СОВМЕСТНАЯ ПУБЛИКАЦИЯ
АССОЦИАЦИИ МЕЖДУНАРОДНЫХ
ФАРМАЦЕВТИЧЕСКИХ
ПРОИЗВОДИТЕЛЕЙ
И ГК РЕМЕДИУМ

РЕМЕДИУМ
ГРУППА КОМПАНИЙ

AIPM®
Association of International Pharmaceutical Manufacturers
Ассоциация международных фармацевтических производителей

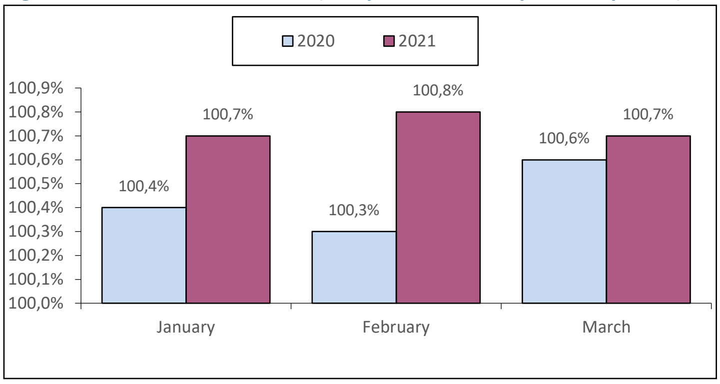
## MACROECONOMIC INDICES

### Inflation

According to Federal State Statistics Service's data, the Consumer Price Index was estimated as 100.7% in March 2021 as compared to the previous month, 102.1% against December 2020.

In March 2021, Industrial Producer Price Index (for goods intended for sale on the domestic market) was 103.6%, in the month-earlier period it had amounted to 103.5%. The index accounted for 110.8% against December of 2020.

**Figure 1. Consumer Price Index (compared with the previous period)**



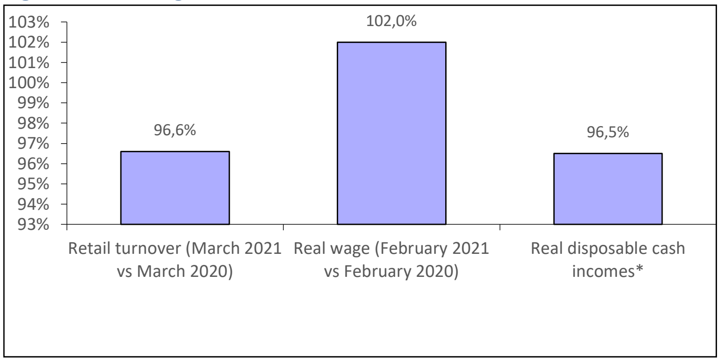

### Living standard

In February of 2021, a gross monthly average wage of corporate employees reached RUB 51,229 (USD 688.75). and accounted for 107.8% as compared to February of 2020, and 102.5% as compared to the previous period. In February 2021, the real gross wage accounted for 102.0% as compared to February 2020, and 101.7% against the prior period. According to estimates[1], real disposable cash incomes decreased by 3.5% in 2020 compared to 2019 (Fig. 2).

### Retail turnover

In March of 2021, the retail turnover was equal to RUB 3052.8 bil. or 96.6% (in comparable prices) against the respective period of the previous year, and RUB 8646.0 bil. or 98.4% in January - March of 2021 (Fig. 2).

**Figure 2. Real wage and retail turnover**




* 2020 vs 2019

### Industrial Production

According to Federal State Statistics Service's data, Industrial Production Index accounted for 101.1% in March of 2021 as compared to the same period in the previous year, and 98.7% in January-March of 2021.

According to Federal State Statistics Service's data, Industrial Production Index for drugs and medical products in March of 2021 accounted for 118.8% compared to the same period in 2020, and 140.7% in January-March against January-March of 2020.

### Domestic production

Table 1 provides the top 10 domestic pharmaceutical manufacturers according to their volumes of sales in all segments of the market based on the results for March of 2021.

**Table 1. The top ten Russian chemical and pharmaceutical manufacturers by sales volume in March 2021**

| Rank | Manufacturer | RUB mil. |
|---|---|---|
| 1 | Biocad | 4553.9 |
| 2 | Generium | 3597.6 |
| 3 | Otcpharm | 3178.7 |
| 4 | Stada | 2536.1 |
| 5 | Binnopharm | 1755.9 |
| 6 | Valenta | 1724.6 |
| 7 | Pharmstandart | 1645.5 |
| 8 | Grotex | 1216.9 |
| 9 | Vertex | 1200.9 |
| 10 | Sotex | 1153.8 |

Source - Remedium according to IQVIA data

Table 2 provides pharmacy sales data from 10 regions of the Russian Federation. In February 2021 as compared to the previous month, sales (in terms of roubles) continued to reduce in half of the regions. The highest reduction was observed in St. Petersburg (+17%), the least one in Novosibirsk region (-0.3%). The highest positive growth rates were observed in Perm (+7%), the least one in Voronezh region (+2%).

**Table 2. Pharmacy sales in the regions, 2020-2021**

| Region | Pharmacy sales, USD mil. (wholesale prices) | | | Growth gain, % (roubles) | | |
|---|---|---|---|---|---|---|
| | December 2020 | January 2021 | February 2021 | December /November 20 | January 21/ December 20 | February/January 21 |
| Moscow | 212.7 | 132.6 | 139.3 | 28% | -38% | 5% |
| St. Petersburg | 94.2 | 57.5 | 51.7 | 23% | -39% | -10% |
| Krasnodar Krai | 57.7 | 36.3 | 34.8 | 17% | -37% | -4% |
| Krasnoyarsk Krai | 31.2 | 20.7 | 21.6 | 1% | -33% | 4% |
| Tatarstan | 25.4 | 18.5 | 18.3 | -5% | -27% | -1% |
| Rostov Region | 34.8 | 24.8 | 24.3 | 18% | -29% | -2% |
| Novosibirsk Region | 28.0 | 20.3 | 20.2 | -11% | -27% | -0.3% |
| Voronezh Region | 17.4 | 11.9 | 12.1 | 2% | -31% | 2% |
| Perm | 11.0 | 8.9 | 9.5 | 5% | -19% | 7% |
| Tyumen | 10.0 | 7.4 | 7.8 | 0.3% | -26% | 6% |

### Advertising

The largest advertisers and pharmaceutical brand names highly publicized in mass media (TV, radio, press, outdoor advertising) are shown in Tables 3 & 4.

**Table 3. Top five advertisers in mass media in March of 2021**

| Rank | Company* | Quantity of broadcasts |
|---|---|---|
| 1 | Otcpharm | 13,053 |
| 2 | Berlin-Chemie/Menarini | 8,484 |
| 3 | Bayer | 8,013 |
| 4 | Johnson & Johnson | 7,916 |
| 5 | GSK Consumer Healthcare | 7,561 |

Source – Remedium according to Mediascope's data

**Table 4. Top five brands in mass media in March of 2021**

| Rank | Brand* | Quantity of broadcasts |
|---|---|---|
| 1 | Evalar | 4,745 |
| 2 | Ergoferon | 2,786 |
| 3 | Kagocel | 2,739 |
| 4 | Pentalgin | 2,643 |
| 5 | Nurofen | 2,619 |

Source - Remedium according to Mediascope's data

* Only drugs registered with National Medicine Register were considered.

[1] Due to switching of Federal State Statistics Service to the updated methodology for calculating real disposable cash incomes of the population, the data are published once a quarter.

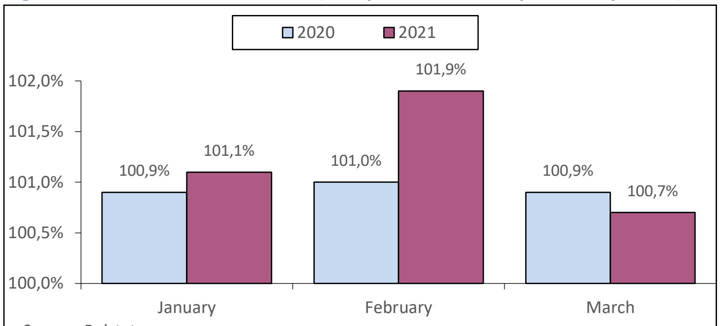
## MACROECONOMIC INDICES OF THE REPUBLIC OF BELARUS

### Inflation

According to data of the Committee for Statistics of the National Statistical Committee of Belarus, the Consumer Price Index was estimated at 100.7% in March 2021, 103.8% against December of 2020. The Consumer Price Index was 108.5% in January-March of 2021 as compared to January-March of 2020.

In March of 2021, Industrial Producer Price Index was 101.2% as compared to February 2021, and 104.0% against December of 2020. In Quarter I, 2021, the Industrial Producer Price Index was 109.2% as compared to 2020.

**Figure 1. Consumer Price Index (compared with the previous period)**




Source: Belstat

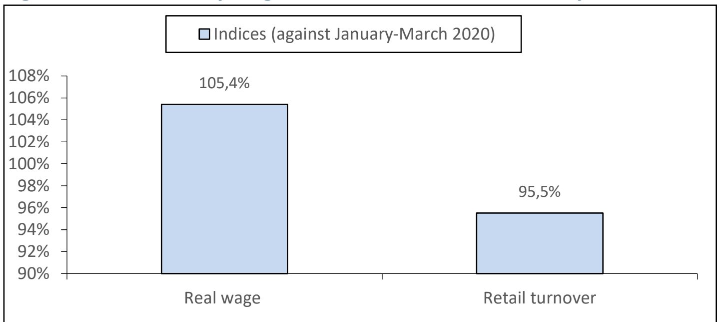
### Living standard

According to the preliminary Belstat's data, in March of 2021 the average monthly nominal accrued wage of the workers in the Republic of Belarus was BYR 1384.70 (USD 530.94[2]), in the first quarter of 2021 - BYR 1321.60 (USD 509.58) in 2020, which accounted for 113.7% and 114.1% against the same periods in 2020. In March 2021, the real wage accounted for 104,8% as compared to the same period in 2020, and 105.4% in January-March 2021 (Fig. 2). According to Belstat's data, the real disposable cash incomes accounted for 103.3% in January-February of 2021 as against January-February 2020.

### Retail turnover

In March 2021, the retail turnover was estimated at BYR 4869.90 mil., which accounted for 118.6% as compared to the previous month and 94% as compared to March of 2020. Based on the results for the first quarter of 2021, it amounted to RUB 13,132.3 mil. or 95.5% at comparable prices as compared to the 2020 level. (Fig. 2).

**Figure 2. Real monthly wage and retail turnover in January-March 2021**




Source: Belstat

### Industrial Production

According to the Statistical Committee of the Republic of Belarus, the industrial output by economic activities "Mining industry", "Processing Industry" and “Supply of electricity, gas, steam, hot water and conditioned air” and “Water supply; sewerage, waste management and remediation activities” amounted to BYR 12358.4 mil. in current prices in March of 2021, BYR 33761.2 mil. in the first quarter of 2021, or 111.0% 100.9% in comparable prices as compared to the respective period of 2020.

According to Belstat's data, in January-March of 2021 the pharmaceutical production output of essential pharmaceutical products and pharmaceutical preparations was estimated at BYR 449.3 mil., which accounted for 113.9% against the indicator of the same period in comparable prices in 2020.

[2] The official arithmetical average exchange rate to calculate the above indices was taken from the website of the National Bank of Belarus www.nbrb.by.

