

SOLLERS AUTO

financial results 2021



April 2022

SOLLERS STRATEGIC DEVELOPMENTS



SOLLERS STRATEGIC DEVELOPMENTS (1/2)

March 2021

UAZ launches double tire wheel Profi LCV

- increased payload 1,5 t
- long base option
- new interior and comfort options

April 2021

UAZ assembly will be established in Ethiopia

- SKD assembly located at Bazra Motors plant
- full UAZ model range
- capacity: 3k units per annum by 2023

May 2021

UAZ car lease for business and entrepreneurs

- the service available for 1 to 5-year term with no down payment
- fixed payments cover all maintenance costs

June 2021

UAZ launches new UAZ Profi

- gross vehicle weight 2,5 t
- extended double tire wheelbase
- modernized suspension and steering



SOLLERS STRATEGIC DEVELOPMENTS (2/2)

August 2021

UAZ launches bi-fuel Patriot and Pickup

- ZMZ bi-fuel 2,7l engine
- 5-speed manual gearbox



August 2021

Ford Transit subscription launch

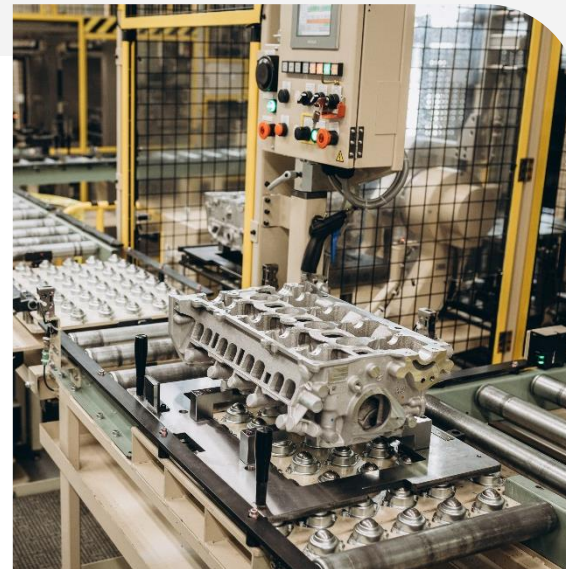
- zero downpayment
- 12-60 month
- wide range of services included (maintenance, road assistance, telematics)



September 2021

Machining shop launch at MSMR

- capacity – up to 50 K engines p.a.
- precision equipment
- highest level of automation



