

MOSCOW EXCHANGE
Q4 and FY 2021 IFRS Results Conference Call
4 March 2022

Moscow Exchange Speakers:

- Andrey Selyuk, CFO
- Anton Terentiev, Head of IR

Participants asking questions:

- Elena Tsareva, BCS
- Olga Veselova, Bank of America
- Andrey Mikhailov, SOVA Capital
- Olga Naidenova, Sinara FC
- Samarth Agrawal, Citi
- Arthur Caye, Capital Group
- Jelena Rozenfeld, Trigon Asset Management
- Mikhail Shlemov, VTB Capital
- Ruslan Kunov
- Florian Gueritte, LGM Investments

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Operator

Good day, ladies and gentlemen, and welcome to the Moscow Exchange Q4 and FY 2021 IFRS Conference Call. For your information, today's conference is being recorded. At this time, I turn the call over to its host today, Mr. Anton Terentiev, Head of IR. Please go ahead, sir.

Anton Terentiev – Head of IR

Thank you. Hello, everyone. Welcome to the Moscow Exchange FY and Q4 2021 IFRS Results Conference Call. As usual, after the prepared remarks, we will have a Q&A session.

You know that we are all witnessing unprecedented events. And some companies have made the decision to cancel investor calls. But we believe that it's important to keep our local and global investors, market participants, covering analysts and other stakeholders updated on our activities. We stick to our responsibilities as financial infrastructure company and remain fully focused on ensuring the integrity of the capital markets and protecting the interests of local and global investors to the extent we can.

Some of our forthcoming slides and statements were initially meant to be forward-looking. At least we intended for them to be that way during the preparation for this call. In the current environment, these statements appear to be backward-looking. We have decided to still include them in an effort to explain our results and decisions in retrospect, particularly the rationale to develop and invest in the Finuslugi financial marketplace.

Please bear in mind that we do not possess any additional insights into what happens tomorrow or a month from now. New headlines are appearing every minute. Therefore, actual results may differ materially from our assumptions and projections.

The Company does not intend to update these statements to reflect events occurring after the date of the call prior to the next conference call. By now, you should have received our press release containing the results for the Q4 2021. Our management's presentation is available on the Company's website in the Investor Relations section.

Before we proceed to discuss 4Q'21 results, I would like to introduce our newly appointed CFO, Andrey Selyuk. Andrey joined the Exchange at the beginning of the year, having started the onboarding process at the end of last year. He has been with the Company for a few months thus far. Andrey brings over 20 years of experience in finance. He has held senior positions at leading technology, media and consulting companies, both of Russian and international origin. Andrey's expertise is complementary to MOEX's profile and very well aligned with our strategic goals. I hope you all give Andrey a warm welcome as I am passing the word to him. Andrey, please go ahead.

Andrey Selyuk – CFO

Thank you, Anton, and hello to everybody. I was proud to join Moscow Exchange's executive team earlier this year. Let's now proceed to the prepared remarks on the FY 2021 IFRS results.

Slide 2. First, the Exchange continued to add new products. 4 ECM deals were completed on MOEX including 2 IPOs, 1 SPO and 1 direct listing further expanding the local equities universe. 30+ new ETFs have begun trading on MOEX since the previous earnings call. We now have 150 ETFs with a total NAV of more than RUB 300 billion. VEON, SPB Exchange and 300+ global equities were added to the product range. Futures contracts on euro FX pairs as well as cash settled futures contracts on Moscow Real Estate Index (MREDC) and Russian Government Bond Index (RGBI) were introduced on the Derivatives Market. We also welcome an inaugural issuance of transition bonds by INK-Capital on MOEX's Sustainability Sector.

Second, we continued to work on new services. A morning session was introduced on the Equities Market in early December. Mortgage insurance and sub-federal OTC bonds are now available at Finuslugi which, by the way, is connected to CBR Faster Payments System for convenient opening of deposits. On the Derivatives Market, an upgraded data transfer interface called SIMBA became available for the clients. It is particularly applicable for HFT and algo traders. Repo deals in global equities work regardless of timing in dividend record date. On the FX Market, an opening auction was introduced during the morning trading session following our bolt-on acquisition of the OTC FX trading platform NTPro that introduced additional features for the clients based on NCC technology.

