

ROSBANK Group

**Public Interim condensed consolidated
financial statements
(unaudited)
30 September 2024**

ROSBANK Group

TABLE OF CONTENTS

	Page
Public Interim condensed consolidated financial statements	
Public Interim consolidated statement of financial position	3
Public Interim consolidated statement of profit or loss	4
Public Interim consolidated statement of comprehensive income	5
Public Interim consolidated statement of changes in equity	6
Selected notes to the Public interim condensed consolidated financial statements	
1. Basis for preparation of Public Interim Condensed Consolidated Financial Statements	7
2. Basis for Presentation and Significant Accounting Policies Information	8
3. Adoption of New or Revised Standards and Interpretations	11
4. Cash and cash equivalents	13
5. Due from credit institutions	13
6. Financial assets at fair value through profit or loss	13
7. Derivative financial instruments	14
8. Investments at fair value through other comprehensive income	14
9. Investments at amortised cost	15
10. Loans to customers	15
11. Financial liabilities at fair value through profit or loss	16
12. Due to banks	17
13. Customer accounts	17
14. Debt securities issued	17
15. Net interest income	18
16. Credit loss expense and other provisions	19
17. Fee and commission income and expense	23
18. Operating expenses	23
19. Earnings per share and dividends	23
20. Commitments and contingencies	24
21. Fair value of financial instruments	26
22. Segment reporting	29
23. Subsequent events	31

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

	Notes	30 September 2024 (unaudited)	31 December 2023
Assets			
Cash and cash equivalents	4	247,071	314,589
Mandatory cash balances with the Central Bank of the Russian Federation		6,943	3,407
Due from credit institutions	5	8,788	10,155
Financial assets at fair value through profit or loss	6, 7	20,628	37,288
Investments at fair value through other comprehensive income	8	99,977	34,381
Investments at amortized cost	9	83,076	83,162
Loans to customers	10	1,436,271	1,446,548
Property and equipment and right-of-use assets		12,822	22,056
Intangible assets		8,782	10,771
Current income tax assets		295	539
Deferred income tax assets		6,045	6,751
Other assets		131,669	130,647
Total assets		2,062,367	2,100,294
Liabilities and equity			
Liabilities			
Financial liabilities at fair value through profit or loss	7, 11	8,862	18,621
Due to the Central Bank of the Russian Federation		1,053	1,335
Due to banks	12	310,024	158,924
Customer accounts	13	1,391,905	1,585,025
Debt securities issued	14	4,635	18,234
Current income tax liabilities		119	935
Deferred income tax liabilities		99	59
Other liabilities		100,476	75,396
Subordinated debt		–	15,515
Total liabilities		1,817,173	1,874,044
Equity			
Share capital		17,587	17,587
Share premium		59,709	59,709
Treasury shares		(11,656)	(11,120)
Perpetual subordinated debt		39,403	38,118
Property and equipment revaluation reserve		2,123	2,562
Fair value reserve		(2,609)	(812)
Retained earnings		140,637	120,206
Total equity		245,194	226,250
Total liabilities and equity		2,062,367	2,100,294

Chairman of the Management Board
N.V. Sidorov

27 November 2024
Moscow



The notes 1-23 form an integral part of these Public interim condensed consolidated financial statements.

ROSBANK Group
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 (unaudited)		3 months ended 30 September (unaudited)	
		2024	2023	2024	2023
Interest income at effective interest rate	15	201,491	103,724	70,795	39,891
Other interest income	15	7,683	4,073	2,867	1,656
Interest expense at effective interest rate	15	(156,667)	(59,089)	(55,852)	(25,250)
Other interest expense	15	(436)	(417)	(146)	(142)
Deposit insurance charge	15	(2,793)	(1,713)	(943)	(624)
Net interest income before credit loss expense		49,278	46,578	16,721	15,531
Credit loss expense	16	(6,320)	(2,953)	(3,505)	(911)
Net interest income		42,958	43,625	13,216	14,620
Net gain/(loss) on operations with financial instruments and foreign currencies		3,348	20,858	4,967	7,886
Net realized gain/(loss) on sale of investments at fair value through other comprehensive income		54	–	60	–
Net gain/(loss) on sale of investments at amortized cost		263	–	241	–
Fee and commission income	17	19,431	18,074	6,593	6,390
Fee and commission expense	17	(11,269)	(7,882)	(3,882)	(3,070)
Net change in provisions for impairment and other provisions		23,433	(3,147)	17,144	(801)
Other income		937	688	276	283
Net non-interest income		36,197	28,591	25,399	10,688
Operating income		79,155	72,216	38,615	25,308
Operating expenses	18	(45,021)	(37,037)	(15,882)	(13,070)
Other non-operating income/(expense)		200	(71)	198	(36)
Profit before income tax		34,334	35,108	22,931	12,202
Income tax expense		(5,104)	(6,108)	(3,436)	(1,957)
Net profit for the period		29,230	29,000	19,495	10,245
EARNINGS PER SHARE					
Basic and diluted (in RUB)	19	16.57	16.95	11.91	5.76

The notes 1-23 form an integral part of these Public interim condensed consolidated financial statements

ROSBANK Group
PUBLIC INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(in millions of Russian Roubles)

	9 months ended 30 September (unaudited)		3 months ended 30 September (unaudited)	
	2024	2023	2024	2023
Net profit for the period	29,230	29,000	19,495	10,245
Other comprehensive income/(expense)				
Items that will not be reclassified subsequently to profit or loss				
Net gain/(loss) resulting on revaluation and impairment of property	11	(35)	50	3
Income tax on revaluation and impairment of property	(2)	7	(10)	(1)
Items that may be reclassified subsequently to profit or loss	(2,333)	(1,063)	(2,074)	(874)
Other comprehensive income/(expense) after income tax	(2,324)	(1,091)	(2,034)	(872)
Total comprehensive income	26,906	27,909	17,461	9,373

The notes 1-23 form an integral part of these Public interim condensed consolidated financial statements

ROSBANK Group
PUBLIC INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
(in millions of Russian Roubles)

	Share capital	Share premium	Treasury shares, fair value reserve and other funds	Perpetual subordinated debt	Property and equipment revaluation reserve	Retained earnings	Total equity
31 December 2022	17,587	59,709	(10,870)	29,894	2,407	105,107	203,834
Net profit for the period	–	–	–	–	–	29,000	29,000
Other comprehensive income/(expense) for the period	–	–	(1,063)	–	(28)	–	(1,091)
Total comprehensive income (expense) for the period	–	–	(1,063)	–	(28)	29,000	27,909
Property and equipment disposal (net of deferred tax of RUB 33 millions)	–	–	–	–	(133)	133	–
Other movements	–	–	(20)	11,332	–	(16,474)	(5,162)
30 September 2023 (unaudited)	17,587	59,709	(11,953)	41,226	2,246	117,766	226,581
31 December 2023	17,587	59,709	(11,932)	38,118	2,562	120,206	226,250
Net profit for the period	–	–	–	–	–	29,230	29,230
Other comprehensive income/(expense) for the period	–	–	(2,333)	–	9	–	(2,324)
Total comprehensive income (expense) for the period	–	–	(2,333)	–	9	29,230	26,906
Property and equipment disposal (net of deferred tax of RUB 112 millions)	–	–	–	–	(448)	448	–
Other movements	–	–	–	1,285	–	(9,247)	(7,962)
30 September 2024 (unaudited)	17,587	59,709	(14,265)	39,403	2,123	140,637	245,194

The notes 1-23 form an integral part of these Public interim condensed consolidated financial statements

ROSBANK Group
SELECTED NOTES TO THE PUBLIC INTERIM CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS
30 SEPTEMBER 2024 (UNAUDITED)