November 2021

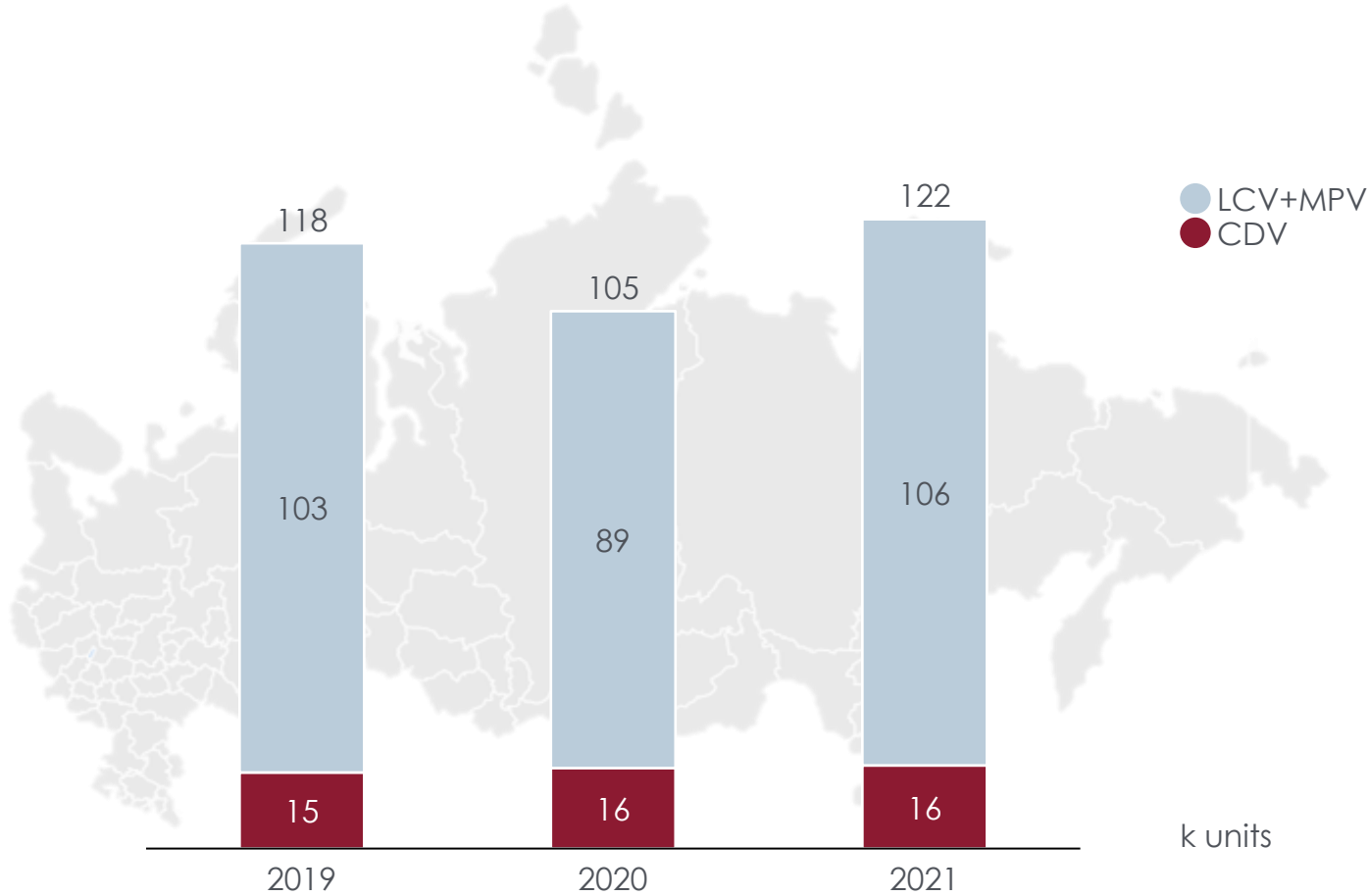
UAZ restructuring – final stage





RUSSIAN AUTOMOTIVE MARKET OVERVIEW

RUSSIAN AUTOMOTIVE MARKET: LCV



Total year-on-year growth of CV sales – 17 K units (+17% vs. 2020). The increase in the segment was mostly due to the reviving business activity and low base effect of the year 2020, while substantial price increases and limited offer triggered the sales decline towards the year end

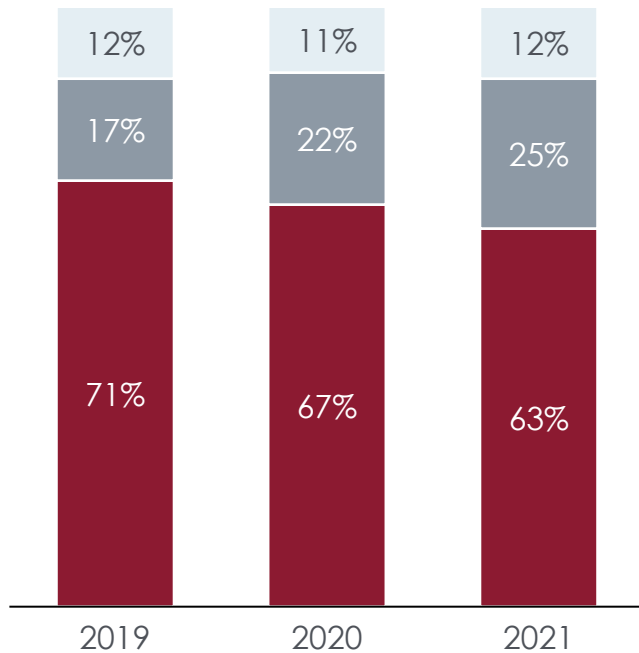
The share of Russian branded LCVs went down from 67% to 63% while foreign assembly went up to 25% from 22% in 2020

UAZ sales of commercial vehicles were flat year-on-year, the brand is #3 position on the market