And third, we continued to develop our client base and partnerships. At the end of January, the number of retail clients surpassed 17 million. We now have 18.5 million retail clients. Nearly 8 million new clients joined in 2021. The total number of individual investment accounts approached 5.4 million. 70 corporates - including 26 newcomers - placed 192 bond issues, raising a total of RUB 1.2 trillion in Q4'21. Financial messaging platform Transit 2.0 now has 14 banks and 26 corporates onboarded; 2.5 million documents were transferred in 2021 using this system. Our compliance management systems are now certified under ISO standard following an independent audit. MOEX also updated the brand and emphasized the "beyond-exchange" nature of our key strategic initiatives such as Finuslugi platform. Our annual international forum took place in online format.

Slide 3. Finuslugi Update: Why We Are the Believers. Let me now talk about our strategic project, Finuslugi. We view the development of the personal finance marketplace as once in a lifetime opportunity to build direct engagement with retail clients. We need to ensure that clients recognize the MOEX brand, that it stays relevant and at the top of their agenda covering all possible needs in

financial products. MOEX is now able to deliver on that. Our data shows that customer satisfaction at Finuslugi is two times higher than at the closest peers from the banking sector. We are building from strong base. The e-commerce insurance platform that we acquired, Inguru, is an established business. It serves as a foundation and provides expertise. In our IFRS statements you find the abstract regarding Inguru financials. This business is hot. We all read news and see continuous onboarding of newcomers to the segment highlighting its attractiveness. There are six marketplace licenses in total so far; most of them are willing to specialize in a specific type of product segment, while our platform is already offering an entire range. Finuslugi is gradually becoming a household name, as the client base is growing up to 30-40% per month. Marketing campaign helps us to build scale fast and maintain the gap to the next competitor. Once Finuslugi gains substantial scale, the business will be difficult to replicate due to high barriers to entry for potential competitors. We aim to become a key online channel for the financial institutions, especially ones that haven't developed their online presence or ecosystems. Cash bids and business combination proposals that we received in 2021 valued Finuslugi platform on par with local and global peers on EV/Sales and well above costs. Given 2021 pro-rata revenue and accelerated growth fuelled by marketing efforts, the aspiration is to breed a unicorn – a billion-dollar company.

Slide 4. Since the launch of a marketing campaign in December, web traffic increased by 33%. Conversion ratio went up 3x and search queries surged 4x. Client conversion ratio measured from the product category page is in-line with industry benchmarks. Core audience got younger declining from 45 y.o. to 35 y.o., increasing the overall lifetime value. Our data shows strong loyalty as nearly 2/3 of Finuslugi clients would be disappointed if the service was no longer available. It is important to underscore that the scope of marketing campaign is dependent on the impact of its results. We

will proceed with spending only upon tangible operational and financial progress. An average client has 2+ products on the platform, verifying the business concept. This number will grow as the product range keeps expanding. The number of clients who open a deposit in the month of registration is broadly equivalent to those who open beyond. So, we observe a meaningful knock-on effect. Clients open up deposits in banks that have no offices in their regions of residence, proving the value to the platform's clients as well as to the connected banks.

Slide 5. Finuslugi update on financials. The platform is growing both organically and through bolt-on acquisitions to reach scale and become a fully-fledged business line possibly contributing up to 15% of the overall fee income mix upon maturity. As we outlined before, the operational breakeven is expected to happen on the horizon of the Group's strategy, which is 2024. We expected 2022 fee income growth to come mainly from sales of OSAGO insurance policies and consumer loans, but now we see accelerated demand for deposits. OSAGO insurance is an already established business line with clear growth perspective, as we leverage direct online sales. Consumer loans are value-added thanks to a higher effective rate. We are already observing that the unit economy is improving with the expansion of scale. As mentioned before, the valuation is verified with the cash bids and business combination proposals, while EV/Sales multiple of 9x for a peer group is still valid. Thus, we are targeting Finuslugi reaching a unicorn valuation by 2025 based on the business plan.

Now, let's turn to the Q4'21 financials. Slide 6. Operating income improved by 16% YoY, fee income grew by 19% to an all-time quarterly high of RUB 12 bln, while net interest income added 5% YoY. The share of fee and commission income yet again hit a record level of 78% remaining above the 70% mark for the sixth quarter in a row. Operating expenses amounted to more than RUB 6 billion increasing 23% QoQ and 29%.

