

Joint-Stock Company RANBAXY

Independent Auditor's Report on the Financial Statements

for the period ended 31 December 2024

Moscow | 2025



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 2024, 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 2024, 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 2024, 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. 23/25
dated 09 January 2025

Panfilova, Larisa Alexandrovna
Audit qualification certificate dated
18 April 2005 No. 022777, registration
number 22006035483

Date of the independent auditor's report: 01 April 2025

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 2024

<p>Entity <u>Joint-Stock Company RANBAXY</u></p> <p>Taxpayer identification number _____</p> <p>Type of economic activity <u>Wholesaling of pharmaceutical and medical products</u></p> <p>Organizational legal form / form of ownership _____</p> <p><u>Joint-Stock Company</u> Ownership of foreign legal entities _____</p> <p>Measurement unit: <u>thousand roubles</u></p> <p>Location (address) <u>27 Elektrozavodskaya ul., bldg. 8, room 14/1, Moscow, 107023, Russia</u></p> <p>The financial statements are subject to statutory audit <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>Name of the audit firm/full name of the individual auditor <u>FBK, LLC</u></p> <p>Taxpayer identification number of the audit firm/individual auditor _____</p> <p>Primary state registration number of the audit firm/individual auditor _____</p>	<p>Form on OKUD _____</p> <p>Date (day, month, year) <u>31</u> <u>12</u> <u>2024</u></p> <p>OKPO <u>72983356</u></p> <p>INN <u>7720508094</u></p> <p>OKVED 2 <u>46.46.1</u></p> <p>OKOPF/OKFS <u>12267</u> <u>23</u></p> <p>OKEI <u>384</u></p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <tr> <th colspan="3" style="text-align: center;">Codes</th> </tr> <tr> <td colspan="3" style="text-align: center;">0710001</td> </tr> <tr> <td style="text-align: center;">31</td> <td style="text-align: center;">12</td> <td style="text-align: center;">2024</td> </tr> <tr> <td colspan="3" style="text-align: center;">72983356</td> </tr> <tr> <td colspan="3" style="text-align: center;">7720508094</td> </tr> <tr> <td colspan="3" style="text-align: center;">46.46.1</td> </tr> <tr> <td style="text-align: center;">12267</td> <td colspan="2" style="text-align: center;">23</td> </tr> <tr> <td colspan="3" style="text-align: center;">384</td> </tr> </table> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <tr> <td style="width: 60%;">INN</td> <td style="text-align: center;">7701017140</td> </tr> <tr> <td>OGRN/ OGRNIP</td> <td style="text-align: center;">1027700058286</td> </tr> </table>	Codes			0710001			31	12	2024	72983356			7720508094			46.46.1			12267	23		384			INN	7701017140	OGRN/ OGRNIP	1027700058286
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Notes	Narrative	Code	As at 31 December 2024	As at 31 December 2023	As at 31 December 2022
	ASSETS				
	I. NON-CURRENT ASSETS				
3	Intangible assets	1110	38 689	19 662	13 876
	Results of research and development	1120	-	-	-
	Intangible development assets	1130	-	-	-
	Tangible development assets	1140	-	-	-
4	Fixed assets	1150	257 744	191 399	73 213
	including:				
	Right-of-use asset	1151	252 267	185 909	66 381
	Fixed assets in the entity	1152	3 510	5 490	6 833
	Capital investments in fixed assets in progress	1153	1 967	-	-
	Income-bearing investments into tangible assets	1160	-	-	-
5	Financial investments	1170	504 800	-	1 530 000
20	Deferred tax assets	1180	444 772	239 893	149 650
	Other non-current assets	1190	-	-	-
	Total for Section I	1100	1 246 006	450 954	1 766 740
	II. CURRENT ASSETS				
6	Inventories	1210	2 453 289	2 359 209	1 562 938
	Input value-added tax	1220	184 585	110 483	533
7	Accounts receivable	1230	7 582 678	5 234 249	4 334 954
5	Financial investments (excluding cash equivalents)	1240	-	1 140 000	-
8	Cash and cash equivalents	1250	62 988	36 050	403 852
	including:				
	Cash on hand	1251	-	-	6

	Operating accounts	1252	62 501	7 050	403 846
	Foreign currency accounts	1253	486	-	-
	Deposited	1254	-	29 000	-
	Other current assets	1260	3 450	3 726	3 315
9	Total for Section II	1200	10 286 989	8 883 717	6 305 593
	BALANCE	1600	11 532 995	9 334 671	8 072 332

Notes	Narrative	Code	As at 31 December 2024	As at 31 December 2023	As at 31 December 2022
	EQUITY AND LIABILITIES				
	III. CAPITAL AND RESERVES				
10	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	-	-	-
11	Additional capital (without revaluation)	1350	270 000	-	-
	Reserve capital	1360	40 750	40 750	40 750
	Retained earnings (uncovered loss)	1370	1 468 074	1 779 304	1 772 064
	Total for Section III	1300	1 941 824	1 983 054	1 975 814
	IV. NON-CURRENT LIABILITIES				
	Borrowings	1410	-	-	-
	Deferred tax liabilities	1420	99 465	53 172	17 060
	Estimated liabilities	1430	-	-	-
21	Other liabilities	1450	148 746	174 214	44 905
	Total for Section IV	1400	248 211	227 386	61 965
	V. CURRENT LIABILITIES				
12	Borrowings	1510	200 754	1 238 836	-
13	Accounts payable	1520	8 663 209	5 578 642	5 735 599
	Deferred income	1530	-	-	-
14	Estimated liabilities	1540	478 997	306 753	298 954
	Other liabilities	1550	-	-	-
	Total for Section V	1500	9 342 960	7 124 231	6 034 553
	BALANCE	1700	11 532 995	9 334 671	8 072 332

Director _____
(signature)

Artur Valiev
(print name)

28 March 2025

Statement of Financial Results

for January-December 2024

Entity Joint-Stock Company RANBAXY

Taxpayer identification number

Type of economic activity

Organizational legal form / form of ownership

Joint-Stock Company

Measurement unit: thousand roubles

Wholesaling of pharmaceutical and medical products

Ownership of foreign legal entities

Form on OKUD

Date (day, month, year)

OKPO

INN

OKVED 2

OKOPF/OKFS

OKEI

Codes

0710002

31

12

2024

72983356

7720508094

46.46.1

12267

23

384

Notes	Narrative	Code	For January-December 2024	For January-December 2023
15	Revenue	2110	11 476 669	10 157 118
16	Cost of sales	2120	(7 274 864)	(6 252 922)
	Gross profit (loss)	2100	4 201 805	3 904 196
17	Selling expenses	2210	(4 598 660)	(3 844 066)
	Administrative expenses	2220	-	-
	Profit (loss) on sales	2200	(396 855)	60 130
	Income from participation in other entities	2310	-	-
5	Interest receivable	2320	129 882	114 771
21	Interest payable	2330	(155 949)	(139 574)
18	Other income	2340	105 211	118 337
19	Other expenses	2350	(85 082)	(68 307)
	Profit (loss) before tax	2300	(402 793)	85 357
20	Income tax	2410	91 562	(78 118)
	including:			
	current income tax	2411	(67 024)	(132 249)
	deferred income tax	2412	158 586	54 131
	Other	2460	-	-
	Net profit (loss)	2400	(311 231)	7 239

Notes	Narrative	Code	For January- December 2024	For January- December 2023
	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	(311 231)	7 239
	For reference only			
	Basic earnings (loss) per share	2900	(2)	-
	Diluted earnings (loss) per share	2910	(2)	-

Director _____
(signature)

Artur Valiev
(print name)

28 March 2025

Statement of Changes in Equity
for January-December 2024

Form on OKUD		Codes	
Date (day, month, year)		0710004	
31	12	2024	
OKPO		72983356	
INN		7720508094	
OKVED 2		46.46.1	
OKOPF/OKFS		12267	23
OKEI		384	

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		

1. Changes in equity

	Code	Authorized capital	Treasury shares	Additional capital	Reserve capital	Retained earnings (uncovered loss)	Total
Equity as at 31 December 2022	3100	163 000	-	-	40 750	1 772 064	1 975 814
For 2023							
Total increase in equity:	3210	-	-	-	-	7 240	7 240
including:							
Net profit	3211	X	X	X	X	7 240	7 240
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	-	-	-	-	-	-
Total decrease in equity:	3220	-	-	-	-	-	-
including:							
Loss	3221	X	X	X	X	-	-
Revaluation of assets	3222	X	X	-	X	-	-
Expenses directly charged to equity	3223	X	X	-	X	-	-
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	-	-

Narrative	Code	Authorized capital	Treasury shares	Additional capital	Reserve capital	Retained earnings (uncovered loss)	Total
Change in additional capital	3230	X	X	-	-	-	X
Change in reserve capital	3240	X	X	X	-	-	X
Equity as at 31 December 2023	3200	163 000	-	-	40 750	1 779 304	1 983 054
For 2024							
Total increase in equity:	3310	-	-	270 000	-	-	270 000
including:							
Net profit	3311	X	X	X	X	-	-
Revaluation of assets	3312	X	X	-	X	-	-
Gains taken directly to equity	3313	X	X	270 000	X	-	270 000
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	-	-	-	-	(311 230)	(311 230)
including:							
Loss	3321	X	X	X	X	(311 230)	(311 230)
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 2024	3300	163 000	-	270 000	40 750	1 468 074	1 941 824