The sales of Ford Transit grew by 47,6% outperforming the market. The market share of Ford Transit reached 17% (vs 14% in 2020) and it is #2 brand in Russia

RUSSIAN AUTOMOTIVE MARKET: LCV+MPV

- New import
- Assembly
- Russian brands



Russian brands



- GAZ holds the leading position on the market with 39% share (-3% to 2020)
- UAZ is #3 brand with 13% market share (15,7 K vehicles sold in 2021)

Foreign assembly



- Higher foreign brands assembly mostly due to increase in Ford Transit sales expanding its market share to 17% with 20,1 K vehicles sold in 2021. Increase of locally assembled Peugeot and Citroen vehicles to 11,3 K units also contributed to the segment rebound

Import



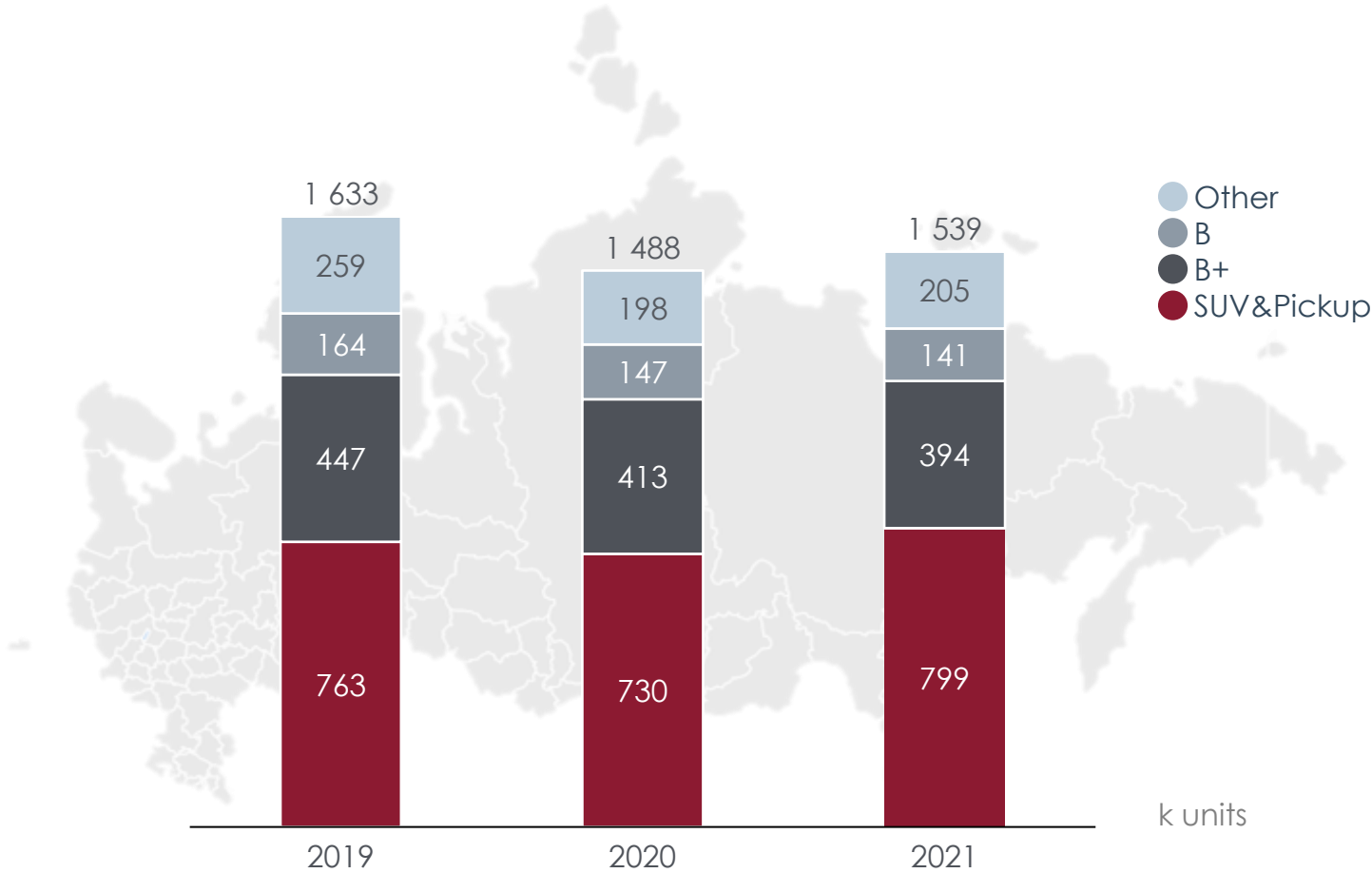
- The import growth was moderate (from 11% to 12%). The main players are VW and Peugeot with 5,0 and 1,6 K units sales in 2021 respectively