YoY mainly due to growth in G&A expenses, which I will discuss later in this presentation. The recurring cost to income ratio gained 4 pp YoY and 2.4 pp QoQ. Adjusted EBITDA grew by 9% YoY to 66.8% margin. Adjusted net income gained 15% YoY and reached RUB 7.6 billion. Adjusted ROE continued to improve on a quarterly basis and reached 22.1%.

Slide 7. Now let us talk about annual dynamics. This slide resonates with the strategy very well. MOEX generated 21% growth in fee income outperforming expectations despite a high base of 2020. The cost to fee income ratio slightly retraced to a level of 40.5% The growth gap between fees and OPEX - also known as operating jaws - turned slightly negative following the start of the Finuslugi marketing campaign and consolidation of Inguru and NTPro.

Slide 8. Now, let's get back to Q4 2021. As the 19% YoY growth helped to achieve all-time high quarterly F&C revenues, the structure remains well diversified. The top three contributors in absolute terms were the Money Market, Derivatives Market and Equities Market. All these business lines set new record highs. The only market that has experienced a downturn was the Fixed Income Market.

Now, about Money Market. Slide 9. Fee income from the Money Market expanded 31% YoY, while trading volumes grew just 14% YoY. The effective fee dynamics was driven by two main factors. The first and the most significant is the expansion of the overall repo terms which kept improving both QoQ and YoY. Second, it's a 94% share in the value-added CCP repo, both single-security and GCC in total repo volumes.

Slide 10. The average on-exchange repo term increased by 17% YoY. Average GCC repo term increased 19% YoY and surpassed seven-day mark. The daily average aggregate position during the quarter reached an all-time high. Open interest in GCC repo gained share in the overall mix on

the back of continued demand from the different categories of clients.

Slide 11 Depository and Settlement. F&C from Depository and Settlement improved by 19% YoY. The two main factors behind the growth were the elevated demand for repo operations at the NSD and a 24% expansion of average assets on deposit.

Derivatives Market. Slide 12. Fee income from Derivatives Market improved by 49% YoY, while trading volumes gained 22%. The effective fee dynamics are explained by the favourable shift in trading volumes mix towards single stock and commodity derivatives. These are more profitable products. The share of options increased by 0.6 pp YoY coming in at 5.2% in Q4'21. Standardized OTC derivatives trading volumes nearly tripled YoY as shown in the top right corner. The effective fee in standardized OTC derivatives depends on average length of a contract and generally exceeds that of on-exchange derivatives substantially. Starting from the 1st October 2021, interest rate derivatives in Russia became obligatorily CCP-cleared. Monetary policy tightening raised the demand for interest rates hedging, hence that elevated demand for CCP-cleared OTC derivatives.

Equities Market. Fee income from Equities Market grew by 32% YoY following a corresponding increase in trading volumes by 38%. Effective fee dynamics is explained by the tariff structure. Velocity of trading volumes reached an all-time high in the public history of MOEX. The number of retail investors approached 17 million by the end of Q4'21. Additional trading sessions accounted for 11% of volumes. Global equities trading accounted for 2.8% of the total with daily high hitting 8.4%. A slight deterioration in the share of trading volumes accounted for by global equities was due to the surge in local equities trading.

Slide 14. IT Services, Listing and Other Fee Income. This line exhibited a 20% YoY increase mainly due to growth in Other Fee

Income line that contains Finuslugi. Listing fees decreased 13% YoY on the back of a lower activity in the primary bond market. Sales of information services added 13% YoY. Sales of software and technical services were up 5% YoY.

FX Market. Slide 15. FX Market fees were virtually flat adding just 1% YoY, while trading volumes decreased by 8% YoY. The effective fee dynamics is mainly explained by the consolidated revenue coming from the acquisition of FX spot OTC platform NTPro, which added RUB 93 million during the quarter. The monthly average number of active retail clients hovered around the 1 million mark. Retail volumes represented 11% of the spot market in Q4. Corporates' ADTV expanded 2x YoY. The morning session accounted for 4% of total FX volumes in Q4'21 and 8% of the overall spot volumes.

Slide 16. Fixed Income Market. Fee income from the bond market contracted 39% YoY following a similar drop in trading volumes. Primary market placements - excluding overnight bonds - fell 70% YoY due to several factors. First, it is ongoing hikes in RUB interest rates that negatively affected demand and, therefore, the government borrowing activity. Second, the high base effect. Secondary market trading volumes gained 23% YoY, where the leading contributor was trading in government and the CBR bonds.

