



THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

TCS Group Holding PLC reports IFRS results for 4Q and FY 2022

- Total revenues grew 34% to RUB 366.2 bn in FY'22 (FY'21: RUB 273.9 bn)
- Total customers reached 28.9 mn in FY'22 (FY'21: 20.8 mn)
- Non-credit business lines amounted to 52% of revenues
- ROE was 10.9% in FY'22, reaching 21.5% in 4Q

LIMASSOL, CYPRUS — 15 March 2023. TCS Group Holding PLC (MOEX: TCSG) (“TCS”, “We”, the “Group”, the “Company”), a leading provider of financial and lifestyle services via its digital ecosystem, today announces its consolidated IFRS results for the three months and twelve months ended 31 December 2022.

KEY PERFORMANCE METRICS

Key metrics, mn	4Q'22	3Q'22	4Q'21	Q-o-Q Change, %	Y-o-Y Change, %
Total customers	28.9	26.3	20.8	9.9%	39%
Active customers	20.2	18.3	14.5	10.4%	39%
Monthly active users (MAU)	22.5	20.6	15.4	9.2%	46%
Daily active users (DAU)	9.3	8.7	5.8	6.9%	60%

FINANCIAL AND OPERATING REVIEW

RUB bn	4Q'22	4Q'21	Δ	3Q'22	Δ	FY'22	FY'21	Δ
Interest income	53.2	45.8	16%	50.9	4%	205.8	163.8	26%
Interest expense	-12.4	-10.4	19%	-14.2	13%	-61.9	-31.2	98%
Net interest income	40.8	35.4	+15%	36.7	11%	143.9	132.6	+9%
Net interest income after provisions	24.3	28.5	-15%	18.4	32%	76.4	110.9	-31%
Fee and commission income	28.8	27.5	5%	27.8	4%	125.1	86.1	45%
Fee and commission expense	-9.2	-11.6	-21%	-9.1	1%	-41.0	-38.8	6%
Net fee and commission Income	19.6	15.9	23%	18.7	5%	84.1	47.3	78%
Total operating expenses	-42.0	-32.7	28%	-34.1	23%	-139.3	-102.9	35%
Profit before tax	14.7	21.9	-33%	9.1	62%	29.8	81.0	-63%
Net profit	10.7	16.6	-36%	5.9	81%	20.8	63.4	-67%



Ratios	4Q'22	4Q'21	Δ	3Q'22	Δ	FY'22	FY'21	Δ
Return on equity	21.5%	39.2%	-17.7 p.p.	12.2%	9.3 p.p.	10.9%	42.5%	-31.6 p.p.
Net interest margin	13.4%	13.7%	-0.3 p.p.	12.7%	0.6 p.p.	12.2%	15.1%	-2.9 p.p.
Cost of risk	9.3%	4.9%	+4.3 p.p.	11.3%	-2 p.p.	9.9%	4.5%	+5.4 p.p.

RUB bn	31 Dec 2022	31 Dec 2021	Δ
Total assets	1 599	1 318	+21%
Net loans and advances to customers	606	606	0%
Cash and treasury portfolio	837	538	+56%
Total liabilities	1 394	1 142	+22%
Customer accounts	1 192	946	+26%
Total equity	206	176	+17%

Ratios	31 Dec 2022	31 Dec 2021	Δ
Share of NPLs	12.1%	8.6%	+3.5 p.p.
Tier 1 capital ratio	16.9%	20.2%	-3.3 p.p.
Total capital ratio	16.9%	20.2%	-3.3 p.p.

In FY'22, the Group's total revenue grew by 34% year-on-year to RUB 366.2 bn (4Q'22: RUB 91.6 bn, +14%YoY). Gross interest income increased by 26% year-on-year to RUB 205.8 bn for 2022 (4Q'22: RUB 53.2 bn, +16%YoY), driven by the expansion of our customer base.

Gross yield on loan portfolio increased to 24.6% in 4Q'22 (4Q'21: 24.4%), mainly as a result of changes in the loan mix. The interest yield on the Group's securities portfolio decreased to 5.2% (4Q'21: 5.9%), in connection with declining rouble interest rates towards the end of the year.

In FY'22, interest expense grew by 103% year-on-year to RUB 57.8 bn (4Q'22: RUB 11.3 bn, +19% YoY) due to increased market rates in the first half of the year and the significant expansion of our customer base. The Group's cost of borrowing reached to 5.4% in FY'22 (4Q'22: 4.0%) as compared to 3.5% in FY'21 (4Q'21: 4.0%)

In FY'22, net interest income grew by 9% year-on-year to RUB 143.9 bn (4Q'22: RUB 40.8 bn, +15%YoY).

