

**MOEX**

MOSCOW  
EXCHANGE

# 3Q 2023 EARNINGS PRESENTATION

13 November 2023

# DELIVERY ON STRATEGIC INITIATIVES IN 3Q 2023 AND BEYOND

*Moscow Exchange's Supervisory Board approved strategy 2028 and the updated dividend policy.*

## **- NEW PRODUCTS -**

- Astra, a Russian software developer, held its IPO on MOEX that featured a 20-fold oversubscription and raised a total of RUB 3.5 bln.
- Henderson, a Russian fashion retail company, completed its IPO on MOEX, raising a total of RUB 3.8 bln.
- Softline, an IT solutions and services provider, listed its local shares on MOEX following the exchange of Noventiq GDRs for these local shares.
- Five new deliverable futures contracts on Russian equities were introduced on the Derivatives Market.
- Repo deals with no set maturity date are now available for Money Market participants, giving clients additional flexibility and the convenience of liquidity management.
- The range of soft commodity instruments expanded with the launch of cash-settled futures and options on sugar index and trading auctions for milk and milk products.
- MTS became the first corporation to issue bonds exclusively at Finuslugi.
- Inaugural DFA issues took place on MOEX.

## **- NEW SERVICES -**

- A group of indices reflecting sugar prices of OTC deals in different Russian regions as well as soy index were introduced,.
- MOEX launched an information and analytical center (IAC) that will provide pricing data and statistics on non-exchange traded commodities in Russia and the CIS.
- The discrete auctions mechanism was updated along with the introduction of other measures that counter price destabilization .

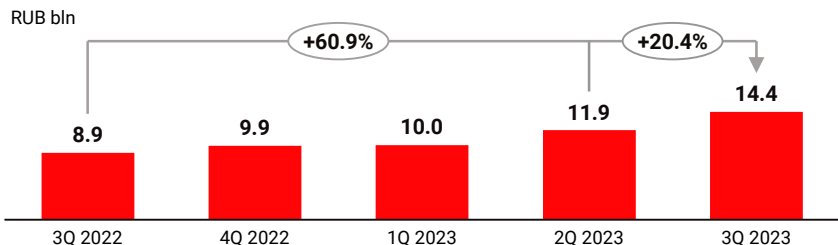
## **- NEW CLIENTS & PARTNERS -**

- MOEX created the Sustainability Sector Council to promote and develop exchange-traded instruments for financing of ESG projects.
- The total number of retail clients registered on the Securities Market reached 28.5 mln<sup>1</sup>. The number of registered IIAs amounted to 5.7 mln<sup>1</sup>.
- In 3Q 2023, 80 corporates – including 12 newcomers – placed 168 bond issues, raising a total of RUB 1.36 trn.

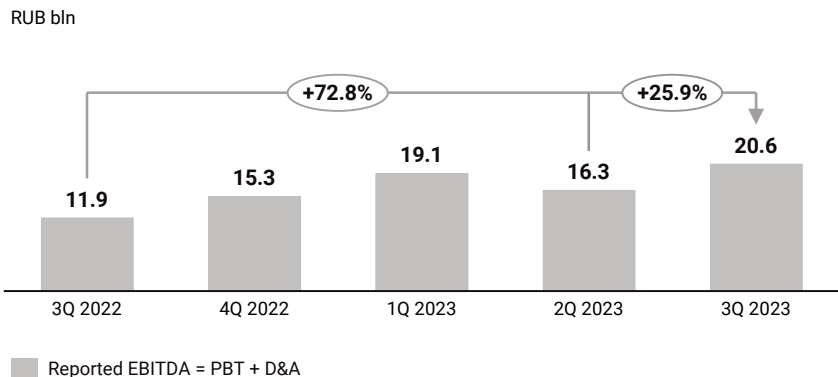
Source: Moscow Exchange.

