

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

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER  
2021

PREPARED IN ACCORDANCE WITH INTERNATIONAL FINANCIAL  
REPORTING STANDARDS



FOR IDENTIFICATION PURPOSES  
ERNST & YOUNG

Signed.....  
Date..... 20/05/22

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

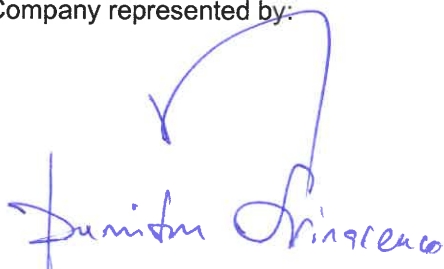
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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

	Notes	<u>2021</u>	<u>2020</u>
Interest income	3	606,540,321	498,536,714
Interest expense	4	<u>(185,586,438)</u>	<u>(167,854,122)</u>
<b>Net interest income</b>		<b>420,953,883</b>	<b>330,682,592</b>
Provision for impairment of loans	5	(137,746,620)	(123,733,619)
Provision for impairment of other financial assets	6	<u>(2,599,204)</u>	<u>(7,429)</u>
<b>Net interest income after provision for impairment of loans</b>		<b>280,608,059</b>	<b>206,941,544</b>
Recoveries of loans previously written off	7	7,121,983	3,999,616
Other operating income	8	7,753,250	6,180,786
Salary expenses		(73,213,946)	(56,878,830)
Depreciation and amortization expenses		(10,223,467)	(9,754,086)
Other administrative costs		(41,539,554)	(27,123,964)
Regulatory fee		(2,729,287)	(2,087,920)
Net foreign exchange (loss)/ gains		<u>(2,763,920)</u>	<u>159,139</u>
<b>Income/(Loss) before income tax</b>		<b>165,013,118</b>	<b>121,436,285</b>
Income tax (expense)/ credit	10	<u>(21,085,008)</u>	<u>(16,603,389)</u>
<b>Income/(Loss) for the year</b>		<b>143,928,110</b>	<b>104,832,896</b>
<b>Total comprehensive income/(loss) for the year</b>		<b>143,928,110</b>	<b>104,832,896</b>

The financial statements were authorized for issue on 20 May 2022 by the Executives of the Company represented by:



Mr Dumitru Svinarencu  
Administrator




Mr Dumitru Strogoteanu  
Chief Financial Officer

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

**STATEMENT OF FINANCIAL POSITION**

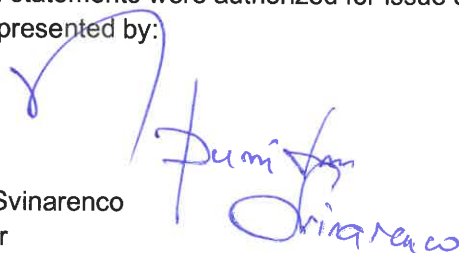
**AS AT 31 DECEMBER 2021**

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

	Notes	<u>31 December</u> <u>2021</u>	<u>31 December</u> <u>2020</u>
<b>ASSETS</b>			
Cash and cash equivalents	11	152,754,451	196,472,900
Due from banks and other institutions	12	363,744,456	164,571,097
Loans and advances to customers, net	13	2,750,640,261	2,109,800,803
Premises, equipment and right of use assets	14	26,703,835	27,684,376
Deferred tax assets	10	12,849,066	6,399,068
Intangible assets	15	5,305,501	4,557,021
Other assets	16	<u>4,004,095</u>	<u>7,580,987</u>
<b>Total assets</b>		<b><u>3,316,001,666</u></b>	<b><u>2,517,066,251</u></b>
<b>LIABILITIES</b>			
Interest-bearing borrowings	17	2,675,732,740	2,018,378,626
Grants for projects in process	18	139,417	1,895,091
Subordinated debts	18	30,124,075	31,639,144
Due to founders		616,620	
Other liabilities	19	70,138,627	54,597,658
Lease liabilities	20	7,259,217	9,592,874
<b>Total liabilities</b>		<b><u>2,784,010,698</u></b>	<b><u>2,116,103,392</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	11,280,168
Accumulated deficit/profit		<u>405,197,911</u>	<u>274,169,801</u>
<b>Total shareholders' equity</b>		<b><u>531,990,968</u></b>	<b><u>400,962,858</u></b>
<b>Total liabilities and shareholders' equity</b>		<b><u>3,316,001,666</u></b>	<b><u>2,517,066,251</u></b>

