

# Digital Projects

## Digital Transformation in JSC FPC

JSC FPC is pursuing the Digital Transformation Strategy to fulfil the orders of the President of the Russian Federation and Government directives regarding the transition to Russian software and radio-electronic products, in accordance with the Methodological Recommendations on the Digital Transformation of State Corporations and Companies with State Participation.

Digital transformation process follows a holistic approach, meaning that the automated systems and services are created and integrated into digital platforms, while simultaneously phasing out import of existing software and radio-electronic products. The resulting synergy increases the efficiency of internal processes and brings about the technological sovereignty of JSC FPC.

In 2023, as part of the Digital Transformation Strategy, the Company put the Digital Emergency Management System in place started trial operation of the Automated Management System of the IT Service User Support Service. The new systems have many of FPC's business processes digitised, from those that directly affect transportation (management of abnormal situations on the railway) to those that have supporting functions. The Company's employees can now order certificates or receive a pay slip literally in a couple of clicks.

As at year-end 2023, investments in Russian radioelectronic products and software accounted for 90% of JSC FPC's total investments in information technology. As a result, the Company import substitution amounted to almost 80% of software classes and over 90% of radioelectronic product categories, including a complete transition to domestic information security products.

The Company has fully switched to domestic antivirus and multimedia software, which enabled it to meet import substitution targets.

The plans for 2024 include further development of digital platforms, digitalisation of business processes for procurement and route network management, as well as sophistication of digital products and continuing transition to domestic software and radioelectronic products.

One more area of the Company's focus is digital security. Cybersecurity management is aligned with the requirements of the parent company's information security policy and FPC's standard. The key elements of information security are measures to apply security software and physically protect the Company's perimeter from intruders. All operating systems and files are protected with Russian anti-virus programmes; cryptographic protection means are used during transmission of information via various communication channels, and access control to information is regulated by identification and authentication means with the use of firewalls.



# Financial Results

## Financial results, RUB bln

| Indicator                                | 2021         | 2022         | 2023         | vs. 2022    |              |
|--|--------------|--------------|--------------|-------------|--------------|
|  |              |              |              | +/-         | %            |
| <b>Operating revenue</b>                 | <b>188.2</b> | <b>250.5</b> | <b>315.8</b> | <b>65.3</b> | <b>126.1</b> |
| Passenger service                        | 166.7        | 221          | <b>278.6</b> | 57.6        | 126.1        |
| Other sales                              | 21.5         | 29.5         | <b>37.2</b>  | 7.7         | 126.1        |
| <b>Operating expenses</b>                | <b>203.6</b> | <b>236.2</b> | <b>286.0</b> | <b>49.8</b> | <b>121.1</b> |
| Passenger service                        | 187          | 215.9        | <b>261.4</b> | 45.5        | 121.1        |
| Other sales                              | 16.6         | 20.3         | <b>24.6</b>  | 4.3         | 121.1        |
| <b>Operating result</b>                  | <b>-15.4</b> | <b>14.3</b>  | <b>29.8</b>  | <b>15.5</b> | <b>208.8</b> |
| Passenger service                        | -20.3        | 5.1          | <b>17.2</b>  | 12.1        | 338.3        |
| Other sales                              | 4.9          | 9.2          | <b>12.6</b>  | 3.4         | 137.2        |
| <b>Other income</b>                      | <b>20.4</b>  | <b>21.3</b>  | <b>15.7</b>  | <b>-5.6</b> | <b>73.9</b>  |
| Federal subsidies                        | 11.1         | 12.1         | <b>8.4</b>   | -3.7        | 69.7         |
| <b>Other expenses</b>                    | <b>12.0</b>  | <b>21.8</b>  | <b>18.4</b>  | <b>-3.4</b> | <b>84.4</b>  |
| <b>Other revenue and expenses</b>        | <b>8.4</b>   | <b>-0.6</b>  | <b>-2.1</b>  | <b>-3.3</b> | <b>-</b>     |
| <b>Profit (loss) before tax</b>          | <b>-7.0</b>  | <b>13.7</b>  | <b>27.1</b>  | <b>13.4</b> | <b>197.5</b> |
| <b>EBITDA, including subsidies</b>       | <b>15.7</b>  | <b>41.9</b>  | <b>56.5</b>  | <b>14.7</b> | <b>135.0</b> |
| EBITDA margin, including subsidies, %    | 8.3          | 16.7         | <b>17.9</b>  | 1.2         | 107.1        |
| Income tax and other similar liabilities | -1.6         | 2.7          | <b>6.0</b>   | 3.3         | 223.9        |
| <b>Net profit</b>                        | <b>-5.4</b>  | <b>11.0</b>  | <b>21.1</b>  | <b>10.0</b> | <b>191.0</b> |
| <b>Net profit margin, %</b>              | <b>-2.9</b>  | <b>4.4</b>   | <b>6.7</b>   | <b>2.3</b>  | <b>152.3</b> |

