

Eleving^{GROUP}

Former Mogo Finance

Unaudited results for
for the nine months ended
30 September 2021



9 months, 2021 At a Glance

350,000+

Total Number of Customers

EUR 45.7 million¹

EBITDA, 9M 2021

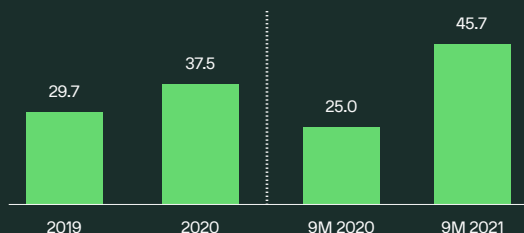
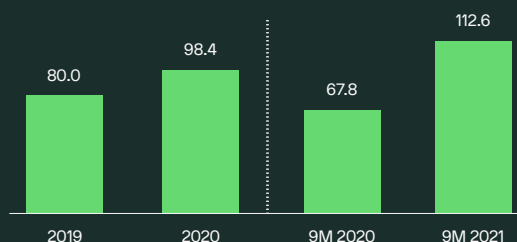
EUR 229 million

Vehicle and Consumer
Financing Portfolio

EUR 112.6 million²

Revenues, 9M 2021

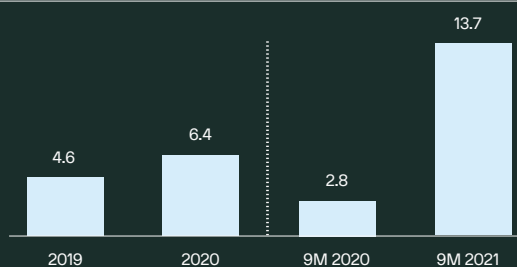
Highest ever 9 months EBITDA¹ – EUR 45.7 million

EBITDA, EUR mln ¹Revenue, EUR mln ²

Net portfolio, EUR mln



Vehicle Finance Consumer Finance

Net profit before FX, EUR mln ³

¹ 2020 EBITDA adjusted with an increase by one-off costs of: (a) Mezzanine payments for warrant EUR 2.5 mln; (b) amortization of fair value gain from acquisitions EUR 3.4 mln; and a decrease by one off-gains of: (a) fair value gain on acquisitions EUR 9.7 mln; (b) trademark acquired EUR 1.8 mln; (c) other one-off adjustments. 9M 2020 EBITDA adjusted with an increase by one-off costs of: (a) Mezzanine payments for warrant EUR 1.3 mln; (b) loss resulting from discontinued operations write-off EUR 0.1 mln; and a decrease by one off-gains of: (a) fair value gain on acquisitions EUR 1.1 mln. 9m 2021 EBITDA adjusted with an increase by one-off costs of: (a) amortization of fair value gain EUR 2.5 mln; (b) loss resulting from discontinued operations write-off EUR 2.4 mln

² Adjusted with fair value gain on acquisition in 2020 from portfolio in the amount of EUR 3.4 mln and subsequent amortization of portfolio gain in 9M 2021 in the amount of EUR 2.5 mln

³ Adjusted for discontinued operations of Longo business in 2019, Bulgaria in 2020 and 9M 2020, and Bulgaria and Kazakhstan in 9M 2021. 2020 adjusted with an increase by one-off costs of: (a) Mezzanine payments for warrant EUR 2.5 mln; (b) amortization of fair value gain from acquisitions EUR 3.4 mln; and a decrease by one off-gains of: (a) fair value gain on acquisitions EUR 9.7 mln; (b) trademark acquired EUR 1.8 mln; (c) other one-off adjustments. 9M 2020 adjusted with an increase by one-off costs of: (a) Mezzanine payments for warrant EUR 1.3 mln; (b) loss resulting from discontinued operations write-off EUR 0.1 mln; and a decrease by one off-gains of: (a) fair value gain on acquisitions EUR 1.1 mln. 9m 2021 adjusted with an increase by one-off costs of: (a) amortization of fair value gain EUR 2.5 mln; (b) loss resulting from discontinued operations write-off EUR 2.4 mln

