O.C.N. “MK Kredit Company” SRL

Financial Statements
For the Year Ended 31 December 2025
Prepared in Accordance with
International Financial Reporting Standards

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Statement of profit and loss and other comprehensive income

	Note	2.025	2.024
Interest income calculated using the effective interest method		104.583.775	124.658.699
Interest expense		(48.349.796)	(53.982.766)
Net interest income	4	**56.233.979**	**70.675.932**
Fee and commission income		10.576.625	13.431.456
Fee and commission expense		(1.099.673)	(1.715.109)
Net fee and commission income	5	**9.476.952**	**11.716.347**
Other revenue	6	19.860.823	12.408.500
Revenue from operating activity		**85.571.754**	**94.800.779**
Impairment losses on financial instruments		(28.170.923)	(40.264.036)
Personnel expenses	8	(32.980.581)	(25.839.575)
Depreciation and amortization		(5.238.783)	(5.544.202)
Other expenses	7	(14.522.841)	(14.367.154)
Expenses from operating activity		**(80.913.129)**	**(86.014.967)**
Net financial income		**4.658.625**	**8.785.812**
Net financial profit/(loss)	9	795.105	(361.088)
Profit before tax		**5.453.730**	**8.424.724**
Income tax expense	10	(1.438.038)	(1.460.643)
Profit for the period		**4.015.692**	**6.964.081**
Other comprehensive income		-	-
Total comprehensive Income		**4.015.692**	**6.964.081**

The accompanying notes are an integral part of these financial statements.

The financial statements were authorized for issue and signed on May 20, 2026, by:

Chief Executive Officer, Delinschi Petru

Chief Financial Officer, Borțoi Natalia

Statement of financial position

	Note	31.Dec. 2025	31.Dec. 2024
Assets			
Cash and cash equivalents	11	9.021.062	4.192.894
Loans granted to customers	12	440.580.728	502.746.902
Other assets and receivables	13	21.894.107	13.725.114
Financial investment	14	6.537.675	4.943.945
Property and equipment	15	6.255.989	6.689.374
Intangible assets	16	704.670	1.072.818
Total assets		**484.994.231**	**533.371.046**
Liabilities			
Trade and other liabilities	17	2.231.547	3.148.757
Lease liability	18	2.908.209	3.741.430
Borrowings from banks and creditors	19	313.978.101	354.737.509
Advances from customers	20	3.497.730	3.779.889
Accruals and deferred income		-	6.863.711
Provisions	21	1.702.739	3.299.314
Deferred tax liabilities	22	75.147	1.215.371
Total liabilities		**324.393.473**	**376.785.981**
Equity	23		
Share capital		94.723.005	94.723.005
Legal reserve		9.472.300	9.472.300
Retained earnings		56.405.452	52.389.760
Total equity		**160.600.758**	**156.585.065**
Total liabilities and equity		**484.994.231**	**533.371.046**

The accompanying notes are an integral part of these financial statements.

The financial statements were authorized for issue and signed on May 20, 2026, by:

_____
Chief Executive Officer, Delinschi Petru

_____
Chief Financial Officer, Borțoi Natalia

Statement of changes in equity

	Share capital	Reserves	Retained earnings	Total equity
Balance at 1 January 2024	**94.723.005**	**9.472.300**	**45.425.679**	**149.620.984**
Transactions with owners	-		-	-
Result of the year			6.964.081	6.964.081
Transfers to reserves		-	-	-
Balance as at 31 December 2024	**94.723.005**	**9.472.300**	**52.389.760**	**156.585.065**
Balance at 1 January 2025	**94.723.005**	**9.472.300**	**52.389.760**	**156.585.065**
Transactions with owners	-		-	-
Result of the year			4.015.692	4.015.692
Transfers to reserves		-	-	-
Balance as at 31 December 2025	**94.723.005**	**9.472.300**	**56.405.452**	**160.600.757**

Statement of cash flows

	2025	2024
Operating activities		
Net profit	**4.015.692**	**6,964,081**
Elimination of non-monetary items		
Income tax expenses	1.438.038	1,460,643
Allowances for loans	28.170.923	40,264,036
Untaken holiday provision	(1.596.575)	1,597,062
Provision expense for staff's bonus	-	-
Deferred Tax change	(1,140,224)	1,630,322
Depreciation and amortization	5.250.149	5,360,372
Interest and fee expense	49.449.469	55,697,875
Net cash flows from operating activities before changes in operating assets and liabilities	**85.587.472**	**112,974,391**
(Increase)/decrease in operating assets		
Lease and loans receivables	27.131.540	22,071,798
Trade and other receivables	(7.618.992)	13,064,541
Increase/(decrease) in operating liabilities		
Trade and other payables	(3.188.469)	(3,799,417)
Customer advances	(282.159)	(1,929,238)
Net cash flows from/ (used in) operating activities before income tax	**101,629,393**	**142,382,076**
Income tax paid	(550,000)	(1,226,325)
Net cash from operating activities	**101.079.393**	**141,155,750**
Investing activities		
Purchase of property, plant and equipment:	(4.448.616)	(2,078,938)
Purchase of other intangible assets	-	(373,801)
Financial investments	(1.593.730)	8,774,664
Dividends received	-	-
Net cash used in investing activities	**(6.042.346)**	**6,321,925**
Financing activities		
Proceeds from borrowings	200.175.468	317,622,484
Repayment of borrowings	(249.778.238)	(401,938,977)
Payment of interest	(40.606.106)	(73,267,126)
Net cash from (used in) financing activities	**(90.208.876)**	**(157,583,619)**
Net change in cash and cash equivalents	**4.828.171**	**(10,105,944)**
Cash and cash equivalents, beginning of year	4.192.894	14,298,838
Cash and cash equivalents, end of year (Note 11)	**9.021.062**	**4,192,894**

1. Nature of operations & general information

O.C.N. "MK Kredit Company" SRL ("Company") was initially established in 2013 as "Credit CMB" SRL and during 2019 has passed through a rebranding process to O.C.N. "Mikro Kapital Company" SRL. In 2025 company did further step of rebranding and legally changed its name to "MK Kredit Company" SRL.

The main activities of the Company include loans granted to legal entities and individuals from the Republic of Moldova.
The company operates through its headquarters, located in Chisinau, and through 10 other agencies throughout the Republic of Moldova: Chisinau (two agencies), Balti, Comrat, Soroca, Drochia, Edinet, Orhei, Causeni and Ungheni. The financial statements comprise all Company's branches.

The only shareholder of the Company is Alternative Fund managed by Mikro Kapital Management which belongs to Joseph of Arimathea Asset Management Foundation. The beneficial owner of the Joseph of Arimathea Asset Management Foundation shall be the Board of Trustees since no individual can be identified. The composition of the Board of Trustees and ultimately UBO of the Company is presented in Note 24.

The Company is incorporated in the Republic of Moldova and the registered office of the Company is located at Calea Iesilor str., 17/2, 2nd floor, Chisinau. As at 31 December 2025 the Company employed 70 employees (as at 31 December 2024: 76 employees).

Operating environment of the Company

The Company's operations are significantly exposed to the economy and financial markets of the Republic of Moldova. Moldova is a small, lower-middle-income country and one of the poorest in Europe. The country's economy has historically relied on a remittance-driven consumption growth model, which delivered GDP growth and poverty reduction but gradually lost its sustainability.

According to preliminary data from the National Bureau of Statistics (NBS), Moldova's GDP in 2025 amounted to **353.5 billion lei** in current prices, rising in real terms by **2.4%** compared to 2024. Growth accelerated in the second half of the year, with the economy expanding 5.2% year-on-year in Q3 and 3.6% in Q4. The key drivers were an increase in fixed capital investment (+16.9%), growth in household consumption (+3.5%), and a recovery across agriculture (+10.7% in GVA), construction (+6.6%), the IT sector (+12.5%), and energy (+20%). External vulnerabilities persist: the country remains dependent on remittances from abroad (approximately $1.5 billion per year, over 20% of GDP), while weak market institutions and labor shortages continue to act as structural constraints on growth. The banking sector remains sensitive to shifts in confidence and economic conditions and may periodically experience reduced liquidity and heightened market volatility.

In the parliamentary elections of 28 September 2025, the pro-European Party of Action and Solidarity (PAS) secured victory with 50.2% of the vote and 55 seats in the 101-member parliament. The new government under Prime Minister Alexandru Munteanu, sworn in on 1 November, declared the completion of EU accession negotiations by 2028 as its primary objective. On the integration front, on 22 September 2025 Moldova finalized the European Commission's screening process across 35 legislative chapters and gained access to the **€1.9 billion** EU Reform and Growth Facility for 2025–2027. The unresolved Transnistrian conflict continues to complicate the EU accession process, while the security situation remains inextricably linked to the course of the war in Ukraine.
Throughout 2025, the National Bank of Moldova (NBM) adjusted its base rate on several occasions. In February, the rate was raised to **6.50%** per annum in response to inflationary pressures driven by increases in regulated tariffs. From August through December, the NBM pursued a gradual easing cycle: cutting the rate to 6.25% in August, to 6.00% in September, and reducing it by a further 100 basis points to **5.00%** per annum in December. The regulator's objective

1. Nature of operations & general information (continued)

is to keep inflation within the target corridor of 5.0% ±1.5 percentage points. Annual inflation declined to 6.8% by December 2025, approaching the upper bound of the target range.

As of 1 July 2023, the National Bank of Moldova assumed supervisory responsibility over non-bank credit organisations (NBCOs) — a sector previously regulated by the National Commission for Financial Markets. The legal basis for this oversight is established by the Law on Non-Bank Credit Organisations No. 1 of 16 March 2018. The NBM continues to develop the regulatory framework for this sector, progressively aligning it with European standards as part of the country's broader EU integration agenda.

2. New and revised standards, in force for annual periods that start on or after 1 January 2025

a) New standards as at 1 January 2025

IAS 21: The Effects of Changes in Foreign Exchange Rates Amendments to IAS 21 — Lack of Exchangeability. An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (within a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations. Published August 2023, with effective date for annual periods beginning on or after 1 January 2025. The adoption is not expected to have a material impact on the Company's financial statements.

b) New and revised IFRS Accounting Standards in issue but not yet effective

At the date of authorization of these financial statements, the Company has not applied the following new and revised IFRS Accounting Standards that have been issued but are not yet effective:

Effective for annual periods beginning on or after 1 January 2026:

- Amendments to IFRS 9 and IFRS 7 — Classification and Measurement of Financial Instruments. Issued in May 2024, these amendments clarify the classification of financial assets with ESG-linked features and the recognition/derecognition of financial liabilities settled through electronic payment systems.
- Annual Improvements to IFRS Accounting Standards — Volume 11. Narrow-scope amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10, and IAS 7

Effective annual periods beginning on or after 1 January 2027:

- IFRS 18 Presentation and Disclosure in Financial Statements - the impact of the above standard is currently being evaluated by management.
- IFRS 19 Subsidiaries without Public Accountability - the impact of the above standard is currently being evaluated by management.
- Amendments to IAS 21 — Translation to a Hyperinflationary Presentation Currency the impact of the above standard is currently being evaluated by management.

3. Accounting policies.

a. Basis of preparation

Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

Basis of measurement

The financial statements are prepared under the historical cost basis, with the exception of cases where it is relevant to use fair value.

3. Accounting policies (continued)

Functional and presentational currency

The financial statements are presented in Moldovan lei ("MDL"), which is the company's functional and presentation currency. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of profit or loss.

Non-monetary assets, liabilities and equity instruments are recorded at historical cost denominated in foreign currency and are translated using the exchange rate at the date of the initial transaction.

Revenues and losses in foreign currency arising from the revaluation of monetary assets and liabilities in foreign currency are reflected in the statement of profit and loss.

Modifications in the fair value of monetary elements denominated in foreign currency are analyzed between translation differences resulting from changes in the amortized cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in the amortized cost are recognized in profit or loss, and other changes in the carrying amount are recognized in equity.

The non-monetary elements denominated in another currency that are accounted for at cost are translated using the exchange rates as of the date of the initial transaction. The non-monetary elements denominated in a foreign currency, measured at fair value are translated using the exchange rates as of the date of determining the fair value.

