



Joint-Stock Company RANBAXY

Independent Auditor's Report on the Financial Statements

for the period ended 31 December 2023

Moscow | 2024



Independent Auditor's Report [Translation from Russian original]

To the Shareholders and the Board of Directors of
Joint-Stock Company RANBAXY

Opinion

We have audited the accompanying financial statements of Joint-Stock Company RANBAXY (hereinafter — JSC RANBAXY), which comprise the balance sheet as at 31 December 2023, statement of financial results for the year then ended, supplements to the balance sheet and the statement of financial results, including the statement of changes in equity and the statement of cash flows for the year then ended, notes to the balance sheet and the statement of financial results, and notes to the financial statements for 2023, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of JSC RANBAXY as at 31 December 2023, its financial performance and its cash flows for the year then ended in accordance with Russian accounting standards.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the audited entity in accordance with the Rules of Independence of Auditors and Audit Organizations and the Code of Professional Ethics of Auditors, as well as with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Members of the Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Russian accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Members of the Board of Directors are responsible for overseeing the entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- a) identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b) obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- c) evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d) conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- e) evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Engagement partner on the audit
resulting in this independent
auditor's report acting on behalf of the audit firm
under power of attorney No. 67/22
dated 04 March 2022

Panfilova, Larisa Alexandrovna
Audit qualification certificate dated
18 April 2005 No. K022777, registration
number 22006035483

Date of the independent auditor's report: 01 April 2024

Audited entity

Name:

Joint-Stock Company RANBAXY (JSC RANBAXY).

Address of the legal entity within its location:

27/8 Elektrozavodskaya St., Room 14/1, Moscow, 107023, Russian Federation.

State registration:

The registration entry was made in the Unified State Register of Legal Entities on 20 May 2004 under primary state registration number (OGRN) 1047796353846.

Auditor

Name:

FBK, LLC.

Address of the legal entity within its location:

44 Myasnitskaya St, Bldg 2, Moscow, 101000, Russian Federation.

State registration:

The registration entry was made in the Unified State Register of Legal Entities on 24 July 2002 under primary state registration number 1027700058286.

Primary number of registration entry in the register of auditors and audit organisations of the Self-regulatory organisation of auditors Association "Sodruzhestvo" 11506030481.

Balance Sheet
as at 31 December 2023

Entity Joint-Stock Company RANBAXY
 Taxpayer identification number _____
 Type of economic activity Wholesaling of pharmaceutical and medical products
 Organizational legal form / form of ownership Ownership of foreign legal entities
Joint-Stock Company
 Measurement unit: thousand roubles
 Location (address) _____

Form on OKUD			Codes		
			0710001		
Date (day, month, year)	31	12	2023		
OKPO	72983356				
INN	7720508094				
OKVED 2	46.46.1				
OKOPF/OKFS	12267	23			
OKEI	384				

27 Elektrozavodskaya ul., bldg. 8, room 14/1, Moscow, 107023, Russia

The financial statements are subject to statutory audit YES NO

Name of the audit firm/full name of the individual auditor
FBK, LLC

Taxpayer identification number of the audit firm/individual auditor

INN 7701017140

Primary state registration number of the audit firm/individual auditor

OGRN/
OGRNIP 1027700058286

Notes	Narrative	Code	As at 31 December 2023	As at 31 December 2022	As at 31 December 2021
	ASSETS				
	I. NON-CURRENT ASSETS				
4	Intangible assets	1110	19 662	13 876	8 835
	Results of research and development	1120	-	-	-
	Intangible development assets	1130	-	-	-
	Tangible development assets	1140	-	-	-
5	Fixed assets	1150	191 399	73 213	94 192
	including:				
	Right-of-use asset		185 909	66 381	88 993
	Fixed assets in the entity		5 490	6 833	4 127
	Capital investments in fixed assets in progress		-	-	1 072
	Income-bearing investments into tangible assets	1160	-	-	-
6	Financial investments	1170	-	1 530 000	1 005 000
20	Deferred tax assets	1180	239 893	149 650	86 988
	Other non-current assets	1190	-	-	-
	Total for Section I	1100	450 954	1 766 740	1 195 015
	II. CURRENT ASSETS				
7	Inventories	1210	2 359 209	1 562 938	1 039 399
	Input value-added tax	1220	110 483	533	1 138
8	Accounts receivable	1230	5 234 249	4 334 954	3 273 413
6	Financial investments (excluding cash equivalents)	1240	1 140 000	-	30 000
9	Cash and cash equivalents	1250	36 050	403 852	204 193
	including:				
	Cash on hand	1251	-	6	14
	Operating accounts	1252	7 050	403 846	54 179
	Foreign currency accounts	1253	-	-	-
	Deposited	1254	29 000	-	150 000
10	Other current assets	1260	3 726	3 315	3 135

Total for Section II	1200	8 883 717	6 305 593	4 551 278
BALANCE	1600	9 334 671	8 072 332	5 746 293

Notes	Narrative	Code	As at 31 December 2023	As at 31 December 2022	As at 31 December 2021
	EQUITY AND LIABILITIES				
	III. CAPITAL AND RESERVES				
11	Authorized capital (contributed capital, charter capital, contributions of partners)	1310	163 000	163 000	163 000
	Treasury shares	1320	-	-	-
	Revaluation of non-current assets	1340	-	-	-
	Additional capital (without revaluation)	1350	-	-	-
	Reserve capital	1360	40 750	40 750	40 750
	Retained earnings (uncovered loss)	1370	1 779 304	1 772 064	1 197 531
	Total for Section III	1300	1 983 054	1 975 814	1 401 281
	IV. NON-CURRENT LIABILITIES				
	Borrowings	1410	-	-	-
	Deferred tax liabilities	1420	53 172	17 060	28 279
	Estimated liabilities	1430	-	-	-
21	Other liabilities	1450	174 214	44 905	85 084
	Total for Section IV	1400	227 386	61 965	113 363
	V. CURRENT LIABILITIES				
12	Borrowings	1510	1 238 836	-	-
13	Accounts payable	1520	5 578 642	5 735 599	3 983 582
	Deferred income	1530	-	-	-
14	Estimated liabilities	1540	306 753	298 954	248 066
	Other liabilities	1550	-	-	-
	Total for Section V	1500	7 124 231	6 034 553	4 231 649
	BALANCE	1700	9 334 671	8 072 332	5 746 293

Director _____
(signature)

Artur Valiev _____
(print name)

25 March 2024

Statement of Financial Results

for January-December 2023

Entity Joint-Stock Company RANBAXY
 Taxpayer identification number _____
 Type of economic activity Wholesaling of pharmaceutical and medical products
 Organizational legal form / form of ownership Ownership of foreign legal / entities
Joint-Stock Company
 Measurement unit: thousand roubles

Form on OKUD _____
 Date (day, month, year) _____
 OKPO _____
 INN _____
 OKVED 2 _____
 OKOPF/OKFS _____
 OKEI _____

Codes		
0710002		
31	12	2023
72983356		
7720508094		
46.46.1		
12267	23	
384		

Notes	Narrative	Code	For January-December 2023	For January-December 2022
15	Revenue	2110	10 157 118	8 256 769
16	Cost of sales	2120	(6 252 922)	(4 522 537)
	Gross profit (loss)	2100	3 904 196	3 734 232
17	Selling expenses	2210	(3 844 066)	(3 003 657)
	Administrative expenses	2220	-	-
	Profit (loss) on sales	2200	60 130	730 575
	Income from participation in other entities	2310	-	-
6	Interest receivable	2320	114 771	145 897
21	Interest payable	2330	(139 574)	(8 103)
18	Other income	2340	118 337	67 312
19	Other expenses	2350	(68 307)	(147 575)
	Profit (loss) before tax	2300	85 357	788 106
20	Income tax	2410	(78 118)	(211 101)
	including:			
	current income tax	2411	(132 249)	(284 983)
	deferred income tax	2412	54 131	73 882
	Other	2460	-	-
	including:			
	Net profit (loss)	2400	7 239	577 005

Notes	Narrative	Code	For January-December 2023	For January-December 2022
	Result of revaluation of non-current assets not included in net profit (loss) for the period	2510	-	-
	Result of other operations not included in net profit (loss) for the period	2520	-	-
	Income tax from operations whose result is not included in net profit (loss) for the period	2530	-	-
	Total financial result for the period	2500	7 239	577 005
	FOR REFERENCE ONLY			
	Basic earnings (loss) per share	2900	-	4
	Diluted earnings (loss) per share	2910	-	4

Director _____
(signature)

Artur Valiev _____
(print name)

25 March 2024

Statement of Changes in Equity
for January-December 2023

Codes	
0710004	
31	12 2023
72983356	
7720508094	
46.46.1	
12267	23
384	

Form on OKUD

Date (day, month, year)

OKPO

INN

OKVED 2

OKOPF/OKFS

OKEI

Entity Joint-Stock Company RANBAXY
 Taxpayer identification number _____
 Type of economic activity Wholesaling of pharmaceutical and medical products
 Organizational legal form / form of ownership Ownership of foreign legal entities
 Joint-Stock Company _____ / entities _____
 Measurement unit: _____ thousand roubles

1. Changes in equity

Narrative	Code	Authorized capital	Treasury shares	Additional capital	Reserve capital	Retained earnings (uncovered loss)	Total
Equity as at 31 December 2021	3100	163 000	-	-	40 750	1 197 531	1 401 281
<u>For 2022</u>	3210	-	-	-	-	577 004	577 004
Total increase in equity:							
including:							
Net profit	3211	X	X	X	X	577 004	577 004
Revaluation of assets	3212	X	X	-	X	-	-
Gains taken directly to equity	3213	X	X	-	X	-	-
Additional issue of shares	3214	-	-	-	X	X	-
Increase in par value of shares	3215	-	-	-	X	-	X
Reorganization of the legal entity	3216	-	-	-	-	-	-

Narrative	Code	Authorized capital	Treasury shares	Additional capital	Reserve capital	Retained earnings (uncovered loss)	Total
Total decrease in equity:	3220	-	-	-	-	(2 472)	(2 472)
including:							
Loss	3221	X	X	X	X	-	-
Revaluation of assets	3222	X	X	-	X	-	-
Expenses directly charged to equity	3223	X	X	-	X	(2 472)	(2 472)
Reduction in par value of shares	3224	-	-	-	X	-	-
Reduction in number of shares	3225	-	-	-	X	-	-
Reorganization of the legal entity	3226	-	-	-	-	-	-
Dividends	3227	X	X	X	X	-	-
Change in additional capital	3230	X	X	-	-	-	X
Change in reserve capital	3240	X	X	X	-	-	X
Equity as at 31 December 2022	3200	163 000	-	-	40 750	1 772 064	1 975 814
For 2023							
Total increase in equity:	3310	-	-	-	-	7 240	7 240
including:							
Net profit	3311	X	X	X	X	7 240	7 240
Revaluation of assets	3312	X	X	-	X	-	-
Gains taken directly to equity	3313	X	X	-	X	-	-
Additional issue of shares	3314	-	-	-	X	X	-
Increase in par value of shares	3315	-	-	-	X	-	X
Reorganization of the legal entity	3316	-	-	-	-	-	-
Total decrease in equity:	3320	-	-	-	-	-	-
including:							
Loss	3321	X	X	X	X	-	-
Revaluation of assets	3322	X	X	-	X	-	-
Expenses directly charged to equity	3323	X	X	-	X	-	-
Reduction in par value of shares	3324	-	-	-	X	-	-
Reduction in number of shares	3325	-	-	-	X	-	-
Reorganization of the legal entity	3326	-	-	-	-	-	-
Dividends	3327	X	X	X	X	-	-

Change in additional capital	3330	X	X	-	-	-	-	X
Change in reserve capital	3340	X	X	X	-	-	-	X
Equity as at 31 December 2023	3300	163 000	-	-	40 750	1 779 304	-	1 983 054

2. Adjustments related to changes in accounting policies and correction of errors

Narrative	Code	As at 31 December 2021	Change in equity for 2022		As at 31 December 2022
			Due to net profit (loss)	Due to other factors	
Total capital					
Before adjustments	3400	1 401 282	577 004	-	1 978 286
Adjustments arising from:					
Changes in accounting policies	3410	-	-	-	-
Correction of errors	3420	-	-	(2 472)	(2 472)
After adjustments	3500	1 401 282	577 004	(2 472)	1 975 814
including:					
Retained earnings (uncovered loss):					
Before adjustments	3401	1 197 532	577 004	-	1 774 536
Adjustments arising from:					
Changes in accounting policies	3411	-	-	-	-
Correction of errors	3421	-	-	(2 472)	(2 472)
After adjustments	3501	1 197 532	577 004	(2 472)	1 772 064
Other capital items					
Before adjustments	3402	203 750	-	-	203 750
Adjustments arising from:					
Changes in accounting policies	3412	-	-	-	-
Correction of errors	3422	-	-	-	-
After adjustments	3502	203 750	-	-	203 750

