



# **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 2023

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# INTERPIPE HOLDINGS PLC

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2023 (in US dollar and in thousands)



	30 September 2023	31 December 2022
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	221,580	224,155
Intangible assets and goodwill	4,443	3,642
Investments in associates	488	412
Deferred tax assets	26,643	30,131
Prepaid income tax	149	153
Other non-current assets	105,887	17,025
	<b>359,190</b>	<b>275,518</b>
<b>Current assets</b>		
Inventories	182,719	173,530
Trade and other accounts receivable	132,502	134,632
Prepayments and other current assets	36,978	28,987
Prepaid current income tax	565	944
Taxes recoverable, other than income tax	18,675	32,600
Cash and cash equivalents	276,142	153,777
	<b>647,581</b>	<b>524,470</b>
<b>TOTAL ASSETS</b>	<b>1,006,771</b>	<b>799,988</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Issued capital, net of unpaid	5	5
Share premium	94,277	94,277
Revaluation reserve	284,652	291,779
Retained earnings	1,508,058	1,313,973
Foreign currency translation reserve	(1,516,518)	(1,500,188)
	370,474	199,846
<b>Non-controlling interests</b>	8,078	5,901
<b>Total equity</b>	<b>378,552</b>	<b>205,747</b>
<b>Non-current liabilities</b>		
Long-term borrowings	350,372	344,534
Deferred tax liabilities	15,626	10,789
Provisions	20,437	18,820
	<b>386,435</b>	<b>374,143</b>
<b>Current liabilities</b>		
Current portion of the long-term borrowings and interest accrued and payable	78,305	45,132
Trade and other accounts payable	88,166	99,269
Advances and other current liabilities	36,517	39,861
Current income tax payable	27,278	29,815
Taxes payable, other than income tax	5,718	1,048
Provisions	5,800	4,973
	<b>241,784</b>	<b>220,098</b>
<b>Total liabilities</b>	<b>628,219</b>	<b>594,241</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,006,771</b>	<b>799,988</b>

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

Chief Executive Office

Andrii Korotkov

Sergiy Kuz'menko

14 December 2023

# INTERPIPE HOLDINGS PLC

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023 *(in US dollar and in thousands)*



	<b>For the nine month ended 30 September</b>	
	<b>2023</b>	<b>2022</b>
Revenue	785,400	686,634
Cost of sales	(411,311)	(433,196)
<b>Gross profit</b>	<b>374,089</b>	<b>253,438</b>
Selling and distribution expenses	(61,286)	(126,511)
General and administrative expenses	(32,420)	(31,206)
Other operating income and expenses, net	(9,348)	(4,176)
Operating foreign exchange difference	5,689	160,247
<b>Operating profit</b>	<b>276,724</b>	<b>251,792</b>
Finance income	7,103	6,683
Finance costs	(61,556)	(46,743)
Non-operating foreign exchange difference	9,509	(11,001)
Share of loss of joint venture	-	(403)
Share of profit / (loss) of associates	76	(353)
<b>Profit before tax</b>	<b>231,856</b>	<b>199,975</b>
Income tax expense	(42,726)	(14,023)
<b>Profit for the period</b>	<b>189,130</b>	<b>185,952</b>
<b>Profit / (loss) attributable to:</b>		
Equity holders of the parent	186,958	189,828
Non-controlling interests	2,172	(3,876)
	<b>189,130</b>	<b>185,952</b>
<b>Other comprehensive loss to be reclassified to profit or loss in subsequent periods:</b>		
Exchange differences on translation of foreign operations	(16,325)	(302,191)
<b>Net other comprehensive loss to be reclassified to profit or loss in subsequent periods:</b>	<b>(16,325)</b>	<b>(302,191)</b>
<b>Other comprehensive loss for the period, net of tax:</b>	<b>(16,325)</b>	<b>(302,191)</b>
<b>Total comprehensive income / (loss) attributable to:</b>		
Equity holders of the parent	170,628	(109,733)
Non-controlling interests	2,177	(6,506)
	<b>172,805</b>	<b>(116,239)</b>

# INTERPIPE HOLDINGS PLC

## CONSOLIDATED STATEMENT OF CHANGE IN EQUITY FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023

(in US dollar and in thousands)



INTERPIPE

	Attributable to equity holders of the parent						Non-controlling interests	Total equity
	Issued capital	Share premium	Revaluation reserve	Retained earnings	Foreign currency translation reserve	Total		
<b>At 1 January 2022</b>	<b>5</b>	<b>94,277</b>	<b>382,601</b>	<b>1,125,863</b>	<b>(1,180,510)</b>	<b>422,236</b>	<b>13,182</b>	<b>435,418</b>
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)
<b>At 30 September 2022</b>	<b>5</b>	<b>94,277</b>	<b>368,878</b>	<b>1,280,514</b>	<b>(1,480,071)</b>	<b>263,603</b>	<b>6,676</b>	<b>270,279</b>

	Attributable to equity holders of the parent						Non-controlling interests	Total equity
	Issued capital	Share premium	Revaluation reserve	Retained earnings	Foreign currency translation reserve	Total		
<b>At 1 January 2023</b>	<b>5</b>	<b>94,277</b>	<b>291,779</b>	<b>1,313,973</b>	<b>(1,500,188)</b>	<b>199,846</b>	<b>5,901</b>	<b>205,747</b>
Profit for the period	-	-	-	186,958	-	186,958	2,172	189,130
Other comprehensive income / (loss)	-	-	-	-	(16,330)	(16,330)	5	(16,325)
Total comprehensive income / (loss)	-	-	-	186,958	(16,330)	170,628	2,177	172,805
Depreciation transfer	-	-	(7,127)	7,127	-	-	-	-
<b>At 30 September 2023</b>	<b>5</b>	<b>94,277</b>	<b>284,652</b>	<b>1,508,058</b>	<b>(1,516,518)</b>	<b>370,474</b>	<b>8,078</b>	<b>378,552</b>

