

MIRA INFORM REPORT

Report No. :	540712
Report Date :	22.11.2018

IDENTIFICATION DETAILS

Name :	AO BIOKHIMIK
Formerly Known As :	<ul style="list-style-type: none"> • PAO BIOKHIMIK • OAO BIOKHIMIK
Registered Office :	Vasenko Street 15a, Mordovia Republic, 430030 Saransk
Country :	Russia
Financials (as on) :	31.12.2017
Date of Incorporation :	10.11.1992
Com. Reg. No.:	OGRN 1021301063189
Legal Form :	Joint Stock Company
Line of Business :	<ul style="list-style-type: none"> • Manufacture of basic pharmaceutical products • Manufacturers and distributors of pharmaceutical products (100 medicines for the treatment of various diseases).
No. of Employees :	1,250

RATING & COMMENTS

(Mira Inform has adopted New Rating mechanism w.e.f. 23rd January 2017)

MIRA's Rating : A+

Credit Rating	Explanation	Rating Comments
A+	Low Risk	Business dealings permissible with low risk of default

Status :	Good
Payment Behaviour :	Regular
Litigation :	Clear

NOTES :

Any query related to this report can be made on e-mail : infodept@mirainform.com while quoting report number, name and date.

ECGC Country Risk Classification List

Country Name	Previous Rating (30.06.2018)	Current Rating (30.09.2018)
Russia	A2	A2

Risk Category	ECGC Classification
Insignificant	A1
Low Risk	A2
Moderately Low Risk	B1
Moderate Risk	B2
Moderately High Risk	C1
High Risk	C2
Very High Risk	D

RUSSIA - ECONOMIC OVERVIEW

Russia has undergone significant changes since the collapse of the Soviet Union, moving from a centrally planned economy towards a more market-based system. Both economic growth and reform have stalled in recent years, however, and Russia remains a predominantly statist economy with a high concentration of wealth in officials' hands. Economic reforms in the 1990s privatized most industry, with notable exceptions in the energy, transportation, banking, and defense-related sectors. The protection of property rights is still weak, and the state continues to interfere in the free operation of the private sector.

Russia is one of the world's leading producers of oil and natural gas, and is also a top exporter of metals such as steel and primary aluminum. Russia is heavily dependent on the movement of world commodity prices as reliance on commodity exports makes it vulnerable to boom and bust cycles that follow the volatile swings in global prices. The economy, which had averaged 7% growth during the 1998-2008 period as oil prices rose rapidly, has seen diminishing growth rates since then due to the exhaustion of Russia's commodity-based growth model.

A combination of falling oil prices, international sanctions, and structural limitations pushed Russia into a deep recession in 2015, with GDP falling by close to 2.8%. The downturn continued through 2016, with GDP contracting another 0.2%, but was reversed in 2017 as world demand picked up. Government support for import substitution has increased recently in an effort to diversify the economy away from extractive industries.

Source : CIA

SUMMARY

COMPANY NAME	AO BIOKHIMIK			
ADDRESS	Street	Region	Town	PO Box
	Vasenko Street 15a	Mordovia Republic	Saransk	430030 Saransk
PHONE	Verified Phones: (+7 8342) 380 368 / (+7 8342) 380 786 / Fax: (+7 8342) 473 678			
EMAIL/WEBSITE	Email: biohimic@biohimic.ru / Website: www.biohimik.ru			
ACTIVITY	NACE 2110 - Manufacture of basic pharmaceutical products;			
PRINCIPAL	Marina Vladimirovna Penkova General Director		Workforce 1,250	
LEGAL INFO	Date Of Est.	Reg. No.	Legal Form	Status
	10/11/1992	OGRN 1021301063189	Joint Stock Company	Active
CAPITAL	CURRENCY	AMOUNT		
	RUBLE (RUB)	174,371,252		

IDENTIFICATION

CO. NAME	AO BIOKHIMIK		
ALSO KNOWN NAME (S)	JSC BIOKHIMIK / Aktsionernoye Obschestvo Biokhimik		
FORMER NAME	PAO BIOKHIMIK / OAO BIOKHIMIK		
STREET	Vasenko Street 15a		
REGION	Mordovia Republic		
POSTAL ADDRESS	430030 Saransk		
TOWN	Saransk		
COUNTRY	Russia		
TELEPHONE	(+7 8342) 380 368 / (+7 8342) 380 786 / (+7 495) 640 2528 / (+7 8342) 244 201		
FAX	(+7 8342) 473 678		
VERIFIED EMAIL	biohimic@biohimic.ru		
WEBSITE	www.biohimik.ru		
BUSINESS HOURS	DAYS	OFFICE HOURS	BREAK TIME
	Mon-Fri	08:00-17:00	12:00-13:00
REGISTERED ADDRESS	Vasenko Street 15a Mordovia Republic 430030 Saransk Russia		

