Financial Results
3Q and 9M 2023

3Q and 9M 2023 Financial Results

Content:

maib Report 3Q and 9M 2023
Consolidated Financial Results

3Q 2023 P&L Highlights

- **Net Profit** for 3Q 2023 reached MDL 329.7 million (3Q 2022: MDL 318.5 million), up by 3.5% YoY and up by 4.2% QoQ
- **Return on average equity**[1] (ROE) stood at 17.9% (3Q 2022: 20.7%)
- **ROE before expected credit losses and tax**[1] (ECL) stood at 21.6% (3Q 2022: 32.9%)
- **Return on average assets**[1] (ROA) stood at 2.8% (3Q 2022: 3.2%)
- **Cost to income** stood at 48.2% (3Q 2022: 42.1%)
- **Cost of risk**[1] stood at 0.3% (3Q 2022: 2.1%)
- **Net interest margin**[1] (NIM) stood at 4.2% (3Q 2022: 6.4%)
- Basic **quarterly earnings per share**[4] (EPS) stood at 3.2 MDL (3Q 2022: 3.1 MDL)

9M 2023 P&L Highlights

- **Net Profit** for 9M 2023 reached MDL 987.5 million (9M 2022: MDL 853.4 million), up by 15.7% YoY
- **Return on average equity**[2] (ROE) stood at 18.5% (9M 2022: 19.2%)
- **ROE before expected credit losses and tax**[2] (ECL) stood at 22.6% (9M 2022: 27.0%)
- **Return on average assets**[2] (ROA) stood at 2.9% (9M 2022: 2.9%)
- **Cost to income** stood at 49.9% (9M 2022: 46.7%)
- **Cost of risk**[2] stood at 0.4% (9M 2022: 0.9%)
- **Net interest margin**[2] (NIM) stood at 5.1% (9M 2022: 5.5%)
- Basic **9-months earnings per share**[4] (EPS) stood at 9.5 MDL (9M 2022: 8.2 MDL)

Balance Sheet Highlights as of 30 September 2023

- Total **assets** amounted to MDL 48.7 billion, up by 5.4% QoQ and by 19.6% YoY
- **Loans and advances to customers** (gross) stood at MDL 23,6 billion, up by 1.5% QoQ and up by 9.0% YoY
- **Net loans to deposits ratio** stood at 62.9%, down by 2.8 pp QoQ and down by 8.9 pp YoY
- **Non-performing loans** (NPL) were 3.1%, down by 0.2 pp QoQ and up by 0.3 pp YoY
- **NPL coverage** and **ECL coverage ratios** stood at 156.4% and 4.8%, respectively, on 30 September, 2023, compared to 187.2% and 5.3% as of 30 September, 2022
- Total **customers deposits** amounted to MDL 35.8 billion, up by 6.1% QoQ and up by 25.2% YoY
- The Bank's **Capital Adequacy Ratio**[3] and Tier 1 capital[3] stood at 23.0% and 21.1%, respectively

Market share as of 30 September 2023:

- Market share[5] of **total assets** – 33.6%, up by 1.1 pp YoY
- Market share[5] of **total loans** – 38.2%, up by 1.9 pp YoY
- Market share[5] of **total deposits** – 33.8%, up by 1.2 pp YoY

1 Based on 3Q-annualized (3 months) financial results
2 Based on cumulative 9M-anualized financial results
3 Capital Adequacy Ratio and Tier 1 capital are presented on the standalone basis (Bank only). There is no current requirement to calculate and submit these regulatory indicators on a consolidated basis. The other companies within the Group (subsidiaries of Bank) are non-banks, representing approx. 1% of total equity, 3% of net operating income and 2% of total income of the Group.
4 During 1Q 2023 maib had a 100:1 stock split. Pre-split reported quarterly EPS for 3Q 2022 were MDL 306.9/share. Pre-split reported 9M 2022 EPS were MDL 822.3/share.
5 Market share is presented on the standalone basis (Bank only). Source: National Bank of Moldova

Operating highlights

- **MAIBank user** numbers exceed 500 thousands (up by 9% QoQ and up by 53% YoY);
- **69%** Monthly Retail Active Users (MAU%);
- **32%** of Daily Active Retail Users to Monthly Retail Active Users (DAU/MAU%)
- **62%** of number of retail deposits and **51%** of number of retail loans **originated online** during 3Q 2023;
- **87%** of retail card transactions (by number) were **cashless** in 3Q 2023;
- More than **1 million cards issued** (in active use) by the end of 3Q 2023, up by 5% QoQ;
- Over 15K new **MAIBank users** connected every month (average 3Q 2023);
- Maib continues to pursue its strategic objective of a listing on an international stock exchange. In order to enable the listing maib seeks modification to certain points of Moldovan legislation, which at the moment make the listing impracticable. Subject to these changes maib will communicate an updated timeline for the listing. The timing of the changes is uncertain. Maib continues to engage with all relevant stakeholders to explore the avenues for the listing while ensuring the stability of the banking system.

Economic and Country Updates

- GDP declined by 2.2% in 2Q 2023, with adverse performance from the wholesale and retail trade, manufacturing industry, and construction sectors, contributing to this;
- [1]Revised projections for economic growth in 2023 range from 0.0% to 2.0% (IMF, World Bank, Vienna Institute for Economic Studies and local Ministry of Economy);
- [1]Revised projections for economic growth in 2024 range from 3.5% to 4.3% (same forecasters included);
- [2]Monetary policy easing continued. Base rate lowered to 4.75% (from 6%), required reserves in domestic and foreign currency down to 33% (was 34%) and 43% (was 45%) respectively (7 November monetary policy decision);
- [2]Inflation continues to fall, albeit at a slower pace. It was at 6.3% as of October 2023 compared to 13.2% as of June 2023 and 30.2% in December 2022;

- In **November 2023** the European Commission has recommended that the Council opens **accession negotiations** with Moldova:
  - The Commission will monitor the progress and compliance in all areas related to the opening of negotiations and report to the European Council by **March 2024**;
  - In its report, the European Commission declared that Moldova has **completed six out of the nine** steps set out in the “Commission Opinion on Moldova's EU membership application”;
  - A **decision on the recommendations** is expected to happen on **14-15 of December 2023** when the Council will host a summit in Brussels;
  - This could open up the possibility for Moldova to access **pre-accession assistance**;
  - Moldova was granted **candidate status** in **June 2022**.

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 2023 Financial Results**
- **3Q and 9M 2023 Financial Results presentation**

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Maib at a glance

Maib is the largest bank in Moldova (by total assets), with total assets of MDL 48.7 billion, representing 33.6%[1] of market share by total assets as of 30 September 2023. The bank holds a leading position in the Moldovan market across various metrics, including loans, deposits, brand perception, and other key indicators.

The **Maib Group** encompasses the parent company, "MAIB" S.A., and its subsidiaries, namely "MAIB-Leasing" S.A. and "Moldmediacard" S.R.L. Maib owns 100% of the share capital of MAIB-Leasing S.A. and 99% of the share capital of Moldmediacard S.R.L.

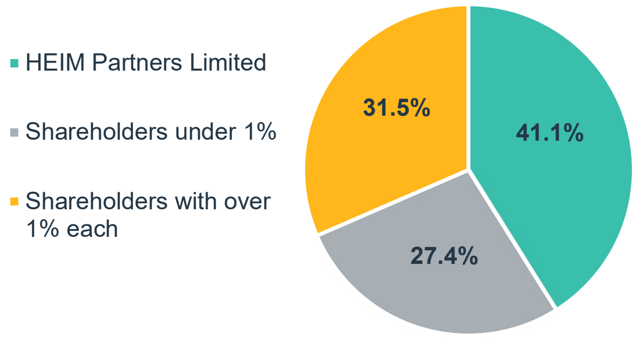
The key areas of operations of **MAIB-Leasing** are leasing of vehicles (over 90% of business activity) and agricultural machinery, as well as other leasing projects. **Moldmediacard** is focused on designing, developing, and offering modern and efficient technological solutions within the payments industry, covering all aspects of card processing.

Maib's more than 2,400 employees serve over one million retail, SMEs and corporate customers across Moldova via the nationwide distribution network.

The Bank's gross loan portfolio totaled MDL 23.6 billion as of 30 September 2023, out of which 35% is represented by retail clients and 65% across legal entities (39% Corporate and 26% SMEs). Maib's loan portfolio covers 38.2%[1] of the market as of the same date.

The bank's funding primarily relies on customer deposits and equity. Additionally, wholesale funding is sourced from loans with international financial institutions and impact finance providers. This diversified funding approach to financing underscores allows mMaib's stability in the financial landscape to stabilize its obtain stable long-term funding.

Maib shareholder structure is as follows:



Maib has a wide shareholders base of over 3,000 shareholders, comprising professional investors, businesses and individuals.

The largest shareholder of the Bank, with a holding of 41.1% of share capital, is HEIM Partners Limited, founded by consortium of investors which comprise EBRD, AB Invalda INVL and Horizon Capital.

In June 2023 maib paid MDL 1.91 per share out of 2022 profits after securing permission of the National Bank of Moldova (NBM).

[1] Market share is presented on the standalone basis (Bank only). Source: National Bank of Moldova

Disclaimer

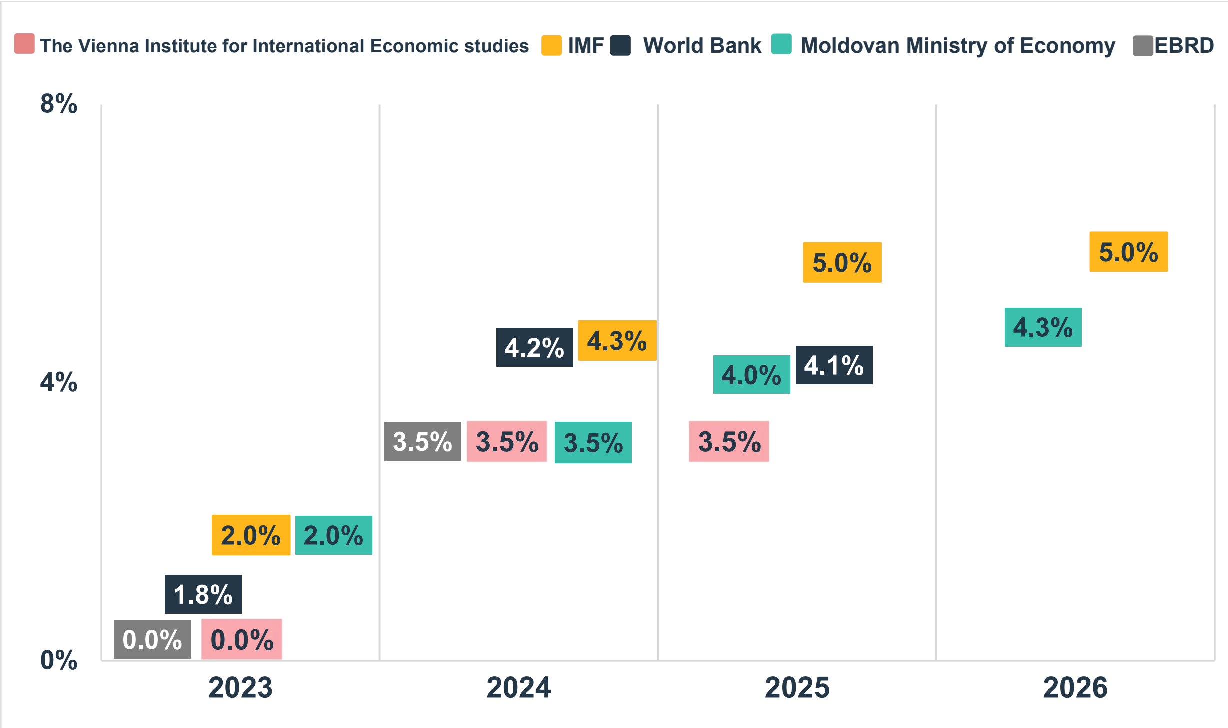
Presented results are based on Group **unaudited consolidated** results of the third quarter (3Q) and 9M of 2023. The balance sheet and income statement within these results are prepared based on International Financial Reporting Standards ("IFRS"), as adopted by IASB. The results are accompanied by limited disclosure notes, including financial and non-financial information. For comparison of quarterly results, consolidated results from the second quarter of 2023 and the third quarter of 2022 are used. For comparison of 9M results, consolidated results of the 9M of 2022 are used.

Economic outlook

Economic recovery expected by the end of the year

The Moldovan economy saw a decline in real terms of 5.9% in 2022, attributable to the Ukraine war, which brought about the energy crisis and high inflation, as well as the 2022 drought which negatively affected agriculture. With the start of 2023, the economy continued contracting, although at a much slower pace, showing (as the below predictions depict) a potential for recovery. In 1Q 2023 the economy experienced a decline of 2.4% in real terms whilst in 2Q 2023 this decline was of 2.2%. Forecasts by relevant major international institutions indicate that the economy in 2023 will grow by up to 2%; even the most pessimistic forecasts do not predict further economic decline. Moreover, the same forecasts estimate that the economic situation will continue to improve in 2024 and beyond.

Estimated 2023 - 2026 latest forecasts[2]:



The second quarter of 2023 saw a decline in economic performance of 2.2% on a year-on-year basis, which was itself preceded by a contraction of 2.4% the previous quarter. Household spending saw a reduction of 7.7%, while gross capital formation contracted by 5.9% year over year. On a quarterly basis adjusted for seasonal variations, the Moldovan economy contracted by 0.5% in 2Q 2023. The economic data for Q3 2023 has not been available at the time of writing of this report.

Overview of key sectors of the economy[1]

In the first 8 months of the year industry fell by 6.3% year-on-year, which is mostly attributed to the effects of the energy crisis, the economic situation in the region, and lower domestic and external demand for industrial products. Most affected were the extractive and manufacturing industries which fell by 10.3% and 8.2% (YoY) respectively. However, amidst these declines, the energy sector recorded an increase in performance by 3.3%.

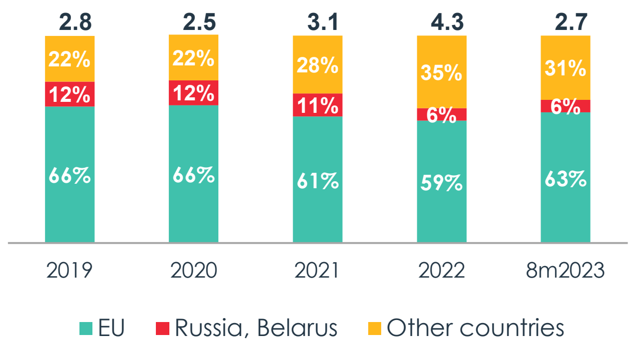
Agriculture production in the first 9 months of the 2023 totalled at MDL 22.6 billion, which is 27.5% higher than the same period the previous year in real terms. This growth was caused by an increase of 46.1% in crop production, which showed signs of recovery from the devastating drought that took place in 2022. On the other hand, livestock production dropped by 4.2% as compared to the same period last year. In terms of share of total, crop production accounted for 65.8% whilst livestock production accounted for 32.6% of total[3].