The year end and average exchange rates for the main currencies were the following:

	2025		2024	
	USD	**EUR**	**USD**	**EUR**
Average for the period	17.3705	19.5911	17.7918	19.2533
Year end	16.7925	19.7597	18.4791	19.3106

Presentation of financial statements

The Company presents its statement of financial position broadly in order of liquidity. An analysis regarding recovery or settlement within 12 months after the statement of financial position date (current) and more than 12 months after the statement of financial position date (non-current) is presented in Note 25.Financial assets and financial liabilities are offset, the net amount reported in the statement of financial position only when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liability simultaneously. Income and expense are not offset in the profit or loss unless required or permitted by any accounting standard or interpretation, and as specifically disclosed in the accounting policies of the Company.

b. Significant accounting judgments, estimates and assumptions

In the process of applying the Company's accounting policies, management has exercised judgment and estimates in determining the amounts recognized in the financial statements. Estimates and judgments are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances the most significant uses of judgment and estimates are as follows:

Going concern

The Company reported a net profit of MDL 4,015,692 for the year ended 31 December 2025 (31 December 2024, MDL 6,964,081) and at that date the retained earnings were positive of MDL 56,405,452 (31 December 2024: MDL 52,389,760). The Company has significant support as borrowings outstanding, which were granted by its shareholder,

3. Accounting policies (continued)

48% at 31 December 2025 (31 December 2024: 27%). Based on these, the Company's management has assessed the Company's ability to continue as a going concern and is satisfied that the Company has the resources to continue its activity for the near future.

Furthermore, the management is not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern.

Therefore, the financial statements continue to be prepared on a going-concern basis.

Impairment losses on loans granted to customers

The Company reviews its receivables, loans, and advances at each statement of financial position date to assess whether an impairment loss should be recorded in the profit or loss. Management estimates the impairment loss according to IFRS 9.

c. Summary of significant accounting policies

- **Financial assets and financial liabilities**

Recognition and initial evaluation

Financial assets are classified, at initial recognition, depending on the contractual terms and the business model for managing the instruments. All financial assets are recognized initially at fair value plus, in the case of financial assets are not recorded at fair value, transaction cost that is attributable to the acquisition of the financial assets. The company has only such financial assets that are recognized as loans and receivables.

Classification

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in active markets. All loans and receivables are recognized in the statement of financial position on the contractual terms and the business model for managing the instruments.

Impairment of financial assets

The company recognizes loss allowances for ECL (Expected Credit Loss) on the following financial instruments that are not measured at FVTPL:

- Financial assets that are debt instruments
- Financial guarantees contracts
- Loan commitments

Impairment according to IFRS 9 is based on expected losses and requires a timely recognition of the future expected losses.

The determination of expected losses at the reporting date relies on the effective interest rate established upon the initial recognition or an estimated rate. As concerns financial assets with variable interest rates, the expected credit losses must be determined based on the current effective interest rate. As concerns the purchased or originated financial assets that are credit-impaired, the expected credit losses must be determined based on the credit-adjusted effective interest rate established upon the initial recognition.

In some circumstances, renegotiation or modification of contractual cash flows of financial assets results in the recognition of available financial assets. The renegotiation of or change in the contractual cash flows related to financial assets results in a significant change in initial risk assessment and leads to categorising on Stage with lifetime provisioning.

3. Accounting policies (continued)

If the contractual terms are significantly altered and none of the cash inflow during the year comes the existing financial asset is derecognized and the next cash inflow becomesis recognized as Income from loans recovered.

Under IFRS 9, a financial asset is credit-impaired when one or more events have occurred and have a significant impact on the expected future cash flows of the respective financial asset.
Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or borrower;
- a breach of contract, such as a default or past-due event;
- the lender, for economic or contractual reasons relating to the borrower's financial difficulty, grants the borrower a concession that would not otherwise be considered;
- it becomes probable that the borrower will enter bankruptcy or other financial reorganization;
- the disappearance of an active market for the financial asset because of financial difficulties; or
- the purchase or origination of a financial asset at a deep discount that reflects incurred credit losses.

A financial asset classified as impaired upon initial recognition will be maintained as such until its de-recognition.

The company assesses on a forward-looking basis the expected credit losses ('ECL') associated with its debt instrument assets carried at amortized cost and fair value through other items of the comprehensive income and the exposure from loan commitments and financial guarantee contracts. The company recognizes a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.
- IFRS 9 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarized below:
- **3. Accounting policies (continued)**
- A financial instrument that is not credit-impaired on initial recognition is classified in 'Stage 1' and has its credit risk continuously monitored by the Company;
- If a significant increase in credit risk ('SICR') since initial recognition is identified, the financial instrument is moved to 'Stage 2' but is not yet deemed to be credit-impaired;
- If the financial instrument is credit-impaired, the financial instrument is then moved to 'Stage 3'. Financial instruments in Stage 1 have their ECL measured at an amount equal to the portion of lifetime expected credit losses that result from default events possible within the next 12 months. Instruments in Stages 2 or 3 have their ECL measured based on expected credit losses on a lifetime basis. A pervasive concept in measuring ECL following IFRS 9 is that it should consider forward-looking information.
- Purchased or originated credit-impaired financial assets ("POCI") are those financial assets that are credit-impaired on initial recognition. Their ECL is always measured on a lifetime basis (Stage 3).

Impairment losses calculation

The Company reviews the lease portfolio and loans to estimate its depreciation on a monthly basis. In determining whether a loss on impairment of lease and loans should be reflected in the income statement, the Company estimates that there is measurable data to lower expected future cash flows in the portfolio of lease and loan before this decrease is identified with a leasing and individual loan from the portfolio. These issues may indicate observable data of worsening service of a debtor in a group, national or economic conditions and correlates with asset losses in a group.

Management uses estimates based on the historical impairment of assets related to credit risk characteristics and objective impairment records like those in the portfolio in the forecast of future cash flows. The methodology and

3. Accounting policies (continued)

assumptions used to estimate both the magnitude, and the maturity of future cash flows are reviewed to reduce the differences between estimates and current losses on leases and loans.

When the result of these factors is different from the initially reflected values, they may materially affect the provision for losses for the period in which that determination occurred. Depreciation of leases and loans is calculated for individual leases and loans and for other leases and loans on a portfolio basis. For individually assessed leases and loans, the depreciation factors are determined first. Depreciation factors are financial difficulties of the client, disputes with the respective client, and extension or modification of the repayment schedule due to the impossibility of payment.

For overdue payments exceeding 90 days, it will be automatically considered that the lease and the loan are impaired.

For assessing the depreciation amount, the table of monthly cash flows expected from the credit performance, including the flows from the collateral, is made and the flows are updated using the effective interest rate.

Distribution by collateral

The Company defines the following categories of collateral:

- Hard collateral – a security consisting of the guarantor and non-consumable assets used in the Client's activities (including for personal use) for more than 12 months and having a depreciation characteristic during the whole period of their operation, but not completely disappearing or changing their original purpose. This type of collateral includes, for example, real estate (including buildings, facilities, premises, land), vehicles (including cars, trucks, buses), special technical equipment (including agricultural equipment), equipment (including production power machines), the right to long-term lease of real estate. These non-consumable assets are estimated with their own market fair value over the gross book value on lease or loan.
- Soft collateral – a security consisting of property or property rights (claims) that can be expended or consumed in the course of the financial and economic activities of the Client for 12 months. This type of collateral includes, for example, goods in circulation (including raw materials, fabric, goods for resale, harvested crop and future harvest), inventory, livestock, the right to a short-term lease of real estate, the assignment of a monetary claim and other types of security not specified in the hard collateral category and not classified as a guarantee.
- Mixt - security consisting of the guarantor and non-consumable assets used in the Client's activities (including for personal use) for more than 12 months and having a depreciation characteristic during the whole period of their operation but not completely disappearing or changing their original purpose. This type of collateral includes, for example, real estate (including buildings, facilities, premises, land), vehicles (including cars, trucks, buses), special technical equipment (including agricultural equipment), equipment (including production power machines), the right to long-term lease of real estate. These non-consumable assets estimate with own market fair value under the gross book value on lease or loan.

Guarantee – the obligation of the only guarantor (surety) to return the debt of the borrower, if by the time of return he/she is insolvent.
Unsecured – the absence of any category of security or guarantee.

The computation of impairment losses is calculated based on the following formula:

EAD x PD x LGD, where:

- EAD - leasing and loan balance less adjusted fair value of collateral
- PD – Probability of default
- LGD – Loss Default loss rate.

3. Accounting policies (continued)

The rules for calculation are the following:

- Classify loan portfolio by 3 stages based on days past due:
- Stage 1 up to 29 days past dues
- Stage 2: 30 to 89 days past due
- Stage 3 more than 90 days past due
- Future loan cash-flows are estimated using contractual terms for each loan and used to estimate 12 months expected credit losses and life-time expected credit losses.
- For loans classified as Stage 1 the Company considers 12 months expected losses while for Stage 2 and Stage 3 the Company considers Life-time expected credit losses.
- Estimation of PD and LGD is based on historical Company information as well as expected future trends and macroeconomic factors.

Presentation of impairment losses in the statement of financial position

Loss allowances for ECL are presented in the statement of financial position as follows
- financial assets measured at amortized cost: as a deduction from the gross carrying amount of the assets;
- loan commitments and financial guarantee contracts: generally, as a provision;
- where a financial instrument includes both a drawn and an undrawn component, and the company cannot identify the ECL on the loan commitment component separately from those on the drawn component the Company presents a combined loss allowance for both components. The combined amount is presented as a deduction from the gross carrying amount of the drawn component. Any excess of the loss allowance over the gross amount of the drawn component is presented as a provision; and
- debt instruments measured at FVOCI: no loss allowance is recognized in the statement of financial position because the carrying amount of these assets is their fair value. However, the loss allowance is disclosed and is recognized in the fair value reserve

- **Renegotiated loans**

Where possible, the company restructures loans rather than take possession of collateral. This may involve extending the payment arrangements and the agreement of new loan conditions. Once the terms have been renegotiated the loan is considered overdue and held during a certain "quarantine" period. Should the period expire, the loan is no longer considered overdue and is attributed a current status. Management continuously reviews renegotiated loans to ensure that all criteria are met and that future payments are likely to occur. The loans continue to be subject to an individual or collective impairment assessment.

- **Write-off of financial assets and finance lease receivables**

Loans and debt securities are written off (either partially or in full) when there is no reasonable expectation of recovering a financial asset, considering that during the year they could not honor their obligations according to the schedule. This assessment is made after considering information such as the occurrence of significant changes in the financial position of the borrower so that the borrower can no longer satisfy its obligations, or arrears have registered a longer period than the period of collection established, or proceeds from collateral will not be sufficient to repay the entire exposure.
Recoveries of amounts previously written off are included in "income from loans recovered" in the statement of profit or loss and SOCE. Financial assets that are written off could still be subject to enforcement activities to comply with the company's procedures for recovery of amounts due.

3. Accounting policies (continued)

- **Repossessed assets**

In certain circumstances, objects under finance lease are repossessed following the foreclosure of lease contracts where the recoverability is in doubt. Foreclosed collateral are carried at the lower of its cost (being its fair value at the time of repossession) and net realisable value.

- **Customer advances**

Customer advances represent prepayments made by the customers for the payment of contractual obligations to which the due date has not yet arrived. The amounts are settled automatically at the next due date of the contract.

- **Borrowings**

Borrowings are initially recognized at cost, being the fair value of their issue proceeds received net of transaction costs incurred. Subsequently, borrowings are stated at amortized cost and any difference between net proceeds and the redemption value is recognized in the profit or loss over the period to maturity using the effective interest rate method.

- **Income and expense recognition**

Interest income is recognized to the extent that the economic benefits will probably flow to the Company and the interest income can be reliably measured.

Interest income and expense are recognized in the income statement for all bearing financial instruments carried at gross amount using the effective interest rate method.

The interest rate of a financial asset or financial liability is calculated on the initial recognition of a financial asset or a financial liability. In calculating interest income and expense, the interest rate is applied to the gross carrying amount of the asset or the amortized cost of the liability.

The 'amortized cost' of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any expected credit loss allowance.
The 'gross carrying amount of a financial asset' is the amortized cost of a financial asset before adjusting for any expected credit loss allowance.