SENIOR PERSONNEL

MANAGEMENT	NAME	POSITION
	Marina Vladimirovna Penkova Nationality: Russian Tax Code: INN 770104499885	General Director
	Svetlana Antolievna	Accountant
WORKFORCE	Ms. Ulyana NO. OF EMPLOYEES 1,250	HR Executive PERIOD 11.2018

FINANCIAL SUMMARY

TURNOVER	31/12/2017 RUBLE 2,121,027,000	31/12/2016 RUBLE 2,018,297,000
NET PROFIT / (LOSS)	31/12/2017 RUBLE 74,200,000	31/12/2016 RUBLE 94,695,000
NOTES	Balance sheets as at 31 December 2017 showed :	

31/12/2017 31/12/2016
(in RUBLE)

ASSETS		
Non-current assets		
Intangible assets	342,000	342,000
Fixed assets	761,792,000	494,329,000
Financial		
investments	2,171,000	2,106,000
Deferred tax assets	8,923,000	7,193,000
Other non-current assets	535,758,000	3,611,000
Total non-current assets	1,399,586,000	536,407,000
Current assets		
Stock	480,778,000	492,004,000
Value added tax on purchased valuables	8,773,000	4,359,000
Trade		
Receivables	599,918,000	1,160,007,000
Financial		
investments	80,000	0
Cash equivalents	104,422,000	406,000

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Other current assets	2,167,000	1,517,000
Total current assets	1,196,138,000	1,658,293,000
TOTAL ASSETS	2,595,724,000	2,194,700,000

EQUITY & LIABILITIES

Equity		
Share capital	174,371,000	174,371,000
Additional capital	163,898,000	163,898,000
Reserve capital	61,526,000	61,526,000
Retained		
Earnings	415,992,000	339,822,000
Total equity	912,743,000	838,543,000
Long-term liabilities		
Borrowings	571,170,000	50,000,000
Deferred tax liabilities	26,290,000	22,574,000
Total long-term liabilities	597,460,000	72,574,000
Short-term Liabilities		
Borrowings	382,527,000	342,526,000
Accounts payable	674,180,000	915,943,000
Deferred income tax	48,000	61,000
Other liabilities	170,000	0
Total Short-term liabilities	1,085,521,000	1,283,583,000
TOTAL EQUITY & LIABILITIES	2,595,724,000	2,194,700,000

INCOME STATEMENT

Revenue	2,121,027,000	2,018,297,000
Cost of Sales	(1,587,895,000)	(1,665,967,000)
Gross Profit	533,132,000	352,330,000
Commercial		
expenses	(24,009,000)	(27,317,000)
Administrative		
expenses	(64,985,000)	(48,567,000)
Profit(loss) from sales	444,138,000	276,446,000
Other income and expenses		
Interest income	30,000	0
Interest payable	(69,004,000)	(50,015,000)
Other income	115,241,000	393,517,000
Other expenses	(385,651,000)	(466,826,000)
Profit(loss) before taxation	104,754,000	153,122,000
Change in deferred		

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	tax assets	1,730,000	(34,637,000)
	Change in deferred tax liabilities	(3,716,000)	9,102,000
	Current income tax	(26,385,000)	(8,376,000)
FISCAL YEAR-END	Net Profit(loss)	74,200,000	94,695,000
	31 December.		

LEGAL STATUS

INCORPORATION REGISTRATION NO.	10/11/1992 C.R. NUMBER OGRN 1021301063189	ISSUED BY Federal Tax Service
OTHER REGISTRATION NO.	INN 1325030352 (Tax Code) / KPP 132701001 / OKPO 480709 (Statistics Code) / OKTMO 89701000001	
AUTHORISED CAPITAL	AMOUNT 174,371,252	CURRENCY RUBLE
PAID-UP CAPITAL	AMOUNT 174,371,252	CURRENCY RUBLE
BUSINESS HISTORY	The Company was incorporated in Russia on 10 November 1992, however its origins of business activities can be traced back to 1952. As of December 2017, subject's sole shareholder was "OOO Promomed Holdings (Tax Code: INN 7702396959)". On 7 December 2017, subject's shareholding structure changed to the present. On 18 February 2018, subject changed its name from PAO BIOKHIMIK to the present style.	
LEGAL FORM STATUS	Joint Stock Company Active	
SOLE SHAREHOLDER	NAME OOO MIRACLE PHARM Logisticheskaya (Severniiy Mkr.) Street 1/6, Domodedova, Moscow Region 142000 Russia Phone: (+7 495) 984 7579 Est. : 20/11/2013 C.R. No.: OGRN 5137746100487 Tax Code: INN 7727819846 Sole Shareholder: Aleksandr Markovich Malinkovich Nationality: Russian Tax Code: INN 771410096911	PERCENTAGE 100.00%

