

CREDIT BANK OF MOSCOW
(public joint-stock company)

Summary Consolidated Financial Statements
derived from the audited consolidated
financial statements
for the year ended 31 December 2021



Independent Auditors' Report on the Summary Consolidated Financial Statements

To the Shareholders and Supervisory Board of CREDIT BANK OF MOSCOW (public joint-stock company)

Opinion

The summary consolidated financial statements, which comprise the summary consolidated statement of financial position as at 31 December 2021, the summary consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and related notes, are derived from the audited consolidated financial statements of CREDIT BANK OF MOSCOW (public joint-stock company) (the "Bank") and its subsidiaries (the "Group") for the year ended 31 December 2021.

In our opinion, the accompanying summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements, in accordance with the basis described in Note 1.

Summary Consolidated Financial Statements

The summary consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards. Reading the summary consolidated financial statements and our report thereon, therefore, is not a substitute for reading the audited consolidated financial statements and our report thereon. The summary consolidated financial statements and the audited consolidated financial statements do not reflect the effects of events that occurred subsequent to that date of our report on the audited consolidated financial statements.

The Audited Consolidated Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated 17 March 2022. That report also includes the communication of key audit matters. Key audit matters are those matters that in our professional judgement, were of most significance in our audit of the consolidated financial statements for the current period.



Responsibilities of Management for the Summary Consolidated Financial Statements

Management is responsible for the preparation of the summary consolidated financial statements in accordance with the basis described in Note 1.

Auditors' Responsibility

Our responsibility is to express an opinion on whether the summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised) *"Engagements to Report on Summary Financial Statements"*.

The engagement partner on the audit resulting in this independent auditors' report is:

Tatarinova E.V.

Principal registration number of the entry in the Register of Auditors and Audit organizations № 21906100653, acts on behalf of the audit organization based on the power of attorney No. 123/21 dated 25 May 2021

JSC "KPMG"

Principal registration number of the entry in the Register of Auditors and Audit Organizations No. 12006020351

Moscow, Russia

30 May 2022

CREDIT BANK OF MOSCOW (public joint-stock company)
Summary Consolidated Statement of Profit or Loss and Other Comprehensive Income
for the year ended 31 December 2021
(in millions of Russian Roubles unless otherwise stated)

	2021	2020
Interest income calculated using the effective interest rate method	174 451	149 302
Other interest income	7 809	7 112
Interest expense	(102 671)	(97 166)
Net interest income	79 589	59 248
(Charge) or recovery for credit losses on debt financial assets	(8 119)	(18 908)
Net interest income after credit losses on debt financial assets	71 470	40 340
Fee and commission income	23 399	19 433
Fee and commission expense	(6 120)	(4 291)
Net gain or (loss) on loans to customers at fair value through profit or loss	(4 248)	1 234
Net gain or (loss) on financial assets at fair value through profit or loss	(3 838)	5 226
Net gain or (loss) from sale and redemption of Investment financial assets at fair value through other comprehensive income	(875)	584
Net realised gain or (loss) on Investment financial assets at amortised cost	1	149
Net gain or (loss) on Investment financial assets at fair value through profit or loss	(303)	2 320
Net foreign exchange gains or (losses) and derivative financial instruments	(16 277)	(9 261)
Net gain on change in financial liabilities measured at fair value through profit or loss	490	26
Impairment gain or (loss) on other non-financial assets, credit gain or (losses) on other financial assets and credit related commitments and other provisions	(480)	(133)
Operating lease income	97	42
Net other operating income or (expense)	(1 363)	3 362
Non-interest income or (expense)	(9 517)	18 691
Operating income	61 953	59 031
Salaries and employment benefits	(19 562)	(13 877)
Administrative expenses	(7 973)	(5 730)
Depreciation of property and equipment and right-of-use assets	(1 923)	(1 898)
Operating expense	(29 458)	(21 505)
Profit before income taxes	32 495	37 526
Income tax expense	(6 296)	(7 517)
Profit for the year	26 199	30 009

The summary consolidated financial statements are to be read in conjunction with the consolidated financial statements of CREDIT BANK OF MOSCOW from which they derive.