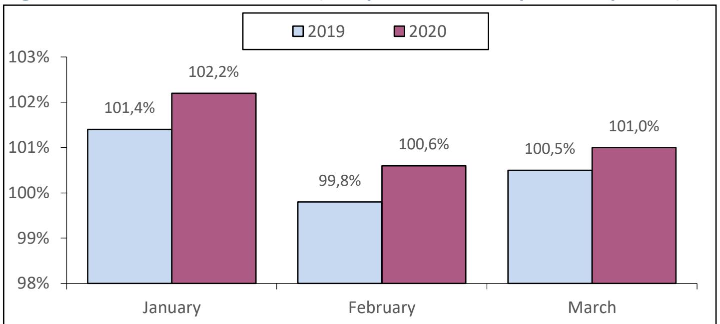
## MACROECONOMIC INDICES OF THE REPUBLIC OF ARMENIA

### Inflation

According to the National Statistics Committee of the Republic of Armenia, in March 2021 the consumer price index amounted to 101.0% against the previous month and 103.8% against December of 2020. The Consumer Price Index accounted for 105.2% in the first quarter of 2021 as compared to the same period in 2020.

The Industrial Producer Price Index was 101.8% in March 2021, as compared to the previous month, and 103.3% against December of 2020. In January-March of 2021, the index accounted for 107.1% as compared to 2020.

**Figure 1. Consumer Price Index (compared with the previous period)**




Source: Statistics Committee of the Republic of Armenia

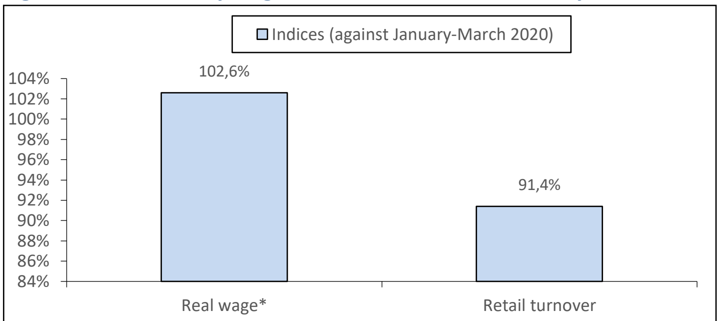
### Living standard

According to the preliminary data of the Statistics Committee of RA, in March 2021 the average monthly nominal wage of the workers of the Republic of Armenia was Dram 198,130 (USD 378.01), which accounted for 103.4% compared to the previous period and 103.0% compared to the same period of 2020. In January-March of 2021, the average monthly nominal wage per worker was Dram 194,109 (USD 370.34) or 102.1% against January-March of 2020. The real salary in January-December 2020 accounted for 102.6% as compared with January-December in 2019 (Fig. 2).

### Retail turnover

The retail turnover amounted to Dram 112945.4 mil. in March 2021, and Dram 308345.0 mil. in January- March of 2021, which accounted for 100.1% and 91.4%, respectively, as compared to the same period of the previous year (Fig. 2).

**Figure 2. Real monthly wage and retail turnover in January-March 2021**




Source: Statistics Committee of the Republic of Armenia

* Data for January-December 2020

### Industrial Production

According to the preliminary data of Statistics Committee of the Republic of Armenia, in March 2021 the industrial output by economic activities "Mining industry", "Processing industry" and “Supply of electricity, gas, steam, hot water and conditioned air” and “Water supply; sewerage, waste management and remediation activities” amounted to AMD 175215.8 mil., and AMD 470411.6 mil. in the first quarter of 2021 or 103.8% and 96.1% against the same periods in 2020, respectively.

According to Statistics Committee of the Republic of Armenia, the manufacture of basic pharmaceutical products and drugs was estimated at AMD 1277.0 mil. in March of 2021, and AMD 3016.2 mil. from the beginning of the year, which accounted for 135.2% and 119.3% as compared to the respective periods 2020.

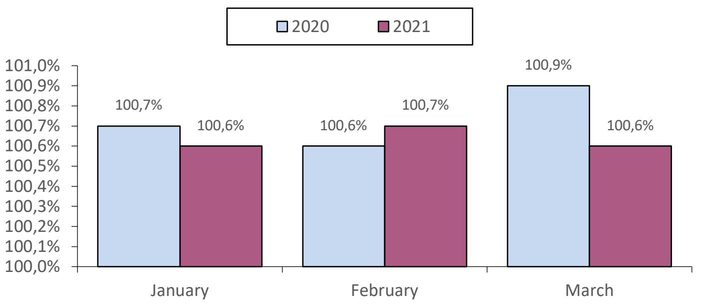
## MACROECONOMIC INDICES OF THE REPUBLIC OF KAZAKHSTAN

### Inflation

According to the Committee of the Ministry of National Economy for Statistics of the Republic of Kazakhstan, in March of 2021 the Consumer Price Index was estimated at 100.6% as compared to the prior month, 101.9% against December of 2020. In January-March of 2021, the index reached 107.3% as compared to January-March of 2020.

The Industrial Producer Price Index was 106.2 % in March 2021 as compared to the previous month, 115.1% against December of 2020. In January-March of 2021, the prices of manufacturers of industrial products increased by 4.9% as compared to 2020.

**Figure 1. Consumer Price Index (compared with the previous period)**




Source: Statistics Committee of RK

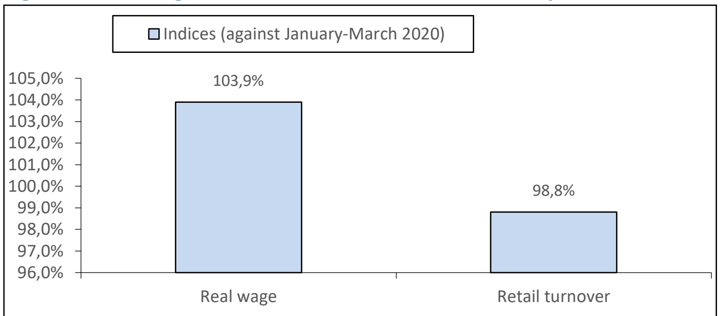
### Living standard

According to the preliminary data of the Statistics Committee of RK, the gross monthly average nominal wage per worker reached KZT 224,715 (USD 534.70[3]) in March of 2021, KZT 223396 (USD 532.28) in January-March of 2021. The Nominal Wage Index against the respective period of the previous year accounted for 109.8% in March 2021, 111.5% in January-March of 2021, and the real wage index was 102.6% in March of 2021 against March 2020, 103.9% in the first quarter of 2021 against 2020. According to the preliminary data, in January-February of 2021 the real cash income index was 103.3% as compared to the same period of 2020 (Fig. 2).

### Retail turnover

The retail turnover in March 2021 was KZT 922,4 bil., which is 102.2% against March of 2020. In the first quarter of 2021, its volume amounted to KZT 2523.6 bil. or 98.8% against the respective period in 2020 (in comparable prices) (Fig. 2).

**Figure 2. Real wage index and retail turnover in January-March 2021**




Source: Statistics Committee of RK

### Industrial Production

According to the Committee for Statistics of RK, in March 2021 the industrial output was KZT 2,964.3 bil., in January-March of 2021 – KZT 8,097.3 bil. As compared to the same period of 2020, the indices accounted for 104.0% and 100.1%, respectively.

According to the Statistics Committee of RK, in January-March of 2021 the industrial output of basic pharmaceutical products amounted to KZT 37.9 bil., KZT 12,307 mil. in March of 2021. In January-March of 2021, the Volume of Industrial Production for Pharmaceuticals Index was 109.1% against January-March of 2020, 108.8% in March of 2021 as compared to the respective period of 2020.

[3] The average exchange rate to calculate the above indices was used from the official website of the National Bank of Kazakhstan www.nationalbank.kz

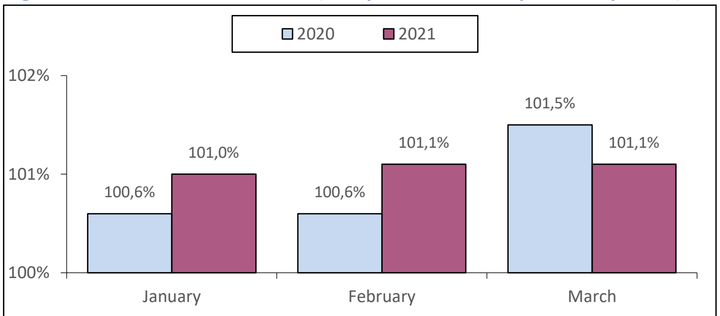
## MACROECONOMIC INDICES OF THE KYRGYZ REPUBLIC

### Inflation

According to the National Statistics Committee of the Kyrgyz Republic, the Consumer Price Index was estimated at 101.1% in March of 2021 as compared to the previous month, 103.2% against December of 2020. In January-March of 2021, the index accounted for 110.3% as compared to 2020.

In March of 2021, the Producer Price Index for industrial production and services was 97.2% as compared to the previous month, 100.2% against December of 2020. Throughout the Republic, in January-March 2021 the prices of producers for industrial products and services increased by 22.5% compared to January-March of 2020.

**Figure 1. Consumer Price Index (compared with the previous period)**




National Statistics Committee of the Kyrgyz Republic

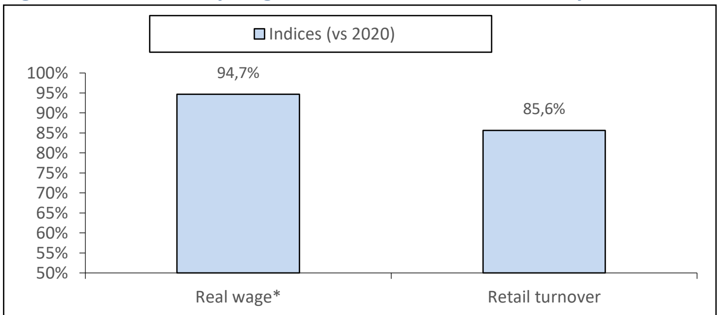
### Living standard

According to data of the Committee for Statistics of the Kyrgyz Republic, in February of 2021 the average monthly nominal wage per worker was KGS 17,915 (USD 211.26), in January-February of 2021 - KGS 17,940 (USD 212.7), which accounted for 104.3% and 104.5% compared to the relevant period of the previous year, respectively. In January-February 2019, the real wage accounted for 94.7% as compared to January-February of 2020, and 94.3% in February of 2021 against February of 2020 (Fig. 2).

### Retail turnover

In March of 2021, the retail turnover (without cars and motorcycles sales) amounted to KGS 18537.3 mil, and KGS 48,310.3 mil. in January-March of 2021. The Retail Turnover Volume Index accounted for 87.9% and 85.6% compared to the same period of the previous year (Fig.2).

**Figure 2. Real monthly wage and retail turnover in January-March 2021**




National Statistics Committee of the Kyrgyz Republic

* Data for January-February of 2021

### Industrial Production

According to the National Committee for Statistics of the Kyrgyz Republic, in March of 2021 the industrial output was KGS 27848.3 mil., and KGS 72,871.6 mil. in January-March of 2021. The Physical Index of Industrial Production accounted for 86.3% and 82.1% as compared to the same periods of 2020, respectively.

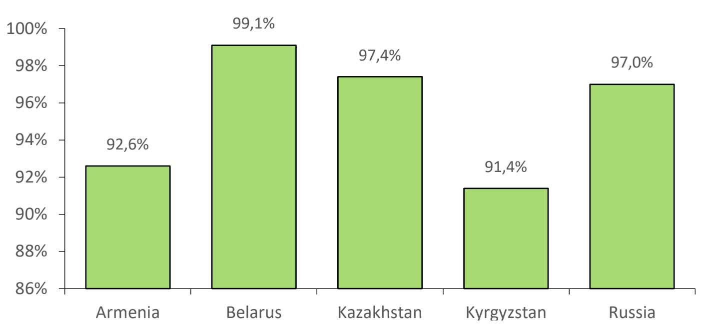
According to the National Committee for Statistics of the Kyrgyz Republic, the pharmaceutical output amounted to KGS 75.7 mil. in March 2021, and KGS 194.7 mil. from the start of the year. At month-end March 2021, the Physical Index of Industrial Production for Pharmaceuticals was 156.4% as compared to the same period of 2020, and 119.1% in the first quarter of 2021 as compared to 2020.