## Revenue

### Average revenue per passenger (including VAT), RUB



## Changes in operating revenue, RUB billion

| Indicator   | 2021         | 2022         | 2023         | vs. 2022, %  |
|---|--------------|--------------|--------------|--------------|
| <b>Operating revenue, total</b>   | <b>188.2</b> | <b>250.5</b> | <b>315.8</b> | <b>126.1</b> |
| • Revenue from passenger service  | 166.7        | 221.0        | <b>278.6</b> | 126.1        |
| • Domestic traffic revenue from passenger service   | 156.8        | 206.9        | <b>261.0</b> | 126.1        |
| Deregulated segment   | 84.1         | 116.1        | <b>150.7</b> | 129.9        |
| • Domestic passenger service by first- and second-class sleeping carriages                          | 80.5         | 109.7        | <b>141.4</b> | 128.9        |
| • International service   | 3.6          | 6.4          | <b>9.4</b>   | 146.3        |
| Regulated segment   | 82.6         | 104.9        | <b>127.9</b> | 121.9        |
| • Domestic passenger servicing by third-class sleeping carriages and fourth-class seating carriages | 76.3         | 97.2         | <b>119.6</b> | 123.0        |
| • Baggage, unaccompanied baggage and mail transportation  | 6.3          | 7.7          | <b>8.3</b>   | 107.5        |
| Revenue from other activities   | 21.5         | 29.5         | <b>37.2</b>  | 126.1        |

## Revenue from passenger service

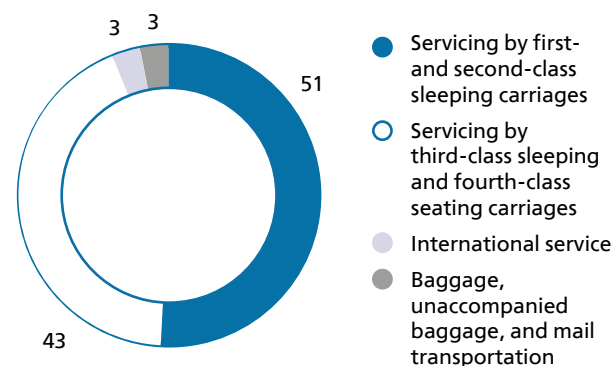
Based on the 2023 year-end results, FPC's total revenue from long-distance railway passenger service significantly exceeded the results for 2022: the average revenue growth rate for the year was over 126% compared to the previous period, and a total of RUB 278.6 billion was received during the reporting period against the backdrop of increased traffic volumes.

A positive trend in revenue growth is observed in both regulated and deregulated segments, but the outstripping rates are still recorded in the segment of passenger service in carriages with higher price category: growth in the deregulated segment for 2023 was about 130% year-on-year. The volume of revenue from domestic service with first-class and second-class sleeping carriages totalled RUB 141.4 billion (128.9% vs. 2022), while revenues from international service exceeded RUB 9.4 billion (146.3% vs. 2022).

In the regulated segment, passenger service with and third-class sleeping carriages and fourth-class seating carriages in 2023 generated RUB 119.6 billion, up 23.0% year-on-year.

Revenues from baggage, unaccompanied baggage, and mail transportation increased by 7.5% compared to 2022 and amounted to RUB 8.3 billion

