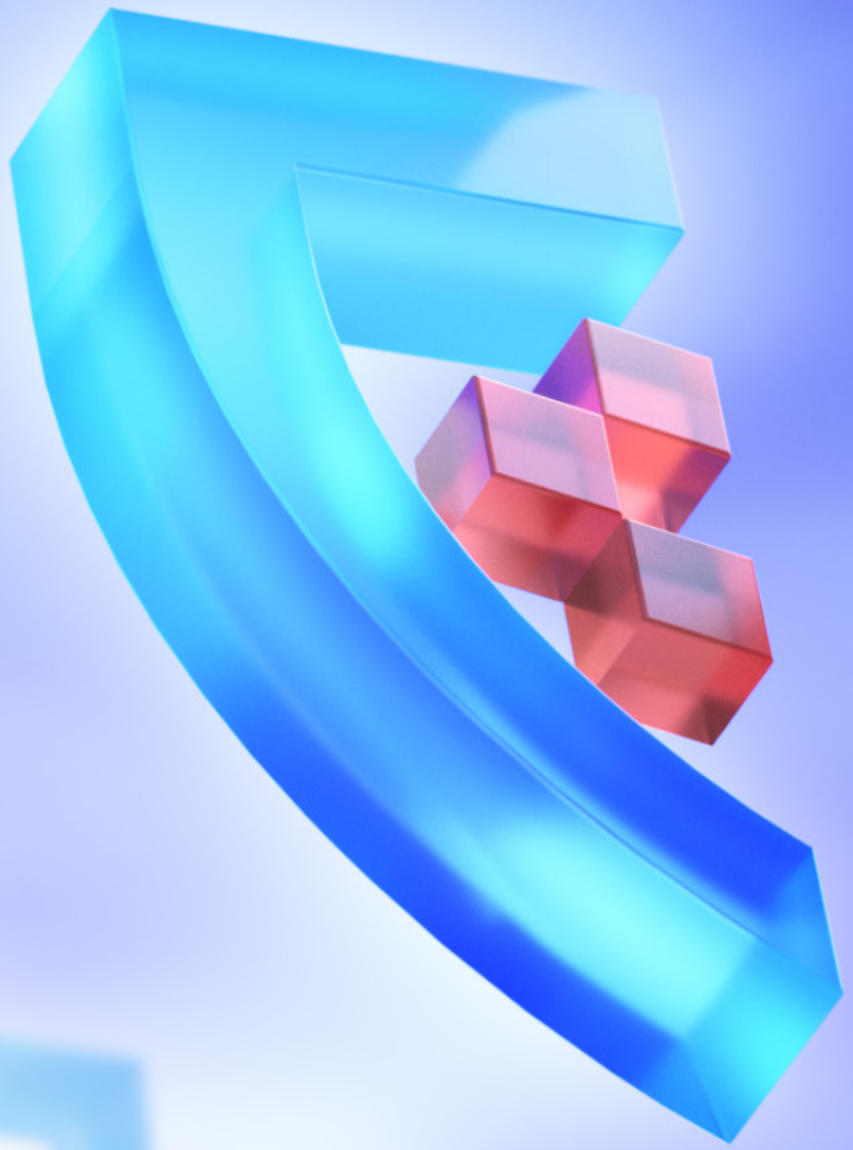
PROMOMED
Biopharmaceutical innovations

promomed.ru

Annual Report 2024



Innovations Transforming Lives

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Disclaimer and Forward-Looking Statements

The Report has been prepared for informational purposes based on materials available as of the date of its preparation.

The Report contains industry forecasts and market-based projections that reflect a probable scenario for future developments based on assumptions stated herein. These forecasts represent just one of many possible outcomes. They are presented within the context of associated risks, uncertainties, and assumptions, and actual future results may differ significantly.

Actual events and performance of the Group may differ materially from the forward-looking statements contained in this Report due to a variety of external and internal factors. These include, but are not limited to: general economic conditions; risks related to the Group's activities, including those beyond its control; changes in market dynamics within the industry; geopolitical developments; and other risk factors.

Additionally, the methodology used to determine and calculate the Group's operational and financial indicators may differ from that employed by other entities, companies, or organizations. The Group, its affiliates, their respective directors, shareholders (participants), employees, representatives, and consultants make no guarantees or assurances regarding the accuracy, completeness, or definitive nature of the information contained in this Report, and do not assume any obligation to keep it updated.

Innovations Transforming Lives

PROMOMED is a biopharmaceutical company developing innovative solutions aimed at improving quality of life.

The Group implements artificial intelligence, sets new standards in biopharmaceuticals, and shapes the future of medicine today.

PROMOMED strives to stay ahead. It creates new approaches, anticipates the future, and delivers solutions. The PROMOMED path is one of continuous improvement and innovation.

The concept behind this Report — "Innovations That Transform Lives" — highlights the Group's technological sophistication, scientific potential, and its contribution to enhancing people's quality of life.

Message from the Chairman of the Board of Directors

Dear Shareholders, Investors, and Colleagues,

The year 2024 marked a significant milestone for PROMOMED: we successfully completed our IPO on the Moscow Exchange and achieved public company status. This is our first annual report in this new capacity.

We are grateful to all shareholders and investors for their trust and strong interest in PROMOMED PJSC shares during the initial public offering. Becoming a public company marks a new stage in the Group's development. It has solidified our strategic commitment to transparency, efficiency, and sustainable growth, and has created new opportunities to achieve our long-term objectives.

Strategy and External Environment

PROMOMED pursues a forward-looking innovation-based strategy. This enables us to strengthen our leadership in key segments and increase shareholder value. Thanks to the launch of innovative medicines and improvements in operational efficiency, the Group's revenue has increased more than fourfold over the past five years.

An essential component of our strategy is the comprehensive consideration of long-term trends in public health and life expectancy. This is an integral part of long-term planning and building a large-scale, sustainable business model.

Despite global economic turbulence, PROMOMED remains firmly committed to innovation. Consistent strategy execution enables us to sustain strong growth, implement cutting-edge technologies, and fulfil our core mission: ensuring patient access to effective and affordable medicines.

Financial and Operating Results

The year 2024 once again confirmed the effectiveness of our business model. The Group maintained its trajectory of steady growth and demonstrated the following key achievements:

- revenue grew at 35% and reached RUB 21.45 billion
- EBITDA margin exceeded the forecast and surpassed 38%
- net Debt / EBITDA ratio decreased from 2.6 (end of 2023) to 2.1 (end of 2024)

This combination of significant revenue growth, increased profitability, and reduced debt burden clearly demonstrates the strength of our chosen strategy.

Financial results for 2024 surpassed the forecast provided in connection with the IPO. These results validate the Group's ambitious targets for 2025.

Petr Bely

Chairman of the Board of Directors, PROMOMED PJSC

The Group's outstripping growth has been driven by:

1

Accelerated launches of innovative medicines

2

State-of-the-art full-cycle manufacturing infrastructure

3

Successful commercialization in key focus segments in pharmaceutical market

Targeted investments in R&D over the past five years have enabled the Group to accelerate the market launch of innovative medicines. In 2024, we confirmed our leadership among Russian pharmaceutical companies by the number of clinical trials conducted. In Q4'24, ahead of schedule, we introduced to patients our innovative medicine Welgia®, which has revolutionized the treatment of obesity, and in early 2025, we successfully registered and launched Tirzetta® — the world's most advanced solution for treating obesity and diabetes. These products represent an important step in implementing our strategy to provide patients with access to world-class therapy.

In 2025, the Group became the first in Russia to introduce a Subscription-based model for long-term medication therapy. This innovative form of engagement with patients will undoubtedly enhance the effectiveness of therapy for complex and serious chronic diseases through disciplined adherence to physicians' prescriptions thus increased patients' compliance to the treatment. At the Investor Day, we offered a Subscription option to our valued investors and shareholders.

Corporate Governance

Public Company status imposes higher demands for transparency and accountability in corporate governance — standards to which PROMOMED fully adheres.

The IPO was preceded by a consistent transformation of internal processes aimed at developing and institutionalizing best corporate governance practices.

Among the Group's planned corporate governance enhancements are the development and implementation of a Board of Directors succession plan, the adoption of the PROMOMED Code of Conduct, and the continued implementation of the recommendations of the Bank of Russia's Corporate Governance Code, among other initiatives.

Sustainable Development

Sustainability principles are a core part of PROMOMED's strategy and are taken into account when making key operational and investment decisions. The systemic approach to sustainability is overseen by the Strategy and Sustainability Committee of the Board of Directors of PROMOMED PJSC.

The Group contributes significantly to implementing the National project "Extending Active Life" by partnering with D. Mendeleev University of Chemistry and Technology on the educational initiative "Science and Universities", and by participating in the Federal "Professionality" project together with the Saransk College of Service and Industrial Technologies.

We are steadily increasing efforts in ESG initiatives and strengthening corporate responsibility standards.

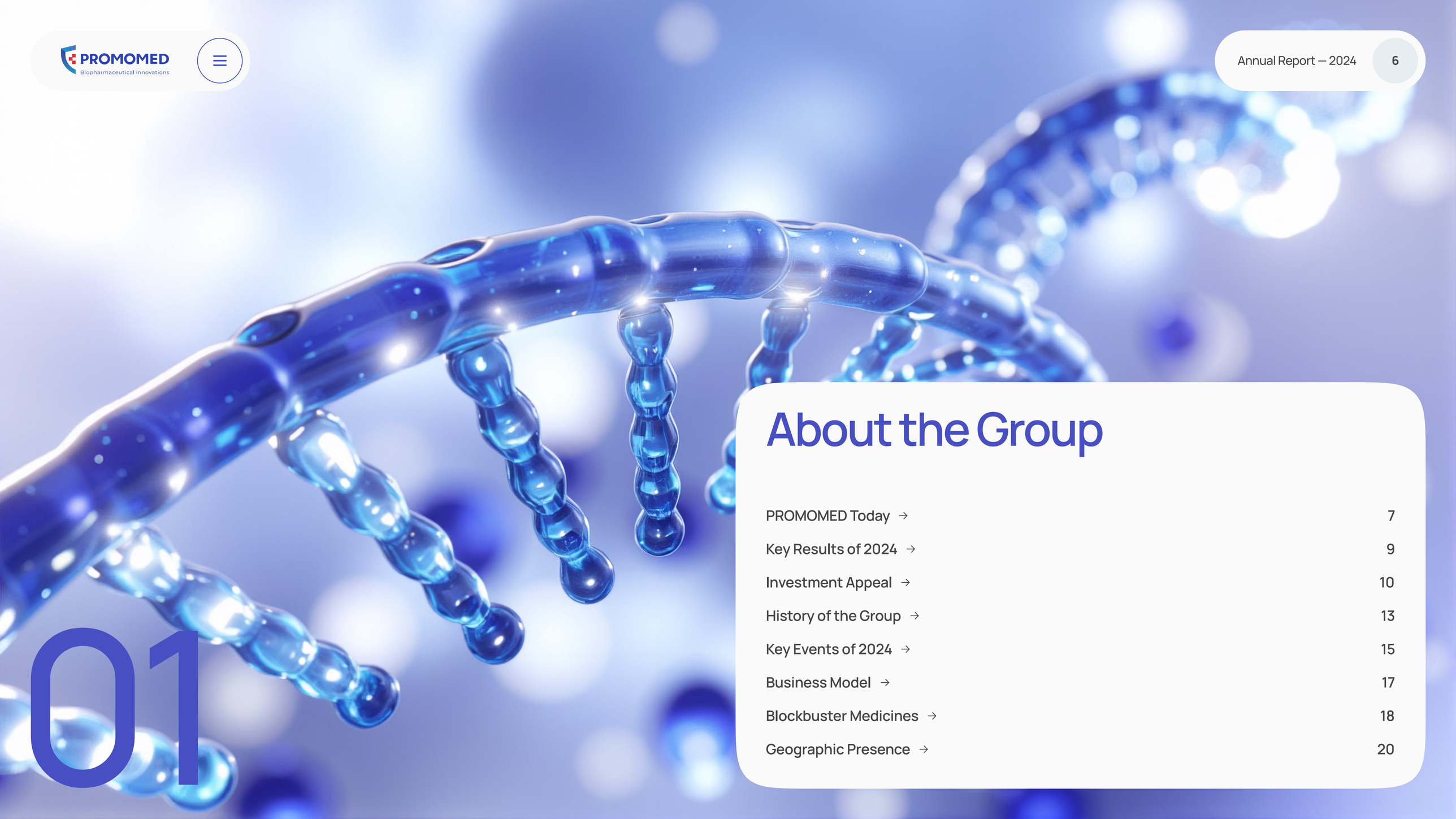
We are unlocking access to world-class innovations that improve health outcomes and drive social impact — and save millions of lives.

Serving Society with Vision for the Future

For many years, we have been a reliable manufacturer of innovative and high-quality medicines, contributing to improved medicine safety and ensuring patients' access to essential medicines.

We do not merely develop medications — we are redefining treatment standards in the most complex and important for public health therapeutic areas. Obesity, cancer, central nervous system disorders and autoimmune diseases are global wide challenges, and we are committed to delivering effective and affordable solutions. Our presence isn't confined to the Russian market — the Group's medicines have broad export potential.

We are shaping the future of biopharmaceuticals today — setting ambitious goals and achieving them, grounded in knowledge, technological excellence, and the dedication of our professional team. By listening to all stakeholders and persistently pursuing our strategy of unlimited growth in the medicine of the future, we are fulfilling our mission: to make people healthy, beautiful, and happy!



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About the Group

PROMOMED Today —

a leading innovative biopharmaceutical Company with strong growth potential in the most promising segments of the pharmaceutical market

We are shaping a new standard in healthcare.
We create innovative solutions that can transform lives — from molecule development to breakthrough medicine launches.

PROMOMED is developing a diversified portfolio of over 350 medicinal products across the Top-10 segments of the pharmaceutical market. The Group's portfolio includes blockbuster medicines and innovative biotechnological products with no analogues on the Russian market.

Based on in-house developments, the Group manufactures treatments for socially important diseases: oncology, diabetes, obesity, neurology, infectious diseases, rheumatology, and others.

More than 64% of PROMOMED's medicines are included in the National Essential Drug List (EDL).

 # 1

in Russia by number of medical studies[1]

[1] According to IQVIA in 2022–2024.

 # 1

in Russia in the obesity and diabetes treatment market[2]

[2] According to IQVIA, # 1 market share for Reduxin® and Reduxin® Forte in their relevant obesity treatment segment in Russia as of 2024.

TOP-5

in the oncology treatment market in Russia[3]

[3] According to IAS Zakupki (reimbursed market local tracker); on relevant markets in 2024.

350+

medicinal products in the portfolio

10+

most in-demand dosage forms

>10%

of revenue reinvested in R&D annually

75+

patents

550+

registered trademarks

150+

medicinal products at R&D or marketing authorization stage

Our Mission —

make people healthy, beautiful, and happy.
We bring our knowledge, expertise, and passion into this

We respond to the critical challenges of Healthcare — we create new solving, anticipate the future, and find solutions.

Our Vision

PROMOMED is a leader in biotech and personalized medicine in both domestic and extraterritorial markets

We offer breakthrough healthcare solutions by introducing innovative medicines and digital models

Our Values

Create Value

- By developing innovative medicines, we address critical challenges and make a valuable contribution to medical science, practice, and manufacturing
- We are driven to create meaningful change, find unique and impactful solutions

Care for the Future

- We shape the future by making people's lives and the world around us better
- We care about our contribution to the development of local communities and environmental improvement

Vision and Creativity

- We anticipate market needs and exceed the expectations of our patients and partners
- We understand the challenges of modern healthcare; this allows us to structure our work based on current and future needs of the medical community and patients

Collaboration and Growth

- We value openness to new ideas, support our team members in learning, professional development, expanding competencies, and broadening horizons
- Through collaboration, we empower each other

Achievements

- We respond quickly to challenges and stay focused on goals
- We are proud of our achievements as a Company and as a team, and we never stop moving forward
- Our greatest achievements are always ahead

Passion

- Our passion lies in addressing the challenges of modern medicine and solving the most important problems
- With passion and commitment, we pursue the goals we believe in

Key Results of 2024

In 2024, PROMOMED delivered impressive results driven by its strategy of accelerated growth.

Development and Market Launch of Innovative Medicines

75 medical studies conducted

20 new IP patents registered

46 local and International IP patent applications filed in

38 new Marketing authorizations obtained

Development of the next-generation medicine **Tirzetta®** completed

26 new products launched on the market

Innovative medicine **Welgia®** successfully launched

Evolution Index[1] of the Group's Product Portfolio:

142 Endocrinology

149 Oncology

129 Other Core portfolio products

[1] Evolution Index (EI) — reflects the degree of progress of a product and/or product portfolio in the market. It measures the growth rate of a product compared to the growth of its relevant market. Values above 100 indicate the number of percentage points by which the product or portfolio outpaces the market.

Financial Results Exceed IPO Forecast

21.4 RUB BN Revenue +35.4%

87% Revenue growth in Endocrinology

14.2 RUB BN Gross profit +41.5%

41% Revenue growth in Oncology

8.2 RUB BN EBITDA +31.0%

38.4% EBITDA margin

4 RUB BN Net profit adjusted[2] +21.6%

[2] Net profit adjusted for one-off IPO-related expenses and an established profit tax reserve.

Sustainable Development

2.2 THSD EMPLOYEES Total PROMOMED staff headcount[3]

0 Workplace accidents

20% Share of employees involved in R&D[4]

[3] Headcount as of December 31, 2024.
[4] Based on the headcount as of December 31, 2024.

Share Capital and Securities

~6 RUB BN Raised through IPO

84.3 RUB BN Market capitalization as of December 31, 2024

ruA(–) stable outlook
Credit rating assigned to PROMOMED DM LLC by Expert RA rating agency

Investment Appeal

PROMOMED demonstrates sustainable growth, a high level of operational efficiency, and leadership in strategically important pharmaceutical segments. A combination of scientific, manufacturing, and market advantages forms a strong foundation for the Group's investment appeal.

- Leader in innovation
- Leader in obesity treatment
- Unique R&D
- High-margin segments
- Full-cycle manufacturing
- Synergy of biotech and chemical technologies
- Above-market growth rate
- Professional team

Leader in Innovation

PROMOMED develops innovative medicines and introduces fundamentally new methods for treating critical diseases. The Group develops innovative portfolio over 20 proprietary molecules, including breakthrough biotechnological products such as monoclonal antibody conjugates with chemotherapeutic agents.

PROMOMED's manufacturing infrastructure is among the largest in Russia. Its modern full-cycle sites support the production of over 2 billion units annually, including the full cycle synthesis of pharmaceutical substances, both chemical and biotech.

PROMOMED ranked # 1 in Russia by number of clinical trials and medical studies conducted in 2022–2024.

Leader in Obesity Treatment

PROMOMED holds leading positions on the Russian market for obesity and type 2 diabetes therapies. Excess weight contributes to the progression of diabetes and cardiovascular diseases — both are among the top ten causes of death globally.

Unique R&D

PROMOMED's innovation potential relies on one of the largest R&D networks in Russia, enabling accelerated time-to-market for new medicines and ensuring a high level of scientific rigor in decision-making.

The Group actively integrates artificial intelligence into medicines development, allowing it to rapidly identify promising molecules, build hypotheses, and adapt them to clinical tasks. This approach enables accelerated time-to-market for new products.

High-Margin Segments

PROMOMED has a diversified and balanced portfolio of over 350 medicinal products. The Group's flagship brands include:

- Welgia®
- Tirzetta®
- Queensenta®
- Enligria®
- Reduxin®
- Ambene® Bio
- Modelax®-N
- Rolnavir®
- Cabozantinib
- Eribulin
- Esperavir®
- Radamin® Viro
- Ambervin® Pulmo
- Nilotinib
- and other medicines

Endocrinology and Oncology are the fastest-growing and most profitable segments of the pharmaceutical market

59%
of revenue in 2024 came from innovative medicinal products

10+ YEARS
of leadership in the Russian obesity treatment market

600+
intellectual property assets owned by the Group

63%
of Group revenue in 2024 came from the Endocrinology and Oncology portfolio

Full-Cycle Manufacturing

PROMOMED operates a vertically integrated full-cycle production model — from the synthesis of pharmaceutical substances to the release of finished dosage forms. This approach ensures high efficiency, flexibility in supply chain management, and resilience to external challenges.

The Group implements digital SnOP technologies for production management, process planning and control, cost analysis, and raw material inventory management.

Synergy of Biotech and Chemical Technologies

PROMOMED develops unique technological platforms that combine modern biotechnological and chemical pharmaceutical achievements. This enables the creation of innovative next-generation medicines for the treatment of complex and socially important diseases.

The combination of biotech and chemical approaches ensures exceptional flexibility in developing personalized therapies and combination treatment regimens.

Growth Above-Market

PROMOMED implements a growth strategy driven by biotechnology development, market introduction of new molecules, entry into high-margin niches, and active expansion of its therapeutic portfolio.

Over 2019-2024, the Group's compound annual revenue growth rate reached 33%, driven by development of innovative products, portfolio expansion, and successful production scale-up.

Professional Team

PROMOMED's staff consists of highly qualified, results-driven specialists with unique expertise and a shared commitment to improving the health and quality of life of millions of people. The team is the driving force behind PROMOMED's leadership in the industry and its role as a catalyst for positive change in healthcare.

The Group's top management includes professionals with extensive experience in leading Russian and international pharmaceutical companies.

22 HA

total area of the Biokhimik plant, the Group's main production facility

annual manufacturing capacity for APIs: over 360 tons

43%

of the Group's 2024 revenue came from biotechnological medicinal products

35%

group revenue growth in 2024

twice the growth rate of the Russian pharmaceutical market (18%)

200+

PhDs and DScs under PROMOMED umbrella

over 100 employees have been awarded state honors and titles for their contributions to the development and industrial implementation of new medicines and pharmaceutical substances

History of the Group

1952

Construction of the antibiotic production plant begins in Saransk. The Biokhimik plant becomes the first large-scale biotech facility in the USSR

Manufacturing

1959

Commissioning of the first penicillin production line — the official birth of the Biokhimik plant

Manufacturing

2005

PROMOMED is established

2006

Development, marketing authorization, and market launch of the first products: Revokarin and Neosmectin

Marketing & Promotion

2007–2014

Active R&D in new pharmaceuticals and establishing partnerships with medical and scientific communities

Development, marketing authorization, and commercial launch of the innovative medicine Reduxin®. Achieving leadership in the weight loss segment

Launch of the largest international medical study in endocrinology with 100,000+ patients

R&D

2015

PROMOMED acquires the Biokhimik plant

Launch of a modern site for tablet and capsule production

Manufacturing

2016

Establishment of PROMOMED's in-house biotechnology lab

R&D

2017

Biokhimik receives GMP compliance certification from the Russian Ministry of Industry and Trade

Launch of modernized tablet production and new ointment and gel production workshops

Manufacturing

Development of the API for the innovative antibiotic Vancomycin

R&D

2018

Launch of full-cycle production of the latest-generation antibiotics at the Biokhimik plant

In-house development and implementation of a track & trace system for serialization

Manufacturing

Founding of a university department for antibiotic synthesis at Ogarev Mordovia State University (now the Department of Fundamental Chemistry and Chemical Technologies), supported by PROMOMED

Sustainability

History of the Group

2019

Launch of production of active pharmaceutical substances (APIs) based on small molecules and expansion of biotechnological capabilities

Manufacturing

Opening of a chemical and pharmaceutical laboratory at Ogarev Mordovia State University as part of the cooperation program between the University and the Biokhimik plant

Sustainability

2020

Assignment of a long-term credit rating of ruBBB+ with a stable outlook to PROMOMED DM LLC by the Expert RA rating agency

Finance

Development, marketing authorization, and commercial launch of Areplivir®, recommended by the Ministry of Health of Russia for the treatment of COVID-19

R&D Marketing & Promotion

Launch of full-cycle antiviral medicines production at the Biokhimik plant

Manufacturing

Debut IPOI on the Moscow exchange (PROMOMED DM LLC). PROMOMED became the first Russian pharmaceutical company to issue bonds on the Moscow Exchange

Finance

2021

Certification of the Biokhimik plant for compliance with Eurasian GMP standards. Development, marketing authorization, and commercial launch of the anticoagulant Enoparin®

Manufacturing

From this point on, PROMOMED possessed a comprehensive portfolio of medicines for the treatment of COVID-19 and its complications

R&D Marketing & Promotion

Development, marketing authorization, and commercial launch of Areplivir® for parenteral use. Recommended by the Ministry of Health of the Russian Federation, it became the first domestically developed targeted therapy for severe RNA-viral infections, including COVID-19 in hospitalized patients

R&D Marketing & Promotion

The long-term credit rating of PROMOMED DM LLC was upgraded to ruA(–) with a stable outlook

Finance

2022

Launch of an automated tablet and capsule production line at the Biokhimik plant, utilizing contactless technologies. This is the only manufacturing facility of its kind in Russia

Manufacturing

Obtained partner status in the Federal “Professionality” project

Sustainability

Development, marketing authorization, and commercial launch of Esperavir® and Skyvira® for COVID-19 treatment. PROMOMED medicines are included in recommendations from the Russian Ministry of Health for COVID-19 prevention and treatment. The medicines have strong potential for the treatment of a broad range of RNA-viral infections

R&D Marketing & Promotion

Investment in the biotechnology Company ARTCELLENS. The new Company specializes in the development and full-cycle production of biosimilars and innovative biopharmaceuticals

Manufacturing

2023

Launch of the largest API production facility in Russia at the Biokhimik plant, with a capacity of up to 340 tons per year

Manufacturing

Development, marketing authorization, and commercial launch of the GLP-1 medicines Enligria® and Queensenta®

R&D Marketing & Promotion

Registration of the innovative medicine Radamin® Viro, developed using the Company’s proprietary RNA platform. The medicine is effective for the treatment and prevention of a broad range of infectious diseases and is approved for use in children aged six and older

R&D Marketing & Promotion

Key Events of 2024 Driving the Group's Manifold Growth

R&D

February

The Ministry of Health issued seven marketing authorizations to PROMOMED

The marketing authorizations cover targeted oncology therapy, general therapy, antibacterial medicines, and the anticoagulant Rivaroxaban with the market size of approximately RUB 22.3 billion in 2024

June

PROMOMED received the RUIE Award in the "High-Tech Project" category

In the category "High-Tech Project", PROMOMED presented the innovative biotechnological product Radamin® Viro, developed by PROMOMED using its proprietary RNA platform

June

Completion of full-cycle development and study of Tirzetta®

Tirzetta® is intended to reduce excess weight and treat obesity, including in patients with type 2 diabetes. The medicinal product was registered by the Ministry of Health of the Russian Federation in January 2025. Its revolutionary mechanism of action enables a reduction in fat tissue volume while preserving muscle mass and shaping proper physiological body contours and a "healthy silhouette"

July

The Ministry of Health issued a marketing authorization for PROMOMED's Vilpramycin Cap® — an antibiotic suitable for pregnant and breastfeeding women

PROMOMED localized manufacturing of the medicinal product at its Biokhimik plant in Saransk

September

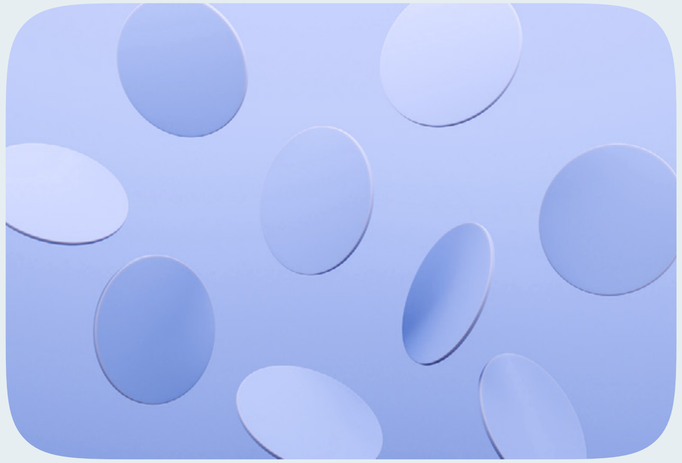
PROMOMED was among the first to apply an innovative high-tech device for biopharmaceutical research

The SC PRT-6 device (developed by Scientific Compliance LLC, a Physiologically Relevant Tester-6) was successfully used during the biowaiver procedure for the marketing authorization of the medicine Cladribine. PROMOMED also developed a biowaiver research strategy that enables the replacement of clinical trials with biopharmaceutical studies, thereby accelerating the time-to-market for new medicines

October

PROMOMED completed marketing authorization and launched Welgia® to treat overweight and obesity of any severity

Welgia® expands PROMOMED's portfolio of medicines for patients with metabolic conditions, including overweight, obesity, and type 2 diabetes



July

Initial public offering (IPO) of shares in PROMOMED PJSC on the Moscow Exchange (MOEX)

High interest from institutional and retail investors led to strong demand. The price of one share was set at RUB 400, which corresponds to the upper end of the price range. The offering volume amounted to RUB 6 billion, with a capitalization of RUB 85 billion

September

Shares of PROMOMED PJSC were included in the new index calculation bases of the Moscow Exchange

The Company's ordinary shares were added to the calculation base of the Broad Market Index and the Consumer Sector Index of the Moscow Exchange

November

Expert RA rating agency affirms credit rating of PROMOMED DM LLC

The creditworthiness rating of PROMOMED DM LLC (an Operating Company and a subsidiary of PROMOMEDPJSC) was affirmed at ruA(–). The outlook is stable

Marketing and Promotion

March

PROMOMED ranked first among the TOP 15 pharmaceutical manufacturers by sales growth

According to an analytical report by DSM Group, in January 2024 PROMOMED demonstrated the highest growth dynamics in pharmaceutical sales

September

Modelax®-N recognized at the Smartpharma® Awards

Modelax®-N, developed by PROMOMED, was honored with the top award at the 2024 Smartpharma® Awards in the category Best Russian Laxative in Microenema Form

December

Enligria® recognized as the top domestic brand launch in Russia in 2024, according to IQVIA

Enligria®, developed by PROMOMED, was ranked among the TOP 3 in the category Top Launch of a Domestic Brand in Russia in 2024 at the IQVIA Awards.

Enligria® became the first domestically produced incretin mimetic (GLP-1 receptor agonist) intended for the treatment of patients with type 2 diabetes, overweight, and obesity. In addition, the product contributes to the prevention of cardiovascular complications associated with these conditions

Manufacturing

October

PROMOMED fully localized the manufacturing process of Rivaroxaban, a medicine that reduces the risk of thrombosis

PROMOMED completed additional research and launched full-scale production using an optimized deep synthesis and downstream processing technology for the Essential Drugs List (EDL) product Rivaroxaban

December

GMP certification under the EAEU framework extended, unlocking new market potential and enabling portfolio expansion

PROMOMED received a statement of compliance from RosSelkHozNadzor (RSHN) confirming that the Company's veterinary medicines manufacturing complies with the Veterinary Good Manufacturing Practice (GMP) rules of the Eurasian Economic Union, Certificate No. GMP-171/24

Sustainability

April

Employee wellness program launched at the Biokhimik plant

In collaboration with the Health Center of the Republic of Mordovia, PROMOMED launched the Corporate Wellness initiative PROhealth, which includes the following focus areas: Breathe Freely, Healthy Diet, Move Forward, Family Values, Clear Thinking, and Anti-Stress Pill

June

PROMOMED organized a charitable initiative to support the Republican Children's Clinical Hospital in Saransk

As part of the initiative, the hospital received antibacterial medicines, while volunteers from the Group collected and donated coloring books, art kits, school supplies, and board games for the hospital's playrooms to help brighten the children's hospital stay

November

PROMOMED and the Russian Society of Clinical Oncology signed a memorandum of cooperation

The signed memorandum outlines comprehensive collaboration in the development of the pharmaceutical industry and healthcare. The joint efforts will focus on the prevention, diagnosis, treatment, and overall fight against cancer

Launch of the Biochemist Online Course for School Students of the Republic of Mordovia

With support from PROMOMED, a dedicated space was equipped at Gymnasium # 19 in Saransk for live broadcasting of lectures. Lectures are given by top subject-matter teachers and professors from Ogarev Mordovia State University.

As of the end of 2024, over 100 school students across the Republic of Mordovia are participating in the online course. Participation in the program is free of charge

Business Model

Our values: Create Value · Collaboration and Growth · Achievements · Passion · Vision and Creativity · Care for the Future

A business model focused on R&D and full-cycle manufacturing

We rely on the resources that ensure PROMOMED's sustainability and growth:

Production and research assets

Biokhimik and Berakhim plants
R&D hub

Finances

Cash flows from operations
Own and borrowed capital

Human capital

Expertise
Corporate culture
Employer value proposition

Intellectual capital

Results of medical research
IP Patents, know-how
Trademarks
Digital solutions and IT developments

Reputation and industry standing

Physician trust
Leadership in therapeutic areas
Endocrinology and oncology
Engagement with capital market participants
Public procurement contracts

Partnerships

Medical institutions, research institutes, universities and schools
Nonprofit organizations

Transformation of our expertise, resources, and capabilities into life-changing products

Idea

Leading R&D center

- World-class research
- Artificial intelligence
- Biotech and high-tech chemistry expertise
- Collaboration with leading scientific and medical institutions
- Protection of intellectual property

scientific research; development of innovative medicines; clinical trials; marketing authorization

Molecule

State-of-the-art manufacturing complex

- Full-cycle production, including APIs, and a wide range of dosage forms
- Cutting-edge equipment and automation
- Compliance with international industry standards

technology transfer; manufacturing of medicinal products; marketing and promotion; distribution and direct sales, enhanced sales and operations planning

Patient

Efficient management of marketing channels

- Reliable distribution system
- Proven Go-to-Market strategy for new medicines
- Expansion into new international markets
- Development of online sales channels

patient feedback; treatment outcomes; observational studies aimed on product improvement, PSP programs

Feedback

Our mission

Make people healthy, beautiful, and happy.
We bring our knowledge, expertise, and passion into this.

Strategic Goals and Priorities

- Leadership and Innovation
- Driving Sales Growth
- Growth in Shareholder Value

Key Risk Categories

- Medical
- Operational and Manufacturing
- Financial
- Marketing
- Information security-related
- Legal and Regulatory
- Reputational

Contribution to Sustainability

- National Development Goals of Russia
- UN Sustainable Development Goals (SDGs)

Key UN SDGs

We create value for PROMOMED's key stakeholders

For Patients

Access to the most advanced and effective medicines, improved quality and longevity of life

For the State

Addressing healthcare challenges
Import substitution, reducing dependence on foreign medicines and treatment cost containment
National pharmaceutical security

For Shareholders and Investors

Growth in share value
Dividends and return on investment
Financial sustainability

For Employees

Meaningful work
Fair and competitive compensation
Career development
Decent working conditions and a focus on health

For the Scientific and Medical community

Support for research, education, conferences, and publications

For Partners

Long-term cooperation and reliable supply
Guaranteed product quality

For Local communities

Social initiatives and environmental responsibility

Blockbuster Medicines

Tackling Obesity and Diabetes

Reduxin® / Reduxin® Forte

- Effective weight reduction and regaining of metabolic health
- Market leader in anti-obesity medicines since 2011

Queensenta®

- Effective and gentle treatment of type 2 diabetes, even in patients with cardiovascular or kidney conditions

Enligria®

- Effective weight reduction, including in adolescents from 12 years of age

Welgia®

- Effective weight loss and reduced risk of cardiovascular disease

Tirzetta®

- Significant weight loss, muscle tone improvement, and prevention of type 2 diabetes

This material is not intended as advertising for medicinal products.

It does not constitute a direct comparison or recommendation for the use of any medicinal product.

It does not guarantee the effectiveness, safety, or absence of side effects of any medicinal product.

It is not a substitute for professional medical advice.

Contraindications may apply. Professional consultation is required. Please refer to the official instructions for medical use at grls.rosminzdrav.ru.

Oncology Treatment

Cabozantinib | Lenalidomide | Nilotinib | Docetaxel | Eribulin

- Oncology product portfolio based on proprietary high-purity API production technology

Rheumatology

Ambene®

- A line of innovative chondroprotectors for the treatment of joint diseases

Neurology

BrainMax®

- An innovative neuroprotector to enhance brain activity

General Therapy

Modelax®-N

- A discreet and effective solution for occasional constipation as needed

Infectious Disease Treatment

Esperavir® | Rolnavir® | Skyvira®

- Antiviral portfolio targeting RNA viruses

[1] RNA viruses include the causative agents of COVID-19, influenza, seasonal cold and flu, pandemic-related RNA-viruses, etc.

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Contraindications may apply. Professional consultation is required. Please refer to the official instructions for medical use at grls.rosminzdrav.ru.

Geographic Presence

PROMOMED is engaged in the development, marketing authorization, manufacturing, promotion, and distribution of medicinal products across the Russian Federation and is actively expanding its export channels. The Group's medical representatives operate in over 300 cities and towns across Russia.

The Group's products are distributed via national and regional distributors, as well as pharmacy chains. PROMOMED products are available in all regions of Russia.

PROMOMED's manufacturing assets include the Biokhimik plant (located in Saransk, Republic of Mordovia) and the Berakhim manufacturing sites (located in Obolensk, Moscow Region, and Obninsk, Kaluga Region).

In developing innovative medicines, conducting advanced research, and training specialized professionals, the Group collaborates with leading Russian scientific institutions, clinical centers, universities, and secondary vocational schools.

300+

cities and towns across Russia covered by the Group's medical representatives

30+ THSD

pharmacies in Russia sell PROMOMED products

90+

nationalwide and regional wholesalers and distributors

- Head office
- Biokhimik manufacturing site
- Berakhim manufacturing sites
- Cities and towns hosting PROMOMED's scientific partners

Export destinations in 2024

Market entry initiatives underway in the listed countries

02

Strategic Overview

Overview of the Russian Pharmaceutical Industry

Key Trends in the Russian Pharmaceutical Industry

Pharmaceuticals in Russia represent a dynamically developing non-natural resource-based sector of the economy, with over 540 manufacturers.[1] The steady growth of the national economy is creating a supportive environment for the development of the domestic pharmaceutical industry — despite geopolitical instability. Expectations of lower inflation, price stabilization, and projected upward trend in real disposable income also signal positive trends for the entire pharmaceutical sector.

As of the end of 2024, industrial production in Russia grew by 4.6%, while the manufacturing industry grew by 8.5%. At the same time, the production of medicines and materials used for medical and veterinary purposes grew by 18.0% by 2023 in volume.[2] The share of the pharmaceutical industry in Russia's GDP amounted to 1.25%[3] as of the end of 2024.

The pharmaceutical industry in Russia is an emerging growth driver of the national economy

[1] According to the Register of Medicine Manufacturing Licenses of the Ministry of Industry and Trade.
[2] According to Rosstat.
[3] According to Rosstat and IQVIA; PROMOMED calculations.

The current Russian pharmaceutical market is characterized by low concentration and a highly competitive environment. No domestic company accounts for more than 2.2% of total market value. At the same time, the leading foreign pharmaceutical company operating in Russia holds no more than a 3.9% share, with a downward trend. The combined share of the Top-10 pharmaceutical companies in the Russian market stands at 27.5%.[1]

The Russian pharmaceutical market also shows high levels of competition among both distributors and pharmacy chains. As of the end of 2024, over 23,000 pharmaceutical activity licenses had been issued in Russia, and the number of pharmacies reached 80.9 thousand as of the end of December 2024.[2]

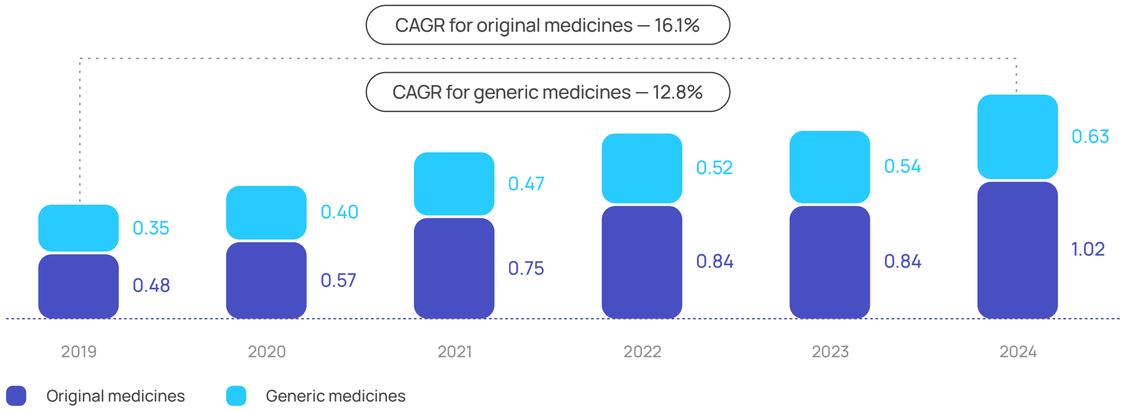
Forecasts from leading industry analytical agencies differ in their assessments of the actual and potential size of the pharmaceutical market in Russia. However, all estimates remain equally positive: as of the end of 2024, market volume was estimated to be between RUB 2.5 trillion[3] and RUB 2.85 trillion.[4] The forecasted market volume is expected to reach approximately RUB 4.9 trillion[5] by 2030.

[1] According to IQVIA.
[2] According to AlphaRM.
[3] According to IQVIA.
[4] According to DSM Group.
[5] According to AlphaRM's estimates.

Similar to the largest global economies, Russia has seen a steady increase in the consumption of original pharmaceutical products in recent years, with a CAGR of 16.1%. Expanding the production of original innovative medicines is one of the key priorities for the development of the Russian pharmaceutical industry and is formalized in the Pharma-2030 strategy.

Dynamics of Original and Generic Medicines in the Russian Market[7]

RUB trillion



[7] According to IQVIA. Excludes medicines classified under "other".

The development of the Russian pharmaceutical market in the coming years will be driven by comprehensive government support measures aimed at preventing medicine shortages and strengthening national pharmaceutical security.

Experts identify key trends in the Russian pharmaceutical market, including the declining presence of foreign companies and the growing share of domestic manufacturers.

As foreign pharmaceutical companies reduce their marketing activity and scale back clinical trials, new opportunities and potential growth areas have emerged for domestic manufacturers — particularly through the active substitution of withdrawn brand-name medicines with their own innovative and next-in-class alternatives. PROMOMED is proactively advancing in this direction and offers a unique portfolio of modern, innovative products designed to improve treatment efficacy and enhance the safety profile of therapies for the most socially important and hard-to-treat diseases.

In 2024, 5.99 billion packages of pharmaceutical products were supplied to the Russian pharmaceutical market, 2% more than in 2023. In addition, around 15.6 thousand SKUs[1] were introduced to the market during 2024.

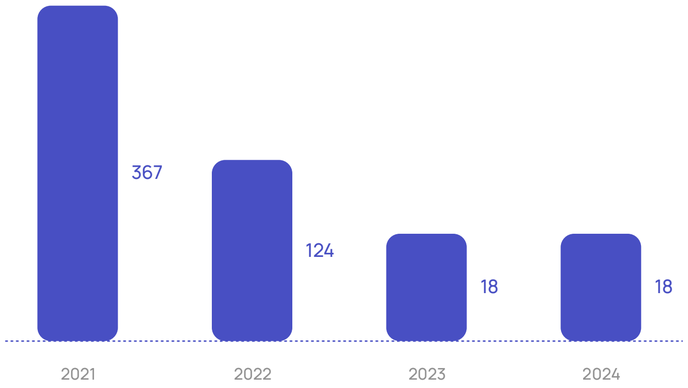
As of the end of 2024, the range of foreign pharmaceutical products on the Russian market saw a slight increase, following a four-year period of decline. The range of foreign-made products available in Russia has been steadily declining since 2020, when the market saw 817 fewer SKUs of imported medicines compared to 2019. In 2021, the number fell by another 138 SKUs, and in 2022 — despite sanctions — by only 49 SKUs. A similar drop was recorded in 2023, with a decrease of 51 product names.

It is important to note that prior to 2022 — before the introduction of full-scale sanctions — foreign pharmaceutical companies had been steadily expanding their portfolio of localized products and actively transitioning into the domestic category. In 2024, however, the situation shifted: the total number of foreign SKUs increased to 4.7 thousand, adding just 68 new product names over the year.[2]

[1] SKU — Stock Keeping Unit.
[2] According to RNC Pharma.

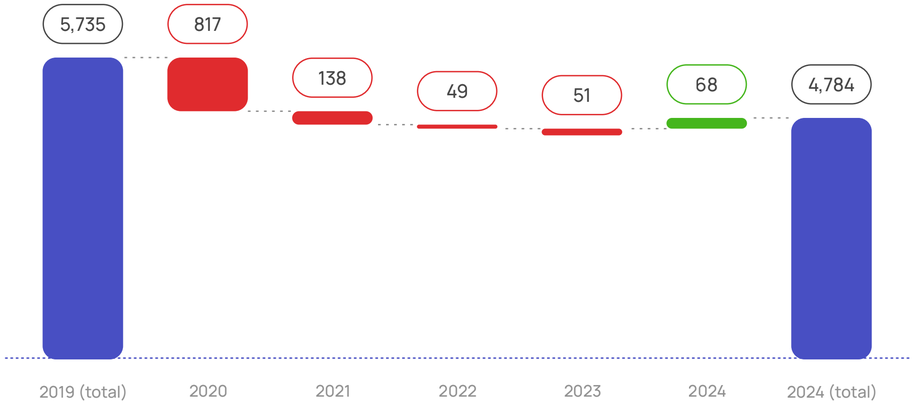
Clinical Trial Approvals for International Companies in Russia

units



Change in the Number of Foreign Pharmaceutical Products on the Russian Market

SKU



OVER 20×

decline in foreign clinical trials in Russia over four years

The global shift toward biopharmaceutical products is also relevant for Russia. By 2032, biopharmaceuticals are expected to account for 50% of the total volume of medicines on the Russian market.
The growth of the biopharmaceutical sector in Russia is expected to be driven by a number of contributing factors:

Increase in working-age life expectancy

Biopharmaceutical products help patients avoid side effects and extend life expectancy

Use of AI in medicines development

The collection and analysis of large datasets using AI — including molecular interactions and genomics — unlocks new opportunities for treating a range of diseases and for pharmaceutical manufacturing

Localization of manufacturing in Russia

Active efforts are underway to establish local production of single-use bioreactor systems for the manufacture of biotechnological products (monoclonal antibodies and vaccines) [3]

[3] According to Strategy Partners.

Government Involvement in the Development of the Domestic Pharmaceutical Industry

The government provides multi-sector support for the national pharmaceutical industry and implements a range of measures to stimulate the growth of domestic manufacturers, while also improving the quality and accessibility of healthcare for the population. One of the key support tools is the Pharmaceutical Industry Development Strategy to 2030[1] (Pharma-2030).

[1] Order of the Government of the Russian Federation No. 1495-r dated June 7, 2023.

Pharma-2030

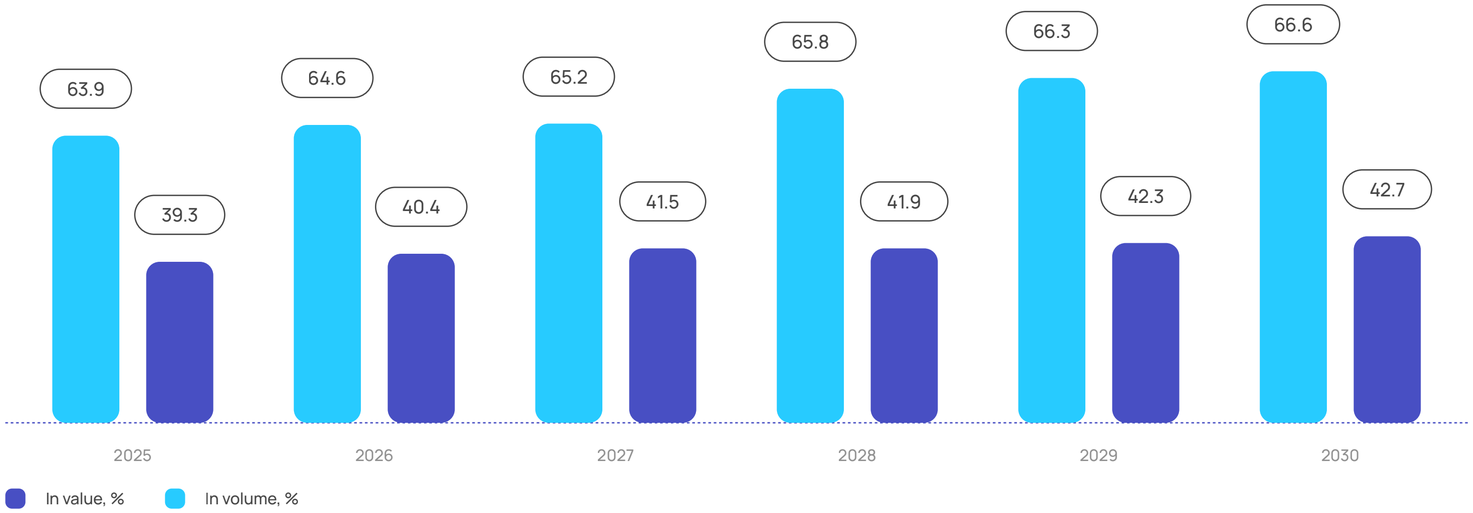
The Strategy aims to ensure the production of high-quality, effective, and safe medicines in the Russian Federation that are competitive in both domestic and international markets, in order to meet the needs of the healthcare system of the Russian Federation and to realize the export potential of the pharmaceutical industry.

