

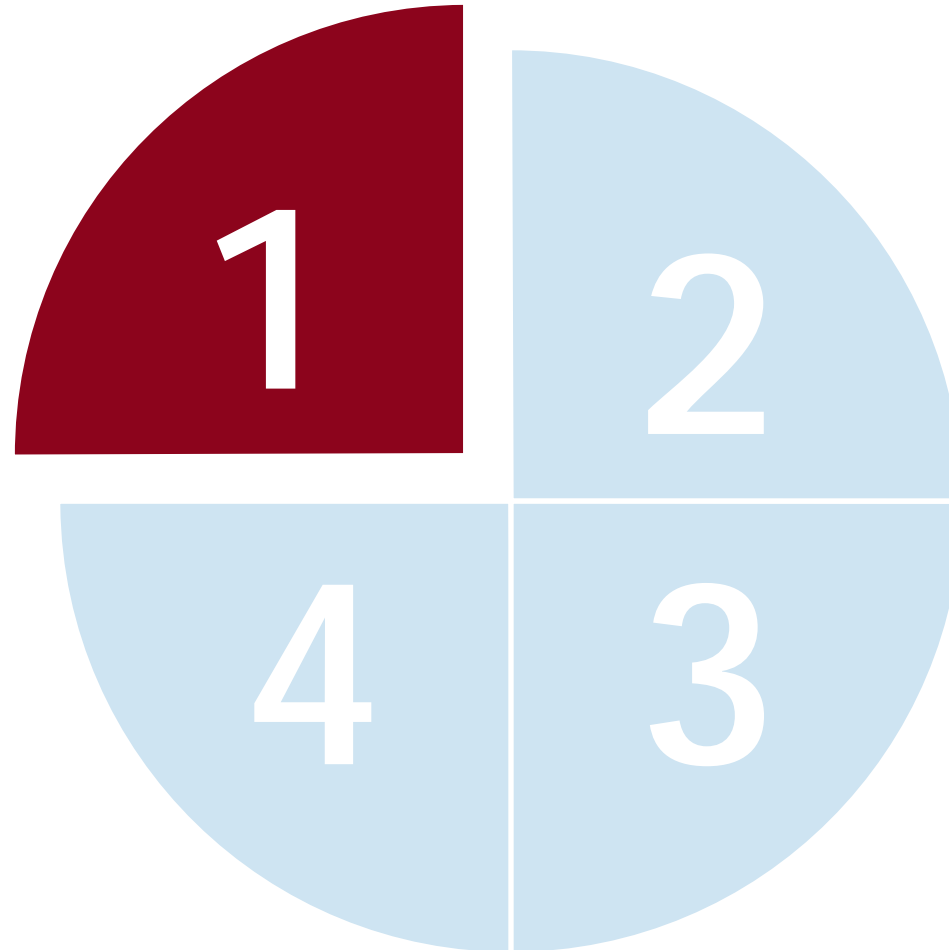


SOLLERS AUTO

FINANCIAL RESULTS 1H2021

August 2021

**SOLLERS
STRATEGIC
DEVELOPMENTS**

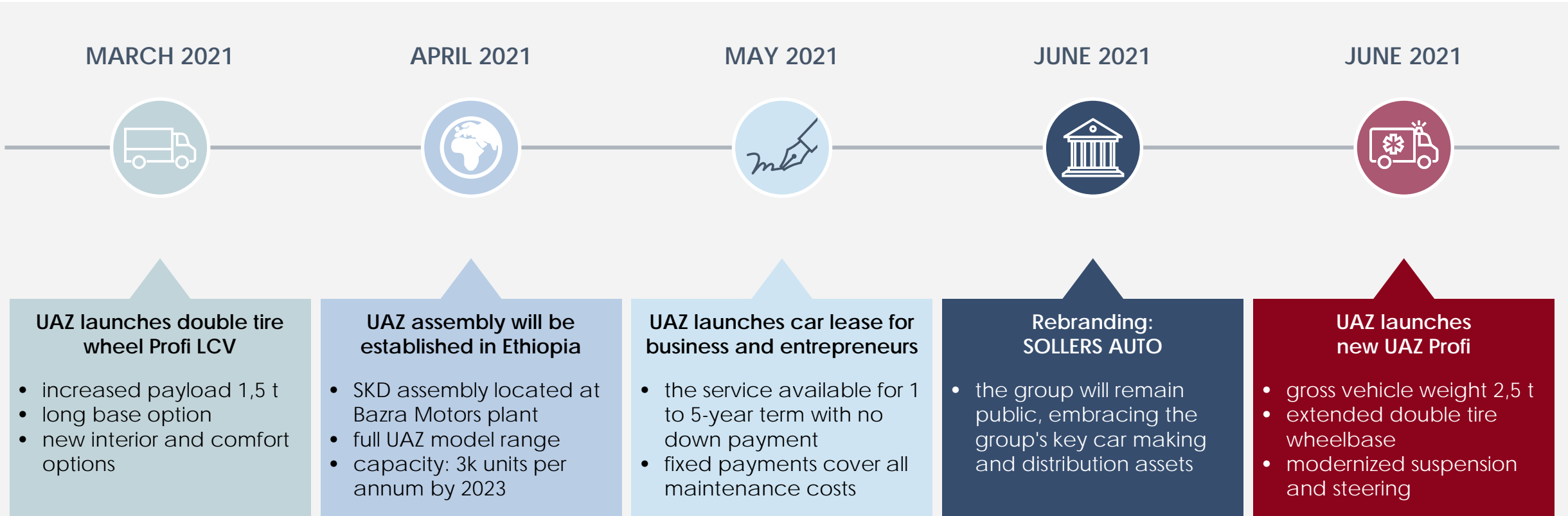


RUSSIAN
AUTOMOTIVE
MARKET OVERVIEW

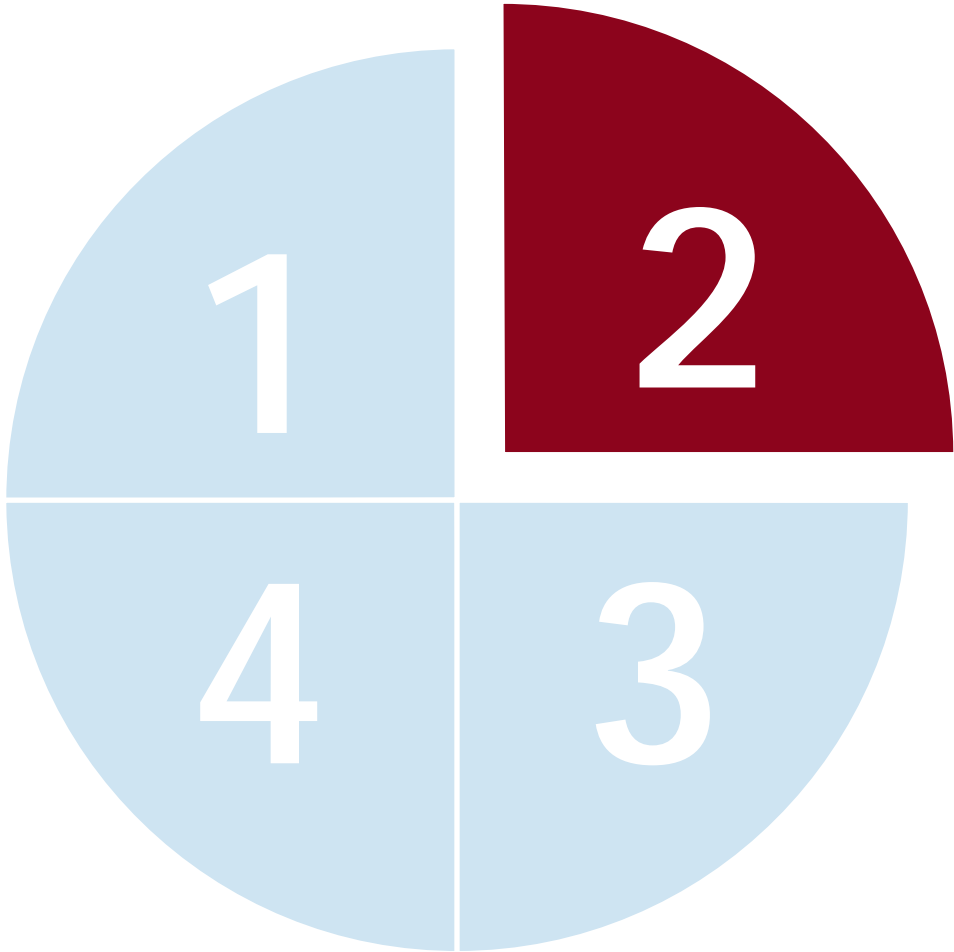
JOINT
VENTURE'S
RESULTS

OPERATING
AND FINANCIAL
PERFORMANCE 1H2021

SOLLERS STRATEGIC DEVELOPMENTS



SOLLERS
STRATEGIC
DEVELOPMENTS

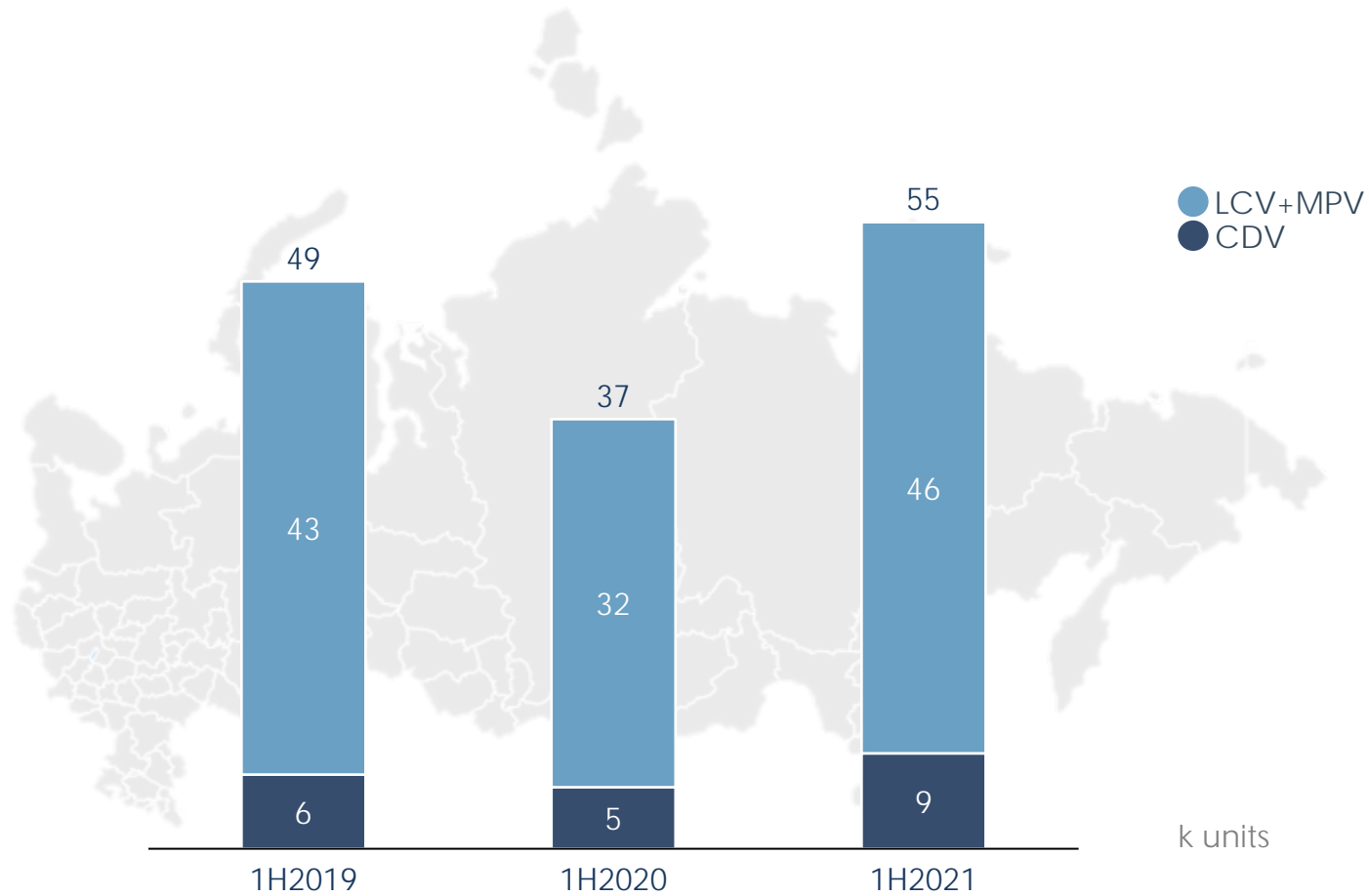


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RUSSIAN AUTOMOTIVE MARKET: LCV



