



3Q and 9M 2022 Financial Results



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maib Report 3Q and 9M 2022

Financial Results

3Q 2022

- for 3Q 2022 amounted to MDL 322.5 million (3Q 2021: MDL 230.6 million), up by 39.9% YoY and up by 27.6% QoQ
- Return on average equity¹ (ROE) stood at 21.2% (3Q 2021: 17.5%)
- ROE before expected credit losses¹ (ECL) stood at 34.1% (3Q 2021: 21.4%)
- Return on average assets¹ (ROA) stood at 3.2% (3Q 2021: 2.7%)
- Cost to income stood at 40.2% (3Q 2021: 47.4%)
- Cost of risk (at period-end) stood at 0.89% (3Q 2021: 0.41%)
- Net interest margin¹ (NIM) stood at 6.36% (3Q 2021: 4.30%)
- Basic quarterly earnings per share (EPS) stood at MDL 311 MDL (3Q 2021: 222 MDL)

9M 2022 P&L Highlights

- Net Profit for 9M 2022 amounted to MDL 836.7 million (9M 2021: MDL 504.7 million), up by 64.0% YoY
- Return on average equity² (ROE) stood at 19.1% (9Q 2021: 13.2%)
- ROE before expected credit losses² (ECL) stood at 27.1 % (9M 2021: 17.2%)
- Return on average assets² (ROA) stood at 2.9% (9M 2021: 2.1%)
- Cost to income stood at 46.1 % (9M 2021: 54.6 %)
- Cost of risk (at period-end) stood at 0.89% (9M 2021: 0.41%)
- Net interest margin¹ (NIM) stood at 5.65% (9M 2021: 4.06%)
- Basic quarterly earnings per share (EPS) stood at MDL 806.37 MDL (9M 2021: 486.35 MDL)

Balance Sheet Highlights as of 30 September 2022

- Total assets amounted to MDL 40,626 million, up by 4.2% QoQ and by 14.9% YoY
- Loans and advances to customers (gross) stood at MDL 21,807 million, up by 2.1% QoQ and up by 18.4% YoY
- Net loans to deposits ratio stood at 72.15%, down by 0.25 pp QoQ and up 9.14 pp YoY
- Non-performing loans (NPL) were 2.5%, at same level as in 2Q 2022 and down by 2.0 pp YoY
- NPL ECL coverage and total ECL coverage ratios stood at 187.8% and 2.5%, respectively, on September 30, 2022, compared to 150.2% and 4.5% as of September 30, 2021
- Total customers deposits amounted to MDL 28,627 million, up by 2.2% QoQ and up by 4.5% YoY
- The Bank's Capital Adequacy Ratio and Tier 1 capital stood at 22.04% and 19.93%, respectively

Market share as of 30 September 2022:

- Market share of total assets was 32.5%, up by 1.4 pp YoY
- Market share of total loans was 36.3%, up by 2.1 pp YoY
- Market share of total deposits reached 32.5%, up by 0.8 pp YoY

¹ Calculated based on annualized 3Q (3 months) financial results

² Calculated based on annualized 9 months financial results

Operating highlights

- MAIBank users reached 390 thousands (up by 10% QoQ and up by 47% YoY);
- 72% Monthly Retail Active Users (MAU%);
- 32% of Daily Active Retail Users to Monthly Retail Active Users (DAU/MAU%)
- 44% of number of retail deposits and 11% of number of retail loans originated online during 3Q 2022
- 84% of number of retail transactions are cashless (performed via cards)
- 928K cards issued in 3Q 2022, 7% more than in 2Q 2022
- 36K new MAIBank users connected every month (average 3Q 2022)

Economic and Country Updates

- Revised Moldovan projected economic growth for 2022– ranging from contraction by 1.0% up to growth by 0.3% due to Ukrainian war (according to projections of IMF, World Bank, EBRD and local Ministry of Economy);
- Revised projected economic growth for 2023-2024 (according to projections of IMF, EBRD and local Ministry of Economy), most of which, except IMF, forecast a lower economic growth as compared to previous projections
- Three decisions of monetary policy: increase in base rate up to 21.5% and required reserves ratio, as a tightening monetary policy measure, taken in order to reduce the inflation to the target level of 5% (also refer to Subsequent Events Chapter for the latest decision);
- Amendments to the Law on Banking Activity to promote responsible lending, including cap on interest rate, penalties, increase in requirements for various categories of consumer loans
Legal initiative regarding cap on interest rate increase for “Prima Casa” (“First Home”) mortgage holders
- Compensation for borrowers under “Prima Casa” programme of 50% of the interest rate increase, approved by the Government

Additional Information Disclosure

The following materials are disclosed on our Investor Relations website on <https://ir.maib.md/> under [Investors/Results Center](#) section:

- 3Q and 9M 2022 Financial Results
- 3Q and 9M 2022 Financial Results presentation

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| Maib at a glance

Maib is the largest bank in Moldova, with total assets of MDL 40,626 billion, representing over 32.5% of market share by total assets as of September 30, 2022. **Maib** is a leader in the Moldovan market by loans, deposits, brand perception and most other key indicators.

More than 2,300 employees of **maib** serve just under one million retail customers, SMEs and corporate customers across nationwide distribution network.

The Bank's gross loan portfolio totaled MDL 21,807 billion as of September 30, 2022, out of which 34% is represented by retail clients and 66% across legal entities (41% Corporate and 25% SMEs). **Maib** loan portfolio covers 36.3% of the market as of September 30, 2022.

The Bank's funding is mainly via customers' deposits and equity. Some additional funding is received via loans from international financial institutions and specialized finance providers.

Maib shareholder structure is as follows: HEIM Partners Limited (41.1%, consortium of EBRD, Horizon Capital GP and INVALIDA INVL), 14 individual shareholders with over 1% shareholding (26.3%) and 3000+ other shareholders (32.6%).

Earlier in 2022 **maib** shareholders voted in favor of the proposed distribution of 35% 2021 profits subject to the approval of the National Bank of Moldova (NBM), contingent upon the stabilization of the economic conditions in the country. During 3Q 2022 NBM took the decision not to approve the proposed dividend distribution. Entire profit for 2021 was retained by **maib**. Profit distribution policy for the 2022 adopted at **maib** General Shareholder Meeting in June 2022 – dividend payout of 30% to 50% of net profit, subject to approval of NBM.

Disclaimer

Presented results are based on unaudited standalone third quarter (3Q) of 2022 financial statements. They do not include the results, the financial performance and the financial positions of two subsidiaries, which combined do not exceed 1% of the consolidated balance sheet. The balance sheet and income statement within these results are prepared based on International Financial Reporting Standards ("IFRS"), as adopted by IASB. The results are accompanied by limited disclosure notes, including financial and non-financial information. Standalone results from the third quarter of 2021 and the third quarter of 2022 are used for comparison.

Economic outlook

Economy Flat in 2022

Moldovan economy has been affected by the war in Ukraine. Inflation has grown due to disrupted supply chains and increasing international energy prices. The economy shrank by 0.9 percent YoY in the second quarter of 2022, after the 1.1 percent growth in the previous three-month period. Key forecasters have revised down their estimates for economic growth in 2022. The summary of revisions is presented below.

2022 Real GDP latest forecasts:

FORECASTERS	FORECAST	PREVIOUS	FORECAST DATE
WORLD BANK	-0.7%	-0.4%	October 2022
IMF	+0.0%	+0.3%	October 2022
EBRD	-1.0%	+1.0%	September 2022
MINISTRY OF ECONOMY	+0.3%	+4.2%	March 2022

Moldovan Economy has experienced the first contraction following five consecutive quarters of expansion, as household consumption, which constitutes over 81 percent of the GDP, fell 0.4 percent. In the meantime, capital investment shrank by 3.2 percent. On a seasonally adjusted quarterly basis, the Moldovan economy contracted by 2.3 percent. 3Q 2022 GDP is not yet officially available at the time of writing of this report, but maib estimates -1% contraction in real terms for the first 9 months of 2022. According to the forecasts of international financial institutions, the Moldovan Economy is expected to start rebounding in the second half of 2023.

Growing Exports and Imports towards the EU

In the 8 months of 2022, total exports have grown by 63.6% year over year. Excluding re-exports, it grew by 53.4%. Exports growth was primarily concentrated in the agricultural (41.8% of total exports) and automotive sectors (13.5% of total exports) with 40.4% and 13.5% respective year on year increase. As of 30 June 2022, nearly two thirds of the total exports are to the EU, the result of strong growing ties with the EU since the signing of the Association Agreement in 2014. Imports have also grown up to 33.1% YoY, from which 45% are incoming from the EU. Statistics of trade for the 9 months of 2022 are not yet available at the time of writing of this report.

Fiscal Situation and Political Developments

Government budget revenues maintained a positive trend, but at a more moderate pace. On 30 June 2022, government debt was 81.4 billion MDL (ewqui4.26 billion USD) and in terms of GDP constituted 34%. The IMF projected an increase in the Debt-to-GDP of being 36%–39% at the end of the year due to expected budget deficit in 2022. Driven by economic contraction, the war in Ukraine and subsidies related to energy prices, government deficit is projected to be 6% of GDP at the end of the year. In terms of foreign direct investment (FDI)= it reached USD 312.95 million for the 1H 2022. The most inflows are incoming from the EU (85% of total investments).

Increasing energy prices on the international market have overall affected the low-income households, thus making the government to allocate additional resources to compensate the rising prices. This is expected to contribute to the budget deficit at the end of the year.

Tight monetary policy in response to high inflation

In the third quarter of 2022 Moldova saw one of the highest rates of inflation in Europe as it reached 34.0% in September. The factors behind such high inflation are as follows:

- Food prices increased due to the disruption of supply chains into Moldova due to the war in Ukraine;
- Rise of gas prices contributed the most to increasing costs;

- Fuel prices increase and raise in wages supported the increase in overall prices.

