



VSP COMPANY  
ANNUAL REPORT

2019





# Director's address

The Ufa Region for VSP means more than just an administrative unit. Russia is a big country. Zooming in the map, one can see such industrial centres as Samara, Kazan, Izhevsk, Perm, Ekaterinburg, Chelyabinsk, Orenburg, ... — Ufa is located in the centre of a big industrial cluster. No wonder that such an extensive geographical region, abounding with both natural resources, and industrial facilities presents great opportunities for business development.

**We do formulate the notion of the Ufa Region in such a way for ourselves — a current and future potential for the company development. Starting with 2016, VSP has proceeded with implementation of an extensive development programme in the Ufa Region.**

BASHNEFT — without doubt is a major oil refinery in Russia. The customer is not an easy one — rather demanding in the first place. Technical solutions on the main VSP business lines are of course implemented at Bashneft sites: IS interfaces and systems, instrumentation products, Emerson Micro Motion precision meters for density and viscosity measurements of liquids and gas. We put ourselves to the task of developing business with the customer in a more active way, primarily in the area of Instrumentation products and IS solutions. Appropriate work was initiated. In 2016 the company participated in the International Oil & Gas exhibition in Ufa, in the middle of the year a VSP Regional Representative started operation, at the end of 2016 we had an opportunity to present our company and main business lines to the management of Industrial Automation department of BASHNEFT in Ufa.

In 2016 BASHNEFT became part of ROSNEFT, one of the key VSP customers in Russia. Our team had already been working with ROSNEFT for many years. Starting with 2009, development of relationships with ROSNEFT became the focus of a special programme practice. As of today the work on development of business with BASHNEFT is integrated into an extensive Programme «ROSNEFT Special Customer».

In 2017 implementation of the active programme had been progressing — together with our partner Eaton Electric (former MTL Instruments) we carried out a specialised seminar «MTL Intrinsically safe technologies and solutions in terms of FSM» for industry specialists of the Region; in May 2017 we took part in the International Oil & Gas exhibition in Ufa, presenting to customers and company partners a new MTL development — a unique modular industrial computer Gecma Work Station; in the autumn VSP employees made a presentation for BASHNEFT specialists on the latest developments for intrinsic safety. And finally, in 2018 VSP organised and carried out jointly with a representative of the partner-manufacturer MTL another specialised seminar in Ufa — «MTL Fieldbus system components»; the company employees, continuing with the accepted practice of active participation in the Oil & Gas exhibition in Ufa as a «must», held some meetings with customers at the exhibition venue in May; regular business trips to Ufa and meetings throughout the year, ...

In 2018 we made a decision to participate in specialised Oil & Gas exhibitions in Kazan and in Samara, in September and October, respectively. MTL IS solutions were exhibited at the company booth. Besides, a special extended programme

of meetings with customers was timed to the exhibition. Complementing the team working directly at the booth, VSP representatives held a number of meetings with customers outside the exhibition on Instrumentation products tasks.

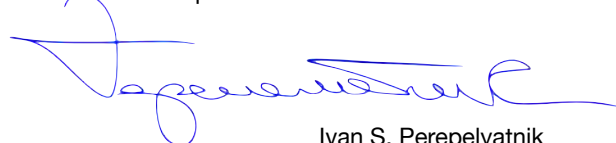
**For our team the Ufa Region means more than just an administrative division. The Ufa Region is an industrial cluster, providing a potential for the development of business.**

In 2019 keeping in line with the strategic plan of development, VSP continued to expand the team of specialists on priority business lines. Three vacancies have been filled in throughout the year: a specialist on tender procedures in the Moscow office; a specialist on development of Instrumentation products business line in Ufa; and a Technical support specialist. VSP is consistently investing resources in the development of Instrumentation products and Electromechanics businesses. To be sure, new employees stationed in Ufa, will allow to additionally raise the level of support for our customers not only in the Ufa Region, but in the markets where the company participates in realization of various relevant projects on the whole. At the same time, taking into the account ambitious VSP plans, the extended team, the new specialists will provide additional potential for a business growth and focused development of the business lines, on which the company is specialising.

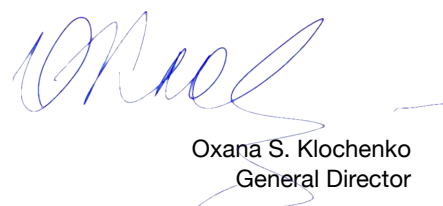
**«52M — 22% growth in gross profit against the results of 2018.»**

Business efficiency is a key indicator of operation for any company. Such an approach, working processes optimization leaves no room for neglecting details and unimportant constituents. Each and every daily action aiming at improvement of VSP efficiency, both of a team and an individual specialist are fundamentally important. It is this work leading to improvement of operational indicators which defines future business potential, its capabilities of being competitive and a market leader.

VSP positioning in the Ufa Region picking up speed from year to year is already providing the company with greater flexibility, ready to quickly and comprehensively solve customers' tasks. Investments and efforts undertaken to establish VSP in the Ufa Region have already allowed the company to optimize projects business logistics and contributed to results of the operation in 2019.



Ivan S. Perepelyatnik  
Marketing and Sales Director



Oxana S. Klochenko  
General Director













# VSP: Audit

Starting with the year 2007 VSP goes through an annual auditing with the aim of confirming correctness of accounting and financial records.

*In our practice we are committed to a simple fundamental rule - the company complies with all the norms of the law of the Russian Federation, and auditing is a possibility to make certain that we are heading in the right direction.*

For 10 years already the auditor of the company is Finsovet. While conducting the audit, the Auditor follows regulations of the Federal law of the RF «On auditing activities» dated 30.12.2008 No. 307-FZ; Federal Rules (Standards) on auditing approved by the Russian Government Decree; Federal Standards on auditing, approved by the Ministry of Finance of Russia; Professional Code of Auditors' Ethics; Independence Rules of Auditors and Auditing organisations, as well as developed on the basis of the Russian legislation, Russian and international standards of auditing, company auditing activity standards.

The Auditor carries out appropriate audit procedures in terms of a concrete task aiming at obtaining sufficient and due auditing proofs, providing for reasonable assurance that the accounting (financial) statements are free from material misstatements.

