,145)	(344)
Income tax expense recognised in profit and loss	2,722	2,164
Foreign exchange differences, net	(5,966)	(1,175)
Other non-monetary operating expenses, net	-	181
	17,686	13,367
<i>Movements in working capital:</i>		
Increase in trade and other receivables	(6,380)	(3,415)
Increase in inventories	(4,653)	(2,494)
Decrease in other assets	426	12
Increase/(decrease) in trade and other payables	787	(272)
(Decrease)/increase in other liabilities	(1,210)	276
	6,656	7,474
Cash generated from operating activities	6,656	7,474
Interest paid	(3,467)	(1,291)
Income taxes paid	(3,341)	(1,862)
	(152)	4,321
Net cash (used in)/from operating activities	(152)	4,321

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)
(in millions of Russian Rubles)

	For the six months ended	
	30 June 2022	30 June 2021
Cash flows from investing activities		
Payments for property, plant and equipment and intangible assets	(6,377)	(8,554)
Proceeds on disposal of property, plant and equipment	95	208
Loans issued to joint venture	(1,641)	(1,462)
Interest received	265	255
Advances on business acquisitions	-	(4,678)
Investments in joint ventures	(791)	(280)
Distribution to companies under common control	(269)	(37)
Net cash outflow on acquisition of Group companies	(18,390)	-
	(27,108)	(14,548)
Cash flows from financing activities		
Proceeds from issue of shares through public offering	-	30,000
Share issue transactions costs	-	(29)
Proceeds from loans and borrowings	29,865	10,322
Proceeds from bonds	17,200	-
Repayment of principal of loans and borrowings	(12,036)	(11,619)
Other finance income	990	204
Dividends paid	(16,614)	-
Lease liability payments	(1,682)	(782)
	17,723	28,096
Net (decrease)/increase in cash and cash equivalents	(9,537)	17,869
Cash and cash equivalents at the beginning of the half-year	12,634	3,670
Effect of exchange rate changes on cash held in foreign currencies	617	(148)
Cash and cash equivalents at the end of the half-year	3,714	21,391