For the 4Q 2022, National Bank of Moldova (NBM) expects inflation to peak at 37.3%. Starting 1Q 2023 inflation is expected to drop to 23.3% and to subsequently reach its targeted level of 5.0% in the medium-run if no additional supply shocks happen.

As of August 2022, the NBM decided to set the base rate at 21.5% annually, following its previous decision to rise the base rate to 18.5% in June 2022. The decision aims at tempering the rapid growth rates of consumer prices, stabilizing the trade balance, as well as anchoring inflationary expectations.

NBM also raised the required reserves ratio from financial means attracted in local currency was raised from 34% to 37 %, raising up to 40% applicable starting September 2022. The ratio for the required reserves from financial means attracted in freely convertible currency was raised from 39% to 42%, with subsequent raise up to 45% applicable starting September 2022. However, NBM has signaled that the peak base rate has been reached to mitigate the current inflation levels.

NBM reserves reached record level

In the third quarter of 2022, local currency MDL (Moldovan Leu) has declined by 0.4% against the USD, following another decline in the second quarter of 8.5%. At the same time, MDL has gained against the EUR by 2.5%. A key factor in the exchange rate evolution is the depreciation of EUR against USD due to the aggressive monetary policy of the US Federal Reserve, which raised in June 2022 the short-term interest rates with 0.75 percentage points up to a cumulative level of 1.5-1.75 percent.

The NBM reserves achieved a historical record in the 3Q 2022 reaching 4.1 billion USD after a fall of 8% in the 1H 2022. The significant increase in the NBM reserves is due to the inflow of financial support from the IMF and other financial institutions, positive evolution of trade balance, continuing high levels of remittances, as well as to the interventions of the NBM on the currency market.

Banking System Growth slowed due to restrictive monetary policy

Key Features of the banking sector in 3Q 2022:

- Increase in assets by 9.9% YoY or MDL 11.2 billion, up to MDL 125.0 billion
- Increase in profitability by 49.0% QoQ or MDL 403 million, up to MDL 2.8 billion
- Increase in deposits by 1.7% YoY or MDL 1.5 billion, up to MDL 88.0 billion

Since the NBM applied the restrictive monetary measures starting 2Q 2022, the banking system remained durable in terms of profitability but slowed down in lending, a goal pursued by NBM. Net profits from interest and fees in the banking system increased by 59.5% year-on-year. Profitability in the banking system experienced significant growth due to rising interest rates triggered by the raise of the base rate by NBM. In 3Q 2022 the loan banking portfolio fell by 0.6% QoQ and further slowdown is predicted due to the restrictive monetary policy, which made loans expensive to business.

In 1Q 2022 deposits fell due to uncertainty related to the regional conflict. High-level interest rates have attracted new deposits which increased to 5.0% YoY and 2.8% QoQ thus recovering to the normal growth level before the war.

Taking into account the actual conditions, the banking system remains resilient. The Non-Performing Loans ratio has decreased by 0.33 % YoY and it stands at 6.5% (NBM definition of NPL) in 3Q 2022. In the near future lending is expected to be subdued until NBM starts lowering the base rate.

External macro-assistance and financial aid

To overcome the energy crisis and the economic impact of the war in Ukraine, Moldova has received a macro-assistance package by a group of donors including the EU, IMF, BIRD and other developed countries of Europe of approximately 510 million EUR by the end of the third quarter. The government expects a total of around 600 million EUR financial assistance by the end of the year. The budget assistance is to support measures to mitigate the socio-economic impact of rising gas prices, enhance the state's capacity to provide services to vulnerable groups and support efforts to ensure energy security in Moldova.

| Operating highlights in detail

Maib – Best bank in Moldova according to EMEA Finance

Maib has been named Best Bank in Moldova by EMEA Finance Magazine in August. Alongside a number of regional and international banks, **maib** showed great resilience in mitigating the economic effects of COVID-19 pandemic and in improving the products and services offered to customers. As of end of 3Q 2022, **maib** ranked first in the banking sector in terms of deposits of retail customers in both national and foreign currency. **Maib** is also the largest lender in the country with 36.3% market share of loans of the entire banking system at the end of 30 September 2022. In 2021 **maib** stepped up transformation with the focus on customer-centricity, digital experience and financial ecosystems.

Agile second Wave launched

In August 2022, two “orchestras” and seven “bands”, representing the second wave of Agile teams, have successfully completed the training to start Agile way-of-work. Over one month experts from various subdivisions (product managers, sales managers, marketing experts, data analysts, IT experts etc.) participated in agile work and tools training. Within the two orchestras formed – Retail Daily Banking and Business Banking (SME) Segment – 70 **maib** colleagues worked in short bursts to develop simple and accessible products, services and processes for bank's customers. The training was delivered together with international consultants in Agile way-of-work.

Maib Academy opens doors

In August **maib** opened doors to a specialized training center making part of **maib** academy. **Maib** is committed to investing in its human capital. Training and development are viewed as a way to build a sustainable competitive advantage for **maib** on the Moldovan banking market. It is also a critical tool in the war for talent, enabling **maib** to attract and retain quality employees, for many of whom professional development is a top priority. **Maib** academy is envisioned to achieve these objectives and is a cornerstone of **maib**'s transformation.

Maib makes Google Pay available to customers

In August 2022, Google Pay is available for **maib** customers on both Android and WearOS devices. **Maib** customers with **maib** Visa and Mastercard cards can pay in brick-and-mortar stores, in apps and online with Google Pay – a fast, simple and safe way to make everyday payments via portable devices. The credit or debit cards are stored in Google Pay, within the Google Wallet app, a digital wallet also launching in Moldova today and available for download in Google Play Store. The applied technology protects user's card data, which is not stored on the phone and is never disclosed. Using an encrypted and secure token associated with each transaction, Google Pay provides an additional level of security and privacy to digital payments. **Maib** is the first bank in Moldova to introduce Google Pay.

Maib management to pursue Leadership Development Program offered by Stanford GSB

In September 2022, **maib** has signed an agreement with Stanford Graduate School of Business Executive Education to develop up to 60 **maib** top and middle managers. Launching in October, the program will be a three-month online learning journey focusing on strategy, leadership and organizational culture. The program will expose **maib** management to new ideas, challenge conventional thinking, and support leaders on a collaborative and practical learning journey that will foster an enduring community of learning and new leadership practice at **maib**.. Key topics of the program are Strategic Leadership, Leading Organizational Culture Change, and Designing Organizations for Creativity and Innovation, Scaling Excellence through Talent & Culture.

Maib featured at Moldova-Romania: Capital Bridges forum in Bucharest

On 13 September, **maib** took part in the Moldova - Romania: Capital Bridges forum in Bucharest. This event was organized by **maib** in partnership with the Bucharest Stock Exchange, WOOD&Co. and Raiffeisen Bank International. The forum aimed at Romanian and international investors and businesses

to highlight the opportunities presented by the robust Moldovan economy, improved business climate, and newly acquired EU Candidate status. Event's keynote speakers included the Prime Minister of Romania Nicolae Ciuca who warmly welcomed his counterpart the Prime Minister of Moldova Natalia Gavrilita. The President of EBRD Odile Renaud-Basso addressed the audience speaking about the strong drive for reforms in Moldova and also underscoring maib's commitment to the highest standards of corporate governance. ASF's (Romanian securities regulator) President Nicu Marcu welcomed Moldovan companies onto the Romanian financial market and underscored the importance of maib's listing on Bucharest Stock Exchange to the benefit of both countries. Radu Hanga, the Chairman of Bucharest Stock Exchange also stressed the significance of maib's listing, which would act as gateway for Moldova's companies accessing Romanian and international capital markets.

AgricolaHub - new digital ecosystem by maib

At the end of the third quarter, **maib** has launched AgricolaHub, a digital ecosystem aimed at farmers and dealers in agricultural goods, machinery and equipment. The launch of AgricolaHub is a key part of maib digital strategy to become the orchestrator of the financial ecosystems. AgricolaHub is aimed to address the needs of those working in the agricultural sector and related fields, offering a range of facilities brought together on a single platform. AgricolaHub lists offers in various agriculture-related fields (seeds, fertilizers, agricultural equipment etc.). The platform offers the possibility of creating a free account where the users can perform a filtered search, benefit from price tracking and comparison of agricultural products posted on the platform, and the option to send messages to traders directly via the platform. Maib is first to launch such a product.

AgricolaHub is the third ecosystem launched by maib. **DriveHub** and **CasaHub** are ecosystems launched by maib earlier, the first one aimed at auto sales and the second one at real estate. Their development is continuing and their popularity is increasing. Maib plans to launch more digital ecosystems in its medium term strategy. Ultimately, maib's goal is to roll all its digital products into a single super-app MyHub.

Maib strategy refreshment session in Amsterdam for up to 60 of top and middle managers

Maib took nearly 60 of its top and middle managers to a strategic work session in Amsterdam. Organized together with the top strategy consultancy firm followed by visits and discussions with leading global banks, including ING, ABN Amro and Rabobank, set up by The Banking 50 community.

The event focused on trends in global banking today and emerging challenges of the near future. Some specific discussions and sessions covered the following: customer experience and centricity; digital channel; distribution network; ecosystems; payments; international expansion of digital services.

Maib team visited newly updated branches of ING and saw highly innovative "home" concept of banking branch being rolled out by ING across its network.

Maib ranked Market Leader in all key segments in the inaugural rankings of Moldovan banks by Euromoney

Maib added another important recognition to its impressive record of accomplishments, this time being ranked by Euromoney magazine as the market leader in 3 key segments, namely Corporate, Digital and Corporate Social Responsibility. It is the first time that Euromoney covers Moldovan banks in its annual rankings. Euromoney ranking is a well-researched survey based on performance data, surveys, and banking expert views.