3. Net assets

Narrative	Code	As at 31 December 2023	As at 31 December 2022	As at 31 December 2021
Net assets	3600	1 983 054	1 975 814	1 401 281

Director _____ Artur Valiev _____

(signature)

(print name)

25 March 2024

Statement of Cash Flows
for January-December 2023

Entity Joint-Stock Company RANBAXY
Taxpayer identification number _____
Type of economic activity Wholesaling of pharmaceutical and medical products
Organizational legal form / form of ownership _____
Joint-Stock Company / **Ownership of foreign legal entities**
Measurement unit: thousand roubles

Form on OKUD
Date (day, month, year)

OKPO

72983356

INN

7720508094

OKVED 2

46.46.1

OKOPF/OKFS

12267

23

OKEI

384

Codes		
0710005		
31	12	2023
72983356		
7720508094		
46.46.1		
12267		23
384		

Narrative	Code	For January-December 2023	For January-December 2022
Cash flows from operating activities			
Total receipts	4110	9 404 922	7 823 649
including:			
Sales of products, goods, works and services	4111	9 358 299	7 537 785
Lease payments, license fees, royalties, commissions, fees	4112	201	125
Resale of financial investments	4113	-	-
Other receipts	4119	46 422	285 739
Total payments	4120	(11 398 948)	(7 110 282)
including:			
To suppliers (contractors) for materials, supplies, works and services	4121	(9 371 927)	(5 220 087)
Employee compensation	4122	(1 130 947)	(1 166 086)
Interest on debt obligations	4123	(126 352)	-
Corporate income tax	4124	(152 924)	(285 507)
Other payments	4129	(616 798)	(438 602)
Net cash flows from operating activities	4100	(1 994 026)	713 367
Cash flows from investing activities			
Total receipts	4210	481 311	152 632
including:			
Sales of non-current assets (excluding financial investments)	4211	1 121	-
Sale of shares (interests) in other entities	4212	-	-
Loans repayments, sale of debt securities (monetary claims against other persons)	4213	390 000	50 000
Dividends, interest on financial debt investments and similar receipts from equity participation in other organizations	4214	90 190	102 632
Other receipts	4219	-	-
Total payments	4220	(13 170)	(586 996)
including:			
Acquisition, creation, modernization, reconstruction and preparation of non-current assets for use	4221	(13 170)	(11 996)
Acquisition of shares (interests) in other entities	4222	-	-
Acquisition of debt securities (monetary claims against other persons), disbursement of loans	4223	-	(575 000)

Interest on debt liabilities, included into the cost of investment asset	4224	-	-
Other payments	4229	-	-
Net cash flows from investing activities	4200	468 141	(434 364)

Narrative	Code	For January-December 2023	For January-December 2022
Cash flows from financing activities			
Total receipts	4310	3 438 836	-
including:			
Credit and loan proceeds	4311	3 438 836	-
Monetary contributions of owners (members)	4312	-	-
Issue of shares, increase in participatory interests	4313	-	-
Issue of bonds, bills and other debt securities, etc.	4314	-	-
Other receipts	4319	-	-
Total payments	4320	(2 280 749)	(79 343)
including:			
To owners (members) in connection with repurchase of shares (interests) from them or termination or their participation	4321	-	-
Payment of dividends and other profit distributions to owners (members)	4322	-	-
In connection with redemption (repurchase) of bills and other debt securities, credit and loan repayments	4323	(2 200 000)	-
Other payments	4329	(80 749)	(79 343)
Net cash flows from financing activities	4300	1 158 087	(79 343)
Net cash flows for the reporting period	4400	(367 798)	199 660
Cash and cash equivalents as at the beginning of the reporting period	4450	403 852	204 193
Cash and cash equivalents as at the end of the reporting period	4500	36 050	403 853
Effect of changes in foreign exchange rates against the rouble	4490	(4)	-

Director _____
(signature)

Artur Valiev _____
(print name)

25 March 2024

**Notes to the Balance Sheet
and Statement of Financial Results (RUB'000)**

**1. Intangible assets and expenses for research, development and technological works (R&D)
1.1. Existence and movements of intangible assets**

p.1

Narrative	Code	Period	At the beginning of the year		Changes over the period						At the end of the period		
			Historical cost	Accumulated amortisation and impairment losses	Additions	Disposal		Accrued amortisation	Impairment loss	Revaluation		Historical cost	Accumulated amortisation and impairment losses
						Historical cost	Accumulated amortisation and impairment losses			Historical cost	Accumulated amortisation		
Total intangible assets	5100	for 2023	30 500	(18 339)	12 101	(5 576)	5 576	(6 874)	-	-	-	37 025	(19 637)
	5110	for 2022	22 400	(14 978)	10 248	(2 148)	2 148	(5 509)	-	-	-	30 500	(18 339)
including: Other intangible assets	5101	for 2023	4 683	(3 519)	655	(1 162)	1 162	(752)	-	-	-	4 176	(3 109)
	5111	for 2022	4 182	(2 977)	1 011	(510)	510	(1 053)	-	-	-	4 683	(3 519)
Exclusive copyright to computer programs and databases	5102	for 2023	7 802	(6 719)	163	-	-	(269)	-	-	-	7 965	(6 988)
	5112	for 2022	7 876	(7 109)	981	(1 055)	1 055	(666)	-	-	-	7 802	(6 719)
Video clips	5103	for 2023	18 016	(8 100)	11 283	(4 414)	4 414	(5 854)	-	-	-	24 885	(9 540)
	5113	for 2022	10 342	(4 893)	8 257	(583)	583	(3 791)	-	-	-	18 016	(8 100)

1.2. Historical cost of intangible assets developed in-house

Narrative	Code	As at 31 December 2023		As at 31 December 2022		As at 31 December 2021	
Total	5120	-	-	-	-	-	-
including:	5121	-	-	-	-	-	-

1.3. Fully amortised intangible assets

Narrative	Code	As at 31 December 2023	As at 31 December 2022	As at 31 December 2021
Total	5130	14 676	7 435	6 206
including: Exclusive copyright to computer programs and databases	5131	670	670	670
Other intangible assets	5132	14 006	6 765	5 536

1.4. Existence and movements of R&D results

Narrative	Code	Period	At the beginning of the year		Changes over the period			At the end of the period	
			Historical cost	Expensed portion	Additions	Disposal		Historical cost	Expensed portion
						Historical cost	Expensed portion		
Total R&D	5140	for 2023	-	-	-	-	-	-	-
	5150	for 2022	-	-	-	-	-	-	-
including:	5141	for 2023	-	-	-	-	-	-	-
	5151	for 2022	-	-	-	-	-	-	-

1.5. R&D in progress and not formalized and acquisitions of intangible assets in progress

Narrative	Code	Period	At the beginning of the year	Changes over the period			At the end of the period
				Costs for the period	Costs written off as unproductive	Recognized as intangible assets or R&D	
Costs of R&D in progress - total including:	5160	for 2023	-	-	-	-	-
	5170	for 2022	-	-	-	-	-
Acquisitions of intangible assets in progress - total including:	5161	for 2023	-	-	-	-	-
	5171	for 2022	-	-	-	-	-
	5180	for 2023	1 714	13 009	(348)	(12 101)	2 274
	5190	for 2022	1 413	10 550	-	(10 248)	1 714
	5181	for 2023	500	-	-	-	500
Loyalty system	5191	for 2022	500	-	-	-	500
	5182	for 2023	348	-	(348)	-	-
Package design for "Vitastrong Aspacardio"	5192	for 2022	348	-	-	-	348
Package design for "Immuno Vitastrong"	5183	for 2023	350	500	-	-	850
	5193	for 2022	-	350	-	-	350
	5184	for 2023	32	23	-	(55)	32
Trademark "Neotravisil"	5194	for 2022	-	32	-	-	-
Video clip "Joint Strengthening Exercises"	5185	for 2023	284	-	-	(284)	284
	5195	for 2022	-	284	-	-	-
Package design for "Coldact Day Night"	5186	for 2023	200	-	-	-	200
	5196	for 2022	-	200	-	-	200
Video clip "HR clip"	5187	for 2023	-	74	-	-	74
	5197	for 2022	-	-	-	-	-
Package design for "Mlalays"	5188	for 2023	-	120	-	(120)	-
	5198	for 2022	-	-	-	-	-
Package design for "Fortifikat"	5189	for 2023	-	100	-	-	100
	5199	for 2022	-	-	-	-	-
Site "Hondrofen"		for 2023	-	163	-	(163)	-
Package design for "Neotravisil Breeze"		for 2022	-	-	-	-	-
		for 2023	-	200	-	-	200
Creative concept for "Faringospray" as part of Faringo product line		for 2022	-	-	-	(350)	-
		for 2023	-	350	-	-	-
Creative concept for "Coldact Broncho"		for 2022	-	-	-	(91)	-
		for 2023	-	91	-	-	-
Video clip "Coldact Button"		for 2022	-	-	-	(4 397)	-
		for 2023	-	4 397	-	-	-
Video clip "Pharyngosept. Demonstration", extension		for 2023	-	913	-	(913)	-

of rights										
Video clip "Florioza", extension of rights		for 2022				895			(895)	
		for 2023								
Video clip "Neotravisil. Karaoke"		for 2022				4 794			(4 794)	
		for 2023								
Visual strategy "Neotravisil"		for 2022				350				350
		for 2023								
Trademark "Travisil"		for 2022				39			(39)	
		for 2023								
Fexadin new package blister pack		for 2022	350						(350)	
		for 2023								
Brustel visual concept		for 2022	215						(215)	
		for 2023								
Video clip "Neotravisil"		for 2022				2 940			(2 940)	
		for 2023								
Site "Delsia"		for 2022				167			(167)	
		for 2023								
Site "Miteravel"		for 2022				167			(167)	
		for 2023								
Site "Azix-Derm"		for 2022				167			(167)	
		for 2023								
Site "Atriflex"		for 2022				60			(60)	
		for 2023								
Site "Pylobact"		for 2022				421			(421)	
		for 2023								
Key visual for "Jayna"		for 2022				208			(208)	
		for 2023								
Video clip "Pharyngosept. Giraffes"		for 2022				2 629			(2 629)	
		for 2023								
Image for "Coldact Hot Drink"		for 2022				238			(238)	
		for 2023								
Video animation "Mesacol"		for 2022				480			(480)	
		for 2023								
Video clip "Coldact Character"		for 2022				2 208			(2 208)	
		for 2023								

Director _____
(signature)

Artur Valiev _____
(print name)

25 March 2024 _____

2.2. Capital investments in progress

Narrative	Code	Period	At the beginning of the year	Changes over the period			At the end of the period
				Costs for the period	Written off	Recognized as fixed assets or written up	
Construction in progress and acquisitions, modernization etc. of fixed assets in progress — total including:	5240	for 2023	-	192 025	-	(192 025)	-
	5250	for 2022	4 127	2 704	-	(6 831)	-
Nissan Almera 1.6 (102 hp) ; Z8NAJL11061778206 ; A981HE797 (prior license plate number H304KH154) extension	5241	for 2023	-	239	-	(239)	-
	5251	for 2022	-	-	-	-	-
Renault Logan 1.6 ; X7L4SRLV461786432 ; A989HX797 (prior license plate number A471XA123) extension	5242	for 2023	-	216	-	(216)	-
	5252	for 2022	-	-	-	-	-
Renault Logan 1.6 ; X7L4SRLV461786417 ; C664MH797 (prior license plate number A370XA123) extension	5243	for 2023	-	244	-	(244)	-
	5253	for 2022	-	-	-	-	-
Renault Logan 1.6 ; X7L4SRLV461786437 ; C193MO797 (prior license plate number A424XA123) extension	5244	for 2023	-	211	-	(211)	-
	5254	for 2022	-	-	-	-	-
Renault Logan 1.6 ; X7L4SRLV461786431 ; C695MH797 (prior license plate number A483XA123) extension	5245	for 2023	-	194	-	(194)	-
	5255	for 2022	-	-	-	-	-
Nissan Almera 1.6 (102 hp) ; Z8NAJL11061778197 ; X278MX799 extension	5246	for 2023	-	293	-	(293)	-
	5256	for 2022	-	-	-	-	-
Nissan Almera 1.6 (102 hp) ; Z8NAJL11061778185 ; X305MX799 extension	5247	for 2023	-	305	-	(305)	-
	5257	for 2022	-	-	-	-	-
Renault Logan 1.6 ; X7L4SRLV461786414 ; B085HC799 extension	5248	for 2023	-	237	-	(237)	-
	5258	for 2022	-	-	-	-	-
Renault Logan 1.6 ; X7L4SRLV461786428 ; T754ET797 (prior license plate number M893YX123) extension	5249	for 2023	-	226	-	(226)	-
	5259	for 2022	-	-	-	-	-
Renault Logan 1.6 ; X7L4SRLV461786427 ; A893EM797 (prior license plate number B666HE198) extension		for 2023	-	226	-	(226)	-
		for 2022	-	-	-	-	-
KVM switch ATEN		for 2023	-	276	-	(276)	-
		for 2022	-	-	-	-	-
Warehouse Istra 358.7 sq. m., extension		for 2023	-	5 202	-	(5 202)	-
		for 2022	-	-	-	-	-