1. Basis for 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 2024, prepared in accordance with IAS 34 “Interim Financial Reporting” (further – “IAS 34”);
2. taking into account the requirements of the Bank of Russia named in the decision of the Board of Directors of the Bank of Russia dated 29 December 2022 “On the Requirements for Disclosure by Credit organizations (the parent credit organizations of the banking groups) of Reporting and Information in 2023” (further – the “Decision 1”), decision dated 26 December 2023 “On the Requirements for Disclosure by Credit organizations (the parent credit organizations of the banking groups) of Reporting and Information in 2024” (further – the “Decision 2”) (hereinafter collectively referred to as the “Decisions”); Information letters of the Bank of Russia dated 30 December 2022 No. IN-03-23/158 “Information letter on requirements for disclosure of reporting and information in 2023”, dated 3 March 2023 No. IN-03-23/19 “On reporting and information in 2023” and dated 16 January 2024 No. IN-03-23/2 “Information letter of the Bank of Russia on the requirements for the disclosure and submission of reporting and information to the Bank of Russia in 2024” (hereinafter collectively referred to as “Bank of Russia Requirements”);
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 and decisions of the Group's management.

These public interim condensed consolidated financial statements consist of public interim consolidated statement of financial position as at 30 September 2024 and 31 December 2023; public interim consolidated statement of profit or loss, public interim consolidated statement of comprehensive income for 3 and 9 months ended 30 September 2024 and 30 September 2023; public interim consolidated statement of changes in equity for 9 months ended 30 September 2024 and 30 September 2023, and related explanatory 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 2024, 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”.

Thereby, the ROSBANK Group does not fully disclose the information subject to disclosure on publicly available resources, starting from the interim condensed consolidated financial statements for 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 interim condensed consolidated financial statements may not be suitable for another purpose.

ROSBANK Group
SELECTED NOTES TO THE PUBLIC INTERIM CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS
30 SEPTEMBER 2024 (UNAUDITED)

2. Basis for Presentation and Significant Accounting Policies Information

Organization

ROSBANK is regulated by the Central Bank of the Russian Federation (the “CBR”) and conducts its business under license number 2272. ROSBANK is engaged in a full range of banking activities, including commercial and investment banking and custodial services.

The registered office of ROSBANK is located at 34, Masha Poryvaeva Street, Moscow, 107078, Russian Federation.

As of 30 September 2024 and 31 December 2023 ROSBANK had 10 branches operating in the Russian Federation.

ROSBANK (“the Bank”) is the parent company of a banking group (the “Group”) which consists of the subsidiaries primarily engaged in leasing and factoring services, as well as merchant and internet acquiring.

Basis for presentation

These public interim condensed consolidated financial statements are intended to present the information of the interim consolidated statement of financial position, interim consolidated statement of profit or loss, interim consolidated statement of comprehensive income, interim consolidated statement of changes in equity and do not include information about cash flows.

The item “Other assets” of the public interim consolidated statement of financial position includes investments in associates and joint ventures, 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 interim consolidated statement of financial position includes provisions for contingencies and credit related commitments, lease liabilities, funds in settlements on customer transactions and other financial and non-financial liabilities of the Group.

The item “Treasury shares and other funds” of the public interim consolidated statement of financial position includes treasury shares purchased and cash flow hedge.

The item “Net gain/(loss) on financial instruments and on foreign exchange operations” of the public interim 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.

The line “Items that may be reclassified subsequently to profit or loss” of the public interim consolidated statement of comprehensive income includes financial results from changes in fair value of investments at fair value through other comprehensive income net of tax, including credit loss allowance for these investments and changes in cash flow hedge net of tax.

The item “Treasury shares, fair value reserve, other funds” of the public interim consolidated statement of changes in equity includes treasury shares purchased; revaluation of instruments measured at fair value through other comprehensive income; credit loss allowances for instruments measured at fair value through other comprehensive income; cash flow hedge.

The item “Other movements” of the public interim consolidated statement of changes in equity includes interest payments on perpetual subordinated debt, impact of the foreign currency exchange rates changes on perpetual subordinated debt net of tax, and repurchase of treasury shares.

Also, selected condensed notes disclose information that is important for users to understand the financial position and results of operations of the Group about the Group’s exposure to credit risk, data on the fair value of the Group’s assets and liabilities and its dynamics by levels of the valuation hierarchy, information on dividends and earnings per share, financial indicators Groups by main business lines (segments).

2. Basis of presentation and Significant Accounting Policies Information (Continued)

Significant accounting policies information

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 annual consolidated financial statements of the Group for the year ended 31 December 2023 in Note 3¹.

Mandatory cash balances with the Central Bank of the Russian Federation

Obligatory reserves represent cash which credit institutions are required to deposit and maintain on specialized accounts opened with the Bank of Russia for the holding of obligatory reserves in the currency of the Russian Federation. The amount of obligatory reserves that a credit institution is required to maintain represents a certain proportion of the normative amount of reservable liabilities and depends on the obligatory reserve ratios and averaging ratios effective as at the recalculation date.

In 2023, the Bank of Russia, given the growing structural liquidity surplus and in order to maintain the trend towards devalutization of credit institutions' balance sheets, allocated liabilities in currencies of unfriendly countries into separate subcategories (information about them is published on the website of the Bank of Russia), and increased the required reserve ratios for all categories of reserved liabilities in the currency of the Russian Federation and in foreign currency.

Income tax

In addition to the Group's income and expenses from current operating activities taxed at the statutory rate of 20%, the effective tax rate is affected by income/expense taxed at other tax rates and interest payments on perpetual subordinated debt. The tax recovery on interest payments on perpetual subordinated debt is charged to profit or loss as it relates more to transactions or events in the past that have generated distributable profits than to distributions to shareholders.

On 12 July 2024, Federal Law No. 176-FZ "On Amending Part 1 and Part 2 of the Russian Tax Code, Specific Regulations of the Russian Federation and Invalidating Certain Provisions of Regulations of the Russian Federation" (published on 12 July 2024, the "Law"). Under the Law, corporate income tax rate was increased from 20% to 25%. This change is effective from 1 January 2025.

In accordance with the requirements of IAS 12, deferred tax assets and liabilities recognized in these public interim condensed consolidated financial statements have been remeasured by the Group using the new tax rate of 25% for temporary differences expected to be recovered or settled after 1 January 2025. The effect of this remeasurement is recognized in the public interim consolidated statement of financial position and public interim consolidated statement of profit or loss as part of deferred income tax assets and income in the amount of RUB 754 million.

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 public interim condensed consolidated financial statements of the Group is the RUB, except when otherwise indicated. All values are rounded to the nearest million RUB, except when otherwise indicated. These public interim condensed consolidated financial statements are presented in millions of Russian Roubles ("RUB millions"), unless otherwise stated.

¹ The full version of the Group's consolidated financial statements for the year ended 31 December 2023, prepared in accordance with IFRS, is located at: 107078, Moscow, st. Masha Poryvaeva, 34

ROSBANK Group
SELECTED NOTES TO THE PUBLIC INTERIM CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS
30 SEPTEMBER 2024 (UNAUDITED)

2. Basis of presentation and Significant Accounting Policies Information (Continued)

The period-end exchange rates used by the Group in the preparation of the public interim condensed consolidated financial statements are set out below:

	30 September 2024	31 December 2023
RUB/1 US Dollar	92.7126	89.6883
RUB/1 Euro	103.4694	99.1919

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 public 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 2023¹.

The Management did not identify new areas for application of new estimates and judgements except for those provided in this Note below.