Maib awarded Best SME Bank in Moldova by Global Finance

Maib received another accolade in one of its most important business segments. This time, **maib** has been recognized as the best bank in the SME segment from Moldova by Global Finance magazine. In 18 months, **maib** has gained 10.8% in the SME segment market share thanks to its client-oriented offering and product mix. Global Finance is a leading financial publication aimed at senior decision makers in the world of finance.

| Bank's Strategy

1

Build new level of customer experience

- Focus on the customer
- Continue sustainable growth and focus on profitability

2

Focus on Digital Banking. First Steps for Super App for Non-banking Services

- Continue transformation of the e-channels
- Development of ecosystems with the focus on the best customers experience

3

List shares on an International Stock Exchange (IPO)

- Realize full shareholder value
- Tap international capital markets for growing funding needs of Moldovan businesses

4

Expand in the region with digital business model

- Step by step expansion in the region using tested, profitable business models at a later stage

The bank's strategy is supported by:

Agile transformation

ESG program
(ESG policy / ESG Reporting Framework/
ESG Rating)

| Key selected operating milestones hit during 3Q 2022:

New level of customer experience

- **Maib** ranked Market Leader in all key segments in Moldova in 2022 by the Euromoney
- **Maib** named Best Bank in Moldova in 2022 by the Global Finance Magazine
- **Maib** named Best Bank in Moldova according to EMEA Finance: Europe Banking Awards 2021
- First card in Moldova designed for freelancers
- Apple Pay is available for e-commerce at maib
- Online maibchatbot for support live chat and latest banking news
- Remote mortgage specialists available through video consultation

Focus on Digital Banking. First Steps for Super App for non-banking Services

- Ecosystem Agricolahub (launched in 3Q 2022)
- Star of development of app for CasaHub and PayHub. Planned launch by the end of the year.

List shares on an International Stock Exchange (IPO)

- Corporate Governance review based on best practices was completed, no gaps identified
- Next step it is the selection of international financial institutions who will assist in the IPO of maib
- Moldova – Romania: Capital Bridges forum held in Bucharest

Agile

- 2 Orchestras launched in 3Q 2022
- Agile scaled up to Wave teams: Wave 2 team designed and people selected
- Second Quarterly Business review process launched in 3Q 2022
- Agile Center of Competence launched

ESG

- Set up a ESG strategy in first quarter of 2023
- Engage ESG consultants in November 2022
- Publication of the ESG Report in March 2023

3Q FINANCIAL RESULTS

INCOME STATEMENT highlights, million MDL

	3Q 2022	2Q 2022	3Q 2021	% QoQ change	% YoY change
Net interest income	592.1	498.0	347.2	+18.9%	+70.5%
Net fee and commission income	109.7	86.8	78.4	+26.4%	+39.9%
Net foreign exchange gains	131.0	111.2	98.9	+17.8%	+32.5%
Other operating income	36.3	18.3	12.0	+98.5%	+202.9%
Operating income	869.1	714.3	536.5	+21.7%	+62.0%
Operating expenses	(349.5)	(331.6)	(254.4)	+5.4%	+37.4%
Operating profit before credit loss allowance	519.7	382.6	282.1	+35.8%	+84.2%
Impairment allowances and provisions	(154.7)	(96.8)	(17.6)	+59.8%	+777.7%
Profit before tax	365.0	285.9	264.5	+27.7%	+38.0%
Income tax expense	(42.5)	(33.1)	(33.9)	+28.6%	+25.5%
Net profit	322.5	252.8	230.6	+27.6%	+39.9%

FINANCIAL POSITION STATEMENT highlights, million MDL

	30 September 2022	30 June 2022	30 September 2021	% QoQ change	% YoY change
Cash and balances with banks	14,516	13,059	11,772	+11.2%	+23.3%
Financial assets at fair value through OCI and investments in subsidiaries	3,025	3,237	4,371	-6.6%	-30.8%
Net loans and advances to customers, including:	20,654	20,285	17,265	+1.8%	+19.6%
Corporate customers	8,632	8,667	7,777	-0.4%	+11.0%
SME customers	5,173	4,684	3,532	+10.4%	+46.5%
Retail customers	6,849	6,934	5,956	-1.2%	+15.0%
Premises and equipment, intangible assets and other assets	2,431	2,392	1,939	+1.6%	+25.4%
Total assets	40,626	38,973	35,347	+4.2%	+14.9%
Due to banks and borrowings	2,629	2,991	2,466	-12.1%	+6.6%
Due to customers, including:	28,627	28,017	27,400	+2.2%	+4.5%
Corporate customers	4,235	4,110	3,498	+3.1%	+21.1%
SME customers	5,901	6,058	5,256	-2.6%	+12.3%
Retail customers	18,490	17,850	18,647	+3.6%	-0.8%
REPO	1,503	1,303	-	+15.3%	+100%
Lease and other liabilities	1,607	729	212	+120.5%	+656.1%
Total liabilities	34,365	33,040	30,079	+4.0%	+14.2%
Total equity	6,261	5,934	5,268	+5.5%	+18.9%
Total liabilities and equity	40,626	38,973	35,347	+4.2%	+14.9%

KEY FINANCIAL RATIOS

	30 September / 3Q 2022	30 June / 2Q 2022	30 September / 3Q 2021
ROE* %	21.16%	17.42%	17.52%
ROE* less cost of risk %	34.09%	26.40%	21.43%
ROA* %	3.24%	2.60%	2.69%
ROA* less cost of risk %	5.22%	3.94%	3.29%
NIM* %	6.36%	5.72%	4.30%
Loan yield* %	10.57%	9.92%	8.47%
Cost of funding %	3.73%	2.48%	1.26%
Cost of deposit %	2.40%	1.35%	1.10%
Cost to income ratio %	40.21%	46.43%	47.42%
LTD ratio %	72.15%	72.40%	63.01%
NPL ratio %	2.50%	2.50%	4.50%
CAR %	22.04%	22.10%	19.93%

*Indicators calculated based on annualized 3Q (3 months) financial results

9M FINANCIAL RESULTS

INCOME STATEMENT highlights, million MDL

	9M 2022	9M 2021	% YoY change
Net interest income	1,513.9	922.9	+64.0%
Net fee and commission income	267.9	241.2	+11.0%
Net foreign exchange gains	356.9	239.8	+48.8%
Other operating income	68.0	50.8	+33.8%
Operating income	2,206.6	1,454.8	+51.7%
Operating expenses	(1,016.3)	(794.0)	+28.0%
Operating profit before credit loss allowance	1,190.3	660.8	+80.1%
Impairment allowances and provisions	(246.3)	(84.5)	+191.5%
Profit before tax	944.0	576.3	+63.8%
Income tax expense	(107.3)	(71.6)	+49.8%
Net profit	836.7	504.7	+65.8%

FINANCIAL POSITION STATEMENT highlights, million MDL

	30 September 2022	31 December 2021	% YTD change
Cash and balances with banks	14,516	12,486	+16.3%
Financial assets at fair value through OCI and investments in subsidiaries	3,025	4,196	-27.9%
Net loans and advances to customers, including:	20,654	18,665	+10.7%
Corporate customers	8,632	8,475	+1.9%
SME customers	5,173	3,615	+43.1%
Retail customers	6,849	6,575	+4.2%
Premises and equipment, intangible assets, other assets	2,431	1,850	+31.4%
Total assets	40,626	37,197	+9.2%
Due to banks and borrowings	2,629	2,478	+6.1%
Due to customers, including:	28,627	28,596	+0.1%
Corporate customers	4,235	3,696	+14.6%
SME customers	5,901	5,835	+1.1%
Retail customers	18,490	19,065	-3.0%
REPO	1,503	-	+100.0%
Lease and other liabilities	1,607	676	+137.7%
Total liabilities	34,365	31,750	+8.2%
Total equity	6,261	5,447	+14.9%
Total liabilities and equity	40,626	37,197	+9.2%

KEY FINANCIAL RATIOS

	30 September/ 9M 2022	30 September / 9M 2021
ROE* %	19.06%	13.15%
ROE* less cost of risk %	27.11%	17.21%
ROA* %	2.87%	2.05%
ROA* less cost of risk %	4.08%	2.68%
NIM* %	5.65%	4.20%
Loan yield* %	10.57%	8.47%
Cost of funding %	3.73%	1.26%
Cost of deposit %	2.40%	1.10%
Cost to income ratio %	46.06%	54.58%
LTD ratio %	72.15%	63.01%
NPL ratio %	2.50%	4.50%
CAR %	22.04%	19.93%

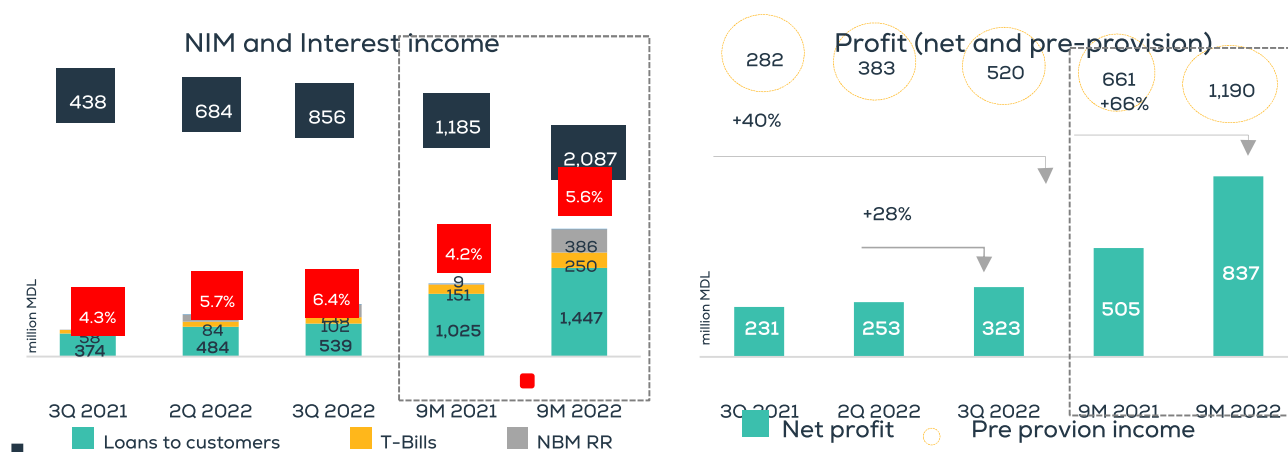
* Indicators calculated based on annualized 9 months financial results

Highlights of financial performance of 3Q and 9M 2022

Strong quarterly and year-to-date results underpinning robust profitability

In the 3rd quarter of 2022, maib's net profit amounted to MDL 322.5 million, up by 39.9% YoY and 27.6% QoQ. The pre-provision operating profit has recorded in 3Q even a more tremendous growth – by 35.8% QoQ and by 84.2% YoY, the increase being mostly attributable to net interest income. The QoQ increase was spread across several income streams, with a particularly strong contribution from net interest income. As a result, ROE and ROA for the third quarter reached 21.2% and 3.2%, accordingly, while ROE before credit loss allowance stood at 34.1%.

