

## **INFORMATION LETTER**

regarding certain tax matters arising in connection with the mandatory tender offer of Joint Stock Company DM-Finansovye Aktivy to acquire ordinary shares in Public Joint Stock Company Detsky Mir

This Information Letter (the “**Information Letter**”) is intended for the shareholders of Public Joint Stock Company Detsky Mir (“**Detsky Mir**”) and provides a description of certain tax matters related to income of both legal entities and individuals resulting from the sale of the Shares pursuant to the mandatory tender offer received by Detsky Mir on 5 October 2023 from Joint Stock Company DM-Finansovye Aktivy (“**DMFA**” and “**DMFA MTO**”, respectively) to acquire ordinary shares in Detsky Mir (state registration number of the issue: 1-02-00844-A) (the “**Shares**”). The purpose of this letter is to provide clarity on the tax implications associated with the DMFA MTO, including DMFA’s role as a tax agent for the payment of the purchase price from the sale of the Shares acquired through the DMFA MTO.

The information and data presented in this Information Letter are intended for reference and advisory purposes only and are provided solely to further inform Detsky Mir shareholders of specific aspects of the current taxation in the Russian Federation. The Information Letter is based solely on the rules of the applicable laws and is not intended to encourage shareholders or any third parties to evade taxes and/or seek unjustified tax benefits.

Individual shareholders are invited to read Section I of this Information Letter. The tax treatment will depend, among other things, on whether the shareholder is a tax resident of the Russian Federation.

Any income generated by an individual shareholder from the sale of shares, including the Shares sold based on the Application for Sale of Shares (Tender Offer Acceptance Form), will be subject to personal income tax (PIT) and will be considered part of the tax base for that individual. However, the PIT base can potentially be reduced by actual documented expenses related to the acquisition and holding of the sold shares.

The tax rate will depend, among other things, on whether the individual shareholder is a tax resident of the Russian Federation.

Corporate shareholders are invited to read Section II of this Information Letter.

## TERMS

<b>Term</b>	<b>Definition</b>
<b>Shares</b>	Detsky Mir ordinary shares, state registration number of the issue: 1-02-00844-A, assigned on 11 February 2014
<b>Questionnaire</b>	Means a questionnaire to be filled in by individual shareholders in the form attached in Appendix 1 hereto
<b>Application for Sale of Shares</b>	Means an application sent by a Detsky Mir shareholder accepting the DMFA MTO, in accordance with Art. 84.3 of Federal Law No. 208-FZ On Joint Stock Companies, dated 26 December 1995
<b>Registrar</b>	Joint Stock Company Independent Registrar Company R.O.S.T., OGRN (Principal State Registration Number): 1027739216757, address: 18/5B Stromynka St., Office IX, Moscow, 107076, acting as the registrar for Detsky Mir
<b>PIT (NDFL)</b>	Personal income tax
<b>Russian Tax Code</b>	Tax Code of the Russian Federation
<b>DTT</b>	Double taxation treaty

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## **SECTION I. TAXATION OF INDIVIDUALS AND SOLE PROPRIETORS**

### **1. Procedure for Determining Tax Resident Status**

Individuals who have been physically present in the Russian Federation for at least one hundred eighty-three (183) calendar days during twelve (12) consecutive months are considered tax residents of the Russian Federation.

In order to confirm their tax status, individual shareholders must submit the following documents along with the Application for Sale of Shares:

- information in accordance with the Questionnaire (Appendix 1 hereto);
  - to confirm your tax resident status in the Russian Federation, please provide a duly certified copy of the relevant pages from your passport of a citizen of the Russian Federation, including the photo spread and pages with a valid registration mark at your place of residence. Alternatively, if the Registrar has information indicating that you reside abroad, please submit a duly certified copy of all pages of your foreign passport or other documents that confirm your tax resident status in the Russian Federation. Please note that the copies of the specified documents must be certified by a notary or the Registrar (if submitted in person), as outlined in clause 2.4, Section I hereof. Any documents issued in a foreign country and/or written in a foreign language must be apostilled and translated into Russian. The translation must also be notarized;
  - to confirm your tax non-resident status in the Russian Federation, please provide a duly certified copy of all pages of your foreign citizen passport or a duly certified copy of your foreign passport. Alternatively, you may submit duly certified copies of other documents that confirm your tax non-resident status in the Russian Federation. Please note that the copies of the specified documents must be certified by a notary or the Registrar (if submitted in person), as outlined in clause 2.4, Section I hereof. Any documents issued in a foreign country and/or written in a foreign language must be apostilled and translated into Russian. The translation must also be notarized;
- individual shareholder's consent to personal data processing. The recommended form of the consent will be published alongside this Information Letter.

The specified information must be submitted before the expiration of the acceptance period set out in the DMFA MTO. The Registrar reserves the right to request additional documents to confirm the tax status of an individual.

If a shareholder fails to provide the required information and data, and DMFA has no updated information regarding the shareholder's tax residency, the PIT will be withheld at a rate of thirty percent (30%) on the assumption that the shareholder does not hold a tax resident status in the Russian Federation.

Should there be a change in the tax residency by the end of 2023 (with the shareholder losing their tax resident status in the Russian Federation), the shareholder will be responsible for independently paying the income tax from the sale of the Shares pursuant to the DMFA MTO. This payment should be made based on a PIT return (3-NDFL) for the year 2023.

Should there be a change in the tax residency by the end of 2023 (with the shareholder obtaining their tax

resident status in the Russian Federation), any overpaid tax will be refunded by the tax authority.<sup>1</sup>

## **2. Taxation of Income from Share Sale for Resident Shareholders**

### **2.1. Tax Agent Capacity**

DMFA shall act as the tax agent<sup>2</sup> if a shareholder submits their Application for Sale of Shares directly to the Registrar or through a nominee holder (i.e., without engaging trustees or brokers representing the shareholder). In this capacity, DMFA is responsible for calculating the amount of the PIT, withholding it from the purchase price of the Shares acquired from the shareholder, and remitting the same to the budget of the Russian Federation (“**Tax Agent Capacity**”).

DMFA shall not act as the tax agent<sup>3</sup> if a shareholder submits their Application for Sale of Shares through a broker (trustee), which is a Russian entity, based on a brokerage service agreement or any other relevant arrangement (e.g., trust management agreement, mandate agreement, commission agreement, or agency agreement). In such cases, DMFA shall not be obliged to act in the Tax Agent Capacity. In this scenario, the broker (the trustee) shall act in the Tax Agent Capacity. The exceptions to the above are:

- the Application for Sale of Shares is submitted by a shareholder acting through a foreign nominee holder (broker or trustee);
- it is impossible to determine whether the shareholder is acting through a nominee holder or on their own behalf.

DMFA shall act in the tax agent capacity based on the information and data provided by shareholders in the Applications for Sale of Shares or the information available to the Registrar. If documents confirming the benefits or deductions available to shareholders are not provided or submitted without following the procedure specified below, DMFA will withhold the PIT from the entire purchase price of the Shares without applying such benefits or deductions.

Please note that DMFA shall retain its tax agent status even if there are multiple foreign and/or Russian nominee holders participating in the chain.

### **2.2. Benefits and Deductions**

A shareholder’s income from the sale of the Shares is subject to PIT and should be included in the tax base.<sup>4</sup> The PIT base may be reduced by actual documented expenses related to the acquisition and holding of the Shares, in respect of which the Application for Sale of Shares has been submitted.

