



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

Three Months Ended 31 March 2022

INTERPIPE HOLDINGS PLC

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INTERPIPE HOLDINGS PLC

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2022 (in US dollar and in thousands)



	31 March 2022	31 December 2021
ASSETS		
Non-current assets		
Property, plant and equipment	484,637	523,025
Intangible assets and goodwill	4,906	5,097
Investments in associates	659	865
Investment in joint venture	2,071	2,396
Deferred tax assets	10,939	8,318
Prepaid income tax	152	162
Other non-current assets	6,766	6,919
	510,130	546,782
Current assets		
Inventories	197,234	214,398
Trade and other accounts receivable	120,469	188,967
Prepayments and other current assets	43,699	36,867
Prepaid current income tax	2,362	2,368
Taxes recoverable, other than income tax	29,061	21,445
Other current financial assets	-	50,478
Cash and cash equivalents	165,561	109,627
	558,386	624,150
TOTAL ASSETS	1,068,516	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	376,733	382,601
Retained earnings	1,106,602	1,125,863
Foreign currency translation reserve	(1,263,726)	(1,180,510)
	313,891	422,236
Non-controlling interests	10,348	13,182
Total equity	324,239	435,418
Non-current liabilities		
Shareholder's loan	52,884	51,627
Long-term borrowings	394,922	387,031
Deferred tax liabilities	28,634	24,972
Provisions	38,348	40,524
	514,788	504,154
Current liabilities		
Current portion of the long-term borrowings and interest accrued and payable	34,616	35,580
Trade and other accounts payable	98,087	109,034
Advances and other current liabilities	65,538	58,481
Current income tax payable	24,491	18,864
Taxes payable, other than income tax	2,859	5,624
Provisions	3,898	3,777
	229,489	231,360
Total liabilities	744,277	735,514
TOTAL EQUITY AND LIABILITIES	1,068,516	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 June 2022

INTERPIPE HOLDINGS PLC

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE THREE MONTHS ENDED 31 MARCH 2022 (in US dollar and in thousands)



	For the three month ended 31 March	
	2022	2021
Revenue	239,185	200,952
Cost of sales	(185,158)	(142,633)
Gross profit	54,027	58,319
Selling and distribution expenses	(26,852)	(19,971)
General and administrative expenses	(11,165)	(10,035)
Other operating income and expenses, net	(11,875)	(776)
Operating foreign exchange difference	32,935	(9,500)
Operating profit	37,070	18,037
Finance income	231	437
Finance costs	(13,388)	(4,832)
Non-operating foreign exchange difference	5,765	4,316
Share of loss of joint venture	(324)	(63)
Share of loss of associates	(152)	(42)
Profit before tax	29,202	17,853
Income tax expense	(7,423)	(5,027)
Profit for the period	21,779	12,826
Profit / (loss) attributable to:		
Equity holders of the parent	23,771	12,778
Non-controlling interests	(1,992)	48
	21,779	12,826
Other comprehensive (loss) / income to be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	(84,058)	13,198
Net other comprehensive (loss) / income to be reclassified to profit or loss in subsequent periods:	(84,058)	13,198
Other comprehensive (loss) / income for the period, net of tax:	(84,058)	13,198
Total comprehensive (loss) / income attributable to:		
Equity holders of the parent	(59,445)	25,836
Non-controlling interests	(2,834)	188
	(62,279)	26,024

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CONSOLIDATED STATEMENT OF CHANGE IN EQUITY FOR THE THREE MONTHS ENDED 31 MARCH 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	-	-	-	12,778	-	12,778	48	12,826
Other comprehensive income	-	-	-	-	13,058	13,058	140	13,198
Total comprehensive income	-	-	-	12,778	13,058	25,836	188	26,024
Depreciation transfer	-	-	(4,831)	4,831	-	-	-	-
Dividends declared	-	-	-	(80,000)	-	(80,000)	-	(80,000)
At 31 March 2021	5	94,277	384,559	1,180,528	(1,203,241)	456,128	10,382	466,510

	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	-	-	-	23,771	-	23,771	(1,992)	21,779
Other comprehensive loss	-	-	-	-	(83,216)	(83,216)	(842)	(84,058)
Total comprehensive income / (loss)	-	-	-	23,771	(83,216)	(59,445)	(2,834)	(62,279)
Depreciation transfer	-	-	(5,868)	5,868	-	-	-	-
Dividends declared	-	-	-	(48,900)	-	(48,900)	-	(48,900)
At 31 March 2022	5	94,277	376,733	1,106,602	(1,263,726)	313,891	10,348	324,239

INTERPIPE HOLDINGS PLC

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE THREE MONTHS ENDED 31 MARCH 2022 (in US dollar and in thousands)