Non-interest income represents over one third of total operating income. The quarterly growth by 28.1% and 45.3% YoY, was almost evenly spread between all non-interest revenue streams: net foreign exchange gains, net fee and commission and other operating income, with a particular contribution of the first two named. Increased volumes of FOREX transactions and expansion of the Bank's acquiring and issuing business, which spurred the Bank's fees and commission income, were the main drivers of non-interest income during the period.

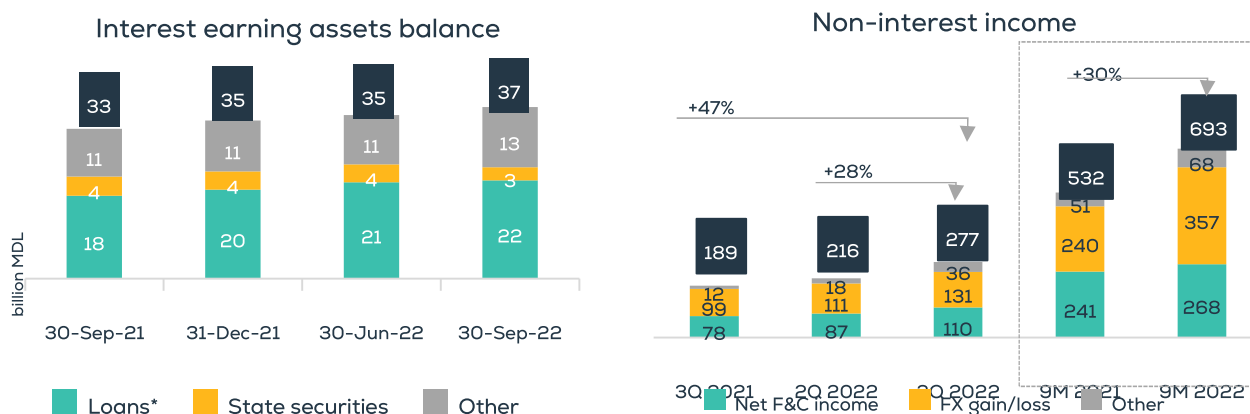


Consistent growth trend in net interest margin (NIM) maintained in 3Q, despite the increasing funding costs

Although the challenging economical and geopolitical environment, maib accomplished a higher NIM as compared to previous periods, the growth being mainly driven by the increase in interest-earning assets' balance and yields, in particular of loans to customers and required reserves in NBM. Loans interest income, coupled by increased remuneration for required reserves made up to 90% of total interest income growth.

Increased deposits interest rates and use of REPO facility has picked up the overall Bank's cost of funding. However, the adverse impact was entirely offset by the remuneration of required reserves.

The increase of interest income related to required reserves is consequent to monetary policy measures taken by NBM during current year, according to which higher ratios of required reserves were set, coupled by higher remuneration rates. This determined over 55% QoQ in 3Q and over 40% YoY interest income increase (based on cumulative 9M results).



Maib keeps under tight control its operating expenses to overcome the inflationary and economic shocks, prioritizing expenditure that enables business growth

Maib's quarterly operating expenses expanded by 5.4% QoQ and 37.4% on a YoY basis. The YoY increase was mostly prompted by personnel expenses increase, as result of application of a new grading system in 2022, in line with the maib's HR strategy and overall trend in the market.

Other operating expenses were overall maintained at the same level as in 2Q, though by 38% higher if compared to similar quarter of previous year, driven by increased utilities and rent expenses, auditing and consulting, maintenance of tangible and intangible assets, as well as other taxes.

Maib's cost to income in the 3rd quarter of 2022 stood at 40.2%, improving by 6.2 pp QoQ and by 7.2 pp YoY. The YoY decrease was mainly related to improvement in operating income by 62%, partially offset by growth in operating expense by 37%. Bank manages actively cost-to-income ratio to keep it stable despite inflationary and economic activity shocks.

No new early warning signals detected, but the Bank continues to maintain a prudent approach to mitigate any potential increase in credit risk

At the end of 3Q 2022, the cost of risk related to the loan portfolio stood at 0.89%, by 0.61 pp higher QoQ and by 0.48 pp YoY. The overall NPL ratio stood flat at the level 2.50%, NPL portfolio being almost half comprised of retail loans. PAR30+ ratio has shown a slight increase in 3Q, up to 3.1%. However PAR30+ is still much lower than its level at the end of 3Q and 4Q 2021 (4.5% and 3.9% respectively), proving the portfolio quality resilience to current economic instability.

The increased cost of risk in 3Q 2022 was mainly attributable to the revision of forward-looking assumptions, used in the Bank's expected credit loss (ECL) models, with consideration of a more pessimistic outlook. The Bank's prudent approach towards ECL aims to incorporate the current economic and geopolitical uncertainties and capture any potential effects of an increase in credit risk.

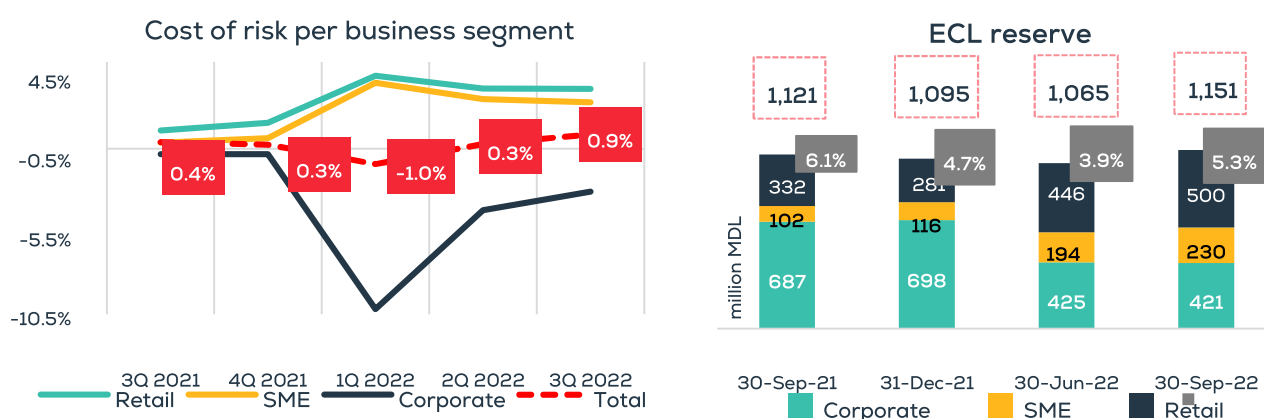
Analyzing the evolution of cost of risk per business lines, a slight increasing dynamics is observed for the Bank overall and in particular for the corporate portfolio, on the grounds of high recoveries in the previous quarters, whilst the retail and SME portfolios cost of risk kept stable or even showing a downward trend during the third quarter of the year (in particular, SME).

Maib's credit risk models are developed considering a wide list of economic factors, including such as electricity and gas prices, the expected evolution of which is transposed into expected portfolio default rates and estimated credit losses.

As such, following the most recent revision of gas and electricity prices, as well as other factors which do impact the portfolio health, the Bank's cost of risk increased by 0.61 pp up to 0.89% during 3Q, a level that significantly exceeds the Bank's historical normalized average cost of risk for the last 4 years (2018-2021: 0.44%). Additionally, the Bank has reassessed its assumptions related to NPL portfolio. This exercise resulted in higher NPL coverage ratios for all NPL segments. The Bank also updated its underwriting criteria, which is more conservative now, in order to keep a prudent approach in a current challenging economic environment. All these facts demonstrate the Bank's cautious attitude in relation to estimation of expected credit losses, particularly important in the light of the current economic uncertainties.

Additionally, maib has been closely monitoring its loan portfolio from the perspective of identifying any early warning signals (EWS). The Bank has been keeping a proactive approach in order to take timely measures for treatment of those exposures that have showed any EWS.

The Bank is consciously challenging its current forward-looking assumptions used in ECL models and their potential impact on the portfolio quality, liquidity and capital adequacy. The stress tests performed so far did not reveal any severe impact on the Bank's profitability, liquidity and capital levels.

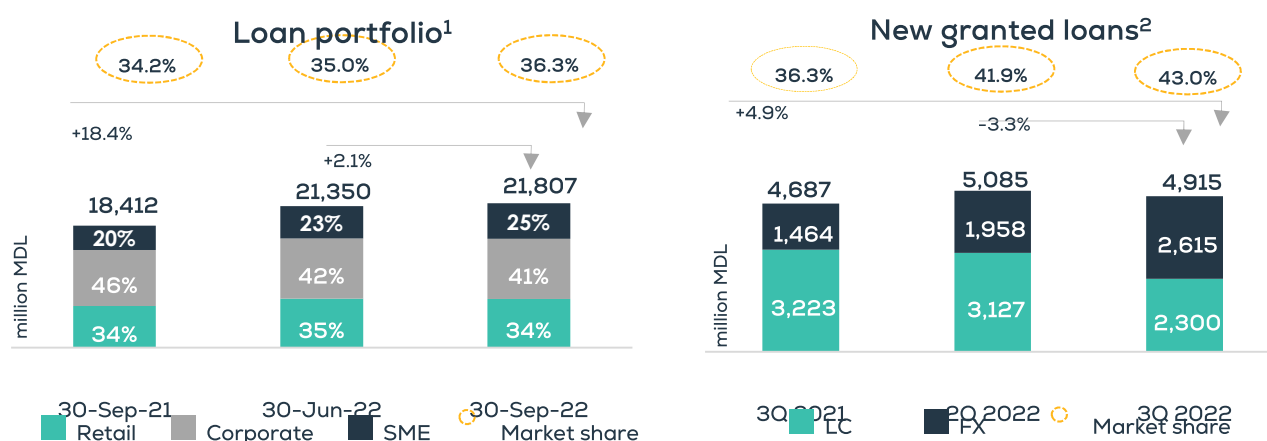


Maib maintained its leading positions across all segments

Maib increased its current leading position on the lending market up to 36.3% or by 0.8 pp during 3Q 2022, corroborated also by a higher share of new loans granted on the market.