## COMPARATIVE MACROECONOMIC INDICES OF THE EURASIAN ECONOMIC UNION (EAEU)

### GDP

According to the Eurasian Economic Commission (EAEC), in January-December of 2020 GDP of EAEU member-states amounted to more than USD 1.738 tril. The Volume of Industrial Products Index accounted for 97.1% as compared to January-December of 2019. A decrease in GDP was reported in all EAEU member countries: in Armenia (-7.4%), in Belarus (-0.9%), Kazakhstan (-2.6%), in Kyrgyzstan (-8.6%) and Russia (-3.0%) (Fig. 1).

**Figure 1. GDP growth in the EAEU member-states (January-December 2020 vs. January-December 2019)**

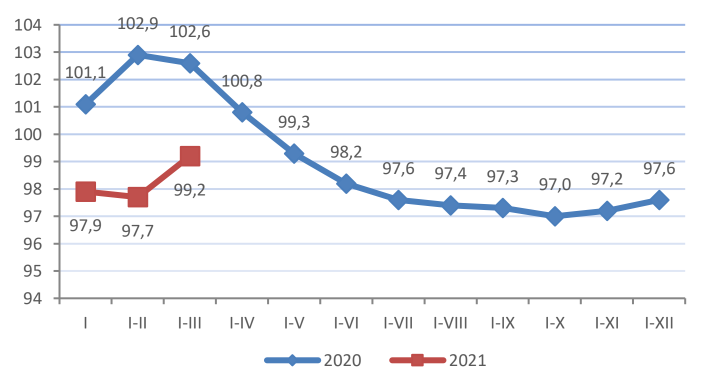



Source: EAEC

### Industrial Production

The industrial output of the EAEU in January – March 2021 amounted to 286.8 bil. USD and decreased by 0.8% compared to January-March of 2020 in fixed prices (Fig. 2). In individual countries, the Industrial Production Index accounted for: 96.1% in Armenia, 109.2% in Belarus, 100.1% in Kazakhstan, 82.1% in Kyrgyzstan and 98.7% in Russia.

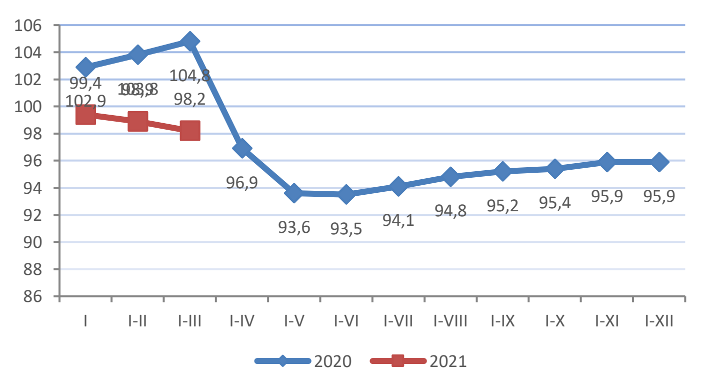
**Figure 2. Dynamics of the industrial output in EAEU (as % over the same period of the previous year; constant prices)**




### Retail turnover

According to the EAEC, the retail turnover (through all sales channels) of EAEU member-states in January-March of 2021 amounted to USD 128.7 bil. Compared with the same period of 2020, the volume of retail sales (in comparative prices) decreased by 1.8%. In the analysed period, most of the member-states showed a decrease in the retail turnover. At the same time, the indices were as follows: 91.3% in Armenia, 95.5% in Belarus, 98.8% in Kazakhstan 87.2% Kyrgyzstan and 98.4% in Russia (Fig. 2).

**Figure 3. The dynamics of the retail turnover in the EAEU (as a percentage over corresponding period of the previous year)**




### Nominal and real wage

According to the ECE, in January-December of 2020 as compared to the respective period of 2019, the gross monthly average wage increased in all EAEU member-states. The highest growth rates of nominal and real (adjusted for the consumer price index for goods and services) average monthly wage were recorded in Belarus (114.2% and 108.2%, respectively) and in Kazakhstan (114.6% and 107.3%). The nominal wage increased by 3.9% in Armenia, 7.7% in Kyrgyzstan, 6.0% in Russia.

**Table 1. Nominal and real wage in January-December 2020**

| Country | Real wage, % against the same period of 2019 | Nominal wage, USD |
|---|---|---|
| Armenia | 102.7 | 388 |
| Belarus | 108.2 | 508 |
| Kazakhstan | 107.3 | 515 |
| Kyrgyzstan | 101.3 | 239 |
| Russia | 102.5 | 710 |

### Budget performance

According to the EAEC, in January-December of 2020, the republican budget in all EAEU member-states was implemented with a deficit. At the same time, the budget surplus was replaced by a deficit in Belarus and Russia as compared to the respective period of the previous year. In Kazakhstan and Kyrgyzstan, the deficit increased by 5.2, 1.7 and 23.3 times, respectively.

All EAEU member-states showed a decrease in the revenue part of the budget and a growth in expenditures of the republican (federal) budget compared to the relevant period of the previous year. The growth rates of the republican budgets were as follows: revenues - 100% in Armenia, 98% in Belarus, 112% in Kazakhstan, 91% Kyrgyzstan and 93% Russia; expenditures - 116% in Armenia, 122% in Belarus, 118% in Kazakhstan, 103% in Kyrgyzstan, 125% in Russia.

**Table 2. Republican budget in January-September 2020**

| Country | USD bil. | | |
|---|---|---|---|
| | Income | Expenditure | Deficit (surplus) |
| Armenia | 3.2 | 3.9 | -0.7 |
| Belarus | 9.6 | 10.5 | -0.9 |
| Kazakhstan | 29.1 | 34.4 | -5.3 |
| Kyrgyzstan | 1.7 | 2.0 | -0.3 |
| Russia | 260.2 | 314.8 | -54.6 |
| **EAEU** | **303.9** | **365.6** | **-61.7** |

### Mutual trade of EAEU member-states in January– February 2021

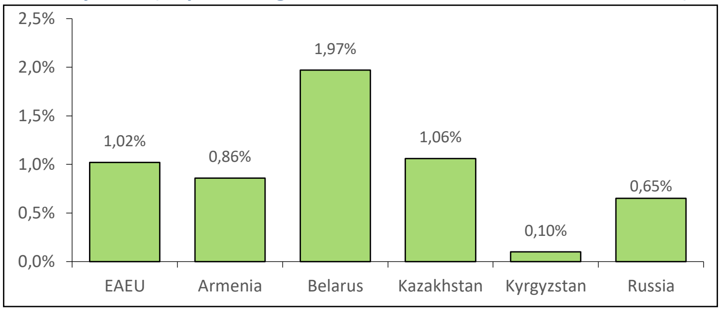
The volume of mutual trade in commodities of EAEU member-states in January-February 2021 amounted to USD 9 bil. or 106.8% against the same period of 2020.

**Table 3. Export volumes of the EAEU member-states in the mutual trade in January-February 2021**

| Countries | USD bil. | % vs January-February 2020 | Share in total, % |
|---|---|---|---|
| **EAEU** | **9044.4** | **106.8** | **100.0** |
| Armenia | 102.1 | 102.5 | 1.1 |
| Russia | 98.1 | 102.2 | 96.1 |
| Belarus | 2257.7 | 103.9 | 25.0 |
| Russia | 2137.5 | 104.4 | 94.7 |
| Kazakhstan | 892.6 | 99.8 | 9.9 |
| Russia | 795.9 | 101.4 | 89.2 |
| Kyrgyzstan | 93.6 | 82.9 | 1.0 |
| Russia | 53.0 | 77.5 | 56.6 |

Pharmaceutical products account for a small share in the structure of mutual trade (Figure 4).

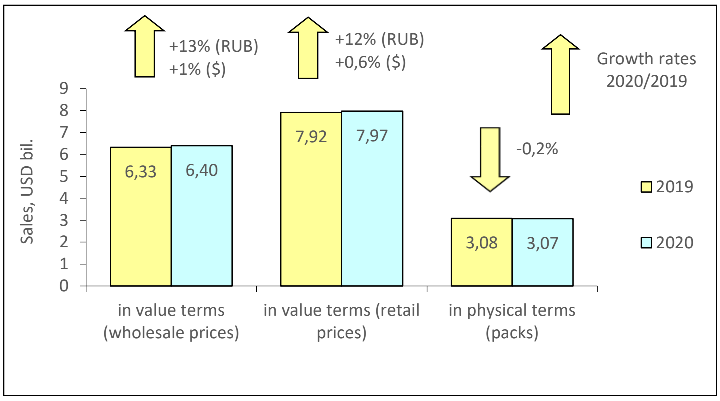
**Figure 4. The mutual trade pattern of EAEU member-states within the Customs Commodity Code group "Pharmaceutical products" for January-February 2021 (as percentage over the total volume of mutual trade)**



## PHARMACY OTC MARKET IN RUSSIA: 2020 RESULTS

According to the results of the Retail Audit of Over the Counter (OTC) Drugs in Russian Federation™, at year-end 2020 the sales of OTC drugs in physical terms in the pharmacies of Russia saw a 0.2% decrease to 3.074 bil. packs. In money terms, the OTC drugs market increased by 13% in rouble terms and by 1% in dollar terms and reached RUB 461.596 bil. (USD 6.398 bil.) in wholesale prices (Fig. 1). The share of Over the Counter (OTC) drugs accounted for 65.6% of sales in physical terms and 50.2% in retail prices in terms of roubles. At the end of 2020, the average cost of an OTC pack was USD 2.59 at retail prices, whereas in the year-earlier period its cost was USD 2.57. In the analysed period, Russians spent an average of USD 54.31 on the purchase of OTC drugs in the pharmacies.

### Figure 1. Russian OTC pharmacy market in 2019 – 2020




At the end of 2020, the top three manufacturers in the OTC market remained unchanged (Table 1). OTCPHARM retained and, thanks to a 45%[4] increase in sales, strengthened its rank number one, while STADA (-1%) and BAYER (+4%), which showed negative and low growth rates, continued to hold ranks two and three. SANOFI (+9%) and TEVA (+8%) also managed to hold their previous ranks five and seven. Five manufacturers changed their ranks, while two of them managed to raise in the ranks.

SANDOZ (+93%) moved up to rank four from eight, and VALENTA (+68%), the only newcomer of the top 10, moved up to rank eight from 12. At the same time, GLAXOSMITHKLINE (+3%) and JOHNSON&JOHNSON (+ 0.2%), which showed moderate sales growth, as well as BERLIN-CHEMIE / MENARINI (-5%), which reduced its sales, moved down to ranks six and two last ranks, respectively. The total share of the top 10 drug manufacturers accounted for 41.8%, while it was 41.0% in the year-earlier period.

### Table 1. The top ten drug manufacturers by pharmacy sales

| Rank in the top ten | | Manufacturer* | Share in total pharmacy sales, % | |
|---|---|---|---|---|
| 2020 | 2019 | | 2020 | 2019 |
| 1 | 1 | OTCPHARM | 8.2 | 6.4 |
| 2 | 2 | **STADA** | 5.3 | 6.0 |
| 3 | 3 | **BAYER** | 4.2 | 4.6 |
| 4 | 8 | **SANDOZ** | 4.0 | 3.5 |
| 5 | 5 | **SANOFI** | 3.9 | 4.1 |
| 6 | 4 | **GLAXOSMITHKLINE** | 3.9 | 4.3 |
| 7 | 7 | **TEVA** | 3.4 | 3.6 |
| 8 | 12 | VALENTA | 3.3 | 2.2 |
| 9 | 6 | **JOHNSON & JOHNSON** | 3.2 | 3.6 |
| 10 | 9 | **BERLIN-CHEMIE/MENARINI** | 2.4 | 2.8 |
| Total | | | 41.8 | 41.0 |

*AIPM members are in bold

The leaders of the top 10 brand names ranking were changed: antivirals INGAVIRIN and ARBIDOL, due to an increase in sales by 2.5 and 4.9 times, respectively, moved up to the top two ranks from ranks 8 and 38 (Table 2). At the same time, the second became one of three newcomers of the top ten. Another two newcomers that broke into the top ten ranking for the first time, LINEX (+35%) and ACC (+52%), rounded out the top ten. In addition to the above, the markets of another two brands, MIRAMISTIN (+21%) and PENTALGIN (+18%), which hold ranks five and six, developed at a faster pace. The remaining brands downgraded their rankings. THERAFLU (+12%) moved one rank down, to rank eight, and NUROFEN (+5%) and DETRALEX (+2%) moved two ranks down, coming in at ranks three and four, respectively. CARDIOMAGNYL brand (+8%) moved up from rank three to eight. The total share of the top 10 brands increased from 10.5% to 13.6%.