CREDIT BANK OF MOSCOW (public joint-stock company)
Summary Consolidated Statement of Profit or Loss and Other Comprehensive Income
for the year ended 31 December 2021
(in millions of Russian Roubles unless otherwise stated)

	2021	2020
Profit for the year	26 199	30 009
Other comprehensive (loss) or income		
Items that will not be reclassified subsequently to profit or loss:		
- revaluation of buildings	208	161
- income tax for revaluation of buildings	(42)	(32)
Items that are or may be reclassified subsequently to profit or loss:		
<i>Movement in fair value reserve (debt instruments):</i>		
- net change in fair value	(25 010)	(2 232)
- net amount transferred to profit or loss	832	(584)
- income tax related to movement in fair value reserve	4 836	563
<i>Change in fair value of financial liability attributable to changes in credit risk</i>	(194)	201
<i>Income tax related to change in fair value of financial liability attributable to changes in credit risk</i>	39	(40)
Other comprehensive (loss) or income for the year, net of income tax	(19 331)	(1 963)
Total comprehensive (loss) or income for the year	6 868	28 046
Basic and diluted earnings per share (in RUB per share)	0.71	0.90

The summary consolidated financial statements derived from consolidated financial statements of the CREDIT BANK OF MOSCOW which were authorised and signed on 17 March 2022.

Chairman of the Management Board

Chief Accountant



Vladimir A. Chubar

Svetlana V. Sass

The summary consolidated financial statements are to be read in conjunction with the consolidated financial statements of CREDIT BANK OF MOSCOW from which they derive.

CREDIT BANK OF MOSCOW (public joint-stock company)
Summary Consolidated Statement of Financial Position as at 31 December 2021
(in millions of Russian Roubles unless otherwise stated)

	31 December 2021	31 December 2020
ASSETS		
Cash and cash equivalents	1 530 766	683 283
Obligatory reserves with the Central Bank of Russian Federation	26 101	22 244
Due from credit and other financial organizations	67 299	778 837
Trading financial assets	117 321	78 816
- held by the Group	113 515	75 608
- pledged under sale and repurchase agreements	3 806	3 208
Loans to customers	1 341 624	1 009 165
- loans to corporate clients	1 180 639	888 802
- loans to individuals	160 985	120 363
Investment financial assets	302 386	323 365
- held by the Group	261 020	280 881
- pledged under sale and repurchase agreements	41 366	42 484
Investments in associates	2 493	2 446
Property and equipment	15 417	8 950
Deferred tax assets	108	120
Assets held for sale	735	999
Other assets	15 285	8 240
Total assets	3 419 535	2 916 465
LIABILITIES AND EQUITY		
Deposits by the Central Bank of Russian Federation	4 686	10 041
Due to credit institutions	847 295	721 682
Due to customers	1 983 103	1 737 515
- due to corporate customers	1 417 673	1 235 998
- due to individuals	565 430	501 517
Financial liabilities measured at fair value through profit or loss	17 631	19 330
Debt securities issued	262 160	171 465
Deferred tax liability	2 441	5 399
Other liabilities	20 806	16 537
Total liabilities	3 138 122	2 681 969
Equity		
Share capital	34 292	30 692
Additional paid-in capital	77 290	58 210
Perpetual debt issued	65 353	41 950
Treasury shares	(1 788)	-
Revaluation surplus for buildings	473	536
Fair value reserve for securities	(20 449)	(1 107)
Change in fair value of financial liabilities attributable to changes in the credit risk	70	225
Retained earnings	126 172	103 990
Total equity	281 413	234 496
Total liabilities and equity	3 419 535	2 916 465

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Chief Accountant



Vladimir A. Chubar

Svetlana V. Sass

The summary consolidated financial statements are to be read in conjunction with the consolidated financial statements of CREDIT BANK OF MOSCOW from which they derive.

CREDIT BANK OF MOSCOW (public joint-stock company)
Summary Consolidated Statement of Cash Flows for the year ended 31 December 2021
(in millions of Russian Roubles unless otherwise stated)

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Interest receipts	178 818	159 747
Interest payments	(96 936)	(114 767)
Fees and commission receipts	22 308	19 900
Fees and commission payments	(5 401)	(3 513)
Net receipts from operations with securities	(855)	6 352
Net receipts (payments) from foreign exchange	(6 091)	5 113
Net other operating income or (expense)	857	3 510
Salaries and employment benefits paid	(18 774)	(13 825)
Administrative expenses paid	(7 293)	(5 786)
Income tax paid	(3 490)	(4 683)
Operating cash flows before changes in operating assets and liabilities	63 143	52 048
(Increase) decrease in operating assets		
Obligatory reserves with the Central Bank of Russian Federation	(3 609)	(5 221)
Due from credit and other financial organizations	710 577	(401 568)
Trading financial assets	(48 105)	(10 834)
Loans to customers	(337 051)	(212 678)
Other assets	(6 476)	(2 474)
Increase (decrease) in operating liabilities		
Deposits by the Central bank of Russian Federation	(5 355)	9 987
Due to credit institutions except for syndicated loans	104 843	45 234
Due to customers except for subordinated loans	212 275	332 686
Other liabilities	(7 743)	3 776
Net cash from (used in) operations	682 499	(189 044)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investment financial assets	(88 525)	(612 388)
Proceeds from disposal and redemption of investment financial assets	97 518	560 835
Net cash received on acquisition of subsidiaries	5 961	954
Net result on purchase and sale of property and equipment and intangible assets	433	(745)
Sale of investment property	741	-
Net cash from (used in) investing activities	16 128	(51 344)