In case there are factors identified capable of affecting reliability of financial statement, the Auditor evaluates identified risks at the level of preparation of accounting (financial) statements, in terms of the report on the whole, and in relation to concrete groups of operations of the same type, balances on accounts and information disclosure in accounting statements.

Based on the internal company procedures, the Auditor evaluates materiality level for the purposes of auditing and defines significant areas of accounting and accounting statements for auditing.


The Auditor evaluates materiality both at the level of accounting of the Company on the whole, and in relation to individual accounting items, and cases of information disclosure. For evaluating materiality the Auditor uses qualitative and quantitative criteria.

The Auditor carries out evaluation of accuracy of calculation of taxes and other mandatory payments. The following tasks were covered in the process of auditing:

- definition of objects of taxation;
- determining compliance of the Company taxation procedure applicable with the rules of Law in force;
- evaluation of possible negative consequences related to tax offences;
- recommendations allowing for minimizing negative taxation consequences.

The Auditor examined information received from the Company on the events after the reporting date, and carried out auditing procedures aiming at identifying and evaluating the events after the date of the reporting period up to the date of signing the Auditor's Opinion.

*Based on the results of audits for 10 years, VSP received positive conclusions, and based on the results of audits over the past three years, the company has not received a single comment from the Auditor.*



# 2019 VSP RUS: RESULTS ANALYSIS



# JSC «VSP Rus»

Full name:	Joint Stock Company «VSP Rus» (further on «The Company»)
Abbreviated name:	JSC «VSP Rus»
Place of location:	Office 10, premises XXVII, 1A Semenovskaya Sq., Moscow 105318
De facto address:	Office 10, premises XXVII, 1A Semenovskaya Sq., Moscow 105318
State Registration Certificate	Series 77 No 009326813 dated 03 September 2007 issued by Interdistrict Inspectorate of the Federal Tax Service No 46, Moscow
Uniform State Register of Legal Entities	Series 77 No 009537336 dated 03 September 2007
State Registration Number (OGRN)	1077759678589
Charter capital	300 000 RUB

The register of shareholders is maintained by CJSC "Specialized Registrar-Holder of the register of shareholders of the gas industry", 117420, Moscow, Novocheremushkinskaya str., d. 71/32, License No. 10-000-1-00291 of 26.12.2003 (without limitation of validity), Contract no.e-682-2014 of 09.10.2014.

JSC «VSP Rus» is a small enterprise. In 2019, JSC «VSP Rus» is subject to mandatory audit, as it falls under the criteria established by the Federal Law of December 30, 2008 No 307-FZ "on auditing".

The shareholders of the Company with a share exceeding 10% are:

Shareholder	Resident of the RF/ Non-resident of the RF
Perepelyatnik Victoria Ivanovna — 20%	Resident
Perepelyatnik Marina Vitalievna — 25%	Resident
Perepelyatnik Ivan Sergeevich — 30%	Resident
Klochenko Oxana Sergeevna — 25%	Resident

Responsibility for organization of accounting in the Company, compliance with the law in the performance of business operations, preparation of accounting (financial) statements:

Position	Full name	Authority	Validity of Authority
General Director JSC «VSP Rus»	Klochenko Oxana Sergeevna	Minutes of the General Shareholders Meeting No 1 dated 29.08.2007	For an indefinite time

The responsibility for generating accounting policy, accounting, timely submission of full and true accounting (financial) statements is held by:

Position	Full name	Authority	Validity of Authority
Chief accountant JSC «VSP Rus»	Leonova Olga Yurievna	Order n/n dated 14.05.2018	For an indefinite time

## Мнение

Мы провели аудит прилагаемой годовой бухгалтерской (финансовой) отчётности Акционерного общества «ВСП Рус» (ОГРН 1077759678589, 105318, г. Москва, Семеновская площадь, д.1А, помещение XXVII, оф.10), состоящей из бухгалтерского баланса по состоянию на 31 декабря 2019 года, отчёта о финансовых результатах за 2019 год, приложений к бухгалтерскому балансу и отчёту о финансовых результатах, в том числе отчёта об изменениях капитала за 2019 год и отчёта о движении денежных средств за 2019 год, пояснений к бухгалтерскому балансу и отчёту о финансовых результатах за 2019 год.

По нашему мнению, прилагаемая годовая бухгалтерская (финансовая) отчётность отражает достоверно во всех существенных аспектах финансовое положение Акционерного общества «ВСП Рус» по состоянию на 31 декабря 2019 года, финансовые результаты его деятельности и движение денежных средств за 2019 год в соответствии с правилами составления бухгалтерской (финансовой) отчётности, установленными в Российской Федерации.

## Основание для выражения мнения

Мы провели аудит в соответствии с Международными стандартами аудита (МСА). Наша ответственность в соответствии с этими стандартами описана в разделе «Ответственность аудитора за аудит годовой бухгалтерской (финансовой) отчётности» настоящего заключения. Мы являемся независимыми по отношению к аудируемому лицу в соответствии с Правилами независимости аудиторов и аудиторских организаций и Кодексом профессиональной этики аудиторов, соответствующими Кодексу этики профессиональных бухгалтеров, разработанному Советом по международным стандартам этики для профессиональных бухгалтеров, и нами выполнены прочие иные обязанности в соответствии с этими требованиями профессиональной этики. Мы полагаем, что полученные нами аудиторские доказательства являются достаточными и надлежащими, чтобы служить основанием для выражения нашего мнения.

## Ответственность руководства аудируемого лица за годовую бухгалтерскую (финансовую) отчётность

Руководство несёт ответственность за подготовку и достоверное представление указанной годовой бухгалтерской (финансовой) отчётности в соответствии с правилами составления бухгалтерской (финансовой) отчётности, установленными в Российской Федерации, и за систему внутреннего контроля, которую руководство считает необходимой для подготовки годовой бухгалтерской (финансовой) отчётности, не содержащей существенных искажений вследствие недобросовестных действий или ошибок.