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023**  
*(in US dollar and in thousands)*



	<b>For the nine month ended 30 September</b>	
	<b>2023</b>	<b>2022</b>
<b>Profit before tax</b>	<b>231,856</b>	<b>199,975</b>
<b>Adjustments for:</b>		
Depreciation and amortisation	17,082	30,989
Movement in provisions less interest cost	9,471	28,011
(Gain) / loss on disposal of property, plant and equipment	(576)	489
Finance costs	61,556	46,743
Finance income	(7,103)	(6,683)
Share of loss of joint venture	-	403
Share of (profit) / loss of associates	(76)	353
Translation difference and foreign exchange difference	(15,199)	(151,832)
<b>Operating cash flows before working capital changes</b>	<b>297,011</b>	<b>148,448</b>
Increase in inventories	(9,094)	(22,152)
Decrease in trade and other accounts receivable	3,053	53,608
Increase in prepayments and other assets	(12,227)	(10,175)
Decrease / (increase) in taxes recoverable, other than income tax	13,924	(27,724)
(Decrease) / increase in trade and other accounts payable	(13,839)	893
Increase / (decrease) in taxes payable, other than income tax	4,675	(1,522)
Decrease in advances and other current liabilities	(5,332)	(2,100)
<b>Cash generated from operations</b>	<b>278,171</b>	<b>139,276</b>
Income tax paid	(39,432)	(19,261)
Interest and other finance costs paid	(14,565)	(14,797)
<b>Net cash inflow from operating activities</b>	<b>224,174</b>	<b>105,218</b>
<b>Cash flow from investing activities</b>		
Purchases of property, plant and equipment and intangible assets	(17,573)	(15,034)
Proceeds from sale of property, plant and equipment	103	21
Interest-bearing loan granted	(85,000)	-
Interest received	3,498	561
<b>Net cash outflow from investing activities</b>	<b>(98,972)</b>	<b>(14,452)</b>
<b>Cash flows from financing activities</b>		
Repayments of borrowings	(1,262)	(69,692)
<b>Net cash outflow from financing activities</b>	<b>(1,262)</b>	<b>(69,692)</b>
Net increase in cash and cash equivalents	123,940	21,074
Net foreign exchange difference	(1,575)	(4,225)
<b>Cash and cash equivalents at period beginning</b>	<b>153,777</b>	<b>109,627</b>
<b>Cash and cash equivalents at period end</b>	<b>276,142</b>	<b>126,476</b>

**SEGMENT INFORMATION  
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023**  
*(in US dollar and in thousands)*

**Segment information**

***Segment revenues and results***

<i>Nine months ended 30 September 2023</i>	<i>Pipes</i>	<i>Railway wheels</i>	<i>Steel making</i>	<i>Other operations</i>	<i>Total</i>
Revenue	600,964	154,098	250,847	7,470	1,013,379
Elimination of sales to other segments	-	-	(227,979)	-	(227,979)
Revenue – external	600,964	154,098	22,868	7,470	785,400
<b>Operating profit</b>	<b>158,470</b>	<b>26,862</b>	<b>91,023</b>	<b>369</b>	<b>276,724</b>
Finance income					7,103
Finance costs					(61,556)
Non-operating foreign exchange difference					9,509
Share of profit of associates					76
Income tax expense					(42,726)
<b>Profit for the period</b>					<b>189,130</b>

For the nine months ended 30 September 2023 share of profit of associates was attributable to the seamless pipes segment.

***EBITDA by segments***

<i>Nine month ended 30 September 2023</i>	<i>Pipes</i>	<i>Railway wheels</i>	<i>Steel making</i>	<i>Other operations</i>	<i>Total</i>
Operating profit	158,470	26,862	91,023	369	276,724
Depreciation and amortisation	3,143	4,557	9,382	-	17,082
Gain on disposal of property, plant and equipment	(176)	(375)	(25)	-	(576)
Operating foreign exchange difference	(2,947)	(2,082)	(660)	-	(5,689)
<b>EBITDA</b>	<b>158,490</b>	<b>28,962</b>	<b>99,720</b>	<b>369</b>	<b>287,541</b>
Reallocation of EBITDA from Steelmaking to Pipes and Railway wheels segments	70,562	21,853	(92,415)	-	-
<b>EBITDA (on a pass-through basis)</b>	<b>229,052</b>	<b>50,815</b>	<b>7,305</b>	<b>369</b>	<b>287,541</b>

**SEGMENT INFORMATION  
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023**  
*(in US dollar and in thousands)*

***Segment revenues and results***

<i>Nine months ended 30 September 2022</i>	<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	-	-	(222,352)	-	(222,352)
<b>Revenue – external</b>	<b>526,132</b>	<b>121,053</b>	<b>31,437</b>	<b>8,012</b>	<b>686,634</b>
<b>Operating profit</b>	<b>151,204</b>	<b>30,806</b>	<b>69,309</b>	<b>473</b>	<b>251,792</b>
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)
<b>Profit for the period</b>					<b>185,952</b>

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

***EBITDA by segments***

<i>Nine months ended 30 September 2022</i>	<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)
<b>EBITDA</b>	<b>51,508</b>	<b>(3,287)</b>	<b>74,222</b>	<b>580</b>	<b>123,023</b>
Reallocation of EBITDA from Steelmaking to Pipes and Railway wheels segments	49,832	18,525	(68,357)	-	-
<b>EBITDA (on a pass-through basis)</b>	<b>101,340</b>	<b>15,238</b>	<b>5,865</b>	<b>580</b>	<b>123,023</b>