### Table 2. The top ten brands by pharmacy sales

| Rank in the top ten | | Brand | Share in total pharmacy sales, % | |
|---|---|---|---|---|
| 2020 | 2019 | | 2020 | 2019 |
| 1 | 8 | INGAVIRIN | 2.2 | 1.0 |
| 2 | 38 | ARBIDOL | 2.2 | 0.5 |
| 3 | 1 | NUROFEN | 1.4 | 1.5 |
| 4 | 2 | DETRALEX | 1.4 | 1.5 |
| 5 | 5 | MIRAMISTIN | 1.2 | 1.1 |
| 6 | 6 | PENTALGIN | 1.1 | 1.1 |
| 7 | 3 | CARDIOMAGNYL | 1.1 | 1.1 |
| 8 | 7 | THERAFLU | 1.1 | 1.1 |
| 9 | 11 | LINEX | 1.0 | 0.8 |
| 10 | 15 | ACC | 0.9 | 0.7 |
| Total | | | 13.6 | 10.5 |

Despite the change of leaders mentioned in the ranking above, XYLOMETAZOLINE (+0.4%) held its previous rank number one in the top ten INN and group ranking (Table 3). Some shifts took place in the lower part of the top ten ranking, which resulted in the fact that four INNs rose in the ranks. Among them are two newcomers, UMIFENOVIR (4.5-fold growth in sales) and INTERFERON ALFA-2B (2-fold growth), which moved up to ranks two and ten. IMIDAZOLYL ETHANAMIDE PENTANDIOIC ACID (2.5-fold growth) and MIRAMISTIN (+21%) moved up to ranks three and eight. At the same time, displaced DICLOFENAC (+16%) down one rank. Four laggards, IBUPROFEN (+6%), DIOSMIN*HESPERIDIN (+4%), PANCREATIN (+5%) and ACETYLSALICYLIC ACID*MAGNESIUM (+10%), moved down to ranks four through seven, respectively. The total share of the top ten ranking increased by almost 3 p.p. and achieved 18.3%.

### Table 3. The top 10 INNs and grouping names by pharmacy sales

| Rank | | INNs/Grouping Names | Share in total pharmacy sales, % | |
|---|---|---|---|---|
| 2020 | 2019 | | 2020 | 2019 |
| 1 | 1 | XYLOMETAZOLINE | 2.9 | 3.2 |
| 2 | 28 | UMIFENOVIR | 2.4 | 0.6 |
| 3 | 10 | IMIDAZOLYL ETHANAMIDE PENTANDIOIC ACID | 2.2 | 1.0 |
| 4 | 3 | IBUPROFEN | 2.1 | 2.2 |
| 5 | 2 | DIOSMIN*HESPERIDIN | 2.1 | 2.3 |
| 6 | 4 | PANCREATIN | 1.9 | 2.1 |
| 7 | 5 | ACETYLSALICYLIC ACID* MAGNESIUM | 1.2 | 1.2 |
| 8 | 9 | MIRAMISTIN | 1.2 | 1.1 |
| 9 | 8 | DICLOFENAC | 1.2 | 1.1 |
| 10 | 24 | INTERFERON ALFA-2B | 1.2 | 0.6 |
| Total | | | 18.3 | 15.5 |

J05 Antivirals for systemic use, which due to a 2.2-fold increase in sales, moved up to rank number one in the ranking from six, became the best-selling group in the OTC segment at the end of 2020 (Table 4). The group L03 Immunostimulants (+47%), which moved up to rank seven, and A11 Vitamins (+22%), which retained its previous rank eight, developed their markets at a fast pace. The market for the group N02 Analgesics (+17%) also developed at a fast pace, which allowed it to move up to rank two from three. R05 Cough and cold preparations (+11%) and M02 Topical products for joint and muscular pain (+9%) moved one rank up, coming in at numbers three and ten. At the same time, the less dynamic groups R01 Nasal preparations (+1%), C05 Vasoprotectives (+5%), A07 Antidiarreals, Intestinal Antiinflammatory / Antiinfective Agents (+4%) and M01 Anti-inflammatory and antirheumatic products (+8%) moved down to ranks four through six and nine, respectively. The share of the top ten ATC groups accumulated 50.0% of the market, whereas it was 3.4 p.p. less in the year-earlier period.

### Table 4. The top ten ATC Groups by pharmacy sales

| Rank | | ATC code | ATC group | Share in total pharmacy sales, % | |
|---|---|---|---|---|---|
| 2020 | 2019 | | | 2020 | 2019 |
| 1 | 6 | J05 | ANTIVIRALS FOR SYSTEMIC USE | 7.7 | 4.0 |
| 2 | 3 | N02 | ANALGESICS | 5.9 | 5.7 |
| 3 | 4 | R05 | COUGH AND COLD PREPARATIONS | 5.4 | 5.5 |
| 4 | 2 | C05 | VASOPROTECTIVES | 5.4 | 5.8 |
| 5 | 1 | R01 | NASAL PREPARATIONS | 5.3 | 6.0 |
| 6 | 5 | A07 | ANTIDIARR.,INTEST. ANTIINFL./ANTIINFECT. AGENTS | 4.9 | 5.3 |
| 7 | 9 | L03 | IMMUNOSTIMULANTS | 4.6 | 3.5 |
| 8 | 8 | A11 | VITAMINS | 3.8 | 3.6 |
| 9 | 7 | M01 | ANTIINFLAMMATORY AND ANTIRHEUMATIC PRODUCTS | 3.7 | 3.8 |
| 10 | 11 | M02 | TOPICAL PRODUCTS FOR JOINT AND MUSCULAR PAIN | 3.2 | 3.3 |
| Total | | | | 50.0 | 46.6 |

**Conclusion.** At year-end 2020, the OTC retail pharmacy market of Russia brought in RUB 575.047 bil. (USD 7.970 bil.). At the same time, behaviour was positive both in rouble (+12) and dollar (+0.6%) terms. In pack terms, the market reduced by 0.2% and amounted to 3.074 bil. packs. The average cost of an OTC-pack in the pharmacies of Russia was USD 2.59 based on the results of 2020, slightly exceeding the figure of 2019 (USD 2.57). The average expenses of Russian residents for the purchase of OTC drugs in pharmacies in the period under review increased to USD 54.31 vs. USD 53.98 in the year-earlier period.

[4]Hereinafter, unless otherwise stated, growth gains are stated in the rouble equivalent or national currency.

## QUARTER 1, 2021 PRICE ANALYSIS KEY PERFORMANCE INDICATORS

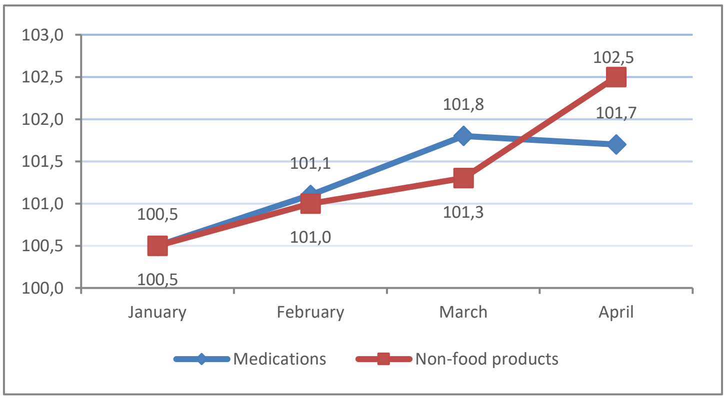
### *Price Indices*

**Table 1. Inflation rates in the Russian Federation, April 2021**

| | April 2021 vs. December 2020 | January-April 2021 vs April-December 2020 |
|---|---|---|
| CPI | 102.7 | 105.5 |
| CPI for non-food products | 102.5 | 105.7 |
| CPI for medications | 101.7 | 108.5 |

*Rosstat data*

**Figure 1. Movement of the price index for non-food items and drugs vs. December 2020**




*Rosstat data*

### *Indicators of movement of prices and retail margins (according to retail audit data)*

**Figure 2. Movement of weighted average prices and retail margins in Q 1, 2020 – Q 1, 2021**

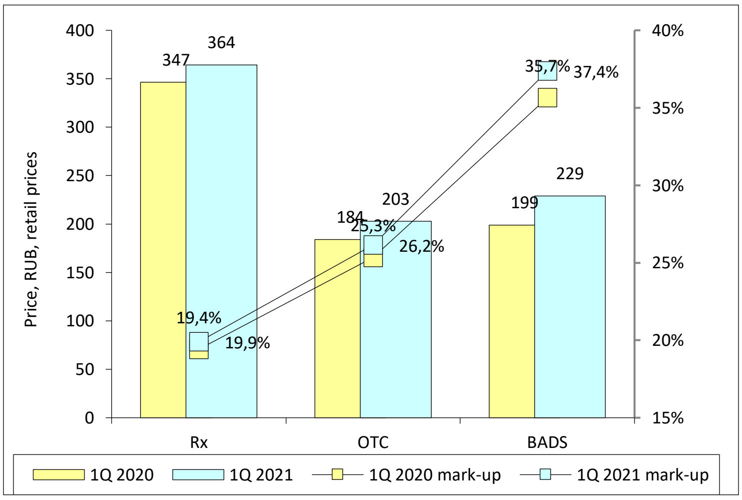



**Figure 3. Movement of weighted average prices and retail margins in 1Q, 2020 – 1Q, 2021**

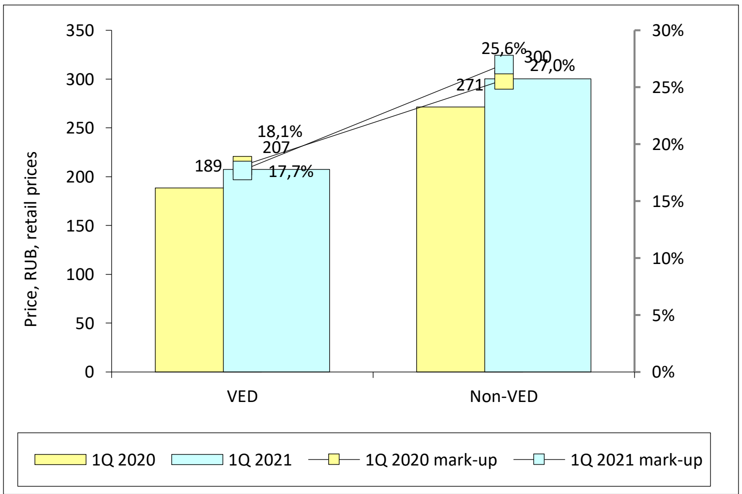
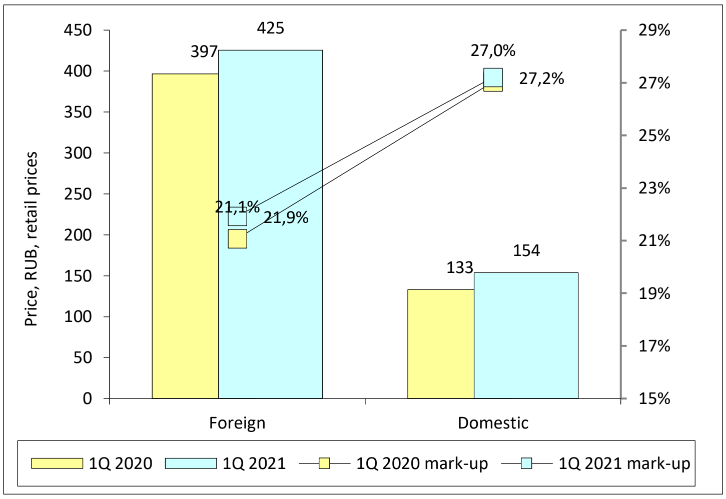



