

PJSC SIBUR Holding

**International Financial Reporting Standards
Consolidated Interim Condensed
Financial Information (Unaudited)**

As of and for the three and nine months ended 30 September 2021

Table of Contents

Report on Review of Consolidated Interim Condensed Financial Information

Consolidated Interim Condensed Statement of Profit or Loss (unaudited)	1
Consolidated Interim Condensed Statement of Financial Position (unaudited)	2
Consolidated Interim Condensed Statement of Cash Flows (unaudited)	3
Consolidated Interim Condensed Statement of Changes in Equity (unaudited).....	4
Consolidated Interim Condensed Statement of Comprehensive Income (unaudited).....	5

Notes to the Consolidated Interim Condensed Financial Information (unaudited):

1	Nature of Operations	6
2	Critical Accounting Estimates and Judgements in Applying Accounting Policies.....	6
3	Deconsolidation of Subsidiaries	6
4	Revenue	7
5	Operating Expenses.....	8
6	Finance Income and Expenses	8
7	Segment Information	8
8	Contracts on Construction Services.....	11
9	Property, Plant and Equipment	12
10	Right-of-use Assets	13
11	Investments in Joint Ventures and Associates	13
12	Trade and Other Receivables	14
13	Inventories	14
14	Prepayments and Other Current Assets.....	14
15	Long-Term Debt	15
16	Deferred Income from Grants and Subsidies	16
17	Other Non-Current Liabilities.....	16
18	Trade and Other Payables	17
19	Taxes Other than Income Tax Payable.....	17
20	Shareholders' Equity.....	17
21	Income Tax.....	18
22	Cash Generated from Operations and Net Debt Reconciliation	18
23	Related Parties.....	19
24	Fair Value of Financial Instruments	21
25	Commitments, Contingencies and Operating Risks.....	21
26	Events after the Reporting Date.....	22
27	Basis of Preparation and Significant Accounting Policies.....	22
28	New Accounting Developments	23
	Contact Info.....	24



Report on Review of Consolidated Interim Condensed Financial Information

To the Shareholders and Board of Directors of PJSC SIBUR Holding:

Introduction

We have reviewed the accompanying consolidated interim condensed statement of financial position of PJSC SIBUR Holding and its subsidiaries (together – the “Group”) as at 30 September 2021 and the related consolidated interim condensed statements of profit or loss and comprehensive income for the three-month and nine-month periods then ended, consolidated interim condensed statements of changes in equity and cash flows for the nine-month period then ended, and the related explanatory notes. Management is responsible for the preparation and presentation of this consolidated interim condensed financial information in accordance with International Accounting Standard 34, “Interim Financial Reporting”. Our responsibility is to express a conclusion on this consolidated interim condensed financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of consolidated interim condensed financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim condensed financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34, "Interim Financial Reporting".

AO PricewaterhouseCoopers Audit
27 October 2021
Moscow, Russian Federation



D.P. Derevyankin, certified auditor (licence No. 01-001581), AO PricewaterhouseCoopers Audit

Audited entity: PJSC SIBUR Holding

Record made in the Unified State Register of Legal Entities
on 08-07-2005 under State Registration Number
1057747421247

Taxpayer Identification Number 7727547261

Block 1, No. 6, bld. 30, Eastern Industrial Park, Tobolsk, Tyumen
Region, Russian Federation, 626150

Independent auditor: AO PricewaterhouseCoopers Audit

Registered by the Government Agency Moscow Registration Chamber
on 28 February 1992 under No. 008.890

Record made in the Unified State Register of Legal Entities on
22 August 2002 under State Registration Number 1027700148431

Taxpayer Identification Number 7705051102

Member of Self-regulatory organization of auditors Association
«Sodruzhestvo»

Principal Registration Number of the Record in the Register of Auditors
and Audit Organizations – 12006020338

PJSC SIBUR HOLDING

CONSOLIDATED INTERIM CONDENSED STATEMENT OF PROFIT OR LOSS (UNAUDITED)

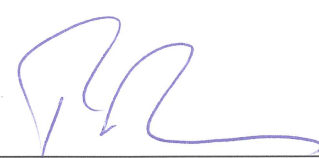
(In millions of Russian rubles, unless otherwise stated)

Notes		Three months ended 30 September		Nine months ended 30 September	
		2021	2020	2021	2020
4	Revenue	223,393	134,016	597,633	369,332
5	Operating expenses	(131,732)	(102,469)	(367,344)	(295,840)
	Operating profit	91,661	31,547	230,289	73,492
6	Finance income	2,377	423	12,016	1,185
6	Finance expenses	(6,680)	(58,700)	(13,731)	(109,399)
	Result of subsidiary's disposal and remeasurement of related assets	1,587	(215)	1,516	(215)
	Result of subsidiary's acquisition and remeasurement of related liabilities	-	-	(503)	(225)
	Share of net income of joint ventures and associates	3,067	528	11,708	2,510
	Profit/(loss) before income tax	92,012	(26,417)	241,295	(32,652)
21	Income tax (expense)/benefit	(18,537)	6,270	(48,576)	8,042
	Profit/(loss) for the reporting period	73,475	(20,147)	192,719	(24,610)
	Profit/(loss) for the reporting period, including attributable to:	73,475	(20,147)	192,719	(24,610)
	Non-controlling interest	610	1,358	2,241	3,590
	Shareholders of the parent company	72,865	(21,505)	190,478	(28,200)
	Basic and diluted earnings per share (in Russian rubles per share)	33.45	(9.87)	87.44	(12.94)
20	Weighted average number of shares outstanding (in thousands)	2,178,479	2,178,479	2,178,479	2,178,479

Supplementary Information (non-IFRS measures)

7	EBITDA	107,175	48,166	277,150	122,031
	EBITDA margin	48.0%	35.9%	46.4%	33.0%
7	Adjusted EBITDA	112,988	50,345	294,535	128,431


D.V. Konov
Chairman of the Management Board
27 October 2021


P.L. O'Brien
Chief Financial Officer
27 October 2021

The accompanying notes on pages 6 to 24 are an integral part of this consolidated interim condensed financial information

PJSC SIBUR HOLDING
CONSOLIDATED INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

(In millions of Russian rubles, unless otherwise stated)

