

ROSBANK Group

**Public Interim Condensed Consolidated Financial
Statements
(unaudited)
30 September 2023**

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PUBLIC INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION (in millions of Russian Roubles)

| | Notes | 30 September 2023 (unaudited) | 31 December 2022 |
|---|-------|-------------------------------------|---------------------|
| ASSETS | | | |
| Cash and cash equivalents | | 262,338 | 443,182 |
| Mandatory cash balances with the Central Bank of the Russian Federation | | 3,407 | 2,122 |
| Due from credit institutions | | 75,470 | 49,971 |
| Securities and derivative financial assets | | 156,331 | 113,635 |
| Loans to customers | 3 | 1,261,520 | 911,502 |
| Property and equipment and right-of-use assets | | 21,276 | 21,492 |
| Current income tax assets | | 1,427 | 351 |
| Deferred income tax assets | | 5,334 | 7,927 |
| Other assets | | 48,742 | 44,546 |
| Total assets | | 1,835,845 | 1,594,728 |
| LIABILITIES AND EQUITY | | | |
| LIABILITIES | | | |
| Financial liabilities at fair value through profit or loss | | 17,311 | 23,773 |
| Due to banks | | 94,224 | 35,997 |
| Customer accounts | 4 | 1,383,039 | 1,185,404 |
| Debt securities issued | 5 | 19,040 | 53,479 |
| Current income tax liabilities | | 4 | 4,402 |
| Deferred income tax liabilities | | 21 | 21 |
| Other liabilities | | 79,221 | 75,684 |
| Subordinated debt | | 16,404 | 12,134 |
| Total liabilities | | 1,609,264 | 1,390,894 |
| EQUITY | | | |
| Share capital | | 17,587 | 17,587 |
| Share premium | | 59,709 | 59,709 |
| Treasury shares and other funds | | (9,707) | (8,463) |
| Perpetual subordinated debt | | 41,226 | 29,894 |
| Retained earnings | | 117,766 | 105,107 |
| Total equity | | 226,581 | 203,834 |
| TOTAL LIABILITIES AND EQUITY | | 1,835,845 | 1,594,728 |

Chairman of the Management Board
N.V. Voevodina

10 November 2023
Moscow



The notes 1-10 form an integral part of these public interim condensed consolidated financial statements.

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PUBLIC INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS

(in millions of Russian Roubles, except for earnings per share which are in Roubles)

| | Notes | 9 months ended 30 September 2023 (unaudited) | 3 months ended 30 September 2023 (unaudited) |
|--|-------|---|---|
| Interest income at effective interest rate | 6 | 103,724 | 39,891 |
| Other interest income | 6 | 4,073 | 1,656 |
| Interest expense at effective interest rate | 6 | (59,089) | (25,250) |
| Other interest expense | 6 | (417) | (142) |
| Deposit insurance charge | 6 | (1,713) | (624) |
| Net interest income before credit loss expense | | 46,578 | 15,531 |
| Credit loss expense | 7 | (2,953) | (911) |
| Net interest income | | 43,625 | 14,620 |
| Net gain/(loss) on financial instruments at fair value through profit or loss and on foreign exchange operations | | 20,858 | 7,886 |
| Fee and commission income | 8 | 18,074 | 6,390 |
| Fee and commission expense | 8 | (7,882) | (3,070) |
| Net change in other provisions | | (3,147) | (801) |
| Other income | | 688 | 283 |
| Net non-interest income | | 28,591 | 10,688 |
| Operating income | | 72,216 | 25,308 |
| Operating expenses | | (37,037) | (13,070) |
| Other non-operating income/(expense) | | (71) | (36) |
| Profit before/(loss) income tax | | 35,108 | 12,202 |
| Income tax (expense)/credit | | (6,108) | (1,957) |
| Net profit/(loss) for the period | | 29,000 | 10,245 |
| EARNINGS/(LOSS) PER SHARE | | | |
| Basic and diluted (in RUB) | | 16.95 | 5.76 |

The notes 1-10 form an integral part of these public interim condensed consolidated financial statements.