При подготовке годовой бухгалтерской (финансовой) отчётности руководство несёт ответственность за оценку способности аудируемого лица продолжать непрерывно свою деятельность, за раскрытие в соответствующих случаях сведений, относящихся к непрерывности деятельности, и за составление отчётности на основе допущения о непрерывности деятельности, за исключением случаев, когда руководство намеревается ликвидировать аудируемое лицо, прекратить его деятельность или когда у него отсутствует какая-либо иная реальная альтернатива, кроме ликвидации или прекращения деятельности.

## Ответственность аудитора за аудит годовой бухгалтерской (финансовой) отчётности

Наша цель состоит в получении разумной уверенности в том, что годовая бухгалтерская (финансовая) отчётность не содержит существенных искажений вследствие недобросовестных действий или ошибок, и в составлении аудиторского заключения, содержащего наше мнение. Разумная уверенность представляет собой высокую степень уверенности, но не является гарантией того, что аудит, проведённый в соответствии с МСА, всегда выявляет существенные искажения при их наличии. Искажения могут быть результатом недобросовестных действий или ошибок и считаются существенными, если можно обоснованно предположить, что в отдельности или в совокупности они могут повлиять на экономические решения пользователей, принимаемые на основе этой годовой бухгалтерской (финансовой) отчётности.



В рамках аудита, проводимого в соответствии с МСА, мы применяем профессиональное суждение и сохраняем профессиональный скептицизм на протяжении всего аудита. Кроме того, мы:

- а) выявляем и оцениваем риски существенного искажения годовой бухгалтерской (финансовой) отчётности вследствие недобросовестных действий или ошибок; разрабатываем и проводим аудиторские процедуры в ответ на эти риски; получаем аудиторские доказательства, являющиеся достаточными и надлежащими, чтобы служить основанием для выражения нашего мнения. Риск необнаружения существенного искажения в результате недобросовестных действий выше, чем риск необнаружения существенного искажения в результате ошибки, так как недобросовестные действия могут включать сговор, подлог, умышленный пропуск, искаженное представление информации или действия в обход системы внутреннего контроля;
- б) получаем понимание системы внутреннего контроля, имеющей значение для аудита, с целью разработки аудиторских процедур, соответствующих обстоятельствам, но не с целью выражения мнения об эффективности системы внутреннего контроля аудируемого лица;
- в) оцениваем надлежащий характер применяемой учётной политики, обоснованность бухгалтерских оценок и соответствующего раскрытия информации, подготовленного руководством аудируемого лица;
- г) делаем вывод о правомерности применения руководством аудируемого лица допущения о непрерывности деятельности, а на основании полученных аудиторских доказательств — вывод о том, имеется ли существенная неопределенность в связи с событиями или условиями, в результате которых могут возникнуть значительные сомнения в способности аудируемого лица продолжать непрерывно свою деятельность. Если мы приходим к выводу о наличии существенной неопределенности, мы должны привлечь внимание в нашем аудиторском заключении к соответствующему раскрытию информации в годовой бухгалтерской (финансовой) отчётности или, если такое раскрытие информации является ненадлежащим, модифицировать наше мнение. Наши выводы основаны на аудиторских доказательствах, полученных до даты нашего аудиторского заключения. Однако будущие события или условия могут привести к тому, что аудируемое лицо утратит способность продолжать непрерывно свою деятельность;
- д) проводим оценку представления годовой бухгалтерской (финансовой) отчётности в целом, её структуры и содержания, включая раскрытие информации, а также того, представляет ли годовая бухгалтерская (финансовая) отчётность лежащие в её основе операции и события так, чтобы было обеспечено их достоверное представление.

Мы осуществляем информационное взаимодействие с руководством аудируемого лица, доводя до их сведения, помимо прочего, информацию о запланированном объёме и сроках аудита, а также о существенных замечаниях по результатам аудита, в том числе о значительных недостатках системы внутреннего контроля, которые мы выявляем в процессе аудита.

Генеральный директор

(квалификационный аттестат аудитора № К 020385  
от 29.11.2004 без ограничения срока действия)



Слепынина Н.М.

**Аудиторская организация:**

**ЗАО «ФинСовет Аудит» ОГРН 1097746571790**

**129110, г. Москва, ул. Гиляровского, д. 47, стр. 5, этаж 4, пом. II ком. 5**

**Член Саморегулируемой организации аудиторов Ассоциации «Содружество»**

**ОРНЗ 12006081595 от 03.03.2020г.**

«06» марта 2020 года

**Opinion.**

We have audited annual consolidated financial statements of JSC «VSP Rus» (State Registration Number (OGRN) 1077759678589, Office 10, premises XXVII, 1A Semenovskaya Sq., Moscow 105318), comprising Consolidated Balance Sheet as of 31.12. 2019; Consolidated Financial Results for 2019; annexes to Consolidated Balance Sheet and to Consolidated Financial Results inclusive of Changes in shareholders' equity for the year 2019; and Cash flow for the year 2019; Explanatory Note to Balance Sheet and Consolidated Financial Results for 2019.

In our opinion, the financial statements enclosed present fairly in all material respects the financial position of JSC «VSP Rus» as of December 31, 2019, as well as the financial results and cash flows for the year 2019 in accordance with the Russian Financial Reporting Standards.

**Basis for Auditor's Opinion.**

We have carried out auditing in accordance with International Standard on Auditing. Our responsibility in line with the standards is described in the section Auditor's Responsibility for Consolidated Balance Sheet (Financial Results) of the report. We are independent in relation to the audited entity as per Rules of Independent Auditors and Auditors Organisation and Code of Ethics for Professional Accountants developed by the International Ethics Standards Board for Accountants, and we have carried out other obligations in line with requirements of professional ethics. We believe that audit evidence obtained by us is sufficient and proper as the basis to express our opinion.

**Audited Entity Responsibility for annual financial statements.**

Preparation and accurate presentation of these consolidated financial statements under the Russian standards are the responsibility of the Audited Company management. Such a responsibility covers generating documentation and implementation of the internal control system, required for these consolidated financial statements free of material distortions resulting from malicious acts or mistakes.

When preparing Accounting statements the management of the Company is responsible for evaluation of the audited entity's ability to continue its activity, for disclosure where applicable of information related to continuity of activities, and for assumption that the Company will continue its activity with the exception of cases when the management is intending to liquidate the audited entity or in case it faces no real alternative apart from liquidation or termination of operations.

