



MKB

IFRS Results 9m2024

November, 2024

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MKB at a glance

MKB is TOP-6 largest bank in Russia by total assets, and it is included in the list of systemically important financial institutions approved by the Central Bank of the Russian Federation.

TOP-6

Bank in Russia by total assets

5.1

trillion ₺

Total Assets
as of September 30, 2024

93

branches

All over the country

32 years

in the Russian financial market. Founded in 1992

356.9

billion ₺

Total Capital
as of September 30, 2024

12.5%

ROE

Return on Equity
as of September 30, 2024

A universal bank with a focus on corporate customers

 **"Gold" in ranking of the best employers in Russia, 2024**
Forbes

High reliability ratings

A+(RU) ACRA Rating Agency

ruA+ Expert RA

AA- China Lianhe Credit Rating

ESG-II (c) Expert RA

AA [esg] RAEX



Universal Banking Platform with Corporate Relationships at it's core

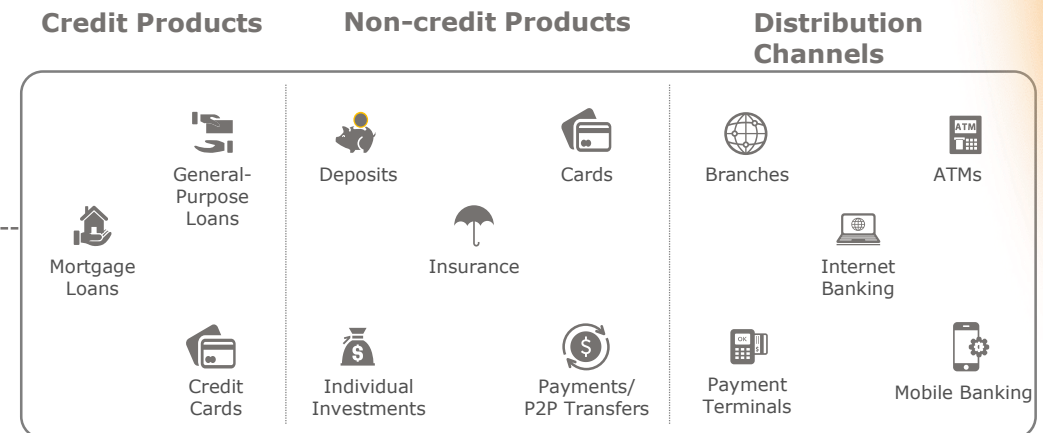
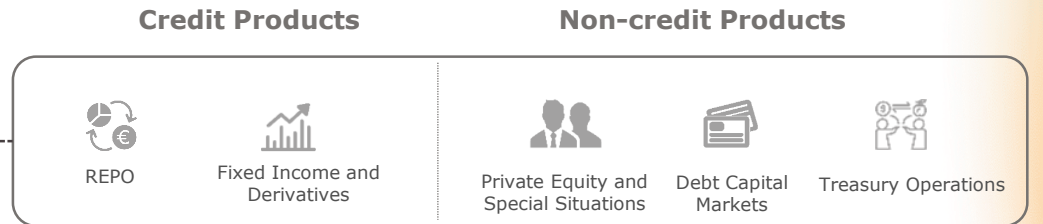
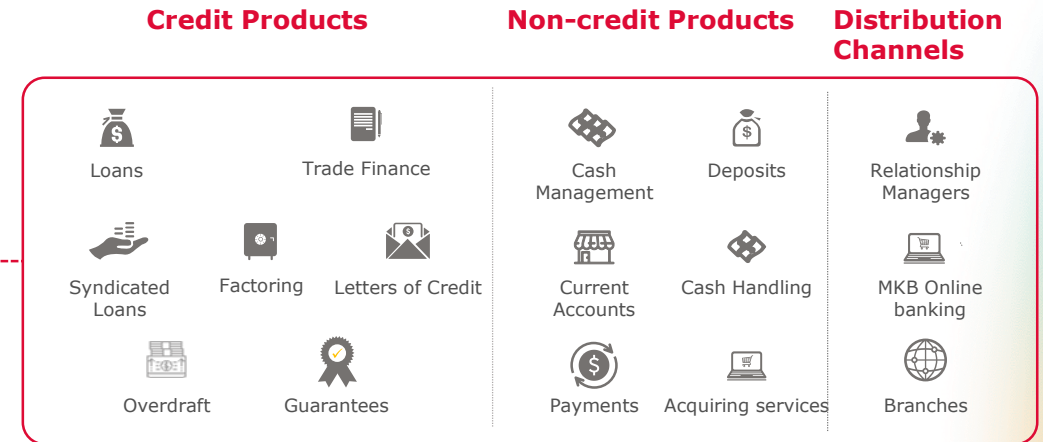
Share of business segments in the Bank's operating income