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SELECTED NOTES TO THE PUBLIC INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 SEPTEMBER 2023 (UNAUDITED)

1. Basis of preparation of Public Interim Condensed Consolidated Financial Statements

These public interim condensed consolidated financial statements have been prepared by management of the Group:

1. based on interim condensed consolidated financial statements of PJSC ROSBANK and its subsidiaries (further – “the Group”) for 3 and 9 months ended 30 September 2023 prepared in accordance with IAS 34 “Interim Financial Reporting” (further – “IAS 34”);
2. in accordance with the decision of Board of Directors of the Bank of Russia dated 29 December 2022 “On the Requirements for Disclosure by Credit organizations (parent credit organizations of banking groups) of reporting and information in 2023” (hereinafter – the “Decision”), Information Letter of the Bank of Russia dated 30 December 2022 No. IN-03-23/158 “Information Letter on Reporting and Information Disclosure Requirements in 2023” and Information Letter of the Bank of Russia dated 3 March 2023 No. IN-03-23/19 “On Reporting and Information Submission in 2023” (hereinafter collectively referred to as the “Requirements of the Bank of Russia”);
3. with the exclusion of information (including the aggregation method), the disclosure of which could damage the Group and (or) its counterparties (further - “sensitive information”). The scope of sensitive information is determined based on the Requirements of the Bank of Russia.

These public interim condensed consolidated financial statements consist of public interim consolidated statement of financial position as of 30 September 2023 and 31 December 2022, public interim consolidated statement of profit or loss for the 3 and 9 months ended 30 September 2023, and corresponding selected notes.

In accordance with point 3 part 1 clause 3 of Federal Law dated 14 March 2022 № 55-FZ “On amendments to clauses 6 and 7 of Federal Law “On amendments to Federal Law “On the Central Bank of the Russian Federation (the Bank of Russia)” and certain legislative acts of the Russian Federation concerning specificities of changes in terms of loan agreement, debt agreement” and clause 21 of Federal Law “On amendments to certain legislative acts of the Russian Federation” (as amended by Federal Law dated 19 December 2022 № 519-FZ), and the “Decision”, starting from the financial statements and information for 2022 and till the financial statements and information as at 1 October 2023, credit organizations have the right not to disclose on public information resources the annual consolidated financial statements subject to disclosure in accordance with part 4 clause 8 of Federal Law dated 2 December 1990 № 395-1 “On banks and banking operations” and clause 7 of Federal Law dated 27 July 2010 № 208-FZ “On consolidated financial statements”.

However according to the Decision interim condensed consolidated financial statements for the quarterly reporting dates of 2022 is not disclosed in full on public informational resources. ROSBANK Group does not disclose on public informational resources required financial information in full starting from interim condensed consolidated financial statements for the 3 months ended 31 March 2022.

These public interim condensed consolidated financial statements have been prepared for the purpose of presenting the consolidated financial position and consolidated financial results of the Group, the disclosure of which does not damage the Group and (or) its counterparties. As a consequence, these public consolidated interim condensed financial statements may not be suitable for another purpose.

2. Basis of financial statements presentation

These public consolidated financial statements are prepared to present the information on interim consolidated statement of financial position and interim consolidated statement of profit or loss and do not contain information on changes in equity and cash flows. At the same time the information disclosed in the notes is aimed at presenting to its users in structured view the most material assets and liabilities of the Group as at 30 September 2023 and 31 December 2022, changes in structure of these assets and liabilities, and specification of the most significant for the banking business streams within interest and commission income and expenses for the 3 and 9 months 2023.

SELECTED NOTES TO THE PUBLIC INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 SEPTEMBER 2023 (UNAUDITED)

2. Basis of financial statements presentation (Continued)

Complying with the requirements of the Central Bank of Russian Federation stated in the Decision, the Group does not disclose in the present public interim condensed consolidated financial statements comparative data for profits and losses for the comparative period 2022.

The item "Securities and derivative financial instruments" of the public consolidated statement of financial position includes securities measured at fair value through profit or loss, securities measured at fair value through other comprehensive income, securities measured at amortised cost, as well as receivables on derivative financial instruments, including the Group's hedging operations.

The item "Other assets" of the public consolidated statement of financial position includes intangible assets, trade receivables from contracts with customers, funds in settlements, inventories and other financial and non-financial assets of the Group.

The item "Other liabilities" of the public consolidated statement of financial position includes other provisions, lease liabilities, funds in settlements on client transactions, and other financial and non-financial liabilities of the Group.

The item "Treasury shares and other funds" of the public consolidated statement of financial position includes treasury shares, property and equipment revaluation reserve, fair value reserve of financial instruments at fair value through other comprehensive income, cash flow hedge.