Total year-on-year growth of CV sales – 46% (+10% vs. 1H2019). The increase in the segment was mostly due to the low base effect. The sales rebound evidences business activity, primarily service industry revival

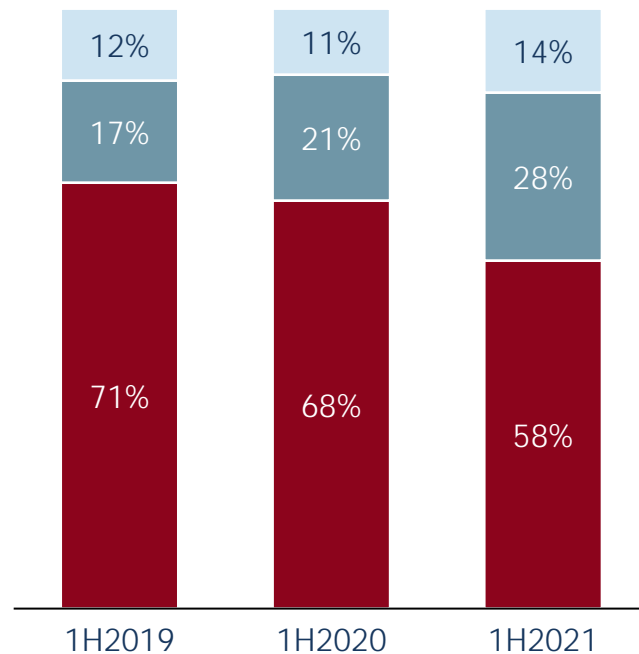
The share of Russian branded LCV+MPV went down from 68% to 58% while foreign assembly went up to 28% from 21% in 1H2020

UAZ sales of commercial vehicles went up by 32%, the brand is #3 position on the market

The sales of Ford Transit grew by 87% outperforming the market. The market share of Ford Transit increased to 18% (versus 14% in 1H2020) and it is #2 brand in Russia

RUSSIAN AUTOMOTIVE MARKET: LCV+MPV

- New import
- Assembly
- Russian brands



Russian brands

- GAZ remains the market leader with 43% market share, but underperforms the market: moderate 20% growth vs. 1H2020
- UAZ is #3 brand with 15% of the market (6,8 K vehicles sold in 1H2021)



Foreign assembly

- Higher foreign brands assembly mostly due to increase in Ford Transit sales expanding its market share to 18%. 8,3 K Ford Transit vehicles sold in 1H2020. Increase of Peugeot locally assembled vehicles to 2,7 K units also contributed to the segment rebound