### Structure of revenues from passenger services, %



## Revenue from other activities

### FPC's other activities include:



Repair of clients' rolling stock



Provision of value-added services on trains



Lease of movable and immovable property



Other services

### Changes in revenue from other activities, RUB billion

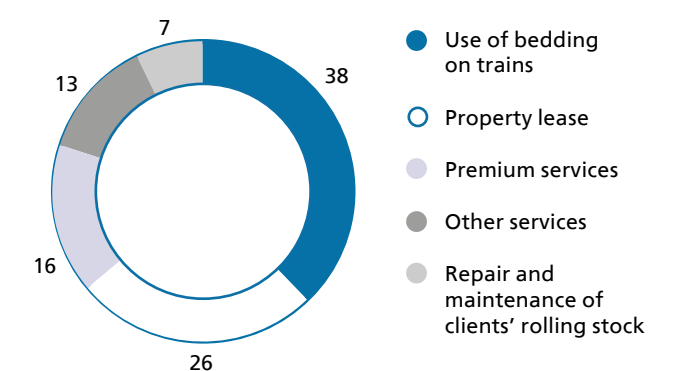
| Indicator                        | 2021 | 2022 | 2023        | vs. 2022, % |
|----------------------------------|------|------|-------------|-------------|
| Revenue from other activities    | 21.5 | 29.5 | <b>37.2</b> | 126.1       |
| Repair of clients' rolling stock | 2.0  | 2.3  | <b>2.6</b>  | 115.0       |
| Value-added services on trains   | 10.9 | 13.9 | <b>20.0</b> | 143.7       |
| • Provision of bedding           | 8.2  | 10.3 | <b>14.0</b> | 135.5       |
| • Premium services               | 2.8  | 3.6  | <b>6.1</b>  | 167.0       |
| Property lease                   | 5.1  | 9.9  | <b>9.8</b>  | 99.1        |
| Other services                   | 3.5  | 3.3  | <b>4.7</b>  | 140.8       |

As of year-end 2023, revenue from other activities totalled

**RUB 37.2 billion** up 26.1% year-on-year

The year-on-year increase mainly pertains to the provision of additional services on trains (by 43.7% above the 2022 level) due to an increase in the volume of passengers carried on FPC trains, other services (40.8%) due to an increase in the volume of goods sold on FPC trains; mainly due to an increase in sales of goods on FPC trains, as well as repair and maintenance of customers' rolling stock (13.0%) due to additional requests for maintenance and depot repairs of carriages.

### Structure of revenues from other activities, %



## Expenses

### Rail service expenses

Based on the 2023 results, the transportation costs amounted to RUB 261.4 billion, or 121.1% year-on-year (139.8% vs. 2021).

The passenger service cost in 2023 was RUB 28.6 per 10 passenger-km, or 107.6% year-on-year (102.9% vs. 2021).

#### Rail service expenses, RUB billion

| Indicator                 | 2021         | 2022         | 2023         | vs. 2022, %  |
|---------------------------|--------------|--------------|--------------|--------------|
| <b>Total</b>              | <b>187.0</b> | <b>215.9</b> | <b>261.4</b> | <b>121.1</b> |
| Payroll costs             | 30.7         | 38.3         | 47.0         | 122.7        |
| Social contributions      | 8.7          | 10.7         | 13.3         | 123.7        |
| Material expenses         | 21.0         | 25.5         | 31.5         | 123.5        |
| • Materials               | 5.4          | 6.5          | 9.1          | 140.7        |
| • Fuel                    | 0.7          | 0.6          | 0.7          | 116.7        |
| • Electricity             | 0.5          | 0.5          | 0.5          | 100.0        |
| • Other                   | 14.5         | 17.9         | 21.1         | 118.0        |
| Other expenses            | 110.2        | 123.3        | 148.7        | 120.6        |
| • Infrastructure payments | 60.5         | 65.4         | 76.9         | 117.6        |
| • Locomotive lease        | 38.9         | 45.3         | 57.0         | 125.9        |
| Depreciation              | 16.3         | 18.1         | 21.0         | 116.1        |

### Expenses on other activities

Based on the results for 2023, expenses from other activities totalled RUB 24.6 billion, which is 21.1% higher than in 2022.

The year-on-year increase mainly pertains to the provision of additional services on trains (by 34.7% above the 2022 level) due to an increase in the number of passengers carried on FPC

trains, other services (30.8%) due to an increase in the volume of goods sold on FPC trains; mainly due to an increase in sales of goods on FPC trains, as well as repair and maintenance of customers' rolling stock (15.4%) due to additional requests for maintenance and depot repairs of carriages and due to an increase in overheads allocated to other activities.