The financial statements were authorized for issue on 20 May 2022 by the Executives of the Company represented by:

Mr Dumitru Svinarencu  
Administrator



Mr Dumitru Strogoteanu  
Chief Financial Officer



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

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2021

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

	Share capital	Secondary capital	Share premium	Statutory reserves	Accumulated deficit/profit	Total shareholders' equity
Balance as at 1 January 2020	<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	-	-	-	-	104,832,896	104,832,896
Balance as at 31 December 2020	<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>
Balance as at 1 January 2021	<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>
Dividends payment	-	-	-	-	(12,900,000)	(12,900,000)
Total comprehensive income for the year	-	-	-	-	143,928,110	143,928,110
Balance as at 31 December 2021	<u>112,771,693</u>	<u>(616,586)</u>	<u>3,357,781</u>	<u>11,280,168</u>	<u>405,197,912</u>	<u>531,990,968</u>

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

**O.C.N. MICROINVEST S.R.L.****STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 31 DECEMBER 2021*****(All amounts are in Moldovan Lei (MDL), unless otherwise stated)***

	Notes	<u>2021</u>	<u>2020</u>
<b>Cash flows from operating activities</b>			
Interest receipts		572,891,938	474,983,323
Interest payments		(179,893,478)	(168,420,832)
Recoveries from loans previously written off		7,121,983	3,999,616
Other income received		7,753,250	6,180,786
Payment to employees and suppliers		(121,077,616)	(94,023,393)
Regulatory fee		(2,729,287)	(2,087,920)
Tax payments		<u>(35,628,267)</u>	<u>(43,688,617)</u>
		<b>248,438,524</b>	<b>176,942,963</b>
<i>(Increase) / decrease in assets:</i>			
Loans and advances to customers, net		(744,974,572)	(436,950,630)
Due from banks and other institutions		(201,753,504)	(75,819,997)
Other assets		17,515,443	23,537,825
Grants for projects in process		(1,755,674)	1,895,091
<i>Increase in liabilities:</i>			
Other liabilities		<u>10,968,504</u>	<u>399,635</u>
<b>Net cash used in operating activities</b>		<b>(671,561,280)</b>	<b>(309,995,113)</b>
<b>Cash flows from investing activities</b>			
Purchase of intangibles		(2,524,971)	(2,096,004)
Purchase of Premises and equipment		<u>(2,415,144)</u>	<u>(2,660,337)</u>
<b>Net cash used in investing activities</b>		<b>(4,940,115)</b>	<b>(4,756,341)</b>
<b>Cash flows from financing activities</b>			
Borrowings received		1,901,298,712	1,366,560,713
Borrowings repaid		(1,251,152,626)	(952,120,665)
Payment for finance lease		(2,333,657)	1,546,712
Dividends payment		<u>(12,283,380)</u>	-
<b>Net cash from/(used in) financing activities</b>		<b>635,529,049</b>	<b>415,986,760</b>
Foreign exchange difference		<u>(2,763,920)</u>	<u>293,272</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(43,736,266)</b>	<b>101,528,577</b>
Cash and cash equivalents at 1 January		<u>197,365,138</u>	<u>95,836,559</u>
<b>Cash and cash equivalents at 31 December</b>	11	<b><u>153,628,872</u></b>	<b><u>197,365,138</u></b>

The notes from pages 5 – 91 are an integral part of these financial statements  
4 of 91

FOR IDENTIFICATION PURPOSES  
**ERNST & YOUNG**  
Signed.....  
Date..... 20/05/22