Going concern basis

Management has prepared these public interim condensed consolidated financial statements on a going concern basis. This judgement is based on consideration of the Group's financial position, current plans, profitability of operations and access to financial resources as well as the impact of recent changes in macroeconomic conditions on the Group's future operations.

On 8 May 2024, at the Extraordinary General Meeting of Shareholders of IPJSC TCS Holding, the shareholders approved a decision on an additional share issuance through a closed subscription in payment for which shares of PJSC ROSBANK.

Management expects that the integration of PJSC ROSBANK PJSC ROSBANK to be completed by the end of the first quarter of 2025 through its merger with JSC TBank.

The Group's management believes, that this transaction transaction best meets the interests of all shareholders and opens up additional opportunities for advanced qualitative growth of the Group's business through efficient use of capital, realization of operational and business synergies with much greater of scale, as well as a complementary product offering for all customers.

After the completion of integration processes, all operations and services previously carried out independently by the two banks under their respective brands will continue to be provided seamlessly by the merged bank under the unified "T-Bank" brand.

The merged bank will operate under a single license with unified IT solutions, optimising duplicate functions. The integration is expected to deliver new opportunities for clients, including enhanced product and service offerings and the adoption of advanced platform-based technological solutions from T-Bank. Furthermore, the management anticipates that the merged group will continue to develop its the segments where ROSBANK has established deep expertise: private clients, large corporate clients and medium-sized enterprises.

¹ The full version of the Group's consolidated financial statements for the year ended 31 December 2023, prepared in accordance with IFRS, is located at: 107078, Moscow, st. Masha Poryvaeva, 34

2. Basis of presentation and Significant Accounting Policies Information (Continued)

All obligations of the Bank and the Group under previously concluded agreements with clients and partners will remain in force and will be fulfilled by the merged bank.

The Bank and the Group continue to operate normally, fulfilling their obligations to their customers, partners and employees. During 9 months ended 30 September 2024 and as at the signing date of these public interim condensed consolidated financial statements, the Bank and the Group complied with all mandatory ratios of the Bank of Russia, including capital adequacy and liquidity ratios.

The possibility of deferred tax assets recovery

The recognized deferred tax asset represents income taxes recoverable through future deductions from taxable profits and is recorded in the consolidated statement of financial position. A deferred tax asset is recognized only to the extent that it is probable that the related income tax benefit will be utilized. The determination of future taxable income and the amount of income tax benefit that is probable in the future is based on a medium-term business plan prepared by management and extrapolated results. The business plan is based on historical income tax levels and management's expectations of the future taxable income that the Group will earn as a result of the implementation of its development strategy in the medium term.

The Group may utilize tax loss carryforwards generated in 2018-2020 against earned taxable income for an unlimited period of time, but in the period from 2018 to 2024 in an amount not exceeding half of the annual taxable income of the relevant reporting period. The above tax loss carryforwards were utilized by the Group against earned taxable income in the period up to and including 31 December 2021. As of 30 September 2024 and 31 December 2023 the Group has no unused tax losses to be recognized as a deferred tax asset.

3. Adoption of New or Revised Standards and Interpretations

Several new standards and interpretations were published which are effective for the annual periods starting from 1 January 2024 and after this date, which the Group has not early adopted.

Unless not stated otherwise described below, these new standards and interpretations are not expected to have any material impact on consolidated financial statements of the Group.

Amendments to IFRS 10 and IAS 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (issued on 11 September 2014 and effective for annual periods beginning on or after a date to be determined by the IASB)

These amendments address an inconsistency between the requirements in IFRS 10 and those in IAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture.

The Group is currently assessing the impact of the amendments on its financial statements.

Classification of Liabilities into Current and Non-current - Amendments to IAS 1 (issued on Classification of liabilities as current or non-current – Amendments to IAS 1 (issued on 23 January 2020 and effective for annual periods beginning on or after 1 January 2022, deferred to 1 January 2024 by the amendments to IAS 1)

These narrow scope amendments clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period.

Classification of liabilities as current or non-current, deferral of effective date – Amendments to IAS 1 (issued on 15 July 2020 and effective for annual periods beginning on or after 1 January 2023, deferred to 1 January 2024 by the amendments to IAS 1, as stated below)

The amendment to IAS 1 on classification of liabilities as current or non-current was issued in January 2020 with an original effective date 1 January 2022. However, in response to the Covid-19 pandemic, the effective date was deferred by one year to provide companies with more time to implement classification changes resulting from the amended guidance.

3. Adoption of New of Revised Standards and Interpretations (Continued)

Lease Liability in a Sale and Leaseback Amendments to IFRS 16 – Amendments to IFRS 16 (issued on 22 September 2022 and effective for annual periods beginning on or after 1 January 2024)

The amendments apply to sale and leaseback transactions where the transfer of the asset qualifies as a 'sale' under IFRS 15 and the lease payments include variable lease payments that do not depend on an index or rate.

Non-current Liabilities with Covenants – Amendments to IAS 1 (issued on 31 October 2022 and effective for annual periods beginning on or after 1 January 2024)

The amendments clarify previous amendments to IAS 1 on classification of liabilities as current or noncurrent issued in January 2020 that would have become effective for reporting periods beginning on or after 1 January 2023.

Supplier Finance Arrangements – amendments to IAS 7 and IFRS 7 (issued on 25 May 2023 and effective for annual periods beginning on or after 1 January 2024)

The amendments are aimed to enhance the transparency of supplier finance arrangements and their effects on a company's liabilities, cash flows and exposure to liquidity risk. They supplement existing IFRS requirements and require a company to disclose the terms and conditions, the amount of the liabilities that are part of the arrangements, breaking out the amounts for which the suppliers have already received payment from the finance providers, and stating where the liabilities are presented on the balance sheet, ranges of payment due dates and liquidity risk information.

Lack of exchangeability – Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates (issued on 15 August 2023 and effective for annual periods beginning on or after 1 January 2025)

IAS 21 was amended to add requirements to help entities to determine whether a currency is exchangeable into another currency, and the spot exchange rate to use when it is not.

IFRS 18 Presentation and Disclosure in Financial Statements (issued on 9 April 2024 and effective for annual periods beginning on or after 1 January 2027)

IFRS 18 replaces IAS 1. Many requirements from IAS 1 are maintained unchanged in the new standard. The new standard introduces three defined categories for income and expenses in the statement of profit or loss (operating, investing and financing) and requires to provide new defined subtotals, including operating profit and profit before financing and income taxes.

IFRS 19 Subsidiaries without Public Accountability: Disclosures (issued on 9 May 2024 and effective for annual periods beginning on or after 1 January 2027)

The standard is voluntary and permits eligible subsidiaries to use IFRS Accounting Standards with reduced disclosures.

Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7 (issued on 30 May 2024 and effective for annual periods beginning on or after 1 January 2026)

Annual Improvements to IFRS Accounting Standards - Volume 11 (issued on 18 July 2024 and effective for annual periods beginning on or after 1 January 2026)

ROSBANK Group
SELECTED NOTES TO THE PUBLIC INTERIM CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS
30 SEPTEMBER 2024 (UNAUDITED)

4. Cash and cash equivalents

<i>(in millions of Russian Roubles)</i>	30 September 2024 (unaudited)	31 December 2023
Cash	10,724	15,339
Balances with the Central Bank of the Russian Federation	128,786	165,853
Current accounts and due from banks with original maturity within 90 days	92,764	118,565
Loans under reverse repurchase agreements	14,864	14,880
Cash and cash equivalents	247,138	314,637
Less – credit loss allowance	(67)	(48)
Total cash and cash equivalents	247,071	314,589

As of 30 September 2024 and 31 December 2023, the fair value of assets received as collateral and the carrying value of loans under reverse repurchase agreements were as follows:

<i>(in millions of Russian Roubles)</i>	30 September 2024 (unaudited)		31 December 2023	
	Carrying value of loan	Fair value of collateral	Carrying value of loan	Fair value of collateral
Bonds of the Russian Federation	7,721	8,139	14,880	15,658
Shares of Russian companies	7,143	8,875	–	–
Total loans under reverse repurchase agreements	14,864	17,014	14,880	15,658

5. Due from credit institutions

<i>(in millions of Russian Roubles)</i>	30 September 2024 (unaudited)	31 December 2023
Term deposits in banks	8,808	10,177
Less – credit loss allowance	(20)	(22)
Total due from credit institutions	8,788	10,155

6. Financial assets at fair value through profit or loss

<i>(in millions of Russian Roubles)</i>	30 September 2024 (unaudited)	31 December 2023
Debt securities of the Russian Federation	9,772	9,152
Derivative financial instruments (Note 7)	10,730	27,998
Shares	126	138
Total financial assets at fair value through profit or loss	20,628	37,288

Debt securities at fair value through profit or loss are recognized at fair value, which also reflects an appropriate credit risk related write-off and provides the most accurate information about the Group's maximum exposure to credit risk.

Debt securities at fair value through profit or loss are not collateralized.

<i>(in millions of Russian Roubles)</i>	30 September 2024 (unaudited)	31 December 2023
Debt securities		
Debt securities of the Russian Federation	6,870	9,152
Debt securities of Russian companies	1,992	–
Eurobonds of Russian companies	471	–
Bonds of Russian banks	439	–
Total debt securities	9,772	9,152

ROSBANK Group
SELECTED NOTES TO THE PUBLIC INTERIM CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS
30 SEPTEMBER 2024 (UNAUDITED)

7. Derivative financial instruments

Derivative financial instruments comprise:

<i>(in millions of Russian Roubles)</i>	Nominal value	30 September 2024 Fair value (unaudited)		Nominal value	31 December 2023 Fair value	
		Assets	Liabilities		Assets	Liabilities
Derivative financial instruments						
Foreign exchange and interest rate contracts						
Swaps	11,339	70	–	19,364	21	(8)
Forwards	43,749	673	(459)	51,689	533	(662)
IRS/CIRS/CDS	115,027	9,711	(1,431)	190,213	27,108	(8,857)
Foreign exchange and interest rate options	11,941	273	(46)	22,486	309	(51)
Total foreign exchange and interest rate contracts		10,727	(1,936)		27,971	(9,578)
Contracts on precious metals, commodities and equities						
Options	266	3	(3)	266	27	(27)
Total contracts on precious metals, commodities and equities		3	(3)		27	(27)
Total derivative financial instruments		10,730	(1,939)		27,998	(9,605)

Embedded derivatives

The Group issued structural bonds with embedded derivatives included in financial assets at fair value through profit and loss. On 30 April 2024 these structural bonds were redeemed in accordance with the maturity date under the terms of the issue. Details of the redemption are disclosed in Note 14. As at 31 December 2023, the fair value of embedded derivatives in amount of RUB 604 million included in financial assets at fair value through profit or loss.

8. Investments at fair value through other comprehensive income

<i>(in millions of Russian Roubles)</i>	30 September 2024 (unaudited)	31 December 2023
Bonds of Russian Federation	63,544	34,381
Bonds of Russian companies	30,626	–
Shares of Russian companies	4,706	–
Shares of Russian banks	1,101	–
Total investments at fair value through other comprehensive income	99,977	34,381

As of 30 September 2024 and 31 December 2023, debt securities measured at fair value through other comprehensive income are not collateralized.

ROSBANK Group
SELECTED NOTES TO THE PUBLIC INTERIM CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS
30 SEPTEMBER 2024 (UNAUDITED)

9. Investments at amortised cost

<i>(in millions of Russian Roubles)</i>	30 September 2024 (unaudited)	31 December 2023
Bonds of the Russian Federation and its subjects	43,100	43,292
Eurobonds of the Russian Federation	17,543	17,655
Bonds of Russian companies	18,009	17,828
Debt securities of local authorities	2,247	2,206
Bonds of Russian banks	1,709	1,683
Eurobonds of Russian companies	471	453
Digital financial assets for monetary claims	203	303
Less – credit loss allowance	(206)	(258)
Total investments at amortised cost	83,076	83,162

As of 30 September 2024 and 31 December 2023, debt securities measured at amortized cost are not collateralized.

10. Loans to customers

<i>(in millions of Russian Roubles)</i>	30 September 2024 (unaudited)	31 December 2023
Loans at amortised cost		
Loans to Corporate business		
Loans to legal entities	515,208	649,213
Loans to Retail business		
Loans to individuals	894,340	780,009
Total loans at amortized cost	1,409,548	1,429,222
Net investments in finance lease	60,423	50,718
Loans at fair value through other comprehensive income		
Loans to individuals	3,955	4,981
Total loans at fair value through other comprehensive income	3,955	4,981
Total loans to customers before credit loss allowance	1,473,926	1,484,921
Less – credit loss allowance	(37,655)	(38,373)
Total loans to customers	1,436,271	1,446,548

Loans to individuals comprise the following products:

<i>(in millions of Russian Roubles)</i>	Gross amount	30 September 2024 (unaudited) Less credit loss allowance	Net amount
Mortgage loans	391,959	(3,070)	388,889
Car loans	356,041	(9,039)	347,002
Consumer loans	118,839	(12,162)	106,677
Overdraft	18,098	(2,658)	15,440
Loans to VIP clients and employees	1,274	(53)	1,221
Loans to Individual entrepreneurs	12,084	(991)	11,093
	898,295	(27,973)	870,322

ROSBANK Group
SELECTED NOTES TO THE PUBLIC INTERIM CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS
30 SEPTEMBER 2024 (UNAUDITED)

10. Loans to customers (Continued)

(in millions of Russian Roubles)

	Gross amount	Less credit loss allowance	31 December 2023 Net amount
Mortgage loans	414,466	(4,262)	410,204
Car loans	231,843	(5,204)	226,639
Consumer loans	106,219	(14,198)	92,021
Overdraft	17,809	(2,708)	15,101
Loans to VIP clients and employees	1,324	(58)	1,266
Loans to Individual entrepreneurs	13,329	(1,062)	12,267
	784,990	(27,492)	757,498

Loans at fair value through other comprehensive income are represented by mortgage loans and amount to RUB 3,955 million as at 30 September 2024 (31 December 2023: RUB 4,981 million).

As of 30 September 2024 and 31 December 2023 the credit quality of loans to customers is presented below:

(in millions of Russian Roubles)

	30 September 2024 (unaudited)				
	Stage 1	Stage 2	Stage 3	POCI	Total
Loans to corporate business	474,719	33,072	7,417	–	515,208
Net investments in finance lease	53,549	6,062	812	–	60,423
Loans to retail business	873,835	4,561	19,781	118	898,295
Total loans to customers before credit loss allowance	1,402,103	43,695	28,010	118	1,473,926
Less – credit loss allowance	(12,727)	(1,600)	(23,327)	(1)	(37,655)
Total loans to customers	1,389,376	42,095	4,683	117	1,436,271

(in millions of Russian Roubles)

	31 December 2023				
	Stage 1	Stage 2	Stage 3	POCI	Total
Loans to corporate business	616,238	26,007	6,968	–	649,213
Net investments in finance lease	47,604	1,756	1,358	–	50,718
Loans to retail business	765,373	2,856	16,629	132	784,990
Total loans to customers before credit loss allowance	1,429,215	30,619	24,955	132	1,484,921
Less – credit loss allowance	(15,664)	(1,015)	(21,717)	(2)	(38,398)
Total loans to customers	1,413,551	29,604	3,238	130	1,446,523

11. Financial liabilities at fair value through profit or loss

(in millions of Russian Roubles)

	30 September 2024 (unaudited)	31 December 2023
Derivative financial instruments	1,939	9,605
Short position on securities	6,923	9,016
Total financial liabilities at fair value through profit or loss	8,862	18,621

Derivative financial instruments are disclosed in Note 7.

