



МОСКОМБАНК

Commercial Bank of Moscow

**PROFILE
OF
JOINT STOCK COMPANY
COMMERCIAL BANK OF MOSCOW**

MOSCOW 1994 – 2023

General information

Official name: *Joint Stock Company Commercial Bank of Moscow.*

Also – JSC MOSCOMBANK

Country of incorporation: Russia

Regulator: *Central Bank of the Russian Federation*

License for making banking operations: 3172

Number in Deposit insurance system: 811

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SWIFT: CBMWRUMM

GIIN Number (for FATCA): ISHXFH.99999.SL.643

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Main state registration number (MSRN): 1027739223687

Brief history

JSC MOSCOMBANK was founded in 1994 and, by now, has achieved significant success in expanding business and strengthening its competitive position.

Today the Bank continues to remain a stable and successful company. Conducted for many years the policy of control, restriction of the operations associated with high risks or owing to poor infrastructure (mortgage loans to private individuals) means that the Bank has not lost a penny and fully complies with its commitments to customers.

The Bank's shareholders pay special attention to the Bank's capitalization, which is a means of compensating for risks, a guarantee of reliability and a factor of stability. During the development period, the Bank's capital increased by more than 15 times and as of January 01, 2022 amounted to 1,195,502 thousand rubles.

Our customer confidence is characterized by stable growth of such a key financial indicator as assets, which exceeded 4,634,780 thousand rubles as of January 01, 2022.

The Bank's operations are profitable and highly efficient. For example, as of January 1, 2022: the profit for the period (after tax, according to RAS) it amounted to 69,400 thousand rubles, ROE (profit on assets) - 1.50%, ROA (profit on capital) - 5.81%.

Licenses, membership and partnership

License of the *Bank of Russia* No. 3172 for making banking operations with the funds of individuals and legal entities in rubles and foreign currency. The Bank is № 811 participant of the Bank deposits insurance system.

Membership in professional organizations, participation and partnership with the major members of banking services market enables the Bank to operate in the most advanced fields according to the best domestic and international standards. JSC MOSCOMBANK is a member and a partner of:



- Currency market of “*Moscow Exchange*”;
- International association “*S.W.I.F.T*”
- International payment systems “*Visa International*”, “*MasterCard International*”, “*Western Union*”;
- Russian payment system “*MIR*”;
- Leading Processing company in Russia – “*United Card Services*”.

Information about JSC "MOSKOMBANK" is contained in Bankers Almanac and in the BIC-Directory, Internet.

Competitive position

JSC MOSCOMBANK is a universal credit organization that offers various types of services to organizations and individuals. The Bank gives priority to comprehensive servicing of corporate clients, offers efficient lending options, performs all types of banking operations in all foreign currencies and attracts customer funds in deposits.

Various types of credit instruments are available to clients, and Bank guarantees and counter-guarantees are provided in rubles and foreign currencies. To confirm guarantees related to the company's foreign trade turnover, the practice of attracting the largest foreign banks is used. The Bank performs conversion operations with major currencies, conducts transactions on the market of fixed-term financial instruments. The high level of instant and current liquidity allows to regularly place temporarily free funds in deposits of the Central Bank of the Russian Federation.

Currently, the following areas are actively developing: small business lending, guarantees under government contracts, factoring.

Correspondent relations

The Bank has established correspondent relations with a number of foreign and Russian banks such as Industrial and Commercial Bank of China, Moscow, RF; Jusan Bank JSC, Almaty, Kazakhstan and other.

Our network of Russian and foreign correspondents allows us to provide a wide range of services at a high quality level.

Audit

Accuracy of financial reporting of the Bank since 2021 has been confirmed by annual audit conducted by one of the leading audit companies A2-Audit (<http://new.a2audit.ru>). The Bank's financial results for the first half of 2022 for Russian and international financial statements have been confirmed by A2-Audit.

Risks

The Bank carries out balanced and conservative policies on banking risks. The main risks, to which the Bank has paid special attention are liquidity risk, credit risk, currency risk, legal risk, interest rate risk.

At the moment, the level of these risks in the Bank is estimated as appropriate, and financial condition of JSC MOSCOMBANK as good.

Directors and Senior Management

This information is hidden under the legislation of the Russian Federation.

Detailed information can be provided upon request.

Shareholders

JSC MOSCOMBANK is a joint-stock nonpublic company, its capital being in the hands of several individuals. You can find a high level of capital transparency according to Russian and international standards. Below there is a chart of holding more than 5% of shares of the authorized capital.

| Shareholder | Participation |
|---|---------------|
| Five individuals who are citizens of Russia. More information is hidden under the legislation of the Russian Federation. Detailed information can be provided upon request. | 26.71% |
| | 12.31% |
| | 22.50% |
| | 10.00% |
| | 5.91% |
| | 22.50% |

The Bank is not a party to any industrial, banking, financial groups, holding companies, corporations or associations.