Slide 17. Interest and Finance Income. Net interest and finance income improved by 5% YoY and Core NII demonstrated a similar performance. The value of our investment portfolio decreased by 4.5% YoY, and the effective yield gained 0.14 pp YoY. RUB deposits and RUB securities remained major income generators. I should remind you that it takes more than a year for the positive effect of rising RUB interest rates to fully feed into P&L given that the majority of the RUB portfolio is classified as FVTOCI.

Slide 18. Operating Expenses. Operating expenses in Q4 increased by 29% YoY driven

mainly by administrative expenses. Non-organic contribution from Inguru and NTPro consolidation was 5.6 pp. The total contribution from the marketplace - including Inguru - was 11.7 pp. That figure includes marketing expenses. Therefore, core business OPEX together with associated projects - including NTPro - added approximately 18% YoY. Excluding the non-organic effect, positive fee level operating jaws remained in place for the FY 2021. Personnel expenses grew 13.3% YoY, of which 11.8 pp came from headcount growth. On quarter-to-quarter basis, personnel expenses added 15% which is mainly explained by wage inflation. D&A costs increased by 5% YoY. Together with equipment and intangibles' maintenance, the line added 13%. Remaining admin expenses expanded by 91% YoY. That growth decomposes into: [1] 49 pp coming from advertising and marketing expense following the launch of the marketing campaign related to Finuslugi; [2] 34 pp are agent fees that appeared in the P&L following Inguru and NTPro consolidations; [3] 8 pp relate to other factors. CAPEX for Q4 amounted to RUB 1.43 billion. OPEX growth for the FY 2021 landed at 22.5%, which is 1.5 pp above our guidance. This extra cost attribute to Finuslugi marketing campaign. FY 2021 CAPEX was RUB 3.61 bln in line with our guidance. Marketplace accounted for RUB 0.4 billion in FY CAPEX.

MOEX had quite ambitious development plans for 2022 that implied OPEX growth above 20% and meaningful increase in CAPEX. The intention was to jumpstart a series of projects across business lines, scale up the Finuslugi Marketplace, ramp up global equities trading and leverage OTC FX platform NTPro. However, needless to say, the environment has changed. Therefore, we are putting our development plans under review for the year 2022 and reassess future spending intending to limit OPEX and CAPEX growth. We also must keep in mind factors outside of our control such as depreciation and amortization expense, high inflation and non-organic contribution.

Now, a few words about dividends. As you know, Moscow Exchange has historically held Board of Directors meeting to set an AGM date and dividend recommendations at or immediately prior to the date of release of the FY results in the first days of March. Today, we face increased uncertainty and volatility triggered by the external events right at the time when we normally provide the calculation of financial projections to the Board of Directors ahead of this decision. Our Dividend Policy, as you know, contains the approach to calculate the dividend amount as well as clauses when dividend payment is not possible. Currently, MOEX must take an extra time to carry out necessary stress tests and assess the dividend capacity, also monitoring the development of current macroeconomic situation.

We observe that client balances at NCC fluctuate and remain substantially higher than normal levels these days. This triggers a surge in risk weighted assets and puts NCC capital adequacy ratio under pressure. Therefore, we must be very careful in building financial projections. Additionally, the applicable legislative and regulatory environment might be changing rapidly. That said, our Board meeting on the AGM date and dividend recommendations will be held at a later date. The law on joint stock companies in Russia mandates the AGM date to be no later than June 30, 2022.

This concludes my overview of the quarterly and yearly results. We are now ready to take questions.

Operator

Thank you very much, Mr. Selyuk. Today's first question is coming from Ms. Elena Tsareva, BCS GM. Please, go ahead. Your line is open now.

Elena Tsareva – BCS GM

Good afternoon. Andrey, very welcome and good luck. Thank you for holding the call. I don't have many questions. One of the

questions is, what kind of optimization measures do you take currently at MOEX? And another one is, what are the recent news regarding SOVA Capital? Does it carry any risk so far, in your view? Thank you.

Andrey Selyuk – CFO

Thank you for your questions. Yes, correct. We will see what is happening. As I mentioned in my prior speech, we had plans for this year to go ahead with expenses and trigger our Finuslugi platform to increase its business 2-4x. Currently, based on the situation, we are reassessing our expenses and CAPEX plans for the year 2022. It will take some time, and I hope that in one month, we will be able to comment on this.

