

**O.C.N. MICROINVEST S.R.L.**

**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER  
2020**

**PREPARED IN ACCORDANCE WITH INTERNATIONAL FINANCIAL  
REPORTING STANDARDS**



FOR IDENTIFICATION PURPOSES  
**ERNST & YOUNG**  
Signed.....  
Date..... 27/04/21

O.C.N. MICROINVEST S.R.L.



STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2020

(All amounts are in Moldovan Lei (MDL), unless otherwise stated)

	Notes	2020	2019
Interest income	3	498,536,714	364,704,437
Interest expense	4	(167,854,122)	(116,030,558)
<b>Net interest income</b>		<b>330,682,592</b>	<b>248,673,879</b>
Provision for impairment of loans	5	(123,733,619)	(35,495,081)
Provision for impairment of other financial assets	6	(7,429)	(1,710,508)
<b>Net interest income after provision for impairment of loans</b>		<b>206,941,544</b>	<b>211,468,290</b>
Recoveries of loans previously written off	7	3,999,616	3,213,559
Other operating income	8	6,180,786	4,258,323
General and administrative expenses	9	(93,756,880)	(82,392,997)
Regulatory fee		(2,087,920)	(1,540,667)
Net foreign exchange (loss)/ gains		159,139	(3,571,286)
<b>Income/(Loss) before income tax</b>		<b>121,436,285</b>	<b>131,435,222</b>
Income tax (expense)/ credit	10	(16,603,389)	(19,008,191)
<b>Income/(Loss) for the year</b>		<b>104,832,896</b>	<b>112,427,031</b>
<b>Total comprehensive income/(loss) for the year</b>		<b>104,832,896</b>	<b>112,427,031</b>

The financial statements were authorized for issue on 20 April 2021 by the Executives of the Company represented by:

Mr Dumitru Svinareco  
Administrator

Mr Dumitru Strogoteanu  
Chief Financial Officer

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O.C.N. MICROINVEST S.R.L.

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2020

(All amounts are in Moldovan Lei (MDL), unless otherwise stated)



	Notes	<u>31 December 2020</u>	<u>31 December 2019</u>
<b>ASSETS</b>			
Cash and cash equivalents	11	196,472,900	95,341,914
Due from banks and other institutions	12	164,571,097	88,241,950
Loans and advances to customers, net	13	2,109,800,803	1,768,643,207
Premises, equipment and right of use assets	14	27,684,376	28,692,403
Deferred tax assets	10	6,399,068	4,933,188
Intangible assets	15	4,557,021	3,865,568
Other assets	16	<u>7,580,987</u>	<u>2,695,874</u>
<b>Total assets</b>		<b><u>2,517,066,251</u></b>	<b><u>1,992,414,104</u></b>
<b>LIABILITIES</b>			
Interest-bearing borrowings	17	2,018,378,626	1,607,362,953
Grants for projects in process	18	1,895,091	-
Subordinated debts	18	31,639,144	28,781,478
Other liabilities	19	54,597,658	52,093,549
Lease liabilities	20	9,592,874	8,046,162
<b>Total liabilities</b>		<b><u>2,116,103,392</u></b>	<b><u>1,696,284,142</u></b>
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	21	112,771,693	112,771,693
Secondary capital		(616,586)	(616,586)
Share premium		3,357,782	3,357,782
Statutory reserves		11,280,168	10,304,668
Accumulated deficit/profit		<u>274,169,801</u>	<u>170,312,405</u>
<b>Total shareholders' equity</b>		<b><u>400,962,858</u></b>	<b><u>296,129,962</u></b>
<b>Total liabilities and shareholders' equity</b>		<b><u>2,517,066,251</u></b>	<b><u>1,992,414,104</u></b>

The financial statements were authorized for issue on 20 April 2021 by the Executives of the Company represented by:

Mr Dumitru Svinareco  
Administrator

Mr Dumitru Strogoteanu  
Chief Financial Officer

The notes from pages 5 – 98 are an integral part of these financial statements.  
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**O.C.N. MICROINVEST S.R.L.**