When calculating the PIT, the following benefits and deductions stipulated in the Russian Tax Code shall apply:

- an exemption from PIT in the event of the sale of Shares held continuously for more than five (5) years. To verify the eligibility for this benefit, a shareholder should submit, along with the Application for Sale of Shares, a statement of their register/nominee account, confirming the continuous holding period of the Shares intended for sale, which should exceed five (5) years;
- an investment tax credit, which is available for tax residents of the Russian Federation only. It applies to income obtained from the sale of securities acquired after 1 January 2014, with a minimum

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<sup>1</sup> Art. 231(1.1) of the Russian Tax Code.

<sup>2</sup> Art. 226 of the Russian Tax Code.

<sup>3</sup> Art. 226.1(2) of the Russian Tax Code.

<sup>4</sup>Art. 210(1) of the Russian Tax Code.

continuous holding period of three (3) years. As documentary evidence to support the eligibility for the investment credit, shareholders must submit either original documents or duly certified copies confirming the acquisition date of the relevant Shares, along with documents providing evidence of continuous ownership of the Shares (e.g., nominee account statements covering the period from the acquisition date and up to the submission date of the Application for Sale of Shares);

- a reduction of the taxable base by actual documented expenses related to the acquisition and holding of the Shares. The following documents must be submitted as documentary evidence of the respective expenses. All documents must be certified in accordance with the rules set out in clause 2.4, Section I hereof.

If the shareholder acquired the Shares through a broker (trustee):

- broker's (trustee's) report(s) covering the periods from the date the Shares were acquired and up to the submission date of the Application for Sale of Shares;
- a nominee account statement covering the periods from the date the Shares were acquired and up to the submission date of the Application for Sale of Shares.

If the shareholder acquired the Shares independently in the over-the-counter market:

- a sale and purchase agreement with respect to the Shares (other document of title);
- a document confirming payment for the Shares, such as an account statement or payment order indicating the purpose of the payment, a receipt acknowledging payment, or a cash receipt;
- a statement of nominee/individual account covering the period from the date the Shares were acquired up to the submission date of the Application for Sale of Shares.

If the shareholder acquired the Shares by way of inheritance or gift:

- documents confirming the fact of inheritance or gift (a certificate of inheritance / a deed of gift);
- a document confirming kinship (in case of a gift);
- documents confirming the payment (if paid) of inheritance or gift tax;
- confirmation of the value of the Shares for which the tax was calculated and paid (if paid) upon receiving the Shares through inheritance/gift;
- testator's/donor's documented expenses for the acquisition of the Shares, if no inheritance/gift tax has been paid;
- a statement of nominee/individual account that confirms the transmission of title to the Shares covering the period from the transmission date to the submission date of the Application for Sale of Shares;
- payment orders (receipts) used by the Shares' owner to make the relevant payments.

The Registrar shall retain the right to request additional documents it may consider necessary to discharge its functions in accordance with the law.

Should a shareholder fail to ensure a timely or complete submission of the documents, the PIT will be

withheld from the entire amount of the income from the sale of the Shares. DMFA and/or the Registrar may request additional documents to verify the eligibility for benefits and/or deductions.

### **2.3. Procedures and Deadline for Submitting Supporting Documents**

Supporting documents must be submitted in person to the Registrar, who is authorized to collect the documents, during business days and office hours, or by mail to the addresses specified in the Information Letter and provided below for convenience:

- at the Registrar's address: 18/5B Stromynka St., Office IX, Moscow, 107076, for the attention of Joint Stock Company Independent Registrar Company R.O.S.T.; or
- at the address of any of the Registrar's branches recorded in the Unified State Register of Legal Entities as of the date the documents are dispatched. The list of the Registrar's branches is published on its website at: <http://www.rrost.ru/ru/filials/>.

All supporting documents must reach the Registrar before the submission period for Applications for Sale of Shares expires, as specified in the DMFA MTO.

Shareholders whose rights to the Shares are recorded in the register must send (submit) the supporting documents to the Registrar simultaneously with the Application for Sale of Shares.

