

**PUBLIC JOINT-STOCK COMPANY
MOSCOW EXCHANGE
MICEX-RTS**

**Consolidated Interim Condensed Financial Statements
For the Nine-Month Period Ended September 30, 2020**

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**Consolidated Interim Condensed Statement of Profit or Loss (unaudited)
for the Three and the Nine-Month Period Ended September 30, 2020**
(in millions of Russian rubles)

	Notes	Three-Month Period Ended September 30, 2020 (unaudited)	Three-Month Period Ended September 30, 2019 (unaudited)	Nine-Month Period Ended September 30, 2020 (unaudited)	Nine-Month Period Ended September 30, 2019 (unaudited)
Fee and commission income	4	8 320,9	6 399,6	24 221,7	19 078,9
Interest and other finance income	5	3 491,0	3 163,8	11 398,8	10 499,5
Interest expense	6	(393,9)	(765,6)	(1 544,5)	(2 011,0)
Net gain on financial assets at fair value through other comprehensive income	7	43,5	705,1	955,4	1 085,0
Foreign exchange gains less losses	8	(170,5)	1 130,2	180,1	3 068,9
Other operating income	9	17,2	30,9	112,7	325,8
Operating Income		11 308,2	10 664,0	35 324,2	32 047,1
General and administrative expenses	10	(2 048,5)	(1 999,8)	(5 969,1)	(6 057,0)
Personnel expenses	11	(2 174,1)	(1 776,0)	(6 070,1)	(5 329,5)
Profit before Other Operating Expenses and Tax		7 085,6	6 888,2	23 285,0	20 660,6
Other operating expenses and net expected credit losses provision	12	(51,2)	(107,9)	(322,4)	(2 677,9)
Profit before Tax		7 034,4	6 780,3	22 962,6	17 982,7
Income tax expense	14	(1 435,8)	(1 326,9)	(4 639,9)	(3 531,2)
Net Profit		5 598,6	5 453,4	18 322,7	14 451,5
Attributable to:					
Equity holders of the parent		5 600,0	5 453,2	18 308,1	14 439,5
Non-controlling interest		(1,4)	0,2	14,6	12,0
Earnings per share (rubles)					
Basic earnings per share	30	2,48	2,42	8,12	6,41
Diluted earnings per share	30	2,48	2,42	8,11	6,41



Chairman of the Executive Board

Y.O. Denisov

October 30, 2020
Moscow



**Chief Financial Officer,
Executive Board Member**
M.V. Lapin

October 30, 2020
Moscow

The notes 1-35 form an integral part of these consolidated interim condensed financial statements.

**Consolidated Interim Condensed Statement of Comprehensive Income (unaudited)
for the Three and the Nine-Month Period Ended September 30, 2020**
(in millions of Russian rubles)

	Notes	Three-Month Period Ended September 30, 2020 (unaudited)	Three-Month Period Ended September 30, 2019 (unaudited)	Nine-Month Period Ended September 30, 2020 (unaudited)	Nine-Month Period Ended September 30, 2019 (unaudited)
Net profit		5 598,6	5 453,4	18 322,7	14 451,5
Other comprehensive income/(loss) that may be reclassified subsequently to profit or loss:					
Exchange differences on translating foreign operations		-	0,1	8,1	(1,9)
Movement in investment revaluation reserve for financial assets at fair value through other comprehensive income		(773,4)	1 052,8	477,7	4 515,2
Movement in revaluation reserve associated with changes in expected credit losses on financial assets at fair value through other comprehensive income	13	54,7	7,9	316,7	29,0
Net gain on investments at fair value through other comprehensive income reclassified to profit or loss	7	(43,5)	(705,1)	(955,4)	(1 085,0)
Income tax relating to items that may be reclassified	14	152,5	(71,1)	32,2	(691,8)
Other comprehensive (loss)/income that may be reclassified subsequently to profit or loss		(609,7)	284,6	(120,7)	2 765,5
Total comprehensive income		4 988,9	5 738,0	18 202,0	17 217,0
Attributable to:					
Equity holders of the parent		4 990,3	5 737,6	18 179,3	17 212,2
Non-controlling interest		(1,4)	0,4	22,7	4,8

The notes 1-35 form an integral part of these consolidated interim condensed financial statements.

**Consolidated Interim Condensed Statement of Financial Position (unaudited)
as at September 30, 2020**
(in millions of Russian rubles)

	Notes	September 30, 2020 (unaudited)	December 31, 2019
ASSETS			
Cash and cash equivalents	15	484 231,7	466 098,8
Financial assets at fair value through profit or loss	16	18 628,9	13 695,4
Due from financial institutions	17	117 013,4	60 424,0
Central counterparty financial assets	18	4 300 181,3	3 262 670,6
Financial assets at fair value through other comprehensive income	19	182 926,5	179 313,4
Property and equipment	20	6 575,7	5 446,6
Intangible assets	21	16 614,0	16 989,0
Goodwill		15 971,4	15 971,4
Current tax prepayments		2 214,8	1 481,9
Assets held for sale	22	-	105,4
Deferred tax asset	14	286,7	1 701,5
Other assets	23	2 338,5	4 696,4
TOTAL ASSETS		5 146 982,9	4 028 594,4
LIABILITIES			
Balances of market participants	24	688 864,4	565 922,6
Overnight bank loans	25	-	49 229,1
Central counterparty financial liabilities	18	4 300 181,3	3 262 670,6
Distributions payable to holders of securities	26	16 920,4	11 714,1
Margin account		302,8	0,6
Current tax payables		530,2	1 041,5
Liabilities related to assets held for sale	22	-	5,8
Deferred tax liability	14	3 148,2	2 361,0
Other liabilities	27	4 867,1	3 796,7
TOTAL LIABILITIES		5 014 814,4	3 896 742,0
EQUITY			
Share capital	28	2 495,9	2 495,9
Share premium	28	32 233,7	32 199,8
Treasury shares	28	(1 492,7)	(1 504,3)
Reserves relating to assets held for sale	22	-	(14,6)
Investments revaluation reserve		1 469,4	1 598,2
Share-based payments		508,9	457,6
Retained earnings		96 843,8	96 435,1
Total equity attributable to owners of the parent		132 059,0	131 667,7
Non-controlling interest		109,5	184,7
TOTAL EQUITY		132 168,5	131 852,4
TOTAL LIABILITIES AND EQUITY		5 146 982,9	4 028 594,4

The notes 1-35 form an integral part of these consolidated interim condensed financial statements.

**Consolidated Interim Condensed Statement of Cash Flows (unaudited)
for the Nine-Month Period Ended September 30, 2020**
(in millions of Russian rubles)

	Notes	Nine-Month Period Ended September 30, 2020 (unaudited)	Nine-Month Period Ended September 30, 2019 (unaudited)
Cash flows from / (used in) operating activities:			
Profit before tax		22 962,6	17 982,7
Adjustments for:			
Depreciation and amortisation charge	10	2 469,6	2 607,1
Net change in deferred commission income		-	(328,6)
Revaluation of derivatives		(1 044,0)	(889,7)
Share-based payment expense	11	110,6	95,2
Unrealized gain on foreign exchange operations		(6,6)	(345,8)
Gain on disposal of financial assets at FVTOCI		(955,4)	(1 085,0)
Net change in interest accruals		(978,3)	(3 635,9)
Net (gain) / loss on disposal of property and equipment		(1,2)	0,9
Change in allowance for expected credit losses	13	316,9	2 560,7
Change in other provisions	27	5,5	(101,1)
Gain on disposal of assets held for sale	22	(71,4)	-
Cash flows from operating activities before changes in operating assets and liabilities		22 808,3	16 860,5
Changes in operating assets and liabilities:			
<i>(Increase) / decrease in operating assets:</i>			
Due from financial institutions		5 608,7	21 982,3
Financial assets at FVTPL		(104,6)	(6 159,8)
Central counterparty financial assets		(1 035 618,6)	501 768,5
Other assets		2 826,9	(905,6)
<i>Increase / (decrease) in operating liabilities:</i>			
Balances of market participants		(57 710,0)	234 328,0
Overnight bank loans		(49 229,1)	24 065,1
Central counterparty financial liabilities		1 035 618,6	(501 768,5)
Distributions payable to holders of securities		4 293,3	(14 705,9)
Margin account		302,2	192,8
Other liabilities		(201,0)	312,1
Cash flows (used in) / from operating activities before taxation		(71 405,3)	275 969,5
Income tax paid		(3 649,9)	(7 496,0)
Cash flows (used in) / from operating activities		(75 055,2)	268 473,5

The notes 1-35 form an integral part of these consolidated interim condensed financial statements.