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

Narrative	Code	As at 31 December 2022	Change in equity for 2023		As at 31 December 2023
			Due to net profit (loss)	Due to other factors	
Total capital					
Before adjustments	3400	-	-	-	-
Adjustments arising from:					
Changes in accounting policies	3410	-	-	-	-
Correction of errors	3420	-	-	-	-
After adjustments	3500	-	-	-	-
including:					
Retained earnings (uncovered loss):					
Before adjustments	3401	-	-	-	-
Adjustments arising from:					
Changes in accounting policies	3411	-	-	-	-
Correction of errors	3421	-	-	-	-
After adjustments	3501	-	-	-	-
Other capital items					
Before adjustments	3402	-	-	-	-
Adjustments arising from:					
Changes in accounting policies	3412	-	-	-	-
Correction of errors	3422	-	-	-	-
After adjustments	3502	-	-	-	-

3. Net assets

Narrative	Code	As at 31 December 2024	As at 31 December 2023	As at 31 December 2022
Net assets	3600	1 941 824	1 983 054	1 975 814

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

28 March 2025 _____

Statement of Cash Flows
for January-December 2024

Codes		
0710005		
31	12	2024
72983356		
7720508094		
46.46.1		
12267	23	
384		

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

Joint-Stock Company RANBAXY

Entity
Taxpayer identification number

Type of economic
activity

Organizational legal form / form of ownership

Wholesaling of pharmaceutical and medical products

**Ownership of foreign legal
/ entities**

Joint-Stock Company

Measurement unit: thousand roubles

Narrative	Code	For January-December 2024	For January-December 2023
Cash flows from operating activities			
Total receipts	4110	10 192 778	9 404 922
including:			
Sales of products, goods, works and services	4111	9 938 404	9 358 299
Lease payments, license fees, royalties, commissions, fees	4112	401	201
Resale of financial investments	4113	-	-
Other receipts	4119	253 973	46 422
Total payments	4120	(9 731 363)	(11 398 948)
including:			
To suppliers (contractors) for materials, supplies, works and services	4121	(7 319 191)	(9 371 927)
Employee compensation	4122	(1 388 303)	(1 130 947)
Interest on debt obligations	4123	(130 363)	(126 352)
Corporate income tax	4124	(106 532)	(152 924)
Other payments	4129	(786 974)	(616 798)
Net cash flows from operating activities	4100	461 415	(1 994 026)
Cash flows from investing activities			
Total receipts	4210	755 302	481 311
including:			
Sales of non-current assets (excluding financial investments)	4211	961	1 121
Sale of shares (interests) in other entities	4212	-	-
Loans repayments, sale of debt securities (monetary claims against other persons)	4213	635 200	390 000
Dividends, interest on financial debt investments and similar receipts from equity participation in other organizations	4214	119 141	90 190
Other receipts	4219	-	-
Total payments	4220	(25 175)	(13 170)
including:			
Acquisition, creation, modernization, reconstruction and preparation of non-current assets for use	4221	(25 175)	(13 170)
Acquisition of shares (interests) in other entities	4222	-	-
Acquisition of debt securities (monetary claims against other persons), disbursement of loans	4223	-	-
Interest on debt liabilities, included into the cost of investment asset	4224	-	-
Other payments	4229	-	-
Net cash flows from investing activities	4200	730 127	468 141

Narrative	Code	For January-December 2024	For January-December 2023
Cash flows from financing activities			
Total receipts	4310	1 102 034	3 438 836
including:			
Credit and loan proceeds	4311	1 102 034	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	(2 253 741)	(2 280 749)
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	(2 140 871)	(2 200 000)
Other payments	4329	(112 870)	(80 749)
Net cash flows from financing activities	4300	(1 151 707)	1 158 087
Net cash flows for the reporting period	4400	39 835	(367 798)
Cash and cash equivalents as at the beginning of the reporting period	4450	36 050	403 852
Cash and cash equivalents as at the end of the reporting period	4500	62 989	36 050
Effect of changes in foreign exchange rates against the rouble	4490	(12 896)	(4)

Director _____
(signature)

Artur Valiev
(print name)

28 March 2025

**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 2024	37 025	(19 637)	17 231	(7 273)	7 021	(4 175)	-	-	-	46 983	(16 791)
	5110	for 2023	30 500	(18 339)	12 101	(5 576)	5 576	(6 874)	-	-	-	37 025	(19 637)
including: Other intangible assets	5101	for 2024	29 061	(12 650)	17 231	(5 543)	5 341	(5 552)	-	-	-	40 748	(12 860)
	5111	for 2023	22 699	(11 620)	11 938	(5 576)	5 576	(6 606)	-	-	-	29 676	(12 650)
Exclusive copyright to computer programs and databases	5102	for 2024	7 965	(6 988)	-	(1 730)	1 681	1 377	-	-	-	6 235	(3 930)
	5112	for 2023	7 802	(6 719)	163	-	-	(269)	-	-	-	7 965	(6 988)

1.2. Historical cost of intangible assets developed in-house

Narrative	Code	As at 31 December 2024	As at 31 December 2023	As at 31 December 2022
Total	5120	-	-	-
including:	5121	-	-	-

1.3. Fully amortised intangible assets

Narrative	Code	As at 31 December 2024	As at 31 December 2023	As at 31 December 2022
Total	5130	-	14 676	7 435
including: Exclusive copyright to computer programs and databases	5131	-	670	670
Other intangible assets	5132	-	14 006	6 765

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		Expensed portion for the period	Historical cost
						Historical cost	Expensed portion		
Total R&D	5140	for 2024	-	-	-	-	-	-	-
	5150	for 2023	-	-	-	-	-	-	-
including:	5141	for 2024	-	-	-	-	-	-	-
	5151	for 2023	-	-	-	-	-	-	-

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 2024	-	-	-	-	-
	5170	for 2023	-	-	-	-	-
Acquisitions of intangible assets in progress - total including:	5161	for 2024	-	-	-	-	-
	5171	for 2023	-	-	-	-	-
	5180	for 2024	2 274	23 454	-	(17 231)	8 497
	5190	for 2023	1 714	13 009	(348)	(12 101)	2 274
Loyalty system	5181	for 2024	500	-	-	-	500
	5191	for 2023	500	-	-	-	500
Package design for "Vitastrong Aspacardio"	5182	for 2024	-	-	-	-	-
	5192	for 2023	348	-	(348)	-	-
Package design for "Immuno Vitastrong"	5183	for 2024	850	-	-	-	850
	5193	for 2023	350	500	-	-	850
Trademark "Neotravisil"	5184	for 2024	-	-	-	-	-
Video clip "Joint Strengthening Exercises"	5194	for 2023	32	23	-	(55)	-
	5185	for 2024	-	-	-	-	-
Package design for "Coldact Day Night"	5195	for 2023	284	-	-	(284)	-
	5186	for 2024	200	-	-	-	200
Video clip "HR clip"	5196	for 2023	200	-	-	-	200
	5187	for 2024	74	-	-	-	74
Package design for "Mialays"	5197	for 2023	-	74	-	-	74
	5188	for 2024	-	-	-	-	-
Package design for "Fortifikat"	5198	for 2023	-	120	-	(120)	-
	5189	for 2024	100	-	-	(100)	-
Site "Hondrofen"	5199	for 2023	-	100	-	-	100
		for 2024	-	-	-	-	-
Package design for "Neotravisil Breeze"		for 2023	-	163	-	(163)	-
		for 2024	200	-	-	(200)	-
Creative concept for "Faringospray" as part of Faringo product line		for 2023	-	200	-	-	200
		for 2024	-	-	-	-	-
Creative concept for "Coldact Broncho"		for 2023	-	350	-	(350)	-
		for 2024	-	-	-	-	-
Video clip "Coldact. Button"		for 2023	-	91	-	(91)	-
		for 2024	-	-	-	-	-
Video clip "Pharyngosept. Demonstration", extension of		for 2023	-	4 397	-	(4 397)	-
		for 2024	-	-	-	-	-

rights	for 2023	for 2024	for 2023	for 2024	for 2023	for 2024
Video clip "Florioza", extension of rights	-	-	-	-	-	(913)
Video clip "Neotravisil. Karaoke"	-	-	-	-	895	(895)
Visual strategy "Neotravisil"	-	-	-	-	4 794	(4 794)
Trademark "Travisil"	-	-	350	-	-	(350)
Video clip "Pharyngosept. Goldfish"	-	-	-	-	39	(39)
Creative concept for "Niaspam"	-	-	-	-	6 784	(6 784)
Software, 1C: ERP	-	-	-	-	350	(350)
BI software	-	-	-	-	8 832	(8 832)
RU Winlevi (Clascoterone)	-	-	-	-	5 991	5 991
Package design for "Ketanov MD" gel	-	-	-	-	552	552
Other	-	-	-	-	330	330
	-	-	-	-	615	615
	-	-	-	-	-	-

Director

(signature)

Artur Valiev

(print name)

28 March 2025

2. Fixed assets

[illegible]

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: Server 2U (Gold 5315Y)	5240	for 2024	-	1 967	-	-	1 967
	5250	for 2023	-	-	-	-	-
	5241	for 2024	-	1 635	-	-	1 635
	5251	for 2023	-	-	-	-	-
	5242	for 2024	-	332	-	-	332
Solid state drive Intel SSD D5 P5316	5252	for 2023	-	-	-	-	-

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

Narrative	Code	for 2024	for 2023
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 including:	5270	-	-
	5271	-	-

2.4. Other use of fixed assets

Narrative	Code	As at 31 December 2024	As at 31 December 2023	As at 31 December 2022
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	318 687	220 721	66 381
Leased fixed assets off the balance sheet	5283	7 630	7 522	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	-	-	-
Carrying amount of fixed assets not subject to depreciation	5287	-	-	-
	5288	-	-	-

Director _____
(signature)

28 March 2025

Artur Valiev
(print name)