Renault Logan Life 1.6L/82 5 VN 4D ; X7L4SRLV468976394 ; M997TM790	for 2023	-	-	1 335	-	(1 335)
Renault Logan Life 1.6L/82 5 VN 4D ; X7L4SRLV468976385 ; A053TO790	for 2022	-	-	1 336	-	(1 336)
Renault Logan Life 1.6L/82 5 VN 4D ; X7L4SRLV468976745 ; A991TP790	for 2023	-	-	1 334	-	(1 334)
Renault Logan Life 1.6L/82 5 VN 4D ; X7L4SRLV468976582 ; P682TC790	for 2022	-	-	1 340	-	(1 340)
Renault Logan Life 1.6L/82 5 VN 4D ; X7L4SRLV468976366 ; A062TC790	for 2023	-	-	1 337	-	(1 337)
Renault Logan Life 1.6L/82 5 VN 4D ; X7L4SRLV468976360 ; A063TP790	for 2022	-	-	1 337	-	(1 337)
Renault Logan Life 1.6L/82 5 VN 4D ; X7L4SRLV468976311 ; C030TH790	for 2022	-	-	1 336	-	(1 336)
Omoda C5 Joy 1.5T/147 CVT 5W ; LVVDB21B6PD130395 ; X861TH790	for 2022	-	-	2 324	-	(2 324)
Renault Logan New Style 1.6 ; X7L4SRLV463260931 ; T397OC799 extension	for 2022	-	-	266	-	(266)
Renault Logan New Style 1.6 ; X7L4SRLV463260942 ; B805TX198 extension	for 2022	-	-	286	-	(286)
Renault Logan New Style 1.6 ; X7L4SRLV463260939 ; Y171BO136 extension	for 2022	-	-	286	-	(286)
Renault Logan New Style 1.6 ; X7L4SRLV463260936 ; B956TT198 extension	for 2023	-	-	301	-	(301)
Renault Logan New Style 1.6 ; X7L4SRLV463260938 ; K845XM123 extension	for 2022	-	-	301	-	(301)
Renault Logan New Style 1.6 ; X7L4SRLV463260934 ; K735XM123 extension	for 2022	-	-	286	-	(286)
Renault Logan New Style 1.6 ; X7L4SRLV463573688 ; K323OX799 extension	for 2023	-	-	286	-	(286)
Renault Logan New Style 1.6 ; X7L4SRLV463260935 ; T549AP31 extension	for 2023	-	-	286	-	(286)
Renault Logan New Style 1.6 ; X7L4SRLV463260932 ; B970TT198 extension	for 2022	-	-	301	-	(301)
Renault Logan Life 1.6L/82 5 VN 4D ; X7L4SRLV468976751 ; X029TO790	for 2023	-	-	1 340	-	(1 340)
Renault Logan Life 1.6L/82 5 VN 4D ; X7L4SRLV468976747 ; X023TO790	for 2022	-	-	1 334	-	(1 334)
Renault Logan Life 1.6L/82 5 VN 4D ; X7L4SRLV468976377 ; H477TM790	for 2022	-	-	1 336	-	(1 336)
Renault Logan Life 1.6L/82 5MT 4D ; X7L4SRLV468976405 ; A059TO790	for 2023	-	-	1 339	-	(1 339)

Renault Logan Life 1.6L/82 5MT 4D ; X7L4SR1V468976400 ; C015TH790	for 2023	-	1 340	-	(1 340)
Renault Logan Life 1.6L/82 5MT 4D ; X7L4SR1V468976346 ; A047TO790	for 2022	-	1 336	-	(1 336)
Renault Logan Life 1.6L/82 5MT 4D ; X7L4SR1V468976417 ; P653TC790	for 2023	-	1 333	-	(1 333)
Renault Logan Life 1.6L/82 5MT 4D ; X7L4SR1V468976402 ; P469TH790	for 2022	-	1 339	-	(1 339)
Kia Cerato 1.6 LA 061239; XWEX411BHC004994; A811BK799 extension from 01.09.23	for 2023	-	127	-	(127)
Kia Cerato 1.6 LA 061240; XWEX411BHC004995; A765BK799 extension from 01.09.23	for 2022	-	171	-	(171)
Kia Cerato 1.6 LA 061241; XWEX411BHC004996; A784BK799 extension from 01.09.23	for 2023	-	130	-	(130)
Kia Cerato 1.6 LA 061242; XWEX411BHC004997; A908BK799 extension from 01.09.23	for 2022	-	123	-	(123)
Kia Cerato 1.6 LA 061245; XWEX411BHC004972; A795BK799 extension from 01.09.23	for 2023	-	119	-	(119)
Kia Cerato 1.6 LA 061246; XWEX411BHC004974; A798BK799 extension from 01.09.23	for 2022	-	148	-	(148)
Kia Rio 1.6 Prestige 071290; Z94C341BBKR124557; H655XM154 extension from 01.09.23	for 2023	-	212	-	(212)
Kia Rio 1.6 Prestige 071291; Z94C341BBKR124558; M295AX196 extension from 01.09.23	for 2022	-	221	-	(221)
Kia Rio 1.6 Prestige 071292; Z94C341BBKR124554; Y658HC125 extension from 01.09.23	for 2023	-	213	-	(213)
Kia Rio 1.6 Prestige 071301; Z94C341BBKR124559; Y652HC125 extension from 01.09.23	for 2022	-	213	-	(213)
Kia Rio 1.6 Prestige 071302; Z94C341BBKR124555; H672XM154 extension from 01.09.23	for 2023	-	234	-	(234)
Kia Rio 1.6 Prestige 072194; Z94C341BBKR130292; T683AK761 extension from 01.09.23	for 2022	-	205	-	(205)
NISSAN ALMERA 061217 ; Z8NAJL11058978140; E276YY154 extension from 01.09.23	for 2023	-	105	-	(105)
NISSAN ALMERA 061219 ; Z8NAJL11058571100; K355AE154 extension from 01.09.23	for 2022	-	105	-	(105)
NISSAN ALMERA 061220 ; Z8NAJL11058571119; K652AH196 extension from 01.09.23	for 2023	-	171	-	(171)
NISSAN ALMERA 061221 ; Z8NAJL11058978138; K719AH196 extension from 01.09.23	for 2022	-	112	-	(112)
NISSAN ALMERA 061224 ; Z8NAJL11059217455; O823XY161 extension from 01.09.23	for 2023	-	134	-	(134)
NISSAN ALMERA 061226 ; Z8NAJL11059269966; K784BA136 extension from 01.09.23	for 2022	-	211	-	(211)

NISSAN ALMERA 061234 ; Z8NAJL11058977720; A501AV763 extension from 01.09.23	for 2023		131			(131)
NISSAN ALMERA 061235 ; Z8NAJL11058977732; K013BB196 extension from 01.09.23	for 2023		118			(118)
NISSAN ALMERA 064381 ; Z8NAJL11060467299; O572BB136 extension from 01.09.23	for 2023		103			(103)
NISSAN ALMERA 064478 ; Z8NAJL11060586137; K133KT196 extension from 01.09.23	for 2023		144			(144)
Renault Logan 061156 ; X7L4SRVAV458849780; A918KO716 extension from 01.09.23	for 2023		159			(159)
Renault Logan 061158 ; X7L4SRVAV458849783; A666KO716 extension from 01.09.23	for 2023		96			(96)
Renault Logan 061159 ; X7L4SRVAV458849785; K319BA136 extension from 01.09.23	for 2023		175			(175)
Renault Logan 061160 ; X7L4SRVAV458849787; K318BA136 extension from 01.09.23	for 2023		282			(282)
Renault Logan 061165 ; X7L4SRVAV458849792; E278YY154 extension from 01.09.23	for 2023		165			(165)
Renault Logan 061166 ; X7L4SRVAV458849793; C021BH138 extension from 01.09.23	for 2023		161			(161)
Renault Logan 061167 ; X7L4SRVAV458849794; P853BH138 extension from 01.09.23	for 2023		138			(138)
Renault Logan 061168 ; X7L4SRVAV458849795; C002BH138 extension from 01.09.23	for 2023		180			(180)
Renault Logan 061169 ; X7L4SRVAV458849796; E264YY154 extension from 01.09.23	for 2023		193			(193)
Renault Logan 061171 ; X7L4SRVAV458849798; E222YY154 extension from 01.09.23	for 2023		347			(347)
Renault Logan 061172 ; X7L4SRVAV458849799; E275YY154 extension from 01.09.23	for 2023		205			(205)
Renault Logan 061176 ; X7L4SRVAV458849803; E263YY154 extension from 01.09.23	for 2023		240			(240)
Renault Logan 061178 ; X7L4SRVAV458849806; A347BH763 extension from 01.09.23	for 2023		133			(133)
Renault Logan 061179 ; X7L4SRVAV458849807; E273YY154 extension from 01.09.23	for 2023		270			(270)
Renault Logan 061181 ; X7L4SRVAV458849781; C056BH138 extension from 01.09.23	for 2023		238			(238)
Renault Logan 061185 ; X7L4SRVAV458849840; E511HK125 extension from 01.09.23	for 2023		210			(210)
Renault Logan 061923 ; X7L4SRVAV459032725; A541KO716 extension from 01.09.23	for 2023		140			(140)
Renault Logan 064122 ; X7L4SRVAVP60064112; O315BB136 extension from 01.09.23	for 2023		184			(184)

Renault Logan 064124 ; X7L4SRVAVP60046483 ; A670MA763 extension from 01.09.23	for 2023	-	154	-	(154)
Renault Logan 064125 ; X7L4SRVAVP60006138 ; K887KO196 extension from 01.09.23	for 2022	-	233	-	(233)
Renault Logan 064127 ; X7L4SRVAVP60008890 ; K861KO196 extension from 01.09.23	for 2023	-	155	-	(155)
Renault Logan 064128 ; X7L4SRVAVP600051317 ; K917KO196 extension from 01.09.23	for 2022	-	257	-	(257)
Renault Logan 064129 ; X7L4SRVAVP59984093 ; K895KO196 extension from 01.09.23	for 2023	-	166	-	(166)
Renault Logan 064130 ; X7L4SRVAV45926661 ; K190KO196 extension from 01.09.23	for 2022	-	232	-	(232)
Chery Tiggo 7 Pro Elite 1.5T/147 CVT 5W ; LVVDB21B6PD762698 ; O573TO790	for 2023	-	2 337	-	(2 337)
Kia Cerato Luxe 1.6 ; XWFEFX416BKC000585 ; A262XO123 extension	for 2022	-	406	-	(406)
Renault Logan New Style 1.6 ; X7L4SRVAV463573691 ; A328BP136 extension	for 2023	-	316	-	(316)
Renault Logan New Style 1.6 ; X7L4SRVAV463573703 ; B723YK716 extension	for 2022	-	316	-	(316)
Renault Logan New Style 1.6 ; X7L4SRVAV463573692 ; B883YK716 extension	for 2023	-	271	-	(271)
Renault Logan New Style 1.6 ; X7L4SRVAV463573702 ; B905EP763 extension	for 2022	-	271	-	(271)
Renault Logan New Style 1.6 ; X7L4SRVAV463573688 ; K202OX799 extension	for 2023	-	384	-	(384)
Renault Logan New Style 1.6 ; X7L4SRVAV463573704 ; O205YE174 extension	for 2022	-	361	-	(361)
Renault Logan New Style 1.6 ; X7L4SRVAV463573690 ; O559AP46 extension	for 2023	-	361	-	(361)
Renault Logan New Style 1.6 ; X7L4SRVAV463573705 ; P054XH123 extension	for 2022	-	271	-	(271)
Renault Logan Life 1.6L/82 5MT 4D ; X7L4SRVAV468976749 ; C056TH790	for 2023	-	1 386	-	(1 386)
Renault Logan Life 1.6L/82 5MT 4D ; X7L4SRVAV468976351 ; A046TH790	for 2022	-	1 386	-	(1 386)
Renault Logan Life 1.6L/82 5 VN 4D ; X7L4SRVAV468976730 ; T993TH790	for 2023	-	1 385	-	(1 385)
Renault Logan Life 1.6L/82 5MT 4D ; X7L4SRVAV468976728 ; C068TH790	for 2022	-	1 385	-	(1 385)
Renault Logan Life 1.6L/82 5MT 4D ; X7L4SRVAV468976732 ; Y473TH790	for 2023	-	1 385	-	(1 385)
Renault Logan Life 1.6L/82 5MT 4D ; X7L4SRVAV468976375 ; M938TM790	for 2022	-	1 385	-	(1 385)