Interest income calculated and presented in the statement of profit or loss includes:

- Interest on financial assets and financial liabilities measured at the accounting value;
- Fee for administration.
- Interest expenses are recognized in profit or loss at the carrying amount.

- **Commission fee income**

Fee, granting and administration commissions income and expense are included in the effective interest. Other fees and commission income are recognized in accordance with IFRS 15 at a point in time when the related services are performed. Other fees and commission income relate mainly to transaction and service fees, which are incurred as the services are received. These refer mostly to early disbursement fees for loans.

Commission fee income is recognized at the carrying amount of the consideration received or receivable for the services provided in the ordinary course of the Company's activities, the granting of loans. Fees and commissions are recognized on an accrual basis when the service has been provided.

3. Accounting policies (continued)

- **Property, plant and equipment**

Items of property and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment. If significant parts of an item of property or equipment have different useful lives, then they are accounted for as separate items (major components) of property and equipment. Any gain or loss on disposal of an item of property and equipment is recognized within other income in profit or loss.

Subsequent expenditure is capitalized only when it is probable that the future economic benefits of the expenditure will flow to the Group. Ongoing repairs and maintenance are expended as incurred.

Depreciation is calculated to write off the cost of items of property and equipment less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognized in profit or loss. Land is not depreciated.

The estimated useful lives of significant items of property and equipment are as follows:
- Buildings ……..…. 40 years;
- IT equipment ……..…3–5 years;
- Other equipment ……....5–10 years.

The right of use related to the rental contracts concluded with partners for the offices rented over the country are also presented as property plan of equipment, considering that it would be their nature if the underlying asset were owned by the Company. As per IFRS 16 – Leases, the asset is calculated as the initial amount of the lease liability, plus any other payments made to the lessor before the lease/contract commencement date, plus any initial direct costs incurred, minus any lease incentives received. The depreciation period for the right-of-use asset is from the lease commencement date to the end of the lease term. At the termination of a contract, the right-of-use asset and associated lease liability are removed from the books of the Company and the difference between the two amounts is accounted for as a profit or loss at that time.

- **Intangible assets**

Acquired computer software licenses are recognized as intangible assets based on the costs incurred to acquire and bring to use the software. Amortization of software is calculated based on straight-line method, considering their useful life according to their description/benefits. Amortization is calculated on a straight-line basis over 3-10 years.

- **Cash and cash equivalents**

Cash comprises both cash on hand and in the bank. Cash equivalents are short-term, highly liquid investments with a maturity of less than 90 days from the date of purchase, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

- **Contingencies**

Contingent liabilities are not recognized in the financial statement, but they are disclosed, unless the possibility of an outflow of resources embodying economic benefits is remote.

A contingent asset is not recognized in the financial statements but is disclosed when an inflow of economic benefits is probable.

3. Accounting policies (continued)

- **Provisions**

Provisions are recognized when the Company has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of economic resources will be required from the Company and amounts can be estimated reliably. The timing or amount of the outflow may still be uncertain. The Company recognizes provisions concerning untaken holidays of employees calculated at the end of the reporting period based on the actual number of untaken days and the daily salary of the employees.

- **Investment income**

Investment income is recognized when the right to receive income is established or income is determined. Income from financial investments is presented in the net financial gain/(loss) line (Note 9).

- **Related parties**

A party is related to an entity if:

- directly, or indirectly through one or more intermediaries, the party:
  - controls, is controlled by, or is under common control with, the entity (this includes parents, subsidiaries and fellow subsidiaries)
  - has an interest in the entity that gives it significant influence over the entity; or
  - has joint control over the entity
- the party is an associate (as defined in IAS 28, Investments in Associates) of the entity
- the party is a joint venture in which the entity is a venture (see IAS 31, Interests in Joint Ventures)
- the party is a member of the key management personnel of the entity or its parent
- the party is a close member of the family of any individual referred to in (a) or (d)
- the party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or (e); or
- the party is a post-employment benefit plan for the benefit of employees of the entity, or of any entity that is a related party of the entity.

Related party transactions represent a transfer of resources or obligations between related parties, regardless of whether a price is charged.

- **Taxation**

Income tax expense comprises current and deferred tax. It is recognized in profit or loss. Penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore have accounted for them under IAS 37 Provisions, Contingent Liabilities and Contingent Assets and have recognized the related expenses in 'other expenses'.

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any

3.Accounting policies (continued)

adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received.

That reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. The current tax also includes any tax arising from dividends.

3. Accounting policies (continued)

p) Taxation (continued)

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes. Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that future taxable profits will probably be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized, reductions are reversed when the probability of future taxable profits improves. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date. The measurement of the deferred tax reflects the tax consequences that would follow the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if certain criteria are met.

The nominal tax rate was set at 12% for 2025 and 12% for 2024.

- **Share capital and reserves**

The net assets of the Company are those assets which are exempt from the obligations (debts) of the Company. The source of the net assets is the equity of the Company composed of authorized capital, additional capital, the reserve fund, undistributed profit as well as out of other resources and means provided for by the legislation in force.

The net assets shall be calculated according to the inventory (initial) value and, in the cases provided by law, according to the market value.

- **Events subsequent to the reporting period**

Post-year-end events that provide additional information about the Company's position at the balance sheet data (adjusting events) or those that indicate that the going concern assumption is not appropriate are reflected in the financial statements. Post-year-end events that are not adjusting events are disclosed in the notes when material.

- **Comparatives**

Except when a standard or an interpretation permits or requires otherwise, all amounts are reported or disclosed with comparative information. Where IAS 8 applies, comparative figures have been adjusted to conform to changes in presentation in the current year.

4. NET INTEREST INCOME

	2025	2024
Statement of profit and loss		
Business loans	36.597.658	41,146,049
Agro loans	44.389.845	56,720,048
Home loans	7.618.845	9,149,423
Rapid loans (for business)	5.377.841	6,787,716
Consumer loans	10.599.587	10,855,462
Total interest income	**104.583.775**	**124,658,699**
Interest expense	**(48.349.796)**	**(53,982,766)**
Net interest income	**56.233.979**	**70,675,932**

Net interest income measures the return of borrowed funds calculated on effective interest rate method. The interest rate included nominal rate, and all fees and commissions related to a loan (granting commissions, administration fees) for both granted and contracted loans. The interest income amounted to 104 million MDL, reflecting a 16% decline compared to the previous year. The primary reason for this decrease is the reduction in the disbursement amount during 2025.

	2025	2024
Statement of profit and loss		
for individuals	18.218.432	19,853,376
Micro	5.074.777	6,717,556
Small	37.115.787	47,363,205
SME	29.023.358	35,078,047
Corporate	15.151.421	15,646,514
Total interest income	**104.583.775**	**124,658,699**

5. FEE AND COMMISSION INCOME

FEE AND COMMISSION INCOME	2025	2024
Statement of profit and loss		
Fee and commission income	10.576.625	13,431,456
Fee and commission expense	(1.099.673)	(1,715,109)
Fee and commission income	**9.476.952**	**11,716,347**

The table above presents fee and commission income and expense that are not included in the computation of interest income using the effective interest rate method. For both 2025 and 2024, these amounts mainly consisted of early repayment fees, fees related to contractual modifications of loans granted to customers, and penalties charged for late payments.

6. OTHER REVENUE

	2025	2024
Statement of profit and loss		
Income from loans recovered	17.769.268	10,406,578
Other income from other operating activities	2.091.555	2,001,921
Other revenue	**19.860.823**	**12,408,500**

Other income includes recoveries of court fees, issuance of certificates, and scrapped advances with commitments expired.

6. OTHER REVENUE (CONTINUED)

During 2025 the Company decided to write off some legacy loan contracts for clients without payments during the year. However, the Company`s policy assumes that those contracts are still monitored, and each legal procedure is undertaken in order to recover the amounts. Results of the collection are shown below:

	2025	2024
Statement of profit and loss		
Income from loans recovered	(38.079.385)	*(47,039,522)*
Loans written off expense	*17.769.268*	*10,406,578*
Other revenue	**(20.310.117)**	**(36,632,943)**

7. OTHER EXPENSES

	2025	2024
Statement of profit and loss		
Professional Services	6.649.495	4,506,515
Miscellaneous	526.547	2,130,803
Taxes Other Than Income Tax	1.536.008	1,822,073
Marketing/Advertising	2.071.628	1,613,140
Bank Charges	544.661	1,157,290
Provision for assigned assets	594.685	696,336
Vehicle Operating Cost	478.804	496,990
Utilities	579.796	471,331
Communications	309.656	406,629
Training Expenses	256.308	330,818
Office supplies	237.840	306,791
Travel Expenses	254.417	168,302
Office&Equipment Maintenance	386.712	160,014
Agent's commission on clients attraction	17.092	56,153
License/Memberships	30.152	33,787
Protocol expenses	49.040	10,180
Loss from receivables assignment	-	-
Total other expenses	**14.522.841**	**14,367,154**

Total other operating expenses for 2025 amounted to MDL 14,522,841, representing an increase of MDL 155,687, or 1%, compared to 2024 (MDL 14,367,154). Although the overall level of expenses remained relatively stable year-on-year, the composition of these expenses changed significantly. Increases in several key expense categories were largely offset by reductions in other operating costs, reflecting an internal restructuring and optimization of the Company's cost base during the reporting period:

- **Professional Services** include consulting and financial analysis services, audit, security services, e-signature services, legal and translation services, underwriting services, IT services, and other services provided mainly by local suppliers. The increase of 48% (+2.1 million MDL) was primarily driven by a higher reliance on consulting, legal, and advisory services, as well as by the overall increase in contract prices in line with market price growth.

- **Miscellaneous** presents other types of expenses and services that were practically not planned and cannot be reflected in the existing expense categories. Other types of expenses and services that were not initially planned and cannot be allocated to the existing expense categories. In 2025, this expense category decreased

7. OTHER EXPENSES (CONTINUED)

- by 75%, mainly due to the absence of provisions for regulatory sanctions and fines that had been recognized in the previous year.

8. PERSONNEL EXPENSES

	2025	2024
Statement of profit and loss		
Salaries and bonuses	26.168.231	20,585,066
Social and medical security expenses	6.363.990	4,983,341
Untaken holidays provision expense	448.360	271,169
Provision expense for staff's bonus	-	-
Total personnel expenses	**32.980.581**	**25,839,576**

	2025	2024
Statement of profit and loss		
Loans officers	13.745.131	13,774,770
Administrative personnel	10.603.043	5,898,799
Management	8.632.407	6,166,007
Total	**32.980.581**	**25,839,576**

As of December 31, 2025, the Company's management was composed of the Chief Executive Officer, Chief Financial Officer, Chief Risk Officer, Chief Accountant, and two Regional Managers. During 2025, the number of administrative personnel increased by 2 positions. Additionally, the Company introduced the roles of Credit Analyst

8. PERSONNEL EXPENSES (continued)

and SMM Manager. At the same time, one branch was closed during 2025, and the Company experienced significant turnover among credit officers. As a result, the number of credit officers decreased by 8 employees compared to 2024.

	2025	2024
Statement of profit and loss		
Loan officers	46	54
Administrative personnel	18	16
Management	6	6
Total number of personnel	**70**	**76**

9. NET FINANCIAL PROFIT/(LOSS)

Statement of profit and loss	**2025**	**2024**
FX gain/loss	746.908	(426,142)
Interest received from deposits	48.197	65,055
Net financial profit/(loss)	795.105	**(361,088)**

As a result of foreign exchange rate fluctuations during 2025, the Company recorded a net financial gain of MDL 746,908. For more details regarding foreign exchange risk, please refer to Note 25.1.a of the Financial Statements. Additionally, interest income earned from deposits held with BC MAIB amounted to MDL 48,197.

10. INCOME TAX

	2025	2024
Statement of profit and loss		
Profit/(loss) before tax	5.453.731	8,424,724
Rate of income tax	12%	12%
Income tax theoretically	654.448	1,010,967
Non-taxable income	-565.473	(303,764)
Non-deductible expenses	*7.095.385*	4,051,067
Tax losses carried forward from previous tax periods	0	0
Tax effect of temporary differences	6,529,920	3,747,303
Effect of IFRS adjustments and reclassifications	783,590	**449,676**
Income tax withheld in advance	-	-
Income tax expense	**1.438.038**	**1,460,643**

Income tax expense is computed based on the nominal tax rate of 12% (2024: 12%).