Import

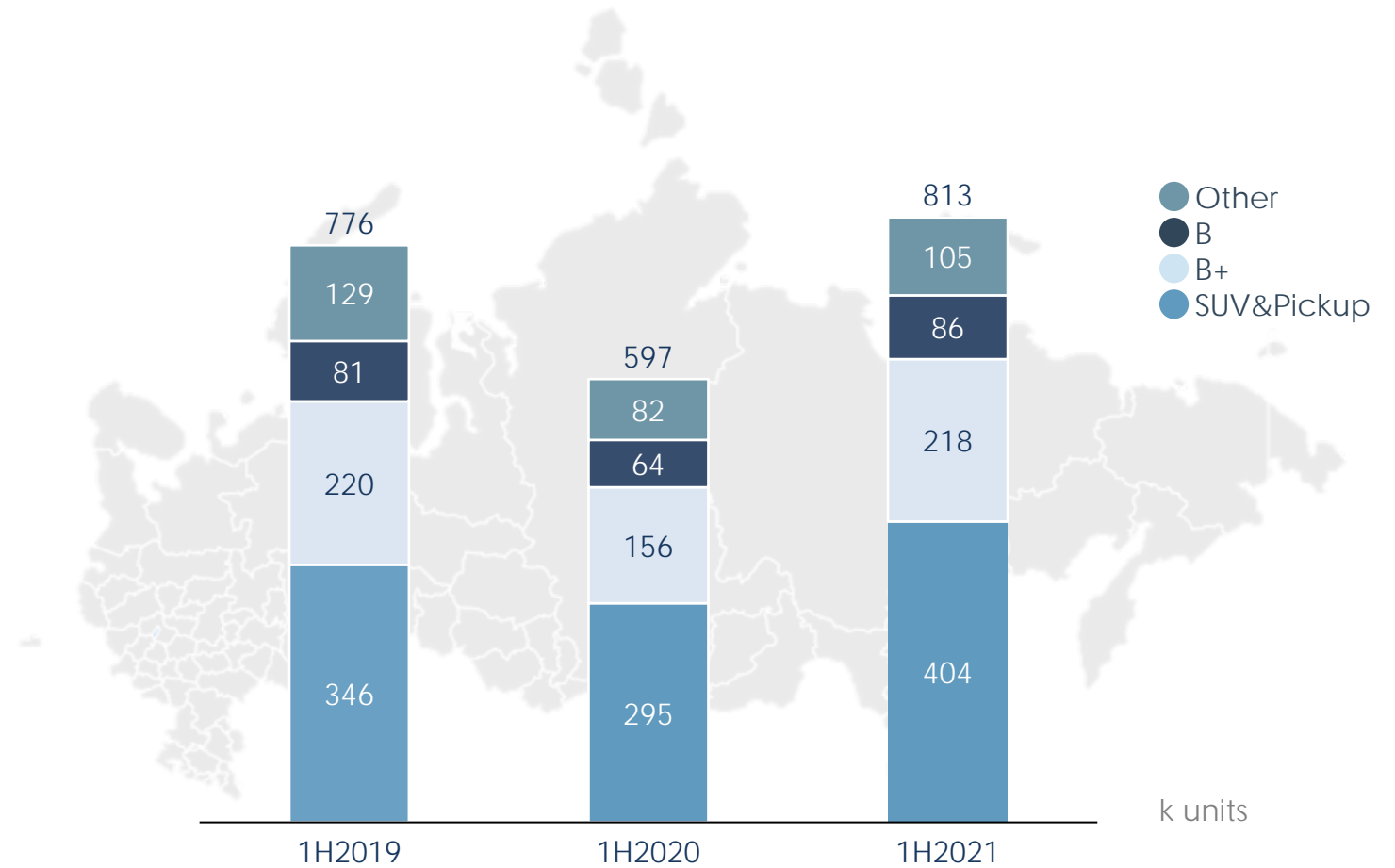
- The share of import went up from 11% to 14% mostly due to Volkswagen commercial vehicles increasing the market share to 7% having 3 K units sold in 1H2021

RUSSIAN AUTOMOTIVE MARKET: SUV&PICKUP

Total passenger car sales raised by 36% given low base effect of 1H2020, but slight increase over 1H2019 (+5%) evidence overall market revival

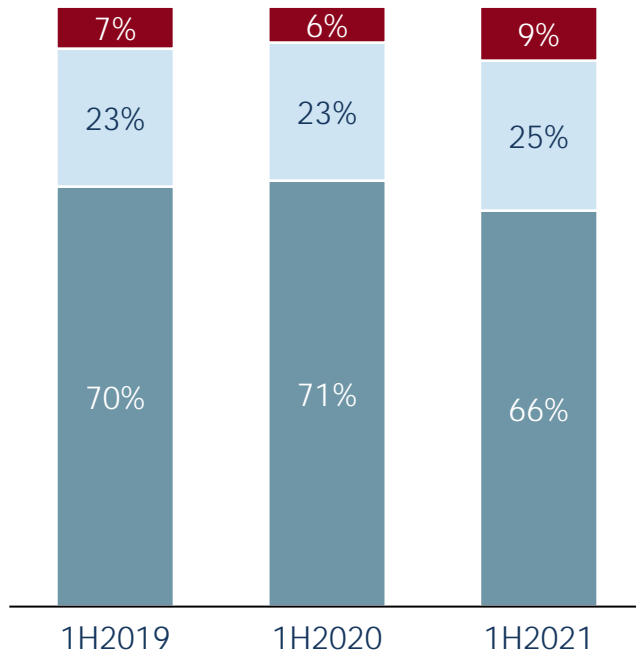
The largest SUV segment was +37% vs. 1H2020 (+17% vs.1H2019) remains the most marketable type in Russia

B+ is #2 segment on the Russian market showing 40% growth in 1H2021 (flat over 1H2019)



RUSSIAN AUTOMOTIVE MARKET: SUV&PICKUP

- Russian brands
- New import
- Assembly



Russian brands

- The share of Russian brands increased to 9%
- The key beneficiary is Lada brand, which almost tripled its sales to 30 K vehicles (Niva Travel & Legend)
- UAZ with 2% of the SUV+Pickup segment sold 6,4 K vehicles
- Sales of UAZ Patriot slid down by 16% to 4,8 K vehicles