Renault Logan Life 1.6L/82 5MT 4D ; X7L4SRLV468976694 ; A113TO790	for 2023	-	1 385	-	(1 385)
Renault Logan Life 1.6L/82 5MT 4D ; X7L4SRLV468976367 ; M896TM790	for 2022	-	-	-	-
Renault Logan Life 1.6L/82 5MT 4D ; X7L4SRLV468976367 ; M896TM790	for 2023	-	1 385	-	(1 385)
Renault Logan Life 1.6L/82 5MT 4D ; X7L4SRLV468976367 ; M896TM790	for 2022	-	-	-	-
Renault Logan Life 1.6L/82 5MT 4D ; X7L4SRLV468976367 ; M896TM790	for 2023	-	1 385	-	(1 385)
Renault Logan New Style 1.6 ; X7L4SRLV463573701 ; P264HH152 extension	for 2022	-	376	-	(376)
Renault Logan New Style 1.6 ; X7L4SRLV463573701 ; P264HH152 extension	for 2023	-	-	-	-
Geely Coolray/1.5T Comfort DCT ; Y4K8622Z3PB928752 ; M134OO797	for 2022	-	1 970	-	(1 970)
Geely Coolray/1.5T Comfort DCT ; Y4K8622Z3PB928752 ; M134OO797	for 2023	-	-	-	-
Geely Coolray/1.5T Comfort DCT ; Y4K8622Z3PB928721 ; M137OO797	for 2022	-	1 967	-	(1 967)
Geely Coolray/1.5T Comfort DCT ; Y4K8622Z3PB928721 ; M137OO797	for 2023	-	-	-	-
Geely Coolray/1.5T Comfort DCT ; Y4K8622Z3PB928757 ; O559OK797	for 2022	-	1 964	-	(1 964)
Geely Coolray/1.5T Comfort DCT ; Y4K8622Z3PB928757 ; O559OK797	for 2023	-	-	-	-
Geely Coolray/1.5T Comfort DCT ; Y4K8622Z3PB928459 ; M618OC797	for 2022	-	1 963	-	(1 963)
Geely Coolray/1.5T Comfort DCT ; Y4K8622Z3PB928459 ; M618OC797	for 2023	-	-	-	-
Geely Coolray/1.5T Comfort DCT ; Y4K8622Z3PB928749 ; M177OT797	for 2022	-	1 962	-	(1 962)
Geely Coolray/1.5T Comfort DCT ; Y4K8622Z3PB928749 ; M177OT797	for 2023	-	-	-	-
Lada Granta II Classic 1.6L/90 5MT 4D ; XTA219040R0962260 ; X977YX790	for 2022	-	873	-	(873)
Lada Granta II Classic 1.6L/90 5MT 4D ; XTA219040R0962260 ; X977YX790	for 2023	-	-	-	-
Lada Granta II Classic 1.6L/90 5MT 4D ; XTA219040R0962340 ; Y016YX790	for 2022	-	873	-	(873)
Lada Granta II Classic 1.6L/90 5MT 4D ; XTA219040R0962340 ; Y016YX790	for 2023	-	-	-	-
Renault Logan Life 1.6L/82 5MT 4D ; X7L4SRLV468976716 ; A958TP790	for 2022	-	1 378	-	(1 378)
Renault Logan Life 1.6L/82 5MT 4D ; X7L4SRLV468976716 ; A958TP790	for 2023	-	-	-	-
Geely Coolray/1.5T Comfort DCT ; ; P374OH797	for 2022	-	1 990	-	(1 990)
Geely Coolray/1.5T Comfort DCT ; ; P374OH797	for 2023	-	-	-	-
Renault Logan 1.6 ; X7L4SRLV463964344 ; C830EY152 extension from 01.12.2023	for 2022	-	266	-	(266)
Renault Logan 1.6 ; X7L4SRLV463964344 ; C830EY152 extension from 01.12.2023	for 2023	-	-	-	-
Kia Cerato Luxe 1.6 ; XWFEFX411BJC006511 ; T269MA797 (prior license plate number B076BO198) extension from 01.12.2023	for 2022	-	455	-	(455)
Kia Cerato Luxe 1.6 ; XWFEFX411BJC006511 ; T269MA797 (prior license plate number B076BO198) extension from 01.12.2023	for 2023	-	-	-	-
Renault Logan 1.6 ; X7L4SRLV463964306 ; K561PM799 extension from 01.12.2023	for 2022	-	344	-	(344)
Renault Logan 1.6 ; X7L4SRLV463964306 ; K561PM799 extension from 01.12.2023	for 2023	-	-	-	-
Renault Logan 1.6 ; X7L4SRLV463964311 ; AZ08VH174 extension from 01.12.2023	for 2022	-	389	-	(389)
Renault Logan 1.6 ; X7L4SRLV463964311 ; AZ08VH174 extension from 01.12.2023	for 2023	-	-	-	-
Renault Logan 1.6 ; X7L4SRLV463964312 ; B767MA763 extension from 01.12.2023	for 2022	-	300	-	(300)
Renault Logan 1.6 ; X7L4SRLV463964312 ; B767MA763 extension from 01.12.2023	for 2023	-	-	-	-
Renault Logan 1.6 ; X7L4SRLV463964315 ; E456OY126 extension from 01.12.2023	for 2022	-	311	-	(311)
Renault Logan 1.6 ; X7L4SRLV463964315 ; E456OY126 extension from 01.12.2023	for 2023	-	-	-	-
Renault Logan 1.6 ; X7L4SRLV463964318 ; A066TA33 extension from 01.12.2023	for 2022	-	389	-	(389)
Renault Logan 1.6 ; X7L4SRLV463964318 ; A066TA33 extension from 01.12.2023	for 2023	-	-	-	-
Renault Logan 1.6 ; X7L4SRLV463964325 ; M900KA196 extension from 01.12.2023	for 2022	-	311	-	(311)
Renault Logan 1.6 ; X7L4SRLV463964325 ; M900KA196 extension from 01.12.2023	for 2023	-	-	-	-
Renault Logan 1.6 ; X7L4SRLV463964327 ;	for 2022	-	366	-	(366)
Renault Logan 1.6 ; X7L4SRLV463964327 ;	for 2023	-	-	-	-

IM873KA196 extension from 01.12.2023	for 2022	-	-	-	-	-
Renault Logan 1.6 ; X7L4SRLV463964333 ; k466PM799 extension from 01.12.2023	for 2023	355	-	-	-	(355)
Renault Logan 1.6 ; X7L4SRLV463964340 ; H387AO761 extension from 01.12.2023	for 2023	333	-	-	-	(333)
Renault Logan 1.6 ; X7L4SRLV463964341 ; H357AO761 extension from 01.12.2023	for 2023	344	-	-	-	(344)
Renault Logan 1.6 ; X7L4SRLV463964342 ; P545YB58 extension from 01.12.2023	for 2023	266	-	-	-	(266)
Renault Logan 1.6 ; X7L4SRLV463964348 ; M195YK159 extension from 01.12.2023	for 2023	355	-	-	-	(355)
Chery Tiggo 7 Pro 1.5T CVT Prestige ; LVVDB21B5PD557907 ; T495OX797	for 2023	2 129	-	-	-	(2 129)
Laptop HP PB 440 G6 Core i5 8256U + bag	for 2023	41	-	-	-	(41)
Server P19766-B21_bundle241/HPE ProLiant DL360	for 2023	695	-	-	-	(695)
Tape library/AK379A/HPR MSL2024 0-Drive Library	for 2023	575	-	-	-	(575)
Laptop HP PB 445 G7 14" Ryzen 7 4700U (2Ghz)	for 2023	561	-	-	-	(561)
Data processing station 7xGE RJ45 ports	for 2023	91	-	-	-	(91)
Laptop DELL VOSTRO 3400 14.0/black_54086,76_Batch 2	for 2023	703	-	-	-	(703)
Laptop DELL VOSTRO 3400 14.0/black_54086,77_Batch 2	for 2023	1 460	-	-	-	(1 460)
Coffee machine Jura E6 Piano Black	for 2023	167	-	-	-	(167)
Car: KIA JD (Ceed), XWEHN512BF0028119	for 2023	1 001	-	-	-	(1 001)
Supermicro SuperServer 1U 110P-WTR no CPU	for 2023	907	-	-	-	(907)
WiFi infrastructure (switch-board + Zyxel NebulaFlex access point)	for 2023	629	-	-	-	(629)

2.3. Changes in the cost of fixed assets resulting from further construction, additional equipment, reconstruction or partial liquidation

Narrative	Code	for 2023	for 2022
Total increase in the cost of fixed assets as a result of further construction, additional equipment, reconstruction including:	5260	-	-
	5261	-	-

Total decrease in the cost of fixed assets as a result of partial liquidation	5270	-	-
including:	5271	-	-

2.4. Other use of fixed assets

Narrative	Code	As at 31 December 2023	As at 31 December 2022	As at 31 December 2021
Leased out fixed assets on the balance sheet	5280	-	-	-
Leased out fixed assets off the balance sheet	5281	-	-	-
Leased fixed assets on the balance sheet	5282	185 909	66 381	88 993
Leased fixed assets off the balance sheet	5283	7 522	8 175	8 175
Items of immovable property accepted for operation and actually used, in process of state registration	5284	-	-	-
Fixed assets transferred to conservation	5285	-	-	-
Other use of fixed assets (collateral, etc.)	5286	-	-	-
	5287	-	-	-

Director _____ (signature) **Artur Valiev** _____ (print name)

25 March 2024 _____

3. Financial investments 3.1. Existence and movements of financial investments

Narrative	Code	Period	At the beginning of the year		Changes over the period				At the end of the period		
			Historical cost	Accumulated adjustment	Additions	Disposed of (repaid)		Accrual of interest (including to bring historical cost to par value)	Current Classification by maturity	Historical cost	Accumulated adjustment
						Historical cost	Accumulated adjustment				
Long-term - total	5301	for 2023	1 530 000	-	-	-	-	-	(1 530 000)	-	-
	5311	for 2022	1 005 000	-	575 000	(50 000)	-	-	-	1 530 000	-
including: Loans issued	5302	for 2023	1 530 000	-	-	-	-	-	(1 530 000)	-	-
	5312	for 2022	1 005 000	-	575 000	(50 000)	-	-	-	1 530 000	-
Short-term - total	5305	for 2023	-	-	-	(390 000)	-	-	1 530 000	1 140 000	-
	5315	for 2022	30 000	-	-	(30 000)	-	-	-	-	-
including: Loans issued	5306	for 2023	-	-	-	(390 000)	-	-	1 530 000	1 140 000	-
	5316	for 2022	30 000	-	-	(30 000)	-	-	-	-	-
Total financial investments	5300	for 2023	1 530 000	-	-	(390 000)	-	-	-	1 140 000	-
	5310	for 2022	1 035 000	-	575 000	(80 000)	-	-	-	1 530 000	-