The non-deductible expenses was recorded mainly by non-deductible interest expenses for early repayment of loans and its withholding tax from the shareholder.

11. CASH AND CASH EQUIVALENTS

	2025	2024
Assets		
Cash in current accounts CCY	4.293.093	2,117,813
Cash in current accounts FCY	4.724.945	2,068,986
Other cash items	3.023	6,095
Cash and cash equivalents	**9.021.062**	**4,192,894**

The Company's cash holdings are maintained exclusively in bank accounts at various banks in the Republic of Moldova. Foreign currency balances are recorded in the financial statements in MDL at the NBM exchange rate as of the reporting date. Additionally, other cash items include cash in transit, representing amounts transferred by financing partners through banks but not yet received by the end of the reporting period.

12. LOANS GRANTED TO CUSTOMERS

	2025	2024
Assets		
Gross loans to customer <1 yr	201.818.387	243,127,969
Gross loans to customer > 1yr	254.629.876	269,633,829
Total Gross book of active loans (principal)	**456.448.263**	**512,761,798**
Accrued interest from loans	5.742.632	21,503,733
Gross Loan Portfolio	**462.190.895**	**534,265,531**
Allowance for loan impairment	(21.610.167)	(31,518,629)
Loans granted to customers	**440.580.728**	**502,746,902**

The Company's loan portfolio decreased by 17% during 2025. The main factor behind the decline was the implementation of a portfolio clean-up strategy, under which non-performing loans amounting to approximately MDL 30 million were written off.

12. LOANS GRANTED TO CUSTOMERS (continued)

An additional factor affecting the dynamics of the gross loan portfolio (GLP) was insufficient liquidity. The liquidity crisis that emerged during March–April 2025 resulted in a reduction in new loan disbursements and limited the Company's ability to expand its lending portfolio.

Furthermore, the conservative strategy adopted by the Company's management, taking into account the regional instability caused by the war in Ukraine, as well as severe drought and high temperatures affecting certain regions of the country, led to an increase in loan loss expenses during 2025, which materially impacted the Company's profitability.In order to ensure the financing sources, the Company had made pledges on the loan portfolio, as it is presented in ***Note 19 - Borrowings from banks and creditors***.

The tables below are presented at the carrying principal outstanding amount:

a) Distribution by Product

	2025	2024
Assets		
Business loans	186.410.265	195,478,126
Agro loans	185.759.307	220,890,513
Home loans	38.022.969	46,841,025
Rapid loans (for business)	15.372.259	15,840,858
Consumer loans	30.883.463	33,711,275
Total	**456.448.263**	**512,761,798**

	2025	2024
Assets		
for individuals	68.906.432	80,552,300
Micro	14.878.619	16,983,961
Small	142.000.560	169,916,384
SME	129.142.989	156,337,296
Corporate	101.519.663	88,971,857
Total	**456.448.263**	**512,761,798**

b) Distribution by collateral

	2025		2024	
Assets	**Active loans**	**%**	**Active loans**	**%**
Hard collateral	108.365.645	24%	134,590,844	26%
Soft collateral	46.896.601	10%	40,039,844	8%
Mixt	127.264.512	28%	148,518,471	29%
Guarantor	172.296.940	38%	188,731,686	37%
Unsecured	1.624.566	0%	880,952	0%
Total	**456.448.263**	**100%**	**512,761,798**	**100%**

It is worth mentioning that, about 34% of the portfolio is secured by collateral and almost all active loans bear a personal guarantee.

12. LOANS GRANTED TO CUSTOMERS (continued)

c) Distribution by branch

	2025				2024			
Assets	**Granted Loans***	**%**	**Active loans**	**%**	**Granted Loans***	**%**	**Active Loans**	**%**
Chisinau	47.651.183	16%	75.874.786	17%	55,931,956	18%	85,869,855	17%
Balti	40.007.520	13%	59.535.551	13%	43,169,399	14%	69,457,967	14%
Soroca	40.481.130	14%	59.074.062	13%	40,627,363	13%	68,453,751	13%
Drochia	18.565.660	6%	30.774.774	7%	21,700,992	7%	37,360,187	7%
Comrat	14.239.274	5%	24.048.449	5%	17,569,198	6%	32,320,223	6%
Edinet	16.247.500	5%	26.522.310	6%	15,555,948	5%	26,728,997	5%
Cahul	521.029	0%	14.945.178	3%	12,536,867	4%	39,601,040	8%
Calea Iesilor	41.637.395	14%	48.557.933	11%	34,004,323	11%	44,303,045	9%
Orhei	33.186.360	11%	49.064.526	11%	30,085,305	9%	44,728,714	9%
Causeni	20.922.450	7%	31.015.697	7%	20,726,091	6%	25,757,241	5%
Ungheni	23.188.677	8%	37.034.999	8%	27,070,778	8%	38,180,777	7%
Total	296.648.178	**100%**	456.448.263	**100%**	**318,978,220**	**100%**	**512,761,798**	**100%**

*Granted loans represent the gross amount disbursed by each location during the year.

The table below presents the movement on impairment losses:

	2025	**2024**
Allowance for loan impairment at 01 January	(31.518.630)	(38,294,116)
Impairment losses of loans during the year	9.908.462	6,775,486
Allowance for loan impairment at 31 December	**(21.610.168)**	**(31,518,630)**

	2025	**2024**
Loans written off expense	(38.079.385)	(47,039,522)
Impairment losses of loans	9.908.462	6,775,486
Impairment losses of loans at 31 December	**(28.170.923)**	**(40,264,036)**

The Company recorded loan impairment of MDL (28.170.923) in 2025 (2023: 40,264,036), out of which impaired loans, including interest on these loans in amount of MDL 38.079.385 were written off in 2025 (2023:47,039,522).

13. OTHER ASSETS AND RECEIVABLES

	2025	**2024**
Assets		
Deferred expenses	1.065.967	1,863,433
Trade receivables	14.496.884	1,186,203
Promotional materials and office maintenance	86.965	132,967
Inventories	171.680	197,473
Guarantees granted	169.736	169,736
Tax prepayment	457.348	2,454,901
Other assets	5.445.526	7,720,402
Other assets and receivables	**21.894.107**	**13,725,114**

13. OTHER ASSETS AND RECEIVABLES (continued)

In deferred expenses, MDL 1.065.967 (2024: 1,863,433) represent fee and commissions for attracted funds and the expenses for car insurance as well as other expenses that require deferral in time.

The tax prepayment from 31 December 2025 represents income tax paid in advance in 2025 based on the Company's estimation of total income tax for the year. This asset will be settled with future tax liabilities.

Other assets represent the assignment of the receivables to a collector company. The purpose of the assignment was to facilitate the recovery of the receivables as fast and efficiently as possible, by the professional collection company.

14. FINANCIAL INVESTMENTS

	2025	2024
Assets		
Financial investment	1.478.750	0
Restricted Cash (deposits with local banks, money reserves on deposits)	5.058.925	4.943.945
Financial investment	**6.537.675**	**4.943.945**

Restricted cash represents deposits placed under a contract with BC Moldova-Agroindbank SA, opened in September 2023, with an annual interest rate of 1%. The contract allows the Company to deposit and withdraw funds until the maturity date of September 12, 2038.

15. PROPERTY AND EQUIPMENT

Assets	Property and equipment	Vehicles	Right of use	Total
As of 31.12.2024 - Gross book value	**5,341,243**	**3,623,475**	**21,566,549**	**30,531,267**
Depreciation charge for the year	3,974,006	2,004,952	17,862,936	23,841,894
Net book value as of 31.12.2024	**1,367,237**	**1,618,523**	**3,703,613**	**6,689,373**
Additions	370.174	1.331.345	2.747.097	4.448.616
Depreciation charge for the year	699.140	599.887	3.582.974	4.882.001
As of 31.12.2025 - Gross book value	**5,711,417**	**4,954,820**	**24,313,646**	**34,979,883**
Depreciation charge for the year	4,673,146	2,604,839	21,445,910	28,723,894
Net book value as of 31.12.2025	**1,038,271**	**2,349,982**	**2,867,736**	**6,255,989**

The Company's most significant fixed assets as at the end of 2025 and 2024 were represented by leasehold improvements to the Company's offices and vehicles used by employees for sales and operational activities. During 2025, the Company acquired one vehicle.

Following the implementation of IFRS 16, right-of-use assets and related depreciation were recognized in connection with operating lease contracts for the Company's offices across the country. As at 31 December 2025, the Company operated in 10 locations based on lease agreements concluded with suppliers for periods exceeding 12 months (generally 36 months).

16. INTANGIBLE ASSETS

Assets	Brands	Computer software	Total
As of 31.12.2024	**21.385**	**3.277.260**	**3.298.646**
Amortization as of 31.12.2024	17.792	2.208.036	2.225.827
Net book value as of 31.12.2024	**3.593**	**1.069.224**	**1.072.819**
Additions	-	-	-
Amortization charge for the year	-	368.148	368.148
As of 31.12.2025	**21.385**	**3.277.260**	**3.298.646**
Amortization as of 31.12.2025	17.792	2.576.183	2.593.975
Net book value as of 31.12.2025	**3.593**	**701.077**	**704.670**

Intangible assets owned by the Company are mostly related to computers, software and licenses used in operating activity.

17. TRADE AND OTHER LIABILITIES

	2025	2024
Liabilities		
Employee liabilities	1.800.140	1,559,374
Other current liabilities	156.439	701,874
Trade payables	142.264	280,763
Other Tax liabilities	33.905	22,234
Income tax payable	-	-
Foreign trade payables	98.800	584,512
Trading liabilities	**2.231.547**	**3,148,757**

At the end of December 2025, the most important liabilities were related to employees (salaries and taxes related to December salaries), also other current liabilities representing mainly withholding tax payable related to interest paid for borrowings received from abroad.

18. LEASE LIABILITY

	2025	2024
Liabilities		
Lease liability	2.908.209	3,741,430
Lease liability	**2.908.209**	**3,741,430**

Lease liability presented by the Company is related to the operating lease contracts in force for the offices from the entire country after the adoption of IFRS 16 – Leases.

19. BORROWINGS FROM BANKS AND CREDITORS

	2025	2024
Liabilities		
Borrowings in CCY	221.885.760	209,618,401
Borrowings in FCY	80.065.113	139,024,451
Total	**301.950.873**	**348,642,852**
Borrowings in country	34.694.168	53,530,038
Borrowings abroad	267.256.705	295,112,814
Total	**301.950.873**	**348,642,852**
Short term borrowed funds	250.358.949	166,665,498
Long term borrowed funds	51.591.924	181,977,354
Total	**301.950.873**	**348,642,852**
Short term interest	12.027.228	6,094,657
Long term interest	0	0
Total	**12.027.228**	**6,094,657**
Borrowings from banks and creditors	**313.978.101**	**354,737,509**

The Company's financing needs to support its business development and lending capacity were high in 2025. However, creditors remained reluctant to resume financing. Despite this, the shareholder's contribution continued to represent a significant portion of total borrowings received.

As of December 31, 2025, the majority of the borrowed funds were classified as short-term liabilities, accounting for 48% of the total borrowings.

The Company needs to comply with certain covenants for the existing borrowings with some of the financial institutions. For some agreements, if the Company breach the covenants, the funds would become payable on demand. At 31.12.2025, some funds were classified as short term, because of breach of a financial covenant.

The entity breached covenants with other certain creditors, but the loan agreements stipulate notifications, and penalties on the outstanding balance for the breach, and do not grant the creditors the right to demand early repayment. By the date of the approval of these financial statements, those creditors did not demand or invoice such penalties, not conditions for booking provisions for risks and charges met. However, the Company booked provision for eventual penalty from a local lender.

In order to obtain the contracts, the Company`s pledge in favour of partner was at 31 December 2025 by MDL 282,066,497 (31 December 2023 by MDL 220,139,664).