**Auditors' Responsibility for annual financial statements.**

The Auditor carries out appropriate audit procedures in terms of a concrete task aiming at obtaining sufficient and due audit evidence, providing for reasonable assurance that the accounting (financial) statements are free from material misstatements. Reasonable assurance represents high level of assurance, but will not guarantee that auditing carried out as per ISA detects substantial distortions. Distortions may be intentional or unintentional, and are considered material, if it is possible to assume that taken separately or in total they can effect customer economic decisions based on the annual accounting (financial) statements.

*Translation from Russian*

*Auditor's opinion on consolidated financial statements of  
Joint Stock Company «VSP Rus» for the year 2019*



In line with ISA, the Auditor applies professional judgment and professional skepticism while auditing. Apart from this, we:

- a) identify and assess risks of substantial distortion of annual accounting (financial) statements resulting from malicious acts or mistakes; develop and carry out auditing in response to risks; obtain audit evidences providing a reasonable basis for our opinion. The risk of identifying substantial distortion resulting from malicious acts is higher than the risk resulting from failing to identify a substantial distortion resulting from a mistake, as malicious acts may imply collusion, forgery, intentional omission, distortion of submitted information or overriding internal control system;
- b) we analyse internal control system, providing for preparation and validity of financial statements in order to select relevant auditing procedures, but not for expressing an opinion on efficiency of internal control system of the audited entity;
- c) we assess correct usage of accounting policy and of validity of indicators estimated by the management of the audited entity, as well as evaluate the overall presentation of the financial statements;
- d) conclude on the correctness of an assumption of the audited entity management that the Company will continue its activity; and based on audit evidence conclude if there is a substantial uncertainty in terms of events or conditions which might result in substantial doubts related to the ability of the audited entity to continue its activity. If we arrive at the conclusion on substantial uncertainty, we must attract attention in our auditor's report to the relevant disclosure of information contained in the annual accounting (financial) statements, and if such a disclosure of information is improper, we must modify our opinion. Our opinion is based on audit evidence available by the date of the our auditor's report. However, further events or conditions can lead to the situation when an audited entity will not be able to continue its activity;
- e) evaluate submitted annual accounting (financial) statements on the whole, its structure and contents, including information disclosure, and whether the annual accounting (financial) statements represent operations and events in the way providing for their true representation.

In terms of information we interact with the audited entity management, bringing to their knowledge apart from anything else information on the planned audit scope and the time scale, as well as on substantial remarks resulting from the audit, including considerable malfunctions of the internal control system which come to light during auditing.

General Director ZAO «FinSovet Audit»

N.M. Slepynina

(auditor qualification certificate No K 020385  
dated 29.11.2004, not limited validity)

**Information on the Auditor:**

**Closed Stock Company «FinSovet Audit»**

**OGRN 1097746571790**

**5/47, Gilyarovskogo Str., Moscow, 129110**

**Member of a self-regulatory organisation of auditors**

**Association «Sodruzhestvo»**

**ORNZ 12006081595 dd. 03.03.2020**

Moscow, March 06, 2020





**03.2007**  
**CJSC «VSP Ltd»**

Auditor's positive opinion

**03.2008**  
**CJSC «VSP Ltd»**

Auditor's positive opinion

**03.2009**  
**CJSC «VSP Ltd»**

Auditor's positive opinion

**03.2010**  
**CJSC «VSP Ltd»**

Auditor's positive opinion

**03.2011**  
**CJSC «VSP Ltd»**

Auditor's positive opinion

**03.2012**  
**CJSC «VSP Ltd»**

Auditor's positive opinion

**03.2013**  
**CJSC «VSP Ltd»**

Auditor's positive opinion

**03.2014**  
**CJSC «VSP Ltd»**

Auditor's positive opinion

**03.2015**  
**CJSC «VSP Ltd»**

Auditor's positive opinion

**03.2015**  
**JSC «VSP RUS»**

Auditor's positive opinion

**03.2016**  
**CJSC «VSP Ltd»**

Auditor's positive opinion

**03.2016**  
**JSC «VSP RUS»**

Auditor's positive opinion

**03.2017**  
**CJSC «VSP Ltd»**

Auditor's positive opinion without comments

**03.2017**  
**JSC «VSP Rus»**

Auditor's positive opinion without comments

**03.2018**  
**CJSC «VSP Ltd»**

Auditor's positive opinion without comments

**03.2018**  
**JSC «VSP Rus»**

Auditor's positive opinion without comments

**03.2019**  
**CJSC «VSP Ltd»**

Auditor's positive opinion without comments

**03.2019**  
**JSC «VSP Rus»**

Auditor's positive opinion without comments

# JSC «VSP Rus»

## consolidated balance sheet as of 31 December 2019

OKPO 82536925

INN (Taxpayer identification number) 7701742677

OKVED 46.90

OKOPF/OKFS 67/16

OKEI 384

in thousands Roubles

Indicator	as of 31 December 2019	as of 31 December 2018	as of 31 December 2017
	<b>ASSETS</b>	<b>I. NON-CURRENT ASSETS</b>	
Intangible assets	-	-	-
Results of research and development	-	-	-
Intangible assets (research and sdevelopment)	-	-	-
Tangible assets (research and sdevelopment)	-	-	-
Fixed assets	348	129	309
Income yielding investments into tangible assets	-	-	-
Financial investments	-	-	-
Deferred tax assets	249	232	109
Other non-current assets	-	-	1
<b>TOTAL OF SECTION I</b>	<b>597</b>	<b>361</b>	<b>418</b>
	<b>II. CURRENT ASSETS</b>		
Inventories	17 893	11 366	10 794
VAT on purchased items	538	871	290
Accounts receivable	25 239	25 680	8 596
Financial investments (other than cash and cash equivalents)	-	-	250
Cash and cash equivalents	20 400	7 121	6 299
Other current assets	638	758	59
incl. VAT on Accounts receivable	-	41	16
<b>TOTAL OF SECTION II</b>	<b>64 708</b>	<b>45 796</b>	<b>26 288</b>
<b>TOTAL ASSETS</b>	<b>65 305</b>	<b>46 157</b>	<b>26 706</b>
	<b>LIABILITIES</b>	<b>III. EQUITY &amp; LIABILITIES</b>	
Share capital	300	300	300
Shares repurchased	-	-	-
Revaluation of fixed assets	-	-	-
Additional capital	-	-	-
Reserve capital	15	15	15
Retained earnings	10 540	8 059	7 203
<b>TOTAL OF SECTION III</b>	<b>10 855</b>	<b>8 374</b>	<b>5 416</b>
	<b>IV. LONG-TERM LIABILITIES</b>		
Borrowings	9 000	-	-
incl. received loans	9 000	-	-
Deferred tax liabilities	25	17	28
Estimated liabilities	-	-	-
Other liabilities	-	-	-
<b>TOTAL OF SECTION IV</b>	<b>9 025</b>	<b>17</b>	<b>28</b>
	<b>V. SHORT-TERM LIABILITIES</b>		
Borrowings	19 450	14 345	-
incl. overdraft	4 070	-	-
Accounts payable	24 732	22 260	18 616
Deferred revenues	-	-	-
Estimated revenues	1 243	1 162	544
Other revenues	-	-	-
<b>TOTAL OF SECTION V</b>	<b>45 425</b>	<b>37 766</b>	<b>19 160</b>
<b>Total equity and liabilities</b>	<b>65 305</b>	<b>46 157</b>	<b>26 706</b>