Foreign assembly

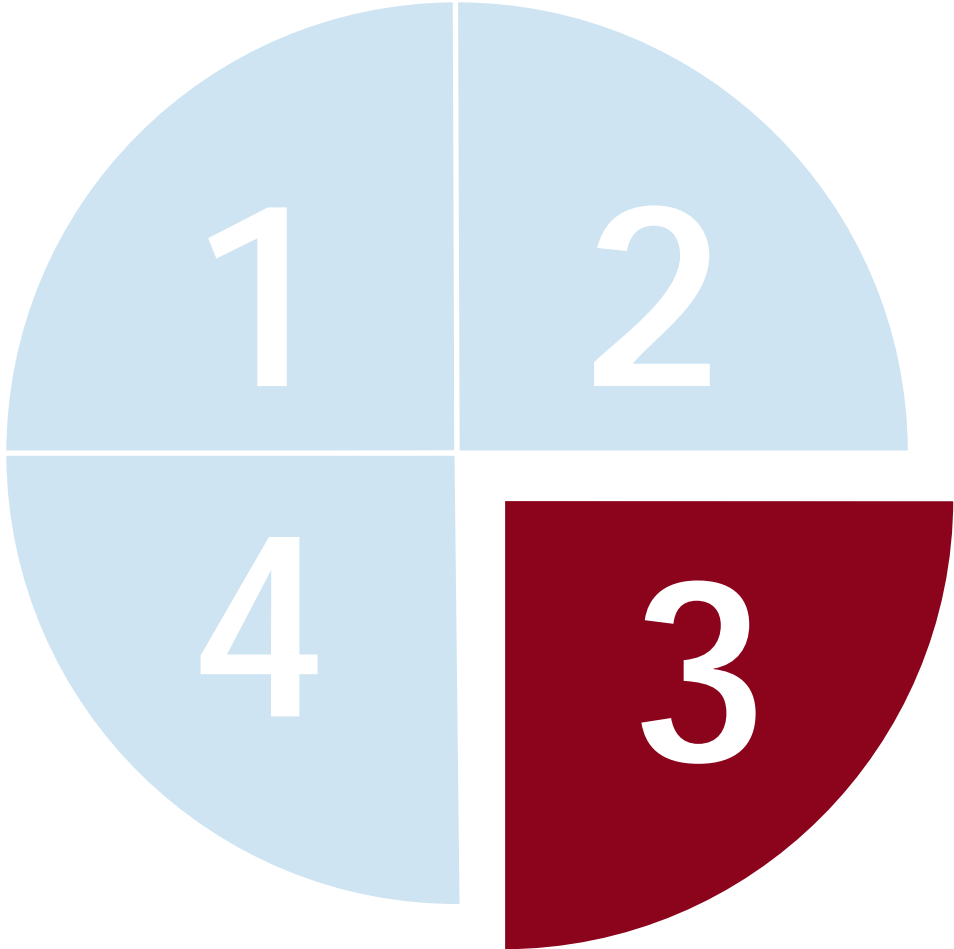
- Moderate decrease in the share of locally assembled vehicles
- Korean brands are still dominating the market: Hyundai and Kia with 22% combined market share (88 K vehicles sold in 1H2021)



Import

- New import was slightly up to 25% with Toyota LC Prado leading the segment (6,3 K vehicles sold in 1H2021)

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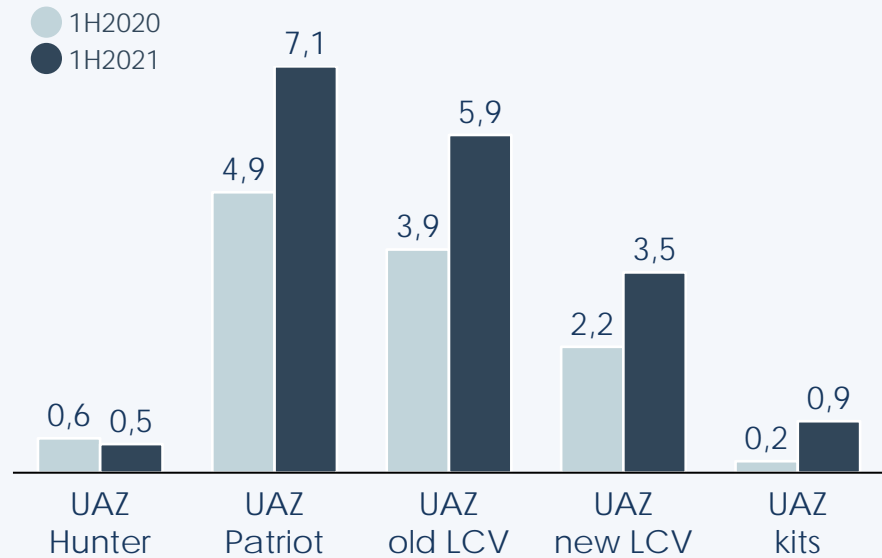
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SOLLERS WHOLESALES (1/2)

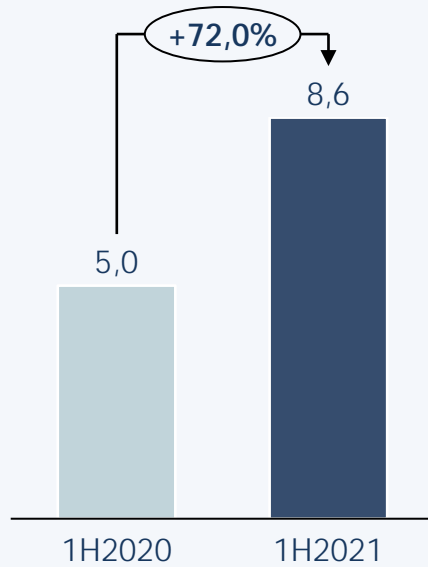
UAZ SALES¹, K UNITS



- Total UAZ wholesales amounted to 17,9 K vehicles (+52% YoY)
- Dealer sales were dominating in the sales structure (83%)
- Corporate sales lower due to cease of 2020 advanced state purchase programme
- Export sales were 2,4 K vehicles

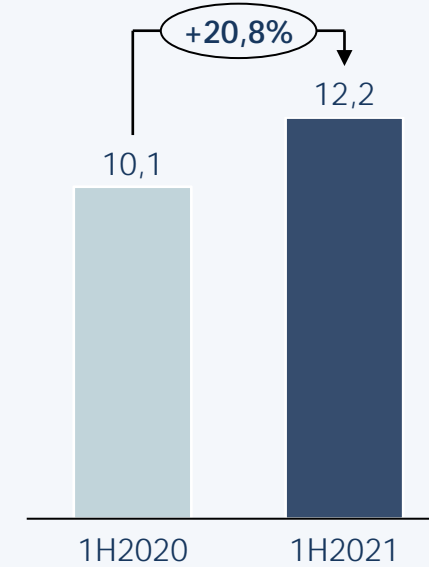
SOLLERS WHOLESALLES (2/2)