Please see below the split and evolution of Company`s borrowings by source of financing:

	2025		2024	
	Principal	**Interest**	**Principal**	**Interest**
Other funds	93.325.850	1.058.632	174,745,882	2,158,533
Shareholder	144.122.320	10.777.247	92,813,640	3,702,705
Including Subordinated debt	*37.281.060*	*3.149.755*	*37,281,060*	*2,456,464*
Bank	64.502.703	191.349	81,083,330	233,419
Total	**301.950.873**	**12.027.228**	**348,642,852**	**6,094,657**

19. BORROWINGS FROM BANKS AND CREDITORS (continued)

The interest balance recorded by the Company at the end of 2025 (MDL 12,027,228) was significantly higher than in December 2024 (MDL 6,094,657), mainly due to the repayment of funds to other foreign lenders during the year.

20. ADVANCES FROM CUSTOMERS

	2025	2024
Liabilities		
Advances from customers	3.497.730	3,779,889
Advances from customers	3.497.730	**3,779,889**

These are advances received from customers for the payment of contractual obligations to which the due date has not yet arrived.

21. PROVISIONS

	2025	2024
Liabilities		
Provisions	1.702.739	3,299,314
Provisions	1.702.739	3,299,314

The provisions booked are related to the Company`s employees, the most important part being for untaken holidays, MDL 1.702.739 (2024 MDL 1.734.735,89)

22. DEFERRED TAX

	2025	2024
Deferred tax assets	-	-
Deferred tax liabilities	75.147	1,215,371
Deferred tax	**75.147**	**1,215,371**

Deferred tax assets or liabilities reported by the Company are related to the temporary differences recorded between the statutory books and the IFRS financial statements approach regarding loans receivables revaluation, property and equipment, lease liability, other assets and other liabilities, including provisions for untaken holidays and provisions for staff`s bonus.

23. EQUITY

	2024	2024
Equity		
Share capital	94.723.005	94,723,005
Reserves	9.472.300	9,472,300
Retained earnings	56.405.453	52,389,761
Total Equity	**160.600.757**	**156,585,065**

The sole shareholder is Alternative Securitisation Fund RCS managed by Mikro Kapital Management SA., holding 100% of the Company. The whole share capital is issued and fully paid.

During the 2025 audited year there were no registered changes in shareholder structure or share capital value.

23. EQUITY (continued)

The company's retained earnings have grown by 8%. This indicator has been determined by the positive result of the year of MDL 4.015.692. There were no other equity movements during the audited year.

Per local legislation, at least of 5% of the Company's net statutory profits must be allocated to the legal reserves until this represents the minimum 10% out of the Company's share capital without the possibility to be distributed to the shareholders.

24. RELATED PARTY TRANSACTIONS

The 100% shareholder of the Company is a fund of securitization, Alternative Fund managed by Mikro Kapital Management SA, registered in Luxembourg and the ultimate controlling party is Board of Trustee of Joseph of Arimathea Asset Management Foundation based in Hungary. The Alternative Fund is an important lender of the company. Please see below the list of related parties, the balance at 31 December 2025 and transactions recorded during the year.

a) List of related parties

No/ Nr	List of Related Party	Type of relation	Country of origin
1	Alternative Securitisation Fund RCS managed by Mikro Kapital Management SA	Founder of OCN MK Kredit Company SRL	Luxembourg
2	MK Global Holding Hungary Kft	Founder of Alternative SF (100%)	Hungary
3	MK Global Holding Sàrl	Founder of MK Global Holding Hungary Kft (100%)	Luxembourg
4	MK Global Group S.A.	Founder of MK Global Holding Sàrl (91,03%)	Luxembourg
5	Joseph of Arimathea Asset Management Foundation	Founder of MK Global Group S.A. (100%)	Hungary
6	Enrica Stella Maria Gracia Arena	The beneficiar owner of company	Italy
7	Paolo Trani	The beneficiar owner of company	Italy
8	Stella Trani	The beneficiar owner of company	France
9	Paolo Anton Trani	The beneficiar owner of company	Luxembourg
10	Elena Martina Trani	The beneficiar owner of company	Great Britain
11	Emilia Graciela Villagra Ramírez	The beneficiar owner of company	Hungary
12	Violi Riccardo	The beneficiar owner of company	Italy
13	Elfimova Valeriia	The beneficiar owner of company	Russia
14	Trani Vincenzo	The beneficiar owner of company	Italy
15	Heinig Thomas Christian	Head of board	Germany
16	Crabtree Paul Steven Anthony	Member of board	Italy
17	Marney Richard	Member of board	Great Britain
18	Delinschi Petru	Administrator, CEO	Republic of Moldova
19	Lungu Eduard	CRO	Republic of Moldova
20	Girleanu Constantin	Regional manager South	Republic of Moldova
21	Edu Inna	Regional manager North	Republic of Moldova

24. RELATED PARTY TRANSACTIONS (continued)

b) Balances in relation with related parties (all amounts in MDL)

No /Nr	Name of the Company/Person	Type of transaction	Balance as of 31.12.2025 (MDL)	Balance as of 31.12.2024 (MDL)
1	Alternative Securitisation Fund RCS managed by Mikro Kapital Management SA	Shares owned in Company Borrowings received by Company Interest accrued for borrowings	94.723.005 144.122.320 10.842.839	94.723.005 92.813.640 3.702.705
2	MK Global Holding Hungary Kft	Financial consulting services	0	131.663
3	MK Global Holding Sàrl		0	0
4	MK Global Group S.A.	-	0	0
5	Joseph of Arimathea Asset Management Foundation	-	0	0
6	Enrica Stella Maria Gracia Arena	-	0	0
7	Paolo Trani	-	0	0
8	Stella Trani	-	0	0
9	Paolo Anton Trani	-	0	0
10	Elena Martina Trani	-	0	0
11	Emilia Graciela Villagra Ramírez	-	0	0
12	Violi Riccardo	-	0	0
13	Elfimova Valeriia	-	0	0
14	Trani Vincenzo	-	-9.834,53	0
15	Heinig Thomas Christian	-	0	0
16	Crabtree Paul Steven Anthony	-	0	0
17	Marney Richard	Membership agreement	98.798,50	0
18	Delinschi Petru	-	0	0
19	Lungu Eduard	-	0	0
20	Girleanu Constantin	Loan granted Interest acrrued	0 0	0 0
21	Edu Inna	Loan granted Interest acrrued	0 0	53.890,22 274,14

24. RELATED PARTY TRANSACTIONS (continued)

c) Transactions in relation with related parties (all amounts in MDL)

1. Sales / Loans granted:

No/ Nr	Name of the Company/Person	Type of transaction	Sales/ Loans granted to related partie during 2025	Sales/ Loans granted to related partie during 2024
1	Girleanu Constantin	Loan granted	0	0
		Interest acrrued	0	613
		Borrowings paid	0	21.830
		Interest paid	0	734
		Equity increase	0	0
		Acquisition according to forward agreement	5.800	0
		Payments according to forward agreement	5.800	0
2	Edu Inna	Loan granted	0	0
		Interest accrued	2.178	14.013
		Borrowings paid	53.890	104.131
		Interest paid	2.452	14.532
		Equity increase	0	0
		Acquisition according to forward agreement	2.000	0
		Payments according to forward agreement	2.000	0

2. Acquisition / Borrowings:

No /Nr	Name of the Company/Person	Type of transaction	Acquisition / Borrowings received during 2025	Acquisition / Borrowings received during 2024
1	Alternative Securitisation Fund RCS managed by Mikro Kapital Management SA	Borrowings received	77.230.442,40	34.569.130,00
		Interest acrrued	23.284.226,99	18.733.687,34
		Borrowings paid	25.886.780,00	25.859.296,08
		Interest paid	14.650.508,28	34.898.323,95
		Equity increase	-	-
		Acquisition according to forward agreement	-	-
		Payments according to forward agreement	-	-
2	Trani Vincenzo	Acquisition according to forward agreement	59.485,30	-
3	Marney Richard	Membership agreement	402.208,14	411.693,49
4	MK Global Holding Hungary Kft	Financial consulting services	536.552,91	526.884,05
5	MK Global Group S.A.	Financial consulting services	-	-

25. RISK MANAGEMENT

Introduction and overview

Mikro Kapital Management is responsible for approving and monitoring the Group's general risk management policies, which the Company has to follow when creating its own policies. The Company's Board of Directors has the overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors is responsible for approving and monitoring Company risk management policies.

Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. The risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The company, through its training and management standards and procedures, aims to develop a discipline and constructive control environment in which all employees understand their roles and obligations.

The Group Chief Internal Auditor oversees how management monitors compliance with Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by Company. The Group Chief Internal Auditor is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Company's Board of Directors. The Chief Internal Auditor and all members of MK Kapital Group Internal Audit function are required to comply with the international Standards for Professional Practice of Internal Auditing and the Code of Ethics published by the Institute of Internal Auditors.

Company's management analysed the impact of the war started by the Russian Federation in Ukraine on February 24, 2022, on its own activities and concluded that the direct effects of the war would be reduced, as the Company does not have significant operations with commercial partners from the countries involved in the war. However, the economic consequences and uncertainties resulting from this war or from the actions taken by governments and the private sector to respond to the effects of this conflict may have an impact on various financial indicators and, ultimately, on the normal conduct of the Company's business. It is not possible to accurately estimate the duration and severity of the consequences of the war, nor their impact on the financial position and results of future financial years. Management believes that no adjustments are necessary to the financial statements as of December 31, 2025.

Company is exposed to market price risk, interest rate risk, credit risk, liquidity risk, operational risk, compliance risk, litigation risk, reputation risk and capital management arising from the financial instrument it holds. The risk management policies employed by Company to manage these risks are discussed below:

a. Market price risk

'Market risk' is the risk that changes in market prices – e.g. interest rates, equity prices, foreign exchange rates and credit spreads (not relating to changes in the obligor's/issuer's credit standing) – will affect Company's income or the value of its holdings of financial instruments.

The objective of Company's market risk management is to manage and control market risk exposures within acceptable parameters to ensure Company's solvency while optimizing the return on risk.

Overall authority for market risk is vested in Management. Management sets up limits for each type of risk in aggregate and for portfolios, with market liquidity being a primary factor in determining the level of limits set for portfolio.

a) Foreign exchange risk

The Company takes on exposure to the effects of fluctuations in the prevailing foreign currency exchange rates (i.e. the USD / MDL and EUR / MDL exchange rates) on its financial position and cash flows. The Board sets limits on

25. Risk management (continued)

the level of exposure by currency positions, which are mandatorily monitored monthly and on demand during the month. The table below summarizes the Company's exposure to foreign currency exchange rate risk on 31 December. Included in the table are the Company's financial instruments denominated in foreign currencies at carrying amounts, categorized by currency.