[1] Source: National Bureau of Statistics of Moldova
[2] According to revised forecasts of: World Bank (June 2023), International Monetary Fund (October 2023), EBRD (September 2023), Vienna Institute for Economic Studies (October 2023) and Moldavian Ministry of Economy (October 2023)
[3] The remainder constitutes services

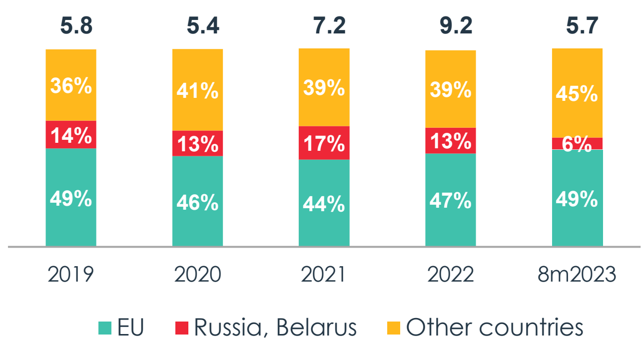
Exports decline[1]

In the period January-August 2023 the total value of exports of goods reached USD 2,668 million, a year-on-year decrease of 9.8%. Out of this, the exports of domestic goods (excluding re-exports) constituted USD 1,818 million (68.2%) whilst re-exports accounted for USD 850 million (31.8%). Exports of local goods decreased by 13.7% from the previous year, whilst re-exports decreased by 0.2% over the same time period.
Imports reached USD 5,709 million in the period January-August 2023, a decrease of 3.1% year-on-year. The trade gap (of goods) reached USD 3,041 million, which is a 3.7% increase from last year.
Foreign direct investment reached USD 65.8 million in 2Q 2023, with the majority of investments coming from the European Union, which accounted for approximately 85% of the total.

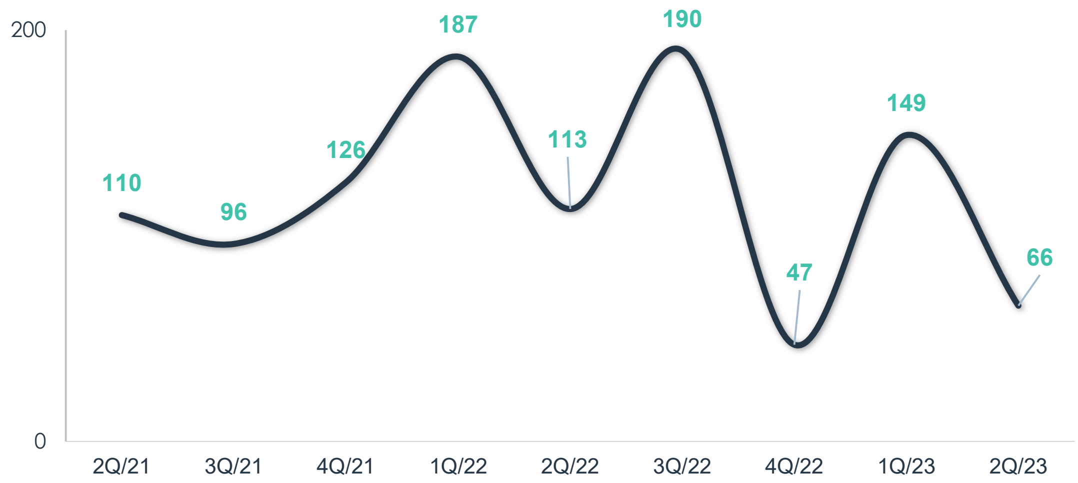
Exports of goods to EU now over two thirds of total, bUSD



Imports of goods from EU under half of the total, bUSD



Republic of Moldova Net FDI Inflows, million USD



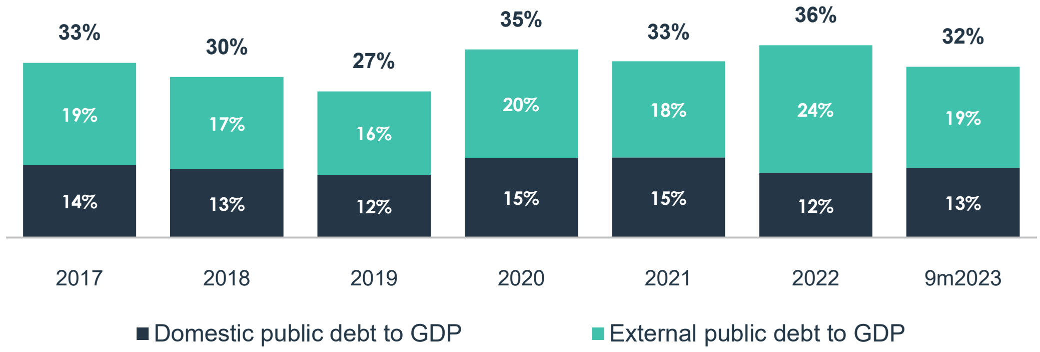
Source: National Bank of Moldova

Government revenues increase but trail expenses[2]

In the first 9 months of 2023, government revenues stood at MDL 73.9 billion, an increase of 12.7% year-on-year. The increase in revenue was largely driven by increased receipts from taxes and duties on goods produced, rendered services, imported goods, and increased wage income. On the other hand, government expenses totalled at MDL 82.1 billion, an increase of 21.7% compared to the same period in 2022. This leaves the budget deficit, which amounted to roughly MDL 8.2 billion in the first 9 months of the year, 4.3 times higher than the same period in 2022 (MDL 1.9 billion).
As of the end of September 2023, the government debt reached MDL 98.3 billion, an increase of 15% year-on-year. The Debt-to-GDP ratio declined to 31.5% compared to the year end 2022 due to substantial (expected) nominal growth of GDP which outpaced the growth of government debt.

[1] Source: National Bureau of Statistics of Moldova
[2] Source: Ministry of Finance

Debt-to-GDP (%) of Republic of Moldova



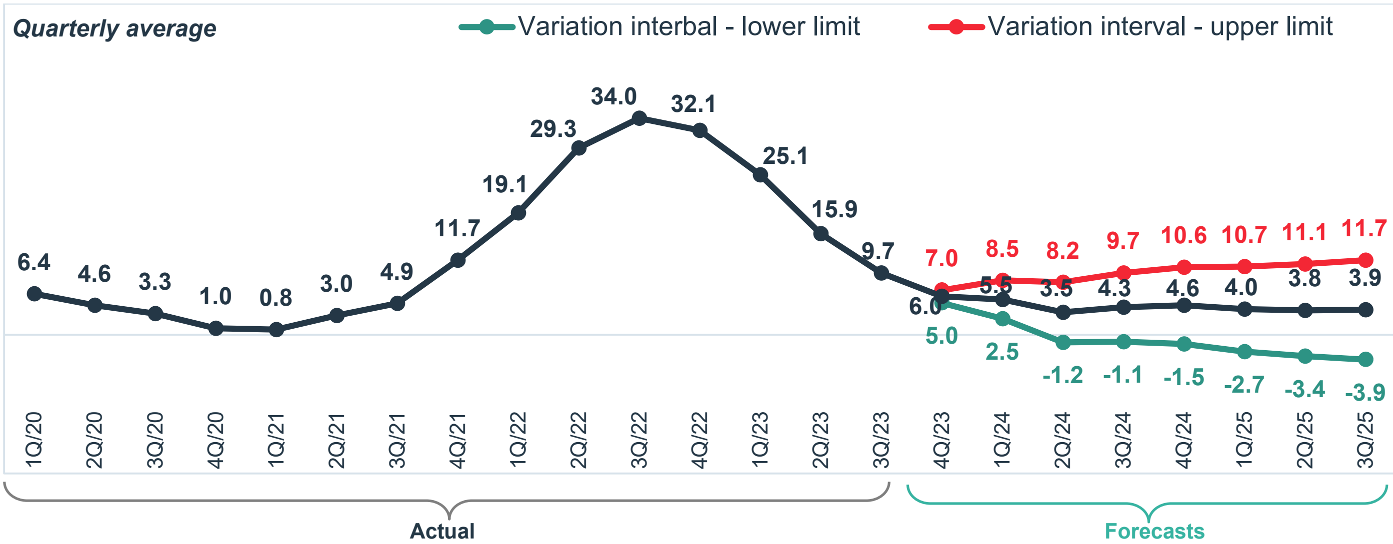
Source: Ministry of Finance

Inflation continuing to subside

As of October 2023 inflation stood at 6.3%. This is within the target rate of 5% (+-1.5%) as per the National Bank of Moldova (NBM), the rate of inflation has dropped significantly, from a 15 year record of 34.6% in October of 2022.

The slowdown of inflation can be attributed to the combination of factors, including decline in energy prices and tight monetary policy employed by the NBM in 2022. Since December 2022 NBM started monetary easing cycle with the base rate down to 4.75% as of November 2023, from a high of 21.5% in October 2022. Reserve requirements have undergone changes since the start of the year declining from 40% in December of 2022 to 34% in February 2023, and are at 33% as of November 2023.

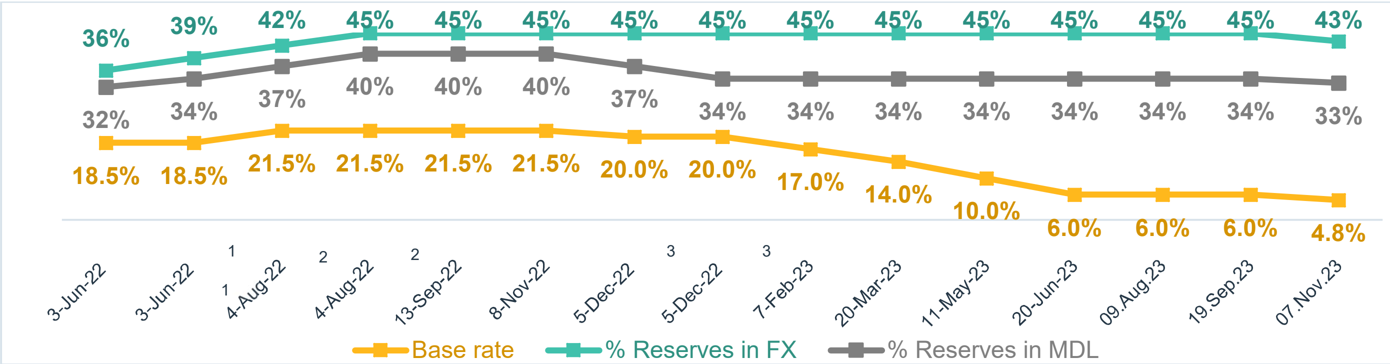
Annual inflation rate, %



Source: National Bank of Moldova, inflation Report no.4, 2023, published 14 November 2023

Regarding future inflationary expectations of the NBM, it is predicted that inflation will continue declining to 3.5% by 2Q 2024. Forecasts by the NBM indicate that the average annual inflation rate will reach a level of 13.6% in 2023 and 4.5% in 2024. However, as Moldova is a highly open economy, the stability of such predictions is conditional on price volatility on the international market scale, as identified by NBM.

Rates on monetary policy instruments



[1] The increase in the Required Reserves rate from financial resources attracted in MDL and FCC was applied in two-steps: June-July and July – August.
[2] The increase in the Required Reserves rate from financial resources attracted in MDL and FCC was applied in two-steps: August-Sep and September-October.
[3] The decrease in the Required Reserves rate from financial resources attracted in MDL and FCY is applied in two steps: December-January and January-February.

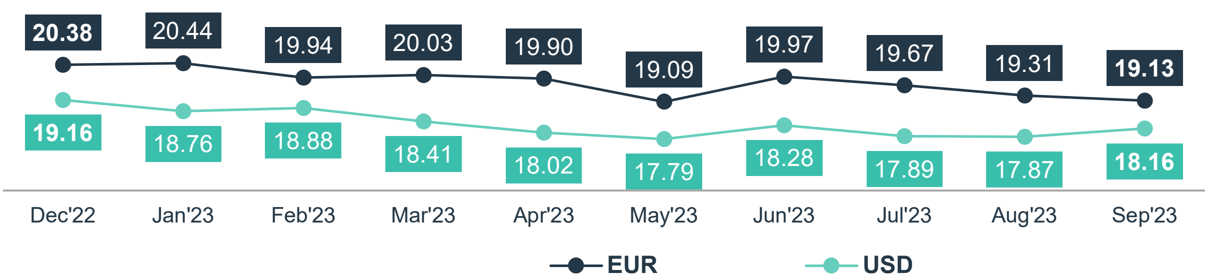
Source: National Bank of Moldova

National currency strengthened in 3Q 2023[1]

Whilst 2022 brought about harsh economic conditions, the national currency (MDL) remained stable, and has been continuously appreciating in 2023. In the first 9 months of 2023, the MDL increased by 5.2% against the USD in nominal terms (from 19.16 USD/MDL on the 1st of Jan 2023 to 18.16 USD/MDL on the 30th of Sep 2023). Against the EUR, the MDL rose by 6.1% (20.38 EUR/MDL to 19.13 EUR/MDL). In 3Q 2023, reduced demand for foreign currency and significant inflows of external financial aid in foreign currency from international partners have contributed to the increasing strength of the MDL.

EUR and USD exchange rates

Month-end



Source: National Bank of Moldova

The National Bank of Moldova (NBM) held USD 4,881 million worth of reserves in 3Q 2023. During the quarter, several factors contributed towards changes in this sum, of which the notable ones are:

- inflow of foreign currency as part of the assistance programs from external partners (mainly the World Bank)
- income from the management of foreign exchange reserves
- outgoing payments to service the national debt, which totalled at USD 240.7 million

Remittances from abroad have constituted USD 464 million in 2Q 2023. Out of this total, over 54% have come from the EU, an increase of over 8% compared to the same period the previous year. This inflow of remittances contributed significantly to supporting the national currency.

[1]Source: National Bank of Moldova

Banking sector adjusts to changing monetary policy stance

In 3Q 2023, banking sector assets have reached MDL 144.9 billion, which represents a year-on-year increase of 16%. The aggregated loan portfolio of banks has totaled at MDL 62.3 billion at the end of September 2023, a year-on-year increase of 3.4%. Notably the loan to deposits ratio reached 58.8% as at the end of 3Q 2023, reflecting the substantial growth of deposits and trailing growth of loans in response to high interest rate in the first half of 2023. Secondly, the loan portfolio declined in the first quarter of the year; it has since recovered and resumed growth.

Banking sector deposits as of 3Q 2023 stood at MDL 106 billion, which represents a year-on-year increase of 20.5% and a quarter-on-quarter fall of 0.5%. The quarterly decline in deposit quantity can be attributed to a significant drop in interest rates on deposits; the weighted average nominal interest rate in MDL for the total banking sector was recorded at 11.1% in June 2023, as compared to 8.7% in September 2023[1].

Despite certain challenges faced, the banking sector remains profitable and well capitalised in 3Q 2023, as shown by these metrics:

- Profitability – net profit grew by 17.9% year-on-year.
- Total capital ratio – stood at 31.4% down by 0.43 percentage points as compared to last quarter (31.8% in 2Q 2023).
- Liquidity Coverage Ratio – LCR stood at 256% up from 255% in 2Q 2023.

Financial aid status[2]

The European Council has granted macro-financial assistance in the form of EUR 295 million (€220 million in the form of loans and €75 million in the form of grants), to contribute to Moldova's balance-of-payments needs and economic recovery. The IMF continues its programme under the 'Extended Credit Facility and Extended Fund Facility' arrangements, which has led to USD 371 million being disbursed to Moldova. Following an IMF mission which begun at the end of September, the team have made it clear that another USD 92 million would be available for Moldova, under these same agreements thus potentially bringing the total to around USD 461.3 million. Moreover, the IMF is expected to grant another USD 169 million under the 'Resilience and Sustainability Facility' arrangement, which will support the government's climate agenda.

