EXPLANATORY INFORMATION
TO INTERIM ACCOUNTING (FINANCIAL) STATEMENTS
ABOUT THE LIMITED LIABILITY COMPANY "BANK 131"
FOR THE PERIOD FROM JANUARY 1 TO MARCH 31, 2021

This explanatory information to the interim accounting (financial) statements (hereinafter - the explanatory information) prepared in accordance with the requirements of Indications of I Bank of Russia of 27.11.2018 №4983-U "On the forms, procedure and terms of the credit organizations of disclosure about its activities", Regulations on the forms, procedure and timing of disclosing information about its activities by Bank 131 LLC, and is an integral part of the interim accounting (financial) statements of Bank 131 LLC (hereinafter referred to as the Bank) for the period from January 1 to March 31, 2021.

Interim accounting (financial) statements of the Bank are published as part of the following reporting forms:

- 0409806 "Balance sheet (published form)";
- 0409807 "Statement of financial results (published form)";
- Appendices to the balance sheet and income statement:
- 0409808 "Report on the level of capital adequacy to cover risks (published the form)";
- 0409810 "Statement of changes in the capital of a credit institution (published the form)";
- 0409813 "Information on mandatory standards, financial leverage and short-term liquidity standard (published form)";
- 0409814 "Statement of cash flows (published form)".

The full composition of the interim accounting (financial) statements (including this explanatory information) is posted on the Bank's website in the information and telecommunications network Internet: https://www.131.ru/

These accounting (financial) statements are prepared in the currency of the Russian Federation and are presented in thousands of rubles, assets and liabilities in foreign currencies are reflected in the currency of the Russian Federation at the official exchange rate of the corresponding foreign currency against the ruble established by the Bank of Russia at the reporting date. The explanatory information to the interim accounting (financial) statements provides data for the period beginning from January 1, 2021 and ending on March 31, 2021 (inclusive), as of April 1, 2021, in thousands of Russian rubles, unless otherwise indicated.

In the explanatory information to the interim accounting (financial) statements, the Bank recognizes as material an item / indicator, the share of which is more than 5% in the total volume of disclosed information.

1. ESSENTIAL INFORMATION ABOUT THE BANK

Full corporate name of the Bank - Limited Liability Company "Bank 131".

Abbreviated name - LLC "Bank 131".

Location of the Bank: Russian Federation, Republic of Tatarstan, city of Kazan.

Bank address: 420012, Russian Federation, Republic of Tatarstan, Kazan, street Nekrasov, house 38.

The bank is a commercial bank and operates under the Basic License No. 3538 dated April 12, 2019 "For banking operations with funds in rubles and foreign currency (without the right to attract deposits from individuals) and for banking operations with precious metals" ...

The governing bodies of the Bank are:

- General meeting of participants;
- Board of Directors;
- Management Board (collegial executive body of the Bank);

- Chairman of the Management Board (sole executive body of the Bank).

As of 01.04.2021, the only member of the Bank is: - Eremeev Dmitry Nikolaevich, the share in the authorized capital of the Bank is 100%.

As of 01.04.2021, the Board of Directors of the Bank includes:
Eremeev D.N. - Chairman of the Board of Directors
Eremeev S.N. - member of the Board of Directors
Eremeev N.O. - member of the Board of Directors

As of 01.04.2021 the Management Board of the Bank includes:
Magomedov A.B. - Chairman of the Board
Kuzmina A.Y. - corporate executive
Borisova T.V. - corporate executive

The Bank is not a member of a banking (consolidated) group or a bank holding company.
The bank is not a member of the deposit insurance system.

2. BRIEF DESCRIPTION OF THE BANK'S ACTIVITIES

The Bank has the right to carry out (subject to the requirements of Article 5.1 of the Federal Law No. 395-1 "On Banks and Banking Activities") the following banking operations:

✓Attraction of funds from legal entities in deposits (on demand and for a certain period).

✓Placement of funds attracted in deposits (on demand and for a certain period) of legal entities on their own behalf and at their own expense.

✓Opening and maintaining bank accounts of legal entities.

✓Implementation of money transfers on behalf of legal entities, including correspondent banks, through their bank accounts.

✓Collection of cash, bills of exchange, payment and settlement documents and cash services for individuals and legal entities.

✓Purchase and sale of foreign currency in cash and non-cash forms.

✓Attracting precious metals from individuals and legal entities to deposits (on demand and for a certain period), with the exception of coins made of precious metals.

- Placing of attracted into deposits (on demand and for a certain period) of precious metals of individuals and legal entities, with the exception of coins made of precious metals, on their own behalf and at their own expense:
- Opening and maintaining bank accounts of individuals and legal entities in precious metals, with the exception of coins made of precious metals.
- Implementation of the transfers on behalf of individuals and legal entities, including correspondent banks, on their bank accounts in precious metals.

✓Issuance of bank guarantees.

✓Making money transfers without opening bank accounts, including electronic money (except for postal orders).

The business segment in which the Bank intends to make a profit is the settlement system and the environment for doing business on the Internet. This area of business is fundamentally different from the relationship between a seller and a buyer in the traditional (non-Internet) market and requires the creation of a payment platform that meets the requirements of participants in Internet relations.

The segment of the financial services market in which the Bank is interested is payment transactions (when paying for consumer services, when doing business via the Internet, when providing and raising funds) of Internet users interacting with each other through the Bank's software platform.

The segment of servicing organizations conducting their business using Internet platforms is considered as an additional one. When servicing payment transactions for such customers, the possibility of transferring customers to full banking services is being considered.

The Bank's goal is to fully meet the needs of participants in Internet relations in a payment service while fully complying with the requirements of the regulator in relation to operations carried out by the Bank, as well as ensuring the transparency of transactions carried out through the software platform owned by the Bank.

The Bank's immediate plans do not include active lending to individuals and legal entities at the expense of funds attracted by the Bank. Lending operations are not of the primary interest of the Bank and are considered as possible due to the development of the transactional business. Attraction of customer funds is considered as possible due to the presence of the needs of customers in the transactional business to switch to full service in the Bank and, as a result, the formation of balances on the current accounts of customers.

In the first quarter 2021 year and BASIC tasks and the Bank was to create and operate stably integrated payment network for the operation of the participants online relationships, allowing to make payments via various communication channels.

The registered authorized capital of the Bank (formed by shares) amounted to 340,000 thousand rubles. There were no changes in the size of the authorized capital in the reporting period.

The Bank's own funds (capital) calculated in accordance with Bank of Russia Regulation No. 646-P dated July 4, 2018 "On the Methodology for Determining Equity Funds (Capital) of Credit Institutions (Basel III)" (hereinafter - Bank of Russia Regulation No.646-P) to 01.04.2021 totaled 427 882 thousand rubles (01.01.2021 year – 419 090 thousand rubles). The change in the value of own funds (capital) of the Bank's influence and profits earned in the current period, the value of investments in intangible assets, the amount of income tax to be recoverable in future periods in respect of carried forward losses into account when calculating the profit tax, the amount of income tax recoverable in future reporting periods in respect of deductible temporary differences.