**Figure 4. Movement of weighted average prices and retail margins in 1Q, 2020 – 1Q, 2021**




### *Indicators of price movement in the reimbursable market segment*

**Figure 5. Movement of weighted average purchase prices in 1Q, 2020 – 1Q, 2021**

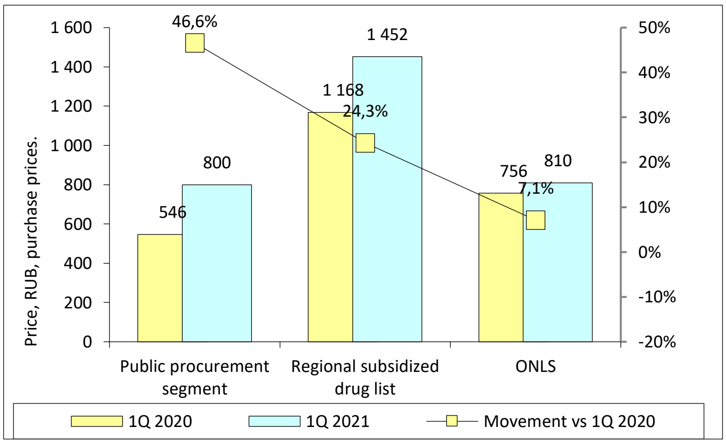



**Figure 6. Movement of weighted average purchase prices for domestic drugs in 1Q, 2020 - 1 Q, 2021**

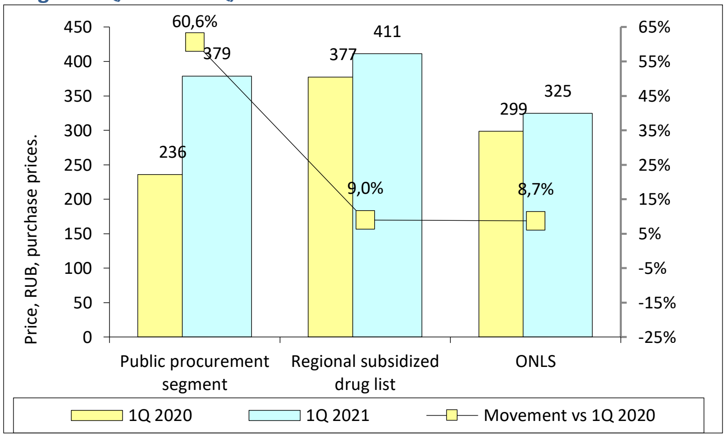
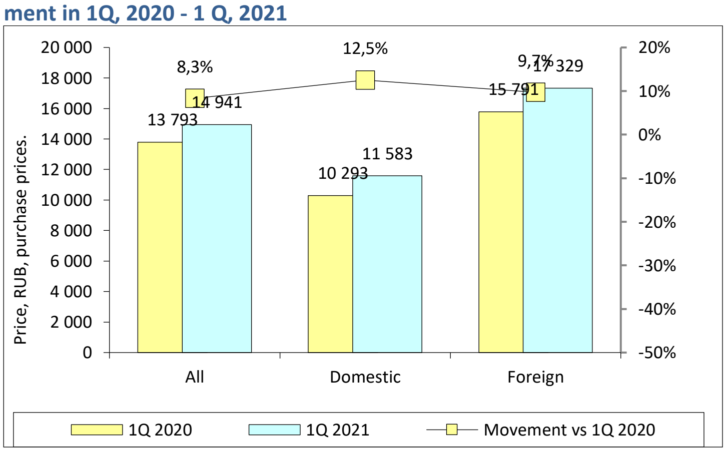



**Figure 7 Movement of weighted average purchase prices in the VZN segment in 1Q, 2020 - 1 Q, 2021**

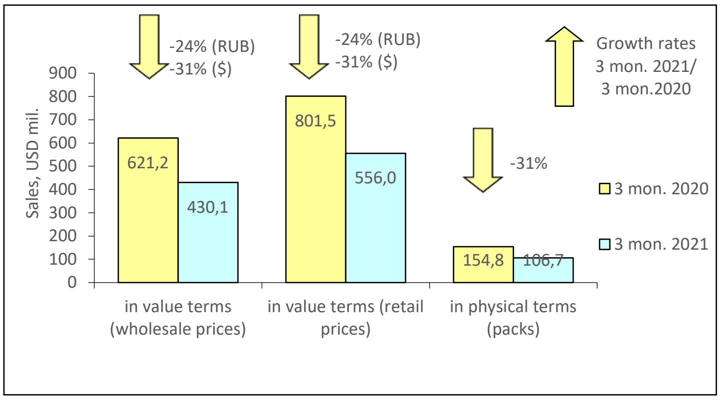


## MOSCOW CITY PHARMACY MARKET: FIRST THREE MONTHS RESULTS 2021

According to Federal State Statistics Service, as of January 1, 2021 Moscow's estimated population amounted to 12.655 mil., which accounted for 8.7% of the total Russian Federation population and 32.2% of the Central Federal District (CFD).

According to the results of the Retail Audit of Over-the-Counter Drugs (OTC) in Russian Federation™, the sales of OTC drugs in physical terms in the pharmacies of Moscow saw a 31% decrease to 106.696 mil. packs at the end of three months of 2021. In money terms, the market also showed negative growth rates both in rouble (-24%) terms, and in dollar terms (-31%), and reached RUB 31.964 bil. (USD 430.113 mil.) in wholesale prices (Fig. 1). The region market share accounted for 14.2% of the Russian pharmacy retail sales. An average retail cost of a pack accounted to USD 5.21 vs USD 5.18 in the respective period of the previous year. At Quarter I-end 2021, the average amount spent by residents of Moscow for medicinal drugs in pharmacies amounted to USD 43.94.

### Figure 1. Moscow pharmacy market for 3 months of 2020 – 3 months of 2021




BAYER (+4%) and SANOFI (-32%) continued to be the leading manufacturers of the top ten manufacturers ranking in the retail market of Moscow according to the results for the first three months of 2021 although the second has reduced its sales by almost a third (Table 1). Note that all the rest of the top ten manufactures also showed negative growth rates, however three of them managed to rise in the ranks. TEVA (-17%), BERLIN-CHEMIE/MENARINI (-12%) and ABBOTT (-25%) moved up to ranks three, five and six, respectively. At the same time, STADA (-31%), SERVIER (-32%), SANDOZ (-45%) and OTCPHARM (-38%) moved down to the lower part of the top ten ranking. GLAXOSMITHKLINE (-30%) held its previous rank four. In total, top ten manufacturers accumulated 36.0% of the market, whereas in the year-earlier period they accounted for 36.7%.

### Table 1. The top ten drug manufacturers by pharmacy sales

| Rank in the top ten | | Manufacturer* | Share in total pharmacy sales, % | |
|---|---|---|---|---|
| 3 mon. 2021 | 3 mon. 2020 | | 3 mon. 2021 | 3 mon. 2020 |
| 1 | 1 | **BAYER** | 6.6 | 4.8 |
| 2 | 2 | **SANOFI** | 4.3 | 4.8 |
| 3 | 8 | **TEVA** | 3.5 | 3.2 |
| 4 | 4 | **GLAXOSMITHKLINE** | 3.4 | 3.6 |
| 5 | 10 | **BERLIN-CHEMIE/MENARINI** | 3.3 | 2.9 |
| 6 | 7 | **ABBOTT** | 3.3 | 3.3 |
| 7 | 5 | **STADA** | 3.3 | 3.6 |
| 8 | 6 | **SERVIER** | 3.2 | 3.6 |
| 9 | 3 | **SANDOZ** | 2.7 | 3.8 |
| 10 | 9 | OTCPHARM | 2.5 | 3.1 |
| Total | | | 36.0 | 36.7 |

*AIPM members are in bold.

The leader of the top 10 brand names ranking was changed: XARELTO (+66%) moved up to rank one from two (Table 2). ELIQUIS falling into the same group moved up to rank two. Due to a 2.2-fold increase in sales, it moved up to this rank from 37 and became one of four newcomers of the top ten ranking. Other newcomers of the top ten ranking, HEPTRAL (+11%), NIMESIL (+3%) and CRESTOR (-27%) moved up to ranks four and two bottom ranks. CONCOR was able to move to the higher rank, although its sales decreased by 21%, while NUROFEN (-34%), CIALIS (-33%) and MIRAMISTIN (-66%), on the contrary, moved down to ranks five, seven and eight, respectively. DETRALEX (-27%) held its previous rank three. In total, the top-ten brands accumulated 8.7 % of pharmacy sales, in the year-earlier period – 7.4%.

### Table 2. The top ten brands by pharmacy sales

| Rank in the top ten | | Brand | Share in total pharmacy sales, % | |
|---|---|---|---|---|
| 3 mon. 2021 | 3 mon. 2020 | | 3 mon. 2021 | 3 mon. 2020 |
| 1 | 2 | XARELTO | 2.4 | 1.1 |
| 2 | 37 | ELIQUIS | 0.9 | 0.3 |
| 3 | 3 | DETRALEX | 0.8 | 0.9 |
| 4 | 16 | HEPTRAL | 0.7 | 0.5 |
| 5 | 4 | NUROFEN | 0.7 | 0.8 |
| 6 | 9 | CONCOR | 0.6 | 0.6 |
| 7 | 5 | CIALIS | 0.6 | 0.7 |
| 8 | 1 | MIRAMISTIN | 0.6 | 1.4 |
| 9 | 21 | NIMESIL | 0.6 | 0.4 |
| 10 | 11 | CRESTOR | 0.6 | 0.6 |
| Total | | | 8.7 | 7.4 |

Following the corresponding trade name, RIVAROXABAN (+66%) became the leader of the Top 10 INNs and group names, displacing XYLOMETAZOLINE (-30%) to rank two (Table 3). In addition to the leader, only one more INN from the top ten ranking showed positive growth rates. The newcomer APIXABAN (2.2-fold growth in sales) broke into the top ten ranking, moving up to rank nine. However, despite the decline in sales, another four INNs of the ranking were able to rise in the ranks. The composition DIOSMIN*HESPERIDIN (-14%), as well as INNs ROSUVASTATIN (-20%) and NIMESULIDE (-13%) moved two p.p. up. PANCREATIN (-22%) moved up to rank six from seven. In contrast, HYALURONIC ACID, which reduced sales by 34%, moved down from rank three to five, while IBUPROFEN (-25%) and BISOPROLOL (-20%) continued to hold their previous ranks eight and ten. The cumulative share of the top 10 under review increased by 2 p.p. to 12.1%.