These developments follow the significant financial support received by Moldova in 2022, which amounted to a total of EUR 641 million. The aid was used to address the energy crisis, including through government's compensation system, as well as towards maintaining economic stability.

Business confidence[3]

According to the inaugural business confidence survey from AmCham Moldova, 58% of businesses expect either no change or a decline in economic growth, in spite of positive end-of-year and 2024 macroeconomic predictions by both the ministry of finance and international forecasters. The biggest risk to their business, as identified by firms was 'geopolitical instability' (25%), followed by 'labor force shortage' (16%), 'inflation' (13%), and 'consumption decline' (12%). Furthermore, when asked to rate the political stability in Moldova, most businesses were not optimistic, with 92% giving either a bad or neutral rating.

However, businesses are seemingly more confident when it comes to their own future performance as 74% of managers predict either a strong or a moderate improvement in company growth in the next year. Moreover, despite the difficult economic climate, 52% of firms have stated that they intend to expand their business. Nevertheless, 36% of businesses expect an increase in the cost of financing their operations, with 52% of firms reporting that energy cost is a big constraint to their investment opportunities.

Recent election results

On the 5 November the 2023 Moldovan local elections took place which saw mixed results. Out of the 621 locations where a mayor was elected through a simple majority in the first round, 226 of those seats went to the leading party. In parliament, the leading party controls 63 out of a total of 101 seats. In spite of these results, European sentiment is still seemingly strong within the country as a recent poll (October 2023) showed that over 60% the population are still in favor of Moldovan accession to the EU[4].

[1]Source: National Bank of Moldova
[2]Source: Moldova Ministry of Finance, IMF, European council
[3]Source: AmCham Moldova – Business Climate Sentiment Survey
[4]Source: iData barometer, October 2023

Operating highlights in detail

IPO update

One of maib's strategic objectives is a listing on an international stock exchange. In December 2022 maib shareholders voted in favor of allowing the listing of maib shares on Bucharest Stock Exchange. Maib has pursued a transformational strategy focusing on customer experience and digital offerings, bringing its corporate governance and investor disclosure in line with the best international practices. Preliminary assessment of Romanian and international equity investors indicated solid level of interest in maib listing and support from the Bucharest Stock Exchange.

However, at the moment certain points of existing Moldovan legislation make the listing impracticable. Namely, these relate to shareholding approval threshold of 1% and notification requirement for any number of shares bought, as well as some other smaller provisions. These specific points of law restrict liquidity in the open market, and make potential listing unattractive for international portfolio investors, for whom market liquidity is mandatory. While the restrictions are not going to be lifted in the immediate future, maib continues to work with all stakeholders to modify these points of law while ensuring that the stability of Moldovan banking system is maintained. The timeline of the listing will be adjusted accordingly and communicated in due course.

Launch of full digital onboarding

On the 6th of September 2023 **maib** announced the launch of full digital onboarding available for Moldovan citizens; a significant breakthrough in making banking services simpler and more accessible. Digital onboarding became possible after a series of legislative changes in the country, as well as thanks to the innovative approach that **maib** took with its mobile banking application. Any Moldovan citizen with a national ID card can now open an account with **maib** without visiting a branch. This process does not require a digital signature, and is instead enabled by **maib's** own Face ID and Verification features. Security measures embedded with **maibank** application match the photo with the government database, enabling an automatic Know Your Customer (KYC) check. This solution has been given the go-ahead after a pilot project which started on 1 July 2023. New customers can benefit from the largest array of services offered by the **maibank** digital app, as well as some of the most advanced security features. **Maib's** digital onboarding is by far the most advanced, speedy and convenient on the Moldovan banking and financial market.

Opening of maib park

New **maib** headquarters located in the centre of Chisinau opened in September. **Maib** park has a look and feel of a Silicon valley technology campus, with a modern and innovative design incorporating natural light and an open floor plan. The new workplace sports multiple features such as sound-proof booths, informal spaces, a gym, an atrium, a canteen, a café, and multiple meeting rooms of all sizes. Opening the new headquarters is a focal point for **maib's** transformation. It aligns with the Bank's commitment to both its consumers and its current and future work force, bringing together over 1,000 employees formerly scattered across five Chisinau offices. For maib customers, maib park offers a branch with an alto zone, mortgage center, private banking branch, meeting rooms for corporate customers, as well as a self-service area.

Maib named the Best Bank in Moldova by Euromoney and EMEA Finance magazines

Maib has been named the Best Bank in Moldova at the Euromoney Awards for Excellence 2023. This prestigious award underlines maib's leading position in the Moldovan banking system, as measured by market share, profitability and growth, as well as **maib's** continued investments in customer service and innovation. Euromoney Awards for Excellence is based on multiple factors assessed via performance data, surveys, and banking expert views. Euromoney's annual awards programme, which was established in 1992, attracts over 2,000 submissions from more than 500 of the world's leading banks in 113 countries and recognizes excellence across global, regional and individual country categories.
Alongside the Euromoney Awards, EMEA Finance has also named **maib** the Best Bank in Moldova (2022) for the second consecutive year. EMEA Finance magazine, a financial publication aimed at business leaders in banking and finance, is published six times a year. In spite of the adverse conditions faced by the Moldovan banking sector in 2022, **maib** remained well-capitalized and maintained a leading position in all banking segments, showcasing its strength and stability.

Bank’s Strategy

1 Build new level of customer experience

- Payment digitalization
- Development of IT infrastructure for improved customer experience
- Overhaul of physical branches

2 Transform the operating model to Agile

- Streamline and stabilize the work of existing Orchestras and adjust methodology for the new teams
- Increase efficiency and speed of delivery of banking products and services to clients

3 Become an orchestrator for the digital financial ecosystems

- Development of ecosystems with the focus on providing new services within existing digital hubs, increasing traffic through the websites to increase user retention and have a better customer experience

4 Set up a sustainability framework affecting every decision

- Setting up an operating framework that evaluates all maib activities from the point of view of their social and environmental impact

Further strengthen **leadership** position across all markets and segments, including **payments**

Sustainable profitability, enabled also by a disciplined approach to **costs**

Key selected operating milestones achieved during 9M 2023:

New level of customer experience

- **Maib** launched **digital onboarding**
- **Maib** launched a **new product – local Factoring**
- **Maib** launched its **artificial intelligence-based chatbot - maib support**
- **Maib** launched a new service via electronic signature**: requesting the loan tranche online**
- **Maib** launched a new service: **100% digital MTPL insurance***
- **Maib** launched **Google and Apple Pay for business**
- **Maib** launched **GoEcomm** – the e-commerce program that supports small and medium-sized businesses
- **Maib** facilitated the first stock market transaction with **government bonds**
- **Maib** named Best Bank in Moldova at the **Euromoney Awards 2023**
- **Maib** named the **Best Bank in Moldova** for the second consecutive year by **EMEA Finance Europe Banking Awards 2022**
- **Maib** was awarded **"The Best bank for SMEs"** and **"The best CSR bank"** in Moldova titles by Euromoney
- **Maib** named the **Best SME Bank** in Moldova by **Global Finance**
- **Maib** becomes a partner of the **She's Next Empowered** by Visa initiative in Moldova

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

- CasaHub App: Mortgage special offer
- Mortgage video consultations
- DriveHub: ASP car check, Add RCA* To Google / Apple wallet
- OnePOS launch (cash register and POS, all in one devide)
- Merchant Portal
- New **functionalities** added in **maibank**

ESG

- Inaugural sustainability report published in 2Q 2023
- Ongoing "Greening maib" project sponsored by GGF
- Sustainability strategy and governance outline adopted by maib Supervisory Board
- Full strategy and sustainability roadmap to be adopted in November 2023

Agile

Maib **Agile transformation** continued in 3Q: the **fifth wave,** including four **orchestras from Operations Area** has been launched:

- ✓ Collection
- ✓ Operations Back Office
- ✓ Banking Services Retail
- ✓ Support Business Banking

*Motor Third Liability Insurance or RCA insurance

3Q 2023 CONSOLIDATED FINANCIAL RESULTS

CONSOLIDATED UNAUDITED INTERIM (QUARTERLY) **INCOME STATEMENT** highlights, million MDL

	3Q 2023	2Q 2023	3Q 2022	% QoQ change	% YoY change
Net interest income	466.7	526.7	596.0	-11.4%	-21.7%
Net fee and commission income	122.4	106.9	117.6	+14.5%	+4.0%
Net foreign exchange gains	166.4	108.1	127.1	+53.9%	+30.9%
Other operating income	11.3	12.2	35.4	-7.3%	-68.0%
OPERATING INCOME	**766.8**	**753.9**	**876.2**	**+1.7%**	**-12.5%**
Personnel expenses	(237.8)	(224.6)	(225.1)	+5.8%	+5.6%
Depreciation and amortization expenses	(45.9)	(41.2)	(31.2)	+11.5%	+47.2%
Other operating expenses	(85.9)	(108.5)	(112.2)	-20.8%	-23.5%
OPERATING EXPENSES	**(369.6)**	**(374.3)**	**(368.5)**	**-1.3%**	**+0.3%**
OPERATING PROFIT BEFORE CREDIT LOSS ALLOWANCE AND INCOME TAX	**397.2**	**379.7**	**507.7**	**+4.6%**	**-21.8%**
Credit loss allowances and provisions	(17.5)	(19.1)	(146.6)	-8.4%	-88.1%
PROFIT BEFORE TAX	**379.7**	**360.6**	**361.0**	**+5.3%**	**+5.2%**
Income tax expense	(50.0)	(44.2)	(42.5)	+13.0%	+17.6%
NET PROFIT	**329.7**	**316.3**	**318.5**	**+4.2%**	**+3.5%**
- attributable to shareholders of the Bank	*329.7*	*316.3*	*318.4*	*+4.2%*	*+3.6%*
- attributable to non-controlling interests	*0.0*	*0.0*	*0.1*	*-*	*-67.3%*

CONSOLIDATED UNAUDITED **FINANCIAL POSITION STATEMENT** highlights, million MDL

	30 September 2023	30 June 2023	30 September 2022	% QoQ change	% YoY change
Cash and balances with banks	16,289	14,779	14,572	+10.2%	+11.8%
Investments in debt and equity securities	6,562	6,170	2,934	+6.4%	+123.7%
Net loans and advances to customers, including:	22,492	22,151	20,528	+1.5%	+9.6%
Corporate customers	8,800	8,930	8,489	-1.5%	+3.7%
SME customers	5,848	5,929	5,172	-1.4%	+13.1%
Retail customers	7,844	7,292	6,867	+7.6%	+14.2%
Finance lease receivables	283	272	243	+4.1%	+16.5%
Premises and equipment, intangible assets, right of use assets and investment property	2,572	2,232	1,921	+15.2%	+33.9%
Other financial and non-financial assets	459	569	477	-19.2%	-3.7%
Total assets	**48,658**	**46,173**	**40,674**	**+5.4%**	**+19.6%**
Due to banks and borrowings	3,589	3,535	2,728	+1.5%	+31.6%
Due to customers, including:	35,780	33,711	28,587	+6.1%	+25.2%
Corporate customers	6,082	4,872	4,224	+24.8%	+44.0%
SME customers	7,025	6,331	5,873	+11.0%	+19.6%
Retail customers	22,673	22,508	18,490	+0.7%	+22.6%
REPO	-	-	1,503	-	-100.0%
Subordinated debt	510	510	510	+0.1%	-0.1%
Lease and other liabilities	977	1,133	1,015	-13.7%	-3.8%
Bonds issued	260	87	-	+199.3%	+100.0%
Total liabilities	**41,115**	**38,975**	**34,343**	**+5.5%**	**+19.7%**
Total equity attributable to owners	**7,542**	**7,197**	**6,330**	**+4.8%**	**+19.1%**
Non-controlling interest	*1*	*1*	*1*	*+0.6%*	*-0.4%*
Total equity	**7,543**	**7,198**	**6,331**	**+4.8%**	**+19.1%**
Total liabilities and equity	**48,658**	**46,173**	**40,674**	**+5.4%**	**+19.6%**

GROUP **KEY FINANCIAL RATIOS**[1]	30 September/ 3Q 2023	30 June / 2Q 2023	30 September / 3Q 2022
ROE, %	17.9	17.7	20.7
ROE before expected credit losses and tax, %	21.6	21.3	32.9
ROA, %	2.8	2.8	3.2
ROA before expected credit losses and tax, %	3.4	3.4	5.1
NIM, %	4.2	5.0	6.4
Loan yield, %	10.6	10.9	10.0
Cost of funding, %	4.1	4.6	3.2
Cost of deposit, %	3.7	4.2	2.1
Cost to income ratio, %	48.2	49.6	42.1
Loan to deposit ratio (at period-end), %	62.9	65.7	71.8
Cost of risk[2] , %	0.3	0.0	2.1
NPL ratio[2] (at period-end), %	3.1	3.3	2.8
CAR[3] (at period-end), %	23.0	23.7	22.0

[1] Indicators calculated based on annualized quarterly (3 months) financial results
[2] NPL and cost of risk ratios relate exclusively loans to customers' portfolio (without considering other financial assets) of the Bank standalone
[3] CAR (capital adequacy ratio) is presented on the standalone basis (Bank only). There is no requirement to calculate and submit this regulatory indicator on a consolidated basis. The other companies within the Group (subsidiaries of Bank) are non-banks, representing approx. 1% of total equity, 3% of net operating income and 2% of total income of the Group.