Corporate Banking 55%

Investment Banking 25%

Retail Banking 20%



Corporate banking: focus on key players

Coverage and strategy



Target large companies from **15 diverse industries**



Focus on Risk-Adjusted Return on Capital and **fee-based value-added services**



>75% of corporate clients are **multiproduct** relationships

Fee-based products development and international footprint



Active development of trade and documentary business in 2023

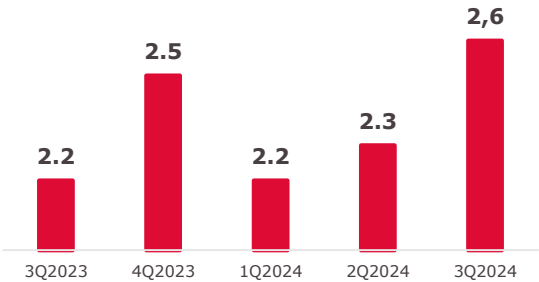


Global correspondent network and tailored **cash management** solutions



Ecosystem development for residential construction companies

Fee and commission income from guarantees and letters of credit
RUB bln



Current performance of corporate strategy

Active large and medium-sized corporate clients

9m2024 vs 2023

+14%

3.0%

NPL (90+) for the corporate loan portfolio based on the results of 9m2024

TOP-1 in the ranking by volume of the total international factoring portfolio 2023



TOP-6 in working with wealthy clients according to Forbes 2023



Investment Banking: diversified product range

Full range of investment banking services



Debt capital markets

- One of the key touching points in building long-term sustainable multiproduct relationships with corporates



Money market operations / Bond Portfolio Management

- In addition to OFZs, the Bank purchased high-quality corporate bonds from the Lombard List of the CBR, mainly with a floating coupon. This allowed to reduce interest rate risk against the backdrop of rising interest rates



International development

- Support for customer activities abroad, trade operations and customer support, chains of international cooperation in the markets of Southeast Asia and the Middle East



Fixed income and derivatives

- MKB-Exchange: Electronic trading platform for concluding conversion transactions with a bank in real time



Private equity and special situations

- M&A, pre-IPO financing and private equity



Repurchase agreements

- Stable source of income with close to zero capital requirements

Strong positioning in DCM in Russia



Market Share 5.6%

Ranking of Russian bond arrangers (excl. their own issues) 9m2024


RUB
> 1 100bn total value of placed bonds

63 transactions in 9m2024

Retail Banking business: synergy with corporate business and development of premium services

Competitive Advantages

 **#5** in the Public Ratings **banki.ru**⁽¹⁾

 **Synergy** with corporate business for payroll clients

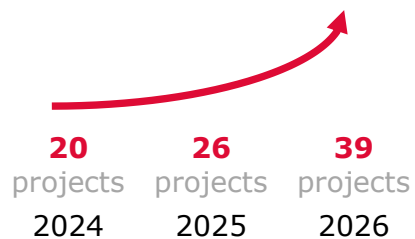
 **Joint mortgage solutions** with leading developers

 Bank for **depositors**: leading deposit offering

Use of Strategic Opportunities



93 branches
incl. **34** Premium service offices



Branch Transformation: Changing the number of offices in favor of quality

Retail Customers Deposits

+29.2%
YTD 9m2024
(+29% without currency revaluation)

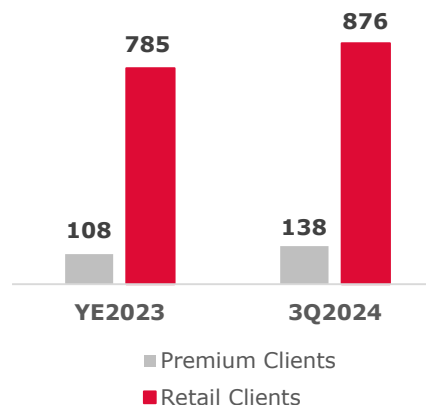
1 015
RUB bln
as of Q3 2024



Frank RG Premium Banking Awards 2024
The most client-centric premium service in Russia

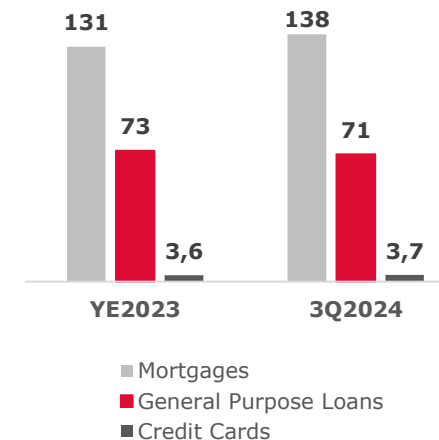
Retail Deposits portfolio breakdown by segment