As of September 30, 2022, the gross loan portfolio reached MDL 21.8 billion, up by 2.1% QoQ and up by 18.4% on a YoY basis. In terms of segments, the QoQ increase was attributable to increase in SME lending, whose share in the Bank portfolio has expanded from 23% to 25% during 3Q 2022. Maib's market share in the SME segment has also expanded during the 3Q 2022, increasing from 30.9% up to 31.7% at the end of September 2022.

Corporate and Retail portfolio slightly decreased in 3Q 2022, though maintaining their market shares at the same level. The retail lending slowdown was consequent to a set of daunting factors, as uncertainties related to crisis emerged following the invasion in Ukraine in February 2022 (inflationary pressures, energy and gas growing prices), overall growth in interest rates as result of more restrictive monetary policy, as well as legislative amendments related to responsible lending. The latter factor even though may be potentially impeding for high paces of retail portfolio growth, in the medium to long term, shall improve the quality of the respective portfolio.

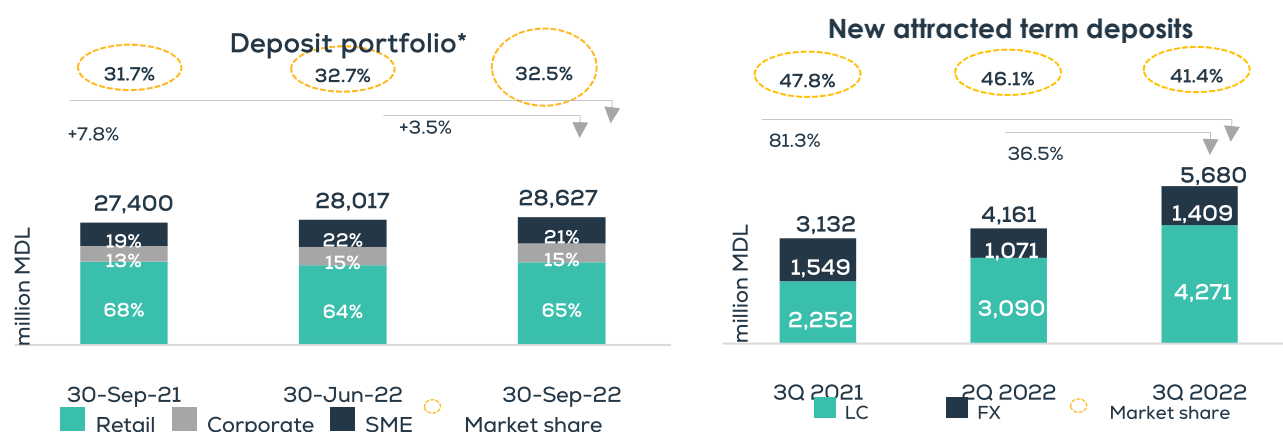


Deposit portfolio increase supported by Retail term deposits in national currency

The total customer deposits portfolio amounted to MDL 28,596 million (principal), increasing by 4.2% QoQ and 4.4% on a YoY basis.

Retail deposits denominated in local currency were the main driver of QoQ growth of the deposits portfolio, recording a 9% QoQ increase. With regard to the deposit portfolio currency mix, the share of deposits denominated in local currency has increased by 2 pp up to 56%.

As of 30 September 2022, the Bank's market share in deposits stood at 32.5% down by 0.2 pp on a QoQ basis, while individuals' deposits market share increased by 0.4 pp QoQ up to 34.5%. The market share of deposits of legal entities has slightly decreased during 3Q down to 30.5%, mostly determined by the outflow of means from term deposits of legal entities.

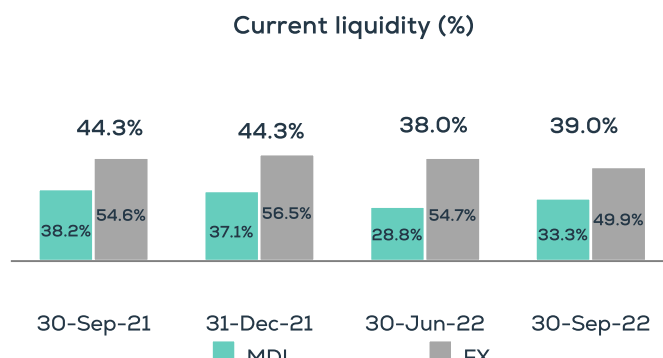
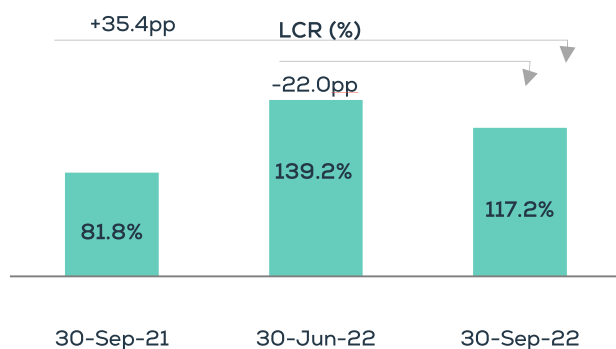


*including accrued interest

Liquidity levels maintained at a comfortable level, significantly exceeding the regulatory minimum requirements

As of September 30, 2022, total liquidity coverage ratio (LCR) was 117.2%, which is above the local regulatory level of 80%. The QoQ decrease in LCR was mainly determined by the necessity to increase the balance of required reserves maintained in NBM (resulting from uptick in required reserve ratio in 3Q 2022 and use of REPO facility).

1 Amounts presented in the diagram represent gross exposure, i.e. principal plus related accrued amounts of interests and commissions, adjusted with amortized cost
2 Amounts presented in the diagram represent principal amount of new loans disbursed during the period

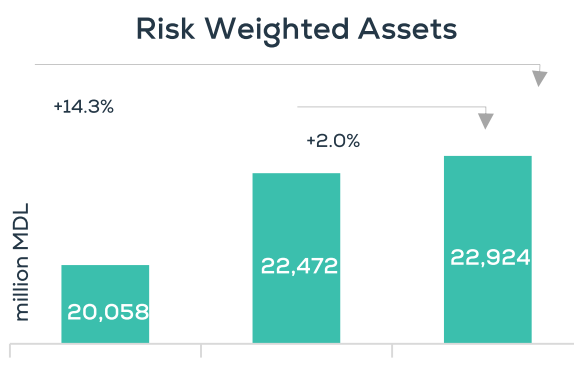
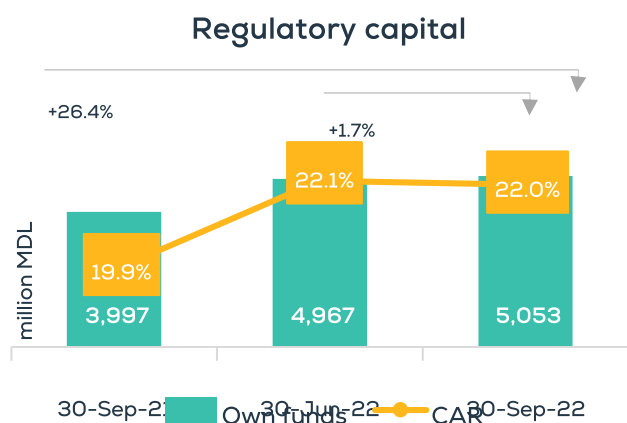


The total current liquidity stood at 39%. The increase on a QoQ basis was mainly propelled by the improvement of liquidity position in local currency from 28.8% in June up to 33.3% in September 2022.

Maib's liquidity position has been continuously reinforced by contracting ordinary and subordinated loans from financial institutions, e.g. EBRD, EFSE. An additional lever used for liquidity management and optimization is REPO facility, which supports the bank in handling short-term needs and avoiding any significant fluctuations in available liquidity.

Maib is backed by a solid capital position, able to withstand negative effects of economic downturn

Maib continues to maintain a solid capital position. As of 30 September 2022, the Bank's Capital Adequacy Ratio (CAR) and Tier 1 stood at of 22.0% and 19.9%, remained comfortably above minimum level of 18.9% and 16.0%, correspondingly. The QoQ increase of own funds was driven by profits capitalization and decrease in difference between prudential and IFRS provisions. At the same time, the Bank's risk weighted assets increased by 2.0% QoQ, mainly as result of increase in exposure of the Bank to loans covered by real estate collaterals.



SEGMENT REPORTING

Retail banking

Key business highlights

Retail banking provides consumer loans including credit cards facilities and mortgage loans, as well as funds transfers and *handling of customers' accounts and deposits.