Notes		30 September 2021	31 December 2020
	Assets		
	Non-current assets		
9	Property, plant and equipment	913,173	928,060
	Advances and prepayments for capital construction	2,665	5,877
10	Right-of-use assets	9,536	14,317
	Goodwill	12,097	12,097
	Intangible assets excluding goodwill	89,210	94,199
11	Investments in joint ventures and associates	76,541	72,305
	Deferred income tax assets	1,927	7,445
	Long-term advances issued under project management and construction services	-	33,665
12	Trade and other receivables	2,688	24,190
	Other non-current assets	14,188	12,898
	Total non-current assets	1,122,025	1,205,053
	Current assets		
13	Inventories	56,631	45,686
	Prepaid current income tax	1,253	1,391
23	Loans receivable	28,719	-
12	Trade and other receivables	30,360	187,923
14	Prepayments and other current assets	13,802	23,209
	Short-term advances issued under project management and construction services	-	63,112
	Prepaid borrowing costs	-	1,538
	Cash and cash equivalents	53,318	26,901
	Total current assets	184,083	349,760
	Assets classified as held for sale	177	2,109
	Total assets	1,306,285	1,556,922
	Liabilities and equity		
	Non-current liabilities		
15	Long-term debt	368,529	389,636
	Long-term lease liabilities	6,067	10,629
16	Deferred income from grants and subsidies	67,346	66,418
	Long-term advances received under project management and construction services	-	44,271
	Deferred income tax liabilities	35,140	30,454
17	Other non-current liabilities	9,230	28,639
	Total non-current liabilities	486,312	570,047
	Current liabilities		
18	Trade and other payables	104,665	253,809
	Short-term advances received under project management and construction services	-	56,129
	Income tax payable	6,167	2,855
	Short-term debt and current portion of long-term debt	34,065	23,650
	Short-term lease liabilities	4,477	6,233
19	Taxes other than income tax payable	7,290	12,550
	Total current liabilities	156,664	355,226
	Total liabilities	642,976	925,273
	Equity		
20	Ordinary share capital	21,784	21,784
	Share premium	9,357	9,357
	Equity-settled share-based payment plans	32,450	32,450
	Retained earnings	599,090	553,488
	Total equity attributable to the shareholders of the parent company	662,681	617,079
	Non-controlling interest	628	14,570
	Total equity	663,309	631,649
	Total liabilities and equity	1,306,285	1,556,922

The accompanying notes on pages 6 to 24 are an integral part of this consolidated interim condensed financial information

PJSC SIBUR HOLDING
CONSOLIDATED INTERIM CONDENSED STATEMENT OF CASH FLOWS (UNAUDITED)

(In millions of Russian rubles, unless otherwise stated)

Notes		Nine months ended 30 September	
		2021	2020
	Operating activities		
22	Cash from operating activities before income tax payment	287,510	118,749
	Income tax paid	(40,871)	(4,444)
22	Net cash from operating activities	246,639	114,305
	Investing activities		
	Purchase of property, plant and equipment	(61,932)	(76,461)
	Purchase of intangible assets and other non-current assets	(3,640)	(3,793)
16	Grants and subsidies received	4,185	1,346
24	Acquisition of interest in subsidiary, net of cash acquired	(494)	(2,024)
11	Proceeds from disposal of subsidiary	19,004	-
	Acquisition of interest and additional contributions to the share capital of joint ventures and associates	(288)	-
	Dividends received	7,767	1,195
	Interest received	1,176	927
	Loans issued	(24,517)	(111)
	Repayment of loans receivable	81	1,553
	Proceeds from sale of property, plant and equipment	8,126	2,788
	Net cash used in investing activities	(50,532)	(74,580)
	Financing activities		
	Proceeds from debt	106,597	127,890
	Repayment of debt	(111,412)	(110,517)
	Repayment of lease liabilities	(4,926)	(4,869)
	Interest paid	(9,825)	(10,578)
20	Dividends paid	(143,744)	(33,458)
3	Deconsolidation of subsidiaries	(5,003)	-
	Bank commissions paid	(108)	(122)
	Net cash used in financing activities	(168,421)	(31,654)
	Effect of exchange rate changes on cash and cash equivalents	(1,269)	1,888
	Net increase in cash and cash equivalents	26,417	9,959
	Cash and cash equivalents, at the beginning of the reporting period	26,901	17,443
	Cash and cash equivalents, at the end of the reporting period	53,318	27,402

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PJSC SIBUR HOLDING

CONSOLIDATED INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

(In millions of Russian rubles, unless otherwise stated)

<u>Attributable to the shareholders of the parent company</u>								
Notes	Share capital	Share premium	Equity-settled share-based payment plans	Retained earnings	Total	Non-controlling interest	Total equity	
	Balance as of							
	1 January 2020	21,784	9,357	32,450	563,829	627,420	12,163	639,583
	(Loss)/profit for the reporting period	-	-	-	(28,200)	(28,200)	3,590	(24,610)
	Total comprehensive (loss)/income for the reporting period	-	-	-	(28,200)	(28,200)	3,590	(24,610)
20	Dividends	-	-	-	(29,949)	(29,949)	(3,509)	(33,458)
	Balance as of							
	30 September 2020	21,784	9,357	32,450	505,680	569,271	12,244	581,515
	Balance as of							
	1 January 2021	21,784	9,357	32,450	553,488	617,079	14,570	631,649
	Profit for the reporting period	-	-	-	190,478	190,478	2,241	192,719
	Total comprehensive income for the reporting period	-	-	-	190,478	190,478	2,241	192,719
3	Deconsolidation of subsidiaries	-	-	-	-	-	(7,822)	(7,822)
20	Dividends	-	-	-	(144,876)	(144,876)	(8,361)	(153,237)
	Balance as of							
	30 September 2021	21,784	9,357	32,450	599,090	662,681	628	663,309

The accompanying notes on pages 6 to 24 are an integral part of this consolidated interim condensed financial information

PJSC SIBUR HOLDING
CONSOLIDATED INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME
(UNAUDITED)

(In millions of Russian rubles, unless otherwise stated)

	Three months ended		Nine months ended	
	30 September		30 September	
	2021	2020	2021	2020
Profit/(loss) for the reporting period	73,475	(20,147)	192,719	(24,610)
Total comprehensive income/(loss) for the reporting period	73,475	(20,147)	192,719	(24,610)
Total comprehensive income/(loss) for the reporting period, including attributable to:	73,475	(20,147)	192,719	(24,610)
Non-controlling interest	610	1,358	2,241	3,590
Shareholders of the parent company	72,865	(21,505)	190,478	(28,200)

The accompanying notes on pages 6 to 24 are an integral part of this consolidated interim condensed financial information

1 NATURE OF OPERATIONS

PJSC SIBUR Holding (the “Company”) and its subsidiaries (jointly referred to as the “Group”) form a vertically integrated petrochemical business. The Group purchases and processes raw materials (primarily associated petroleum gas and natural gas liquids), and produces and markets energy and petrochemical products, both domestically and internationally. The Group’s production facilities are located in the Russian Federation.

2 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

The preparation of consolidated interim condensed financial information requires the use of certain accounting estimates which, by definition, may differ from actual results. Estimates and judgements are continually evaluated; revisions of estimates are recognised prospectively. Management also exercises judgement in the application of the Group's accounting policies.

The critical accounting estimates and judgements in applying accounting policies of the Group are consistent with those disclosed in the Group’s consolidated financial statements prepared in accordance with International Financial Reporting Standards (“IFRS”) as of and for the year ended 31 December 2020.

3 DECONSOLIDATION OF SUBSIDIARIES

NIPIGAS

As part of the agreed terms of the merger with TAIF (see Note 26) the Group undertook to dispose its non-petrochemical asset JSC NIPIgaspererabotka (“NIPIGAS”) with its subsidiaries and joint ventures. In September 2021, the disposal was accomplished via distribution of NIPIGAS shares as dividends (measured at fair value) to the Group’s shareholders. The financial result of the transaction is presented in “result of subsidiary’s disposal and remeasurement of related assets” line in this consolidated interim condensed statement of profit or loss.