5. Receivables and payables
5.1. Existence and movements of receivables

Narrative	Code	Period	At the beginning of the year		At the end of the period	
			Accounted for under agreement	Provision for doubtful debts	Accounted for under agreement	Provision for doubtful debts
Total long-term receivables	5501	for 2023	-	-	-	-
	5521	for 2022	-	-	-	-
including:						
Settlements with buyers and customers	5502	for 2023	-	-	-	-
	5522	for 2022	-	-	-	-
Advances made	5503	for 2023	-	-	-	-
	5523	for 2022	-	-	-	-
Other	5504	for 2023	-	-	-	-
	5524	for 2022	-	-	-	-
	5505	for 2023	-	-	-	-
	5525	for 2022	-	-	-	-
Total short-term receivables	5510	for 2023	4 441 532	(106 578)	5 340 827	(106 578)
	5530	for 2022	3 379 991	(106 578)	4 441 532	(106 578)
including:						
Settlements with buyers and customers	5511	for 2023	4 200 671	(105 530)	5 126 724	(105 530)
	5531	for 2022	3 243 887	(105 530)	4 200 671	(105 530)
Advances made	5512	for 2023	55 367	(1 048)	60 570	(1 048)
	5532	for 2022	30 159	(1 048)	55 367	(1 048)
Other	5513	for 2023	185 494	-	153 533	-
	5533	for 2022	105 945	-	185 494	-
	5514	for 2023	-	-	-	-
	5534	for 2022	-	-	-	-
Total	5500	for 2023	4 441 532	(106 578)	5 340 827	(106 578)
	5520	for 2022	3 379 991	(106 578)	4 441 532	(106 578)

5.2. Overdue receivables

Narrative	Code	As at 31 December 2023		As at 31 December 2022		As at 31 December 2021	
		Accounted for under agreement	Carrying amount	Accounted for under agreement	Carrying amount	Accounted for under agreement	Carrying amount
Total	5540	106 578	-	106 578	-	106 578	-
including: Settlements with buyers and customers	5541	105 530	-	105 530	-	105 530	-
Settlements with suppliers and customers (on advance payments, prepayments)	5542	1 048	-	1 048	-	1 048	-
Other	5543	-	-	-	-	-	-

5.3. Existence and movements of payables

Narrative	Code	Period	Balance at the beginning of the year	Balance at the end of the period
Total long-term payables	5551	for 2023	44 905	174 214
	5571	for 2022	85 084	44 905
including: Lease liabilities	5555	for 2023	44 905	174 214
	5575	for 2022	85 084	44 905
Total short-term payables	5560	for 2023	5 735 599	6 817 479
	5580	for 2022	3 983 582	5 735 599
including: Settlements with suppliers and contractors	5561	for 2023	5 616 483	5 451 763
	5581	for 2022	3 847 251	5 616 483
Advances received	5562	for 2023	230	35
	5582	for 2022	204	230
Settlements on taxes and levies	5563	for 2023	68 719	89 112
	5583	for 2022	124 129	68 719
Credits	5564	for 2023	-	-
	5584	for 2022	-	-
Loans	5565	for 2023	-	1 238 636
	5585	for 2022	-	-
Other	5566	for 2023	50 167	37 733
	5586	for 2022	11 998	50 167
Total	5550	for 2023	5 780 504	6 991 693
	5570	for 2022	4 068 666	5 780 504

6. Cost of production

Narrative	Code	For 2023	For 2022
Material expenses	5610	6 334 760	4 597 109
Labour costs	5620	1 013 705	929 714
Social security contributions	5630	269 055	243 409
Depreciation	5640	79 694	59 241
Other costs	5650	2 399 774	1 696 721
Total	5660	10 096 988	7 526 194
Change in balances (increase [-]): of work in progress, finished goods, etc.	5670	-	-
Change in balances (decrease [+]): of work in progress, finished goods, etc.	5680	-	-
Total expenses from ordinary activities	5600	10 096 988	7 526 194

Director _____
(signature)

Artur Valiev

(print name)

25 March 2024

7. Estimated liabilities for 2023

Narrative	Code	Balance at the beginning of the year	Recognized	Reversed	Written off as excess	Balance at the end of the period
Estimated liabilities — total	5700	298 954	522 264	(512 886)	(1 580)	306 753
including:						
Provision for bonuses "Star club"	5701	-	2 035	-	-	2 035
Provision for use of fuel and lubricants	5702	-	(364)	364	-	-
#Provision for returned goods	5703	1 204	2 561	-	(1 580)	2 185
Provision for vacation pay	5704	15 539	69 797	(73 053)	-	12 283
Provision for payment of annual bonuses to employees	5705	17 688	51 057	(49 232)	-	19 513
Bonuses to buyers Cash Discount /01.04.14	5706	64 986	75 789	(74 369)	-	66 406
Provision for payment of quarterly bonuses to employees	5707	6 502	14 834	-	-	21 336
Provision for use of advances to employees	5708	4 418	(1 040)	-	-	3 378
Bonuses to buyers Volume Discount /01.04.14	5709	188 617	307 595	(316 595)	-	179 617

Estimated liabilities for 2022

Narrative	Code	Balance at the beginning of the year	Recognized	Reversed	Written off as excess	Balance at the end of the period
Estimated liabilities — total	5700	248 066	504 047	(445 499)	(7 661)	298 954
including:						
Provision for use of fuel and lubricants	5701	-	351	(351)	-	-
#Provision for returned goods	5702	806	8 059	-	(7 661)	1 204
Provision for vacation pay	5703	20 470	92 645	(97 576)	-	15 539
Provision for payment of annual bonuses to employees	5704	15 298	47 544	(45 154)	-	17 688
Bonuses to buyers Cash Discount /01.04.14	5706	41 041	61 932	(37 988)	-	64 985
Provision for payment of quarterly bonuses to employees	5707	10 625	(4 124)	-	-	6 501
Provision for use of advances to employees	5708	4 256	162	-	-	4 418
Bonuses to buyers Volume Discount /01.04.14	5709	155 569	297 478	(264 430)	-	188 617

Director _____ Artur Valiev _____

(signature)

25 March 2024

(print name)

8. Security of obligations

Narrative	Code	As at 31 December 2023	As at 31 December 2022	As at 31 December 2021
Received — total	5800	5 387 000	4 832 000	4 625 000
including:				
Bank guarantee	5801	3 887 000	3 172 000	2 965 000
Surety agreement	5802	1 500 000	1 660 000	1 660 000
Issued — total	5810	-	-	-
including:				
	5811	-	-	-

Director _____
(signature)

Artur Valiev

(print name)

25 March 2024

**NOTES TO THE FINANCIAL STATEMENTS
OF JSC RANBAXY FOR 2023**

1. GENERAL

Joint-Stock Company RANBAXY (hereinafter — JSC RANBAXY, the Company) was established in 2004 (state registration certificate No. 1047796353846 dated 20 May 2004). The abbreviated name of the Company is JSC RANBAXY.

Registered and actual address: 27 Elektrozavodskaya ul., bldg. 8, room 14/1, Moscow, 107023, Russia.

The Company has no branches or representative offices.

The Company has the following autonomous subdivisions:

- On 19 December 2008, a standalone subdivision "Warehouse for wholesaling medicinal products" was established and registered at its location (address: 2, let. B, B2 Dachnaya Street, Village of Davydovskoye, Luchinskoye Rural Settlement, Istra District, Moscow Region, 143521, Russian Federation) with the Inspectorate of the Federal Tax Service of Russia for the town of Istra, Moscow Region.
- On 02 April 2019 the location of the subdivision was changed (new address: Room VII, No. 63, 73, 86, 89, 90, 91, 92, 1 floor, bldg 16B, Block 0060339, Village of Davydovskoye, Istra District, Moscow Region, 143521, Russian Federation).

The main business activity of JSC RANBAXY is wholesaling of pharmaceutical products.

The Company operates under the following licences:

No.	Type of activity	Licence number	Issued by	Date of issue	Expiration
1	Pharmaceutical business	FS-99-02-007542	Federal Service for Supervision of Healthcare	28/11/2019	For an unlimited term

The Company's business activities are subject to Russian laws.

The headcount of the Company as at 31 December 2023 and 2022 was 553 and 490 people, respectively.

2. BASIS OF ACCOUNTING

The Company's financial statements have been prepared in accordance with the accounting and reporting rules that are effective in the Russian Federation.

The accounting function is organised at the Company as required by the Russian accounting legislation, regulations of the Russian Ministry of Finance and other agencies authorised by the federal laws to regulate accounting principles and practice.

In 2023, accounting records were maintained in the manner envisaged by the Company's accounting policies approved as per the General Director's Order dated 30 December 2022 No. 01-УП-2022.

Financial and tax accounting records were maintained using 1C: Industrial Enterprise Management, specialised accounting software.

Going concern assumption

The financial statements have been prepared by the Company's management assuming that the Company will continue its business in the foreseeable future, does not intend or need to be liquidated or significantly reduce its operations and, therefore, will duly discharge its obligations.

Chart of accounts

The Company has developed and applied an operating chart of accounts based on the standard chart of accounts for financial and economic activities of entities as approved by Order No. 94n of the Russian Ministry of Finance dated 31 October 2000, using certain subaccounts, which enable preparation of financial statements that comply with Russian accounting and tax legislation, and separate cost accounting requirements.

Stocktaking

The terms and procedure for stocktaking are defined by the head of the entity, with the exception of mandatory stocktaking. Stocktaking of fixed assets is carried out once a year. Stocktaking of all other assets and liabilities was carried out as at 31 December 2023, except for stocktaking of inventories, which was carried out as at 28 December 2023.

Assets and liabilities denominated in foreign currencies

When accounting for business transactions in foreign currencies, the Company uses the Central Bank of Russia's (the "CBR") official exchange rates of the Russian rouble ("RUB") against such currencies as at the transaction dates. Assets and liabilities with the value denominated in foreign currencies are disclosed in the financial statements in the amounts calculated on the basis of the official rouble exchange rate set by the CBR as at 31 December 2023, 2022 and 2021, respectively.

Accounting for assets and liabilities denominated in foreign currencies is subject to RAR 3/2006. Under RAR 3/2006, assets and liabilities denominated in foreign currencies should be translated into roubles as at:

- the date of their recognition;
- the last day of the month, the reporting date and the transaction date;
- the date of the asset (liability) settlement.

Foreign currency gains and losses are presented in the statement of financial results on a net basis as part of other income or other expenses.

Current and non-current assets and liabilities

Assets classified in the financial statements as current are expected to be used in the Company's production and other activities within 12 months after the reporting date or mature within 12 months after the reporting date. Liabilities classified in the financial statements as current are expected to be settled within 12 months after the reporting date. All other assets and liabilities are presented as non-current.

Accounting for fixed assets

The historical cost of fixed assets is the total amount of capital investments associated with them, which comprises actual costs of acquisition, creation, improvement and/or reconstruction of the fixed assets less any refundable taxes and levies taking into account all discounts, rebates,

deductions, bonuses and benefits provided to the Company by suppliers, contractors or sellers in any form.

Assets that have the characteristics of fixed assets but cost less than RUB 100 thousand are recognised as expenses of the period when related acquisition or creation costs were incurred.

Fixed assets are accounted for by items. If one item of fixed assets has several components with the values and useful lives substantially different from the value and useful life of the item on the whole, each component is recognised as a separate item. In particular, the Company's significant costs that exceed RUB 500 thousand and are incurred to perform repairs, technical inspection or technical maintenance of fixed assets less frequently than once in 12 months are recognised as separate items.

Subsequent to recognition, the Company's fixed assets, other than investment property, are measured at historical cost and reported in the balance sheet at carrying amount, i.e. their historical cost less any accumulated depreciation and impairment.

Fixed assets are depreciated on a straight-line basis starting from the date of their recognition, except when consumer properties of fixed assets change over time. The depreciation method is determined for each group of fixed assets so that it most accurately reflects the timing of the expected future economic benefits from the use of the group of fixed assets.

The useful life, the residual value and the depreciation method (depreciation elements) of fixed assets are determined when the assets are recognised. The depreciation elements of fixed assets are checked for compliance with the conditions for the use of these fixed assets at the end of each reporting year, and in case of circumstances indicating a possible change in the depreciation elements.

The useful lives of fixed assets (in months) used for depreciation accrual purposes:

Office equipment	35 months
Vehicles	60 months
Other fixed assets	37 months
Machinery and equipment (excluding office equipment)	61 months
Production and maintenance tools	61 months

The historical cost of fixed assets is increased by the amount of capital investments related to their improvement and/or reconstruction when such capital investments are completed.

The Company tests fixed assets and capital investments in them for impairment and recognises changes in their carrying amount as a result of impairment as required by IAS 36 *Impairment of Assets*.