Shareholders whose Shares are held through a nominee must send (submit) the supporting documents to the Registrar immediately after submitting the Application for Sale of Shares by instructing their nominee holders accordingly. If this is the case, the Questionnaire should specify the nominee through which the Shares are held and through which the Application for Sale of Shares was submitted. It should also indicate the number of the Shares for which the Application for Sale of Shares was made and include data that allows to identify the individual shareholder.

### **2.4. Submission and Certification of Supporting Documents**

Tax laws do not stipulate any specific universally recognized method for certifying documents. Depending on the situation, document copies may be certified by:

- the Registrar, when originals are submitted to the Registrar in person;
- an authorized individual and, if applicable, stamped with the broker's seal (e.g., broker's reports) or depository's seal (e.g., statements of nominee accounts). Broker's reports, statements of nominee accounts, and other similar documents must also be provided in electronic format. If a shareholder submits the specified documents in hard copy only, the Registrar may request the shareholder to provide them in electronic format as well;
- in all other instances, including where documents are sent to the Registrar by mail, as a standard procedure, documents certified by a notary public will be deemed duly certified (except for broker's reports, which must be certified by a broker, and statements of nominee accounts to be certified by a depository).

If an individual shareholder submits originals, the Registrar will produce their certified copies and return them to the shareholder. In the course of personal delivery, the Registrar may specify additional requirements.

If the documents are made in a foreign language, a notarized Russian translation must be attached to them.

In the event of a delayed and/or incomplete submission and/or improper certification of supporting



documents, the PIT will be withheld from the entire amount of income from the sale of the Shares.

The PIT is withheld directly from the taxpayer's income at the time of payment.<sup>5</sup> The PIT amount is transmitted to the budget no later than the day following the day of payment under the share sale and purchase agreement.<sup>6</sup>

## **2.5. Tax Rates**

Any income received by an individual shareholder from the sale of the Shares shall be subject to PIT as follows:

- at a rate of thirteen percent (13%) of the income received, if the aggregate tax base specified in Art. 210(2.1) of the Russian Tax Code for the relevant tax period does not exceed five million rubles (RUB 5,000,000);
- six hundred fifty thousand rubles (RUB 650,000) plus fifteen percent (15%) of the excess of the aggregate tax base specified in Art. 210(2.1) of the Russian Tax Code over five million rubles (RUB 5,000,000), if such aggregate for the relevant tax period exceeds five million rubles (RUB 5,000,000).

In relation to the income received in 2023, the above tax rates shall be applied by the tax agent with respect to each tax base separately.<sup>7</sup>

Where applicable, certain tax benefits and credits stipulated by the laws may be taken into account when calculating the PIT (see clause 2.2, Section I hereof). Shareholders are advised to seek guidance from their tax, financial, or other professional advisors to assess the potential availability of tax benefits and/or tax credits.

In the event of a delayed and/or incomplete submission or improper certification of supporting documents, the PIT will be withheld from the entire amount of income from the sale of the Shares.

## **3. Tax Implications for Individual Non-Residents**

### **3.1. Procedure for Determining Tax Base**

For non-tax resident individuals in the Russian Federation, the taxable income shall mean the income received from sources within the Russian Federation.<sup>8</sup> The aforementioned income includes, among other things, income from the sale of the Shares based on the Application for Sale of Shares.

Russian tax laws do not offer a clear definition of the “point of sale” with respect to the Shares. Based on prevailing practices and official guidance from supervisory authorities, the Russian Federation shall be treated as a point of sale with respect to the Shares when it serves as a statutory seat of the depository or registrar responsible for recording transactions leading to the transfer of ownership of securities.

Considering that the Registrar is located in the Russian Federation, and its governing law (*lex personalis*) is that of the Russian Federation, any income generated from the sale of the Shares shall be deemed to have originated from within the Russian Federation and shall be subject to taxation in the Russian Federation for individuals who are not tax residents of the country.

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<sup>5</sup> Art. 226(4) of the Russian Tax Code.