As of 01.0 4 .2021 year, the balance of funds raised amounted to 311,746 thousand rubles (on 01.01.2021 year – 146 070 thousand rubles). Fund of obligatory reserves as of 01.04.2021 year established in the amount of 7 247 thousand rubles (on 01.01.2021 - 4 946 thousand rubles) in accordance with established standards.

The financial result for the first quarter of 2021 - profits made and 9,051 thousand in rubles (for the same period 2020 the financial result - loss amounted to 4 538 thousand rubles).

The Bank's assets at 01.04.2021 year amounted to 1 125 653 thousand rubles (on 01.01.2021 - 1,266,755 thousand rubles). Among them: the funds placed in deposits with the CBR requirements and interest on deposits , the largest share of 90 , 6 % of the total assets of the Bank and make up 1 019 600 thousand rubles (on 01.01.2021 - 539 045 thousand rubles); funds placed on correspondent accounts with credit institutions amount to 75 647 thousand rubles (as of 01.01.2021 - 587 320 thousand rubles) ; means the Central Bank of Russian Federation (including required reserves) amount to 10 309 thousand rubles (on 01.01.2021 - 5 101 thousand and RUR) ; fixed assets and intangible assets amount to 14 603 thousand rubles (as of 01.01.2021 - 14 933 thousand rubles) ; other assets amount to RUB 4,238 thousand (as of 01.01.2021 - RUB 119,213 thousand), the deferred tax asset is RUB 1,089 thousand (as of 01.01.2021 - RUB 1,089 thousand) .

The Bank's activities in the first quarter 2021 was associated with attracting clients - legal entities for settlement services and information technology services when making money transfers, including using payment cards.

The Bank's own funds and attracted funds of clients of legal entities were placed on deposits with the Central Bank of the Russian Federation. The resulting interest income on this risk-free placement of

funds in the first quarter 2021 year have amounted to 7 482 thousand rubles (in the same period 2020, this figure stood at 9335 thousand rubles).

The Bank has no unfulfilled obligations as of 01.04.2021.

In the first quarter 2021 year and the Bank with a large margin fulfilled all the obligatory standards stipulated for credit institutions.

3. BRIEF OVERVIEW OF THE MAIN PROVISIONS OF THE BANK'S ACCOUNTING POLICY

The Bank's accounting policy has been developed on the basis of the following regulations:

- Federal Law of 06.12.2011 No. 402-FZ "On Accounting" (with amendments and additions) (hereinafter - the Federal Law "On Accounting");
- Federal Law of 02.12.1990, No. 395-1 "On Banks and Banking Activities" (subject to amendments and additions);
- Regulations “On the Chart of Accounts for Accounting for Credit Institutions and the Procedure for Its Application” (approved by the Bank of Russia on February 27, 2017, No. 579-P, subject to amendments and additions);
- "Regulations on the rules for transferring funds" (approved by the Bank of Russia on June 19, 2012, No. 383-P, with amendments and additions);
- Regulations “On the Procedure for Determining Income, Expenses and Other Gross Income of Credit Institutions” (approved by the Bank of Russia on December 22, 2014, No. 446-P);
- Regulations "On the procedure for accounting for fixed assets, intangible assets, real estate temporarily unused in the main activity, long-term assets held for sale, stocks, means of labor and objects of labor received under agreements of compensation, pledge, the purpose of which is not defined, in credit organizations "(approved by the Bank of Russia on December 22, 2014, No. 448-P);
- Regulations “Industry standard of accounting for employee benefits in credit institutions” (approved by the Bank of Russia on April 15, 2015, No. 465-P);
- "Provisions on the procedure for reflecting operations on raising funds under bank deposit (deposit) agreements, credit agreements, operations on the issue and redemption (payment) of bonds, bills of exchange, deposit and savings certificates" on the accounting accounts by credit institutions (approved by the Bank of Russia 02.10.2017 No. 604-P with changes and additions);
- “Provisions on the procedure for reflecting operations on the provision (placement) of funds under credit agreements, other agreements for the placement of funds, transactions related to the implementation of transactions to acquire the right of claim from third parties to fulfill obligations in cash by credit institutions, in their accounting accounts,” transactions on obligations under issued bank guarantees and provision of funds ”(approved by the Bank of Russia on 02.10.2017 No. 605-P with amendments and additions);
- “Provisions on the Procedure for Reflecting Operations with Securities on Accounting Accounts by Credit Institutions” (approved by the Bank of Russia on 02.10.2017 No. 606-P with amendments and additions);
- Regulation "On the Procedure for Reflecting Lease Agreements by Credit Institutions in Accounting Accounts" (approved by the Bank of Russia on November 12, 2018, No. 659-P);

and other legislative acts of the Russian Federation and regulations of the Bank of Russia.

The accounting policy establishes uniform rules and methodological foundations for organizing and maintaining accounting records, which are binding on all the Bank's divisions in the Russian Federation.

The accounting policy defines a set of accounting methods, cost measurement, current grouping and final generalization to ensure the formation of reliable information on the Bank's financial results.

The methods of accounting include methods of grouping and assessing the facts of economic life, repayment of the value of assets, organizing workflow, inventory, methods of using accounting accounts, organizing accounting registers, processing information, and other appropriate methods and techniques.

Principles, methods of assessment and accounting of significant transactions and events, recognition of income

The Bank's accounting policy ensures compliance with the following accounting principles:

- Business continuity. The Bank will carry out its business as a going concern and has no intentions or the need to liquidate, significantly reduce its activities or carry out operations on unfavorable terms.

- Consistency of accounting rules. The Bank is constantly guided by the same accounting rules, except in cases of significant changes in its activities or the legislation of the Russian Federation related to the Bank's activities.

- Caution. Assets and liabilities, income and expenses are measured and recognized at reasonable, with sufficient caution not to transfer already existing, potentially threatening the financial position of the Bank's risks in the following periods.

- Timeliness of reflection of transactions. Transactions are reflected in the accounting on the day they are made (documents are received).

- Recognition of income and expenses on an accrual basis. The financial results of operations (income and expenses) are reflected in the accounting records upon their completion, and not upon receipt or payment of cash (cash equivalents). Income and expenses are reflected in accounting in the period to which they relate.

- Separate reflection of assets and liabilities. The assets and liabilities accounts are valued separately and shown on a gross basis.

- Continuity of the incoming balance. Balances on balance sheet and off-balance sheet accounts at the beginning of the current reporting period should correspond to those at the end of the previous period.

- Priority of content over form. Transactions are recorded according to their economic nature, not their legal form.

- Openness. The reports must accurately reflect the Bank's operations, be understandable to an informed user and be free from ambiguity in reflecting the Bank's position.