### Table 3. The top 10 INNs and grouping names by pharmacy sales

| Rank | | INNs/Grouping Names | Share in total pharmacy sales, % | |
|---|---|---|---|---|
| 3 mon. 2021 | 3 mon. 2020 | | 3 mon. 2021 | 3 mon. 2020 |
| 1 | 4 | RIVAROXABAN | 2.4 | 1.1 |
| 2 | 1 | XYLOMETAZOLINE | 1.6 | 1.7 |
| 3 | 5 | DIOSMIN*HESPERIDIN | 1.2 | 1.1 |
| 4 | 6 | ROSUVASTATIN | 1.2 | 1.1 |
| 5 | 3 | HYALURONIC ACID | 1.0 | 1.2 |
| 6 | 7 | PANCREATIN | 1.0 | 1.0 |
| 7 | 9 | NIMESULIDE | 1.0 | 0.9 |
| 8 | 8 | IBUPROFEN | 0.9 | 1.0 |
| 9 | 44 | APIXABAN | 0.9 | 0.3 |
| 10 | 10 | BISOPROLOL | 0.8 | 0.8 |
| Total | | | 12.1 | 10.1 |

According to the results of the first quarter of 2021, the most dynamic group among the leaders B01 Anticoagulants (+28%), which moved up to rank number one from five, showed the largest sales in the region (Table 4). In addition to it, another six groups rose in the ranks, although their sales decreased. Thus, M01 Anti-inflammatory, and anti-rheumatic products moved up to rank three from four, A07 Antidiarrheals, intestinal anti-inflammatory /anti-infective agents moved up to rank three from four (-22% each). The newcomers of the top 10, G03 Sex hormones (-11%), N06 Psychoanaleptics (-15%), C05 Vasoprotectives (-13%) and A11 Vitamins (-11%) moved up to rank five, six, eight and nine, respectively. C09 Agents acting on the rennin-angiotensin system (-25%), R01 Nasal preparations (-35%) and N02 Analgesics (-27%) moved down to rank two, four and ten, respectively. The total share of the top ten brands accounted for 36.5% vs 33,4% in the year-earlier period.

### Table 4. The top ten ATC Groups by pharmacy sales

| Rank | | ATC code | ATC group | Share in total pharmacy sales, % | |
|---|---|---|---|---|---|
| 3 mon. 2021 | 3 mon. 2020 | | | 3 mon. 2021 | 3 mon. 2020 |
| 1 | 5 | B01 | ANTITHROMBOTIC AGENTS | 5.7 | 3.4 |
| 2 | 1 | C09 | AGENTS ACTING ON THE RENIN-ANGIOTENSIN SYSTEM | 4.6 | 4.7 |
| 3 | 4 | M01 | ANTIINFLAMMATORY AND ANTIRHEUMATIC PRODUCTS | 4.0 | 3.9 |
| 4 | 3 | R01 | NASAL PREPARATIONS | 3.9 | 4.6 |
| 5 | 12 | G03 | SEX HORMONES AND MODULATORS OF THE GENITAL SYSTEM | 3.3 | 2.8 |
| 6 | 11 | N06 | PSYCHOANALEPTICS | 3.1 | 2.8 |
| 7 | 9 | A07 | ANTIDIARR.,INTEST. ANTI-INFL./ANTIINFECT. AGENTS | 3.0 | 2.9 |
| 8 | 13 | C05 | VASOPROTECTIVES | 3.0 | 2.6 |
| 9 | 16 | A11 | VITAMINS | 2.9 | 2.5 |
| 10 | 8 | N02 | ANALGESICS | 2.9 | 3.1 |
| Total | | | | 36.5 | 33.4 |

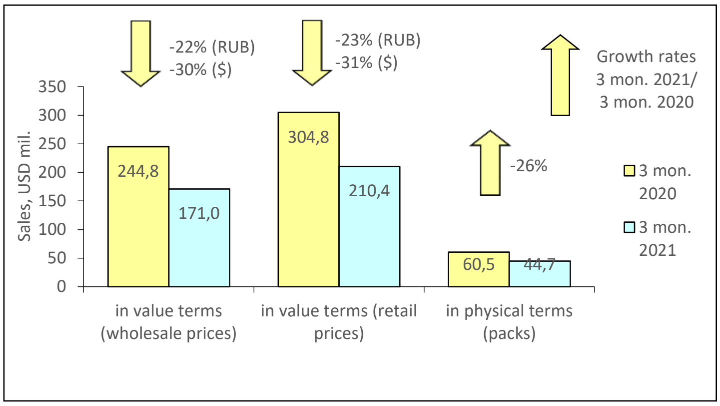
**Conclusion.** Based on the results for the first three months of 2021, the pharmacy market of Moscow brought in RUB 41.323 bil. (USD 556.036 mil.), which was 24% in terms of roubles and 31% in terms of dollars less than in the same period of 2020. In physical terms, the market reduced by 31% and amounted to 106.696 mil. packs. The average cost of an FPP pack in the city pharmacies based on the results for January-March of 2021 was USD 5.21, which was higher than 2020 figure (USE 5.18), and average figure across the country (USD 3.52). The average expenses of the regional residents for purchase of OTC drugs in pharmacies were also higher than the national average (USD 43.94 vs. USD 26.75).

## SAINT PETERSBURG PHARMACY MARKET: FIRST THREE MONTHS RESULTS 2021

According to Federal State Statistics Service, as of January 1, 2021 St. Petersburg's population was 5.384 mil., which accounted for 3.7% of the total Russian Federation population and 38.6% of North West FD (NWFD).

According to the results of the Retail Audit of FPP (Finished Pharmaceutical Products) in Russian Federation™, at the end of the first quarter of 2021 the sales of drugs in natural terms in St. Petersburg pharmacies saw a 26% decrease to 44.666 mil. packs. In value terms, the market saw a 22% decrease in terms of roubles and 30% in terms of dollars. At the same time, the volume of the market achieved RUB 12.709 bil. (USD 171.025 mil.) in wholesale prices (Fig. 1). The regional market share accounted for 5.4% of the Russian pharmacy sales (in terms of roubles). The average cost of an OTC pack in retail prices reduced as compared to the same period of 2020 (USD 5.04) and reached USD 4.71. The average amount spent by residents of the city for drugs in the pharmacies during January-March of 2021 amounted to USD 39.08.

### Figure 1. St. Petersburg pharmacy market for 3 months 2020 – 3 months 2021




BAYER (-16%) and SANDOZ (-33%) continue to remain the leaders in terms of retail sales in the St. Petersburg market based on the results for the first three months of 2021 (Table 1). Despite the negative growth rates, they held their own in the ranking, and the former even strengthened its positions by expanding its market share. Note that almost all manufacturers of the top ten ranking showed reduction in sales. At the same time, in addition to the leaders SERVIER (-22%) and STADA (-22%) managed to hold their previous ranks five and ten. BERLIN-CHEMIE / MENARINI, which reduced its sales by 5%, moved up to a higher rank three, and OTCPHARM (+ 8%) moved up to rank four. It was the only one in the top 10 ranking that showed positive growth rates and became its newcomer. SANOFI (-29%), ABBOTT (-28%), TEVA (-32%) and KRKA (-28%) moved up to ranks six through nine, respectively. The total share of the top 10 manufacturers increased from 38.9% to 39.2%.

### Table 1. The top ten drug manufacturers by pharmacy sales

| Rank in the top ten | | Manufacturer* | Share in total pharmacy sales, % | |
|---|---|---|---|---|
| 3 mon. 2021 | 3 mon. 2020 | | 3 mon. 2021 | 3 mon. 2020 |
| 1 | 1 | **BAYER** | 6.4 | 5.9 |
| 2 | 2 | **SANDOZ** | 4.2 | 4.9 |
| 3 | 8 | **BERLIN-CHEMIE/MENARINI** | 4.2 | 3.4 |
| 4 | 11 | OTCPHARM | 3.9 | 2.8 |
| 5 | 5 | **SERVIER** | 3.8 | 3.8 |
| 6 | 3 | **SANOFI** | 3.8 | 4.1 |
| 7 | 6 | **ABBOTT** | 3.3 | 3.6 |
| 8 | 4 | **TEVA** | 3.3 | 3.8 |
| 9 | 7 | **KRKA** | 3.3 | 3.5 |
| 10 | 10 | **STADA** | 3.1 | 3.2 |
| Total | | | 39.2 | 38.9 |

*AIPM members are in bold.

Three from the ten top brands on the regional market showed positive growth rates (Table 2). The newcomers ARBIDOL (+52%), NIMESIL (+1%) and PRADAXA (+45%) broke into the top ten ranking, coming in at ranks two, six and eight, respectively. Another newcomer, NOLIPREL, moved up to rank nine from 11, despite a 20% decline in sales. The brands DETRALEX (-9%), CONCOR and HEPTRAL (-21% each) also managed to move to the higher ranks three, four and seven. ELIQUIS (-39%) and LINEX (-33%), which reduced their sales by one third or more, lost three ranking points each and moved down to ranks five and ten, respectively. XARELTO brand (-38%) retained its previous rank number one despite a no less pronounced decrease in sales. The total share of the top ten ranking increased by 0.5 p.p. and achieved 7.9%.

### Table 2. The top ten brands by pharmacy sales

| Rank in the top ten | | Brand | Share in total pharmacy sales, % | |
|---|---|---|---|---|
| 3 mon. 2021 | 3 mon. 2020 | | 3 mon. 2021 | 3 mon. 2020 |
| 1 | 1 | XARELTO | 1.4 | 1.7 |
| 2 | 17 | ARBIDOL | 0.9 | 0.5 |
| 3 | 4 | DETRALEX | 0.9 | 0.8 |
| 4 | 6 | CONCOR | 0.7 | 0.7 |
| 5 | 2 | ELIQUIS | 0.7 | 0.9 |
| 6 | 15 | NIMESIL | 0.7 | 0.5 |
| 7 | 9 | HEPTRAL | 0.7 | 0.7 |
| 8 | 34 | PRADAXA | 0.7 | 0.4 |
| 9 | 11 | NOLIPREL | 0.6 | 0.6 |
| 10 | 7 | LINEX | 0.6 | 0.7 |
| Total | | | 7.9 | 7.4 |

The leader of the top ten INN and group names ranking has changed: the composition DIOSMIN*HESPERIDIN moved up to rank one from four due to 11% increase in sales (Table 3). At the same time, it displaced one rank down RIVAROXABAN (-38%), XYLOMETAZOLINE (-27%) and NIMESULIDE (-18%) that had headed the top ten ranking earlier. Note that in addition to the leader, another five INNs from the top ten ranking showed growth in sales. For instance, PANCREATIN (-13%), ROSUVASTATIN (-7%), BISOPROLOL and ATORVASTATIN (-20% each) moved up to ranks five, six, eight and nine, respectively. The only newcomer of the top 10 UMIFENOVIR (+52%) broke into the ranks of the top ten, coming in at number seven. IBUPROFEN (-36%) rounded out the top ten ranking, moving down to rank ten from five. In total, the top ten INNs and group names accounted for 10.8% against 10.1% in the year-earlier period.

### Table 3. The top 10 INNs and grouping names by pharmacy sales

| Rank | | INNs/Grouping Names | Share in total pharmacy sales, % | |
|---|---|---|---|---|
| 3 mon. 2021 | 3 mon. 2020 | | 3 mon. 2021 | 3 mon. 2020 |
| 1 | 4 | DIOSMIN*HESPERIDIN | 1.4 | 1.0 |
| 2 | 1 | RIVAROXABAN | 1.4 | 1.7 |
| 3 | 2 | XYLOMETAZOLINE | 1.3 | 1.4 |
| 4 | 3 | NIMESULIDE | 1.1 | 1.0 |
| 5 | 6 | PANCREATIN | 1.1 | 1.0 |
| 6 | 8 | ROSUVASTATIN | 1.1 | 0.9 |
| 7 | 31 | UMIFENOVIR | 0.9 | 0.5 |
| 8 | 9 | BISOPROLOL | 0.9 | 0.9 |
| 9 | 10 | ATORVASTATIN | 0.8 | 0.8 |
| 10 | 5 | IBUPROFEN | 0.8 | 1.0 |
| Total | | | 10.8 | 10.1 |

C09 Agents acting on the rennin-angiotensin system (-21%), M01 Anti-inflammatory and antirheumatic products (-25%) and B01 Antithrombotic agents (-26%) remained the bestselling groups on the regional market based on the results for the first quarter (Table 4). G03 Sex hormones (-11%), which had been placed at number seven, moved up to rank four. The other two groups moved up to yet higher ranks: The newcomers C05 Vasoprotectives (-10%) and A11 Vitamins (+9%), which broke into the top ten for the first time, moved up to ranks seven and eight, respectively. At the same time, they displaced R01 Nasal preparations (-33%) and J05 Antivirals for systemic use (-30%) and J01 Antibacterials for systemic use (-24%) one rank down. The group R05 Cough and cold preparations (-41%) showed the strongest reduction in sales and moved down to rank ten, having lost four ranks. The total share of top ten ATC groups reduced by 0.3 p.p. and achieved 38%.