	For the three month ended 31 March	
	2022	2021
Profit before tax	29,202	17,853
Adjustments for:		
Depreciation and amortisation	10,867	12,510
Movement in provisions less interest cost	(524)	(10,993)
Loss on disposal of property, plant and equipment	137	384
Finance costs	13,388	4,832
Finance income	(231)	(437)
Share of loss of joint venture	324	63
Share of loss of associates	152	42
Translation difference and foreign exchange difference	(41,181)	4,947
Operating cash flows before working capital changes	12,134	29,201
Decrease in inventories	5,382	3,535
Decrease in trade and other accounts receivable	62,093	2,335
Increase in prepayments and other assets	(9,489)	(10,682)
Increase in taxes recoverable, other than income tax	(9,278)	(1,516)
(Decrease) / increase in trade and other accounts payable	(7,247)	857
Decrease in taxes payable, other than income tax	(2,600)	(758)
Increase / (decrease) in advances and other current liabilities	11,105	(547)
Cash generated from operations	62,100	22,425
Income tax paid	(927)	(954)
Interest and other finance costs paid	(818)	(641)
Net cash inflow from operating activities	60,355	20,830
Cash flow from investing activities		
Purchases of property, plant and equipment and intangible assets	(6,288)	(17,277)
Proceeds from sale of property, plant and equipment	18	187
Interest received	231	437
Net cash outflow from investing activities	(6,039)	(16,653)
Cash flows from financing activities		
Repayments of borrowings	(120)	(6,472)
Dividends paid	-	(40,000)
Net cash outflow from financing activities	(120)	(46,472)
Net decrease in cash and cash equivalents	54,196	(42,295)
Net foreign exchange difference	1,738	(419)
Cash and cash equivalents at period beginning	109,627	96,631
Cash and cash equivalents at period end	165,561	53,917

SEGMENT INFORMATION
FOR THE THREE MONTHS ENDED 31 MARCH 2022
(in US dollar and in thousands)

Segment information

Segment revenues and results

<i>Three months ended 31 March 2022</i>	<i>Pipes</i>	<i>Railway wheels</i>	<i>Steel making</i>	<i>Other operations</i>	<i>Total</i>
Revenue	180,959	44,253	87,839	1,982	315,033
Elimination of sales to other segments	-	-	(75,848)	-	(75,848)
Revenue – external	180,959	44,253	11,991	1,982	239,185
Operating profit / (loss)	22,469	1,293	13,533	(225)	37,070
Finance income					231
Finance costs					(13,388)
Non-operating foreign exchange difference					5,765
Share of loss of joint venture					(324)
Share of loss of associates					(152)
Income tax expense					(7,423)
Profit for the period					21,779

For the three months ended 31 March 2022 share of profit of associates was attributable to the seamless pipes segment.

EBITDA by segments

<i>Three month ended 31 March 2022</i>	<i>Pipes</i>	<i>Railway wheels</i>	<i>Steel making</i>	<i>Other operations</i>	<i>Total</i>
Operating profit / (loss)	22,469	1,293	13,533	(225)	37,070
Depreciation and amortisation	4,449	2,259	4,122	37	10,867
Loss on disposal of property, plant and equipment	54	20	63	-	137
Operating foreign exchange difference	(25,401)	(6,111)	(1,423)	-	(32,935)
EBITDA	1,571	(2,539)	16,295	(188)	15,139
Reallocation of EBITDA from Steelmaking to Pipes and Railway wheels segments	10,323	4,856	(15,179)	-	-
EBITDA (on a pass-through basis)	11,894	2,317	1,116	(188)	15,139

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SEGMENT INFORMATION FOR THE THREE MONTHS ENDED 31 MARCH 2022 (in US dollar and in thousands)

Segment revenues and results

Three months ended 31 March 2021	Pipes	Railway wheels	Steel making	Other operations	Total
Revenue	123,166	59,639	92,433	3,595	278,833
Elimination of sales to other segments	-	-	(77,881)	-	(77,881)
Revenue – external	123,166	59,639	14,552	3,595	200,952
Operating profit / (loss)	(19,064)	8,898	27,427	776	18,037
Finance income					437
Finance costs					(4,832)
Non-operating foreign exchange difference					24,780
Share of loss of joint venture					(63)
Share of loss of associates					(42)
Income tax expense					(5,027)
Profit for the period					12,826

For the three months ended 31 March 2021 share of profit of associates was attributable to the seamless pipes segment.

EBITDA by segments

Three months ended 31 March 2021	Pipes	Railway wheels	Steel making	Other operations	Total
Operating profit / (loss)	(19,064)	8,898	27,427	776	18,037
Depreciation and amortisation	4,544	2,473	5,433	60	12,510
(Gain) / loss on disposal of property, plant and equipment	288	99	(3)	-	384
Operating foreign exchange difference	7,299	(11)	2,212	-	9,500
EBITDA	(6,933)	11,459	35,069	836	40,431
Reallocation of EBITDA from Steelmaking to Pipes and Railway wheels segments	22,116	11,218	(33,334)	-	-
EBITDA (on a pass-through basis)	15,183	22,677	1,735	836	40,431