The item "Net gain/(loss) on financial instruments at fair value through profit or loss and on foreign exchange operations" of the public consolidated statement of profit or loss includes realised and unrealised financial results from transactions with securities at fair value through profit or loss, financial result from operations with derivative financial instruments, the result of operations and revaluation of balances in foreign currency.

In selected condensed notes important information is disclosed for the understanding of financial position and the performance results of the Group by users, the information on Group's exposure to credit risk, information about fair values of the Group's assets and liabilities and its dynamics by level in the fair value hierarchy.

Functional currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The functional currency of the parent of the Group is the Russian rouble (RUB). The presentation currency of the interim condensed consolidated financial statements of the Group is the RUB. All values are rounded to the nearest million RUB, except when otherwise indicated.

Accounting policy

The accounting policy and methods used in preparation of these public interim condensed consolidated financial statements are in compliance with the accounting policy and methods used and described in consolidated financial statements of the Group for the year ended 31 December 2022 in Note 3 "Significant accounting policies".¹

¹ The full version of the consolidated financial statements of the Group for 2022, prepared in accordance with IFRS, is located at: Masha Poryvaeva str., 34, Moscow, 107078.

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SELECTED NOTES TO THE PUBLIC INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 SEPTEMBER 2023 (UNAUDITED)

2. Basis of financial statements presentation (Continued)

Critical accounting judgements and key sources of estimation uncertainty

Applying the Group's accounting policy the management uses judgements and estimates in relation to the book values of assets and liabilities, that are not observable from other sources. Judgements and estimates are constantly analysed based on management experience and other factors, including the expectations in relation to future events, which under the management judgement are reasonable considering the current circumstances.

In preparing these interim condensed consolidated financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were consistent with those that applied to the Group's consolidated financial statements for the year ended 31 December 2022.¹

3. Loans to customers

(in millions of Russian Roubles)

| | 30 September 2023 (unaudited) | 31 December 2022 |
|---|-------------------------------------|---------------------|
| Loans at amortised cost | | |
| Loans to Corporate business | | |
| Loans to legal entities | 532,345 | 322,490 |
| Loans to Retail business | | |
| Loans to individuals | 713,411 | 586,094 |
| Total loans at amortised cost | 1,245,756 | 908,584 |
| Net investments in finance lease | 48,496 | 34,182 |
| Loans at fair value through other comprehensive income | | |
| Loans to individuals at fair value through other comprehensive income | 5,556 | 7,044 |
| Total loans at fair value through other comprehensive income | 5,556 | 7,044 |
| Total loans to customers before credit loss allowance | 1,299,808 | 949,810 |
| Less credit loss allowance | (38,288) | (38,308) |
| Total loans to customers | 1,261,520 | 911,502 |

Loans to individuals comprise the following products:

(in millions of Russian Roubles)

| | Gross amount | 30 September 2023 (unaudited) Less credit loss allowance | Net amount |
|------------------------------------|----------------|---|----------------|
| Mortgage loans | 382,527 | (4,382) | 378,145 |
| Car loans | 197,089 | (5,292) | 191,797 |
| Consumer loans | 109,045 | (14,847) | 94,198 |
| Overdraft | 17,197 | (2,701) | 14,496 |
| Loans to VIP clients and employees | 1,382 | (58) | 1,324 |
| Loans to Individual entrepreneurs | 11,727 | (993) | 10,734 |
| | 718,967 | (28,273) | 690,694 |

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SELECTED NOTES TO THE PUBLIC INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 SEPTEMBER 2023 (UNAUDITED)

3. Loans to customers (Continued)

(in millions of Russian Roubles)

| | Gross amount | Less credit loss allowance | 31 December 2022 Net amount |
|------------------------------------|----------------|----------------------------|--------------------------------|
| Mortgage loans | 337,590 | (4,607) | 332,983 |
| Car loans | 125,486 | (6,089) | 119,397 |
| Consumer loans | 106,545 | (16,106) | 90,439 |
| Overdraft | 13,692 | (2,642) | 11,050 |
| Loans to VIP clients and employees | 974 | (61) | 913 |
| Loans to Individual entrepreneurs | 8,851 | (953) | 7,898 |
| | 593,138 | (30,458) | 562,680 |

As of 30 September 2023 and 31 December 2022 the credit quality of loans to customers is presented below:

(in millions of Russian Roubles)

| | 30 September 2023 (unaudited) | | | | |
|--|-------------------------------|---------------|---------------|------------|------------------|
| | Stage 1 | Stage 2 | Stage 3 | POCI | Total |
| Loans to corporate business | 503,922 | 21,454 | 6,969 | — | 532,345 |
| Net investments in finance lease | 45,782 | 1,488 | 1,226 | — | 48,496 |
| Loans to retail business | 698,175 | 3,056 | 17,591 | 145 | 718,967 |
| Total loans to customers before credit loss allowance | 1,247,879 | 25,998 | 25,786 | 145 | 1,299,808 |
| Less – credit loss allowance | (14,880) | (1,041) | (22,364) | (3) | (38,288) |
| Total loans to customers | 1,232,999 | 24,957 | 3,422 | 142 | 1,261,520 |

(in millions of Russian Roubles)

| | 31 December 2022 | | | | |
|--|------------------|---------------|---------------|------------|----------------|
| | Stage 1 | Stage 2 | Stage 3 | POCI | Total |
| Loans to corporate business | 296,789 | 19,789 | 5,912 | — | 322,490 |
| Net investments in finance lease | 31,486 | 1,621 | 1,075 | — | 34,182 |
| Loans to retail business | 569,383 | 3,754 | 19,833 | 168 | 593,138 |
| Total loans to customers before credit loss allowance | 897,658 | 25,164 | 26,820 | 168 | 949,810 |
| Less – credit loss allowance | (14,779) | (1,193) | (22,330) | (6) | (38,308) |
| Total loans to customers | 882,879 | 23,971 | 4,490 | 162 | 911,502 |

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SELECTED NOTES TO THE PUBLIC INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 SEPTEMBER 2023 (UNAUDITED)

4. Customer accounts

(in millions of Russian Roubles)

| | 30 September 2023 (unaudited) | 31 December 2022 |
|--------------------------------|-------------------------------------|---------------------|
| Corporate | | |
| Time deposits | 349,821 | 474,512 |
| Repayable on demand | 532,560 | 332,353 |
| Total corporate | 882,381 | 806,865 |
| Individuals | | |
| Time deposits | 243,762 | 163,476 |
| Repayable on demand | 256,896 | 215,063 |
| Total individuals | 500,658 | 378,539 |
| Total customer accounts | 1,383,039 | 1,185,404 |

5. Debt securities issued

(in millions of Russian Roubles)

| | 30 September 2023 (unaudited) | 31 December 2022 |
|--|-------------------------------------|---------------------|
| Bonds of Rosbank due in 2023-2026 | 8,761 | 43,329 |
| Exchange structural bonds of Rosbank due in 2024 | 10,279 | 10,150 |
| Total debt securities issued | 19,040 | 53,479 |

During the period January – September 2023 the following bonds were redeemed:

| Issuer | Issue date | Maturity date | Debt volume, mRUB | Annual coupon rate, % |
|---------|------------|---------------|-------------------|-----------------------|
| Rosbank | 12.09.2019 | 16.03.2023 | 15,000 | 7.55% |
| Rosbank | 13.07.2021 | 15.07.2023 | 20,000 | 7.60% |

During the period January – September 2023 the following bonds were issued:

| Issuer | Issue date | Maturity date | Debt volume, mRUB | Annual coupon rate, % |
|---------|------------|---------------|-------------------|-----------------------|
| Rosbank | 07.04.2023 | 09.04.2026 | 3,000 | 9.85% |

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SELECTED NOTES TO THE PUBLIC INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 SEPTEMBER 2023 (UNAUDITED)

6. Net interest income

(in millions of Russian Roubles)