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 2024	-	-	-	(635 200)	-	-	1 140 000	504 800	-
	5311	for 2023	1 530 000	-	-	-	-	-	(1 530 000)	-	-
including: Loans issued	5302	for 2024	-	-	-	(635 200)	-	-	1 140 000	504 800	-
	5312	for 2023	1 530 000	-	-	-	-	-	(1 530 000)	-	-
	5305	for 2024	1 140 000	-	-	-	-	-	(1 140 000)	-	-
	5315	for 2023	-	-	-	(390 000)	-	-	1 530 000	1 140 000	-
including: Loans issued	5306	for 2024	1 140 000	-	-	-	-	-	(1 140 000)	-	-
	5316	for 2023	-	-	-	(390 000)	-	-	1 530 000	1 140 000	-
	5300	for 2024	1 140 000	-	-	(635 200)	-	-	-	504 800	-
	5310	for 2023	1 530 000	-	-	(390 000)	-	-	-	1 140 000	-
Total financial investments											

3.2. Other use of financial investments

Narrative	Code	As at 31 December 2024	As at 31 December 2023	As at 31 December 2022
Pledged financial investments — total	5320	-	-	-
including:				
	5321	-	-	-
Financial investments transferred to third parties (except sale) — total	5325	-	-	-
including:				
	5326	-	-	-
Other use of financial investments	5329	-	-	-

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

28 March 2025 _____

4. Inventories

Narrative	Code	Period	At the beginning of the year				Changes over the period					At the end of the period		
			Costs and other expenses	Provision for impairment	Carrying amount	Receipts and costs	Disposal			Impairment losses	Inventory turnover between groups (types)	Costs and other expenses	Provision for impairment	Carrying amount
							Costs and other expenses	Provision for impairment						
Total inventories	5400	for 2024	2 402 845	(43 636)	2 359 209	8 307 712	(8 173 372)	(36 024)	(4 236)	X	2 537 185	(83 896)	2 453 289	
	5420	for 2023	1 642 676	(79 737)	1 562 939	7 774 767	(7 014 598)	81 208	(45 106)	X	2 402 845	(43 636)	2 359 209	
including:														
Raw materials, supplies and other similar assets	5401	for 2024	6 919	-	6 919	51 037	(49 672)	-	-		8 283	-	8 283	
	5421	for 2023	4 741	-	4 741	58 711	(56 533)	-	-		6 919	-	6 919	
Finished products	5402	for 2024	-	-	-	-	-	-	-		-	-	-	
	5422	for 2023	-	-	-	-	-	-	-		-	-	-	
Goods for resale	5403	for 2024	2 388 530	(43 636)	2 344 894	8 222 159	(8 092 924)	(36 024)	(4 236)		2 517 784	(83 896)	2 433 868	
	5423	for 2023	1 632 682	(79 737)	1 552 945	7 693 693	(6 937 845)	81 208	(45 106)		2 388 530	(43 636)	2 344 894	
Goods and finished products shipped	5404	for 2024	-	-	-	-	-	-	-		-	-	-	
	5424	for 2023	-	-	-	-	-	-	-		-	-	-	
Work in progress costs	5405	for 2024	-	-	-	-	-	-	-		-	-	-	
	5425	for 2023	-	-	-	-	-	-	-		-	-	-	
Other inventories and costs (allocated expenses, including cargo services at customs,	5406	for 2024	7 397	-	7 397	34 516	(30 775)	-	-		11 137	-	11 137	
	5426	for 2023	5 253	-	5 253	22 364	(20 220)	-	-		7 397	-	7 397	
	5407	for 2024	-	-	-	-	-	-	-		-	-	-	
	5427	for 2023	-	-	-	-	-	-	-		-	-	-	

4.2. Pledged inventories

Narrative		Code	As at 31 December 2024	As at 31 December 2023	As at 31 December 2022
Inventories not paid at the reporting date – total including:		5440	-	-	-
		5441	-	-	-
Inventories pledged under the contract – total including:		5445	-	-	-
		5446	-	-	-

Director

(signature)

28 March 2025

Artur Valiev

(print name)

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 2024	-	-	-	-
	5521	for 2023	-	-	-	-
including:						
Settlements with buyers and customers	5502	for 2024	-	-	-	-
	5522	for 2023	-	-	-	-
Advances made	5503	for 2024	-	-	-	-
	5523	for 2023	-	-	-	-
Other	5504	for 2024	-	-	-	-
	5524	for 2023	-	-	-	-
	5505	for 2024	-	-	-	-
	5525	for 2023	-	-	-	-
Total short-term receivables	5510	for 2024	5 340 827	(106 578)	7 689 256	(106 578)
	5530	for 2023	4 441 532	(106 578)	5 340 827	(106 578)
including:						
Settlements with buyers and customers	5511	for 2024	5 126 724	(105 530)	7 067 311	(105 530)
	5531	for 2023	4 200 671	(105 530)	5 126 724	(105 530)
Advances made	5512	for 2024	60 570	(1 048)	162 579	(1 048)
	5532	for 2023	55 367	(1 048)	60 570	(1 048)
Other	5513	for 2024	153 533	-	189 366	-
	5533	for 2023	185 494	-	153 533	-
Contribution to the property	5514	for 2024	-	-	270 000	-
	5534	for 2023	-	-	-	-
Total	5500	for 2024	5 340 827	(106 578)	7 689 256	(106 578)
	5520	for 2023	4 441 532	(106 578)	5 340 827	(106 578)

5.2. Overdue receivables

Narrative	Code	As at 31 December 2024		As at 31 December 2023		As at 31 December 2022	
		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	-	-	-	-	-	-
	5544	-	-	-	-	-	-

5.3. Existence and movements of payables

Narrative	Code	Period	Balance at the beginning of the period	Balance at the end of the period
Total long-term payables	5551	for 2024	174 214	148 746
	5571	for 2023	44 905	174 214
including:				
Credits	5552	for 2024	-	-
	5572	for 2023	-	-
Loans	5553	for 2024	-	-
	5573	for 2023	-	-
Other	5554	for 2024	-	-
	5574	for 2023	-	-
Lease liabilities	5555	for 2024	174 214	148 746
	5575	for 2023	44 905	174 214
Total short-term payables	5560	for 2024	5 578 642	8 863 963
	5580	for 2023	5 735 599	5 578 642
including:				
Settlements with suppliers and contractors	5561	for 2024	5 451 763	8 439 596
	5581	for 2023	5 616 483	5 451 763
Advances received	5562	for 2024	35	-
	5582	for 2023	230	35
Settlements on taxes and levies	5563	for 2024	89 112	77 060
	5583	for 2023	68 719	89 112
Credits	5564	for 2024	1 238 836	200 754
	5584	for 2023	-	1 238 836
Loans	5565	for 2024	-	-
	5585	for 2023	-	-
Other	5566	for 2024	37 733	146 552
	5586	for 2023	50 167	37 733
	5567	for 2024	-	-
	5587	for 2023	-	-
Total	5550	for 2024	5 752 856	9 012 709
	5570	for 2023	5 780 504	5 752 856

5.4. Overdue payables

	Narrative	Code	As at 31 December 2024	As at 31 December 2023	As at 31 December 2022
Total		5590	-	-	-
including:					
Settlements with suppliers and contractors		5591	-	-	-
Settlements with buyers and customers		5592	-	-	-
Other debts		5593	-	-	-
		5594	-	-	-

Director (signature) Artur Valiev
 28 March 2025 (print name)

6. Cost of production (costs to sell)*

Narrative	Code	for 2024	for 2023
Material expenses			
Labour costs	5610	85 191	81 838
Social security contributions	5620	1 154 146	1 013 705
Depreciation	5630	314 134	269 055
Other costs	5640	109 302	79 694
Total	5650	2 935 888	2 399 774
Actual cost of goods sold	5660	4 598 661	3 844 066
Change in balances (increase [-]): of work in progress, finished goods, etc.	5665	7 274 864	6 252 922
Change in balances (decrease [+]): of work in progress, finished goods, etc.	5670	-	-
Total expenses from ordinary activities	5680	-	-
	5600	11 873 525	10 096 988

* - Line 5665 has been added to account for the actual cost of goods for entities engaged in trading activities

Director _____
(signature)

Artur Valiev
(print name)

28 March 2025

7. Estimated liabilities for 2024

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	306 753	859 287	(684 335)	(2 708)	478 997
including:						
Provision for bonuses "Star club"	5701	2 035	-	(1 110)	-	925
Provision for use of fuel and lubricants	5702	-	486	(486)	-	-
#Provision for returned goods	5703	2 185	1 195	-	(2 708)	672
Provision for annual leave	5704	12 283	79 547	(80 466)	-	11 364
Provision for annual bonus	5705	19 514	56 216	(32 757)	-	42 973
Bonuses to buyers Cash Discount /01.04.14	5706	66 406	107 231	(88 077)	-	85 560
Provision for payment of quarterly bonuses to employees	5707	21 336	10 047	-	-	31 383
Provision for use of advances to employees	5708	3 378	2 645	(3 378)	-	2 645
Bonuses to buyers Volume Discount /01.04.14	5709	179 617	601 920	(478 061)	-	303 476
		-	-	-	-	-

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:			2 035	-	-	2 035
Provision for bonuses "Star club"	5701	-	-	-	-	-
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

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

28 March 2025

8. Security of obligations

Narrative	Code	As at 31 December 2024	As at 31 December 2023	As at 31 December 2022
Received — total	5800	6 805 000	5 387 000	4 832 000
including:				
Bank guarantee	5801	5 305 000	3 887 000	3 172 000
Surety agreement	5802	1 500 000	1 500 000	1 660 000
Issued — total	5810	-	-	-
including:				
	5811	-	-	-

Director _____
 (signature)

Artur Valiev
 (print name)

28 March 2025

NOTES TO THE FINANCIAL STATEMENTS OF JSC RANBAXY FOR 2024

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).
- On 17 June 2024 the location of the subdivision was changed (new address: bldg 4, plot 248, Village of Leshkovo, Istra District, Moscow Region, 143581, 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 2024 and 2023 was 531 and 553 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 2024, accounting records were maintained in the manner envisaged by the Company's accounting policies approved as per the General Director's Order dated 29 December 2023 No. 01-УП-2023 and 01 May 2024 No. 01-УП-2023/1.