9M 2023 CONSOLIDATED FINANCIAL RESULTS

CONSOLIDATED UNAUDITED INTERIM (9-MONTHS) **INCOME STATEMENT** highlights, million MDL

	9M 2023	9M 2022	% YoY change
Net interest income	1,649.4	1,527.4	+8.0%
Net fee and commission income	342.1	296.3	+15.5%
Net foreign exchange gains	372.8	353.2	+5.6%
Other operating income	41.3	71.5	-42.2%
OPERATING INCOME	**2,405.7**	**2,248.4**	**+7.0%**
Personnel expenses	(714.0)	(612.6)	+16.5%
Depreciation and amortization expenses	(125.0)	(92.2)	+35.6%
Other operating expenses	(362.3)	(346.1)	+4.7%
OPERATING EXPENSES	**(1,201.2)**	**(1,050.9)**	**+14.3%**
OPERATING PROFIT BEFORE CREDIT LOSS ALLOWANCE AND INCOME TAX	**1,204.4**	**1,197.5**	**+0.6%**
Credit loss allowances and provisions	(80.2)	(235.7)	-66.0%
PROFIT BEFORE TAX	**1,124.3**	**961.8**	**+16.9%**
Income tax expense	(136.8)	(108.4)	+26.2%
NET PROFIT	**987.5**	**853.4**	**+15.7%**
- *attributable to shareholders of the Bank*	*987.3*	*853.2*	*+15.7%*
- *attributable to non-controlling interests*	*0.1*	*0.1*	*+8.7%*

CONSOLIDATED UNAUDITED **FINANCIAL POSITION STATEMENT** highlights, million MDL

	30 September 2023	31 December 2022	% YTD change
Cash and balances with banks	16,289	14,606	+11.5%
Investments in debt and equity securities	6,562	4,370	+50.1%
Net loans and advances to customers, including:	22,492	21,412	+5.0%
Corporate customers	8,800	9,391	-6.3%
SME customers	5,848	5,203	+12.4%
Retail customers	7,844	6,817	+15.1%
Finance lease receivables	283	272	+4.2%
Premises and equipment, intangible assets, right of use assets and investment property	2,572	2,157	+19.3%
Other assets	459	351	+31.0%
Total assets	**48,658**	**43,168**	**+12.7%**
Due to banks and borrowings	3,589	3,640	-1.4%
Due to customers, including:	35,780	31,357	+14.1%
Corporate customers	46,082	4,526	+34.4%
SME customers	7,025	6,357	+10.5%
Retail customers	22,673	20,474	+10.7%
REPO	-	-	-
Subordinated debt	510	510	+0.1%
Lease and other liabilities	977	988	-1.1%
Bonds issued	260	-	+100.0%
Total liabilities	**41,115**	**36,495**	**+12.7%**
Total equity attributable to owners	**7,542**	**6,672**	**+13.0%**
Non-controlling interest	*1*	*1*	*+13.0%*
Total equity	**7,543**	**6,673**	**+13.0%**
Total liabilities and equity	**48,658**	**43,168**	**+12.7%**

GROUP **KEY FINANCIAL RATIOS**[1]	30 September / 9M 2023	30 September / 9M 2022
ROE, %	18.5	19.2
ROE before expected credit losses and tax, %	22.6	27.0
ROA, %	2.9	2.9
ROA before expected credit losses and tax, %	3.5	4.1
NIM, %	5.1	5.5
Loan yield, %	10.7	9.3
Cost of funding, %	4.4	2.4
Cost of deposit, %	4.0	1.4
Cost to income ratio, %	49.9	46.7
LTD ratio (at period-end), %	62.9	71.8
Cost of risk[2] , %	0.4	0.9
NPL ratio[2] (at period-end), %	3.1	2.8
CAR[3] (at period-end), %	23.0	22.0

[1] Indicators calculated based on cumulative 9-months annualized financial results
[2] NPL and cost of risk ratios relate exclusively to loans to customers' portfolio (without considering other financial assets) of the Bank standalone
[3] CAR (capital adequacy ratio) is presented on the standalone basis (Bank only). There is no requirement to calculate and submit this regulatory indicator on a consolidated basis. The other companies within the Group (subsidiaries of Bank) are non-banks, representing approx. 1% of total equity, 3% of net operating income and 2% of total income of the Group.

Highlights of 3Q and 9M 2023 financial performance

Strong financial and operating performance continued in 3Q 2023

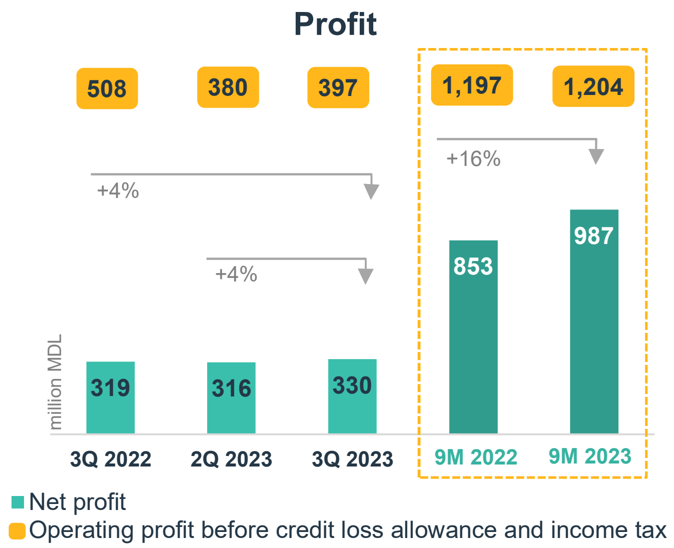
In the 3rd quarter of 2023, **Group's net profit** amounted to MDL 329.7 million, up by 4.2% QoQ and by 3.5% on a YoY basis. Amid the ongoing monetary policy relaxation cycle and its repercussions on asset yields, especially concerning required reserves and debt securities, which impacted net interest income, the Group succeeded to expand its **operating income** level by 1.7% on a QoQ basis. The main contributor to this growth was non-interest income, in particular net foreign exchange gains, which marked a solid 53.9% QoQ increase.

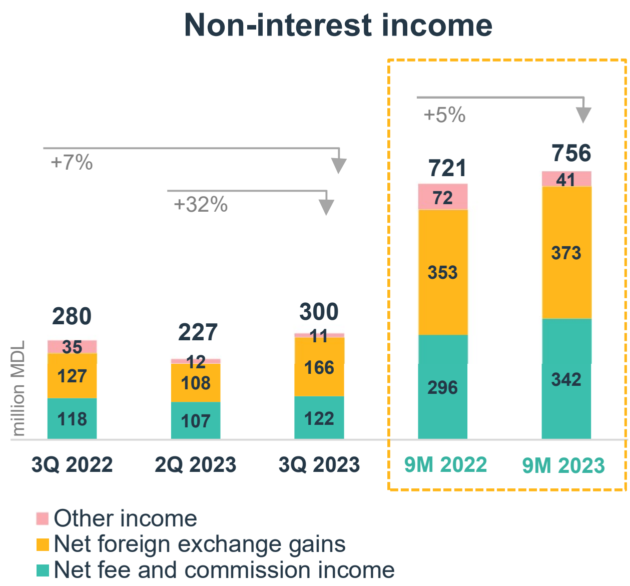
During the first 9 months of 2023, the Group demonstrated robust profitability, achieving a net profit of MDL 987.5 million, up by 15.7% on a YoY basis. During the same period, the total **operating income** reached MDL 2405.7 million, a 7.0% YoY growth. This expansion in operating income is primarily attributed to the strong performance in net interest income derived from both loans to customers and debt securities portfolios. The Group's resilient operating performance, combined with reduced cost of risk, led to a ROE and ROA of 18.5% and 2.9%, respectively, for the first 9 months of 2023.

Non-interest income constitutes over one third of the total operating income. In the 3rd quarter of 2023, non-interest income reached MDL 300.1 million, a 32.1% QoQ and 7.1% YoY increase. The QoQ growth was primarily driven by the net foreign exchange gains from increased margins and volumes of forex exchange transactions by legal entities during this period.

For the 9 months of 2023 the non-interest income showed a 4.9% YoY growth, reaching MDL 756.3 million. The most significant contributor to this growth was the robust performance of net fee and commission income, particularly driven by settlement operations, international money transfers, and card business.

All of the above reflects the Group's ability to navigate through evolving market conditions and sustain a strong financial performance.





Monetary policy easing impacting net interest margins

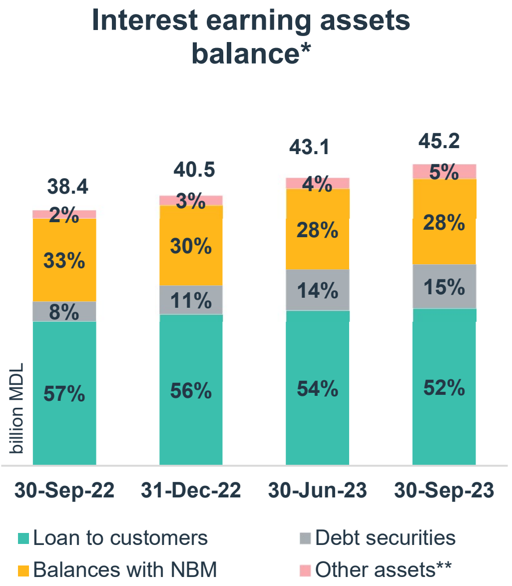
During the third quarter of 2023, the **Group's net interest margin** (NIM) fell to 4.2%. This represents an 80 basis points decrease on quarter-over-quarter (QoQ) basis and a more substantial 220 basis points decrease compared to the same period last year. This downturn in NIM is a direct result of the continued monetary policy easing initiated at the end of the preceding year.

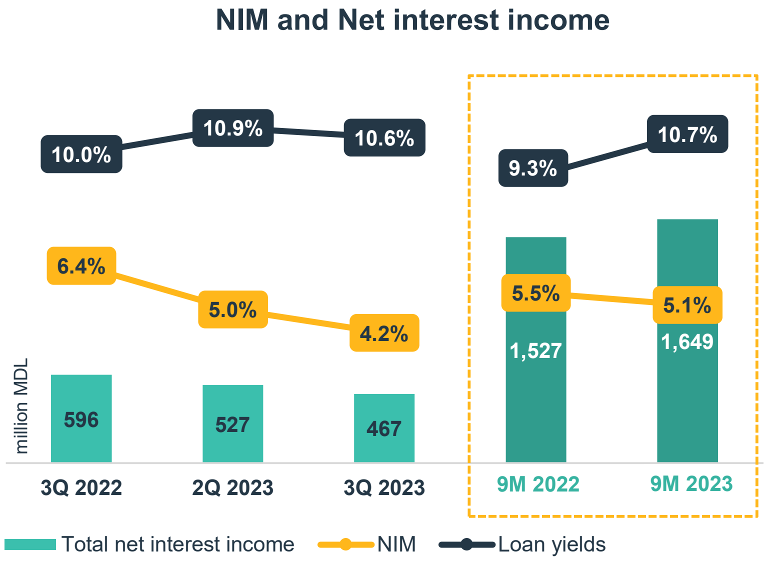
The reduction in asset yields has played a key role in the contraction of NIM, resulting in a successive impact on net interest income, which decreased by 11.4% QoQ and 21.7% YoY during the third quarter of the year.

The most significant impact on the decline of net interest income can be attributed to lower yields on sovereign monetary instruments, such as required reserves held with the NBM in national currency and sovereign debt securities portfolio. Simultaneously, the pressure of yields on NIM has been partially offset by the decreasing deposit cost, a trend that is expected to persist as the portfolio gradually reprices at the current interest rates.

Notably, despite the decline in loan yields (by 0.3 pp QoQ to 10.6%), **loan interest income** has remained at the same level, the effect of gradual repricing being offset by the loan portfolio growth (by 1.5% QoQ).

3Q 2023 funding cost fell by 0.5 pp QoQ to 4.1%, this being primarily attributed to deposit cost decrease by 0.6 pp QoQ to 3.7%.





* Gross Book Value of the assets
** Other interest earning assets include due from banks and finance lease receivables

Cost-to-income ratio (CIR) maintains a downward trend in 3Q 2023

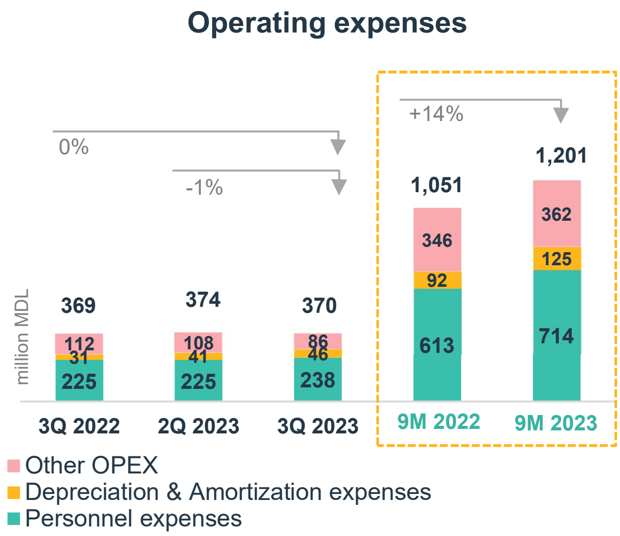
In the third quarter of 2023, the **Group's cost to income ratio** (CIR) continued declining, reaching 48.2%, marking an improvement of 1.4 pp QoQ. For the year-to-date (YTD) period, the CIR was 49.9%, indicating a 3.2 pp increase on a YoY basis.

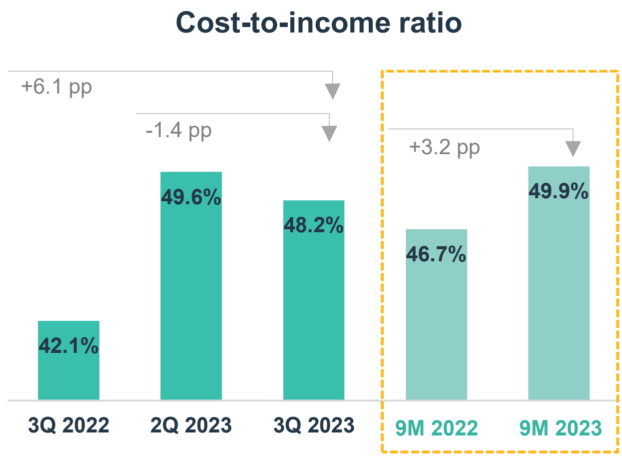
Group's **operating expenses** (OPEX) in the third quarter of the year reached MDL 369.6 million, reflecting a 1.3% QoQ decrease, but remained unchanged YoY.

This reduction is primarily attributed to a notable 20.8% decline in other operating expenses, particularly related to professional services such as consulting and auditing. However, this positive trend was partially offset by a 5.8% QoQ increase in staff costs during the quarter, driven by adjustments to the pay scale in the current year.

For the first 9 months of the year, Group's OPEX amounted to MDL 1,201.2 million, reflecting a significant 14.3% YoY growth. This increase was predominantly driven by a rise in staff costs following the implementation of a new grading system and adjustments to salary structure, aimed at maintaining the bank's competitive advantage in an inflationary environment.

As inflationary pressures show signs of decline, the Group anticipates easing cost pressures in the remaining months of the year. The cost-to-income ratio remains the key performance indicator closely monitored by the Group, particularly in the context of business expansion, decreasing asset yields, and the ongoing development of strategic initiatives.





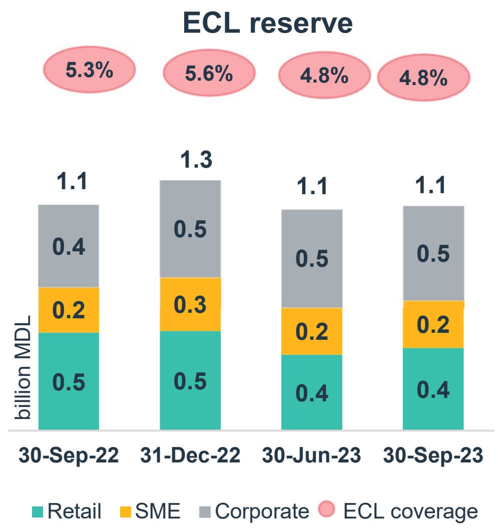
Managing asset quality in challenging times

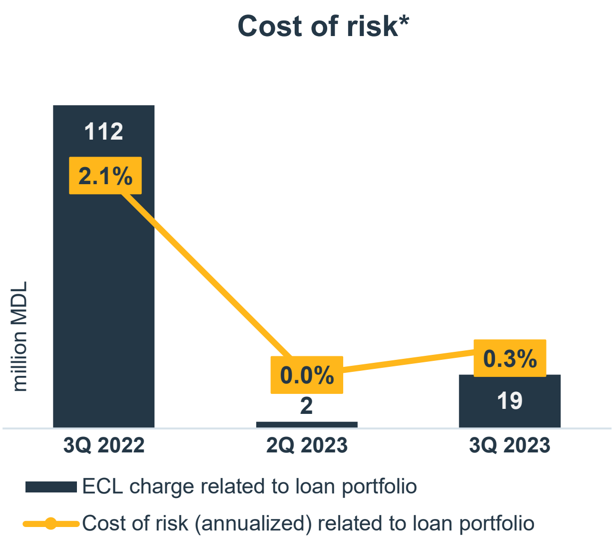
Despite the challenges posed by a slow economic recovery and heightened uncertainty related to the Ukraine conflict, the Group demonstrated robust loan portfolio growth in the third quarter of 2023 while preserving portfolio quality.