FORD SALES, K UNITS



- Sollers Ford JV is fully consolidated by Sollers Auto Group since 2H2019
- Despite pandemic restrictions Sollers Ford wholesales were growing, dealer orders were solid representing XX% of total wholesales

MAZDA SALES¹, K UNITS



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

¹ Equity accounted

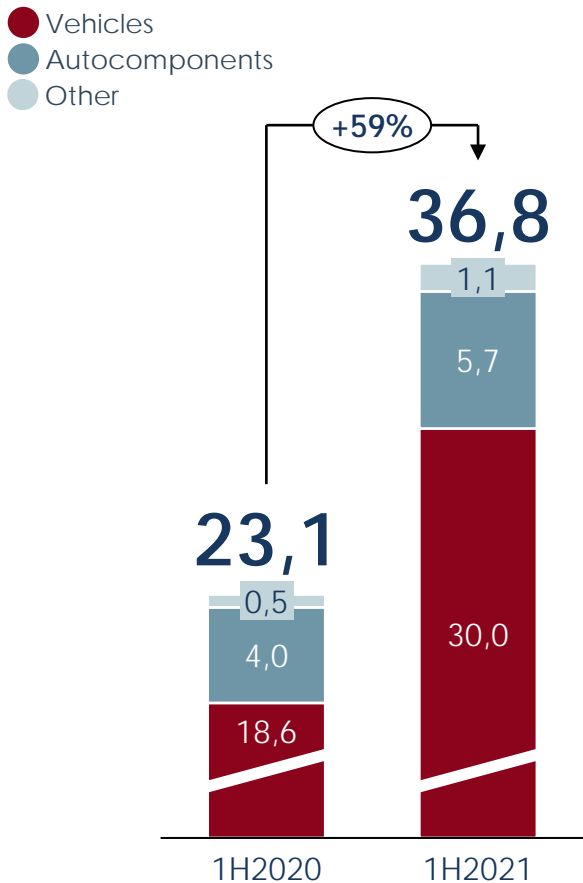
1H2021 KEY FINANCIALS, RUB. MLN.

	1H2020	1H2021	CHANGE
Revenue	23 140	36 812	13 672
EBITDA	1 160	3 398	2 238
EBITDA margin	5%	9%	4%
Operating profit	(496)	1 622	2 118
Operating profit margin	(2%)	4%	6%
Share of JV's results	112	(256)	(368)
Minority interest	103	543	440
Net profit/(loss) attributable to equity holders	(1 161)	277	1 438
Net debt position ¹ as of 31.12.2019/ 31.12.2020	614	3 112	2 498
Net debt position ¹ as of 30.06.2020/ 30.06.2021	4 860	3 946	(914)

¹ Excluding restricted cash

SALES, RUB. BLN.

Total Group's revenue increased by 13,7 rub. bln.



Vehicles' sales

+11,4 rub. bln.

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

Autocomponents' sales

+1,7 rub. bln.

- resumed service operations at dealers drive high components' orders

Other sales

+0,6 rub. bln.

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

EBITDA, RUB. MLN.



3x EBITDA growth

Stabilised macroeconomics, improved sales and efficient cost control allowed the Group to triple EBITDA in 1H2021 y-o-y



EBITDA margin at 9%

- reduced per unit production overheads
- maintaining strong cost control



Improved vehicle sales

- market rebound
- availability of vehicles on stock
- UAZ wholesales +52% Y-o-Y
- Ford wholesales +72% Y-o-Y



Sales structure change

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

CASH FLOWS, RUB. MLN.