**Consolidated Interim Condensed Statement of Cash Flows (unaudited)
for the Nine-Month Period Ended September 30, 2020 (continued)**
(in millions of Russian rubles)

	Notes	Nine-Month Period Ended September 30, 2020 (unaudited)	Nine-Month Period Ended September 30, 2019 (unaudited)
Cash flows from / (used in) investing activities:			
Purchase of financial assets at FVTOCI		(101 078,1)	(83 047,7)
Proceeds from disposal of financial assets at FVTOCI		118 222,2	126 728,9
Purchase of property and equipment and intangible assets		(2 251,4)	(1 273,3)
Proceeds from disposal of property and equipment and intangible assets		20,1	-
Proceeds from disposal of non-current assets held for sale	22	21,5	-
Cash flows from investing activities		14 934,3	42 407,9
Cash flows from / (used in) financing activities:			
Dividends paid	29	(17 899,4)	(17 377,2)
Cash outflow for lease liabilities		(137,9)	(162,1)
Cash flows used in financing activities		(18 037,3)	(17 539,3)
Effect of changes in foreign exchange rates on cash and cash equivalents		96 283,1	(53 423,9)
Net increase in cash and cash equivalents		18 124,9	239 918,2
Cash and cash equivalents, beginning of period	15	466 107,3	416 395,9
Cash and cash equivalents, end of period	15	484 232,2	656 314,1

Interest received by the Group during the period ended September 30, 2020, amounted to RUB 10 359,4 million (September 30, 2019: RUB 6 716,7 million). Interest paid by the Group during the period ended September 30, 2020, amounted to RUB 1 510,9 million (September 30, 2019: RUB 2 005,1 million).

Consolidated Interim Condensed Statement of Changes in Equity (unaudited) for the Nine-Month Period Ended September 30, 2020

(in millions of Russian rubles)

	Share capital	Share premium	Treasury shares	Investments revaluation reserve	Share-based payments	Foreign currency translation reserve	Reserves relating to assets held for sale	Retained earnings	Total equity attributable to owners of the parent	Non-controlling interest	Total equity
December 31, 2018	2 495,9	32 140,2	(1 768,2)	(1 758,2)	710,1	(20,9)	-	93 623,3	125 422,2	182,4	125 604,6
Net profit	-	-	-	-	-	-	-	14 439,5	14 439,5	12,0	14 451,5
Other comprehensive income/(loss)	-	-	-	2 767,4	-	4,0	1,3	-	2 772,7	(7,2)	2 765,5
Total comprehensive income for the period	-	-	-	2 767,4	-	4,0	1,3	14 439,5	17 212,2	4,8	17 217,0
Foreign currency translation reserve relating to Assets held for sale	-	-	-	-	-	16,9	(16,9)	-	-	-	-
Dividends declared (Note 29)	-	-	-	-	-	-	-	(17 377,2)	(17 377,2)	-	(17 377,2)
Share-based payments	-	45,9	235,1	-	(201,9)	-	-	-	79,1	-	79,1
Total transactions with owners	-	45,9	235,1	-	(201,9)	16,9	(16,9)	(17 377,2)	(17 298,1)	-	(17 298,1)
September 30, 2019	2 495,9	32 186,1	(1 533,1)	1 009,2	508,2	-	(15,6)	90 685,6	125 336,3	187,2	125 523,5
December 31, 2019	2 495,9	32 199,8	(1 504,3)	1 598,2	457,6	-	(14,6)	96 435,1	131 667,7	184,7	131 852,4
Net profit	-	-	-	-	-	-	-	18 308,1	18 308,1	14,6	18 322,7
Other comprehensive income/(loss)	-	-	-	(128,8)	-	-	-	-	(128,8)	8,1	(120,7)
Total comprehensive income for the period	-	-	-	(128,8)	-	-	-	18 308,1	18 179,3	22,7	18 202,0
Dividends declared (Note 29)	-	-	-	-	-	-	-	(17 899,4)	(17 899,4)	-	(17 899,4)
Share-based payments	-	34,4	11,1	-	51,3	-	-	-	96,8	-	96,8
Disposal of assets held for sale	-	-	-	-	-	-	14,6	-	14,6	(97,9)	(83,3)
Treasury shares transferred	-	(0,5)	0,5	-	-	-	-	-	-	-	-
Total transactions with owners	-	33,9	11,6	-	51,3	-	14,6	(17 899,4)	(17 788,0)	(97,9)	(17 885,9)
September 30, 2020	2 495,9	32 233,7	(1 492,7)	1 469,4	508,9	-	-	96 843,8	132 059,0	109,5	132 168,5

The notes 1-35 form an integral part of these consolidated interim condensed financial statements.

**Notes to the Consolidated Interim Condensed Financial Statements (unaudited)
for the Nine-Month Period Ended September 30, 2020**
(in millions of Russian rubles, unless otherwise indicated)

1. Organization

Public Joint-Stock Company Moscow Exchange MICEX-RTS (Moscow Exchange) is a stock exchange based in Moscow, Russian Federation. It was established as closed joint-stock company "Moscow Interbank Currency Exchange" (MICEX) in 1992. In December 2011 the company was reorganized into the form of open joint-stock company and renamed to Open Joint-Stock Company MICEX-RTS. In July 2012 the name of the company was changed to Open Joint-Stock Company Moscow Exchange MICEX-RTS. On April 28, 2015 at Annual General Meeting of Shareholders of Moscow Exchange (AGM) the company's new business name as Public Joint Stock Company Moscow Exchange MICEX-RTS was approved to meet revised standards of the Russian Civil Code. The new business name and respective changes to the Charter of Moscow Exchange took effect from May 13, 2015, the day the registration authority recorded new version of the Charter.

The legal address of Moscow Exchange: 13 Bolshoy Kislovsky per., Moscow, the Russian Federation.

Moscow Exchange Group ("the Group") is an integrated exchange structure that provides financial market participants with a full set of competitive trading, clearing, settlement, depository and information services. The Group operates on the following markets: foreign currencies exchange market, government securities and money market, market of derivative financial instruments, equities market, corporate and regional bonds market, commodities market.

Moscow Exchange is the parent company of the Group, which includes the following entities:

Name	Principal activities	September 30, 2020	December 31, 2019
		Voting rights, %	Voting rights, %
JSC Central Counterparty National Clearing Centre (former Bank National Clearing Centre JSC) (NCC)	Clearing operations	100%	100%
JSC National Settlement Depository (NSD)	Depository, clearing, repository and settlement services	99,997%	99,997%
JSC National Mercantile Exchange (NAMEX)	Commodities exchange operations	65,08%	65,08%
OJSC Evraziyskaia Trading System Commodity Exchange (ETS)	Commodities exchange operations	-*	60,82%
MICEX Finance LLC (MICEX Finance)	Financial activities	100%	100%
MOEX Innovations LLC (MOEX Innovations)	Fintech start-ups, financial activities	100%	100%
MOEX Information Security LLC (MOEX Information Security)	Information security services	100%	100%

NCC performs functions of a clearing organization and central counterparty on the financial market and holds licences for clearing operations and banking operations for non-banking credit institutions - central counterparties issued by the Central Bank of Russia (CBR).

* The subsidiary was disposed of retaining 15% stake. See Note 22.

**Notes to the Consolidated Interim Condensed Financial Statements (unaudited)
for the Nine-Month Period Ended September 30, 2020 (continued)**
(in millions of Russian rubles, unless otherwise indicated)

1. Organization (continued)

NSD is the central securities depository of the Russian Federation. NSD is the Russian national numbering agency and the substitute numbering agency for the Commonwealth of Independent States (CIS), authorized to assign the international ISIN, CFI, as well as Local Operating Unit of a global system of legal entities identification, authorized to assign LEI codes to the legal entities. NSD holds licences for depository, repository, clearing and settlement operations issued by the CBR.

NAMEX is a commodity exchange operating in Russia.

ETS is a commodity exchange, which has a licence for organisation of trading in commodities in Kazakhstan. In February 2020 the Group reduced its ownership in ETS by selling a 40,82% stake in the company and therefore ceding control over this subsidiary (for details refer to Note 22). In August 2020 additional sale of 5% stake took place. Further sale of 10% share in ETS is expected until the end of 2024.

MICEX Finance is established for facilitating financial activities of the Group.

MOEX Innovations concentrates on start-ups development in the fintech sphere.

MOEX Information Security was established in Russia in October 2018 for providing information security services.

Moscow Exchange and all subsidiaries are located in Russia, except for ETS which is located in Kazakhstan.

The Group has 1 975 employees as at September 30, 2020 (December 31, 2019: 1 791 employees).

Operating environment. The Russian economy continued to be negatively impacted by continuing international sanctions imposed in several packages by the U.S. and the E.U. on certain Russian officials, businessmen and companies. The above mentioned events have led to reduced access of the Russian businesses to international capital markets, hampered economic growth and created other negative economic consequences.

Because Russia produces and exports large volumes of oil and gas, its current account and fiscal balance are particularly sensitive to the price of oil and gas on the world market. The slowdown in the global economy, an increase in oil supply on the world market against a decline in its consumption during 2020 led to a decrease in oil prices, which resulted in weakening of Russian Ruble against major currencies.

In addition to that, starting from early 2020, a new coronavirus disease (COVID-19) has begun rapidly spreading all over the world resulting in announcement of the pandemic status by the World Health Organization in March 2020. Responses put in place by many countries to contain the spread of COVID-19 are resulting in significant operational and financial disruption for many companies and have significant impact on the global economy.

The effect of the pandemic on the Group's business largely depends on future developments, which are uncertain and cannot be reliably predicted, including the duration of the pandemic and the impact of new coronavirus spread prevention measures on the world and Russian economy.

The Group has evaluated the potential short-term and long-term implications of COVID-19 and actions taken in response to the pandemic on its consolidated financial statements, on the regulatory capital and liquidity position of its regulated subsidiaries. This evaluation included stress-tests adjusted for potential COVID-19 effect on market volatility. Management currently believes that it has adequate capital and liquidity position to continue to operate the business and mitigate risks associated with COVID-19 for the foreseeable future. The Group remains vigilant in monitoring day to day changes as the global situation evolves.