Anton Terentiev – Head of IR

Regarding your question about SOVA Capital, we cannot comment on behalf of SOVA. We are only reading the Bloomberg articles and other media articles, but my understanding is that this is the effect of disruption of FX flows that happened between Russia and the rest of the world. And SOVA basically had liquidity shortage, and as a result, the regulator launched the standard procedure. And this is it. That's all I can say about SOVA.

Elena Tsareva – BCS GM

Understood. Thank you.

Operator

Thank you. The next question will be coming from Olga Veselova, Bank of America. Please, go ahead, m'am.

Olga Veselova – Bank of America

Hello, gentlemen, and thank you very much for hosting this call. It is useful to have feelings from the ground. I have two questions. One question is, how do you see the mandatory sale of foreign currency – is it going through the exchange or is it going through the interbank market? And if it is

going through exchange and you see the volumes, could you guide us - which volumes do you see per day? This is my first question.

My second question is more difficult. There is a list of sanctioned companies. I may assume, and correct me if I am wrong, that there is no clarity on whether you can work with them directly. So, what's your plan? Do you send a request to OFAC to check that you can be a counterparty for the sanctioned companies? Or that's not what you're doing? Thank you.

Anton Terentiev – Head of IR

Regarding your first question, the only thing I can say is that our FX Market was operating from day one of the new era, so to speak. On Monday, Tuesday, Wednesday, Thursday and today. And I cannot comment on particular clients, what they do, but my understanding is that, the market for the Russian assets locally and globally - FX and securities - they are kind of out of sync. And that FX that was trading, that was basically local supply and local demand.

Olga Veselova – Bank of America

I apologize. I wasn't clear with my question. My question was about mandatory sale of foreign currency by exporters. Does this go through the exchange, or does this go through interbank market outside of exchange – OTC?

Anton Terentiev – Head of IR

I think you need to talk to exporters.

Olga Veselova – Bank of America

But do you see these volumes?

Anton Terentiev – Head of IR

You need to talk to exporters about what they do.

Olga Veselova – Bank of America

Okay.

Anton Terentiev – Head of IR

Then, on the list of sanctioned companies, we have a very strong compliance team in place. And we comply with all applicable laws in our business deals and transactions. So, we will approach that properly.

Olga Veselova – Bank of America

Okay. Thank you.

Anton Terentiev – Head of IR

All these clients that you are talking about, they onboarded long ago. These are legacy clients. And no new clients were onboarded after sanctions, everybody joined before sanctions. Now we are studying the situation and ready to apply all the necessary regulations and laws. Thank you.

Operator

Thank you. We now go to Mr. Andrey Mikhailov calling in from SOVA Capital. Please, go ahead, sir.

Andrey Mikhailov – SOVA Capital

Hello, thank you very much for the call. I have a question on your stake in KASE – the Kazakhstan Exchange. Could you please update on your plans with regard to this? Thank you.

Anton Terentiev – Head of IR

Hi, Andrey, to be perfectly honest with you, this is not in our agenda today. We are in a problem-solving mode, and the whole team is basically working 24/7. There will be a point in time where we start evaluating that, but we haven't been there up until today.

Andrey Mikhailov – SOVA Capital

Thank you, Anton.

Operator

Thank you very much, sir. We now go to Olga Naidenova calling in from Sinara FC. Please, go ahead.

Olga Naidenova – Sinara FC

Hello. Thank you very much for the call, it is really appreciated at this time. A couple of questions. First, if you could please comment on - in your broader view - who do you see as your key client base from here? And which market do you view as a more stable one?

Anton Terentiev – Head of IR

Olga, can you please repeat because your line was interrupted, and we couldn't hear you clearly.

Olga Naidenova – Sinara FC

Sorry. The question was: who do you view as the key clients in the coming future in various sections? If you have any views by now.

Anton Terentiev – Head of IR

I can say that we are in a situation where all markets are locals only. We have only local investors in those markets that are functioning at the moment, that are trading at the moment. And I think that in the future, to the extent we can see, this will be the situation. The markets will be with local clients only.

Olga Naidenova – Sinara FC

Are there any estimates you can give at this stage? How do you expect the volumes to change, and is there anything you can guide on? What can support volumes at this stage?