Operating cash flow

1 091 – profit before tax

1 539 – depreciation and amortisation

414 – interest expense

256 – share of joint ventures results

301 - loss on fixed assets disposal

225 – other adjustments

(1 905) – change in working capital

(1 407) – interest and tax paid

514

Investing cash flow

(407) – net CapEx

1 114 – restricted cash withdrawal

(25) – investment in joint venture

20 – other cash flows

702

Financing cash flow

970 – net change in debt

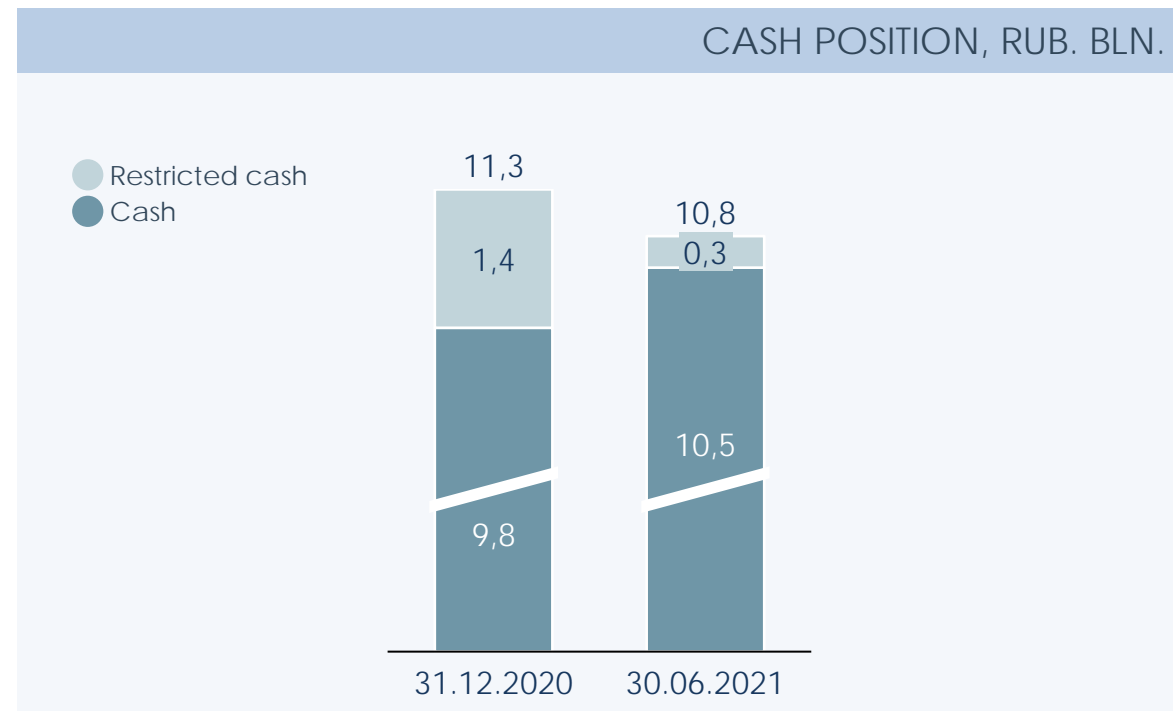
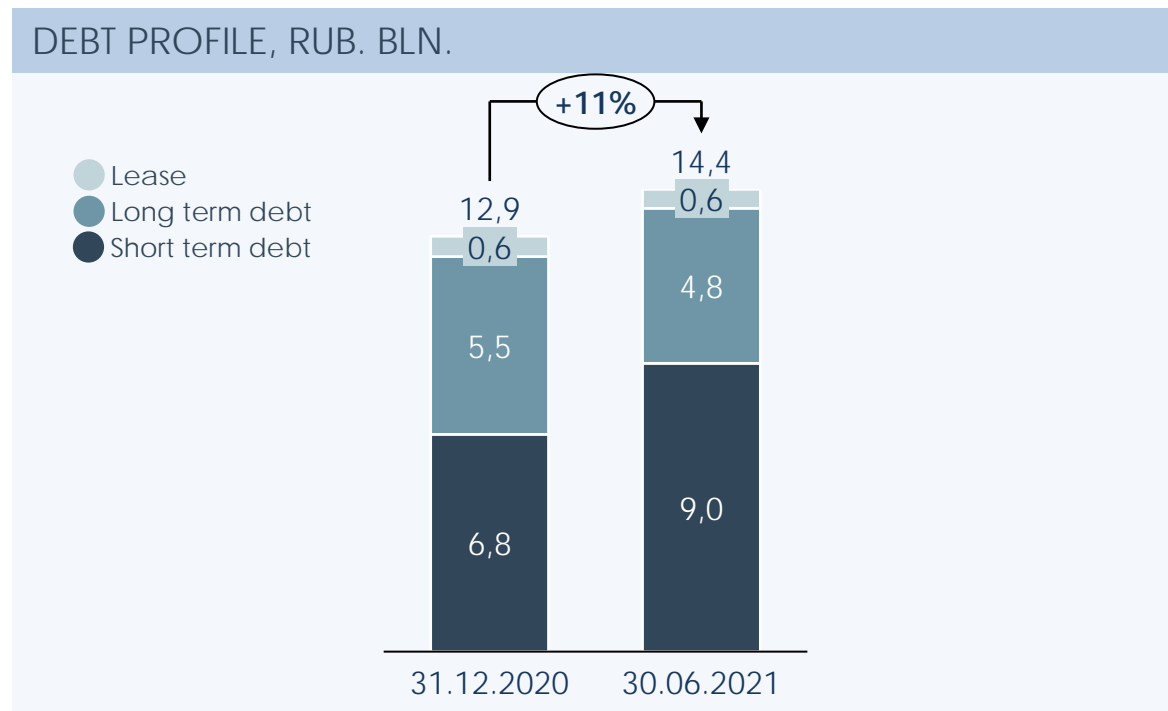
(1 040) – NCI profit distribution

(457) – treasury shares acquisition

(62) – lease payments

(589)

