

## HSCI Announces 1Q 2017 Consolidated Results under IFRS

**Moscow – 9 June, 2017.** PJSC “HSCI” – The Human Stem Cells Institute (“HSCI”, MOEX: [ISKJ](#)), one of Russia’s leading biotech companies, today announced its unaudited consolidated interim results for the 1st quarter of 2017 in accordance with the International Financial Reporting Standards (IFRS).

In 1Q 2017, the HSCI Group of Companies (hereinafter – “the Company”, or “HSCI Group”, or “HSCI”) demonstrated the following main consolidated financial results:

RUB thousands	3mo 2017	3mo 2016	% change, y-o-y
<b>Revenue</b>	<b>115,007</b>	<b>93,644</b>	<b>22.8%</b>
<b>Operating expenses, incl.</b>	<b>(151,672)</b>	<b>(89,766)</b>	<b>69.0%</b>
Depreciation & amortization	(9,864)	(6,548)	-50.6%
<b>OIBDA<sup>1</sup></b>	<b>(26,801)</b>	<b>10,426</b>	<b>n/a</b>
<i>OIBDA margin, %</i>	<i>n/a</i>	<i>11.1%</i>	<i>n/a</i>
<b>Operating income/ (loss)</b>	<b>(36,665)</b>	<b>3,878</b>	<b>n/a</b>
<i>Operating margin, %</i>	<i>n/a</i>	<i>4.1%</i>	<i>n/a</i>
<b>Net profit/ (loss)</b>	<b>(29,498)</b>	<b>(7,267)</b>	<b>305.9%</b>
<i>Net margin, %</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>
<b>Total comprehensive income/ (loss)</b>	<b>(29,498)</b>	<b>(7,267)</b>	<b>305.9%</b>

### Consolidated revenue and revenues generated by key products and services

*The Company’s consolidated revenue for 1Q 2017 amounted to RUB 115.007 million, a year-on-year increase of 22.8% – as a result of increase in revenues from all the Company’s products and services in the market.*

The largest portion of the consolidated revenue – 49.4% – was generated by HSCI PJSC as well as its subsidiaries, IMCB LLC and Cryonix JSC, from cord blood stem cell isolation, cryopreservation and personal storage service – the business HSCI started its history in 2003 from.

The second largest revenue generator was Genetico<sup>®</sup> services (genetic testing and counselling, reproductive cell bank /Reprobank<sup>®/</sup>) with the share in the consolidated revenue of 34.7%.

SPRS-therapy service provision accounted for 10.1%, the sales of Neovasculgen<sup>®</sup> – for 3.8%, other revenues – for 2.0% of the consolidated revenue in the reporting period.

*The total (summarized) revenue generated by Genetico<sup>®</sup>, SPRS-therapy<sup>®</sup> and Neovasculgen<sup>®</sup> increased by 38.6% year on year - from RUB 40.273 million in 1Q 2016 to RUB 55.835 million in 1Q2017, with their share in the Company’s consolidated revenue increasing from 43.0% in 1Q 2016 to 48.5% in 1Q 2017.*

<sup>1</sup> OIBDA is a non-U.S. GAAP and non-IFRS financial measure, which the Company calculates as total revenues less operating expenses excluding depreciation and amortization. We believe that OIBDA provides useful information to investors because it is an indicator of the strength and performance of our business operations, including our ability to finance investments and to incur and service debt. OIBDA should not be considered in isolation as an alternative to net income, operating income or any other measure of performance under U.S. GAAP or IFRS.

***Neovasculgen® – the first-in-class gene-therapy drug for treatment of Peripheral Arterial Disease (PAD), including Critical Limb Ischemia (CLI)***

In 1Q 2017 revenues from the sales of [Neovasculgen®](#) amounted to RUB 4.324 million (3.8% of the Company's consolidated revenue), compared to RUB 0 for 1Q 2016.

In 2013-2016 the Company's revenues from the sale of Neovasculgen® were not steady as in 2013 the Company made a wholesale RUB 200 million contract with a distributor, and the batches of the drug supplied under this contract in 2013 and 2014 (see the corresponding press-releases) were sold out by the distributor in the Russian consumer market up to October 2016. So in 2015 and the most part of 2016 the Company did not benefit from additional large bulk purchases.