#### Expenses from other activities, RUB billion

| Indicator                        | 2021 | 2022 | 2023 | vs. 2022, % |
|----------------------------------|------|------|------|-------------|
| Expenses on other activities     | 16.6 | 20.3 | 24.6 | 121.1       |
| Repair of clients' rolling stock | 1.7  | 1.6  | 1.9  | 118.8       |
| Value-added services on trains   | 8.2  | 10.2 | 13.7 | 134.7       |
| • Provision of bedding           | 6.1  | 7.6  | 9.7  | 128.1       |
| • Premium services               | 2.1  | 2.6  | 3.9  | 150.0       |
| Property lease                   | 4.0  | 5.6  | 5.3  | 93.2        |
| Other services                   | 2.7  | 2.9  | 3.8  | 130.8       |

### Overhauls Programme

In 2023, actual expenses on overhauls of fixed assets were RUB 3.4 billion, or 115.9% vs. 2022, including:

**RUB 2.5 billion** –  
on overhauls of passenger carriages

99.5% vs. 2022

**RUB 0.8 billion** –  
on third-party overhaul of buildings, structures and equipment

233.5% vs. 2022



#### Changes in expenses on overhauls of fixed assets, RUB billion

| Overhauls                           | 2021 | 2022 | 2023 | vs. 2022, % |
|-------------------------------------|------|------|------|-------------|
| Fixed assets, total                 | 2.0  | 2.9  | 3.4  | 115.9       |
| Carriages                           | 1.7  | 2.5  | 2.5  | 99.5        |
| Buildings, structures and equipment | 0.2  | 0.4  | 0.8  | 233.5       |

### Headcount and Labour Productivity

Labour productivity is increased by 3.7% year-on-year, which resulted from a 12.5% increase in traffic volumes with a simultaneous growth in headcount by only 8.5%.

#### Change in headcount and labour productivity

| Indicator                                  | 2021   | 2022   | 2023   | vs. 2022, % |
|--|--------|--------|--------|-------------|
| FPC's headcount, FTEs                      | 51,299 | 50,499 | 54,331 | 107.6       |
| • Including in rail services               | 45,876 | 44,827 | 48,649 | 108.5       |
| Labour productivity, '000 passenger-km/FTE | 1,453  | 1,783  | 1,849  | 103.7       |

## Other Revenue and Expenses

The financial result from other revenues and expenses for 2023 was a loss of RUB 2.7 billion, which is RUB 3.3 billion above the 2022 level.

### Changes in other revenue and expenses, RUB billion

| Indicator  | 2021 | 2022 | 2023 | vs. 2022, % |
|--|------|------|------|-------------|
| Other income   | 20.4 | 21.3 | 15.7 | 73.9        |
| Interest receivable                                  | 0.3  | 1.2  | 1.9  | 162.8       |
| Proceeds from the disposal of fixed and other assets | 2.8  | 1.4  | 1.1  | 74.9        |
| Federal subsidies                                    | 11.1 | 12.1 | 8.4  | 69.7        |
| Others   | 6.3  | 6.6  | 4.4  | 65.8        |
| Other expenses                                       | 12.0 | 21.8 | 18.4 | 84.4        |
| Interest payable                                     | 5.0  | 6.1  | 5.3  | 87.6        |
| Expenses on the disposal of fixed and other assets   | 1.8  | 0.7  | 1.1  | 163.7       |
| Cash management services                             | 1.8  | 2.1  | 2.8  | 135.7       |
| Others   | 3.4  | 13.0 | 9.1  | 70.4        |

Key revenues received as part of other JSC FPC's income were government subsidies allocated as compensation for the revenue shortfall caused by the government regulation of long-distance tariffs for third-class open-plan sleeping and fourth-class seating carriages. In 2023, RUB 8.4 billion in subsidies were received from the federal budget (RUB 12.1 billion in 2022).

The main item in the structure of other expenses is expenses for loan interests: RUB 5.3 billion in 2023 and RUB 6.1 billion in 2022.

## Debt policy

As at 31 December 2023, principal repayments were RUB 41.5 billion, including RUB 16.0 billion – for loans and RUB 25.5 billion – for bonds.

The Company do not have liabilities denominated in foreign currencies.

At the end of 2023, the value of the covenant "Net debt / EBITDA" (for the last 12 months before the reporting date) was 0.6x, "EBITDA (for the last 12 months before the reporting date) / Net interest expense" was 16.2x.