| | 9 months ended 30 September 2023 (unaudited) | 3 months ended 30 September 2023 (unaudited) |
|--|--|--|
| Interest income at effective interest rate | | |
| <i>Interest income on financial assets recorded at amortized cost</i> | | |
| Interest on loans to individuals | 49,843 | 18,329 |
| Interest on loans to corporate customers | 30,787 | 13,454 |
| Interest on due from banks | 18,136 | 6,403 |
| Interest on investments at amortised cost | 4,488 | 1,556 |
| <i>Interest income on financial assets recorded at fair value through other comprehensive income</i> | | |
| Interest income on investments at fair value through other comprehensive income | 6 | – |
| Interest on loans to individuals at fair value through other comprehensive income | 464 | 149 |
| Total interest income at effective interest rate | 103,724 | 39,891 |
| Other interest income | | |
| Finance lease receivables | 3,527 | 1,396 |
| Interest income on financial assets at fair value through profit and loss | 546 | 260 |
| Total other interest income | 4,073 | 1,656 |
| Total interest income | 107,797 | 41,547 |
| Interest expense at effective interest rate | | |
| <i>Interest expense on financial liabilities recorded at amortized cost</i> | | |
| Interest on corporate customer accounts | 39,112 | 16,783 |
| Interest on deposits from individuals | 15,837 | 6,647 |
| Interest on debt securities issued | 1,673 | 283 |
| Interest on deposits from banks | 1,470 | 1,144 |
| Interest on subordinated debt | 964 | 376 |
| Interest on deposits of the Central Bank of the Russian Federation | 33 | 17 |
| Total interest expense calculated using effective interest rate | 59,089 | 25,250 |
| Other interest expense | | |
| Lease liabilities | 417 | 142 |
| Total other interest expense | 417 | 142 |
| Total interest expense | 59,506 | 25,392 |
| Deposit insurance expense | 1,713 | 624 |
| Net interest income | 46,578 | 15,531 |

7. Credit loss expense

(in millions of Russian Roubles)

| | 9 months ended 30 September 2023 (unaudited) | 3 months ended 30 September 2023 (unaudited) |
|--------------------------------------|--|--|
| Stage 1 net allocations | (592) | (139) |
| Stage 2 net allocations | 601 | (78) |
| Stage 3 net allocations | 2,931 | 1,160 |
| POCI net allocations | (4) | 1 |
| Recoveries of loans written off | (51) | (47) |
| Write offs not covered by provisions | 68 | 14 |
| Credit loss expenses | 2,953 | 911 |

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SELECTED NOTES TO THE PUBLIC INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 SEPTEMBER 2023 (UNAUDITED)

7. Credit loss expense (Continued)

An analysis of changes in the ECLs for loans to customers for 9 months ended 30 September 2023 is, as follows:

(in millions of Russian Roubles)

| | Loans to Corporate business | Financial leasing | Loans to Retail business | Total |
|--|-----------------------------------|----------------------|--------------------------------|---------------|
| Stage 1 | | | | |
| ECL as at 1 January 2023 | 1,288 | 160 | 13,341 | 14,789 |
| New originated or purchased | 2,869 | 148 | 7,393 | 10,410 |
| Transfers to Stage 1 | 39 | 10 | 581 | 630 |
| Transfers to Stage 2 | (8) | (6) | (79) | (93) |
| Transfers to Stage 3 | — | (2) | (210) | (212) |
| Net allocations | (2,238) | (68) | (8,549) | (10,855) |
| Other movements | 110 | 3 | 107 | 220 |
| ECL as at 30 September 2023 (unaudited) | 2,060 | 245 | 12,584 | 14,889 |
| Stage 2 | | | | |
| ECL as at 1 January 2023 | 208 | 22 | 966 | 1,196 |
| New originated or purchased | 511 | 6 | 1 | 518 |
| Transfers to Stage 1 | (39) | (10) | (242) | (291) |
| Transfers to Stage 2 | 8 | 6 | 203 | 217 |
| Transfers to Stage 3 | (2) | — | (623) | (625) |
| Net allocations | (536) | (11) | 563 | 16 |
| Other movements | 2 | — | 10 | 12 |
| ECL as at 30 September 2023 (unaudited) | 152 | 13 | 878 | 1,043 |
| Stage 3 | | | | |
| ECL as at 1 January 2023 | 5,849 | 323 | 16,177 | 22,349 |
| Transfers to Stage 1 | — | — | (339) | (339) |
| Transfers to Stage 2 | — | — | (124) | (124) |
| Transfers to Stage 3 | 2 | 2 | 833 | 837 |
| Net allocations | 662 | 764 | 1,580 | 3,006 |
| Amounts sold and written off | (61) | (30) | (3,375) | (3,466) |
| Other movements | 16 | 18 | 83 | 117 |
| ECL as at 30 September 2023 (unaudited) | 6,468 | 1,077 | 14,835 | 22,380 |
| POCI | | | | |
| ECL as at 1 January 2023 | — | — | 7 | 7 |
| Net allocations | — | — | (4) | (4) |
| ECL as at 30 September 2023 (unaudited) | — | — | 3 | 3 |
| Total at 1 January 2023 | 7,345 | 505 | 30,491 | 38,341 |
| Total at 30 September 2023 (unaudited) | 8,680 | 1,335 | 28,300 | 38,315 |