<sup>6</sup> Art. 226(6) of the Russian Tax Code.

<sup>7</sup> Art. 2 of Federal Law No. 523-FZ On Amendments to Part Two of the Tax Code of the Russian Federation and Certain Legislative Acts of the Russian Federation, dated 19 December 2022.

<sup>8</sup> Art. 209(2) of the Russian Tax Code.

Individual shareholders who are non-residents of the Russian Federation should consider the provisions of a valid and unsuspended DTTs concluded between the Russian Federation and the foreign state where the shareholder is treated as a tax resident.

### **3.2. Tax Agent Capacity**

The rules governing the tax agent capacity for non-resident individuals are the same (see clause 2.1, Section I hereof), including identical regulations regarding the taxation of income when a shareholder accepts the DMFA MTO.

Therefore, where a non-resident individual submits the Application for Sale of Shares directly (without engaging trustees or brokers acting on their behalf), including through a nominee holder, DMFA will act as the tax agent. In other cases, the trustee or broker will act as the tax agent.

Please note that DMFA shall retain its tax agent status even if there are multiple foreign and/or Russian nominee holders participating in the chain.

Where an individual shareholder receives income from the sale of the Shares through a foreign broker (trustee) having no branch office in the Russian Federation, DMFA will be deemed the tax agent.

If it is impossible to determine whether the shareholder acts through a broker (trustee) or on their own behalf, taxes shall be calculated, withheld, and paid to the budget by DMFA.

The tax agent will provide the shareholder with an individual income and tax certificate, detailing the amount of the tax withheld from the income earned through the sale of the Shares. This certificate can be subsequently utilized to claim a tax credit when settling taxes on shareholders' income in their country of tax residency. In such cases, the competent authorities of the foreign country might request additional documents from the shareholder as confirmation of tax payment. Shareholders are strongly advised to consult their tax advisors to explore the possibility of claiming a credit for taxes paid on income from the sale of the Shares.

Where information regarding the owner of the Shares acting through a nominee holder or foreign broker (trustee) is not disclosed, DMFA, acting as the tax agent, will withhold taxes at the maximum rate of thirty percent (30%).

### **3.3. Required Documents and Tax Payment Deadline**

Where DMFA acts as the tax agent, it will consider actual documented expenses related to the acquisition and holding of the relevant Shares, which the taxpayer made without the tax agent's involvement, while calculating the PIT to be withheld and paid.

Non-resident taxpayers of the Russian Federation may be eligible to claim an income exemption from the sale of the Shares they have continuously held for more than five (5) years, under the right of ownership or other proprietary right. Additionally, they can seek a reduction of the taxable income by the amount of the documented expenses related to the acquisition and holding of the Shares (for more details, see clause 2.2, Section I hereof). The requirements for the composition, certification method, and deadlines for submitting documents to verify eligibility for the specified benefits and credits are identical for both residents and non-residents of the Russian Federation (for more details, see clauses 2.3 and 2.4 , Section I hereof).

DMFA and the Registrar retain the right to request additional documents from individual shareholders to ascertain the precise amount of tax liabilities related to the sale of the Shares. These additional documents may include:

- if applicable, documents verifying the individual shareholder's status of a tax resident in the state with which the Russian Federation has a DTT;
- if applicable, documents confirming the ownership of the Shares for a period exceeding five (5) years to apply the tax exemption available to shareholders who have held the Shares for more than five (5) years.

### **3.4. Tax Rates**

Any income obtained by individuals who are not tax residents of the Russian Federation from the sale of the Shares within the Russian Federation shall be subject to PIT at a rate of thirty percent (30%) of the received income amount.

In the event of a delayed and/or incomplete submission and/or improper certification of supporting documents, the PIT will be withheld from the entire amount of income from the sale of the Shares.