# JSC «VSP Rus»

## report on financial results for 2019

OKPO 82536925  
 INN (Taxpayer identification number) 7701742677  
 OKVED 46.90  
 OKOPF/OKFS 67/16  
 OKEI 384

in thousands Roubles

Indicator	January - December 2019	January - December 2018
Revenues	205 504	199 707
Cost of goods sold	(153 550)	(159 772)
Gross profit	51 954	39 935
Selling and marketing costs	(42 989)	(33 192)
Administrative expenses	-	-
Operating profit	8 965	6 743
Share of profit of associates	-	-
Interests receivable	81	49
Interests payable	(845)	(120)
Other gains	5 138	5 091
Other expense	(7 959)	(8 911)
Profit before income tax	5 380	2 852
Income tax expense	(1 285)	(787)
incl. Constant Tax Liabilities (Assets)	(1 293)	(921)
incl. deferred income tax	8	134
Other	(14)	(9)
incl. additional accrual of income tax for previous tax periods	(11)	(8)
Net profit	4 081	2 056
Revaluation of non-current assets not included in the net profit of the period	-	-
Result from other operations not included in the net profit of the period	-	-
Total financial result of the period	4 081	2 056

### FOR REFERENCE

Basic earnings per share	-	-
Diluted earnings per share	-	-

Director

Oxana S. Klochenko

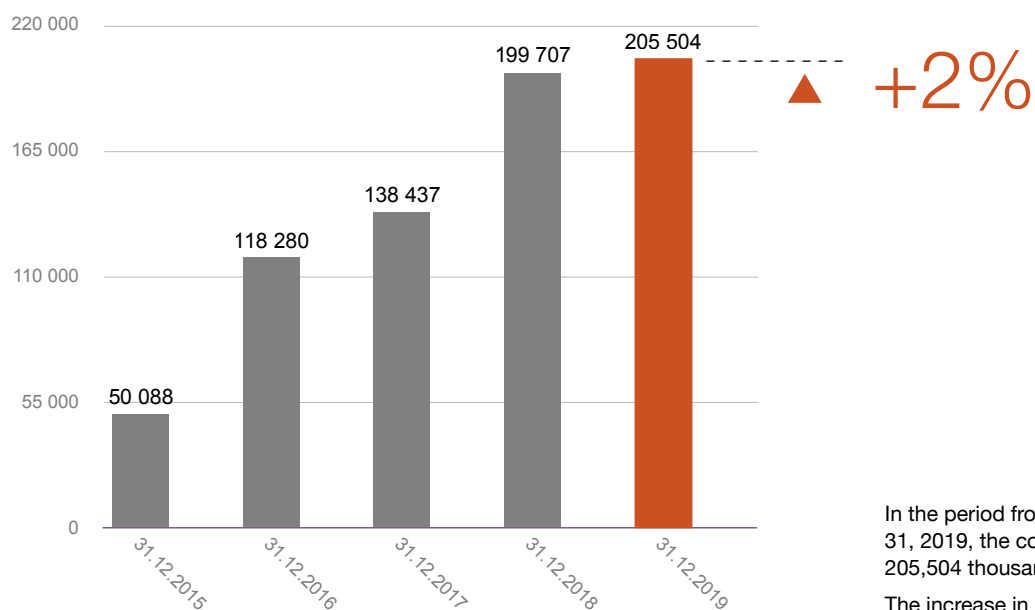
21 February 2020

# JSC «VSP Rus»

## financial indicators, 2015 - 2019

The results of the year confirmed the correctness of the strategy chosen by VSP — the company demonstrated growth in all major financial indicators.

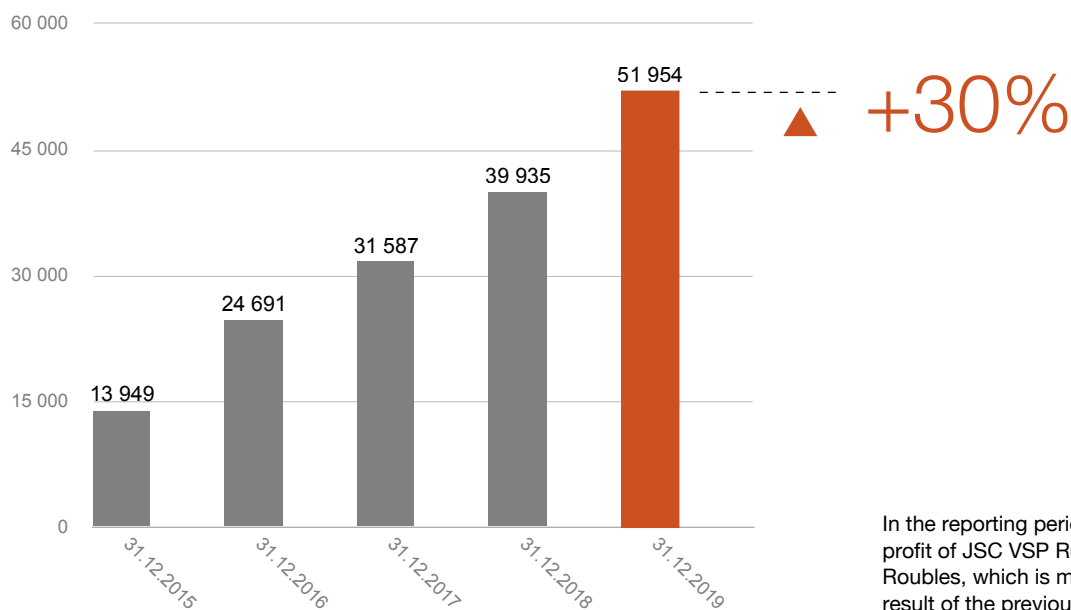
VSP confirms the importance of each of the 7 goals adopted by the company in 2017: (1) VSP in Ufa region; (2) Electromechanics; (3) Special Customers of VSP; (4) Loyalty program; (5) Instrumentation products; (6) Expanded VSP marketing program; (7) Program practice.