The share of **non-performing loans** (NPL) as of September 30, 2023, stood at 3.1%, a decrease of 0.2 percentage points from the end of June. This improvement was primarily driven by successful recovery in the Corporate portfolio, following proactive measures to mitigate the impact of a significant defaulted exposure. Equally, the Retail and SME portfolio quality remained stable. Despite the improvement of NPL ratio, the Group maintained a stable reserve ratio of 4.8%, in order to cover any potential losses on restructured portfolios and residual risk on significant exposures.

In the third quarter of 2023, the annualized **cost of risk** for the loans to customers' portfolio was 0.3%, a marginal increase from the previous quarter but notably lower by 1.8 percentage points compared to the same period in 2022. The increase in cost of risk was mainly driven by the Retail portfolio, which grew without any loan quality deterioration.

Despite these positive trends, the Group remains focused on managing credit risk, employing a prudent and proactive approach and utilizing an early warning system to monitor portfolio quality in the face of ongoing economic uncertainty.





ECL charge related to Bank loan portfolio

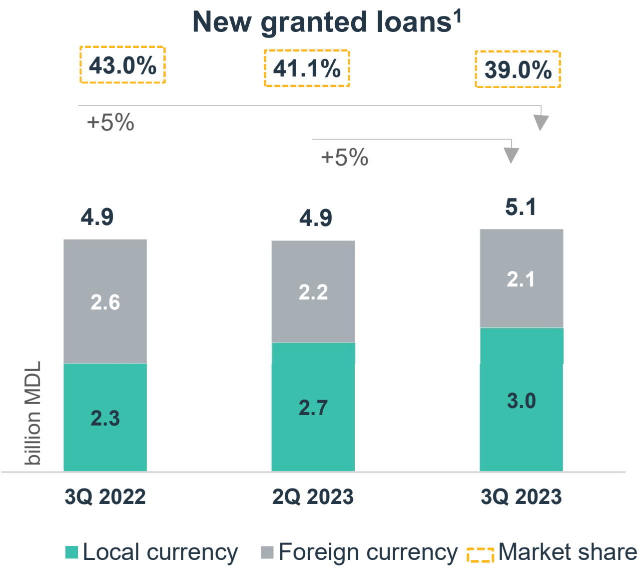
Sustaining leadership in lending

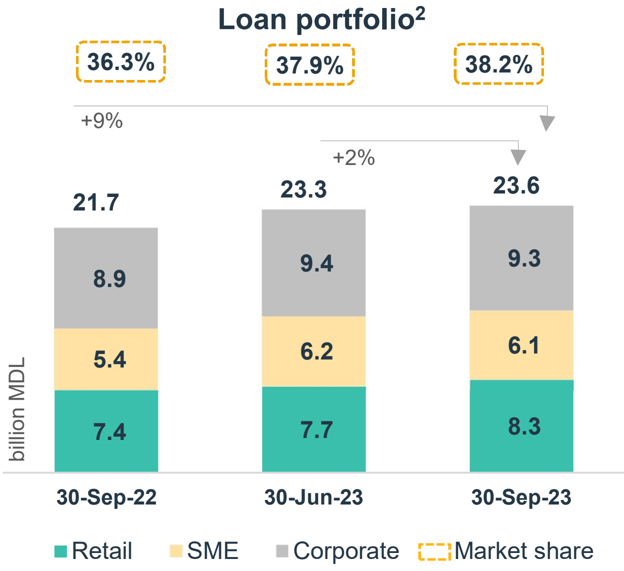
The **gross loan portfolio** reached MDL 23,636 million, reflecting a 1.5 pp increase QoQ and a substantial 9.0 pp YoY. Maib solidified its position as the loan market leader during the third quarter of 2023, expanding its market share by 0.3 pp to 38.2%, a YoY increase of 1.9 pp.

The QoQ increase was driven by a notable 7.6% growth in Retail loan portfolio, contributing to maib's enhanced market share in retail lending, which rose by 0.8 pp to 33.6% by the end of September 2023.

While the legal entities' loan portfolio experienced a modest 1.5% decrease in the third quarter of 2023, it marked a significant 7.4% YoY increase. This contraction aligns with the overall market lending slowdown. Despite this, the Group managed to expand its market share in the legal entities lending market by 0.3 pp during the third quarter up to 41.2%, particularly fueled by the SME segment.

During the quarter maib's market share of **newly granted loans**, declined YoY due to the high base effect of 2022. The retail lending was the primary driver for maib's market share expansion in 2023.





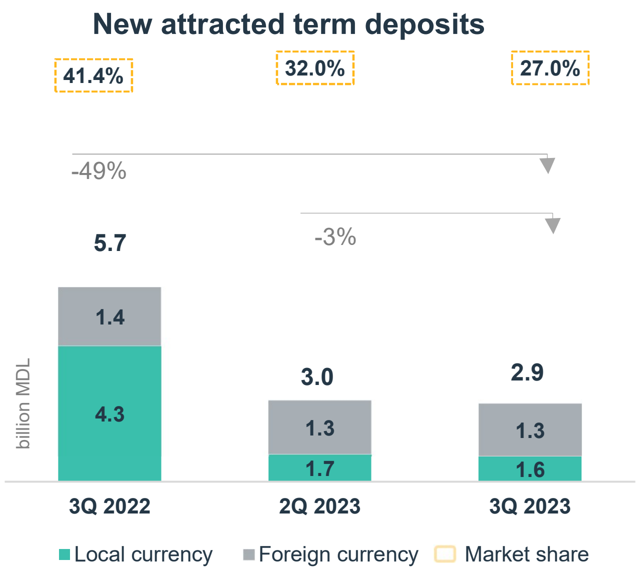
Source: National Bank of Moldova, maib financials

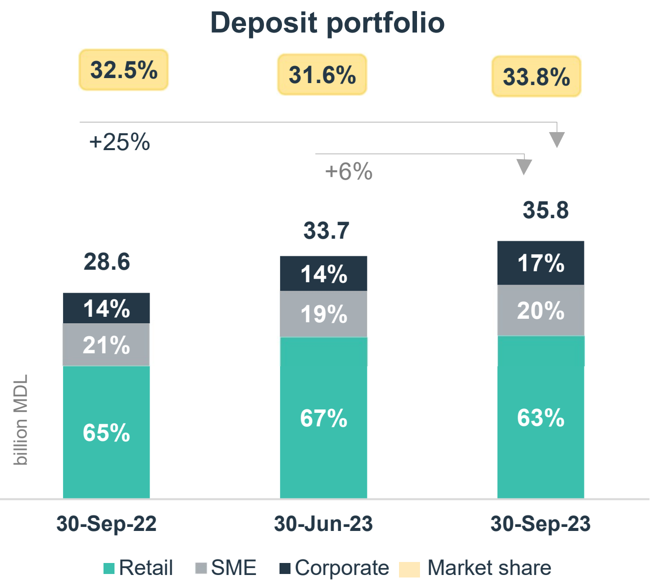
Deposit Growth Driven by the Corporate Segment in 3Q 2023

As of September 30, 2023, the **customers' deposits portfolio** reached MDL 35,780 million, reflecting a robust 6.1% increase QoQ and a substantial 25.2% growth YoY. The Bank's market share in deposits stood at 33.8%, demonstrating a substantial increase of 2.1 pp QoQ and 1.2 pp YoY.

In terms of segments, the QoQ increase was primarily driven by the Corporate portfolio, making up 58% of the overall deposit growth. Consequently, the corporate deposit portfolio witnessed a substantial 24.8% QoQ and 44.0% YoY increase, expanding its share in the Group's portfolio from 14% to 17% during 3Q 2023. This increase in corporate deposits was particularly significant in current deposits in both national and foreign currencies.

Simultaneously, the SME deposits portfolio continued its growth during the third quarter of 2023, increasing by 11.0% QoQ and 20% YoY. The notable growth in SME deposit portfolio was particularly evident in current deposits denominated in the domestic currency, recording a 13% QoQ increase.



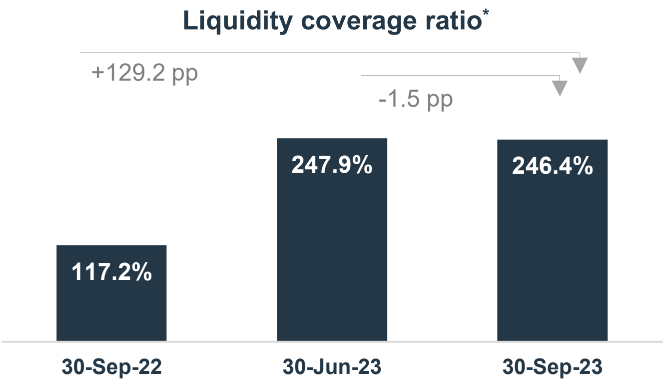


Source: National Bank of Moldova, maib financials

Maintaining strong liquidity position

Maib consistently upholds a **robust liquidity position**, ensuring stability in its financial operations. As of September 30, 2023, the total Liquidity Coverage Ratio (LCR) remained strong at 246.4%, significantly surpassing the minimum requirement of 100%. Although there was a slight decrease in LCR during 3Q 2023, primarily attributed to the increase in customer deposits, the ratio remains well above regulatory threshold.

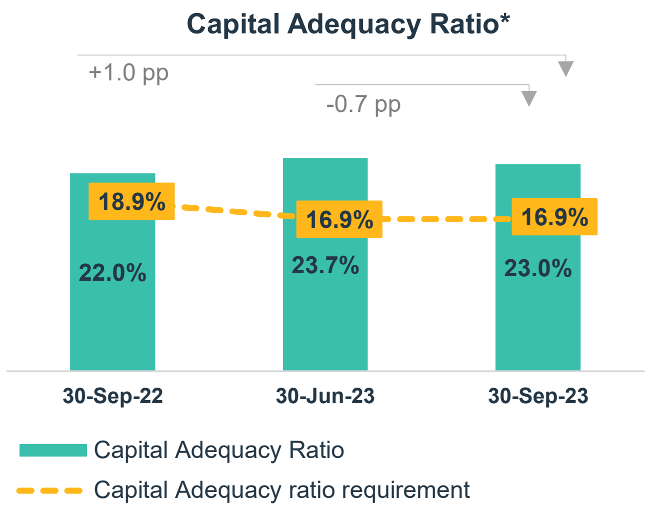
Source: National Bank of Moldova; maib financials



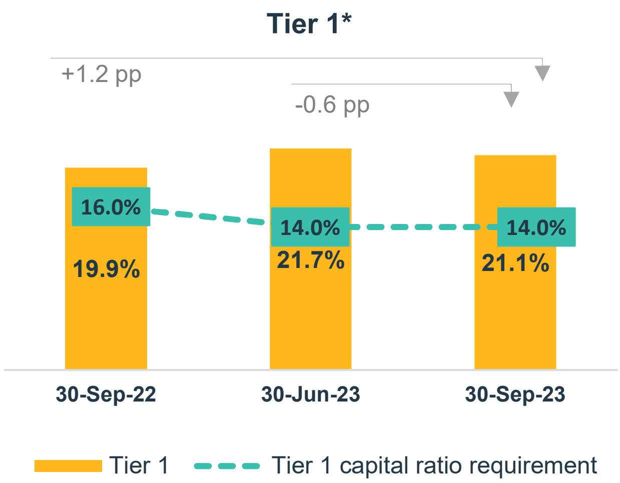
Note: maib has revised its methodology for calculation of LCR, particularly in terms of deposit cash outflow. The method was applied for calculation of LCR as of 30 June 2023 and 30 September 2023. LCR value presented for 30 September 2022 is according to the previously used methodology (NBM requirement for LCR as of 30 September 2022 was 80%).

Solid capital position

Capital Adequacy Ratio (CAR) and **Tier 1** stood at **23.0%** and **21.1%,** respectively, as of 30 September 2023, comfortably exceeding the minimum regulatory requirement of 16.9% for CAR and 14.0% for Tier 1. The slight QoQ decrease in CAR is attributed to increase in the difference between prudential and IFRS expected credit loss allowances, along with a rise in the balance of intangible assets.

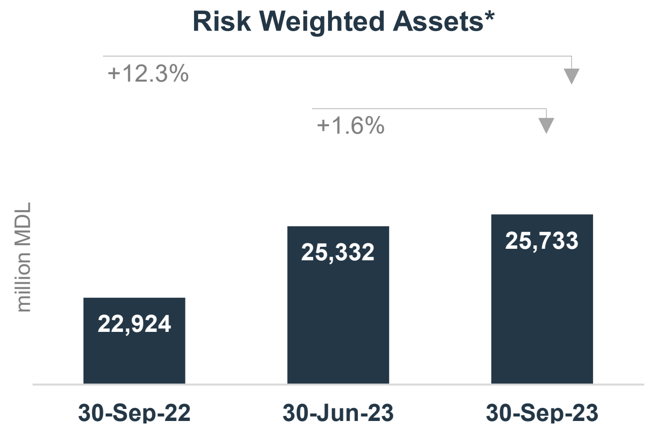


Source: National Bank of Moldova



Source: Maib financials

* Capital Adequacy Ratio, Tier 1 and LCR are presented on the standalone basis (Bank only). There is no requirement to calculate and submit these regulatory indicators on a consolidated basis. The other companies within the Group (subsidiaries of Bank) are non-banks, representing approx. 1% of total equity, 3% of net operating income and 2% of total income of the Group.



Source: National Bank of Moldova; maib financials

As of September 30, 2023, the balance of **risk weighted assets (RWA)** increased by 1.6% QoQ and by 12.3% YoY, reaching MDL 25,733 million. The QoQ increase is primarily linked to the growth in the Bank's exposure to the Retail loans. Meanwhile, the YoY rise in RWA is predominantly attributed to an increase in the Bank's exposure to loans covered by real estate collaterals and its overall exposure to the Retail sector.

* Risk Weighted Assets are presented on the standalone basis (Bank only). There is no requirement to calculate and submit these regulatory indicators on a consolidated basis. The other companies within the Group (subsidiaries of Bank) are non-banks, representing approx. 1% of total equity, 3% of net operating income and 2% of total income of the Group.

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[1]:
33.6%
Up by 0.8 pp QoQ
Up by 2.8 pp YoY

Gross loan[2] portfolio:
MDL 8.3 bn
Up by 7.6% QoQ
Up by 12.2% YoY

Term deposits in local currency:
MDL 9.0 bn
Down by 2.7% QoQ
Up by 28.7% YoY

MAIBank users:
>500 thousand
Up by 9 % QoQ
Up by 40 % YoY

Cards portfolio[3]:
1.1 million
Up by 5% QoQ
Up by 24% YoY

POS portfolio:
>13,800
Up by 2% QoQ
Up by 18% YoY

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

- Expansion of **retail customer** base by 27K during 3Q 2023;
- **Card penetration** of client base is over 66%;
- Expansion of **MAIBank usage base** by another 44K users during 3Q 2023;
- **User base** of MAIBank is over 69% of all active clients portfolio;
- **10 YoY** increase of the number of transactions with cards;
- Over **62%** of new **deposits** in 3Q 2023 were opened **online**;
- More than **1 million cards in circulation** reached during 3Q 2023, up by 24% YoY;
- **POS network** expanded by 2% QoQ and 18% YoY;
- **51%** of active customers have **loan products**;
- **Cashless transactions** reached 87% of all transactions by number in 3Q 2023;
- Over **3.5K Alto clients** (premium banking), with a 100% penetration of cards, 31% - loans and 19% - deposits;
- Total subscription of **the third and fourth tranche** of maib's first corporate bond issue reached a total of MDL 172 million.