- Assets are accepted for accounting at their initial cost.

Subsequently, the Bank's assets are measured (revalued) at fair value, cost, or by creating provisions for possible losses.

Cash and cash equivalents

For the purposes of preparing accounting (financial) statements, cash equivalents are understood as short-term highly liquid investments that are freely convertible into cash and are subject to an insignificant risk of changes in value. Cash and cash equivalents include the following items of Form 0409806 "Balance Sheet (Published Form)": cash, funds of a credit institution with the Bank of Russia (excluding mandatory reserves with the Bank of Russia), amounts due from credit institutions (excluding assets for which there are risk of loss). Mandatory reserves with the Bank of Russia are not treated as cash and cash equivalents due to restrictions on their use.

Procedure for initial recognition of financial assets and liabilities

The Bank recognizes a financial asset or financial liability when, and only when, it becomes a party to the contract that defines the terms of the related instrument.

On initial recognition, financial assets and liabilities are measured at fair value, which is determined in accordance with International Financial Reporting Standard (IFRS) 13 Fair Value Measurement.

For consistency and comparability of fair value measurements, the following fair value hierarchy is established, dividing the valuation inputs used to measure fair value into three levels:

Level 1 - quoted prices in an active market (unadjusted) for identical financial instruments.

Level 2 - valuation methods based on market data available directly (that is, quotes) or indirectly (that is, data derived from quotes). This category includes instruments that are valued using: quoted market prices in active markets for similar instruments, quoted market prices for identical or similar instruments in markets that are not considered active, or other valuation techniques all of which are based directly or indirectly on observable market prices. data.

Level 3 - valuation techniques based on unobservable market data. This category includes instruments that are valued using information that is not based on observable market data where such unobservable data has a significant effect on the instrument's measurement. This category includes instruments measured on the basis of observable data for similar instruments for which significant unobservable adjustments or judgments are required to reflect differences between the instruments.

Level 2 and Level 3 valuation techniques are considered reliable for determining fair value if within 3 months the value of the instrument does not change significantly - with a deviation of 10%.

Financial assets and liabilities for issued bank guarantees and provision of funds.

At initial recognition, financial assets, bank guarantee liabilities and cash advances are measured at fair value.

If observable or unobservable inputs are used to determine the fair value of a financial asset at the date of initial recognition, and the effective interest rate (hereinafter - EIR) on the financial asset does not differ from the market interest rate by more than 20% (down from the minimum value of the range upward from the maximum value of the range of market rates), the fair value of the financial asset at the date of initial recognition is the amount of funds placed.

After initial recognition, financial assets, liabilities on issued bank guarantees and provision of cash are reflected in the accounting records at amortized cost.

In this case, the amortized cost of a financial asset is determined once a quarter on the last calendar day of the quarter, as well as on the dates of full or partial repayment (repayment), including early repayment of the financial asset.

The value of the obligation under the issued bank guarantees and the provision of funds is determined once a month on the last calendar day of the month, as well as in the event of a significant change during the month in the value of the obligation under the issued bank guarantees and the provision of funds - on the date of fulfillment of obligations under the issued bank guarantees and provision of funds or on the date of changing the limit on obligations to provide funds and to issue bank guarantees.

Costs directly related to the execution of a transaction for the placement of a financial asset or an obligation under a guarantee issued and the provision of cash are accounted for in the amounts recognized as immaterial at a time in the expense accounts as incurred.

The materiality threshold is equal to 10% of the amount of funds placed in accordance with the agreement, the total amount of obligations under a bank guarantee, provision of funds.

The amortized cost of a financial asset is determined on a straight-line basis:

- for financial assets with a maturity (return) period of less than one year at initial recognition, including financial assets, the maturity (return) date of which falls on another reporting year;

- for financial assets with maturity (return) on demand (on demand).

The requirements of this sub-clause do not apply to transactions for the placement of funds, for the acquisition of the right of claim from third parties to fulfill obligations in cash on terms different from those used in an active market.

For financial assets with a maturity of more than one year, including those extended, the EPR method is applied to determine amortized cost.

Credit risk assessment for each issued loan (reissued on the basis of an opinion) is carried out by the Bank on an ongoing basis. Professional motivated judgment is made based on the results of a comprehensive and objective analysis of the activities of the client-borrower. The change in the quality category is carried out on the basis of an order.

Upon initial recognition of a financial instrument, and at least once a quarter at the reporting date (if the credit risk has not significantly increased), the Bank shall recognize an ECL based on the risk (probability) of the borrower's default occurring within the next 12 months.

Expected credit losses are measured over the life of a financial instrument in two cases when:

- The credit risk on a financial instrument has increased significantly since the instrument was initially recognized.
- special valuation requirements apply.

When assessing expected credit losses for the entire life of a financial instrument, the Bank should take into account the maximum contractual period during which the entity is exposed to credit risk.

At least once a quarter, the Bank assesses a significant increase in the credit risk of a financial instrument based on the change in the risk of a default occurring over the expected life of the financial instrument. A significant increase in credit risk can be understood as:

- downgrade of the rating established by an international rating agency or a Russian rating agency accredited with the Central Bank of the Russian Federation by 2 notches compared to the previous reporting date;
- the presence of overdue debt on a financial instrument;
- extension of the deadline for a financial asset due to the inability of the borrower to timely and fully repay the obligations assumed;
- assignment of a financial asset in accordance with the Regulation of the Bank of Russia dated 28.06. 2017 No. 590 - P "On the procedure for the formation by credit institutions of reserves for possible losses on loans, loan and equivalent indebtedness" (hereinafter referred to as the Regulation of the Bank of Russia No. 590-P) in the third quality category and below;
- existing or foreseeable adverse changes in commercial, financial and economic conditions that are expected to result in a significant change in the borrower's ability to meet its debt obligations if reasonable and supported forward-looking information is available without undue cost or effort.

In deciding whether there has been a significant increase in credit risk, the Bank assesses how much the risk of a default has changed over the expected life of the financial instrument, rather than the change in the amount of loss that would have arisen in the event of such a default.

To determine whether the increase in the risk of default for a financial instrument since its initial recognition was significant, the Bank compares its current assessment of the risk of default at the reporting date of its initial recognition.

In evaluating financial instruments, the Bank may use the assumption that the credit risk of the financial instrument has not increased significantly since initial recognition if it has been determined that the financial instrument has low credit risk at the reporting date.

For the purpose of determining a significant increase in credit risk and recognizing a loss allowance on a group basis, the Bank may group financial instruments based on general credit risk characteristics in order to facilitate analysis that provides timely identification of a significant increase in credit risk.

Financial liabilities.

On initial recognition, financial liabilities are measured at fair value.

After initial recognition, financial liabilities are recognized in accounting at amortized cost.

In this case, the amortized cost of the financial liability is determined once a quarter on the last calendar day of the quarter, as well as on the dates of full or partial repayment (repayment), including early repayment of the financial liability.