Premium clients deposits and retail clients deposits, RUB bln



Loan Portfolio breakdown by product

Gross Retail Customer portfolio, RUB bln



Development results



by volume
of corporate loan portfolio



by volume of corporate
clients' deposits

- **The net corporate loan portfolio expanded by 7.8%** in the 3rd quarter of 2024 or **by 15.5%** since the beginning of 2024.
- **Corporate deposits increased by 6%** since the beginning of 2024, supported by steady growth of the active customer base
- **The number of active large and medium-sized corporate clients** increased by **14%** since the beginning of 2024.
- **MKB arranged 63 domestic DCM transactions.** Total face value of placed bonds exceeded equivalent of RUB 1 100 bln. MKB's market share is more than 5.6%.

Credit Ratings

On June 14th, 2024, the rating agency **Expert RA** has affirmed credit rating of MKB at **ruA+**, **«Stable» outlook**.

On October 18th, 2024, the rating agency **NRA** has affirmed credit rating of MKB at **AA-Irul**, **«Stable» outlook**.

On October 25th, 2024, the ACRA rating agency has affirmed the credit rating of MKB at **A+(RU)**, **«Stable» outlook**.

ESG and Sustainable development

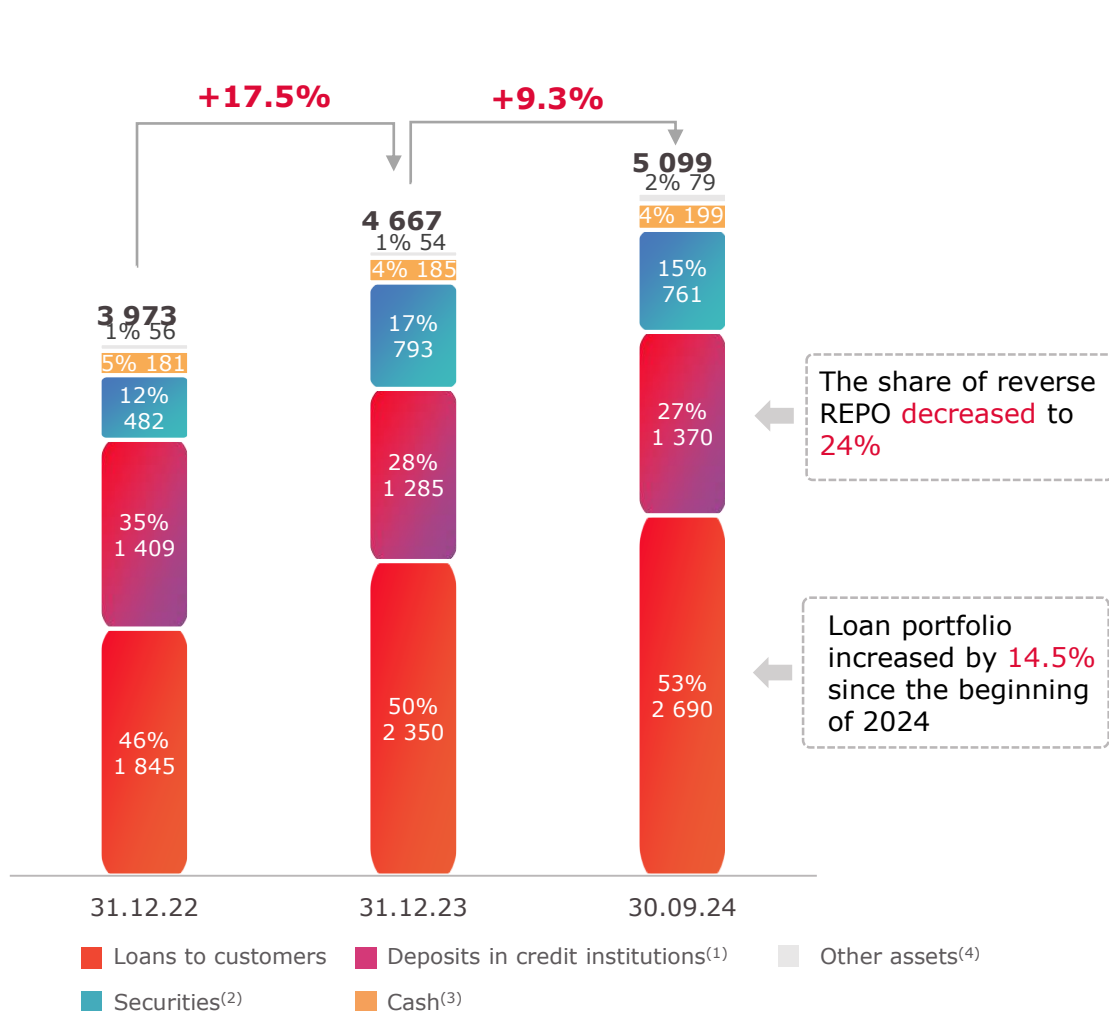
MKB approved a sustainable development strategy for the period of 2024-2026. The strategy systematizes the bank's approaches, priorities and goals in the field of ESG and sustainable development.