**Notes to the Consolidated Interim Condensed Financial Statements (unaudited)
for the Nine-Month Period Ended September 30, 2020 (continued)**

(in millions of Russian rubles, unless otherwise indicated)

1. Organization (continued)

The Group has adapted to mentioned events. To ensure the health of employees and maintain uninterrupted operation, a significant part of the Group's staff is transferred to remote work mode. The Group has a well-established mechanism to ensure continuity of trading and successfully operates in conditions of high volatility and a large number of transactions: during the nine-month period of 2020 the exchange has seen an increase in turnover compared to the same period last year. The Group has developed action plans to ensure the continuity of trading under various scenarios.

The financial statements approval. These Consolidated Interim Condensed Financial Statements of the Group were approved for issue by the Management on October 30, 2020.

2. Basis of Preparation and Significant Accounting Policies

Statement of compliance

These Consolidated Interim Condensed Financial Statements of the Group have been prepared in accordance with the International Financial Reporting Standard IAS 34 "Interim Financial Statements".

Basis of preparation

These Consolidated Interim Condensed Financial Statements are presented in millions of Russian rubles rounded to one decimal place, unless otherwise indicated. These Consolidated Interim Condensed Financial Statements have been prepared on the historical cost basis except for certain financial assets and liabilities that are measured at fair value.

These Consolidated Interim Condensed Financial Statements have been prepared on basis of the statutory accounting records and have been adjusted to conform to IFRS.

Due to the fact that the results of the Group's operations closely relate to and depend on changing market conditions, the results of the Group's operations for the interim period are not necessarily indicative of the results for the year ending December 31, 2020.

The Russian ruble exchange rates applied in the preparation of these Consolidated Interim Condensed Financial Statements are presented below:

	September 30, 2020	December 31, 2019
USD	79,6845	61,9057
EUR	93,0237	69,3406

Inflation accounting

The Russian economy was considered hyperinflationary until December 31, 2002. As such, the Group applied IAS 29 *Financial Reporting in Hyperinflationary Economies*. The effect of applying IAS 29 is that non-monetary items, including components of equity, were restated to the measuring units current at December 31, 2002 by applying the relevant inflation indices to the historical cost, and that these restated values were used as a basis for accounting in subsequent periods.

**Notes to the Consolidated Interim Condensed Financial Statements (unaudited)
for the Nine-Month Period Ended September 30, 2020 (continued)**
(in millions of Russian rubles, unless otherwise indicated)

2. Basis of Preparation and Significant Accounting Policies (continued)

Significant Accounting Policies

The accounting policies adopted by the Group in the preparation of these Consolidated Interim Condensed Financial Statements are consistent with those followed in the preparation of the Group's Consolidated Financial Statements for the year ended December 31, 2019.

In the current period, the Group has adopted all of the new and revised Standards and Interpretations issued by the IASB and IFRIC of the IASB that are relevant to its operations and effective for reporting periods ending on December 31, 2020:

- Amendments to *References to the Conceptual Framework in IFRS Standards*
- Amendments to IFRS 3 *Definition of business*
- Amendments to IAS 1 and IAS 8 *Definition to Material*
- Amendments to IFRS 9 , IAS 39 and IFRS 7 *Basic interest rate reform*

The adoption of these new and revised Standards and Interpretations has not resulted in significant changes to the Group's accounting policies that have affected the amounts reported for the current or prior period.

3. Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the Group's accounting policies the management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements and critical estimates made by the Group in the process of applying the accounting policies were consistent with those disclosed in the annual consolidated financial statements for the year ended December 31, 2019, except for the following updates made to expected credit loss (ECL) estimation model:

- refined approach to Loss Given Default (LGD) estimation
 - country creditworthiness is applied (in addition to the own creditworthiness of counterparties)
 - adjustments in terms of counterparty types (scales for sovereign entities and systemically important institutions added)
- refined approach to probability of default (PD) estimation
 - assessment horizons for bonds have been adjusted
- refined approach to exposure at default (EAD) estimation
 - cash-flow valuation method adjusted in accordance with impairment stages
 - cash flows are now discounted using the effective interest rate (previously - risk free rate)
- updated macro-adjustments calculation methodology



**Notes to the Consolidated Interim Condensed Financial Statements (unaudited)
for the Nine-Month Period Ended September 30, 2020 (continued)**
(in millions of Russian rubles, unless otherwise indicated)

3. Critical Accounting Judgements and Key Sources of Estimation Uncertainty (continued)

- analysis of cycles based on dynamics of macroeconomic indices (GDP, consumer price index, money supply M1, industrial production index, processing industry index etc.) has been replaced with 1Y and 2Y Russian CDS quotes indicative of cyclical phase shift.

These updates in methodology itself (model effect) did not impact significantly the amount of the expected credit loss allowance. The major impact on provision amount is driven by shock in economic environment (specifically global oil market) that affected counterparties' probabilities of default (PD). Given the structure of financial assets subject to IFRS 9, the most severe effect in provisions due to market fluctuations showed financial assets at FVTOCI (Note 13).

**Notes to the Consolidated Interim Condensed Financial Statements (unaudited)
for the Nine-Month Period Ended September 30, 2020 (continued)**
(in millions of Russian rubles, unless otherwise indicated)

4. Fee and Commission Income

	Three-Month Period Ended September 30, 2020	Three-Month Period Ended September 30, 2019	Nine-Month Period Ended September 30, 2020	Nine-Month Period Ended September 30, 2019
Money market	2 278,8	1 651,9	6 033,5	5 211,8
Securities market	1 751,9	1 258,0	5 544,2	3 786,3
- equities	955,7	604,8	3 048,8	1 559,8
- bonds	591,2	500,4	1 953,5	1 789,2
- listing and other services	205,0	152,8	541,9	437,3
Depository and settlement services	1 634,3	1 301,1	4 501,4	3 800,8
Foreign exchange	1 049,8	932,6	3 133,5	2 689,9
Derivatives	909,7	774,0	2 842,8	2 072,1
Information services	297,7	214,6	838,0	644,9
Sale of software and technical services	241,4	199,3	668,9	596,7
Other	157,3	68,1	659,4	276,4
Total fee and commission income	8 320,9	6 399,6	24 221,7	19 078,9

With effect from January 1, 2020, the Group applied a new tariff for foreign currency bank accounts, according to which the Group charges negative interest on participants' balances in foreign currencies which correspond to the currency of placement in the correspondent banks. The maintenance fee for such accounts is recognized in fee and commission income, negative interest rate is recognized as interest expense on cash and cash equivalents and due from financial institutions (Note 6) and interest income is recognized as interest on cash and cash equivalents and due from financial institutions and balances with market participants (Note 5).

5. Interest and Other Finance Income

	Three-Month Period Ended September 30, 2020	Three-Month Period Ended September 30, 2019	Nine-Month Period Ended September 30, 2020	Nine-Month Period Ended September 30, 2019
Gain on financial assets at FVTPL				
Interest income	122,8	77,9	356,4	149,3
Net gain/(loss) on financial assets at FVTPL	(8,3)	67,4	27,5	141,0
Total gain on financial assets at FVTPL	114,5	145,3	383,9	290,3
Interest income on financial assets other than at FVTPL				
Interest income on financial assets at FVTOCI	2 228,1	2 162,3	6 647,5	7 196,7
Interest on cash and cash equivalents and due from financial institutions and balances of market participants	1 148,4	856,2	4 367,4	3 012,5
Total interest income on financial assets other than at FVTPL	3 376,5	3 018,5	11 014,9	10 209,2
Total interest and other finance income	3 491,0	3 163,8	11 398,8	10 499,5

**Notes to the Consolidated Interim Condensed Financial Statements (unaudited)
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6. Interest Expense

	Three-Month Period Ended September 30, 2020	Three-Month Period Ended September 30, 2019	Nine-Month Period Ended September 30, 2020	Nine-Month Period Ended September 30, 2019
Interest expense on cash and cash equivalents and due from financial institutions	282,4	-	1 068,7	-
Interest expense on accounts of clearing participants	43,8	98,9	188,3	321,7
Interest expense on interbank loans and deposits	-	660,5	138,9	1 653,6
Interest expense on stress collateral	46,2	2,8	119,8	23,7
Interest expense on lease liabilities	21,4	2,5	28,2	9,0
Interest expense on repo agreements and other	0,1	0,9	0,6	3,0
Total interest expense	393,9	765,6	1 544,5	2 011,0

7. Net Gain on Financial Assets at Fair Value through Other Comprehensive Income

	Three-Month Period Ended September 30, 2020	Three-Month Period Ended September 30, 2019	Nine-Month Period Ended September 30, 2020	Nine-Month Period Ended September 30, 2019
Bonds issued by Russian Federation	11,2	695,4	878,5	1 089,0
Bonds issued by Russian companies	28,1	(12,8)	51,5	(18,2)
Bonds issued by foreign companies of Russian groups	-	-	21,4	-
Bonds issued by Russian banks	2,4	22,6	2,2	13,7
Bonds issued by foreign financial organizations	1,8	-	1,8	0,6
Bonds issued by CBR	-	(0,1)	-	(0,1)
Total net gain on financial assets at FVTOCI	43,5	705,1	955,4	1 085,0

**Notes to the Consolidated Interim Condensed Financial Statements (unaudited)
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8. Foreign Exchange Gains Less Losses

	Three-Month Period Ended September 30, 2020	Three-Month Period Ended September 30, 2019	Nine-Month Period Ended September 30, 2020	Nine-Month Period Ended September 30, 2019
Foreign exchange swaps	(176,5)	1 001,2	164,0	3 009,7
Net result from other foreign exchange operations	6,0	129,0	16,1	59,2
Total foreign exchange gains less losses	(170,5)	1 130,2	180,1	3 068,9

Net gain on foreign exchange swaps includes gains/(losses) from swap deals used to hedge open foreign currency position of the Group and gain from swap transactions used to earn interest income from ruble-denominated funds.