The breakdown of NIPIGAS and its subsidiaries' carrying values of assets and liabilities as of the distribution date (30 September 2021) was as follows:

	Distribution date
Assets	
Property, plant and equipment	10,323
Deferred income tax assets	6,244
Trade and other receivables	140,492
Prepayments and other current assets	8,113
Advances issued under project management and construction services	72,219
Cash and cash equivalents	5,003
Other assets	9,891
Total assets	252,285
Liabilities	
Long-term and short-term debt	13,000
Trade and other payables	133,698
Advances received under project management and construction services	83,649
Taxes other than income tax payable	9,111
Total liabilities	239,458

The Group did not incur any significant transaction costs on this distribution. Until the distribution date, the financial results of NIPIGAS and its subsidiaries were reported in the Unallocated segment (see Note 7).

3 DECONSOLIDATION OF SUBSIDIARIES (CONTINUED)

In 2020, NIPIGAS was engaged in the construction of gas processing facilities and offsites under Baltic GPC (gas processing complex) project for RusChemAlliance LLC, located in Ust-Luga, Leningrad Region. According to this contract NIPIGAS acted as contractor, providing construction management services. In March 2021, the contract for construction services was canceled; as a result, estimated future revenue from this contract was marked down by RUB 938,070. Subsequently NIPIGAS acted as a general design contractor on the project.

4 REVENUE

Revenue by type of product and reportable segment is presented below:

	Three months ended 30 September		Nine months ended 30 September	
	2021	2020	2021	2020
<i>Olefins and Polyolefins</i>	100,343	51,531	263,765	129,250
Polyolefins	89,005	44,929	232,954	108,843
BOPP films	7,294	4,838	20,123	14,103
Olefins	2,380	1,149	6,930	3,931
Other polymers products	1,383	366	2,960	1,719
Other sales	281	249	798	654
<i>Plastics, Elastomers and Intermediates</i>	54,931	28,017	148,464	85,141
Plastics and organic synthesis products	21,562	11,357	61,602	33,315
Elastomers	15,131	8,910	40,570	28,027
Intermediates and other chemicals	13,746	4,924	35,879	16,489
MTBE and fuel additives	4,325	2,666	9,881	6,772
Other sales	167	160	532	538
<i>Midstream</i>	56,107	38,583	148,006	112,481
Liquefied petroleum gas	27,634	17,835	73,223	53,119
Natural gas	12,910	11,955	35,988	36,836
Naphtha	13,640	7,507	33,881	18,463
Other sales	1,923	1,286	4,914	4,063
<i>Unallocated</i>	12,012	15,885	37,398	42,460
Revenue from project management and construction services	8,502	13,030	26,825	32,256
Other revenue	3,510	2,855	10,573	10,204
Total revenue	223,393	134,016	597,633	369,332

The amount of revenue recognised over time apart from revenue from construction services (separately disclosed in Note 8) for the three-month periods ended 30 September 2021 and 30 September 2020 was RUB 6,669 and RUB 7,330, respectively, and for the nine-month periods ended 30 September 2021 and 30 September 2020 is RUB 21,123 and RUB 23,415, respectively.

5 OPERATING EXPENSES

	Three months ended 30 September		Nine months ended 30 September	
	2021	2020	2021	2020
Feedstock and materials	56,744	27,997	149,051	76,336
Transportation and logistics	18,834	16,355	53,858	55,468
Depreciation and amortisation	15,383	16,248	46,480	47,880
Staff costs	13,639	10,502	43,813	34,783
Energy and utilities	9,940	9,338	29,860	28,601
Goods for resale	5,941	6,542	19,383	19,891
Services provided by third parties	3,849	9,088	13,188	20,124
Repairs and maintenance	3,112	2,578	6,968	5,841
Processing services of third parties	942	928	2,753	2,774
Taxes other than income tax	778	784	2,529	2,336
Marketing and advertising	90	251	937	774
Charity and sponsorship	345	69	714	732
Rent expenses	213	189	452	561
Impairment of property, plant and equipment and intangible assets	131	371	381	659
Gain on disposal of property, plant and equipment	(86)	(449)	(179)	(753)
Change in WIP and refined products balances	(1,120)	438	(8,514)	(505)
Other	2,997	1,240	5,670	338
Total operating expenses	131,732	102,469	367,344	295,840

6 FINANCE INCOME AND EXPENSES

	Three months ended 30 September		Nine months ended 30 September	
	2021	2020	2021	2020
Foreign exchange gain from financing activities	-	-	8,134	-
Foreign exchange gain from non-financing activities	602	298	1,063	-
Interest income	926	93	1,355	723
Other income	849	32	1,464	462
Total finance income	2,377	423	12,016	1,185
Foreign exchange loss from financing activities	(1,855)	(54,491)	-	(93,089)
Foreign exchange loss from non-financing activities	-	-	-	(3,440)
Interest expense	(4,619)	(3,803)	(12,704)	(11,409)
Unwinding of discount on non-current accounts payable	(127)	(271)	(432)	(1,067)
Bank commissions	(42)	(16)	(256)	(95)
Other expense	(37)	(119)	(339)	(299)
Total finance expenses	(6,680)	(58,700)	(13,731)	(109,399)

7 SEGMENT INFORMATION

The Group operates as a vertically integrated business, gathering and processing hydrocarbon feedstock, obtained from major Russian oil and gas companies, and producing and selling a wide range of petrochemical products as well as energy products.

The Group's chief operating decision-makers are the Chairman of the Management Board, the Chief Executive Officer, the Chief Financial Officer and three Executive Directors. These executives regularly review the Group's internal reporting in order to assess performance and allocate resources.

The Group's management has established three operating and reportable segments:

- Olefins and Polyolefins: mainly the production of polyethylene, polypropylene, ethylene, propylene, and BOPP films;

7 SEGMENT INFORMATION (CONTINUED)

- Plastics, Elastomers and Intermediates: the production of synthetic rubbers, plastics, organic synthesis products and other petrochemical products. In addition, the segment produces fuel additives, including MTBE, that are sold entirely to external customers.
- Midstream: processing of associated petroleum gas and raw natural gas liquids to produce energy products, natural gas, liquefied petroleum gases and naphtha, which are used as feedstock by the Olefins and Polyolefins segment and the Plastics, Elastomers and Intermediates segment and also marketed and sold to external customers.

The Group's management assesses the performance of each operating segment based on their respective EBITDA contributions. The results from providing electricity and heat supply, transportation to third parties and managerial services are not allocated to the operating segments.

EBITDA is calculated as the profit or loss for the period, adjusted by income tax expense, finance income and expenses, share of net income of joint ventures and associates, depreciation and amortisation, impairment of property, plant and equipment, profit or loss on disposal of investments, as well as other non-recurring income or expenses.

Adjusted EBITDA is calculated as EBITDA (calculated in accordance with the methodology above) adjusted by the Group's share of the EBITDA of joint ventures and associates and net of the NCI share of related subsidiaries' EBITDA.

Inter-segment transfers include transfers of raw materials, goods and services from one segment to another. The amount is determined based on the market prices for similar goods.

Other information provided to management, except as noted below, is measured in a manner consistent with that in this consolidated interim condensed financial information.