### **3.5. Application of DTT Benefits**

At present, the Russian Federation has more than 80 DTTs with various jurisdictions. DTTs seek to eliminate double taxation. The list of jurisdictions with which the Russian Federation has DTTs is available on the website of the Federal Tax Service of the Russian Federation at: <https://www.nalog.ru/rn77/aboutfts/inttax/mpa/dn/>.

From August 8, 2023, by Presidential Decree No. 585 of August 8, 2023 "On the suspension Russian Federation of the validity of certain provisions of international treaties of the Russian Federation on Taxation Issues" suspended the 38 DTT between the Russian Federation and unfriendly countries: Austria, Australia, Albania, Belgium, Bulgaria, Great Britain, Hungary, Germany, Greece, Denmark, Ireland, Iceland, Spain, Italy, Canada, Cyprus, Lithuania, Luxembourg, Malta, New Zealand, Norway, Poland, Portugal, Republic of Korea, Romania, North Macedonia, Singapore, Slovakia, Slovenia, USA, Finland, France, Croatia, Montenegro, Czech Republic, Switzerland, Sweden, Japan.

DMFA strongly recommends that shareholders stay informed of the current status of concluded DTTs, as there might be instances of a DTT suspension with specific states.

The national laws in the majority of jurisdictions with a DTT typically entail the taxation of all income for individuals who are tax residents of those jurisdictions. This circumstance could potentially result in instances of double taxation on income received by individuals, including income from the sale of the Shares.

In this context, DTTs concluded with most countries include provisions that stipulate income from the disposal of property, including the Shares, to be taxable solely in the contracting state where the disposing individual is a resident, provided certain conditions are met. If these provisions can be applied to the income of such country's residents arising from the sale of the Shares, the relevant income should be exempt from the Russian PIT. As the provisions of DTTs may vary, shareholders are strongly advised to seek advice from their tax advisors to obtain guidance on the taxation of income from the sale of the Shares in their country of tax residency.

If an individual shareholder is a tax resident of a foreign state with which the Russian Federation has a DTT that allows for full or partial exemption from taxation in the Russian Federation on income from the sale of the Shares, the tax agent will not withhold any tax on the payment of such income to the individual shareholder provided the shareholder submits the required supporting documents listed below.

Supporting documents must be submitted to the Registrar. In case of late submission, the PIT will be

withheld at the rate of thirty percent (30%).

To confirm eligibility for exemption of income from taxation under the provisions of a DTT, an individual shareholder must furnish the tax agent with official confirmation of their status as a tax resident of a state with which the Russian Federation has a DTT.

The confirmation must be issued by the competent authority of the relevant foreign state, authorized to provide such confirmations under a DTT with the Russian Federation. If the confirmation is issued in a foreign language, the individual shareholder should submit it to the Registrar with an apostille and a notarized translation into Russian.

If an individual shareholder is unable for valid reasons to present their tax residency certificate to the Registrar (e.g., due to inability to obtain the certificate before the end of the calendar year or for other valid reasons), they should send a letter to the Registrar stating their inability to provide the same. The shareholder should describe the reasons for the delay and specify the intended date of presentation.

If an individual submits confirmation of their foreign tax residency status to the tax agent which is the source of income after the income payment date, and the income is exempted from taxation based on the DTT with the Russian Federation, the excess tax withheld will be refunded through the tax agent. To request the tax refund, the individual should submit an application for a tax refund along with the relevant documents confirming their tax residency status.<sup>9</sup>

#### **4. Provisions Applicable to an Individual Shareholder Who Is a Sole Proprietor**

Individuals engaging in business activities in the Russian Federation based on a certificate of registration as a sole proprietor are responsible for independently calculating and paying<sup>10</sup> the PIT on the income they receive from these activities. That said, however, as per the provisions of Federal Law No. 39-FZ On the Securities Market, dated 22 April 1996, only legal entities are authorized to conduct professional activities as participants in the securities market, with the exception of investment advisory activities.