Key benchmarks of Pharma-2030:

- Increasing the pharmaceutical market volume to RUB 3.7 trillion
- Increasing the share of domestically produced medicines to 66.6% in volume
- Increasing pharmaceutical exports to USD 3.4 billion
- Achieving an 80% share of Russian-made medicines in the list of strategically important medicines produced through a full-cycle process (including API production)
- Improving pharmaceutical provision, including regulatory and legal frameworks (such as updating the list of strategically important medicines)

Forecast of the Minimum Share of Localized Pharmaceutical Products in Sales

%



Key government priorities in the implementation of the Strategy:

- ensuring pharmaceutical independence and national security of the Russian Federation through full-cycle local production of strategically important groups of medicines
- developing scientific, technological, manufacturing, and professional competencies in the development and production of medicines, as well as raw materials, components, equipment, and supplies
- prioritizing the integration of locally produced medicines into medical practice
- creating stable and predictable conditions for the development, production, and distribution of pharmaceutical products to ensure the investment appeal of the pharmaceutical industry's growth

An additional instrument of government support is the National project Long and Active Life, aimed at improving quality of life and access to medical care for citizens across the country.

National Project Long and Active Life

The National project was launched on January 1, 2025, and is planned to run through 2030. The structure of the National project includes the implementation of 11 Federal projects. Two of them are synergistic with PROMOMED's key business areas.

According to the Ministry of Health, as of the end of 2024, approximately 6 million people in Russia were living with diabetes. Forecasts suggest that this number will rise to around 15 million by 2035. At the same time, the Russian market for innovative medicines used in diabetes treatment and weight management is projected to grow severalfold: from RUB 9.5 billion in 2024 to RUB 100.3 billion by 2032.[1]

Within the National project Long and Active Life, special attention is given to obesity prevention and treatment. Obesity and diabetes are among the most well-known interrelated non-communicable pandemics, showing explosive growth in Russia.

As of the end of 2024, the number of cancer patients in Russia reached approximately 4.7 million.[2]
The relevant market for PROMOMED is projected to reach RUB 155 billion by 2032.[3]

Federal Project to Combat Diabetes:

- expanding diabetes care services for patients across all regions of Russia
- supplying new equipment to regional and inter-districts medical institutions providing endocrinology-related care
- creating a unified information resource for the prevention, early detection, and treatment of diabetes, including the implementation of weight reduction initiatives

Federal Project to Win Cancer:

- providing medical care in accordance with clinical guidelines
- upgrading medical institutions that provide radiological care
- developing regional specialty programs and routing patients in accordance with the current care delivery procedures

[1] According to Strategy Partners' estimates.
[2] According to the Ministry of Health of the Russian Federation.
[3] According to Strategy Partners' estimates.

To enhance the competitiveness of Russian manufacturers in domestic and international markets, and to ensure the safety and accessibility of medicines for the population, the government has developed and implemented additional protectionist mechanisms: Products on the Shelf, Third-Out, and Second-Out.

Products on the Shelf

This mechanism enables Russian manufacturers to develop medicines under patent protection held by companies from countries deemed unfriendly and to receive government subsidies for their development. The mechanism applies to medicines from the Essential Drugs List (EDL).

Third-Out[1]

The initiative aims to create a favorable environment for the development of domestic manufacturers while preserving market competition.

When submitting bids for public procurement, applications from foreign manufacturers are excluded if at least two bids are submitted by manufacturers from Russia or another EAEU country.

Second-Out[2]

The initiative aims to support the development of the domestic pharmaceutical industry by stimulating demand based on the level of localization of API manufacturing.

If at least one medicine manufactured in Russia or another EAEU country through a full-cycle process is included among the bids for public procurement, all other bids are excluded as foreign. The mechanism applies to medicines listed in the Essential Drugs List (EDL) and in the list of strategically important medicines.

Full-cycle production in Russia or other EAEU countries is a key element of the Second Extra mechanism.

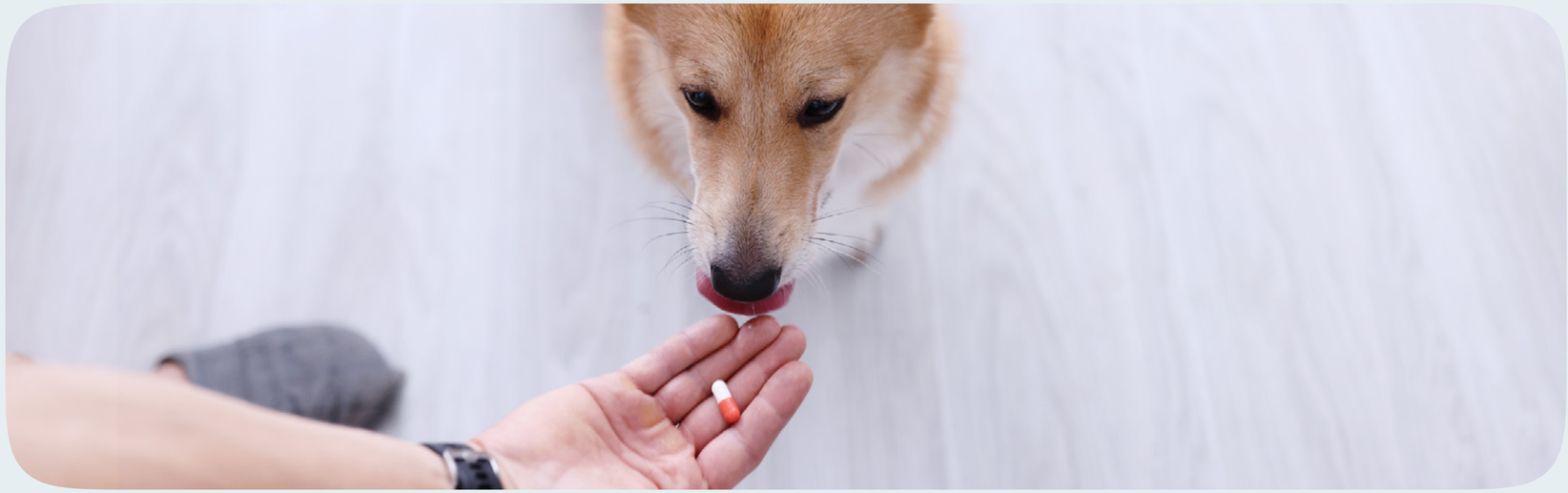
[1] Decree of the Government of the Russian Federation No. 102 dated February 5, 2015; Decree of the Government of the Russian Federation No. 1875 dated December 23, 2024.

[2] Decree of the Government of the Russian Federation No. 1875.

Veterinary Pharmaceuticals in Russia

Veterinary pharmaceuticals encompass the development, production, and distribution of veterinary medicines and biological products. The sector plays a key role in ensuring animal health and the safety of animal-based food products for human consumption. In addition, veterinary pharmaceuticals are a fundamental component of National agricultural sovereignty. The range of veterinary products includes medicinal products, vaccines, biological products, and animal hygiene products. The government supports the development of domestically produced veterinary medicines. As part of the National project Technological Support for Food Security, approximately RUB 5 billion is planned to be allocated for the development of Russian-made veterinary products by 2030.

The structure of the Russian retail market for veterinary pharmaceuticals in value terms is characterized by the predominance of foreign manufacturers over domestic ones, although the share of imported products has been declining. At the same time, in volume, domestically produced veterinary pharmaceuticals hold a leading position in the retail market and have demonstrated consistent annual growth. The rising demand for Russian-made veterinary products is driven by difficulties in accessing foreign products as well as by more intense inflation in the imported segment: in 2024, the average price of imported veterinary medicines rose by 20.5% YoY, while the price of Russian-made products increased by 12.2%.

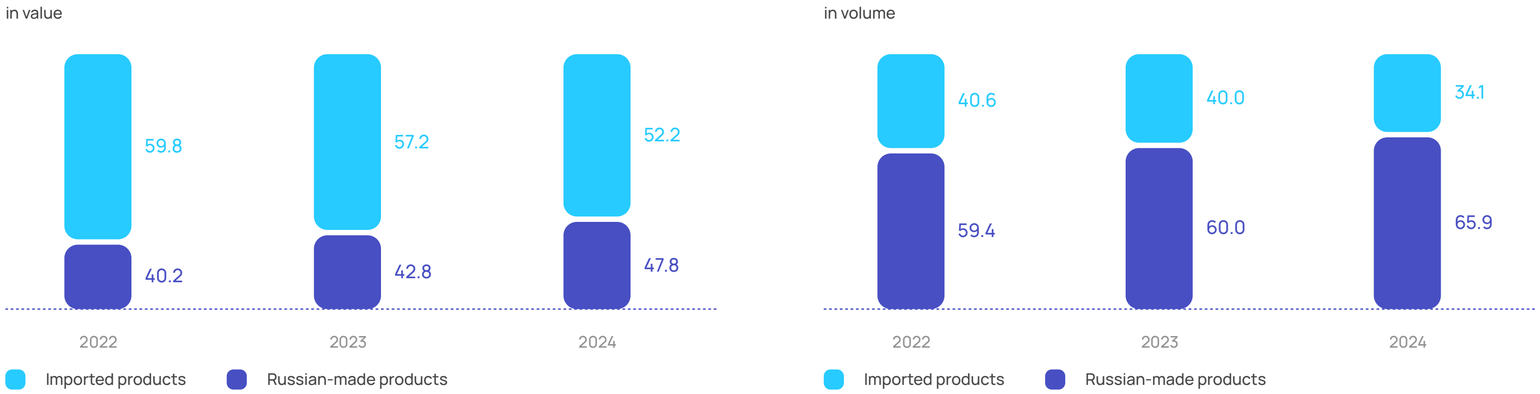


In 2024, the volume of the Russian retail market for veterinary pharmaceuticals reached RUB 41.7 billion, reflecting a 15.8% YoY increase.

According to expert estimates, the Russian veterinary pharmaceutical market is expected to maintain strong growth, supported by an expanding product range, rising public interest in disease prevention for animals, and increasing online sales in the veterinary segment. The share of Russian manufacturers in the market structure is also expected to grow, driven by the expansion of local production and increased consumer trust in domestic brands.[2]

Structure of the Russian Retail Market for Veterinary Pharmaceuticals by Country-of-Origin[1]

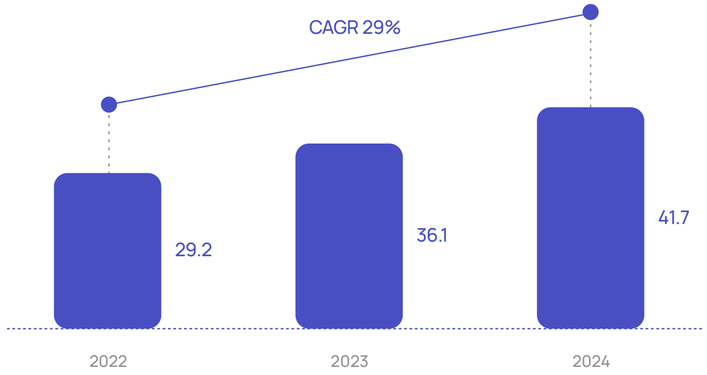
%



[1] According to RNC Pharma.

Dynamics of the Russian Retail Market for Veterinary Pharmaceuticals[2]

RUB billion



[2] According to RNC Pharma. Based on retail prices, including VAT.

Strong Position of PROMOMED in the Russian Pharmaceutical Market

PROMOMED is present in all key segments of the Russian pharmaceutical market.

In 2024, the Group's revenue growth YoY (+35%) outpaced the overall growth of the Russian pharmaceutical market (+18%).[1]

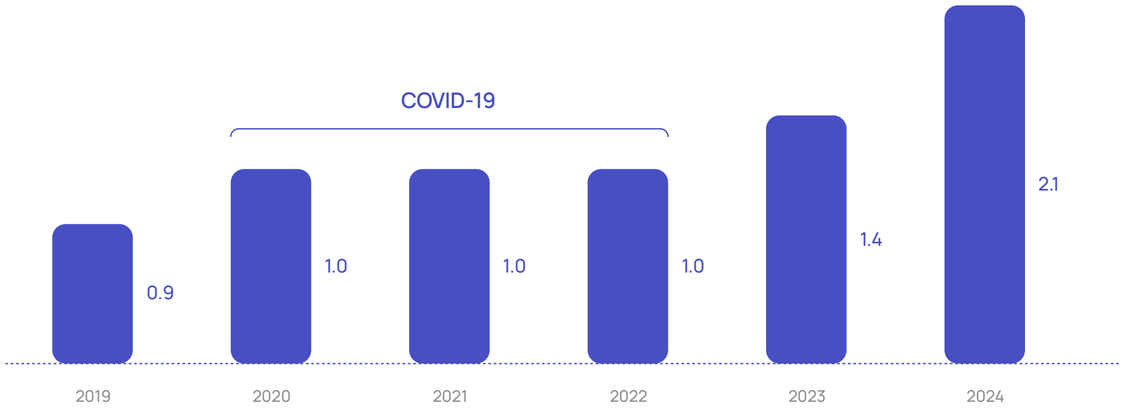
According to expert estimates, PROMOMED ranked among the Top-5 companies in the retail segment of the Russian pharmaceutical market in terms of sales dynamics.[2]

35%

YoY revenue growth

Dynamics of PROMOMED's Share in the Russian Pharmaceutical Market Among Domestic Manufacturers (excluding COVID-19 Treatments)

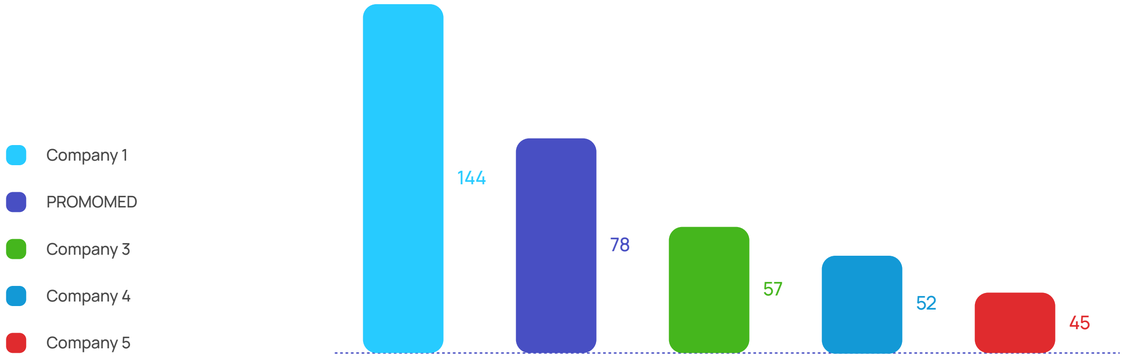
%



[1] According to IQVIA. Based on secondary sales at manufacturer prices.
[2] According to RNC Pharma.

Sales Growth of the TOP-5 Companies in the Russian Pharmaceutical Market in 2024[3]

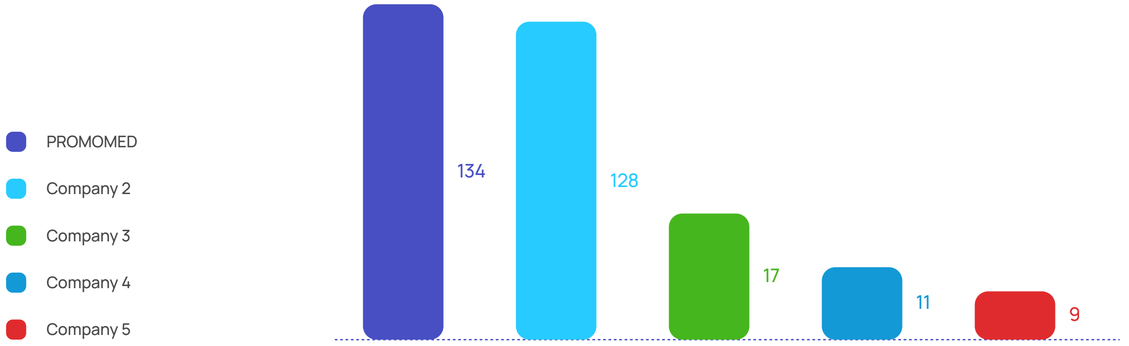
%



[3] According to RNC Pharma.

Number of Brands in the Retail Segment Among the TOP 5 Companies in 2024[4]

units

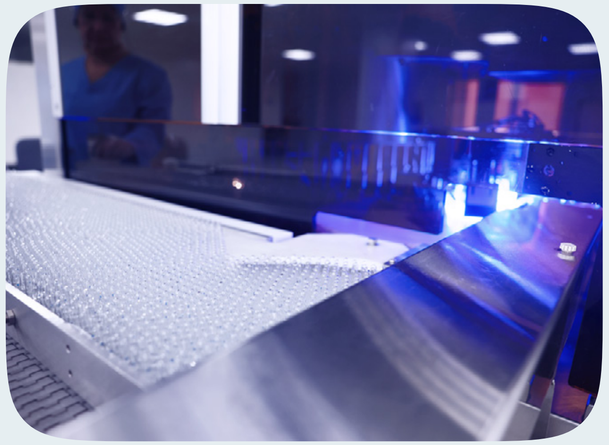


[4] According to RNC Pharma.

PROMOMED's Position in the Russian Pharmaceutical Market in 2024

Local manufacturer	Market share,%	Evolution Index[1]
Company 1	5.9	105
Company 2	5.5	95
Company 3	5.1	97
...	...	...
Company 13	2.2	158
PROMOMED	**2.1**	**157**
Company 15	2.0	95

[1] The index reflects the product growth rate relative to the market growth rate. See the Marketing and Promotion section for details.



PROMOMED's Position in Relevant Markets in 2024

In the oncology segment[2]

Manufacturer	Sales, RUB bn	Market share, %	Change vs 2023, %
Company 1	5.0	18	17
PROMOMED	**3.1**	**11**	**108**
Company 3	3.0	10	(5)
Company 4	1.5	5	94

In the endocrinology segment[3]

Manufacturer	Sales, RUB bn	Market share, %	Change vs 2023, %
PROMOMED	**4.4**	**28**	**91**
Компания 2	3.1	20	–
Компания 3	1.9	12	(18)
Компания 4	1.1	7	3

[2] According to IAS Zakupki.
[3] According to IQVIA. Based on secondary sales at manufacturer prices.
[4] According to Strategy Partners.

Launch of new key portfolio products in the veterinary segment

PROMOMED's key product pipeline includes three veterinary medicines, one of which is an innovative product expected to launch between 2025 and 2027.

According to the forecast, PROMOMED's share of the veterinary medicines market will reach 14% by 2028 and 20% by 2032.[4]

Veterinary medicines manufacturing is a promising growth area for PROMOMED.

Business Development Strategy

Business Development Strategy PROMOMED's strategy focuses on developing innovative medicines, implementing best-in-class marketing practices, and continuously improving operational efficiency.

The Group's strategy envisions expanding the business severalfold through the launch of new molecules in high-tech and high-margin segments of the pharmaceutical market.

The Group aims for long-term growth by expanding its product portfolio, optimizing its operating model, and unlocking its export potential.

Strategic Goals

Sales volume growth

240 RUB BN

by 2032

Leadership and innovation

TOP-3

among the fastest-growing innovative biopharmaceutical companies in Russia

Growth in shareholder value

Strategic Objectives

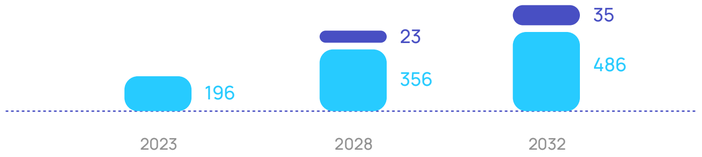
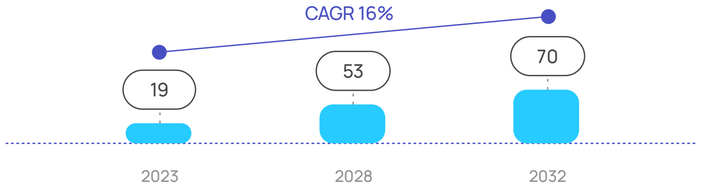
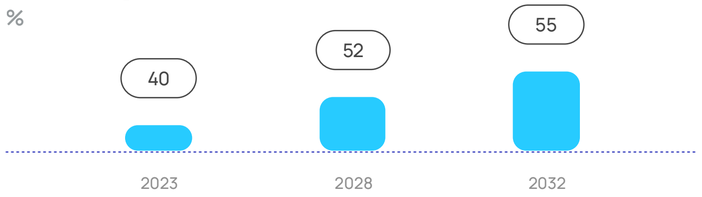
Product portfolio development

- At least 30 innovative medicines and over 90 cutting-edge molecules
- Leadership in innovative targeted Oncology
- Leadership in the treatment of Obesity and Diabetes
- Leadership in the management of acute and chronic Pain
- Leadership in the treatment of Autoimmune diseases
- Leadership in advanced medicine delivery technologies

Product portfolio commercialization

- Effective management of commercial and public sales channels
- Best practices for launching new pharmaceutical products
- Export sales based on the innovative portfolio, targeting 15% of total sales
- Expansion of distribution channels, including online channels

Strategic Priorities

Strategic Priorities	Strategic Goals (2028–2032)	Alignment with Market Trends	Key Enablers of Our Growth and Performance	2024 Metric	2025 Target
Expanding therapeutic horizons through innovative medicines	PROMOMED's share in the innovative medicines market  Market volume of innovative medicines, RUB bn[1] PROMOMED's share in the innovative medicines market, %	The Group plans to develop and launch innovative medicines in priority therapeutic areas: Endocrinology and Oncology See the Market Overview section for details	• Focus on the production of innovative biopharmaceuticals • Development of accessible high-tech treatments for the healthcare system • Solutions for chronic diseases • Changing the prognosis of currently incurable diseases	59% Of PROMOMED's revenue came from innovative medicines	>75% Growth in PROMOMED's revenue
Core portfolio growth outpacing the relevant market[2]	Compound Annual Growth Rate  Revenue from core portfolio medicine sales, RUB bn	The Group targets revenue growth outpacing the market See the Market Overview and Financial Results sections for details	• Playing to its strengths with faster-than-market growth • Deepening presence in socially important therapeutic areas. Portfolio offerings • Substitution of medicines withdrawn by foreign manufacturers with in-house developments • In-house synthesis of APIs to ensure national pharmaceutical security	129 Evolution index of other Core portfolio medicines	
Maintaining high operational efficiency standards	EBITDA margin % 	The Group strives for operational efficiency above that of its competitors See the Market Overview and Financial Results sections for details	• Scaling and adapting the operational model to support manufacturing expansion • Accelerated expansion of biotechnology and R&D infrastructure • Comprehensive digitalization of internal processes and use of AI • Streamlined S&OP and Project management processes	38.4% EBITDA margin	>40% EBITDA margin

[1] Source: Strategy Partners report.

[2] Core portfolio refers to PROMOMED products at the time of the Company's IPO in July 2024.

Enhance Link Between Strategy and Growth in the Company's Shareholder Value

The implementation of PROMOMED's strategy is aimed at sustainably building long-term value for shareholders. Consistent expansion of the innovative portfolio, strengthening of the scientific and production base, and technological leadership create a solid foundation for confident business growth and enhancing shareholder value. The Group plans to capitalize on innovation and turn its leading market position into sustainable market value.

The Company is developing a Shareholder Value Enhancement Strategy in line with the recommendations of the Bank of Russia.[1]

Having strategic shareholder value priorities sends a clear signal to shareholders, aligns management decisions with long-term value creation, and helps unlock the Group's intrinsic value potential.

[1] Informational letter from the Bank of Russia On Recommendations for Developing Shareholder Value Enhancement Strategies.

PROMOMED's Strategy as a Response to Industry Trends

PROMOMED focuses on the most promising market segments with the highest demand for innovation and advanced technologies, emphasizing next-generation therapies in such areas as Endocrinology and Oncology.

The Group's strategy also responds to the following key trends in the Russian pharmaceutical market:

- increasing the share of locally-made medicines produced through full-cycle manufacturing, local production of pharmaceutical substances, and accelerated development of biopharmaceuticals
- withdrawal of foreign manufacturers from clinical trials, marketing authorization, and commercial activity
- active state support for the pharmaceutical sector

A diversified core portfolio and broad R&D base enable PROMOMED to deliver outpacing growth and a multiple increase in its market share across relevant segments.

Implementation of the Group's Strategy and Alignment with the Goals of the National Strategy Pharma-2030[2]

Group Strategic Priority	Implementation	Alignment with National Strategy Priorities
• Outpacing the market through core portfolio growth	Full-cycle high-tech pharmaceutical manufacturing in Russia (from API to finished dosage form)	Ensuring national pharmaceutical sovereignty through full-cycle production of strategically important groups of medicines in the Russian Federation
• Expanding therapeutic horizons through innovative medicines • At least 30 innovative medicines and over 90 cutting-edge molecules	Development and launch of innovative medicines at PROMOMED's in-house R&D center to support the expansion of therapeutic horizons and provide the national healthcare system with new effective solutions	Development of scientific, technological, manufacturing, and professional competencies in the research and production of both pharmaceutical products and the raw materials, equipment, and components required to ensure the competitiveness of pharmaceutical products in domestic and international markets

[2] Based on the RF Pharmaceutical Industry Development Strategy to 2030.

An Efficient Operating Model as the Basis for Strategy Implementation

PROMOMED's efficient and flexible operating model plays a key role in achieving the Group's strategic goals. It ensures a strong link between strategic priorities and daily operations, allowing the Group to scale up its business successfully and implement innovative solutions at high speed.

The implementation of PROMOMED's strategy is driven by its investment program and the Group's project pipeline for the development and launch of innovative medicines.

See the Medicine Development and Marketing Authorization section for more details on the Group's plans for the development and market launch of innovative medicines.

PROMOMED's operating model is built on several core areas that support sustainable strategy implementation:

R&D as a Key Business Driver

The Group actively develops R&D, including work on biopharmaceuticals and small-molecule medicines, ensuring continuous renewal of its product portfolio.

Combining Biotech and High-Tech Chemical Manufacturing

The ability to integrate and combine various types of biotechnological and chemical technologies gives PROMOMED access to a wide range of capabilities and solutions in the most in-demand and technologically advanced areas of biopharmaceuticals.

Artificial Intelligence and Digitalization

The implementation of predictive analytics and automation supports faster medicine development and optimization of all internal processes.

Full-Cycle Manufacturing Facilities

The Group operates full-cycle manufacturing facilities, ensuring independence from external suppliers and enabling the production of medicines to the highest quality standards.

Effective Technology and Product Transfer

PROMOMED has established a streamlined system for transferring technologies and products from RnD to full-scale production, allowing rapid introduction of innovations into production.

Integrated Sales and Operations Planning and Project Management

Integrated planning and project management systems help allocate resources, track progress toward strategic goals, and manage the 'Idea–Molecule–Medicine–Patient' value chain.

03

Performance Overview

Product Development and Marketing Authorization

PROMOMED's portfolio development strategy focuses on the creation and introduction of innovative medical solutions into clinical practice to enable the treatment of socially significant diseases while maintaining a high quality of life for patients.

Advanced Science and Innovation as the Foundation of PROMOMED's Outpacing Growth

PROMOMED's extensive research experience enables the development of breakthrough healthcare solutions

The Group's pipeline includes over 31 innovative molecules, including cutting-edge biopharmaceuticals such as antibody-drug conjugates that combine monoclonal antibodies with chemotherapeutic agents, offering high efficacy in the treatment of previously untreatable cancers.

The Group is also advancing fundamentally new approaches to treating major diseases, including:

- An RNA platform for the development of personalized therapy medicines
- CAR-T — cell therapy for cancers resistant to existing treatments

The Group is developing innovative peptide-based medicines for the treatment of obesity and diabetes that target multiple receptors involved in key metabolic pathways.

2024 Results

75 medical studies conducted

38 new marketing authorizations obtained in Russia and abroad

20 new patents granted in Russia and abroad

46 Russian and international patent applications filed

As of December 31, 2024

75 patents ⊕ **550** trademaks owned by the Group

25+ 25+ cutting-edge innovative medicines to be launched over the next five years

150+ medicines at various stages of development, medical studies, or marketing authorization

over 10% of revenue invested in R&D by the Group

"Based on analysis of scientific advances, medical trends, and developments in the pharmaceutical market, we are creating next-generation medicines that are in high demand — the areas where innovation is most needed and where improving quality of life is especially vital. Combating obesity and diabetes, treating cancer, neurological, autoimmune, infectious, and orphan[1] diseases — these are the challenges PROMOMED is addressing today, constantly improving the therapeutic options available. The creation of next-generation high-tech medicines for the treatment of chronic and previously incurable diseases is the foundation for PROMOMED's outpacing growth.

[1] Orphan diseases are rare conditions often genetic in origin that affect a limited number of patients and require high-tech, high-cost therapies.

Kira Zaslavskaya

Member of the Board of Directors, Director of New Products, PROMOMED

Leadership in Medical Research

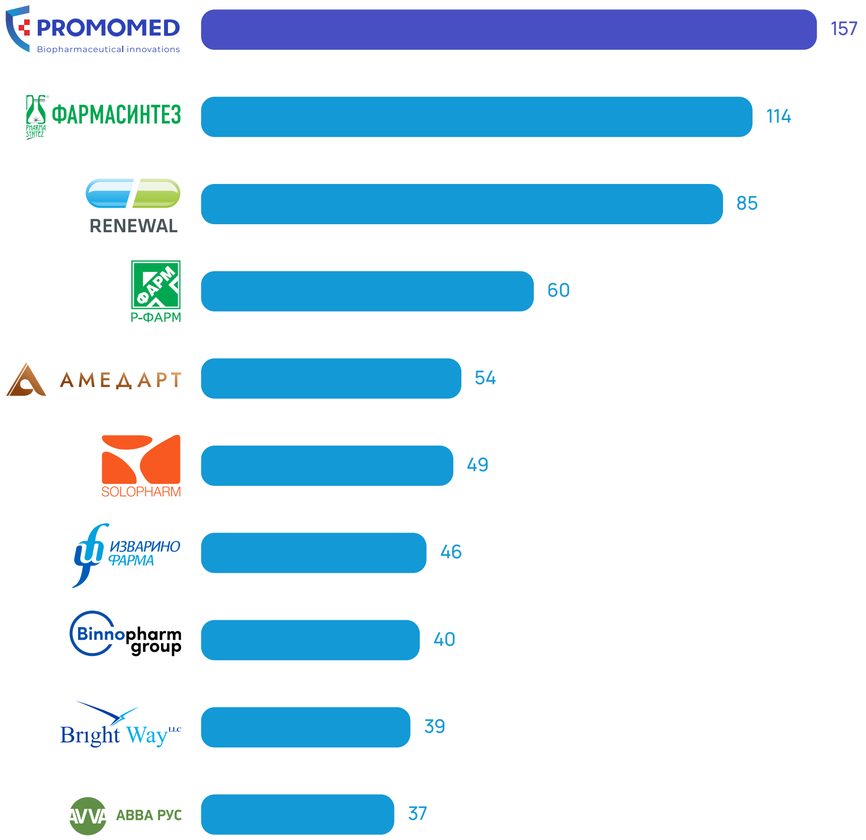
PROMOMED has been a consistent leader in the field of medical research for several years.

The Group is implementing a strategy to build an innovative product portfolio and continues to increase the share of research and preclinical medical studies conducted for original products each year.

The majority of medical studies involve preclinical and clinical research for the medicines within the Group's innovative portfolio in priority therapeutic areas. The studies conducted in 2024 confirmed the anticipated efficacy and safety of lead compounds, enabled the transition of 17 medicinal products from the preclinical to the clinical research stage, advanced 2 medicinal products to the next phase of clinical trials, and supported the submission of registration dossiers for 16 medicinal products.

PROMOMED — No. 1 in the Russian Pharmaceutical Market

by the number of medical studies[1] conducted in 2022–2024, count



[1] According to DSM, IQVIA, and ACTO based on State Register of Medicines (SRM) data.

2024 Medical Research Results and Plans for 2025

Obesity

In December 2024, PROMOMED successfully launched the innovative medicinal product Welgia® (INN: semaglutide) for the treatment of obesity of any severity. Also, the development was completed ahead of schedule for the next-generation twincretin-class medicinal product for the treatment of obesity and type 2 diabetes — Tirzetta® (INN: tirzepatide).

Oncology

A number of preclinical studies were completed for an innovative medicinal product based on an antibody-drug conjugate with a chemotherapeutic agent for the treatment of prevalent cancers (breast cancer, gastric cancer, lung cancer, etc.).

Clinical trials are scheduled to begin in 2025.

Anti-infective agents

In 2024, two clinical trials were launched to expand the indications of the original medicinal products Esperavir® (new indications to include treatment of influenza and ARVI) and Ambervin® Pulmo (new indications to include treatment of pneumonia). Completion of the trials and indication expansion is expected in 2025.

Key Medicinal Product Launch Pipeline

By 2030, PROMOMED plans to bring to market at least 25 innovative high-tech medicinal products that will fundamentally change the prognosis for patients with previously untreatable disabling diseases and enable them to live full lives.

The Group's strategy calls for a multi-fold business expansion by focusing on high-tech segments of the pharmaceutical market, including aggressive forms of cancer, endocrinology, HIV, neurology, autoimmune diseases, pain management, and others.

The key medicinal product launch pipeline is aligned with current industry trends and the Group's development strategy. The core focus of the medicinal product portfolio is on innovative treatments for oncology and metabolic health (obesity, diabetes.

PROMOMED is continuing to implement its portfolio diversification strategy. Additional priority areas include innovative over-the-counter analgesics, anti-infective agents, and high-demand treatments for veterinary use. Special attention will be given to building a portfolio of medicines for the treatment of complex orphan diseases.

See the Business Development Strategy and Market Overview sections for more details.

PROMOMED remains adherent to the development and marketing authorization schedule defined during the IPO process.

A launch pipeline refers to a list of new medicinal products at various stages of development, marketing authorization, or market launch.

Key Launch Pipeline for 2025–2030

Therapeutic area	Product	Preclinical	Phase 1	Phase 2	Phase 3	Marketing authorization	Launch expected	Actual launch	Classification	Indications
Endocrinology	Welgia®	+	+			+	**2025**	**Q4 2024** ★	Next in class	Obesity
	Tirzetta®	+	+			+	**2025**	**Q1 2025** ★	Next in class	Type 2 diabetes, obesity
	WRYC15801	+	+			+ ★	**2025**		Next in class	Type 2 diabetes
	WTBC08401	+	+			+ ★	**2025**		Next in class	Type 2 diabetes
	WTBC15701	+	+	+			2027		Original	Type 2 diabetes, obesity
Oncology	LTBC01201	+	+			+	**2025**		Next in class	Lung cancer
	LTBC04901	+	+			2025 ★	**2026**		Next in class	Breast and prostate cancer, etc.
	LCBC02201	+	+			+ ★	**2026**		Next in class	Prostate cancer
	LCBC02901	+	+			+ ★	**2026**		Next in class	Lung cancer
	LTBB14701	+	+	+			2027		Original	Urothelial cancer, lung cancer
	LTBC14301	+					2028		Original	Blood cancer (leukemia)
	LCBC14401	+					2028		Original	Lung cancer
	LTBC14501	+					2028		Original	Breast cancer, liver cancer
	LTBC14601	+					2028		Original	Lung cancer
	LLFB13201	+					2028		Original	Breast cancer
	LTBB15301	+					2028		Original	Skin cancer, lung cancer, esophageal cancer
	LRFB14801	+					2030		Original	Breast cancer, lung cancer
Neurology	XTBC13601	+	+			+ ★	**2025**		Next in class	Pain management
	XTBC13701	+	+			+ ★	**2026**		Next in class	Pain management
	XTBC13801	+	+			+ ★	**2026**		Next in class	Pain management
	MPFC15401	+				+ ★	**2025**		Original	Spinal muscular atrophy (SMA)
Autoimmune diseases	JLFC09301	+	+	+	+	+ ★	**2026**		Original	ARVIs, oral and pharyngeal diseases
	XRFB14901	+	+	+	+		**2026**		Original	Autoimmune diseases
	XTBC01801	+	2025 ★				2028		Original	Crohn's disease, lupus, rheumatoid arthritis
Anti-infective agents	JLAC14101				+	+	**2025**		Original	Community-acquired pneumonia
	JUFC11701	+	2025	2026	2027	+ ★	**2026–2028**		Next in class + Original	HIV/AIDS
	JTBC03701	+	+			+ ★	**2025**		Next in class	Chronic hepatitis C
Orphan	XRYB12501	+	+			+ ★	**2025**		Next in class	Short bowel syndrome
Veterinary	Product 1	+				2025	**2026**		Next in class	Arthropods (ticks, fleas)
	Product 2	+	2025			2026	2027		Next in class	Arthropods (ticks, fleas)
	Product 3	+				2025	**2025**		Next in class	Arthropods (ticks, fleas)

★ Progress since IPO

PROMOMED develops its portfolio strategy with a planning horizon of over 10 years and updates its medicinal product development and marketing authorization roadmap on a quarterly basis.

The Group successfully applies its unique competencies and expertise to create medicinal products in technologically complex market segments (e.g., Radamin® Viro based on RNA technology, oncology medicines using nanotechnologies, micelle-containing suspensions, lyophilizates stabilized with supramolecular chemistry-based products, and others). These technological solutions have high barriers to market entry, which ensures the Group's strong competitiveness and profitability.

The Group places special emphasis on the development and production of innovative biotechnological medicinal products. According to PROMOMED's strategy, the share of biotechnological medicines is expected to more than double over the next 10 years. These products will account for over 50% of the Group's revenue.

[1] GLP, GCP, GMP.

Development and Marketing Authorization Process

All stages of development, research, and manufacturing at PROMOMED comply with global GxP[1] standards. This ensures the research results can be readily accepted by international regulators and that authorized medicinal products can be exported to international markets.

At every stage of development and research, the Group assesses the success and medical relevance of each product in light of current treatment trends and innovations in clinical practice. Each project also undergoes a feasibility evaluation, including pharmacoeconomic studies.

The Group regularly holds meetings of Strategic Committees, where decisions on the development of medicinal products are made. These committees include experts from R&D, marketing, sales, and finance. The Strategic Committees evaluate the performance of research and development activities for innovative products, monitor the outcomes of completed studies, and assess the financial feasibility of continuing projects, including overseeing investment budgets and revising financial models for each product.

In case of deviations from the established development plan, opportunities to accelerate certain stages, or ways to enhance the effectiveness of the medical strategy based on market dynamics, corrective actions are taken.

Medicinal product development is carried out in close collaboration with the medical community and leading Russian and international research centers. PROMOMED's scientific and technological network includes over 200 PhD- and doctorate-level experts in medical and chemical sciences.

R&D Center

The Group has its own R&D Center, whose uniqueness lies in its ability to develop innovative medicinal products based both on small molecules and biotechnologies. The Center is equipped with world-class equipment and supports the following activities:

- synthesis and development of new medicinal products;
- evaluation and characterization of new molecules;
- integration of advanced biotechnological methods into development and manufacturing processes;
- rapid process scale-up;
- accelerated technology transfer and production launch;
- parallel small-batch manufacturing for preclinical studies during development;
- use of artificial intelligence and machine learning;
- faster development processes with minimized risks and costs.

R&D Center Capabilities

- Development of innovative medicinal products
- Development of new active pharmaceutical ingredients
- Technological and economic analytics
- Intellectual property registration
- Organization and conduct of medical studies
- Technology transfer and manufacturing scale-up

PROMOMED's R&D Center operates in line with an approved research and development program. The Center demonstrates the Group's technological and intellectual leadership and annually brings to market high-demand innovative medicinal products that strengthen the healthcare system's capabilities.

The Group continuously monitors best global practices and implements cutting-edge solutions for the development of high-tech medicinal products, including those in the field of personalized medicine.

State-of-the-Art R&D Center

Full-cycle in-house development: from molecule discovery to technology transfer and marketing authorization

World-class equipment for the development of the country's broadest range of high-tech dosage forms and pharmaceutical substances

A network of research laboratories at the flagship Biokhimik plant (Saransk), as well as at the Berakhim plant (Obninsk) and the Mosmedpark technopark (Moscow)

Research complex area at the Biokhimik plant alone

2,000+ M²

PROMOMED serves **as an invited expert** and actively participates in the work **of commissions and advisory boards** under regulatory and legislative authorities

Intellectual property protection and patent strategy development

R&D investment over the past 3 years

~4.9 RUB BN

Revenue Share Invested in Research and Development

>10 %

Research Personnel

440+ EMPLOYEES

PhD and DSc-level experts in the Group's network

200+

Active Use of **Artificial Intelligence (AI)** accelerates lead compound identification and market launch of innovative medicines

Biopharmaceutical Research Programs

Collaboration with leading research institutes in Russia and abroad

Scientists from top Russian and international universities and research institutes participating in working groups

100+

Accelerated **Technology Transfer**

Use **of QSAR methods,** molecular docking, and chemoreactome analysis

Achievements of the R&D Center are recognized with multiple **awards and honors**

Scientific Collaborations Focused on Breakthrough Solutions

Scientific collaboration is a key component of PROMOMED's innovation strategy. In partnership with leading universities, research institutes, and clinical centers, the Group implements initiatives to develop and introduce cutting-edge solutions in core therapeutic areas. This cooperation accelerates the launch of next-generation medicines, enhances the scientific validity of developments, and helps to build sustainable competitive advantages in the market.

In 2024, PROMOMED continued its participation as an industrial partner and strategic and technological advisor in the establishment of Russia's first Federal Center for Biotechnology Development, aimed at localizing critical stages in the development of biopharmaceuticals.

Group experts have been invited to join the Council for the Development of the Intellectual Property Management System, established in 2024 under the auspices of the Ministry of Industry and Trade of the Russian Federation, as well as other expert advisory bodies focused on fostering pharmaceutical innovation in the country.

Examples of Scientific Collaborations

Research Center	Contribution to development
M. Lomonosov Moscow State University	Development of peptide-based medicines for the treatment of diabetes and obesity
Institute of Biomedical Problems (IBMP), Russian Academy of Sciences, Department of Space Biology	
N. Gamaleya National Research Center for Epidemiology and Microbiology	Innovative anti-infective agents
Pasteur Research Institute of Epidemiology and Microbiology, St. Petersburg	
Tver State University	Preclinical studies of innovative medicinal products for autoimmune diseases
V. Orekhovich Research Institute of Biomedical Chemistry	Integration of bioinformatics methods into medicine development to determine optimal chemical structures and create best-in-class products (oncology, HIV)
SCIENTIFIC COMPLIANCE	Preclinical studies conducted using an innovative high-tech instrument developed in-house by the Company, enabling the simulation of medicinal product behavior under conditions close to those in the human gastrointestinal tract. This approach made it possible to bring a multiple sclerosis medicine to market in an optimally short timeframe
MSU Research Institute of Mitoengineering LLC	Development of unique preclinical models for hard-to-heal wounds
N. Blokhin National Medical Research Center of Oncology, Ministry of Health of the Russian Federation	Research on relevant cell lines of innovative original antitumor medicinal products
National Medical Research Radiological Center, Ministry of Health of the Russian Federation	

> Close collaboration with leading research centers enables the integration of fundamental scientific advances into practical solutions for the development of high-demand medicinal products.

Viktoriya Shcherbakova
Medical Director, PROMOMED

Research Center	Contribution to development
S. Spasokukotsky City Clinical Hospital	Clinical trials of new medicinal products
Ryazan State Medical University named after Academician I. Pavlov	
Kirov State Medical University	
Ivanovo Clinical Hospital	
Infectious Clinical Hospital No. 1, Moscow Department of Health	
Voronezh Regional Clinical Hospital No. 1	
Russian Medical Academy of Continuous Professional Education, Ministry of Health of the Russian Federation	
National Medical Research Center for Therapy and Preventive Medicine, Ministry of Health of the Russian Federation	
Endocrinology Research Center –National Medical Research Center for Endocrinology named after Academician I. Dedov, Ministry of Health of the Russian Federation	
N. Ogarev Mordovia State University	
Institute of Chemical Biology and Fundamental Medicine, Siberian Branch of the Russian Academy of Sciences	

Bioethics

PROMOMED adheres to the concepts of enhanced pharmaceutical quality and bioethics, implementing advanced research technologies recognized by the EAEU[1], FDA[2], and EMA[3].

For example, confirmation of enhanced pharmaceutical quality through the biowaiver[4] procedure enabled the Group in 2024 to bring to market an effective, safe, and high-demand medication Cladribine for multiple sclerosis (with a market volume exceeding RUB 3 billion in Russia) without conducting lengthy and costly human studies.

The use of a comprehensive set of in vitro studies and the innovative pharmaceutical research method Phenomaster (a fully automated system for recording all activities and vital functions of laboratory animals, including changes in fat mass, calorimetry, gas exchange, and more) in the development of Queensenta® (INN: semaglutide) and Enligria® (INN: liraglutide) enabled the Group to shorten development stages, clearly demonstrate the advantages of its next-in-class medicinal products, and become the first to bring high-quality, in-demand treatments to market in 2023.

[1] Eurasian Economic Union.
[2] U.S. Food and Drug Administration.
[3] European Medicines Agency.
[4] Biowaiver — a biopharmaceutical study conducted in media simulating physiological conditions, modeling the dissolution, absorption, and distribution of a medicinal product in the body.

Principles of Ethical Animal Use

PROMOMED adheres to the 3Rs principles of ethical animal use:

Replacement

Reduction

Refinement

By applying the 3Rs principles, the Group significantly reduces the overall number of animals used, lowers costs, and improves the quality of research data.

The principle of replacement is implemented through the active use of in silico[5] methods and a wide range of in vitro[6] technologies.

Computer modeling methods make it possible to eliminate non-viable compounds before testing on living organisms and help shorten development timelines.

The Group also utilizes advanced research technologies based on cell cultures and tissue models (in vitro), which accelerate the process and increase the probability of turning a molecule into a registered medicinal product to as high as 80%.

[5] In silico — “in silicon.” The term refers to studies conducted using computer modeling and simulations.
[6] In vitro — “in glass.” The term refers to studies conducted outside of living organisms, in laboratory settings.

The principle of reducing the scope of animal-based research is upheld through the adoption of advanced preclinical methods that are recognized as best practices globally.

The principle of refinement involves improving the quality of experimental procedures through the active use of non-invasive techniques and enhancing animal housing conditions. A key component in implementing this principle is thorough statistical planning.

Modern in vivo[7] imaging and monitoring technologies (visualization, telemetry systems, optical diagnostic methods, and others) greatly expand the possibilities for non-invasive and minimally invasive studies.

[7] In vivo — “within a living organism.” The term refers to studies conducted on animals or humans.

Pharmaceutical Development Stage

PROMOMED specialists, working in close collaboration with leading research institutions, carefully select the optimal dosage form and composition of excipients to achieve the desired parameters of efficacy and safety. All quality aspects — from API stability to patient convenience — are addressed as early as the dosage form development stage.

Pharmaceutical development is initiated in parallel with the Proof of Concept stage, which increases the efficiency of the medicinal product development process.

Technology Transfer

Technology transfer in the pharmaceutical industry plays a critical role in ensuring the quality, safety, and efficacy of medicinal products. It is a controlled process of transferring production technology and quality control methods from the laboratory stage to commercial manufacturing. This stage requires strong technological expertise and can become a limiting factor in bringing a new product to market.

The goals of technology transfer include:

- scaling up laboratory technologies and analytical methods to industrial production
- ensuring a validated, high-performance process with consistent manufacturing and product quality parameters
- optimizing the cost of the finished medicinal product
- ensuring uninterrupted supply of the finished medicinal product

Thanks to its dedicated technology transfer center, PROMOMED efficiently transfers and scales up manufacturing processes for both APIs and finished dosage forms, including both small-molecule and biotechnological medicinal products.

Technology transfer enables the Group to:

- accelerate time-to-market for medicinal products
- improve product quality through accurate replication of developed methods in production
- reduce costs through optimized scale-up processes

Technology Platforms

The Group has developed a range of technology platforms that streamline the development and market launch of innovative medicinal products.
The implementation of these platforms makes it possible to create production technologies for APIs and finished medicinal products based on established processes. This ensures the Group's high adaptability to new pharmaceutical development challenges.

This approach not only accelerates the market entry of new medicines but also improves the return on R&D investments, contributing to the Group's overall leadership in the pharmaceutical market.

Technology Platform — a structured set of technologies designed to optimize the development and market launch of new medicinal products.

Examples of Technology Platforms Accelerating Medicine Development and Launch

Technology Platform	Description	Examples of Platform Products	Properties / Outcomes
RNA Platform	Biopharmaceuticals based on RNA technologies	Radamin® Viro Interferon inducers in various forms	• Induction of three types of early interferons with pronounced antiviral, antibacterial, and anti-inflammatory properties • Improved safety profile
ADC Platform	Conjugation of a monoclonal antibody with a chemical agent via a specific linker	4 innovative oncology medicines	• Optimized development of ADC therapies targeting specific molecular markers • Contract manufacturing capabilities
RNA Virus Therapy	Targeted treatment of RNA viruses (COVID-19, influenza, major types of ARVI, and others)	Areplivir® Molnupiravir	• Development program for universal medicines with high efficacy against RNA viruses (including seasonal and pandemic pathogens)
Peptide Technologies	Synthesis of APIs based on peptide molecules	Ambervin® Pulmo Enligria® Queensenta® Welgia® Tirzetta®	• Peptide-based medicines with defined physicochemical, stereochemical, and biological properties

Biocatalytic Synthesis	Optimization of synthesis and increased API purity	Tacrolimus
		Cladribine
		Dapagliflozin
		Empagliflozin
			• Lower API production costs through:
			  • elimination of multi-stage final product purification
			  • precise spatial configuration of the molecule

Innovative Platform for the Development of Peptide-Based Medicines

PROMOMED has developed its own innovative technology platform for creating peptide-based medicinal products through chemical synthesis and enantioselective isolation of the active pharmaceutical ingredient. One of the key advantages of chemically synthesized peptide medicines is the absence of protein impurities, which enhances the safety profile of such medicines compared to their biotechnologically produced counterparts.