### Payment of JSC FPC's principal debt under repayment schedule as of 31 December 2023, RUB billion

| Principal repayment | 2024 | 2025 | 2026 | 2027 | 2028 |
|---------------------|------|------|------|------|------|
| • for bonds         | 10   | 5.5  | 0    | 0    | 10   |
| • for loans         | 0    | 0    | 0    | 0    | 16   |

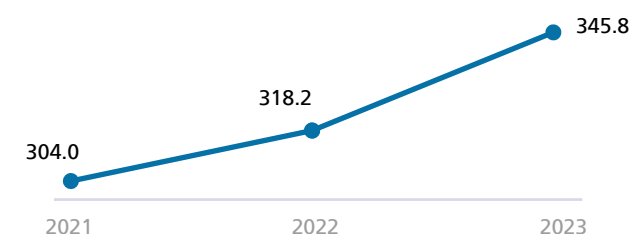
## Balance Sheet Total

**RUB 33 billion** +9% year-on-year balance sheet total increase for 2023

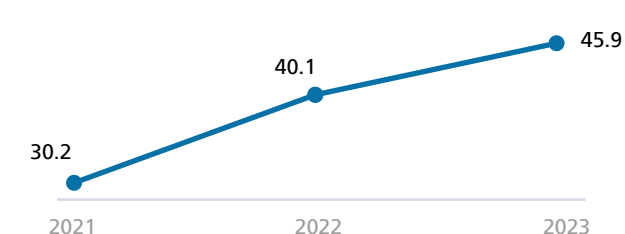
### Key balance sheet items, RUB billion

| Indicator               | 2021  | 2022  | 2023  | vs. 2022, % |
|-------------------------|-------|-------|-------|-------------|
| Non-current assets      | 304.0 | 318.2 | 345.8 | 108.7       |
| Current assets          | 30.2  | 40.1  | 45.9  | 114.4       |
| Assets                  | 334.3 | 358.4 | 391.7 | 109.3       |
| Equity and reserves     | 213.1 | 250.8 | 286.9 | 114.4       |
| Non-current liabilities | 49.3  | 41.6  | 33.9  | 81.5        |
| Current liabilities     | 71.8  | 65.9  | 70.9  | 107.6       |
| Liabilities             | 334.3 | 358.4 | 391.7 | 109.3       |

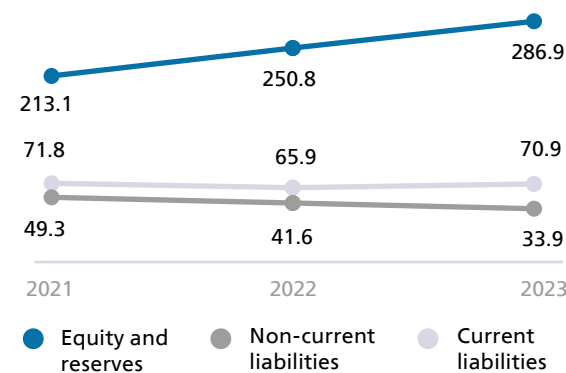
### Non-current assets, RUB billion



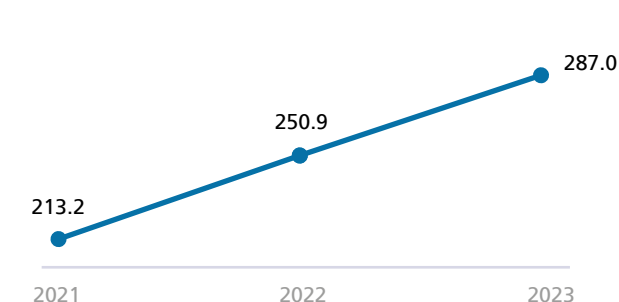
### Current assets, RUB billion



### Changes in liabilities, RUB billion



### Net assets, RUB billion



As at 31 December 2023, FPC's non-current liabilities totalled RUB 33.9 billion, including RUB 31.5 billion of loans and borrowing.

In the reporting year, the Company's net assets increased by 14% to RUB 287 billion.

The size of FPC's authorised capital was RUB 263,588,839 thousand as at 31 December 2023.



## Inventory holdings

As of 31 December 2023, without inventories that are not used in the production process, the actual content of inventory holdings in FPC was RUB 6.9 billion (including fuel – RUB 0.2 billion), against the established standard of RUB 7.0 billion (including fuel – RUB 0.3 billion). Actual inventory holdings did not exceed the standard.

The bulk of production inventory holdings consists of passenger carriage spare parts worth RUB 3.3 billion (48% of total inventory holdings), comprised of new spare parts worth RUB 2.2 billion and reuse materials worth RUB 1.1 billion.

Passenger carriage wheelsets worth RUB 1.7 billion account for the largest portion of spare parts, or 50% of all inventory holdings of carriages spare parts.

## Receivables and Payables

As at 31 December 2023, FPC's receivables totalled RUB 25.5 billion.

Trade receivables (except for rail service) accounted for 33.8% of total receivables, or RUB 8.6 billion. The bulk of this debt, RUB 6.8 billion, resulted from the application of the terms of settlements stipulated by the long-term agreement.