Market share
retail loans:

30.8%

Up by 0.3pp QoQ
Up by 1.0pp YoY

Gross loan¹
portfolio:

MDL 7.4 bn

Down by 0.4% QoQ
Up by 17.5% YoY

Term deposits² on
local currency:

MDL 7.0 bn

Up by 13.0% QoQ
Up by 8.2% YoY

Maibank
users:

390k

Up by 9.8% QoQ
Up by 47.2% YoY

Cards portfolio:

928k

Up by 6.5% QoQ
Up by 29.1% YoY

POS portfolio:

11,702

Up by 7.9% QoQ
Up by 38.1% YoY

Maib Retail Banking business continued to do well across key strategic areas, as shown by the following indicators:

- Expansion of retail customers database by 39K during 3Q 2022;
- Expansion of Maibank community by another 35K users during 3Q 2022;
- Over 43% of new deposits in 3Q were opened online;
- Over 928K cards in circulation as of 3Q 2022, up by 29% YoY;
- POS network expanded by 8% QoQ and 38% YoY;
- 11% of active customers have contracted loan facilities;
- Cashless transactions weighted almost 84% out of all number of transactions made in 3Q 2022;
- Over 571 Alto clients, who are 100% equipped with cards, 27% equipped with loans and 20% clients with deposits.

Retail banking

3Q and 9M 2022 Financial performance

INCOME STATEMENT, million MDL					
	3Q 2022	2Q 2022	3Q 2021	% QoQ change	% YoY change
NET INTEREST INCOME	315.6	276.0	157.7	+14.4%	+100.2%
NON-INTEREST INCOME, out of which:	125.1	95.7	101.7	+30.8%	+23.0%
Net fee and commission income	50.9	32.3	48.5	+57.6%	+5.0%
Foreign exchange gains, net	58.2	47.9	44.1	+21.3%	+32.0%
Other operating income	16.1	15.4	9.1	+4.5%	+76.3%
OPERATING INCOME, NET	440.7	371.7	259.4	+18.6%	+69.9%
DIRECT OPERATING EXPENSES, out of which:	(119.7)	(125.5)	(71.8)	-4.7%	+66.6%
Staff costs	(63.9)	(67.8)	(37.3)	-5.8%	+71.5%
Depreciation	(16.1)	(16.7)	(9.9)	-3.9%	+62.3%
Other operating expenses, including:	(39.7)	(41.0)	(24.7)	-3.2%	+60.8%
Deposits Guarantee Fund	(3.4)	(3.1)	(3.7)	+12.3%	-6.1%
Resolution Fund	-	(0.3)	(4.5)	-100.0%	-100.0%
INDIRECT ALLOCATED EXPENSES	(111.1)	(68.2)	(61.2)	+62.9%	+81.4%
PRE-PROVISION OPERATING PROFIT	210.0	178.0	126.3	+18.0%	+66.3%
Impairment and provisions charges	(77.9)	(59.6)	(60.1)	+30.8%	+29.7%
PROFIT BEFORE INCOME TAX (PBT)	132.1	118.4	66.2	+11.6%	+99.5%
Income tax expense	(15.2)	(13.3)	(8.7)	+14.7%	+74.5%
NET PROFIT	116.9	105.1	57.4	+11.2%	+103.7%

INCOME STATEMENT, million MDL			
	9M 2022	9M 2021	% YoY change
NET INTEREST INCOME	832.8	398.9	+108.8%
NON-INTEREST INCOME, out of which:	296.7	258.9	+14.6%
Net fee and commission income	105.5	118.2	-10.7%
Foreign exchange gains, net	146.9	100.3	+46.5%
Other operating income	44.3	40.5	+9.4%
OPERATING INCOME, NET	1,129.5	657.8	+71.7%
DIRECT OPERATING EXPENSES, out of which:	(371.7)	(254.0)	+46.3%
Staff costs	(192.6)	(134.7)	+43.0%
Depreciation	(45.1)	(36.2)	+24.5%
Other operating expenses, including:	(134.0)	(83.0)	+61.3%
Deposits Guarantee Fund	(10.9)	(11.9)	-8.7%
Resolution Fund	(24.4)	(17.5)	+39.4%
INDIRECT ALLOCATED EXPENSES	(269.5)	(195.0)	+38.2%
PRE-PROVISION OPERATING PROFIT	488.4	208.9	+133.8%
Impairment and provisions charges	(235.0)	(102.6)	+129.0%
PROFIT BEFORE INCOME TAX (PBT)	253.4	106.3	+138.5%
Income tax expense	(28.8)	(13.6)	+112.4%
NET PROFIT	224.6	92.7	+142.3%

KEY FINANCIAL RATIOS	3Q Financial performance ^{1S}			9M Financial performance ²	
	30 September / 3Q 2022	30 June / 2Q 2022	30 September / 3Q 2021	30 September / 9M 2022	30 September / 9M 2021
Cost of deposit % (at period-end)	3.53%	2.12%	1.37%	3.53%	1.56%
Cost to income ratio %	52.35%	52.12%	51.30%	56.76%	68.25%
Cost of risk % (at period-end)	3.78%	3.80%	1.60%	3.78%	1.46%
Loan-to-deposit ratio % (at period-end)	37.04%	38.85%	31.94%	37.04%	28.18%
NPL ratio % (at period-end)	3.51%	3.30%	2.70%	3.51%	3.60%

¹ Indicators calculated based on 3Q-annualized (3 months) financial results

² Indicators calculated based on cumulative 9M-annualized financial results

- In 3Q 2022, the retail **net profit** amounted to MDL 116.9 million, up by 11.2% QoQ and by 103.7% YoY. The QoQ increase was spread across several income streams, with a particularly strong contribution of interest income. At the same time, the strong operating performance of 3Q 2022 was partially offset by the expected credit loss (ECL) charges associated to the loan portfolio, as result of revised forward-looking information used in ECL model, as well as some insignificant portfolio quality deterioration.
- **Operating income** reached amount of MDL 440,7 million in 3Q 2022, up by 18.6% QoQ and by 69.9% on a YoY base. The increase in operating income on a QoQ basis, was mainly driven by increase of net interest income coupled with net fee and commission income. The stronger net interest income was driven by the overall loan portfolio growth by 3.6% QoQ and overall increased in yields generated by the loan portfolio.
- **Non-interest income** amounted to MDL 125.1 million in 3Q 2022, increasing by 30.8% QoQ and 23.0% on a YoY basis. The overall growing trend was mainly driven by fee and commission income (F&C), in particular, income generated by card transactions (e.g. merchant fees and ATM fees), this being a result of the increased number of **maib** cards in circulation, up by 6.5% QoQ and 29.1% on YoY basis. Net gains from FX operations increased in 3Q, a seasonal pattern of higher FOREX volumes.
- In 3Q 2022, the **cost of risk** for retail loan portfolio has not changed significantly on a QoQ basis. However, higher charges for expected credit losses were driven by the revision of forward-looking information used in the Bank's ECL model, with consideration of a more pessimistic outlook as well as some insignificant signs of portfolio deterioration, reflected by increasing PAR30 and PAR90 ratios.
- Retail gross **loan portfolio**¹ amounted to MDL 7.4 billion as of September 30, 2022, up by 17.5% YoY though lower by 0.4% QoQ. The consumer lending downtrend has particularly determined the slight compression of the retail loan portfolio. Consumer lending slowdown was a consequence of a mixture of factors, such as: monetary policies measures which picked the interest rates up, changes in regulation related to lending (responsible lending), which slightly narrowed the customers pool and eligible amounts and the last, but not the least factor was the overall economic crisis felt in the region, reflected by inflationary pressures and energy crisis. However, the mortgage lending has been continuing its growing trend, increasing by 0.8% QoQ.
- **Maib** continued to maintain its **lending market leadership position** on 30 September 2022, expressed in a 30.8% retail loans market share, up by 0.3 pp QoQ. The market share has expanded in both consumer and mortgage lending, standing at 33.9% (up by 0.02 pp QoQ) and 27.5% (up by 0.5 pp QoQ), respectively.
- Retail **deposit portfolio**² amounted to MDL 18.5 billion as of September 30, 2022, up by 3.6% QoQ and down by 0.8% YoY. Subsequent to the deposits outflow occurred in 1Q 2022 (following the emerged war in Ukraine), the deposits portfolio has started its recovery in the following two quarters reaching and overcoming the pre-war level. As such, 3Q has recorded a 0.6 pp QoQ growth, particularly observed in deposits denominated in MDL. **Maib** has maintained a strong market position of 34.5% as of September 30, 2022. The increase in portfolio was driven by the overall upward trend of interest rates, in line with the market, particularly noticeable for deposits denominated in MDL. This has encouraged attraction of new deposits and migration, at a some degree, from foreign currency deposits to those

¹Amount represents gross exposure, i.e. principal plus related accrued amounts of interest and commissions, adjusted with amortized cost

²Amount includes principal and related accrued interest

SME Banking

Key business highlights

SME Banking serves Micro, Small and Medium sized enterprises that satisfy cumulatively a certain set of conditions: a turnover of less than MDL 50 million and average yearly balance of loans less than MDL 30 million.

A Micro enterprise is the one with a turnover less than MDL 9 million or with an average yearly balance of loans less than MDL 3 million. The remainder pool represents classic SMEs, which do not qualify for criteria of Micro and have less than 250 employees and an annual turnover not exceeding MDL 50 million.

Market share SME loans:

31.7%

Up by 0.8 pp QoQ

Up by 5.7 pp YoY

Gross Loan portfolio¹:

MDL 5.4 billion

Up by 10.9% QoQ

Up by 48.2% YoY

Internet Banking users:

21.8K

Up by 3.6% QoQ

Up by 21.9% YoY

Deposits portfolio²:

MDL 5.9 billion

Down by 2.6% QoQ

Up by 12.3% YoY

SME is a new segment and has strong development prospective. Maib has ambitious goals in terms of market share and quality of service to SME clients. The following indicators support growth in this segment:

- Over 29.0K active SME customers as of 3Q 2022, 94.5% MAU; 81% share of active users of Internet Banking;
- Pilot project – remote process for guarantees;
- 24.9% share of total maib loan portfolio, up by 2.0 pp QoQ; 62% share on deposits in national currency;
- Portfolio generated by OFI lending programs increased by 5.6% or MDL 93 million reaching the share of 32.4% of total loan balance as of 30 September 2022.
- Volume of FOREX transaction for SME clients up by 13.5% QoQ.