9. Other Operating Income

	Three-Month Period Ended September 30, 2020	Three-Month Period Ended September 30, 2019	Nine-Month Period Ended September 30, 2020	Nine-Month Period Ended September 30, 2019
Reversal of legal case provision	-	-	-	218,3
Other operating income	17,2	30,9	112,7	107,5
Total other operating income	17,2	30,9	112,7	325,8

Other operating income for the nine-month period ended September 30, 2020 includes RUB 71,4 million gain on sale of investment in ETS (Note 22).

In December 2015, a brokerage company defaulted on its liabilities to the Group that were foreclosed via standard default management procedures explicitly stipulated by the Law "On clearing, clearing activities and the central counterparty" to cover the liabilities to bona fide market and clearing participants. In September 2016, the broker was declared bankrupt. In October 2017, the bankruptcy manager filed a lawsuit with the arbitration court, seeking to declare the deals on foreclosure as void. During the year 2018 the courts of first and second instances ruled to fulfil plaintiffs demands. The Group made a 100% provision (Note 32) and filed a cassation which was satisfied. As a result the provision was conservatively decreased to 25% of the amount claimed to RUB 218,3 million. In January 2019 the plaintiffs applied to the Supreme Court. As of March 31, 2019 the Group performed additional risk-assessment and recovered the provision in full. In the second quarter 2019 The Supreme Court rejected to satisfy the plaintiffs' claim.

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10. General and Administrative Expenses

	Three-Month Period Ended September 30, 2020	Three-Month Period Ended September 30, 2019	Nine-Month Period Ended September 30, 2020	Nine-Month Period Ended September 30, 2019
Amortisation of intangible assets (Note 21)	634,7	570,6	1 828,2	1 644,7
Equipment and intangible assets maintenance	385,2	335,1	1 121,1	1 018,9
Depreciation of property and equipment (Note 20)	218,1	277,4	641,4	962,4
Taxes, other than income tax	186,7	145,9	474,9	425,3
Market makers fees	136,8	172,2	410,8	507,9
Registrar and foreign depository services	122,4	78,9	317,3	233,2
Professional services	93,1	118,6	313,1	374,6
Information services	80,4	87,8	285,6	234,1
Rent and office maintenance	88,5	82,6	240,6	231,7
Advertising and marketing costs	42,4	51,5	111,9	204,0
Charity	14,9	3,2	82,1	11,2
Communication services	24,2	22,6	67,0	67,5
Security expenses	7,5	7,5	22,8	22,6
Transport expenses	5,0	5,8	13,4	14,5
Business trip expenses	0,9	21,4	12,6	58,5
Loss on disposal of property, equipment and intangible assets	0,1	0,7	0,5	0,9
Other	7,6	18,0	25,8	45,0
Total general and administrative expenses	2 048,5	1 999,8	5 969,1	6 057,0

Professional services comprise consulting, audit, legal and other services.

11. Personnel Expenses

	Three-Month Period Ended September 30, 2020	Three-Month Period Ended September 30, 2019	Nine-Month Period Ended September 30, 2020	Nine-Month Period Ended September 30, 2019
Employees benefits except for share-based payments	1 797,8	1 511,7	4 926,0	4 355,8
Payroll related taxes	322,4	236,0	1 033,5	878,5
Share-based payment expense on equity settled instruments	49,0	31,2	96,8	79,1
Share-based payment expense on cash settled instruments	4,9	(2,9)	13,8	16,1
Total personnel expenses	2 174,1	1 776,0	6 070,1	5 329,5

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11. Personnel Expenses (continued)

In July 2020 the new long-term incentive program of equity settled instruments was introduced by the Group (hereinafter - LTIP). Program participants have the right to receive Moscow Exchange ordinary shares granted under conditions set out in the program. The LTIP program vests when employee continues to be employed by the Group at the vesting date and the Group fulfills certain financial performance results set by the program. The maximum contractual term of the contracts is five years. Program participants are entitled to receive fixed and variable number of shares, where variable number is defined as product of fixed number of shares and the sum of dividend yields for the three years preceding the vesting date. The fair value of the rights is measured at the grant date using the observable market price of Moscow Exchange shares at the grant date adjusted to take into account the variable component of the program and vesting conditions upon which the shares are granted.

The previous program of equity settled instruments continues along with the LTIP. Rights to purchase equity instruments granted to some employees give holders a choice either to only purchase the full number of shares at exercise price or also to sell back shares at the market price for the same ruble value. The majority of the rights vest when the employee continues to be employed by the Group at the vesting date. The maximum contractual term of the contracts is four years. The maximum contractual term of the contracts granted in 2017 is three and a half years. The fair value of the rights is measured at the grant date using a binomial model taking into account the terms and conditions under which the instruments were granted.

In 2017 the program of cash settled instruments was introduced. The amount of cash consideration to be received by the employees is linked to the future market price of the Group's shares. The majority of the rights vest when the employee continues to be employed by the Group at the vesting date. The maximum contractual term of the contracts is three and a half years. The fair value of the rights is remeasured at each reporting date using a binomial model.

The following table illustrates the number and weighted average fair value of shares granted (WAFV) and movements in rights to receive shares under the LTIP:

	Number	WAFV
Outstanding at January 1, 2020	-	-
Granted	14 874 652	104,19
Forfeited	(139 824)	103,91
Outstanding at September 30, 2020	14 734 828	104,19



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11. Personnel Expenses (continued)

The following table illustrates the number and weighted average exercise prices (WAEP), and movements in rights to purchase equity settled instruments under previous program:

	Number	WAEP
Outstanding at January 1, 2019	49 734 517	98,97
Granted	5 625 000	106,87
Exercised (Note 28)	(3 459 488)	69,89
Forfeited	(4 794 513)	115,82
Redeemed	(12 073 846)	69,89
Outstanding at September 30, 2019	35 031 670	108,26
Outstanding at January 1, 2020	30 466 667	109,94
Exercised (Note 28)	(164 004)	106,18
Forfeited	(3 905 000)	112,97
Redeemed	(2 130 996)	106,18
Outstanding at September 30, 2020	24 266 667	109,56

WAEP for exercised rights in the table above is calculated based on the contractual exercise price.

No cash settled instruments were granted during the nine-month period ended September 30, 2020 and September 30, 2019. The weighted average remaining contractual life of outstanding instruments is 0,63 years (December 31, 2019: 0,37 years).

331 150 cash settled instruments were exercised during the nine-month period ended September 30, 2020 with WAEP of RUB 104,39 (September 30, 2019: 170 466 with WAEP of RUB 88,40).

The number of equity rights exercisable as at September 30, 2020 is 18 433 334 with WAEP of RUB 112,71 (December 31, 2019: 12 916 667 with WAEP of RUB 114,42).

No equity rights were granted under previous program during the nine-month period ended September 30, 2020 (September 30, 2019: the weighted average fair value of equity rights granted was RUB 9,70).

The weighted average remaining contractual life of the LTIP is 3,75 years.

The range of exercise prices and weighted average remaining contractual life of equity rights under previous program are as follows:

	September 30, 2020			December 31, 2019	
	Exercise price	Number outstanding	Weighted average remaining contractual life	Number outstanding	Weighted average remaining contractual life
77,0 - 102,0	5 400 000	0,76	6 700 000	1,28	
102,0 - 122,0	18 866 667	0,06	23 766 667	0,34	
	24 266 667	0,22	30 466 667	0,55	

**Notes to the Consolidated Interim Condensed Financial Statements (unaudited)
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11. Personnel Expenses (continued)

The following table lists the inputs to the models used for the granted instruments under the previous program during the nine-month period ended September 30, 2019:

Assumption	Equity settled	
	Nine-Month Period Ended September 30, 2020	Nine-Month Period Ended September 30, 2019
Expected volatility	-	23,0%
Risk-free interest rate	-	7,4%
Weighted average share price, RUB	-	80,94
Dividend yield	-	8,7%

The volatility assumption is based on implied volatilities of quoted shares of Moscow Exchange. Equity settled instruments are measured at grant date and cash settled instruments are remeasured at each reporting date.

12. Other Operating Expenses and Net Expected Credit Losses Provision

	Three-Month Period Ended September 30, 2020	Three-Month Period Ended September 30, 2019	Nine-Month Period Ended September 30, 2020	Nine-Month Period Ended September 30, 2019
Movement in allowance for ECL (Note 13)	35,0	426,4	316,9	2 560,7
Provision for losses related to potential commodity market shortages	16,2	(318,5)	5,5	117,2
Total other operating expenses	51,2	107,9	322,4	2 677,9

Grain

In the first quarter of 2019, a subsidiary of the Group that operates as a Commodity Delivery Operator (CDO) found, during regular inspections of commodities stored in grain warehouses, several instances where grain stockpiles used as collateral under swap trades were missing, allegedly due to theft. This risk related to use of a partner's infrastructure for storing commodity assets is inherent exclusively to the agricultural products market. The Group's risk protection system and risk monitoring on the grain market consists of evaluation of technical condition and financial position of counterparty (certification), regular independent surveys with rotation of surveyors, and insurance coverage, including covering the risk of fraud, which size was sufficient to cover possible losses based on previous cases in the market. The Group has undertaken all necessary actions, such as: has filed 13 claims for the initiation of criminal and civil proceedings, demanding the execution of trades, reclaiming missing collateral and claiming insurance.