Costs directly related to the transaction of attracting a financial liability are accounted for in the amounts recognized as immaterial at a time in the expense accounts as incurred.

The materiality threshold is 10% of the amount of funds raised in accordance with the agreement.

Amortized cost is determined on a straight-line basis or using the EPS method in accordance with IFRS 9.

Amortized cost is determined on a straight-line basis:

- for financial liabilities, the maturity of which from the date of their attraction is less than or equal to one year;

- for financial liabilities, if the difference between the amortized cost determined using the EPS method and the amortized cost determined using the straight-line method is not material. The materiality threshold is then determined by 20% of the price in an active market.

Interest income / expense on financial instruments includes income / expense in the form of interest (coupon) stipulated by the terms of the financial asset / liability, and (or) discount in the form of the difference between the redemption (return) price and the price of placement / attraction.

Interest income / expense on financial instruments is reflected in the balance sheet accounts for accounting for the financial results of the current year:

- on the day stipulated by the terms of the agreement (issue) for their payment,

- on the last working day of the month.

Accounting for fixed assets and intangible assets

Fixed asset accounting

Fixed assets - a part of property that has a tangible form, intended for use by the Bank in the provision of services or for administrative purposes for more than 12 months, the subsequent resale of which is not expected, provided that the following conditions are met:

- the object is able to bring economic benefits in the future;
- the initial cost of the object can be reliably determined;
- the initial cost of the object, including VAT, is more than 100,000 rubles.

Fixed assets also include capital investments in leased fixed assets with a value of more than 100,000.00 rubles (including VAT).

Items of property, plant and equipment are carried at historical cost less accumulated depreciation and accumulated impairment losses.

An impairment test is carried out at the end of each reporting year, as well as when events occur that significantly affect the assessment of their value - namely, if there are signs of impairment of an asset - internal (obsolescence, significant physical damage) or external (decrease by more than 20% market value of fixed assets, an increase of more than 20% in market interest rates on government debt securities in the context of maturity corresponding to the useful life of the property).

Accounting for intangible assets

To accept an object for accounting as an intangible asset, one-time fulfillment of the following conditions is required:

- the object is capable of bringing economic benefits to the Bank in the future, in particular, the object is intended for use when performing work or rendering services, for the management needs of the Bank;
- The Bank has the right to receive economic benefits that this object is capable of bringing in the future (including the Bank has properly executed documents confirming the existence of the asset itself and the Bank's right to the result of intellectual activity or means of individualization, as well as there are restrictions on the access of other persons to such economic benefits (hereinafter - control over the object);
- the possibility of separating or separating (identifying) an object from other assets;
- the object is intended to be used for a long time, i.e. useful life over 12 months;
- The bank does not intend to sell the object within 12 months;
- the initial cost of the object can be reliably determined and amounts to more than 100,000 (one hundred thousand) rubles, including VAT (if any);
- the object has no material form.

Intangible assets are carried at historical cost less accumulated depreciation and accumulated impairment losses.

The impairment test is carried out annually as of January 1 of the year following the reporting year, as well as when events occur that significantly affect the assessment of their value, namely:

- lack of obligations (refusal) of the software developer to support it in the presence of changes in the legislation that require modifications to the software;
- the intangible asset has not been used by the Bank for more than 1 year;
- when revising the useful lives, it was found that the useful life of the intangible asset has decreased and / or is less than 12 months from the date of the current revision.

Depreciation of property, plant and equipment and intangible assets

Depreciation is the systematic repayment of its depreciable amount during the useful life of an item of property, plant and equipment, which is defined as the original or revalued cost of the property, plant and equipment less the estimated residual value.

The estimated residual value of an item of property, plant and equipment is the amount that the Bank would have received from the disposal of the item after deducting the disposal costs when the item reaches the end of its useful life.

If the estimated residual value of an item of fixed assets is insignificant, then it is not taken into account when calculating the depreciable amount of the item. The residual value of an object is considered insignificant if:

- property after the expiration of its useful life does not have a market price (that is, it is illiquid);
- the liquidation value is less than 10% of the initial value of the object of fixed assets;
- there is a documented intention of the Bank's management not to sell this item of property, plant and equipment at the end of the useful life.

For depreciation of fixed assets and intangible assets, the straight-line method is used.

The method for determining the amortization of an intangible asset is annually checked by the Bank for the need to clarify it. If the calculation of the expected inflow of future economic benefits from the use of an intangible asset, property, plant and equipment has changed significantly, the method of determining the depreciation of such an asset should be changed accordingly.

The use of a different method for determining the depreciation of an intangible asset, a fixed asset is possible only starting from January 1 of the year following the year in which the decision was made to change the method of determining depreciation during the remaining useful life.

The Bank applies the procedure for straight-line accrual of depreciation of fixed assets and intangible assets during the useful life of the fixed assets of the Bank on a daily basis with reflection in the accounting accounts at least once a month and not later than the last business day of the month:

1) For fixed assets - the useful life is determined by the Bank independently on the basis of the "Classification of fixed assets included in depreciation groups" approved by Decree of the Government of the Russian Federation dated 01.01.2002 No. 1 "On the Classification of fixed assets included in depreciation groups" (p. taking into account changes and additions). For those types of fixed assets that are not indicated in the depreciation groups, the useful life is established in accordance with the specifications and recommendations of the manufacturers.

2) For intangible assets, the useful life is recognized:

- the period of validity of the Bank's rights to the result of intellectual activity or means of individualization and the period of control over the asset;
- the expected life of the asset, during which the Bank expects to receive economic benefits.
- in relation to a non-exclusive right to a software product, for which the term is not determined by the contract - 5 years (in accordance with the Civil Code of the Russian Federation).

Accounting for lease agreements

A lease is a contract or part of a contract that transfers the right to use an asset (underlying asset) for a specified period in exchange for consideration.

A right-of-use asset (RTA) is an asset that represents the lessee's right to use the underlying asset during the lease term.

An underlying asset is a leased asset for which the right to use has been granted to the lessee by the lessor.

During the reporting period, the Bank did not lease or sublease property.

Lease agreements in which the Bank acts as a lessee are accounted for in accordance with Chapter 2 of Bank of Russia Regulation No. 659-P.

The AFPP and the lease liability are recognized by the Bank at the commencement date of the lease, i.e., on the date of signing the transfer and acceptance certificate of the underlying asset.

At the commencement date of the lease, the AFPP is measured at cost.

The initial cost of the AFPP includes:

- the amount of the initial measurement of the lease liability;
- lease payments at the commencement date of the lease or prior to the lease commencement date, net of lease incentive payments received;
- initial direct costs directly related to the lease agreement, if they amount to more than 10% of the present value of the lease payments at the date of commencement of the lease;
- an estimate of the costs that the lessee will incur in dismantling and moving the underlying asset, restoring the site where the asset is located, or restoring the underlying asset to the condition required by the lease.

