



INTERPIPE HOLDINGS PLC

Consolidated Financial Statements

Consolidated statement of financial position
Consolidated statement of comprehensive income
Consolidated statement of changes in equity
Consolidated statement of cash flows

Nine Months Ended 30 September 2022

INTERPIPE HOLDINGS PLC

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INTERPIPE HOLDINGS PLC



CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2022 (in US dollar and in thousands)

	30 September 2022	31 December 2021
ASSETS		
Non-current assets		
Property, plant and equipment	379,690	523,025
Intangible assets and goodwill	3,658	5,097
Investments in associates	359	865
Investment in joint venture	-	2,396
Deferred tax assets	12,205	8,318
Prepaid income tax	148	162
Other non-current assets	8,687	6,919
	404,747	546,782
Current assets		
Inventories	174,747	214,398
Trade and other accounts receivable	114,364	188,967
Prepayments and other current assets	38,184	36,867
Prepaid current income tax	957	2,368
Taxes recoverable, other than income tax	41,739	21,445
Other current financial assets	-	50,478
Cash and cash equivalents	126,476	109,627
	496,467	624,150
TOTAL ASSETS	901,214	1,170,932
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Issued capital, net of unpaid	5	5
Share premium	94,277	94,277
Revaluation reserve	368,878	382,601
Retained earnings	1,280,514	1,125,863
Foreign currency translation reserve	(1,480,071)	(1,180,510)
	263,603	422,236
Non-controlling interests	6,676	13,182
Total equity	270,279	435,418
Non-current liabilities		
Shareholder's loan	-	51,627
Long-term borrowings	372,874	387,031
Deferred tax liabilities	14,843	24,972
Provisions	32,064	40,524
	419,781	504,154
Current liabilities		
Current portion of the long-term borrowings and interest accrued and payable	43,587	35,580
Trade and other accounts payable	89,234	109,034
Advances and other current liabilities	47,413	58,481
Current income tax payable	24,750	18,864
Taxes payable, other than income tax	2,939	5,624
Provisions	3,231	3,777
	211,154	231,360
Total liabilities	630,935	735,514
TOTAL EQUITY AND LIABILITIES	901,214	1,170,932

Signed and authorised for issue on behalf of the Board of the Company:

Chief Executive Office

Andrii Korotkov

Sergiy Kuz'menko

28 December 2022

INTERPIPE HOLDINGS PLC

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2022 (in US dollar and in thousands)



	For the nine month ended 30 September	
	2022	2021
Revenue	686,634	756,725
Cost of sales	(433,196)	(529,185)
Gross profit	253,438	227,540
Selling and distribution expenses	(126,511)	(89,307)
General and administrative expenses	(31,206)	(34,777)
Other operating income and expenses, net	(4,176)	5,540
Operating foreign exchange difference	160,247	(33,318)
Operating profit	251,792	75,678
Finance income	6,683	909
Finance costs	(46,743)	(25,915)
Non-operating foreign exchange difference	(11,001)	5,696
Share of loss of joint venture	(403)	(118)
Share of (loss) / profit of associates	(353)	255
Profit before tax	199,975	56,505
Income tax expense	(14,023)	(24,167)
Profit for the period	185,952	32,338
Profit attributable to:		
Equity holders of the parent	189,828	31,168
Non-controlling interests	(3,876)	1,170
	185,952	32,338
Other comprehensive (loss) / income to be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	(302,191)	65,644
Net other comprehensive (loss) / income to be reclassified to profit or loss in subsequent periods:	(302,191)	65,644
Other comprehensive (loss) / income not to be reclassified to profit or loss in subsequent periods:		
Re-measurement loss on defined benefit plans	-	613
Income tax effect	-	(110)
Net other comprehensive (loss) / income not to be reclassified to profit or loss in subsequent periods:	-	503
Other comprehensive (loss) / income for the period, net of tax:	(302,191)	66,147
Total comprehensive (loss) / income attributable to:		
Equity holders of the parent	(109,733)	96,887
Non-controlling interests	(6,506)	1,598
	(116,239)	98,485

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CONSOLIDATED STATEMENT OF CHANGE IN EQUITY FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2022

(in US dollar and in thousands)



INTERPIPE

	Attributable to equity holders of the parent					Total	Non-controlling interests	Total equity
	Issued capital	Share premium	Revaluation reserve	Retained earnings	Foreign currency translation reserve			
At 1 January 2021	5	94,277	389,390	1,242,919	(1,216,299)	510,292	10,194	520,486
Profit for the period	-	-	-	31,168	-	31,168	1,170	32,338
Other comprehensive income	-	-	-	503	65,216	65,719	428	66,147
Total comprehensive income	-	-	-	31,671	65,216	96,887	1,598	98,485
Depreciation transfer	-	-	(13,961)	13,961	-	-	-	-
Dividends declared	-	-	-	(230,000)	-	(230,000)	-	(230,000)
At 30 September 2021	5	94,277	375,429	1,058,551	(1,151,083)	377,179	11,792	388,971

	Attributable to equity holders of the parent					Total	Non-controlling interests	Total equity
	Issued capital	Share premium	Revaluation reserve	Retained earnings	Foreign currency translation reserve			
At 1 January 2022	5	94,277	382,601	1,125,863	(1,180,510)	422,236	13,182	435,418
Profit / (loss) for the period	-	-	-	189,828	-	189,828	(3,876)	185,952
Other comprehensive loss	-	-	-	-	(299,561)	(299,561)	(2,630)	(302,191)
Total comprehensive income / (loss)	-	-	-	189,828	(299,561)	(109,733)	(6,506)	(116,239)
Depreciation transfer	-	-	(13,723)	13,723	-	-	-	-
Dividends declared	-	-	-	(48,900)	-	(48,900)	-	(48,900)
At 30 September 2022	5	94,277	368,878	1,280,514	(1,480,071)	263,603	6,676	270,279