In the period from January 01, 2019 to December 31, 2019, the company's revenue amounted to 205,504 thousands Roubles.

The increase in revenue amounted to 2%.

Revenue, dynamics 2015-2019  
(thousands Roubles)



In the reporting period, the increase in the gross profit of JSC VSP Rus exceeded 12 million Roubles, which is more than 30% higher than the result of the previous period.

Gross profit, dynamics 2015-2019  
(thousands Roubles)

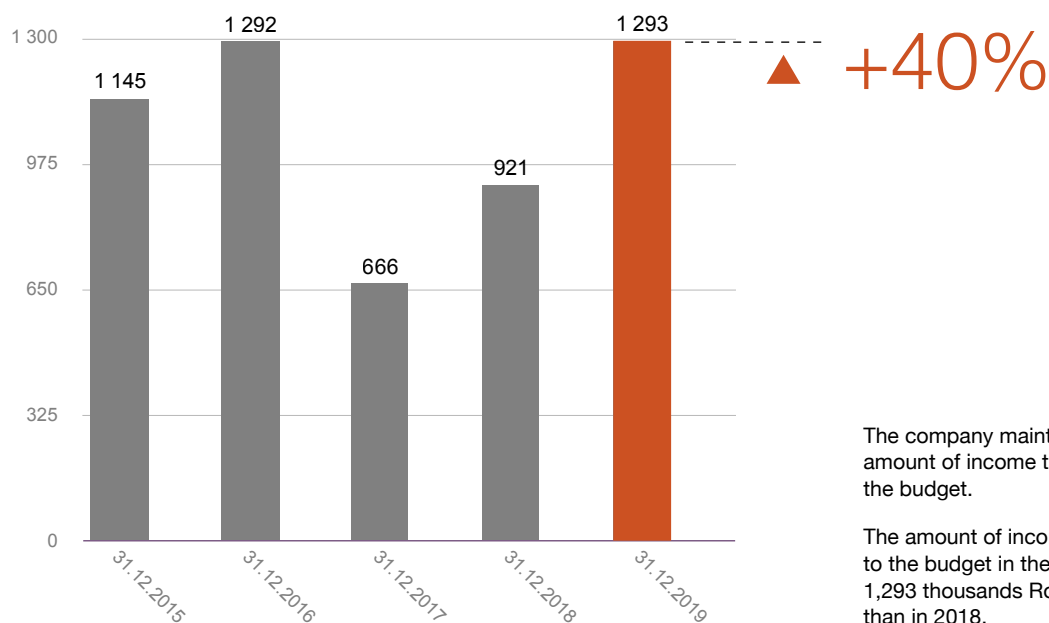


# JSC «VSP Rus»

## financial indicators, 2015 - 2019

Taking into account the need for focused development, the company continues to adhere to a restrained financial policy, focusing on stability.

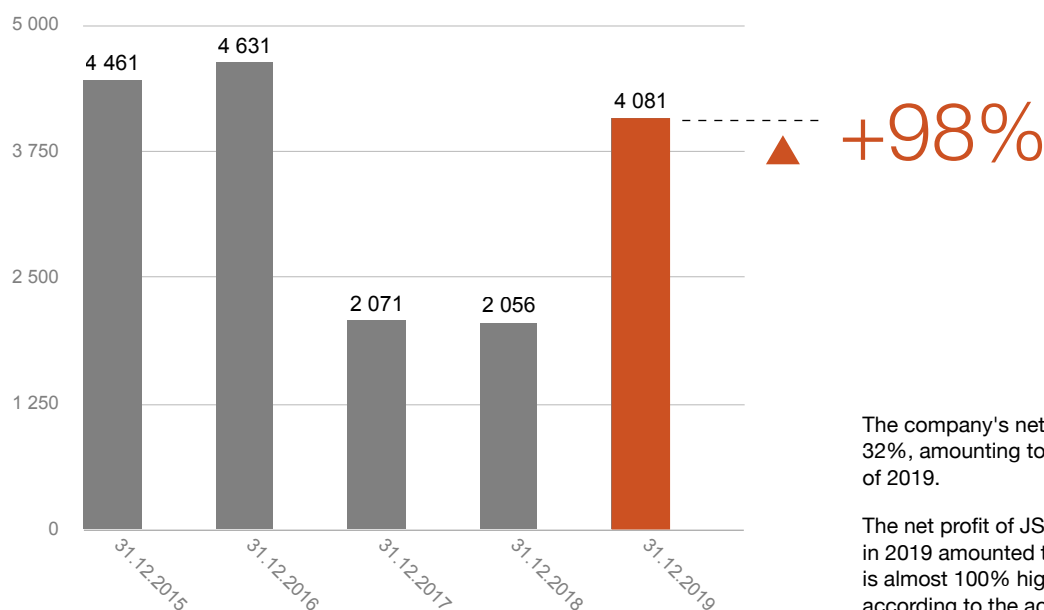
JSC VSP Rus uses the Chart of Accounts approved by Order of the Ministry of Finance of the Russian Federation dated October 31, 2000 No. 94n "On approval of the chart of accounts for financial and economic activities of organizations and instructions for its application." The accounting policy adopted by the Company is applied consistently from one reporting year to another.