RUSSIAN AUTOMOTIVE MARKET: PASSENGER CARS

Total passenger car sales increased by 3,4% in 2021 year-on-year. The strong 1H2021 was due to the low base effect of 1H2020, while the 2H2021 demonstrated a substantial slowdown as a result of supply-side constraints

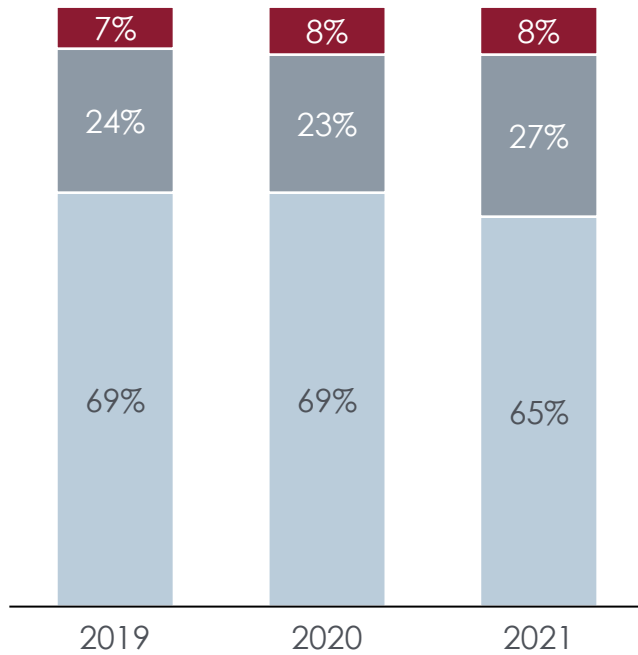
The largest SUV&Pickup segment grew 9,4% vs. 2020 representing 52% of the total passenger car market. SUV&Pickup segment became the main contributor to the market growth

B and B+ segments declined by 4,6% vs. 2020 accounting for 35% of the total passenger car market



RUSSIAN AUTOMOTIVE MARKET: SUV&PICKUP

- Russian brands
- New import
- Assembly



Russian brands



- The share of Russian brands gained 8,5%
- The key beneficiary is Lada brand with 27,8% sales growth owing to Niva Travel introduction
- UAZ holds 2% of the SUV+Pickup segment with 16,7 K units sales

Foreign assembly



- Korean brands are still dominating the market: Hyundai and Kia with 20% combined market share (161 K vehicles sold in 2021)
- Renault market share is 10% with 78,6 K units sales volume (+14% year-on-year)
- Haval more than doubled its sales in 2021 with 4,7% of SUV segment

Import



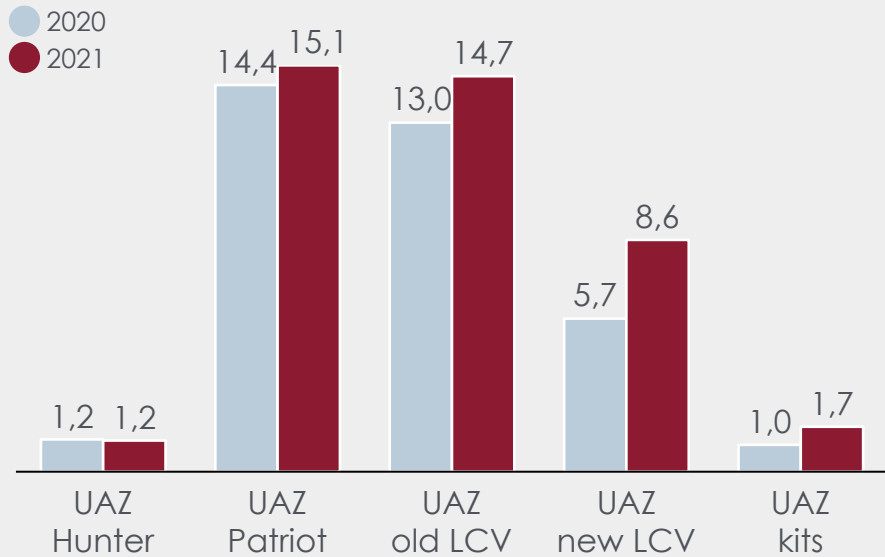
- Over 3x increase in Chery sales (to 37,1 K units)
- Geely sales increased by 61,6% to 24,4 K units