1. As of the end of October.

## FEE & COMMISSION INCOME



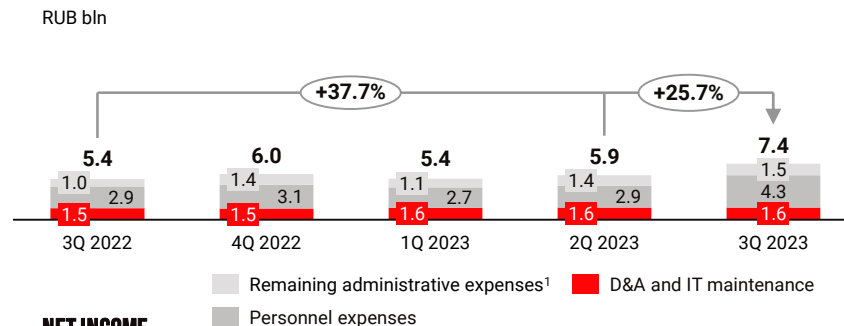
## EBITDA



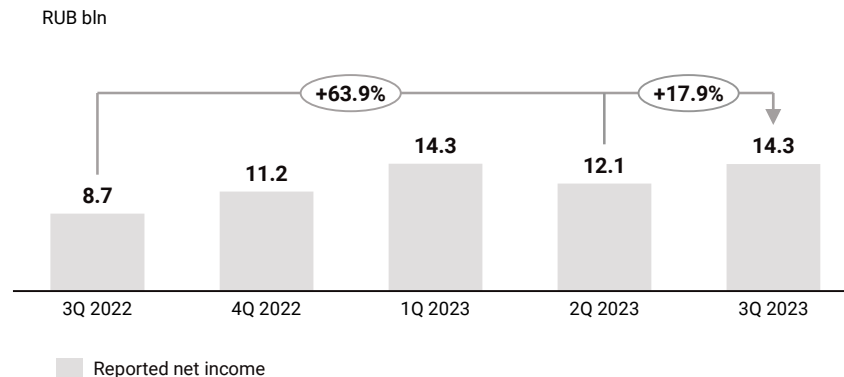
Source: Moscow Exchange.

1. Includes remaining administrative expenses, calculated as general and administrative expenses less D&A and maintenance of equipment and intangible assets.

## OPERATING EXPENSES (EXCLUDING OTHER OPERATING EXPENSES)



## NET INCOME



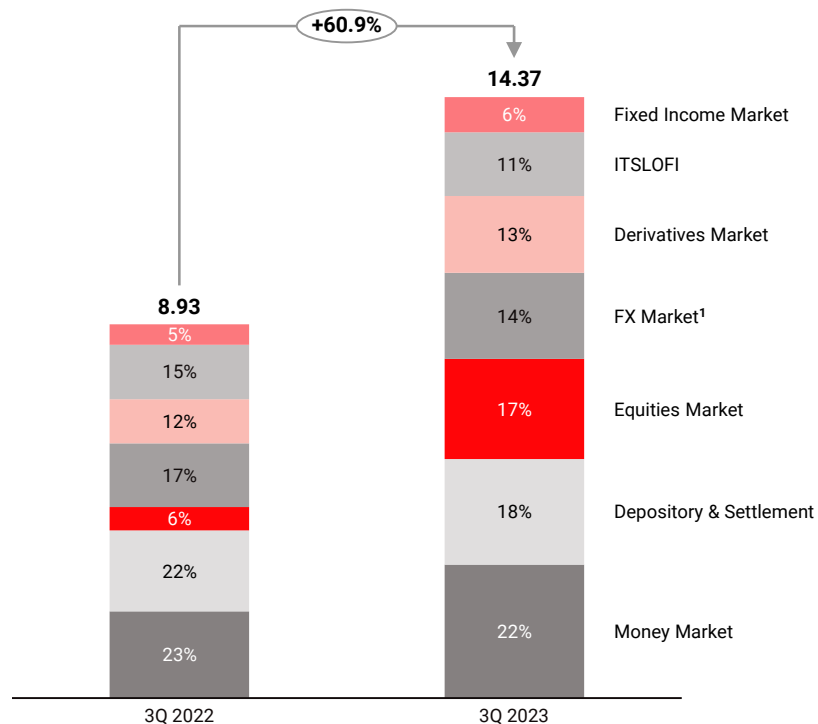
## FEE & COMMISSION INCOME PERFORMANCE

RUB bln

|                                    | 3Q 2022     | 3Q 2023      | Change YoY, bln | Change YoY, % |
|------------------------------------|-------------|--------------|-----------------|---------------|
| <b>Money Market</b>                | 2.07        | 3.19         | +1.12           | +53.9%        |
| <b>Depository &amp; Settlement</b> | 1.93        | 2.52         | +0.59           | +30.6%        |
| <b>Equities Market</b>             | 0.56        | 2.40         | +1.84           | +328.2%       |
| <b>FX Market</b>                   | 1.53        | 2.06         | +0.53           | +34.6%        |
| <b>Derivatives Market</b>          | 1.06        | 1.84         | +0.78           | +74.2%        |
| <b>ITSLOFI<sup>1</sup></b>         | 1.30        | 1.52         | +0.22           | +17.2%        |
| <b>Fixed Income Market</b>         | 0.49        | 0.85         | +0.36           | +73.9%        |
| <b>Total F&amp;C income</b>        | <b>8.93</b> | <b>14.37</b> | <b>+5.44</b>    | <b>+60.9%</b> |

## FEE & COMMISSION INCOME BREAKDOWN

RUB bln



Source: Moscow Exchange.