[1] Source: NBM
[2] Amount represents IFRS gross exposure, i.e. principal and related accrued amounts of interest and commissions, adjusted with amortized cost
[3] Cards in circulation

Retail banking
3Q 2023 and 9M Financial performance

UNAUDITED INTERIM (QUARTERLY) **INCOME STATEMENT** highlights, million MDL

	3Q 2023	2Q 2023	3Q 2022	% QoQ change	% YoY change
NET INTEREST INCOME	**248.3**	**286.2**	**315.6**	**-13.2%**	**-21.3%**
NON-INTEREST INCOME, out of which:	**132.6**	**94.9**	**125.1**	**+39.7%**	**+6.0%**
Net fee and commission income	48.3	35.4	50.9	+36.4%	-5.1%
Foreign exchange gains, net	76.1	52.1	58.1	+45.9%	+30.9%
Other operating income	8.2	7.4	16.1	11.6%	-49.0%
OPERATING INCOME, NET	**380.9**	**381.1**	**440.7**	**-0.1%**	**-13.6%**
DIRECT OPERATING EXPENSES, out of which:	**(131.3)**	**(135.2)**	**(119.6)**	**-2.9%**	**+9.8%**
Staff costs	(71.5)	(79.3)	(63.9)	-9.9%	+11.8%
Depreciation	(23.5)	(20.7)	(16.0)	+13.9%	+47.0%
Other operating expenses, including:	(36.3)	(35.2)	(39.7)	+3.0%	-8.6%
Deposits Guarantee Fund	(4.5)	(4.4)	(3.4)	+2.4%	+32.2%
Resolution Fund	-	(0.6)	-	-100.0%	-
INDIRECT ALLOCATED EXPENSES	**(98.2)**	**(121.6)**	**(111.1)**	**-19.3%**	**-11.6%**
OPERATING PROFIT BEFORE CREDIT LOSS ALLOWANCE AND INCOME TAX	**151.5**	**124.3**	**210.0**	**+21.8%**	**-27.9%**
Impairment and provisions charges	(41.1)	1.4	(78.0)	-3,021.7%	-47.3%
PROFIT BEFORE INCOME TAX (PBT)	**110.4**	**125.7**	**132.0**	**-12.2%**	**-16.4%**
Income tax expense	(14.2)	(15.5)	(15.2)	-8.2%	-6.6%
NET PROFIT	**96.2**	**110.3**	**116.8**	**-12.8%**	**-17.7%**

UNAUDITED INTERIM (9-MONTHS) **INCOME STATEMENT** highlights, million MDL

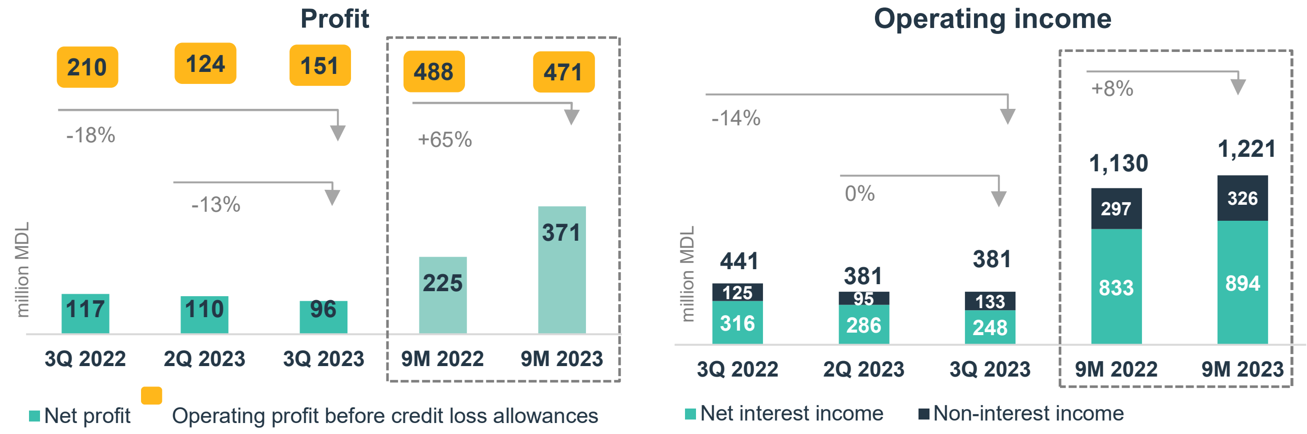
	9M 2023	9M 2022	% YoY change
NET INTEREST INCOME	**894.4**	**832.8**	**+7.4%**
NON-INTEREST INCOME, out of which:	**326.4**	**296.7**	**+10.0%**
Net fee and commission income	124.3	105.5	+17.8%
Foreign exchange gains, net	175.3	146.9	+19.4%
Other operating income	26.8	44.3	-39.5%
OPERATING INCOME, NET	**1,220.8**	**1,129.5**	**+8.1%**
DIRECT OPERATING EXPENSES, out of which:	**(417.3)**	**(371.7)**	**+12.3%**
Staff costs	(223.5)	(192.6)	+16.0%
Depreciation	(61.6)	(45.1)	+36.6%
Other operating expenses, including:	(132.3)	(134.0)	-1.3%
Deposits Guarantee Fund	(12.8)	(10.9)	+17.4%
Resolution Fund	(24.4)	(24.4)	+0.1%
INDIRECT ALLOCATED EXPENSES	**(332.4)**	**(269.5)**	**+23.4%**
OPERATING PROFIT BEFORE CREDIT LOSS ALLOWANCE AND INCOME TAX	**471.0**	**488.4**	**-3.6%**
Impairment and provisions charges	(49.9)	(235.0)	-78.8%
PROFIT BEFORE INCOME TAX (PBT)	**421.1**	**253.4**	**+66.2%**
Income tax expense	(50.3)	(28.8)	+74.6%
NET PROFIT	**370.9**	**224.6**	**+65.1%**

	3Q Financial performance[1]			9M Financial performance[2]	
KEY FINANCIAL RATIOS	**30 September/ 3Q 2023**	**30 June/ 2Q 2023**	**30 September/ 3Q 2022**	**30 September/ 9M 2023**	**30 September/ 9M 2022**
Cost of deposit, %	4.7	5.4	2.6	5.1	1.7
Cost to income ratio, %	60.2	67.4	52.3	61.4	56.8
Cost of risk, %	1.4	-0.4	3.7	0.3	3.8
LTD ratio (at period end), %	34.6	32.4	37.1	34.6	37.1
NPL ratio (at period-end), %	2.6	2.7	4.4	2.6	4.4

[1] Indicators calculated based on quarterly (3 months) annualized financial results
[2] Indicators calculated on cumulative 9-months annualized financial results

- In the third quarter of 2023, Retail Banking recorded a **net profit** of MDL 96.2 million, marking a 12.8% QoQ and 17.7% YoY decrease. The quarterly dip in profitability within the Retail segment was primarily driven by credit risk charges and reduction of net interest income compared to the preceding quarter.

- For the YTD period, the net profit reached MDL 370.9 million, reflecting a substantial 65.1% YoY increase. This notable rise in net profit was driven by increase in both interest and non-interest income, along with a significant 78.8% YoY reduction in expected credit loss charges related to the loan portfolio. Notably, during first 9 months of 2022, the Bank strategically built credit allowances to ensure as a proactive measure in managing credit risk to navigate economic turbulence and geopolitical uncertainties, particularly stemming from the conflict in neighboring Ukraine. The unwinding of this approach generated a positive effect, contributing to the growth in the Retail segment's profitability for the first months of 2023.



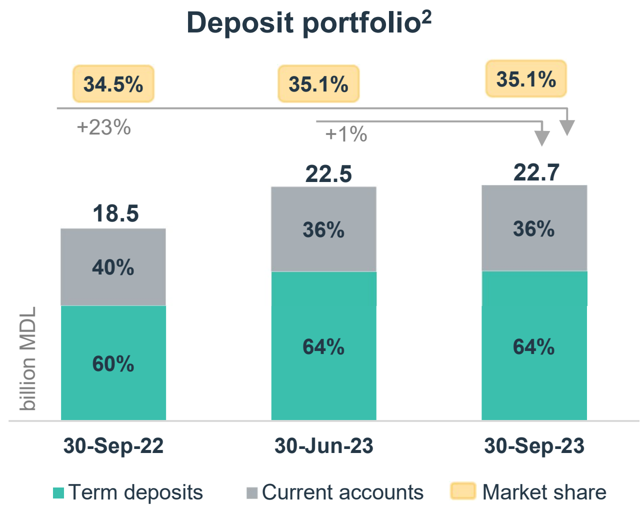
- Retail Banking quarterly **net interest income** stood at MDL 248.3 million, down by 13.2% QoQ and by 21.3% on a YoY basis. The quarter-on-quarter decrease in net interest income was driven by lower interest margins, although partially compensated by volume growth. Over the cumulative 9-month period, net interest income amounted to MDL 894.4 million, higher by 7.4% as compared to the same 9-month period of 2022. The YoY reduction in net interest income was determined by the gradual decrease in loans and monetary instruments yields, resulting in contraction of Retail segment's net interest margins.

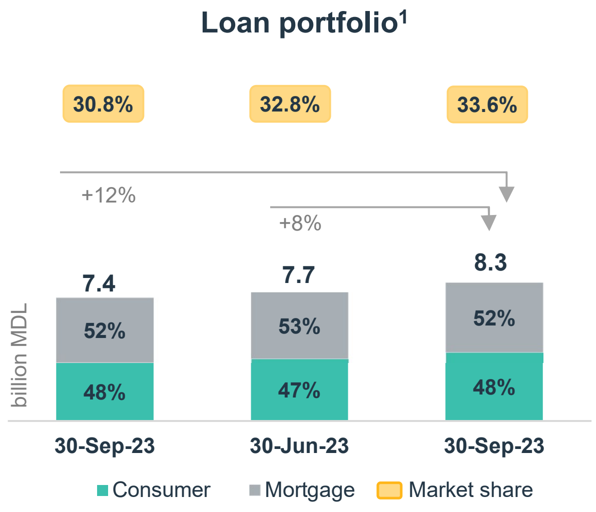
- Retail Banking **non-interest income** amounted to MDL 132.6 million, reflecting a 39.7% QoQ and 6% YoY increase. The quarterly increase in non-interest income was primarily driven by net foreign exchange gains (up by 45.9% QoQ) and net fee and commission income. The QoQ increase in net foreign exchange gains was fueled by a higher volume of forex exchange transactions, both among exchange offices and in cards transactions. The increase in net fee and commission income was mainly attributed to cash operations and cards business, particularly interchange income. During 3Q 2023, the number of cards in circulation increased by 5% QoQ and by an impressive 24% YoY. Simultaneously, maib's POS portfolio expanded by 2% QoQ and 18% YoY, reflecting the growth in the number of partners and consequently boosting Group's not interest income.

- In the third quarter of 2023, **cost of risk** for retail loan portfolio stood at 1.4%, up by 1.8 pp QoQ and down by 2.3 pp on a YoY basis. The QoQ increase in cost of risk was primarily driven by higher charges due to more intensive underwriting as compared to the previous quarter. Simultaneously, key quality indicators such as PAR30, PAR90, default rates, etc., continue to exhibit a decreasing trend, affirming the Bank's robust and healthy loan book growth.

- Maib had over 990 **retail clients** at 30 September 2023, up by 2.8% QoQ and 4.6% on a YoY basis. This underscores the ongoing enhancements in the Bank's customer experience and the successful development of digital channels, particularly the Maibank mobile app. The strategic focus on digital innovation has yielded a substantial rise in Maibank users, transaction volumes, and overall activity.

- During the third quarter of 2023, the Group achieved over 62% of deposits and 51% of loans being **contracted via Maibank**. This demonstrates the effectiveness of our digital channels and the increasing preference of our clients for convenient and efficient banking solutions offered through Maibank.





- **Retail gross loan portfolio** has demonstrated a consistent growth, reaching MDL 8.3 billion as of September 30, 2023, reflecting a robust 7.6% QoQ and 12.2% YoY increase. Notably, the most substantial contribution to the growth of the Retail loan portfolio in the third quarter of 2023, as compared to the previous quarter, came from **consumer loans**, these constituting 69% of new loans granted during the quarter. In terms of **mortgage lending**, maib has maintained an upward trajectory, witnessing a mortgage portfolio increase of 4.9% QoQ and 7.5% YoY.

- Following the consumer lending slowdown trend that commenced in 2022 due to a combination of factors, including monetary policy measures, changes in lending-related regulations, inflationary pressures, and the energy crisis, the consumer portfolio has initiated its recovery in the second quarter of 2023. This recovery trend is supported by the relaxation of the NBM monetary policy initiated by the end of 2022, which has had a positive impact on consumption and lending.

- Maib has further strengthened its position in the retail lending market[3], maintaining its **leading market share** of 33.6%, up by 0.8 pp QoQ and by 2.8 pp on a YoY basis. The expansion occurred in both consumer and mortgage lending, standing at 37.7% (up by 0.9 pp QoQ and 3.8 pp YoY) and 29.8% (up by 0.7 pp QoQ and 2.4 pp YoY), respectively.

- **Retail deposits portfolio** reached MDL 22,673 million as of 30 September 2023, up by 0.7% QoQ and by 22.6% on a YoY basis. The primary driver of the YoY expansion in the retail deposits portfolio was term deposits denominated in local currency, which showed a remarkable 28.7% YoY increase. This substantial growth follows a period of deposit slowdown in the first quarter of the previous year, a trend that was reversed by the upswing in interest rates during 2022, aligning with market trends. The overall structure of the deposit portfolio by currency remained stable during 3Q 2023, with deposits denominated in local currency constituting the majority at 61%. The Bank's **market share in Retail deposits[3]** stood at 35.1% at the end of the third quarter of 2023, reflecting a substantial 0.7% increase on a YoY basis.