31.dec.25	USD	EUR	MDL	Total
Assets				
Cash and cash equivalents	57	4.724.945	4.296.060	**9.021.062**
Financial investment	-	5.058.925	1.478.750	**6.537.675**
Loans granted to customers	-	177.204.932	263.375.796	**440.580.728**
Other assets and receivables	588	13.982.355	7.911.165	**21.894.107**
Total financial assets	**644**	**200.971.157**	**277.061.771**	**478.033.572**
Liabilities				
Borrowings from banks and other parties	2.215.032	78.528.479	233.234.590	**313.978.101**
Advances from customers	9.835	1.683.678	1.804.218	**3.497.730**
Lease liabilities	0	2.578.565	329.643	**2.908.209**
Trade and other liabilities	2.710	104.724	2.124.112	**2.231.546**
Accruals and deferred income	-	-	-	-
Total liabilities	**2.227.576**	**82.895.446**	**237.492.563**	**322.615.585**
Net on balance sheet	**-2.226.932**	**118.075.710**	**39.569.208**	**155.417.986**

31-Dec-24	USD	EUR	MDL	Total
Assets				
Cash and cash equivalents	6,095	2,068,986	2,117,813	**4,192,894**
Financial investment	-	4,943,945	-	**4,943,945**
Loans granted to customers	-	196,609,732	306,137,169	**502,746,902**
Other assets and receivables	-	55,713	13,965,736	**14,021,450**
Total financial assets	**6,095**	**203,678,377**	**322,220,719**	**525,905,190**
Liabilities				
Borrowings from banks and other parties	-	140,616,340	214,121,169	**354,737,509**
Advances from customers	-	1,121,175	2,658,713	**3,779,889**
Lease liabilities	-	3,267,525	473,905	**3,741,431**
Trade and other liabilities	4,151	754,511	2,295,650	**3,054,312**
Accruals and deferred income	-	2,351,269	4,512,442	**6,863,711**
Total liabilities	**4,151**	**148,110,821**	**224,061,880**	**372,176,852**
Net on balance sheet	**1,943**	**55,567,556**	**98,158,839**	**153,728,339**

25. Risk management (continued)

At 31 December 2025, if the MDL had strengthened/(weakened) 10 per cent against the EUR with all other variables held constant, the post-tax profit for the twelve-month period ended 31 December 2025 would have been approximately MDL (118.075)/ MDL 118.075 (2023: MDL (555,675)/ MDL 555,675 lower / higher.

b. Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. Borrowings issued at variable rates expose the Company to cash flow interest rate risk. Borrowings issued at fixed rates expose the Company to fair value interest rate risk. The Company's management monitors the interest rate fluctuations on a continuous basis and acts accordingly. At the reporting date, the interest rate profile of interest-bearing financial instruments was:

Type	**Fixed rate MDL**	**Floating rate MDL**	**Total**
Loans granted to customers	206.415.158	250.033.105	456.448.263
Bank deposits	5.058.925	-	5.058.925
Borrowings from banks and other parties	222.037.993	79.912.880	301.950.873
Net impact	**(10.563.910)**	**170.120.225**	**159.556.315**

Changes in base interest rate, in bps	**Variable rate assets**	**Variable rate liability**	**Net impact of change in interest rate**
+/-100	25.003.310	7.991.288	17.012.022
+/-200	50.006.621	15.982.576	34.024.045
+/-300	75.009.931	23.973.864	51.036.067

As a significant part of financial assets and liabilities are based on fixed-rate interest, the repricing is mostly according to maturity for fixed interest and is similar to the disclosure in the liquidity note.

c. Credit risk

'Credit risk' is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's loans and advances to customers. For risk management reporting purposes, the Company considers and consolidates all elements of credit risk exposure – e.g. individual obligor default risk, and sector risk.

The company's activities may give rise to risk at the time of settlement of transactions and trades.

'Settlement risk' is the risk of loss due to the failure of an entity to honour its obligations to deliver cash, securities or other assets as contractually agreed.

For certain types of transactions, the Company mitigates this risk by conducting settlements through a settlement/clearing agent to ensure that a trade is settled only when both parties have fulfilled their contractual settlement obligations. Settlement limits form part of the credit approval/limit monitoring process described earlier. Acceptance of settlement risk on free-settlement trades requires transaction-specific or counterparty-specific approvals from the Company's Risk.

25. Risk management (continued)

The Board of Directors oversees the credit risk, including the following:

- *Approving credit policies*, covering collateral requirements, credit assessment, risk grading and reporting, documentary and legal procedures, and compliance with regulatory and statutory requirements.

- *Establishing the authorization structure* for the approval and renewal of credit facilities.

Authorization limits are allocated to Company's branches (up to 100,000 MDL) and to four levels of Credit Committees, including the level of the Board of Directors. Larger facilities (above 2,000,000 MDL in exposure) require approval by the Company's Board of Directors.

- *Reviewing and assessing credit risk*: The Company's credit committees assess all credit exposures according to designated limits before facilities are committed to customers by the business unit concerned. Renewals and reviews of facilities are subject to the same review process.
- *Limiting concentrations of exposure* to regions and industries (for loans and advances, financial guarantees, and similar exposures), and by issuer, credit rating band, and market liquidity.
- *Developing and maintaining the Company's processes for measuring expected credit losses* (ECL). This includes processes for:
  - initial approval, regular validation, and back-testing of the models used;
  - determining and monitoring significant increases in credit risk; and
  - incorporation of forward-looking information.
- *Reviewing compliance* of business units with agreed exposure limits, including those for selected industries, country risk and product types. Regular reports on the credit quality of local portfolios are provided to the Group, which may require appropriate corrective action to be taken. These include reports containing estimates of ECL allowances.
- *Providing advice, guidance and specialist skills* to business units to promote best practices throughout Company is in charge with the management of credit risk. Each business unit is required to respect the Company's credit policies and procedures, with credit approval authorities delegated from the Board of Directors. Also, the Board of Directors established a Risk Management function in the Company. The Company's Chief Risk Officer reports to management, the Group Chief Risk Officer and the Board of Directors and is responsible for managing the Company's credit risk too. Each branch is responsible for the quality and performance of its credit portfolio and for monitoring and controlling all credit risks in its portfolios, including those subjects to central approval. Regular audits of branches and the Company's Credit processes are undertaken by Internal Audit.

25. Risk management (continued)

Indicator name	2025	2024
Portfolio at Risk (PAR) > 30 Ratio	**6,47%**	**8.7%**
PAR>30 days	29.547.924	44,354,473
Gross Loan Portfolio	456.448.263	512,761,798
Portfolio at Risk (PAR) > 30 Ratio and Renegotiated Loans	**8,3%**	**14.0%**
PAR>30 days + Value of Renegotiated Loans	37.831.455	71,861,037
Gross Loan Portfolio	456.448.263	512,761,798
Write off Ratio	**7,9%**	**8.6%**
Value of Loans Written Off	38.079.385,46	47,039,522
Average gross portfolio	484.605.030	546,246,238
Risk Coverage Ratio	**73,1%**	**71.1%**
Impairment Loss Allowance	21.610.167	31,518,629
PAR>30	29.547.924	44,354,473
Risk Coverage Ratio including Renegotiated Loans	**57,1%**	**43.9%**
Impairment Loss Allowance	21.610.167	31,518,629
PAR>30 days + Value of Renegotiated Loans	37.831.455	71,861,037
Open Credit Exposure Ratio	**4,9%**	**8.2%**
Portfolio at risk >30 days - Impairment Loss Allowance	7.937.756	12,835,844
Total Equity	160.600.758	156,585,065
Open Credit Exposure Ratio including Renegotiated Loans	**10,1%**	**25.8%**
PAR>30 days + Value of Renegotiated Loans - Impairment Loss Allowance	16.221.287	40,342,407
Total Equity	160.600.758	156,585,065
Provisioning Expense Ratio	**5,8%**	**7.4%**
Impairment Losses on Loans	28.170.923	40,264,036
Average gross loan portfolio	484.605.030	546,246,238

Credit risk measurement

In measuring the credit risk of loans and advances to customers and to the Company at a counterparty level, the Company reflects three components:

(i) the 'probability of default' by the client or counterparty on its contractual obligations;
(ii) current exposures to the counterparty and its likely future development, from which the Company derives the 'exposure at default'; and
(iii) the likely recovery ratio on the defaulted obligations (the 'loss given default').

The table below shows the percentage of the Company's on-balance sheet items relating to loan contracts and the associated impairment provision for each stage of the contract from the loan portfolio:

25. Risk management (continued)

31 Dec. 2025

Data on PAR	Stage 1	Stage 2	Stage 3	Total
Current Portfolio	386.355.021	2.549.178	1.606.360	390.510.559
Portfolio at Risk 1 to 30 days	37.853.598	594.292	456.944	38.904.834
Portfolio at Risk 31 to 90 days	-	19.352.339	3.083.804	22.436.143
Portfolio at Risk more than 90 days	-	-	10.339.359	10.339.359
Total Gross book value	**424.208.619**	**22.495.810**	**15.486.467**	**462.190.895**
Impairment	**9.862.048**	**2.271.083**	**9.477.036**	**21.610.167**

31 Dec. 2024

Data on PAR	Stage 1	Stage 2	Stage 3	Total
Current Portfolio	404,790,612	25,259,581	2,317,604	432,367,796
Portfolio at Risk 1 to 30 days	45,523,503	2,114,290	434,859	48,072,652
Portfolio at Risk 31 to 90 days	-	18,234,138	-	18,234,138
Portfolio at Risk more than 90 days	-	4,207,979	31,382,965	35,590,944
Total Gross book value	**450,314,115**	**49,815,988**	**34,135,428**	**534,265,531**
Impairment	**11,273,653**	**4,089,196**	**16,155,780**	**31,518,629**

25. Risk management (continued)

Also, the tables below present the reconciliation of gross and allowance balances during the period:

	Total	Stage 1	Stage 2	Stage 3
Gross carrying amount as at 1 January 2024	**602,471,432**	**516,554,815**	**50,116,879**	**35,799,737**
New assets originated or purchased	318,978,220	318,978,220	0	0
Assets derecognized or repaid (excluding write-offs)	(192,924,796)	(183,873,656)	(7,387,264)	(1,663,876)
Variation in stages:				
Increase (decrease) in stage 1	(144,124,976)	(144,124,976)		
Increase (decrease) in stage 2	184,536		184,536	
Increase (decrease) in stage 3	(3,279,363)			(3,279,363)
Transfers to stages:				
Transfers from stage 1 to stage 2	0	(36,694,523)	36,694,523	
Transfers from stage 1 to stage 3	0	(21,199,858)		21,199,858
Transfers from stage 2 to stage 1	0	674,093	(674,093)	
Transfers from stage 2 to stage 3	0		(29,118,594)	29,118,594
Transfers from stage 3 to stage 2	0		0	0
Write off loans	(47,039,522)			(47,039,522)
Gross carrying amount as at 31 December 2024	**534,265,531**	**450,314,115**	**49,815,988**	**34,135,428**

	Total	Stage 1	Stage 2	Stage 3
Impairment allowance as at 1 January 2024	**(38,294,116)**	**(14,756,676)**	**(4,508,079)**	**(19,029,360)**
New assets originated or purchased	(6,552,894)	(6,552,894)	0	0
Assets derecognized or repaid (excluding write-offs)	5,710,312	4,270,227	813,150	626,934
Variation in stages:				
Increase (decrease) in stage 1	3,028,198	3,028,198		
Increase (decrease) in stage 2	(296,316)		(296,316)	
Increase (decrease) in stage 3	1,736,817			1,736,817
Remeasurement due to change in credit risk	(43,890,152)	(14,238,823)	(17,989,226)	(11,662,103)
Transfers to stages:				
Transfers from stage 1 to stage 2	0	3,060,653	(3,060,653)	
Transfers from stage 1 to stage 3	0	13,934,316		(13,934,316)
Transfers from stage 2 to stage 1	0	(18,654)	18,654	
Transfers from stage 2 to stage 3	0		20,933,273	(20,933,273)
Transfers from stage 3 to stage 2	0		0	0
Write off loans	47,039,522			47,039,522
Impairment allowance as at 31 December 2024	**(31,518,629)**	**(11,273,653)**	**(4,089,196)**	**(16,155,780)**

25. Risk management (continued)

	Total	Stage 1	Stage 2	Stage 3
Gross carrying amount as at 1 January 2025	**534.265.531**	**450.314.115**	**49.815.988**	**34.135.428**
New assets originated or purchased	296.648.178	296.648.178	-	-
Assets derecognized or repaid (excluding write-offs)	(192.964.591)	(179.787.613)	(11.379.000)	(1.797.979)
Variation in stages:				
Increase (decrease) in stage 1	(127.104.001)	(127.104.001)		
Increase (decrease) in stage 2	(9.119.708)		(9.119.708)	
Increase (decrease) in stage 3	(1.455.128)			(1.455.128)
Transfers to stages:				
Transfers from stage 1 to stage 2	-	(15.221.162)	15.221.162	
Transfers from stage 1 to stage 3	-	(7.568.353)		7.568.353
Transfers from stage 2 to stage 1	-	6.927.455	(6.927.455)	
Transfers from stage 2 to stage 3	-		(15.115.178)	15.115.178
Transfers from stage 3 to stage 2	-		-	-
Write off loans	(38.079.385)			(38.079.385)
Gross carrying amount as at 31 December 2025	**462.190.895**	**424.208.619**	**22.495.810**	**15.486.467**

	Total	Stage 1	Stage 2	Stage 3
Impairment allowance as at 1 January 2025	(31.518.629)	(11.273.653)	(4.089.196)	(16.155.780)
New assets originated or purchased	(5.568.198)	(5.568.198)	-	-
Assets derecognized or repaid (excluding write-offs)	4.956.653	3.692.868	654.774	609.011
Variation in stages:				
Increase (decrease) in stage 1	2.199.386	2.199.386		
Increase (decrease) in stage 2	274.554		274.554	
Increase (decrease) in stage 3	11.688.698			11.688.698
Remeasurement due to change in credit risk	(21.153.578)	(7.243.748)	(10.530.536)	(3.379.294)
Transfers to stages:				
Transfers from stage 1 to stage 2	-	1.512.230	(1.512.230)	
Transfers from stage 1 to stage 3	-	7.055.857		(7.055.857)
Transfers from stage 2 to stage 1	-	(236.789)	236.789	
Transfers from stage 2 to stage 3	-		12.694.761	(12.694.761)
Transfers from stage 3 to stage 2	-		-	-
Write off loans	17.510.948			17.510.948
Impairment allowance as at 31 December 2025	(21.610.167)	(9.862.048)	(2.271.083)	(9.477.036)

25. Risk management (continued)

The maximum credit risk exposure

The below table represents a maximum credit risk exposure to the Company as at 31 December 2025 and 31 December 2024, without taking account of any collateral held or other credit enhancements attached. For on-balance-sheet assets, the exposures set out below are based on net carrying amounts as reported in the balance sheet. As shown below, the most important part of the total maximum exposure is derived from loans granted to corporate entities, 81% (2024: 82%).