In October 2024, MKB was awarded by the analytical agency Expert RA for leadership in ESG transparency in the Banks and Finance category.

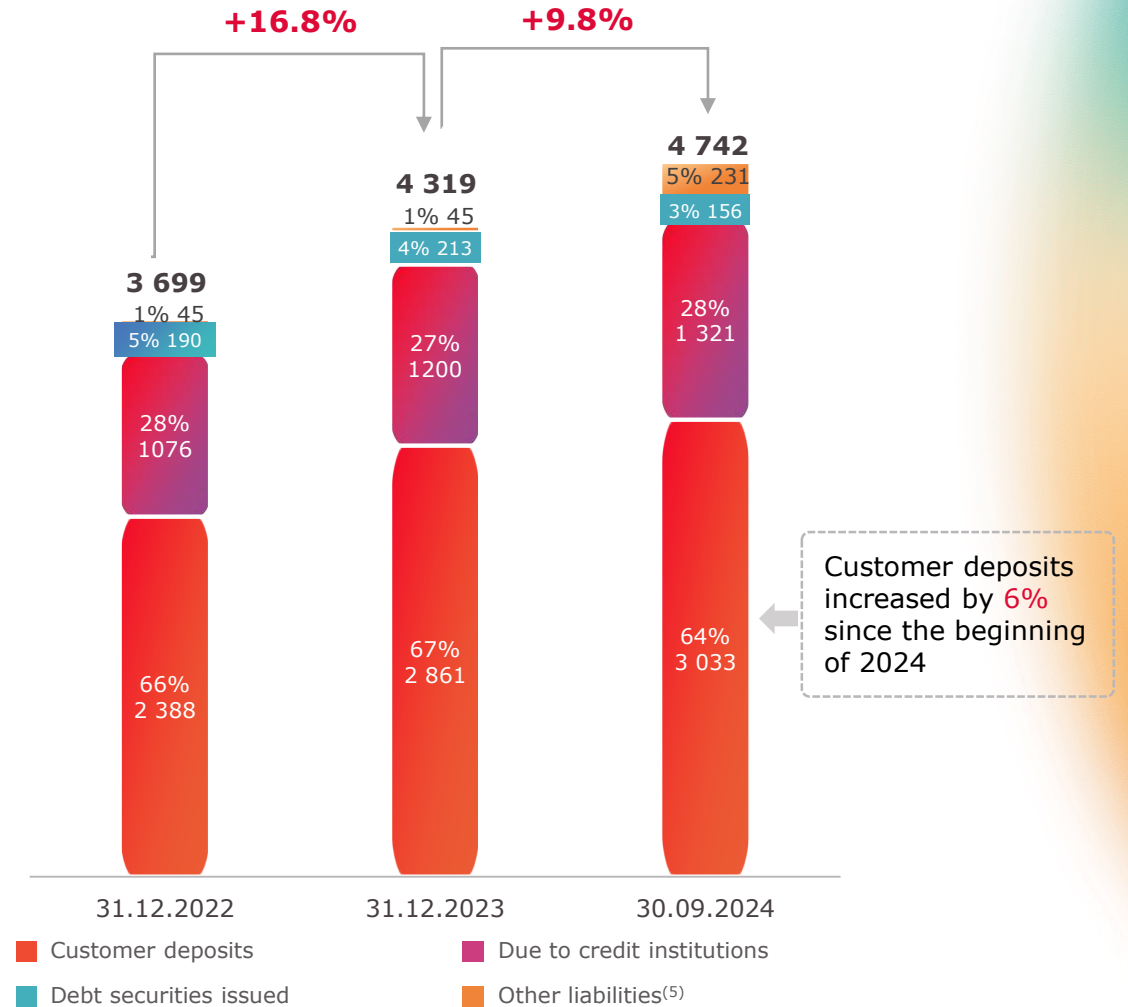
In June 2024 the annual general meeting of shareholders was held to discuss the results of 2023. **The meeting has approved the annual report for 2023**, which also included an **ESG and sustainable development report**.