Basic financial measures

Structure of Liabilities and Assets for 01.01.2023, (thousand rubles)

| Liabilities | | Assets | |
|------------------------|------------------|----------------|------------------|
| Banks | 0 | Cash | 40,211 |
| Customers (Corporate) | 2,319,318 | Corr. accounts | 567,126 |
| Customers (Individual) | 1,004,317 | Bank of Russia | 111,425 |
| Internal funds | 1,195,959 | Loans | 3,862,054 |
| Other | 115,186 | Other | 53,964 |
| Total | 4,634,780 | Total | 4,634,780 |

Structure of Profits and Losses on 01.01.2023, (thousand rubles)

| Profits and Losses | |
|--|---------|
| Total interest, net | 338,574 |
| Net fee revenues | 76,391 |
| Net revenues from operations with foreign currency | 11,686 |
| Operating expenses | 213,995 |

| | |
|-------------------------------|---------------|
| Profit before taxation | 69,400 |
|-------------------------------|---------------|

ROE (on 01/01/2023) = 5,81 %

ROA (on 01/01/2023) = 1,50 %

Ratings

Russia's largest credit rating agency with a 23-years history "Expert RA" (<https://raexpert.ru>) has affirmed its 'ruBB-/ stable' credit rating on JSC MOSCOMBANK.

The credit rating reflects Expert RA's opinion that the bank has a weak market position, significant capital buffer, adequate profitability and liquidity metrics, satisfactory asset quality, and conservative corporate governance practices.

Client's strategy

As far as the clients' policy is concerned the Bank gives priority to complex servicing of corporate clients in combination with advanced banking technologies and an individual approach to the client. Enterprises of machine building, telecommunication companies, trade firms and many others are the main partners and clients of the Bank including world-famous leaders of the market.

Most of the clients conduct foreign economic activities connected with the delivery of various products as well as services made in the Turkey, Kazakhstan, China (Hong Kong, Taiwan), South Korea, Japan to Russia and other CIS countries. Below find statistics based on the long-term analysis of the business and payment activity of clients:

| Goods, work, services under foreign economic contracts | Share in the overall volume |
|---|------------------------------------|
| Foods (mainly meat processed) | 27 % |
| Consumer goods (mainly, clothes, computers, and components) | 30 % |
| Operations with securities | 11 % |
| Imports of machinery and equipment | 9 % |
| Services (mainly, transportation) | 8 % |
| Loans | 7 % |
| Real estate purchase | 2 % |
| Imports of motor vehicles | 2 % |
| Others | 4 % |

At the moment, JSC "MOSKOMBANK" serves about 4,000¹ regular clients.

Main banking service

Main services for corporate customers:

- Current accounts;
- Payments in rubles and international payments in foreign currencies;
- Buying and selling of foreign currencies;
- Loans;
- Factoring;
- Guarantees under government contracts;
- Banking corporate cards;
- Deposits;

¹ The information provided earlier indicates only the main clients who have been actively working during the last six months.

- Internet banking;
- L/C and guarantees;
- Other.

Main services for individual customers:

- Current accounts;
- Payments in rubles and international payments in foreign currencies;
- Loans;
- Banking cards;
- Many transfers;
- Internet banking;
- Other.

Anti money laundering

In accordance with the legislation of the Russian Federation, the Bank performs actions aimed at identifying clients and beneficiaries, as well as ensures monitoring of clients and bank-correspondents to uncover operations connected with legalization.

In order to comply with Federal Law No. 115-FZ of 07.08.2001, JSC "MOSCOMBANK" has developed and put into effect internal control rules for AML/CFT/FRMU and a program for checking customer information or customer operations to confirm the validity or refute suspicions of the client's legalization (laundering) of proceeds from crime and the financing of terrorism.

In accordance with the "Know your customer" policy, the Bank conducts questioning of clients before opening accounts as well as during the conclusion of transactions in order to find and identify:

- Directors and beneficiaries of the client;
- Actual and legal location of the client;
- Location of the client's business;
- Content of the client's business, its permanent contractors;
- Volumes of business, account turnovers;
- Client's operations that may be exposed to risks connected with illegal proceeds legalization.

A specially created service ensures permanent monitoring of transactions of clients in order to expose suspicious operations as well as operations requiring mandatory control. The information is sent to the Bank of Russia as well as to the Financial Monitoring Committee.

JSC "MOSCOMBANK" also pays special attention to international sanctions. Before performing any settlement operation, the Bank monitors its client and counterparty's location in the public sanctions lists of international organizations and foreign States (UN, USA, EU, etc.) according to available sources. Thus, the bank is very careful and takes care not only of its economic interests, but also of the interests of correspondent banks.