The initial measurement of the liability is determined as the present value of the lease payments.

Lease payments are discounted using the interest rate stipulated in the lease. If it is impossible to calculate the interest rate stipulated in the lease agreement, the interest rate is used for agreements comparable to the lease agreement for raising funds by the Bank.

Contracts are recognized as comparable if the following conditions are met simultaneously:

- concluded in the same currency (rubles, euros, dollars);
- prisoners for the same period of validity (up to 1 year, from 1 to 3 years, over 3 years);
- concluded with the same group of creditors (legal entities and individuals).

When evaluating a group of legal entities, their organizational and legal form is taken into account.

Professional judgment is drawn up to assess the comparability of the lease and the fundraising agreement.

In the absence of agreements on raising funds on comparable terms, information on the weighted average interest rates on deposits (deposits) of individuals and non-financial organizations (as a whole in the Russian Federation) attracted by credit institutions from the Statistical Bulletin of the Bank of Russia as of the corresponding date is used to determine the discount rate, currency, term and group of creditors.

Subsequent to initial recognition, AFPPs related to property, plant and equipment are measured by the Bank using the historical cost model less accumulated depreciation and accumulated impairment losses.

In this case, the assessment of the obligation is carried out:

- increasing the carrying amount to reflect interest on the lease liability;
- reducing the carrying amount to reflect the lease payments made;
- revaluing the carrying amount to reflect a revaluation or modification of leases when such circumstances arise.

The AFPP is reviewed for impairment at the end of each reporting year in accordance with IAS 36 Impairment of Assets.

Lease agreements are accounted for in accordance with clause 2.12. Bank of Russia Regulation No. 659-P, if the term of the agreement is not more than 12 months and / or the value of the underlying asset does not exceed 350 thousand rubles (inclusive).

The Bank uses under a lease agreement non-residential premises located at the address: 420012, Republic of Tatarstan, Kazan, st. Nekrasov, 38. The lease agreement was concluded for a period of 3 years with the individual entrepreneur Shakirov Ramil Ravkhatovich . Accounting for this agreement is carried out in accordance with clause 2.1.-2.11. Bank of Russia Regulation No. 659-P and the Bank's Accounting Policy.

Information on the nature and magnitude of significant errors

In the first quarter of 2021 of significant errors, affecting the performance of the accounting (financial) statements of the Bank for the previous periods have been discovered.

Changes and additions to the accounting and policies at will from January 01, 2021 year

Changes and additions made to the current Accounting Policy of the Bank are related both to the introduction of changes and additions to the legislation of the Russian Federation and to the regulations of the Bank of Russia, and in connection with the clarification of the accounting procedure for certain types of banking operations. These changes and additions do not have a significant impact on the accounting (financial) statements.

4. ACCOUNTING BALANCE SHEETS

The following discloses the information on balance sheet items in the form 0409806, which the Bank considers important for understanding the financial position and results of operations for the first quarter of 2021.

4.1. The volume and structure of net loans and borrowings measured at amortized cost.

	On 04/01/2021	*On 01.01.2021*
Deposits with the Bank of Russia	***1 019 600***	***539 000***

Interest claims on deposits with the Bank of Russia	***0***	***45***
Interest claims on funds placed with credit institutions	***167***	***54***
Total net outstanding loans	***1 019 767***	***539 0 99***

As of 01.04.2021, the funds placed in deposits with the Bank of Russia, and the requirements of the interest for the largest share of deposits (90,6 %) in the total assets of the Bank.

4. 2 . Amount of funds deposited with credit institutions

	On 01.0 4 .2021	***01.01.2021***
Funds from credit institutions	***75 647***	***587 320***
Total funds deposited with credit institutions	***75 647***	***587 320***

As of 01.0 4 .2021, the funds placed on correspondent accounts of credit organizations constitute 6.7% of the total assets of the Bank.

4 . 3 . Obligation structure.

	On 04/01/2021	***On 01.01.2021***
Funds of customers other than credit institutions placed on current accounts	***311 746***	***146 070***
Other liabilities	***373 815***	***689 644***
Total liabilities	***685,561***	***835 714***

As of 01.0 4 .2021 year in the structure of liabilities of the Bank commitments to customers other than credit institutions, up 45,5%. The largest in worthwhile in the structure of the Bank's liabilities (54,5%) occupy the other obligations, which is 97 % consist of leftover s funds in the accounts pending settlement with the operators of the payment infrastructure services operators and remittance.

4. 5 . Authorized capital

The volume and structure of sources of own funds are disclosed in section 6 of this explanatory information to the interim accounting (financial) statements.

5 . SUPPORTING INFORMATION TO THE ARTICLES OF THE FINANCIAL RESULTS REPORT.

Disclosed below is information on items in the statement of financial results in Form 0409807, which the Bank considers relevant for understanding the financial position and results of operations for the first quarter of 2021.

5.1. The structure of fee and commission income.

	On 04/01/2021	***At 01.04.2020***
Income from money transfer operations	***44 197***	***1372***
Other fee and commission income	***9 3***	***36***

Fee and commission income (total)	***44 290***	***1 408***

Fee income earned from customer service - legal entities, as of 01.0 4 .2021 year have the largest share, equal to 78,8 % in the overall structure of the Bank's income for the first quarter 2021.

5 . 2 . Interest income structure.

	On 04/01/2021	***At 01.04.2020***
Interest income from placing funds on deposits with the Central Bank of the Russian Federation	***7 482***	***9 335***
Other interest income	***587***	***11***
Interest income (total)	***8 069***	***9346***

The specific weight percentage of proceeds from the first quarter of 2021 amounted to 14,4 % in the overall structure of the Bank proceeds. The main source of interest income is the placement of funds on deposits with the Central Bank of the Russian Federation.

5. 3. The structure of operating expenses.

	On 04/01/2021	***On 04/01/2020***
Staff costs	***14 568***	***11701***
The costs associated with the entry and participation in the International X -payments x systems ah	***2454***	***0***
Depreciation expense	***1334***	***616***
Expenses for communication services, telecommunication and information systems	***1 326***	***294***
Maintenance costs of software products	***1 287***	***666***
Information security costs	***1 196***	***0***
Expenses for the acquisition of rights to use objects of intellectual activity	***948***	***152***
Property rental expenses	***612***	***300***
Other operating expenses	***511***	***943***
Operating expenses (total)	***24 23 6***	***14 672***

Operating expenses have the largest share equal to 51,4% in the overall structure of the Bank's expenses for the prim the first quarter of 2021.

5. 4 . Structure of commission expenses.

	On 04/01/2021	***At 01.04 .2020***
Expenses for services of counterparty banks	***21682***	***513***
Expenses for the services of the Bank of Russia	***112***	***7***

Other commission expenses	***97***	***0***
Commission expenses (total)	***21891***	***520***

Commission expenses have a specific gravity equal to 46,4 % in the overall structure of the Bank's expenses for the first quarter 2021.

