

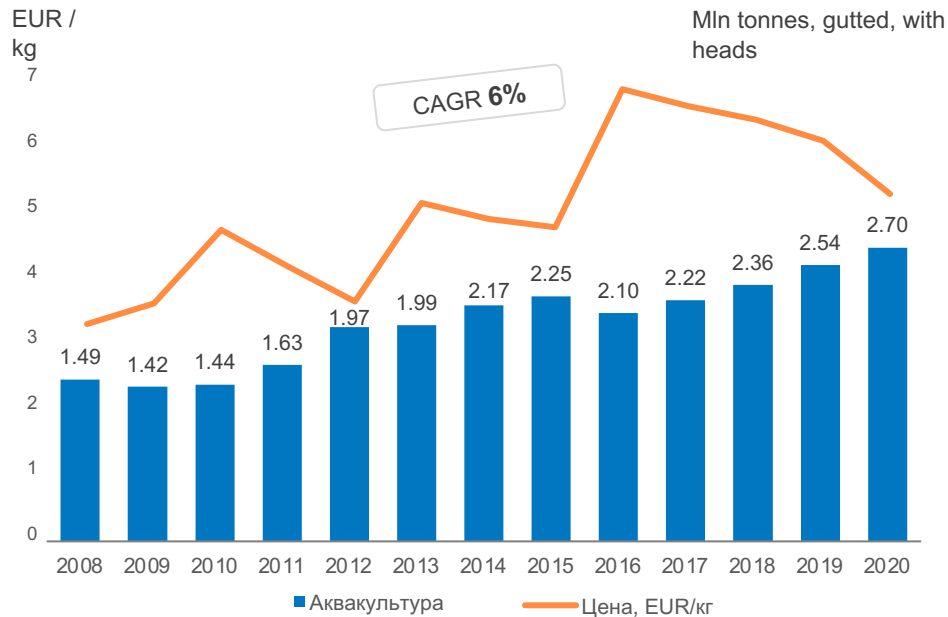


Russian  
Aquaculture

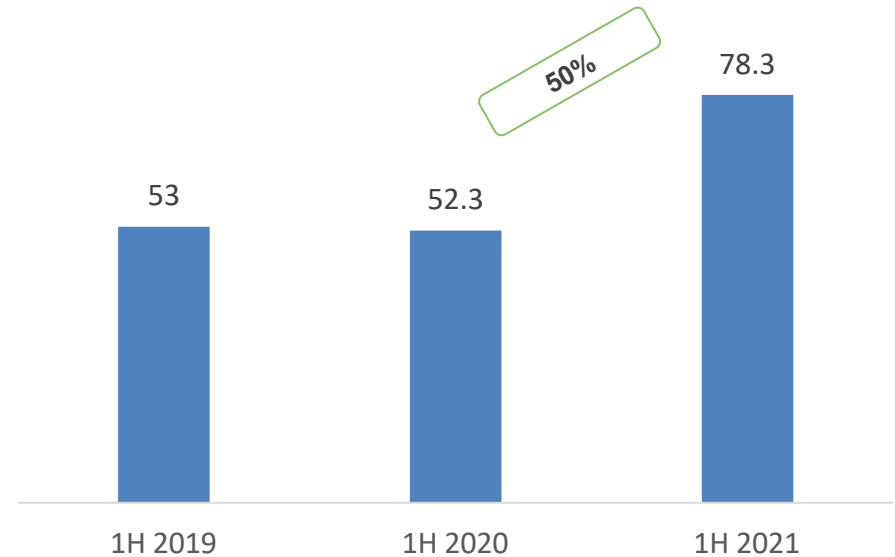
# **Russian Aquaculture PJSC 1H 2021 Financial Results**

**31 August 2021**

## Global salmon aquaculture supply and price dynamics




## Russian salmon market (Mln tonnes, gutted, with heads)



### Comments

- Global salmon aquaculture supply continues to grow: 2008–20 CAGR of 6%
- Global salmon prices are showing a long-term upward trend
- The Russian salmon market grew by 50% in the first half of 2021 in volume terms compared with the first half of 2020, and by 47% compared with the first half of 2019.
- According to analysts' forecasts, Russian salmon market 2020-24 CAGR could be of 13%