	Olefins and Poly- olefins	Plastics, Elastomers and Intermediates	Mid- stream	Total reportable segments	Unallocated	Total
Three months ended						
30 September 2021						
Total segment revenue	120,773	61,100	96,620	278,493	12,433	290,926
Inter-segment transfers	(20,430)	(6,169)	(40,513)	(67,112)	(421)	(67,533)
External revenue	100,343	54,931	56,107	211,381	12,012	223,393
EBITDA	51,321	14,716	45,621	111,658	(4,483)	107,175
Adjusted EBITDA	57,054	14,469	45,633	117,156	(4,168)	112,988
Three months ended						
30 September 2020						
Total segment revenue	56,825	28,909	52,623	138,357	16,362	154,719
Inter-segment transfers	(5,294)	(892)	(14,040)	(20,226)	(477)	(20,703)
External revenue	51,531	28,017	38,583	118,131	15,885	134,016
EBITDA	24,974	4,732	17,757	47,463	703	48,166
Adjusted EBITDA	27,687	4,706	17,775	50,168	177	50,345

7 SEGMENT INFORMATION (CONTINUED)

	Olefins and Poly- olefins	Plastics, Elastomers and Intermediates	Mid- stream	Total reportable segments	Unallocated	Total
Nine months ended 30 September 2021						
Total segment revenue	311,368	159,212	246,581	717,161	38,694	755,855
Inter-segment transfers	(47,603)	(10,748)	(98,575)	(156,926)	(1,296)	(158,222)
External revenue	263,765	148,464	148,006	560,235	37,398	597,633
EBITDA	139,363	42,955	106,994	289,312	(12,162)	277,150
Adjusted EBITDA	156,446	42,716	107,029	306,191	(11,656)	294,535
Nine months ended 30 September 2020						
Total segment revenue	148,540	88,538	148,854	385,932	44,042	429,974
Inter-segment transfers	(19,290)	(3,397)	(36,373)	(59,060)	(1,582)	(60,642)
External revenue	129,250	85,141	112,481	326,872	42,460	369,332
EBITDA	56,039	9,985	49,160	115,184	6,847	122,031
Adjusted EBITDA	63,950	9,961	49,206	123,117	5,314	128,431

For the nine-month periods ended 30 September 2021 and 30 September 2020, EBITDA in US dollars – measured at the weighted average exchange rate of the US dollar against the Russian ruble for the applicable period (see Note 27) – was USD 3,745 million and USD 1,724 million, respectively.

The reconciliation of Adjusted EBITDA and EBITDA to profit before income tax was as follows:

	Three months ended 30 September		Nine months ended 30 September	
	2021	2020	2021	2020
Adjusted EBITDA	112,988	50,345	294,535	128,431
Portion of EBITDA of joint ventures and associates	(6,737)	(4,037)	(20,626)	(11,154)
Non-controlling interest share of related subsidiaries'				
EBITDA	924	1,858	3,241	4,754
EBITDA	107,175	48,166	277,150	122,031
Finance income	2,377	423	12,016	1,185
Finance expenses	(6,680)	(58,700)	(13,731)	(109,399)
Result of subsidiary's acquisition and remeasurement of related liabilities	-	-	(503)	(225)
Result of subsidiary's disposal and remeasurement of related assets	1,587	(215)	1,516	(215)
Share of net income of joint ventures and associates	3,067	528	11,708	2,510
Depreciation and amortisation	(15,383)	(16,248)	(46,480)	(47,880)
Impairment of property, plant and equipment and intangible assets	(131)	(371)	(381)	(659)
Profit/(loss) before income tax	92,012	(26,417)	241,295	(32,652)

Geographical information

The breakdown of revenue by geographical regions was as follows:

	Three months ended 30 September		Nine months ended 30 September	
	2021	2020	2021	2020
Russia	134,797	85,590	358,148	223,072
Europe	50,386	24,259	132,059	73,771
Asia	23,985	17,270	66,816	54,567
CIS	10,824	5,988	28,638	15,440
Other	3,401	909	11,972	2,482
Total revenue	223,393	134,016	597,633	369,332

8 CONTRACTS ON CONSTRUCTION SERVICES

The Group's financial position with respect to contracts on construction services in progress (related to the deconsolidated subsidiary, see Note 3) as of 30 September 2021 and 31 December 2020 was as follows:

	30 September 2021	31 December 2020
Construction service revenue	5,812	3,401
Less:		
Progress billings	(6,699)	(4,559)
Advances from customers	(3,677)	(235)
Add:		
Contract liabilities related to disposed subsidiary	4,564	(1,927)
Contract liabilities	-	(3,320)

	30 September 2021	31 December 2020
Construction service revenue	56,445	77,112
Less:		
Progress billings	(48,489)	(63,217)
Advances from customers	(959)	(2,877)
Add:		
Contract assets related to disposed subsidiary	(6,997)	392
Contract assets	-	11,410

For the three-month periods ended 30 September 2021 and 30 September 2020, the Group recognised revenue from the application of the input method by reference to costs incurred of RUB 3,743 and RUB 7,415, respectively, for the nine-month periods ended 30 September 2021 and 30 September 2020, the Group recognised revenue from the application of the input method by reference to costs incurred of RUB 11,613 and RUB 16,541, respectively.

9 PROPERTY, PLANT AND EQUIPMENT

Movements in the net book value of property, plant and equipment were as follows:

	Buildings	Facilities	Machinery and equipment	Transport	Assets under construction	Other	Total
Net book value as of 1 January 2020	71,703	201,097	116,840	1,185	511,687	13,538	916,050
Depreciation charge	(3,083)	(18,738)	(15,312)	(175)	-	(1,313)	(38,621)
Additions	-	-	-	-	87,680	3,992	91,672
Transfers	55,613	300,537	132,771	10	(489,488)	557	-
Impairment	-	(16)	-	-	(401)	-	(417)
Disposals	(573)	(119)	(32)	(415)	(132)	(1,553)	(2,824)
Historical cost as of 30 September 2020	148,627	572,539	348,693	2,506	109,346	21,132	1,202,843
Accumulated depreciation	(24,967)	(89,778)	(114,426)	(1,901)	-	(5,911)	(236,983)
Net book value as of 30 September 2020	123,660	482,761	234,267	605	109,346	15,221	965,860
Net book value as of 1 January 2021	128,307	485,666	239,624	503	58,294	15,666	928,060
Depreciation charge	(3,085)	(18,595)	(16,654)	(154)	-	(1,196)	(39,684)
Additions	-	-	-	-	35,765	1,646	37,411
Transfers	4,940	19,132	5,606	139	(30,179)	362	-
Impairment	-	-	-	-	(70)	(197)	(267)
Disposals	(135)	(19)	(555)	(1,372)	(67)	(366)	(2,514)
Reclassification from assets held for sale (Note 11)	42	-	20	299	90	39	490
Reclassification to assets held for distribution (Note 3)	(3,174)	(4)	(285)	(287)	(6,122)	(451)	(10,323)
Historical cost as of 30 September 2021	152,718	600,769	363,731	904	57,711	21,057	1,196,890
Accumulated depreciation	(25,823)	(114,589)	(135,975)	(1,776)	-	(5,554)	(283,717)
Net book value as of 30 September 2021	126,895	486,180	227,756	(872)	57,711	15,503	913,173

For the three-month periods ended 30 September 2021 and 30 September 2020, the Group capitalised borrowing costs of RUB 804 and RUB 1,609, respectively, for the nine-month periods ended 30 September 2021 and 30 September 2020, the Group capitalised borrowing costs of RUB 2,760 and RUB 4,727, respectively. Borrowing costs included foreign exchange losses in the amount of RUB 176 and RUB 940 for the respective three-month periods and RUB 674 and RUB 2,591 for the respective nine-month periods. The annual capitalisation rates, excluding the effect of capitalised foreign exchange losses from financing activities, were 4.24 percent and 4.12 percent, respectively.