Anton Terentiev – Head of IR

We have been in this new reality for several days now. And, of course, we haven't been able to build long-term projections based on the evidence of these four days, especially

that the situation during these four days changes practically every second. Unfortunately, we cannot provide you any outlook. But with regards to the second part of your question - who will be supporting volumes – we are reading the news and just today the Russian Parliament has approved the RUB 1 trillion bailout plan, which is for equity and government bonds. A similar decision was made in 2008-2009, if you remember. And media today also reported discussions of simplified corporate buybacks and some other measures to support the demand. So, we see that government bodies are looking for ways to support local demand. And that is all I know at the moment.

Olga Naidenova – Sinara FC

Okay, thank you very much for that. And my other question is: could you comment on the risk management structure of the central counterparty? And the different layers of your risk management, could you comment on how far they have reached and what kind of support levels are there for the NCC capital.

Anton Terentiev – Head of IR

Yeah, Olga, this question also corresponds to the question that I see in the webcasting interface from Samarth Agrawal of Citi. He also has a question on risk management talking about changes in the margin requirements for clearing members and any plans. The answer is very simple. Securities markets are frozen. Hence, NCC is not processing any defaults at the moment. That is the only thing I can tell you. Markets will relaunch in the future upon meeting certain conditions, and then we will see, but at the moment, it is frozen and that is it.

Olga Naidenova – Sinara FC

Can you please remind me how risk management is structured? And what layers are there?

Anton Terentiev – Head of IR

I will be referring to a web page from our website. It is the same risk waterfall that has existed for many years. The first is the defaulter's funds (incl. guarantee fund contributions), then we have 'skin in the game', which is called allocated capital of NCC. Then we have all other market participants' funds, and then we have NCC's capital. So, the procedure hasn't changed.

Olga Naidenova – Sinara FC

Okay. Thank you.

Operator

Thank you very much.

Anton Terentiev – Head of IR

Thank you, George. We actually have a few questions from our webcasting interface. Samarth from Citi has a few more questions. The second question is on Money Market, can you give the sensitivity of the repo market sensitivity to inflation and interest rates?

To the extent of my knowledge, Samarth, our colleagues studied the question whether Money Market is related to interest rates and inflation. There is no clear evidence of this link. I will just tell you that Money Market is broadly driven by the aggregate size of balance sheets of market participants because the fraction of these balance sheets will be invested in some liquid assets that people repo. As inflation accelerates, these balance sheets grow faster. That is the only relation I can think about.

And Samarth's third question is on OPEX. Do you expect the positive operating leverage in 2022?

Great question. I wish I could say yes. But the reality is that we don't have enough data to answer that question yet. I will just repeat after Andrey that we are reviewing our plans at the moment. And we intend to revisit our spending on both OPEX and CAPEX, prioritize and minimize the spending where the

priorities are not that high. That is all I can tell you at the moment.

Andrey Selyuk – CFO

Yeah, and actually we have to monitor how the situation will develop and, hopefully, stabilize in the near time to make the projections because now, during these times, the projections longer than two days are nothing. So, we just need time to assess.

Anton Terentiev – Head of IR

Okay. The next question is from Arthur Caye from Capital. Can you quantify the revenue contribution from foreign counterparties in FY or Q4'21?

Actually, Arthur, yes, I can. You know from our general investor presentation that foreign participation varies by market. In equities and derivatives, foreign investors generated nearly 50% of volumes, in normal times. In other markets, their share is significantly less, to the tune of 10% or just slightly higher. Pure trading fees from foreign clients constituted 15% of 2021 fee and commission income. So, the answer to your question is 15%. But as we look ahead, we must admit it is hard to forecast how the activity of local clients will change at a time when foreign clients cannot trade because, obviously, they also provide liquidity. And we cannot assess that at this point.

Just to reiterate, today, MOEX remains operational. Some of our markets and business units are running – like half of our markets are running – while others haven't restarted yet, as per the decision of the Central Bank, the regulator. We are in continuous communication with the CBR and client committees on this matter and we will update the market as soon as the decision to restart trading is made. That is to the point of Arthur's question.

We have more questions that I see here. Samarth is asking for any comments on exposure of NCC and NSD to international

clearing houses and depositaries like DTCC and Euroclear.

These are both depositaries and NSD has links to Euroclear but all cross-border transactions in FX and custody activity are disrupted. And a lot of transactions are put on hold. So, these things do not matter much at this point. That is the best answer I can give you, Samarth, at the moment.