ROSBANK Group
SELECTED NOTES TO THE PUBLIC INTERIM CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS
30 SEPTEMBER 2024 (UNAUDITED)

12. Due to banks

<i>(in millions of Russian Roubles)</i>	30 September 2024 (unaudited)	31 December 2023
Time deposits and other borrowings	212,933	70,567
Demand accounts	84,746	85,091
Loans under repurchase agreements	12,345	3,266
Total due to banks	310,024	158,924

13. Customer accounts

<i>(in millions of Russian Roubles)</i>	30 September 2024 (unaudited)	31 December 2023
Corporate		
Time deposits and other borrowings	370,629	409,684
Repayable on demand	366,607	555,685
Total corporate	737,236	965,369
Individuals		
Time deposits and other borrowings	395,090	357,590
Repayable on demand	259,579	262,066
Total individuals	654,669	619,656
Total customer accounts	1,391,905	1,585,025

14. Debt securities issued

<i>(in millions of Russian Roubles)</i>	Annual coupon rate, %	30 September 2024 (unaudited)	Annual coupon rate, %	31 December 2023
Bonds of Rosbank due in 2024-2026	6.90%-13.50%	4,520	7.65%-12.00%	7,939
Exchange structural bonds of Rosbank due in 2024	–	–	9.89% RUONIA+1%	10,193
Digital financial assets on the Moscow Exchange index	Index iMOEX	115	Index iMOEX	102
Total debt securities issued		4,635		18,234

The exchange–traded structural bonds of PJSC Rosbank maturing in 2024 and purchased digital financial assets on the Moscow Exchange index are accounted for as separate instruments – liabilities at amortized cost and embedded derivatives.

The rates presented above are the rates at which the amortized cost of the main contract is calculated after being divided into two instruments.

During the period January – September 2024 the following bonds were redeemed:

Issuer	Issue date	Maturity date	Repayment volume mRUB	Annual coupon rate, %
Rosbank ^[1]	27.03.2014	27.03.2024	249	7.55%
Rosbank	30.04.2014	30.04.2024	2,000	9.89%
Rosbank	30.04.2014	30.04.2024	2,000	RUONIA +1%
Rosbank	30.04.2014	30.04.2024	3,000	9.89%
Rosbank	30.04.2014	30.04.2024	3,000	RUONIA +1%
Rosbank ^[1]	10.10.2014	09.07.2024	935	11.92%

^[1] partial redemption of nominal value

ROSBANK Group
SELECTED NOTES TO THE PUBLIC INTERIM CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS
30 SEPTEMBER 2024 (UNAUDITED)

14. Debt securities issued (Continued)

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

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

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

Issuer	Issue date	Maturity date	Repayment 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%

15. Net interest income

(in millions of Russian Roubles)

	9 months ended 30 September (unaudited)		3 months ended 30 September (unaudited)	
	2024	2023	2024	2023
Interest income at effective interest rate				
<i>Interest income on financial assets recorded at amortized cost</i>				
Interest on loans to individuals	92,220	49,843	34,164	18,329
Interest on loans to corporate customers	70,508	30,787	23,238	13,454
Interest on due from credit institutions	24,968	18,136	7,865	6,403
Interest on investments at amortised cost	4,551	4,488	1,452	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	8,871	6	3,966	–
Interest on loans to individuals at fair value through other comprehensive income	373	464	110	149
Total interest income at effective interest rate	201,491	103,724	70,795	39,891
Other interest income				
Finance lease receivables	6,669	3,527	2,516	1,396
Interest income on financial assets at fair value through profit and loss	1,014	546	351	260
Total other interest income	7,683	4,073	2,867	1,656
Total interest income	209,174	107,797	73,662	41,547
Interest expense at effective interest rate				
<i>Interest expense on financial liabilities recorded at amortized cost</i>				
Interest on corporate customer accounts	71,131	39,112	22,571	16,783
Interest on deposits from individuals	60,510	15,837	21,958	6,647
Interest on debt securities issued	455	1,673	114	283
Interest on deposits from banks	24,217	1,470	11,616	1,144
Interest on subordinated debt	290	964	(425)	376
Interest on deposits of the Central Bank of the Russian Federation	64	33	18	17
Total interest expense calculated using effective interest rate	156,667	59,089	55,852	25,250
Other interest expense				
Lease liabilities	436	417	146	142
Total other interest expense	436	417	146	142
Total interest expense	157,103	59,506	55,998	25,392
Deposit insurance expense	2,793	1,713	943	624
Net interest income	49,278	46,578	16,721	15,531

ROSBANK Group
SELECTED NOTES TO THE PUBLIC INTERIM CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS
30 SEPTEMBER 2024 (UNAUDITED)

16. Credit loss expense and other provisions

(in millions of Russian Roubles)

	9 months ended 30 September (unaudited)		3 months ended 30 September (unaudited)	
	2024	2023	2024	2023
Stage 1 net allocations	(2,510)	(592)	298	(143)
Stage 2 net allocations	1,052	601	307	(74)
Stage 3 net allocations	7,732	2,931	2,891	1,160
POCI net allocations	(1)	(4)	–	1
Recoveries of loans written off	(44)	(51)	(36)	(47)
Write offs not covered by provisions	91	68	45	14
Credit loss expenses	6,320	2,953	3,505	911

An analysis of changes in the ECLs for loans to customers for 9 months ended 30 September 2024 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 2024	2,722	244	12,698	15,664
New originated or purchased	2,786	162	4,511	7,459
Transfers to Stage 1	54	7	345	406
Transfers to Stage 2	(158)	(19)	(73)	(250)
Transfers to Stage 3	(126)	(12)	(241)	(379)
Net allocations	(3,685)	(111)	(6,156)	(9,952)
Amounts sold	–	–	(242)	(242)
Other movements	9	–	11	20
ECL as at 30 September 2024 (unaudited)	1,602	271	10,853	12,726
Stage 2				
ECL as at 1 January 2024	168	19	828	1,015
New originated or purchased	250	33	598	881
Transfers to Stage 1	(54)	(2)	(140)	(196)
Transfers to Stage 2	158	19	188	365
Transfers to Stage 3	–	(2)	(615)	(617)
Net allocations	(353)	(7)	522	162
Other movements	–	–	–	–
ECL as at 30 September 2024 (unaudited)	169	60	1,381	1,610
Stage 3				
ECL as at 1 January 2024	6,532	1,196	13,989	21,717
Transfers to Stage 1	–	(5)	(205)	(210)
Transfers to Stage 2	–	–	(115)	(115)
Transfers to Stage 3	126	14	856	996
Net allocations	4,176	(627)	3,598	7,147
Amounts sold and written off	(3,619)	(158)	(2,421)	(6,198)
Other movements	1	–	8	9
ECL as at 30 September 2024 (unaudited)	7,216	420	15,710	23,346
POCI				
ECL as at 1 January 2024	–	–	2	2
Allowance charge	–	–	(1)	(1)
ECL as at 30 September 2024 (unaudited)	–	–	1	1
Total at 1 January 2024	9,422	1,459	27,517	38,398
Total at 30 September 2024 (unaudited)	8,987	751	27,945	37,683