In 2016 in-house commercial department was built and from October 2016 the Company has been increasing Neovasculgen® sales by its own advertising and sales force. *3mo 2017 revenues from Neovasculgen® has already accounted for more than a half of FY2016 revenues.*

Primarily, these are direct deliveries to pharmacies, but the Company also expects hospital purchases to secure further revenue increase as, starting 2016, Neovasculgen® is included in the Vital and Essential Drugs (VED) List in Russia that enables state reimbursement.

In 2017, to accelerate the widespread introduction of Neovasculgen® into medical practice and to increase its accessibility for patients, the Company reduced the price of Neovasculgen® 2.5 times.

***Cord blood stem cell isolation, cryopreservation and personal storage service – bio-insurance (Gemabank®)***

In 1Q 2017 consolidated revenues from this service provided by [Gemabank®](#) amounted to RUB 56.826 million (49.4% of the Company's consolidated revenue) – *a year-on-year increase of 8.6%*.

The increase in Gemabank's revenue was driven by:

- a sustainable growth in revenues from the long-term storage of cord blood stem cells - as a result of increase in the number of samples in Gemabank®;
- a price increase (from November 2016) alongside launching attractive package offers with flexible pricing and new tariff plans.

As of today, the total number of personal cord blood stem cell samples held in storage at Gemabank® has exceeded 26.5 thousand.

From November 1st, 2016, Gemabank® offers a new unique service called "Bio-insurance with cryostorage of DNA," which, along with cord blood banking, includes the preservation of a DNA sample isolated from a drop of newborn's umbilical cord blood - for future use for genetic testing.

This stored DNA can be immediately used for neonatal screening for inherited disorders – treatable genetic conditions. From January 1, 2017, Gemabank®, as part of the package proposal, provides a service of the genetic screening of a newborn for a wide range of the most common hereditary diseases and their carrier status: in order to prevent the development of complications and even clinical symptoms of the disease if early identified, or for family prophylactic treatment of the most widespread inherited disorders (if carrier status is detected). Neonatal screening is carried out based on Gemascreen panel, which was developed by specialists of GENETICO LLC, a subsidiary of HSCI PJSC (*see the section on Genetico® services below*).

In addition, starting from 2016, Gemabank® provides the service of cryopreservation and storage of mesenchymal stem cells isolated from umbilical cord – a valuable biomaterial with the potential for therapeutic application in the field of regenerative medicine.

***SPRS-therapy® – a set of personalized diagnostic and treatment procedures for repairing skin damage due to aging or other structural changes***

In 1Q 2017 revenues from [SPRS-therapy®](#), including the long-term storage of autologous skin fibroblasts, amounted to RUB 11.634 million (10.1% of the Company's consolidated revenue) – *a year-on-year increase of 16.1%*.

The SPRS-therapy® complex service was authorized by the Russian healthcare regulator in 2009-2010 and introduced to the Russian market starting in January 2011.

An innovative medical technology, SPRS-therapy® entails the use of autologous skin fibroblasts to correct the effects of aging and skin damage. The service includes diagnostics of the condition of the patient's skin; a therapy course using the cell product with the patient's own fibroblasts; and long-term storage of the patient's skin fibroblast culture in a cryogenic bank (for future use: at the moment more than 80% of patients return for the second and/or additional skin treatments in other areas besides the face as they are satisfied by the therapeutic effect).

The service is primarily offered through the leading dermatology and cosmetics clinics of Moscow, with the growing number of clinics in Russia's regions and CIS (in 18 cities). Overall, more than 70 clinics are providing the service as of now. The total number of patients who have used the service since its introduction to the market is over 700 people.

### ***Genetico® services (genetic testing and counseling as well as Reprobank® services by Genetico® center & lab)***

In 1Q 2017 revenues from Genetico® services amounted to RUB 39.877 million (34.7% of the Company's consolidated revenue) – a year-on-year increase of 31.8%.

The services that accounted for the biggest share of revenues in the reporting period were non-invasive prenatal testing (NIPT) and preimplantation genetic diagnosis and screening (PGD/PGS). The third main revenue generator in 1Q 2017 was [Reprobank®](#) (HSCI's reproductive cell and tissue bank offers services of sperm and oocytes donation as well as their personal storage as a form a bio-insurance. Reprobank® is Russia's largest reproductive cell bank operating independently of IVF clinics).