Fixed assets that are disposed of or unable to bring future economic benefits to the Company are derecognised.

Accounting for intangible assets

Intangible assets are recognised at actual (historical) cost determined as at the recognition date:

- acquired for consideration — in the amount of actual acquisition expenses and additional expenses incurred to make them suitable for intended use less value-added tax and other refundable taxes (unless otherwise stipulated in the legislation of the Russian Federation);
- created by the Company — in the amount of actual creation expenses;

- received under a gift agreement (free of charge) — at market value as at the recognition date;
- received under agreements providing for the fulfilment of obligations (payment) by non-monetary assets — at the value of assets transferred or to be transferred by the Company.

The useful life is determined when assets are recognised based on:

- the validity period of the Company's rights to intellectual property or means of individualisation (including the term of the patent, certificate, licence (copyright) agreement for transferred exclusive rights);
- an expected period of using the asset during which the Company intends to gain economic benefits as determined by the competent structural subdivision.

Intangible assets are accounted for by items.

Intangible assets are amortised on a straight-line basis based on the historical cost of the intangible assets and the amortisation rate calculated based on their useful lives. Amortisation is accrued until the asset is fully amortised or derecognised.

Intangible assets are not revalued.

Accounting for financial investments

The historical cost of financial investments acquired for consideration is actual acquisition costs less value-added tax and other refundable taxes (unless otherwise stipulated in the tax legislation of the Russian Federation).

As at 31 December of each reporting year and if there are indications that financial investments may be impaired, assets with undeterminable market value are tested for impairment and, if necessary, a provision for impairment of financial investments is accrued in accordance with RAR 19/02. The provision is established only if the testing identifies a steady significant decrease in the value of financial investments.

Accounting for inventories

The actual cost of inventories, other than work in progress and finished goods, comprises actual costs incurred to acquire (create) the inventories, make them ready for, and delivery to the place of, consumption, sale or use, less value-added tax and other refundable taxes and incentives received from suppliers in any form (e.g. discounts, rebates etc.).

When shipped to customers and written off, inventories are measured using the FIFO method.

Non-current assets for sale

Non-current assets for sale are measured at the carrying amount of the respective fixed asset or another non-current asset when it is reclassified to non-current assets for sale. Subsequent measurement of non-current assets for sale is the same as subsequent measurement of inventories.

Accounting for cash and cash equivalents

Highly liquid financial investments with maturities of no more than three months, which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value, are reflected in the balance sheet within cash and cash equivalents.

Accounting for leases

Accounting by the lessee

The Company recognises an underlying asset as at the date on which it is made available for use as a right-of-use asset and at the same time recognises a lease liability for all leases, except for leases with the term up to 12 months as at the date on which the underlying asset is made available for use, and leases with the market value of the underlying asset without depreciation of no more than RUB 300 thousand. For such leases, lease payments are expensed on a straight-line basis over the lease term or using another systematic approach that reflects the pattern in which the lessee consumes economic benefits from use of the underlying asset.

A lease liability is initially measured as the present value of future lease payments. In most cases, discounting is based on the rate that the Company uses or would have to use to borrow over a similar term as it is impossible to determine the rate that causes the present value of the future lease payments and the unguaranteed residual value of the underlying asset to equal the fair value of the underlying asset.

Subsequently, the lease liability is increased by the amount of accrued interest and decreased by the amount of lease payments actually made.

The right-of-use asset is recognised at actual cost, which comprises a) the amount of the initial measurement of the lease liability, b) lease payments made at or before the date on which an underlying asset is made available for use, c) costs incurred by the Company with respect to the addition of the underlying asset and making it ready to be used for intended purposes, and d) an estimated liability (in dismantling, restoring the environment etc.) if the liability is incurred as a result of the receipt of the underlying asset.

Subsequently, the right-of-use asset is depreciated on a straight-line basis.

The right-of-use asset is reported within fixed assets.

In the statement of cash flows, lease payments are reported within cash flows from financing activities.

The actual cost of the right-of-use asset and the amount of the lease liability are revised if:

- there is any change in the lease terms and conditions;
- there is any change in the intention to extend or shorten the lease term that was earlier considered in calculating the lease term;
- there is any change in the amount of lease payments compared to how they were recognised at the initial measurement of the lease liability.

In the above cases, the change in the amount of the lease liability determined using the revised discount rate is charged to the value of the right-of-use asset.

The Company tests the right-of-use asset for impairment and recognises a change in its carrying amount as a result of impairment as required by IAS 36 *Impairment of Assets*.

Accounting for income

Revenue from ordinary activities is recognised for accounting purposes if:

- The Company has the right to receive the revenue that arises from a contractual arrangement or is otherwise appropriately ensured.
- The amount of the revenue can be measured reliably.
- There is certainty that economic benefits will flow to the Company as a result of a particular transaction. There is certainty that economic benefits will flow to the Company as a result of a particular transaction when in the future the Company will receive an asset as settlement or there is no uncertainty regarding the receipt of the asset.
- The legal title (right of ownership, use and disposal) for the products (goods) has been transferred from the Company to the buyer or work has been accepted by the buyer (a service has been rendered).
- Expenses that have been or will be incurred in connection with the transaction are measurable.

Revenue is determined considering all discounts (return of cash, free-of-charge provision of goods, rebates and other incentives) provided to buyers (customers) under contracts. If the contract provides for a discount to the buyer (customer) for the observance of certain contractual conditions, revenue under such contract is recognised less the discount provided for by the contract.

Income other than income from ordinary activities is classified as other receipts and reflected within other income.

Accounting for expenses

Expenses are recognised regardless of whether there is an intention to generate revenue or other income and the form of expenses.

Expenses are recognised when incurred regardless of the time of actual payment of cash and other type of settlement.

Expenses from ordinary activities comprise:

- expenses associated with purchasing raw materials, consumables, goods and other inventories;
- expenses incurred during processing (improvement) of inventories to manufacture products, perform works and provide services;
- selling expenses.

Selling expenses are fully recognised in the reporting period of their recognition as expenses from ordinary activities.

Expenses from ordinary activities, including expenses to purchase inventories, are reduced by the amount of incentives from suppliers, such as discounts, rebates etc. Discounts received are allocated to the value of the respective purchased inventories and the cost of sales.

Accounting for loans and borrowings

Expenses related to the discharge of obligations under received loans and borrowings are:

- interest on a loan payable to the lender (creditor) under the terms and in the amounts set out in the loan agreement;
- additional borrowing expenses.

Additional borrowing expenses are:

- amounts paid for information and consulting services;
- amounts paid for examination of the loan agreement;
- other expenses directly related to borrowing.

Additional expenses directly related to borrowing are included in other expenses at once.

Interest payable to the lender (creditor) directly related to the acquisition, erection and/or production of an investment asset is included in the cost of the investment asset evenly irrespective of payment terms under loan agreements.

Accounting for provisions

The Company accrues the following types of provisions:

- for doubtful debts;
- for impairment of inventories;
- for impairment of fixed assets and intangible assets;
- for impairment of financial investments.

Provisions are created as follows:

Provision for doubtful debts is created for:

- doubtful debts of buyers and customers for products, goods, works and services;
- other doubtful debtors.

A doubtful debt is the Company's accounts receivable that are not repaid within the contractual term and are not secured by applicable guarantees.

The provision is established on a quarterly basis after verification of settlements with buyers and customers for products, goods, works, services for each doubtful debt as follows:

- 100% of doubtful debts aged over 90 days are included in the provision;
- 50% of doubtful debts aged from 45 to 90 days (inclusively) are included in the provision;
- no provision is established for doubtful debts aged less than 45 days (inclusively).

Provision for impairment of inventories is established (adjusted) at the end of each month:

- for illiquid inventories, namely inventories (goods) not suitable for use for the intended purpose due to defects, damages, goods past their expiration dates;
- for inventories with the shelf life of less than 6 months;
- for inventories in stock without movement (sale) within 12 months or longer.
- The provision is established separately by product type and inventory series in the amount of 100% of its value. Impairment of inventories is recognised in expenses in the period in which the respective impairment provision is established and is reflected according to analytical features that

correspond to the expected disposal of the inventories (sale — account 90 “Cost of sales” or write-off — account 91 “Other income and expenses”).

Accounting for estimated liabilities

The Company recognises estimated liabilities related to the following:

- Payment of bonuses based on quarterly and annual performance.
- Payment for unused vacations;
- Payment of bonuses to customers;
- Other estimated liabilities that meet the criteria in clauses 4 and 5 of RAR 8/2010.

Estimated liabilities related to payments to employees include liabilities to pay insurance contributions and make other related mandatory payments.

Accounting for prepaid expenses

Prepaid expenses are carried on account 97 “Prepaid Expenses” at actual costs. Prepaid expenses are written off on a monthly basis by debiting related expense accounts during the period specified in the respective documents (licenses, contracts, etc.). If it is impossible to determine the period from the relevant documents, it is determined by a committee whose members are appointed by the Company's General Director.

Prepaid expenses include:

- As advances made:
 - Insurance expenses;
 - Passes;
 - Advertising.
- As other current assets:
 - Licensing expenses;
 - Expenses on purchase of computer software and databases;
 - Certification expenses;
 - Fixed assets repair expenses;
 - Expenses on customs services;
 - Permits to employ foreign nationals.

Prepaid expenses are amortised:

- on a straight-line basis, according to the validity term of a license; a copyright agreement or a contract on the right of access to websites owned by the granting party, or on a straight-line basis during 5 years — in the cases where the validity term is not set by the agreement/contract;
- on a straight-line basis, from the commencement of an insurance contract until its expiration.

Prepaid expenses are presented in the balance sheet within other current assets and other non-current assets depending on the expected amortisation date.

Accounting for income tax

Income tax expense (benefit) is determined as current income tax plus deferred income tax.

Current income tax is determined based on accounting records. The amount of current income tax corresponds to the amount of assessed income tax indicated in the income tax return.

Deferred income tax is determined as the overall change in deferred tax assets and deferred tax liabilities for the period, excluding the results of transactions not included in the accounting profit (loss).

Deferred tax liabilities are recognised in the reporting period in which taxable temporary differences arise, and deferred tax assets are recognised in the reporting period in which deductible temporary differences arise provided that it is probable (i.e. more likely than not) that the Company will receive taxable profit in subsequent reporting periods.

Provisional income tax expense is the product of the accounting profit and the income tax rate.

In analytical accounting records, permanent differences are broken down by types of income and expenses, temporary differences are broken down by types of assets and liabilities to which they relate and are recorded separately.

3. CHANGE IN CLASSIFICATION, CHANGES IN ACCOUNTING POLICIES AND CORRECTION OF ERRORS

Items of the financial statements for the previous periods were restated in these financial statements as follows

Balance Sheet as at 31 December 2022:

(RUB'000)

B/S item	Line code	As at 31/12/2022 in the financial statements for the previous year	Restated figure as at 31/12/2022 in the current financial statements	Restatement amount	Reason for restatement
Accounts payable	1520	5,733,127	5,735,599	+2,472	Restatement due to the automation of RFAS 25/2018
Retained earnings (uncovered loss)	1370	1,774,536	1,772,064	-2,472	

4. INTANGIBLE ASSETS

Movements in historical cost by major groups of intangible assets and the amount of accumulated amortisation by major groups of intangible assets as at 31 December 2023, 2022 and 2021, respectively:

See Section 1. Notes to the Balance Sheet and Statement of Financial Results in table form.

5. FIXED ASSETS

The Company's fixed assets as at 31 December 2023, 2022 and 2021:

See Section 2. Notes to the Balance Sheet and Statement of Financial Results in table form.

Investment property

None.

6. FINANCIAL INVESTMENTS

Financial investments as at 31 December 2023, 2022 and 2021:

See Section 3. Notes to the Balance Sheet and Statement of Financial Results in table form.

Information about the existence and movements of financial investments is presented below:

(RUB'000)

Borrower	Loan term	Annual interest rate	As at 31/12/2023	As at 31/12/2022	As at 31/12/2021
PJSC Biosintez	31/12/2024	Refinancing rate x 0.75	1,140,000	1,530,000	1,005,000
Sun Pharmaceutical Industries LLC	07/07/2022	Refinancing rate x 1.25	-	-	30,000
Total			1,140,000	1,530,000	1,035,000

7. INVENTORIES

The carrying amount of the Company's inventories, balances of inventories with breakdown by actual cost and impairment as at 31 December 2023, 2022 and 2021 and movements in inventories by types of inventories for 2023 and 2022:

See Section 4. Notes to the Balance Sheet and Statement of Financial Results in table form.