The amount receivable from the accredited grain elevators and sugar warehouses is presented as other assets (Note 23), for which a 100% provision has been created. The total amount of provisions for CDO operations as at September 30, 2020 is RUB 2 373,4 million.

Sugar

Despite the fact that there have been no instances of missing sugar stocks, the Group has applied a conservative approach to creating provisions for sugar stockpiles at warehouses. On a regular basis, the Group conducts on-site inspections to ensure the security and quality of sugar stockpiles.



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13. Movement in Allowance for Expected Credit Losses

The information on the movement in the allowance for expected credit losses of the Group for the nine-month periods ended September 30, 2020 and September 30, 2019, is provided below.

	Cash and cash equivalents	Due from financial institutions	Financial assets at FVTOCI	Other financial assets	Total
<i>Note</i>	<i>15</i>	<i>17</i>		<i>23</i>	
December 31, 2018	4,7	36,3	192,0	84,5	317,5
Net (reversal) / charge for the period	(1,4)	(36,0)	29,0	2 569,1	2 560,7
Write-offs	-	-	-	(9,2)	(9,2)
September 30, 2019	3,3	0,3	221,0	2 644,4	2 869,0
December 31, 2019	1,7	0,1	219,3	2 442,3	2 663,4
Net (reversal) / charge for the period	(1,2)	22,8	316,7	(21,4)	316,9
Write-offs	-	-	-	(5,4)	(5,4)
September 30, 2020	0,5	22,9	536,0	2 415,5	2 974,9

The information on the movement in the allowance for expected credit losses of the Group for the three-month periods ended September 30, 2020 and September 30, 2019, is provided below.

	Cash and cash equivalents	Due from credit institutions	Financial assets at FVTOCI	Other financial assets	Total
<i>Note</i>	<i>15</i>	<i>17</i>		<i>23</i>	
June 30, 2019	2,6	0,7	213,1	2 227,3	2 443,7
Net (reversal) / charge for the period	0,7	(0,4)	7,9	418,2	426,4
Write-offs	-	-	-	(1,1)	(1,1)
September 30, 2019	3,3	0,3	221,0	2 644,4	2 869,0
June 30, 2020	0,4	51,5	481,3	2 407,2	2 940,4
Net (reversal) / charge for the period	0,1	(28,6)	54,7	8,8	35,0
Write-offs	-	-	-	(0,5)	(0,5)
September 30, 2020	0,5	22,9	536,0	2 415,5	2 974,9

In the first quarter 2019 the Group's management had detected several incorrectly processed administrative payments not connected with the Group's trading and clearing activities. Management immediately introduced a set of necessary measures to resolve the situation and improved control procedures to avoid similar mistakes in the future. Also, the Group's management created the provision on receivables during the nine-month period ended September 30, 2019 at the amount of RUB 237,8 million. As at December 31, 2019, the receivables in the amount of RUB 223,8 million were written off against provision as uncollectible, the excess of provision was recovered.

Total net charge of the allowance for expected credit losses of the Group for the nine-month period ended at September 30, 2020 and the three-month period ended September 30, 2020 is included in other operating expenses and net expected credit losses provision within Consolidated Interim Condensed Statement of Profit or Loss (Note 12).



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13. Movement in Allowance for Expected Credit Losses (continued)

As at September 30, 2020 and December 31, 2019, the allowance for expected credit losses of financial assets at fair value through other comprehensive income is included in investments revaluation reserve. The movement of the allowance is reflected within Consolidated Interim Condensed Statement of Comprehensive Income.

The allowance for expected credit losses of the Group consists of the loss allowance measured at an amount equal to 12-month expected credit losses for Stage 1 assets, and the loss allowance measured at an amount equal to lifetime expected credit losses for Stage 2 and Stage 3 assets. The composition of the Group's financial assets and correspondent allowances for expected credit losses by stages as at September 30, 2020 and December 31, 2019 is provided below.

<i>Note</i>	Cash and cash equivalents	Due from financial institutions	Financial assets at FVTOCI	Other financial assets	Total
	<i>15</i>	<i>17</i>		<i>23</i>	
September 30, 2020					
Stage 1 assets	484 232,2	117 036,3	182 926,5	1 149,3	785 344,3
Stage 2 assets	-	-	-	10,0	10,0
Stage 3 assets	-	-	-	2 364,9	2 364,9
Total financial assets	484 232,2	117 036,3	182 926,5	3 524,2	787 719,2
Allowance for Stage 1 assets	(0,5)	(22,9)	(536,0)	(49,6)	(609,0)
Allowance for Stage 2 assets	-	-	-	(1,0)	(1,0)
Allowance for Stage 3 assets	-	-	-	(2 364,9)	(2 364,9)
Total allowance for expected credit losses	(0,5)	(22,9)	(536,0)	(2 415,5)	(2 974,9)
December 31, 2019					
Stage 1 assets	466 100,5	60 424,1	179 313,4	721,4	706 559,4
Stage 2 assets	-	-	-	358,3	358,3
Stage 3 assets	-	-	-	2 396,4	2 396,4
Total financial assets	466 100,5	60 424,1	179 313,4	3 476,1	709 314,1
Allowance for Stage 1 assets	(1,7)	(0,1)	(219,3)	(6,2)	(227,3)
Allowance for Stage 2 assets	-	-	-	(39,7)	(39,7)
Allowance for Stage 3 assets	-	-	-	(2 396,4)	(2 396,4)
Total allowance for expected credit losses	(1,7)	(0,1)	(219,3)	(2 442,3)	(2 663,4)

During the nine-month period ended September 30, 2020 there were no transfers from Stage 1 to the lower Stages of impairment. All changes relate to the recognition or derecognition of financial assets in the normal course of the Group's business. During the nine-month period ended September 30, 2019 the receivable within other financial assets in the amount of RUB 2 581,2 million was transferred from the first to the third stage.

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13. Movement in Allowance for Expected Credit Losses (continued)

The Group uses forward-looking information that is available without undue cost or effort in its assessment of significant increase in credit risk as well as in its measurement of ECL. Starting January 1, 2020, the Group uses CDS curves quotes in its measurement of ECL. The Group has identified and documented the key driver of credit risk and credit losses – CDS of Russia.

14. Income Tax

The Group provides for taxes based on the tax accounts maintained and prepared in accordance with the tax regulations of countries where the Group and its subsidiaries operate and which may differ from IFRS.

Deferred taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes. Temporary differences relate mostly to different methods of income and expense recognition, as well as to recorded values of certain assets.

The tax rate used for the reconciliations between tax expense and accounting profit is the corporate tax rate of 20% payable by corporate entities in the Russian Federation on taxable profits under the tax law in that jurisdiction.

Reconciliation of income tax expense and accounting profit for the nine-month periods ended September 30, 2020 and 2019, are explained below:

	Three-Month Period Ended September 30, 2020	Three-Month Period Ended September 30, 2019	Nine-Month Period Ended September 30, 2020	Nine-Month Period Ended September 30, 2019
Profit before income tax	7 034,4	6 780,3	22 962,6	17 982,7
Tax at the statutory tax rate (20%)	1 406,9	1 356,0	4 592,5	3 596,5
Tax effect of income taxed at rates different from the prime rate	(86,5)	(75,1)	(251,1)	(232,1)
Non-deductible expenses for tax purposes	42,7	46,0	99,4	165,2
Adjustments in respect of current and deferred income tax of previous years	72,7	-	199,1	1,6
Income tax expense	1 435,8	1 326,9	4 639,9	3 531,2
Current income tax expense	62,9	1 482,8	2 404,3	6 407,3
Current income tax expense related to previous years	9,4	-	1,4	1,6
Deferred taxation movement due to origination and reversal of temporary differences	1 363,5	(155,9)	2 234,2	(2 877,7)
Income tax expense	1 435,8	1 326,9	4 639,9	3 531,2



**Notes to the Consolidated Interim Condensed Financial Statements (unaudited)
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14. Income Tax (continued)

	Nine-Month Period Ended September 30, 2020	Nine-Month Period Ended September 30, 2019
Beginning of the period – deferred tax assets	1 701,5	125,1
Beginning of the period – deferred tax liabilities	(2 361,0)	(3 821,4)
Changes in deferred income tax balances recognised in other comprehensive income	32,2	(691,8)
Change in deferred income tax balances recognised in profit or loss	(2 234,2)	2 877,7
Disposal of assets held for sale	-	(3,1)
End of the period - deferred tax assets	286,7	949,3
End of the period - deferred tax liabilities	(3 148,2)	(2 462,8)

15. Cash and Cash Equivalents

	September 30, 2020	December 31, 2019
Correspondent accounts and overnight deposits with banks	438 229,9	415 657,5
Balances with the CBR	45 980,3	50 416,2
Receivables on broker and clearing operations	18,7	22,5
Cash on hand	3,3	4,3
Total cash and cash equivalents	484 232,2	466 100,5
Less allowance for ECL (Note 13)	(0,5)	(1,7)
Total cash and cash equivalents	484 231,7	466 098,8
Total cash and cash equivalents before allowance for ECL	484 232,2	466 100,5
Cash and cash equivalents attributable to Assets of disposal group held for sale	-	6,8
Cash and cash equivalents for the purpose of Consolidated Statement of Cash Flows	484 232,2	466 107,3

16. Financial Assets at Fair Value through Profit or Loss

	September 30, 2020	December 31, 2019
Bonds issued by foreign companies of Russian groups	17 098,3	13 418,5
Derivative financial instruments	1 080,8	69,6
Shares issued by foreign companies	308,5	67,5
Shares issued by Russian companies	141,3	139,8
Total financial assets at FVTPL	18 628,9	13 695,4

On July 23, 2020, Moscow Exchange completed the acquisition of a 17% stake in BierbaumPro AG, which holds a 100% ownership stake in NTPProgress, the company behind the development of the proprietary OTC FX platform NTPro. NTPProgress is BierbaumPro's main asset.