-  **Increased sales volumes.** Sales of finished product in 1H 2021 increased by 35% year-on-year.
-  **Improved financial performance.** Revenue and adjusted EBITDA increased significantly in 1H 2021.
-  **Substantial net profit.** Net profit for 1H 2021 amounted to almost RUB 2 billion, compared to a net loss of RUB 0.4 billion in the year-ago period.
-  **Successful integration of processing facilities.** The processing plant acquired in May is now fully integrated into the Company's business operations, and functions as an important link in bringing consumers guaranteed fresh, high-quality fish.
-  **High level of financial stability.** Two ratings agencies, NCR and ACRA, revised the Company's credit ratings upward to A- on the national rating scale, with a stable outlook. The Company's net debt / adjusted EBITDA ratio is at a comfortable 1.88x.
-  **Investment in business growth.** In 1H 2021, the Company invested RUB 2.2 billion in equipment for its farms and to increase its ownership of its processing plant to 100%.
-  **Dividends.** The Board of Directors recommended distributing net profit at RUB 4 per ordinary share for 1H 2021. Including interim dividends previously announced for Q1 2021, total dividends for 1H 2021 could amount to RUB 8 per share.
-  **Expansion of the stock buyback programme.** The updated programme calls for the repurchase of up to RUB 900 million in Russian Aquaculture stock. The programme will run through 30 June 2022 or until the repurchase limit is reached.

# Key financial indicators for 1H 2021

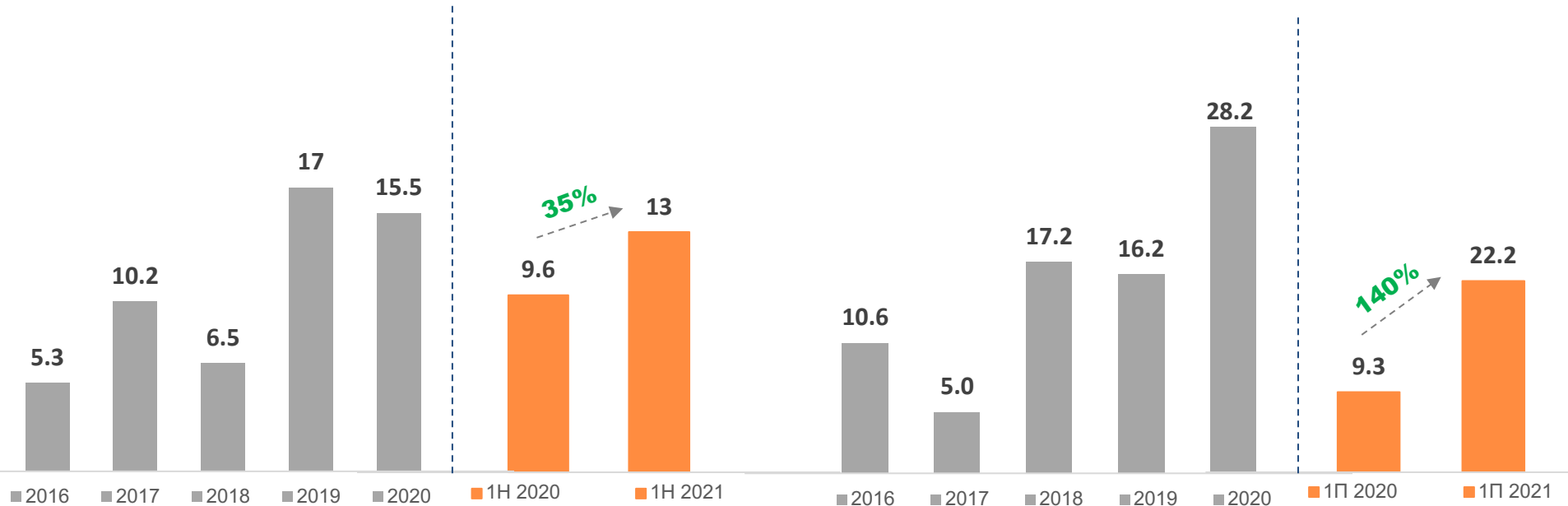
Operating indicators, tonnes	For the six months ended 30 June		Change
	2021	2020	
<b>Sales</b>	13,000	9,600	35%
<b>Biomass of fish in water at the end of the period</b>	22,200	9,300	140%
Financial indicators, RUB mln			
<b>Sales revenue</b>	6,718	5,255	28%
<b>Gross profit before the revaluation of biological assets</b>	2,627	2,287	15%
<b>Gross profit after the revaluation of biological assets</b>	2,919	75	39x
<b>Net profit (loss)</b>	1,961	(402)	-
<b>Adjusted EBITDA</b>	2,428	2,297	6%
<b>Adjusted EBITDA margin</b>	36%	44%	(8 p.p.)
<b>Operating EBIT</b>	2,040	2,057	(1%)
<b>Operating EBIT, EUR / kg</b>	1.8	2.8	(36%)
<b>Net operating cash flow</b>	1,767	2,387	(26%)
Financial position, RUB mln			
	30.06.2021	30.06.2020	
<b>Net debt</b>	6,606	3,092	114%
<b>Net debt / adj. EBITDA</b>	1.88x	0.87x	117%