[Genetico®](#) is HSCI's socially significant project for the development of personalized medicine in the field of early detection, prediction and prophylactic treatment of genetic disorders, including reproductive system diseases (via HSCI's own Medical genetics center & lab providing a wide range of [genetic testing and counseling services](#)). In addition, the project entails the development of Reprobank® – reproductive cell personal storage and donation.

The project is implemented by HSCI in partnership with RVC BioFund (a Russian state investment fund), and with a support from IDF (the Russian State Industrial Development Fund). The services are provided by [GENETICO LLC](#) – a subsidiary of HSCI, in which RVC BioFund obtains a 20.01% stake as of now.

Genetico® services were introduced in the Russian market starting 2013, and their range is continually expanding with a sustainable revenue growth. Genetico® center & molecular diagnostic lab is striving for leadership in the Russian market of reproductive genetics offering a wide range of services relating to different human reproduction stages starting from pregnancy planning and up to a newborn health.

The genetic testing labs and Reprobank® facilities are located in HSCI's new laboratory and production complex opened in 2013 in Moscow. As of today, Genetico® Molecular Genetics Laboratory consists of a Microarray Lab, including NIPT Lab (*see below*), NGS Lab and Genotyping Lab to provide a wide variety of medical genetics services based on different testing methods and techniques (including NGS, DNA microarrays; microfluidic PCR, CMA, CGH, Karyotyping, etc.).

In 2017 the Company has made a technology transfer and localization of production of NIPT ([Ariosa Diagnostics' Harmony™ Prenatal Test](#)) in Moscow. The GENETICO's NIPT lab was launched in early June 2017 and became the first in Russia and the CIS equipped by Roche (who acquired Ariosa Diagnostics Inc. in 2015) to perform the Harmony™ Prenatal Test locally.

From 4Q 2013 to 2Q2017, NIPT (under Prenetix® brand) name was offered by HSCI in Russia as a send-out test. Opening NIPT lab in Moscow gives opportunity to reduce the ready time and costs – to make the test more affordable for customers and proper for inclusion in the CHI state program (for details see [the press-release](#)).

[NIPT](#) (Prenetix® / Harmony™ Prenatal Test) is a non-invasive prenatal testing for fetal chromosome aberrations using maternal venous blood, which can be performed as early as 10 weeks in pregnancy to assess the risk of having a child with Down syndrome and other severe genetic conditions.

The analysis is elaborated in the USA – Ariosa Diagnostics' Harmony™ Prenatal Test that delivers a high level of accuracy on the back of a proprietary cell-free DNA technology (AcfS) including precise measurement of fetal fraction found in maternal blood and individualized results scoring. Having detection rate greater than 99% for trisomy 21 and a false positive result of less than 0.1% (conventional first trimester screening returns false positive results up to 5% of the time), Harmony® may minimize anxiety and follow-up invasive procedures by delivering clear information. Moreover, it is a trusted technology – blinded clinical studies in >23,000 women of all ages and risk categories have been conducted; 1,000,000 pregnancies have been tested worldwide since Harmony® initial introduction in 2012.

### **Operating expenses, OIBDA, Operating profit/ (loss)**

**Consolidated operating expenses** in 1Q 2017 increased by 69.0% year on year to RUB 151.672 million.

The rise in operating costs is derived from the investment stage of some projects and the necessity to increase the expenses associated with capturing and maintaining the leading positions in the current and promising prospective markets. We would like to take an advantage from new fast-growing markets – to capture a majority market share and then capitalize on the market growth.

These are costs for production of services as well as sales costs (first of all, “Suppliers and reagents”, “Services of contractors”, “Wages, salaries, other benefits and payroll taxes” – staff costs surged mainly due to the creation / expansion of in-house sales and marketing teams as well as strong management teams for each company of HSCI Group as part and parcel of ongoing corporate restructuring /separating business units by segment so as to increase operating efficiency and facilitate proper valuation and PE investment/).

For instance, in order to ensure the increase in revenues generated by Genetico<sup>®</sup> services on the back of growing number of customers, we increased expenses for consumables, reagents and services of third-party contractors including outsourced genetic tests and consumables purchased abroad.