As of 30 September 2021, the Group completed the construction of the airport complex of Tobolsk (the "Airport"), which represents the majority of the put-in-use assets in 2021. The Group has successfully completed the ZapSib investment project, the construction of an ethylene cracker and polymer production units in Tobolsk, Tyumen Region that represents most of the put-in-use assets in 2020.

In 2020, the Group placed some of the assets related to the Airport under fiduciary management with Airport Tobolsk LLC (the "Operator"), a subsidiary of JSC Airports of Regions MC, in the aggregate amount of RUB 13,538. Under the agreement valid until 31 December 2021, the Operator provides operating services for a fee, including airfield and airport operations.

10 RIGHT-OF-USE ASSETS

Movements in the net book value of right-of-use assets were as follows:

	Transport	Other	Total
Net book value as of 1 January 2020	12,311	3,860	16,171
Depreciation charge	(3,062)	(963)	(4,025)
Additions	-	3,095	3,095
Disposals	-	(2,512)	(2,512)
Historical cost as of 30 September 2020	16,467	5,431	21,898
Accumulated depreciation	(7,218)	(1,951)	(9,169)
Net book value as of 30 September 2020	9,249	3,480	12,729
Net book value as of 1 January 2021	8,318	5,999	14,317
Depreciation charge	(2,740)	(688)	(3,428)
Additions	-	496	496
Disposals	-	(1,243)	(1,243)
Reclassification to assets held for distribution (Note 3)	-	(606)	(606)
Historical cost as of 30 September 2021	16,467	6,923	23,390
Accumulated depreciation	(10,889)	(2,965)	(13,854)
Net book value as of 30 September 2021	5,578	3,958	9,536

11 INVESTMENTS IN JOINT VENTURES AND ASSOCIATES

	Country of incorporation	Interest held (percent)	30 September 2021	31 December 2020
Amur GCC	Russia	60	28,321	28,371
RusVinyl LLC	Russia	50	26,003	24,152
Reliance Sibur Elastomers Private Limited	India	25.1	6,645	7,093
Yuzhno-Priobsky GPP LLC	Russia	50	6,140	6,164
JSC Sibgazpolimer*	Russia	50	6,003	3,858
NPP Neftekhimia LLC	Russia	50	1,960	2,342
PTC LLC	Russia	50	740	1,180
Manucor S.p.A.	Italy	50	603	207
Others			126	118
Total investments in joint ventures and associates			76,541	73,485
Less assets held for sale			-	(1,180)
			76,541	72,305

* Special purpose vehicle established for investing in production entities.

PTC LLC. In the fourth quarter of 2020, the Group decided to sell its stake in Petrochemical Transportation Company LLC (PTC LLC), and associated transportation assets and reclassified the related assets to the held for sale category. In October 2021, the Group terminated the transaction.

Amur GCC. In December 2020, the Group sold 40 percent of Amur GCC, which became a 60/40 percent joint venture of the Group and Sinopec. Cash consideration of RUB 19,004 was received in January 2021. The terms of the participants' agreement stipulate that key strategic, operational and financial decisions are subject to unanimous approval by participants. Thus, the Group determined Amur GCC to be a joint venture and accounts for the investment retained under the equity method. The parties are jointly implementing an investment project, including the construction of the mixed feed cracker unit and polymers production units in Amur region, Russia.

11 INVESTMENTS IN JOINT VENTURES AND ASSOCIATES (CONTINUED)

RusVinyl LLC. The Group issued a guarantee (liquidity support undertaking or “LSU”) and pledged its shares in RusVinyl LLC as security. As of 30 September 2021 and 31 December 2020, the LSU was equal to EUR 62.5 million and the maximum credit risk exposure due to guarantees issued was RUB 5,305 and RUB 5,668, respectively.

Further details were provided in the annual consolidated financial statements as of and for the year ended 31 December 2020.

12 TRADE AND OTHER RECEIVABLES

	30 September 2021	31 December 2020
Trade receivables	23,894	15,808
Other receivables	9,154	6,483
Receivable from disposal of subsidiary (Note 11)	-	19,004
Receivables under project management and construction services	-	170,818
Total trade and other receivables	33,048	212,113
Less non-current portion:		
Receivables under project management and construction services	-	(21,448)
Other receivables	(2,688)	(2,742)
	30,360	187,923

The fair values of trade and other receivables approximate their carrying values. The majority of non-current receivables are due within five years from the reporting period date.

13 INVENTORIES

	30 September 2021	31 December 2020
Refined products and work in progress	30,997	22,595
Materials and supplies	23,884	21,872
Goods for resale	1,750	1,219
Total inventories	56,631	45,686

14 PREPAYMENTS AND OTHER CURRENT ASSETS

	30 September 2021	31 December 2020
Non-financial assets		
Prepayments and advances to suppliers	4,302	3,915
Recoverable VAT	2,614	11,106
Other prepaid taxes and custom duties	2,402	1,615
VAT receivable	1,995	3,621
Prepaid excise	1,724	1,545
Recoverable excise	660	967
Other current assets	81	430
Total non-financial assets	13,778	23,199
Financial assets		
Other financial assets	24	10
Total financial assets	24	10
Total prepayments and other current assets	13,802	23,209

15 LONG-TERM DEBT

Long-term debt payable to	Currency	Due	30 September 2021	31 December 2020
<u>Variable rate</u>				
National Wealth Fund financing	USD	2030	127,331	129,285
Deutsche Bank (ECA financing)	EUR	2020-2029	24,781	100,831
Raiffeisen Bank	USD	2025, 2027	23,019	7,388
Bank GPB	RUB	2023	22,000	22,000
UniCredit Bank	USD	2023, 2024	18,190	-
Rosbank	USD	2028	14,552	-
Bank of America	USD	2025	10,914	5,541
Sberbank of Russia	RUB	2025	7,500	-
Otkritie Bank	USD	2025	4,037	2,586
Bank of China	RUB	2026	3,000	-
Otkritie Bank	RUB	2026	2,500	2,500
<u>Fixed rate</u>				
Eurobonds 2024	USD	2024	36,275	36,844
Eurobonds 2025	USD	2025	36,263	36,840
Eurobonds 2023	USD	2023	22,362	22,680
Credit Agricole (ECA financing)	EUR	2020-2029	17,222	20,793
Russian ruble bonds	RUB	2021-2022	15,000	25,000
Russian ruble bonds	RUB	2025	10,000	-
Monotowns Development Fund	RUB	2021-2026	998	998
Total long-term debt			395,944	413,286
Less: current portion			(27,415)	(23,650)
			368,529	389,636

ESG finance. In May 2021, the Group signed a loan agreement with UniCredit Bank with an interest rate tied to the Group's sustainability performance. Under the sustainability-linked facility, the Group will pay a higher or lower interest rate depending on its progress towards meeting a number of targets within the Group's previously approved Sustainable Development Strategy.

The Group has no subordinated debt and no debts that may be converted into an equity interest in the Group.