OPERATING AND FINANCIAL PERFORMANCE 2021



SOLLERS WHOLESALES (1/2)

UAZ SALES¹, K UNITS

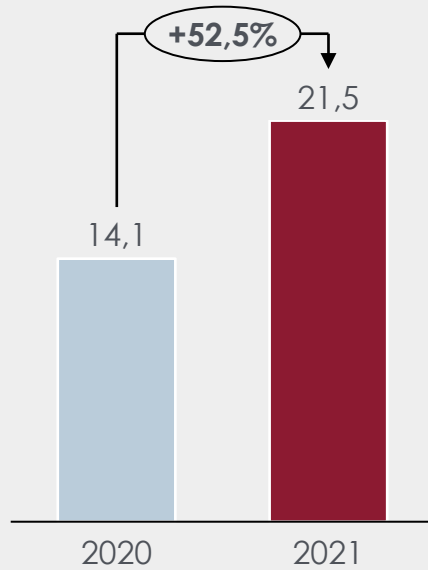


- Total UAZ wholesales amounted to 41,3 K vehicles (+17% YoY)
- Dealer sales were 10% higher in 2021 year-on-year while corporate sales 2x lower due to cease of 2020 advanced state purchase programme
- Export sales were 5,1 K vehicles (vs 3,6 K units in 2020)

¹ Consolidated

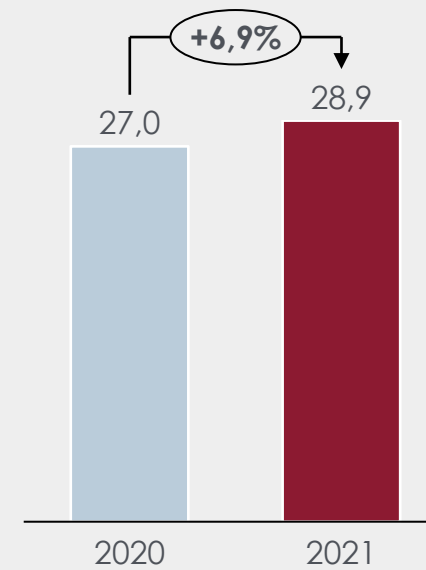
SOLLERS WHOLESALES (2/2)

FORD SALES, K UNITS



- Sollers Ford JV is fully consolidated by Sollers Auto Group since 2H2019
- Strong 2021 Sollers Ford sales supported by leasing and subscription programmes

MAZDA SALES¹, K UNITS



- Mazda sales include passenger cars (Mazda 6) and SUVs (Mazda CX5, CX9, CX30)