5.5. Information on staff costs, incl. employee benefits

	On 01.04.2021	***On 01.04.2020***
Labor costs for employees	***11 104***	***8 912***
Insurance premium costs	***3464***	***2789***
Staff costs (total)	***14 568***	***11701***

The Bank's personnel expenses are reflected in the operating expenses of the income statement.

5.6. Financial result information

The financial result for the first quarter of 2021 - profits made and 9,051 thousand in rubles.

6. ACCOMPANYING INFORMATION TO THE ARTICLES OF THE REPORT ON CHANGES IN CAPITAL

The registered share capital of the Bank to 01.0 4 was 340 years .2021 000 thousand (January 01, 2021 - 340 000 thousand rubles). The authorized capital of the Bank was paid in cash. There were no changes in the size of the authorized capital in the reporting period.

Sources of capital as of 01.0 4 .2021 totaled 4 40 0 92 thousand (January 01, 2021 - 431 041 thousand and RUR)

Changes in the Bank's equity during the first quarter 2021 were due to:

- total comprehensive income (loss) of the Bank at the end of the first quarter of 2021, amounted to a profit - 9051 thousand in rubles.

No dividends were paid to the participants during the first quarter 2021.

7. ACCOMPANYING INFORMATION TO THE ARTICLES OF THE CASH FLOW REPORT.

7.1. Cash received by the Bank during the first quarter of 2021 from operating activities before changes in operating assets and liabilities amounted to 8430 thousand. The indicator is calculated on the basis of interest income, commission income, income from operations with foreign currency, other operating income, net of interest expenses incurred in the reporting period, commission expenses, expenses on operations with foreign currency and operating expenses, actually received in the reporting period.

7.2. In the first quarter of 2021 in operating activities was used monetary funds in the amount of 517 218 thousand rubles. This indicator was largely influenced by the increase in the volume of funds placed in the deposits of the Central Bank of the Russian Federation.

7.3. In the first quarter of 2021, the amount of cash received from investment activities amounted to 330 thousand rubles. This indicator was influenced by a decrease in the value of intangible assets, fixed assets and inventories due to amortization;

7.4. In the first quarter of 2021 on cash and cash equivalents influenced and changes I have foreign currency exchange rates set by the Bank of Russia, which has led to the use of cash in the amount of 141 thousand and RUR;

7.5. In total, in the reporting period, funds were used in the amount of 508 599 thousand rubles.

8. INFORMATION adopted A proxy risk of the Bank, RISK MANAGEMENT POLICIES AND CAPITAL.

In the process of risk management, the Bank identifies the following main types of risks:
- credit risk;
- market risk;
- interest rate risk of the banking book;
- operational risk;
- liquidity risk;
- concentration risk;
- the risk of loss of business reputation (reputation risk);
- strategic risk;
- regulatory risk (compliance risk).

The management of each of the significant types of risks is regulated by the relevant internal documents of the Bank, describing the methods of risk assessment, the powers and responsibilities of the Bank's divisions in the risk management system, methods for minimizing risks, the procedure for submitting internal reporting, developed in accordance with the requirements of the legislation of the Russian Federation and regulations of the Bank of Russia.

Credit risk.

Credit risk is the risk arising from the likelihood of non-fulfillment of contractual obligations by a borrower or counterparty to the Bank.

As part of the management and assessment of credit risk, a qualitative assessment of requirements for borrowers and counterparties (determination of the quality category) is carried out in accordance with the requirements of the Bank of Russia Regulations No. 590- P and 611-P of October 23, 2017 "On the procedure for creating provisions for possible losses" (hereinafter referred to as the Regulation of the Bank of Russia No. 611-P).

Market risk.

Market risk is the risk of incurring financial losses (losses) due to changes in the current (fair) value of financial instruments, as well as foreign exchange rates and (or) discount prices for precious metals.

Market risk management includes the management of foreign exchange, interest rate and equity risks.

Interest rate risk of the banking book.

Interest rate risk in the banking book is the risk of deterioration of the Bank's financial position due to a decrease in the amount of capital, income level, asset value as a result of changes in market interest rates.

Interest rate risk management consists of the following main procedures: setting interest rates on operations for raising and placing funds depending on the types and maturities (development of an interest rate policy); determination of the percentage gap; ensuring the balance of the volumes of assets and liabilities sensitive to changes in interest rates for different periods in order to reduce the risks of changes in interest rates and ensure the profitability of interest rate transactions.

Operational risk.

Operational risk is the risk of direct and indirect losses as a result of imperfection or erroneous internal processes of the Bank, actions of personnel and other persons, failures and shortcomings of information, technological and other systems, as well as a result of external events.

Systematic tracking of incurred operating losses is carried out using an analytical database that takes into account all significant events and risks by areas of activity (divisions), individual operations (transactions), and contains, among other things, information on the types and amounts, dates

of incurring (reimbursing) operating losses in the context of areas of activity, individual operations (transactions), the circumstances of their occurrence and identification.

The Bank also recognizes Legal Risk as one of the types of operational risk. Legal risk management is carried out within the framework of general operational risk management procedures.

The legal risk management tool is the constant monitoring of the regulatory framework and trends in its change. The legal risk management system is integrated into the internal risk management processes of the Bank, and its results form an integral part of the process of monitoring and control of the level and profile of legal risk, as well as the decision-making process in the implementation of the current activities of the Bank.

Liquidity risk.

Liquidity risk - the risk of the Bank's inability to finance its activities, that is, to ensure the growth of assets and fulfill obligations as they fall due without incurring losses in an amount that threatens the financial stability of the Bank.

Liquidity management consists of the following stages:

- control and / or monitoring of the level of liquidity;
- analysis and assessment of liquidity risk;
- gap analysis;
- measures to minimize liquidity risk and restore liquidity.

Concentration risk.

Concentration risk is the risk arising from the Bank's exposure to major risks, the realization of which may lead to significant losses that could threaten the Bank's solvency and its ability to continue as a going concern.

Sources of concentration risk may include:

- a significant number of claims against one counterparty or a group of counterparties;
- a significant amount of investments in instruments of the same type and instruments, the cost of which depends on changes in general factors;
- credit claims to counterparties in one sector of the economy or geographic area;
- credit claims to counterparties, the financial results of which depend on the implementation of the same type of activity or the sale of the same goods and services;
- indirect exposure to concentration risk arising from the implementation of measures to reduce credit risk (use of identical types of collateral, independent guarantees provided by one counterparty);
- dependence on individual sources of liquidity.

The concentration risk is limited and minimized by setting limits on the concentration risk indicators, including the mandatory Bank of Russia standards: the maximum exposure standard for one borrower or a group of related borrowers (N6); the standard for the maximum amount of risk per person related to the bank (group of persons related to the bank) (N25).

The risk of loss of business reputation.