As at 31 December 2023, 2022 and 2021 there are no inventories with restricted property rights, including pledged inventories.

8. ACCOUNTS RECEIVABLE

Accounts receivable as at 31 December 2023, 2022 and 2021:

See Section 5. Notes to the Balance Sheet and Statement of Financial Results in table form

Movements in provisions for doubtful receivables:

(RUB'000)

Indicators	Buyers and customers	Advances made
Balance as at 31 December 2021	105,530	1,048
Increase in provisions	-	-
Use of provisions	-	-
Balance as at 31 December 2022	105,530	1,048
Increase in provisions	-	-
Use of provisions	-	-
Balance as at 31 December 2023	105,530	1,048

9. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at 31 December 2023, 2022 and 2021:

Indicators	(RUB'000)		
	31/12/2023	31/12/2022	31/12/2021
Cash on hand	-	6	14
Cash on bank accounts in RUB	7,050	403,846	54,179
Cash on bank accounts in foreign currencies	-	-	-
Deposits (cash equivalents)	29,000	-	150,000
Total Balance Sheet line 1250	36,050	403,852	204,193
Balance of cash in the Statement of Cash Flows (lines 4450, 4500)	36,050	403,852	204,193

Breakdown of other receipts and other payments in the Statement of Cash Flows as at 31/12/2023:

Type	Line code	(RUB'000)	
		For 2023	For 2022
Cash flows from operating activities			
Other receipts	4119	46,422	285,739
Interest on deposits (for up to 3 months)	41191	6,501	26,104
Interest under bank account contracts	41192	7,652	1,296
Return of cash to the bank account (inaccurate details)	41193	2,757	252,786
Return of advance payments from the FCS	41194	20,928	-
Insurance coverage payment under Law No. 255-FZ	41195	-	17
Compensation under insurance policies	41196	323	725
Return of security payment	41197	5,306	-
Other	41198	2,954	4,811
Other payments	4129	(616,798)	(438,602)
Advances to employees for current needs	41291	(31,981)	(39,373)
Customs payments	41292	(487,258)	(265,761)
Fines and damages paid	41293	(769)	(479)
Payments to lecturers	41294	(481)	(18,035)
State duty	41295	(68)	(45)
Taxes (except for personal income tax, value added tax and corporate income tax)	41296	(424)	(302)
Bank services for cash transactions (bank fees)	41297	(1,670)	(501)
Insurance services	41298	(36,922)	(35,661)
Payment of bonuses to customers	41299	(12,423)	(59,140)
Payments under writs of execution (alimony, overdue loan payments)	412991	(2,152)	(3,968)
Loans to the Company's employees	412992	(9,614)	(15,337)
Return to customers	412993	(22,383)	-
Other	412994	(10,654)	-
Cash flows from financing activities			
Other payments	4329	(80,749)	(79,343)
Lease payments	43291	(80,749)	(79,343)

Cash equivalents are represented by bank deposits with maturities of less than three months in Russian roubles at the following rates:

- as at 31 December 2021: 7.5%;
- as at 31 December 2022 deposits were not placed;
- as at 31 December 2023: 13%

Presentation of value-added tax in the Statement of Cash Flows.

To present VAT in the Statement of Cash Flows on a net basis, the direct method is used.

10. OTHER CURRENT ASSETS

Other current assets as at 31 December 2023, 2022 and 2021:

Indicators	(RUB'000)		
	31/12/2023	31/12/2022	31/12/2021
Prepaid expenses	3,723	3,294	3,116
Other	3	21	19
Total	3,726	3,315	3,135

11. AUTHORIZED CAPITAL

The Company's authorized capital as at 31 December 2023, 2022 and 2021:

Share category	Par value	2023		2022		2021	
	RUB	Quantity, pcs	RUB '000	Quantity, pcs	RUB '000	Quantity, pcs	RUB '000
Ordinary, fully paid	1,000	163,000	163,000	163,000	163,000	163,000	163,000
Total		163,000	163,000	163,000	163,000	163,000	163,000

The shareholding structure as at 31 December 2023 and 2022:

Shareholder	(RUB'000)	
	Ownership interest	
	2023	2022
SUN PHARMA (NETHERLANDS) B.V.	99	99
Ranbaxy Holdings (UK) Limited	1	1
Total	100	100

13. ACCOUNTS PAYABLE

Accounts payable as at 31 December 2023, 2022 and 2021:

See Section 5. Notes to the Balance Sheet and Statement of Financial Results in table form.

14. ESTIMATED LIABILITIES

Movements in estimated liabilities for 2023 and 2022: See Section 7. Notes to the Balance Sheet and Statement of Financial Results in table form.

15. REVENUE

Revenue by ordinary activities for 2023 and 2022:

Indicators	(RUB'000)	
	2023	2022
Revenue from sales of goods	10,540,504	8,616,179
Financial discount (customer bonus)	(383,386)	(359,410)
Total	10,157,118	8,256,769

16. COST OF SALES

Cost of sales by ordinary activities for 2023 and 2022:

Indicators	(RUB'000)	
	2023	2022
Cost of sales of goods	6,861,859	4,522,537
Financial discount (supplier bonus)	608,937	-
Total	6,252,922	4,522,537

Costs, by cost elements, for 2023 and 2022:

See Section 6. Notes to the Balance Sheet and Statement of Financial Results in table form.

17. SELLING EXPENSES

Selling expenses, by cost elements, for 2023 and 2022:

(RUB'000)

	2023	2022
Payroll	904,305	820,608
Allocations to funds	240,731	216,449
Advertising	903,751	665,810
Marketing	1,223,927	801,572
Processing of goods	64,431	48,360
Certification	3,535	7,451
Maintenance and repair of motor vehicles	28,445	29,464
Insurance	36,335	35,549
Lease	19,239	15,264
Depreciation	79,694	59,241
Travel expenses	60,450	53,324
Hospitality expenses	2,032	1,962
Audit	1,935	2,130
Software products	27,462	21,309
Other material costs	18,150	8,472
Provision for vacation pay	69,797	92,645
Provision for bonus payment	67,927	43,421
Other expenses	91,919	80,626
Total expenses:	3,844,066	3,003,657

18. OTHER INCOME

Other income for 2023 and 2022:

(RUB'000)

Income	2023	2022
Bonuses from suppliers	97,960	35,146
Adjustments of customs duties	15,314	18,929
Return of goods from customers for the previous tax period	2,487	8,511
Insurance indemnity / expenses for insured events	388	725
Sales and write-offs of fixed assets	1,205	23
Other	984	3,979
Total	118,338	67,312

19. OTHER EXPENSES

Other expenses for 2023 and 2022:

	(RUB'000)	
Expense	2023	2022
Income (expenses) related to sale (purchase) of foreign currency	5	-
Provision for impairment of inventory	34,437	67,591
Provision for returned goods	981	398
Destruction of pharmaceutical products	1,111	29,147
Write-off of accounts receivable / payable	260	-
Sales and write-offs of fixed assets	379	23
Bank services	7,772	636
Debt (loan) forgiveness	-	31,565
Adjustments of customs duties	16,556	-
Return of goods from customers for the previous tax period	3,381	12,843
Other	3,425	5,372
Total	68,307	147,575

20. INCOME TAX

The relation between income tax expenses for 2023 and 2022 and profit before tax:

	(RUB'000)	
Indicators	2023	2022
Profit before tax	85,357	788,106
including:		
Profit taxable at 20%	85,357	788,106
Provisional income tax expense	(17,071)	(157,621)
Permanent tax expenses:	(61,047)	(53,480)
non-deductible expenses	(6,020)	(10,967)
limited expenses	(55,027)	(42,513)
Income tax expense (benefit)	(78,118)	(211,101)
Deferred income tax	(54,131)	(73,881)
Income tax	(132,249)	(284,983)

Deferred income tax as a result of origination and reversal of temporary differences:

	(RUB'000)	
Indicators	2023	2022
Increase / (decrease) in deferred tax assets:		
fixed assets	324	(58)
estimated liabilities	68,270	66,263
IA	64	41
Lease liabilities	28,810	(5,854)
Goods	(7,220)	2,270
Total	90,248	62,662
(Increase) / decrease in deferred tax liabilities:		
fixed assets	(24,246)	(11,832)
Interest on liabilities	(3,560)	(2,342)
Goods	(8,311)	3,921
Lease liabilities	-	21,472
Total	(36,117)	11,219
Deferred income tax benefit /(expense)	54,131	73,881

The income tax rate in 2023 and 2022 was 20%, taxation rules were not changed.

21. LEASE

Company as the lessee

The Company's leases are mainly leases of the following:

1. Leased premises (warehouse lease and office lease);
2. Vehicles (company's cars).

Reconciliation of balances of the right-of-use asset by groups with breakdown by historical cost, accumulated depreciation and accumulated impairment and its movements:

(RUB'000)

Indicators for 2022	Leased premises	Movable property	Total
Useful life, years	1-5	4	
Historical cost			
As at 31 December 2021 (effect of the first-time adoption of RFAS 25/2018)	29,760	59,233	88,993
Effect of the first-time adoption of RFAS 25/2018	-	-	-
Addition	-	30,074	30,074
Value revision	-	-	-
As at 31 December 2022	29,760	89,307	119,067
Accumulated depreciation and accumulated impairment			
As at 31 December 2021	-	-	-
<i>Including accumulated impairment</i>	-	-	-
Depreciation	20,786	31,900	52,686
As at 31 December 2022	20,786	31,900	52,686
<i>Including accumulated impairment</i>	-	-	-
Carrying amount			
As at 31 December 2021	29,760	59,233	88,993
As at 31 December 2022	8,974	57,407	66,381
Indicators for 2023			
Useful life, years	1-5	4	-
Historical cost			
As at 31 December 2022	29,760	89,307	119,067
Restatement due to the automation of RFAS 25/2018	(20,786)	(31,900)	(52,686)
Addition	86,281	105,469	191,749
Disposal	(8,974)	(16,154)	(25,128)
Value revision	-	588	588
As at 31 December 2023	86,281	147,309	233,590
Accumulated depreciation and accumulated impairment			
As at 31 December 2022	20,786	31,900	52,686
Restatement due to the automation of RFAS 25/2018	(20,786)	(31,900)	(52,686)
Depreciation	24,023	47,298	71,322
Disposal	(8,559)	(15,082)	(23,641)
As at 31 December 2023	15,464	32,216	47,680
<i>Including accumulated impairment</i>	-	-	-
Carrying amount			
As at 31 December 2022	8,974	57,407	66,381
As at 31 December 2023	70,817	115,092	185,909

Movements in the lease liability:

(RUB'000)

Indicators	At the beginning of the period	Added	Interest accrued	Restatement due to the automation of RFAS 25/2018	Lease payments made	Value revision	As at 31 December 2023
2022	96,761	30,074	8,103	-	63,257	-	71,681
2023	71,681	191,749	13,223	2,686	80,749	588	192,630

Maturities of the lease liability as at 31 December 2023 and 31 December 2022:

(RUB'000)

Indicators	2023	2022
Up to 1 year	19,279	27,834
From 1 to 2 years	16,280	12,485
From 2 to 3 years	90,395	21,669
From 3 to 4 years	96,187	16,104
From 4 to 5 years	-	-
Over 5 years	-	-
Total	222,141	78,092
Discounting effect	(29,511)	(6,411)
Total lease liability	192,630	71,681
<i>including:</i>		
<i>Long-term</i>	174,214	44,905
<i>Short-term</i>	18,416	26,776

As at 31 December 2023 the Company's lease contracts did not provide for any restrictions and there were no right-of-use assets pledged under loan contracts.

22. RELATED PARTIES

The related parties of JSC RANBAXY:

- **Immediate shareholders:**
 - SUN PHARMA (NETHERLANDS) B.V. (Private limited liability company) (99% interest);
 - Ranbaxy Holdings (UK) Ltd. (1% interest);
- **Parent company of the group** to which the Company belongs: Sun Pharmaceutical Industries Ltd.
- **Companies under common control:** All companies under control or significant influence of the Company's controlling beneficial owner:
 - BIOSINTEZ PJSC
 - SC TERAPIA SA (Romania)
 - Sun Pharmaceutical Industries LLC
 - Representative office of Sun Pharmaceutical Industries Limited

The full list of related parties as at 31 March 2023 is presented in the consolidated financial statements of the group at the company's website:

<https://sunpharma.com/investors-annual-reports-presentations/>

- Key management personnel of JSC RANBAXY.
- The controlling beneficial owner of the Company is Dilip Shantilal Shanghvi, who is the head of the parent company of SUN PHARMACEUTICAL INDUSTRIES LIMITED group of companies and owns more than 25% of shares of the said company.