The summary consolidated financial statements are to be read in conjunction with the consolidated financial statements of CREDIT BANK OF MOSCOW from which they derive.

CREDIT BANK OF MOSCOW (public joint-stock company)
Summary Consolidated Statement of Cash Flows for the year ended 31 December 2021
(in millions of Russian Roubles unless otherwise stated)

	2021	2020
CASH FLOWS FROM FINANCING ACTIVITIES		
Issuance of share capital	22 680	-
Repurchase of own shares	(1 788)	-
Proceeds from placement and issuance of perpetual debt	28 021	3 574
Repayment and redemption of perpetual debt issued	(5 323)	(5 518)
Interest on perpetual debt paid	(4 605)	(4 042)
Proceeds from syndicated borrowings	19 700	17 653
Repayments of syndicated borrowings	-	(51 716)
Proceeds from placement and issuance of subordinated bonds	351	832
Partial redemption of subordinated bonds	(374)	(2 979)
Proceeds from placement and issuance of other bonds	122 339	126 692
Repayments of other bonds	(31 750)	(146 090)
Cash outflow from lease liabilities	(940)	(1 083)
Net cash from (used in) financing activities	148 311	(62 677)
Effect of exchange rates changes on cash and cash equivalents	136	31 800
Effect of changes in ECL on cash and cash equivalents	409	903
Change in cash and cash equivalents	847 483	(270 362)
Cash and cash equivalents, beginning of the period	683 283	953 645
Cash and cash equivalents, end of the period	1 530 766	683 283

Chairman of the Management Board



Vladimir A. Chubar

Chief Accountant

Svetlana V. Sass

The summary consolidated financial statements are to be read in conjunction with the consolidated financial statements of CREDIT BANK OF MOSCOW from which they derive.

CREDIT BANK OF MOSCOW (public joint-stock company)
Summary Consolidated Statement of Changes in Equity for the year ended 31 December 2021
(in millions of Russian Roubles unless otherwise stated)

	Share capital	Treasury shares	Additional paid-in capital	Perpetual debt issued	Revaluation surplus for buildings	FV reserve for securities	Change in FV of financial liabilities attributable to changes in the credit risk	Retained earnings	Total equity
Balance as at 1 January 2020	30 692	-	58 210	37 871	407	1 146	64	82 042	210 432
Total comprehensive income for the period	-	-	-	-	129	(2 253)	161	30 009	28 046
Perpetual debt redemption	-	-	-	(5 518)	-	-	-	-	(5 518)
Issuance of perpetual debt	-	-	-	3 574	-	-	-	-	3 574
Interest paid on perpetual debt issued	-	-	-	-	-	-	-	(4 042)	(4 042)
Foreign exchange translation of perpetual debt issued	-	-	-	6 023	-	-	-	(6 023)	-
Tax effect on perpetual debt issued	-	-	-	-	-	-	-	2 004	2 004
Balance as at 31 December 2020	30 692	-	58 210	41 950	536	(1 107)	225	103 990	234 496
Balance as at 1 January 2021	30 692	-	58 210	41 950	536	(1 107)	225	103 990	234 496
Total comprehensive income for the period	-	-	-	-	166	(19 342)	(155)	26 199	6 868
Issue of share capital	3 600	-	19 080	-	-	-	-	-	22 680
Net result from treasury shares transactions	-	(1 788)	-	-	-	-	-	-	(1 788)
Perpetual debt redemption	-	-	-	(5 323)	-	-	-	-	(5 323)
Issuance of perpetual debt	-	-	-	28 099	-	-	-	-	28 099
Interest paid on perpetual debt issued	-	-	-	-	-	-	-	(4 605)	(4 605)
Foreign exchange translation of perpetual debt issued	-	-	-	627	-	-	-	(627)	-
Transaction costs on perpetual debt issued	-	-	-	-	-	-	-	(78)	(78)
Tax effect on perpetual debt issued	-	-	-	-	-	-	-	1 064	1 064
Transfer of revaluation reserve upon disposal	-	-	-	-	(229)	-	-	229	-
Balance as at 31 December 2021	34 292	(1 788)	77 290	65 353	473	(20 449)	70	126 172	281 413