¹Amount represents gross exposure, i.e. principal plus related accrued amounts of interests and commissions, adjusted with amortized cost

²Amount includes principal and related accrued interest

SME banking

3Q and 9M 2022 Financial performance

STATEMENT OF PROFIT OR LOSS, million MDL

	3Q 2022	2Q 2022	3Q 2021	% QoQ change	% YoY change
NET INTEREST INCOME	146.3	115.8	86.7	+26.3%	+68.8%
NON-INTEREST INCOME, out of which:	82.2	72.1	42.6	+13.9%	+92.7%
Net fee and commission income	46.7	42.8	24.9	+9.1%	+87.2%
Foreign exchange gains, net	35.2	28.1	17.6	+25.2%	+99.7%
Other operating income	0.4	1.2	0.1	-70.1%	+495.1%
OPERATING INCOME, NET	228.5	187.9	129.3	+21.6%	+76.7%
DIRECT OPERATING EXPENSES, out of which:	(44.1)	(54.9)	(19.9)	-19.5%	+121.5%
Staff costs	(25.1)	(29.9)	(11.5)	-16.1%	+117.1%
Depreciation	(3.8)	(6.9)	(2.4)	-44.6%	+57.2%
Other operating expenses, including:	(15.2)	(18.1)	(5.9)	-15.7%	+156.4%
Deposits Guarantee Fund	(1.2)	(1.4)	(0.6)	-18.1%	+85.3%
Resolution Fund	-	(0.2)	2.4	-100.0%	-100.0%
INDIRECT ALLOCATED EXPENSES	(43.4)	(45.8)	(43.6)	-5.2%	-0.5%
PRE-PROVISION OPERATING PROFIT	140.9	87.3	65.9	+61.4%	+114.0%
Impairment and provisions charges	(28.7)	(41.2)	(4.9)	-30.3%	+488.8%
PROFIT BEFORE INCOME TAX (PBT)	112.2	46.1	61.0	+143.5%	+84.0%
Income tax expense	(12.9)	(5.2)	(8.0)	+146.3%	+61.7%
NET PROFIT	99.4	40.8	53.0	+143.4%	+87.5%

INCOME STATEMENT, million MDL

	9M 2022	9M 2021	% YoY change
NET INTEREST INCOME	352.6	239.6	+47.1%
NON-INTEREST INCOME, out of which:	222.8	161.7	+37.8%
Net fee and commission income	128.4	102.3	+25.5%
Foreign exchange gains, net	92.6	55.7	+66.4%
Other operating income	1.8	3.7	-51.4%
OPERATING INCOME, NET	575.4	401.3	+43.4%
DIRECT OPERATING EXPENSES, out of which:	(149.8)	(88.2)	+69.8%
Staff costs	(79.4)	(48.7)	+63.0%
Depreciation	(14.3)	(7.6)	+88.2%
Other operating expenses, including:	(56.1)	(31.9)	+75.9%
Deposits Guarantee Fund	(3.7)	(2.9)	+30.8%
Resolution Fund	(12.4)	(10.1)	+23.6%
INDIRECT ALLOCATED EXPENSES	(136.2)	(117.7)	+15.7%
PRE-PROVISION OPERATING PROFIT	289.3	195.4	+48.1%
Impairment and provisions charges	(107.9)	(14.8)	+631.3%
PROFIT BEFORE INCOME TAX (PBT)	181.4	180.7	+0.4%
Income tax expense	(20.6)	(22.5)	-8.2%
NET PROFIT	160.8	158.2	+1.6%

KEY FINANCIAL RATIOS	3Q Financial performance ¹			9M Financial performance ²	
	30 September / 3Q 2022	30 June / 2Q 2022	30 September / 3Q 2021	30 September / 9M 2022	30 September / 9M 2021
Cost of deposit % (at period-end)	0.51%	0.51%	0.31%	0.51%	0.42%
Cost to income ratio %	38.31%	53.55%	49.14%	49.71%	51.31%
Cost of risk % (at period-end)	2.93%	3.12%	0.37%	2.93%	1.10%
Loan-to-deposit ratio % (at period-end)	87.66%	77.32%	67.20%	87.66%	63.80%
NPL ratio % (at period-end)	2.27%	2.60%	1.90%	2.27%	2.70%

¹ Indicators calculated based on 3Q-annualized (3 months) financial results

² Indicators calculated based on cumulative 9M-annualized financial results

- In 3Q 2022, SME Banking has more than doubled the **net profit** recorded in 2Q 2022, reaching MDL 99.4 million. The outstanding QoQ growth is a result of both increase in operating income, in particular net interest income and reduction of operating expenses, in particular staff costs. A lower cost of credit risk has also contributed to a higher segment profitability.
- The increase in **net interest income** was mostly attributable to an overall QoQ growth in the gross loan portfolio by 10.9% or MDL 0.5 billion coupled with higher net interest margins (supported also by a higher loan-to-deposit ratio).
- **Non-interest income** amounted to MDL 82.2 million MDL, increasing by 13.9% QoQ and 92.7% on a YoY basis. Foreign exchange gains had the main contribution (over 70%) to the QoQ non-interest income growth, recording a 25.2% QoQ uptick. The main driver of FX gains were increased FOREX volumes by 13% QoQ, coupled with a slight margin growth.
- **Cost-to-income ratio** of SME segment recorded a noticeable QoQ improvement, standing at 38.3% (3Q-annualized ratio) or lower by 15.2 pp as compared to previous quarter. OPEX basically stood flat. The OPEX optimization noticed in 3Q was the result of performance bonuses reallocation and revision of allocation drivers for depreciation expense among business lines.
- In 3Q 2022, **cost of risk** associated to SME portfolio stood at 2.9%, lower than at the end of previous quarter. Although the impairment charges (in absolute values) were slightly higher as compared to the previous quarter (as result of revision of forward-looking information used in ECL model, coupled with additional impairment charge for particular clients), the continuous performing portfolio growth keeps the overall cost of risk related to this portfolio at the same level.
- SME gross loan portfolio¹ reached MDL 5.4 billion as of September 30, 2022, up by 10.9% QoQ and 48.2% on a YoY basis. The QoQ increase in SME loan portfolio was almost evenly spread between portfolios of working capital and investment loans. At the same time, SME lending in 3Q was mostly focused on working capital loans, these representing 63% of new loans granted in this quarter. Maib's market share in SME loans stood at 32.7% at the end of 3Q, up by 1.8 pp and 6.7 pp on a QoQ and YoY basis, respectively.
The Bank's SME loan portfolio has been gaining a higher share in the Bank's total loan portfolio, reaching 25% at the end of 3Q, up by 2.0 pp QoQ or 5.0 pp YoY. The growth was also continuously boosted by loan agreements (subordinated and ordinary) signed by Maib with international financial institutions, intended for financing certain categories of customers, mostly SMEs. As such, SME loan portfolio financed by other financial institutions increased by 5.7% QoQ (up by MDL 93 million) reaching the share of 32% of the total loans balance.
- SME deposit portfolio² amounted to 5.9 billion as at the end of 3Q 2022, increasing by 12.3% YoY though slightly dropping by 2.6% on a QoQ basis. SME deposits portfolio represents over 21% in total deposits portfolio. The currency mix of the portfolio has not changed significantly, mostly consisting of deposits denominated in local currency – 62%. The structure per accounts type has not changes significantly, over 88% representing sight deposits.

¹Amount represents gross exposure, i.e. principal plus related accrued amounts of interests and commissions, adjusted with amortized cost

²Amount includes principal and related accrued interest

CORPORATE Banking

Key business highlights

Corporate Banking provides loans and other credit facilities to Moldovan's large corporate clients and other legal entities (excluding SMEs), as well as services covering payments and other needs of corporate customers.

Loans market share:

48.3%

Up by 2.0 pp QoQ
Up by 0.5 pp YoY

Clients' portfolio:

+14 new clients

Retention rate – 100%

Gross loan portfolio¹:

MDL 9.1 billion

Down by 0.5% QoQ
Up by 6.9% YoY

Deposits portfolio²:

MDL 4.2 billion

Up by 3.1% QoQ
Up by 21.1% YoY

Corporate Banking showed a sustainable growth in 3Q 2022 in terms of new customers attracted and volume of new loans, deposits and transactions performed with support of maib. A snapshot of the corporate achievements is presented below:

- 90% of corporate customers use maib Internet-Banking;
- 99% of corporate clients payments were online
- Volume of FOREX transactions for Corporate clients up by 20% YoY;
- Increase of clients with payroll projects by 21% at 30 September 2022 (vs 30 September 2021);
- Over 463 business cards in circulation as of 30 September 2021, up by 20% YoY;
- Upward trend for payments in MDL (+44% YoY).