Transactions and balances by groups of related parties

Transactions with related parties during the reporting period:

(RUB'000)

Related parties	Type of relation	Type of transactions	Applied pricing methods for each type of transactions	Volume of transactions in 2023	Volume of transactions in 2022
SUN PHARMACEUTICAL INDUSTRIES LTD (India)	Parent company (parent company of Sun Pharmaceutical Industries group)	Purchase of goods	According to the agreement (market price)	5,529,652	3,833,215
SUN PHARMACEUTICAL INDUSTRIES LTD (India)	Parent company (parent company of Sun Pharmaceutical Industries group)	Compensation for discount given to the buyer	According to the agreement	706,897	34,705
SC TERAPIA SA (Romania)	Other related party (a company from Sun Pharmaceutical Industries group)	Purchase of goods	According to the agreement (market price)	1,731,239	1,132,486
SC TERAPIA SA (Romania)	Other related party (a company from Sun Pharmaceutical Industries group)	Compensation for discount given to the buyer	According to the agreement	-	440
Sun Pharmaceutical Industries LLC	Other related party (a company from Sun Pharmaceutical Industries group)	Sublease agreement	According to the agreement	-	150
Sun Pharmaceutical Industries LLC	Other related party (a company from Sun Pharmaceutical Industries group)	Loan agreement	Loan forgiven	-	30,000
Sun Pharmaceutical Industries LLC	Other related party (a company from Sun Pharmaceutical Industries group)	Accrual of interest under the short-term loan agreement	According to the agreement	-	1,178
Representative office of Sun Pharmaceutical Industries Limited	Other related party (a company from Sun Pharmaceutical Industries group)	Agency agreement	According to the agreement	1,687	1,687

Representative office of Sun Pharmaceutical Industries Limited	Other related party (a company from Sun Pharmaceutical Industries group)	Sublease agreement	According to the agreement	241	-
Representative office of Sun Pharmaceutical Industries Limited	Other related party (a company from Sun Pharmaceutical Industries group)	Sale and purchase agreement	According to the agreement	-	1,805
PJSC Biosintez	Other related party (a company from Sun Pharmaceutical Industries group)	Loan agreement	Issued loan	-	575,000
PJSC Biosintez	Other related party (a company from Sun Pharmaceutical Industries group)	Loan agreement	Repayment of the issued loan	390,000	50,000
PJSC Biosintez	Other related party (a company from Sun Pharmaceutical Industries group)	Accrual of interest under the short-term loan agreement	According to the agreement	100,619	117,319
PJSC Biosintez	Other related party (a company from Sun Pharmaceutical Industries group)	Under contracts for the sale of goods, works, services	According to the agreement	217	-
PJSC Biosintez	Other related party (a company from Sun Pharmaceutical Industries group)	Goods sale and purchase agreement	According to the agreement	168,239	124,990
PJSC Biosintez	Other related party (a company from Sun Pharmaceutical Industries group)	Agreement (for contract manufacturing)	According to the agreement	16,566	982

Accounts receivable from and payable to related parties of the Company
as at 31 December 2023:

(RUB'000)

Related party	Type of relation	Amount of accounts receivable (payable),	Amount of accounts receivable (payable),
		As at 31/12/2023	As at 31/12/2022
SUN PHARMACEUTICAL INDUSTRIES LTD (India)	Other related party (parent company of Sun Pharmaceutical Industries group)	(3,120,671)	(4,898,484)
SC TERAPIA SA (Romania)	Other related party (a company from Sun Pharmaceutical Industries group)	(1,729,166)	(386,415)
PJSC Biosintez	Other related party (a company from Sun Pharmaceutical Industries group)	(23,576)	(3,703)
PJSC Biosintez (loans granted and related interest)	Other related party (a company from Sun Pharmaceutical Industries group)	1,174,366	1,553,938

Cash flows with related parties:

(RUB'000)

Related parties	Type of relation	Type of transactions	Amount in 2023	Amount in 2022
SUN PHARMACEUTICAL INDUSTRIES LTD (India)	Other related party (parent company of Sun Pharmaceutical Industries group)	Payment of goods	6,600,568	2,468,590
SC TERAPIA SA (Romania)	Other related party (a company from Sun Pharmaceutical Industries group)	Payment of goods	384,415	1,010,444
Sun Pharmaceutical Industries LLC	Other related party (a company from Sun Pharmaceutical Industries group)	Payment of interest on loan granted	-	870
Sun Pharmaceutical Industries LLC	Other related party (a company from Sun Pharmaceutical Industries group)	Payment under the sublease agreement	-	150
Representative office of Sun Pharmaceutical Industries Limited	Other related party (a company from Sun Pharmaceutical Industries group)	Payment under agreements	1,687	3,492
Representative office of Sun Pharmaceutical Industries Limited	Other related party (a company from Sun Pharmaceutical Industries group)	Payment under agreements	(241)	-
PJSC Biosintez	Other related party (a company from Sun Pharmaceutical Industries group)	Goods sale and purchase agreement	148,367	122,293

PJSC Biosintez	Other related party (a company from Sun Pharmaceutical Industries group)	Agreement (for contract manufacturing)	16,548	982
PJSC Biosintez	Other related party (a company from Sun Pharmaceutical Industries group)	Issued loan	-	575,000
PJSC Biosintez	Other related party (a company from Sun Pharmaceutical Industries group)	Repayment of the issued loan	(390,000)	(50,000)
PJSC Biosintez	Other related party (a company from Sun Pharmaceutical Industries group)	Payment of interest under the loan agreement	(90,190)	(101,754)
PJSC Biosintez	Other related party (a company from Sun Pharmaceutical Industries group)	Payment under contracts for the sale of goods, works, services	(217)	-

Form of settlements with related parties — monetary (cash transfer).

Information about remuneration to key management personnel

In 2023 and 2022 the Company's key management personnel comprised:

1. Director of the Department
2. Head of the Commercial Department
3. Director of the Department
4. General Director
5. Field Force Effectiveness and Analytics Manager
6. Senior pharmacist in charge of the warehouse for wholesaling medical products
7. Head of Pharmacy Division
8. Head of Commercial Sales
9. Head of the Legal Division
10. Head of the Medical Division
11. Chief Accountant
12. National Sales Manager
13. Head of Distributors Division
14. Head of Proposals
15. Head of the Commercial Department
16. Head of the Trade Marketing Division
17. Marketing Director
18. Director of the Department
19. Head of the Regulatory Division
20. Director for Government Affairs and EAU Procedures
21. HR Director
22. National Sales Manager

Total remuneration for 2023 paid to key management personnel amounted to RUB 160,398 thousand (2022: RUB 132,761 thousand). All payments were of short-term nature.

Information about members of the Company's executive and supervisory bodies

Members of the Board of Directors in 2023:

Name	Position	Period
Sergey Lepetan	Chairman of the Board of Directors	from 03/02/2022, as well as elected as the Chairman of the Board of Directors from 30/06/2023
Rakesh Sinha	Member of the Board of Directors	from 28/06/2022
Viswanathan Sethuraman	Member of the Board of Directors	from 28/06/2022
Yulia Khivantseva	Member of the Board of Directors	from 28/06/2022
Artur Valiev	Member of the Board of Directors	from 28/06/2022

In 2022 and 2023, no remuneration was paid to the Board of Directors.

23. EXCHANGE RATES AND EXCHANGE DIFFERENCES

Exchange rates of the Central Bank of Russia in effect on the date of the financial statements are as follows:

Currency	(RUB'000)		
	31 December 2023	31 December 2022	31 December 2021
USD	89.6883	70.3375	74.2926
EUR	99.1919	75.6553	84.0695

	(RUB'000)	
	2022	2022
Exchange differences arising on the translation of assets and liabilities denominated in foreign currencies and payable in foreign currencies	-	-
Exchange differences arising on the translation of assets and liabilities denominated in foreign currencies and payable in roubles	(1)	-
Total	(1)	-

24. BASIC EARNINGS

Basic and diluted earnings for 2023 and 2022:

Indicators	2023	2022
Basic earnings, RUB'000	7,240	577,005
The weighted average number of ordinary shares outstanding, pcs	163,000	163,000
Basic earnings per one share, RUB	44	3,540
Diluted earnings (loss) per share, RUB	44	3,540

25. GUARANTEES AND SURETYSHIPS RECEIVED

Guarantees and suretyships received by the Company as at 31 December 2023:

(RUB)

Buyer	Debt	Security	Guarantor / Surety
BSS OOO	28,762,298.67	80,000,000	VTB Bank OAO
Vita Line OOO	97,293,656.85	100,000,000	Rosbank PAO
Grand Capital FC OOO	642,949,144.93	500,000,000	VTB Bank OAO
GDP	6,166,860.41	10,000,000.00	Moscow Credit Bank PAO
Zdravservis OOO	523,953.42	2,000,000.00	Otkritie FK
InterLek OOO	68,074,945.65	85,000,000.00	Sberbank of Russia PAO
Katren NPK AO	1,200,852,155.10	1,500,000,000	Katren ZAO (Russia)
Farmkomplekt OOO	198,946,987.89	200,000,000.00	Sberbank of Russia PAO
NEO-PHARM	28,870,816.28	60,000,000.00	Sberbank of Russia PAO
Protek TsV ZAO	1,107,230,368.71	1,315,000,000	Sberbank of Russia PAO
Farmlend AO	31,501,182.16	35,000,000.00	Sberbank of Russia PAO
Pulse FC OOO	1,299,212,881.79	1,300,000,000.00	Sberbank of Russia PAO
Farmperspektiva JSC	300,568,170.73	200,000,000	RaiffeisenBank OAO
Total	5,010,953,422.59	5,387,000,000	

26. EVENTS AFTER THE BALANCE SHEET DATE

There are no events after the balance sheet date to be presented in the statements.

27. GENERAL INFORMATION ON POTENTIAL MATERIAL RISKS OF BUSINESS ACTIVITIES

The economy of the Russian Federation displays certain characteristics of an emerging market. The country's economy is particularly sensitive to oil and gas prices. The legal, tax and regulatory frameworks continue to develop and are subject to frequent changes and varying interpretations. The Russian economy continues to be negatively impacted by ongoing geopolitical tension as well as sanctions imposed by some countries against certain Russian economy sectors, Russian companies and individuals.

Significant geopolitical tension remains in 2023 which has been under way from February 2022 as a result of further developments related to Ukraine. Sanctions and restrictions have been and continue to be imposed on many Russian companies, including cutting off the access to the EUR and USD markets, international SWIFT system and many others. A number of transnational groups have suspended or ceased their business activities in the Russian Federation. In December 2022, the EU and a number of countries outside the EU introduced a price ceiling on the Russian oil deliveries. The price ceiling was set at USD 60 per barrel and is subject to subsequent review on a regular basis. In addition, in December 2022, the EU imposed the embargo on the Russian oil deliveries by sea. In February 2023, the price ceiling on the Russian gas deliveries was introduced as well as the embargo on the Russian oil products. Despite the recovery in trading volumes, financial and commodity markets continue to show volatility.

In 2023, the foreign exchange rates against the Russian rouble have increased significantly compared to the rates in effect as at 31 December 2022. During 2023, the Bank of Russia raised its key rate from 7.5%

to 16%. Further sanctions and restrictions on foreign business activities of Russian companies are expected, as well as further negative consequences for the Russian economy as a whole, but it is impossible to assess the full extent and scale of possible consequences. It is impossible to determine how long this increased volatility will last or at what level the above financial indicators will eventually stabilise.

The future effects of the current economic situation and the above measures are difficult to predict and management's current expectations and estimates could differ from actual results.

The Company's activities are subject to various types of risks (financial, legal, country and regional, reputational, etc.) to a greater or lesser extent.

28. ADDITIONAL INFORMATION

We confirm that to the best of our knowledge and belief concerning the situation on the pharmaceutical market of the Russian Federation, the ongoing special military operation in Ukraine and sanctions imposed by foreign countries, as adjusted for potential external impact on the Company's business described in clause 27, all of the above do not cast significant doubt on our ability to continue as a going concern for at least 12 months after the reporting date and should not cause significant changes in the carrying amount or changes in classification of assets and liabilities reflected in the financial statements.

General Director

_____ Artur Valiev

25 March 2024