Okay, the next question is from Jelena Rozenfeld from Trigon Asset Management. Is there any official information that MOEX will be closed for non-residents for the next six months? Official CBR documents do not put a timeline.

To my understanding, there is no official timing for when things will be closed or not closed. We all read the same news wires and I don't have a timeline. We can probably speak more about ourselves, but I cannot speak on behalf of CBR at the moment, sorry.

The next question we are having from our webcasting interface is from Mikhail Shlemov from VTB Capital. Hi, all. I know that current capital market freeze is beyond your control, however, what factors or data points you and regulator are looking at in order to gradually restore trading, whatever timeline it might be? Thanks a lot in advance.

Thank you, Mikhail, for this question. I thought it would be the question number one in our today's call. And we are ready to answer that. As you fairly pointed out, the decision to halt trading on certain markets was taken by the regulator, the Central Bank of Russia. We are in continuous communication with the CBR and all respective market committees on this matter. And we will update the market as soon as any decisions to restart trading on specific markets are made. But again, those are decisions by the CBR.

Now, let me try to give you a bit more context here. Like we have said today, the Russian market now is out of sync with global

markets. FX and securities flows between Russia and the rest of the world are disrupted. And this is because lawyers and compliance officers are wading through hundreds of pages of new documents that basically arrived overnight. Therefore, a lot of transactions are being processed very slowly or have been put on hold. And there are several conditions that need to be fulfilled before markets can restart.

First, we need to see that reliable cross-border custody operations have resumed. Second, we need to understand the demand, to see the buyers. Just today the Russian Parliament has approved this RUB 1 trillion bailout plan that I have just mentioned, which will support equities and government bonds. Again, this mimics, more or less, the decision that was made in 2008-2009. We also see media reports about discussions of simplified corporate buybacks and some other measures to support the demand. And internally, we are studying different cases such as Athens Exchange, which was closed for a few weeks in 2015 and then reopened and worked normally.

Our view is that once all these preconditions are met and the demand is in place, we should be able to resume electronic trading, pending the decision by the CBR. We are doing everything we can to protect our clients, global and local investors, let me assure you. As you know - and you can verify that in public sources such as Bloomberg and Thomson One - we have a high participation of clients from the US, UK and other jurisdictions. We have millions of local investors and 400 thousand of our own investors, so we really have a lot of people who are looking up to us and we are trying to do everything we can.

Okay. Ruslan Kunov is saying, can you substitute west-branded IT equipment?

I think this is the question that is being evaluated at the moment. There is no answer at this point. Everybody is looking for a solution.

Ruslan's next question is, what will be with GDRs of Russian companies trading in MOEX and their dividends? Will Russian investors be able to receive their dividends?

I wish I could make a statement on that. But I think it is a bit in the air. I don't have a solution in front of me. I think this will be determined a bit later.

The next question is from Florian Gueritte from LGM. The CBR itself is under sanctions. What does it mean for SOE Banks and the CBR itself? Is there an ability to issue and trade securities on financial markets?

So again, this is a question to them. First and foremost, they have to inform you. But I have provided you pieces of the answer already. All these clients are legacy clients for us that were onboarded before the sanctions' date. We have a strong compliance team here in place to comply with all the applicable laws in our business deals and transactions. We rely on our expertise here, and on our colleagues.

I see no questions in the queue here. Operator, can you check if there are any more questions over the phone?

Operator

We do not have any questions at this time, sir.

Anton Terentiev – Head of IR

Ok then, I just want to simply underline that since MOEX was established, our aim has been to be a platform for market participants of all stripes – local, international, institutional and retail – to transact in securities and other products. We are both infrastructure provider and we are also proud to be a publicly traded company with a diverse range of shareholders, including a majority ownership by global funds that we were talking to at this call today. According to Bloomberg, these global investors are primarily domiciled in the US and the UK. They are also joined by shareholders from

Russia. We have nearly 400 thousand ordinary Russian retail investors; and we are doing this call today to fulfil our duties in front of all these people who trust us and to send the message that we are doing everything we can to protect investors' interests.

With this I say thank you for good questions and goodbye. See you.

Andrey Selyuk – CFO

Thank you very much for your questions and participation. See you.

Anton Terentiev – Head of IR

Thank you. Bye.

Operator

Thank you, ladies and gentlemen. That will conclude today's conference. Thank you very much for the participation. You may now disconnect. Have a good day and goodbye.