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SELECTED NOTES TO THE PUBLIC INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 SEPTEMBER 2023 (UNAUDITED)

7. Credit loss expense (Continued)

An analysis of changes in the ECLs for loans to customers for 3 months ended 30 September 2023 is as follows:

(in millions of Russian Roubles)

| | Loans to Corporate business | Financial leasing | Loans to Retail business | Total |
|--|-----------------------------------|----------------------|--------------------------------|---------------|
| Stage 1 | | | | |
| ECL as at 30 June 2023 (unaudited) | 1,753 | 209 | 12,927 | 14,889 |
| New originated or purchased | 1,266 | 56 | 2,739 | 4,061 |
| Transfers to Stage 1 | — | — | 58 | 58 |
| Transfers to Stage 2 | (3) | — | — | (3) |
| Transfers to Stage 3 | — | (1) | (86) | (87) |
| Net allocations | (995) | (19) | (3,095) | (4,109) |
| Other movements | 39 | — | 41 | 80 |
| ECL as at 30 September 2023 (unaudited) | 2,060 | 245 | 12,584 | 14,889 |
| Stage 2 | | | | |
| ECL as at 30 June 2023 (unaudited) | 145 | 13 | 930 | 1,088 |
| New originated or purchased | 236 | 1 | — | 237 |
| Transfers to Stage 1 | — | — | (23) | (23) |
| Transfers to Stage 2 | 3 | — | 44 | 47 |
| Transfers to Stage 3 | — | — | — | — |
| Net allocations | (233) | (1) | (83) | (317) |
| Other movements | 1 | — | 10 | 11 |
| ECL as at 30 September 2023 (unaudited) | 152 | 13 | 878 | 1,043 |
| Stage 3 | | | | |
| ECL as at 30 June 2023 (unaudited) | 6,117 | 1,063 | 14,542 | 21,722 |
| Transfers to Stage 1 | — | — | (35) | (35) |
| Transfers to Stage 2 | — | — | (44) | (44) |
| Transfers to Stage 3 | — | 1 | 86 | 87 |
| Net allocations | 409 | 24 | 749 | 1,182 |
| Amounts sold and written off | (61) | (11) | (482) | (554) |
| Other movements | 3 | — | 19 | 22 |
| ECL as at 30 September 2023 (unaudited) | 6,468 | 1,077 | 14,835 | 22,380 |
| POCI | | | | |
| ECL as at 30 June 2023 (unaudited) | — | — | 2 | 2 |
| Net allocations | — | — | 1 | 1 |
| ECL as at 30 September 2023 (unaudited) | — | — | 3 | 3 |
| Total at 30 June 2023 (unaudited) | 8,015 | 1,285 | 28,401 | 37,701 |
| Total at 30 September 2023 (unaudited) | 8,680 | 1,335 | 28,300 | 38,315 |

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SELECTED NOTES TO THE PUBLIC INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 30 SEPTEMBER 2023 (UNAUDITED)

8. Fee and commission income and expense

(in millions of Russian Roubles)

| | 9 months ended 30 September 2023 (unaudited) | 3 months ended 30 September 2023 (unaudited) |
|---|--|--|
| Fee and commission income | | |
| Settlements | 6,402 | 2,141 |
| Plastic cards operations | 4,297 | 1,590 |
| Agency operations | 2,594 | 922 |
| Documentary operations | 1,862 | 701 |
| Internet bank | 1,152 | 428 |
| Depository operations | 649 | 171 |
| Cash operations | 533 | 225 |
| Other operations | 585 | 212 |
| Total fee and commission income | 18,074 | 6,390 |
| Fee and commission expense | | |
| Settlements | 3,120 | 1,182 |
| Plastic cards operations | 2,912 | 1,120 |
| Agency operations | 1,478 | 658 |
| Other operations | 372 | 110 |
| Total fee and commission expense | 7,882 | 3,070 |

9. Fair value of financial instruments

Estimated fair value disclosures of financial instruments are made in accordance with the requirements of IFRS 13 "Fair Value Measurement". Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

The fair values of financial assets and financial liabilities are determined as follows.