Subject is managed by the following company:

OOO MANAGEMENT COMPANY PROMOMED
Mira Avenue 13, Building 1
129090 Moscow
Russia
Est.: 25/05/2016
C.R. No.: OGRN 1167746499140
Tax Code: INN 7724365915
General Director:
Marina Vladimirovna Penkova

OPERATION

BANKERS

PAO SBERBANK
70 let Oktyabrya Avenue 86
Respublika Mordovia
430033 Saransk
Russian Federation
Phone: (+7 834) 229 1380
Acc. No.: 40702810739010100070
Corr. Acc. No.: 30101810100000000615
BIK: 048952615

ACTIVITY CODE (NACE)

2110 - Manufacture of basic pharmaceutical products;

LINE OF BUSINESS

Manufacturers and distributors of pharmaceutical products (100 medicines for the treatment of various diseases).

IMPORT FROM

Europe and China as well as equipment from Italy.

EXPORT TO

CIS countries.

FACILITIES

Owned premises comprising administrative offices, a manufacturing unit and storage facilities located at the heading address as well as additional corporate offices located in Moscow, Russia.

RELATED COMPANIES

Associates of OOO MIRACLE PHARM:

1. OOO IMPEX
Polevaya Street 1a/4
Smolenskiy District
village Pechersk
Smolensk Region
Est.: 06/04/2010
C.R. No.: OGRN 1106731003059
Tax Code: INN 6731080330
Sole Shareholder:
Aleksandr Markovich Malinkovich

2. OOO Solo Film Studiya
Aviamotornaya Street 50/2
Moscow 111024
Est.: 09/02/2017

C.R. No.: OGRN 1177746125864
Tax Code: INN 7722389981
Sole Shareholder:
Aleksandr Markovich Malinkovich

3. OOO AVTOPROM SERVIS
Starobryadcheskaya Street 28a/1
Moscow 111024
Est.: 11/02/2016
C.R. No.: OGRN 1167746150494
Tax Code: INN 7722354805
Shareholders:
Aleksey Tarasov – 33.4%
Aleksandr Markovich Malinkovich – 33.3%
Denis Frolov – 33.3%

Subject's parent company "OOO MIRACLE PHARM" closely cooperates with the following company:

OOO NC Pharm
Logisticheskaya (Severniy Mkr.) Street 1/6, Moscow Region
142000 Domodedova
Russia
Est.: 11/07/2001
General Director: Garold Vlasov
C.R. No.: OGRN 1037700144272
Tax Code: INN 7710384474

PAYMENT

CREDIT OPINION

We consider it is acceptable to deal with subject for LARGE amounts.

SPECIAL REMARKS

INTERVIEWED COMMENTS

Ms. Ulyana (HR Executive).
You enquired on: JSC BIOKHIMIK. Please note that this name applies to an English translation of the subject's name. Subject's correct registered name is as per heading.

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 71.33
UK Pound	1	INR 91.72
Euro	1	INR 81.69
RUB	1	INR 1.08

Note : Above are approximate rates obtained from sources believed to be correct

INFORMATION DETAILS

Analysis Done by :	VIV
Report Prepared by :	SYL

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RATING EXPLANATIONS

Credit Rating	Explanation	Rating Comments
A++	Minimum Risk	Business dealings permissible with minimum risk of default
A+	Low Risk	Business dealings permissible with low risk of default
A	Acceptable Risk	Business dealings permissible with moderate risk of default
B	Medium Risk	Business dealings permissible on a regular monitoring basis
C	Medium High Risk	Business dealings permissible preferably on secured basis
D	High Risk	Business dealing not recommended or on secured terms only
NB	New Business	No recommendation can be done due to business in infancy stage
NT	No Trace	No recommendation can be done as the business is not traceable

NB is stated where there is insufficient information to facilitate rating. However, it is not to be considered as unfavourable.

This score serves as a reference to assess SC's credit risk and to set the amount of credit to be extended. It is calculated from a composite of weighted scores obtained from each of the major sections of this report. The assessed factors are as follows:

- Financial condition covering various ratios
- Company background and operations size
- Promoters / Management background
- Payment record
- Litigation against the subject
- Industry scenario / competitor analysis
- Supplier / Customer / Banker review (wherever available)