The risk of loss of business reputation is the risk that losses arise as a result of negative perception of the Bank by its members, customers, counterparties, shareholders, investors, creditors, market analysts, supervisory authorities and other stakeholders, which may negatively affect the Bank's ability to maintain existing and (or) establish new business relationships and maintain access to financial resources on an ongoing basis.

The main tools for managing the risk of losing business reputation are:

- continuous monitoring of publications and statements in the media about the Bank, as well as constant assessment of the degree of loyalty to the Bank of its counterparties;
- prompt development of a unified agreed position of the Bank on issues affecting its business reputation;
- the Bank's personnel adhere to the standards of communication with clients, representatives of regulatory bodies and the public; development and support of relations (including informal ones) with infrastructure organizations and other participants in the financial services market; establishment of constructive legitimate interaction of the Bank with representatives of regulatory bodies and other government bodies.

Strategic risk.

Strategic risk is the risk of adverse changes in the Bank's performance due to erroneous decisions made in the Bank's management process, including when developing, approving and implementing the Bank's development strategy, improper execution of decisions made, as well as the inability of the Bank's management bodies to take into account changes in external factors.

Management of this type of risk is ensured by adequate planning of the Bank's economic operations.

Regulatory risk (compliance risk).

Regulatory risk (compliance risk) - the risk of the Bank incurring losses due to non-compliance with the legislation of the Russian Federation, internal documents of the Bank, standards of self-regulatory organizations (if such standards or rules are mandatory for the Bank), as well as the application of sanctions and (or) other measures influence from supervisory authorities.

To build an effective management process on an ongoing basis for regulatory risk in order to minimize it, the Bank has created an independent structural unit, the Internal Control Service, which carries out its activities on the basis of approved plans, as well as adopted internal documents regulating this process.

The regulatory risk management process at the Bank includes the following key elements:

- identification and identification of regulatory risk, including planned and unscheduled measures (monitoring), carried out in order to assess the compliance of internal documents, products, processes and procedures of the Bank with the requirements of the legislation of the Russian Federation, regulations of the Bank of Russia and internal documents of the Bank;
- control of the timeliness and completeness of amendments to the Bank's internal documents in connection with changes in the legislation of the Russian Federation and regulations of the Bank of Russia (daily reviews of legislation with the direction of recommendations to the Bank's divisions (if necessary);
- accounting for events related to the occurrence (probability of occurrence) of regulatory risk and documenting recommendations and measures aimed at minimizing it (event log);
- assessment of regulatory risk.
- development of measures to minimize regulatory risk, sending recommendations to the heads of the Bank's structural divisions and monitoring the timing of their implementation;
- identification of conflicts of interest in the activities of employees, structural divisions and the Bank as a whole, during monitoring in the areas of the Bank's activities;
- annual analysis of the dynamics of complaints (requests, claims) of clients (if any) , including those containing signs of non-compliance by the Bank with clients' rights and the presence of regulatory risk;
- advising the Bank's employees on issues related to regulatory risk management;
- participation, within its competence, in the Bank's interaction with supervisory authorities, self-regulatory organizations;
- other activities related to the management of regulatory risk and provided the Bank's internal documents.

8.1. Credit risk.

Information on the classification of assets as quality categories, types of financial transactions is given on the basis of form 0409115 "Information on the quality of assets of the credit institution" as of 01.0 4 .2021 years:

As of 01.0 4 .2021 year in the asset structure of the Bank includes the requirements for legal persons (other than credit institutions) in the amount of 4238 thousand rubles, which are assigned to the first category of quality, and the requirements for credit institutions in the amount of the total amount of 162 376 thousand rubles, of which claims in the amount of RUR 144,827 thousand are attributed to the first quality category, claims in the amount of RUR 17,549 thousand are attributed to the second quality category.

Formed reserves for possible losses on 01.04.2021 amount to 595 thousand rubles. During the reporting period, the number of formed reserves was reduced due to a decrease in the number of claims that are classified as the second quality category.

When calculating mandatory ratios and determining the amount of equity (capital), the Bank takes into account reserves for possible losses on financial assets, formed in accordance with Bank of Russia Regulation No. 590-P, Bank of Russia Regulation No. 611-P.

8.2. Market risk.

Market risk arises when the Bank performs transactions with financial instruments, the value of which is subject to changes in the market.

In terms of capital to cover market risk requirements and take into account the effect of the size of the foreign exchange and interest rate risks and are calculated in accordance with the requirements of the Regulation I of the Bank of Russia of 03/12/2015 number 511-P "On the calculation of the order by credit institutions of market risk" (hereinafter - the Bank of Russia No. 511-P).

Market risk, including stock, interest rate and currency risks, is assessed in accordance with Bank of Russia Regulation No. 511-P.

The value of the market risk on 01.04.2021, in accordance with the Bank of Russia # 511-P: 0 thousand.

Measurement, assessment and monitoring of the market risk of the trading portfolio (if any) is also carried out by calculating the market risk (VAR- assessment), analyzing compliance with the limits and thresholds determined by the Bank.

In order to manage market risk, the Bank uses risk assessment according to the value-atrisk (VAR) method. This methodology is used to assess the risk of loss in the value of the trading portfolio of securities and open foreign exchange positions (OCP) of the Bank.

Under the VAR estimate, an estimate of the value expressed in monetary units is taken, which will not exceed the expected losses during a given period of time with a given probability.

8.3. Interest rate risk of the banking book.

Below is information about the interest rate risk of the banking book on ruble transactions, calculated on Form 0409127 "Information on interest rate risk" as of 01.04.2021.

Line number	Indicator name	Time intervals				Insensitive to changes in interest rates
		up to 30days	from 31 to 90 days	from 91 to 180 days	from 181 days to 1 year	
1	2	3	4	5	6	16
1 BALANCE SHEET ASSETS						
1.1	Cash and cash equivalents	X	X	X	X	0
1.2	Funds on correspondent accounts with credit institutions	72782	0	0	0	13936
1.3	Loan debt, total, of it:	1020088	0	0	0	0
1.3.1	credit institutions	1020088	0	0	0	0
1.6	Other assets	0	0	0	0	4732
1.7	Property, plant and equipment and intangible assets	0	0	0	0	14603
2 OFF-BALANCE REQUIREMENTS						
3	Total balance sheet assets and off-balance sheet claims	1092870	0	0	0	33271
4 BALANCE LIABILITIES						

4.2	Funds of customers other than credit institutions, total, of which:	0	0	0	0	311746
4.2.1	on settlement (current) accounts of legal entities and individuals	0	0	0	0	311746
4.4	Other liabilities	0	0	0	0	373815
4.5	Sources of equity (capital)	0	0	0	0	440092
5 OFF-BALANCE COMMITMENTS						
6	Total balance sheet liabilities and off-balance sheet liabilities	0	0	0	0	1125653
7	Cumulative gap (line 3 - line 6)	1092870	0	0	0	X
eight	Change in net interest income:	X	X	X	X	X
8.1	+ 200 basis points	20945.95	0.00	0.00	0.00	X
8.2	- 200 basis points	-20945.95	0.00	0.00	0.00	X
8.3	time factor	0.9583	0.8333	0.6250	0.2500	X

Interest rate risk in the banking book, as calculated in the framework of the form 0409127 to 01.04.2021, amounts to 20 945.95 thousand rubles (as of 01.01.2021, this figure amounted to 21 627, 41 thousand).