Cost of risk increased to 9.9% in FY'22 (4Q'22: 9.3%) from 4.5% in FY'21 (4Q'21: 4.9%). Risk-adjusted net interest margin decreased to 6.5% in FY'22 versus 12.7% in FY'21, while it increased quarter-on-quarter to 8.0% in 4Q'22 from 6.4% in 3Q'22 (4Q'21: 11.0%).

In 4Q'22, non-credit revenue represented 52% of the Group's revenue and 43% of the Group's profit before tax.



At the end of 4Q'22, the Group had:

- over 24.5 mn total current account customers with a total balance of RUB 661 bn across all accounts
- over 900k total SME customers, with a total account balance of RUB 220 bn
- over 4.2 mn total Tinkoff Investments customers

In FY'22, our total operating expenses increased 35% y-o-y to RUB 139.3 bn (FY'21: RUB 102.9 bn)

The Group reported net profit of RUB 20.8 bn in FY'22. The quarterly net profit reached RUB 10.7bn, a quarter-on-quarter increase of 83%.

In 4Q'22, total assets grew by 21.3% since the end of 2021 to RUB 1,599 bn (31 Dec'21: RUB 1,318 bn).

The Group's net loan book remained stable since the end of 2021 at RUB 606 bn (31 Dec'21: RUB 606 bn), while the gross loan book increased by 7% to RUB 732 bn (31 Dec'21: RUB 684 bn).

The Group's NPL ratio widened to 12.1% (31 Dec'21: 8.6%), while credit loss allowance coverage was at 1.4x non-performing loans.

The Group's customer accounts increased by 26% since the end of 2021 to RUB 1,192 bn as of 31 Dec'22 (31 Dec'21: RUB 946 bn).

Total equity increased by 17% to RUB 206 bn at the end of FY'22 (31 Dec'21: RUB 176 bn) on the back of net profit capitalization.

Sanctions

On 25 February 2023, the Bank became subject to an asset freeze in the EU under the Council Implementing Regulation (EU) No 2023/429, implementing Council Regulation (EU) No 269/2014 (the "EC Regulation 269").

The Company and its controlled subsidiary undertakings (other than the Bank and any controlled subsidiary undertakings of the Bank) are not subject to an asset freeze pursuant to EC Regulation 269 or to other EU sanctions. The Management of the Group is assessing its impact on the business.

Dividends

In November 2021, the Group temporarily suspended dividend payments, a decision that remained intact throughout and in respect of 2022 amid increasing market uncertainty. This suspension is now extended until further notice into FY2023.



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Guidance for FY 2023

The Groups abstains from providing a detailed guidance for its FY 2023 outlook at this stage until more clarity appears with respect to the overall operating environment.

The financial statements will be available on the TCS Group Holding Plc website at <https://tcsgh.com.cy/documentation/folder-2/>

For enquiries:

IR@tcsgh.com.cy

About TCS Group

TCS Group is an innovative provider of digital financial and lifestyle services. Branchless since its inception in 2006, TCS developed a full range of in-house proprietary technology solutions and services, including digital banking, brokerage, acquiring and other merchant solutions, insurance, SME banking and much more.

UK MAR

This announcement is released by TCS Group Holding plc and contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal Act) 2018 ("UK MAR") and is disclosed in accordance with the Company's obligations under Article 17 of UK MAR.

Forward-looking statements

Some of the information in this announcement may contain projections or other forward-looking statements regarding future events or the future financial performance of the Group and Tinkoff Bank. You can identify forward looking statements by terms such as "expect", "believe", "anticipate", "estimate", "intend", "will", "could," "may" or "might", the negative of such terms or other similar expressions. The Group and Tinkoff Bank wish to caution you that these statements are only predictions and that actual events or results may differ materially. The Group and Tinkoff Bank do not intend to update these statements to reflect events and circumstances occurring after the date hereof or to reflect the occurrence of unanticipated events. Many factors could cause the actual results to differ materially from those contained in projections or forward-looking statements of the Group and Tinkoff Bank, including, among others, general economic conditions, the competitive environment, risks associated with operating in Russia, rapid technological and market change in the industries the Group operates in, as well as many other risks specifically related to the Group, Tinkoff Bank and their respective operations.