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16. Financial Assets at Fair Value through Profit or Loss (continued)

MOEX has also entered into an agreement under which the Exchange will consolidate ownership of up to 100% of BierbaumPro's equity over a period of three years. The final price for 100% of the company's equity will be dependent upon BierbaumPro's operational and financial performance.

The table below shows the analysis of derivatives of the Group as at September 30, 2020 and as at December 31, 2019:

	Fair value of principal amount or agreed amount		Assets - positive fair value	Liabilities - negative fair value
	Receivables	Payables		
September 30, 2020				
Currency swaps	105 627,8	(104 547,0)	1 080,8	-
December 31, 2019				
Currency swaps	70 945,1	(70 908,3)	69,6	(32,8)

17. Due from Financial Institutions

Due from financial institutions are presented as follows:

	September 30, 2020	December 31, 2019
Interbank loans and term deposits	66 991,8	7 789,3
Reverse repo receivables from financial institutions	44 920,4	48 445,5
Correspondent accounts and deposits in precious metals	5 084,0	4 189,1
Other loans	39,6	-
Receivables on broker and clearing operations	0,5	0,2
Total due from financial institutions	117 036,3	60 424,1
Less allowance for ECL (Note 13)	(22,9)	(0,1)
Total due from financial institutions	117 013,4	60 424,0

As at September 30, 2020 the fair value of bonds pledged under reverse repo was RUB 54 911,3 million (December 31, 2019: RUB 60 190,2 million).

As at September 30, 2020, interbank loans and term deposits include restricted amounts on correspondent account with Euroclear Bank S.A./N.V., Brussels, which relate to foreign securities (coupon and principal repayments) owned by the depository clients, in the amount of RUB 9 743,3 million (December 31, 2019: RUB 7 683,7 million). Balances of market participants include balances due to these clients in respect of those securities in the amount of RUB 9 743,3 million (December 31, 2019: RUB 7 683,7 million).

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18. Central Counterparty Financial Assets and Liabilities

	September 30, 2020	December 31, 2019
Repo transactions	4 288 864,1	3 259 579,2
Currency transactions	11 317,2	3 091,4
Total CCP financial assets and liabilities	4 300 181,3	3 262 670,6

CCP financial assets are receivables under currency and repo transactions and CCP financial liabilities are payables under offsetting transactions, which the Group entered with market participants as a CCP. As at September 30, 2020 the fair value of securities purchased and sold by the Group under repo transactions is RUB 4 720 528,3 million (December 31, 2019: RUB 3 771 234,9 million). As at September 30, 2020 and December 31, 2019, none of these assets were past due.

CCP financial assets and liabilities under currency transactions represent fair values of overnight currency deals. Gross claims and liabilities with individual counterparties are offset in accordance with IAS 32.

19. Financial Assets at Fair Value through Other Comprehensive Income

	September 30, 2020	December 31, 2019
Bonds issued by the Russian Federation	63 555,1	85 834,1
Bonds issued by foreign companies of Russian groups	63 162,8	37 465,8
Bonds issued by Russian companies	38 111,8	32 063,1
Bonds issued by Russian banks	16 205,6	20 167,7
Bonds issued by foreign financial organizations	1 891,2	3 782,7
Total financial assets at FVTOCI	182 926,5	179 313,4



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20. Property and equipment

	Land	Buildings and other real estate	Furniture and equipment	Construction in progress	Right-of- use assets	Total
Cost						
December 31, 2018	219,8	5 865,9	7 075,0	47,0	-	13 207,7
January 1, 2019 (with IFRS 16 effect)	219,8	5 865,9	7 075,0	47,0	269,0	13 476,7
Additions	-	-	296,9	-	15,6	312,5
Reclassification	-	-	46,4	(46,4)	-	-
Disposals	-	-	(89,4)	-	-	(89,4)
Reclassification to assets held for sale	(10,4)	(61,9)	(13,3)	-	-	(85,6)
Effect of movements in exchange rates	(0,9)	(5,4)	(1,1)	-	-	(7,4)
September 30, 2019	208,5	5 798,6	7 314,5	0,6	284,6	13 606,8
December 31, 2019	208,5	5 798,6	7 392,6	50,2	284,6	13 734,5
Additions	-	-	751,6	-	1 018,8	1 770,4
Reclassification	-	-	49,4	(49,4)	-	-
Disposals	-	-	(170,6)	-	(266,4)	(437,0)
Revaluation	-	-	-	-	0,1	0,1
September 30, 2020	208,5	5 798,6	8 023,0	0,8	1 037,1	15 068,0
Accumulated depreciation						
December 31, 2018	-	1 571,6	5 662,2	-	-	7 233,8
Charge for the period	-	88,3	731,7	-	142,4	962,4
Disposals	-	-	(88,8)	-	-	(88,8)
Reclassification to assets held for sale	-	(15,3)	(10,4)	-	-	(25,7)
Effect of movements in exchange rates	-	(1,3)	(1,0)	-	-	(2,3)
September 30, 2019	-	1 643,3	6 293,7	-	142,4	8 079,4
December 31, 2019	-	1 672,6	6 423,8	-	191,5	8 287,9
Charge for the period	-	87,2	434,7	-	119,5	641,4
Disposals	-	-	(170,6)	-	(266,4)	(437,0)
September 30, 2020	-	1 759,8	6 687,9	-	44,6	8 492,3
Net book value						
December 31, 2019	208,5	4 126,0	968,8	50,2	93,1	5 446,6
September 30, 2020	208,5	4 038,8	1 335,1	0,8	992,5	6 575,7

As at September 30, 2020, historical cost of fully depreciated property and equipment amounts to RUB 5 385,4 million (December 31, 2019: RUB 5 350,3 million).

In June 2020, the Group prolonged lease agreement for the office premises for 10 years. The agreement was classified as a lease agreement in accordance with IFRS 16 and the Group recognized the right-of-use asset and lease liability in the amount of RUB 1 006 million. The effective annual interest rate under the agreement is 8.81%.

**Notes to the Consolidated Interim Condensed Financial Statements (unaudited)
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21. Intangible Assets

	Software and licenses	Client base	Intangible assets development	Total
Cost				
December 31, 2018	5 872,1	19 606,7	777,2	26 256,0
Additions	502,5	-	531,0	1 033,5
Reclassification	313,1	-	(313,1)	-
Disposals	(27,8)	-	(0,3)	(28,1)
Reclassification to assets held for sale	(1,5)	-	-	(1,5)
Effect of movements in exchange rates	(0,1)	-	-	(0,1)
September 30, 2019	6 658,3	19 606,7	994,8	27 259,8
December 31, 2019	6 915,6	19 606,7	1 414,3	27 936,6
Additions	721,1	-	751,0	1 472,1
Reclassification	692,2	-	(692,2)	-
Disposals	(19,8)	-	(0,5)	(20,3)
September 30, 2020	8 309,1	19 606,7	1 472,6	29 388,4
Accumulated amortisation and impairment				
December 31, 2018	2 365,6	6 286,1	-	8 651,7
Charge for the period	762,4	882,3	-	1 644,7
Disposals	(27,8)	-	-	(27,8)
Reclassification to assets held for sale	(1,2)	-	-	(1,2)
Effect of movements in exchange rates	(0,1)	-	-	(0,1)
September 30, 2019	3 098,9	7 168,4	-	10 267,3
December 31, 2019	3 485,1	7 462,5	-	10 947,6
Charge for the period	945,9	882,3	-	1 828,2
Disposals	(1,4)	-	-	(1,4)
September 30, 2020	4 429,6	8 344,8	-	12 774,4
Net book value				
December 31, 2019	3 430,5	12 144,2	1 414,3	16 989,0
September 30, 2020	3 879,5	11 261,9	1 472,6	16 614,0

**Notes to the Consolidated Interim Condensed Financial Statements (unaudited)
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22. Assets Held for Sale

In March 2019, the Supervisory board approved a plan to sell ETS. As at December 31, 2019 the Group presented ETS as disposal group held for sale under IFRS 5 "Non-current assets held for sale and discontinued operations".

In February 2020 the Group disposed of 40,82% stake in ETS and therefore ceding control over this subsidiary. The remaining share of 15% was accounted for as investment in associate until August 2020. In August 2020 additional sale of 5% stake took place and the Group ceased its significant influence over ETS. Further sale of 10% share in ETS is expected until the end of 2024.