Financial and tax accounting records were maintained using 1C: Industrial Enterprise Management, specialised accounting software and ERP Enterprise Management 2.

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 2024, except for stocktaking of inventories, which was carried out as at 28 December 2024.

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 2024, 2023 and 2022, 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

Starting from 2024, the Company applies RFAS 14/2022 to its financial statements, does not restate comparative figures for the periods prior to the reporting period and makes a one-off adjustment of the carrying amount of intangible assets.

The effect of the change in the accounting policies due to the first-time adoption of RFAS 14/2022 is reported prospectively.

Measurement

When recognised in accounting records, an intangible asset is measured at cost. The cost of an intangible asset is the total amount of capital investments related to this asset made before the intangible asset is recognised in the accounting records.

RFAS 14/2022 does not apply to assets that both have the attributes set out in clause 4 of RFAS 14/2022 and have a cost less than RUB 100,000 per item. The costs of acquisition and/or creation of such assets are recognised as expenses for the period in which capital investments related to acquisition and/or creation of such assets are completed.

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.

The monthly amortisation charge is calculated as follows:

On a straight-line basis as the difference between the carrying and the residual values of the intangible asset divided by the remaining useful life of the asset.

The residual value of an intangible asset is considered to be zero, except for the cases specified in clause 36 of RFAS 14/2022.

The useful life, the residual value and the amortisation method (amortisation elements) of intangible asset are determined when the intangible asset is recognised.

An intangible asset's amortisation elements are to be reviewed for compliance with the intangible asset's use conditions. These reviews are carried out at the end of each reporting year, and in case of circumstances indicating a possible change in the amortisation elements. Based on the results of such reviews, if necessary, the entity decides to change the relevant amortisation elements. The resulting adjustments are recorded as changes in estimates.

On the balance sheet, intangible assets are recognised less accrued amortisation.

Impairment

The Company tests the intangible assets for impairment and recognises a change in its carrying amount as a result of impairment as required by IAS 36 Impairment of Assets.

An impairment loss of the intangible asset in excess of the residual value of the asset over its recoverable amount is recognised as expenses from ordinary activities of the Company.

The recoverable amount is determined as the higher of value in use and fair value less costs of disposal. Value in use is calculated by discounting the amount of revenue associated with the economic benefits derived from the use of the intangible asset. If the recoverable amount of the intangible asset increases, its cost is adjusted for amortisation accumulated to the date of the adjustment up to an amount not exceeding the residual value that would have been determined had the intangible asset not been impaired.

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.

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, intangible assets and capital investments in them;
- 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;
 - Advertising.
- As other current assets:
 - Certification expenses;
 - 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. 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 2024, 2023 and 2022, respectively:

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

4. FIXED ASSETS

The Company's fixed assets as at 31 December 2024, 2023 and 2022:

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

Investment property

None.

5. FINANCIAL INVESTMENTS

Financial investments as at 31 December 2024, 2023 and 2022:

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:

Borrower	Loan term	Annual interest rate	(RUB'000)		
			As at 31/12/2024	As at 31/12/2023	As at 31/12/2022
PJSC Biosintez	31/12/2026	Refinancing rate x 0.75	504,800	1,140,000	1,530,000
Total			504,800	1,140,000	1,530,000

6. INVENTORIES

The carrying amount of the Company's inventories, balances of inventories with breakdown by actual cost and impairment as at 31 December 2024, 2023 and 2022 and movements in inventories by types of inventories for 2024 and 2023:

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

As at 31 December 2024, 2023 and 2022 there are no inventories with restricted property rights, including pledged inventories.

7. ACCOUNTS RECEIVABLE

Accounts receivable as at 31 December 2024, 2023 and 2022:

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

Movements in provisions for doubtful receivables:

Indicators	(RUB'000)	
	Buyers and customers	Advances made
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
Increase in provisions	-	-
Use of provisions	-	-
Balance as at 31 December 2024	105,530	1,048

8. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at 31 December 2024, 2023 and 2022:

Indicators	(RUB'000)		
	31/12/2024	31/12/2023	31/12/2022
Cash on hand	-	-	6
Cash on bank accounts in RUB	62,501	7,050	403,846
Cash on bank accounts in foreign currencies	487	-	-
Deposits (cash equivalents)	-	-	-
Total Balance Sheet line 1250	62,988	36,050	403,852
Balance of cash in the Statement of Cash Flows (lines 4450, 4500)	62,988	36,050	403,852

Breakdown of other receipts and other payments in the Statement of Cash Flows as at 31/12/2024:

Type	Line code	(RUB'000)	
		For 2024	For 2023
Cash flows from operating activities			
Other receipts	4119	253,973	46,422
Interest on deposits (for up to 3 months)	41191	7,277	6,501
Interest under bank account contracts	41192	20,034	7,652
Return of cash to the bank account (inaccurate details)	41193	77,081	2,757
Return of advance payments from the FCS	41194	-	20,928
Insurance coverage payment under Law No. 255-FZ	41195	247	-
Compensation under insurance policies	41196	149	323
Return of security payment	41197	29,228	5,306
Reimbursement of expenses under agency agreement	41198	118,458	-
Other	41199	1,499	2,954
Other payments	4129	(786,974)	(616,798)
Advances to employees for current needs	41291	(32,292)	(31,981)
Customs payments	41292	(599,485)	(487,258)
Fines and damages paid	41293	(750)	(769)
Payments to lecturers	41294	-	(481)
State duty	41295	(25)	(68)
Taxes (except for personal income tax, value added tax and corporate income tax)	41296	(514)	(424)
Bank services for cash transactions (bank fees)	41297	(4,746)	(1,670)

Insurance services	41298	(41,552)	(36,922)
Payment of bonuses to customers	41299	(15,916)	(12,423)
Payments under writs of execution (alimony, overdue loan payments)	412991	(3,578)	(2,152)
Loans to the Company's employees	412992	(12,639)	(9,614)
Return to customers	412993	(432)	(22,383)
Other	412994	(75,044)	(10,654)
Cash flows from financing activities			
Other payments	4329	(112,870)	(80,749)
Lease payments	43291	(112,870)	(80,749)

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 2022: deposits were not placed;
- as at 31 December 2023: 13 %;
- as at 31 December 2024: deposits were not placed.

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.

9. OTHER CURRENT ASSETS

Other current assets as at 31 December 2024, 2023 and 2022:

Indicators	31/12/2024	31/12/2023	31/12/2022
Prepaid expenses	3,450	3,723	3,294
Other	-	3	21
Total	3,450	3,726	3,315

(RUB'000)

10. AUTHORIZED CAPITAL

The Company's authorized capital as at 31 December 2024, 2023 and 2022:

Share category	Par value	2024		2023		2022	
	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 2024 and 2023:

Shareholder	Ownership interest	
	2024	2024
SUN PHARMA (NETHERLANDS) B.V.	99	99
Ranbaxy Holdings (UK) Limited	1	1
Total	100	100

(RUB'000)

11. ADDITIONAL CAPITAL

Capital category	2024	2023	2022
	RUB '000	RUB '000	RUB '000
Contribution to the property from SUN PHARMA (NETHERLANDS) B.V. Agreement w/o No. dated 23 December 2024	270,000	-	-

As at 31 December 2024, the contribution to the property was not paid.

12. CREDITS AND LOANS

Information about the Company's credits and loans and their movement is as follows:

For 2024

(RUB'000)

Narrative	Balance at the beginning of the year	Changes over the period					Exchange difference	Balance at the end of the period
		Addition	Accrual of %	Principal repayment	Repayment of %	Reclassification from long-term to short-term debts		
Long-term borrowings - total	-	-	-	(-)	(-)	-	-	-
Credits	-	-	-	(-)	(-)	-	-	-
Interest on credits	-	-	-	(-)	(-)	-	-	-
Loans	-	-	-	(-)	(-)	-	-	-
Interest on loans	-	-	-	(-)	(-)	-	-	-
Short-term borrowings - total	1,238,836	1,102,035	131,117	(2,140,871)	(130,363)	-	-	200,754
Credits	1,238,836	1,102,035	-	(2,140,871)	(-)	-	-	200,000
Interest on credits	-	-	131,117	(-)	(130,363)	-	-	754
Loans	-	-	-	(-)	(-)	-	-	-
Interest on loans	-	-	-	(-)	(-)	-	-	-

For 2023

(RUB'000)

Narrative	Balance at the beginning of the year	Changes over the period					Exchange difference	Balance at the end of the period
		Addition	Accrual of %	Principal repayment	Repayment of %	Reclassification from long-term to short-term debts		
Long-term borrowings - total	-	-	-	(-)	(-)	-	-	-
Credits	-	-	-	(-)	(-)	-	-	-
Interest on credits	-	-	-	(-)	(-)	-	-	-
Loans	-	-	-	(-)	(-)	-	-	-
Interest on loans	-	-	-	(-)	(-)	-	-	-
Short-term borrowings - total	-	3,438,836	126,352	(2,200,000)	(126,352)	-	-	1,238,836
Credits	-	3,438,836	126,352	(2,200,000)	(126,352)	-	-	1,238,836
Interest on credits	-	-	-	(-)	(-)	-	-	-
Loans	-	-	-	(-)	(-)	-	-	-
Interest on loans	-	-	-	(-)	(-)	-	-	-