8.4. Operational risk.

The value of operational risk is taken into account in the calculation of mandatory ratios of capital adequacy (capital) to 01.04.2021 of 5744 thousand and RUR (as of 01.01.2021 value of operational risk amounted to 2 935 thousand).

8.5. Liquidity risk.

Information about the structure of assets and liabilities by maturity and repayment demand to 01.04.2021 shows (in thousands of rubles) based on the shape data 0,409,125 "information about assets and liabilities over maturity and repayment":

Indicator name	Amounts by the terms remaining to maturity (demand)					
	on demand and for 1 day	up to 5 days	up to 10 days	up to 20 days	up to 30 days	up to 1 year
one	2	3	four	five	6	10
ASSETS						
1. Cash, including balances on correspondent accounts, total, including:	79304	79304	79471	79471	79471	79471
3. Loan and equivalent debt, measured at amortized cost, total, including:	507649	507649	1020088	1020088	1020088	1020088

6. Other assets, total, including:	0	3021	3021	3021	3021	3021
7. TOTAL LIQUID ASSETS (sum of lines 1, 2, 3, 4, 5, 6)	586953	589974	1102580	1102580	1102580	1102580
LIABILITIES						
9. Customer funds, total, including:	311746	311746	311746	311746	311746	311746
9.1. funds of non-resident clients (except for deposits of individuals)	45277	45277	45277	45277	45277	45277
11. Other liabilities, total, including:	3912	8340	8340	10120	374410	374410
12. TOTAL LIABILITIES (the sum of lines 8, 9, 10, 11)	315658	320086	320086	321866	686156	686156
LIQUIDITY INDICATORS						
14. Surplus (shortage) of liquidity (the difference between line 7 and the sum of lines 12 and 13)	271295	269888	782494	780714	416424	416424
15. Ratio of excess (deficit) liquidity (line 14: line 12) x100%	85.9	84.3	244.5	242.6	60.7	60.7

Liquidity surplus as of 01.04.2021, in the period before the year is 416 424 thousand (as at 01.01.2021, the figure was 408 411 thousand rubles).

Current liquidity H3 as at 01.04.2021 is 154.000 % (as of 01.01.2021 this indicator was 134.313%)

8.6. Concentration risk.

Due to the lack of a loan portfolio, indicators of sectoral and geographical concentration, indicators of structural concentration, as well as the indicator of statistical concentration (Herfindahl-Hirschman index) of the loan portfolio are not calculated.

Mandatory concentration standards (H6 and H25) are 0% and 0%, respectively.

Level of concentration of liquidity sources - the share of the Bank's largest creditor in the total volume of the Bank's liquidity sources (borrowed and own funds of the Bank (capital) amounted to 9%.

Based on the results of a comprehensive assessment, the level of concentration risk is considered low.

8.7. Information about money management.

The Bank on an ongoing basis carries out the calculation, assessment of sufficiency and monitoring of its own funds (capital). The calculation of the value and the assessment of the level of sufficiency are made by the Bank in accordance with the requirements of the regulator (within the framework of the Bank of Russia Regulation No. 646-P and the Bank of Russia Instruction of 06.12.2017 No. 183-I "On compulsory standards for banks with a basic license" (hereinafter referred to as the Bank of Russia Ordinance Russia No. 183-I), respectively).

The value of own funds (capital) to 01.04.2021 was 4 27 882 thousand. Rub. (as of 01.01.2021 – 419 090 thousand rubles), the value of the Bank's core capital 01.04.2021 amounted to 418 831 thousand rubles (as of 01.01.2021 – 419 090 thousand rubles).

Standard adequacy (capital) N1.0 to 01.04.2021 was 205.372 % (as at 01.01.2021 standard N1.0 was 114.546 %)

Regulatory capital adequacy N1.2 to 01.04.2021 totaled 201.028 % (as at 01.01.2021 standard N1.2 was 114.546 %)

In order to control the level of capital adequacy, the Bank has established signal (criterion) values of the level of capital adequacy (according to the standards N1.0, N1.2 at 15% and 13%, respectively), in the event of which the Bank develops measures to prevent further deterioration of standards and their return to comfortable values.

In the reporting period, the Bank complied with the requirements for the adequacy of its own funds (capital) in accordance with the Bank of Russia Ordinance No. 183-I.

9. LABOR REMUNERATION SYSTEM

The Regulation on the remuneration and remuneration system for employees of Bank 131 LLC (hereinafter - the Regulation on remuneration) determines the policy in the field of remuneration and material incentives for personnel and is aimed at ensuring the financial stability of the Bank and increasing the motivation of the Bank's employees to work their material interest in effective work.

The regulation on remuneration was approved by the Board of Directors. AND Changes in this document were introduced in 2020 in order to update and bring into line with the requirements and recommendations of the Bank of Russia.

According to the Regulations on Labor Remuneration, the Internal Audit Service annually evaluates the effectiveness of the organization and functioning of the Bank's remuneration system. Based on the results of the analysis, the Bank's remuneration system was found to comply with the requirements of the Bank of Russia Instruction No. 154-I of June 17, 2014 "On the procedure for assessing the remuneration system in a credit institution and the procedure for sending instructions to a credit institution to eliminate violations in its remuneration system"

... The report of the Internal Audit Service on the results of the assessment and proposals of the divisions exercising internal control and divisions performing risk management on the improvement of the remuneration system (if any such proposals are available) are considered by the Board of Directors.

The remuneration system includes constant at u (fixed) part (base salary) and variable (variable) part defined by taking into account the quantitative and qualitative indicators to take into account all relevant to the Bank's risks and profitability of the Bank. With regard to separately identified categories of workers:

- members of executive bodies and other employees who take risks,
- subdivisions carrying out operations (transactions) bearing risks,

when determining the amount of remuneration for employees, the levels of risks to which the Bank is exposed as a result of their actions are taken into account.

10. INFORMATION ON TRANSACTIONS WITH PARTIES RELATED TO THE BANK

The term “related parties” is used within the meaning of “related parties” as defined in International Financial Reporting Standard (IAS) 24 “Related Party Disclosures”. In the normal course of business, the Bank enters into cash and settlement transactions with related parties and business transactions. Transactions are carried out on market terms similar to those for transactions with third parties.

Deputy Chairman of the Management Board Kuzmina A.Y.

Chief Accountant T.V. Borisova

05/14/2021