Using this platform, PROMOMED developed the first peptide-based medicines in Russia for the treatment of obesity and diabetes based on liraglutide, semaglutide, and tirzepatide (Enligria®, Queensenta®, Welgia®, Tirzetta®). These products successfully replaced their foreign analogues and provided patients in Russia with the access to the world's leading therapeutic options.

Advantages of the Developed Platform for Peptide-Based Medicines

Precision and Purity	Directed peptide synthesis enables precise control over peptide sequences, ensuring high purity and accuracy — particularly critical for the medical use of medicinal products
Modifiability	Unlike biotechnological systems, synthetic peptides can be easily modified to enhance their therapeutic properties
No Biological Constraints	Synthetic synthesis is not limited by biological systems, allowing for the creation of peptides that cannot be produced in living organisms. Peptides obtained through chemical synthesis contain no microbial by-products and carry no risk of immunogenic reactions
Manufacturing Flexibility	Synthetic methods support production at various scales — from small research batches to industrial volumes — as they are independent of microbial strain productivity and enable consistent scalability

Clinical Trial Stage

PROMOMED strictly complies with regulatory requirements and Good Clinical Practice (GCP) standards when conducting clinical trials — both for new medicinal products and for existing ones in order to expand indications.

The Group adheres to a transparency policy for trial results, publishing data in both Russian and international peer-reviewed journals and making information publicly available in international clinical trial registries.

The geography and list of sites hosting clinical trials cover nearly all regions of the country.

Close collaboration between leading research centers and the business sector enables the practical application of cutting-edge scientific advances and methodological approaches. This strengthens PROMOMED's leadership in the pharmaceutical market and builds trust among healthcare professionals and patients.

International Clinical Trial Registry

The largest study in global endocrinology

PROMOMED was one of the first companies in Russia to introduce large-scale non-interventional studies in real-world clinical practice, which continuously expand the body of data on how medicinal products are used across diverse patient populations.

The Group conducted the PrimaVera study, which included over 100,000 patients with obesity.

The study not only confirmed the efficacy and safety of the original medicinal product Reduxin®, but also introduced practical algorithms for the rational treatment of obesity in Russia.

The study results were published in the prestigious international journal Obesity Facts.

For several years, PROMOMED has been the leader in Russia in both the number and quality of clinical trials conducted. Each year, the Group carries out several dozen clinical trials across different phases.

Creation of an intellectual property portfolio that ensures effective protection of the Company's innovations and brands is a key element in strengthening its market leadership and increasing its investment appeal.

Maria Porokhnya
Director of Intellectual Property, PROMOMED

Intellectual Property Protection Stage

PROMOMED invests significantly in developing intellectual leadership. The Group holds strong positions among the leading biopharmaceutical companies in Russia and is steadily expanding its international presence.

Patent protection is the key tool for safeguarding PROMOMED's intellectual property. The Group has one of the most effective specialized patent teams in Russia, delivering high quality and successful outcomes in patent-related work.

This team includes:

- Certified Russian patent attorneys
- Certified Eurasian patent attorneys
- Intellectual property lawyers

In 2024, PROMOMED obtained 20 Russian and Eurasian patents and filed 46 patent applications in Russia and abroad. The Group continues to demonstrate steady growth in the number of intellectual property assets, contributing to an increase in intangible assets and ensuring effective protection of its innovative developments from competitors.

Special focus is placed on selecting new product names and registering trademarks. As of the end of 2024, the number of registered PROMOMED trademarks reached 550, up by 164 from the previous year. Active brand expansion and protection of packaging design elements further enhance the distinctiveness of the Group's products and reinforce its market position.

Elements of PROMOMED's corporate identity — such as its Telegram channel and career guidance program Pharma Is Love, as well as the slogan Creating innovation, anticipating the future, finding solutions — have been registered as trademarks alongside the Group's logo. This ensures legal protection and strengthens brand recognition.

A **patent for a medicinal product** is a document granting exclusive rights to the inventions (technical solutions) used in a given medicinal product for a period of 20 years (with the possibility of extension to 25 years in certain cases).

A **trademark** is a designation used to distinguish a particular product or service. It is most often represented as a wordmark, image, or combination of the two. The primary purpose of a trademark is to ensure brand uniqueness and provide protection for the manufacturer's brand.

75

patents were held by PROMOMED as of the end of 2024

a 27% increase compared to 2023

Developed trade secrets (technological innovations, certain synthesis and purification methods, analytical techniques) are protected as know-how in accordance with the Group's policy.

Given the ongoing uncertainty around ensuring the healthcare system's access to high-demand well-known medicinal products, the Group is expanding its core portfolio with next-in-class medicinal products based on established modern medicines used to treat socially significant diseases or those previously unavailable on the Russian market.

Ongoing development of the core portfolio is accompanied by the strengthening of the Group's capabilities in protecting its rights through litigation.

The Group's involvement in intellectual property litigation contributes to redefining the boundaries of monopoly rights that have developed over years of "big pharma" domination in the Russian market. These legal disputes carry no risk for the Group and, if successful, provide a legal basis for the commercialization of its products.

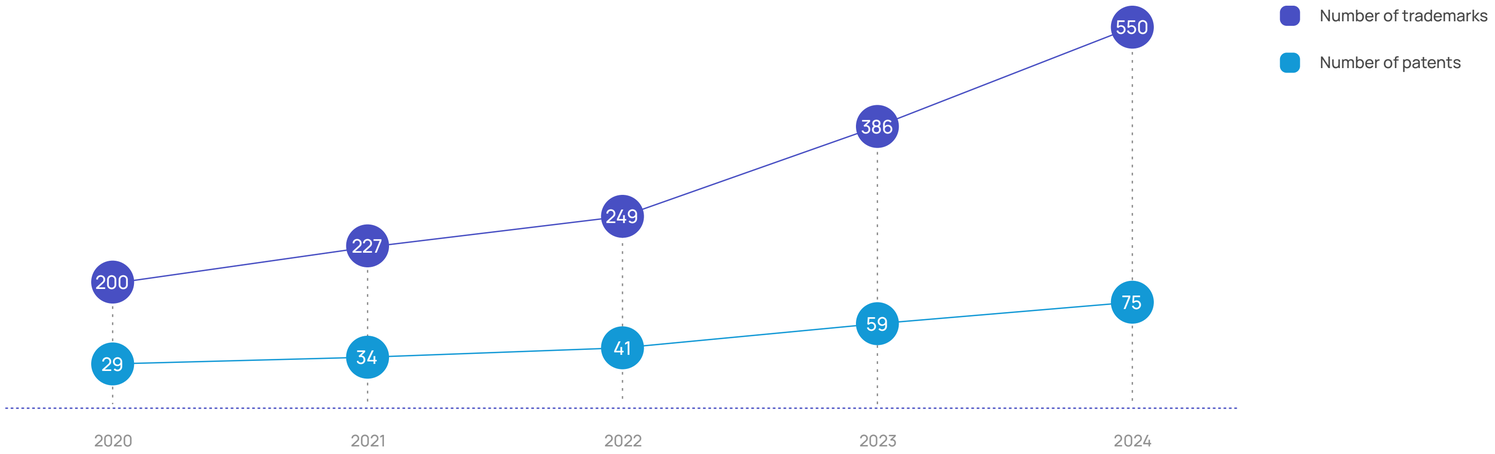
As a result, medicines currently procured at inflated monopoly prices will become accessible to Russian patients.

The Group's achievements in this area were recognized with an award in the special IP[1] Disputes category at the IP Russia Awards 2024.

[1] IP — intellectual property.

Number of intellectual property assets

items



Partnerships in the field of intellectual property protection

PROMOMED collaborates with the Center for Promoting Advanced Technologies of Rospatent (CPAT), which helps improve the quality of patent applications, ensures faster patent issuance, and strengthens patent resilience in case of cancellation attempts by competitors before the Chamber for Patent Disputes.

The Group actively contributes to the development of the intellectual property field in Russia. PROMOMED's specialists are members of the Council for the Development of the Intellectual Property Management System under the Ministry of Industry, Science, and New Technologies of the Republic of Mordovia and are regularly invited to participate as experts in various events, expert councils, and competitions.

In 2024, the Group's experts were invited to serve on the judging panel of a student competition held as part of the IP Russia Awards. Attracting talented young professionals to the industry is one of the Group's strategic priorities. Winners in the Innovative Personalized Solutions in Biomedicine and Development of High-Tech Medicinal Chemistry and Pharmaceutical Technology categories were offered internship opportunities at PROMOMED companies.

The Group's specialists are also business partners of the Moscow Innovation Cluster and provide industry consultations on innovative pharmaceuticals and biotechnologies upon request.

Marketing Authorization

The Group obtains marketing authorizations within the scheduled timeframes and in line with its strategy to launch innovative and import-substituting medicinal products.

After a manifold expansion of its core portfolio between 2020 and 2023, PROMOMED shifted its focus toward innovation, concentrating on medical research and the development of next-generation original medicinal products.

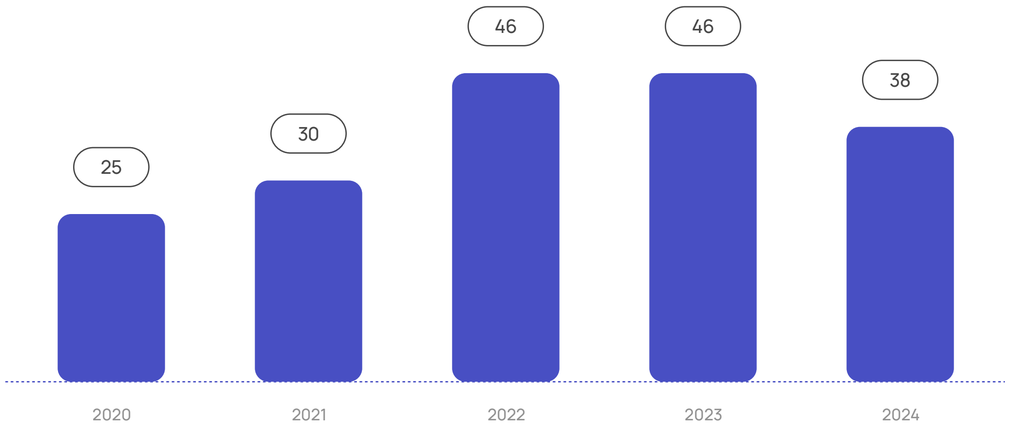
PROMOMED is the leader in the number of marketing authorizations and new product developments within the EAEU. At the same time, the Group is expanding the number of marketing authorizations in both CIS and non-CIS countries. In 2024, marketing authorizations were obtained for 38 medicinal products, including for export markets.

High performance in marketing authorization activities is supported by efficient processes that are continuously improved.

The Group has established seamless transfer of key information between R&D and regulatory functions, which in turn ensures high operational speed. All existing processes and documentation are standardized to enhance the quality of the registration dossier. Regulatory activities are logged in databases and trackers and visualized through dashboards.

New marketing authorizations

no. of items



A **marketing authorization** is an official document issued by a country's competent authority, confirming that a medicinal product complies with regulatory requirements for quality, efficacy, safety, and the benefit–risk ratio. It grants the right to market the medicinal product within the country.

38

medicinal products received marketing authorizations in 2024, including for export markets

Pharmaceutical Manufacturing

PROMOMED operates a full-cycle pharmaceutical manufacturing process—from active pharmaceutical ingredient (API) to finished dosage form.

The Group owns a large pharmaceutical production cluster that operates in full compliance with the EAEU Good Manufacturing Practice (GMP) international standards.

Good Manufacturing Practice (GMP) is an international standard that sets requirements for the manufacturing and quality control of active pharmaceutical ingredients and medicinal products for human and veterinary use.

The Group's main manufacturing asset is the Biokhimik plant. The plant manufactures medicinal products in ten dosage forms: tablets, capsules, injectable powders, ampoule solutions, vial solutions, lyophilizates, sachets, ointments, gels, and rectal solutions. The plant also carries out biotechnological production, chemical synthesis, and microbiological synthesis of APIs.

PROMOMED Production Cluster

Biokhimik Plant (Saransk)

A full-cycle manufacturing facility, from API to finished dosage form.

Production is licensed and certified to GMP standards.

215 MILLION

packages per year – production capacity[1]

[1] Normalized calculation based on 10 dosage units per package (e.g., tablets, capsules, ampoules, ointment tubes, etc.).

1952 — year of establishment

1959 — start of manufacturing operations

22 ha — production area

2,000 m² — laboratory area

6 production workshops

15 production units

10 dosage forms

Berachim Plant (Obninsk, Obolensk settlement)

The facility specializes in the development and production of intermediates and active pharmaceutical ingredients (APIs), both chemical and biotechnological.

Production is licensed and certified to GMP standards.

APIs have been developed at the plant under contracts with major international and domestic companies, including Bayer, PVP Labs Ltd, Pharmbioprom LLC, Sotex JSC, and others.

2005 — year of establishment

3,200 m² — production area

30+ APIs developed and registered

Production capacity:
15.8 tons of APIs per year

Biokhimik — 65 Years of Leadership and Innovation

1959
November 5

Launch of the first penicillin production line

1961

Start of industrial production of streptomycin

1962

Penicillin production reached full design capacity

Exports began to nine countries

1967

Commissioning of blood substitute production. Start of manufacturing for Polyglukin and Ferroglyukin

1969

Development of a unique technology for obtaining 6-aminopenicillanic acid (6-APA), forming the basis for second-generation antibiotic production technologies

1987

The plant was converted into a pharmaceutical manufacturing complex

New production capacities for penicillin were launched using Italian technology

1992

Transformed from a state-owned enterprise into Biokhimik JSC

1994

Launch of new production units for finished dosage forms (tablets)

2015

PROMOMED acquired a controlling stake in Biokhimik JSC. A large-scale modernization program began, including the launch of a new tablet and capsule production unit

PROMOMED breathed new life into the legacy, traditions, and team of Biokhimik

2018

Resumed development and implementation of microbiological synthesis technology for antibiotic APIs

2020

Launch of the first Russian-made medicine for COVID-19 treatment

2021–2022

Launch of production for antitumor medicines and HIV treatments

2022

Launch of a fully automated tablet production facility

2023

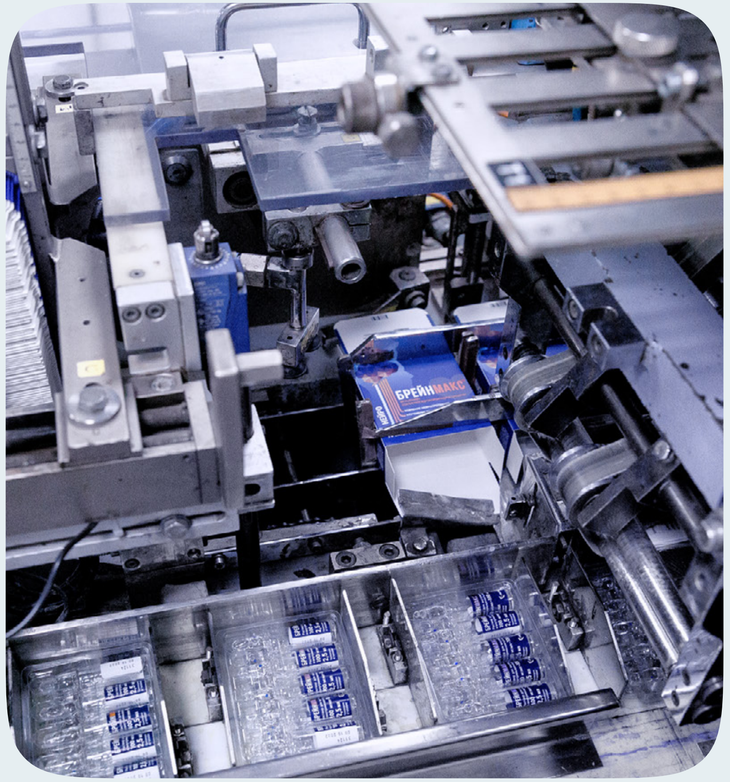
Launch of one of the country's largest API manufacturing facilities

2024

In November 2024, Biokhimik celebrated its 65th anniversary

Production Infrastructure of the Biokhimik Plant

The Biokhimik plant's manufacturing infrastructure includes six workshops equipped with state-of-the-art high-tech equipment from leading global manufacturers such as Marchesini Group, Bosch, IMA, Rota, CosMec, Sejong, Truking, Tofflon, and others.



Workshop	Examples of production lines and dosage forms	Year commissioned	Area, m²	Annual manufacturing capacity
No. 3	Manufacturing of injectable antibiotics, tablets, and capsules, including: • production of β-lactam antibiotic APIs • tablet compression, coating, and encapsulation • manufacturing of injectable antibiotics	1960	3,108	• 12 tons of APIs • 95.3 million injections • 432 million tablets
No. 8	Manufacturing of finished medicinal products in ampoules, including: • production of ampoule solutions • production of vial solutions and lyophilizates (to be launched in 2025) • manufacturing of pre-filled syringes	1965	3,612	• 170 million ampoules • 4.3 million vials of solutions and lyophilized products • 26.9 million pre-filled syringes
No. 9	Production of analgesics, anti-infective agents, and anticoagulants, including: • preparation of ointments (including rectal solutions) • manufacturing of tablets and capsules • tablet and capsule production line No. 2	1966	5,019	• 18.7 million ointment tubes • 1.4 billion tablets
No. 19	Production of antitumor medicinal products, including: • manufacturing of APIs from chemical raw materials • biotechnological API production, including a platform for RNA-based drugs • manufacturing of solutions and lyophilized forms	2019	1,904	• 12.5 tons of APIs (from chemical raw materials) • 1.2 kg of APIs (RNA-based) • 672 thousand to 1.5 million vials of lyophilized products
No. 20	API manufacturing, 7 production lines for the manufacturing of antibiotics, anti-infective agents, muscle relaxants, and antitumor medicinal products	2023	882	340 tons

[1] Due to the absence of demand for the workshop's products, it was used for process development of new medicinal products.

Compliance with High Manufacturing Standards Confirmed in 2024

In 2024, the Biokhimik plant successfully passed inspections by both Russian and international regulators: it confirmed compliance with EAEU GMP standards, expanded its EAEU license to include new types of activities (such as work with blood-derived medicinal products) and the manufacturing of several new dosage forms (such as extended-release intramuscular suspensions).

As part of the Group's export expansion strategy, the Biokhimik plant successfully passed an audit by the Ministry of Health of the Republic of Iraq, confirming that its production of a wide range of in-demand oral and injectable dosage forms meets international GMP requirements.

The Biokhimik plant also obtained an EAEU license and GMP certificate for the production of veterinary medicinal products. The development of several veterinary treatments has been completed, and the market authorization process is currently underway. High-demand treatments for companion animals are scheduled for market launch in 2025. The target market for veterinary medicines exceeds RUB 11.5 billion and is growing at a strong double-digit pace.

Our goal is to build a modern, safe, and efficient manufacturing system aligned with best international practices. Since 2022, the Biokhimik plant has been operating production lines with automated process control systems that minimize human intervention, increase labor productivity, and reduce the risk of human error.

In December 2024 – January 2025, the plant launched a pre-filled syringe production line with a capacity of 12,000 syringes per hour.

Aleksandr Rudko
Chief Operating Officer, Biokhimik JSC

One of the Biokhimik plant's key development priorities is the continuous improvement of its quality management system for the development, manufacturing, storage, and distribution of medicinal products in accordance with current international quality standards.

The plant undergoes both scheduled and unscheduled audits on a regular basis, as well as inspections by government regulatory authorities.

For more information on quality assurance in production, see the Product Quality, Efficacy, and Safety section.

Production Infrastructure of the Berakhim Plant

Workshop / Unit	Examples of production lines	Area, m²	Annual production capacity, kg
Workshop No. 1	Fine organic synthesis	460	8,000
Workshop No. 2	Pharmaceutical substances from biological and animal raw materials, peptide-based substances	700	6,000
Workshop No. 3	Oncology-related substances	200	100
Workshop No. 4	Heparin	1,130	480[1]
Unit No. 1	Cosmetic peptides, orphan substances	120	5
Unit No. 3	Hemostatic agent (Aeroxitan)	60	1,200
Unit No. 4	Quality control department	120	–
Unit No. 5	Warehouses, mechanical workshop	–	–
Unit No. 6	Microbiological production of Ruzam	280	30

[1] Annual production capacity is scheduled to increase to 1,500 kg in 2025.

Production of Active Pharmaceutical Ingredients (APIs)

Thanks to its in-house API production, medicinal products at the Biokhimik plant are manufactured through a full-cycle process, ensuring a high level of cost control and significantly reducing risks associated with external API sourcing.

In 2023, Biokhimik launched one of the country's largest API production facilities, with an annual capacity of 340 tons across 150 types of APIs. The facility includes seven production lines, two of which synthesize molecules for oncology medicines. Other lines produce molecules for synthetic antibiotics, antiviral and antiretroviral medicines, and muscle relaxants. The launch of the new facility has enhanced access to medicinal products for Russian patients.

In 2024, PROMOMED completed the modernization of production lines in Workshop No. 20 at the Biokhimik plant.

Active Pharmaceutical Ingredient (API) — a medicinal product in the form of one or more active substances with pharmacological activity, regardless of their origin, intended for the manufacture of medicinal products and determining their efficacy.

Petr Bely
Chairman of the Board of Directors, PROMOMED

The development of in-house API production paves the way for obtaining a greater number of innovative molecules, enabling us to reduce dependence on imports and establish a full-cycle pharmaceutical production within the country. Ensuring Russia's security in all its dimensions requires domestic API synthesis as much as space exploration.

The future of PROMOMED is closely tied to biotechnologies. The Group's strategy envisions a significant increase in the number of biotechnological medicinal products in the portfolio and continued development of infrastructure to support their large-scale manufacturing.

The Biokhimik plant operates a full-cycle biotechnological production facility for the development of new antibiotic APIs and RNA-based substances — from the original producer strain to the finished dosage form, enabling the reliable supply of essential medicines to patients with complex infectious diseases. The facility also has the capacity to expand API output should demand increase.

Growth driver — PROMOMED's investment in ARTCELLENCE[1]

PROMOMED is one of the key investors in the new biotechnology company ARTCELLENCE. The company's primary focus will be the development and full-cycle production of biotechnological medicinal products for the treatment of cancer, autoimmune disorders, and other socially significant diseases. PROMOMED holds a 49% equity stake. ARTCELLENCE will operate at the Pechatniki and Alabushevo sites of Technopolis Moscow SEZ JSC.

The mission of ARTCELLENCE LLC is to supply the Russian healthcare system with modern genetically engineered medicinal products of domestic origin for the treatment of serious and socially significant diseases.

[1] ARTCELLENCE is not included in the Group's IFRS consolidated financial statements.

In 2024, new manufacturing equipment was installed at the Biokhimik plant to expand RNA-based API production.

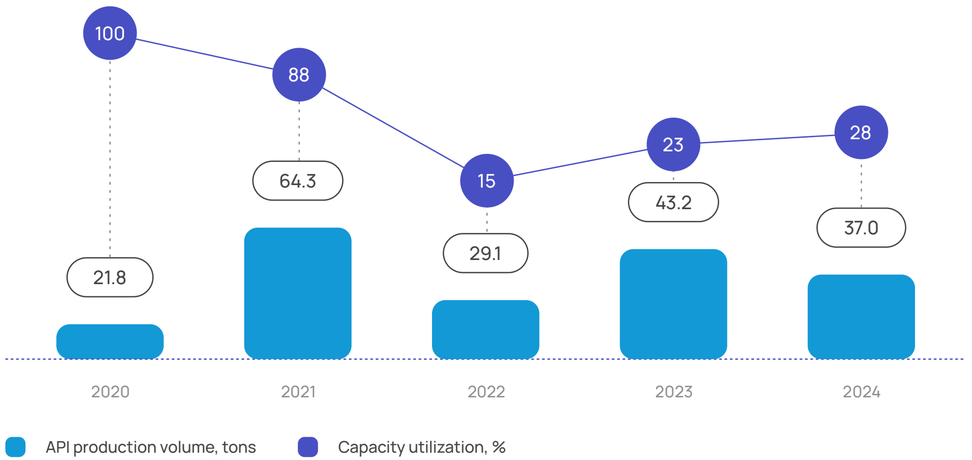
Thanks to this equipment and enhanced process technologies, the biotechnological production of RNA-based APIs increased twofold.

A slight decline in API production volumes at the Biokhimik plant in 2024 compared to 2023 was due to the transition to the production of new innovative and more profitable APIs and finished products.

This shift enabled the expansion of the product range based on in-house API manufacturing.

The lower capacity utilization rate in 2022 resulted from the launch of additional production lines, which increased manufacturing potential and secured production needs for up to seven years. Production volumes in 2021 were primarily driven by demand for COVID-19 treatments.

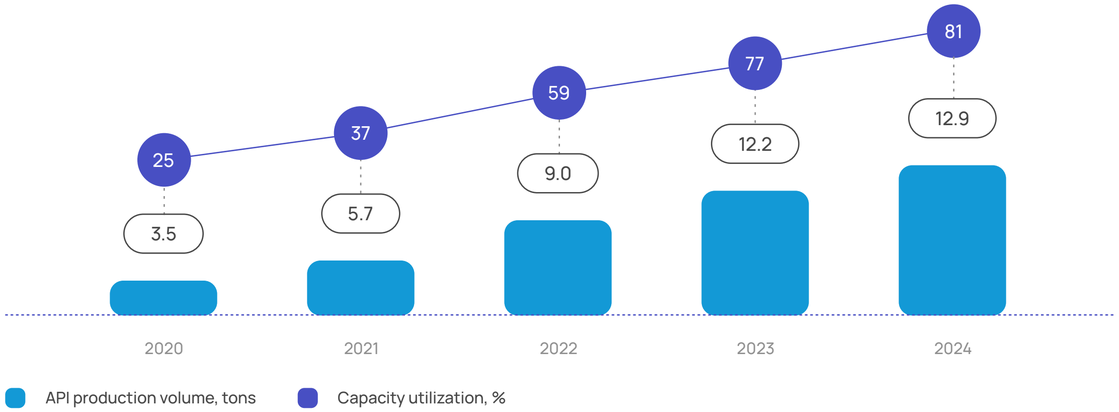
API Production Volumes and Capacity Utilization at the Biokhimik Plant



Biotechnological production refers to the industrial application of biological processes and agents involving highly efficient microbial strains and plant or animal cell and tissue cultures with targeted characteristics.

A producer strain is a microorganism (typically a bacterium, yeast, or mammalian cell) capable of synthesizing a target substance — such as an active pharmaceutical ingredient, protein, enzyme, or other biologically active compound — used in the manufacture of a medicinal product.

API Production Volumes and Capacity Utilization at the Berakhim Plant



Production of Finished Dosage Forms

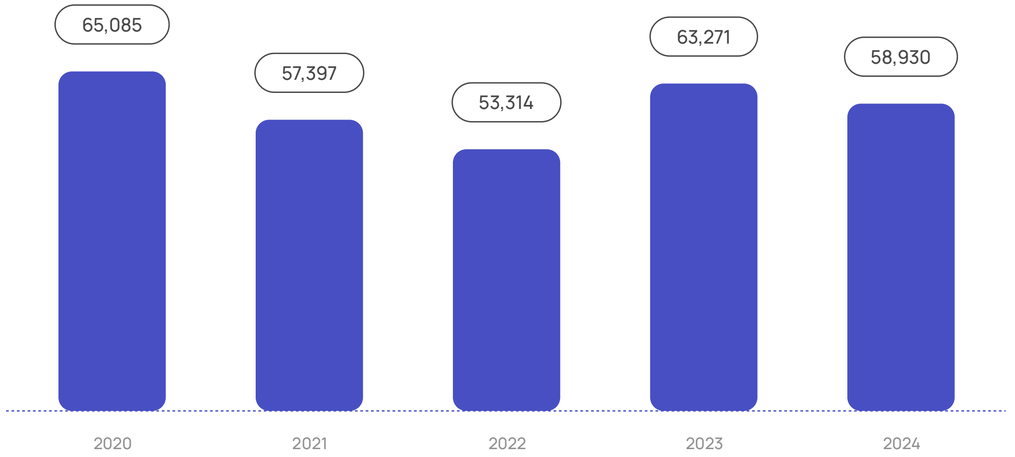
PROMOMED has the capacity to manufacture an exceptionally broad range of finished medicinal products. The Group's medicines are used across therapeutic areas such as endocrinology, oncology, neurology, infectious disease treatment (including anti-infective agents and antibiotics), general therapy, and others.

A finished dosage form is the final pharmaceutical product intended for direct patient use. It refers to the form in which the medicinal product is administered or applied and which ensures the desired therapeutic effect.

The Biokhimik plant features a high-tech tablet and capsule manufacturing facility. A key feature of the manufacturing complex is the fully automated process of tablet mass preparation, which eliminates the need for manual intervention at any stage. Raw materials are loaded via an automated vacuum transfer system into the tablet mass preparation equipment. The operator then selects a pre-programmed tablet mass recipe with preset process parameters and initiates the production process.

The entire process is carried out without human involvement, minimizing the risk of error, increasing labor productivity, and ensuring the safety and efficacy of the finished medicinal products for patients.

Volume of Medicinal Products Manufactured (Growth after COVID-19)
thousand packages

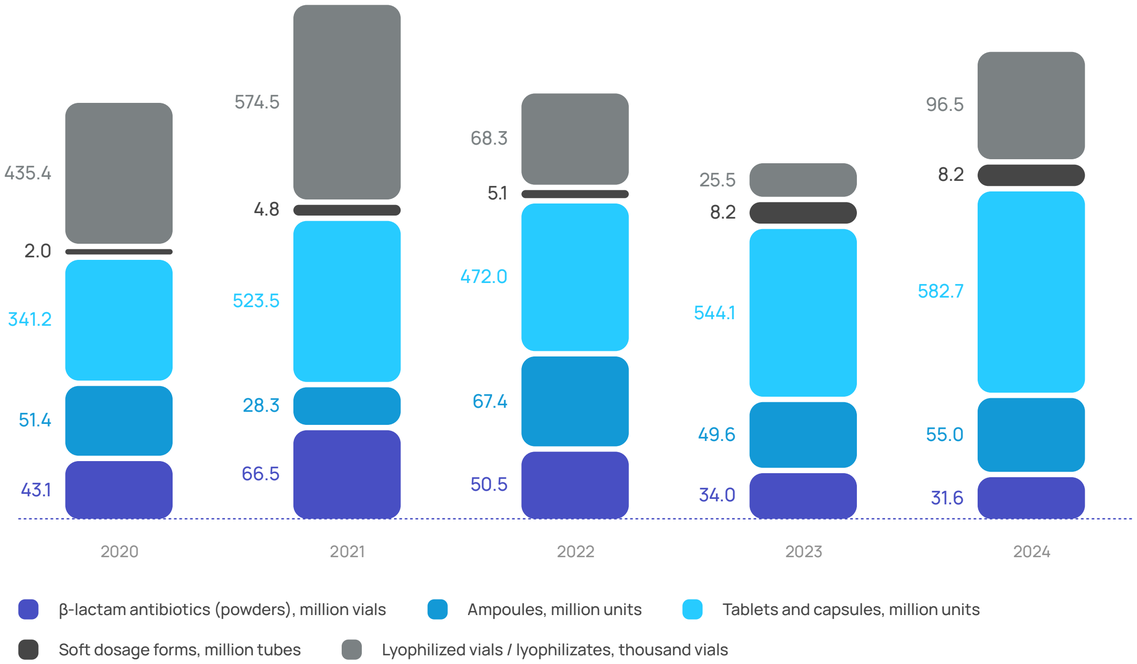


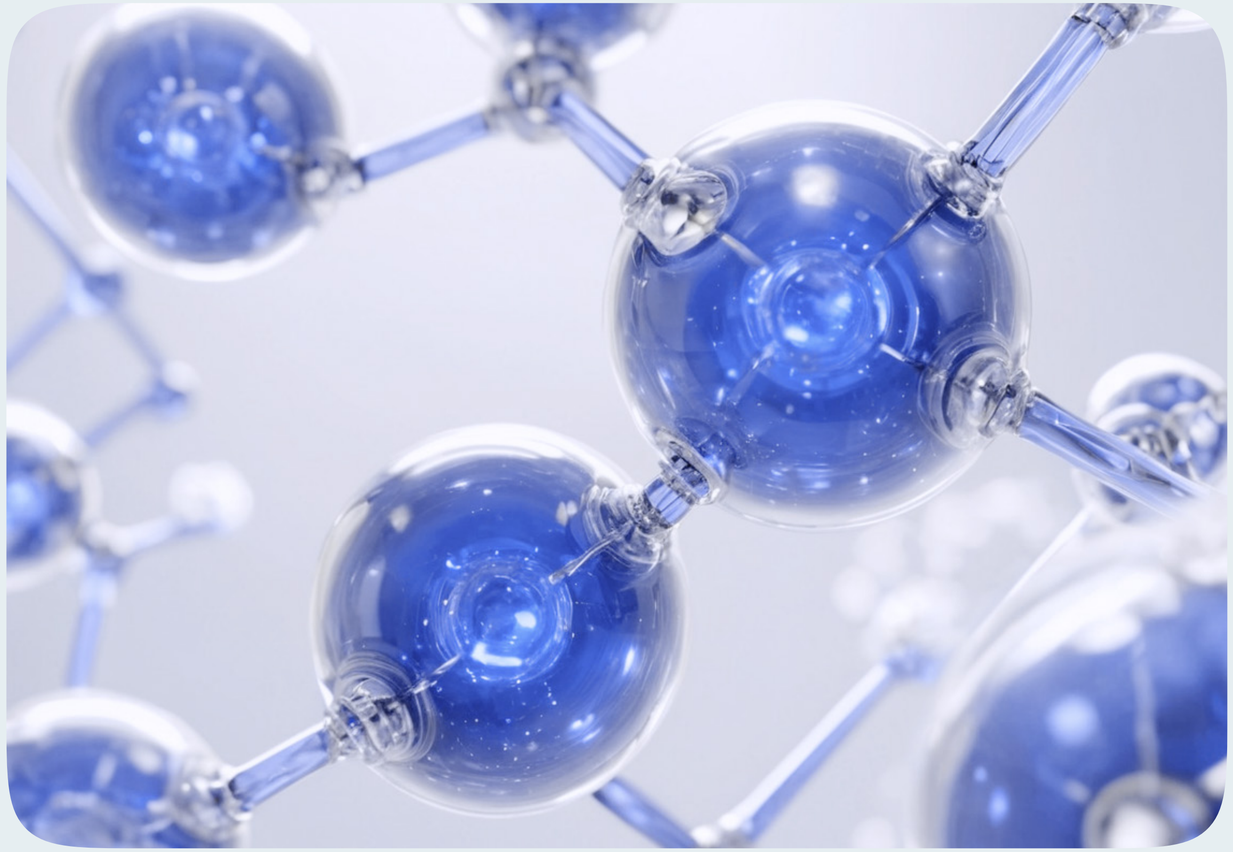
In 2024, Biokhimik completed the construction and commissioning of the pre-filled syringes production unit. Commissioning of the solution production unit was also completed.

In 2024, the increase in average capacity utilization for ampoules, injectable preparations, and soft and oral dosage forms was driven by changes in the product portfolio, productivity gains from process scale-up, and the installation of additional equipment.

The decrease in average capacity utilization for lyophilized products was due to the development of new medicinal products requiring longer lyophilization cycles. The increase in vial production capacity utilization was driven by an expanded product range and growing demand.

Volume of Finished Dosage Form Production





Contract Manufacturing

In the pharmaceutical industry, contract manufacturing refers to the practice whereby a client company (brand owner) entrusts the production of medicinal products to a specialized manufacturer with the necessary licenses, infrastructure, and expertise to ensure compliance with regulatory requirements.

Through contract manufacturing, PROMOMED expands its product range, enhances employee competencies, and adopts new analytical methods and production technologies. As part of its contract manufacturing activities, PROMOMED produces medicinal products in ampoules as well as in tablet, capsule, emulsion, and suspension forms, across therapeutic categories such as antibiotics, hormonal medicines, and anesthetics.

In 2024, contract manufacturing accounted for 42% of the total volume of medicinal products produced at PROMOMED's manufacturing facilities. In addition, the Group's own medicines were contract-manufactured by partner companies. These included Enligria®, Welgia®, Queensenta®, Reduxin® Light, and other dietary supplements.

PROMOMED collaborates with many leading global and Russian pharmaceutical manufacturers in the contract manufacturing segment, including Binergia JSC, Lancet JSC, Inkampharm LLC, R-Opra LLC, among others. The Group is committed to maximizing the localization of essential treatments in Russia and improving their availability for patients.

PROMOMED plans to further expand its contract manufacturing footprint, increase the range of ampoule (suspension) solutions and vial solutions, and introduce one ampoule-based concentrate and four tablet-form medicines.

Contract manufacturing is a form of outsourcing in which a company commissions the production of its products at a third-party manufacturer's facilities.

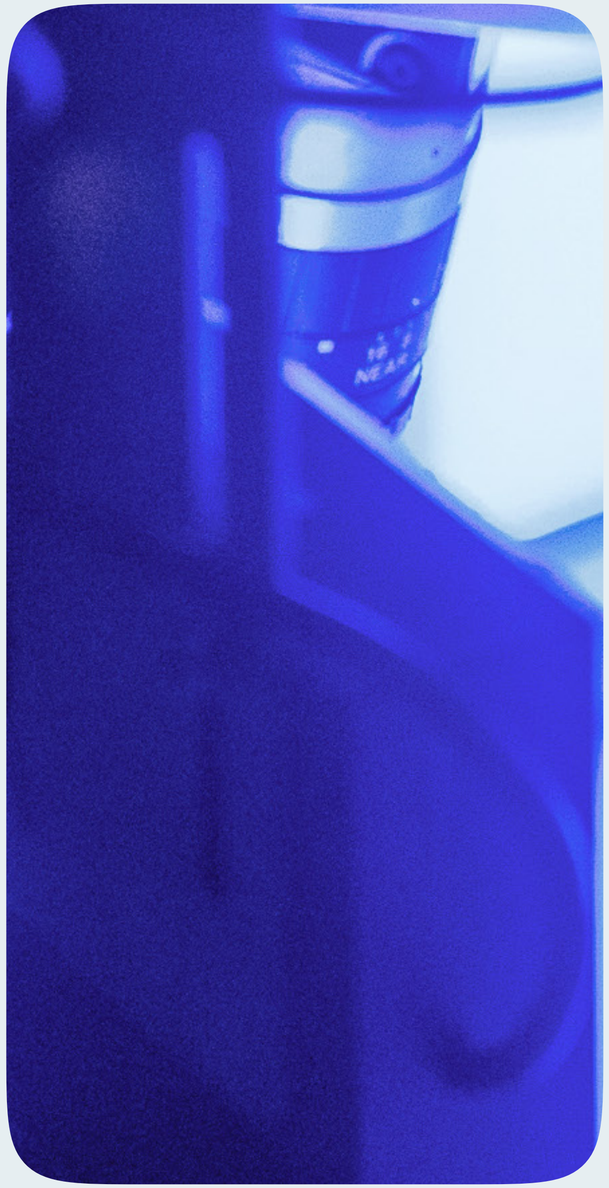
Quality and Compliance with Standards

Contract manufacturing of medicinal products requires strict adherence to all technological processes and quality standards established by the client company. All products are manufactured in accordance with the applicable regulatory and technical documentation, while also meeting the client's specific technical requirements.

The contract manufacturing process involves thorough preparatory work — both documentary and practical — including the signing of a quality agreement for the manufactured products. Responsibility for quality control of the manufactured products, inspections, and other related activities remains with the client company.

All necessary quality standards — including GMP, ISO, and GOST — are upheld in contract manufacturing of medicinal products.

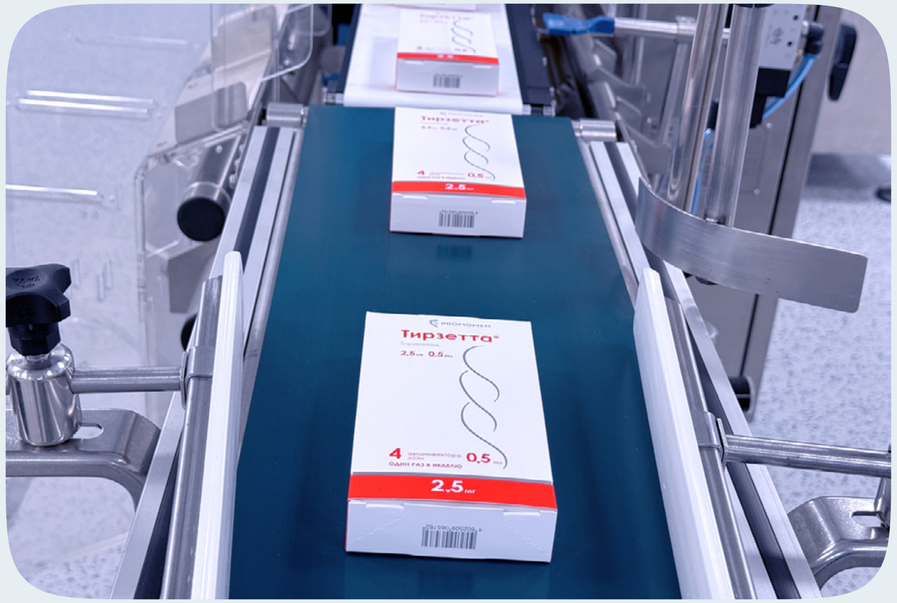
Contract manufacturing enables pharmaceutical companies to expand their product portfolios, accelerate time to market, and optimize costs.



Marketing and Sales of Medicinal Products

The pharmaceutical market is a dynamic and highly competitive environment. In implementing its marketing strategy, PROMOMED places strong emphasis on key factors such as regulatory requirements governing the circulation of medicinal products and ethical business practices, and on this basis, has developed its own unique model for promoting its medicinal products to ensure their successful commercialization.

The Group's promotional and marketing activities are carried out in compliance with Federal Law No. 61-FZ "On the Circulation of Medicines" and Federal Law No. 38-FZ "On Advertising."



PROMOMED's Marketing Strategy

Marketing support helps enhance brand recognition and drive sales of medicinal products.

Marketing approaches in the pharmaceutical industry vary depending on the category of medicinal products (prescription vs. over-the-counter), market segment (public procurement vs. commercial), and target audience (B2B or B2C). Promotional materials for each medicinal product must be based solely on scientifically proven facts and clinical practice data and must include information on indications, contraindications, and side effects.

The Group's marketing strategy is based on a comprehensive approach that combines a wide range of tools and methods to promote its products. The choice of communication channel depends on the target audience of the marketing activity. The end consumers of pharmaceutical products—patients — fall into the B2C group. The B2B group includes physicians, members of the scientific and professional communities, procurement centers, pharmacists, patient organizations, and advocacy groups. Pharmaceutical distributors, pharmacy chains, and online pharmacies are also among the target audiences, with other digital platforms additionally relevant for over-the-counter products.

The success of a pharmaceutical brand is primarily built on three key pillars:

1. Proven efficacy of the medicinal product
2. Demonstrated use in clinical practice and healthcare professionals' trust in the manufacturer
3. Physical availability of the medicinal product for patients

All communications between PROMOMED representatives and members of the medical community or patients are carried out in strict adherence to ethical principles and in full compliance with applicable laws and regulations.

Lyudmila Kovalchuk
Director of Marketing and Sales, Endocrinology

Segments of the Pharmaceutical Market and Marketing Tools for Promoting Medicinal Products

Pharmaceutical Market

Public procurement segment

purchases through open electronic auctions for subsidized medicine provision to hospitals, outpatient clinics, and departmental institutions

Commercial segment

sales through pharmaceutical distributors to pharmacy chains and retail pharmacies

Prescription medicinal products

Over-the-counter medicinal products

Marketing Tools

- Direct communication between the Group's representatives and physicians and pharmacists
- Awareness campaigns via mass media
- Publications in specialized press
- Awareness campaigns on specialized digital platforms
- Cooperation with scientific and professional communities
- Participation in professional events: conferences, seminars, training programs, etc.

Additionally:
public advertising on television and digital platforms

Successful Market Launch of New Medicinal Products

In 2024, PROMOMED launched 26 new medicinal products, including Welgia® (INN: semaglutide), a treatment for obesity of any severity. Its sales reached nearly RUB 1 billion in the first month after launch. Another launch was Rivaroxaban, a product intended for the prevention and treatment of thrombosis, with sales of approximately 320,000 packages and revenue exceeding RUB 1 billion in its first year of commercialization.

A milestone event for the Group after the reporting period was the market launch of Tirzetta® (INN: tirzepatide) in February 2025. PROMOMED became the first company on the Russian pharmaceutical market to develop an innovative medicinal product based on tirzepatide, marking a breakthrough in medical, scientific, and technological terms.

In 2025, PROMOMED plans to launch eight more innovative products from its key portfolio. Medicinal products for the treatment of endocrine, oncological, viral, neurological, and orphan diseases — as well as over-the-counter analgesics — are in the final stages of marketing authorization.

Market launch of a medicinal product — a sequence of actions aimed at introducing a new medicine into commercial circulation, accompanied by medical marketing activities to communicate the product's properties and benefits.

Tirzetta®

PROMOMED Тирзетта® Тирзепатид

The first Russian medicinal product based on tirzepatide for the treatment of obesity and type 2 diabetes.

Core Portfolio

Medicinal products held by PROMOMED as of its IPO in July 2024, along with newly launched products that deliver double-digit growth at peak levels.

Key Portfolio (Pipeline)

Innovative medicinal products scheduled for market launch between 2025 and 2030 that will have the greatest impact on the Group's financial performance, ensuring strong double-digit sales growth.

See the Product Development and Marketing Authorization section for more details on the Group's medicinal product pipeline.

Evolution Index by Product

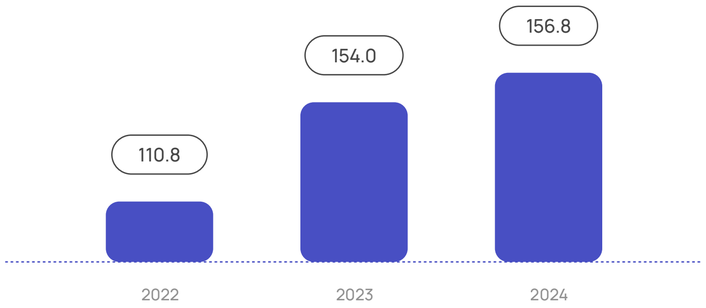
The effectiveness of PROMOMED's integrated approach to marketing strategy implementation is evidenced by the high Evolution Index (EI) of its medicinal products.

As of the end of 2024, the Evolution Index of the Group's medicinal products stood at approximately 157, confirming that PROMOMED's medicinal products are significantly outpacing the growth of their relevant markets. Moreover, the Group's index itself increased by 2.8 p.p. compared to the previous year.

Evolution Index (EI)

Calculated to assess the market progress of a company's product and/or product portfolio, this metric reflects the product's growth rate relative to that of the corresponding market. A value above 100 indicates by how many percentage points the product or portfolio is outpacing the market.

Dynamics of PROMOMED's Evolution Index[1]



[1] Excluding VIRO (COVID-19 treatments). Index calculation began in 2022.

Growth of the Group's medicinal products in 2024 significantly outpaced the growth of relevant markets

Therapeutic category	2024 EI	Comment
Endocrinology	142	Outpaced the growth of relevant markets by over 42 p.p. across 8 INNs
Oncology	149	Outpaced the growth of relevant markets by 49 p.p. across 24 INNs
Other products from the Group's core portfolio	129	Outpaced the growth of relevant markets by 29 p.p. across 155 INNs

Effective promotion and commercialization of medicinal products in the commercial segment

The commercial (retail) segment does not involve government participation in ensuring patient access to essential medicinal products. However, the commercialization of medicinal products remains subject to government regulation, including partial price control.
All stakeholders involved must operate in full compliance with applicable laws and regulations, hold the necessary licenses for distribution and sale of medicinal products, maintain proper transaction records, ensure tax compliance, adhere to pricing regulations for medicines on the Essential Drug List (EDL), ensure full traceability of each product package from production to patient purchase through the Drug Circulation Monitoring System (DCMS), etc.

Key stakeholders involved in the promotion and commercialization of medicinal products in the commercial segment

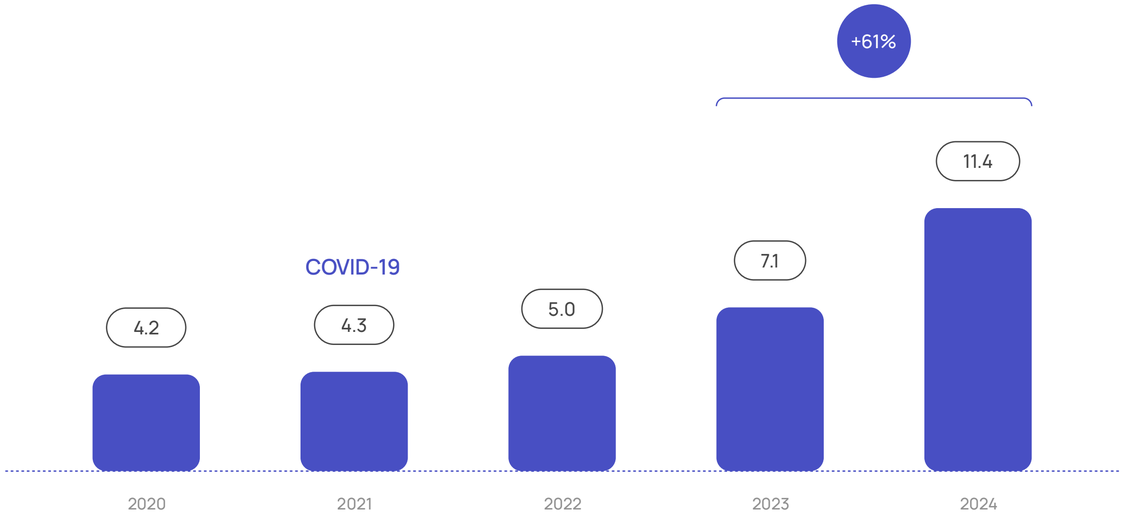
- Medicinal product manufacturers
- Wholesale distributors
- Retailers and pharmacies
- Patients

Ilya Bardin-Denisov
Chief Operating Officer, PROMOMED

We are steadily strengthening and expanding our presence in key therapeutic areas by launching high-tech products and actively developing additional commercial channels, including a variety of online promotion formats.