Main credits and loans

Annual interest rate under loan agreements with Sberbank No. 380D00CXL dated 10 February 2023 and No. 380D00GZ2 dated 20 April 2023:

from 20 February 2023 to 25 October 2023: CB rate + 1.5

from 26 October 2023 to 29 October 2023: CB rate + 1.8

from 30 October 2023 to 31 December 2023: CB rate + 2.0

from 01 January 2024 to 31 December 2024: CB rate + 2.0

Narrative	Maturity	As at 31 December 2024			As at 31 December 2023			As at 31 December 2022		
		Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
Long-term borrowings - total	-	-	-	-	-	-	-	-	-	-
Credits	-	-	-	-	-	-	-	-	-	-
By main lenders and agreements	-	-	-	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-	-	-	-
By main lenders and agreements	-	-	-	-	-	-	-	-	-	-
Short-term borrowings - total		200,000	754	200,754	1,238,836	-	1,238,836	-	-	-
Credits		200,000	754	200,754	1,238,836	-	1,238,836	-	-	-
Sberbank Loan agreement No. 380D00CXL dated 10 February 2023	26/01/2025	102,034	385	102,419	794,154	-	794,154	-	-	-
Sberbank, loan agreement No. 380D00GZ2 dated 20 April 2023	26/01/2025	97,966	369	98,335	444,682	-	444,682	-	-	-

13. ACCOUNTS PAYABLE

Accounts payable as at 31 December 2024, 2023 and 2022:

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

14. ESTIMATED LIABILITIES

Movements in estimated liabilities for 2024 and 2023: See Section 7. Notes to the Balance Sheet and Statement of Financial Results in table form.

15. REVENUE

Revenue by ordinary activities for 2024 and 2023:

Indicators	(RUB'000)	
	2024	2023
Revenue from sales of goods	12,193,583	10,540,504
Financial discount (customer bonus)	(716,913)	(383,386)
Total	11,476,670	10,157,118

16. COST OF SALES

Cost of sales by ordinary activities for 2024 and 2023:

Indicators	(RUB'000)	
	2024	2023
Cost of sales of goods	8,137,857	6,861,859
Financial discount (supplier bonus)	(862,993)	(608,937)
Total	7,274,864	6,252,922

Costs, by cost elements, for 2024 and 2023:

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 2024 and 2023:

	(RUB'000)	
	2024	2023
Payroll	1,026,901	904,305
Allocations to funds	283,218	240,731
Advertising	891,359	903,751
Marketing	1,703,962	1,223,927
Processing of goods	90,315	64,431
Certification	7,384	3,535
Maintenance and repair of motor vehicles	35,568	28,445
Insurance	44,908	36,335
Lease	15,943	19,239
Depreciation	109,302	79,694
Travel expenses	73,446	60,450
Hospitality expenses	2,836	2,032
Audit	2,539	1,935
Software products	26,714	27,462
Other material costs	15,985	18,150
Provision for vacation pay	74,557	69,797
Provision for bonus payment	83,604	67,927
Other expenses	110,120	91,919
Total expenses:	4,598,660	3,844,066

18. OTHER INCOME

Other income for 2024 and 2023:

Income	(RUB'000)	
	2024	2023
Bonuses from suppliers (prior periods)	68,608	97,960
Adjustments of customs duties	5,320	15,314
Return of goods from customers for the previous tax period	3,598	2,487
Insurance indemnity / expenses for insured events	149	388
Sales and write-offs of fixed assets	4,349	1,205
Other	3,108	984
Provision for impairment and returned goods	12,779	-
Agency remuneration	7,300	-
Total	105,211	118,338

19. OTHER EXPENSES

Other expenses for 2024 and 2023:

(RUB'000)		
Expense	2024	2023
Income (expenses) related to sale (purchase) of foreign currency	42,051	5
Provision for impairment of inventory	-	34,437
Provision for returned goods	-	981
Destruction of pharmaceutical products	1,466	1,111
Write-off of accounts receivable / payable	6	260
Sales and write-offs of fixed assets	999	379
Bank services	5,365	7,772
Administrative fine	3,431	-
Adjustments of customs duties	13,068	16,556
Return of goods from customers for the previous tax period	4,640	3,381
Agency remuneration (VAT)	1,217	-
Leased fixed assets	10,198	-
Other	2,641	3,425
Total	85,082	68,307

20. INCOME TAX

The relation between income tax expenses for 2024 and 2023 and profit before tax:

(RUB'000)		
Indicators	2024	2023
Profit before tax	(402,793)	85,357
including:		
Profit taxable at 20%	(402,793)	85,357
Provisional income tax benefit (expense)	80,558	(17,071)
Permanent tax expenses:	(91,562)	(61,047)
non-deductible expenses	(44,074)	(6,020)
limited expenses	(47,488)	(55,027)
Income tax expense (benefit)	91,562	(78,118)
Deferred income tax	(158,586)	(54,131)
Including due to changes in taxation rules, in applicable tax rates	(69,061)	-
Income tax	(67,024)	(132,249)

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

(RUB'000)		
Indicators	2024	2023
Increase / (decrease) in deferred tax assets:		
fixed assets	(292)	324
estimated liabilities	137,103	68,270
IA	(5)	64
Lease liabilities	28,610	28,810
Goods	14,777	(7,220)
Prepaid expenses	24,685	-
Total	204,879	90,248
(Increase) / decrease in deferred tax liabilities:		
fixed assets	(25,958)	(24,246)
IA	(785)	-
Interest on liabilities	(1,476)	(3,560)
Goods	(4,917)	(8,311)
Deferred income	(13,158)	-

Total	(46,294)	(36,117)
Deferred income tax benefit /(expense)	158,586	54,131

The income tax rate in 2024 and 2023 was 20%, taxation rules were not changed. Since 2025, the income tax rate is 25%, deferred taxes are recalculated.

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 2023	Leased premises	Movable property	Total
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
Including accumulated impairment	-	-	-
Carrying amount			
As at 31 December 2022	8,974	57,407	66,381
As at 31 December 2023	70,817	115,092	185,909
Indicators for 2024	Leased premises	Movable property	Total
Useful life, years	2	4	-
Historical cost			
As at 31 December 2023	86,281	147,309	233,590
Restatement due to the automation of RFAS 25/2018	-	-	-
Addition	60,822	168,635	229,458
Disposal	(86,281)	(37,090)	(123,371)
Value revision	-	(85)	(85)
As at 31 December 2024	60,823	278,770	339,592
Accumulated depreciation and accumulated impairment			
As at 31 December 2023	15,464	32,216	47,680
Restatement due to the automation of RFAS 25/2018	-	-	-
Depreciation	29,369	71,390	100,759
Disposal	(29,627)	(31,487)	(61,114)
As at 31 December 2024	15,206	72,119	87,325
Including accumulated impairment	-	-	-
Carrying amount			
As at 31 December 2023	70,817	115,092	185,909
As at 31 December 2024	45,617	206,651	252,267

Movements in the lease liability:

(RUB'000)							
Indicators	At the beginning of the period	Added	Interest accrued	Disposal	Lease payments made	Value revision/adjustment	At the end of the period
2023	71,681	191,749	13,223	2,686	80,749	588	192,630
2024	192,630	229,458	24,832	62,256	112,870	(85)	262,643

Maturities of the lease liability as at 31 December 2024 and 31 December 2023:

(RUB'000)			
Indicators	2024	2023	
Up to 1 year	129,536	19,279	
From 1 to 2 years	19,098	16,280	
From 2 to 3 years	111,865	90,395	
From 3 to 4 years	41,751	96,187	
From 4 to 5 years	-	-	
Over 5 years	-	-	
Total	302,249	222,141	
Discounting effect	(39,606)	(29,511)	
Total lease liability	262,643	192,630	
<i>including:</i>			
<i>Long-term</i>	148,746	174,214	
<i>Short-term</i>	113,897	18,416	

As at 31 December 2024 the Company's lease contracts did not provide for any restrictions and there were no right-of-use assets pledged under loan contracts.

Leased fixed assets are recognised on an off-balance account.

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:** Companies under control or significant influence of the Company's controlling beneficial owner:
 - BIOSINTEZ PJSC
 - SC TERAPIA SA (Romania)
 - Representative office of Sun Pharmaceutical Industries Limited

The full list of related parties as at 31 March 2024 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 2024	Volume of transactions in 2023
SUN PHARMACEUTICAL INDUSTRIES LTD (India)	Other related party (a company from Sun Pharmaceutical Industries group)	Purchase of goods	According to the agreement (market price)	7,401,742	5,529,652
SUN PHARMACEUTICAL INDUSTRIES LTD (India)	Other related party (a company from Sun Pharmaceutical Industries group)	Compensation for discount given to the buyer	According to the agreement	810,698	706,897
Sun Pharma (Netherlands) B.V. Private limited liability company	Key shareholder (99% shares)	Contribution to the property	According to the agreement	270,000	-
SC TERAPIA SA (Romania)	Other related party (a company from Sun Pharmaceutical Industries group)	Purchase of goods	According to the agreement (market price)	32,803	1,731,239
SC TERAPIA SA (Romania)	Other related party (a company from Sun Pharmaceutical Industries group)	Payment for marking of goods	According to the agreement	10,500	-
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	482	241
PJSC Biosintez	Other related party (a company from Sun Pharmaceutical Industries group)	Loan agreement	Repayment of the issued loan	635,200	390,000

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	102,571	100,619
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	496,725	168,239
PJSC Biosintez	Other related party (a company from Sun Pharmaceutical Industries group)	Turnover premium	According to the agreement	120,903	-
PJSC Biosintez	Other related party (a company from Sun Pharmaceutical Industries group)	Agreement (for contract manufacturing)	According to the agreement	12,851	16,566