**STATEMENT OF CHANGES IN EQUITY**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

*(All amounts are in Moldovan Lei (MDL), unless otherwise stated)*

	<u>Share capital</u>	<u>Secondary capital</u>	<u>Share premium</u>	<u>Statutory reserves</u>	<u>Accumulated deficit/profit</u>	<u>Total shareholders' equity</u>
<b>Balance as at 1 January 2019</b>	<u>103,046,693</u>	<u>(858,398)</u>	<u>3,357,781</u>	<u>10,304,668</u>	<u>57,885,375</u>	<u>173,736,119</u>
Issue of share capital	9,725,000	241,812	-	-	-	9,966,812
Total comprehensive income for the year	-	-	-	-	112,427,031	112,427,031
<b>Balance as at 31 December 2019</b>	<u>112,771,693</u>	<u>(616,586)</u>	<u>3,357,781</u>	<u>10,304,668</u>	<u>170,312,405</u>	<u>296,129,962</u>
<b>Balance as at 1 January 2020</b>	<u>112,771,693</u>	<u>(616,586)</u>	<u>3,357,781</u>	<u>10,304,668</u>	<u>170,312,405</u>	<u>296,129,962</u>
Statutory reserves	-	-	-	975,500	-	975,500
Total comprehensive income for the year	-	-	-	-	103,857,396	103,857,396
<b>Balance as at 31 December 2020</b>	<u>112,771,693</u>	<u>(616,586)</u>	<u>3,357,781</u>	<u>11,280,168</u>	<u>274,169,802</u>	<u>400,962,858</u>

Share premium represents the premium that BFSE Holding B.V. paid when it became Microinvest shareholder.

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O.C.N. MICROINVEST S.R.L.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

(All amounts are in Moldovan Lei (MDL), unless otherwise stated)



	Notes	2020	2019
<b>Cash flows from operating activities</b>			
Interest receipts		474,983,323	337,289,658
Interest payments		(168,420,832)	(109,313,876)
Recoveries from loans previously written off		3,999,616	3,213,559
Other income received		6,180,786	4,258,323
Payment to employees and suppliers		(94,023,393)	(67,409,445)
Regulatory fee		(2,087,920)	(1,540,667)
Tax payments		<u>(43,688,617)</u>	<u>(23,918,517)</u>
		<b>176,942,963</b>	<b>142,579,035</b>
<i>(Increase) / decrease in assets:</i>			
Loans and advances to customers, net		(436,950,630)	(798,208,501)
Due from banks and other institutions		(75,819,997)	71,467,686
Other assets		23,537,825	(1,112,552)
Grants for projects in process		1,895,091	-
<i>Increase in liabilities:</i>			
Other liabilities		<u>399,635</u>	<u>13,337,367</u>
<b>Net cash used in operating activities</b>		<b>(309,995,113)</b>	<b>(571,936,965)</b>
<b>Cash flows from investing activities</b>			
Purchase of intangibles		(2,096,004)	(2,076,709)
Purchase of Premises and equipment		<u>(2,660,337)</u>	<u>(6,495,207)</u>
<b>Net cash used in investing activities</b>		<b>(4,756,341)</b>	<b>(8,571,916)</b>
<b>Cash flows from financing activities</b>			
Borrowings received		1,366,560,713	1,746,850,596
Borrowings repaid		(952,120,665)	(1,124,812,247)
Payment for finance lease		1,546,712	(2,990,953)
Contributions in share capital		-	<u>9,966,812</u>
<b>Net cash from/(used in) financing activities</b>		<b>415,986,760</b>	<b>629,014,208</b>
Foreign exchange difference		<u>293,272</u>	<u>(255,393)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>101,528,577</b>	<b>48,249,934</b>
Cash and cash equivalents at 1 January		<u>95,836,559</u>	<u>47,091,980</u>
<b>Cash and cash equivalents at 31 December</b>	11	<b><u>197,365,138</u></b>	<b><u>95,341,914</u></b>

The notes from pages 5 – 100 are an integral part of these financial statements.

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 Date: 27/10/21