# Key financial highlights for 2Q 2021

Operating indicators, tonnes	For the three months ended 30 June		Change
	2021	2020	
<b>Sales</b>	5,200	3,500	47%
<b>Biomass of fish in water at the end of the period</b>	22,200	9,300	140%
Financial indicators, RUB mln			
<b>Sales revenue</b>	2,866	1,816	58%
<b>Gross profit before the revaluation of biological assets</b>	1,115	806	38%
<b>Gross profit after the revaluation of biological assets</b>	2,543	257	10x
<b>Net profit (loss)</b>	2,043	(67)	-
<b>Adjusted EBITDA</b>	940	691	36%
<b>Adjusted EBITDA margin</b>	33%	38%	(5 p.p.)
<b>Operating EBIT</b>	775	632	23%
<b>Operating EBIT, EUR / kg</b>	1.7	2.3	(26%)
<b>Net operating cash flow</b>	(411)	606	-

## Sales volume, ths tonnes live weight

## Biomass of fish in water at the end of the period, ths tonnes (IFRS)

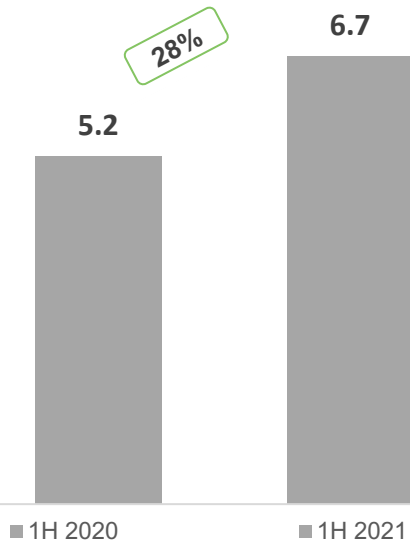


### Comments

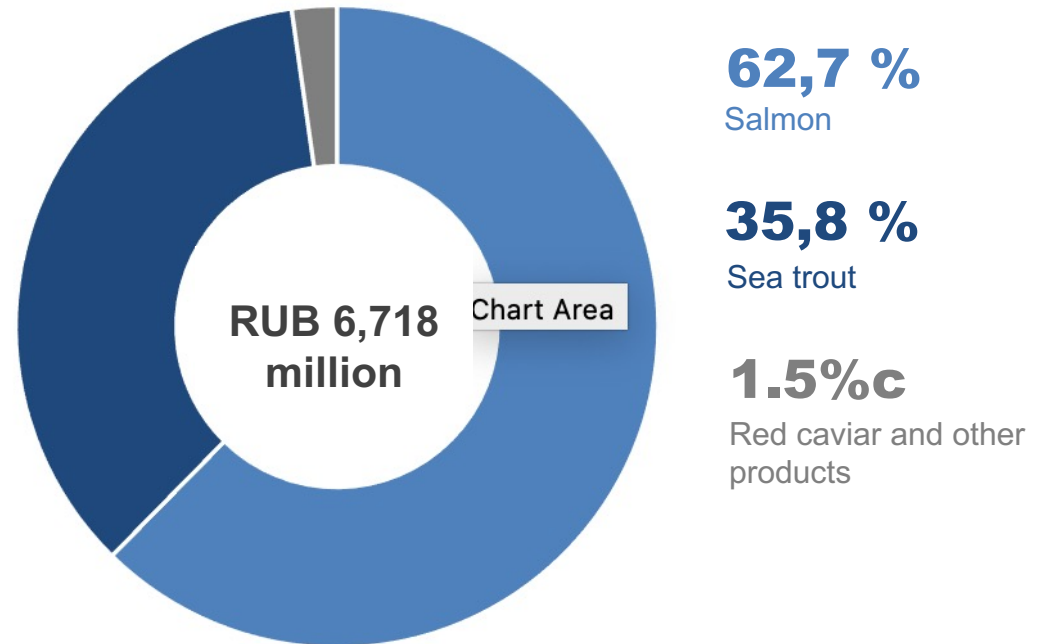
- In 1H 2021, the Company increased its sales volume of finished product considerably.

# Analysis of revenue for 1H 2021

Revenue, RUB billion



Revenue structure in 2Q 2021

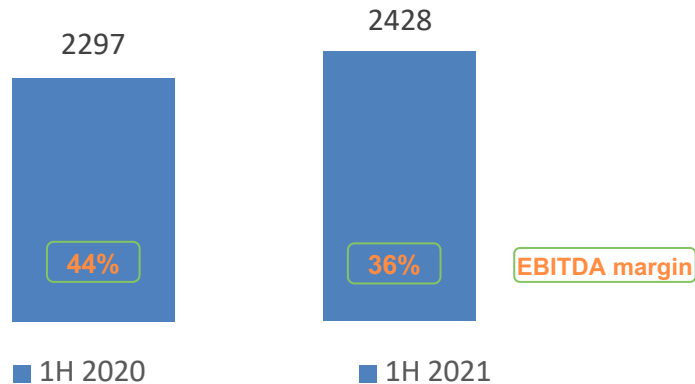


## Comments

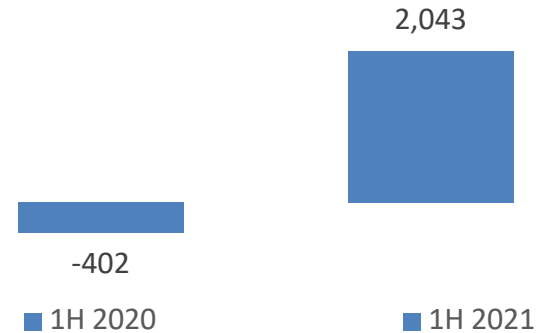
- In 1H 2021, revenue increased by 28% to RUB 6.7 billion, up from RUB 5.3 billion a year earlier. Revenue growth was driven primarily by a significant increase in sales volumes.