PROMOMED's Sales Dynamics in the Commercial Segment[1]

RUB billion



[1] According to the Company's management reporting.

PROMOMED's Commercial Policy and Engagement with Distributors

Ensuring patient access to medicinal products, along with maintaining the reputation of a manufacturer of innovative, safe, and high-quality medicines, are the core goals of PROMOMED's commercial operations.

To ensure a transparent, non-discriminatory, and impartial approach to cooperation with current and potential distributors — and to safeguard the Group's economic, financial, and legal interests as well as its business reputation — PROMOMED has adopted a Commercial Policy.

The main goal of the Commercial Policy is to establish consistent principles for working with commercial partners in the distribution of products across the Russian Federation, and to mitigate potential risks that could have adverse legal, reputational, or financial consequences. Based on these criteria, PROMOMED's partners include the leading national and regional distributors, as well as the largest pharmacy chains.

The share of sales in the commercial segment accounted for 53% of PROMOMED's total revenue, amounting to RUB 11.4 billion.

Prescription Medicinal Products

PROMOMED develops, manufactures, and promotes advanced medicinal products across various therapeutic areas.

Marketing strategies — for example, those used to promote endocrinological medicines for obesity and diabetes treatment — are tailored to the specifics of each condition. PROMOMED effectively implements an integrated marketing strategy.

11.4 RUB BN

Group sales in the commercial segment in 2024

Over-the-Counter Medicinal Products

Promotion of over-the-counter (OTC) medicinal products is carried out in strict compliance with the law on pharmaceutical advertising and requires a delicate financial balance between television advertising, digital tools, collaboration with pharmacy chains, educational marketing, and other approaches. The main goal of OTC promotion is to foster awareness, trust, and convenience of choice for the patient.

When selecting and purchasing an OTC medicinal product, patients often rely on their own experience, as well as recommendations from pharmacists and/or physicians. Promotion of such products typically targets two groups simultaneously: patients (B2C) and pharmacists/pharmacy chains (B2B).

PROMOMED employs a wide range of promotional tools for over-the-counter medicinal products, tailored to market specifics and strict regulatory constraints. The effectiveness of the Group's marketing strategy in this segment is evidenced by the strong sales growth of key products in this category.

Engagement with Pharmacy Chains and Online Sales

Pharmacy chains play a key role in ensuring public access to essential medicinal products and remain the primary retail distribution channel.

In recent years, the Russian pharmacy market has shown a trend toward consolidation, with the largest chains expanding their footprint by increasing the number of retail outlets. This enables them to streamline procurement and logistics processes while offering patients a broader product range.

PROMOMED has cooperation agreements with over 50 pharmacy chains and pharmacy associations and maintains long-standing partnerships with all of the TOP 20 pharmacy chains, including 36.6, April, Vita, Implozia, Neopharm, Planeta Zdorovya, Rigla, Pharmland, Erkapharm, and others.

In 2024, the number of pharmacies selling the Group's medicinal products increased by 14% year-on-year, reaching 66,500 outlets.

The most popular category of PROMOMED medicines in pharmacy chains continues to be weight management medicines. The biggest contributors to the Group's pharmacy sales growth in 2024 included Queensenta®, Enligria®, Welgia®, Reduxin®, Ambene® Bio, and others.

In 2024, the Group focused on expanding the physical distribution of its medicinal products to improve their availability in pharmacies.

This expansion was supported by activities aimed at increasing shelf depth to ensure longer continuous availability of the product at the point of sale, as well as improving turnover in pharmacies where the products are presented. Particular attention was given to strengthening e-commerce distribution channels, where demand for specialized and high-cost medicines intended for long-term use is traditionally high.

PROMOMED closely monitors the availability of its medicinal products for patients. Agreements with pharmacy chains include provisions to maintain the required level of product distribution. Where necessary, they may specify a list of pharmacies where the product must remain continuously available to meet potential consumer demand. When it comes to pricing, the Group considers multiple factors, including the product category (e.g., EDL medicines), price segment, and brand recognition among consumers. Pricing is also part of pharmacy chains' strategies, which PROMOMED's commercial policy flexibly accommodates.

PROMOMED places a strong emphasis on training pharmacists and pharmacy technicians. In coordination with pharmacy chains, the Group regularly initiates centralized training programs organized by the chains themselves. Particular focus in these sessions is placed on familiarizing pharmacy staff with newly launched medicinal products.

A pharmacy chain SKU (Stock Keeping Unit) is a unique identifier assigned to each item in the pharmacy's product range for the purposes of inventory management, stock control, and sales analytics. In the pharmaceutical sector, an SKU is assigned to each dosage form, strength, and packaging option of a medicinal product, enabling pharmacy chains to efficiently track inventory, streamline logistics, and forecast demand.

The Group leverages all available data sources to enhance the effectiveness of its pharmacy sales channel: pharmacy chain reports, distributor reports, data from the Drug Circulation Monitoring System (DCMS), and external pharmacy market analytics (IQVIA, AlphaRM, DSM). These data form the basis for managing and monitoring sales, distribution, and product turnover. To assess the effectiveness of pharmacy sales, the Group uses KPIs such as distribution, shelf depth, continuous shelf presence, SKU turnover in pharmacies, ROI, and others.

PROMOMED is actively expanding its online pharmacy sales (e.g., Apteka.ru, EAPTEKA, Zdravcity), as well as sales through online platforms of major pharmacy chains. In 2024, online sales accounted for 21% of the Group's total pharmacy sales, up from 17% in 2023[1].

[1] According to DSM.

Effective Promotion and Distribution of Medicinal Products in the Public Procurement Segment

PROMOMED's medicinal products for the treatment of oncological diseases, HIV infection, hepatitis, obesity, and diabetes are included in the Clinical Guidelines of the Ministry of Health of the Russian Federation, treatment standards, regional clinical and methodological recommendations, and are procured through public tenders.

PROMOMED operates strictly within the legal framework and in full compliance with current legislation. As the Group does not have its own logistics infrastructure for direct deliveries across the Russian Federation, PROMOMED does not engage in direct sales of medicinal products to end customers. Promotion of the Group's medicinal products in the public procurement segment is carried out through direct contracts with the most reliable, transparent, and responsible distributors, who independently participate in tenders and possess the necessary logistical capabilities to supply medicinal products to end users across the Russian regions.

In 2024, PROMOMED expanded its direct engagement with distributors to increase coverage of key customers. In 2024, the Group also continued to expand its communications with stakeholders in the public procurement segment of the pharmaceutical market, including professional and patient associations, as well as decision-makers responsible for preparing applications for medicinal product supply.

PROMOMED's future plans include further expanding its presence in the public procurement segment, promoting the quality of its medicinal products, and using available communication tools to build trust in the Group's products among market participants.

10 RUB BN

PROMOMED's sales in the public procurement segment in 2024

In the public procurement segment, the Group's objectives include:

- Developing a positioning strategy for the public procurement portfolio
- Calculating and monitoring performance targets
- Assessing market demand for the Group's medicinal products and generating corresponding production orders
- Conducting direct sales to regional distributors to address additional requests outside of volume agreements
- Engaging with key opinion leaders to promote product quality and leveraging available communication tools to strengthen trust in the Group's products among market stakeholders

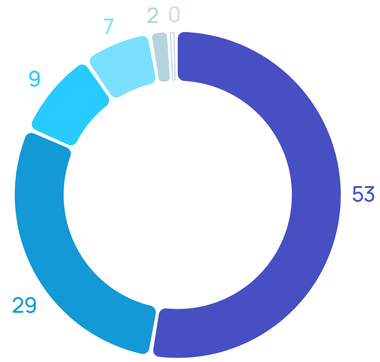
> PROMOMED aims to strengthen its leadership in the public procurement segment by enhancing the accessibility and quality of its medicinal products and fostering the sustained trust in the Group's brand through transparent dialogue with all stakeholders in the professional community.

Irina Vashkina

Director of Marketing and Sales, Public Procurement Channel, PROMOMED

PROMOMED's Sales Breakdown by Therapeutic Category in the Public Procurement Segment in 2024[1]

%

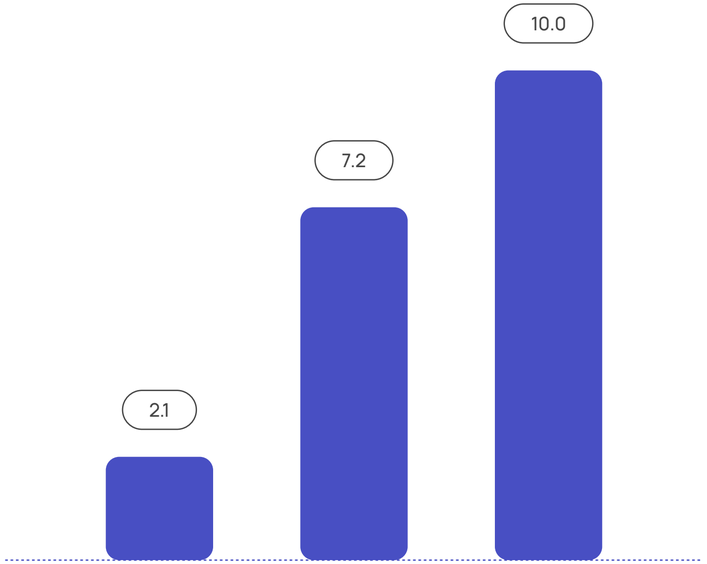


Oncology
General therapy
Anti-viral agents
Antibiotics
Neurology
Endocrinology

[1] According to the Company's management reporting.

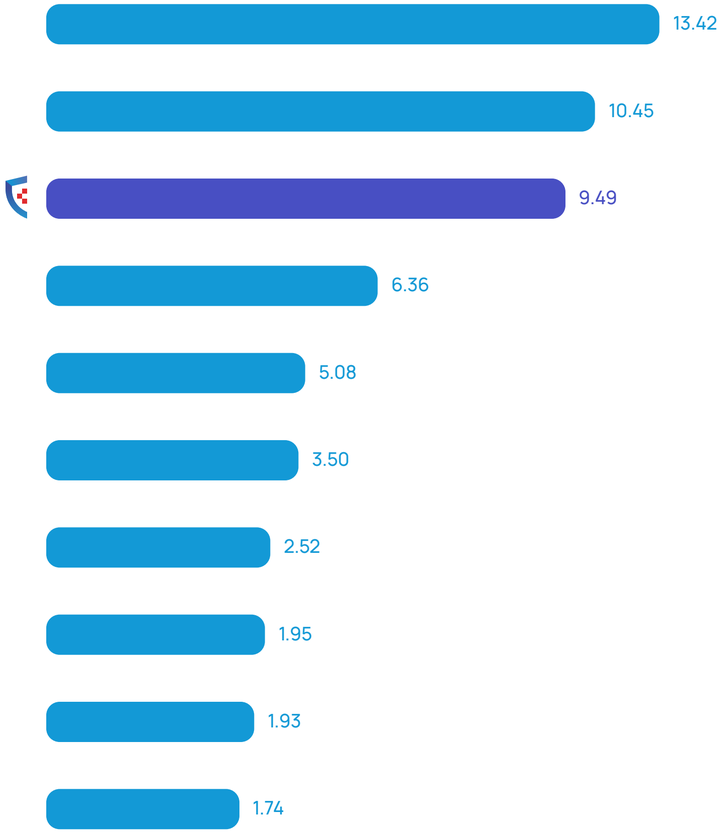
PROMOMED's Sales Dynamics in the Public Procurement Segment (excluding revenue from COVID-19 treatments, based on the Company's management reporting)

RUB billion



TOP 10 Manufacturers in the Public Procurement Segment (in the Group's relevant market) by market share[2]

%



[2] According to IAS Zakupki. Based on signed contracts under Federal Laws No. 44-FZ and No. 223-FZ.

×4.8 TIMES

increase in PROMOMED's sales in the public procurement segment over three years

3rd RANKING

among the TOP-10 manufacturers in the public procurement segment of the relevant market as of the end of 2024

Following the implementation of the Second Extra rule[1], the Group enjoys preferences in tenders for strategically important medicines, which supports the achievement of the Group's target market share.

In an increasingly competitive environment, PROMOMED continuously implements initiatives to enhance manufacturing efficiency and optimize sales strategies for medicinal products in the public procurement segment. However, the most effective protection against price erosion comes from the market launch of innovative medicines, those with complex technological production chains, and the synthesis of proprietary active pharmaceutical ingredients (APIs) for the manufacturing of finished dosage forms.

Since 2024, the Group has participated in a pilot project for API traceability in local synthesis. Starting in September 2025, confirmation of full-cycle pharmaceutical production will be handled exclusively through an electronic tracking system for API synthesis. As a participant in the API traceability pilot, PROMOMED has made its API preparation and synthesis processes as transparent as possible for oversight purposes, while carefully documenting the compliance of all electronic systems used with the requirements of government platforms. The Group systematically expands its list of synthesized APIs and full-cycle medicines, aligns its development roadmap with the updated list of strategically important medicines, and continues to improve synthesis technologies and manufacturing regulations for full-cycle pharmaceutical products.

In the public procurement segment, PROMOMED is deliberately expanding its sales portfolio to include high-tech medicinal products, which typically face lower competitive pressure.

[1] For more details, see the Market Overview section.

Export Sales of Medicinal Products

PROMOMED is developing its export operations to CIS and non-CIS countries and is consistently expanding its international presence. The Group's innovative portfolio and high quality standards for pharmaceutical products provide a solid foundation for sustainable growth in foreign markets.

The Group's total export sales increased by 56% compared to 2023, reflecting growing interest in PROMOMED's innovative products abroad.

PROMOMED's export portfolio includes antibiotics, obesity treatments, anti-infective agents, oncology products, medicines for the central nervous system and musculoskeletal system, and other high-demand pharmaceutical products.

PROMOMED's export development plans are aligned with the goals of the national Pharmaceutical Industry Development Strategy to 2030 (Pharma-2030) and enable the Group to contribute to unlocking the export potential of the Russian pharmaceutical industry.

Željko Marković
Director of Export Sales to CIS Countries, PROMOMED

Exports to CIS Countries

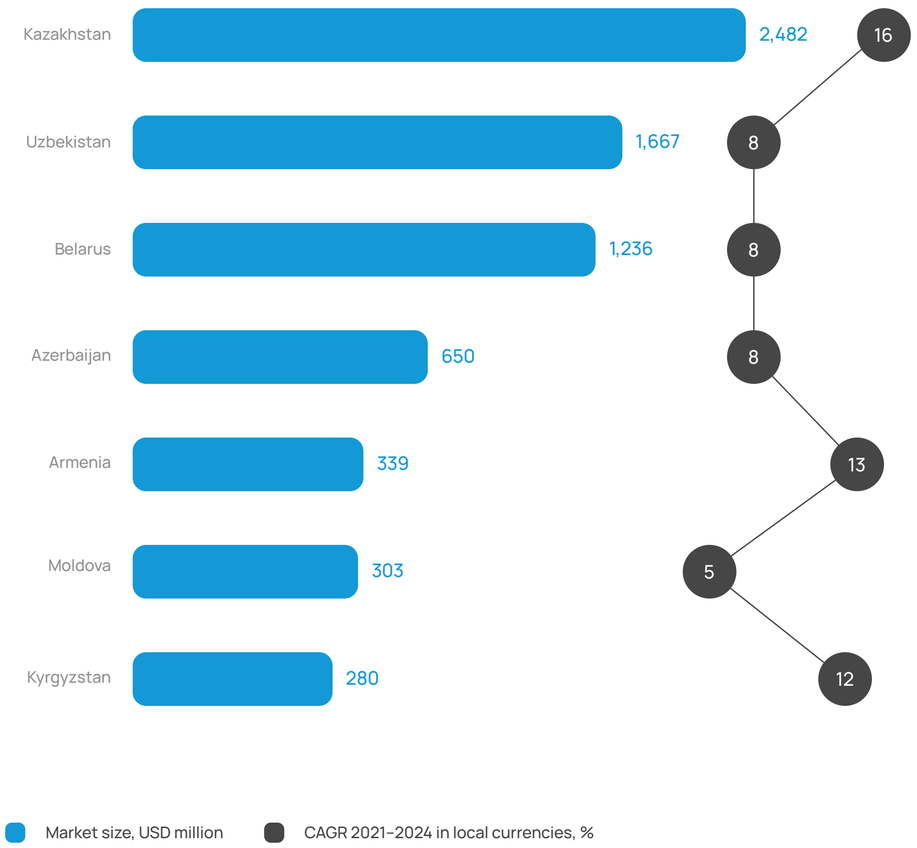
Most CIS countries are experiencing positive pharmaceutical market growth, driven by improvements in both quality of life and life expectancy, rising informed demand for medicinal products, government support for healthcare systems, and expanded reimbursement lists funded by public budgets. At the same time, some countries are tightening regulatory and administrative frameworks, increasing support for domestic manufacturers, and exerting pricing pressure on suppliers — factors that slow down pharmaceutical exports.

As of the end of 2024, the largest pharmaceutical markets in the CIS region (excluding Russia) were Kazakhstan (with a total market volume of USD 2.48 billion), Uzbekistan (USD 1.67 billion), and Belarus (USD 1.24 billion).

A reimbursable medicinal product is one whose cost is partially or fully covered by the government or health insurance system.

Pharmaceutical Markets of CIS Countries in 2024[1]

USD million



[1] Source: IQVIA.

PROMOMED is actively strengthening its positions in CIS markets by adapting its export strategy to local specifics and regulatory environments.

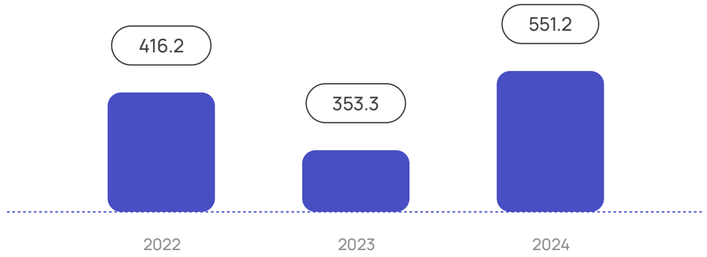
According to management reporting, in 2024 PROMOMED's total exports to CIS countries increased by 56% YoY and amounted to RUB 551.2 million. The most in-demand product category in the Group's CIS exports was antibiotics, which accounted for approximately 90% of all shipments.

Kyrgyzstan (80% of shipments) and Uzbekistan (17%) were the key CIS export destinations in 2024. Medicinal products were also delivered to Azerbaijan (1.3%), Tajikistan (0.9%), and Kazakhstan (0.5%).

In 2024, the Group opened a representative office in Tashkent (Uzbekistan), creating favorable conditions for more effective partner engagement and expanded presence in one of the region's most populous and fastest-growing markets.

PROMOMED's Export Shipments to CIS Countries[2]

RUB million



[2] According to IFRS reporting.

Plans for 2025

In 2025, export volumes to the Uzbek market are expected to grow, supported by the opening of the representative office and the completion of the re-registration of medicinal products in Uzbekistan.

The Group will continue to pursue market authorization of its innovative medicinal products in EAEU and CIS countries, with plans to register more than 20 new products by 2028.

In addition, the Group is exploring opportunities for cooperation and contract manufacturing in CIS countries — primarily in Belarus, Kazakhstan, and Uzbekistan — which could further contribute to the growth of export deliveries.

Export to Non-CIS Countries

Entering high-potential international markets remains one of PROMOMED's strategic priorities. In 2024, the Group continued to expand its presence in non-CIS markets, focusing on the Middle East, as well as East and Southeast Asia.

One of the key milestones of the reporting year was PROMOMED's participation in the tender held by Saudi Arabia's national distributor NUPCO, which resulted in the delivery of over 21,000 packages of the antibacterial medicine Amclav to the Kingdom's healthcare institutions.

To enter international markets, the Group consistently demonstrates the compliance of its manufacturing operations with high quality standards.
In 2024, PROMOMED's Biokhimik facility successfully passed an audit conducted by the Ministry of Health of the Republic of Iraq, enabling the start of the marketing authorization process for antitumor, antibacterial, anti-infective, and neurology medicines.

The total potential export portfolio for Iraq comprises around 300 medicinal products in various dosage forms and strengths. Entry into the Iraqi market opens up new opportunities for PROMOMED to strengthen its international presence and play an important role in a region marked by growing demand for modern medicines.

In 2024, the Group also submitted registration dossiers for several medicinal products to the JFDA[1] of the Hashemite Kingdom of Jordan.

Efforts are underway to register PROMOMED's manufacturing site with the Ministry of Health of Yemen. The Group is currently selecting distribution partners in China.

Thanks to the efforts of the Russia–Vietnam intergovernmental commission, a mutual recognition agreement on GMP certificates was reached in 2024, enabling PROMOMED to begin work on the supply of medicinal products to Vietnam. Dossiers are currently being prepared for the medicinal products selected for supply to Vietnam and other Southeast Asian countries.

[1] JFDA — Jordan Food and Drug Administration.

> The Group supports initiatives aimed at harmonizing international standards and achieving mutual recognition of GMP certificates, viewing this as an important step toward strengthening the global position of the Russian pharmaceutical industry.

Sergey Koyda
Director of Export Sales to Non-CIS Countries, PROMOMED

According to expert estimates, the Iraqi pharmaceutical market has significant growth potential in the coming years. The expected compound annual growth rate exceeds 5% in US dollar terms over the period from 2025 to 2029. The antitumor medicines segment is expected to contribute the most to the overall market growth[2].

The key growth drivers of the Iraqi pharmaceutical market include a rapidly growing population, increasing demand for high-quality medicinal products, and a high import share (around 90%)[3].

[2] According to Statista.
[3] According to Fitch Solutions Iraq Pharmaceuticals Report.

Made in Russia

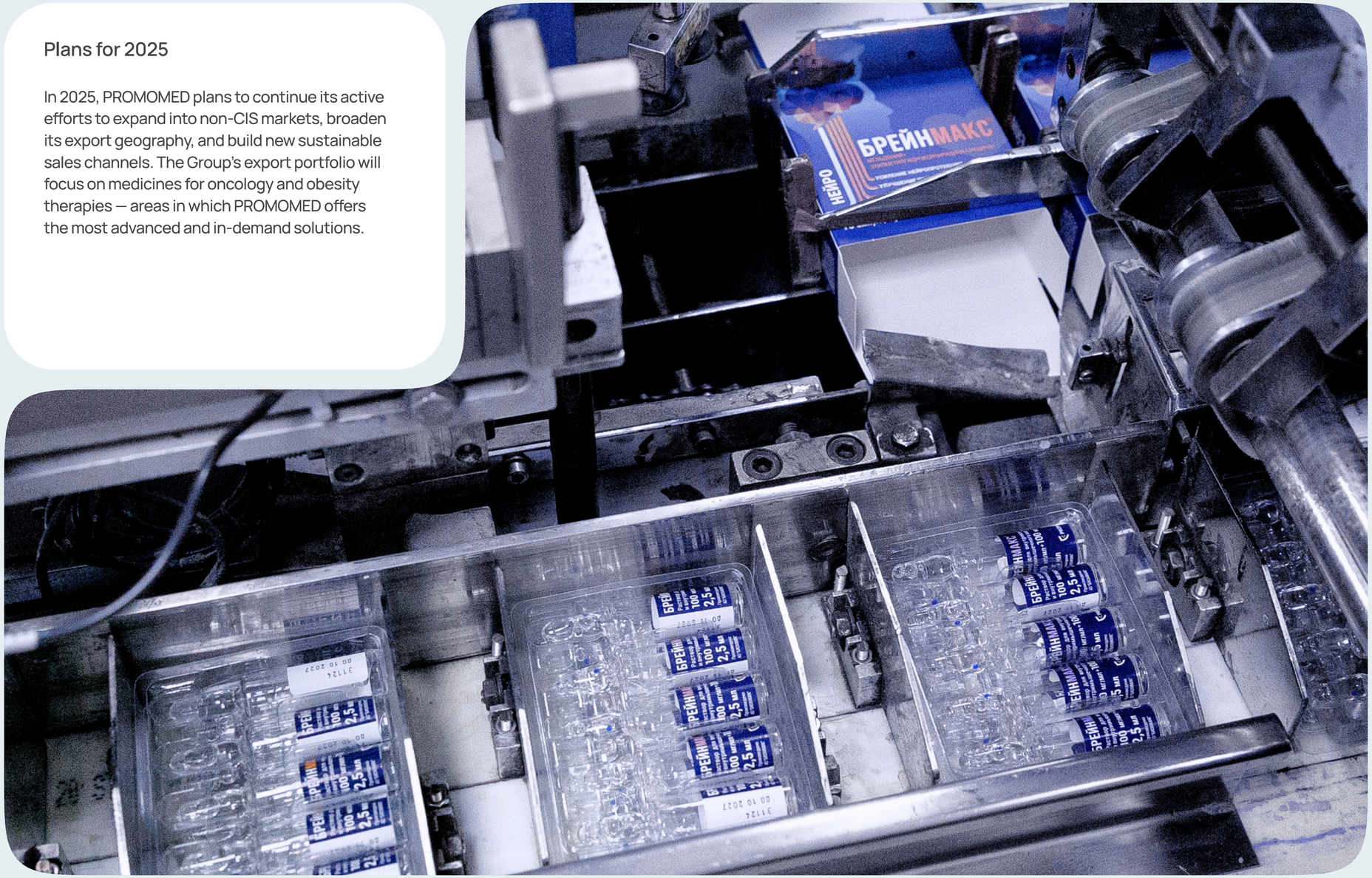
PROMOMED holds the right to use the Made in Russia label, confirming the Group's level of technological maturity and export potential.

The Made in Russia label is granted only to patented products manufactured in Russia and certifies the quality of goods produced by the country's most reliable manufacturers.

Holders of the certificate granting the right to use the Made in Russia label can benefit from preferential terms when conducting patent research through Rospatent, which provides a significant advantage when exporting high-tech products.

Plans for 2025

In 2025, PROMOMED plans to continue its active efforts to expand into non-CIS markets, broaden its export geography, and build new sustainable sales channels. The Group's export portfolio will focus on medicines for oncology and obesity therapies — areas in which PROMOMED offers the most advanced and in-demand solutions.



Information Technology and Digitalization

PROMOMED actively develops digital service infrastructure, implements projects of internal processes digitalization, introduces automation and for predictive analytics tools. Digitalization increases the speed and quality of decision-making across the Group's business units.

Digital Transformation

The goal of PROMOMED's digital transformation is to improve efficiency through a fundamentally new level of data use across all aspects of the Group's operations, as well as the introduction of machine learning and artificial intelligence (AI) technologies to identify emerging trends at their earliest stage.

Digital transformation supports the implementation of PROMOMED's strategy, which includes maintaining high standards of operational efficiency, outpacing market growth with its core portfolio, and expanding therapeutic horizons through innovative solutions.

PROMOMED's digital transformation program consists of four focus areas (portfolios):

Group Management

A complete shift away from Excel and paper-based workflows, combined with the use of data from DCMS[1], IQVIA[2], AlphaRM[3] and other sources for analysis in a unified business intelligence (BI)[4] environment, training of neural networks and next-generation forecasting. Digital technologies allow more accurate management of sales and operations across the Group.

Production Management

Digitization of all processes, improved planning, plan–fact analysis, and precise calculation of actual and planned costs. Digital manufacturing technologies support more efficient planning, supply chain and process control, GMP compliance, and product quality assurance.

Core Information Technologies

Development of infrastructure, network connectivity, and communications, including a proprietary integrated software communication platform.

These technologies are designed to ensure the reliability, security, and efficiency of the Group's IT infrastructure.

R&D Support

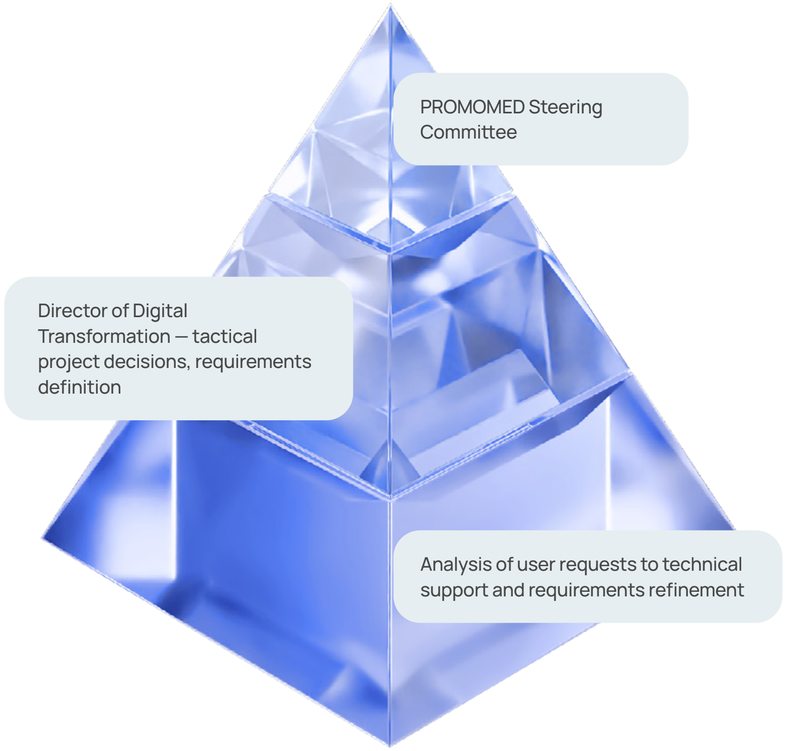
Simulation modeling, machine learning, and semantic analysis of the global scientific knowledge base significantly enhance the speed and efficiency of R&D processes.

[1] DCMS — Drug Circulation Monitoring System.
[2] IQVIA — an international analytics and consulting company specializing in healthcare and pharmaceuticals.
[3] AlphaRM — a healthcare analytics company operating under the name Alpha Research and Marketing.
[4] Business Intelligence — a set of processes and tools used to analyze corporate data and support informed decision-making across the company.

Digital Transformation management Model

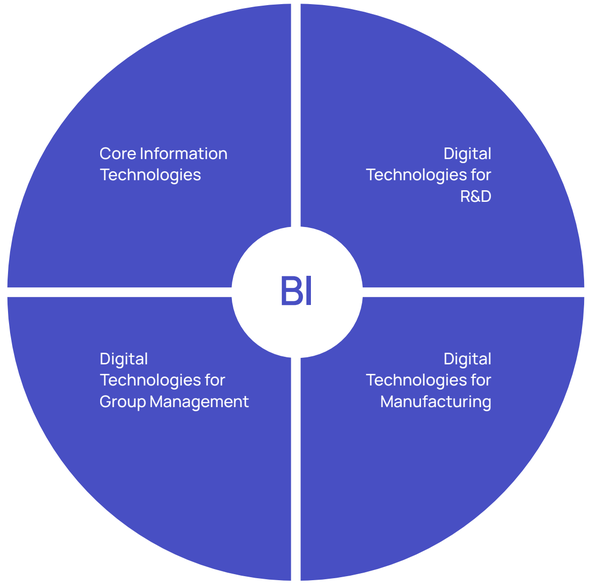
The PROMOMED Digital Transformation Directorate is responsible for the implementation of digital transformation projects.

The Group's digital transformation program is being implemented with the support of leading IT companies (Yandex, Sber, Raytek DTG, Pervy Bit, Softline, and others) specializing in business and manufacturing automation.



Structure of PROMOMED's Digital Transformation

- Computing and secure data storage infrastructure
- Efficient communication systems



- Simulation technologies and machine learning (AI)
- Technologies for semantic analysis of the global scientific knowledge base

- Demand forecasting and sales management based on market data
- Process engineering and operational optimization

- Optimization of production planning
- Optimization of process control, procurement and supply chain management
- Quality control and GMP compliance

Sales and production Alignment

S&OP[1]

[1] S&OP — Sales and Operations Planning.

Ivan Kolesnikov
Director of Digital Transformation, PROMOMED

Digital solutions enable more accurate forecasting of market demand, faster response to change, and synchronization of business unit plans within a unified digital environment. This forms the foundation for increased efficiency, reduced losses, and sustainable growth.

Digitalization of R&D and Manufacturing Processes

PROMOMED is actively implementing integrated solutions that combine the latest scientific achievements and modern technologies at every stage of the product life cycle.

The use of digital data and AI increases productivity in R&D and manufacturing, helping new medicines reach patients faster. In both R&D and production, AI improves decision-making, reduces risk of error, streamlines research design, and improves data monitoring.

The Group places particular emphasis on developing and implementing proprietary AI technologies to address key challenges.

AI is also applied at the stages of synthesis and production of finished pharmaceutical products. Machine learning algorithms analyze data on the physicochemical properties of compounds, predict their stability in various dosage forms, and optimize technological processes.

R&D Objectives

1. Selecting the optimal molecular structure
2. Accelerating leader compound identification
3. Improving product quality
4. Hypothesis testing to mitigate financial risk
5. Repositioning of medicinal products in the portfolio

AI-Based Solutions

1. **Bioinformatics** (acceleration of big data processing)
2. **QSAR** (modeling of biological activity and structure optimization)
3. **Molecular docking and binding energy analysis** (property prediction)
4. **Modeling of biopharmaceutical and clinical trials** (property evaluation study, design optimization, and acceleration of clinical trials)
5. **Chemoreactome analysis** (analysis of possible molecular targets and molecule mechanisms of action)

PROMOMED's Proprietary AI Solutions

In-House AI Platform AI-PROMOMED

The platform enables high-confidence identification of targets in shorter timeframes, helping achieve better therapeutic outcomes. It also supports the modeling of innovative molecular structures, predicts their efficacy compared to existing medicines, and optimizes compound structures to enhance lead properties and develop best-in-class medicines.

Implementation of MIDD[1] to Increase R&D Efficiency

MIDD uses mathematical and computational models to support medicine development by simulating clinical trials. This enables optimization of dosage form composition, manufacturing, and dosing regimens, as well as prediction of bioequivalence and efficacy. The approach is particularly relevant for the development of innovative medicine forms, such as intramuscular suspensions with prolonged release.

Proprietary methods of biopharmaceutical research

PROMOMED's in-house methods make it possible to avoid lengthy and costly clinical trials. The resulting data can serve as the basis for registration dossiers submitted to the Expert Committee for Medicines of the Eurasian Economic Commission[2].

Combined use of AI technologies significantly reduces the time required for candidate molecule screening, improves preclinical trials success rates, lowers development costs, mitigates risks in later-stage clinical trials, accelerates time-to-market, and helps to identify all potential therapeutic applications of a medicine to ensure its successful market presence and maximum medical outcomes.

[1] MIDD — Model Informed Drug Development.
[2] Decision No. 257 dated March 18, 2024.

Digitalization of S&OP Processes

Digitalization at PROMOMED includes S&OP (Sales and Operations Planning) processes.

S&OP is one of the key elements of PROMOMED's operational model. It ensures alignment between sales planning, research and development, pharmaceutical manufacturing, procurement, and logistics. The effectiveness of this process directly impacts product quality, timely deliveries, and ultimately patient health.

All core functions participate in the S&OP process: R&D, production, commercial (marketing, promotion, and sales), finance, procurement, and logistics. The IT function provides support for these processes.

The S&OP Process at PROMOMED Comprises Three Key Areas:

R&D Planning

The Group carefully plans the entire process — from idea to market launch. Planning begins at the early development stage, based both on imported substances and PROMOMED's in-house synthesis of APIs.

Demand Planning

The Group uses advanced forecasting tools based on mathematical analysis of historical sales data, seasonality, market trends, and data on key therapeutic areas.

Supply Planning

Integrated

with the Group's pharmaceutical production facilities.

It applies the flexible manufacturing principle, taking into account demand, inventory levels, capacity utilization, and logistics constraints.

Modern IT solutions are being developed and implemented across all of the S&OP areas

S&OP Component	Tasks	Tools
R&D Planning	Building the Group's future product portfolio and supporting the current business operations	Registration tracker, PM Flow (project management tool)
Demand Planning	Demand forecasting, SKU prioritization	AI-PROMOMED, market analytics
Supply Planning	Production planning, logistics, inventory management	MES (Manufacturing Execution System), ERP, WMS (Warehouse Management System)
Integration	S&OP meetings, plan adjustments, KPIs	Unified S&OP platform

Key Digitalization Achievements in 2024

- A large-scale audit of PROMOMED's production cluster (Biokhimik plant) was carried out, resulting in the launch of a project to automate the plant's manufacturing processes
- PROMOMED participated in the government pilot project on APIs traceability
- Automation of tracking and control of medical representative expenses was implemented
- Automation of the conversion of statutory accounting data into IFRS-compliant financial reporting was completed
- HR operations and processes across the Group were automated
- An audit of the Group's infrastructure security was conducted, followed by measures to strengthen its cybersecurity
- BCP[1] and DRP[2] documentation was developed for the Group's IT infrastructure
- The IT infrastructure of the Biokhimik production cluster was upgraded
- Tools for analytics of tertiary sales were developed
- A normalized data model for the Group was created, along with an allocated data factory that consolidates data from 1C:ERP, DCMS, third-party agencies, and the CRM system
- BI tools were implemented
- A low-code platform[3] was introduced for developing business applications

[1] BCP — Business Continuity Plan.
[2] DRP — Disaster Recovery Plan.
[3] Low-code platform — an IT tool designed to simplify the application development process.

Financial Results

In 2024, PROMOMED maintained its trajectory of outpacing growth and delivered impressive financial results: a substantial increase in revenue, high profitability, and a reduction in debt burden.

The Group continues to implement a strategy focused on the development and market launch of innovative products and improving operational efficiency. The key drivers of financial growth in 2024 were strong sales in core areas and the launch of innovative medicinal products in high-potential markets[1].

Timofey Solovyev
CFO, PROMOMED

[1] In Q4 2024, the Group introduced the innovative medicine Welgia® to Russian patients ahead of schedule, with sales exceeding RUB 1 billion.

PROMOMED's Key Financial Indicators[2]

	2020	2021	2022	2023	2024	YoY Change 2024/2023
Revenue, RUB million	9,579	13,232	13,480	15,842	21,449	+35.4%
Gross profit, RUB million	6,275	8,553	9,524	10,034	14,202	+41.5%
Gross margin, %	65.5	64.6	70.7	63.3	66.2	+2.9 p. p.
EBITDA, RUB million	3,931	4,907	5,827	6,281	8,229	+31.0%
EBITDA margin, %	41.0	37.1	43.2	39.7	38.4	–1.3 p. p.
Net profit, RUB million	2,781	3,377	3,975	2,969	2,876	–3.1%
Adjusted net profit, RUB million[3]	—	—	—	3,311	4,025	+21.6%
Net profit margin, %	29.0	25.5	29.5	18.7	13.4	–5.3 p. p.
Total debt, RUB million	4,060	4,820	11,490	16,656	20,987	+26.0%
Cash and cash equivalents	1,192	263	2,137	622	4,082	556.6%
Net debt, RUB million	2,868	4,557	9,354	16,034	16,905	+5.4%
Net debt/EBITDA, ×	0.7	0.9	1.6	2.6	2.1	–0.5

[2] Based on financial statements prepared in accordance with IFRS.
[3] Net profit adjusted for one-off IPO-related expenses and the established income tax reserve.

Revenue Analysis

The Group's revenue growth rate significantly outpaced the pharmaceutical market, which grew by approximately 18%. The key revenue growth drivers were the expansion of the product portfolio and strong sales growth in strategic therapeutic areas — Endocrinology and Oncology.

21.4 RUB BILLION

+35.4%

PROMOMED's revenue in 2024

compared to RUB 15.8 billion in 2023

18%

pharmaceutical market growth rate

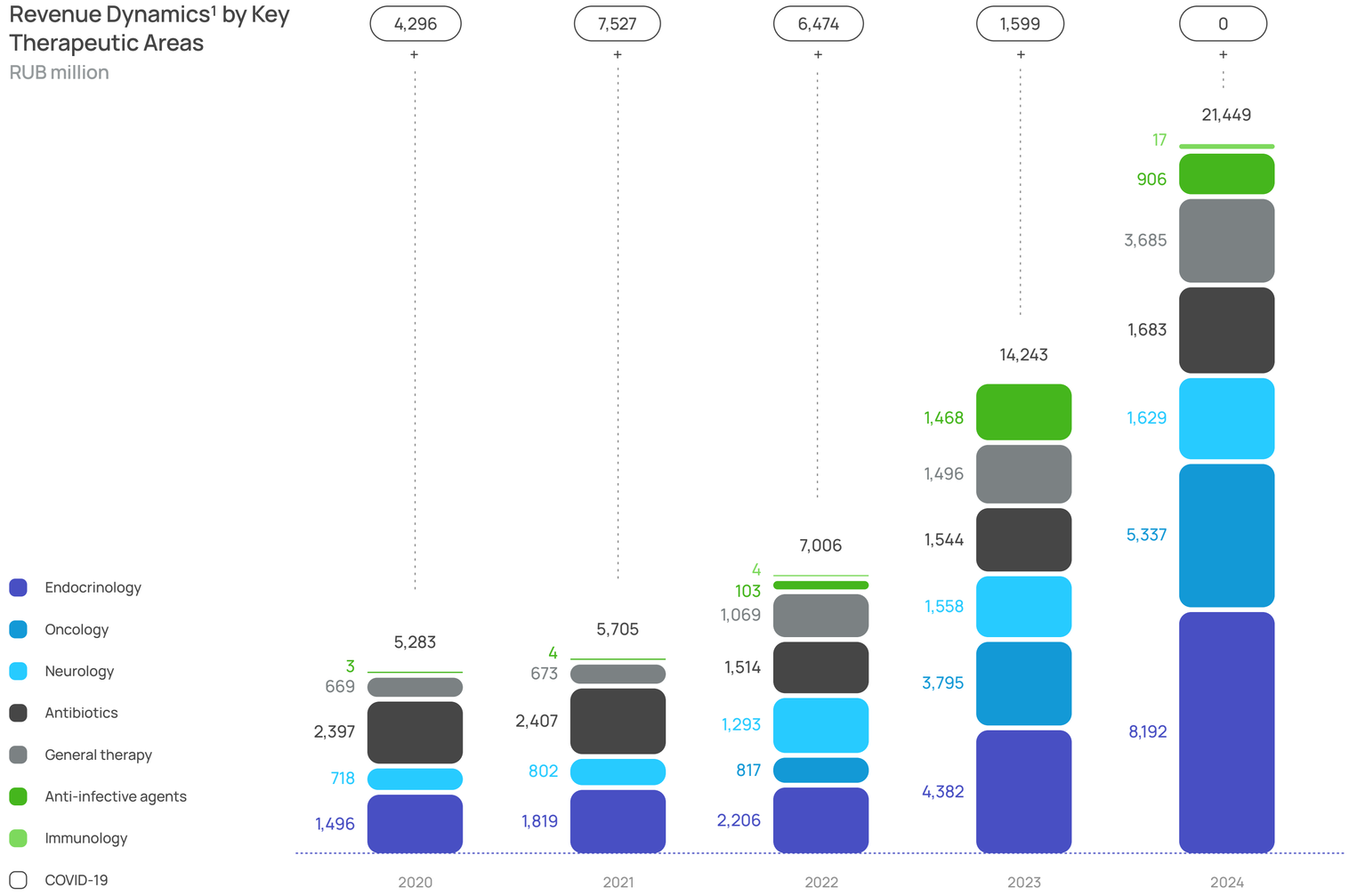
Revenue Breakdown

%

	2020	2021	2022	2023	2024
By therapeutic area					
Endocrinology and Oncology	16	14	22	52	63
Other	84	86	78	48	37
By sales channel					
Commercial	37	31	36	47	53
Public procurement	63	69	64	53	47
By EDL					
EDL-listed	74	78	71	61	62
Non-EDL	26	22	29	39	38
By innovation status					
Innovative	66	76	74	48	59
Non-innovative	34	24	26	52	41
By medicine production method					
Biotechnological	26	20	18	31	43
Chemical	74	80	82	69	57

Revenue Dynamics[1] by Key Therapeutic Areas

RUB million



In 2024, medicines in the therapeutic areas of Endocrinology and Oncology accounted for 63% of the Group's revenue — an 11% increase over 2023. Sales through commercial and public procurement channels stood at 53% and 47%, respectively. This balance reflects a stable and optimal structure from an operational management perspective, with a positive impact on future financial performance.

The share of innovative medicines in the Group's revenue grew up to 59% in 2024. Biotechnological products accounted for 43% of total sales. This reflects the Group's strategic focus on bringing high-tech medicines to market and confirms the sustained demand for their unique therapeutic properties from both physicians and patients.

Revenue Growth 2024 vs 2023:

- Endocrinology: 87%
- Oncology: 41%
- General therapy: 150%

[1] Net revenue, adjusted for pharmacy chain promotional fees and volume-based financial incentives for distributors.

Operating Expense Analysis

Since 2021, PROMOMED has been actively investing in marketing. In 2024, marketing expenses accounted for 15% of the Group's commercial expenses, with the main growth driver being television advertising as part of product promotion campaigns.

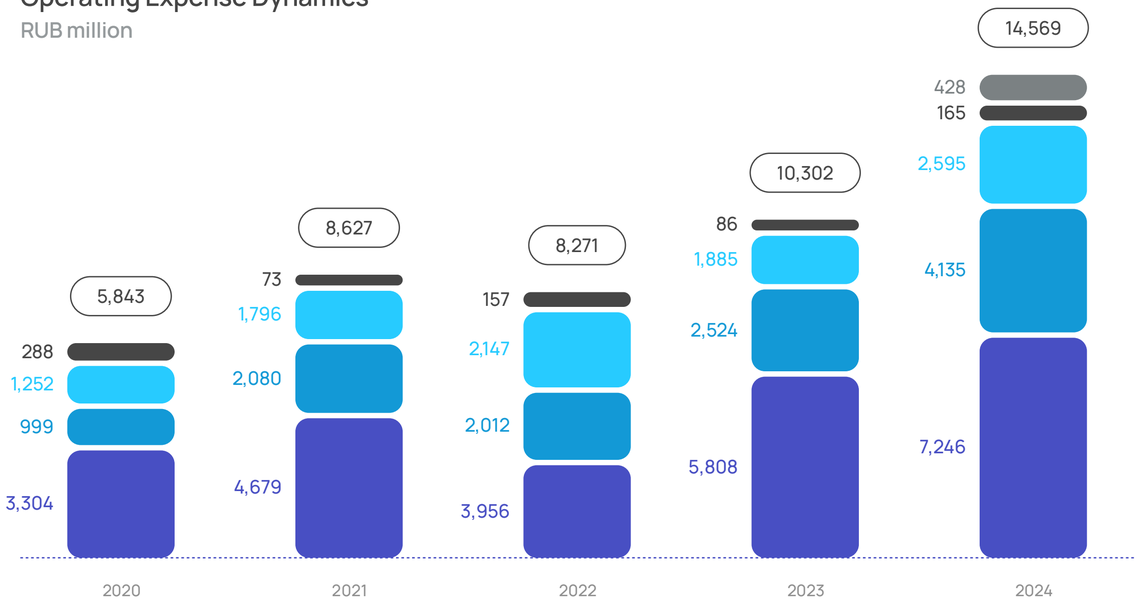
The increase in other expenses was driven by the engagement of a third-party contractor for packaging services. These costs are expected to decrease in 2025 following the launch of the Group's in-house pre-filled syringe production line.

15%

share of marketing expenses in the Group's commercial expenses in 2024

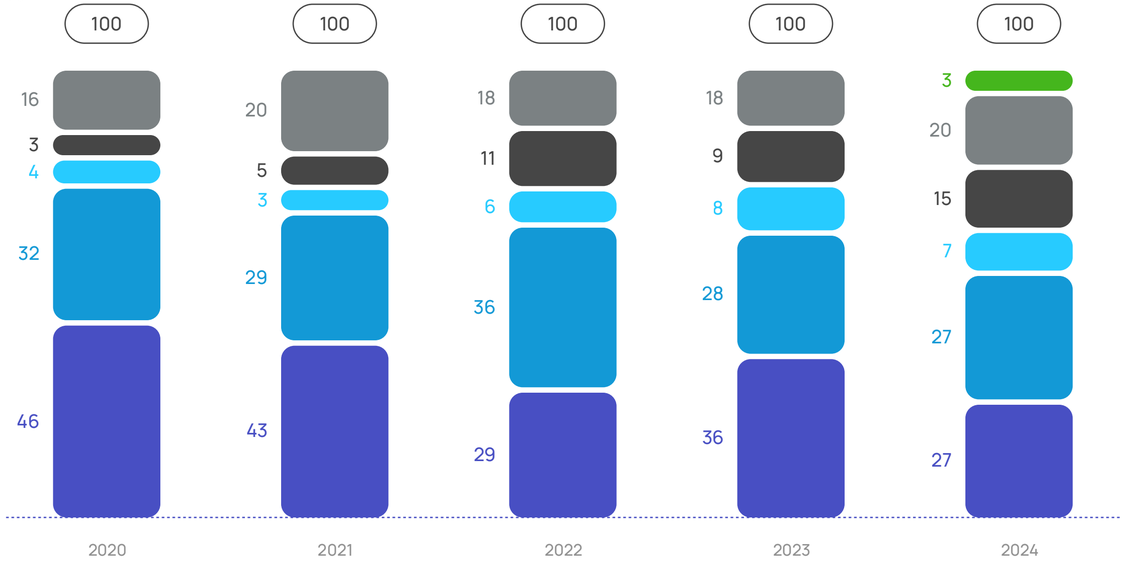
Operating Expense Dynamics

RUB million



Operating Expense Breakdown

%



Profit Analysis

PROMOMED's gross profit increased by 41.5% in 2024, reaching RUB 14.2 billion compared to RUB 10.0 billion in 2023. This positive trend was driven by a higher share of high-margin innovative products and optimized manufacturing costs. Gross profit margin rose to 66.2% in 2024 from 63.3% in 2023.