Balance sheet evolution

Total Assets evolution



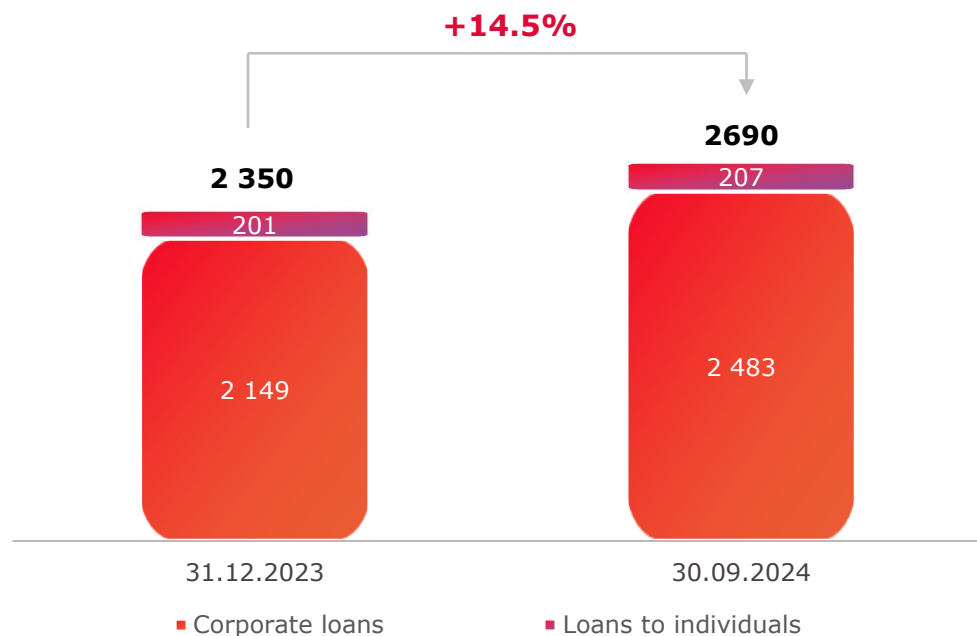
Funding structure evolution



Corporate business – the main driver of growth

Net Loan Portfolio

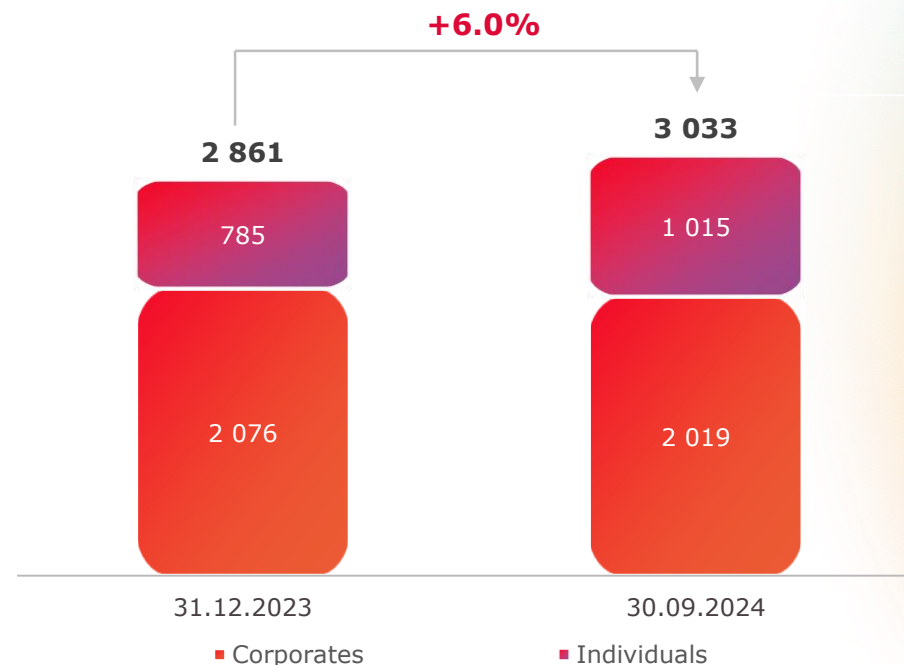
RUB bln



- The growth of the Bank's total assets was driven by an increase in corporate loans by RUB 334 bln (+15.5%) since the beginning of 2024

Customer Deposits

RUB bln



- Customer deposits increased to RUB 3 033 bln mainly due to the growth of retail deposits by RUB 229 bln (+29.2%).