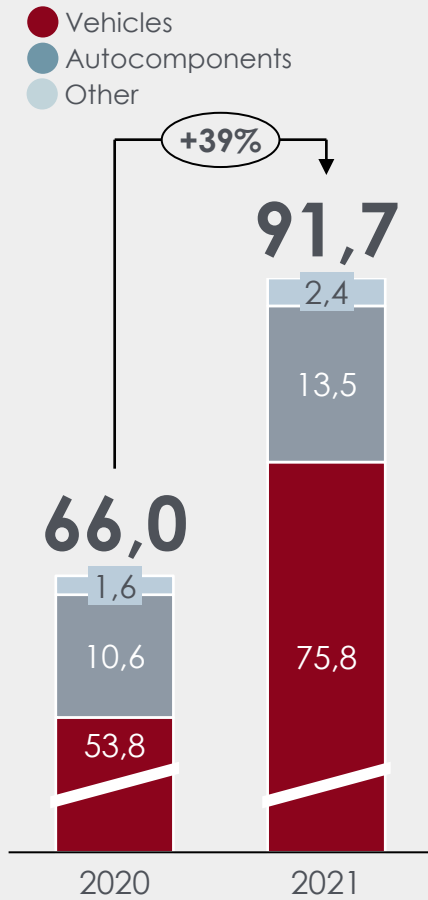
¹ Equity accounted

2021 KEY FINANCIALS, RUB. MLN.

	2020	2021	CHANGE
Revenue	65 985	91 709	25 724
EBITDA	3 197	8 649	5 452
EBITDA margin	5%	9%	4%
Operating profit	(517)	5 346	5 863
Operating profit margin	n/a	6%	n/a
Share of JV's results	(19)	408	427
Minority interest	380	2 116	1 736
Net profit/(loss) attributable to equity holders	(2 125)	2 429	4 554
Net debt position ¹	3 112	(4 973)	(8 085)

¹ Excluding restricted cash

SALES, RUB. BLN.



Total Group's revenue

+25,7 rub. bln.

Vehicles' sales

+22,0 rub. bln.

- market rebound after the lockdown
- strong dealer sales for UAZ and Ford
- uninterrupted operations and vehicles' availability at dealers

Autocomponents' sales

+2,9 rub. bln.

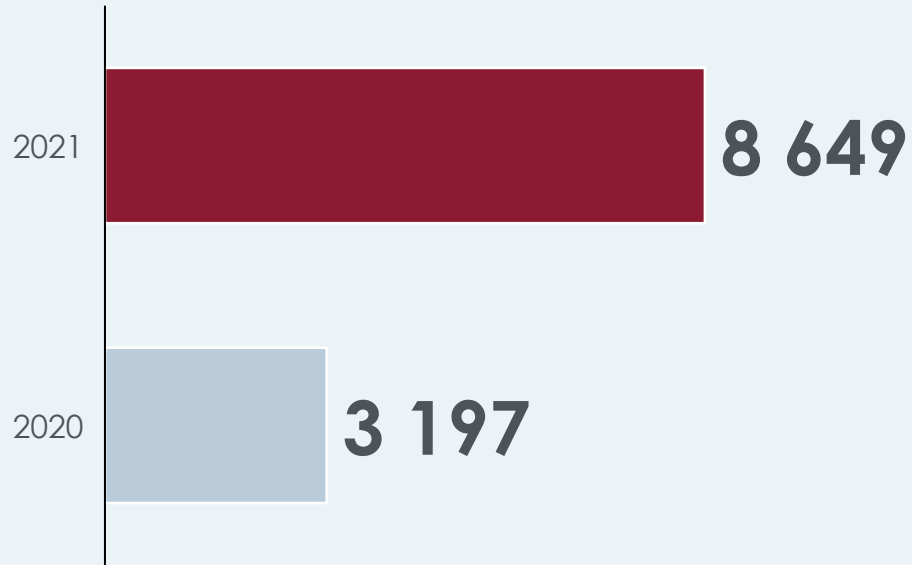
- resumed service operations at dealers drive high components' orders

Other sales

+0,8 rub. bln.

- introduction of operating lease services
- growth of extended warranty and road assistance contacts

EBITDA, RUB. MLN.



Improved sales

- market rebound
- UAZ wholesales +17,0% Y-o-Y
- Ford wholesales +52,5% Y-o-Y

Sales structure change

- additional profitability from new business operations (lease and subscription services)
- increase in high margin components' sales



9,4%

EBITDA margin

supported by higher sales volume and reduced production overheads per unit

2,7x

EBITDA growth

strong demand, efficient cost control and improved product mix allowed the Group to more than double EBITDA



CASH FLOWS, RUB. MLN.