Taxes, fees and charges receivable accounted for 49.8%, or RUB 12.7 billion.

The largest share of trade receivables (except for rail service) was for sale of property – 79.1%, or RUB 6.8 billion, and for leasing of rolling stock – 8.5%, or RUB 0.7 billion.

Trade receivables due for passenger service amounted to 8.7%, or RUB 2.2 billion, which is in line with the terms of relevant agreements made.

Advances issued as of the end of December 2023 totalled 4.1%, or RUB 1.0 billion

### Receivables as at 31 December, RUB billion

| Indicator                                    | 2021        | 2022        | 2023        | vs. 2022, %  |
|--|-------------|-------------|-------------|--------------|
| Trade receivables (except for rail services) | 10.4        | 10.4        | 8.6         | 82.7         |
| Trade receivables (for rail services)        | 2.6         | 1.9         | 2.2         | 115.8        |
| Prepayments                                  | 0.6         | 1.2         | 1.0         | 83.3         |
| Taxes and charges                            | 7.9         | 9.7         | 12.7        | 131.0        |
| Other receivables                            | 0.7         | 0.9         | 0.9         | 100.0        |
| <b>Total</b>                                 | <b>22.2</b> | <b>24.2</b> | <b>25.5</b> | <b>105.6</b> |

Payables as at the end of December 2023 were RUB 48.2 billion, up 43.4% year-on-year. The bulk of this amount was attributable

to trade payables – 50.8%, or RUB 24.5 billion, and prepayments received for transportation – 30.9%, or RUB 14.9 billion

### Payables as at 31 December, RUB billion

| Indicator                                 | 2021        | 2022        | 2023        | vs. 2022, %  |
|---|-------------|-------------|-------------|--------------|
| Trade payables                            | 38.1        | 13.1        | 24.5        | 187.0        |
| Payroll liabilities                       | 1.4         | 2.4         | 2.9         | 120.8        |
| Taxes and charges, social insurance       | 1.3         | 4.7         | 3.3         | 69.5         |
| Prepayments received for other activities | 0.3         | 0.9         | 0.5         | 55.6         |
| Prepayments received for rail services    | 7.0         | 10.7        | 14.9        | 139.4        |
| Other payables                            | 1.5         | 1.9         | 2.2         | 115.8        |
| <b>Total</b>                              | <b>49.6</b> | <b>33.6</b> | <b>48.2</b> | <b>143.4</b> |

As payables are above receivables, the Company can use payables as an additional source of financing. Receivables to payables ratio is 1.89.

**1.89**  
receivables to payables ratio

## Cash Flows<sup>1</sup>

Cash balance on accounts of FPC, including short-term deposits, as at 1 January 2023 stood at RUB 3.0 billion.

Operating expenses amounted to RUB 329.6 billion, including expenses for infrastructure services and locomotive lease totalling RUB 160.5 billion, or 49%.

### Cash flows from operations

In 2023, the cash flow from operating activities totalled RUB 395.4 billion, including RUB 8.4 billion of federal subsidies. Most of money (71%) was received from passenger service, totalling RUB 280.6 billion excluding transit charges.

**RUB 65.8 billion**  
net cash flow from operations

### Cash flows from operations, RUB billion

| Indicator     | 2021  | 2022  | 2023  | vs. 2022, % |
|---------------|-------|-------|-------|-------------|
| Net cash flow | -6.7  | 45.9  | 65.8  | 143.3       |
| Cash received | 222.9 | 322.2 | 395.4 | 122.7       |
| Cash used     | 229.5 | 276.3 | 329.6 | 119.3       |

<sup>1</sup> In accordance with the management accounting data.

## Cash Flows from Investing Activities

Expenses for investment activities totalled

**RUB 52.0 billion**

### Cash flows from investing activities, RUB billion

| Indicator     | 2021  | 2022  | 2023  | vs. 2022, % |
|---------------|-------|-------|-------|-------------|
| Net cash flow | -32.6 | -62.6 | -49.6 | 79.3        |
| Cash received | 228.4 | 3.0   | 2.4   | 78.5        |
| Cash used     | 261.0 | 65.6  | 52.0  | 79.3        |

## Cash Flows from Financing Activities

In 2023, cash received from financing activities totalled RUB 33.0 billion, 46% of which were borrowings.