Financial results and operational efficiency

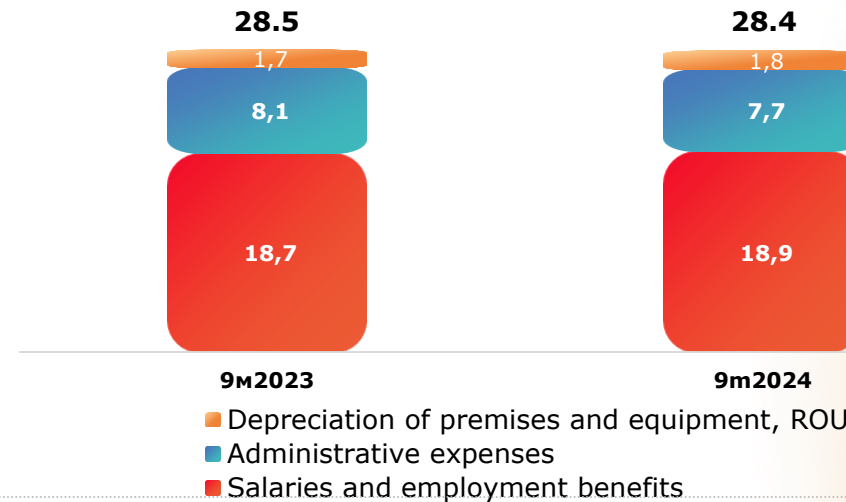
Net Income

RUB bln

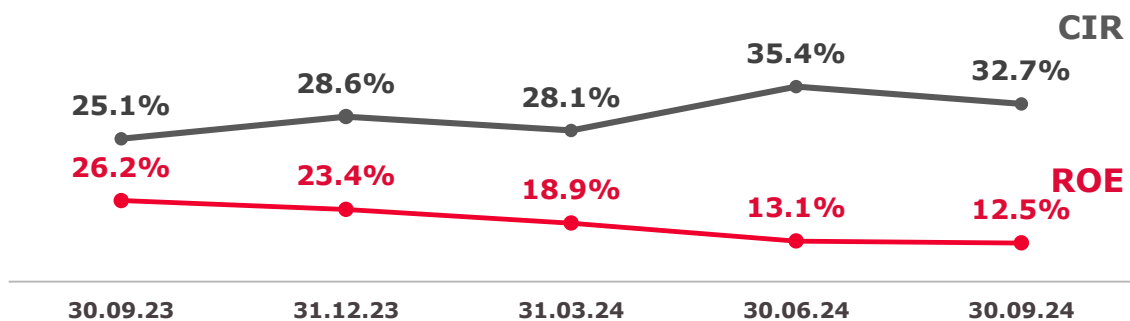


Operating Expenses

RUB bln



ROAE and CIR



RUB 28.1 bln Net profit for the first 9 months of 2024 decreased by 42% year-on-year due to negative revaluation of the securities portfolio.

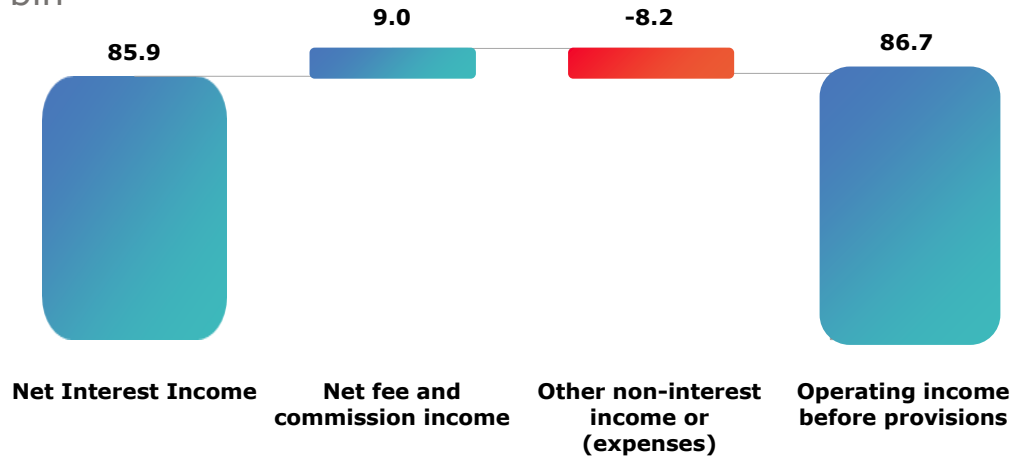
32.7% Cost-to-Income ratio (CTI) based on the results of 9m2024.

12.5% Return on equity (ROE) based on the results of 9m2024.

