

Consolidated statement of cash flows

Key figures from the consolidated statement of cash flows for 2020, (US\$ million)

Indicator	2020	2019	Change, %
Net cash flows from operating activities	927.4	793.9	16.8
Capital expenditures and construction in progress costs	-439.4	-423.8	3.7
Net cash flows used in investment activities	-377.4	-406.4	-7.1
Proceeds from/repayment of borrowings	-241.3	-32.1	652.2
Funds raised from the IPO ¹	480.8	-	-
Interest paid on borrowings	-175.9	-190.1	-7.5
Dividends	-102.7	-24.7	316.2
Net cash flows used in financing activities	-57.3	-290.6	-80.3
Increase in cash and cash equivalents	492.7	96.9	408.6

The Group has a strong liquidity cushion, which represents a significant positive factor for maintaining the company's creditworthiness and financial stability. At the end of 2020, cash balances in bank accounts and their equivalents totalled US\$880.2 million. The Group also had unused revolving credit facilities of US\$79.9 million and available special-purpose credit facilities for new builds of US\$104.8 million. Thus, the Company's current liquidity as at 31 December 2020 totalled US\$1,064.9 million. The Company's liquidity at the end of 2020 fully covered the current investment commitments under the existing shipbuilding programme for 2021 amounting to US\$240 million and for 2022 amounting to US\$270 million.

The Group maintains a stable programme of capital investments during all phases of the shipping cycle. Investments in construction and capital expenditures on modernisation and repair of the fleet in 2020 amounted to US\$442.5 million (2019: US\$427.5 million) with the amount payable under current shipbuilding contracts in 2021-2025 at the end of 2020 being US\$1,033 million. Additionally, shipbuilding contracts for US\$687 million will be financed through finance leasing.

During the reporting period SMART LNG, a joint venture between Sovcomflot Group and NO-VATEK, entered into lease agreements for 14 ice-class LNG carriers designed to serve the Arctic LNG 2 project for US\$2,310 million. The vessels are scheduled to be delivered between 2023 and 2025. The relevant time charter contract backlog for an initial term of 30 years with charter-er's extension options were signed. The total amount of future contracted revenue attributable to SCF Group under the mentioned 14 time charter contracts is about US\$10 billion.

¹ Proceeds from the share issue net of expenses incurred to repurchase own shares and transaction costs related to the issue of shares and repurchase of own shares.