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 31/12/2024	As at 31/12/2023
SUN PHARMACEUTICAL INDUSTRIES LTD (India)	Other related party (parent company of Sun Pharmaceutical Industries group)	(7,691,337)	(3,120,671)
Sun Pharma (Netherlands) B.V. Private limited liability company	Key shareholder (99% shares)	270,000	-
SC TERAPIA SA (Romania)	Other related party (a company from Sun Pharmaceutical Industries group)	(5,000)	(1,729,166)
PJSC Biosintez	Other related party (a company from Sun Pharmaceutical Industries group)	(124,399)	(23,576)
PJSC Biosintez (loans granted and related interest)	Other related party (a company from Sun Pharmaceutical Industries group)	522,597	1,174,366

Cash flows with related parties:

(RUB'000)

Related parties	Type of relation	Type of transactions	Amount in 2024	Amount in 2023
SUN PHARMACEUTICAL INDUSTRIES LTD (India)	Other related party (parent company of Sun Pharmaceutical Industries group)	Payment of goods	2,065,850	6,600,568
SC TERAPIA SA (Romania)	Other related party (a company from Sun Pharmaceutical Industries group)	Payment of goods	1,746,468	384,415
Representative office of Sun Pharmaceutical Industries Limited	Other related party (a company from Sun Pharmaceutical Industries group)	Payment under agreements	1,687	1,687
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	274,999	148,367
PJSC Biosintez	Other related party (a company from Sun Pharmaceutical Industries group)	Agreement (for contract manufacturing)	12,851	16,548
PJSC Biosintez	Other related party (a company from Sun Pharmaceutical Industries group)	Repayment of the issued loan	(635,200)	(390,000)
PJSC Biosintez	Other related party (a company from Sun Pharmaceutical Industries group)	Payment of interest under the loan agreement	(119,141)	(90,190)
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 2024 and 2023 the Company's key management personnel comprised:

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

Total remuneration for 2024 paid to key management personnel amounted to RUB 165,698 thousand (2023: RUB 160,398 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 2024:

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 2023 and 2024, 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:

(RUB'000)

Currency	31 December 2024	31 December 2023	31 December 2022
USD	101.6797	89.6883	70.3375
EUR	106.1028	99.1919	75.6553

	2024	(RUB'000) 2023
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	(32,683)	(1)
Total	(32,683)	(1)

24. BASIC EARNINGS

Basic and diluted earnings for 2023 and 2022:

Indicators	2024	2023
Basic earnings, RUB	(311,229,948)	7,239,835
The weighted average number of ordinary shares outstanding, pcs	163,000	163,000
Basic earnings per one share, RUB	(1,909)	44
Diluted earnings (loss) per share, RUB	(1,909)	44

25. GUARANTEES AND SURETYSHIPS RECEIVED

Guarantees and suretyships received by the Company as at 31 December 2024:

Buyer	Debt	Security	Guarantor / Surety
InterLek OOO	116,034,517.38	95,000,000.00	ALFA-BANK AO
Grand Capital FC OOO	992,606,566.82	600,000,000.00	BANK SAINT PETERSBURG PAO
Katren NPK AO	563,207,976.33	1,500,000,000.00	KATREN AO
GDP OOO	9,907,309.82	10,000,000.00	Sberbank of Russia PAO
BSS OOO	63,629,276.77	50,000,000.00	Sberbank of Russia PAO
Vita Line OOO	159,524,227.85	120,000,000.00	Sberbank of Russia PAO
Zdravservis OOO	648,866.55	5,000,000.00	RaiffeisenBank OAO
Agroresursy OOO	100,620,908.11	50,000,000.00	Sberbank of Russia PAO
Farmkomplekt OOO	212,784,268.45	520,000,000.00	Sberbank of Russia PAO
NEO-PHARM OOO	34,965,159.25	40,000,000.00	Sberbank of Russia PAO
Protek TsV ZAO	2,041,451,626.33	2,065,000,000.00	Sberbank of Russia PAO
Farmlend AO	15,222,709.95	50,000,000.00	Sberbank of Russia PAO
Pulse FC OOO	1,778,781,528.31	1,500,000,000.00	Sberbank of Russia PAO
Farmperspektiva JSC	410,234,905.23	200,000,000	RaiffeisenBank OAO
Total	6,499,619,847.15	6,805,000,000.00	

26. EVENTS AFTER THE BALANCE SHEET DATE

In February 2025, cash was received in the amount of RUB 270,000 thousand, contribution to property from Sun Pharma (Netherlands) B.V. Private limited liability company.

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 2024 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 2024, the foreign exchange rates against the Russian rouble have increased significantly compared to the rates in effect as at 31 December 2023. During 2024, the Bank of Russia raised its key rate from 16% to 21%. It is impossible to assess further sanctions and restrictions on foreign business activities of Russian companies, as well as further negative consequences for the Russian economy as a whole, and 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

28 March 2025

NOTES TO THE FINANCIAL STATEMENTS OF JSC RANBAXY FOR 2024

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).
- On 17 June 2024 the location of the subdivision was changed (new address: bldg 4, plot 248, Village of Leshkovo, Istra District, Moscow Region, 143581, 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 2024 and 2023 was 531 and 553 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 2024, accounting records were maintained in the manner envisaged by the Company's accounting policies approved as per the General Director's Order dated 29 December 2023 No. 01-УП-2023 and 01 May 2024 No. 01-УП-2023/1.

Financial and tax accounting records were maintained using 1C: Industrial Enterprise Management, specialised accounting software and ERP Enterprise Management 2.

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 2024, except for stocktaking of inventories, which was carried out as at 28 December 2024.

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 2024, 2023 and 2022, 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

Starting from 2024, the Company applies RFAS 14/2022 to its financial statements, does not restate comparative figures for the periods prior to the reporting period and makes a one-off adjustment of the carrying amount of intangible assets.

The effect of the change in the accounting policies due to the first-time adoption of RFAS 14/2022 is reported prospectively.

Measurement

When recognised in accounting records, an intangible asset is measured at cost. The cost of an intangible asset is the total amount of capital investments related to this asset made before the intangible asset is recognised in the accounting records.

RFAS 14/2022 does not apply to assets that both have the attributes set out in clause 4 of RFAS 14/2022 and have a cost less than RUB 100,000 per item. The costs of acquisition and/or creation of such assets are recognised as expenses for the period in which capital investments related to acquisition and/or creation of such assets are completed.

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.

The monthly amortisation charge is calculated as follows:

On a straight-line basis as the difference between the carrying and the residual values of the intangible asset divided by the remaining useful life of the asset.

The residual value of an intangible asset is considered to be zero, except for the cases specified in clause 36 of RFAS 14/2022.

The useful life, the residual value and the amortisation method (amortisation elements) of intangible asset are determined when the intangible asset is recognised.

An intangible asset's amortisation elements are to be reviewed for compliance with the intangible asset's use conditions. These reviews are carried out at the end of each reporting year, and in case of circumstances indicating a possible change in the amortisation elements. Based on the results of such reviews, if necessary, the entity decides to change the relevant amortisation elements. The resulting adjustments are recorded as changes in estimates.

On the balance sheet, intangible assets are recognised less accrued amortisation.

Impairment

The Company tests the intangible assets for impairment and recognises a change in its carrying amount as a result of impairment as required by IAS 36 Impairment of Assets.

An impairment loss of the intangible asset in excess of the residual value of the asset over its recoverable amount is recognised as expenses from ordinary activities of the Company.

The recoverable amount is determined as the higher of value in use and fair value less costs of disposal. Value in use is calculated by discounting the amount of revenue associated with the economic benefits derived from the use of the intangible asset. If the recoverable amount of the intangible asset increases, its cost is adjusted for amortisation accumulated to the date of the adjustment up to an amount not exceeding the residual value that would have been determined had the intangible asset not been impaired.

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.

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 even if 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, intangible assets and capital investments in them;
- 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;
 - Advertising.
- As other current assets:
 - Certification expenses;
 - 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. 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 2024, 2023 and 2022, respectively:

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

4. FIXED ASSETS

The Company's fixed assets as at 31 December 2024, 2023 and 2022:

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

Investment property

None.

5. FINANCIAL INVESTMENTS

Financial investments as at 31 December 2024, 2023 and 2022:

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 31/12/2024	As at 31/12/2023	As at 31/12/2022
PJSC Biosintez	31/12/2026	Refinancing rate x 0.75	504,800	1,140,000	1,530,000
Total			504,800	1,140,000	1,530,000

6. INVENTORIES

The carrying amount of the Company's inventories, balances of inventories with breakdown by actual cost and impairment as at 31 December 2024, 2023 and 2022 and movements in inventories by types of inventories for 2024 and 2023:

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

As at 31 December 2024, 2023 and 2022 there are no inventories with restricted property rights, including pledged inventories.