# Analysis of EBITDA, net profit and debt for 1H 2021

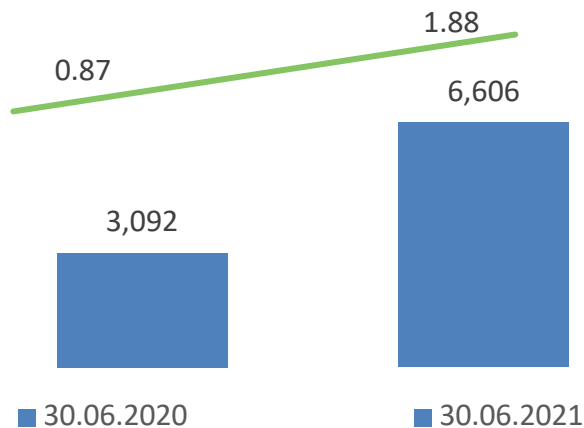
## Adj. EBITDA, RUB mln



## Net profit / loss, RUB mln



## Net debt (RUB mln) and net debt / adj. EBITDA

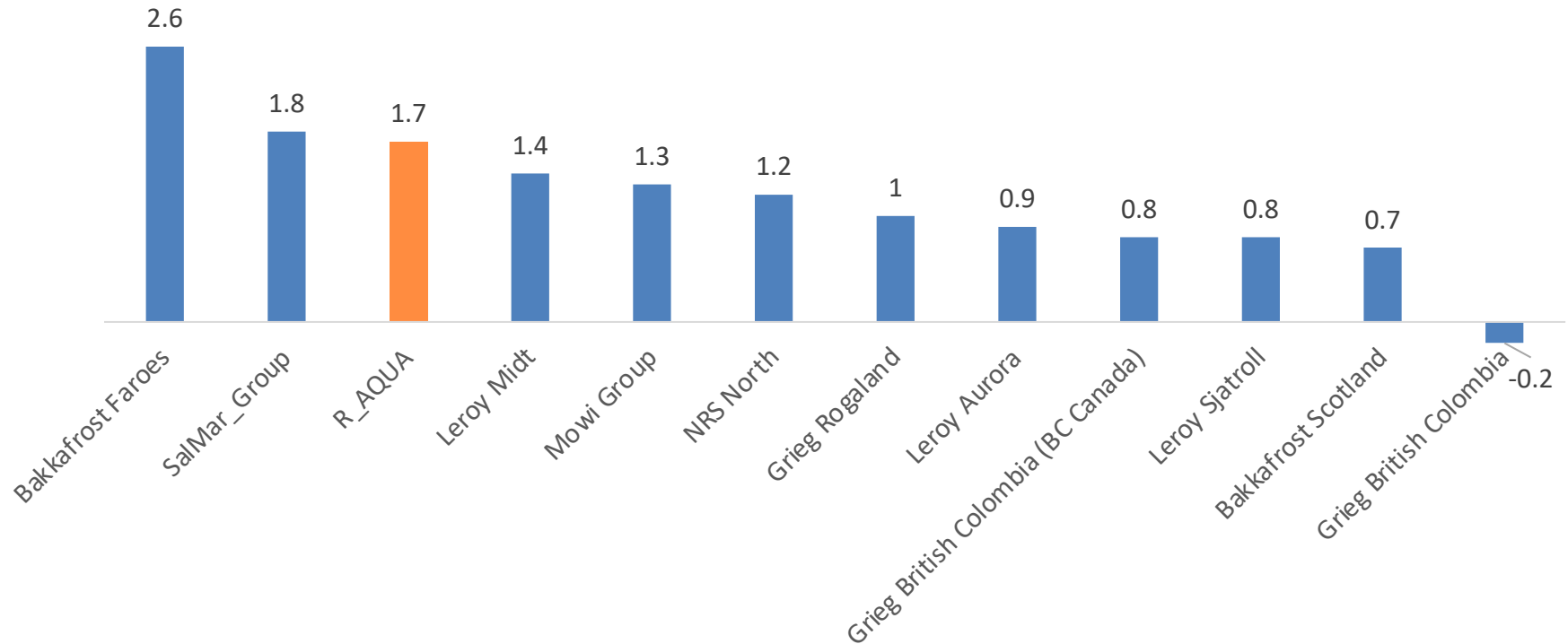


## Comments

- Higher sales volumes also helped drive a 6% year-on-year increase in adjusted EBITDA to RUB 2.4 billion, up from RUB 2.3 billion in 1H 2020. The adjusted EBITDA margin was 36%.
- Net profit was RUB 2.0 billion, compared with a loss of RUB 0.4 billion in 1H 2020, mainly due to the excellent growth rate of our fish, which had a positive effect on the revaluation of biological assets.
- As of 30 June 2021, the net debt to adjusted EBITDA ratio remained at a comfortable 1.88x.



# Operating EBIT benchmarking, EUR / kg (2Q 2021) \*



## Highlights

- Russian Aquaculture remains one of the most efficient aquaculture companies in the world, with an EBIT/kg of RUB 147, or EUR 1.7.



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