

## Consolidated statement of financial position

### Key figures from the consolidated statement of financial position as at 31 December 2020, (US\$ million)

Indicator	2020	2019	Change, %
Non-current assets	6,684.5	6,636.2	0.7
Inventory	44.2	53.7	-17.7
Cash and cash equivalents and bank deposits	867.7	401.7	116.0
Other current assets	146.7	244.3	-40.0
<b>Assets</b>	<b>7,743.1</b>	<b>7,335.9</b>	<b>5.6</b>
Equity	4,098.4	3,504.6	16.9
Long-term borrowings	2,944.9	3,057.0	-3.7
Other long-term liabilities	101.6	104.8	-3.0
Short-term trade and other accounts payable	185.5	161.9	14.6
Short-term borrowings	285.7	382.3	-25.3
Other short-term liabilities	127.0	125.4	1.3
<b>Total equity and liabilities</b>	<b>7,743.1</b>	<b>7,335.9</b>	<b>5.6</b>

Total assets of the Group amounted to US\$7,743.1 million as at 31 December 2020, up 5.6% year-on-year. Shareholders' equity increased by 16.9% to US\$4,098.4 million. The book value of non-current assets increased by 0.7% from US\$6,636.3 million at the end of 2019 to US\$6,684.5 million at the end of the reporting period.

Despite the volatility in financial markets due to the unstable situation in the world amid the COVID-19 pandemic, the Group retained access to both foreign and Russian debt capital and equity markets.

In October 2020, PAO Sovcomflot conducted an initial public offering on the Moscow Exchange. The offering included 408,296,691 newly issued ordinary shares at a price of RUB 105 per share. The total net proceeds of the IPO, after expenses and stabilisation-related buy-back, were RUB 37.4 billion (equivalent to US\$480.8 million as of the date of issue). The free float of SCF shares amounts to 15.6% and the Russian Federation retains an 82.8%<sup>1</sup> stake. The proceeds of the IPO are being utilised for investments in new assets, with a focus on industrial projects, decarbonisation and further deleveraging.

In 2020 the Group entered into three new credit facility agreements for a total amount of US\$289 million, the proceeds from which were used to refinance existing loans. The Company also drew down funds under previously concluded credit facility agreements to finance the delivery of new vessels in the reporting year. In the reporting year, the Group's borrowers and guarantors fully complied with all requirements and terms ("covenants") of corresponding credit facility agreements.

**7,743.1**  
US\$ million

the amount of the SCF  
Group's assets at the  
end of 2020

**480.8**  
US\$ million

the amount of funds  
raised from the  
placement of PAO  
Sovcomflot ordinary  
shares on the Moscow  
Exchange

<sup>1</sup> The data is up-to-date at the date of publication of this report.

## Debt structure and leverage as at 31 December 2020, (US\$ million)

Secured loans and lease liabilities	2020	2019	Change, %
Eurobonds and other loans	2,373.0	2,599.1	-8.7
Cash and bank deposits, including restricted deposits	899.2	900.4	-0.1
Net debt	880.2	417.2	111.0
<b>Net debt</b>	<b>2,392.0</b>	<b>3,082.3</b>	<b>-22.4</b>
<b>Net debt/EBITDA ratio</b>	<b>2.6</b>	<b>3.7</b>	<b>-</b>

SCF Group carefully monitors capital structure and works on its optimisation. Sovcomflot Group's leverage (net debt to adjusted equity ratio<sup>1</sup>) at the end of 2020 was 41.9%, net debt to EBITDA ratio was 2.6.

Moody's Investors Service affirmed Sovcomflot credit rating at Ba1 with a stable outlook. S&P Global Ratings affirmed the existing credit rating of the Company at BB+ and changed the outlook to «positive». Fitch Ratings kept SCF's credit rating at BB+ with a stable outlook.

During 2020 Sovcomflot Group continued to work with international rating agencies

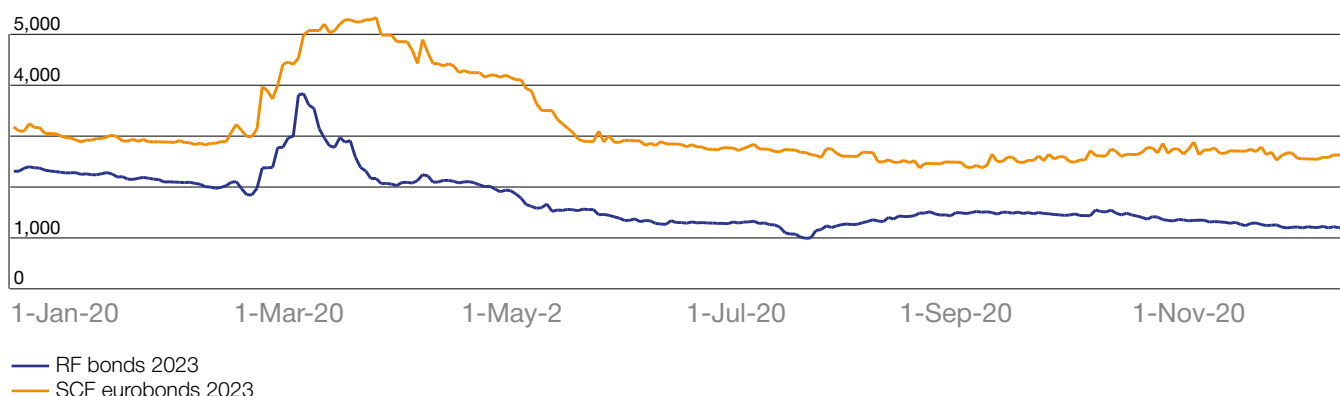
## Sovcomflot's credit ratings as at 31 December 2020

Rating agency	Credit rating	Outlook
S&P Global Ratings	BB+	Positive
Fitch Ratings	BB+	Stable
Moody's Investors Service	Ba1	Stable

Amid the positive debt capital market dynamics for issuers at the end of the reporting period SCF Group's Eurobonds traded at a premium to par

value and had a yield to maturity in 2023 of 2.6% with an average yield for the year of 3.1%.

## Yield to maturity of Sovcomflot Group and Russian Federation bonds, (%)



Source: Refinitiv

# 2.6

Net debt to EBITDA ratio decreased to

On 12 April 2021 S&P Global Ratings and Fitch Ratings changed Sovcomflot's credit ratings to BBB- with stable outlook.

<sup>1</sup> Adjusted net debt ratio is calculated as the ratio of net debt to net debt plus equity, adjusted for the market value of vessels.