7. ACCOUNTS RECEIVABLE

Accounts receivable as at 31 December 2024, 2023 and 2022:

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

Movements in provisions for doubtful receivables:

Indicators	(RUB'000)	
	Buyers and customers	Advances made
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
Increase in provisions	-	-
Use of provisions	-	-
Balance as at 31 December 2024	105,530	1,048

8. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at 31 December 2024, 2023 and 2022:

Indicators	(RUB'000)		
	31/12/2024	31/12/2023	31/12/2022
Cash on hand	-	-	6
Cash on bank accounts in RUB	62,501	7,050	403,846
Cash on bank accounts in foreign currencies	487	-	-
Deposits (cash equivalents)	-	-	-
Total Balance Sheet line 1250	62,988	36,050	403,852
Balance of cash in the Statement of Cash Flows (lines 4450, 4500)	62,988	36,050	403,852

Breakdown of other receipts and other payments in the Statement of Cash Flows as at 31/12/2024:

Type	Line code	(RUB'000)	
		For 2024	For 2023
Cash flows from operating activities			
Other receipts	4119	253,973	46,422
Interest on deposits (for up to 3 months)	41191	7,277	6,501
Interest under bank account contracts	41192	20,034	7,652
Return of cash to the bank account (inaccurate details)	41193	77,081	2,757
Return of advance payments from the FCS	41194	-	20,928
Insurance coverage payment under Law No. 255-FZ	41195	247	-
Compensation under insurance policies	41196	149	323
Return of security payment	41197	29,228	5,306
Reimbursement of expenses under agency agreement	41198	118,458	-
Other	41199	1,499	2,954
Other payments	4129	(786,974)	(616,798)
Advances to employees for current needs	41291	(32,292)	(31,981)
Customs payments	41292	(599,485)	(487,258)
Fines and damages paid	41293	(750)	(769)
Payments to lecturers	41294	-	(481)
State duty	41295	(25)	(68)
Taxes (except for personal income tax, value added tax and corporate income tax)	41296	(514)	(424)
Bank services for cash transactions (bank fees)	41297	(4,746)	(1,670)

Insurance services	41298	(41,552)	(36,922)
Payment of bonuses to customers	41299	(15,916)	(12,423)
Payments under writs of execution (alimony, overdue loan payments)	412991	(3,578)	(2,152)
Loans to the Company's employees	412992	(12,639)	(9,614)
Return to customers	412993	(432)	(22,383)
Other	412994	(75,044)	(10,654)
Cash flows from financing activities			
Other payments	4329	(112,870)	(80,749)
Lease payments	43291	(112,870)	(80,749)

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 2022: deposits were not placed;
- as at 31 December 2023: 13 %;
- as at 31 December 2024: deposits were not placed.

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.

9. OTHER CURRENT ASSETS

Other current assets as at 31 December 2024, 2023 and 2022:

Indicators	(RUB'000)		
	31/12/2024	31/12/2023	31/12/2022
Prepaid expenses	3,450	3,723	3,294
Other	-	3	21
Total	3,450	3,726	3,315

10. AUTHORIZED CAPITAL

The Company's authorized capital as at 31 December 2024, 2023 and 2022:

Share category	Par value	2024		2023		2022	
	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 2024 and 2023:

Shareholder	(RUB'000)	
	2024	2024
SUN PHARMA (NETHERLANDS) B.V.	99	99
Ranbaxy Holdings (UK) Limited	1	1
Total	100	100

11. ADDITIONAL CAPITAL

Capital category	2024	2023	2022
	RUB '000	RUB '000	RUB '000
Contribution to the property from SUN PHARMA (NETHERLANDS) B.V. Agreement w/o No. dated 23 December 2024	270,000	-	-

As at 31 December 2024, the contribution to the property was not paid.

12. CREDITS AND LOANS

Information about the Company's credits and loans and their movement is as follows:

For 2024

(RUB'000)

Narrative	Balance at the beginning of the year	Changes over the period					Exchange difference	Balance at the end of the period
		Addition	Accrual of %	Principal repayment	Repayment of %	Reclassification from long-term to short-term debts		
Long-term borrowings - total	-	-	-	(-)	(-)	-	-	-
Credits	-	-	-	(-)	(-)	-	-	-
Interest on credits	-	-	-	(-)	(-)	-	-	-
Loans	-	-	-	(-)	(-)	-	-	-
Interest on loans	-	-	-	(-)	(-)	-	-	-
Short-term borrowings - total	1,238,836	1,102,035	131,117	(2,140,871)	(130,363)	-	-	200,754
Credits	1,238,836	1,102,035	-	(2,140,871)	(-)	-	-	200,000
Interest on credits	-	-	131,117	(-)	(130,363)	-	-	754
Loans	-	-	-	(-)	(-)	-	-	-
Interest on loans	-	-	-	(-)	(-)	-	-	-

For 2023

(RUB'000)

Narrative	Balance at the beginning of the year	Changes over the period					Exchange difference	Balance at the end of the period
		Addition	Accrual of %	Principal repayment	Repayment of %	Reclassification from long-term to short-term debts		
Long-term borrowings - total	-	-	-	(-)	(-)	-	-	-
Credits	-	-	-	(-)	(-)	-	-	-
Interest on credits	-	-	-	(-)	(-)	-	-	-
Loans	-	-	-	(-)	(-)	-	-	-
Interest on loans	-	-	-	(-)	(-)	-	-	-
Short-term borrowings - total	-	3,438,836	126,352	(2,200,000)	(126,352)	-	-	1,238,836
Credits	-	3,438,836	126,352	(2,200,000)	(126,352)	-	-	1,238,836
Interest on credits	-	-	-	(-)	(-)	-	-	-
Loans	-	-	-	(-)	(-)	-	-	-
Interest on loans	-	-	-	(-)	(-)	-	-	-

Main credits and loans

Annual interest rate under loan agreements with Sberbank No. 380D00CXL dated 10 February 2023 and No. 380D00GZ2 dated 20 April 2023:

from 20 February 2023 to 25 October 2023: CB rate + 1.5
 from 26 October 2023 to 29 October 2023: CB rate + 1.8
 from 30 October 2023 to 31 December 2023: CB rate + 2.0
 from 01 January 2024 to 31 December 2024: CB rate + 2.0

Narrative	Maturity	As at 31 December 2024			As at 31 December 2023			As at 31 December 2022		
		Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
Long-term borrowings - total	-	-	-	-	-	-	-	-	-	-
Credits	-	-	-	-	-	-	-	-	-	-
By main lenders and agreements	-	-	-	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-	-	-	-
By main lenders and agreements	-	-	-	-	-	-	-	-	-	-
Short-term borrowings - total		200,000	754	200,754	1,238,836	-	1,238,836	-	-	-
Credits		200,000	754	200,754	1,238,836	-	1,238,836	-	-	-
Sberbank Loan agreement No. 380D00CXL dated 10 February 2023	26/01/2025	102,034	385	102,419	794,154	-	794,154	-	-	-
Sberbank, loan agreement No. 380D00GZ2 dated 20 April 2023	26/01/2025	97,966	369	98,335	444,682	-	444,682	-	-	-

13. ACCOUNTS PAYABLE

Accounts payable as at 31 December 2024, 2023 and 2022:

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

14. ESTIMATED LIABILITIES

Movements in estimated liabilities for 2024 and 2023: See Section 7. Notes to the Balance Sheet and Statement of Financial Results in table form.

15. REVENUE

Revenue by ordinary activities for 2024 and 2023:

Indicators	(RUB'000)	
	2024	2023
Revenue from sales of goods	12,193,583	10,540,504
Financial discount (customer bonus)	(716,913)	(383,386)
Total	11,476,670	10,157,118

16. COST OF SALES

Cost of sales by ordinary activities for 2024 and 2023:

Indicators	(RUB'000)	
	2024	2023
Cost of sales of goods	8,137,857	6,861,859
Financial discount (supplier bonus)	(862,993)	(608,937)
Total	7,274,864	6,252,922

Costs, by cost elements, for 2024 and 2023:

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 2024 and 2023:

	(RUB'000)	
	2024	2023
Payroll	1,026,901	904,305
Allocations to funds	283,218	240,731
Advertising	891,359	903,751
Marketing	1,703,962	1,223,927
Processing of goods	90,315	64,431
Certification	7,384	3,535
Maintenance and repair of motor vehicles	35,568	28,445
Insurance	44,908	36,335
Lease	15,943	19,239
Depreciation	109,302	79,694
Travel expenses	73,446	60,450
Hospitality expenses	2,836	2,032
Audit	2,539	1,935
Software products	26,714	27,462
Other material costs	15,985	18,150
Provision for vacation pay	74,557	69,797
Provision for bonus payment	83,604	67,927
Other expenses	110,120	91,919
Total expenses:	4,598,660	3,844,066

18. OTHER INCOME

Other income for 2024 and 2023:

Income	(RUB'000)	
	2024	2023
Bonuses from suppliers (prior periods)	68,608	97,960
Adjustments of customs duties	5,320	15,314
Return of goods from customers for the previous tax period	3,598	2,487
Insurance indemnity / expenses for insured events	149	388
Sales and write-offs of fixed assets	4,349	1,205
Other	3,108	984
Provision for impairment and returned goods	12,779	-
Agency remuneration	7,300	-
Total	105,211	118,338

19. OTHER EXPENSES

Other expenses for 2024 and 2023:

	(RUB'000)	
Expense	2024	2023
Income (expenses) related to sale (purchase) of foreign currency	42,051	5
Provision for impairment of inventory	-	34,437
Provision for returned goods	-	981
Destruction of pharmaceutical products	1,466	1,111
Write-off of accounts receivable / payable	6	260
Sales and write-offs of fixed assets	999	379
Bank services	5,365	7,772
Administrative fine	3,431	-
Adjustments of customs duties	13,068	16,556
Return of goods from customers for the previous tax period	4,640	3,381
Agency remuneration (VAT)	1,217	-
Leased fixed assets	10,198	-
Other	2,641	3,425
Total	85,082	68,307

20. INCOME TAX

The relation between income tax expenses for 2024 and 2023 and profit before tax:

	(RUB'000)	
Indicators	2024	2023
Profit before tax	(402,793)	85,357
including:		
Profit taxable at 20%	(402,793)	85,357
Provisional income tax benefit (expense)	80,558	(17,071)
Permanent tax expenses:	(91,562)	(61,047)
non-deductible expenses	(44,074)	(6,020)
limited expenses	(47,488)	(55,027)
Income tax expense (benefit)	91,562	(78,118)
Deferred income tax	(158,586)	(54,131)
Including due to changes in taxation rules, in applicable tax rates	(69,061)	-
Income tax	(67,024)	(132,249)

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

	(RUB'000)	
Indicators	2024	2023
Increase / (decrease) in deferred tax assets:		
fixed assets	(292)	324
estimated liabilities	137,103	68,270
IA	(5)	64
Lease liabilities	28,610	28,810
Goods	14,777	(7,220)
Prepaid expenses	24,685	-
Total	204,879	90,248
(Increase) / decrease in deferred tax liabilities:		
fixed assets	(25,958)	(24,246)
IA	(785)	-
Interest on liabilities	(1,476)	(3,560)
Goods	(4,917)	(8,311)
Deferred income	(13,158)	-

Total	(46,294)	(36,117)
Deferred income tax benefit /(expense)	158,586	54,131

The income tax rate in 2024 and 2023 was 20%, taxation rules were not changed. Since 2025, the income tax rate is 25%, deferred taxes are recalculated.