The major classes of assets and liabilities of ETS classified as held for sale as of December 31, 2019:

	December 31, 2019
Assets of the disposal group held for sale	
Cash and cash equivalents	6,8
Due from financial institutions	16,2
Property and equipment	59,0
Intangible assets	0,5
Other assets	22,9
Total assets of the disposal group held for sale	105,4
Liabilities of the disposal group held for sale	
Other liabilities	5,8
Total liabilities of the disposal group held for sale	5,8

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22. Assets Held for Sale (continued)

	Nine-Month Period Ended September 30, 2020
Gain on disposal of ETC	
Consideration received	28,3
Net assets disposed of	(54,8)
Non-controlling interest	89,8
Cumulative exchange differences in respect of the net assets of the subsidiary reclassified from equity to profit or loss on loss of control of subsidiary	8,1
Gain on disposal	71,4

The above gain on disposal incurred in February 2020 is included in other operating income line of the Consolidated Interim Condensed Statement of Profit or Loss (Note 9).

23. Other Assets

	September 30, 2020	December 31, 2019
Other financial assets:		
Receivables on services rendered and other operations	3 524,2	3 476,1
Less allowance for ECL (Note 13)	(2 415,5)	(2 442,3)
Total other financial assets	1 108,7	1 033,8
Other non-financial assets:		
Prepaid expenses	624,4	447,9
Precious metals	471,3	3 134,3
Taxes receivable other than income tax	68,8	46,9
Non-current assets prepaid	52,5	24,8
Other	12,8	8,7
Total other assets	2 338,5	4 696,4

**Notes to the Consolidated Interim Condensed Financial Statements (unaudited)
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24. Balances of Market Participants

	September 30, 2020	December 31, 2019
Accounts of clearing participants	530 445,0	450 993,4
Other current and settlement accounts	97 466,1	83 110,5
Stress collateral	49 319,3	19 006,2
Risk-covering funds	6 078,7	5 476,2
Accounts of clearing participants in precious metals	5 555,3	7 336,3
Total balances of market participants	688 864,4	565 922,6

25. Overnight bank loans

	September 30, 2020	December 31, 2019
Overnight bank loans	-	49 229,1
Total overnight bank loans	-	49 229,1

26. Distributions payable to holders of securities

Distributions payable to holders of securities comprise dividends and coupon amounts received by the Group from the issuers of securities on behalf of customers of the Group, for which the Group provides depository services.

The normal settlement period for distribution of dividends and coupon amounts to its customers is three days. Amounts of dividends and coupons payable to clients are stated at their contractual values.

27. Other Liabilities

	September 30, 2020	December 31, 2019
Other financial liabilities		
Lease liabilities	1 003,6	86,6
Trade and other payables	705,4	720,6
Payables to employees	571,6	337,2
Dividends payable	1,2	0,3
Derivative financial liabilities	-	32,8
Total other financial liabilities	2 281,8	1 177,5
Other non-financial liabilities		
Personnel remuneration provision	1 473,6	1 723,2
Taxes payable, other than income tax	539,7	435,5
Advances received	471,5	258,0
Tax agent liabilities regarding distributions payable to holders of securities	63,3	170,8
Provision (Note 12)	37,2	31,7
Total other liabilities	4 867,1	3 796,7



**Notes to the Consolidated Interim Condensed Financial Statements (unaudited)
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28. Share Capital and Share Premium

The share capital of Moscow exchange comprises ordinary shares with a par value of RUB 1 each:

	Ordinary shares issued and fully paid (number of shares)	Treasury shares (number of shares)
December 31, 2018	2 276 401 458	(26 014 430)
Exercised equity instruments (Note 11)	-	3 459 488
September 30, 2019	2 276 401 458	(22 554 942)
December 31, 2019	2 276 401 458	(22 131 768)
Treasury shares transferred	-	7 000
Exercised equity instruments (Note 11)	-	164 004
September 30, 2020	2 276 401 458	(21 960 764)

Share premium represents an excess of contributions received over the nominal value of shares issued.

As at September 30, 2020 and December 31, 2019, the number of authorized shares is 12 095 322 151.

29. Retained Earnings

During the nine-month period ended September 30, 2020 the Group declared and paid to the owners of the parent dividends for the year ended December 31, 2019 of RUB 17 899,4 million. The amount of dividends per share is RUB 7,94 per ordinary share (for the year ended December 31, 2018 of RUB 17 377,2 million; dividends per share: RUB 7,70).

The Group's distributable reserves are limited to the amount of reserves reported in the statutory financial statements of the Group members. Non-distributable reserves comprise a reserve fund, which is created according to the statutory regulations, to cover risks, including future losses and other unforeseen risks and contingencies, as well as funds of NCC required to comply with regulations of CBR relating to CCP activities.



**Notes to the Consolidated Interim Condensed Financial Statements (unaudited)
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30. Earnings per Share

The calculation of earnings per share is based on the profit for the period attributable to shareholders of the Group and the weighted average number of ordinary outstanding during the period, calculated as shown below.

	Three-Month Period Ended September 30, 2020	Three-Month Period Ended September 30, 2019	Nine-Month Period Ended September 30, 2020	Nine-Month Period Ended September 30, 2019
Net profit attributable to ordinary equity holders of the parent	5 600,0	5 453,2	18 308,1	14 439,5
Weighted average number of shares	2 254 386 631	2 253 171 236	2 254 321 376	2 253 171 236
Effect of dilutive share options	4 267 909	495 687	2 068 891	1 157 149
Weighted average number of shares adjusted for the effect of dilution	2 258 654 540	2 253 666 923	2 256 390 267	2 254 328 385
Basic earnings per share, RUB	2,48	2,42	8,12	6,41
Diluted earnings per share, RUB	2,48	2,42	8,11	6,41

31. Operating Segments

The Group distinguishes the following operating segments for management purposes depending on the types of products and services:

Operating segment **"Trading services"** includes the Group's trading services in foreign exchange, securities, derivatives and money markets, listing and other trading services.

In the **Foreign Exchange Market** of Moscow Exchange spot and swap transactions are performed with different maturities in the following currencies: USD, EUR, CNY, HKD, GBP, CHF, TRY, KZT and BYR. Deliverable forward contracts for currency pairs are also traded in the foreign exchange market, and transactions with precious metals are performed (gold and silver).

In the **Money Market** Moscow Exchange provides repo services with shares and bonds of the following types: repo with the CCP, including repo with General Collateral Certificates with CCP (GCC-repo), inter-dealer repo, direct repo with the CBR. Participants can also perform depositary-credit operations, in particular, funds placement auctions on bank deposits.

In the **Securities Market** of Moscow Exchange primary and secondary trades in shares, Russian government bonds (OFZ), municipal and corporate bonds, foreign state and corporate eurobonds, depositary receipts, fund shares, ETFs are performed.

In the **Derivatives Market** of Moscow Exchange the following derivative instruments are traded: futures contracts on indices, Russian and foreign shares, Russian government bonds (OFZ) and eurobonds Russia-30, currency pairs, interest rates, precious metals, crude oil and sugar, and option contracts on futures.

Listing services – inclusion and maintenance of securities in the List of securities admitted to on-exchange trading.

Operating segment **"Clearing"** includes mainly CCP clearing services and other clearing services.

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31. Operating Segments (continued)

The CCP guarantees stability in the serviced market segments through the risk-management system implementation, and provides clearing services to the market participants. The CCP guarantees that all obligations to all non-defaulting parties of the contracts signed with the CCP, regardless of whether obligations to the CCP are met or not, are fulfilled.

Operating segment **"Depository"** includes depository and settlement services provided to participants in the on-exchange and OTC markets, OTC transaction registration services (repository services), collateral management services and information services.

Operating segment **"Other services"** includes the Group's results from information products, software and technical services provision and unallocated income and expense.

Software, technical and information services include a wide range of professional instruments used for access to the Exchange markets, electronic trade based on modern exchange trade technologies, real time market data, trading results data and indices.

Less than 1% of the Group's income from external clients is earned outside of the Russian Federation. Less than 1% of the Group's non-current assets are situated outside of the Russian Federation. The business of the Group on the territory of the Republic of Kazakhstan does not have any significant influence on the financial statements of the Group. Therefore, it is not distinguished as a separate operating segment.

Segment reports and the segment financial results provided to Management of the Group for analysis are prepared according to the International Financial Reporting Standards and are adjusted for intersegment transfers. Management of the Group evaluates the segment financial results, using the segment total income and operating profit figures, taking into account differences in products and services of different segments.

The information on income and expenses of the Group broken down into operating segments for the nine-month periods ended September 30, 2020 and September 30, 2019, is provided below.