- The fair values of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices (includes listed redeemable notes, bills of exchange, debentures and perpetual notes).
- Unquoted equities and debt securities classified at fair value through other comprehensive income are valued using models that use both observable and unobservable data. The non-observable inputs to the models include assumptions regarding the future financial performance of the investee, its risk profile, and economic assumptions regarding the industry and geographical jurisdiction in which the investee operates.
- For loans and advances to banks and customers and deposits by banks and customers and promissory notes issued at variable rates management believes that carrying value may be assumed to be fair value.
- For loans and advances to banks and customers and deposits by banks and customers and promissory notes issued at fixed rates fair value has been estimated by reference to the market rates available at the balance sheet date for similar instruments of maturity equal to the remaining fixed period.
- The fair values of other financial assets and financial liabilities (excluding derivative instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments.

SELECTED NOTES TO THE PUBLIC INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
30 SEPTEMBER 2023 (UNAUDITED)

9. Fair value of financial instruments (Continued)

- The fair values of derivative instruments are calculated using quoted prices. Where such prices are not available, a discounted cash flow analysis is performed using the applicable yield curve for the duration of the instruments for non-optional derivatives, and option pricing models for optional derivatives. Foreign currency forward contracts are measured using quoted forward exchange rates and yield curves derived from quoted interest rates matching maturities of the contracts. Interest rate swaps are measured at the present value of future cash flows estimated and discounted based on the applicable yield curves derived from quoted interest rates.

Assets and liabilities for which fair value approximates carrying value

For financial assets and liabilities that have a short term maturity (less than 12 months), it is assumed that the carrying amounts approximate to their fair value. This assumption is also applied to demand deposits and savings accounts.

Fair value measurements recognised in the interim condensed consolidated statement of financial position

For the purpose of fair value hierarchy disclosure as at 30 September 2023 and 31 December 2022, the Group has categorized classes of assets and liabilities at fair value into Level 1 to 3 based on the degree to which their fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Recurring fair value measurements

Recurring fair value measurements are those that the accounting standards require or permit in the statement of financial position at the end of each reporting period. The level in the fair value hierarchy into which the recurring fair value measurements are categorised are as follows:

| <i>(in millions of Russian Roubles)</i> | 30 September 2023 (unaudited) | | | | 31 December 2022 | | | |
|--|--------------------------------------|----------------|----------------|--------------|-------------------------|----------------|----------------|--------------|
| | Level 1 | Level 2 | Level 3 | Total | Level 1 | Level 2 | Level 3 | Total |
| Total assets measured at fair value or revalued amount | 1,025 | 44,063 | 39,148 | 84,236 | 2,109 | 29,454 | 9,181 | 40,744 |
| Total financial liabilities measured at fair value | 3,988 | 13,323 | – | 17,311 | 2,286 | 21,487 | – | 23,773 |

ROSBANK Group

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9. Fair value of financial instruments (Continued)

Assets and liabilities not measured at fair value but for which fair value is disclosed

Fair values analysed by level in the fair value hierarchy and carrying value of assets not measured at fair value are as follows:

| (in millions of Russian Roubles) | 30 September 2023 (unaudited) | | | | | 31 December 2022 | | | | |
|----------------------------------|-------------------------------|---------|-----------|-----------|----------------|------------------|---------|-----------|-----------|----------------|
| | Level 1 | Level 2 | Level 3 | Total | Carrying value | Level 1 | Level 2 | Level 3 | Total | Carrying value |
| Total financial assets | 95,198 | 248,075 | 1,318,189 | 1,661,462 | 1,698,646 | 103,513 | 427,300 | 942,134 | 1,472,947 | 1,507,145 |
| Total financial liabilities | 3,994 | 18,722 | 1,553,561 | 1,576,277 | 1,581,496 | 37,044 | 17,895 | 1,303,312 | 1,358,251 | 1,356,702 |

For financial instruments that are recognized at fair value on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

10. Subsequent events

On 17 October 2023, the Central Bank of Russia confirmed Rosbank's position in the list of systemically important credit institutions.

On 21 October 2023, the following bonds were redeemed:

| Issuer | Issue date | Maturity date | Debt volume, mRUB | Annual coupon rate, % |
|---------|------------|---------------|-------------------|-----------------------|
| Rosbank | 21.10.2013 | 21.10.2023 | 5,000 | 6.75% |

On 27 October 2023, the Central Bank of Russia increased the key interest rate from 13% to 15%.