

# MAIB shares likely to be listed on regional stock exchange



Serghei Cebotari, CEO of Moldova Agroindbank (MAIB)

**M**oldova Agroindbank (MAIB), the leading bank in Moldova, plans to list its shares on a regional stock exchange following a steady and continuous improvement in its portfolio, assets, capital and profit over the years, its CEO Serghei Cebotari says.

The bank is even more optimistic about that now that it has welcomed fit-and-proper international investors, which have expressed confidence that the bank, who currently holds a share market of about 30%, will step up its position even more.

In late 2018, the Moldova Agroindbank (MAIB) welcomed new shareholders, as a consortium of international investors acquired 41.09% of its shares.

Back then, both the bank's leadership and the consortium made up of the European Bank for Reconstruction and Development (EBRD), US equity fund Horizon Capital and Latvian equity fund Invalda INVL saw the move as "a new development stage" in the bank's history.

The EBRD is proud to be part of the biggest bank in Moldova, the head of the EBRD office in Moldova, Angela Sax, said, adding that the consortium and MAIB "will join forces so that the bank becomes even better and even more successful".

Horizon Capital Partner Vasile Tofan shared the same position: "MAIB is the heart of Moldova's banking system and I want to assure you that we will do our best to be the partner that will help the bank to become even stronger".

Several months later MAIB and the EBRD signed several financial agreements, thus enhancing the competitiveness of its loan portfolio and extending access of the bank's clients running small and medium-sized enterprises and those dealing with export/import operations to more advantageous loans.

Concurrently, the bank pressed ahead with its structural transformation. Moreover, with digitalisation being among its top priorities, MAIB has upgraded its mobile banking service which got more client-friendly, launched online person-to-person, transfer-to-card, account-to-account, cash-by-code transfers, and kept on extending its self-service centres.

With the bank witnessing upward dy-

namic and registering increasingly better results, by late July its shares reached a record-high price, going up by 17% compared to early 2019 to reach 2,501 Moldovan lei (over 128 euro) per share with face value of 200 lei (over 10 euro).

"These are the only shares on the controlled market which display a stable increase in price," a representative of the National Commission for Financial Market commented. "The increasing quotation of shares is the result of the dynamic development of Moldova Agroindbank. In 2019, the bank registered good financial results, increasing its profit, assets, capital, loans and deposits portfolios, and the most important, preserving the biggest market share - over 30%."

For his part, MAIB CEO Serghei Cebotari described the price dynamic as "a natural and expected outcome.

"I am very glad that the value of the bank's shares has been recognised. We have been working hard to reach this result over the past five years, streamlining our efforts in five directions at a time: quality corporate management, aggressive and quality lending, transparency of shareholders, digitalization of banking processes and fight against money laundering," Cebotari said. "The fact that the objectives set were met brought about the current results, when, for instance, the widest loan portfolio in the banking system, the one of MAIB, has the lowest NPL index. As of June 30, it stood at 5.6%."

He added that the high quality of MAIB's portfolio is not the only achievement, specifying that over the past years, the bank practically doubled its assets, capital and profit.

"I have to say that the current price of 2,500 lei per share does not reflect their real value, if we take into account the balance-sheet value of 3,922 lei and the huge potential of MAIB. Therefore, the next important step that will reveal the potential of the bank will reside in listing MAIB shares on a regional stock exchange. It is an objective we are working on," Cebotari commented.

### MAIB key financial indicators as of June 30, 2019

Assets	24,748,000 lei
Loans	13,466,000 lei
Deposits	19,666,000 lei
Profit	397,600,000 lei