ROSBANK Group
SELECTED NOTES TO THE PUBLIC INTERIM CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS
30 SEPTEMBER 2024 (UNAUDITED)

16. Credit loss expense and other provisions (Continued)

An analysis of changes in the ECLs for loans to customers for 3 months ended 30 September 2024 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 2024 (unaudited)	2,114	276	10,325	12,715
New originated or purchased	558	37	1,373	1,968
Transfers to Stage 1	51	3	12	66
Transfers to Stage 2	(104)	(2)	(1)	(107)
Transfers to Stage 3	–	(5)	(86)	(91)
Net allocations	(1,083)	(38)	(549)	(1,670)
Amounts sold	–	–	(242)	(242)
Other movements	66	–	21	87
ECL as at 30 September 2024 (unaudited)	1,602	271	10,853	12,726
Stage 2				
ECL as at 30 June 2024 (unaudited)	126	49	1,081	1,256
New originated or purchased	88	16	416	520
Transfers to Stage 1	(51)	–	(1)	(52)
Transfers to Stage 2	104	2	15	121
Transfers to Stage 3	–	–	(7)	(7)
Net allocations	(98)	(7)	(123)	(228)
Other movements	–	–	–	–
ECL as at 30 September 2024 (unaudited)	169	60	1,381	1,610
Stage 3				
ECL as at 30 June 2024 (unaudited)	10,377	338	14,568	25,283
Transfers to Stage 1	–	(3)	(11)	(14)
Transfers to Stage 2	–	–	(14)	(14)
Transfers to Stage 3	–	5	93	98
Net allocations	457	104	1,729	2,290
Amounts sold and written off	(3,619)	(24)	(674)	(4,317)
Other movements	1	–	19	20
ECL as at 30 September 2024 (unaudited)	7,216	420	15,710	23,346
POCI				
ECL as at 30 June 2024 2024 (unaudited)	–	–	1	1
Allowance charge	–	–	–	–
ECL as at 30 September 2024 (unaudited)	–	–	1	1
Total at 30 June 2024 2024 (unaudited)	12,617	663	25,975	39,255
Total at 30 September 2024 (unaudited)	8,987	751	27,945	37,683

ROSBANK Group
SELECTED NOTES TO THE PUBLIC INTERIM CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS
30 SEPTEMBER 2024 (UNAUDITED)

16. Credit loss expense and other provisions (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

ROSBANK Group
SELECTED NOTES TO THE PUBLIC INTERIM CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS
30 SEPTEMBER 2024 (UNAUDITED)

16. Credit loss expense and other provisions (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

The credit loss expense for the 9 months ended 30 September 2024 and 30 September 2023 presented in the tables above differs from the amounts recognised in the public interim consolidated statement of profit or loss by a total provision for ECL of RUB 577 million (9 months ended 30 September 2023 recovery of RUB 155 million) related to the following items: Cash and cash equivalents and due from banks; Investments measured at amortised cost; Investments at fair value through other comprehensive income; Credit related commitments.

The credit loss expense for the 3 months ended 30 September 2024 and 30 September 2023 presented in the tables above differs from the amounts recognised in the public interim consolidated statement of profit or loss by a total provision for ECL of RUB 616 million (3 months ended 30 September 2023: recovery of RUB 111 million) related to the following items: Cash and cash equivalents and due from banks; Investments measured at amortised cost; Investments at fair value through other comprehensive income; Credit related commitments.

ROSBANK Group
SELECTED NOTES TO THE PUBLIC INTERIM CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS
30 SEPTEMBER 2024 (UNAUDITED)

17. Fee and commission income and expense

(in millions of Russian Roubles)

	9 months ended 30 September (unaudited)		3 months ended 30 September (unaudited)	
	2024	2023	2024	2023
Fee and commission income				
Settlements	6,166	6,402	2,036	2,141
Plastic cards operations	4,959	4,297	1,641	1,590
Documentary operations	2,948	1,862	1,098	701
Agency operations	2,433	2,594	746	922
Internet bank	1,382	1,152	495	428
Depository operations	565	649	218	171
Cash operations	353	533	110	225
Other operations	625	585	249	212
Total fee and commission income	19,431	18,074	6,593	6,390
Fee and commission expense				
Plastic cards operations	4,264	2,912	1,722	1,120
Agency operations	3,317	1,478	1,239	658
Settlements	2,843	3,120	631	1,182
Other operations	845	372	290	110
Total fee and commission expense	11,269	7,882	3,882	3,070

18. Operating expenses

(in millions of Russian Roubles)

	9 months ended 30 September (unaudited)		3 months ended 30 September (unaudited)	
	2024	2023	2024	2023
Salary and bonuses	21,667	16,159	4,894	5,292
Unified social tax contribution	4,799	3,984	1,123	1,233
Depreciation charge on property and equipment and right-of-use assets	6,325	7,327	2,474	3,170
Professional services	1,932	1,921	625	720
Repairs and maintenance expense	1,941	1,729	859	569
Advertising and marketing expenses	1,121	2,962	59	828
Communications	609	626	197	209
Transportation expenses	237	375	91	163
Operating lease expense	166	184	26	63
Security	92	98	38	33
Other	6,132	1,672	4,950	790
Total operating expenses	45,021	37,037	15,882	13,070

19. Earnings per share and dividends

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders of the Bank by the weighted average number of ordinary shares outstanding during the period less treasury shares. The Bank has no potentially dilutive shares of common stock.

The total number of issued ordinary shares is 1,551,401,853 with a par value of RUB 10 each.

Based on the results of the annual General Meeting of Shareholders of the Bank held on May 16, 2024, dividends for 2023 in the amount of RUB 4,161 million were declared to shareholders (RUB 2.9 per 1 ordinary share). Dividends for 2023 in the above amount were paid to shareholders in June 2024.

Based on the results of the annual General Meeting of Shareholders of the Bank held on May 29, 2023, dividends for 2022 in the amount of RUB 4,162 million were declared to shareholders (RUB 2.9 per 1 ordinary share) in June 2023. Dividends for 2022 in the above amount were paid to shareholders at the end of June 2023.

ROSBANK Group
SELECTED NOTES TO THE PUBLIC INTERIM CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS
30 SEPTEMBER 2024 (UNAUDITED)

20. Commitments and contingencies

In the normal course of business, the Group is a party to financial instruments with off-balance sheet risk in order to meet the needs of its customers. These instruments, involving varying degrees of credit risk, are not reflected in the public interim statement of financial position.

The Group's maximum exposure to credit risk under contingent liabilities and commitments to extend credit, in the event of non-performance by the other party where all counterclaims, collateral or security prove valueless, is represented by the contractual amounts of those instruments.

The Group uses the same credit control and management policies in undertaking off-balance sheet commitments as it does for on-balance operations. Extension of loans to customers within credit line limits is approved by the Group on a case-by-case basis and depends on borrowers' financial performance, debt service and other conditions.

As of 30 September 2024 and 31 December 2023, the nominal amounts of contingent liabilities and commitments to issue loans (or amounts according to agreements) amounted to:

<i>(in millions of Russian Roubles)</i>	30 September 2024 (unaudited)	31 December 2023
Guarantees issued and similar commitments	255,917	252,536
Commitments on loans and unused credit lines	39,932	61,969
Letters of credit and other transaction related contingent obligations	20,612	20,726
Total contingent liabilities and credit commitments	316,461	335,231

The Group has commitments to provide funds under credit lines facilities. However, the Group has a right not to exercise such commitments due to certain conditions.

Legal proceedings

From time to time and in the normal course of business, claims against the Group are received. On the basis of its own estimates, management is of the opinion that no material losses will be incurred in respect of claims except for those cases where provision has been made in the public interim condensed consolidated financial statements.