However, the Company expects to decrease operating expenses on Genetico project in future. By now, to cut costs and reduce prices for the clients, the Company has made technology transfer and manufacturing localization for import substitution: in the beginning of June 2017 HSCI's Genetico<sup>®</sup> NIPT laboratory was opened to become the first in Russia and the CIS equipped by Roche (who acquired Ariosa Diagnostics Inc. in 2015) to produce the Harmony<sup>™</sup> Prenatal Test locally (*see above "Genetico<sup>®</sup> services" chapter*).

As there was no such revenue increase to compensate rather high operating expenses necessary as of now to promote a range of promising products and services, in 1Q2017 the Company demonstrated negative operating profitability and margins (*see Appendix I below*).

Operating expenses before depreciation and amortization amounted to RUB 141.808 million, resulting in a negative OIBDA of RUB -26.801 million.

The Company's operating loss amounted to RUB 36.665 million in the reporting period.

### **Net other gain/ loss, Profit / (loss) before income tax**

In 1Q 2017, the Company's consolidated net other gain (gain from associates + net interest expense + net other non-operating income + net foreign exchange gain) amounted to RUB 7.449 million – compared to consolidated net other loss of RUB 12.150 million in 1Q 2016 (*see Appendix I below*).

But because of the greater operating loss, the Company recognized loss before income tax in the amount of RUB 29.216 million in the reporting period.

### **Profit / (loss) for the period (net profit / (loss))**

Due to the reasons mentioned above, in 1Q 2017 the Company demonstrated a consolidated net loss totaling RUB 29.498 million.

### **Consolidation**

The consolidated financial statements for 1Q 2017 include the operating results of HSCI PJSC and its subsidiaries – IMCB LLC, GENETICO LLC, NextGen LLC, Vitacel LLC, Cryonix JSC, Cell Technologies Laboratory LLC, NVG-cardio LLC, "Angiogenesis" LLC and also HSCI's share in the profit of its associated company IceGen LLC (*see Notes 2 and 13 to HSCI's unaudited interim condensed consolidated financial statements as of and for the 3-month period ended March 31, 2017 under IFRS*).

### **APPENDICES:**

1. Condensed consolidated interim statements of profit and loss and comprehensive income for the 3-month periods ended March 31, 2017 and March 31, 2016 – in RUB thousands (extended).
2. Condensed consolidated interim statements of financial position as of March 31, 2017 and December 31, 2016 – in RUB thousands.

*HSCI's unaudited interim condensed consolidated financial statements prepared in accordance with IFRS as of and for the 3-month period ended March 31, 2017 can be viewed on the Company's corporate website under "For Investors" (Financial Reports -> IFRS):*

<http://eng.hsci.ru/investoram-i-aktsioneram/financial-reports/financial-reports-in-accordance-with-international-financial-reporting-standards-ifs>

## Appendix I

Condensed consolidated interim statements of profit and loss and comprehensive income for the 3-month periods ended March 31, 2017 and March 31, 2016 – in RUB thousands (extended)