Consequently, regardless of the registered business activities of a sole proprietor with respect to income from transactions, the standard procedure for calculating and remitting the PIT on income generated from securities transactions, as outlined in Art. 226 and Art. 226.1 of the Russian Tax Code, shall apply to individual shareholders who are sole proprietors.

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<sup>9</sup> Art. 232(7) of the Russian Tax Code.

<sup>10</sup> Art. 227(1)(1) of the Russian Tax Code.

## SECTION II. TAXATION OF LEGAL ENTITIES

DMFA will not act as the profit tax agent for corporate shareholders with respect to their income arising from the sale of the Shares (see details below).

Hence, the purchase price for the Shares sold by corporate shareholders based on the Application for Sale of Shares will be paid to them without any withholding. Corporate shareholders are strongly advised to consult their tax advisors to assess the tax implications of selling the Shares.

### *Shareholders Who Are Russian or Foreign Entities Operating in the Russian Federation Through Permanent Representative Offices*

DMFA is not obliged to act as the tax agent for withholding and remitting taxes to the budget on income derived from the sale of the Shares for shareholders who are Russian or foreign entities operating in the Russian Federation through permanent representative offices. These entities, as owners (sellers) of the Shares, will be responsible for calculating and paying the tax on their own.

The same principle applies to foreign companies that are recognized as Russian tax residents,<sup>11</sup> whether it is voluntary (when they voluntarily declare themselves as Russian tax residents) or mandatory (following a tax audit by the Russian tax authorities). These companies will also need to calculate and pay taxes independently.

### *Shareholders Who Are Foreign Entities Not Operating in the Russian Federation Through Permanent Representative Offices*

DMFA is not required to withhold Russian tax from income from the sale of the Shares paid to foreign entities not operating in the Russian Federation through a permanent establishment.

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<sup>11</sup> Art. 246.2 of the Russian Tax Code.

### **SECTION III. CONTACT DETAILS**

If you have any inquiries regarding the process of submitting the necessary documents, please feel free to reach out to the Registrar during business days and hours at the address of the Registrar's Central Office or by phone at +7 495 780 7363 and +7 495 989 7650.

Please note that Registrar, Detsky Mir, or DMFA employees do not offer any advice on the taxation of transactions related to the sale of the Shares by shareholders based on the DMFA MTO.

You are strongly advised to consult professional advisors for any tax-related matters that may arise.

**Shareholder Questionnaire**

1. This Appendix serves as a questionnaire for Detsky Mir individual shareholders and is intended to assess the potential tax implications of acquiring the Shares. The information collected here will be considered by DMFA, acting as the tax agent.
2. If the individual shareholder does not provide the information detailed below, along with the supporting documents as specified in the Information Letter, DMFA, acting as the tax agent, may withhold tax at the rate stipulated in Art. 224(1) of the Russian Tax Code (for individuals who are residents of the Russian Federation) or at a rate of thirty percent (30%) (for individuals who are non-residents of the Russian Federation) from the entire amount of the purchase price for the Shares payable to the individual shareholder.
3. If an individual shareholder fails to submit the documents confirming:
  - tax residency,
  - costs to acquire the Shares,
  - the holding period of the Shares,

the individual shareholder may be unilaterally denied the deduction of the costs associated with the acquisition of the Shares and the application of tax benefits in the calculation of tax.

Determination of a shareholder's status for the purposes of taxation of its income from the sale of the Shares in the Russian Federation		
Individual/nominee account number and name of the nominee holder		
Full name		
Date of birth		
ID (type, series, number, issuing authority, date of issue)		
INN (Taxpayer Identification Number)		
Registered address		
Postal address (if different)		
Contact phone number		
Number of the Shares tendered for sale in the Application for Sale of Shares		
Inspection criterion	Response options	Shareholder notes
This questionnaire is to be completed by individual shareholders		
Please answer the following questions:		
1. (A) Are you acting on your own behalf or through a nominee holder / a chain of nominee holders, or (B) are any operations being conducted for your benefit by an engaged broker or trustee, acting under a trust management agreement, brokerage service agreement, mandate agreement, commission agreement, or agency agreement?	A/B	
2. If you have chosen "B" for Question 1, is the broker (trustee) you have engaged a Russian entity or a Russian branch office of a foreign broker (trustee)?  <i>If you have answered "No" to this question, DMFA will act as the tax agent, and you will need to provide DMFA with all supporting documents.</i>	Yes/No	