DEBT PROFILE AND CASH POSITION

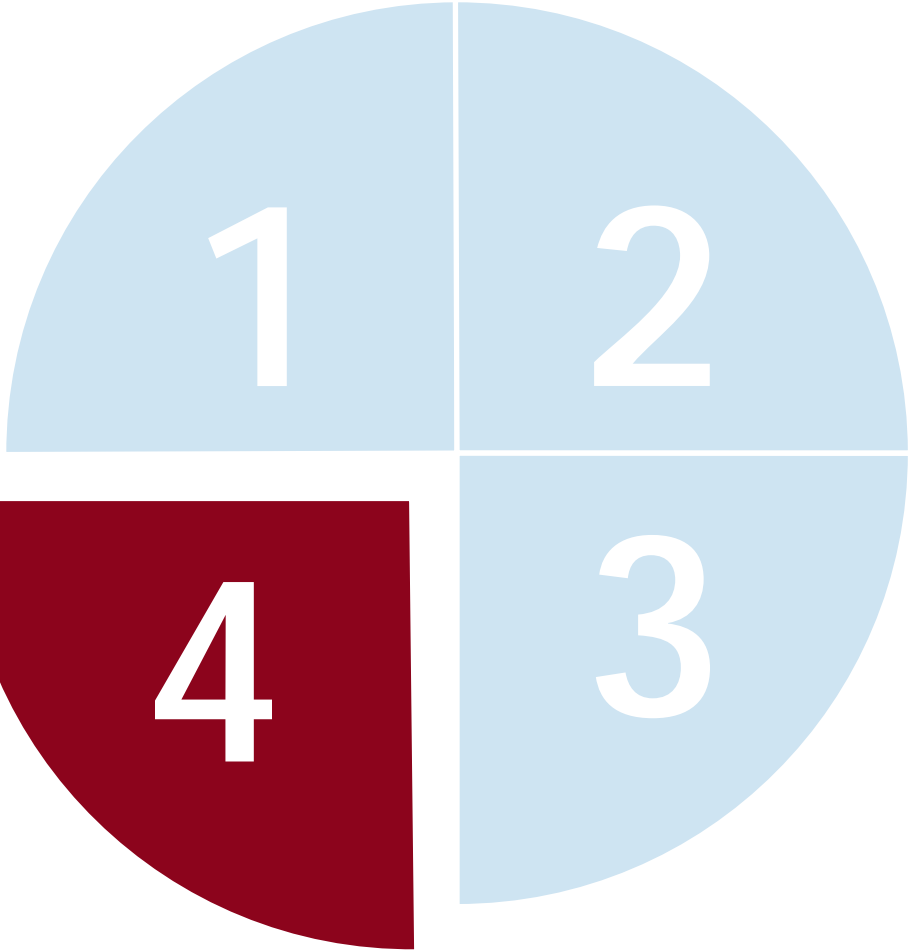


- Average effective interest rate increased from 4,1% to 6,3% as a result of repayment of subsidized loans¹ and gradually growing key rate from 4,25% in Dec 2020 to 5,5% in Jun 2021
- Debt amount includes lease liabilities recognized for Sollers Ford property lease for the engine plant production in Special Economic Zone Alabuga

- The Group's restricted cash decreased due to state 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

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JOINT VENTURES RESULTS¹

	1H2020	1H2021	CHANGE
Mazda Sollers	125	(256)	(381)
Isuzu Sollers	(8)	5	13
Sollers Bussan	(5)	(5)	-
Total	112	(256)	(368)

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

MAZDA SOLLERS

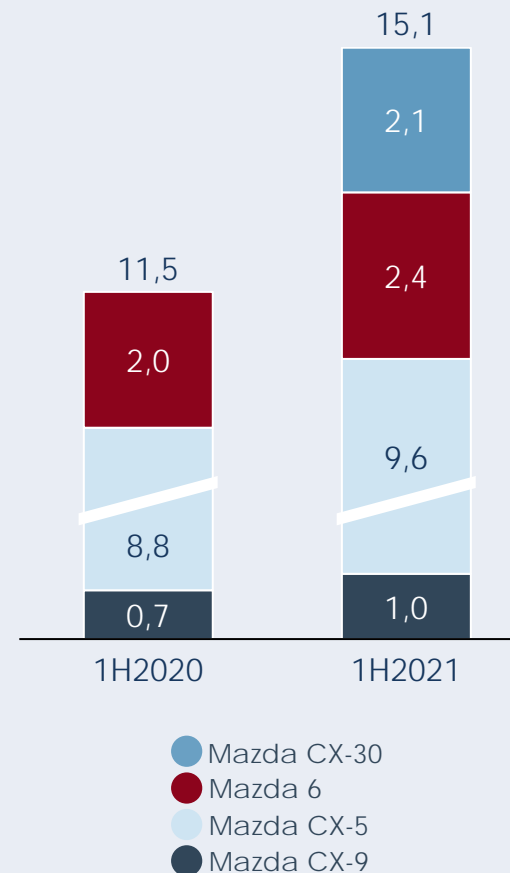
KEY FINANCIALS, RUB. MLN.

	1H2020	1H2021
Revenue	15 495	21 125
Operating profit/(loss)	289	(442)
Operating profit %	1,9%	(2,1%)
Net profit/ (loss)	249	(513)
Debt ¹	(3 066)	(1 840)

- Mazda Sollers is an industrial partnership operating on cost plus basis
- Vehicles assembly started in 2012
- The model range is continually enhanced and ungraded
- In 2019 Mazda started engines assembly for export
- 9,4 k engines produced in 1H2021

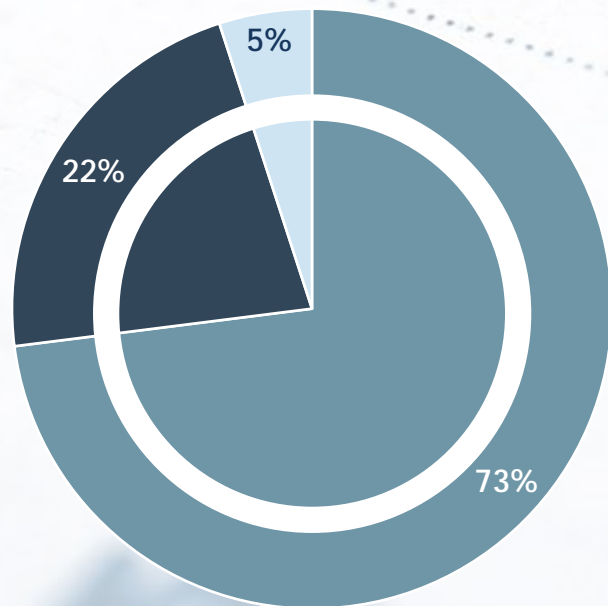
¹ The loan is provided by the partner

SALES, K UNITS



STOCK INFORMATION

SHAREHOLDERS' STRUCTURE



- Free-float
- Shvetsov V.
- Treasury shares

7,0

rub. bln. – current market cap

203,5

rub. – share price as of
27 Aug 2021

34,3

mln. shares – total equity

SVAV

ticker