Taxation

The current provisions of the Russian tax legislation are characterized by a significant degree of uncertainty, allow ambiguous interpretation, selective and inconsistent application, and are subject to frequent changes with the possibility of their retrospective application. Every year the approach of the Russian tax authorities in interpreting tax legislation becomes tougher. As a result, previously uncontested tax accounting positions could be challenged in future tax audits.

Consequently, the Group adopts interpretations of such uncertain matters from time to time. Management currently believes that the tax positions and interpretations that the Group has taken can be sustained, however, it is not probable that an outflow of resources will be required should such tax positions and interpretations be challenged by the relevant authorities.

Russian transfer pricing regulations set out reporting and documentation requirements of the Group's companies aimed to control prices in transactions between related parties and certain transactions with related parties.

In light of the uncertainty and absence of extensive practice of application of the Russian transfer pricing legislation it cannot be excluded that in case the prices applied in controlled transactions differ from the market level, the amounts of taxable income/expenses on such transactions could be disputed by the Russian tax authorities, including based on special rules provided for transactions with securities and derivative financial instruments. The sum of potential liabilities from tax authorities pertaining to the transfer pricing could not be reliably estimated. Nonetheless, in the Management's opinion prices applied by the related parties of the Group in controlled transactions and as well as in transactions between Russian related parties at arm length principle.

20. Commitments and contingencies (Continued)

The Group's methodology for determining market level in transactions between related parties comply with the Russian transfer pricing rules.

Russian tax legislation sets out a number of double tax treaty application requirements to be met in order to apply a tax exemption or reduced withholding tax rates to payments made in favor of non-residents. The implementation of these requirements is associated with an increase of the administrative, and, in some cases, the tax burden on Russian taxpayers. The Group companies apply a tax exemption or reduced withholding tax rates envisaged by the double tax treaties concluded by Russia to payments made in favor of non-residents based on the established procedure for analyzing and documenting the beneficial ownership of the income recipient. In the Management's opinion the procedures applied by the Group allow to minimize the potential tax risks arising from taxation of income paid in favor of non-residents.

The Russian tax law sets out the general anti-avoidance rules that allow the Russian tax authorities to deny recovery of input VAT and challenge the deductibility of certain expenses for profits tax purposes. In the Management's opinion the Group companies comply with the general anti-avoidance rules.

Introduction of sanctions against the Russian Federation and some of its residents – organizations and individuals by several countries starting from 2022 and up to the present time has affected many processes, including taxation, of companies in various industries around the world. In these circumstances the Group companies comply with all tax legislation requirements for reporting and paying taxes on time.

Generally, fiscal periods remain open and subject to review by the Russian tax authorities for a period of three calendar years immediately preceding the year in which the decision to conduct a tax review is taken. Under certain circumstances tax reviews may cover longer periods.

In the opinion of Management in the 9 months of 2024 the provisions of the tax legislation were appropriately applied to the Group companies.

Operating environment

Emerging markets such as Russian Federation are subject to different risks than more developed markets, including economic, political and social, and legal and legislative risks.

Laws and regulations affecting businesses in Russian Federation continue to change rapidly, tax and regulatory frameworks are subject to varying interpretations. The future economic direction of Russian Federation is heavily influenced by the fiscal and monetary policies adopted by the government, together with developments in the legal, regulatory, and political environment.

Because Russian Federation produces and exports large volumes of oil and gas, its economy is particularly sensitive to the price of oil and gas on the world market, which has shown significant degree of volatility over 2023-2024.

In June 2024, the US imposed blocking sanctions against the Moscow Exchange, restricting currency trading on the exchange. The Bank of Russia decided to set the exchange rates for the US dollar and euro based on information from over-the-counter transactions between banks. In the same month, the US also imposed sanctions on the National Clearing Center (NCC) and the National Settlement Depository (NSD).

Over the first 9 months of 2024 the local FX market was volatile, reacting to evolution of the balance of payments, changing infrastructure of payments for external trade and regulative measures. As of 30 September 2024, the official exchange rates stood at 92.7126 for the US dollar and 103.4694 for the Euro, to compare with 89.6883 and 99.1919 on 31 December 2023, respectively.

The Russian economy is affected by geopolitical events taking place since 2022. Significant geopolitical tensions persisted in the first 9 months of 2024. A number of countries have imposed significant sanctions on Russian businesses and individuals, including major Russian companies and entire sectors of the economy, which have led to disruptions in global financial markets. In addition, a number of transnational groups have suspended or ceased their business activities in the Russian Federation, resulting in supply chain disruptions, reduced production and international trade in general. Despite the recovery in trading volumes, financial and commodity markets continue to demonstrate volatility.

20. Commitments and contingencies (Continued)

In the first 9 months of 2024, the Russian economy remained stable with a growth of GDP by 4.1% in January-September (3.6% in 2023). In order to limit inflation risks against the backdrop of gradual recovery of economic activity, the Bank of Russia raised the key rate several times: from 7.5% to 16% as of 31 December 2023, from 16% to 19% as of 30 September 2024.

Starting from March 2022, the Government and the Bank of Russia have been taking measures to stabilize the economy of the Russian Federation and support businesses in general and certain industries. These measures include, among other things, credit vacations on loans to small and medium-sized enterprises and individuals; modification of loan agreements and floating rate loan agreements for certain borrowers; temporary restrictive economic measures on foreign currency deposits by residents in their foreign bank accounts; restrictions on dividends and other payments on securities to foreign investors; restrictions on entering into transactions with persons in a number of foreign countries, as well as restrictions on the transfer of foreign currency to their accounts in foreign banks.

It is expected that these events may affect the activities of Russian organizations in various sectors of the economy.

In December 2022, the U.S. Treasury Department has included Rosbank on its SDN List. On 25 February 2023, the Group was included in the 10th EU sanctions package.

The management has taken all the necessary measures to ensure the smooth operation of the Group and the fulfillment of all obligations to customers.

The Group has all the necessary financial and technological capabilities to continue its core operations as usual and develop new products and services in the interests of customers. The Bank and the Group have sufficient liquidity to continue as a going concern and comply with mandatory ratios for the foreseeable future.

The Group continues to assess the impact of the current geopolitical situation and changes in economic conditions on its operational activity, financial position and financial results.

21. Fair value of financial instruments

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.

ROSBANK Group
SELECTED NOTES TO THE PUBLIC INTERIM CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS
30 SEPTEMBER 2024 (UNAUDITED)

21. 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.