14.2 RUB BILLION (+41.5%)

PROMOMED's gross profit in 2024
compared to RUB 10.0 billion in 2023

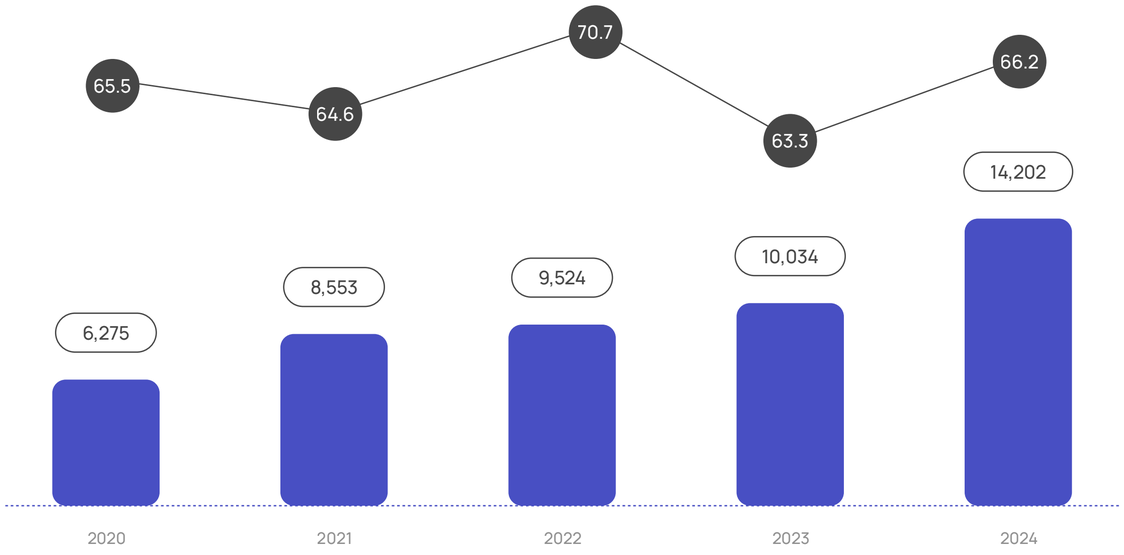
The Group's EBITDA grew by 31.0% in 2024, reaching RUB 8.2 billion compared to RUB 6.3 billion in 2023. EBITDA margin stood at 38.4% in 2024, exceeding the 35% forecast presented during the IPO in July 2024.

8.2 RUB BILLION (+31.0%)

PROMOMED's EBITDA in 2024
compared to RUB 6.3 billion in 2023

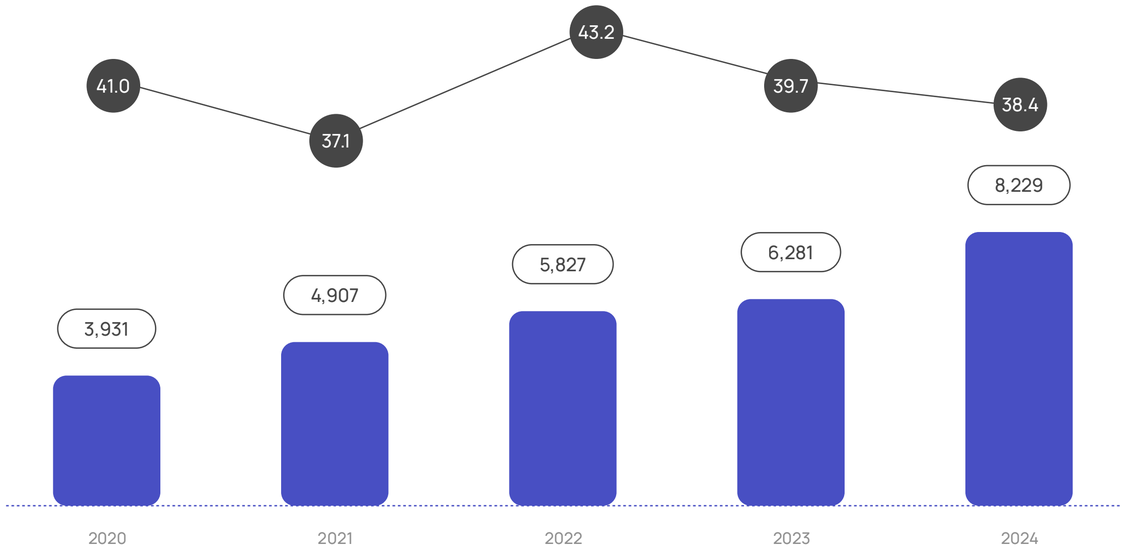
Gross Profit Dynamics

RUB million



EBITDA Dynamics[1]

RUB million



[1] Adjusted EBITDA.

Net profit in 2024 amounted to RUB 2,876 million compared to RUB 2,969 million in 2023.

Net profit adjusted for one-off IPO-related expenses and a provision for income tax reserve totaled RUB 4,025 million in 2024, 22% higher than in 2023.

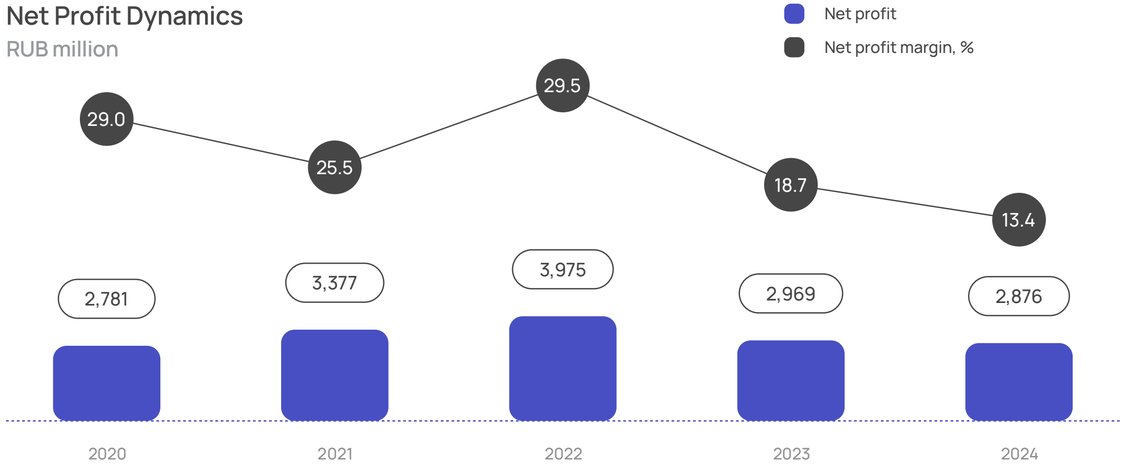
4,025 RUB MILLION

net profit adjusted for one-off expenses in 2024

compared to RUB 3,111 million in 2023

Net Profit Dynamics

RUB million

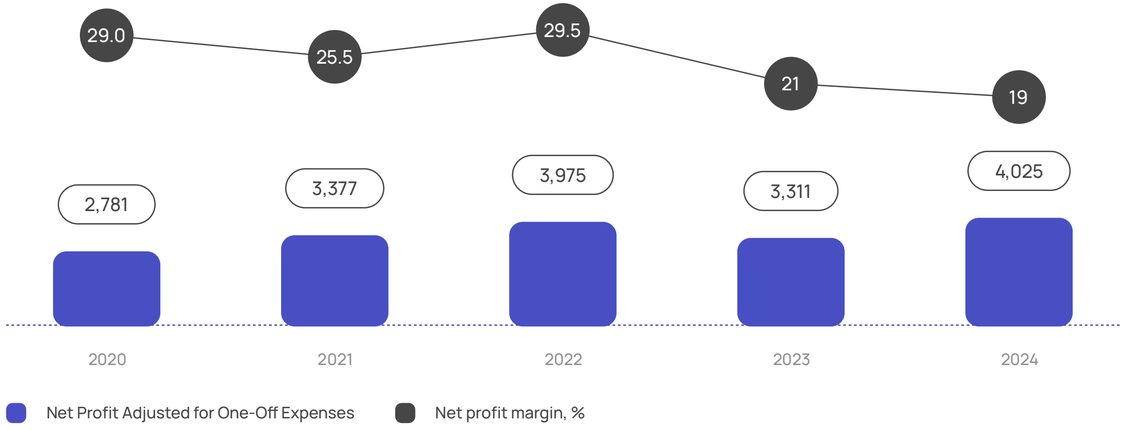


Net Profit Reconciliation from EBITDA in 2024

RUB million

Net Profit Adjusted for One-Off Expenses

RUB million



Capital Expenditures Analysis

In 2024, capital expenditures decreased by 8.5% compared to 2023, totaling RUB 2.7 billion. The decline was due to the completion of major projects to expand the production base at Biokhimik JSC.

2.7 RUB BILLION
capital expenditures in 2024

–8.5%
decrease in capital expenditures in 2024
compared to 2023

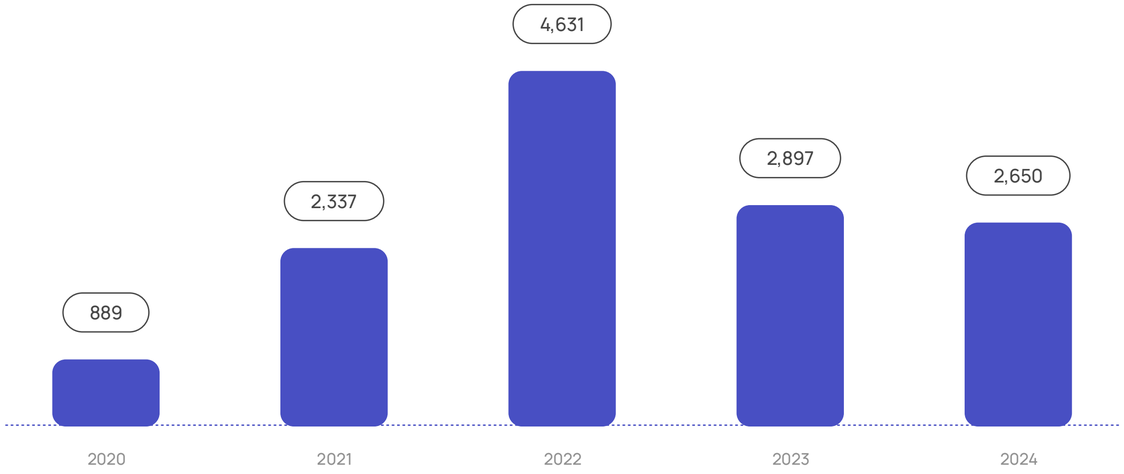
R&D Expenditure Analysis

In 2024, spending on clinical trials increased by 12%, accounting for 69% of total R&D expenditures for the period, which underscores the Group's commitment to the development of innovative products.

+12%
increase in clinical trial expenditures in 2024
compared to 2023

Capital Expenditure Dynamics[1]

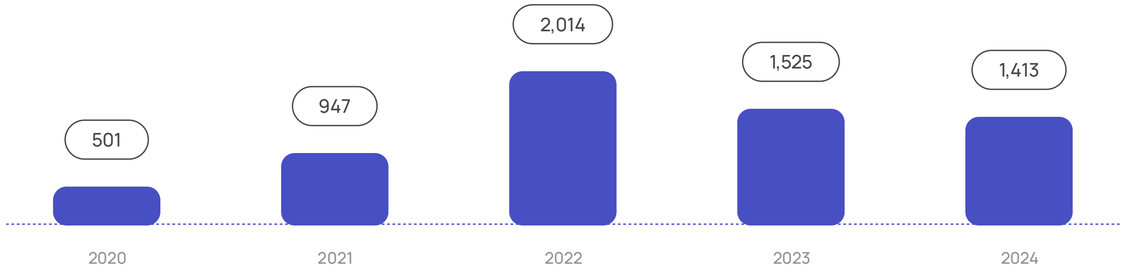
RUB million



[1] Corresponds to the line "Payments related to the acquisition, creation, modernization, reconstruction, and preparation for use of PPE" in the consolidated IFRS Cash Flow Statement.

R&D Expenditure Dynamics[2]

RUB million



[2] Corresponds to the line "Payments related to the acquisition and creation of intangible assets" in the IFRS Cash Flow Statement, R&D.

Debt Burden Analysis

As of December 31, 2024, the Net debt / EBITDA LTM ratio decreased by 19% to 2.1×, compared to 2.6× as of December 31, 2023. The reduction in the Net debt / EBITDA LTM ratio was driven by EBITDA growth and a balanced approach to credit portfolio management.

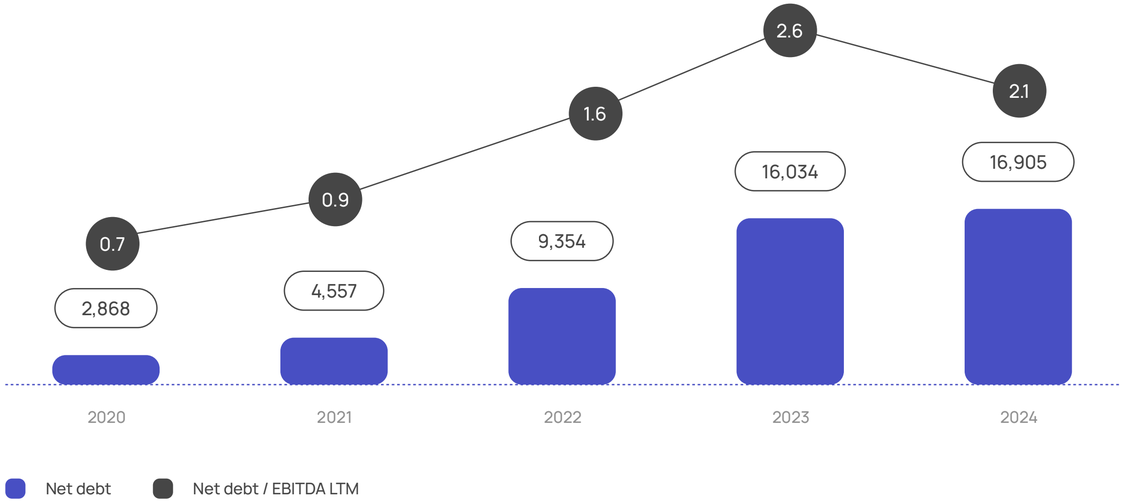
2.1 × −19%

Net debt / EBITDA LTM ratio as of December 31, 2024

compared to 2.6× as of December 31, 2023

Net Debt Dynamics

RUB million



PROMOMED credit facilities[1]

RUB million

The Group's entire credit portfolio is denominated in rubles and balanced across interest rate types. As of December 31, 2024, the average interest rate on the loan portfolio was 16%.

The Group's credit portfolio includes two bond issues.

16%

average interest rate on the loan portfolio as of December 31, 2024

ruA(−)

Credit rating of PROMOMED DM LLC (stable outlook), affirmed by Expert RA on November 6, 2024

[1] As of December 31, 2024.

Outstanding bond issues

	Loan amount, RUB million	Rate, %	Placement date	Maturity date
Bond issue 1	3,500	12.05	31.03.2023	27.03.2026
Bond issue 2	2,500	11.50	18.08.2022	14.08.2025

04

Sustainability

Sustainability Management

PROMOMED is building its sustainability management system based on best international and domestic practices, taking into account the interests and expectations of various stakeholders.

PROMOMED principles in the field of sustainable development

Principle	Description
Ensuring product quality and safety	The Group's production processes comply with GMP, GDP and GOST R ISO 9001-2015 (ISO 9001:2015), ensuring high standards of product quality, efficacy and safety.
Responsibility for the health and safety of employees	The Group ensures a safe working environment adhering to Vision Zero principles and the requirements of GOST R ISO 45001-2020 (ISO 45001:2018), and implements preventive measures and health programs.
Environmental responsibility	The Group implements the principles of rational nature management and environmental safety, guided by the international standard GOST R ISO 14001-2016 (ISO 14001:2015).
Ethical business practices	The Group adheres to the principles of business and corporate ethics and does not tolerate corrupt practices, conflicts of interest or unscrupulous behavior. All employee actions must be in line with the Group's values as set out in the Code of Conduct.
Respect for human rights and equal opportunity	The Group ensures equal opportunities in recruitment and in the course of employment regardless of gender, age, beliefs, or other protected characteristics.
Respect for the interests of stakeholders	Relationships with partners, customers, suppliers and employees are built on the principles of respect, professionalism, fair competition and transparency.
Information transparency	The Group endeavors to raise stakeholder awareness by ensuring that the information disclosed is accurate, relevant and complete.

Management's Role in Strategizing and Monitoring the Sustainability Results

The Board of Directors provides overall strategic guidance, including approval of key documents and setting sustainability goals, as well as control over the functioning of the risk management system.

The Strategy and Sustainability Committee was formed within the Board of Directors. The Committee is responsible for the preliminary review of strategic matters, including the integration of sustainability issues into long-term planning and business development. The Committee develops recommendations for the Board of Directors and helps build a balanced position on sustainability matters.

At the operational level, the implementation of sustainability initiatives falls within the remit of relevant business units, including occupational health and safety, environmental protection, quality assurance, human resources, procurement, and corporate communications.

Distribution of Responsibilities in Sustainability Management

Board of Directors
- Setting sustainability goals
- Approval of key documents

→
- Audit Committee
- Nomination and Remuneration Committee
- **Strategy and Sustainability Committee**

Chief Executive Officer (CEO)
- Implementation of sustainability priorities
- Ensuring coordination and oversight of relevant business units

Heads and directors of relevant business units
- Coordination of activities within their respective areas: occupational health and safety, environmental protection, quality, HR, procurement, and others

→
- Director of Quality
- Director of Corporate Communications
- Director of Human Resources and Organizational Development
- Director of HSE
- Head of Occupational Health and Fire Safety Department
- Head of Risk Management and Internal Control Service
- and others

Heads of subsidiaries
- Implementation of sustainability initiatives at the subsidiary level

Commitment to Sustainability Declarations and Goals

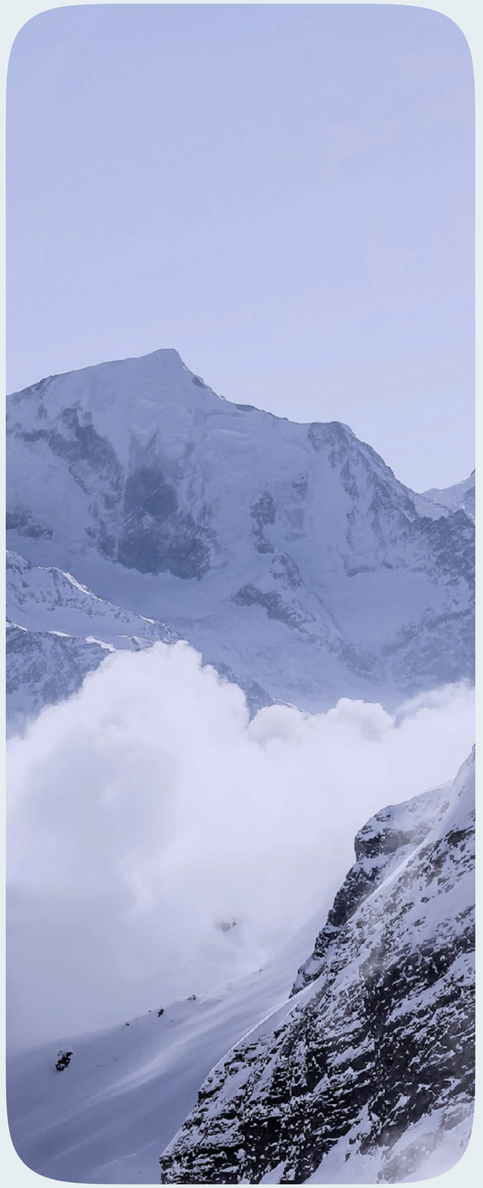
PROMOMED is consistently building its approach to sustainability in alignment with the current priorities of the Russian Federation's public policy in the areas of healthcare, import independence, pharmaceutical industry development, environmental protection, and the creation of safe working conditions.

In its operations, the Group takes into account key benchmarks set forth in national and industry-specific documents, as well as in initiatives and recommendations of the professional pharmaceutical community.

PROMOMED takes global challenges into account and incorporates the United Nations Sustainable Development Goals (UN SDGs) into its activities. The Group has identified four core UN SDGs to which its operations contribute most significantly, as well as two indirect SDGs where it can also help drive meaningful positive change.

Key UN SDGs:

Indirect UN SDGs:



Contribution to the achievement of national development goals and UN SDGs

National development goals of the Russian Federation[1]	UN SDGs	PROMOMED's contribution (Report sections)	
Preserving the population, improving health and well-being, and supporting families	3 GOOD HEALTH AND WELL-BEING	• Business Development Strategy • Marketing and Sales of Medicines • Occupational Safety and Employee Health	• Product Development and Marketing Authorization • Human Resource Management
Unleashing individual potential, nurturing talent, and fostering a patriotic and socially responsible personality	4 QUALITY EDUCATION	• Human Resource Management	• Social Initiatives and Charitable Activities
Comfortable and safe living environment	8 DECENT WORK AND ECONOMIC GROWTH 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	• Occupational Safety and Employee Health	• Environmental Stewardship
Environmental well-being	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 13 CLIMATE ACTION	• Environmental Stewardship	
Sustainable and dynamic economy	8 DECENT WORK AND ECONOMIC GROWTH	• Business Development Strategy • Human Resource Management	• Marketing and Sales of Medicines
Technological leadership	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	• Business Development Strategy • Pharmaceutical Manufacturing	• Product Development and Marketing Authorization
Digital transformation of public and municipal administration, economy, and the social sector	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	• Product Development and Marketing Authorization	• Information Technology and Digitalization

[1] Pursuant to Presidential Decree No. 309 dated May 7, 2024, "On the National Development Goals of the Russian Federation until 2030 and for a Longer Term until 2036."

Engagement with Stakeholders

PROMOMED maintains an open and ongoing dialogue with all stakeholder groups.

Key Stakeholder Groups and Engagement Channels

Stakeholder group	Expectations and interests	Engagement channels	PROMOMED's engagement with stakeholders (Report sections)
Patients	• High-quality, effective, and safe medicinal products • Accessibility of medicinal products • Improved usability of medicinal products • Responsible manufacturing and sustainable packaging	• Hotline • Social media • Official website • Mass media	• Product Quality, Efficacy, and Safety • Marketing and Sales of Medicines
Professional community	• High-quality, effective, and safe medicinal products • Incorporation of the latest scientific advances into the product development process	• Scientific events (congresses, conferences, seminars, etc.) • Publications in scientific journals • Research programs • Official correspondence	• Product Development and Marketing Authorization • Marketing and Sales of Medicines
Government	• Contribution to healthcare development and national pharmaceutical security • Compliance with legal requirements • Contribution to the social development of regions of operation • In-depth localization of manufacturing	• Public events with government authorities (round tables, conferences, forums, etc.) • Working groups • Official correspondence	• Business Development Strategy • Product Quality, Efficacy, and Safety • Social Initiatives and Charitable Activities
Investors	• Economic performance • Risk management	• Financial and non-financial reporting • Official website • Corporate Information Disclosure Center e-disclosure.ru	• Share Capital and Securities
Employees	• Working conditions • Compensation and benefits • Occupational health and industrial safety • Opportunities for professional development and career growth	• Hotline • Engagement surveys • Quarterly meetings with senior management (town halls) • Newsletters • Corporate events • System of working meetings and communication channels	• Human Resource Management • Social Initiatives and Charitable Activities
Partners	• Transparent procurement • Business ethics and compliance • Economic performance	• Hotline • Official website • Business communication channels	• Sustainable Supply Chain
Clients	• Plans for marketing authorization and launch of new medicinal products • Production site modernization • Logistics • Marketing strategy	• Hotline • Official website • Customer satisfaction surveys	• Product Development and Marketing Authorization • Pharmaceutical Manufacturing • Marketing and Sales of Medicines
Local communities	• Socio-economic development of regions of operation • Environmental responsibility in manufacturing • Employment opportunities	• Social media • Official website • Social and charitable events and programs • Newsletters • Participation in regional events and programs	• Environmental Stewardship • Social Initiatives and Charitable Activities

Product Quality, Efficacy, and Safety

PROMOMED provides patients with medicinal products that meet established requirements for quality, efficacy, and safety.

The Group strictly adheres to the requirements of Russian and international standards at all stages of the product life cycle and continuously improves its quality management systems for the development, manufacturing, storage, and distribution of medicinal products.

The Group's pharmaceutical quality system documentation is developed based on Russian and international regulations, including Federal Law No. 61-FZ "On the Circulation of Medicines," EAEU GMP Rules[1], ICH Guidelines, PIC/S Guide, EudraLex, ISPE, and other standards.

In 2024, the Biokhimik plant expanded the scope of its license to include the manufacturing of a broad range of dosage forms and active pharmaceutical ingredients, including biological products. The production site successfully passed certification for compliance with EAEU GMP requirements and received recognition from the Ministry of Health of the Republic of Iraq.

The availability of a GOST R ISO 9001-2015 (ISO 9001:2015) certificate confirms the effectiveness of the quality management system, ensuring consistent product quality regardless of external factors. In 2024, the Group also obtained a license for the manufacturing of veterinary dosage forms and plans to expand the scope of its GOST ISO 13485-2017 (ISO 13485:2017) certificate in 2025 to include the production of medical devices.

[1] Decision of the EAEU Council "On the Approval of the Good Manufacturing Practice Rules of the Eurasian Economic Union".

Internal documents regulating quality management

- Quality policy
- Quality manual
- Corporate standards
- Organizational and administrative documents and standard operating procedures
- Documents detailing technological processes, quality control, logistics, and other operational areas

Digitalization of Quality Management Processes

To enhance process transparency and data traceability, PROMOMED is implementing secure, validated digital systems that minimize human error and improve data accuracy. Automation covers key processes through the use of LIMS, EQMS, and ERP systems, which support calculations, data collection, and information exchange.

Robust data tracking mechanisms have also been established, including electronic signatures with date and time stamps, implemented within PROMOMED's proprietary computerized system PMDoc.

The Biokhimik plant has implemented a Digital Control Center — an internal system for monitoring the production environment that enables real-time tracking and rapid response to changes in microclimate parameters.

One of PROMOMED's key goals is to be a reliable manufacturer and supplier of high-quality, effective, and safe medicinal products. Product quality is ensured at every stage of the medicine life cycle — from development to distribution.

The proper functioning of the pharmaceutical quality system in the development, manufacturing, and quality control of medicinal products is confirmed by the EAEU GMP compliance certificate issued to Biokhimik JSC.

Ekaterina Kazakova
Director of Quality, PROMOMED

Quality Assurance in the Manufacturing and Distribution of Medicinal Products

PROMOMED's approach to quality assurance is guided by key principles, including the continuous implementation of improvements based on up-to-date knowledge of products and processes; the use of appropriate packaging materials and raw materials; monitoring of the effectiveness and safety of released products; leveraging the potential of every employee; and maintaining staff competencies through ongoing training.

The Biokhimik plant operates a pharmaceutical quality system that governs all stages of the product life cycle, including:

- Development
- Manufacturing
- Laboratory testing
- Storage
- Distribution of medicinal products

Each stage of the manufacturing process has defined criteria that the intermediate or final product must meet.

During production, raw materials, intermediates, and finished products are monitored. Depending on the stage, the product must meet a specific set of quality parameters.

The Biokhimik plant has an established unit of authorized personnel responsible for ensuring that each batch of finished products complies with the license requirements, GMP standards, and the registration dossier before being released to the market. No product may be distributed without the corresponding authorization.

To ensure a high level of competence, qualified persons regularly undergo training and professional development, which ensures that their knowledge remains aligned with current industry and regulatory requirements.

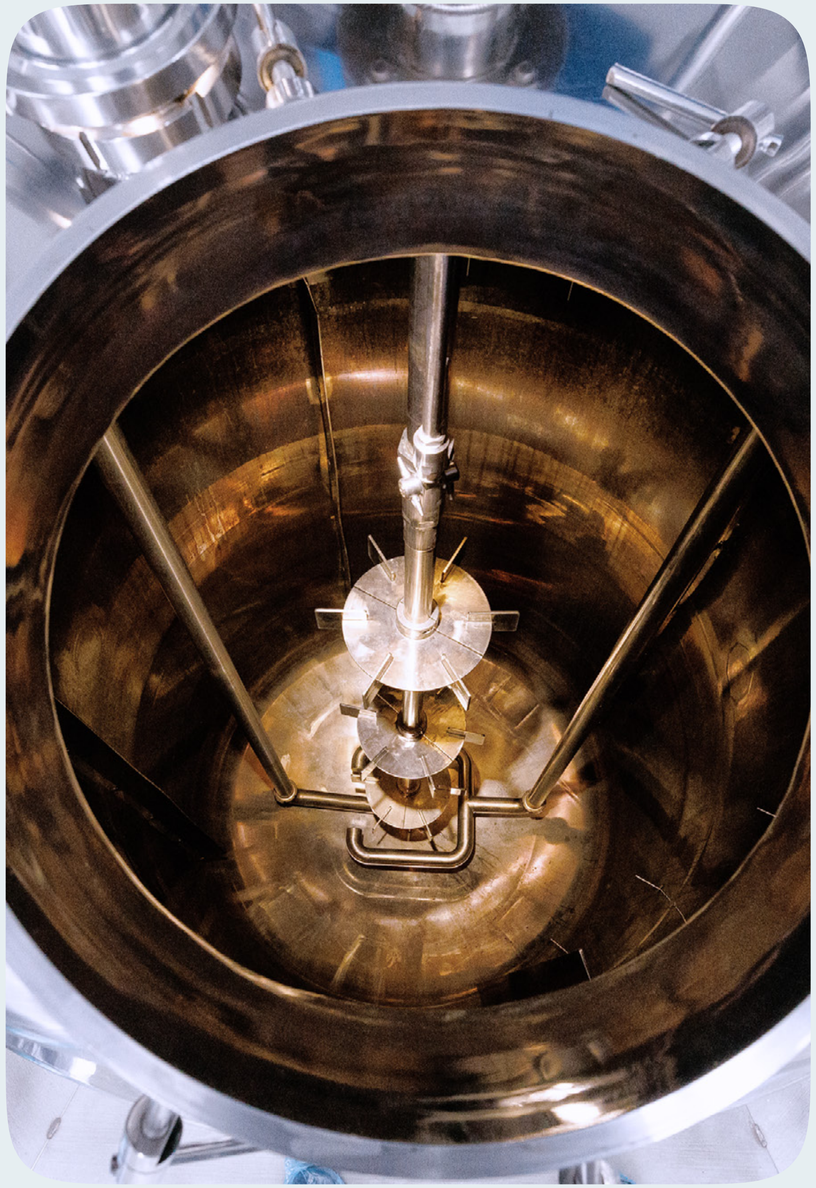
PROMOMED specialists are members of expert committees and working groups focused on improving the regulatory framework for quality. The Group's experts are regularly invited as speakers at major quality-related events to share experience and present technologies for quality enhancement implemented at the Group's facilities.

44

internal audits were conducted in 2024 as part of the quality management system at Biokhimik JSC

As a result, 91% of identified nonconformities were resolved either during the audits or through CAPA[1] programs within three months of detection. The remaining corrective actions are being carried out within the established timeframes.

[1] CAPA (Corrective and Preventive Actions) is a system of corrective and preventive actions aimed at identifying, analyzing, and eliminating nonconformities in manufacturing processes and the quality system.



Supplier Assessment

All prospective suppliers of raw materials and packaging are subject to an initial review and an on-site or remote audit. Based on the audit results, an annually updated list of approved suppliers is compiled, with whom the Biokhimik plant is authorized to cooperate.

Special requirements apply to logistics service providers regarding compliance with temperature control during transportation. The Quality Assurance Department conducts field audits to verify that transportation vehicles comply with the quality system requirements. Failure to meet these requirements is grounds for contract termination.

107

audits of manufacturers and suppliers of raw materials, components, and services were conducted in 2024

Products Labeling

In accordance with Russian legislation, PROMOMED labels 100% of its products. This measure helps protect patients from counterfeit medicines.

The Group pays special attention to the issue of counterfeit medicines on the market. Its efforts include full digital traceability of controlled product groups — from generation of serialization codes to the transmission of data to government information systems.

PROMOMED is responsible for the quality of its medicinal products throughout their shelf life. Even after distribution, the Group continues to monitor issues related to storage, transportation, and use of its products, including providing advisory support to distributors and pharmacy chains, as well as responding to consumer inquiries concerning product quality.

The Group monitors information on identified nonconformities published on the website of the Federal Service for Surveillance in Healthcare (Roszdravnadzor), which conducts selective inspections of medicinal products across different regions and issues notifications in the event of any concerns (e.g., damage incurred during transportation). In such cases, the Group arranges for the recall and subsequent disposal of the affected medicinal products.

PROMOMED systematically monitors the use of its medicinal products in routine clinical practice, continuously expanding the safety database.

Chestny ZNAK System

Each package of the Group's product bears a DataMatrix code that can be verified in the national Chestny ZNAK system.

Pharmacovigilance

Pharmacovigilance is a critical component of the healthcare system that ensures the safe and effective use of medicinal products.

It is a system for monitoring the safety of medicinal products aimed at identifying, evaluating, understanding, and preventing adverse events associated with their use. Pharmacovigilance plays a key role in ensuring patient safety and effective risk management.

PROMOMED continuously analyzes customer satisfaction and collects information on potential risks associated with the use of its products. The Group has a dedicated product quality complaints unit responsible for receiving, registering, and investigating incoming quality-related complaints, as well as notifying the designated personnel.

In addition to a 24/7 hotline, the Group has introduced digital pharmacovigilance tools, including a Telegram-based chatbot, QR codes linking to the pharmacovigilance section of the corporate website, and others. These tools enable prompt responses to external inquiries and help build trust in product quality.

Each received report is subject to mandatory investigation and assessment of its causal relationship with the use of the medicinal product. A case report is prepared for each incident. Periodic safety reports on medicinal products are prepared on a regular basis. When new data are identified, the medicinal product information is updated accordingly, including amendments to the instructions for medical use.

In 2024, 80 complaints and three adverse reactions were recorded. CAPA plans were developed in response to the medicinal product complaints, and measures were implemented to prevent recurrence of the nonconformities.

Patient reports

Patients can report adverse reactions to PROMOMED's medicinal products through the following channels:

By email

info@drugsafety.ru

Via the dedicated online form

www.drugsafety.ru

By toll-free 24/7 phone line

8-800-777-8-604

Human Resource Management

The PROMOMED team includes over 2,200 employees, with more than 440 engaged in R&D.[1] This team structure reflects the Group's strategic focus on implementing an innovation-driven business model with internal scientific expertise at its core.

Over 100 PROMOMED employees have received state awards and honorary titles for their contributions to the development and industrial implementation of new medicines and pharmaceutical substances. PROMOMED's scientific network includes over 200 PhD- and doctorate-level experts.

HRD at the Group is overseen by the Directorate for Human Resources and Organizational Development. The Directorate's responsibilities cover the full range of human resource management, organizational development, digital transformation, administrative business support, and HSE.

PROMOMED has adopted key corporate policies regulating human resource management. These include:

- Internal labor regulations
- Recruitment and Staffing policies
- Compensation and bonus policy
- Corporate benefits regulations
- and many others

As the business grows and transforms, the corporate regulatory framework is continuously updated and expanded.

PROMOMED's success in developing and implementing innovative medical solutions is underpinned by consistent efforts to improve the management structure, streamline core business processes, and build a team of talented, qualified, and motivated employees. All of this — along with the ongoing development of corporate culture and the continuous improvement of recruitment, assessment, development, motivation, and employee retention tools — forms the foundation of the Group's human resource management and organizational development strategy.

Yury Troyankin
Member of the Board of Directors, Director of Human Resources and Organizational Development, PROMOMED

[1] Based on headcount as of December 31, 2024.

PROMOMED's key priorities in human resource management and organizational development include:

- improving the efficiency of the organizational structure and management system
- digitalizing processes and developing predictive analytics
- cultivating a corporate culture that supports the Group's strategy and unites the team based on the principles of innovation, growth, and collaboration
- strengthening corporate identity through the development of a competitive and attractive Employee Value Proposition (EVP)
- enhancing an integrated system for talent identification and development, fostering future-ready skills, and preserving and sharing corporate knowledge
- attracting, retaining, and motivating talent, and developing a comprehensive system of rewards and benefits

Employer Brand Development

PROMOMED actively builds an attractive employer image in the labor market. A key element of the strategy in this area is the development of a competitive and attractive Employee Value Proposition (EVP).

An Employee Value Proposition is the set of unique benefits, opportunities, and conditions that the Group offers its employees in exchange for their knowledge, experience, and contribution to business development.

PROMOMED's EVP reflects a strategic approach to building a performance- and growth-oriented team. It encompasses a range of key components: a competitive compensation system, a culture of feedback and leadership, personalized professional development paths, a focus on comfortable working conditions and employee well-being, recognition of achievements, and a well-developed system of corporate benefits and non-financial support.

This approach helps attract and retain talented, engaged professionals while maintaining a strong reputation in the labor market — which is especially important given the competition for highly qualified professionals.

Key Figures of 2024

2,215
EMPLOYEES
total headcount at PROMOMED[1]

20%
increase in the number of employees engaged in R&D[2]

[1] Headcount as of December 31, 2024.

[2] Based on headcount as of December 31, 2024. Growth compared to December 31, 2023.

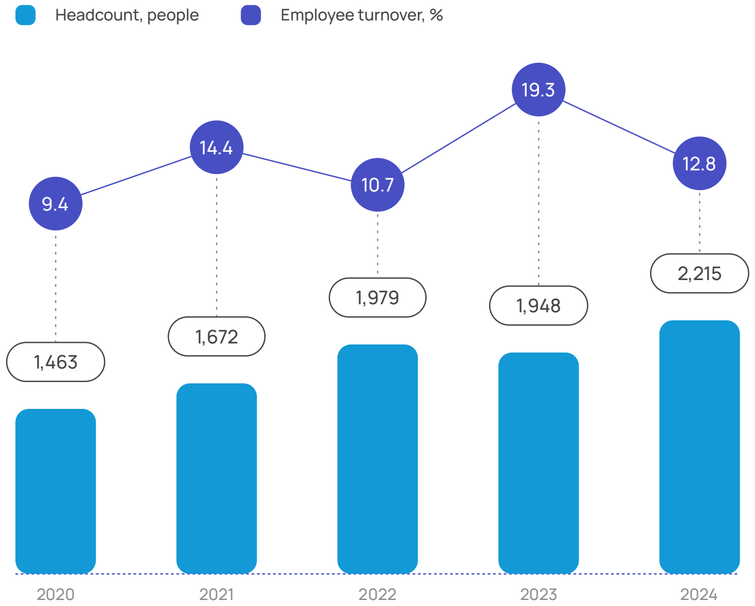
Employee Profile

PROMOMED's headcount reached 2,215 in 2024 — a 14% increase compared to 2023.[1] The increase in headcount reflects the Group's commitment to its core strategic priorities and is driven by the expansion of R&D, digital transformation, and the growing scope of commercial operations.

The average employee age was 41. The average length of service at the Group exceeded 8 years. Over 99% of PROMOMED employees in 2024 were employed under permanent contracts.

[1] Based on headcount as of December 31 of the respective year.

Headcount and Employee Turnover



Employee Turnover

PROMOMED is committed to attracting talent on a long-term basis. In 2024, the Group's turnover rate decreased by 4.82 percentage points compared to 2023, reaching 12.8% — a very strong result for the industry. The decline in turnover is attributable to business processes optimization, improvements in the compensation and benefits system, efforts to strengthen the Employee Value Proposition, and the introduction of a corporate competency framework aligned with the patterns of target corporate culture.

Employee Breakdown by Category

people

	2020	2021	2022	2023	2024
Biokhimik plant					
By gender					
Women	827	937	1,108	1,032	1,106
Men	345	395	483	476	531
By age group					
Under 30	225	252	338	308	338
30–50	619	710	844	794	861
Over 50	328	370	409	406	438
Other Group entities					
By gender					
Women	193	236	251	290	393
Men	98	104	137	150	185
By age group					
Under 30	45	40	50	53	68
30–50	217	256	290	318	434
Over 50	29	44	48	69	76
Group total					
By region of job location					
Mordovia	1,172	1,332	1,629	1,542	1,683
Moscow and other Russian regions (excluding Mordovia)	291	340	350	406	532
Total headcount	**1,463**	**1,672**	**1,979**	**1,948**	**2,215**

Collective Agreement and Trade Union Organizations

The Biokhimik plant has a trade union established in 1959. In 2024, it included 15% of the plant's employees. The union maintains a constructive relationship with the employer on matters related to working conditions and employee well-being. Its long history reflects a strong tradition of social partnership and the high level of company's social responsibility.

The current version of the Collective Agreement was adopted in April 2023 for a three-year term, and its provisions are strictly observed. The Collective Agreement set out terms the arrangements between the employer and employees, governing key aspects of employment, remuneration, social guarantees, and occupational health and safety. Its existence and consistent enforcement contribute to stable and predictable labor relations.

Recruitment and Onboarding

In line with its business development priorities, PROMOMED is focused on attracting the required number of qualified specialists.

PROMOMED uses a variety of recruitment channels, including job search websites, recruitment agencies, public employment services, social media, targeted advertising, local media, external talent pools (candidate database), student internships, and an employee referral program.

The team of the Directorate for Human Resources and Organizational Development goes beyond recruitment and job postings. They actively contribute to building PROMOMED's positive employer brand, inform broader audiences about career development opportunities and advancement paths within the Group, and implement initiatives to promote careers that are in high demand in the pharmaceutical industry, including in the Republic of Mordovia.

PROMOMED has built a comprehensive and consistent onboarding system that covers all stages of the new employee journey — from accepting the job offer to completing the probation period. Depending on the role, a personalized approach is used — including onboarding plans, introductory training sessions, regular meetings with managers and HR, newsletters, access to the internal portal, a welcome meeting, and a welcome kit.

This format enables new employees to quickly integrate into workflows, access the information they need, and feel supported from their very first days at the Group. Additional practical support is provided through a mentorship system operating at the Biokhimik plant, which helps plant employees quickly get up to speed and move confidently into independent work.

Employee Development and Cooperation with Educational Institutions

Employee development is one of the Group's key strategic priorities in human resource management.

The Group has implemented a unique talent development program — a well-structured, integrated process with its own set of organizational mechanisms at each stage, ranging from preschools, schools, technical colleges, and universities to talent development within PROMOMED including on-the-job training, external training programs, postgraduate education, and doctoral studies.

Participation in the Federal Professionality Project

PROMOMED was the first in Mordovia to join the federal Professionality project in partnership with the Saransk College of Service and Industrial Technologies to train skilled workers such as process operators and chemical analysis technicians.

In 2024, as part of the continued development of the Professionality project, the Biokhimik plant began training technical specialists in cooperation with the Saransk State Industrial and Economic College.

PROMOMED's participation in the federal project enables targeted training of specialists aligned with the Group's actual needs and contributes to advancing public policy objectives in the development of a skilled workforce for high-tech industries.

PROMOMED enters into targeted education agreements[1] with leading specialized universities. As of December 31, 2024, 60 students were studying under such agreements at N. Ogarev Mordovia State University, the Russian University of Medicine (formerly Evdokimov Moscow State Medical and Dental University), D. Mendeleev University of Chemical Technology of Russia, Saint Petersburg State Chemical and Pharmaceutical University, and N. Lobachevsky State University of Nizhni Novgorod. Over the past three years, 35 graduates of targeted programs have been employed at the Biokhimik plant. Each year, more than 350 students from secondary vocational and higher education institutions complete internships and practical training at the Group's facilities.

One of the areas of the Group's research and innovation development is the corporate postgraduate studies project, launched in 2022. As part of the project, PROMOMED — together with academic staff from specialized universities — provides young employees with the necessary support, including consultations, equipment, and materials, to help them prepare and defend research papers (dissertations) on topics relevant to the Group.

[1] A targeted education agreement is a contract between an employer, an educational institution, and an applicant (or student), concluded under a targeted training program.

To promote the importance and prestige of careers in the pharmaceutical industry and to attract young professionals to the field, the Group launched and continues to implement the project Pharma Is Love, which brings together more than 200 students annually for in-person participation.

Pharma Is Love

PROMOMED's Telegram channel Pharma Is Love, which now has over 15,000 subscribers, serves as one of the Group's tools for engaging with the student community.

The Group implements programs to support and educate teenagers and young people exploring careers in the pharmaceutical industry and actively participates in educational initiatives for Russian school and university students. The Biokhimik plant organizes educational tours for school students, providing access to its production facilities and laboratories.

PROMOMED operates a science-intensive business, making the professionalism of its team critical to successful development. The Group invests in employee training and development to strengthen its position as a leading pharmaceutical company in both the Russian and international markets.

The Directorate for Human Resources and Organizational Development includes a dedicated Training and Development Department responsible for creating environment that support professional growth and upskilling of PROMOMED employees.

PROMOMED is an industrial partner of specialized research institutions and universities

The Group acts as an industrial partner to the following institutions and projects:

- D. Mendeleev University of Chemical Technology of Russia — under the national project Science and Universities: New Laboratories for Young Researchers
- Federal Research Center for Biotechnology of the Russian Academy of Sciences and Sirius University of Science and Technology — under the creation and development of the National Technology Initiative Competence Center Molecular Engineering in Life Sciences
- N. Ogarev Mordovia State University — for joint scientific research in the development of pharmaceutical and biologically active substances

PROMOMED's status as an industrial partner of specialized research institutions and universities enables the Group to build systematic R&D collaboration, develop a sustainable talent pipeline, and gain access to promising innovations.

In doing so, the Group contributes to achieving national goals in scientific and technological development, accelerates the transfer of applied research into industrial practice, and supports the development of human capital in the pharmaceutical industry.

15.7 RUB MLN

spent on employee training in 2024

The Group offers both internal and external training programs, including:

- **initial training**, aimed at the professional and social onboarding of new employees, as well as those who have changed positions within a department, transferred to another department, or returned to work after a long absence
- **recurring training**, designed to maintain and update employees' theoretical knowledge
- **mandatory training**, organized when required to renew licenses for specific categories of employees
- **additional training**, conducted in response to changes in business processes

PROMOMED develops a training system for commercial, production, scientific, and administrative personnel. So, the Group focuses on current and future business needs, as well as mandatory government requirements for professional skills and certifications.

The Group pays considerable attention to the effectiveness of employee training. Upon completion of internal training programs, employees take a test. If their score is below 75%, the training is deemed ineffective and the employee is required to retake the course. For external training programs, effectiveness is assessed by the providers, who issue a corresponding certificate or diploma based on the final evaluation of the participant's knowledge, skills, or competencies.

PROMOMED plans to further develop its training system based on the list of strategic competencies approved in 2022. The Group not only trains employees in job-specific skills, but also fosters qualities essential for more effective task execution, such as result orientation and flexibility. The list of strategic competencies also underpins the Group's talent pool and appointments to key positions.

As part of its integrated corporate human capital development system — which encompasses not only employee training within PROMOMED, but also active support for the education of teenagers and young people — the Group aligns its efforts with the needs of the pharmaceutical market, its own development strategy, and the national development goals of the Russian Federation.

Corporate Culture

A strong corporate culture is a key competitive advantage for PROMOMED, supporting talent attraction and retention, and serving as a driver of the Group's success.

The Group fosters a spirit of creativity and follows an open-door policy, encouraging employees to approach any colleague or manager and receive a direct response to their question.

One of the tools for information sharing and feedback within the company is the internal corporate intranet portal.

PROMOMED fosters an open and trust-based corporate culture built on passion for one's work, innovation, and effectiveness. This culture enables opportunities for professional development and personal growth, open and constructive feedback, and transparent information exchange at all levels of the organization.

Yury Troyankin

Member of the Board of Directors, Director of Human Resources and Organizational Development, PROMOMED

Employee Compensation

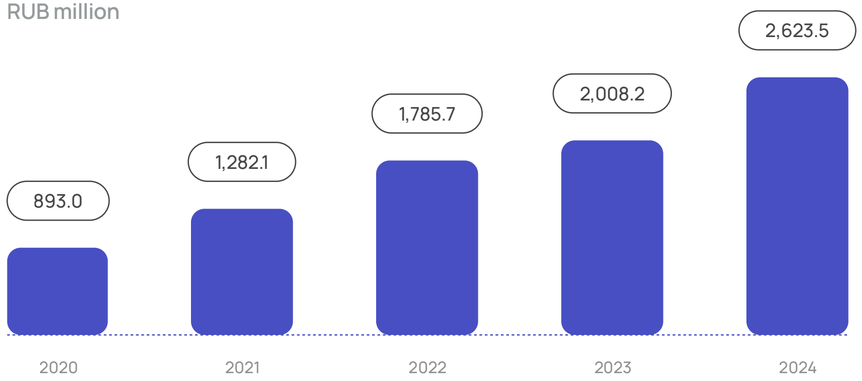
PROMOMED highly values its employees and is committed to providing them with fair and competitive compensation. The Group's compensation system is built on effective, transparent, and competitive approaches to salaries, benefits, and incentives.