1. ITSLOFI stands for IT Services, Listing and Other Fee Income. The line includes Information services, Sale of software and technical services, Listing and other service fees, Financial marketplace services and Other fee income.

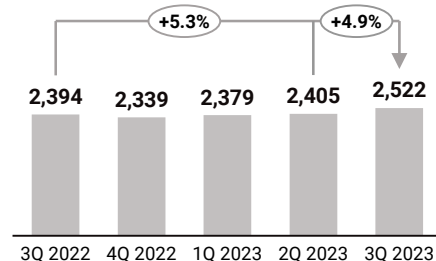
# OPERATING EXPENSES IN 3Q'23 (EXCLUDING PROVISIONS)

## MAJOR EXPENSE ITEMS

RUB mln

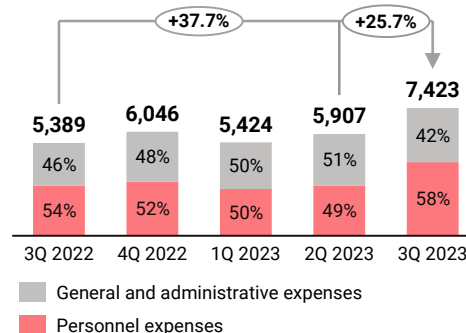
|  | 3Q 2022        | 3Q 2023        | Change YoY   |
|--|----------------|----------------|--------------|
| <b>Personnel expenses</b>                                    | <b>2,894.8</b> | <b>4,275.9</b> | <b>47.7%</b> |
| <b>D&amp;A and IT maintenance</b>                            | <b>1,504.4</b> | <b>1,603.6</b> | <b>6.6%</b>  |
| <b>Remaining administrative expenses,<sup>1</sup> incl.:</b> | <b>990.0</b>   | <b>1,543.0</b> | <b>55.9%</b> |
| • Advertising and marketing costs                            | 161.3          | 332.3          | 106.0%       |
| • Agent fees   | 93.6           | 189.8          | 102.8%       |
| <b>Total OPEX</b>  | <b>5,389.2</b> | <b>7,422.5</b> | <b>37.7%</b> |

## HEADCOUNT, NUMBER OF EMPLOYEES EOP



## OPERATING EXPENSES

RUB mln



## COMMENTS

- OPEX for 3Q'23 increased by 37.7% YoY. 9M'23 OPEX was up 5.4% YoY.
- Personnel expenses growth of 47.7% YoY decomposes into: [1] 31.5 p.p. additional bonus provisions following the review of compensation system, [2] 15.7 p.p. general wage revisions and new hires, [3] 0.5 p.p. other factors.
- The employee headcount was up 5.3% YoY.
- Advertising and marketing costs doubled YoY. The surge is explained by Finuslugi-related spending.
- Agent fees doubled YoY, reflecting the performance of insurance sales on the Finuslugi platform.
- The 3.3x increase in information services costs is reimbursed via corresponding F&C revenues of the Derivatives Market.
- D&A and IT maintenance grew 6.6% YoY, and the D&A alone was up 7.1% YoY. IT maintenance costs increased by 5.1% YoY. The 9.6% QoQ rise in IT maintenance costs is due to the gradual implementation of the software & hardware renewal program.
- 3Q'23 CAPEX was RUB 0.68 bln. 9M'23 CAPEX amounted to RUB 2.16 bln. **The updated FY'23 CAPEX guidance is RUB 3 – 5 bln. Actual spend will depend on the implementation of the software & hardware renewal program.**
- **The updated FY'23 OPEX growth guidance is 9 – 13% YoY.**

1. Remaining administrative expenses are calculated as general and administrative expenses less depreciation of property and equipment, amortization of intangible assets, maintenance of equipment and intangible assets.

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  - ✓ perception of market services offered by the Company and its subsidiaries;
  - ✓ volatility (a) of the Russian economy and the securities market and (b) sectors with a high level of competition that the Company and its subsidiaries operate;
  - ✓ changes in (a) domestic and international legislation and tax regulation and (b) state policies related to financial markets and securities markets;
  - ✓ competition increase from new players on the Russian market;
  - ✓ the ability to keep pace with rapid changes in science and technology environment, including the ability to use advanced features that are popular with the Company's and its subsidiaries' customers;
  - ✓ the ability to maintain continuity of the process of introduction of new competitive products and services, while keeping the competitiveness;
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