The scheduled maturities of long-term debt as of 30 September 2021 and 31 December 2020 are presented below:

	30 September 2021	31 December 2020
<u>Due for repayment:</u>		
Between one and two years	46,276	36,238
Between two and five years	178,930	170,544
More than five years	143,323	182,854
Total long-term debt	368,529	389,636

The carrying amounts of long-term fixed-rate borrowings approximate their fair value as of 30 September 2021 and 31 December 2020, except for those, whose fair value is disclosed in Note 24.

The carrying amounts of long-term debts with variable interest rates linked to LIBOR, EURIBOR, USA CPI or the Central Bank of Russia key interest rate approximate their fair value.

15 LONG-TERM DEBT (CONTINUED)

As of 30 September 2021 and 31 December 2020, the Group had the following committed long-term credit facilities:

	Credit limit	Undrawn amount
As of 30 September 2021		
USD-denominated (in USD millions)	200	200
RUB-denominated (in RUB millions)	20,000	20,000
As of 31 December 2020		
USD-denominated (in USD millions)	531	431
RUB-denominated (in RUB millions)	20,000	20,000

As of 30 September 2021 and 31 December 2020, the total ruble equivalent of the Group's undrawn committed long-term and short-term credit facilities was RUB 34,552 and RUB 67,006, respectively.

The Group's total long-term debt bore the following weighted average interest rates: RUB-denominated of 6.9 percent and 6.1 percent as of 30 September 2021 and 31 December 2020, respectively; USD-denominated of 2.4 percent and 3.2 percent as of 30 September 2021 and 31 December 2020, respectively; and EUR-denominated of 1.3 percent and 1.1 percent as of 30 September 2021 and 31 December 2020, respectively.

16 DEFERRED INCOME FROM GRANTS AND SUBSIDIES

	2021	2020
Deferred income from grants and subsidies as of 1 January	66,418	69,419
Grants and subsidies received	4,185	1,356
Recognised in profit or loss (depreciation)	(3,257)	(3,377)
Deferred income from grants and subsidies as of 30 September	67,346	67,398

17 OTHER NON-CURRENT LIABILITIES

	30 September 2021	31 December 2020
Financial liabilities		
Payables under accommodation program	2,652	3,265
Payables for acquisition of subsidiaries	1,989	1,893
Payables to contractors and suppliers of property, plant and equipment	114	50
Trade payables	10	105
Payables under project management and construction services	-	19,279
Other liabilities	29	8
Total financial non-current liabilities	4,794	24,600
Non-financial liabilities		
Post-employment obligations	2,693	2,888
Payables to employees	1,646	1,054
Other liabilities	97	97
Total non-financial non-current liabilities	4,436	4,039
Total other non-current liabilities	9,230	28,639

The carrying amounts of other non-current liabilities approximate their fair value.

18 TRADE AND OTHER PAYABLES

	30 September 2021	31 December 2020
Financial liabilities		
Trade payables	56,155	49,493
Payables to contractors and suppliers of property, plant and equipment	19,915	52,774
Interest payable	2,494	2,141
Payables for acquisition of subsidiaries	297	367
Payables under project management and construction services	-	127,990
Other payables	3,901	1,039
Total financial trade and other payables	82,762	233,804
Non-financial liabilities		
Advances from customers	11,152	9,172
Payables to employees	8,384	8,291
Other payables	2,367	2,542
Total non-financial trade and other payables	21,903	20,005
Total trade and other payables	104,665	253,809

As of 30 September 2021 and 31 December 2020, payables to employees included provisions for employee benefits (including social taxes) of RUB 7,501 and RUB 8,272, respectively.

19 TAXES OTHER THAN INCOME TAX PAYABLE

	30 September 2021	31 December 2020
VAT	5,569	10,576
Property tax	703	682
Social taxes	450	1,081
Other taxes	568	211
Total taxes other than income tax payable	7,290	12,550

20 SHAREHOLDERS' EQUITY

As of 30 September 2021 and 31 December 2020, the Group did not have a direct parent company and an ultimate controlling shareholder.

Share capital. As of 30 September 2021 and 31 December 2020, the share capital of PJSC SIBUR Holding (authorised, issued and paid-in) was RUB 21,784, respectively, and consisted of 2,178,479,100 ordinary shares, each with a par value of ten Russian rubles. In May 2021, additional 384,437,489 share issue at par was authorised. The share issue was finalised in October 2021 (see Note 26).

Earnings per share. There were no events that would trigger dilution of earnings per share for the nine-month periods ended 30 September 2021 and 30 September 2020.

Dividends. Dividends in the amount of RUB 143,744 and RUB 33,458 were paid during the nine-month periods ended 30 September 2021 and 30 September 2020, respectively. In September 2021, the Group also distributed the shares of its subsidiary NIPIGAS as dividends (see Note 3).

During the nine-month periods ended 30 September 2021 and 30 September 2020 NIPIGAS distributed dividends to its shareholders.

21 INCOME TAX

For the nine-month periods ended 30 September 2021 and 30 September 2020, the Group accrued current income tax of RUB 44,612 and RUB 5,281, respectively.

Income tax expense is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year and adjusted for non-recurring items.

22 CASH GENERATED FROM OPERATIONS AND NET DEBT RECONCILIATION

		Nine months ended	
		30 September	
Notes		2021	2020
	Profit/(loss) before income tax	241,295	(32,652)
	Adjustments to profit before income tax		
	Foreign exchange (gain)/loss from investing and financing activities, net	(7,171)	90,670
5	Depreciation and amortisation	46,480	47,880
6	Interest expense	12,704	11,409
6	Unwinding of discount on non-current accounts payable	432	1,067
5	Impairment of property, plant and equipment and intangible assets	381	659
	Impairment of trade and other receivables	11	294
	Result of subsidiary's acquisition and remeasurement of related liabilities	503	225
	Accrual of provision for legal cases	169	75
6	Bank commissions	256	95
	Unwinding of discount on loans receivable and non-current accounts	(114)	(69)
6	receivable		
	Result of subsidiary's disposal and remeasurement of related assets	(1,587)	215
6	Interest income	(1,355)	(723)
5	Gain on disposal of property, plant and equipment	(179)	(753)
17, 18	Change in provision for employee benefits	(373)	(337)
	Share of net income of joint ventures and associates	(11,708)	(2,510)
	Other adjustments	322	23
	Operating cash flows before working capital changes	280,066	115,568
	Changes in working capital		
	Decrease in advances received under project management and construction services	(16,751)	(22,418)
	(Decrease)/Increase in trade and other payables	(20,200)	38,497
	Increase in taxes payable	3,851	711
	Decrease/(increase) in trade and other receivables	26,894	(39,830)
	Decrease in prepayments and other current assets	1,134	5,016
	Increase in inventories	(12,042)	(1,629)
	Decrease in advances issued under project management and construction services	24,558	22,834
	Total changes in working capital	7,444	3,181
	Cash generated from operating activities before income tax payment	287,510	118,749
	Income tax paid	(40,871)	(4,444)
	Net cash from operating activities	246,639	114,305

22 CASH GENERATED FROM OPERATIONS AND NET DEBT RECONCILIATION (CONTINUED)

For the nine-month periods ended 30 September 2021 and 30 September 2020, the reconciliation of net debt was as follows:

	Cash and cash equivalents	Long-term and short-term debt	Long-term and short-term lease liabilities	Net debt
As of 1 January 2020	17,443	(364,415)	(15,324)	(362,296)
Cash flows	8,071	(17,373)	4,869	(4,433)
Foreign exchange adjustments	1,888	(92,873)	(2,944)	(93,929)
Other non-cash movements	-	(760)	(2,375)	(3,135)
As of 30 September 2020	27,402	(475,421)	(15,774)	(463,793)
As of 1 January 2021	26,901	(413,286)	(16,862)	(403,247)
Cash flows	27,686	4,815	4,926	37,427
Foreign exchange adjustments	(1,269)	7,974	154	6,859
Other non-cash movements	-	(2,097)	1,238	(859)
As of 30 September 2021	53,318	(402,594)	(10,544)	(359,820)

23 RELATED PARTIES

For the purposes of this consolidated interim condensed financial information, parties are generally considered to be related if the party is part of the Group's key management or the Board of Directors; the party has the ability to control or jointly control the other party; both parties are under common control; or one party can exercise significant influence over the other party in the financial and operational decision-making process. In considering each possible related-party relationship, the Group's management pays attention to the substance of the relationship, and not merely the entities' legal form. Management also applies judgement to decide whether the party could exercise significant influence over the Group, considering not merely the percentage of the share held by the party in the Group and its representation in the Group's governing bodies, but its actual ability and participation in the Group's decision making.

The nature of related-party relationships for those related parties with whom the Group entered into significant transactions during the nine-month periods ended 30 September 2021 and 30 September 2020, or had significant balances outstanding as of 30 September 2021 and 31 December 2020, is presented below. Other related parties category is mainly represented by companies under common control and entities controlled by key management personnel.

a) Significant transactions with parties under the control or joint control of PROMSTROI

JSC PROMSTROI-GROUP, jointly with its subsidiaries ("PROMSTROI"), is one of the providers of construction services to the Group. In January 2018, the Group's representatives became members of the Board of Directors of PROMSTROI and management made a judgment that the Group was able to exercise significant influence over PROMSTROI and treated it as a related party in its consolidated financial statements. However, in September 2020, PROMSTROI updated its charter and further governance changes took place resulting in the Group's inability to exercise significant influence over the counterparty. Thus, PROMSTROI is no longer treated as a related party starting fourth quarter 2020.

23 RELATED PARTIES (CONTINUED)

The Group had the following transactions with PROMSTROI for the reporting period ended 30 September 2020:

	Three months ended 30 September 2020	Nine months ended 30 September 2020
Operating and investing activities		
Purchases of construction services	(560)	(3,886)
Sales of materials	1	25

b) Remuneration of directors and key management

During the nine-month periods ended 30 September 2021 and 30 September 2020, the Company's Board of Directors comprised eleven and twelve individuals, respectively, including shareholder representatives. Non-Executive members of the Board of Directors are entitled to annual compensation, as approved by the Annual General Shareholders' Meeting, while Executive Directors do not receive remuneration for performing the functions of members of the Board of Directors.

During the three-month periods ended 30 September 2021 and 30 September 2020, the Company accrued RUB 40 and RUB 39, respectively, during the nine-month periods ended 30 September 2021 and 30 September 2020, the Company accrued RUB 115 and RUB 117 net of social taxes, respectively, to members of the Board of Directors as part of their compensation for 2021 and 2020.

During the nine-month periods ended 30 September 2021 and 30 September 2020, the number of key management personnel comprised 16 and 17 individuals, respectively. Key management personnel are entitled to salaries, voluntary medical insurance and other employee benefits. Remuneration of key management personnel is determined by the terms set out in the relevant employment contracts and is substantially linked to the financial performance of the Group. Accruals for remuneration (including performance based rewards) for key management personnel amounted to RUB 1,342 and RUB 448 net of social taxes for the three-month periods ended 30 September 2021 and 30 September 2020 respectively, and RUB 3,480 and RUB 1,251 net of social taxes for the nine-month periods ended 30 September 2021 and 30 September 2020, respectively.

c) Joint ventures and associates

The Group had the following transactions with its joint ventures and associates for the nine-month periods ended 30 September 2021 and 30 September 2020:

	Three months ended 30 September		Nine months ended 30 September	
	2021	2020	2021	2020
Operating, investing and financing activities				
Purchases of materials, goods and services	(7,952)	(6,575)	(26,876)	(22,011)
Purchases of processing services	(232)	(300)	(621)	(771)
Sales of materials, goods and services	11,484	4,403	32,941	11,732

As of 30 September 2021 and 31 December 2020, the Group had the following balances with its joint ventures and associates:

	30 September 2021	31 December 2020
Trade and other receivables	6,190	7,357
Loans receivable	24,641	-
Trade and other payables	4,615	3,929
Advances received under project management and construction services	-	4,486

The Group provided and received loans to and from its joint ventures and associates on market terms.

23 RELATED PARTIES (CONTINUED)

The Group has a number of long-term contracts with joint ventures and associates, including contracts for the procurement of processing services and the purchase of finished goods. The Group also has several agency arrangements with its joint ventures and associates under which the Group provides marketing, selling, construction management and procurement services and receives transportation services. The agent remuneration earned by the Group under the agency arrangements is included in the sales of materials, goods and services line. The balances outstanding under the agency arrangements are included in the trade and other payables and receivables lines.

d) Other related parties

As of 30 September 2021, the Group had the following balances with its other related parties (Note 3):

	30 September 2021	31 December 2020
Trade and other receivables	2,540	-
Loans receivable	4,800	-
Trade and other payables	853	-
Short-term debt	6,429	-

The Group has a number of long-term contracts with other related parties, under which the Group receives construction management and procurement services.

24 FAIR VALUE OF FINANCIAL INSTRUMENTS**Recurring fair value measurements**

Recurring fair value measurements are those that are required or permitted under the relevant accounting standards in the consolidated statement of financial position at the end of each reporting period.

Assets and liabilities not measured at fair value but for which fair value is disclosed

Liabilities carried at amortised cost. As of 30 September 2021 and 31 December 2020, the fair value of Eurobonds 2023 (see Note 15) was RUB 23,546 and RUB 24,311, respectively. As of 30 September 2021 and 31 December 2020, the fair value of Eurobonds 2024 (see Note 15) was RUB 37,933 and RUB 39,093, respectively. These amounts were calculated based on Level 1 measurements such as quoted market prices. The fair values of other long-term and short-term debt carried at amortised cost were determined using valuation techniques. The estimated fair value of variable interest rate instruments linked to LIBOR, EURIBOR, USA CPI or the Central Bank of Russia key interest rate with stated maturity was estimated based on Level 2 measurements, as expected cash flows discounted at current LIBOR, EURIBOR, USA CPI or the Central Bank of Russia key interest rate increased by the margin stipulated by the corresponding loan agreement. The estimated fair value of fixed interest rate instruments with stated maturity was estimated based on Level 3 measurements as expected cash flows discounted at current interest rates for new instruments with similar credit risk and remaining maturity.

25 COMMITMENTS, CONTINGENCIES AND OPERATING RISKS

There were no significant changes to the operating environment, in which the Group operates, legal and tax risks the Group is subject for, environmental and social commitments compared to those disclosed in the annual consolidated financial statements as of and for the year ended 31 December 2020.