The Group carries out its activities in this area in accordance with labor legislation. The core approaches to employee compensation are set out in internal corporate documents, such as the Compensation Policy, Bonus Policy, and others. The development of the employee motivation and compensation system is overseen by the Head of Compensation and Benefits within the Directorate for Human Resources and Organizational Development.

PROMOMED's compensation system includes a fixed component — base salary — as well as additional payments and allowances determined based on the employee's qualifications, experience, and the specifics of their job responsibilities. The Group has implemented an integrated performance-based compensation system linked to key performance indicators (KPIs).

The average wage (AW) in the Group's regions of operation significantly exceeds the statutory minimum wage. The CAGR of AW for the period 2020–2024 was 16.9%. In 2024, PROMOMED employees' wages increased by an average of 17.7%.

Payroll Expenses
RUB million



In addition to fulfilling its wage indexation obligations, PROMOMED implements annual targeted salary increases based on labor market trends and each employee's individual contribution to the Group's goals.

Each year, the Group collects salary market data, conducts benchmarking, and makes appropriate adjustments. This helps maintain a competitive level of compensation, retain valuable specialists, and reduce the risk of losing key employees.

Compensation and Benefits

An additional incentive for employees is a compensation package aligned with best practices, which is available to all personnel. The compensation package may include corporate Car allowance, workwear provision, voluntary medical insurance, and reimbursement of expenses for mobile communication, housing, relocation, and other needs.

Employees of the Biokhimik plant have the opportunity to send their children to a summer recreation camp. Under the Collective Agreement, employees pay only 5% of the cost of the voucher, while the remaining expenses are covered by the Biokhimik plant.

In 2024, as part of the health resort treatment program for Biokhimik plant employees exposed to harmful occupational factors, 40 employees were sent to wellness facilities.

73

children of employees received summer camp vouchers in 2024

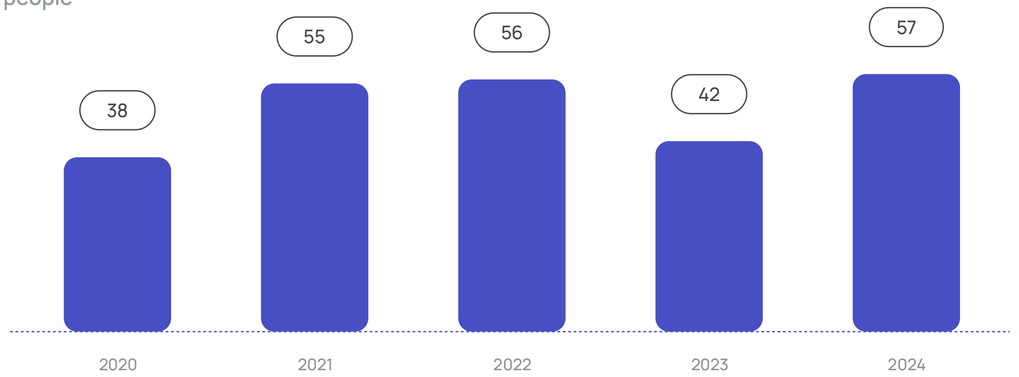
40

employees were sent to wellness facilities in 2024

PROMOMED provides financial assistance in the event of significant life events (such as a milestone birthday or marriage) or unforeseen circumstances.

Number of Employees Who Received Support In Difficult Life Situations

people

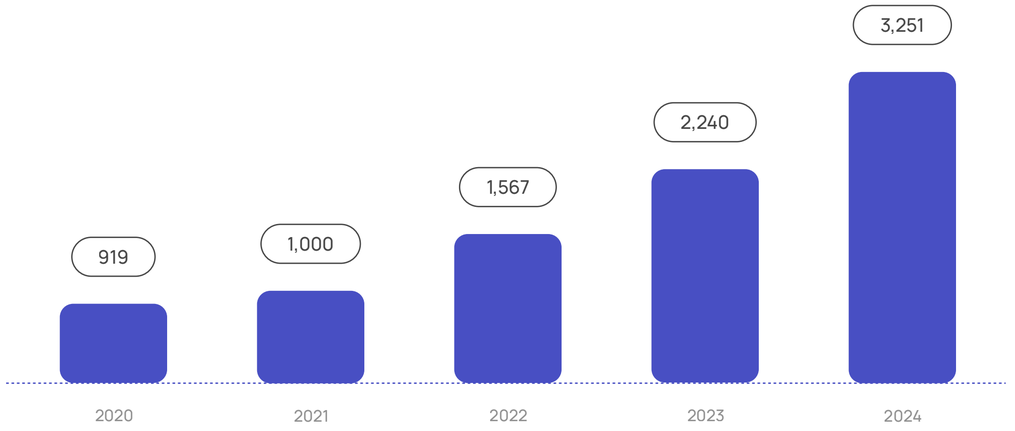


In accordance with the Labor Code of the Russian Federation, PROMOMED provides all employees with the opportunity to take parental leave for children under the age of three at a time convenient for them, regardless of gender.

In the reporting year, 72 employees exercised this right.

Expenditures on Family and Parenthood Support Programs

RUB thousand



Non-Financial Incentives

PROMOMED operates an annual employee recognition and awards program to honor top performers. The Group invests in employee development, offers a comfortable modern office, and allows hybrid work format. PROMOMED also conducts regular surveys on key aspects such as employee motivation, engagement, loyalty, and satisfaction. Gathering feedback from employees helps identify problem areas and improve workflows in a timely manner, contributing to a supportive and emotionally comfortable work environment.

Respect for Human Rights and Equal Opportunity

PROMOMED recognizes, respects, and upholds human rights as set out in Russian legislation and in key international instruments.

The Group is guided by the principle of equal opportunity. What matters most to PROMOMED in its employees is their alignment with the Group's values, talent, and professionalism. PROMOMED does not discriminate against candidates or employees based on gender, age, or other protected characteristics, and strives to maintain a supportive work environment.

In accordance with applicable legislation, the Group does not tolerate any form of modern slavery, child labor, or forced labor, either in its own operations or throughout its supply chain. Respectful treatment of every employee is reflected in the Group's internal policies, including the Corporate Code of Ethics.

The Group has compiled a list of positions that can potentially be filled by candidates with disabilities. Applicants with disabilities who fully meet the job requirements and apply for an available quota-based position are offered employment.

When hiring people with disabilities, the Group adheres to the requirements of the legislation of the Russian Federation, complying with state mandates on employment quotas and the hiring of persons with disabilities. PROMOMED provides all benefits and guarantees stipulated by the Labor Code of the Russian Federation for individuals with disabilities.

Plans for 2025

In line with its strategic goals, in 2025 PROMOMED will continue to improve its business processes and Group-wide management system, advance digital transformation projects with a focus on integrated predictive analytics and S&OP, further develop its R&D and commercial functions, enhance human capital management, and strengthen its employer brand.

Occupational Safety and Employee Health

The life, health, and safety of employees are core values at PROMOMED.

The Group adheres to the principles of the Vision Zero concept, consistently creating and maintaining safe working conditions. In 2024, this approach enabled the Group to achieve zero workplace injuries.

HSE Management System

PROMOMED is building a comprehensive HSE (Health, Safety and Environment) management system based on strict compliance with current legislation on occupational health and safety, industrial and fire safety, and environmental protection, as well as the principles of continuous improvement.

The Group's HSE management system complies with international standards GOST R ISO 14001-2016 (ISO 14001:2015) and GOST R ISO 45001-2020 (ISO 45001:2018). In 2024, the Group successfully completed certification of its management system for compliance with these standards. During the certification process, current legislative requirements were taken into account, and the HSE management system was brought into alignment with the updated regulatory framework.

The approach to developing an HSE management system that encompasses all PROMOMED employees is set out in approved corporate documents.

Internal Corporate Documents on Occupational Safety

At the Group level, the following documents have been approved:

- Standard "Occupational Health and Safety Management System"
- Occupational Health and Safety Policy (Strategy)
- Standard "Hazard Identification and Risk Management" in the field of occupational health and safety
- Regulation on the Special Assessment of Working Conditions
- Regulation on Mandatory Medical Examinations (Pre-employment and Periodic)
- Regulation on the Recording and Investigation of Minor Injuries (Microtraumas)
- Regulation on Occupational Health and Safety Training and Knowledge Assessment
- Methodologies and instructions on occupational safety

Additionally, at the Biokhimik plant, the following documents have been approved:

- Regulation on the Occupational Health and Safety Management System
- Methodology for Hazard Identification and Risk Management in the Field of Occupational Health and Safety
- Standards and instructions on occupational safety

HSE Management Bodies

HSE matters at PROMOMED are overseen by the Occupational and Fire Safety Department.

The Department's primary responsibilities include ensuring compliance with occupational health and safety, industrial and fire safety, and environmental protection requirements; developing standards and regulations; and providing employee training. The Group applies a differentiated approach to ensuring safe working conditions for office-based and production units.

To identify hazards and assess occupational risks across all job types and positions, the Group has established an Occupational Risk Assessment Commission. The Commission includes heads of structural units, key specialists, and the occupational safety officer.

When performing hazard identification, the Commission monitors the key factors affecting workplace safety:

- production process
- workplace organization and maintenance
- safety during task execution
- environmental factors in the workplace
- ergonomic factors
- availability of rescue and first aid options

To conduct hazard identification and record the results, the Commission uses a checklist. All identified hazards are entered into the hazard identification and risk assessment map, with the conditions under which each hazard may arise duly noted.

The Biokhimik plant has an operational HSE service that includes:

- Occupational Health and Safety Department
- Environmental Protection Group
- Fire Safety Group
- Industrial Safety Group

This structure enables comprehensive oversight of the implementation of the HSE management system at the plant, helping to reduce risks and create a safe working environment for employees.

To improve process efficiency, employees of PROMOMED's Occupational and Fire Safety Department and the Biokhimik plant's HSE service undergo annual advanced training, participate in international projects, take part in professional competitions, and share their experience in implementing best practices.

HSE Risk Management

PROMOMED has implemented a comprehensive HSE risk management system. The main tools for identifying and preventing potential threats include internal audits, management meetings, regular monitoring, and daily oversight of compliance with HSE management system requirements. These measures enable prompt response to unsafe employee behavior and production-related risks. To maintain a safe working environment, a set of standard operating procedures (SOPs) and rules has been implemented, and designated personnel are responsible for ensuring compliance with HSE requirements.

The Group has approved risk assessment methodologies to ensure the safe execution of work. Occupational risk assessment is integrated into the HSE management system. Based on the results of the assessment, an action plan has been developed to mitigate risk levels. Information on risk assessment outcomes is communicated to all employees and is made available on the Group's internal portal and information boards.

Compliance with legislation and internal regulations under the HSE management system is monitored by the HSE Compliance Commission. Following inspections, reports are issued and directives are provided to eliminate any identified violations.

The Group is committed to the continuous improvement of its HSE management system. Inspection results and internal documentation are reviewed annually, forming the basis for a corrective action plan aimed at further enhancing safety standards and minimizing occupational risks.

At the core of PROMOMED's operations lies the unwavering principle of safety as a top priority. Strict compliance with occupational safety requirements is not merely a standard — it is a key to long-term prosperity. It drives productivity growth, helps prevent workplace injuries and occupational illnesses, and mitigates the risk of potential incidents.

A carefully structured safety system not only enables the assessment and mitigation of risks but also fosters a healthy and safe environment at every workplace. Our comprehensive efforts to protect the health and lives of employees reflect our unwavering commitment to an ambitious yet achievable goal: zero workplace injuries. To reach this goal, we continuously implement innovative technologies and apply best practices that meet the most rigorous international standards.

Olga Budanova
Director of HSE, PROMOMED

Risk Management at the Biokhimik Plant

PROMOMED's key production facility, the Biokhimik plant, is classified as a hazardous production facility, which necessitates enhanced industrial safety controls. Accordingly, plant personnel undergo additional training and safety briefings, while critical equipment is fitted with sensor systems that automatically detect deviations from standard operating parameters.

Risk Category Reduction at the Biokhimik Plant

At the beginning of 2024, due to the absence of workplace injuries and violations of labor legislation, the Federal Service for Labor and Employment (Rostrud) decided to lower the risk category of Biokhimik JSC.

As part of emergency preparedness efforts, 32 emergency response drills were conducted at the plant in 2024 to rehearse emergency response procedures.

Monitoring of the HSE management system is carried out through the industrial control system, which includes measurements of noise levels, lighting, gas contamination (carbon monoxide), dust concentration, and the presence of chemical substances (mercury, ammonia, ethanol, and others).

The Biokhimik plant is regularly inspected by government oversight authorities, including the State Labor Inspectorate and the Rospotrebnadzor Directorate for the Republic of Mordovia.

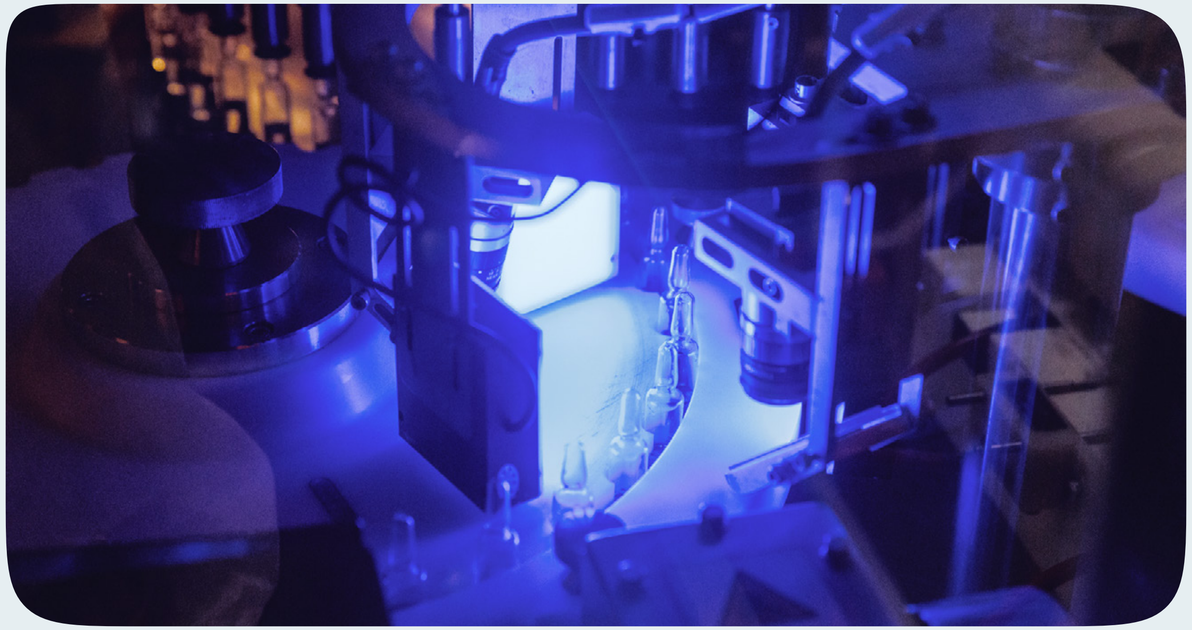
The trade union at the Biokhimik production site is involved in the HSE management system and takes part in all activities that may affect employee working conditions. The union also contributes to gathering employee feedback on workplace conditions and potential hazards. At the same time, employees may contact the HSE service at any time with questions or concerns related to workplace safety.

To raise employee awareness of the HSE management system and to gather feedback, the industrial control system provides for quarterly Occupational Safety Days conducted by line managers on site.

The outcomes of these activities are regularly analyzed by the HSE service and factored into the planning of future initiatives in the field of occupational safety.

One of the key elements of the HSE management system is the provision of personal protective equipment (PPE) and workwear to employees. The procurement of PPE is carried out in accordance with approved standards, while washing and repair are performed by both third-party organizations and the plant's in-house units.

To monitor working conditions, a Special Assessment of Working Conditions (SAWC) is conducted, covering all employees, including newly arranged workplaces. In cases where harmful factors cannot be eliminated from the technological process, a range of measures is implemented to minimize their impact: monitoring of the working environment, automation of processes to eliminate human presence in hazardous areas, and provision of high-efficiency personal protective equipment to ensure maximum safety for employees.



HSE Initiatives

In 2024, PROMOMED implemented a set of measures aimed at improving working conditions and ensuring employee safety. As part of this program, the following activities were carried out:

Occupational Health and Safety

- Occupational risk assessment at workplaces
- Creation of a dedicated training classroom for occupational health and safety, fire safety, environmental protection, and industrial safety instruction and certification
- Unscheduled Special Assessment of Working Conditions (SAWC)

Provision of Personal Protective Equipment (PPE) and Health Protection

- Organization of mandatory pre-employment and periodic medical examinations
- Provision of employees with special clothing, workwear, safety footwear, and other personal protective equipment (PPE)
- Procurement of dermatological protective and cleansing products

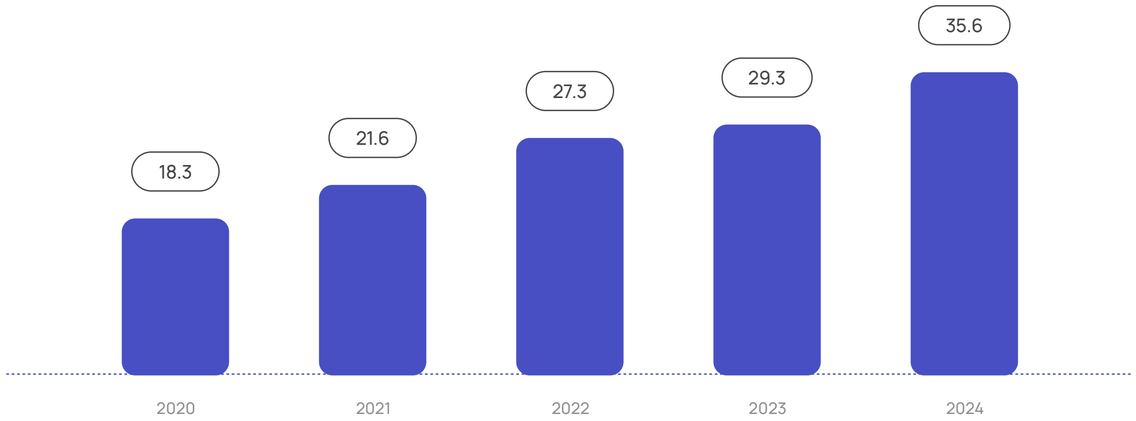
Sanitary, Hygiene, and Preventive Measures

- Organization of laboratory testing to measure noise levels, lighting, and gas contamination in workplaces
- Implementation of deratization and disinsection measures

Improvement of Working Conditions and Employee social Support

- Health resort preventive therapy and treatment for employees is carrying out
- Ongoing landscaping and improvement of the plant's grounds

HSE Expenditures per Employee
RUB thousand



In 2024, PROMOMED demonstrated flawless compliance with all occupational safety regulations, avoiding any penalties from government authorities. This demonstrates the highest level of responsibility and care for employee well-being — our unwavering priority.

The increase in investments in HSE initiatives at PROMOMED reflects the management's unwavering commitment to employee safety and well-being. This is not merely about regulatory compliance — it is a strategic decision aimed at creating a safe and efficient working environment.

Workplace Injuries

PROMOMED maintains strict oversight of all matters related to injury prevention. The Group has adopted a Regulation on the Specifics of Workplace Accident Investigation. For hazardous production facilities, a separate regulation governs the technical investigation of the causes of accidents and incidents. Based on the outcomes of workplace accident and microtrauma investigations, unscheduled safety briefings are organized for all employees to help prevent similar incidents in the future.

PROMOMED maintains mandatory recording of workplace accidents. The average Lost Time Injury Frequency Rate (LTIFR) over the three-year period from 2022 to 2024 was 0.27. In 2024, the Group recorded zero workplace accidents, confirming the effectiveness of its HSE management system measures.

HSE Indicators for Full-Time Employees

Indicator	2020	2021	2022	2023	2024
Total number of workplace accidents	0	0	1	1	0
Total number of fatal workplace accidents	0	0	0	0	0
Total number of workplace accidents involving serious injuries	0	0	0	0	0
Number of cases of occupational diseases	0	0	0	0	0
Lost Time Injury Frequency Rate (LTIFR) per 1,000,000 hours worked	0	0	0.4	0.4	0
Total Recordable Injury Frequency Rate (TRIFR)	0	0	0.6	0.6	0
Fatal Accident Rate (FAR)	0	0	0	0	0

Employee Training in HSE

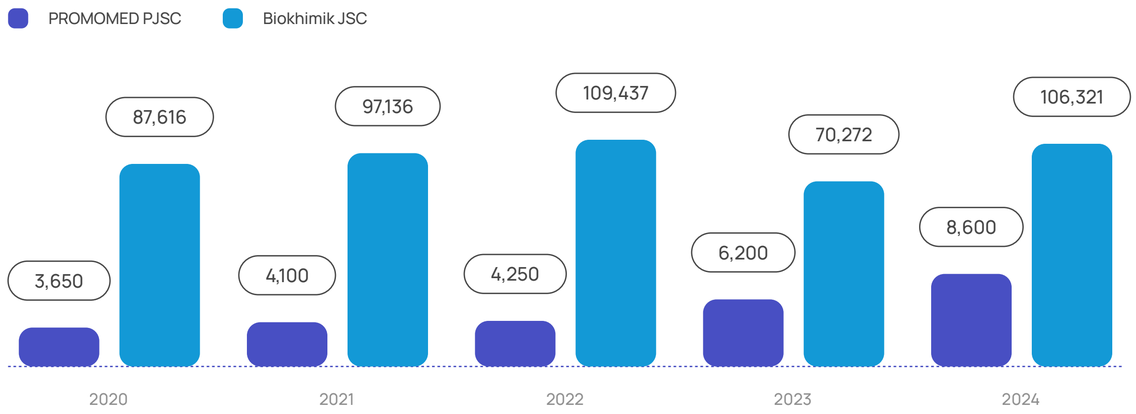
PROMOMED recognizes the high level of risk associated with production operations and pay considerable attention on employee training in HSE. To this end, specialized training courses have been developed and are conducted in a dedicated classroom equipped with additional visual tools. These tools provide hands-on practice for performing high-risk tasks and rehearsing emergency response procedures.

Employees engaged in high-risk tasks undergo additional training tailored to the specific nature of their work and working conditions.

To ensure that only properly trained personnel are assigned to high-risk tasks, the Group has implemented an automated system for monitoring training deadlines, enabling strict control over the entire process.

Recognizing that routine work can lead to lower alertness and, consequently, to workplace accidents, the Group has introduced a system of periodic knowledge checks on HSE management system requirements, ensuring regular updates of employee safety competencies.

Number of HSE Training Hours



Contractor Management

PROMOMED actively collaborates with contractors across various areas of activity while maintaining oversight of their compliance with safety requirements. In 2024, no workplace accidents involving contractor personnel were recorded.

Given the risks associated with hazardous work at production sites, the Group has implemented a system of access control and continuous monitoring. Before signing a contract, contractors undergo verification of the availability of required licenses, training, and qualifications. Contractual obligations include requirements for compliance with occupational health and safety, industrial and fire safety regulations, as well as PPE use regulations.

PROMOMED conducts continuous monitoring of compliance with safety rules, including regular workplace inspections. In the event of violations, formal reports are issued, and contractors are required to correct the deficiencies within the established deadlines. Systematic non-compliance with HSE requirements may serve as grounds for contract termination.

Each contractor employee must undergo mandatory HSE induction before starting work.

All contractor personnel working in the plant's workshops and production areas are required to undergo pre-employment medical examinations, are provided with personal protective equipment, and receive additional training.

Employee Health Support

PROMOMED is committed not only to the health of millions of patients, but also to the health of its own employees. The Group has implemented a voluntary health insurance program and actively promotes healthy lifestyle among its staff.

PROMOMED consistently implements Initiatives to promote employee health and ensure safe working conditions. An important aspect of this work is the regular monitoring of employee health. To this end, pre-employment and periodic medical examinations, as well as health screenings, are organized.

In 2024, PROMOMED launched the PROhealth program at the Biokhimik plant to encourage a conscious attitude toward personal health and to promote healthy lifestyle. As part of the corporate PROhealth program, employees take part in health-related surveys, sports events, roundtable discussions, and consultations on healthy lifestyle.

The Biokhimik plant actively promotes corporate sports. Annual events include cross-country skiing races, track and field competitions, mini-football and shooting tournaments, and Health Days. Employees also take part in national competitions such as Ski Track of Russia, Nation's Cross, and a national track and field half marathon.

To provide prompt medical assistance, an on-site medical room operates at the Biokhimik plant, where employees can receive primary care and undergo prescribed treatment procedures. First aid stations are also set up in operating units, equipped with medical kits that are regularly updated and replenished.

Plans for 2025

In 2025, PROMOMED will continue implementing a comprehensive set of measures to improve working conditions, enhance industrial safety, and reduce occupational risks. Plans include conducting a Special Assessment of Working Conditions, upgrading workplaces, strengthening oversight of occupational safety compliance, and advancing corporate health programs. Special attention will be given to the provision of PPE, improvement of sanitary and hygiene conditions, and the development of initiatives aimed at supporting employees' physical and professional well-being.

Environmental Stewardship

PROMOMED places special emphasis on environmental protection and ensuring ecological safety.

The Group is committed to reducing its environmental footprint, ensuring the efficient use of natural resources, increasing the share of recyclable waste, and reducing emissions of atmospheric pollutants.

Environmental Management

PROMOMED strictly complies with environmental legislation and ecological standards. Its activities in this area are guided by the Environmental Policy, developed in accordance with the requirements of the international standard GOST R ISO 14001-2016 (ISO 14001:2015) on environmental protection, natural resource management, and emergency prevention and response. This document outlines the Group's commitments and sets environmental protection requirements for partners, contractors, and counterparties.

The Group is currently developing internal environmental documentation that defines key principles and commitments in the area of ecological safety.

At the same time, the Biokhimik plant is revising its medical waste handling procedures and instructions to ensure safe disposal and compliance with current regulatory requirements.

Environmental matters at the production site fall within the scope of responsibility of the Environmental Protection Group at Biokhimik JSC, which monitors compliance with applicable environmental legislation, standards, and regulations; develops relevant projects and plans; and collects data for both regulatory reporting and internal purposes.

PROMOMED's Environmental Priorities:

- improving the environmental management system and reducing environmental impact
- reducing production waste and ensuring safe waste handling
- implementing best available technologies for energy efficiency and environmental protection
- transparency and accessibility of environmental information, timely notification of stakeholders about significant incidents
- increasing employee awareness and competence in addressing environmental protection issues

In 2024, the Group approved several new internal environmental documents:

- Maximum Permissible Emissions (MPE) Project
- Sanitary Protection Zone Project
- Action Plan for Periods of Adverse Meteorological Conditions

Environmental Protection Expenditures

RUB thousand

Indicator	2020	2021	2022	2023	2024
Expenditures related to implementation of environmental protection initiatives, including:	**6,067**	**6,945**	**9,724**	**13,844**	**14,433**
air protection and climate change mitigation	538	143	270	301	336
wastewater collection and treatment	3,992	4,981	5,265	10,778	10,234
waste management	1,498	1,767	4,176	2,684	3,797
other areas of environmental protection activities	39	54	13	81	66
Capital investments aimed at environmental protection and the efficient use of natural resources, including:	**1,500**	**2,123**	**2,355**	**3,854**	**5,250**
air protection and mitigation of climate change	1,500	2,123	2,355	3,854	5,250

Environmental Compliance of Biokhimik JSC's Operations

Due to the specifics of pharmaceutical manufacturing, the Biokhimik plant is classified as a facility with a moderate negative environmental impact.[1] PROMOMED ensures that all operations fully comply with environmental protection legislation.

The plant employs advanced substance synthesis technologies that combine both international and domestic developments. It operates a closed-loop production cycle for next-generation medicinal products, ensuring strict control at every stage. Due to the use of cutting-edge solutions, the core substance synthesis process at the Biokhimik plant has no significant impact on the environment.

[1] According to the Resolution of the Government of the Russian Federation No. 2398 dated December 31, 2020 (as amended on October 7, 2021) "On the Approval of Criteria for Classifying Facilities with Negative Environmental Impact into Categories I, II, III, and IV," which establishes classification criteria based on the degree of environmental impact.

Waste Management

Responsible waste handling is one of the key focus areas of PROMOMED's environmental efforts. The Group continues to improve its waste management processes by implementing efficient disposal and recycling methods. Procedures and guidelines have been developed for the safe handling of medical waste. The majority of waste is generated during the production of pharmaceutical substances and finished medicinal products.

PROMOMED has established a medical waste management system that is fully compliant with legislative requirements. Only licensed contractors are engaged to ensure the safe disposal of medical waste, including its removal and destruction in strict accordance with applicable regulations.

In addition, during the packaging design phase, the Group's specialists take into account the required quantity of the medicinal product for a standard course of treatment. This approach not only improves patient convenience, but also reduces the likelihood of unused medicines ending up in landfills.

As a pharmaceutical facility, the Biokhimik plant handles medical waste of classes A, B, and D. The plant carries out disinfection and transfers such waste to specialized organizations for subsequent disposal in accordance with SanPiN requirements.

In 2024, the Biokhimik plant generated 1,084 tons of waste[2], which is 12% less than in 2023. This reduction was driven by separate waste collection in production units and by sending waste for recycling.

[2] The waste data presented here and throughout the report are based on waste transfer certificates from disposal contractors, disposal certificates, and quarterly reports from production and support units.

In 2024, PROMOMED demonstrated flawless compliance with all environmental protection regulations, avoiding any penalties from state authority. This reflects the highest level of responsibility and care for employee well-being — our unwavering priority.

Key Types of Medical Waste[3] at PROMOMED

Class A medical waste

sweepings from the plant grounds, personal protective equipment

Class B medical waste

vivarium waste and waste contaminated with microorganisms of risk groups III and IV

Class D medical waste

waste from the production of medicinal products and substances, contaminated packaging

Municipal solid waste (MSW)

waste from office and household premises

[3] Waste is classified into five hazard classes depending on their environmental impact. In the medical field, a separate classification system is used for medical waste (classes A, B, C, D, E), based on their epidemiological, toxicological, and radiological hazards.

Waste Reduction Dynamics

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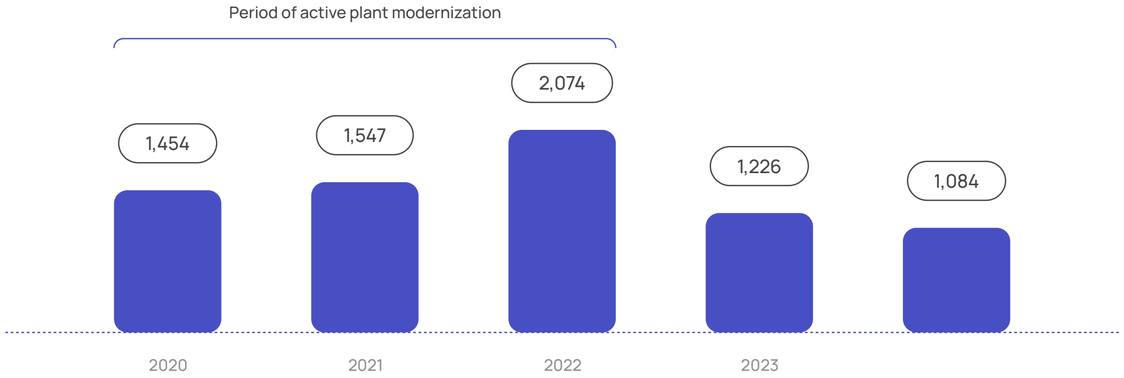


Recycling and Reuse of Waste

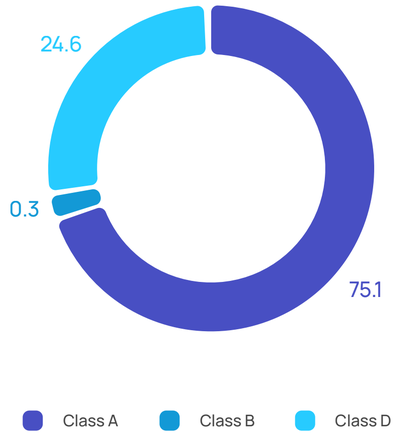
PROMOMED takes a responsible approach to the disposal of potentially reusable materials. The Group collects and sends for recycling various production fractions, including paper, glass, wooden pallets, PVC film, scrap metal, and other waste. All materials are transferred to contractors that process them at their own facilities to prepare for further reuse. Contractor compliance is monitored by the production control commission and the sanitary commission. Video surveillance systems are also used to detect violations.

~36%

of the waste generated by the Biokhimik plant was sent for recycling and reuse in 2024

Waste Breakdown in 2024

%



75%

of generated waste in 2024 was classified as non-hazardous[1]

[1] Hazardous waste includes waste of hazard classes I–III, as well as Class C and D medical waste. Non-hazardous waste includes waste of hazard classes IV and V.

Air Emissions Control

PROMOMED places significant emphasis on air quality and the reduction of atmospheric pollutant emissions. The Group complies with Russian environmental legislation and strictly adheres to corporate regulations regarding the control of harmful emissions.

The main sources of pollutant emissions at PROMOMED's production site include the boiler house of the energy unit, laboratories, production workshops, and motor vehicles.

In 2024, total pollutant emissions at the Biokhimik plant amounted to 48.2 tons, which is 35 tons more than in 2023. This increase was due to the launch of new production lines.

The largest share of total emissions consists of volatile organic compounds and other emission categories[1] generated during laboratory analyses. In accordance with the approved schedule, the Biokhimik plant regularly replaces filter elements as specified by regulations and is also reconstructing and upgrading its ventilation equipment to improve air purification efficiency.

In 2024, as part of the emissions compliance monitoring program, the Biokhimik plant conducted analyses of actual chemical emissions from production lines, as well as measurements of the filtration efficiency of dust and gas purification equipment. To reduce the concentration of harmful substances in the ambient air, measures have been developed and are being implemented to shut down equipment during periods of adverse meteorological conditions.

As part of environmental monitoring, an inventory of c sources was carried out and a new Maximum Permissible Emissions (MPE) project was developed.

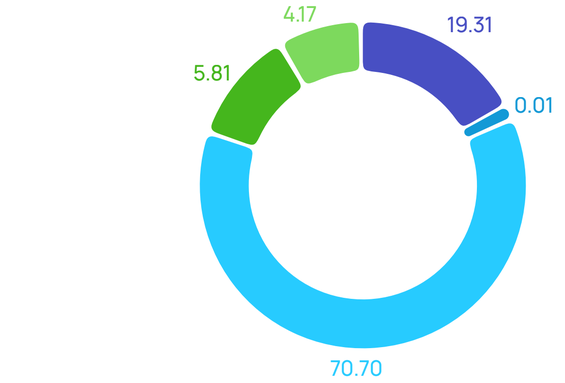
To monitor the sanitary protection zone (SPZ), noise levels and pollutant concentrations are measured at the zone's boundary. Based on the results of these studies, the size of the SPZ was reduced from 500 to 100 meters. In 2024, no exceedances of maximum permissible concentrations (MPC) or maximum permissible noise levels (MPNL) were recorded within the SPZ monitoring program.

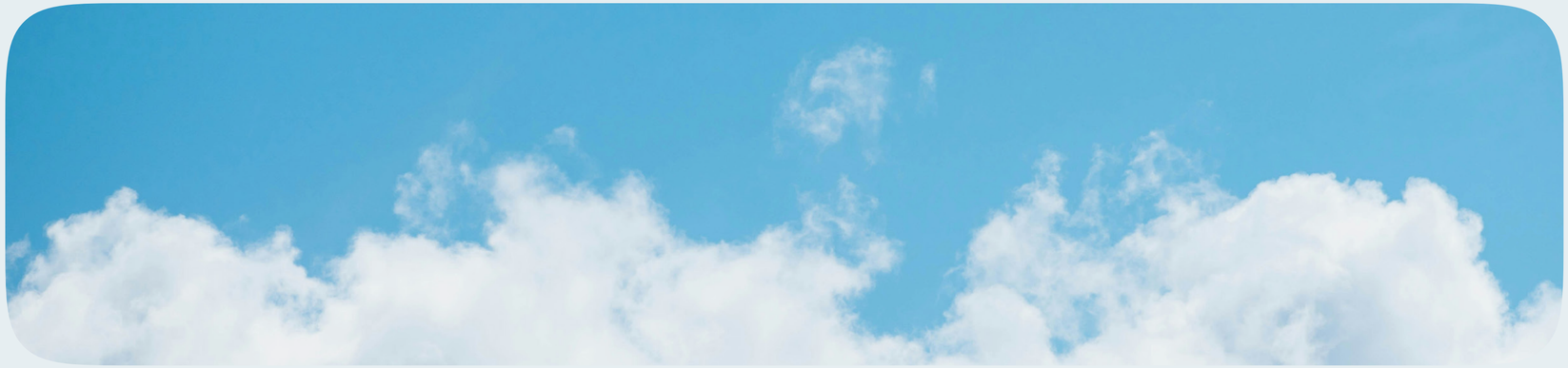
To reduce atmospheric emissions, the Biokhimik plant is continuously upgrading its production facilities. Currently, reconstruction is underway in workshops No. 8, 3, and 9, as well as in the warehouses for finished products, raw materials, and supplies.

In 2024, PROMOMED did not exceed the established limits for atmospheric pollutant emissions.

Breakdown of Atmospheric Pollutant Emissions in 2024

%





[1] Other emission categories include nitric acid, ammonia, gasoline, mineral oil, sodium hydroxide, sulfuric acid, hydrogen sulfide, hydrochloric acid, and other substances.

Water Resource Use

PROMOMED prioritizes the efficient use of water resources. The Group is upgrading equipment at the Biokhimik plant to reduce the impact on natural water bodies.

Artesian water from eight wells is used for production and domestic purposes. PROMOMED draws artesian water in the city of Saransk under a licensed permit for underground water extraction. Wastewater is discharged under an agreement with the municipal sewage system operator, Saranskgorvodokanal, which receives the wastewater and performs further treatment to bring it in line with established standards, providing an additional level of control over safe water disposal.

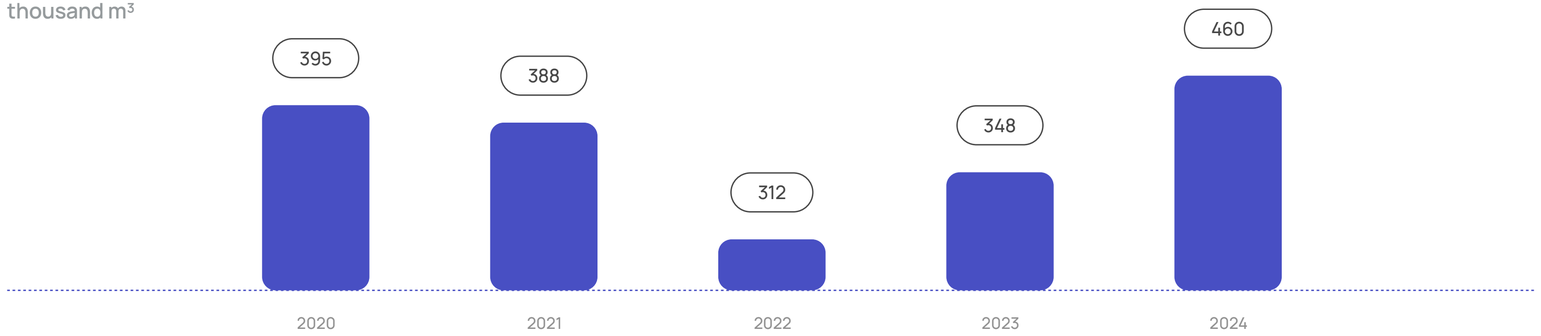
To comply with licensing requirements, Biokhimik JSC monitors both the level and quality of artesian water (used for potable water supply). Wastewater volumes are recorded using control instruments that measure the amount of water extracted from the wells.

The Group implements systematic monitoring of its impact on water resources, including groundwater level and chemical composition measurements, tracking of water withdrawal volumes, and discharged water quality control. All water use processes are regulated by federal and regional standards, licensing conditions, and the internal Water Quality Production Control Program, which has been in place at Biokhimik JSC since 2021.

The Production Control Program is aimed at ensuring compliance with sanitary regulations. It defines requirements for wastewater quality monitoring and outlines measures for preventing and responding to potential emergency situations.

Total Water Withdrawal

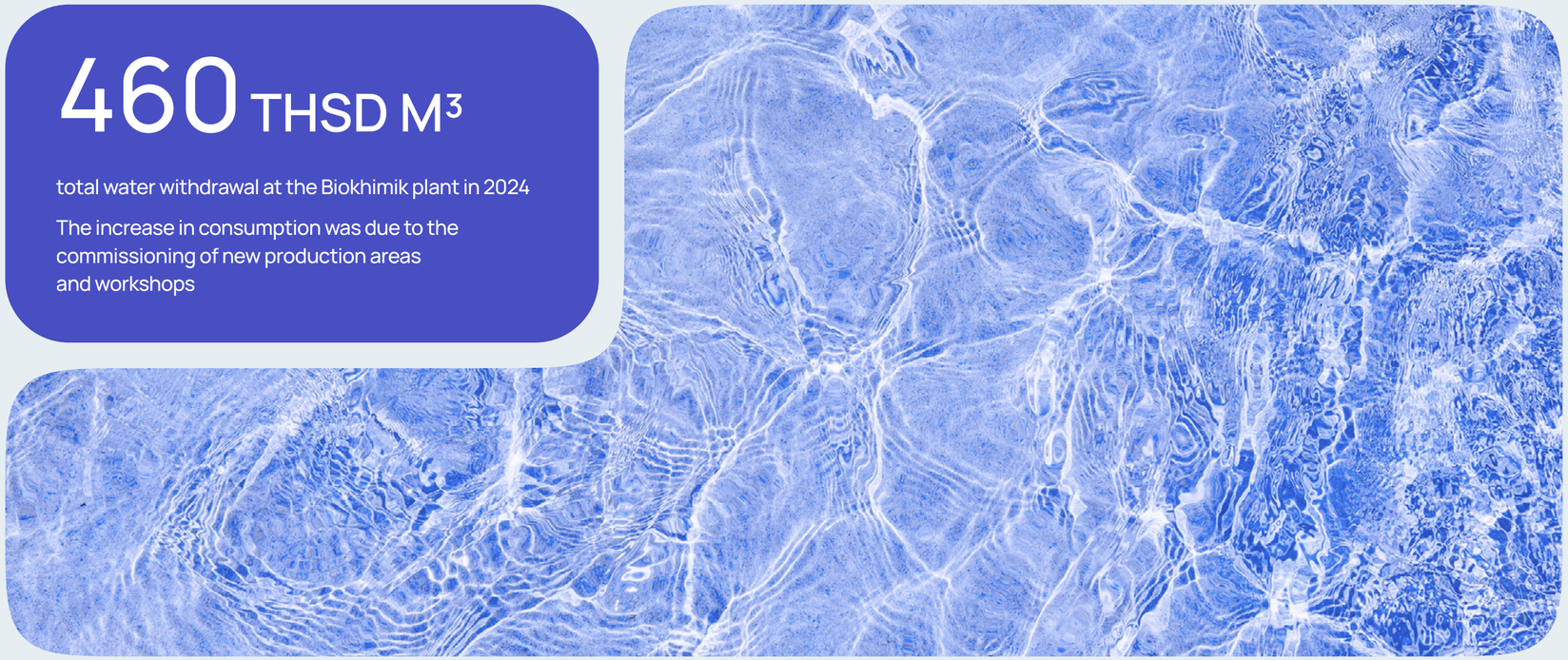
thousand m³



460 THSD M³

total water withdrawal at the Biokhimik plant in 2024

The increase in consumption was due to the commissioning of new production areas and workshops



Energy Efficiency

PROMOMED strives to improve operational processes to enhance the efficiency of electricity and heat consumption.

The Biokhimik plant's boiler house is equipped with modern systems, including economizers that use the heat of exhaust gases to preheat water, allowing for reduced fuel consumption.

The Biokhimik plant operates its own vehicle fleet, which includes two trucks, three passenger cars, and seven diesel forklifts that require the consumption of gasoline and diesel fuel. In the medium term, with the launch of a new logistics complex, the Group plans a gradual transition to electric forklifts, which will reduce pollutant emissions and improve energy efficiency.

Fuel consumption is managed by the logistics department of the Biokhimik plant. In 2024, the consumption of purchased fuel increased by 17% compared to 2023. The increase was driven by the commissioning of new production units.

PROMOMED is implementing a comprehensive set of measures to improve the energy efficiency of its production site. These include the transition to more advanced technological processes, as well as initiatives to replace lighting fixtures with LED systems and to install variable frequency drives on pump motors.

~245 THSD GJ

total energy consumption in 2024

Energy consumption

GJ

	2020	2021	2022	2023	2024
Fuel consumption, including:	**88,130.5**	**178,003**	**157,536.1**	**153,972.6**	**180,350.4**
gasoline consumption	1,151	1,119	1,164	1,029	1,028
diesel fuel consumption	1,489	1,819	2,783	2,673	2,674
natural gas consumption	85,490.9	175,065.4	153,589.1	150,270.6	176,648.4
Purchased energy consumption, including:	**92,792**	**37,233**	**37,582**	**52,211**	**64,351**
electricity consumption	34,289	37,233	37,582	52,211	64,351
steam consumption	58,503	0	0	0	0
Total energy consumption	**257,536.4**	**369,397.2**	**195,118.0**	**206,183.6**	**244,701.4**

Energy production

GJ

	2020	2021	2022	2023	2024
Steam production	59,246	114,883	105,747	111,445	116,030
Thermal energy production	17,368	39,278	40,731	37,059	51,437
Total energy production[1]	**76,614**	**154,161**	**146,478**	**148,504**	**167,467**

[1] All energy produced by the boiler house is used to meet the needs of the Biokhimik plant.

Biodiversity Conservation

PROMOMED is committed to minimizing its impact on biodiversity while fully complying with all applicable environmental regulations.

As part of its laboratory research, Biokhimik JSC uses mice and rabbits sourced from specialized breeding facilities. The use of laboratory animals in research does not have a negative impact on biodiversity. All studies are conducted in compliance with international standards, Russian veterinary regulations, and national legislation on the circulation of medicinal products. In the development of original medicines, biological analysis methods are used, with strict control over the impact on the animals' immune systems.

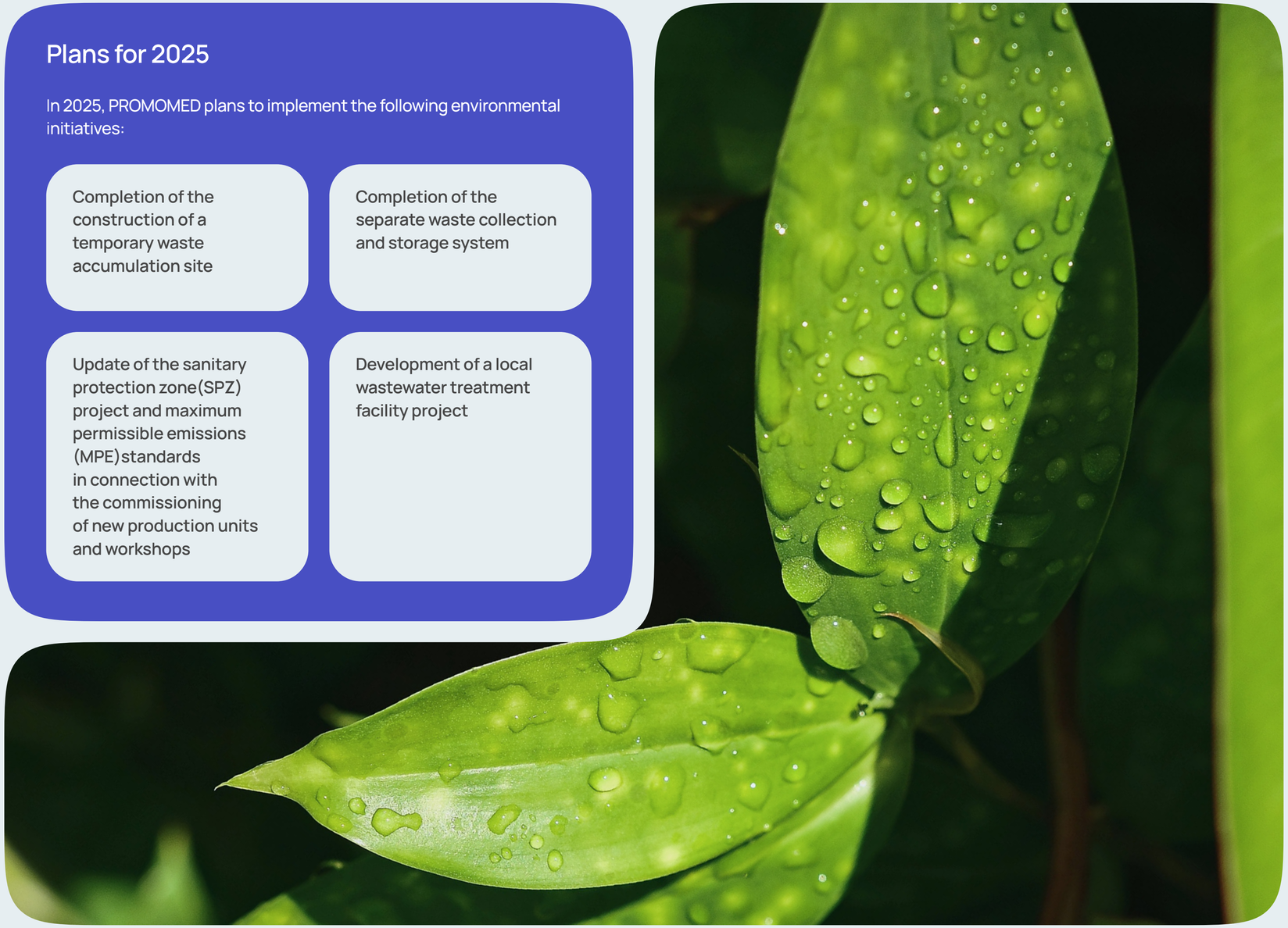
The animals are kept in specially equipped sections on the premises of Biokhimik JSC, where all necessary conditions for their care and maintenance are ensured. The Group adheres to the principles of humane treatment and conducts research according to a well-defined schedule.