OPERATING CASH FLOW

5 238	profit before tax
3 157	D&A
728	interest expense
(408)	share of JV results
522	extended warranty
113	loss on fixed assets disposal
217	other adjustments
3 894	change in working capital
(2 033)	interest and tax paid

11 428

INVESTING CASH FLOW

(2 440)	net CapEx
941	restricted cash release
805	net cash from joint ventures
20	other cash flows

(674)

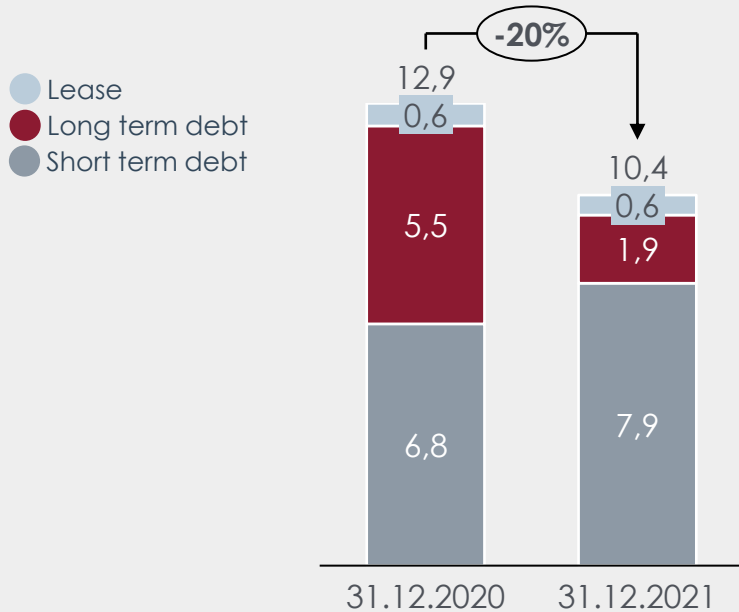
FINANCING CASH FLOW

(3 063)	net change in debt
(1 589)	NCI profit distribution
(457)	treasury shares acquisition
(127)	lease payments

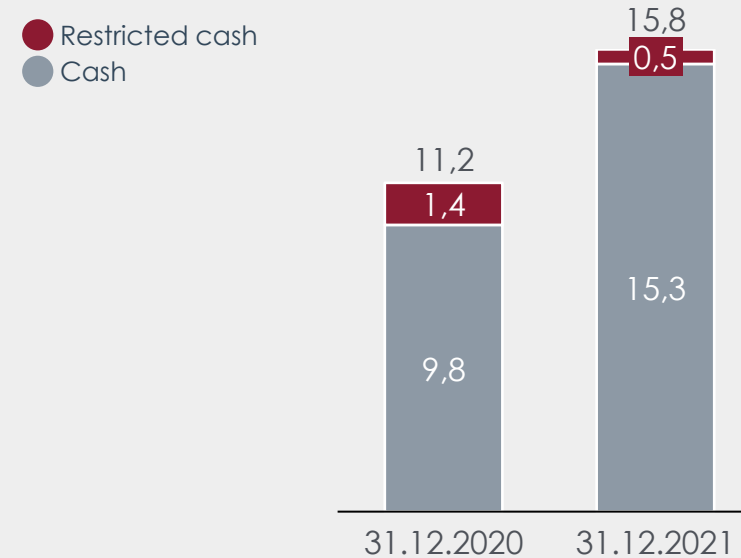
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DEBT PROFILE AND CASH POSITION

DEBT PROFILE, RUB. BLN.



CASH POSITION, RUB. BLN.



- Average effective interest rate increased from 4,1% to 6,8% as a result of repayment of subsidized loans¹ and gradually growing key rate from 4,25% in Dec 2020 to 8,5% as of the year end 2021
- Debt amount includes lease liabilities recognized for Sollers Ford property lease for the engine plant production in Special Economic Zone Alabuga

- The Group's restricted cash balance includes cash from funding with state fund for industrial development and cash received under state orders contracts
- The Group's restricted cash received under state orders decreased due to the orders supplied. The restricted cash is released upon cars delivery to the customer

¹ The credit lines provided in 2020 under state programme for working capital support

JOINT VENTURES' RESULTS



JOINT VENTURES' RESULTS¹

YEAR 2021 CHANGES

- The Group received 700 rub. mln. dividends from Mazda Sollers in 2021
- The Group received 82 rub. mln. dividends from Sollers Bussan
- In Oct 2021 Sollers Bussan partners approved the JV's termination. As a result 48 rub. mln. was distributed to the Group

JV'S CONTRIBUTION, RUB. MLN.