Income structure

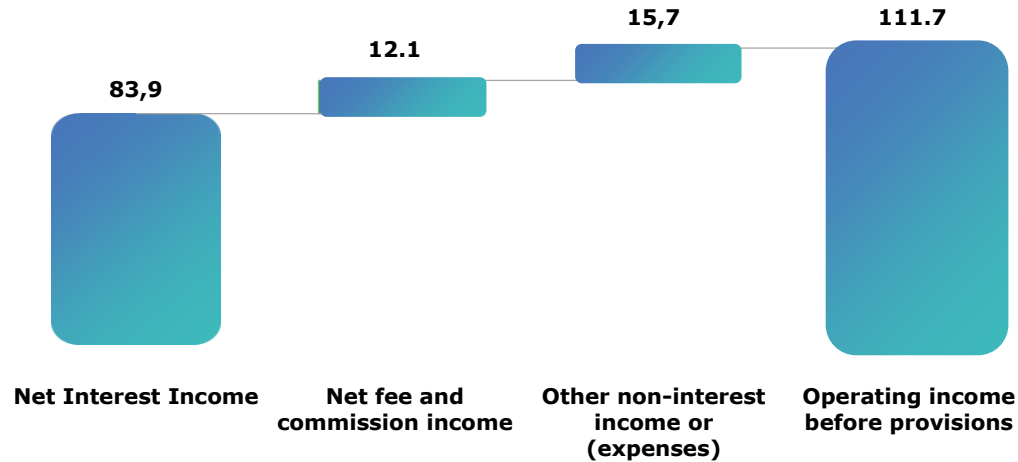
Operating income before provisions, 9m2024⁽¹⁾

RUB bln

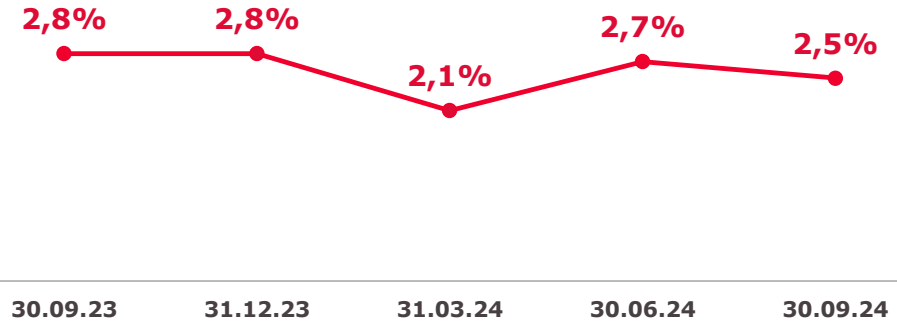


Operating income before provisions, 9m2023⁽¹⁾

RUB bln



NIM



RUB
86.7 bln

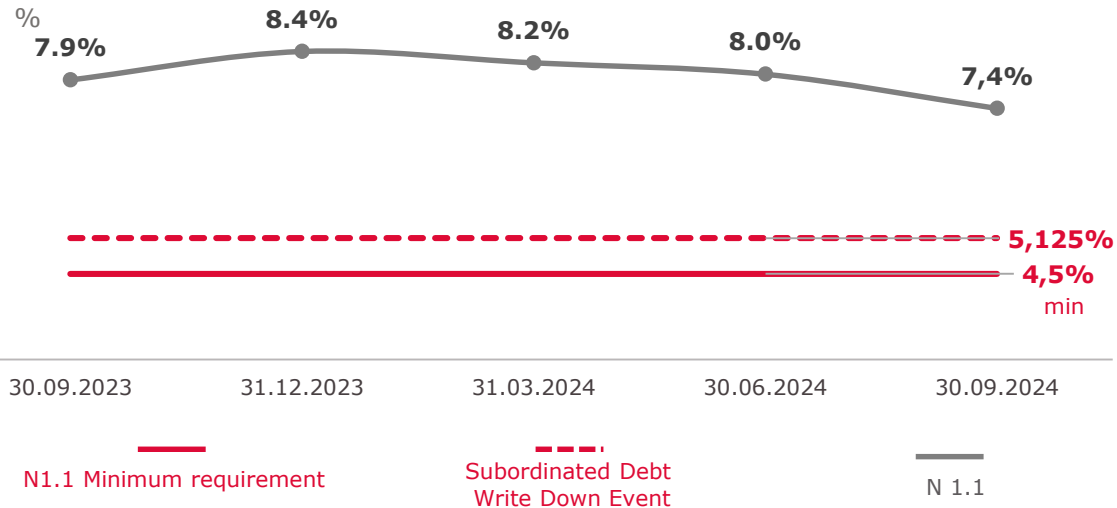
Operating income before provisions based on the results of the first 9 months of 2024.