COVID-19. In 2021, the COVID-19 global pandemic is continuing to negatively impact global economy. Meantime, the Group's management believes there is no significant adverse effect on the Group's operations while additional costs to provide a COVID-19 secure working environment were not significant. The Group also did not request specific COVID-19 Government support.

25 COMMITMENTS, CONTINGENCIES AND OPERATING RISKS (CONTINUED)

Compliance with covenants. The Group is subject to certain covenants primarily related to debt. Non-compliance with such covenants may result in negative consequences for the Group, i.e. increased borrowing costs. Management believes that as of 30 September 2021 the Group was in compliance with its covenants.

Non-financial guarantees. The Group issued a non-financial guarantee in respect of the Arctic LNG 2 LLC project in an aggregate amount of EUR 1,086 million due until the fulfillment of all corresponding contractual obligations of NIPIGAS's joint venture. The Group issued a multi-currency non-financial guarantee in respect of NIPIGAS's performance obligations related to the Amur GPP project of RUB 7,516, EUR 259 million and CNY 158 million due in 2027. The Group also issued non-financial guarantees in respect of the Amur GCC joint venture in aggregate amount of USD 3,645 million and EUR 1,851 million (EUR 483 million of which was covered by counter-instruments issued in favor of the Group by Sinopec) due in 2025-2029. Since the outflow of resources embodying economic benefits required to settle the obligations under these guarantees is not probable, no provision for these liabilities was recognised in this consolidated interim condensed financial information.

Capital commitments. The Group has entered into contracts for the purchase of property, plant and equipment and construction services. As of 30 September 2021 and 31 December 2020, the Group had contractual capital expenditure commitments of RUB 44,872 and RUB 55,264, respectively, calculated as the contractual amount of construction contracts less the cash paid under these contracts. As of 30 September 2021 and 31 December 2020, the corresponding payables to contractors and suppliers of property, plant and equipment of RUB 20,029 and RUB 52,824, respectively, were already accrued in the consolidated interim condensed statement of financial position. The capital commitments should not be considered as binding, since they can be cancelled at the sole discretion of management without any significant losses for the Group, except those liabilities that were already recognised in the consolidated interim condensed statement of financial position.

26 EVENTS AFTER THE REPORTING DATE

In April 2021, the Group and JSC TAIF (a holding company owning controlling stakes of petrochemical companies and 100% of TGK-16, and hereinafter "TAIF") signed a memorandum of understanding to initiate the merger of their petrochemical and power generation businesses. On 4 October 2021, the Group and TAIF signed an agreement finalising the terms of the transaction whereby the Group acquired a 100% stake in TAIF in exchange for the additional share issue of PJSC SIBUR Holding representing 15% in the combined company plus cash and debt together valued at USD 3 billion as of the closing date.

27 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation. This consolidated interim condensed financial information has been prepared in accordance with International Accounting Standard IAS 34 "Interim Financial Reporting". This consolidated interim condensed financial information should be read in conjunction with the Group's consolidated financial statements as of and for the year ended 31 December 2020, prepared in accordance with IFRS and International Financial Reporting Interpretation Committee ("IFRIC") interpretations.

Most of the Group's companies maintain their accounting records in Russian rubles ("RUB") and prepare their statutory financial statements in accordance with the Regulations on Accounting and Reporting of the Russian Federation ("RAR"). This consolidated interim condensed financial information is based on the statutory records of the Group's companies, with adjustments and reclassifications recorded to ensure fair presentation in accordance with IFRS.

27 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The principal accounting policies applied by the Group are consistent with those disclosed in the Group's consolidated financial statements as of and for the year ended 31 December 2020, except for income tax expenses recognised based on Group management's best estimate of the weighted average annual income tax rate expected for the full financial year (see Note 21). Other new and amended standards and interpretations that are mandatory for annual periods beginning on or after 1 January 2021 have no material impact on the Group's accounting policies (further information is provided in Note 28).

Since ZapSibNeftekhim reached its full capacity, the Group ceased separate presentation of ZapSibNeftekhim related debt in the consolidated interim condensed statement of financial position starting second quarter 2021. The effect of reclassification is disclosed below:

	Year ended 31 December 2020		
	As reported	Adjustment	As restated
Liabilities and equity			
Non-current liabilities			
Long-term debt excluding related to ZapSibNeftekhim	152,376	(152,376)	-
Long-term ZapSibNeftekhim related debt	237,260	(237,260)	-
Long-term debt	-	389,636	389,636
Total non-current liabilities	570,047	-	570,047
Current liabilities			
Short-term debt and current portion of long-term debt	10,001	(10,001)	-
Current portion of long-term ZapSibNeftekhim related debt	13,649	(13,649)	-
Short-term debt and current portion of long-term debt	-	23,650	23,650
Total current liabilities	355,226	-	355,226
Total liabilities	925,273	-	925,273

The official exchange rates of the US dollar (USD) and euro (EUR) against the Russian ruble (RUB), as set by the Central Bank of Russia, are as follows:

	USD/RUB	EUR/RUB
As of 30 September 2021	72.7608	84.8755
Three-month period ended 30 September 2021 weighted average	73.4746	86.6591
Nine-month period ended 30 September 2021 weighted average	74.0073	88.5738
As of 31 December 2020	73.8757	90.6824
Three-month period ended 30 September 2020 weighted average	73.5598	85.9671
Nine-month period ended 30 September 2020 weighted average	70.7778	79.6400

28 NEW ACCOUNTING DEVELOPMENTS

Certain new standards and interpretations have been issued that are mandatory for annual periods beginning on or after 1 January 2021 and have not had a material impact on the Group's financial position or operations:

- Interest rate benchmark (IBOR) reform – phase 2 amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 (issued on 27 August 2020 and effective for annual periods beginning on or after 1 January 2021);
- COVID-19-Related Rent Concessions – Amendments to IFRS 16 (issued on 28 May 2020 and effective for annual periods beginning on or after 1 June 2020).

28 NEW ACCOUNTING DEVELOPMENTS (CONTINUED)

The Group is considering the implications of the following amendments, their impact on the Group and the timing of their adoption by the Group:

- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 28 (issued on 11 September 2014 and effective for annual periods beginning on or after a date to be determined by the IASB);
- IFRS 17 “Insurance Contracts” (issued on 18 May 2017 and effective for annual periods beginning on or after 1 January 2023);
- Classification of liabilities as current or non-current – Amendments to IAS 1 (issued on 23 January 2020 and effective for annual periods beginning on or after 1 January 2023);
- Amendments to IAS 1 and IFRS Practice Statement 2: Disclosure of Accounting policies (issued on 12 February 2021 and effective for annual periods beginning on or after 1 January 2023);
- Amendments to IAS 8: Definition of Accounting Estimates (issued on 12 February 2021 and effective for annual periods beginning on or after 1 January 2023);
- Deferred tax related to assets and liabilities arising from a single transaction – Amendments to IAS 12 (issued on 7 May 2021 and effective for annual periods beginning on or after 1 January 2023);
- Proceeds before intended use, Onerous contracts – cost of fulfilling a contract, Reference to the Conceptual Framework – narrow scope amendments to IAS 16, IAS 37 and IFRS 3, and Annual Improvements to IFRSs 2018-2020 – amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41 (issued on 14 May 2020 and effective for annual periods beginning on or after 1 January 2022).

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