If you have chosen “A” and “No” for Questions 1 and 2, respectively:		
<p>3. Have you been holding the Shares continuously for the duration of five (5) years or more? (Continuous ownership of the Shares in this context means continuous ownership for the purpose of Art. 284.2 of the Russian Tax Code)</p> <p><i>In order to confirm any expenses related to the acquisition and holding of the Shares and/or holding them for more than 5 years (if applicable), you are required to submit supporting documents to DMFA. The list of the required supporting documents may vary depending on the legal basis for acquiring the Shares (for more details on the list of the required supporting documents, please see clause 2.2, Section I hereof).</i></p> <p><i>Please note that the above documents must be duly certified, translated into Russian (if applicable), and sent (submitted) to the Registrar (for more details, please see clauses 2.3 and 2.4, Section I hereof).</i></p>	Yes/No	
If you have chosen “No” for Question 3:		
4. Are you a tax resident of the Russian Federation? <sup>12</sup>	Yes/No	
If you have chosen “No” for Question 4:		
<p>5. Kindly specify whether your country of tax residency is included in the <i>list</i> of jurisdictions with which the Russian Federation has a DTT.<sup>13</sup></p> <p><i>To validate your tax residency status,<sup>14</sup> you should provide DMFA with a document confirming your tax residency (e.g., a tax residency certificate issued by the competent authority of the foreign state). The competent authority is determined by the provisions of the DTT with that specific state of which you are a tax resident.</i></p> <p><i>The supporting document must be apostilled and translated into Russian (the translation itself and the apostille must be notarized) in accordance with the prevailing taxation practice of the Russian Federation (for more details, see, for example, Letter of the Ministry of Finance of the Russian Federation No. BS-3-11/6303@ dated 7 September 2018).</i></p>	Yes/No	

<sup>12</sup> Pursuant to Art. 207(2) of the Russian Tax Code, tax residents are individuals who have been physically present in the Russian Federation for at least 183 calendar days during 12 consecutive months.

<sup>13</sup> [https://www.nalog.ru/rn77/about\\_fts/inttax/mpa/dn/](https://www.nalog.ru/rn77/about_fts/inttax/mpa/dn/).

<sup>14</sup> You are strongly advised to seek advice from your tax advisor to obtain clarification on the following matters: determination of the country of tax residency (due to potential variations in the interpretation of the residency definition) and taxation of income from the sale of the Shares

If you have chosen “Yes” for Question 4:		
6. Please mark “Confirmed” if this Questionnaire is to be treated as your application for an investment tax credit, if you have been holding the Shares for more than three (3) years.	Confirmed / Not Confirmed	
<i>If you have selected “Confirmed”, you will need to attach the appropriate supporting documents.</i>		
If you have chosen “No” for Question 3:		
7. Please mark “Confirmed” to indicate that this Questionnaire serves as your application for the reduction of the taxable income from the sale of the Shares based on the Application for Sale of Shares by the amount of the expenses incurred in respect of the Shares, and kindly submit the relevant supporting documents.  <i>This criterion applies to individual shareholders who are both residents of the Russian Federation and those who are non-residents of the Russian Federation.</i>	Confirmed / Not Confirmed	
<i>If you have selected “Confirmed”, you will need to attach the appropriate supporting documents.</i>		

Shareholder’s full name	Signature	Date

*Please attach supporting documents to this Questionnaire as provided in clauses 2.2, 2.3, and 2.4, Section I hereof.*