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

For the purpose of fair value hierarchy disclosure as at 30 September 2024 and 31 December 2023, 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 public interim consolidated 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 2024 (unaudited)				31 December 2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets measured at fair value or revalued amount								
Financial assets at fair value through profit or loss	5,370	15,258	–	20,628	1,059	36,229	–	37,288
Investments at fair value through other comprehensive income	99,977	–	–	99,977	34,381	–	–	34,381
Loans at fair value through other comprehensive income	–	3,955	–	3,955	–	4,981	–	4,981
Property and equipment	–	–	1,577	1,577	–	–	8,959	8,959
Total assets measured at fair value or revalued amount	105,347	19,213	1,577	126,137	35,440	41,210	8,959	85,609
Financial liabilities measured at fair value								
Financial liabilities at fair value through profit or loss	6,923	1,939	–	8,862	9,016	9,605	–	18,621
Total financial liabilities measured at fair value	6,923	1,939	–	8,862	9,016	9,605	–	18,621

ROSBANK Group
SELECTED NOTES TO THE PUBLIC INTERIM CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS
30 SEPTEMBER 2024 (UNAUDITED)

21. 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:

<i>(in millions of Russian Roubles)</i>	30 June 2024 (unaudited)					31 December 2023				
	Level 1	Level 2	Level 3	Total	Carrying value	Level 1	Level 2	Level 3	Total	Carrying value
Financial assets										
Total financial assets	65,214	256,041	1,363,142	1,684,397	1,873,705	90,960	304,043	1,469,067	1,864,070	1,957,554
Including:										
Cash and cash equivalents	10,723	236,347	–	247,070	247,071	15,337	299,252	–	314,589	314,589
Mandatory cash balances with the Central Bank of the Russian Federation	–	6,943	–	6,943	6,943	–	3,407	–	3,407	3,407
Due from credit institutions	–	–	8,788	8,788	8,788	–	–	10,155	10,155	10,155
Loans to customers	–	–	1,258,843	1,258,843	1,432,316	–	–	1,354,238	1,354,238	1,441,567
Investments at amortized cost	54,491	12,751	–	67,242	83,076	75,623	1,384	–	77,007	83,162
Financial liabilities										
Total financial liabilities	–	728,540	1,067,029	1,795,569	1,800,126	4,028	918,942	917,723	1,840,693	1,846,457
Including:										
Due to the Central Bank of the Russian Federation	–	1,053	–	1,053	1,053	–	1,335	–	1,335	1,335
Due to banks	–	97,091	212,932	310,023	310,024	–	85,091	73,833	158,924	158,924
Customer accounts	–	626,186	761,588	1,387,774	1,391,905	–	817,752	760,951	1,578,703	1,585,025
Debt securities issued	–	4,210	–	4,210	4,635	4,028	14,764	–	18,792	18,234
Subordinated debt	–	–	–	–	–	–	–	15,515	15,515	15,515

The fair value of instruments quoted in Level 1, Level 2 or Level 3 is estimated based on an analysis of market activity (liquidity of the instrument). In determining market activity, the number of transactions and trading volume for the 90 trading days preceding the measurement date is assessed. The criteria for recognizing a market as active are set out in the Group's internal documents. As a rule, liquidity of an individual instrument remains stable. If at the reporting date the fair value of an instrument cannot be measured using Level 1 inputs, it is measured using Level 2 or Level 3 inputs and transferred to the appropriate level of the fair value hierarchy.

In the 9 months of 2024, there were transfers from Level 1 to Level 2 of securities in the line "Investments at amortised cost" in the fair value amount of RUB 11,313 million as at 30 September 2024 and in line "Debt securities issued" in the fair value amount of RUB 2,805 million as at 30 September 2024 as a result of a decrease in trading volume on these securities below the threshold set by the Group's internal methodology over the last 90 trading days.

For financial instruments measured at fair value on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy and re-assesses the categorization at the end of each reporting period.

22. Segment reporting

The presentation of the Group's segment reporting is based on the main business lines, which have their own development strategies, separate management procedures and product specialization, as well as the results of which are regularly reviewed by management for management decisions.

Information for the assessment performance by types of reportable segments of the Group is provided to the Management Board of the Bank. The Group's reportable segments under IFRS 8 "Operating segments" are therefore as follows: segments" are therefore as follows:

- Retail banking – representing private banking services, private customer current accounts, savings, deposits, investment savings products, custody, credit and debit cards, consumer loans and mortgages.
- Corporate banking – representing direct debit facilities, current accounts, deposits, overdrafts, loan and other credit facilities, foreign currency and derivative products.
- Treasury and Financial institutions – representing all trading financial instruments recognized and measured at fair value through profit and loss as well as loans and borrowings initiated through interbank transactions.

Measurement of segment profit and loss, assets and liabilities

Segment reporting approaches are consistent with those disclosed in the annual consolidated financial statements for the year ended 31 December 2023¹, unless otherwise noted.

The Group evaluates segment operating results based on profit before tax.

For the purposes of segment disclosures, net gain/(loss) on financial operations includes the following: net gain/(loss) on financial assets and liabilities at fair value through profit or loss, except for currency swaps and forward contracts; net gain/(loss) on foreign currency derivatives and foreign exchange; net gain/(loss) on investments at fair value through profit or loss and at amortized cost.

Segment reporting is presented below.

ROSBANK Group
SELECTED NOTES TO THE PUBLIC INTERIM CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS
30 SEPTEMBER 2024 (UNAUDITED)

22. Segment reporting (Continued)

(in millions of Russian Roubles)

	Retail banking	Corporate banking	Treasury and Financial institutions	Unallocated	9 months ended 30 September 2024 (unaudited)
Net interest margin	33,066	21,214	4,642	(9,644)	49,278
Credit loss expense	(3,646)	(2,308)	3,704	(4,070)	(6,320)
Net gain/(loss) on financial transactions	260	226	(1,893)	5,072	3,665
Net fee and commission income	4,639	4,965	600	(2,042)	8,162
Net change in provisions for impairment and other provisions	–	–	2,045	21,388	23,433
Other income	1,910	529	(301)	(1,201)	937
(Expense)/income other segments	(8,020)	(4,978)	22,501	(9,503)	–
Total operating income	28,209	19,648	31,298	–	79,155
Operating expenses	(29,393)	(8,201)	(2,046)	(5,381)	(45,021)
(Expense)/income from other segments	(4,754)	(477)	(150)	5,381	–
Other non-operating income/(expense)	176	19	5	–	200
Profit before income tax	(5,762)	10,989	29,107	–	34,334
Income tax expense	(1,657)	(3,168)	(279)	–	(5,104)
Net profit for the period	(7,419)	7,821	28,828	–	29,230
Segment assets as at 30 September 2024 (unaudited)	1,062,931	778,404	103,975	117,057	2,062,367
Segment liabilities as at 30 September 2024 (unaudited)	657,371	788,973	270,135	100,694	1,817,173

(in millions of Russian Roubles)

	Retail banking	Corporate banking	Treasury and Financial institutions	Unallocated	9 months ended 30 September 2023 (unaudited)
Net interest margin	22,622	17,901	2,652	3,403	46,578
Credit loss expense	(1,109)	(1,738)	8	(114)	(2,953)
Net gain/(loss) on financial transactions	525	–	16,223	4,110	20,858
Net fee and commission income	6,707	3,005	480	–	10,192
Net change in provisions for impairment and other provisions	–	–	–	(3,147)	(3,147)
Other income	310	368	7	3	688
(Expense)/income other segments	1,393	696	2,166	(4,255)	–
Total operating income	30,448	20,232	21,536	–	72,216
Operating expenses	(26,466)	(7,723)	(2,147)	(701)	(37,037)
(Expense)/income from other segments	(441)	(199)	(61)	701	–
Other non-operating income/(expense)	(14)	(7)	(50)	–	(71)
Profit before income tax	3,527	12,303	19,278	–	35,108
Income tax expense	(635)	(2,424)	(3,049)	–	(6,108)
Net profit for the period	2,892	9,879	16,229	–	29,000
Segment assets as at 31 December 2023	949,166	821,289	289,858	39,981	2,100,294
Segment liabilities as at 31 December 2023	635,054	1,068,884	93,715	76,391	1,874,044

23. Subsequent events

On 25 October 2024, the Bank of Russia increased the key interest rate from 19% to 21%.

On 30 October 2024, the Office of Foreign Assets Control of the US Department of the Treasury temporarily authorized PJSC ROSBANK to conduct transactions related to counterparties in the energy sector until 30 April 2025. The authorization also applies to the Bank's subsidiaries (with an ownership interest of 50% or more).

On 2 November 2024, the Bank of Russia reaffirmed the inclusion of PJSC ROSBANK in the list of systematically important credit institutions.