Maximum exposure		
	2025	**2024**
Maximum credit risk exposures are as follows:		
Financial assets at cost	6.537.675	4,943,945
Cash and cash equivalents	9.021.062	4,192,894
	15.558.736	9,136,839
Loans granted to customers:		
Individuals	68.906.432	80,552,300
Loans to corporate entities:	**387.541.831**	**432,209,498**
− Micro & Small business	156.879.179	186,900,345
− Medium business	129.142.989	156,337,296
− Large business	101.519.663	88,971,857
Credit risk exposures relating to off-balance sheet		
Loan commitments and other credit-related liabilities	3.544.403	3,544,403
As at 31 December	**475.551.402**	**525,443,040**

Management is confident in its ability to continue to control and sustain minimal exposure of credit risk to the Company resulting from both its loan and advances portfolio based on the following:

- 92% of the loans and advances portfolio is categorised in the first stage of the impairment (2024: 84%);
- Loans to individuals represent 16,14% of the loan portfolio (2024:14.18%);

Loans granted to customers are summarized as follows by type of client:

Type	**Stage 1**	**Stage 2**	**Stage 3**	**2025**	**2024**
− Individuals	68.480.630	922.214	603.099	70.005.943	81,839,131
− Micro & Small business	144.002.672	7.290.076	7.186.924	158.479.672	194,253,756
− Medium business	122.964.821	3.808.370	3.551.876	130.325.068	163,170,867
− Large business	88.760.496	10.475.149	4.144.568	103.380.213	95,001,777
Total Gross	424.208.619	22.495.810	15.486.467	462.190.895	534,265,531
Impairment	(9.862.048)	(2.271.083)	(9.477.036)	(21.610.167)	(31,518,629)
Net amount	414.346.570	20.224.726	6.009.431	440.580.728	502,746,902

The financial effect of collateral is presented by disclosing collateral values separately for (i) those assets where collateral and other credit enhancements are equal to or exceed the carrying value of the asset ("over-collateralized assets") and (ii) those assets where collateral and other credit enhancements are less than the carrying value of the asset ("under-collateralized assets").

25. Risk management (continued)

The effect of collateral at 31 December 2025 and 31 December 2024:

a) Split by type of collateral

	2025		2024	
Distribution by collateral	**Gross book value**	**Collateral amount**	**Gross book value**	**Collateral amount**
Hard collateral	109.611.023	295.085.347	138.881.594	408.868.791
Soft collateral	47.501.234	131.156.909	43.530.761	139.811.445
Mixt	128.771.029	148.514.497	156.579.007	168.176.234
Guarantor	165.741.658	0	190.268.880	0
Unsecured	10.565.952	0	5.005.289	0
Total	462.190.895	574.756.753	534.265.531	716.856.470

b) Split of collateral by stage

	2025		2024	
Distribution by stage	**Gross book value**	**Collateral fair value**	**Gross book value**	**Collateral fair value**
Stage 1	424.208.619	497.212.863	450.314.115	558.250.468
Stage 2	22.495.810	54.059.272	49.815.988	98.457.194
Stage 3	15.486.467	23.484.618	34.135.428	60.148.809
Total	**462.190.895**	**574.756.753**	**534.265.531**	**716.856.471**

c) Over / under collateralised assets

31 Dec. 2025

	Over		Under	
Distribution by stage	**Gross book value**	**Collateral fair value**	**Gross book value**	**Collateral fair value**
Stage 1	90.937.172	257.900.366	333.271.447	239.312.498
Stage 2	13.672.857	47.669.966	8.822.953	6.389.306
Stage 3	8.996.143	22.700.018	6.490.324	784.600
Total	113.606.171	328.270.350	348.584.724	246.486.403

31 Dec. 2024

	Over		Under	
Distribution by stage	**Gross book value**	**Collateral fair value**	**Gross book value**	**Collateral fair value**
Stage 1	204.807.352	516.988.082	245.506.763	41.262.386
Stage 2	38.777.218	96.935.733	11.038.770	1.521.461
Stage 3	26.021.037	56.540.028	8.114.390	3608781
Total	**269.605.607**	**670.463.843**	**264.659.923**	**46.392.628**

25. Risk management (continued)

d) Credit-impaired assets

31 Dec. 2025

	Gross exposure	Impairment allowance	Carrying amount	Fair value of collateral held
Loans to individuals:				
− Consumer loans	31.638.608	-	31.638.608	7.795.408
− Housing loans	38.427.787	-	38.427.787	90.034.614
Loans to corporate entities:				
− Micro & Small business	160.976.161	(10.059.441)	150.916.720	98.956.793
− Medium business	131.410.896	(5.098.595)	126.312.300	185.035.278
− Large business	104.335.629	(5.102.677)	99.232.952	192.934.660
Total credit-impaired assets	**466,789,081**	**(20,260,713)**	**446,528,368**	**574,756,753**

31 Dec. 2024

	Gross exposure	Impairment allowance	Carrying amount	Fair value of collateral held
Loans to individuals:				
− Consumer loans	34,382,109	(927,697)	33,454,412	9,753,178
− Housing loans	47,457,022	(536,189)	46,920,833	165,604,710
Loans to corporate entities:				
− Micro & Small business	194,253,756	(12,602,396)	181,651,360	125,954,060
− Medium business	163,170,867	(10,385,595)	152,785,272	225,022,460
− Large business	95,001,777	(7,066,752)	87,935,025	190,522,063
Total credit-impaired assets	534,265,531	(31,518,629)	502,746,902	716,856,471

Loans and advances renegotiated

Restructuring activities include extended payment arrangements, approved external management plans, modification and deferral of payments. Following the restructuring, a customer that has some problem with payments is reset to a normal status and managed together with other similar accounts. Restructuring policies and practices are based on indicators or criteria which, in the judgment of local management, indicate that payment will most likely continue. These policies are kept under continuous review.

Outstanding balances of renegotiated loans as at 31 December 2025 amounted MDL 21.029.354 (2024: MDL 41,716,990), please see the table below:

25. Risk management (continued)

	2025	2024
Loans to corporate entities	20.422.274	41,123,240
including in arrears	14.057.906	15,893,195
Other loans to individuals	607.080	593,749
including in arrears	293.093	444,513
Total restructured	21.029.354	**41,716,990**
From which restructured current portfolio	6.678.355	25,379,282
From which restructured in arrears	14.350.999	16,337,708

d. Liquidity risk

'Liquidity risk' is the risk that a Company will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises from mismatches in the timing and amounts of cash flows, which is inherent to the Company's operations and investments.

The Board of Directors sets the Company's strategy for managing liquidity risk and oversight of the implementation is administered by the Company's management. The Board of directors approves the Company's liquidity policies and procedures created by the Risk team. The company manages the Company's liquidity position on a day-to-day basis and reviews daily reports covering the liquidity position of the Company. A summary report, including any exceptions and remedial action taken, is submitted regularly to the Board of directors.

The company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The key elements of the Company's liquidity strategy are as follows:

- *Maintaining a diversified funding* base consisting of foreign funds and local companies, also Groups funds and maintaining contingency facilities.
- *Carrying a portfolio* of highly liquid assets, diversified by currency and maturity.
- *Monitoring maturity mismatches*, behavioural characteristics of the Company's financial assets and financial liabilities, and the extent to which the Company's assets are encumbered and so not available as potential collateral for obtaining funding.
- *Stress testing* of the Company's liquidity position against various exposures and global, country-specific and Group-specific events.

The back office receives information from other business units regarding the liquidity profile of their financial assets and financial liabilities and details of other projected cash flows arising from projected future business. The back office sends the requirement to Group funds to ensure that sufficient liquidity is maintained within the Company as a whole. The liquidity requirements of business units are met through loans from Group funds to cover any short-term fluctuations and longer-term funding to address any structural liquidity requirements.

Regular liquidity stress testing is conducted under a variety of scenarios covering both normal and more severe market conditions. The scenarios are developed taking into account both Group-specific events (e.g. a rating downgrade) and market-related events (e.g. prolonged market illiquidity, reduced convertibility of currencies, natural disasters or other catastrophes).

25. Risk management (continued)

The data in the below table measures the maturities of assets and liabilities on the balance sheet. This table helps us to determine where funding gaps exist, allowing it to adjust maturities as possible and plan for liquidity needs. In line with the IFRS' conservative and prudent approach, this table is based on asset and liability contractual maturity dates, but it does not include the amounts related to future interest to be received/paid.

As at 31 Dec. 2025

Assets	**<1 Month**	**1-3 months**	**3-12 months**	**1-5 years**	**>5 years**	**Total**
Cash and cash equivalents	9.021.062					9.021.062
Loans granted to customers	15.341.614	25.567.081	148.943.861	265.968.081	6.370.258	462.190.895
Financial Investments				5.058.925	1.478.750	6.537.675
Other assets		20.201.056	1.693.051			21.894.107
Total assets	24.362.676	45.768.137	150.636.912	277.486.406	7.849.008	506.103.139
Liabilities	**<1 Month**	**1-3 Months**	**3-12 months**	**1-5 years**	**>5 Years**	**Total**
Borrowings from banks and other	42.215.956	36.306.922	183.863.299	51.591.924	-	313.978.101
Lease liabilities	303.595	506.064	1.057.010	1.041.539	-	2.908.209
Advances from customers	2.642.420	653.324	201.986			3.497.730
Accruals and deferred income	449.414	1.175.362	3.031.302	1.699.395	103.926	6.459.399
Other liabilities	2.075.108	156.439		75.147	-	2.306.694
Total liabilities	47.686.492	38.798.112	188.153.598	54.408.005	103.926	329.150.133
Net liquidity gap	(31.934.919)	(14.690.176)	(154.294.695)	356.767.157	21.105.639	176.953.006
Cumulative liquidity gap	(31.934.919)	(46.625.094)	(200.919.790)	155.847.367	176.953.006	

As at 31 Dec. 2024

Assets	**<1 Month**	**1-3 months**	**3-12 months**	**1-5 years**	**>5 Years**	**Total**
Cash and cash equivalents	4,192,894					**4,192,894**
Loans granted to customers	30,925,609	41,612,415	185,424,766	265,681,862	10,620,879	**534,265,531**
Financial Investments				4,943,945		**4,943,945**
Other assets		9,237,044	4,488,070	-		**13,725,114**
Total assets	**35,118,503**	**50,849,459**	**189,912,836**	**270,625,807**	**10,620,879**	**557,127,484**
Liabilities	**<1 month**	**1-3 Months**	**3-12 months**	**1-5 years**	**>5 Years**	**Total**
Borrowings from banks and creditors	16,212,305	26,327,471	225,445,544	86,752,189	-	**354,737,509**
Lease Liabilities	308,137	603,679	1,483,132	1,346,483	-	**3,741,431**
Advances from customers	1,603,260	455,480	1,721,149			**3,779,889**
Accruals and deferred income	434,525	546,145	3,356,490	2,429,433	97,119	**6,863,711**
Other liabilities	2,446,883	701,874		1,215,371	-	**4,364,128**
Total liabilities	**21,005,110**	**28,634,648**	**232,006,315**	**91,743,476**	**97,119**	**373,486,667**
Net liquidity gap	**14,113,394**	**22,214,810**	**(42,093,479)**	**178,882,331**	**10,523,760**	**183,640,816**
Cumulative liquidity gap	**14,113,394**	**36,328,204**	**(5,765,275)**	**173,117,056**	**183,640,816**	

e. Operational risk

'Operational risk' is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks – e.g. those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all of the Company's operations.