In addition, laboratory research contributes not only to the development of new pharmaceutical technologies, but also to the accumulation of knowledge that can be applied in nature conservation, population recovery, and ecosystem restoration.

Plans for 2025

In 2025, PROMOMED plans to implement the following environmental initiatives:

- Completion of the construction of a temporary waste accumulation site
- Completion of the separate waste collection and storage system
- Update of the sanitary protection zone (SPZ) project and maximum permissible emissions (MPE) standards in connection with the commissioning of new production units and workshops
- Development of a local wastewater treatment facility project



Sustainable Supply Chain

PROMOMED takes a meticulous approach to partner selection, working exclusively with trusted suppliers and counterparties. This ensures supply chain stability and consistent compliance of products with high quality standards.

Supply chain management is carried out at the level of PROMOMED DM LLC. The key regulatory documents governing procurement and supplier relations include:

- PROMOMED DM LLC Corporate Ethics Code
- Procurement Procedure at PROMOMED DM LLC
- PROMOMED DM LLC Procurement Policy
- The procurement planning system is based on the 1C:ERP[1] platform.

[1] ERP — Enterprise Resource Planning.

A core principle in the selection of suppliers and contractors is ensuring fair competition. Most procurement activities are conducted via electronic tender platforms, ensuring open and transparent procedures.

Maria Mitina

Director of Procurement and Logistics, PROMOMED

PROMOMED is developing a category-based procurement system. All Group procurements are divided into:

- Direct procurement of production materials, including APIs, excipients and packaging materials for medicinal product manufacturing, reagents and chemicals for quality control, as well as personal protective equipment
- Indirect procurement, including general administrative supplies, repair services, and procurement of equipment and spare parts

In 2024, PROMOMED worked with 358 suppliers of raw materials and components. PROMOMED's supplier base includes both Russian and international counterparties (from Europe and Asia). Russian suppliers accounted for approximately 70% of the total.

Overall procurement management within PROMOMED is overseen by the Tender Committee.

The Procurement Department analyzes the plant's needs for raw materials and components and is responsible for supplier search and selection. Indirect procurement at the plant is managed by the Procurement Support Bureau of Biokhimik JSC.

Key supplier selection criteria include price, delivery time, the potential supplier's market experience and, if applicable, prior experience with PROMOMED, as well as the degree of compliance with the technical specifications.

In accordance with GMP requirements, the Quality Assurance Department of Biokhimik JSC assesses suppliers for compliance with quality criteria.

This includes on-site or online audits of potential counterparties. Key assessment criteria include:

- compliance with regulatory requirements (possession of licenses, GMP, GDP[1], and QMS[2] certificates)
- conformity of raw material and component quality to applicable specifications
- nonconformities (hidden defects) identified during the production process
- adherence to delivery conditions that ensure product quality is not compromised
- supplier risk level

All potential suppliers of raw materials and packaging for the Biokhimik plant undergo an initial screening and either an on-site or online audit. In 2024, a total of 107 audits were conducted for manufacturers and suppliers of raw materials, components, and services. Based on the audit results, an annually updated list of approved suppliers is compiled, with whom the plant is authorized to cooperate.

The Group is improving its supply chain management processes, including through the adoption of international best practices. It is implementing the S&OP process, which integrates planning and forecasting into a single coordinated workflow and enhances overall efficiency.

70%

share of Russian suppliers in 2024

[1] GDP — Good Distribution Practice.
[2] QMS — Quality Management System.

Social Initiatives and Charitable Activities

PROMOMED places special emphasis on corporate social responsibility. The Group participates in social projects and charitable initiatives aimed at supporting healthcare professionals and patients, and contributes to the development of local communities in the regions where it operates.

The management of matters related to the implementation of social and charitable projects is the responsibility of the Director of Corporate Communications.

An important element of the Group's strategy is engagement with non-profit organizations and support for socially oriented initiatives.

When selecting a partner from among public organizations, PROMOMED gives priority to those who share the Group's mission and commitment to making people healthy, beautiful, and happy, and who are capable of setting long-term goals and working consistently to achieve them.

Ekaterina Popova

Director of Corporate Communications, PROMOMED

Charity, Social, and Educational Projects of the Group in 2024

Educational initiatives:

- federal project Professionality. With PROMOMED's support, the Federal Center for the Development of Biotechnology and Medicine was launched at N. Ogarev Mordovia State University
- three laboratories equipped with modern equipment were opened to support the development of new biotechnological products, including those involving genetic engineering
- future Biochemist — an educational project for school students in Mordovia. Specialized school classes were launched with an advanced curriculum in chemistry, biology, and mathematics. Young Chemist — an educational project for kindergartners. With PROMOMED's support, a dedicated children's laboratory was equipped, with each workstation featuring a microscope and a full set of reagents and tools for conducting experiments

Medicinal products for the treatment of socially significant diseases were donated to various medical institutions, including:

- State Budgetary Healthcare Institution of the Republic of Mordovia Republican Clinical Hospital named after S. Katkov
- State Public Healthcare Institution of the Republic of Mordovia Republican Tuberculosis Dispensary
- State Social Service Institution of the Republic of Mordovia Saransk Nursing Home for the Elderly and Disabled

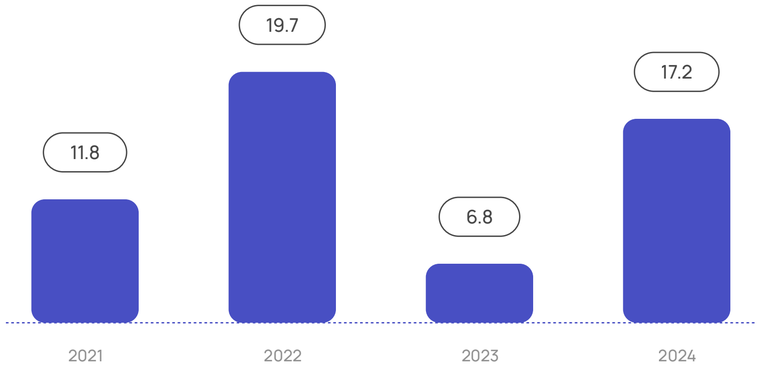
Charitable assistance was provided to the Saransk Theological Seminary.

>17 RUB MLN

allocated by PROMOMED for charitable activities, social and educational projects in 2024

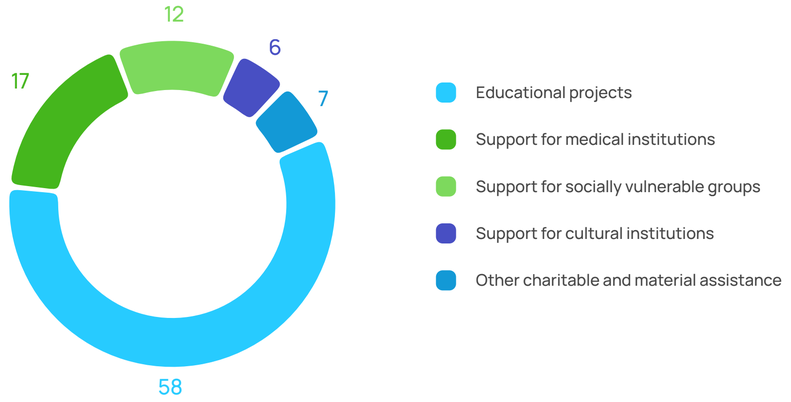
Expenditures on Charitable Activities, Social and Educational Projects

RUB million



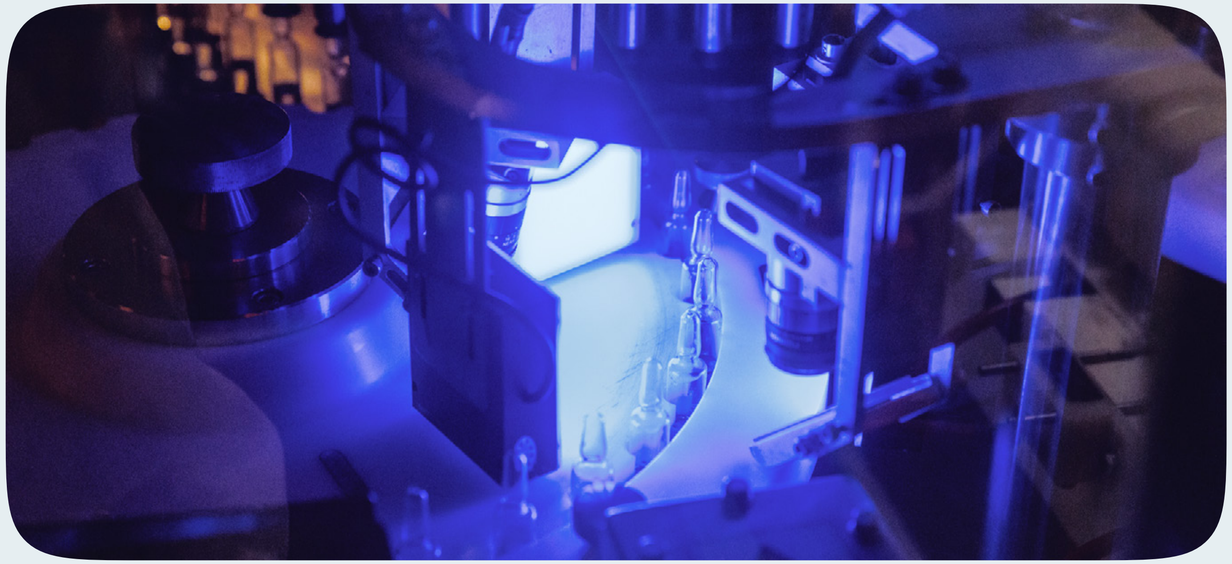
Breakdown of Expenditures on Charitable Activities, Social and Educational Projects

%



The Group's Social Initiatives for Employees in 2024

Initiative	Description and results
Health Day for employees and their families	The goal of the event is to promote a healthy lifestyle and support employee health and well-being. Health Day was held for the second consecutive year. In 2024, the event was part of the corporate PROhealth program and brought together more than 150 participants
Mother's Day	An event for children of employees from single-parent families. In 2024, it featured a culinary master class
Donor Day	More than 100 employees of Biokhimik JSC supported the initiative and became blood donors



Engagement with Non-Profit Organizations and Support for Socially Oriented Initiatives

Since 2019, PROMOMED has supported the nationwide public movement Healthy Weight Russia (All-Russian Public Movement Healthy Weight Russia). This partnership aims to raise awareness among the public, government authorities, and healthcare professionals about the problem of obesity and its negative impact on reproductive health, life expectancy, and quality of life.

In 2024, the Group supported the efforts of the All-Russian Union of Patient Associations to bring attention to the issue of obesity and related chronic and disabling conditions at the level of federal legislative and executive authorities. With the Group's support, the roadmap on obesity, metabolic health, and their impact on life expectancy — developed jointly by the professional expert community and patient organizations — was updated.

In November 2024, PROMOMED took part in the All-Russian Patient Congress — the country's largest forum for leaders of the patient advocacy movement. Kira Zaslavskaya, Director of New Products at Promomed PJSC, presented to congress delegates the key features and priorities of PROMOMED's clinical program, as well as the innovative approaches the Group applies in the development and production of medicinal products.

In 2024, the Group provided emergency support to people living with HIV (PLHIV) in St. Petersburg by donating over 9,000 packs of antiretroviral medicines to the Humanitarian Action charitable foundation. At a meeting with Group representatives in September 2024, leaders of the Russian PLHIV community spoke about the impact this contribution has had on people's lives. The Group's efforts to ensure access to the most effective, innovative, and patient-friendly medicines for HIV treatment and prevention were met with particular appreciation and interest from the community.

05

Corporate Governance

Corporate Governance System

The corporate governance system at PROMOMED complies with Russian legislation and Listing Rules of Moscow Exchange PJSC, and is also based on the corporate governance principles set out in the Corporate Governance Code (CGC) of the Bank of Russia[1].

The companies comprising PROMOMED fully adhere to the core principles of corporate governance outlined in the Corporate Governance Code of the Bank of Russia:

- ensuring equal and fair treatment of all shareholders, including minority shareholders, in exercising their rights to participate in the governance of the Company, and safeguarding their rights
- strategic management of the Company's activities by the Board of Directors and effective oversight of the executive bodies, including the establishment of principles and approaches to the Company's risk management and internal control system, with the Board being accountable to the General Meeting of Shareholders
- ensuring a key role of the Board of Directors in preventing, identifying, and resolving internal conflicts among the Company's governance bodies, shareholders, and employees
- ensuring that the executive bodies manage the Company's day-to-day operations reasonably, in good faith, and solely in its best interests, and that they remain accountable to the General Meeting of Shareholders and the Board of Directors
- timely disclosure of accurate information about the Company to ensure that its shareholders can make informed decisions, to the extent provided by applicable law, the Charter, and the Company's internal documents
- effective oversight of the Company's financial and business activities, including for the purpose of protecting the rights and legitimate interests of shareholders
- active engagement by the Company with investors, creditors, and other stakeholders to enhance the Company's net assets and share value

Key Internal Documents of PROMOMED

PROMOMED's Corporate Governance Goals:

- growth in shareholder value and increased investment appeal of the shares of PROMOMED PJSC
- effective asset management
- stable and predictable business development
- implementation of the Group's strategy
- enhancement of management systems, motivation mechanisms, and succession planning practices for management and staff
- support for the activities of the Group's governance bodies

PROMOMED's corporate governance is modeled on the world's best practices and is grounded in the professionalism of governance participants, transparency, and objectivity in decision-making. Ethics and social responsibility are also integral components of the Group's corporate governance framework.

Yana Smolnikova

Corporate Secretary, PROMOMED

[1] The Corporate Governance Code annexed to Letter No. 06-52/2463 of the Central Bank of the Russian Federation dated April 10, 2014.

Advancing Corporate Governance Practices

PROMOMED is committed to developing effective and advanced corporate governance practices.

The Group has outlined the following initiatives for the near future:

- implementation of PROMOMED's long-term employee incentive program that does not involve the issuance of additional shares of PROMOMED PJSC[1]
- introduction of digital tools in the work of the Board of Directors
- ensuring that key business matters are addressed at meetings of the Board of Directors and its committees, with other matters to be reviewed via absentee voting
- development and implementation of the Board of Directors Succession Plan
- approval of the revised Charter of PROMOMED PJSC and updated regulations on the Company's governance bodies to align with changes in applicable joint stock company legislation
- approval of PROMOMED's Code of Corporate Conduct (Ethics)

Over the longer term, PROMOMED may introduce additional measures to enhance its corporate governance system, including:

- development and adoption of the Information Policy
- inclusion of the Company's shares in the Innovation and Investment Market (IIM) sector of the Moscow Exchange PJSC
- external evaluation of the performance of the Board of Directors and its committees with the engagement of an independent consultant
- enabling remote participation in the General Meeting of Shareholders and providing access to video streaming of the meeting via the Group's website
- continued implementation of the recommendations of the Corporate Governance Code issued by the Bank of Russia
- establishing a framework for engagement with the Company's minority shareholders to support the implementation of best corporate governance practices within the Company's operations

[1] The program was approved by resolution of the Board of Directors in April 2025.

Although PROMOMED PJSC acquired the status of a public joint stock company in 2024, internal efforts to develop and improve corporate governance practices began earlier.

In particular, since 2021 the Company has:

- elected a Board of Directors
- operated three standing committees of the Board of Directors: the Nomination and Remuneration Committee, the Strategy Committee (renamed the Strategy and Sustainability Committee in 2022), and the Audit Committee
- conducted assessments of candidates for the Board of Directors for compliance with the independence criteria set out in Listing Rules of Moscow Exchange PJSC
- adopted internal documents in accordance with the requirements of Listing Rules of Moscow Exchange PJSC for companies whose securities are listed in the second tier of the securities list

Compliance with the Principles and Recommendations of the Bank of Russia Corporate Governance Code as of December 31, 2024[1]

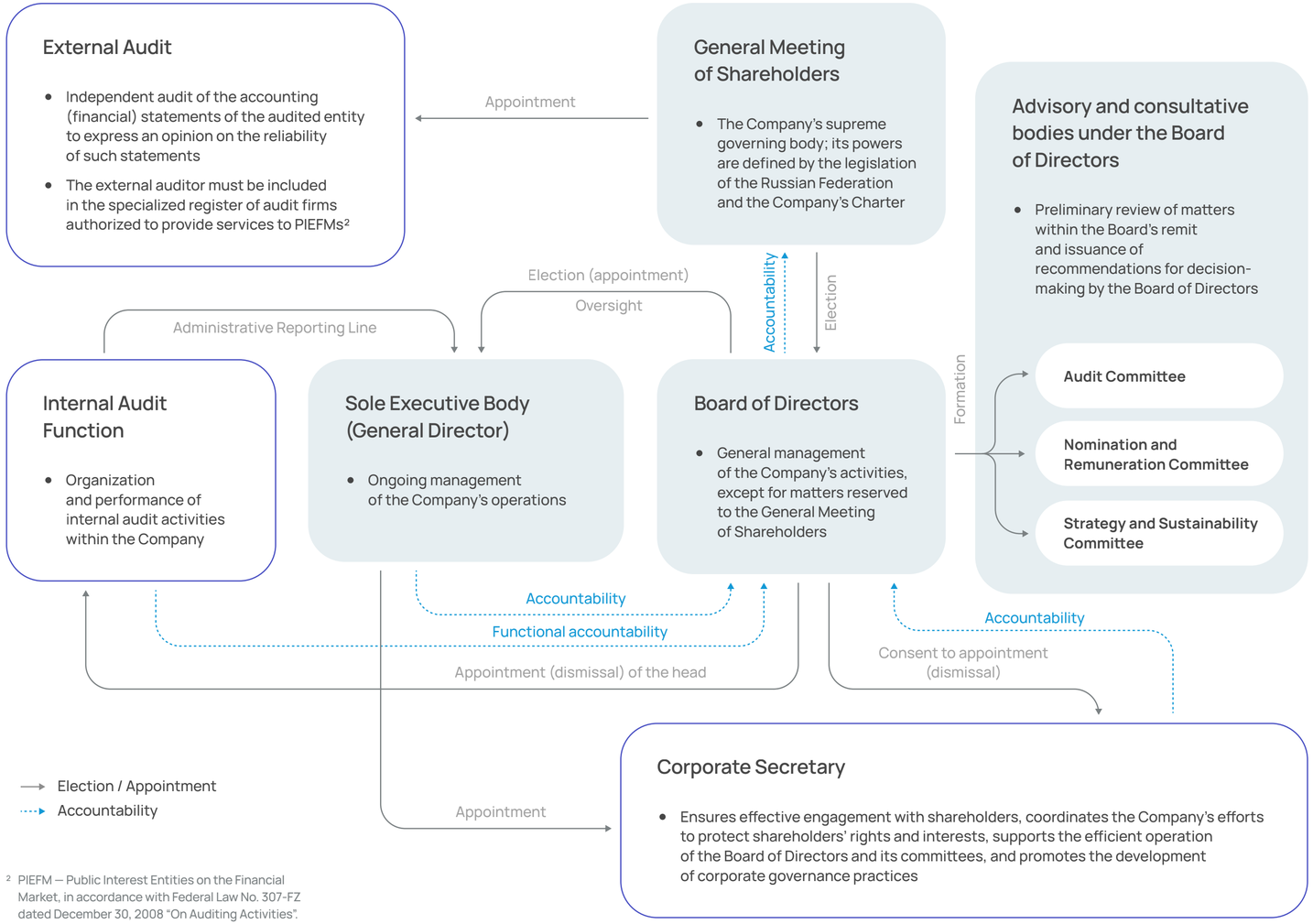
Most of the corporate governance principles and recommendations set out in the Bank of Russia Corporate Governance Code have been incorporated into the Company's corporate practices.

Section of the Code	Number of principles	Complied with	Partially complied with	Not complied with
Shareholders' rights and equal treatment	13	10	2	1
Board of Directors	36	18	12	6
Corporate Secretary	2	1	1	0
Remuneration system	10	7	3	0
Risk management and internal control system	6	4	2	0
Disclosure of information	7	2	3	2
Material corporate actions	5	2	3	0
Total	79	44	26	9

For more details on compliance with the principles and recommendations of the Corporate Governance Code issued by the Bank of Russia, see the appended Report on Compliance with the Principles and Recommendations of the Corporate Governance Code.

[1] As of July 12, 2024 (the date the Company's shares were included in the quotation list of the Moscow Exchange PJSC).

Corporate Governance Structure



[2] PIEFM — Public Interest Entities on the Financial Market, in accordance with Federal Law No. 307-FZ dated December 30, 2008 "On Auditing Activities".

Biographies of Board Members[1]

Petr Bely

Executive Director

- Chairman of the Board of Directors
- Chairman of the Strategy and Sustainability Committee
- Member of the Nomination and Remuneration Committee

Member of the Board of Directors since 2021

Higher Education

- Federal State Budgetary Educational Institution of Higher Education Russian University of Medicine, Ministry of Health of the Russian Federation, degree in Clinical Medicine
- Doctor of Medical Sciences

Work Experience

- Since 2024 — First Deputy General Director, PROMOMED DM LLC
- 2019–2023 — Chairman of the Board of Directors, PROMOMED DM LLC
- 2018–2024 — Executive Director, PROMOMED RUS LLC
- 2017–2019 — Chairman of the Board of Directors, PROMOMED Management Company LLC
- 2011–2020 — General Director, NC PharmGroup LLC

Equity Interest in the Company

87.67%[2]

Alexander Efremov

Executive Director

- Member of the Strategy and Sustainability Committee
- General Director

Member of the Board of Directors since 2024

Higher Education

- Military Medical Academy, degree in Clinical Medicine
- Former Academy of Public Administration under the President of the Russian Federation (now part of RANEPA), degree in Public and Municipal Administration
- Candidate of Medical Sciences

Work Experience

- Since 2023 — General Director, PROMOMED PJSC
- 2021–2023 — Executive Director, General Director, PROMOMED DM LLC
- Until 2021 — General Manager at Novartis, Baxter, Sanofi, Roche, and Bausch Health

Equity Interest in the Company

0.02%[2]

Kira Zaslavskaya

Executive Director

- Director of New Products

Member of the Board of Directors since 2024

Higher Education

- Federal State Budgetary Educational Institution of Higher Education D. Mendeleev University of Chemical Technology of Russia, degree in Chemical Technology of Synthetic Biologically Active Substances, qualification: Engineer
- A. Nesmeyanov Institute of Organoelement Compounds, Russian Academy of Sciences, degree in Organic and Organoelement Chemistry
- MBA, PwC Academy

Work Experience

- Since 2021 — Director of New Products, PROMOMED Group
- With PROMOMED Group since 2009

Equity Interest in the Company

0.02%[2]

[1] As of December 31, 2024.
[2] Here and elsewhere, equity interest is rounded to two decimal places.

Biographies of Board Members[1]

Dejan Jovanovic

Independent Director

- Member of the Audit Committee
- Member of the Strategy and Sustainability Committee

Member of the Board of Directors since 2024

Higher Education

- Warsaw Medical University (Poland), degree in Anesthesiology and Intensive Care

Work Experience

- 2014–2021 — General Director, Astellas Pharma Production LLC
- 2005–2022 — General Director, Astellas Pharma JSC
- 2005–2021 — Vice President for Russia and CIS, Representative Office of the Private Limited Liability Company Astellas Pharma Europe B.V.

Equity Interest in the Company

Not held

Yuriy Litvischenko

Independent Director

- Member of the Strategy and Sustainability Committee

Member of the Board of Directors since 2024

Higher Education

- Federal State Autonomous Educational Institution of Higher Education N. Pirogov Russian National Research Medical University, Ministry of Health of the Russian Federation, degree in General Medicine
- Candidate of Medical Sciences

Work Experience

- Since 2021 — Head of Hospital Division (Sales and Marketing), Skopinpharm LLC
- 2007–2020 — General Director, Chiesi Pharmaceuticals LLC

Equity Interest in the Company

Not held

Igor Maev

Independent Director

- Chairman of the Nomination and Remuneration Committee
- Member of the Audit Committee

Member of the Board of Directors since 2023

Higher Education

- A. Evdokimov Moscow State University of Medicine and Dentistry, Ministry of Health of the Russian Federation, degree in Gastroenterology
- Academician of the Russian Academy of Sciences, Professor, Doctor of Medical Sciences

Work Experience

- 2021–2023 — Member of the Board of Directors, PROMOMED DM LLC
- Since 2013 — First Vice-Rector, Vice-Rector, Head of the Department of Propaedeutics of Internal Medicine and Gastroenterology, Faculty of General Medicine, N. Semashko Scientific and Educational Institute of Clinical Medicine, Federal State Budgetary Educational Institution of Higher Education Russian University of Medicine, Ministry of Health of the Russian Federation

Equity Interest in the Company

Not held

[1] As of December 31, 2024.

Biographies of Board Members[1]

Mikhail Malinovsky

Non-Executive Director

Member of the Board of Directors since 2024

Higher Education

- Federal State Autonomous Educational Institution of Higher Education O. Kutafin Moscow State Law University (MSAL), degree in Law

Work Experience

- Since 2023 — Chairman of the Equity Primary Market Committee, Executive Board, Moscow Exchange PJSC
- Since 2023 — Member of the Board of Directors, Bitza-Invest IC JSC
- Since 2012 — General Director, LKP LLC (LECAP Law Firm)

Equity Interest in the Company

Not held

Kirill Rubinsky

Independent Director

- Chairman of the Audit Committee
- Member of the Nomination and Remuneration Committee
- Member of the Strategy and Sustainability Committee

Member of the Board of Directors since 2021

Higher Education

- Moscow State Institute of International Relations (MGIMO), Ministry of Foreign Affairs of the Russian Federation, degree in Economics and International Economic Relations
- ESCP Business School (École Supérieure de Commerce de Paris), Master of Science in Communication and Information Management

Work Experience

- Investment banker
- Professional manager of large-scale assets

Equity Interest in the Company

Not held

Yuriy Troyankin

Executive Director

- Director of Human Resources and Organizational Development

Member of the Board of Directors since 2024

Higher Education

- Moscow Institute of Physics and Technology (MIPT), degree in Applied Mathematics and Physics, qualification: Engineer-Physicist
- State Educational Institution of Further Professional Education G. Plekhanov Russian University of Economics, program in Finance and Banking
- Thunderbird American Graduate School of International Management / CBSD, Moscow, SHRM Certification Program

Work Experience

- Since 2020 — Director of Human Resources and Organizational Development, PROMOMED
- Until 2020 — Senior executive in holding-type organizations that are industry leaders (banking/financial institutions, oil sector, mechanical engineering, metallurgy, utilities, construction and real estate, agro-industrial complex, light industry)

Equity Interest in the Company

0.02%[2]

[1] As of December 31, 2024.
[2] Here and elsewhere, equity interest is rounded to two decimal places.

Changes in the Composition of the Board of Directors in 2024

In 2024, the Company operated under two compositions of the Board of Directors: the one in place until May 14, 2024 (elected by Resolution No. 9 of the sole shareholder of PROMOMED JSC dated June 23, 2023), and the one starting from May 14, 2024 (elected by Resolution No. 4 of the sole shareholder of PROMOMED JSC dated May 14, 2024).

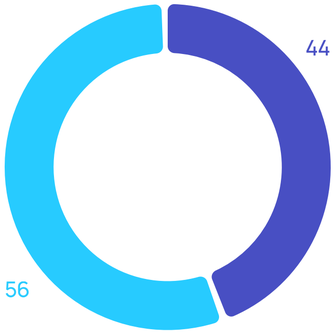
Between January 1 and May 14, 2024, the Board of Directors consisted of five members: P. Bely, I. Maev, M. Penkova, K. Rubinsky, and N. Yushchuk.

On May 14, 2024, the new nine-member Board was elected, comprising P. Bely, A. Efremov, K. Zaslavskaya, D. Jovanovic, Yu. Litvischenko, I. Maev, M. Malinovsky, K. Rubinsky, and Yu. Troyankin.

Composition of the Board of Directors[1]

Share of independent directors

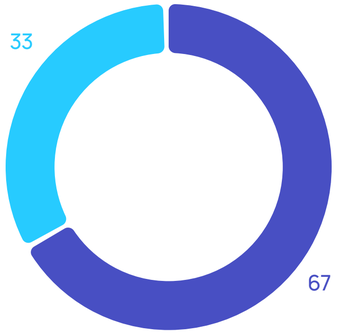
%



- Independent directors
- Executive and non-executive directors

Tenure breakdown of the Board of Directors

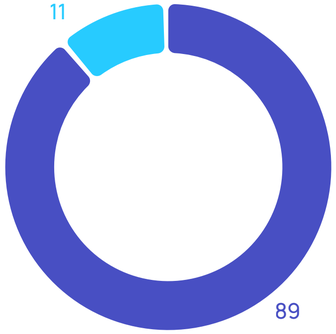
%



- Less than 1 year
- 1–3 years

Gender breakdown of the Board of Directors

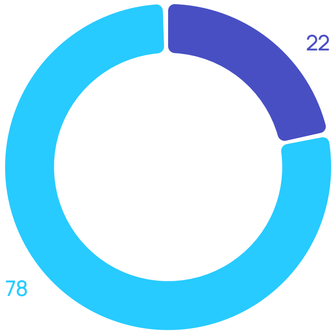
%



- Men
- Women

Age breakdown of the Board of Directors

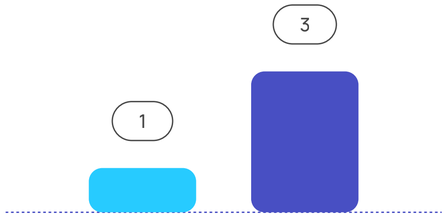
%



- Under 50
- Over 50

Education and academic degrees of Board members[1]

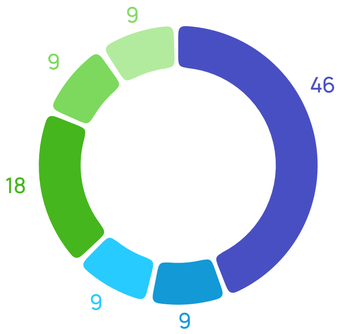
Number of Board members holding academic degrees



- Doctor of Sciences
- Candidate of Sciences

Primary fields of education of Board members

%



- Medicine
- Chemistry
- Physics
- Economics and Finance
- Management
- Law

[1] Composition of the Board of Directors as of December 31, 2024.

Performance of the Board of Directors in 2024

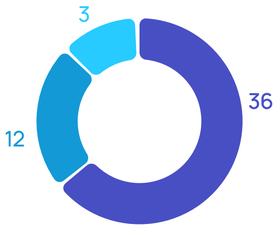
In the reporting year, the Board of Directors held 19 meetings and absentee votes (2 in-person meetings and 17 absentee votes), during which 50 matters were reviewed.

Matters considered by the Board of Directors, where required by the Company's Charter, are subject to preliminary review by the relevant Board committees, which issue recommendations in accordance with their areas of competence.

Board Meetings and Absentee Votes in 2024 and Matters Reviewed

	Unit	Count	Matters reviewed
Meeting	Number	2	10
Absentee vote	Number	17	10

Topics and number of matters reviewed by the Board of Directors in 2024



- Corporate governance
- Control over financial and business operations
- Strategic development

19

board meetings and absentee votes were held in the reporting year

As part of these meetings and absentee votes, the Board of Directors adopted resolutions on a range of matters, including:

- increasing the Company's charter capital through a public offering of shares
- assessing the independence of the Company's audit firm
- defining PROMOMED's development strategy through 2032
- approving the Company's short-, medium-, and long-term development targets, among others

Participation of Board Members in Meetings and Absentee Votes of the Board of Directors and Its Committees in 2024

	Board of Directors		Audit Committee		Nomination and Remuneration Committee		Strategy and Sustainability Committee	
P. Bely	18[3]/19	95%	–	–	9/9	100%	7/7	100%
A. Efremov[1]	11[3]/12	92%	–	–	–	–	5/5	100%
K. Zaslavskaya[1]	11[3]/12	92%	–	–	–	–	–	–
D. Jovanovic[1]	12/12	100%	6/6	100%	–	–	5/5	100%
Yu. Litvischenko[1]	12/12	100%	–	–	–	–	5/5	100%
I. Maev	19[4]/19	100%	8/8	100%	9/9	100%	–	–
M. Malinovsky[1]	11/12	92%	–	–	–	–	–	–
K. Rubinsky	19[4]/19	100%	8/8	100%	9/9	100%	7/7	100%
Yu. Troyankin[1]	11[3]/12	92%	–	–	–	–	–	–
M. Penkova[2]	7/7	100%	2/2	100%	–	–	2/2	100%

[1] Individuals first elected to the Board of Directors on May 14, 2024, by Resolution No. 4 of the sole shareholder of the Company.
[2] Individuals who served on the Board of Directors until May 14, 2024. The powers of M. Penkova as a Board member were terminated pursuant to Resolution No. 4 of the sole shareholder of the Company dated May 14, 2024, which included the election of new Board members.
[3] Did not participate in the vote on the approval of an interested-party transaction.
[4] Including a written opinion submitted by the Board member on the meeting agenda items.

Committees of the Board of Directors

To support the functions of the Board of Directors and ensure preliminary review of matters falling within its remit, standing committees of the Board of Directors are established.

Committee name	Key documents governing the activities and powers of the committee	Key functions of the committee	Committee composition as of December 31, 2024
Audit Committee	Regulations on the Audit Committee of the Board of Directors[1]	Supporting the effective performance of the Board of Directors in overseeing the financial and business operations of the Company and its subsidiaries and affiliates	K. Rubinsky (Chairman) I. Maev D. Jovanovic
Nomination and Remuneration Committee	Regulations on the Nomination and Remuneration Committee of the Board of Directors[2]	Supporting the effective performance of the Board of Directors in defining criteria for the recruitment and evaluation of qualified personnel, creating appropriate incentives for their successful work, and developing an efficient and transparent motivation and remuneration system	I. Maev (Chairman) P. Bely K. Rubinsky
Strategy and Sustainability Committee	Regulations on the Strategy and Sustainability Committee of the Board of Directors[2]	Supporting the effective performance of the Board of Directors in addressing strategic management matters within its remit with a long-term perspective	P. Bely (Chairman) A. Efremov D. Jovanovic Yu. Litvischenko K. Rubinsky

[1] Approved by Resolution of the Board of Directors dated June 24, 2024 (Minutes No. 11/2024 dated June 24, 2024).
[2] Approved by Resolution of the Board of Directors dated October 27, 2022 (Minutes No. 9 dated October 27, 2022).

Composition of the Board Committees in 2024

Director	Status	Audit Committee	Nomination and Remuneration Committee	Strategy and Sustainability Committee
P. Bely	–	–	✓	★ ✓
A. Efremov	–	–	–	✓
D. Jovanovic	Independent	✓	–	✓
K. Rubinsky	Independent	★ ✓	✓	✓
Yu. Litvischenko	Independent	–	–	✓
I. Maev	Independent	✓	★ ✓	–

★ Chairman

Directors' Liability Insurance

In the reporting year and prior periods, no directors' liability insurance was in place. The practice of insuring the liability of Board members was introduced in 2025.

Independent Directors

Independent directors ensure objective judgment and strategic vision in the work of the Company's Board of Directors. When selecting candidates for independent director status, PROMOMED PJSC relies on the provisions of the Bank of Russia Corporate Governance Code.

As of December 31, 2024, the current composition of the Board of Directors included four independent directors, exceeding the minimum threshold set by the Bank of Russia Corporate Governance Code and the requirements of Moscow Exchange PJSC[1].

The independence criteria for Board members have been developed in accordance with the provisions of the Bank of Russia Corporate Governance Code and are incorporated into the Listing Rules of Moscow Exchange PJSC.

An independent director is a person who:

- is not affiliated with the Company
- is not affiliated with a significant shareholder of the Company
- is not affiliated with a significant counterparty or competitor of the Company
- is not affiliated with the state or a municipal authority

Since 2021, the Company has conducted assessments of candidates for the Board of Directors for compliance with the independence criteria set out in the Listing Rules of Moscow Exchange PJSC. Following the IPO, such assessments are carried out on a quarterly basis as part of maintaining the Company's listing status, including through information requests and confirmations from Board members in the form of questionnaires.

[1] Corporate governance requirements for issuers, compliance with which is a prerequisite for the inclusion of shares in the first and second tiers of the securities list: www.moex.com/a2585.

Assessment of the Performance of the Board of Directors

To evaluate the performance of the Board of Directors, its committees, and individual Board members, and to assess whether their performance meets the Company's development needs, stimulates the Board's engagement, and identifies areas for improvement, the Company's internal documents provide for the assessment of the performance of the Board of Directors, its committees, individual Board members, and the Chairman of the Board through the following types of evaluation:

	Responsible body	Frequency	Evaluation methods
Internal evaluation	Nomination and Remuneration Committee with the support of the Corporate Secretary	At least once a year	Questionnaires completed by Board members Review of internal documents governing the activities of the Board of Directors and its committees, as well as materials of Board and committee meetings, including video recordings and recordings of meetings held via teleconference Conducting interviews
External (independent) evaluation	External consultant in coordination with the Nomination and Remuneration Committee	At least once every three years	The external evaluation methodology is developed by the engaged consultant

Remuneration of Board Members

By resolution of the General Meeting of Shareholders, Board members may receive remuneration and (or) reimbursement of expenses incurred in connection with the performance of their duties during their term in office. The General Meeting of Shareholders may also choose not to adopt a resolution on the payment of remuneration and (or) reimbursement of expenses, or may decide not to provide remuneration and (or) reimbursement to specific Board members.

The amounts of remuneration are determined by resolution of the General Meeting of Shareholders. The key internal document governing the procedure for remunerating Board members is the Regulation on Remuneration and Reimbursement of Expenses for Board Members.

The agreement with a Board member must not include any additional payments or compensation in the event of early termination of the Board member's powers due to a change of control over the Company or other circumstances. It is also not allowed to introduce short-term incentives for participation in specific meetings of the Board of Directors or its committees.

The Company reimburses all costs and expenses incurred by Board members in connection with the performance of their duties, provided that a resolution to this effect is adopted by the General Meeting of Shareholders. Such expenses may include, among others, travel, accommodation, and transportation costs associated with participation in events initiated by the Company or by the Board members with the Company's prior consent and in its interests, as well as expenses related to claims brought against the Board member in connection with their service on the Board of Directors.

Remuneration is paid to Board members on a monthly basis. However, the total amount of remuneration payable to a given Board member may be reduced in the following calendar quarter in proportion to the number of Board meetings missed, if the member attended fewer than two-thirds of the Board meetings held in the previous quarter. This does not apply if the non-attendance was due to a valid reason, such as illness, official leave from the Board member's primary place of employment, or other circumstances recognized as valid by the Chairman of the Board of Directors.

The key principles governing the remuneration of Board members are as follows:

- preference for fixed remuneration
- preservation of Board members' independence
- remuneration levels determined at a level necessary and sufficient to motivate Board members
- avoidance of conflicts of interest when determining remuneration for specific individuals
- alignment of Board members' financial interests with the long-term financial interests of the Company's shareholders

Remuneration of Board Members
RUB thousand

Indicator	2024, 12 months
Remuneration for participation in the governing body	22,611.38
Salary	4,615.36
Bonuses	9,428.86
Commissions	–
Other types of remuneration	48,47
TOTAL	**36,704.07**

Reimbursements
RUB thousand

	2024, 12 months
Board of Directors (Supervisory Board)	0

Corporate Secretary

The Corporate Secretary monitors compliance by the Company's governing bodies and officers with corporate governance rules and procedures, legal requirements, the Charter, and the Company's internal documents. The Corporate Secretary also ensures effective engagement with shareholders, coordinates the Company's efforts to protect shareholders' rights and interests, and supports the efficient operation of the Board of Directors.

The activities of the Corporate Secretary, the procedure for their appointment and dismissal, as well as the terms and conditions of remuneration and reimbursement, are governed by the Charter and the Regulation on the Corporate Secretary.

The Corporate Secretary possesses the knowledge, expertise, and competencies necessary to fulfill their duties, maintains an impeccable professional reputation, and regularly undertakes professional development.

In 2024, the duties of the Corporate Secretary were performed by Yana Smolnikova. The Corporate Secretary of the Company also serves as the Secretary of the General Meeting of Shareholders and the Secretary of the Board of Directors[1].

Ya. Smolnikova has extensive experience in corporate governance at some of Russia's largest public companies. She is a member of the Association National Union of Corporate Secretaries and has completed advanced training under the professional development program Corporate Secretary.

Yana Smolnikova

Work Experience

- Since 2022 — Legal Counsel for Corporate Law, Corporate Secretary, and Secretary of the Board of Directors, PROMOMED PJSC
- 2022–2024 — Legal Counsel for Corporate Law, PROMOMED DM LLC
- 2021–2022 — Deputy Director for Legal Affairs, Representative Office of the Druzhba Association, Moscow
- 2018–2021 — Lead Specialist, Office for the Support of the Board of Directors and Management Board; Manager, Department of Corporate Practices and Procedures, Corporate Governance Directorate, Rosneft Oil Company PJSC

Education

- Federal State Budgetary Educational Institution of Higher Education Udmurt State University, degree in Law

Equity Interest in the Company — not held

[1] In accordance with Clause 1.8 of the Regulation on the Corporate Secretary of PROMOMED PJSC.

Key functions of the Corporate Secretary include:

- ensuring the Company's engagement with its shareholders and participating in the prevention of corporate conflicts
- participating in the organization and holding of the General Meetings of Shareholders
- supporting the work of the Board of Directors and its committees
- contributing to the implementation of the Company's information disclosure policy on the securities market and ensuring the safekeeping of the Company's corporate documents
- ensuring the implementation and oversight of procedures established by applicable law and the Company's internal documents to safeguard shareholders' rights and lawful interests
- facilitating the Company's engagement with government authorities, the Bank of Russia, trading organizers, stock exchanges, the registrar, and other professional participants in the securities market, as well as ensuring compliance with orders and instructions issued by government authorities and the Bank of Russia within the scope of the Corporate Secretary's authority
- monitoring compliance with the Company's information policy
- monitoring compliance by the Company's officers and employees, as well as those of its subsidiaries, with the Charter and other internal documents in matters related to the functions of the Corporate Secretary
- participating in the preparation of directors' liability insurance agreements if such insurance is approved by the General Meeting of Shareholders
- coordinating and overseeing all activities related to dividend payments in accordance with the Company's dividend policy, where such payments are approved by the General Meeting of Shareholders, and monitoring the timely payment of remuneration and reimbursement to Board members
- promptly informing the Board of Directors of any detected violations of the law or of the Company's internal documents that fall within the Corporate Secretary's remit
- contributing to the improvement of the Company's corporate governance system and practices

Management

The implementation of the Board of Directors' decisions is entrusted to experienced senior executives who understand the specifics of the market and the development potential of PROMOMED.

General Director

The General Director is elected (appointed) by the Board of Directors for a term determined by a resolution of the Board, but not exceeding five years, and may be re-elected (reappointed) an unlimited number of times. The Board of Directors may also resolve on early termination of the powers of the General Director.

In the case provided for by the Federal Law "On Joint Stock Companies," the General Director may be elected by the General Meeting of Shareholders.

The rights and duties of the General Director are governed by applicable law, the Company's Charter, and its internal documents.

The General Director:

- manages the Company's day-to-day operations
- acts on behalf of the Company without a power of attorney, including representing its interests and entering into transactions
- issues powers of attorney authorizing representation on behalf of the Company, including powers of attorney with the right of sub-delegation
- issues orders on the appointment, transfer, and dismissal of the Company's employees, and applies incentives and disciplinary measures
- establishes, maintains, and develops an effective risk management and internal control system (RMICS)
- exercises other powers not assigned by the Federal Law "On Joint Stock Companies" or the Company's Charter to the General Meeting of Shareholders or the Board of Directors

Management Committee

The Management Committee is an advisory working group under the General Director. It is composed of the heads of the Company's functional units and is not a governing body of the Company as defined by the legislation of the Russian Federation.

The Management Committee carries out its activities through joint meetings, during which its members express their opinions and issue recommendations to the General Director on matters falling within the General Director's authority under applicable law and the Company's Charter.

The key tasks of the Management Committee include:

- supporting the General Director in enhancing the efficiency of management of PROMOMED's day-to-day operations
- improving the flexibility of management decision-making at PROMOMED
- ensuring that decisions made by the General Director are prompt and economically sound, and contribute to PROMOMED's operational efficiency and performance

To improve operational efficiency, the Group established a Management Committee comprising the following members:

- General Director
- Director of New Products
- Director of Human Resources and Organizational Development
- Chief Operating Officer
- Director of Economics and Finance

>70

Management Committee meetings were held in 2024

The Management Committee meets on a regular basis, at least once a week

Biographies of the General Director and Members of the Management Committee

Alexander Efremov

General Director,
PROMOMED PJSC

Work Experience

Alexander Efremov has over 30 years of experience in the healthcare sector. He has advanced through all career stages up to General Manager of a representative office and has led a number of large, diversified international pharmaceutical and medical device companies in Russia and the CIS. His leadership experience includes companies with localized production of medicinal products and vaccines, such as Novartis, Baxter, Sanofi, Roche, and Bausch Health.

He joined the PROMOMED DM LLC team in 2021 as Executive Director and was appointed General Director in April 2023.

Education

- S. Kirov Military Medical Academy
- Former Academy of Public Administration under the President of the Russian Federation (now part of RANEPA)
- Harvard Business School (USA)
- IMD Business School (Switzerland)

Candidate of Medical Sciences in Cardiology

Yuriy Troyankin

Director of Human Resources and Organizational Development

Organizational development, human capital management, and business support

Work Experience

Yuriy Troyankin has over 25 years of experience in human resources management. He has advanced from specialist to senior executive in holding-type organizations that are industry leaders (banking and financial institutions, oil sector, mechanical engineering, metallurgy, utilities, construction and real estate, agro-industrial complex, and light industry). He has a successful track record in building organizations, developing teams and talent management, transforming corporate culture, strategic development and change management.

He joined the PROMOMED team at the end of 2020. His area of responsibility includes human capital management, organizational development, and transformation processes.

Education

- Moscow Institute of Physics and Technology
- G. Plekhanov Russian University of Economics
- Thunderbird American Graduate School of International Management (USA)

Kira Zaslavskaya

Director of New Products

New products, research and development

Work Experience

Kira Zaslavskaya has over 15 years of experience in the healthcare sector. She joined the PROMOMED team in 2009 and advanced from medical representative to senior executive of the Company.

As Director of New Products at PROMOMED, she is responsible for shaping the product portfolio development strategy, introducing new technologies in the development of medicinal products, organizing preclinical and clinical studies, and launching products on the market.

She is the author of over 50 scientific publications and holds more than 20 invention patents.

Education

- D. Mendeleev University of Chemical Technology of Russia, with honors
- A. Nesmeyanov Institute of Organoelement Compounds, Russian Academy of Sciences, degree in Organic and Organoelement Chemistry
- MBA, PwC Academy

Biographies of the General Director and Members of the Management Committee

Ilya Bardin-Denisov

General Director,
PROMOMED DM LLC

Operational activities

Work Experience

Ilya Bardin-Denisov has over 20 years of experience in the pharmaceutical industry. He has advanced through the career ranks to head of a business unit in large European and international companies. He managed the virology business in the Russian Federation at companies such as MSD, AbbVie, and GSK.

He joined the PROMOMED team in 2023 as Executive Director. In April 2023, he was appointed Chief Operating Officer. In 2024, he became General Director of the management company PROMOMED DM LLC.

Education

- I. Sechenov First Moscow State Medical University, Ministry of Health of the Russian Federation
- MBA in Management, National Research University Higher School of Economics

Timofey Solovyov

Director of Economics
and Finance

Economics and finance

Work Experience

Timofey Solovyov has over 17 years of successful experience in finance functions at international and Russian commercial companies across various countries and industries (pharmaceuticals, FMCG, construction). Over the past eight years, he has held senior finance positions at international and Russian pharmaceutical companies operating in the Russian Federation, including AstraZeneca Pharmaceuticals and Generium JSC. He has extensive expertise in financial analysis and long-term strategic planning.

He joined the PROMOMED team at the end of 2022 and is responsible for managing the entire finance and economics function of PROMOMED.

Education

- Monash University (Australia)

Management Remuneration and KPI System

The remuneration of PROMOMED's management is determined in accordance with applicable employment contracts, the Regulation on Bonuses, and the Employee Remuneration Regulations based on key performance indicators (KPIs).

The bonus system provides for incentive payments in addition to the established base salary for achieving set corporate and individual KPIs, as well as for breakthrough achievements and the completion of high-priority assignments.

The KPI system is based on top-down cascading, mutual alignment, and the decomposition of strategic targets across functional areas.

To drive growth in PROMOMED Group's shareholder value, the Long-Term Employee Incentive Program was approved in 2025.

The management KPI system incorporates sustainability-related indicators, such as:

- KPI for team formation and development
- KPI for team performance
- KPI for occupational health and safety

Examples of KPIs

- EBITDA
- Sales volume
- Product launch schedule adherence
- Revenue
- Project-related KPIs
- Cash flow
- Budget compliance

Risk Management, Internal Control, and Audit

Risk Management and Internal Control System

Risk management is an integral part of PROMOMED's business processes and is carried out on an ongoing and systematic basis.