The company maintains a positive trend in the amount of income tax transferred by VSP Rus to the budget.

The amount of income tax of JSC VSP Rus to the budget in the analyzed period amounted to 1,293 thousands Rubles, which is 40% higher than in 2018.

Income tax, dynamics 2015-2019  
(thousands Rubles)



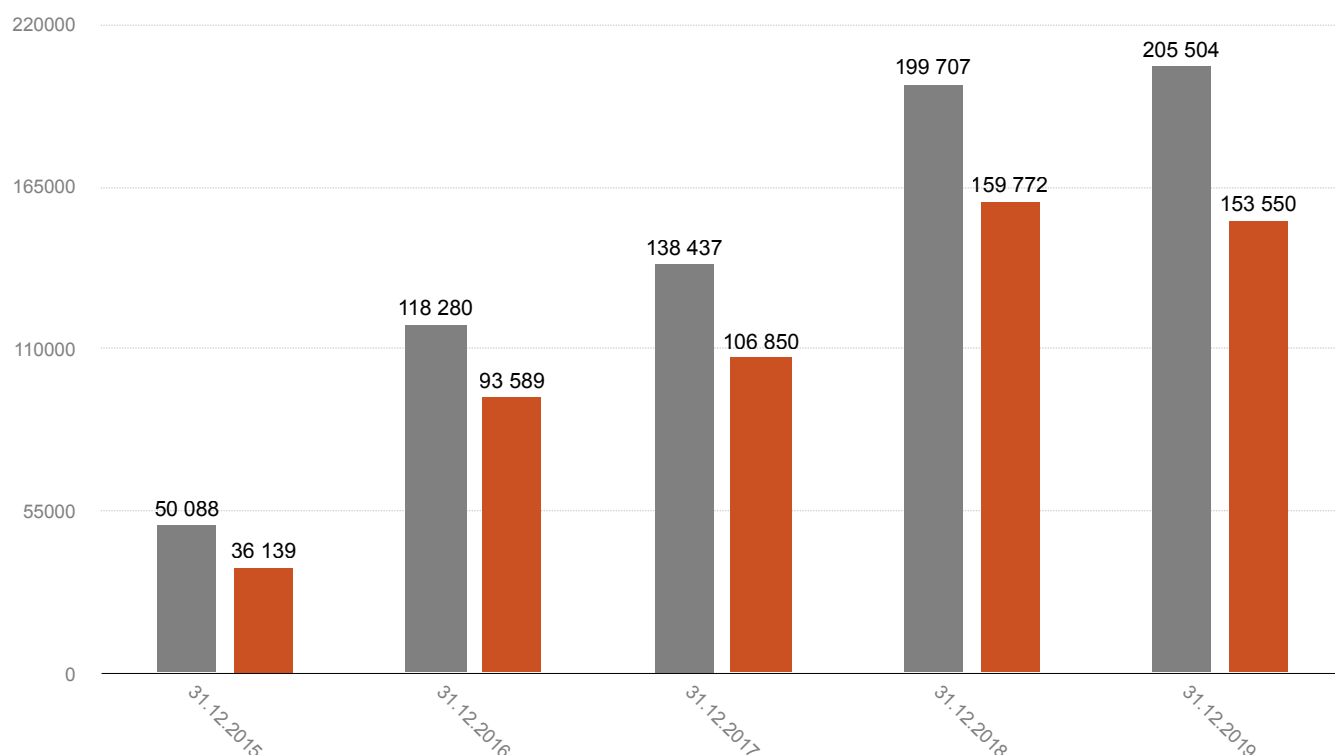
The company's net profit increased by more than 32%, amounting to RUB 8.97 million at the end of 2019.

The net profit of JSC VSP Rus according to RAS in 2019 amounted to 4.08 million Rubles, which is almost 100% higher than the figure for 2018, according to the accounting data.

Net profit, dynamics 2015-2019  
(thousands Rubles)

# JSC «VSP Rus»

financial Indicators, 2015 - 2019



*With a 2% increase in revenue, the cost of production decreased by 4%, and the company's gross profit increased by 30% compared to 2018.*

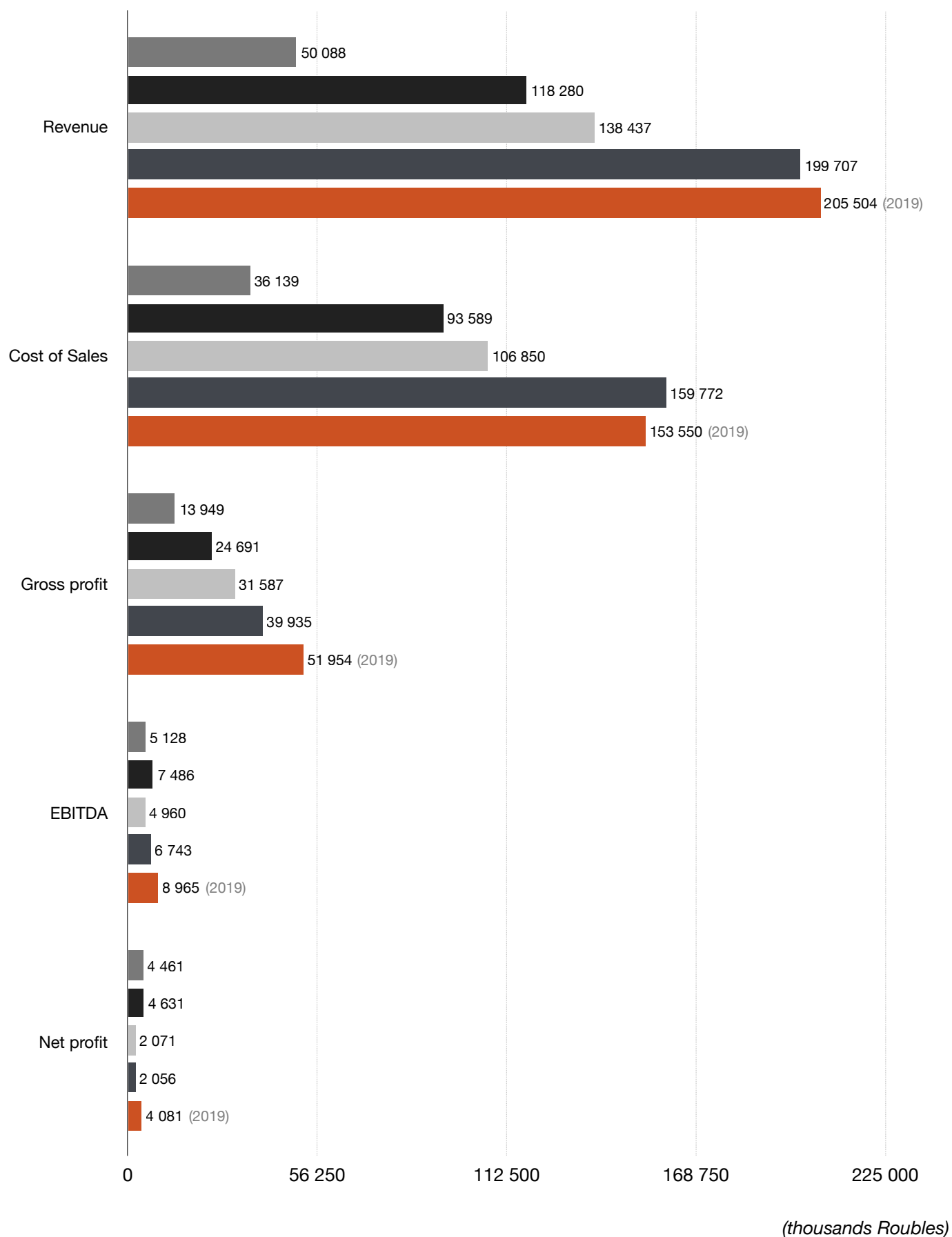
*The main financial indicators of VSP Rus in 2019 showed strong growth compared to the previous periods — years 2017 and 2018.*