Chairman of the Management Board



Vladimir A. Chubar



Chief Accountant



Svetlana V. Sass

The summary consolidated financial statements are to be read in conjunction with the consolidated financial statements of CREDIT BANK OF MOSCOW from which they derive.

Note 1

Principal activities

These summary consolidated financial statements include the financial statements of CREDIT BANK OF MOSCOW (public joint-stock company) (the “Bank”) and its subsidiaries (together referred to as the “Group”).

The Bank was formed on 5 August 1992 as an open joint-stock company, then re-registered as a limited liability company under the legislation of the Russian Federation. On 18 August 1999 the Bank was reorganised as an open joint-stock company. On 16 May 2016 the Bank was re-registered as a public joint-stock company under the legislation of the Russian Federation. The Bank’s registered legal address is 2 (bldg. 1), Lukov pereulok, Moscow, Russia. The Bank operates under a general banking license from the Central Bank of Russian Federation, renewed on 21 January 2013. In December 2004 the Bank was admitted to the state program for individual deposit insurance.

As at 31 December 2021 the Bank is among the 10 largest banks in Russia by assets and conducts its business in Russia with a branch network comprising 218 branches, 1 152 ATMs and 13 328 payment terminals.

The list of principal subsidiaries of the Group is presented in the consolidated financial statements.

Consolidated financial statements are available at 2 (bldg. 1), Lukov pereulok, Moscow, 107045, e-mail: ir@mkb.ru.

Russian business environment

The Group’s operations are primarily located in the Russian Federation. Consequently, the Group is exposed to the economic and financial risks in the markets of the Russian Federation, which display emerging-market characteristics.

Starting in 2014, the United States of America, the European Union and some other countries have imposed and gradually expanded economic sanctions against a number of Russian individuals and legal entities.

In February 2022 following the beginning of special operation in the Ukraine by Russian Federation additional sanctions were introduced. The imposition of the sanctions has led to increased economic uncertainty, including more volatile equity markets, a volatility of the Russian rouble, a reduction in both local and foreign direct investment inflows and a significant tightening in the availability of credit. As a result, some Russian entities may experience difficulties accessing the international equity and debt markets and may become increasingly dependent on state support for their operations.

There is an increased risk of further sanctions. This may have a significant adverse effect on Russia’s economy.

The longer-term effects of the imposed and possible additional sanctions are difficult to determine.

The summary consolidated financial statements does not reflect the impact of the events after the date of the auditor’s report on consolidated financial statements of the Group for the year ended 31 December 2021.

The summary consolidated financial statements reflect management’s assessment of the impact of the Russian business environment on the operations and the financial position of the Group. The future business environment may differ from management’s assessment.

Statement of compliance

These summary consolidated financial statements, which comprise the summary consolidated statement of financial position as at 31 December 2021, the summary consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for 2021, and related notes are derived from the audited consolidated financial statements of the Group, except that substantially all note disclosures are omitted

Consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS).

Management is responsible for the preparation of the summary consolidated financial statements in accordance with IFRS.

The preparation of summary consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results could differ from those estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In preparing these consolidated financial statements the critical judgments made by management in applying the accounting policies and the key sources of estimation uncertainty are the same as those that applied to the consolidated financial statements for the year ended 31 December 2020, except for those disclosed in below.

Macroeconomic adjustments

The Group makes evaluations and judgments which are constantly analyzed based on historical data, actual information and forecasts, as well as the management's experience, including their expectations about future events as reasonably held in light of the current circumstances.

Basis of measurement

The consolidated financial statements are prepared on the historical cost basis except that financial instruments at fair value through profit or loss and through other comprehensive income are stated at fair value and buildings are stated at revalued amounts.

Functional and presentation currency

The functional currency of the Bank and the majority of its subsidiaries is the Russian Rouble (RUB) as, being the national currency of the Russian Federation, it reflects the economic substance of the majority of underlying events and circumstances relevant to them.

The RUB is also the presentation currency for the purposes of these consolidated financial statements.

Financial information presented in RUB is rounded to the nearest million.