### Cash flows from financing activities, RUB billion

| Indicator     | 2021 | 2022 | 2023  | vs. 2022, % |
|---------------|------|------|-------|-------------|
| Net cash flow | 38.4 | 22.5 | -15.6 | -           |
| Cash received | 69.2 | 50.6 | 33.0  | 65.2        |
| Cash used     | 30.8 | 28.1 | 48.6  | 172.7       |

JSC FPC's total net cash flow for the reporting year was RUB 0.6 billion.

In the reporting period, RUB 48.9 billion was allocated for passenger rolling stock replacement and upgrades:

- RUB 38.4 billion for the acquisition of new passenger carriages
- RUB 10.5 billion for passenger rolling stock upgrades

Negative cash flow from investing activities amounted to RUB 49.6 billion.

Cash outflow of RUB 48.6 billion resulted from:

- Interest payments on loans and borrowings – RUB 5.2 billion
- Repayment of loans and borrowings – RUB 43.0 billion

Negative cash flows from financing activities totalled RUB 15.6 billion.

The cash balance including short-term deposits on the accounts of JSC FPC as at 31 December 2023 amounted to RUB 9.4 billion.

## Financial Review

| Indicator <sup>1</sup>                                  | 2021 | 2022 | 2023         |
|---|------|------|--------------|
| <b>Liquidity</b>  |      |      |              |
| Absolute liquidity ratio                                | 0.04 | 0.13 | <b>0.13</b>  |
| Quick liquidity ratio                                   | 0.23 | 0.38 | <b>0.41</b>  |
| Current liquidity ratio                                 | 0.30 | 0.49 | <b>0.56</b>  |
| Leverage ratio  | 0.64 | 0.70 | <b>0.73</b>  |
| <b>Margins, %</b>                                       |      |      |              |
| Sales margin (including subsidies)                      | 3.7  | 14.9 | <b>15.21</b> |
| Return on equity (ROE)                                  | -2.5 | 4.8  | <b>7.84</b>  |
| Return on assets, including subsidies (ROA)             | -0.5 | 8.5  | <b>10.19</b> |
| <b>Liabilities</b>                                      |      |      |              |
| Liabilities in the balance sheet total                  | 0.36 | 0.30 | <b>0.27</b>  |
| Financial leverage (interest-bearing borrowings/equity) | 0.31 | 0.27 | <b>0.15</b>  |
| Total debt/EBITDA                                       | 4.15 | 1.62 | <b>0.79</b>  |
| Total debt/revenue                                      | 0.35 | 0.27 | <b>0.14</b>  |



**Absolute liquidity ratio**

The ratio is the most stringent solvency criterion, showing how much short-term debt can be covered by the Company immediately if necessary by the available cash and highly liquid short-term investments.

In 2023 year, the ratio is the same as in 2022.



**Quick liquidity ratio**

The ratio shows how much short-term debt can be covered by the Company if its receivables are fully repaid (where payments are expected within 12 months after the reporting date).

In 2023, the ratio rose by 0.03 p.p. compared to the previous period (0.38 in 2022).



**Current liquidity ratio**

The ratio shows how much short-term debt can be covered by current assets of the Company. In contrast to the absolute and quick liquidity ratios, this indicator shows the Company's solvency over a relatively longer term.

In 2023, the ratio rose by 0.07 p.p. compared to the previous period (0.49 in 2022).



**Leverage ratio**

The ratio shows the share of the Company's assets that are covered by its funds. The higher the ratio, the more financially stable the Company is and the lower its reliance on third-party loans. From an investor or creditor's perspective, the higher the ratio, the lower the risk of losing investments in the Company or loans extended to the Company.

In 2023, the ratio rose by 0.03 p.p. (0.70 in 2022).

<sup>1</sup> According to the accounting records for 2023.

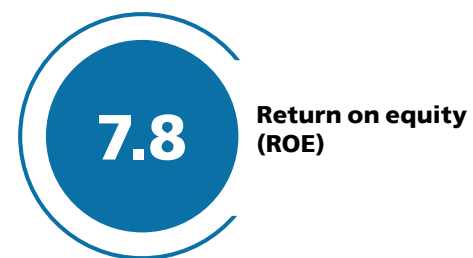


It is an indicator of the Company's financial performance, indicating the share of profit in the Company's revenue. Sales margin shows the effectiveness of the Company's pricing policy and its ability to control costs. It indicates the share of gross profit in the Company's sales.

In 2023, the indicator raised by 0.3 p.p. year-on-year (14.9% in 2022).