'000 RUB	3mo 2017	3mo 2016	% change, y-o-y
<b>Revenue from products and services:</b>			
Isolation, crypreservation and personal storage of cord blood stem cells	56,826.0	52,324.0	8.6%
Neovascugen®	4,324.0	-	n/a
SPRS-therapy®	11,634.0	10,024.0	16.1%
Genetico® center & lab (genetic testing and counselling, Reprobank®)	39,877.0	30,249.0	31.8%
Other revenue	2,346.0	1,047.0	124.1%
<b>Total revenue</b>	<b>115,007.0</b>	<b>93,644.0</b>	<b>22.8%</b>
Wages, salaries, other benefits and payroll taxes	(56,664.0)	(21,317.0)	165.8%
Rental fee	(7,784.0)	(7,793.0)	-0.1%
Supplies and reagents	(18,645.0)	(10,916.0)	70.8%
Services of third-party organizations (contractors)	(15,162.0)	(1,749.0)	766.9%
Consulting and legal services	(7,436.0)	(17,517.0)	-57.5%
Advertising costs	(6,137.0)	(8,811.0)	-30.3%
R&D costs	(5,756.0)	(5,506.0)	4.5%
Transportation, Travel and Representation expenses	(6,445.0)	(3,099.0)	108.0%
Bad debt recovery/ (expense)	(8,524.0)	-	n/a
Telecommunications services, software and maintenance	(2,509.0)	(2,491.0)	0.7%
Tax expenses	(540.0)	(119.0)	353.8%
Maintenance of cryogenic equipment	(168.0)	(523.0)	-67.9%
Other operating expenses	(6,038.0)	(3,377.0)	78.8%
<b>Operating expenses before depreciation &amp; amortization</b>	<b>(141,808.0)</b>	<b>(83,218.0)</b>	<b>70.4%</b>
<b>OIBDA</b>	<b>(26,801.0)</b>	<b>10,426.0</b>	<b>n/a</b>
<b>OIBDA margin, %</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>
Depreciation & amortization	(9,864.0)	(6,548.0)	50.6%
<b>Total operating expenses</b>	<b>(151,672.0)</b>	<b>(89,766.0)</b>	<b>69.0%</b>
<b>Operating profit / (loss)</b>	<b>(36,665.0)</b>	<b>3,878.0</b>	<b>n/a</b>
<b>Operating margin, %</b>	<b>n/a</b>	<b>4.1%</b>	<b>n/a</b>
<b>Gain / (loss) from associates</b>	<b>123.0</b>	<b>(63.0)</b>	<b>n/a</b>
<b>Other income/ (loss) - net, incl.</b>	<b>7,326.0</b>	<b>(12,087.0)</b>	<b>n/a</b>
Net interest expense (interest income + interest expense)	(2,228.0)	(3,637.0)	-38.7%
Other non-operating income / (loss) - net, incl.	7,362.0	(8,112.0)	n/a
Gain / (loss) from revaluation of financial instruments held for trading (purchased quoted securities)	3.0	(5,481.0)	n/a
Foreign exchange gain / (loss), net	2,192.0	(338.0)	n/a
<b>Profit / (loss) before income tax</b>	<b>(29,216.0)</b>	<b>(8,272.0)</b>	<b>253.2%</b>
Income tax	(282.0)	1,005.0	n/a
<b>Profit/ (loss) for the period (net profit/ (loss))</b>	<b>(29,498.0)</b>	<b>(7,267.0)</b>	<b>305.9%</b>
<b>Net margin, %</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>
<b>Other comprehensive income, net of tax</b>	<b>-</b>	<b>-</b>	<b>n/a</b>
<b>Total comprehensive income / (loss) for the period, net of tax</b>	<b>(29,498.0)</b>	<b>(7,267.0)</b>	<b>305.9%</b>

## Appendix II

Condensed consolidated interim statements of financial position as of March 31, 2017 and December 31, 2016 – in RUB thousands

<b>RUB thousands</b>	<b>March 31, 2017</b>	<b>Dec. 31, 2016 (audited)</b>	<b>% change, y-o-y</b>
<b>ASSETS</b>			
<b>Non-current Assets, incl.:</b>	<b>483,226</b>	<b>477,268</b>	<b>1.2%</b>
Property, plant and equipment	157,623	153,142	2.9%
Intangible assets	60,846	59,151	2.9%
Investments in associates	245,441	245,318	0.1%
<b>Current Assets, incl.:</b>	<b>633,741</b>	<b>561,923</b>	<b>12.8%</b>
Accounts receivable	144,951	119,728	21.1%
Other current financial assets, incl.	92,897	92,518	0.4%
Financial assets at fair value through profit or loss (held for trading)	80,959	80,956	0.0%
Cash and cash equivalents	333,159	285,545	16.7%
<b>Total Assets</b>	<b>1,116,967</b>	<b>1,039,191</b>	<b>7.5%</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' equity:</b>	<b>209,133</b>	<b>238,631</b>	<b>-12.4%</b>
Equity attributable to equity holders of the parent, incl.	133,934	153,815	-12.9%
Retained earnings	29,426	71,807	-59.0%
Dividends declared for payment	-	(22,500)	n/a
Non-controlling interests	75,199	84,816	-11.3%
<b>Non-currents liabilities:</b>	<b>408,889</b>	<b>323,111</b>	<b>26.5%</b>
Long-term loans and borrowings	392,900	307,400	27.8%
Deferred tax liabilities	15,989	15,711	1.8%
<b>Current liabilities, incl.:</b>	<b>498,945</b>	<b>477,449</b>	<b>4.5%</b>
Short-term loans and borrowings	45,821*	38,851**	17.9%
Advances received	349,087	346,708	0.7%
Accounts payable (trade and other)	96,387	87,610	10.0%
<b>Total Liabilities</b>	<b>907,834</b>	<b>800,560</b>	<b>13.4%</b>
<b>Total Equity and Liabilities</b>	<b>1,116,967</b>	<b>1,039,191</b>	<b>7.5%</b>
<b>Net debt***</b>	<b>24,603</b>	<b>-20,250</b>	<b>n/a</b>