¹Amount represents gross exposure, i.e. principal plus related accrued amounts of interests and commissions, adjusted with amortized cost

²Amount includes principal and related accrued interest

Corporate banking

3Q and 9M 2022 Financial performance

STATEMENT OF PROFIT OR LOSS, million MDL

	3Q 2022	2Q 2022	3Q 2021	% QoQ change	% YoY change
NET INTEREST INCOME	130.3	105.7	102.8	+23.2%	+26.8%
NON-INTEREST INCOME, out of which:	49.9	47.7	46.7	+4.6%	+6.9%
Net fee and commission income	12.0	11.5	7.6	+3.7%	+56.7%
Foreign exchange gains, net	37.8	35.1	37.2	+7.6%	+1.6%
Other operating income	0.1	1.1	1.8	-87.0%	-92.4%
OPERATING INCOME, NET	180.1	153.5	149.4	+17.4%	+20.5%
DIRECT OPERATING EXPENSES, out of which:	(12.0)	(15.6)	(7.0)	-22.7%	+72.9%
Staff costs	(6.6)	(9.2)	(4.4)	-28.3%	+52.0%
Depreciation	(0.6)	(0.7)	(0.3)	-18.0%	+63.1%
Other operating expenses, including:	(4.8)	(5.7)	(2.3)	-15.9%	+110.1%
Deposits Guarantee Fund	(0.7)	(0.8)	(1.2)	-5.0%	-38.3%
Resolution Fund	-	0.5	2.1	-100.0%	-100.0%
INDIRECT ALLOCATED EXPENSES	(25.8)	(21.4)	(34.0)	+20.6%	-24.1%
PRE-PROVISION OPERATING PROFIT	142.3	116.5	108.5	+22.1%	+31.1%
Impairment and provisions (charges) / release	(36.5)	7.7	33.6	-576.5%	-208.7%
PROFIT BEFORE INCOME TAX (PBT)	105.8	124.2	142.2	-14.8%	-25.6%
Income tax expense	(12.7)	(14.9)	(17.9)	-14.6%	-29.0%
NET PROFIT	93.1	109.3	124.3	-14.8%	-25.1%

INCOME STATEMENT, million MDL

	9M 2022	9M 2021	% YoY change
NET INTEREST INCOME	328.0	285.1	+15.0%
NON-INTEREST INCOME, out of which:	152.3	114.4	+33.2%
Net fee and commission income	33.6	26.0	+29.3%
Foreign exchange gains, net	117.4	83.8	+40.1%
Other operating income	1.3	4.6	-71.0%
OPERATING INCOME, NET	480.3	399.5	+20.2%
DIRECT OPERATING EXPENSES, out of which:	(48.3)	(34.4)	+40.5%
Staff costs	(21.4)	(15.3)	+40.2%
Depreciation	(1.8)	(0.9)	+105.1%
Other operating expenses, including:	(25.2)	(18.3)	+37.7%
Deposits Guarantee Fund	(2.3)	(2.2)	+5.3%
Resolution Fund	(10.4)	(9.6)	+7.8%
INDIRECT ALLOCATED EXPENSES	(72.0)	(87.2)	-17.4%
PRE-PROVISION OPERATING PROFIT	360.0	278.0	+29.5%
Impairment and provisions release	139.3	24.0	+480.7%
PROFIT BEFORE INCOME TAX (PBT)	499.3	302.0	+65.3%
Income tax expense	(56.7)	(37.3)	+52.2%
NET PROFIT	442.6	264.7	+67.2%

KEY FINANCIAL RATIOS	3Q Financial performance ¹			9M Financial performance ²	
	30 September / 3Q 2022	30 June / 2Q 2022	30 September / 3Q 2021	30 September / 9M 2022	30 September / 9M 2021
Cost of deposit % (at period-end)	2.05%	1.26%	0.45%	2.05%	0.66%
Cost to income ratio %	20.99%	24.07%	27.39%	25.05%	30.42%
Cost of risk % (at period-end)	-2.49%	-3.92%	-0.36%	-2.49%	-1.77%
Loan-to-deposit ratio % (at period-end)	203.81%	210.90%	222.35%	203.81%	347.83%
NPL ratio % (at period-end)	1.83%	1.94%	6.90%	1.83%	6.00%

¹ Indicators calculated based on 3Q-annualized (3 months) financial results

² Indicators calculated based on cumulative 9M-annualized financial results

- In 3Q 2022, Corporate banking generated MDL 180.1 million **operating income**, up by 17.4% QoQ and up by 20.6% YoY. Operating income growth was propelled by a strong net interest income generation in 3Q as compared to previous quarter and same quarter of prior year.
- In 3Q 2022, **net interest income** amounted to MDL 130.3 million, up by 23.2% QoQ and up by 26.8% YoY. The cumulative 9-month net interest income stood at MDL 328.0 million, higher by 15.0% on YoY basis. QoQ growth was prompted by higher net interest margins, which offset the slight QoQ decrease of loan portfolio, while YoY growth is a consequence of the overall portfolio growth, coupled with higher net interest margin.
- Less than one third of corporate operating income is generated by **non-interest income**, which, in its turn, is mostly (around 75%) composed of **foreign exchange gains**. Net gains from FOREX transactions were overall maintained at the same level during last two quarters. Lower transactions margins in 3Q were counterbalanced by higher volumes of FOREX transactions – up by 47% QoQ and by 20% YoY.
- **Net profit** of 3Q 2022 went down by 14.8% QoQ and down by 25.1% YoY, amounting MDL 93.1 million. Even though the 3Q pre-provision operating profit recorded a noticeable QoQ and YoY growth, the impairment charges booked in 3Q had compressed the bottom profit line. At the same time, previous quarter and same quarter of previous year had recorded significant corporate NPL recoveries, following successful workout actions of the Bank, which have had a generous contribution to the net profit of those periods.
- For the 9-month period **cost of risk** stood at -2.5%, being higher by 1.4 pp than at the end of 2Q 2022. The QoQ increase was determined by both the revision of forward-looking assumptions used in the Bank's expected credit loss (ECL) models, with consideration of a more pessimistic outlook, as well as additional impairment charges related to a few individually analyzed clients. NPL ratio stood at 1.8% down by 0.1 pp QoQ and down by 5.07pp YoY. The decrease was mainly related to significantly high recoveries from non-performing loans occurred in prior periods, which turned the cost of risk to opposite value.
- Corporate **gross loan portfolio**¹ stood at 9.1 billion as of September 30, 2022, being up by 6.9% YoY but down by 0.5% QoQ. The decrease in loan portfolio was bolder in portfolio denominated in local currency, due to higher interest rates encouraging less investments, while the portfolio is foreign currency has increased (in nominal amounts). The amount of newly subscribed corporate loans was higher in 3Q by 5.7% QoQ and higher by 33.9% if compared to similar period of previous year. The QoQ drop is related to the overall decrease in balance of working capital loans, though such loans represent over a half of loans granted during 3Q. As of 30 September 2022, the Bank's market share in corporate lending amounted to 48.3%, up by 2.0 pp QoQ and by 0.5 pp YoY.
- As of 30 September 2022, the **deposit portfolio**² reached MDL 4.2 billion, up by 31.1% QoQ and 21.1% YoY. The structure of portfolio by currency mix has not changes significantly during 3Q, being comprised of similar share half of local and foreign currency deposits. In terms of type of accounts, the portfolio is mostly comprised of sight accounts (over 85%), with a small reduction in the share of term deposit accounts, mostly due to increase in balances of corporate clients on sight accounts.

¹ Amount represents gross exposure, i.e. principal plus related accrued amounts of interests and commissions, adjusted with amortized cost

² Amount includes principal and related accrued interest

Subsequent events

Energy deficit in Moldova. The war in Ukraine led to pressure on Moldovan energy system, exacerbated by the country's high dependence on import of energy sources, in particular Russia's gas. The latest Ukrainian war developments resulted in a high proportion of damage to the Ukrainian energy infrastructure (which served as a significant source of Moldavian import), coupled with Transnistria's decision to cease energy supply, has put pressure on Moldovan energy imports. The gas supply was reduced due to the Gazprom decision to lower the volume of gas delivered in Moldova by around 30%. In order to cover the shortage, Moldova has reoriented to Romanian energy market.

Latest Monetary Policy decision. In relation to the tightening monetary policies, on November 8, 2022 the Executive Committee of the NBM, adopted the decision to maintain at the same level interest rates for the main monetary policy operations, as follows:

- Base rate applied to major short-term monetary policy operations maintained at 21.50%
- Interest rates for overnight loans maintained at 23.50% and for overnight deposits - 19.50%

This Decision was adopted based on the transmission of the effects of previous monetary policy measures and aims to slow consumer prices by mitigating the side effects of supply shocks, further supporting financial intermediation in national currency and saving against consumption, balancing the trade balance, as well as by anchoring inflationary expectations.

Macar Stoianov approved as maib CFO by NBM. NBM has approved Macar Stoianov to serve as maib's new Chief Financial Officer and vice-president of the Management Board. He will be responsible for all finance areas of the Bank, including financial planning, reporting and accounting, treasury, asset and liability management and relationships with financial institutions.

Prior to maib Macar Stoianov has been with McKinsey, the leading global strategy consultancy. During his seven years there he was involved in projects in the areas of business strategy, finance and risk, as well as digital transformation and core operations. Earlier in his career he held posts with KBC and ING, the leading European banking groups, where among other things he gained diverse experience in finance, risk management, including budgeting and pricing. Macar holds an MBA from Vlerick Business School, MSc and BA from Academy of Economic Studies in Bucharest Romania, Financial Risk Management (FRM) from GARP and is a CFA charterholder.

Important legal information: forward- looking statements

This document contains forward-looking statements, such as management expectations, outlook, forecasts, budgets and projections of performance, as well as statements concerning strategy, objectives and targets of the Bank, as well as other types of statements regarding the future. The management of the Bank believes that these expectations and opinions are reasonable, and based on the best knowledge, however, the management of the Bank would like to underline that no assurance can be given that such expectations and opinions will prove to have been correct. As such, these forward-looking statements reflecting expectations, estimates and projections are subject to a number of known and unknown risks, uncertainties and contingencies, and actual results and events could differ materially from those currently being anticipated as reflected in such statements. Important factors that could cause actual results to differ materially from those expressed or implied in forward-looking statements, certain of which are beyond the control of the Bank, include, among other things: macroeconomic risk, including currency fluctuations and depreciation of the Moldovan Leu; regional and domestic instability, including geopolitical events; loan portfolio quality risk; regulatory risk; liquidity risk; capital risk; financial crime risk; cyber-security, information security and data privacy risk; operational risk; COVID-19 pandemic impact risk; climate change risk; and other key factors that indicated could adversely affect our business and financial performance, which are contained elsewhere in this document. No part of this document constitutes, or shall be taken to constitute, an invitation or inducement to invest in maib shares, and must not be relied upon in any way in connection with any investment decision. Maib undertakes no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise, except to the extent legally required. Nothing in this document should be construed as a profit forecast.

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Upcoming investor events

10 November	3Q 2022 Results Conference Call
21 November	Virtual SEE Day by Raiffeisen Bank International
6 December	Winter Wonderland by WOOD & Co. in Prague