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 2023	Leased premises	Movable property	Total
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
Including accumulated impairment	-	-	-
Carrying amount			
As at 31 December 2022	8,974	57,407	66,381
As at 31 December 2023	70,817	115,092	185,909
Indicators for 2024	Leased premises	Movable property	Total
Useful life, years	2	4	-
Historical cost			
As at 31 December 2023	86,281	147,309	233,590
Restatement due to the automation of RFAS 25/2018	-	-	-
Addition	60,822	168,635	229,458
Disposal	(86,281)	(37,090)	(123,371)
Value revision	-	(85)	(85)
As at 31 December 2024	60,823	278,770	339,592
Accumulated depreciation and accumulated impairment			
As at 31 December 2023	15,464	32,216	47,680
Restatement due to the automation of RFAS 25/2018	-	-	-
Depreciation	29,369	71,390	100,759
Disposal	(29,627)	(31,487)	(61,114)
As at 31 December 2024	15,206	72,119	87,325
Including accumulated impairment	-	-	-
Carrying amount			
As at 31 December 2023	70,817	115,092	185,909
As at 31 December 2024	45,617	206,651	252,267

Movements in the lease liability:

(RUB'000)

Indicators	At the beginning of the period	Added	Interest accrued	Disposal	Lease payments made	Value revision/adjustment	At the end of the period
2023	71,681	191,749	13,223	2,686	80,749	588	192,630
2024	192,630	229,458	24,832	62,256	112,870	(85)	262,643

Maturities of the lease liability as at 31 December 2024 and 31 December 2023:

(RUB'000)

Indicators	2024	2023
Up to 1 year	129,536	19,279
From 1 to 2 years	19,098	16,280
From 2 to 3 years	111,865	90,395
From 3 to 4 years	41,751	96,187
From 4 to 5 years	-	-
Over 5 years	-	-
Total	302,249	222,141
Discounting effect	(39,606)	(29,511)
Total lease liability	262,643	192,630
<i>including:</i>		
<i>Long-term</i>	148,746	174,214
<i>Short-term</i>	113,897	18,416

As at 31 December 2024 the Company's lease contracts did not provide for any restrictions and there were no right-of-use assets pledged under loan contracts.

Leased fixed assets are recognised on an off-balance account.

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:** Companies under control or significant influence of the Company's controlling beneficial owner:
 - BIOSINTEZ PJSC
 - SC TERAPIA SA (Romania)
 - Representative office of Sun Pharmaceutical Industries Limited

The full list of related parties as at 31 March 2024 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 2024	Volume of transactions in 2023
SUN PHARMACEUTICAL INDUSTRIES LTD (India)	Other related party (a company from Sun Pharmaceutical Industries group)	Purchase of goods	According to the agreement (market price)	7,401,742	5,529,652
SUN PHARMACEUTICAL INDUSTRIES LTD (India)	Other related party (a company from Sun Pharmaceutical Industries group)	Compensation for discount given to the buyer	According to the agreement	810,698	706,897
Sun Pharma (Netherlands) B.V. Private limited liability company	Key shareholder (99% shares)	Contribution to the property	According to the agreement	270,000	-
SC TERAPIA SA (Romania)	Other related party (a company from Sun Pharmaceutical Industries group)	Purchase of goods	According to the agreement (market price)	32,803	1,731,239
SC TERAPIA SA (Romania)	Other related party (a company from Sun Pharmaceutical Industries group)	Payment for marking of goods	According to the agreement	10,500	-
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	482	241
PJSC Biosintez	Other related party (a company from Sun Pharmaceutical Industries group)	Loan agreement	Repayment of the issued loan	635,200	390,000

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	102,571	100,619
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	496,725	168,239
PJSC Biosintez	Other related party (a company from Sun Pharmaceutical Industries group)	Turnover premium	According to the agreement	120,903	-
PJSC Biosintez	Other related party (a company from Sun Pharmaceutical Industries group)	Agreement (for contract manufacturing)	According to the agreement	12,851	16,566

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 31/12/2024	As at 31/12/2023
SUN PHARMACEUTICAL INDUSTRIES LTD (India)	Other related party (parent company of Sun Pharmaceutical Industries group)	(7,691,337)	(3,120,671)
Sun Pharma (Netherlands) B.V. Private limited liability company	Key shareholder (99% shares)	270,000	-
SC TERAPIA SA (Romania)	Other related party (a company from Sun Pharmaceutical Industries group)	(5,000)	(1,729,166)
PJSC Biosintez	Other related party (a company from Sun Pharmaceutical Industries group)	(124,399)	(23,576)
PJSC Biosintez (loans granted and related interest)	Other related party (a company from Sun Pharmaceutical Industries group)	522,597	1,174,366

Cash flows with related parties:

(RUB'000)

Related parties	Type of relation	Type of transactions	Amount in 2024	Amount in 2023
SUN PHARMACEUTICAL INDUSTRIES LTD (India)	Other related party (parent company of Sun Pharmaceutical Industries group)	Payment of goods	2,065,850	6,600,568
SC TERAPIA SA (Romania)	Other related party (a company from Sun Pharmaceutical Industries group)	Payment of goods	1,746,468	384,415
Representative office of Sun Pharmaceutical Industries Limited	Other related party (a company from Sun Pharmaceutical Industries group)	Payment under agreements	1,687	1,687
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	274,999	148,367
PJSC Biosintez	Other related party (a company from Sun Pharmaceutical Industries group)	Agreement (for contract manufacturing)	12,851	16,548
PJSC Biosintez	Other related party (a company from Sun Pharmaceutical Industries group)	Repayment of the issued loan	(635,200)	(390,000)
PJSC Biosintez	Other related party (a company from Sun Pharmaceutical Industries group)	Payment of interest under the loan agreement	(119,141)	(90,190)
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 2024 and 2023 the Company's key management personnel comprised:

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

Total remuneration for 2024 paid to key management personnel amounted to RUB 165,698 thousand (2023: RUB 160,398 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 2024:

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 2023 and 2024, 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:

(RUB'000)

Currency	31 December 2024	31 December 2023	31 December 2022
USD	101.6797	89.6883	70.3375
EUR	106.1028	99.1919	75.6553

	2024	2023
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	(32,683)	(1)
Total	(32,683)	(1)

24. BASIC EARNINGS

Basic and diluted earnings for 2023 and 2022:

Indicators	2024	2023
Basic earnings, RUB	(311,229,948)	7,239,835
The weighted average number of ordinary shares outstanding, pcs	163,000	163,000
Basic earnings per one share, RUB	(1,909)	44
Diluted earnings (loss) per share, RUB	(1,909)	44

25. GUARANTEES AND SURETYSHIPS RECEIVED

Guarantees and suretyships received by the Company as at 31 December 2024:

Buyer	Debt	Security	Guarantor / Surety
InterLek OOO	116,034,517.38	95,000,000.00	ALFA-BANK AO
Grand Capital FC OOO	992,606,566.82	600,000,000.00	BANK SAINT PETERSBURG PAO
Katren NPK AO	563,207,976.33	1,500,000,000.00	KATREN AO
GDP OOO	9,907,309.82	10,000,000.00	Sberbank of Russia PAO
BSS OOO	63,629,276.77	50,000,000.00	Sberbank of Russia PAO
Vita Line OOO	159,524,227.85	120,000,000.00	Sberbank of Russia PAO
Zdravservis OOO	648,866.55	5,000,000.00	RaiffeisenBank OAO
Agroresursy OOO	100,620,908.11	50,000,000.00	Sberbank of Russia PAO
Farmkomplekt OOO	212,784,268.45	520,000,000.00	Sberbank of Russia PAO
NEO-PHARM OOO	34,965,159.25	40,000,000.00	Sberbank of Russia PAO
Protek TsV ZAO	2,041,451,626.33	2,065,000,000.00	Sberbank of Russia PAO
Famlend AO	15,222,709.95	50,000,000.00	Sberbank of Russia PAO
Pulse FC OOO	1,778,781,528.31	1,500,000,000.00	Sberbank of Russia PAO
Farmperspektiva JSC	410,234,905.23	200,000,000	RaiffeisenBank OAO
Total	6,499,619,847.15	6,805,000,000.00	

26. EVENTS AFTER THE BALANCE SHEET DATE

In February 2025, cash was received in the amount of RUB 270,000 thousand, contribution to property from Sun Pharma (Netherlands) B.V. Private limited liability company.

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 2024 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 2024, the foreign exchange rates against the Russian rouble have increased significantly compared to the rates in effect as at 31 December 2023. During 2024, the Bank of Russia raised its key rate from 16% to 21%. It is impossible to assess further sanctions and restrictions on foreign business activities of Russian companies, as well as further negative consequences for the Russian economy as a whole, and 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

28 March 2025