Indicator	2015	2016	2017	2018	2019
Revenue	50 088	118 280	138 437	199 707	205 504
Cost of sales	36 139	93 589	106 850	159 772	153 550
Gross profit	13 949	24 691	31 587	39 935	51 954
EBITDA	5 128	7 486	4 960	6 743	8 965
Net profit	4 461	4 631	2 071	2 056	4 081



# JSC «VSP Rus»

*financial Indicators, 2015 - 2019*







# VSP: results and plans

2019 was full of important events for VSP. The VSP company strategy on development of its main businesses in the Ufa Region and putting it into practice prioritized the requirement of a close cooperation of the VSP specialists with customers. Two new VSP specialists in Ufa have started their work in 2019 with a focused responsibility on interaction and technical support of users in the Region and other industrial clusters in Russia.

A lot has been done under the frame of implementation of a long-term programme «ROSNEFT: Special Customer», including multiple trips all over Russia during the year to present the latest engineering developments on IS and Instrumentation products to specialists; a specialized seminar on MTL solutions in terms of Functional Safety Standards, which we carried out jointly with colleagues from Eaton Electric (former MTL Instruments) for ROSNEFT and SIBINTEK in Moscow; a business trip with SIBINTEK representatives to an MTL manufacturing site in England. In 2019 the team launched a new business product line into operation — HMI-Solutions — by initiating cooperation with new suppliers and partners Systec & Solutions and Siemens; under the frames of a new business line there was work started on a frame contract for the supply of equipment for one of the leading pharmaceutical companies in Russia; a marketing team started a corresponding new special site section as well. Sales & Marketing team participated in some exhibition events — Minsk, Ufa, Kazan, Samara; organized and carried out a specialized seminar on Instrumentation products for a strategic company customer — KINEF.

*The company plans and potential cover work in terms of a project approach using equipment of the manufacturers — VSP partners. For this VSP avails of a good foundation, a lot of carried out projects in the previous years.*

VSP specialists have considerably built up a momentum in further development of Instrumentation products business on the basis of updated extended possibilities of suppliers and manufacturers. This allowed to gain some results in the projects which otherwise would have been just a waste of time and effort.

Professional advancement of the employees is one of the VSP priorities. Investments into development and training of both the newcomers and advancement of the specialists who have already working experience in the company and in the market, are considered by the company to be investments into a sustainable business growth.

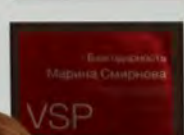
Good job was done on the Programme of Education and Development — English and McKinsey business practices, laboratory practice, visits to suppliers' and manufacturers' sites, ...

Meeting the challenges of today, the VSP company pays even more attention to implementing modern technologies and methods, cutting down operational expenses, and at the same time providing for all the tools necessary for efficient operation of the employees with customers in the market.

*Flexibility in approaches to solving problems of customers, quick response and tracking of changing market trends, professionalism, well-coordinated teamwork of the company's specialists in all areas, cooperation with customers and manufacturing partners allow VSP to confidently build its future. The company's work in 2019 is another step in this direction.*









**Joint Stock Company «VSP Rus»**

Registration date: 03 September 2007

1a, 18th Floor, Semenovskaya sq., Moscow, Russia, 107023

+7 499 4040080

VSP specializes in three main areas of work - Intrinsically safe interfaces and systems, Instrumentation Products and Electromechanics. As part of the project approach, the company cooperates with a number of manufacturers and suppliers.

**Closed Joint Stock Company «VSP Limited»**

Registration date: 19 September 1996

1a, 18th Floor, Semenovskaya sq., Moscow, Russia, 107023

+7 499 4040080

**Limited Liability Company «TD VSP»**

Registration date: 18 June 2015

1a, 18th Floor, Semenovskaya sq., Moscow, Russia, 107023

+7 499 4040080

**VSP Representative Office in Ufa**

Start of operation: October 2016

Ufa, Russia

+7 347 2588131

Core activity: Marketing support for VSP projects.

**VSP Representative Office in Ukraine**

Start of operation: March 2015

Kiev, Ukraine

+38 050 4147733

Core activity: Marketing support for VSP projects.

**VSP Marketing Tech Ltd.**

Registration date: 16 July 2001

36a, Goring Road, Goring-by-Sea, Worthing, West Sussex, BN12 4AD, UK

Core activity: Logistics and financial support for VSP projects.

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