### Table 4. The top ten ATC Groups by pharmacy sales

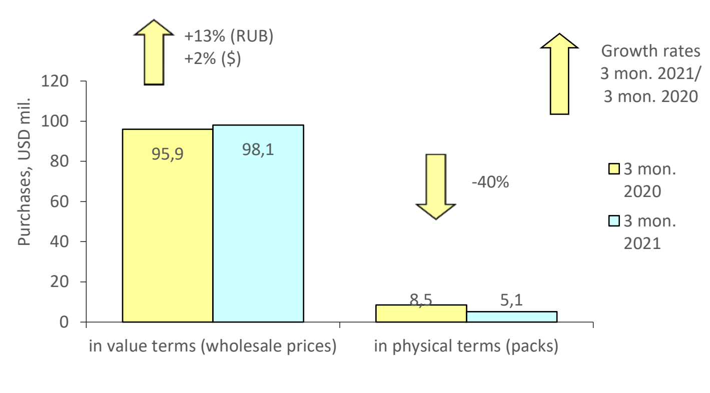
| Rank | | ATC code | ATC group | Share in total pharmacy sales, % | |
|---|---|---|---|---|---|
| 3 mon. 2021 | 3 mon. 2020 | | | 3 mon. 2021 | 3 mon. 2020 |
| 1 | 1 | C09 | AGENTS ACTING ON THE RENIN-ANGIOTENSIN SYSTEM | 5.9 | 5.9 |
| 2 | 2 | M01 | ANTIINFLAMMATORY AND ANTIRHEUMATIC PRODUCTS | 4.4 | 4.6 |
| 3 | 3 | B01 | ANTITHROMBOTIC AGENTS | 4.3 | 4.5 |
| 4 | 7 | G03 | SEX HORMONES AND MODULATORS OF THE GENITAL SYSTEM | 4.0 | 3.5 |
| 5 | 4 | R01 | NASAL PREPARATIONS | 3.5 | 4.0 |
| 6 | 5 | J05 | ANTIVIRALS FOR SYSTEMIC USE | 3.4 | 3.8 |
| 7 | 11 | C05 | VASOPROTECTIVES | 3.3 | 2.8 |
| 8 | 16 | A11 | VITAMINS | 3.2 | 2.3 |
| 9 | 8 | J01 | ANTIBACTERIALS FOR SYST USE | 3.1 | 3.2 |
| 10 | 6 | R05 | COUGH AND COLD PREPARATIONS | 2.9 | 3.7 |
| Total | | | | 38.0 | 38.3 |

**Conclusion.** At the end of January-March of 2021, the pharmacy market of St Petersburg brought in RUB 15.637 bil. (USD 210.428 mil.) at retail prices. As compared with the same period of last year, the market saw a 23% sales decrease in terms of roubles, and 31% in terms of dollars. In natural terms, the sales decreased by 26% and amounted to 44.666 mil. packs. At the end of the first quarter of 2021, the average cost of an FPP pack in the city pharmacies was USD 4.71, which was lower than in the year-earlier period (USD 5.04), but more than the national average (USD 3.52). The average medicine expenses of St. Petersburg residents in the pharmacies were higher than the national average expenses in Russia (USD 39.08 vs. USD 26.75).

## MOSCOW CITY HOSPITAL MARKET: FIRST THREE MONTHS RESULTS 2021

According to the results of the Budget Audit of Finished Pharma Products (FFP) in the Russian Federation (without DLO and regional subsidized drug list), at the end of the first three months of 2021 the Moscow public procurement segment in physical terms reduced by 40% as compared to the same period in 2020 and amounted to 5.140 mil. packs. In money terms, the segment showed positive growth rates both in terms of roubles (+13%) and in terms of dollars (+2%) and reached RUB 7.288 bil. (USD 98.061 mil.) in wholesale prices. At the end of the first quarter of 2021, the average cost of an FPP pack in the public procurement segment of Moscow was USD 19.08, whereas in the year-earlier period its cost was USD 11.24.

**Figure 1. Moscow pharmacy market for 3 months of 2020 – 3 months 2021**




According to the results for January-March 2021, the biotechnological company AVEXIS, which accounted for more than 10% of purchases, broke into the top 10 manufacturers of the public procurement segment of Moscow, coming in at rank number one (Table 1). In addition, another two newcomers entered the top-10 ranking. JOHNSON&JOHNSON (3.1-fold increase in purchases) and R-PHARM (27-fold growth) moved up to ranks seven and nine. The markets of BRISTOL MYERS (2.1-fold growth), BIOCAD (+97%) and PFIZER (2.3-fold growth) developed at a fast pace, moving up to ranks two, five and six, respectively, as well as ROCHE, which retained its rank three (+63%). Three INNs with low and negative sales growth: MSD (+5%), ABBVIE (+0,3%) and BAYER (-12%) moved down to ranks four, eight and ten. In total, based on the results for the first quarter of 2021, the top ten manufacturers accumulated 57.3% of the segment, while in the year-earlier period they accounted for 31.5%.

**Table 1. Top ten manufacturers of the public procurement segment**

| Rank in the top ten | | Manufacturer* | Share in total public procurement segment, % | |
|---|---|---|---|---|
| 3 mon. 2021 | 3 mon. 2020 | | 3 mon. 2021 | 3 mon. 2020 |
| 1 | N/A | **AVEXIS** | 10.3 | N/A |
| 2 | 4 | **BRISTOL MYERS SQU** | 8.3 | 4.4 |
| 3 | 3 | **ROCHE** | 6.8 | 4.7 |
| 4 | 2 | **MSD** | 6.6 | 7.1 |
| 5 | 7 | BIOCAD RF | 5.8 | 3.3 |
| 6 | 8 | **PFIZER** | 5.7 | 2.8 |
| 7 | 14 | **JOHNSON & JOHNSON** | 3.7 | 1.4 |
| 8 | 5 | **ABBVIE** | 3.7 | 4.2 |
| 9 | 47 | **R-PHARM** | 3.5 | 0.1 |
| 10 | 6 | **BAYER** | 2.7 | 3.4 |
| Total | | | 57.3 | 31.5 |

*AIPM members are in bold.

The newcomer ZOLGENSMA topped the top ten brands ranking (Table 2). Due to 2.6-fold growth in purchases, OPDIVO brand moved up to rank two from three. At the same time, they displaced the former leading, but less dynamic brands KEYTRUDA (+36%) and SYNAGIS (+11%) two ranks down. Another four newcomers of the top ten ranking moved up to ranks five, six, eight and ten. These are PREVENAR (4.1-fold growth in purchases), SPINRAZA (26-fold growth), ARTLEGIA and AVEGRA (+85%). Despite the high growth rates, displaced brands KADCYLA (+85%) and PERJETA (+60%) lowered their rankings, moving down to ranks seven and nine. The total share of the top 10 increased by more than trice and reached 39.2%.

**Table 2. The top 10 brands by public procurement segment volume**

| Rank in the top ten | | Brand | Share in total public procurement segment, % | |
|---|---|---|---|---|
| 3 mon. 2021 | 3 mon. 2020 | | 3 mon. 2021 | 3 mon. 2020 |
| 1 | N/A | ZOLGENSMA | 10.3 | N/A |
| 2 | 3 | OPDIVO | 7.3 | 3.1 |
| 3 | 1 | KEYTRUDA | 4.0 | 3.4 |
| 4 | 2 | SYNAGIS | 3.2 | 3.2 |
| 5 | 17 | PREVENAR 13 | 2.9 | 0.8 |
| 6 | 43 | SPINRAZA | 2.8 | 0.1 |
| 7 | 5 | KADCYLA | 2.6 | 1.6 |
| 8 | N/A | ARTLEGIA | 2.4 | N/A |
| 9 | 4 | PERJETA | 2.3 | 1.6 |
| 10 | 16 | AVEGRA BIOCAD | 1.4 | 0.8 |
| Total | | | 39.2 | 14.7 |

The top ten INN and generic names ranking has been half updated (Table 3). ONASEMNOGENE ABEPARVOVEC became its leader as well as the corresponding brand. Another four newcomers, VACCINE, PNEUMOCOCCAL CONJUGATE (4.1-fold growth in purchases), NUSINERSEN (26-fold growth), OLOKIZUMAB and TRASTUZUMAB (2-fold growth), moved to ranks five, six, eight and ten, respectively. Due to 2.6-fold increase in purchases, NIVOLUMAB moved one rank up, coming in at number two. PEMBROLIZUMAB (+36%) and PALIVIZUMAB (+11%), which had headed the top ten ranking earlier, moved up to ranks three and four, being displaced by more dynamic names. PERTUZUMAB (+60%) also lost three ranking points. And only TRASTUZUMAB EMTANSINE (+85%) held its previous rank seven. The total share of the top ten ranking under consideration accounted for 39.6% vs 14.8% in the year-earlier period.

**Table 3. The top 10 INNs and grouping names by public procurement segment volume**

| Rank | | INNs/Grouping Names | Share in total public procurement segment, % | |
|---|---|---|---|---|
| 3 mon. 2021 | 3 mon. 2020 | | 3 mon. 2021 | 3 mon. 2020 |
| 1 | N/A | ONASEMNOGENE ABEPARVOVEC | 10.3 | N/A |
| 2 | 3 | NIVOLUMAB | 7.3 | 3.1 |
| 3 | 1 | PEMBROLIZUMAB | 4.0 | 3.4 |
| 4 | 2 | PALIVIZUMAB | 3.2 | 3.2 |
| 5 | 20 | VACCINE, PNEUMOCOCCAL CONJUGATE | 2.9 | 0.8 |
| 6 | 44 | NUSINERSEN | 2.8 | 0.1 |
| 7 | 7 | TRASTUZUMAB EMTANSINE | 2.6 | 1.6 |
| 8 | N/A | OLOKIZUMAB | 2.4 | N/A |
| 9 | 6 | PERTUZUMAB | 2.3 | 1.6 |
| 10 | 15 | TRASTUZUMAB | 1.7 | 0.9 |
| Total | | | 39.6 | 14.8 |

L01 Antineoplastic drugs (+69%), as well as the newcomer M09 Other drugs for disorders of the musculo-skeletal system (113-fold increase in purchases) and L04 Immunosuppressants (3.1-fold growth), became the leaders in the top ten ATC groups ranking (+69%) (Table 4). Another newcomer, L02 Endocrine therapy (+42%), rounded out the top ten ranking. Groups J01 Antibacterials for systemic use (+8%) and B01 Antithrombotic agents (+98%) also showed positive growth rates. At the same time, the former lost one p.p. and moved down to rank four, while the latter moved up to rank five from eight. The groups J07 Vaccines (-76%), J06 Immune sera and immunoglobulins (-22%), B05 Blood substitutes and perfusion solutions (-10%) and V08 Contrast media (-28%) that reduced their purchases in the analysed period moved down to the ranks six through nine, respectively. The total share of the top ten ranking increased by 7.5 p.p. to 81.5%.