\* Including short-term portion of long-term loans to be repaid within less than one year period – in the amount of RUB 20,724 thousand.

\*\* Including short-term portion of long-term loans to be repaid within less than one year period – in the amount of RUB 15,283 thousand.

\*\*\* Net debt is calculated as the sum of long-term and short-term loans and borrowings minus cash and cash equivalents and financial assets at fair value through profit or loss (held for trading) – quoted securities.

**Human Stem Cells Institute PJSC (HSCI, [www.eng.hsci.ru](http://www.eng.hsci.ru))** is a Russian public biotech company founded in 2003.

HSCI engages in drug discovery, R&D and marketing of innovative proprietary products and services in the field of regenerative medicine, bio-insurance, medical genetics including reproductive genetics, gene therapy and biopharmaceutics.

The Company aims to foster a new culture of medical care – developing new health care opportunities in such areas as personalized and preventive medicine.

HSCI owns the largest family cord blood stem cell bank in Russia and the CIS – [Gemabank<sup>®</sup>](#), as well as the reproductive cell and tissue bank [Reprobank<sup>®</sup>](#) (personal storage and donation).

The Company launched [Neovascugen<sup>®</sup>](#), the first-in-class gene therapy drug for the treatment of Peripheral Arterial Disease, including Critical Limb Ischemia, and also introduced the innovative cell technology [SPRS-therapy<sup>®</sup>](#), which entails the use of autologous dermal fibroblasts to repair skin damage due to aging and other structural changes.

HSCI is implementing a socially significant [Genetico<sup>®</sup>](#) project for the development of its own Medical genetics center & lab to provide a wide range of [genetic testing and counseling services](#) with the aim of early identification, prediction and prophylactic treatment of genetic disorders, including reproductive system diseases (e.g. [PGS/PGD](#), [NIPT](#), [Oncogenetics](#), Bioinformatics, genetic panels for specific disease categories and cases).

The Company actively promotes its products and services on the Russian market and intends to open new markets throughout the world.

HSCI is listed on the Innovation & Investment Market (iIM) of the Moscow Exchange (ticker: [ISKJ](#)). The Company conducted its IPO in December 2009, becoming the first Russian biotech company to go public.

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*Certain statements in this press-release are forward-looking statements within the meaning of the U.S. federal securities laws and are intended to be covered by the safe harbors created thereby.*

*Those forward-looking statements include, but are not limited to:*

- *management's assessment of the Company's future results, including revenue, net profit(loss), profit(loss) per share, dividends, investments, capital structure, margins and other operating and financial results;*
- *forecasts of the present value of future cash flows and related factors;*
- *the Company's plans, goals and tasks relating, among other things, to its products and services development;*
- *the Company's expectations with respect to improving its corporate governance practices;*
- *the Company's market position – as anticipated;*
- *economic outlook and industry trends;*
- *the Company's expectations as to the sector regulation and assessment of impact of regulatory initiatives on the Company's activity;*
- *assumptions and prerequisites under the statements.*

*Such forward-looking statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from those expressed or implied by these forward-looking statements.*

*These risks include the risk of changes in political, economic and social conditions in Russia as well as changes in global economic environment, the risks relating to changes in industry regulation and the Russian legislation, the risk of changes in the Company's operations and business prospects, the competition and other risks.*

*For a more detailed discussion of these and other factors, see the Company's Annual Report and other public filings.*

*Many of these factors are beyond the Company's ability to control or predict. Given these and other uncertainties, readers are cautioned not to place undue reliance on any of the forward-looking statements contained herein or otherwise. The Company does not undertake any obligation to release publicly any revisions to these forward-looking statements (which are made as of the date hereof) to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events, except as may be required under applicable laws.*

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