	2020	2021
Mazda Sollers	6	498
Isuzu Sollers	(15)	(70)
Sollers Bussan	(10)	(20)
Total	(19)	408

¹ The share of JV's results equity accounted by Sollers Group

MAZDA SOLLERS

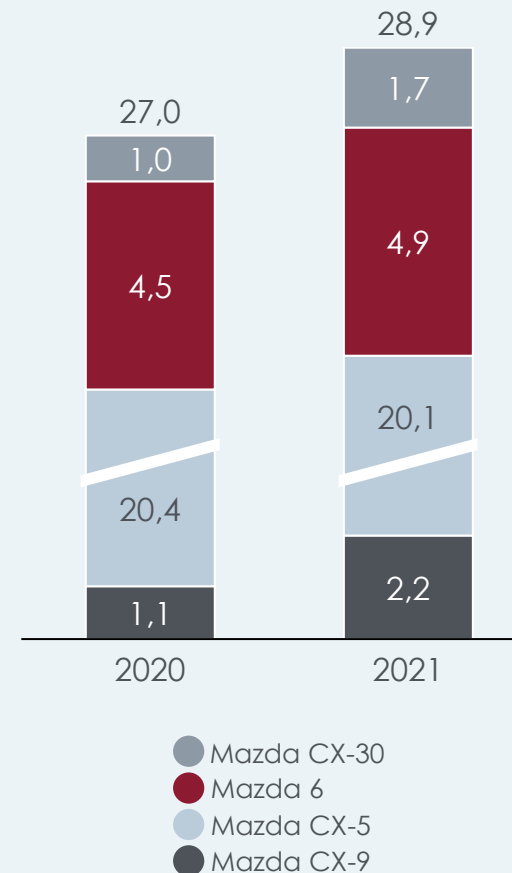
KEY FINANCIALS, RUB. MLN.

	2020	2021
Revenue	42 665	53 621
Operating profit	179	1 061
Operating profit, %	0,4%	2,0%
Net profit	11	997
Debt ¹	2 454	1 227

- Mazda Sollers is an industrial partnership operating on cost plus basis
- Vehicles assembly started in 2012
- The model range is continually enhanced and upgraded
- In 2019 Mazda started engines assembly for export
- 20 k engines produced in 2021

¹ The loan is provided by the partner

SALES, K UNITS

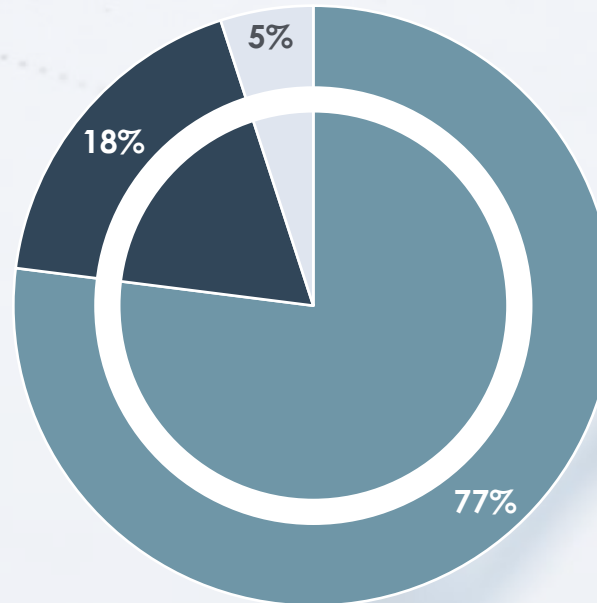


STOCK INFORMATION

CHANGE IN SHARE CAPITAL

- In 2021 the Group acquired 5% of Sollers Auto shares for 457 rub. mln. and in Feb 2022 the Group acquired another 5% of shares for 412 rub. mln.
- 5% of shares were cancelled in Feb 2022 with the following change in the shareholders' structure

SHAREHOLDERS' STRUCTURE



- Free-float
- V. Shvetsov
- Treasury shares

5,9

rub. bln. – current market cap

180,0

rub. – share price as of 29 Apr 2022

32,6

mln. shares – total equity

SVAV

ticker