**Table 4. The top 10 brands by public procurement segment volume**

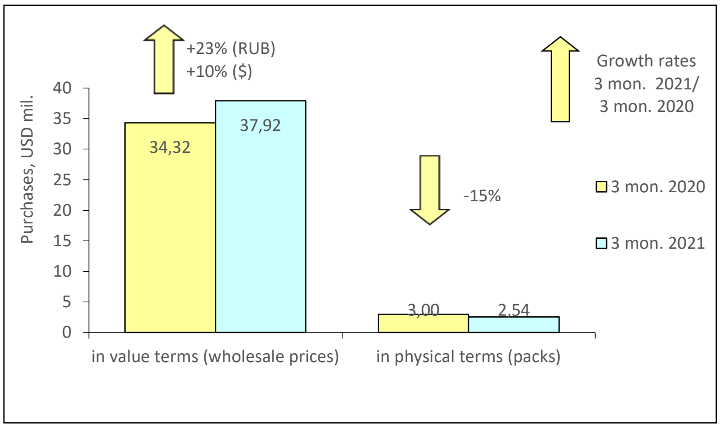
| Rank | | ATC code | ATC group | Share in total public procurement segment, % | |
|---|---|---|---|---|---|
| 3 mon. 2021 | 3 mon. 2020 | | | 3 mon. 2021 | 3 mon. 2020 |
| 1 | 2 | L01 | ANTINEOPLASTIC AGENTS | 31.3 | 20.9 |
| 2 | 44 | M09 | OTHER DRUGS FOR DISORD. OF THE MUSCULO-SKELET.SYST | 13.2 | 0.1 |
| 3 | 11 | L04 | IMMUNOSUPPRESSANTS | 6.9 | 2.5 |
| 4 | 3 | J01 | ANTIBACTERIALS FOR SYST USE | 6.7 | 6.9 |
| 5 | 8 | B01 | ANTITHROMBOTIC AGENTS | 5.0 | 2.9 |
| 6 | 1 | J07 | VACCINES | 4.8 | 22.9 |
| 7 | 4 | J06 | IMMUNE SERA & IMMUNOGLOBULIN | 4.7 | 6.9 |
| 8 | 5 | B05 | PLASMA SUBSTITUTES AND PERFUSION SOLUTIONS | 4.6 | 5.8 |
| 9 | 7 | V08 | CONTRAST MEDIA | 2.2 | 3.4 |
| 10 | 13 | L02 | ENDOCRINE THERAPY | 2.1 | 1.7 |
| Total | | | | 81.5 | 74.0 |

**Conclusion**. Based on the results for the first quarter of 2021, the Moscow public procurement segment grew by 13% in rouble terms and by 2% in dollar terms and brought in RUB 7.288 bil. (USD 98.061 mil.). In physical terms, the market reduced by 40% and amounted to 5.140 mil. packs. Based on the results for January-March of 2021, the average cost of an FPP pack in the public procurement segment of Moscow was USD 19.08, whereas in the year-earlier period it was USD 11.24.

## SAINT PETERSBURG HOSPITAL MARKET: FIRST THREE MONTHS RESULTS 2021

According to the results of the Budget Audit of FPPs in the Russian Federation (without DLO and regional subsidized drug list), in the first quarter of 2021 the St. Petersburg public procurement segment reduced by 15% in physical terms and amounted to 2.538 mil. packs. In money terms, the hospital purchases growth rates were positive both in terms of roubles (+23%) and in terms of dollars (+10%), and its volume amounted to RUB 2.818 bil. (USD 37.925 mil.) in wholesale prices. Based on the results for January-March 2021, the average cost of an FPP pack in the city hospitals was USD 14.94, whereas in the year-earlier period it was USD 11.43.

**Figure 1. St. Petersburg hospital market for 3 months 2020 – 3 months 2021**




Four newcomers broke into the top ten INN and group names ranking in the St. Petersburg public procurement segment based on the results for three months of 2021 (Table 1). R-PHARM (22-fold growth in purchases, AVEXIS, PROMOMED (17-fold growth) and AMGEN (+71%) moved up to ranks four, six and the bottom ranks, respectively. In addition, another four manufacturers moved up to yet higher ranks. ROCHE and BRISTOL MYERS (+93% each) moved up to the top ranks, and BIOCAD (+53%) and BAYER (+37%) moved up to rank five and eight. In contrast, the manufacturers MSD (+23%) and PFIZER (+32%) moved down to the lower ranks three and seven. The total share of the top 10 manufacturers increased from 32.3% to 54.7%.

**Table 1. The top 10 brands by public procurement segment volume**

| Rank in the top ten | | Manufacturer* | Share in total public procurement segment, % | |
|---|---|---|---|---|
| 3 mon. 2021 | 3 mon. 2020 | | 3 mon. 2021 | 3 mon. 2020 |
| 1 | 2 | **ROCHE** | 8.9 | 5.7 |
| 2 | 3 | **BRISTOL MYERS SQU** | 8.4 | 5.3 |
| 3 | 1 | **MSD** | 6.9 | 6.9 |
| 4 | 44 | **R-PHARM** | 5.6 | 0.3 |
| 5 | 7 | BIOCAD RF | 5.6 | 4.5 |
| 6 | N/A | **AVEXIS** | 5.3 | N/A |
| 7 | 6 | **PFIZER** | 4.9 | 4.5 |
| 8 | 9 | **BAYER** | 3.5 | 3.1 |
| 9 | 46 | PROMOMED | 3.2 | 0.2 |
| 10 | 15 | **AMGEN** | 2.5 | 1.8 |
| Total | | | 54.7 | 32.3 |

*AIPM members are in bold.

Six newcomers broke into the ranks of the top ten brands ranking (Table 2). ZOLGENSMA, CORONAVIR, KADCYLA (2.9-fold growth in purchases), AREPLIVIR, ARTLEGIA and PREVENAR 13 (8.1-fold growth) moved up to rank two, four through six, as well as eight and nine, respectively. At the same time, they displaced KEYTRUDA (2.4fold growth) and VECTIBIX (+68%) despite the outperforming purchases growth of these brands. OPDIVO held and reinforced its previous rank number one due to 2.6-fold growth in purchases (Table 2). In total, the top ten brands accounted for 35.5% of the regional public procurement segment, whereas in the year-earlier period their share was 10.3%.

**Table 2. The top 10 brands by public procurement segment volume**

| Rank in the top ten | | Brand | Share in total public procurement segment, % | |
|---|---|---|---|---|
| 3 mon. 2021 | 3 mon. 2020 | | 3 mon. 2021 | 3 mon. 2020 |
| 1 | 1 | OPDIVO | 6.8 | 3.2 |
| 2 | N/A | ZOLGENSMA | 5.3 | N/A |
| 3 | 2 | KEYTRUDA | 5.3 | 2.7 |
| 4 | N/A | CORONAVIR | 3.2 | N/A |
| 5 | 11 | KADCYLA | 3.2 | 1.3 |
| 6 | N/A | AREPLIVIR | 3.0 | N/A |
| 7 | 8 | PERJETA | 2.3 | 1.4 |
| 8 | N/A | ARTLEGIA | 2.3 | N/A |
| 9 | 28 | PREVENAR 13 | 2.1 | 0.3 |
| 10 | 7 | VECTIBIX | 1.9 | 1.4 |
| Total | | | 35.5 | 10.3 |

Just as the corresponding brand, INN NIVOLUMAB (2.6-fold growth in purchases) held and strengthened its previous rank number one in the top ten INNs and grouping names ranking (Table 3). Some shifts took place in the bottom part of the top 10 ranking, including appearance of six newcomers. Thus, the newcomers FAVIPIRAVIR and ONASEMNOGENE ABEPARVOVEC broke into the top-10, displacing PEMBROLIZUMAB (2.4-fold growth in purchases) from rank two to four. TRASTUZUMAB EMTANSINE (2.9-fold growth), OLOKIZUMAB, as well as VACCINE, PNEUMOCOCCAL CONJUGATE (8.1-fold growth) and ENOXAPARIN SODIUM (4-fold growth) moved to ranks seven through nine, respectively. In addition to the newcomers, PERTUZUMAB (2.1-fold growth) moved up to the higher rank six. PANITUMUMAB (+68%), which moved down from rank eight, rounded out the top ten ranking. The total share accumulated by the top-ten INNs and grouping names increased from 10.9% to 38.0%.

**Table 3. The top 10 INNs and grouping names by public procurement segment volume**

| Rank | | INNs/Grouping Names | Share in total public procurement segment, % | |
|---|---|---|---|---|
| 3 mon. 2021 | 3 mon. 2020 | | 3 mon. 2021 | 3 mon. 2020 |
| 1 | 1 | NIVOLUMAB | 6.8 | 3.2 |
| 2 | N/A | FAVIPIRAVIR | 6.7 | N/A |
| 3 | N/A | ONASEMNOGENE ABEPARVOVEC | 5.3 | N/A |
| 4 | 2 | PEMBROLIZUMAB | 5.3 | 2.7 |
| 5 | 11 | TRASTUZUMAB EMTANSINE | 3.2 | 1.3 |
| 6 | 10 | PERTUZUMAB | 2.3 | 1.4 |
| 7 | N/A | OLOKIZUMAB | 2.3 | N/A |
| 8 | 31 | VACCINE, PNEUMOCOCCAL CONJUGATE | 2.1 | 0.3 |
| 9 | 21 | ENOXAPARIN SODIUM | 2.0 | 0.6 |
| 10 | 8 | PANITUMUMAB | 1.9 | 1.4 |
| Total | | | 38.0 | 10.9 |

L01 Antineoplastic agents (+32%) and J05 Antivirals for systemic use (-24%) remained the leaders of the top 10 ATC groups (Table 4). Four ATC groups with high sales rates rose in the ranks. These were B01 Antithrombotic agents and L04 Immunosuppressants that increased their purchases 4 times and moved up to ranks three and four, as well as the newcomers M09 Other drugs for disorders of the musculo-skeletal system (96-fold growth in purchases) and L03 Immunostimulants (5.1-fold growth). The less dynamic J01 Antibacterials for systemic use (+7%), as well as those that showed negative growth rates B05 Blood substitutes and perfusion solutions (-15%), J07 Vaccines (-33%) and V08 Contrast media (-50%), on the contrary, moved down to the lower ranks, five and seven through nine, respectively. In total, the top ten ATC groups accumulated 84.5% of the regional market, whereas in the year-earlier period - 78.4%.

**Table 4. The top 10 brands by public procurement segment volume**

| Rank | | ATC code | ATC group | Share in total public procurement segment, % | |
|---|---|---|---|---|---|
| 3 mon. 2021 | 3 mon. 2020 | | | 3 mon. 2021 | 3 mon. 2020 |
| 1 | 1 | L01 | ANTINEOPLASTIC AGENTS | 34.4 | 31.9 |
| 2 | 2 | J05 | ANTIVIRALS FOR SYSTEMIC USE | 10.4 | 16.7 |
| 3 | 7 | B01 | ANTITHROMBOTIC AGENTS | 8.9 | 2.7 |
| 4 | 8 | L04 | IMMUNOSUPPRESSANTS | 7.5 | 2.4 |
| 5 | 3 | J01 | ANTIBACTERIALS FOR SYST USE | 6.4 | 7.3 |
| 6 | 49 | M09 | OTHER DRUGS FOR DISORD. OF THE MUSCULO-SKELET.SYST | 5.3 | 0.1 |
| 7 | 4 | B05 | PLASMA SUBSTITUTES AND PERFUSION SOLUTIONS | 4.0 | 5.7 |
| 8 | 5 | J07 | VACCINES | 3.1 | 5.7 |
| 9 | 6 | V08 | CONTRAST MEDIA | 2.2 | 5.4 |
| 10 | 21 | L03 | IMMUNOSTIMULANTS | 2.2 | 0.5 |
| Total | | | | 84.5 | 78.4 |

**Conclusion**. At the end of three months of 2021, the St. Petersburg public procurement segment increased by 23% in terms of roubles and by 10% in terms of dollars. Its volume was equal to RUB 2.818 bil. (USD 37.925 mil.). In pack terms, the market showed negative growth rates (-15%) and amounted to 2.538 mil. packs. At the end of the first quarter of 2021, the average cost of an FPP pack in the public procurement segment was higher than that in the year-earlier period (USD 14.94 vs. USD 11.43)