INTERPIPE HOLDINGS PLC

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2022 (in US dollar and in thousands)



	For the nine month ended 30 September	
	2022	2021
Profit before tax	199,975	56,505
Adjustments for:		
Depreciation and amortisation	30,989	42,566
Movement in provisions less interest cost	28,011	(38,648)
Loss / (gain) on disposal of property, plant and equipment	489	(686)
Finance costs	46,743	25,915
Finance income	(6,683)	(909)
Share of loss of joint venture	403	118
Share of loss / (profit) of associates	353	(255)
Translation difference and foreign exchange difference	(151,832)	26,964
Operating cash flows before working capital changes	148,448	111,570
Increase in inventories	(22,152)	(23,464)
Decrease / (increase) in trade and other accounts receivable	53,608	(52,445)
Increase in prepayments and other assets	(10,175)	(22,945)
Increase in taxes recoverable, other than income tax	(27,724)	(5,795)
Increase in trade and other accounts payable	893	34,510
Decrease in taxes payable, other than income tax	(1,522)	(244)
Decrease in advances and other current liabilities	(2,100)	(9,844)
Cash generated from operations	139,276	31,343
Income tax paid	(19,261)	(9,245)
Interest and other finance costs paid	(14,797)	(4,288)
Net cash inflow from operating activities	105,218	17,810
Cash flow from investing activities		
Purchases of property, plant and equipment and intangible assets	(15,034)	(45,352)
Proceeds from sale of property, plant and equipment	21	2,741
Interest received	561	909
Net cash outflow from investing activities	(14,452)	(41,702)
Cash flows from financing activities		
Proceeds from borrowings	-	300,000
Repayments of borrowings	(69,692)	(6,472)
Purchase of other financial assets	-	(34,000)
Dividends paid	-	(230,000)
Net cash (outflow) / inflow from financing activities	(69,692)	29,528
Net increase in cash and cash equivalents	21,074	5,636
Net foreign exchange difference	(4,225)	740
Cash and cash equivalents at period beginning	109,627	96,631
Cash and cash equivalents at period end	126,476	103,007

SEGMENT INFORMATION
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2022
(in US dollar and in thousands)

Segment information

Segment revenues and results

*Nine months ended
 30 September 2022*

	<i>Pipes</i>	<i>Railway wheels</i>	<i>Steel making</i>	<i>Other operations</i>	<i>Total</i>
Revenue	526,132	121,053	253,789	8,012	908,986
Elimination of sales to other segments	-	-	(222,353)	-	(222,353)
Revenue – external	526,132	121,053	31,436	8,012	686,633
Operating profit	151,204	30,806	69,309	473	251,792
Finance income					6,683
Finance costs					(46,743)
Non-operating foreign exchange difference					(11,001)
Share of loss of joint venture					(403)
Share of loss of associates					(353)
Income tax expense					(14,023)
Profit for the period					185,952

For the nine months ended 30 September 2022 share of loss of associates was attributable to the seamless pipes segment.

EBITDA by segments

*Nine months ended
 30 September 2022*

	<i>Pipes</i>	<i>Railway wheels</i>	<i>Steel making</i>	<i>Other operations</i>	<i>Total</i>
Operating profit	151,204	30,806	69,309	473	251,792
Depreciation and amortisation	9,679	6,139	15,064	107	30,989
Loss on disposal of property, plant and equipment	63	305	121	-	489
Operating foreign exchange difference	(109,438)	(40,537)	(10,272)	-	(160,247)
EBITDA	51,508	(3,287)	74,222	580	123,023
Reallocation of EBITDA from Steelmaking to Pipes and Railway wheels segments	49,832	18,525	(68,357)	-	-
EBITDA (on a pass-through basis)	101,340	15,238	5,865	580	123,023

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SEGMENT INFORMATION FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2022 (in US dollar and in thousands)

Segment revenues and results

<i>Nine months ended 30 September 2021</i>	<i>Pipes</i>	<i>Railway wheels</i>	<i>Steel making</i>	<i>Other operations</i>	<i>Total</i>
Revenue	507,106	200,819	366,792	11,747	1,086,464
Elimination of sales to other segments	-	-	(329,739)	-	(329,739)
Revenue – external	507,106	200,819	37,053	11,747	756,725
Operating profit / (loss)	(77,495)	4,346	146,925	1,902	75,678
Finance income					909
Finance costs					(25,915)
Non-operating foreign exchange difference					5,696
Share of loss of joint venture					(118)
Share of profit of associates					255
Income tax expense					(24,167)
Profit for the period					32,338

For the nine months ended 30 September 2021 share of profit of associates was attributable to the seamless pipes segment.

EBITDA by segments

<i>Nine months ended 30 September 2021</i>	<i>Pipes</i>	<i>Railway wheels</i>	<i>Steel making</i>	<i>Other operations</i>	<i>Total</i>
Operating profit / (loss)	(77,495)	4,346	146,925	1,902	75,678
Depreciation and amortisation	15,588	8,808	17,990	180	42,566
(Gain) / loss on disposal of property, plant and equipment	(984)	245	53	-	(686)
Operating foreign exchange difference	26,851	1,952	4,515	-	33,318
EBITDA	(36,040)	15,351	169,483	2,082	150,876
Reallocation of EBITDA from Steelmaking to Pipes and Railway wheels segments	111,431	49,372	(160,803)	-	-
EBITDA (on a pass-through basis)	75,391	64,723	8,680	2,082	150,876