

3.5. NCSP GROUP

For Transneft, NCSP segment means:

- a company ensuring a full cycle of oil and petroleum products delivery for loading onto vessels (23% of oil and petroleum products shipped via Russian ports);
- an efficient investment; a significant contribution to Transneft Group's performance.

Key facts about NCSP Group

- 8 companies in three ports of Russia
- 300 customers and 80 cargo types
- 67 berths with a length of 13.7 km and over 800 transshipment machinery pieces
- about 8,000 employees on the payroll

In September 2018, Transneft Group secured indirect control over NCSP as a result of stock acquisition.

Operating results of NCSP and its subsidiaries have been included in the consolidated data of Transneft Group according to IFRS since the end of Q3 2018.

Prior to the acquisition date, the share of Transneft Group in the profit of NCSP Group was included in the Share in the Profit of Subsidiaries and Jointly Run Companies indicator.

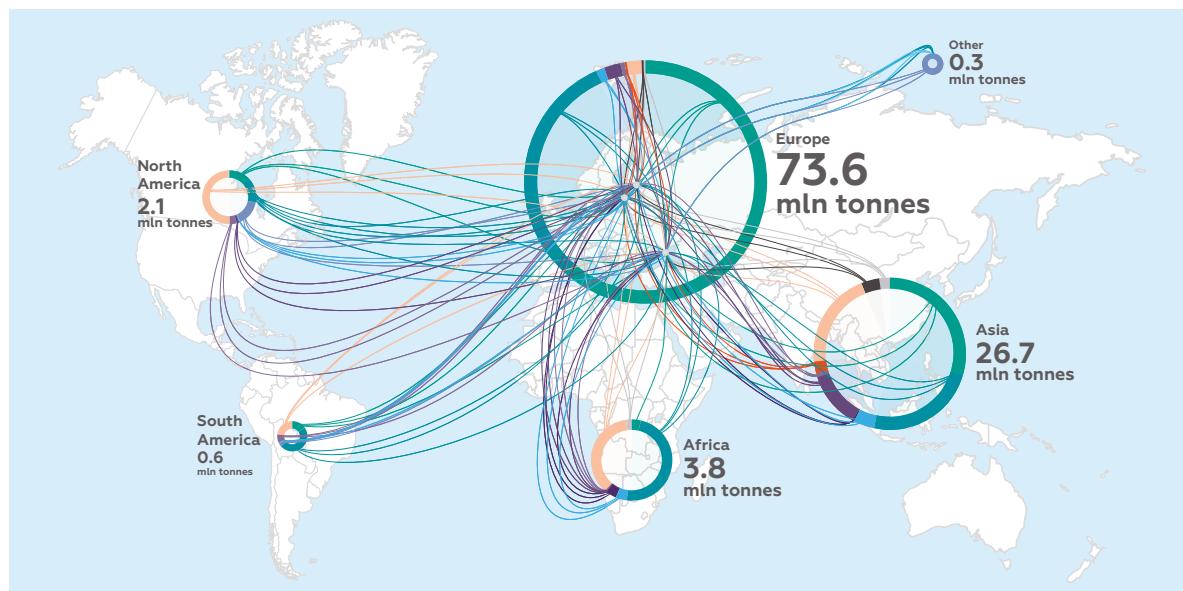


[Brief overview of the NCSP Development Strategy is available on the Company's website](#)



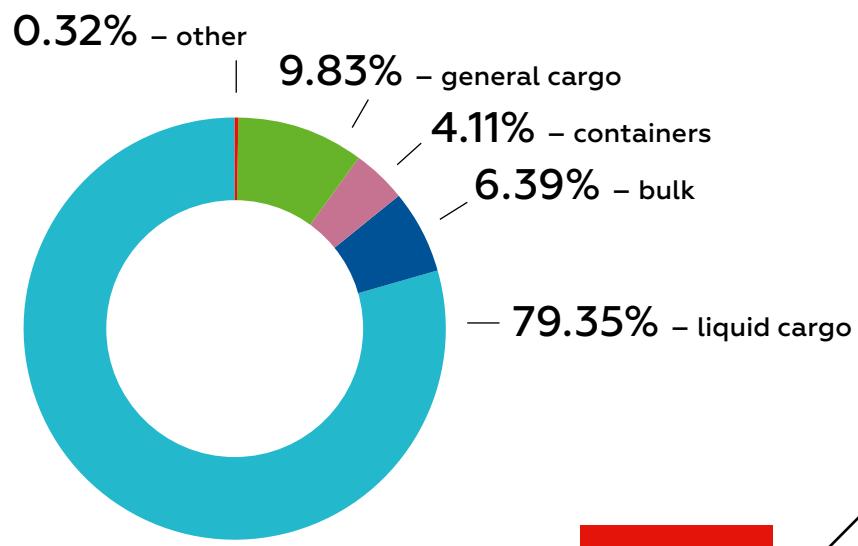
NCSP Group is No. 1 on the stevedoring market of Russia in terms of turnover. NCSP Group's ports are integrated into international transport corridors connecting Russia with the countries of the Mediterranean, the Middle East, North Africa, Southeast Asia, North and South America, which makes them a key channel for the transit of Russian import and export cargo. NCSP Group shipped 110.6 mln tonnes of cargo in 2020, which amounted to 13.5% of the total cargo turnover of Russian seaports.

Turnover geography



- Crude oil
- Petroleum products
- Grain
- UAN
- Containers
- Timber cargo
- Iron ore
- Chemicals
- Non-ferrous metals
- Ferrous metals and cast iron
- Coal
- Other

Turnover Structure (2020)



Influence of NCSP Segment on Transneft Group performance

Key indicators, RUB bn	2018			2019			2020		
	NCSP Segment	Transneft Group	Share of NCSP Segment	NCSP Segment	Transneft Group	Share of NCSP Segment	NCSP Segment	Transneft Group	Share of NCSP Segment
Revenue	15.9	980.0	1.6%	56.1	1,063.8	5.3%	45.6	962.4	4.7%
EBITDA	10.2	433.4	2.4%	40.0	486.3	8.2%	27.8	442.6	6.3%
Profit due to be distributed among shareholders of Transneft	1.6	224.3	0.7%	23.9	179.4	13.3%	-0.9	133.2	-
Free cash flow	5.0	78.2	6.4%	18.5	93.0	19.9%	16.4	139.7	11.7%
Total debt by the end of the year	69.7	673.0	10.4%	49.9	637.4	7.8%	43.7	589.5	7.4%

* NCSP Segment indicators for 2018 are presented for the period from the end of Q3 2018 since the acquisition of the controlling stake by Transneft Group