The company's objective is to manage operational risk to balance the avoidance of financial losses and damage to the Company's reputation with overall cost-effectiveness and innovation. In all cases, the Company's policy requires compliance with all applicable legal and regulatory requirements.

The Board of Directors has created a Group's Operational Risk Policies, and Management is responsible for the implementation of controls to address operational risk. This responsibility is supported by the development of overall Group standards for the management of operational risk in the following areas:

- requirements for appropriate segregation of duties, including the independent authorization of transactions;
- requirements for the reconciliation and monitoring of transactions;
- compliance with regulatory and other legal requirements;
- documentation of controls and procedures;
- requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified;
- requirements for the reporting of operational losses and proposed remedial action;
- development of contingency plans;
- training and professional development;
- ethical and business standards;
- information technology and cyber risks; and
- risk mitigation, including insurance where this is cost-effective.

Compliance with Group standards is supported by a program of periodic reviews undertaken by Internal Audit. The results of Internal Audit reviews are discussed with the Group Audit, with summaries submitted to the Audit Committee and senior management of Company. Below is displayed the efficiency by branch.

	2025		2024	
Indicators	**Number of Loan Officers**	**Active portfolio per Loan Officer**	**Number of Loan Officers**	**Active portfolio per Loan Officer**
Chisinau str. Puskin	4	18.968.696	5	17,173,971
Balti	7	8.505.079	8	8,682,246
Soroca	5	11.814.812	6	11,408,958
Drochia	4	7.693.693	5	7,472,037
Comrat	3	8.016.150	3	10,773,408
Edinet	6	4.420.385	6	4,454,833
Chisinau str.Calea Iesilor	5	9.711.587	4	11,075,761
Cahul	0	-	4	9,900,260
Orhei	3	16.354.842	3	14,909,571
Causeni	5	6.203.139	5	5,151,448
Ungheni	4	9.258.750	5	7,636,155
Total	54	x	60	x

25. Risk management (continued)

Indicator name	2025	2024
Operating Expense Ratio	9,8%	7.4%
Operating Expense	47.503.422	40,206,730
Average gross loan portfolio	484.605.030	546,246,238
Cost to Income Ratio	35,2%	26.7%
Operating Expense	47.503.422	40,206,730
Financial revenue	135.021.223	150,498,654
Cost per active client	28.318	19,424
Operating Expense	47.503.422	40,206,730
Average number of active clients	1.678	2,070
Average loan portfolio per Loan Officer	12.425.770	12,703,401
Average gross loan portfolio	484.605.030	546,246,238
Number of Loan Officers	39	43
Average disbursements per Loan Officer	9.270.256	9,968,069
Disbursements	296.648.178	318,978,220
Number of Loan Officers	39	43
Borrowers per Loan Officer	40	42
Number of active borrowers	1.549	1,806
Number of Loan Officer (except for maternity leaves)	39	43
Maternity leave	7	11
Active clients per staff member	25	32
Number of active borrowers	1.549	1,806
Total number of personnel (except for maternity leaves)	63	65

Fair value of financial assets and liabilities

Fair value measurements are analyzed by level in the fair value hierarchy as described below. Management applies judgement in categorizing financial instruments using the fair value hierarchy. If a fair value measurement uses non-observable inputs that require significant adjustment, that measurement is a Level 3 measurement. The significance of a valuation input is assessed against the fair value measurement in its entirety.

Fair value measurements are analysed by level in the fair value hierarchy as follows:

(i) level one is measurements at quoted prices (unadjusted) in active markets for identical assets or liabilities,

(ii) level two measurements are valuation techniques with all material inputs observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices), and

(iii) level three measurements are valuations not based on solely observable market data (that is, the measurement requires significant unobservable inputs). Transfers between levels of the fair value hierarchy are deemed to have occurred at the end of the reporting period.

Financial instruments not measured at fair value

a) Cash and cash equivalents

The fair value of cash and cash equivalents approximates their carrying amount.

b) Loans and advances to customers, net

Loans are reduced by impairment for loan losses. The estimated fair value of loans and advances represents the discounted amount of estimated future cash flows expected to be received. Expected cash flows are discounted at current market rates to determine fair value.

c) Interest-bearing borrowings

The table below summarizes the gross book value and carrying values of those financial assets and liabilities not presented on the Company's statement of financial position at their fair value as at 31 December 2025 and 31 December 2024.

25. Risk management (continued)

	31 Dec. 2025					31 Dec. 2024				
	Gross book value	Level 1	Level 2	Level 3	Carrying value Total	Gross book value	Level 1	Level 2	Level 3	Carrying value Total
Financial assets										
Cash	9.021.062	9.021.062	-	-	9.021.062	4,192,894	4,192,894	-	-	4,192,894
Financial assets at cost	6.537.675	-	-	5.058.925	5.058.925	4,943,945	-	-	4,943,945	4,943,945
Loans granted to customers:					-					-
− Individuals	70.005.943	67.748.419	841.737	14.261	68.604.418	81,839,131	78,769,980	706,408	898,857	80,375,245
− Micro & Small business	158.479.672	143.234.149	6.529.946	1.152.626	150.916.720	194,253,756	160,986,881	16,434,040	4,230,438	181,651,360
− Medium business	130.325.068	121.454.401	3.439.033	1.418.866	126.312.300	163,170,867	130,365,892	16,335,042	6,084,338	152,785,272
− Large business	103.380.213	87.713.188	9.578.939	1.940.824	99.232.952	95,001,777	68,917,709	12,251,302	6,766,014	87,935,025
Total loans	462.190.895	420.150.158	20.389.655	4.526.577	445.066.390	534,265,531	439,040,462	45,726,793	17,979,647	502,746,902
Total assets	477.749.632	429.171.219	20.389.655	9.585.502	459.146.377	543,402,370	443,233,356	45,726,793	22,923,592	511,883,741
Financial liabilities										
Borrowings	313.978.101	0	0	313.978.101	313.978.101	354,737,509	0	0	354,737,509	354,737,509
Lease liability	2.908.209	0	0	2.908.209	2.908.209	3,741,431	0	0	3,741,430	3,741,430
Advances from customers	3.497.730			3.497.730	3.497.730	3,779,889			3,779,889	3,779,889
Trade and other liabilities	2.231.547	0	0	2.231.547	2.231.547	3,148,757	0	0	3,148,757	3,148,757
Total Liabilities	322.615.586	-	-	322.615.587	322.615.587	365,407,585	-	-	365,407,585	365,407,585

25. Risk management (continued)

f. Risk of compliance

Compliance risk is the risk of financial loss, including fines and other sanctions, arising from non-compliance with state laws and regulations. The risk is limited to a significant extent, due to the supervision applied by the compliance system, as well as the monitoring of Company's controls.

In 2024, the National Bank of Moldova conducted a comprehensive on-site inspection of the Company covering the period from September 1, 2022, to February 29, 2024. Following the inspection, several deficiencies and compliance issues were identified, and an administrative fine was imposed by the NBM. During 2025, the Company implemented corrective measures and addressed all significant findings and requirements identified during the inspection process.

g. Litigation risk

The risk of litigation is the risk of financial loss, disruption of Company's activity, or any other situation arising out of the possibility of non-execution or breach of legal contracts and consequently of legal proceedings. The risk is minimized through the contracts used by Company.

h. Reputational risk

The risk of loss of reputation that may result from negative advertising related to Company's operations (whether true or false) may result in a reduction in customer, revenue, and lawsuits against Company. The company applies procedures to minimize this risk.

i. Risk of capital management

Company's objectives in managing capital are to protect Company's ability to continue, based on the business continuity principle, in order to provide quality services for public profitability and to ensure that it is up to the founders and to maintain an optimal structure of capital to reduce the cost of capital. Company monitors the capital on the basis of the leverage ratio. This ratio is calculated as a net debt divided by total capital. Net debt is calculated as the total of loans. Total capital is calculated as "capital " as shown in the statement of financial position plus net debt.

Bellow table provides Profitability Ratio, ability to manage capital.

25. Risk management (continued)

j. Risk of capital management (continued)

Indicator name	2025	2024
Cost of Funds Ratio	15,2%	14.3%
Financial expenses on Funding Liabilities + hedging exp.	49.449.469	55,697,875
(Avg. deposits + avg. borrowings + Avg. Payable Notes)	325.296.863	390,536,379
Debt to Equity	2,0	2.4
Liabilities	324.393.473	376,785,981
Equity	160.600.758	156,585,065
Debt to Equity (incl. TIER II)	1,6	1.9
Liabilities	324.393.473	376,785,981
Equity + Sub debt	197.881.818	193,866,125
Operational Self Sufficiency	107,9%	110.5%
Financial revenue	135.021.223	150,498,654
Financial expense + Impairment Losses on Loans + operating expense	125.123.815	136,168,641
Return on Assets	0,8%	1.2%
Net income after taxes	4.015.692	6,964,081
Average assets	509.182.638	580,842,240
Return on Equity	2,5%	4.5%
Net income after taxes	4.015.692	6,964,081
Average equity	158.592.911	153,103,025
Solvency	33,1%	29.4%
Total Equity	160.600.758	156,585,065
Total Assets	484.994.231	533,371,046
Solvency (incl. TIER II)	40,8%	36.3%
Total Equity + Sub-debt	197.881.818	193,866,125
Total Assets	484.994.231	533,371,046
Un-Hedged Open Currency Position	72,1%	35.5%
Assets Denominated or foreign currency - Liabilities Denominated or foreign currency (Unhedged)	115.848.778	55,569,500
Total Equity	160.600.758	156,585,065
Yield on Gross Loan Portfolio	23,8%	25.3%
Cash received from interest, fees, and commissions on loan portfolio	115.160.400	138,090,154
Average gross loan portfolio	484.605.030	546,246,238
Portfolio to Assets	94,1%	96.1%
Gross loan portfolio	456.448.263	512,761,798
Assets	484.994.231	533,371,046
Liquidity Ratio	3,3%	1.5%
Cash and Short-Term Investments	9.021.062	4,192,894
(Total Short-Term borrowings plus Interest Payable on Funding Liabilities and Accounts Payable and Other Short-term Liabilities)	274.638.202	281,646,073

26. EVENTS SUBSEQUENT TO THE REPORTING PERIOD

A material regulatory development in 2026 is the adoption by the National Bank of Moldova, through **Decision of the Executive Committee No. 60 of 12 March 2026**, of the new **Regulation on Responsible Consumer Lending (Regulation No. 60/2026)**, which **enters into force on 19 June 2026** and repeals the previously applicable NBM Regulation No. 101 of 19 May 2022. The new regulation **unifies the requirements for responsible lending to individuals** for both banks and non-bank credit organizations (NBCOs) and substantially strengthens the lender's obligations in assessing the creditworthiness of the consumer: it introduces a stricter definition of the term "consumer" (with cumulative criteria distinguishing consumer credit from credit granted for entrepreneurial purposes), as well as a heightened standard of due diligence for the lender in verifying the purpose of the loan on the basis of supporting documents rather than the borrower's declarations. The Company is undertaking work to bring its internal policies, credit underwriting procedures, and contractual documentation into compliance with the requirements of the new regulation prior to its effective date.

During the period from 31 December 2025 to the date of signing of this report, the macroeconomic and regulatory environment in the Republic of Moldova has been characterized by a moderate recovery, continued easing of monetary policy, declining inflation, and a stable course towards European integration. External risks — primarily of a geopolitical nature — persist, and the entry into force of NBM Regulation No. 60/2026 will require the Company to adapt its internal processes to the new responsible lending requirements. Management concluded that the matters described above represent non-adjusting events after the reporting period, disclosed in accordance with IAS 10 Events after the Reporting Period.

The accompanying notes are an integral part of these financial statements.

The financial statements were authorized for issue and signed on May 20, 2026, by:

_____
Chief Executive Officer, Delinschi Petru

_____
Chief Financial Officer, Borțoi Natalia