[1] Amount represents IFRS gross exposure, i.e. principal plus related accrued amounts of interest and commissions, adjusted with amortized cost
[2] Amount includes principal and related accrued interest
[3] Source: National Bank of Moldova

SME Banking*

Key business highlights

SME Banking serves Micro, Small and Medium sized enterprises. SME customers are classified as below:

- **a Micro enterprise** is the one with an annual sales revenue than not exceeding MDL 18 million
- **a Small enterprise** is the one with an annual sales revenue over MDL18 million
- **a Medium enterprise** is the one with an annual sales revenue over MDL 50 million

** SME Business Unit is known internally as Business Banking.*

Market share SME loans[1]:
37.9%

Up by 0.8 pp QoQ
Up by 6.1 pp YoY

Gross Loan portfolio[2]:
MDL 6.1 billion

Down by 1.3% QoQ
Up by 12.7% YoY

Cards portfolio[3]:
>12 thousand

Up by 6.5% QoQ
Up by 56.1% YoY

Deposits portfolio:
MDL 7.0 billion

Up by 11.0% QoQ
Up by 19.6% YoY

SME is a growing new segment for maib. **Maib** has ambitious goals in terms of market share and quality of service to SME clients. Below are the key business indicators of this segment:

- Nearly **32K** active **SME customers** at 30 September 2023, up by 9.5% YoY;
- **9% YoY** increase in number of **Internet Banking** clients;
- **9% YoY** increase in number of **active customers with POS-terminals**;
- Portfolio generated by **IFI lending programs** increased by 17.9% YoY reaching the share of 34.6% of total loan balance as of 30 September 2023;
- Volume of **card** transaction for SME clients up by **56% YoY**;

[1] Source: National Bank of Moldova
[2] Amount represents IFRS gross exposure, i.e. principal plus related accrued amounts of interests and commissions, adjusted with amortized cost
[3] Cards in circulation

SME banking
3Q 2023 and 9M Financial performance

UNAUDITED INTERIM (QUARTERLY) **INCOME STATEMENT** highlights, million MDL	3Q 2023	2Q 2023	3Q 2022	% QoQ change	% YoY change
NET INTEREST INCOME	**138.2**	**134.3**	**146.3**	**+3.0%**	**-5.5%**
NON-INTEREST INCOME, out of which:	**103.5**	**77.0**	**82.1**	**+34.5%**	**+26.0%**
Net fee and commission income	53.6	47.7	46.7	+12.2%	+14.7%
Foreign exchange gains, net	49.1	28.6	35.1	+72.0%	+39.9%
Other operating income	0.8	0.6	0.3	+28.8%	+162.2%
OPERATING INCOME, NET	**241.8**	**211.2**	**228.4**	**+14.5%**	**+5.8%**
DIRECT OPERATING EXPENSES, out of which:	**(51.6)**	**(47.2)**	**(44.1)**	**+9.3%**	**+17.0%**
Staff costs	(32.3)	(29.8)	(25.0)	+8.2%	+28.9%
Depreciation	(7.8)	(5.5)	(3.8)	+40.4%	+104.4%
Other operating expenses, including:	(11.5)	(11.8)	(15.2)	-2.4%	-24.4%
Deposits Guarantee Fund	(1.3)	(1.3)	(1.2)	-0.8%	+11.6%
Resolution Fund	-	0.6	-	-101.5%	-
INDIRECT ALLOCATED EXPENSES	**(46.8)**	**(45.2)**	**(43.5)**	**+3.6%**	**+7.8%**
OPERATING PROFIT BEFORE CREDIT LOSS ALLOWANCE AND INCOME TAX	**143.4**	**118.9**	**140.9**	**+20.6%**	**+1.8%**
Credit loss allowances and provisions	(2.2)	12.6	(28.7)	-117.4%	-92.4%
PROFIT BEFORE INCOME TAX (PBT)	**141.2**	**131.4**	**112.2**	**+7.4%**	**+25.8%**
Income tax expense	(18.5)	(15.4)	(12.9)	+19.9%	+43.8%
NET PROFIT	**122.7**	**116.0**	**99.3**	**+5.8%**	**+23.5%**

UNAUDITED INTERIM (9-MONTHS) **INCOME STATEMENT** highlights, million MDL	9M 2023	9M 2022	% YoY change
NET INTEREST INCOME	**428.6**	**352.6**	**+21.6%**
NON-INTEREST INCOME, out of which:	**253.0**	**222.8**	**+13.6%**
Net fee and commission income	147.2	128.4	+14.6%
Foreign exchange gains, net	104.7	92.6	+13.1%
Other operating income	1.1	1.8	-40.3%
OPERATING INCOME, NET	**681.6**	**575.4**	**+18.5%**
DIRECT OPERATING EXPENSES, out of which:	**(160.7)**	**(149.8)**	**+7.3%**
Staff costs	(93.9)	(79.4)	+18.4%
Depreciation	(18.8)	(14.3)	+31.0%
Other operating expenses, including:	(48.0)	(56.1)	-14.4%
Deposits Guarantee Fund	(3.8)	(3.7)	+3.7%
Resolution Fund	(11.3)	(12.4)	-8.8%
INDIRECT ALLOCATED EXPENSES	**(145.7)**	**(136.2)**	**+7.0%**
OPERATING PROFIT BEFORE CREDIT LOSS ALLOWANCE AND INCOME TAX	**375.2**	**289.3**	**+29.7%**
Impairment and provisions charges	(49.6)	(107.9)	-54.1%
PROFIT BEFORE INCOME TAX (PBT)	**325.6**	**181.4**	**+79.5%**
Income tax expense	(39.9)	(20.6)	+93.4%
NET PROFIT	**285.7**	**160.8**	**+77.7%**

	3Q Financial performance[1]			9M Financial performance[2]	
KEY FINANCIAL RATIOS	**30 September/ 3Q 2023**	**30 June/ 3Q 2023**	**30 September/ 3Q 2022**	**30 September/ 9M 2023**	**30 September/ 9M 2022**
Cost of deposit, %	0.8	0.9	0.5	0.9	0.4
Cost to income ratio, %	40.7	43.7	38.3	45.0	49.7
Cost of risk, %	-0.1	-0.9	2.7	1.0	3.0
LTD ratio (at period end), %	83.2	93.6	88.1	83.2	88.1
NPL ratio (at period-end), %	2.6	2.5	2.4	2.6	2.4

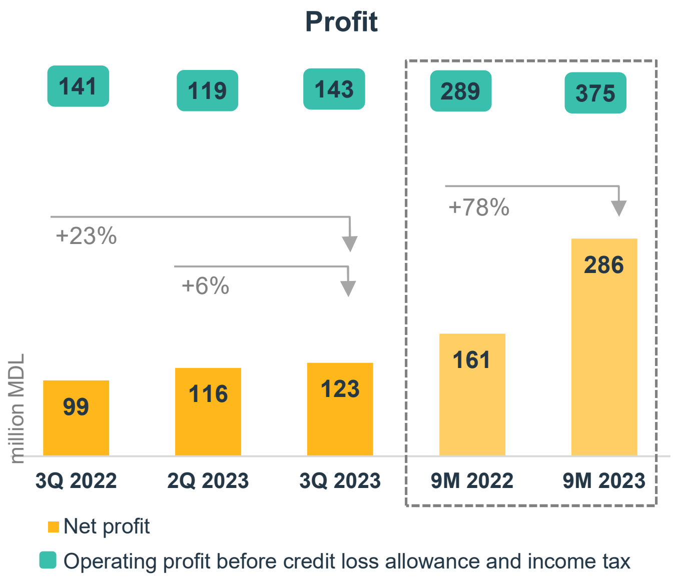
[1] Indicators calculated based on quarterly (3 months) annualized financial results
[2] Indicators calculated based on cumulative 9-months annualized financial results

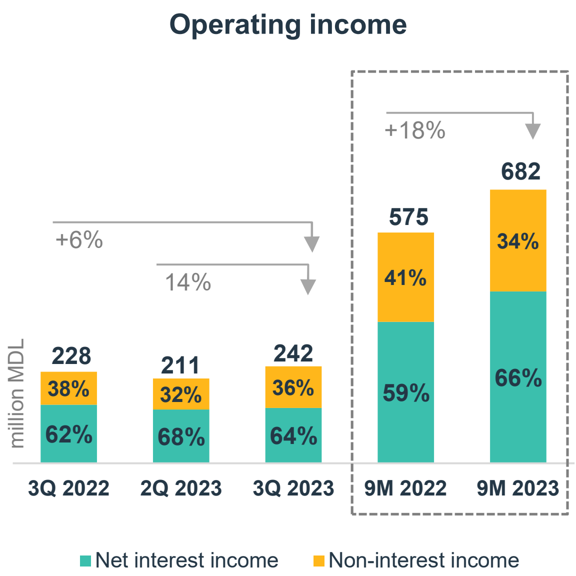
- In the third quarter of 2023, SME Banking demonstrated a robust financial performance, with a **net profit** reaching MDL 122.7 million, which is up by 5.8% QoQ and by 23.5% on a YoY basis. The quarterly rise in net profit was primarily driven by strong non-interest income, particularly from net foreign exchange gains.

- The **net interest income** for the quarter also experienced a slight growth QoQ, reflecting the segment's ability to maintain consistent net interest margins. This ability is attributed to the balanced combination of sustained yields and a reduction in cost of resourced attracted (i.e. borrowings cost etc.). This performance of SME segment underscores the effective management of both interest and non-interest income in the current market conditions.

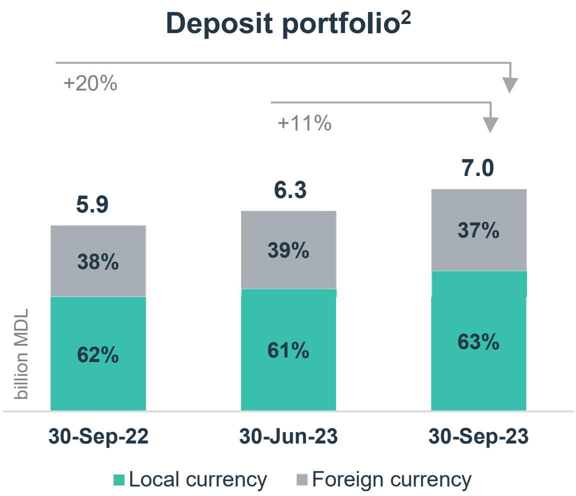
- The cumulative **9-months** SME Banking **net profit** reached MDL 285.7 million, reflecting a robust 77.7% YoY increase. This remarkable growth was primarily propelled by strong net interest income generation, which marked a 21.6% YoY growth, coupled by reduced risks costs, down by 54.1% YoY. Net interest income YoY growth was driven by a combination of factors, including a 12.7% increase in the loan balance and higher net interest margin.

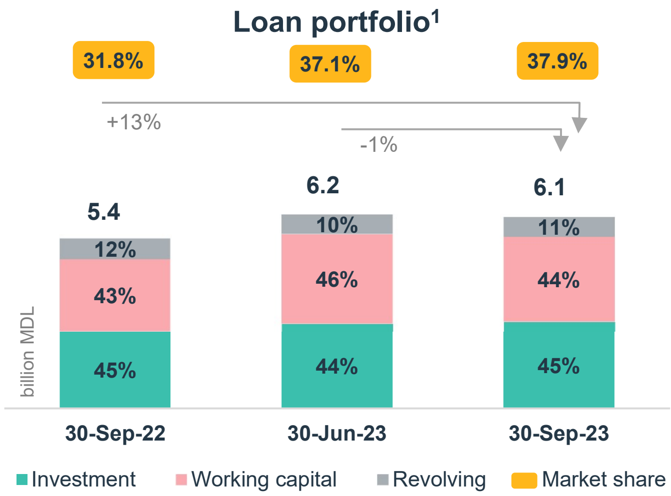
- In the third quarter of 2023, **non-interest income** of SME Banking reached MDL 103.5 million, showing a 34.5% QoQ and 26.0% YoY increase. The QoQ increase was primarily determined by net foreign currency gains, followed by net fee and commission income rise. The impressive 72.0% QoQ growth in foreign exchange gains was propelled by both higher volumes and margins of forex exchange transactions. Concurrently, net fee and commission income experienced a notable 12.2% growth, driven by increased volumes in settlements and cash operations.





- In 3Q 2023, **cost of risk** associated to the SME loan portfolio stood at -0.1%, higher by 0.8 pp compared to previous quarter and lower by 2.8 pp on a YoY basis (both quarters generated a release, which had a positive effect on income statement). The SME portfolio is maintained at an adequate quality level, and the slight increase in the NPL ratio is attributed to the modest pace of portfolio growth during the quarter. However, the seasonal amortization of portfolio records slight increase in PAR30 values, particularly for the agro segment. The Group will continue to closely monitor and take proactive measures in managing credit risk, with specific focus on agro clients.





- The Bank served nearly 32 thousand active **SME customers** as of 30 September 2023, up by 3.4% QoQ and up by 9.5% YoY, reflecting continuous improvements in products, services and digital channels, notably Internet Banking.

- As of September 30, 2023, the **SME gross loan portfolio** amounted to 6.1 billion, showing a slight compression of 1.3% QoQ, yet a substantial increase of 12.7% YoY. The QoQ decrease is linked to an overall reduction in the balance of working capital loans, constituting 44% of the total SME loan portfolio. The YoY growth in the loan portfolio is attributed to both working capital and investment loans, with a 17.6% and 12.4% YoY increase, respectively. The concentration of the SME loan portfolio is predominantly spread across agriculture and trade industries, collectively representing over 77.6% of the SME portfolio. In September 2023, maib's **market share in SME loans**[3] reached 37.9%, marking an increase of 0.8 percentage points QoQ and a significant 6.1 percentage points YoY.

- As of September 30, 2023, the **SME deposit portfolio**[2] amounted to MDL 7.0 billion, reflecting an 11.0% increase QoQ and a notable 19.6% growth on a YoY basis. The QoQ rise in the SME deposit portfolio was predominantly driven by the substantial growth (14.7% QoQ) in current accounts in local currency. The overall structure of the deposit portfolio by currency remained relatively stable during the third quarter 2023, with deposits denominated in local currency accounting for the majority at 61%. The YoY growth in SME deposits was propelled by term deposits denominated in foreign currency. This was a result of offering new and attractive non-lending products to SME clients, incentivizing business customers to maintain their earnings in term deposit accounts for an extended period.

[1] Amount represents gross exposure, i.e. principal plus related accrued amounts of interest and commissions, adjusted with amortized cost
[2] Amount includes principal and related accrued interest
[3] Source: National Bank of Moldova

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[1]:
44.2%
Down by 0.2 pp QoQ
Down by 1.8 pp YoY

Clients' portfolio:
> 500 clients
Retention rate – 100%

Gross loan portfolio[2]:
MDL 9.3 billion
Down by 1.6% QoQ
Up by 4.2% YoY

Deposits portfolio:
MDL 6.1 billion
Down by 24.8% QoQ
Up by 44.0% YoY

Corporate Banking showed a sustainable growth in 9M 2023 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:

- **95%** of corporate customers use **maib Internet Banking**;
- **97%** of corporate clients payments were online;
- **8%** YoY increase in number of clients with **payroll projects**;
- **28% YoY** increase in volume of **documentary transactions**;
- **500+ business cards** in circulation as of 30 September 2023;
- Significant increase in MDL **payments** volume (annual volume is up by +12% YoY);
- **6%** YoY increase in number of **electronic transactions**.