The Risk Management and Internal Control System (RMICS) is aimed at supporting the achievement of the Group's goals, as well as ensuring an objective, fair, and transparent view of PROMOMED's current status and future prospects, the integrity and transparency of the Group's reporting, and the reasonableness and acceptability of the risks assumed by the Group. The RMICS is one of the key components of the corporate governance system.

The RMICS is governed by the Risk Management and Internal Control Policy of PROMOMED JSC[1] and is structured in accordance with the requirements of Russian legislation and best practices in the field of risk management.

To establish a unified and systematic approach to risk management at PROMOMED, the PROMOMED Risk Management Policy[2] was approved by resolution of the Board of Directors.

Goals of the Risk Management and Internal Control System:

- ensuring investor confidence in PROMOMED and its governance bodies
- ensuring the achievement of strategic development goals and the execution of the Group's financial and business plans in the most efficient and cost-effective manner (by building effective business processes, including through corporate governance methods)
- ensuring effective prevention, timely identification, and response to threats in PROMOMED's operations
- ensuring effective prevention, detection, and elimination of violations in the course of PROMOMED's financial and business activities
- ensuring the efficient use of PROMOMED's resources
- ensuring the complete, reliable, accurate, and opportune generation and distribution of financial, accounting, and management information and all types of reporting of PROMOMED PJSC and the Group

Objectives of the Risk Management and Internal Control System:

- ensuring reasonable assurance of the achievement of PROMOMED's strategic, operational, and sustainability goals
- ensuring the efficiency of financial and business activities and the cost-effective use of resources
- identifying and managing risks
- establishing control mechanisms to ensure the effectiveness of processes related to environmental, industrial, economic, and information security, as well as resource protection, in order to safeguard the assets of PROMOMED PJSC and its controlled entities and to conduct business in a socially responsible manner
- ensuring the completeness and reliability of accounting (financial), statistical, managerial, and other reporting, including by establishing mechanisms to control the preparation of such reporting
- monitoring compliance with applicable laws, as well as the Group's internal policies, regulations, and procedures
- fostering a strong corporate culture at PROMOMED that minimizes the impact of subjective judgment by management bodies and responsible employees in the development of the Group's long-term strategy and risk assessment, including the definition of risk appetite
- improving the awareness of PROMOMED's competent governance bodies, business unit heads, and other employees in managerial decision-making and in the strategic planning of the Group's activities
- enhancing mechanisms for adapting to a changing external environment and ensuring timely response

[1] Approved by Resolution of the Board of Directors, Minutes No. 5 dated May 27, 2022.
[2] Approved by Resolution of the Board of Directors, Minutes No. 10 dated November 17, 2022.

Key Internal Documents Shaping the Risk Management and Internal Control System

- PROMOMED Risk Management and Internal Control Policy
- PROMOMED Risk Management Policy
- Internal Control Rules for the Prevention, Detection, and Suppression of Unlawful Use of Insider Information and/or Market Manipulation at PROMOMED PJSC
- Regulation on the Internal Audit Function (Internal Audit Policy) of PROMOMED

Components of the Risk Management and Internal Control System

Corporate governance, culture, and control environment	The Board of Directors ensures the integration of risk management into all areas of PROMOMED's operations and fosters a risk-oriented environment by demonstrating commitment to the Group's core values and risk management approaches.
Strategy and goal setting	PROMOMED's strategy and goals determine the emergence of risks. In the process of setting goals and developing strategy, mandatory requirements are established for identifying expected risks, defining risk appetite, compiling a risk register and assigning risk owners, determining response measures and appropriate risk management actions, and implementing internal control procedures.
Performance and risk assessment	In addition to managing expected risks, risk owners are continuously responsible, within their areas of competence, for identifying and assessing new (emerging or potential) risks. The tools and procedures for risk identification are defined in the Group's internal regulations, taking into account the methods and approaches set out in the Risk Management and Internal Control Policy of PROMOMED PJSC and the PROMOMED Risk Management Policy. Risk assessment is based on the probability and impact of each risk on the Group's activities. The risk assessment scale, impact range, and risk ratings are specified in the PROMOMED Risk Management Policy. The risk appetite criterion is quantitative and is based on the concept of risk capacity.
Control activities	Internal control procedures are classified as preventive, detective, directive, corrective, and compensating.
Information, communication, and reporting	Interaction among RMICS participants is carried out in accordance with the Risk Management and Internal Control Policy of PROMOMED PJSC and the PROMOMED Risk Management Policy. At the end of each calendar year, every RMICS participant (risk owner) prepares a report on their risk management activities.
Monitoring	The Internal Audit Function conducts ongoing monitoring to assess the adequacy, proportionality, and effectiveness of internal control responses.

Structure of the Risk Management and Internal Control System

The structure and powers of governance bodies in the area of risk management and internal control are set out in the Charter and in the Risk Management and Internal Control Policy.

PROMOMED PJSC has established a dedicated structural unit — the Risk Management and Internal Control Function — whose responsibilities include building a unified RMICS across PROMOMED, with the involvement of all senior management. The goals of the Risk Management and Internal Control Function are aligned with the provisions of the Federal Law "On Joint Stock Companies"[1].

[1] Federal Law "On Joint Stock Companies" No. 208-FZ dated December 26, 1995, Clause 1, Article 87.1.

Participants in the Risk Management and Internal Control System

Board of Directors

- Defines the key principles and approaches to organizing the RMICS at PROMOMED
- Approves RMICS-related policies
- Ensures the integration of RMICS into business processes, taking into account PROMOMED's strategy and goals
- Approves documents outlining the Company's RMICS policy
- Exercises overall oversight of RMICS, including making decisions and issuing recommendations based on risk reports

Heads of Business Units (Risk Owners)

- Are responsible for establishing and maintaining the effective operation of RMICS, implementing, executing, and improving risk management procedures
- Ensure the timely development and implementation of risk management measures and internal control procedures within their respective functional (business) areas

General Director

- Is responsible for organizing an effective RMICS
- Approves the risk register, the list of risk mitigation measures, and the list of risk owners

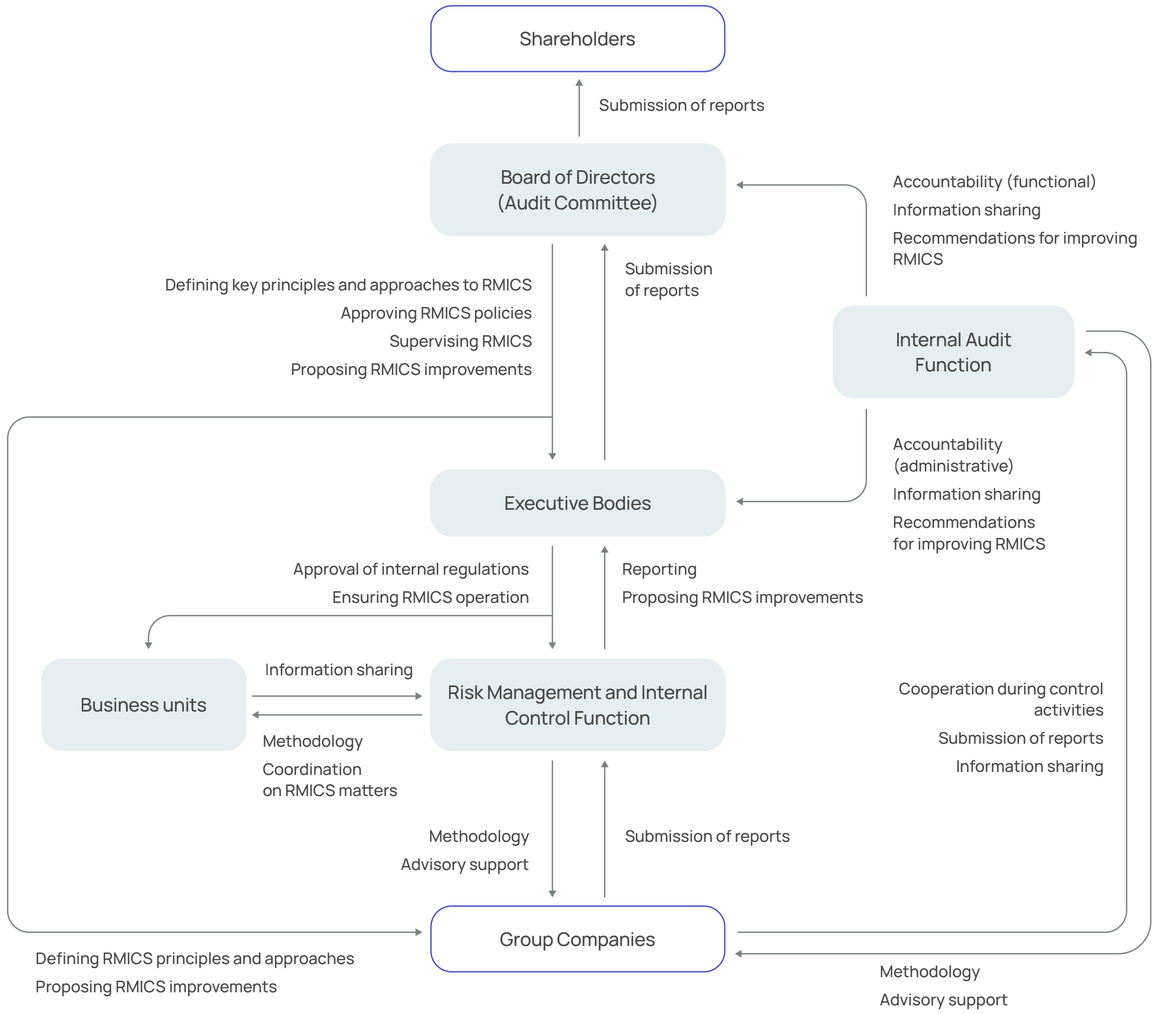
Risk Management and Internal Control Function

- Coordinates the work of business units on risk identification and assessment, and on the development of mitigation measures, as part of building a unified internal control system at PROMOMED

Internal Audit Function

- Conducts periodic independent assessments of the reliability and effectiveness of RMICS
- Provides recommendations for improvement and monitors the implementation of measures aimed at enhancing RMICS

Interaction Between RMICS Participants



Internal Control and Risk Management Process

The effectiveness of RMICS is ensured through three management processes:

Internal Control

Organization of effective internal control over business processes to achieve maximum performance across all areas of PROMOMED's operations — control procedures implemented at the business process level contribute to the timely and effective identification of deviations and violations and enhance the efficiency of the operating environment and the reliability of financial reporting.

Risk Management

Risk management, as part of the internal control system, helps reduce the risk of PROMOMED failing to achieve its goals, creates protective barriers, and prevents misconduct.

Audit and Independent Assessment

Internal audit provides an independent and objective opinion on the reliability and effectiveness of the RMICS.

Internal control is aimed at providing reasonable assurance of the achievement of PROMOMED's goals in operations, reporting, and compliance with all obligations of the Group.

Risk management is aimed at improving the overall effectiveness of PROMOMED's operations through the integration of risk management into strategic planning, business planning, and managerial decision-making processes.

Risk management and internal control are continuous and cyclical processes within the Group's overall management system. Proper functioning of each RMICS component (process) helps identify not only risk factors but also changes (including potential developments) that may affect PROMOMED's performance and indicate the need to adjust the Group's overall development strategy.

To provide reasonable assurance of achieving PROMOMED's strategic and operational goals, the risk management process includes the following steps:

- **risk identification** — identifying and describing risks
- **risk assessment** — analyzing risks, their likelihood, consequences, and potential impact on the Group's operations
- **risk ranking** — developing the Risk Map
- **Development and implementation of risk mitigation measures** — designing, implementing, and monitoring risk mitigation activities
- **Monitoring and reporting** — overseeing risk identification, assessment, and mitigation activities, and preparing reports

Assessment of the Effectiveness of the Risk Management and Internal Control System

Based on the results of the internal independent assessment of the reliability and effectiveness of the RMICS conducted by the Internal Audit Function in 2024, it was concluded that the RMICS complies with the approaches and principles established by the Board of Directors and the Group's management, follows the recommendations of the Bank of Russia on the organization of risk management and internal control in public joint stock companies, and operates in a generally reliable and effective manner. The Board of Directors has identified areas for further development and improvement of the RMICS.

Risk Management Training

To foster a risk management culture, employees and managers participate in training sessions and courses where they acquire the knowledge and practical skills necessary for analyzing, assessing, and effectively managing various types of risks.

Plans for Improving the Risk Management and Internal Control System

- Continued implementation of initiatives to develop and introduce a unified risk management and internal control policy at PROMOMED
- Enhancement of approaches to integrating risk management into PROMOMED's key business processes
- Support for the establishment of dedicated structural units at PROMOMED to develop and integrate uniform RMICS approaches
- Updating and development of unified regulatory and methodological documents within the RMICS framework
- Further development of risk awareness culture and delivery of training activities on the organization and functioning of the RMICS at PROMOMED

Internal Audit

The main goals of internal audit are to ensure the efficiency of all activities at all management levels within PROMOMED, to conduct independent and objective internal audits based on a risk-oriented approach, and to provide advisory support and knowledge sharing to assist the Board of Directors and the Group's management in preserving and enhancing shareholder value at PROMOMED PJSC and achieving their goals, as well as to safeguard the lawful interests of PROMOMED PJSC and its shareholders.

PROMOMED has established a dedicated structural unit — the Internal Audit Function — which operates in accordance with the Charter and the Regulation on the Internal Audit Function (Internal Audit Policy). The Group's internal audit goals and approaches to its organization comply with the provisions of Clause 2 Article 87.1 of Federal Law No. 208-FZ "On Joint Stock Companies" dated December 26, 1995. The Internal Audit Function is headed by the Director of Internal Audit.

The Head of the Internal Audit Function reports functionally to the Board of Directors and administratively to the General Director of PROMOMED PJSC.

The key goals, objectives, duties, principles, and powers of the Internal Audit Function are defined in the Regulation on the Internal Audit Function (Internal Audit Policy) and the Code of Ethics for Internal Auditors.

In performing its duties, the Internal Audit Function is guided by the following principles:

- independence
- elimination of any conflicts of interest between the staff of the Internal Audit Function and the Group
- reasonable and good-faith execution of its powers
- risk-based approach, taking into account the materiality of risks
- effective interaction between the Group's structural units, management bodies, officers, and the Internal Audit Function

Key Functions of Internal Audit:

- evaluating corporate governance and providing recommendations for its improvement
- preparing and submitting audit reports to the Board of Directors and executive bodies of the Group (including information on material risks, deficiencies, outcomes and effectiveness of corrective actions, and the results of assessments of the actual state, reliability, and effectiveness of the RMICS and corporate governance)
- assessing the reliability and effectiveness of the RMICS and providing recommendations for its improvement
- conducting risk-based internal audits and control activities across the Group
- supporting PROMOMED's management in building effective RMICS and corporate governance systems by providing consultations, recommendations, and opinions based on the results of audit and control activities, as well as other practical advisory support
- assisting the executive bodies and employees of PROMOMED in the development and monitoring of corrective actions
- interacting with the Group's external auditors and with third-party advisors providing consulting services in the areas of risk management, internal control, and corporate governance
- coordinating and liaising with PROMOMED's structural units and employees involved in internal audit activities
- verifying compliance by members of the Group's executive bodies and employees with applicable legislation of the Russian Federation and with the internal policies related to insider information, anti-corruption, and the Code of Ethics

In May 2025, the Audit Committee recognized the Internal Audit Function of the Company as effectively performing its internal audit duties based on the results of its work in 2024.

To ensure proper quality control and performance evaluation of the Internal Audit Function, the Head of the Function organizes continuous quality monitoring of internal audits, including:

- monitoring the execution of internal audits
- applying standardized practices within the Internal Audit Function, such as procedures for planning and conducting audits, maintaining working documentation, and preparing reports;
- obtaining feedback from audited entities, the General Director, and the Board of Directors
- analyzing the achievement of the Internal Audit Function's key performance indicators, if approved

The principles of internal auditors are set out in the Code of Ethics for Internal Auditors

The Charter and the Regulation on the Internal Audit Function (Internal Audit Policy) provide for internal performance assessments of the Internal Audit Function to be carried out by the Head of the Function (at least once a year) and external assessments to be conducted by a qualified independent assessor at least once every five years.

Plans to Improve Internal Audit:

- further implementation of measures to establish and introduce uniform principles for the internal audit function at PROMOMED
- support for the creation of dedicated structural units at PROMOMED to integrate consistent approaches to conducting internal audits and control activities
- updating existing policies and regulations on internal audit in line with changes in international internal audit standards and best practices
- updating and developing unified regulatory and methodological documents in the area of internal audit

External Audit

When selecting an external auditor, PROMOMED considers factors such as professional reputation, the competence of specialists, the independence of assessments, and compliance with quality standards. Attention is given to the audit firm's response to the results of external inspections and the measures it takes to improve audit quality. A key consideration is the presence of a clear audit strategy and plan based on an analysis of risks associated with the Group's activities. It is also important that qualified auditors are engaged who possess in-depth industry knowledge necessary to assess key indicators accurately, taking into account the scale and structure of the business and the specifics of its assets and liabilities.

The external auditor is selected through a tender process. The reasonableness of the selection and the auditor's performance are assessed by the Audit Committee under the Board of Directors.

During the reporting period, the Group's IFRS financial statements were audited by Business Solutions and Technologies JSC (BST JSC) (registered office: 5 Lesnaya Street, Moscow, 125047), and the RAS financial statements were audited by Yekaterinburg Audit Center JSC (registered office: 60A Lenin Avenue, Office 53, Yekaterinburg, Sverdlovsk Region, 620062).

The actual remuneration paid to the external auditor for auditing the Group's interim and annual accounting (financial) statements under Russian Accounting Standards (RAS) for 2024 amounted to RUB 520,000 excluding VAT.

The actual remuneration paid to the external auditor for auditing the Group's annual and interim consolidated financial statements under IFRS for 2024 amounted to RUB 21,878,976 including VAT.

In 2024, Yekaterinburg Audit Center JSC did not provide any non-audit services to the Group.

In 2024, BST JSC provided the Group with consulting services related to the review of draft documents concerning the share issuance.

In 2024, the Audit Committee found that the external auditors met the independence criteria and assessed their work as effective.

Business Ethics and Compliance

PROMOMED consistently adheres to the principles of ethical business conduct and zero tolerance for corruption in all its forms and manifestations. The Group operates in strict compliance with applicable legislation and internal regulations.

To ensure compliance with the law, regulatory requirements, and the rules of public organizations, PROMOMED has implemented appropriate compliance procedures.

Goals of the compliance procedures:

- mitigating the risk of profit loss for the Group
- ensuring compliance with legislation
- preventing violations
- identifying and minimizing the risk of liability for Group companies and their employees
- protecting trade secrets and safeguarding personal data
- reducing the number of inspections by government authorities
- improving the Group's image and business reputation
- fostering an ethical business culture among employees

Key areas of the compliance procedures:

- Anti-corruption
- Prevention of Money Laundering
- Conflict Resolution
- Privacy Policy
- Marketing and Advertising
- Prevention of Insider Trading and Market Manipulation
- Information Barriers Within the Company
- Prevention of Employee Misconduct and Promotion of Corporate Ethics
- Industrial Safety and Occupational Health
- Ecology and Environmental Protection

The Group's approach to business ethics and compliance is set out in the following corporate documents of PROMOMED DM LLC[1]:

- Code of Corporate Ethics
- Policy on Interaction with Healthcare Officials and Organizations
- Policy on Interaction with Non-Healthcare Officials
- Regulation on the Compliance Committee
- Regulation on the Compliance Officer
- Regulation on Conflict of Interest and Prevention of Corruption in a Commercial Organization

The Compliance Officer is responsible for maintaining and promoting key ethical standards of conduct and ensuring compliance by the Group's members, management bodies, and employees. Their responsibilities include:

- identifying and preventing breaches of corporate ethical standards
- resolving conflicts of interest in the area of ethical employment relations that could not be resolved at the managerial level
- coordinating the development and implementation of internal corporate initiatives related to the introduction of the Code of Corporate Ethics and corporate policies

[1] The principles set out in these documents apply to the entire Group.

The Foundation of PROMOMED's Corporate Culture

- Responsibility to patients
- Transparency
- Fair partnership
- Integrity
- Impartiality
- Support for the development of public healthcare
- Innovation and scientific research
- Collaboration and growth
- Commitment to the future

Employee Training in Corporate Ethics Practices

All new employees are required to familiarize themselves with the provisions of the Corporate Governance Code of PROMOMED DM LLC upon hiring. In addition, employees undergo an annual assessment of their knowledge of the Code.

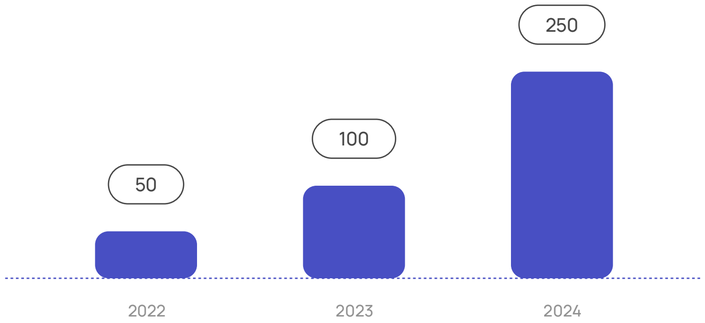
Every employee is also required to review the Group's internal regulatory documents upon hiring, including those covering business ethics and anti-corruption rules and procedures. All employees have access to these documents, with the current versions available on PROMOMED's corporate intranet portal.

Employees undergo annual training on the principles of ethical business conduct. When new documents regulating compliance matters are approved, the Corporate Security Directorate provides additional training sessions to explain the changes.

As part of the Corporate Ethics Code training program, employees receive materials and regulatory documents on compliance via corporate email. In the reporting period, 100% of head office personnel completed the Corporate Ethics Code training.

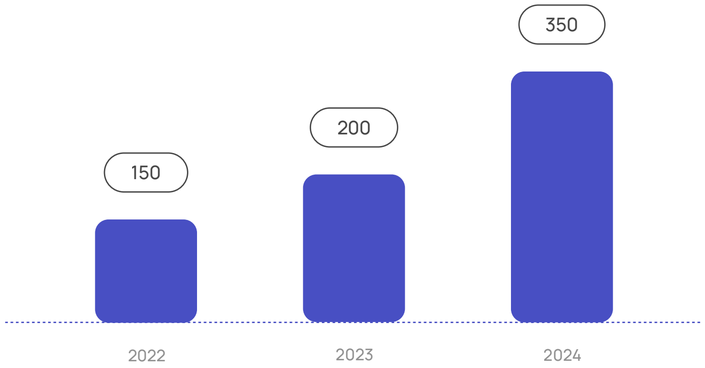
Number of Employees Trained in Corporate Ethics Standards

people



Number of Employees Trained in Anti-Corruption Topics

people



Promoting a Business Ethics Culture

The Group's executives regularly communicate corporate ethics principles to employees. In 2024, for example, the General Director of PROMOMED DM LLC, Ilya Bardin-Denisov, gave a presentation titled The Concept and Main Areas of Compliance at a corporate conference for employees.

An online training course on compliance and adherence to the Corporate Ethics Code has been launched and is completed by all employees, including medical representatives.

Engagement with Partners on Corporate Ethics

In its interactions with partners, PROMOMED adheres to best business practices and follows the principles of fair competition and business ethics. The core corporate principles guiding the Group's partnerships include transparency of operations and anti-corruption, integrity and competence of the Group as a customer, and a long-term cooperation model.

PROMOMED expects its counterparties to uphold high ethical standards of business conduct. The standard form of contract includes an anti-corruption clause that obliges each party not to pay, offer to pay, or authorize the payment of any money or valuables — either directly or indirectly — to any person for the purpose of influencing that person's actions or decisions in order to gain any improper advantage or for other unlawful purposes. It also prohibits any actions deemed by applicable law as bribery or corruption, as well as violations of applicable laws, including international laws on anti-money laundering.

In the event that either party breaches its obligations to refrain from such actions, the other party shall have the right to unilaterally terminate the contract out of court.

Sustainable Development in the Corporate Ethics Code

The Code sets out the principles of corporate ethics, including those related to environmental protection, employee health, and safety:

- in their operations, the Group companies strive to create favorable and safe working conditions for all employees in compliance with all applicable regulations and requirements of the Russian Federation
- employees are required to complete all mandatory occupational health and safety training and to follow the relevant instructions in the course of their duties
- employees are strictly prohibited from being at the workplace or performing their duties under the influence of alcohol or drugs

To ensure equal employment opportunities, the Code establishes the following principles:

- the Group companies strive to foster a productive work environment and ensure equal employment opportunities regardless of gender, age, religion, political beliefs, or other protected characteristics
- in making employment decisions, the Group companies are guided solely by the personal and professional qualities of the candidate
- employee performance evaluation and task setting are based exclusively on professional activity

Human Rights

The Group prohibits any form of workplace discrimination against employees on political, religious, national, or other similar grounds.

For more information on human rights compliance, see the Human Resource Management section.

Insider Information

To prevent the unlawful use of confidential information, the Company has adopted the Regulation on Handling Information Constituting a Trade Secret as well as the Internal Control Rules for the Prevention, Detection, and Suppression of Unlawful Use of Insider Information and/or Market Manipulation.

Employee Participation in Political Activities

Employees who participate in any political parties or movements may do so solely as private individuals and outside of their working hours. Such activities must not be conducted on behalf of PROMOMED.

Compliance Hotline

To prevent reputational, operational, financial, and other compliance risks that may arise in the course of PROMOMED's operations — and in line with international recommendations on preventing unlawful employee conduct — a Compliance Hotline has been in operation since 2020. Information about the hotline is available on the corporate website at promomed.ru/hot-line

Compliance Hotline for Fraud and Corruption Prevention

13 Prospekt Mira, Bldg. 1,
Moscow, 129090

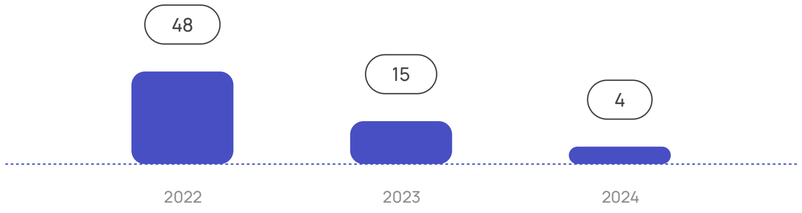
Vladimir Modin
(Compliance Officer)

+7 (495) 640-25-28 (ext. 1950)

Compliance Hotline Contact

vmodin@promomed.pro

Number of Reports to the Compliance Hotline



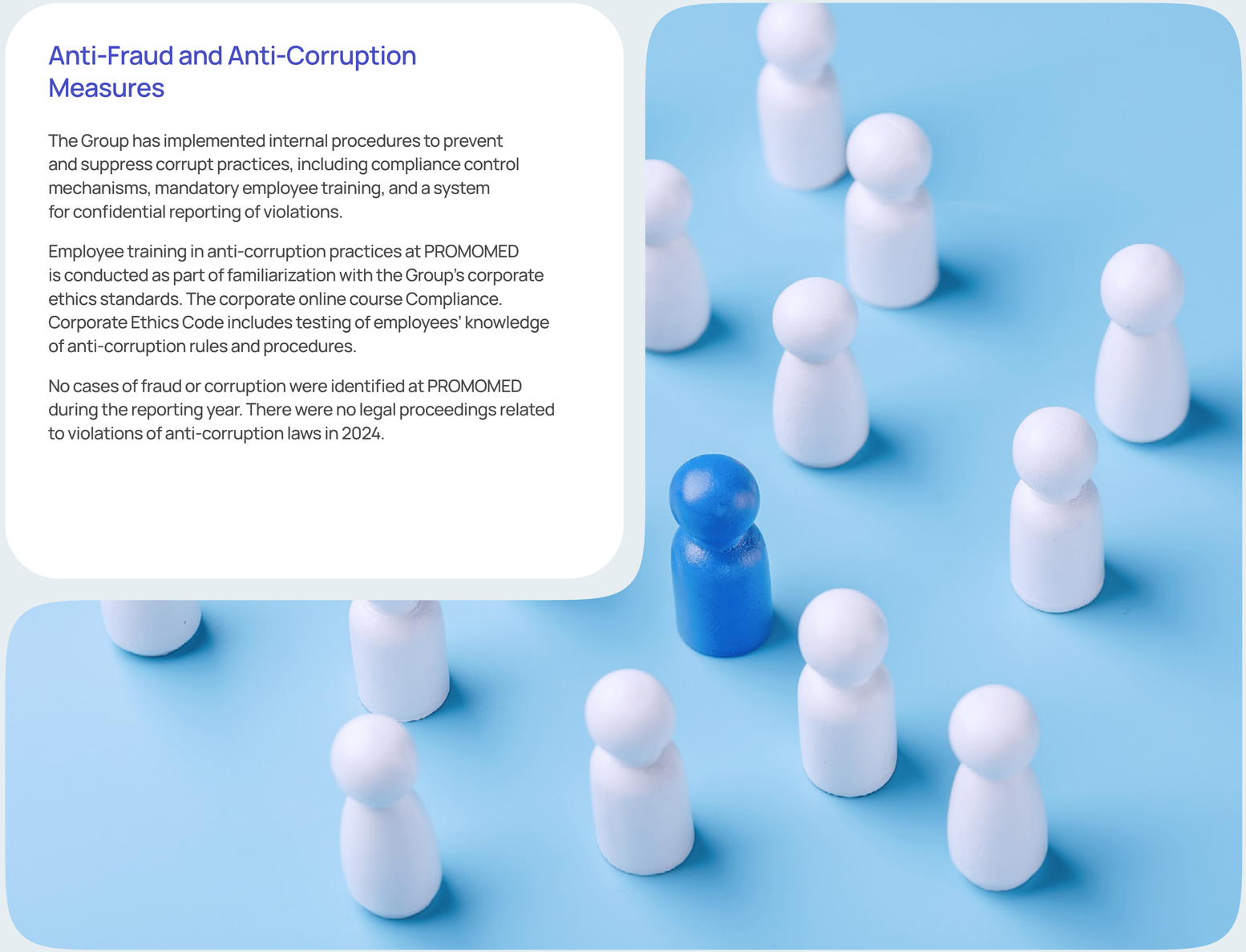
In 2024, the Compliance Hotline received inquiries related to product quality and availability in pharmacy chains. No violations of the Group's policies were reported.

Anti-Fraud and Anti-Corruption Measures

The Group has implemented internal procedures to prevent and suppress corrupt practices, including compliance control mechanisms, mandatory employee training, and a system for confidential reporting of violations.

Employee training in anti-corruption practices at PROMOMED is conducted as part of familiarization with the Group's corporate ethics standards. The corporate online course Compliance. Corporate Ethics Code includes testing of employees' knowledge of anti-corruption rules and procedures.

No cases of fraud or corruption were identified at PROMOMED during the reporting year. There were no legal proceedings related to violations of anti-corruption laws in 2024.



Principles and Mechanisms for Preventing Conflicts of Interest

A conflict of interest is defined as any contradiction between the interests of the Company and the personal interests of a member of the Board of Directors.

According to the Regulation on the Board of Directors of PROMOMED PJSC, a member of the Board of Directors must:

- refrain from any actions that result or may result in a conflict between their interests and those of the Company
- immediately notify the Board of Directors through the Chairman of the Board and/or the Corporate Secretary of both the fact and the grounds for any conflict of interest
- abstain from voting on any matter in which they have a conflict of interest
- abstain from participating in the adoption of Board resolutions on matters involving the approval of transactions in which the Board member has an interest, or in any other matters where there is a conflict between the Board member's interests and those of the Company, and, if necessary, refrain from attending the discussions of such matters at Board meetings

In the event of a potential conflict of interest involving a member of the Board of Directors, including cases where the member has an interest in a transaction involving the Company, the Board member must notify the Board of Directors and, in all circumstances, place the interests of the Company above their own.

Where required by the nature of the matter under discussion or the specifics of the conflict of interest, the Chairman of the Board of Directors may suggest that the Board member concerned refrain from attending the discussion of the relevant matter.

Members of the Board of Directors and their affiliates are prohibited from accepting gifts from parties interested in the decisions being made, as well as from receiving any other direct or indirect benefits from such parties (with the exception of token gestures of courtesy in line with generally accepted norms or souvenirs received during official events).

Board members must notify the Board of Directors of their intention to assume a position in the management bodies of other organizations and, upon election (or appointment), must promptly notify the Board of such election (appointment). The notification must be submitted to the Chairman of the Board of Directors and the Corporate Secretary within a reasonable time before the date on which the Board member agrees to be elected (or appointed) to the management body of another organization, and again after the date of their election (or appointment).

The duties of Board members related to conflict of interest prevention are also established by Article 82 of the Federal Law "On Joint Stock Companies."

No conflicts of interest involving members of the Board of Directors were identified in 2024.

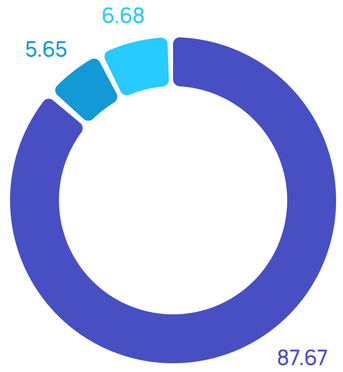
Share Capital and Securities

The share capital structure of PROMOMED PJSC is characterized by the presence of a majority shareholder — P. Bely, founder of PROMOMED and Chairman of the Board of Directors. P. Bely holds an 87.67% stake in the share capital of PROMOMED PJSC[1].

[1] According to available information, PROMOMED PJSC has no shareholders who exercise control disproportionate to their ownership interest in the Company's share capital by virtue of a shareholders' agreement or any other agreement concerning the exercise of rights attached to shares. The Company's share capital contains no instruments that provide holders with control over the Company disproportionate to their shareholding.

Share Capital Structure

%



P. Bely · PROMOMED Holdings LLC · Shares in free float

Shareholders holding more than 5% of the charter capital

Shareholder	Share of charter capital
P. Bely	87.67%
PROMOMED Holdings LLC (quasi-treasury shares)	5.65%

The General Director of PROMOMED PJSC is not aware of any shareholders (holders of shares) of the Company owning more than 5% of its charter capital (i.e. any holders of the Company's shares whose stake exceeds 5% of the total number of outstanding shares), other than those listed above.

212,500,000 RUB

Charter capital of PROMOMED PJSC
Divided into 212,500,000 ordinary shares with a nominal value of RUB 1 each

No preference shares, including those with varying nominal value, have been issued

As of December 31, 2024

6.68%
share of PROMOMED PJSC shares in free float

21,222
total number of shareholders

83%
of the free float was held by institutional investors

17%
of the free float was held by retail investors

21,128
number of individual shareholders
a twofold increase since the IPO

Successful Stock Market Entry

In July 2024, following a successful initial public offering (IPO), ordinary shares of PROMOMED PJSC began trading on the Moscow Stock Exchange under the ticker PRMD. This milestone affirmed the Company's strong investment appeal and the confidence placed in it by both institutional and retail investors, marking an important step in the Group's development.

During the IPO, shares issued through an additional offering (cash-in) were offered to investors, with demand significantly exceeding supply. The offering price was RUB 400 per share, with the total placement amounting to approximately RUB 6 billion.

IPO Goal

The IPO aimed to accelerate the development of the portfolio in target categories by advancing the development, market authorization, and market launch of new innovative medicines, including biotechnological and personalized medicine products. Another strategic goal was to strengthen PROMOMED's leadership in the production of technologically advanced and complex dosage forms.

ВЕДОМОСТИ

PROMOMED completed its IPO at the upper end of the price range, RUB 400 per share.

РБК

The biotech company PROMOMED conducted its IPO at the upper end of the price range

Финам

PROMOMED shares will be included in the Moscow Stock Exchange IPO Index

Т—Ж

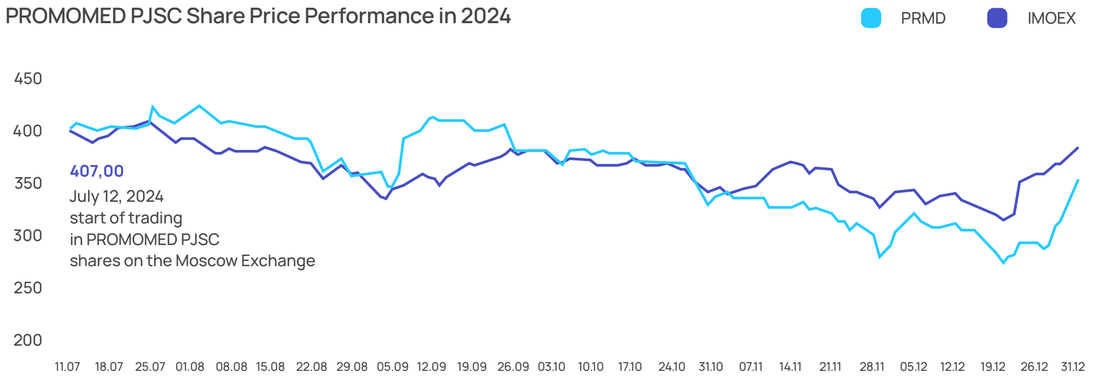
The manufacturer of a Russian alternative to Ozempic has gone public: what investors need to know about PROMOMED

Information on Trading of Securities on the Exchange

PROMOMED PJSC Shares

Number of ordinary shares, pcs.	212,500,000	Trading platform	MOEX
Nominal value per share, RUB	1	Start date of trading	12.07.2024
Total nominal value of the issue, RUB	212,500,000	Quotation list	Second
ISIN	RU000A108JF7	Exchange ticker (MOEX)	PRMD
State registration number	1-01-01622-G		

PROMOMED PJSC Share Price Performance in 2024



84.3 RUB BILLION

market capitalization as of December 31, 2024

Information on the Inclusion of the Company's Securities in Indices

Index	Ticker	Weight of PROMOMED PJSC shares in the index as of December 31, 2024
MOEX SMID Index	MCXSM	0.79%
MOEX IPO Index	MIPO	6.25%
RTS Consumer Sector Index	RTSCR	3.96%
RTS SMID Index	RTSSM	0.79%
RTS Broad Market Index	RUBMI	0.08%
Broad Market Index	MOEXBMI	0.08%
Consumer Sector Index	MOEXCN	4.57%

PROMOMED DM LLC Bonds

ISIN	Series	Currency	Status	Offering Volume	Coupons	Maturity Date	Placement Date
RU000A1061A2	001P-03	RUB	Outstanding	RUB 2.5 billion	11.50%	14.08.2025	18.08.2022
RU000A1061A2	002P-01	RUB	Outstanding	RUB 3.5 billion	12.05%	27.03.2026	31.03.2023
RU000A102LB5	001P-01	RUB	Redeemed	RUB 1 billion	9.5%	22.12.2023	25.12.2020
RU000A103G91	001P-02	RUB	Redeemed	RUB 1.5 billion	9.45%	26.07.2024	30.07.2021

Dividend Policy

In 2024, PROMOMED PJSC adopted its Dividend Policy.

The Dividend Policy of PROMOMED PJSC aligns with the Company's strategic goals and takes into account the lawful rights and interests of its shareholders.

When determining recommendations on dividend amounts, the Board of Directors is guided by the adjusted net profit[1] for the relevant reporting period, calculated based on the Company's consolidated financial statements prepared in accordance with International Financial Reporting Standards (IFRS), and depending on the Net debt / Adjusted EBITDA LTM ratio as of the end of the respective reporting period.

In accordance with applicable law, the source of dividend payments to the Company's shareholders is the net profit determined based on financial statements prepared in accordance with Russian Accounting Standards (RAS).

In 2024 and in prior periods, Board of Directors of PROMOMED PJSC did not resolve to pay dividends.

Criterion	Target dividend amount (for all shares)
Net debt / Adjusted EBITDA LTM ≤ 1	At least 50% of the adjusted net profit for the relevant reporting period
1 < Net debt / Adjusted EBITDA LTM ≤ 2	At least 25% of the adjusted net profit for the relevant reporting period
2 < Net debt / Adjusted EBITDA LTM ≤ 2.5	At least 15% of the adjusted net profit for the relevant reporting period
Net debt / Adjusted EBITDA LTM > 2.5	Dividend payments subject to decision of the Board of Directors

[1] Net profit for the period, adjusted for capitalized expenses related to property, plant, and equipment (PPE) and intangible assets (IA), and amortization of capitalized expenses related to PPE and IA.

Regulation on Dividend Policy of PROMOMED PJSC

Credit Ratings

In November 2024, the credit rating agency Expert RA affirmed the creditworthiness rating of PROMOMED DM LLC, a non-financial company, at ruA–. The rating outlook is stable.

The high rating reflects the Company's strong financial performance and the moderately positive risk profile of the industry.

Expert РЕЙТИНГОВОЕ АГЕНТСТВО

ruA–
stable outlook

Engagement with Shareholders, Investors, and Analysts

PROMOMED PJSC is committed to the highest level of information transparency in its engagement with shareholders and investors.

The For Investors section of PROMOMED PJSC's corporate website provides access to press releases, material event disclosures, and other important information about the Company's activities.

For prompt access to relevant information, shareholders and investors can contact the Company's Investor Relations (IR) unit.

For Investors section of the PROMOMED PJSC corporate website

Web page used by PROMOMED PJSC for information disclosure

Telegram channel

Pulse

Smart-Lab

Market Power

Regular, timely, and reliable disclosure of information is a key principle of PROMOMED PJSC in its engagement with shareholders and investors. The Company regularly publishes reports, presentations, press releases, and material facts. In line with best practices, conference calls and in-person meetings with investors and analysts are held, along with an Investor Day and site visits to production facilities.

Timofey Solovyev
CFO, PROMOMED

Key Engagement Activities with Shareholders, Investors, and Analysts in 2024

280
posts across owned and third-party channels

44
calls and 28 in-person meetings

45
material event disclosures via the Interfax-CRKI newswire

7
live sessions with brokers and investment bloggers

Bloggers Day held

Site visit to the Biokhimik plant conducted

Investor and analyst event calendar is available on the Group's website in the For Investors section.

610 RUB

target consensus price of PROMOMED PJSC shares as of May 2025

Analysts regularly covering PROMOMED PJSC

Dmitry Bulgakov	BCS
Mikhail Ganelin	ATON
Sofia Kirsanova	Sber CIB
Sergey Libin	Gazprombank
Zarina Saidova	Finam

Contact Information for Investors and Analysts

+7 (495) 640-25-28

ir@promomed.pro

06

Appendices

Report on Compliance with the Principles and Recommendations of the Corporate Governance Code

The report of PROMOMED PJSC on compliance with the principles and recommendations of the Corporate Governance Code[1] is available on the Company's website at promomed.ru/investors/information-disclosure-pao and on the web page used by the Company for information disclosure: e-disclosure.ru/portal/files.aspx?id=38533&type=2.

[1] The Corporate Governance Code approved by the Board of Directors of the Bank of Russia on March 21, 2014, and recommended for implementation by the Bank of Russia (Bank of Russia Letter No. 06-52/2463 dated April 10, 2014).

Information on Major Transactions and Related-Party Transactions

In 2024, PROMOMED PJSC entered into three transactions that qualify as major transactions under the Federal Law "On Joint Stock Companies." These major transactions were executed in accordance with Chapter X of the Federal Law "On Joint Stock Companies."

In 2024, PROMOMED PJSC also entered into eight transactions that qualify as interested-party transactions under the Federal Law "On Joint Stock Companies." These interested-party transactions were executed in accordance with Chapter XI of the Federal Law "On Joint Stock Companies."

Detailed information on major transactions and interested-party transactions is available on the Company's website at promomed.ru/investors/information-disclosure-pao and on the web page used by the Company for information disclosure at e-disclosure.ru/portal/files.aspx?id=38533&type=2.

Terms and Abbreviations

Terms

Term	Definiftion
Core portfolio	Medicinal products owned by PROMOMED at the time of its IPO in July 2024
Biowaiver	A biopharmaceutical study conducted in physiologically relevant media that simulates the dissolution, absorption, and distribution of a medicinal product in the body
Biopharmaceuticals	Medicinal products manufactured using biotechnological processes and methods. Biopharmaceuticals take into account patients' genetic and pathophysiological characteristics and have a key advantage due to targeted action on specific sites, including those inaccessible to small chemical molecules
Biotechnological manufacturing	Industrial use of biological processes and agents based on the development of highly efficient forms of microorganisms, cell and tissue cultures of plants and animals with specific properties
Market launch (medicinal product launch)	A sequence of actions aimed at introducing a new medicine into commercial circulation, accompanied by medical marketing activities to communicate the product's characteristics and advantages
Generic medicine	A medicinal product containing a chemical substance — an active pharmaceutical ingredient — identical to that of the patented original developed by another company
Finished dosage form	The final pharmaceutical product intended for direct use by the patient. This is the form of the medicinal product suitable for its route of administration and ensuring the desired therapeutic effect
Innovative medicine	A medicinal product that offers improved efficacy, safety, or ease of use through a new active ingredient and/or manufacturing technology
Original producer strain	A microorganism (most often a bacterium, yeast, or mammalian cell) capable of producing a target substance, such as an active pharmaceutical ingredient, protein, enzyme, or other biologically active component used in the manufacturing of a medicinal product
Reimbursable medicinal product	A medicinal product whose cost is partially or fully covered by the government or a health insurance system
Contract manufacturing	A form of outsourcing in which PROMOMED commissions the production of its products using the facilities of a third-party manufacturer

Term	Definiftion
Molecular docking	A computer modeling method used to predict the preferred orientation of one molecule relative to another when forming a stable complex, which is particularly important in product development
Good Manufacturing Practice	An international standard that sets requirements for the production and quality control of active pharmaceutical ingredients and medicinal products for humans and animals
Orphan diseases	Rare, often genetically determined diseases that affect a limited number of patients and require high-tech and high-cost therapies
Product launch pipeline	A list of new medicinal products at various stages of development, market authorization, or market launch
Patent for a medicinal product	A document granting exclusive rights to inventions (technical solutions) used in a specific medicinal product for a period of 20 years (with a possible extension to 25 years in certain cases)
First-in-class medicine (original)	A medicinal product with a previously unknown active substance structure
Next-in-class medicine	A medicinal product that is an improved version of a previously known medicine and demonstrates better efficacy, safety, or usability
Marketing authorization	An official document issued by a country's competent authority confirming that a medicinal product meets regulatory requirements for quality, efficacy, safety, and benefit-risk balance. It grants the right to market the product in the country where the authorization was issued
Technology platform	A developed set of technologies that enables the optimization of the development and production of new medicines
Trademark	A designation used to individualize a specific product or service. Most commonly presented as a wordmark, an image, or a combination thereof. The primary function of a trademark is to ensure brand distinctiveness and protect the manufacturer's identity

Abbreviations

Abbreviation	Full form / Definiftion
B2B	Business-to-Business: sale of products from businesses to other businesses
B2C	Business-to-Consumer: sale of products from businesses to individual consumers
CAPA	Corrective and Preventive Actions
EBITDA	Earnings Before Interest, Taxes, Depreciation, and Amortization
EQMS	Electronic Quality Management System
ERP	Enterprise Resource Planning
FAR	Fatal Accident Rate
GCP	Good Clinical Practice
GDP	Good Distribution Practice
GLP	Good Laboratory Practice
GMP	Good Manufacturing Practice
IPO	Initial Public Offering on a stock exchange
ISO	International Organization for Standardization
ISPE	International Society for Pharmaceutical Engineering
LIMS	Laboratory Information Management System
LTIFR	Lost Time Injury Frequency Rate
LTM	Last Twelve Months
MIDD	Model Informed Drug Development
NO_x	Nitrogen Oxides
QSAR	Quantitative Structure-Activity Relationship: a computational modeling method for predicting molecular activity
R&D	Research and Development

Abbreviation	Full form / Definiftion
S&OP	Sales and Operations Planning: a process aimed at aligning the company's operations with market demand, including production, procurement, distribution, marketing, finance, and other key business areas
SKU	Stock Keeping Unit: a unique identifier for a product item in a distributor's or pharmacy's assortment used for accounting, inventory management and sales analytics
SO_x	Sulfur Oxides
TRIFR	Total Recordable Injury Frequency Rate
API	Active Pharmaceutical Ingredient: a substance or a combination of substances with pharmacological activity, intended for the manufacture of medicinal products and determining their therapeutic effect, regardless of the origin.
EGMS	Extraordinary General Meeting of Shareholders
AGMS	Annual General Meeting of Shareholders
GOST R ISO	National Standard of the Russian Federation identical to the international ISO standard
Preclinical	Nonclinical (Preclinical) Studies
EAEU	Eurasian Economic Union
EDL	Essential Drugs List (Vital and Essential Drugs)
IAS	Information and Analytical System
AI	Artificial Intelligence
CGC	Corporate Governance Code
KPI	Key Performance Indicators
PLHIV	People Living with HIV
DCMS	Drug Circulation Monitoring System
INN	International Nonproprietary Name
IFRS	International Financial Reporting Standards

Abbreviations

Abbreviation	Full form / Definiftion
LHC	Limited Health Capacities
RAS	Russian Academy of Sciences
RNA	Ribonucleic Acid
RAS	Russian Accounting Standards
RSPP	Russian Union of Industrialists and Entrepreneurs
RF	Russian Federation
CAGR	Compound Annual Growth Rate
SPZ	Sanitary Protection Zone
SIM	Strategically Important Medicines
AS	Average Salary
PPE	Personal Protective Equipment
CIS	Commonwealth of Independent States
SAWC	Special Assessment of Working Conditions
MSW	Municipal Solid Waste
PF	Payroll Fund
UN SDG	UN Sustainable Development Goals

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