NIM
2.5%

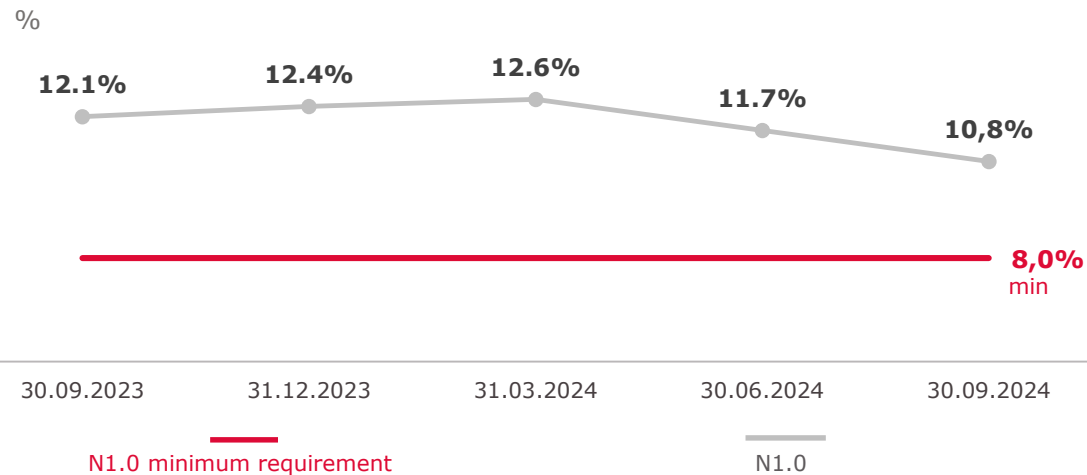
The net interest margin for the first 9 months of 2024.

Adequate Capital position

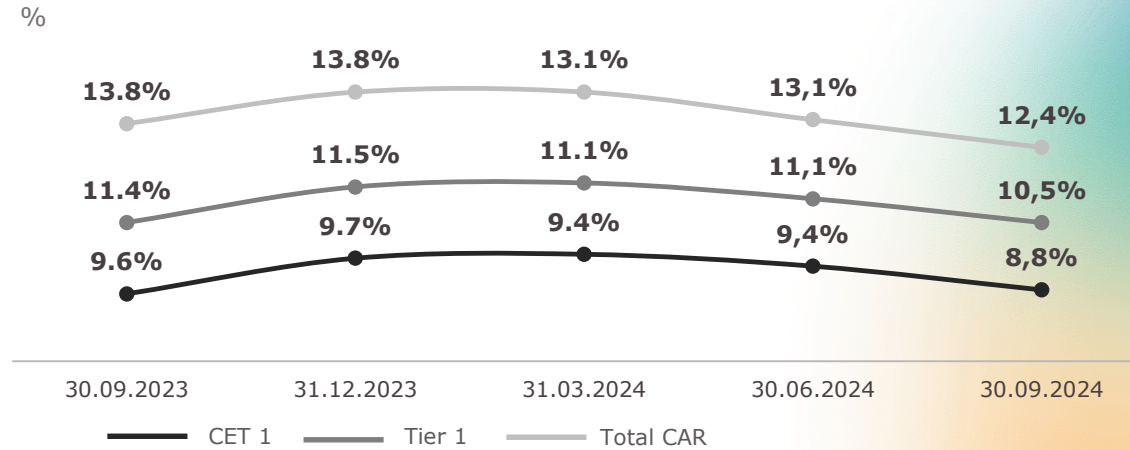
RAS capital adequacy ratio N1.1



RAS capital adequacy ratio N1.0



IFRS capital adequacy ratios (Basel III)



Tier-1
10.5%

Tier 1 capital adequacy ratio decreased to 10.5% due to the growth in risk-weighted assets (RWA) (+10.3%), while maintaining the amount of capital.

N1.1
7.4%

MKB's capital adequacy ratios are at **adequate levels**.

Key Financials

Income Statement (RUB bln)	9m2024	6m2024	3m2024	12m2023	9m2023
Net Interest Income	85.9	59.4	23.6	116.2	83.9
Net Income	28.1	19.5	14.0	59.8	48.3
Key ratios					
RoAE ⁽¹⁾	12.5%	13.1%	18.9%	23.4%	26.2%
RoAA	0.8%	0.8%	1.2%	1.4%	1.5%
NIM	2.5%	2.7%	2.1%	2.8%	2.8%
Cost-to-Income	32.7%	35.4%	28.1%	28.6%	25.5%

Balance Sheet (RUB bln)	30.09.2024	30.06.2024	31.03.2024	31.12.2023	30.09.2023
Total Assets	5 099	4 796	4 827	4 667	4 856
Net Loan Portfolio	2 690	2 506	2 467	2 350	2 436
Customer Deposits	3 033	3 059	3 009	2 861	3 087
Total equity	357	354	358	348	335
Key Ratios					
Total Capital Adequacy Ratio (Basel III)	12.4%	13.1%	13.8%	13.8%	13.0%



Questions can be directed to
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