	Nine-Month Period Ended September 30, 2020				
	Trading services	Clearing	Depository	Other services	Total
INCOME					
Fee and commission income	8 910,0	9 148,9	4 708,1	1 454,7	24 221,7
Net interest and other finance income*	2 780,0	7 106,7	1 103,1	-	10 989,8
Other operating income	-	-	-	112,7	112,7
Total income	11 690,0	16 255,6	5 811,2	1 567,4	35 324,2
EXPENSES					
Personnel expenses	(2 792,1)	(1 015,6)	(1 688,6)	(573,8)	(6 070,1)
General and administrative expenses, <i>Incl. depreciation and amortisation</i>	(2 911,9)	(834,6)	(1 803,6)	(419,0)	(5 969,1)
	(1 152,3)	(392,1)	(814,3)	(110,9)	(2 469,6)
Total expenses before other operating expenses	(5 704,0)	(1 850,2)	(3 492,2)	(992,8)	(12 039,2)
Total profit before other operating expenses and tax	5 986,0	14 405,4	2 319,0	574,6	23 285,0
Other operating expenses and net expected credit losses provision	30,8	(351,5)	(1,7)	-	(322,4)
Total profit before tax	6 016,8	14 053,9	2 317,3	574,6	22 962,6

* including net gain on financial assets at FVTOCI and net financial result from foreign exchange

**Notes to the Consolidated Interim Condensed Financial Statements (unaudited)
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31. Operating Segments (continued)

	Nine-Month Period Ended September 30, 2019				
	Trading services	Clearing	Depository	Other services	Total
INCOME					
Commission income	6 955,8	6 979,3	3 958,7	1 185,1	19 078,9
Net interest and other finance income**	4 197,1	6 763,2	1 682,1	-	12 642,4
Other operating income	-	-	-	325,8	325,8
Total income	11 152,9	13 742,5	5 640,8	1 510,9	32 047,1
EXPENSES					
Personnel expenses	(2 508,8)	(843,0)	(1 562,5)	(415,2)	(5 329,5)
General and administrative expenses, <i>Incl. depreciation and amortisation</i>	(3 200,1)	(760,0)	(1 671,1)	(425,8)	(6 057,0)
	(1 318,0)	(352,8)	(822,5)	(113,8)	(2 607,1)
Total expenses before other operating expenses	(5 708,9)	(1 603,0)	(3 233,6)	(841,0)	(11 386,5)
Total profit before other operating expenses and tax	5 444,0	12 139,5	2 407,2	669,9	20 660,6
Other operating expenses and net expected credit losses provision	(245,6)	(2 394,5)	(37,8)	-	(2 677,9)
Total profit before tax	5 198,4	9 745,0	2 369,4	669,9	17 982,7

** including net gain on financial assets at FVTOCI and net financial result from foreign exchange

32. Commitments and Contingencies

Legal proceedings – From time to time and in the normal course of business, claims against the Group may be received from customers and counterparties. Management of the Group believes that such claims may not have a material impact on its financial and operational activities and that no material losses will be incurred, and accordingly no provision has been made in these Consolidated Interim Condensed Financial Statements. During nine-month period ended September 30, 2019 the Group has recovered previously created provision for a litigation (Note 9).

**Notes to the Consolidated Interim Condensed Financial Statements (unaudited)
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33. Transactions with Related Parties

Intragroup transactions have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Group and other related parties are disclosed below.

(a) Transactions with key management

Key management personnel comprises members of the Executive Board and the Supervisory Board. The total remuneration paid to key management personnel includes short-term benefits (salary, bonuses, payroll related taxes, insurance, health care, etc.), long-term benefits and share-based payment expense.

Included in the Consolidated Interim Condensed Statement of Financial Position are the following amounts that arose on transactions with key management personnel:

	September 30, 2020	December 31, 2019
Other liabilities	275,2	403,9
Share-based payments	50,2	169,8

Included in the Consolidated Interim Condensed Statement of Profit or Loss are the following amounts that arose due to transactions with key management personnel:

	Three-Month Period Ended September 30, 2020	Three-Month Period Ended September 30, 2019	Nine-Month Period Ended September 30, 2020	Nine-Month Period Ended September 30, 2019
Short-term employee benefits	109,6	5,8	407,0	317,3
Long-term employee benefits	33,9	36,5	65,1	45,1
Share-based payment expense on equity settled instruments	(9,2)	(22,8)	15,4	22,3
Total remuneration of key management personnel	134,3	19,5	487,5	384,7

(b) Transactions with associates

Included in the Consolidated Interim Condensed Statement of Profit or Loss are the following amounts that arose due to transactions with associates:

	Three-Month Period Ended September 30, 2020	Nine-Month Period Ended September 30, 2020
Interest and other finance income	0,1	0,5
Recovery of ECL provision	33,3	-

**Notes to the Consolidated Interim Condensed Financial Statements (unaudited)
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33. Transactions with Related Parties (continued)

(c) Transactions with government-related entities

As at September 30, 2020 the Russian Federation exercises significant influence over Moscow Exchange.

In the ordinary course of business the Group provides trading, clearing and depositary services to government-related entities, places funds with government-related banks and bonds issued by the Russian Federation and government-related entities. According to p.26 (b) of IAS 24 the Group discloses the following significant outstanding balances and financial results on operations with government-related entities as at 30 September, 2020 and December 31, 2019, and for the nine-month periods ended 30 September, 2020 and 30 September, 2019:

	September 30, 2020	December 31, 2019
ASSETS		
Cash and cash equivalents	158 862,5	132 337,4
Due from financial institutions	40 187,1	105,6
Central counterparty financial assets	1 185 760,9	947 805,0
Financial assets at FVTOCI	115 954,4	116 345,6
Other assets	748,2	427,4
LIABILITIES		
Balances of market participants	272 653,3	244 708,6
Overnight bank loans	-	42 343,1
Central counterparty financial liabilities	2 805 328,6	1 852 415,6
Distributions payable to holders of securities	14 613,7	9 354,8
Other liabilities	506,7	97,6

	Three-Month Period Ended September 30, 2020	Three-Month Period Ended September 30, 2019	Nine-Month Period Ended September 30, 2020	Nine-Month Period Ended September 30, 2019
Fee and commission income	6 556,5	2 253,0	8 564,5	6 715,0
Interest and other finance income	4 776,2	1 919,0	7 112,1	6 462,5
Interest expense	(519,2)	(672,0)	(758,1)	(1 769,3)
Other operating income	9,2	0,8	12,5	6,1
General and administrative expenses	(103,2)	(58,8)	(149,2)	(168,3)

The Group refined its approach to presentation of operations with government-related entities and presented volumes of trades and basis of their conclusion as follows: during the three-month period ended September 30, 2020 the Group purchased financial assets at FVTOCI for RUB 3 148,8 million and did not sell securities (during the three-month period ended September 30, 2019: purchases for RUB 19 012,3 million, sales for RUB 12 578,6 million). During the nine-month period ended September 30, 2020 the Group purchased financial assets at FVTOCI for RUB 28 463,5 million and sold for RUB 3 541,2 million (during the nine-month period ended September 30, 2019: purchases for RUB 42 541,1 million, sales for RUB 47 056,0 million). All transactions were concluded on the arms' length basis.

**Notes to the Consolidated Interim Condensed Financial Statements (unaudited)
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34. Fair Value Measurements

The table below analyses financial assets and liabilities measured at fair value at September 30, 2020, by the level in the fair value hierarchy into which the fair value measurement is categorised:

	September 30, 2020			Total
	Level 1	Level 2	Level 3	
Financial assets at FVTPL	17 098,3	1 080,8	449,8	18 628,9
CCP financial assets and liabilities (currency transactions)	11 317,2	-	-	11 317,2
Financial assets at FVTOCI	167 128,0	15 798,5	-	182 926,5

Financial assets and liabilities measured at fair value at December 31, 2019, by the level in the fair value hierarchy into which the fair value measurement is categorised:

	December 31, 2019			Total
	Level 1	Level 2	Level 3	
Financial assets at FVTPL	13 418,5	69,6	207,3	13 695,4
CCP financial assets and liabilities (currency transactions)	3 091,4	-	-	3 091,4
Financial assets at FVTOCI	171 028,0	8 285,4	-	179 313,4
Derivative financial liabilities	-	(32,8)	-	(32,8)

Management of the Group considers that the fair value of cash and cash equivalents, due from financial institutions, CCP financial assets and liabilities (REPO transactions), other financial assets, balances of market participants, overnight bank loans and other financial liabilities not carried at fair value in Consolidated Interim Condensed Statement of Financial Position approximates their carrying value.

Transfers between level 1 and 2

For assets and liabilities that are recognised at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The following table shows total amount of transfers of financial assets between level 1 and level 2. Transfers from level 2 to level 1 (from level 1 to level 2) occurred due to fact that markets for certain financial assets became (ceased to be) active during the period.

	Transfers between Level 1 and Level 2	
	Nine-Month Period Ended September 30, 2020	Nine-Month Period Ended September 30, 2019
<i>From Level 1 to Level 2</i>		
Financial assets at FVTOCI	6 703,7	4 323,0
<i>From Level 2 to Level 1</i>		
Financial assets at FVTOCI	1 918,2	5 027,7



**Notes to the Consolidated Interim Condensed Financial Statements (unaudited)
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34. Fair value Measurements (continued)

Level 3 fair value measurements reconciliation

The reconciliation of Level 3 fair value measurements of financial assets is presented as follows:

	Financial assets at FVTPL Unquoted equities
December 31, 2018	133,0
Total gains or losses in profit or loss	(0,8)
Purchases	59,0
Settlements	(6,6)
Reclassification to assets held for sale	(4,1)
September 30, 2019	180,5
December 31, 2019	207,3
Total gains or losses in profit or loss	4,3
Purchases	216,6
Recognition of financial asset at FVTPL due to ceding control over subsidiary (Note 22)	21,6
September 30, 2020	449,8

35. Events after the Reporting Date

In October 2020 the Group processed payment to acquire additional stake in BierbaumPro AG and increase its ownership in the company to 25%. The title transfer of the additional acquired stake is expected in November 2020.