The lower share of borrowings in the balance sheet total (0.30 in 2022) clearly demonstrates the trend towards stronger financial stability of the Company. Accordingly, the higher the share of own funds in the balance sheet total, the better the financial position of the Company.

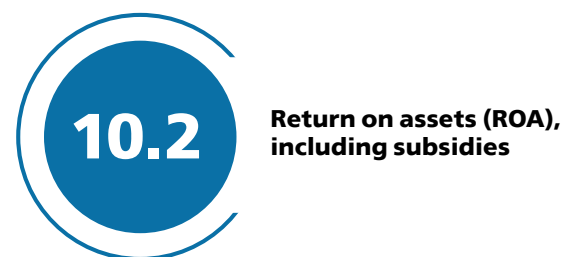


This indicator is one of the key indicators of the Company's performance, used to evaluate its investment appeal over the longer term and showing how many units of net profit the Company generates with each unit of shareholders' equity.

In 2023, the indicator raised by 3.0 p.p. year-on-year (4.8% in 2022).



Financial leverage indicates the ratio of borrowings to total capitalisation and shows how efficiently the Company uses its equity. It determines the degree of the Company's reliance on borrowings. The capitalisation ratio is used only in the same industry context and in the context of the Company's revenue and cash flows (0.27 in 2022).



This financial ratio shows the return on all assets used by the Company. The ratio indicates the Company's ability to generate profit without taking into account its capital structure (financial leverage), as well as the quality of asset management.

In 2023, the indicator improved by 1.7 p.p. compared to the previous period (8.5% in 2022).

**Total debt/EBITDA: 0.79**

This indicator shows the Company's debt burden and its ability to repay existing liabilities (solvency).

In 2023, the indicator dropped by 0.83 p.p. compared to the previous period (1.62% in 2022).

**Total debt/revenue: 0.14**

This indicator shows the Company's debt burden vs. its total revenue (0.27 in 2022).

## Changes in FPC's net assets, RUB billion

| INDICATORS                                | 2021         | 2022         | 2023         |
|---|--------------|--------------|--------------|
| <b>1 Authorised capital</b>               | <b>222.0</b> | <b>248.6</b> | <b>263.6</b> |
| <b>2 Net assets</b>                       | <b>213.3</b> | <b>250.9</b> | <b>287.0</b> |
| 2.1 1. Equity and reserves                | 213.1        | 250.8        | <b>286.9</b> |
| • Authorised capital                      | 222.0        | 248.6        | <b>263.6</b> |
| • Add-on capital                          | 10.1         | 10.1         | <b>10.1</b>  |
| • Retained earnings (accumulated deficit) | -20.6        | -9.5         | <b>11.1</b>  |
| • Other                                   | 1.6          | 1.6          | <b>2.2</b>   |
| 2.2 2. Future income                      | 0.1          | 0.1          | <b>0.1</b>   |
| <b>3 Deviations</b>                       | <b>-8.7</b>  | <b>2.3</b>   | <b>23.4</b>  |

The net value of JSC FPC's assets as at 31 December 2023 was RUB 287 billion and exceeds the Company's authorised capital (RUB 263.6 billion as at 31 December 2023). This proves the compliance with the mandatory provisions of Federal Law No. 208-FZ dated 26 December 1995 "On Joint Stock Companies" concerning the net asset value of the Company

**RUB 287 bln**  
JSC FPC's net asset value as of 31 December 2023

## Report on net profit use

In accordance with the decision of the Annual General Meeting of Shareholders dated 30 June 2023 (Minutes No. 54 dated 5 July 2023), the net profit for 2022 was decided to be distributed as follows.

**RUB 21,086,697 thousand**  
net profit based on the financial and economic performance results for 2023

| INDICATOR  | Percentage of net profit available for distribution | Amount, RUB '000 |
|--|---|------------------|
| Amount of 2022 net profit to be distributed  | 100%  | 11,038,611       |
| Distributed as follows:  |   |                  |
| • buildup of reserves  | 5%  | 551,931          |
| • dividends to shareholders (participants)   |   |                  |
| • investments  |   |                  |
| Remained undistributed until the relevant decision of the General Meeting of Shareholders (Participants) |   |                  |
| Other (covering losses of previous years)  | 95%   | 10,486,680       |

According to the results of financial and business operations in 2023, JSC FPC cleared a profit of RUB 21,086,697,000.

Based on the results of the financial year, the Annual General Meeting of Shareholders decides on the distribution of the Company's net profit as recommended by the Board of Directors of JSC FPC.