[1] Source: NBM
[2] Amount represents gross exposure, i.e. principal plus related accrued amounts of interests and commissions, adjusted with amortized cost

Corporate banking
3Q and 9M 2023 Financial performance

UNAUDITED INTERIM (QUARTERLY) **INCOME STATEMENT** highlights, million MDL

	3Q 2023	2Q 2023	3Q 2022	% QoQ change	% YoY change
NET INTEREST INCOME	**89.9**	**95.3**	**130.3**	**-5.7%**	**-31.0%**
NON-INTEREST INCOME, out of which:	**57.2**	**40.8**	**49.9**	**+39.9%**	**+14.6%**
Net fee and commission income	12.7	13.2	12.0	-3.3%	+6.5%
Foreign exchange gains, net	43.8	27.2	37.7	+61.1%	+16.0%
Other operating income	0.6	0.5	0.2	+32.7%	+248.8%
OPERATING INCOME, NET	**147.0**	**136.1**	**180.2**	**+8.0%**	**-18.4%**
DIRECT OPERATING EXPENSES, out of which:	**(13.8)**	**(15.5)**	**(12.0)**	**-10.6%**	**+15.0%**
Staff costs	(8.9)	(7.6)	(6.6)	+17.4%	+35.1%
Depreciation	(0.9)	(0.7)	(0.6)	+17.6%	+40.4%
Other operating expenses, including:	(4.1)	(7.2)	(4.8)	-43.0%	-15.4%
Deposits Guarantee Fund	(1.1)	(0.9)	(0.7)	+16.7%	+52.0%
Resolution Fund	-	(0.2)	-	-84.7%	-
INDIRECT ALLOCATED EXPENSES	**(19.7)**	**(20.3)**	**(25.8)**	**-3.0%**	**-23.8%**
OPERATING PROFIT BEFORE CREDIT LOSS ALLOWANCE AND INCOME TAX	**113.5**	**100.3**	**142.3**	**+13.1%**	**-20.2%**
Credit loss allowances and provisions	2.6	(12.3)	(36.5)	-121.1%	-107.1%
PROFIT BEFORE INCOME TAX (PBT)	**116.1**	**88.0**	**105.8**	**+31.9%**	**+9.7%**
Income tax expense	(15.9)	(10.4)	(12.7)	+52.9%	+25.2%
NET PROFIT	**100.2**	**77.6**	**93.1**	**+29.1%**	**+7.6%**

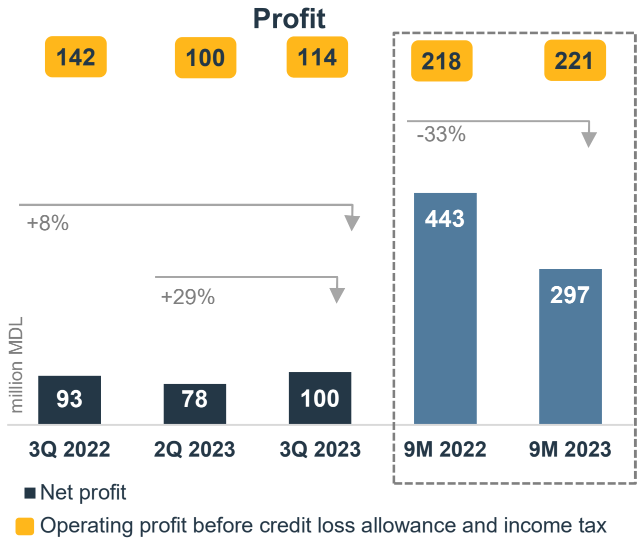
UNAUDITED INTERIM (9-MONTHS) **INCOME STATEMENT** highlights, million MDL

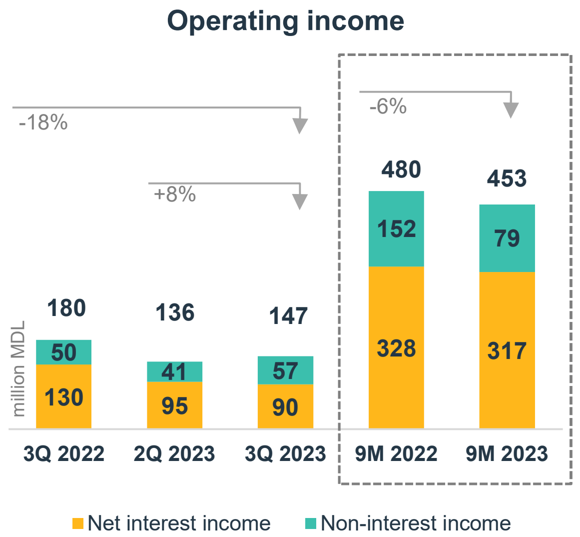
	9M 2023	9M 2022	% YoY change
NET INTEREST INCOME	**317.0**	**328.0**	**-3.3%**
NON-INTEREST INCOME, out of which:	**135.6**	**152.3**	**-11.0%**
Net fee and commission income	38.9	33.6	+15.9%
Foreign exchange gains, net	96.2	117.4	-18.0%
Other operating income	0.5	1.3	-63.5%
OPERATING INCOME, NET	**452.7**	**480.3**	**-5.8%**
DIRECT OPERATING EXPENSES, out of which:	**(50.8)**	**(48.3)**	**+5.1%**
Staff costs	(24.5)	(21.4)	+14.5%
Depreciation	(2.3)	(1.8)	+32.2%
Other operating expenses, including:	(24.0)	(25.2)	-4.8%
Deposits Guarantee Fund	(2.8)	(2.3)	+20.2%
Resolution Fund	(9.0)	(10.4)	-13.1%
INDIRECT ALLOCATED EXPENSES	**(67.0)**	**(72.0)**	**-6.9%**
OPERATING PROFIT BEFORE CREDIT LOSS ALLOWANCE AND INCOME TAX	**334.9**	**360.0**	**-7.0%**
Impairment and provisions charges	3.2	139.3	-97.7%
PROFIT BEFORE INCOME TAX (PBT)	**338.1**	**499.3**	**-32.3%**
Income tax expense	(41.2)	(56.7)	-27.3%
NET PROFIT	**296.9**	**442.6**	**-32.9%**

	3Q Financial performance[1]			9M Financial performance[2]	
KEY FINANCIAL RATIOS	**30 September/ 3Q 2023**	**30 June/ 2Q 2023**	**30 September/ 3Q 2022**	**30 September/ 9M 2023**	**30 September/ 9M 2022**
Cost of deposit, %	2.8	3.3	2.1	3.1	1.3
Cost to income ratio, %	22.8	26.3	21.0	26.0	25.0
Cost of risk, %	-0.3	1.0	0.4	0.0	-2.5
LTD ratio (at period end), %	144.7	183.3	201.0	144.7	201.0
NPL ratio (at period-end), %	3.8	4.3	1.9	3.8	1.9

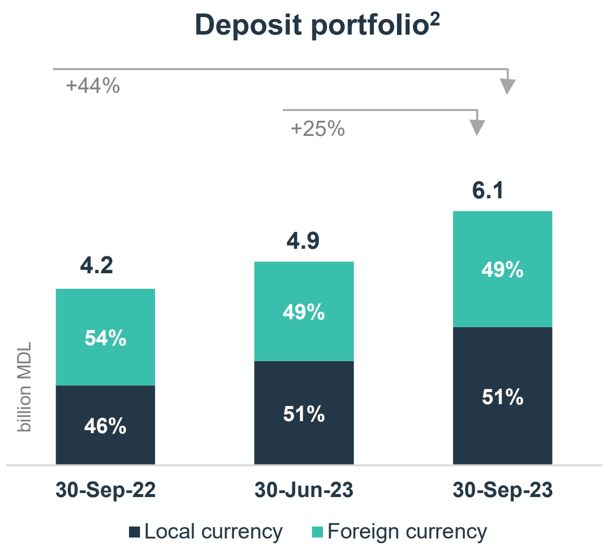
[1] Indicators calculated on quarterly (3 months) annualized financial results
[2] Indicators calculated on cumulative 9-months annualized financial results

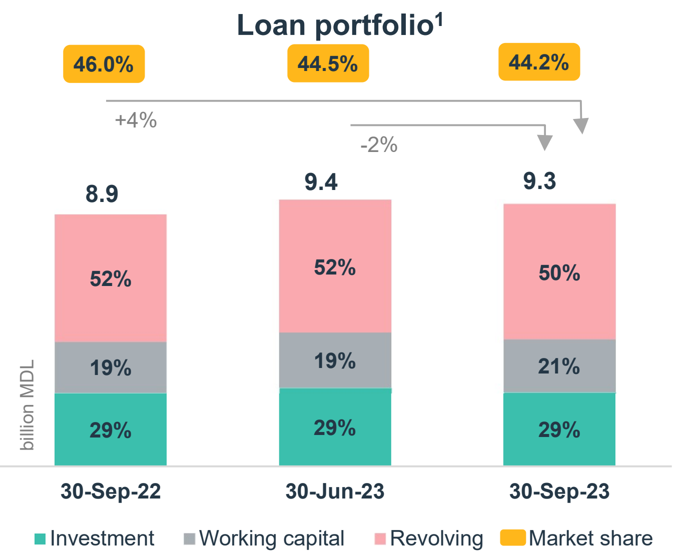
- Corporate Banking has generated strong quarterly **net profit** reached MDL 100.2 million in the third quarter of 2023, up by 29.1% QoQ and 7.6% YoY. QoQ profitability growth was mainly driven by non-interest income, in particular net foreign exchange gains, and lower risk costs. Net interest income amounted to MDL 89.9 million, down by 5.7% QoQ and 31.0% YoY. The quarter-on-quarter decrease in net interest income was primarily attributable to lower net interest margins, coupled by slight portfolio contraction during the quarter.
- Quarterly **non-interest income** amounted to MDL 57.2 million, up by 39.9% QoQ and 14.6% YoY. The quarter-on-quarter rise in **non-interest income** is attributable to higher net foreign exchange gains, propelled primarily by increased forex transaction margins.
- Cumulative 9-month **net profit** totaled MDL 296.9 million, down by 32.9% YoY. This notable decrease is attributed to the compensatory effect of credit loss recoveries that took place in a similar period of 2022, involving a significant Corporate exposure. Regarding net operating income, Corporate segment marked a 5.8% decrease, primarily influenced by a reduction in trading and net interest income.





- In 3Q 2023, **cost of risk** associated to Corporate loan portfolio stood at -0.3%, decrease by 1.3 pp QoQ. The QoQ decrease in cost of risk was primarily attributable to impairment allowances releases occurred in 3Q 2023, following successful workout actions undertaken by the Bank. At the same time, corporate loan portfolio default rates, PAR30 and PAR90 indicators have improved compared to previous quarter.





[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

- **Corporate loan portfolio**[1] stood at MDL 9.3 billion as at end of September, increasing by 4.2% YoY though slightly dropping by 1.6% on a QoQ basis. Revolving loans, with share of a 51% as of 30 September 2023, contributed mostly to the YoY growth in corporate loans, recording an increase of 6.2% on a YoY basis. The slight quarter-on-quarter decrease was driven by working and investment loans.

- Corporate loan exposure per industries remained unchanged, primarily diversified across food and trade sectors, collectively representing over 58% of loan portfolio. **Maib**'s **market share**[1] in Corporate loans was 44.2% by the end of 3Q 2023, down by 0.2 pp on a QoQ basis.

- **Corporate deposit portfolio** stood at MDL 6.1 billion as of 30 September 2023, being up by 24.8% QoQ and up by 44% on a YoY basis. Corporate deposits cover over 58.5% of total deposits attracted by maib by the end of September 2023. Current accounts in local currency, with share of 39.5% as of 30 September 2023, contributed mostly to the QoQ growth, recording an increase of 43% on a QoQ basis. The currency mixt of the portfolio has changed during 3Q 2023, the proportion of deposits denominated in local currency increasing up by 3 pp QoQ and accounted 54% of total corporate deposits. YoY deposit portfolio growth was mostly due to term deposits in foreign currency, the balance of which increasing by both term deposits in foreign currency (+449% YoY) and current accounts in local currency (+77.9% YoY). The attractive products offered by maib propelled the clients to extend the duration of their earnings kept in the Bank's accounts, this resulting in a significant increase in share of corporate term deposits in total corporate portfolio – up to 32% in 3Q 2023 from 16% in 3Q 2022.

[1] Source: National Bank of Moldova

Subsequent events

Latest Monetary Policy decision. On 7 November 2023 the Executive Committee of the NBM, adopted the decision to decrease the level interest rates for the main monetary policy operations, as follows:

- the base rate applied to major short-term monetary policy operations by 1.25 pp, from 6% to 4.75%
- interest rates for overnight loans by 1.25 pp, from 8% to 6.75%
- interest rates for overnight deposits by 1.25 pp, from 4% to 2.75
- the required reserve ratio of funds attracted in MDL and non-convertible foreign currency by 1 pp, from 34% to 33% (16 December 2023 – 15 January 2024) of the reserve base
- the required reserve ratio of funds attracted in freely convertible currency by 2 pp, from 45% to 43% (16 December 2023 – 15 January 2024) of the reserve base.

These decisions continue the monetary easing that began at the end of last year. The NBM aims to stimulate credit and support domestic aggregate demand by encouraging both consumption and investment, balancing the national economy and anchoring inflation expectations with a view to keeping inflation within the target range over the medium term.

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. Words such as “believe,” “anticipate,” “estimate,” “target,” “potential,” “expect,” “intend,” “predict,” “project,” “could,” “should,” “may,” “will,” “plan,” “aim,” “seek” and similar expressions are intended to identify forward-looking statements, but are not the exclusive means of identifying such statements. 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. New risks can emerge from time to time, and it is not possible for us to predict all such risks, nor can we assess the impact of all such risks on our business or the extent to which any risks, or combination of risks and other factors, may cause actual results to differ materially from those contained in any forward-looking statements. Given these risks and uncertainties, you should not rely on forward-looking statements as a prediction of actual results. 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. Any forward-looking statements are only made as at the date of this report. Maib does not intend and 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. In addition, even if the results of operations, financial condition and liquidity of the Group, and the development of the industry in which the Group operates, are consistent with the forward-looking statements set out in this report, those results or developments may not be indicative of results or developments in subsequent periods.

You should interpret all subsequent written or oral forward-looking statements attributable to us or to persons acting on our behalf as being qualified by the cautionary statements in this report. As a result, you should not place undue reliance on such forward-looking statements.

Glossary

Abbr.	Indicator name	Calculation formula
ROE	Return on Equity	Net profit divided by average equity (average between current period closing balance of equity and previous quarter closing balance of equity)
ROA	Return on Assets	Net profit divided by average assets (average between current period closing balance of assets and previous quarter closing balance of assets)
NIM	Net Interest Margin	Annualized quarterly net interest income divided by average balance of interest generating assets (average between current period closing balance of interest generating assets and previous quarter closing balance of interest generating assets)
-	Loan yield	Annualized quarterly loan interest income divided by average gross loan to customers portfolio (average between current period closing balance of gross loans to customers and previous quarter closing balance of gross loans to customers)
-	Cost of funding	Annualized quarterly interest expense divided by average balance of interest bearing liabilities (average between current period closing balance of interest bearing liabilities and previous quarter closing balance of interest bearing liabilities)
-	Cost of deposit	Annualized quarterly deposits interest expense divided by average due to customers portfolio (average between current period closing balance of due to customers portfolio and previous quarter closing balance of due to customers portfolio)
-	Cost to income ratio	Total operating expenses divided by total operating income
-	Cost of risk	Annualized quarterly net expected credit loss charge related to loan to customers portfolio divided by average quarterly gross loans to customers portfolio balance (average between current period closing balance of gross loans to customers and previous quarter closing balance of gross loans to customers)
LTD ratio	Loan-to-deposit ratio	Net loans to customers divided by due to customers deposits at period-end
NPL ratio	Non-performing loans ratio	Gross exposure of non-performing loans (defined as such by the bank's methodology according to IFRS 9 provisions) divided by gross loan to customers portfolio
NPL coverage ratio	Non-performing loans coverage ratio	Total expected credit loss allowances divided by gross exposure of non-performing loans to customers at period-end
ECL coverage ratio	Expected credit losses coverage ratio	Total expected credit loss allowances divided by gross loan to customers portfolio at period-end
CAR	Capital adequacy ratio	Own funds divided by risk weighted assets at period-end (in accordance with NBM legislation)
LCR	Liquidity coverage ratio	High liquid assets divided by net outflows over a 30 days stress period (in accordance with NBM legislation)
EPS	Earnings per share	Net profit for the period attributable to the owners of the Bank divided by the number of Bank shares