Record profitability as a result of steady operational and financial performance

Operational and Strategic Highlights

- Record-high nine-month (ended on 30 September 2021) disbursement of loans driven by strong q-o-q performance, reaching the quarterly CAGR of 18.4% for 2021
- Key performance indicators by now already exceeding full last years' results: revenue EUR 112.6 million, EBITDA EUR 45.7 million, Net Profit Before FX EUR 13.7 million
- Substantial milestones achieved in Q3 2021:
 - EUR 900 million loans issued since inception
 - A quarter-of-a-millionth vehicle financed
 - Group's team surpassed 2,000 employees mark
- Continued strong performance in productive lending in the motorcycle-taxi segment in eastern Africa:
 - During Q3 in Kenya lending levels for motorcycle loans was at EUR 9.3 million, thus reaching quarterly CAGR of 30.7% for 2021
 - During Q3 in Uganda lending levels for motorcycle loans was at EUR 2.7 million, thus reaching quarterly CAGR of 48.3% for 2021
- Strong and steady performance in the consumer finance markets of North Macedonia, Albania, and Ukraine, driven by the launch of new products. Net loan portfolio in all the consumer finance markets reached EUR 50.9 million
- Successful Eurobond issuance in the amount of EUR 150 million; bonds listed on the Frankfurt Stock Exchange being one of the largest bond issuances by a private company headquartered in the Baltics
- Launched long-term ESG strategy development in partnership with Nordic sustainability consultancy firm, defining priorities and goals derived from a materiality analysis examining stakeholders' expectations
- Actions taken to increase green vehicle proportion in the Group's portfolio by launching special product to finance electric and hybrid vehicles. Lithuania and Romania as first markets, next to follow

Financial Highlights and Progress

- Record profitability as evidenced by:
 - Record-high quarterly EBITDA—EUR 40.8 million (9M 2020: EUR 24.7 million) and adjusted¹ EUR 45.7 million
 - Net Profit before FX—EUR 8.8 million (9M 2020: EUR 2.5 million) and adjusted¹—EUR 13.7 million
 - Net Profit after FX—EUR 9.2 million (9M 2020: EUR 2.5 million loss) and adjusted¹—EUR 14.1 million
- Record-high portfolio—EUR 229.0 million, a EUR 17.1 million increase q-o-q; Eleving Vehicle Finance accounted for EUR 178.1 million, Eleving Consumer Finance—for EUR 50.9 million respectively
- Eleving Group's funding maturity profile extended by five more years due to successful Eurobond issuance. New secured Eurobonds were issued at par with an annual interest rate of 9.5% and maturity in 2026
- Fitch Ratings assigned a senior secured debt rating of 'B-(EXP)' with a Recovery Rating of 'RR4' to Eleving Group's new Eurobonds

¹ Adjusted with an increase by one-ff costs of: (a) amortization of fair value gain EUR 2.5 mln; (b) loss resulting from discontinued operations write-off EUR 2.4 mln

Comment from Eleving Group

CEO and CFO



Modestas Sudnius
Group CEO

By keeping the strategic focus on the Group's existing markets and continuing to pursue steady growth, Eleving Group has reached multiple substantial milestones in the third quarter of 2021. Our nine-month key performance indicators have already exceeded the results of the entire 2020, and so far, we are turning in the best financial performance in the Group's history. We have managed to strengthen our position across all Eleving markets. We continue to demonstrate strong quarter-on-quarter growth in Kenya and Uganda, where we are focusing on motorcycle-taxi financing. Also, we have achieved the highest issuances since the beginning of the pandemic across multiple vehicle financing markets (Estonia, Moldova, Belarus), and we are steadily shifting consumer finance portfolio to longer maturity, higher ticket products.

Eleving Group also saw a landmark Eurobond issuance in the amount of EUR 150 million, with the bonds listed on the Frankfurt Stock Exchange. We are grateful to our investors' community across Europe, who showed trust in the company and our vision. The money raised

will allow us to refinance our current obligations and secure stable financing for the company in the foreseeable future. Not only was this a milestone for Eleving Group but also for the Baltic capital markets since it has been one of the largest bond issuances of all time by a private company headquartered in the Baltics.

In the third quarter of 2021, we continued to implement our ESG strategy. We have designed green vehicle—electric and hybrid—financing products, which were introduced in Lithuania and Romania, with new markets to follow soon. Additionally, we have embarked on a course of offsetting the Group's carbon footprint and kicked-off a process for developing long-term ESG KPIs.

The record profitability achieved in the first nine months of 2021 conclusively determines Eleving Group's course to the best financial year in its history, proving the soundness of this and last years' strategic decisions. The excellent profitability was boosted by the highest-ever nine-month adjusted EBITDA of EUR 45.7 million and record-high portfolio of EUR 229 million, contribution to which was made by both of our business lines—vehicle and consumer financing (Eleving Vehicle Finance and Eleving Consumer Finance accounted for EUR 178.1 million and EUR 50.9 million respectively). The Group's Net Profit reached EUR 9.2 million, which is an impressive leap compared to the EUR 6.8 million losses made in the nine months of 2020.

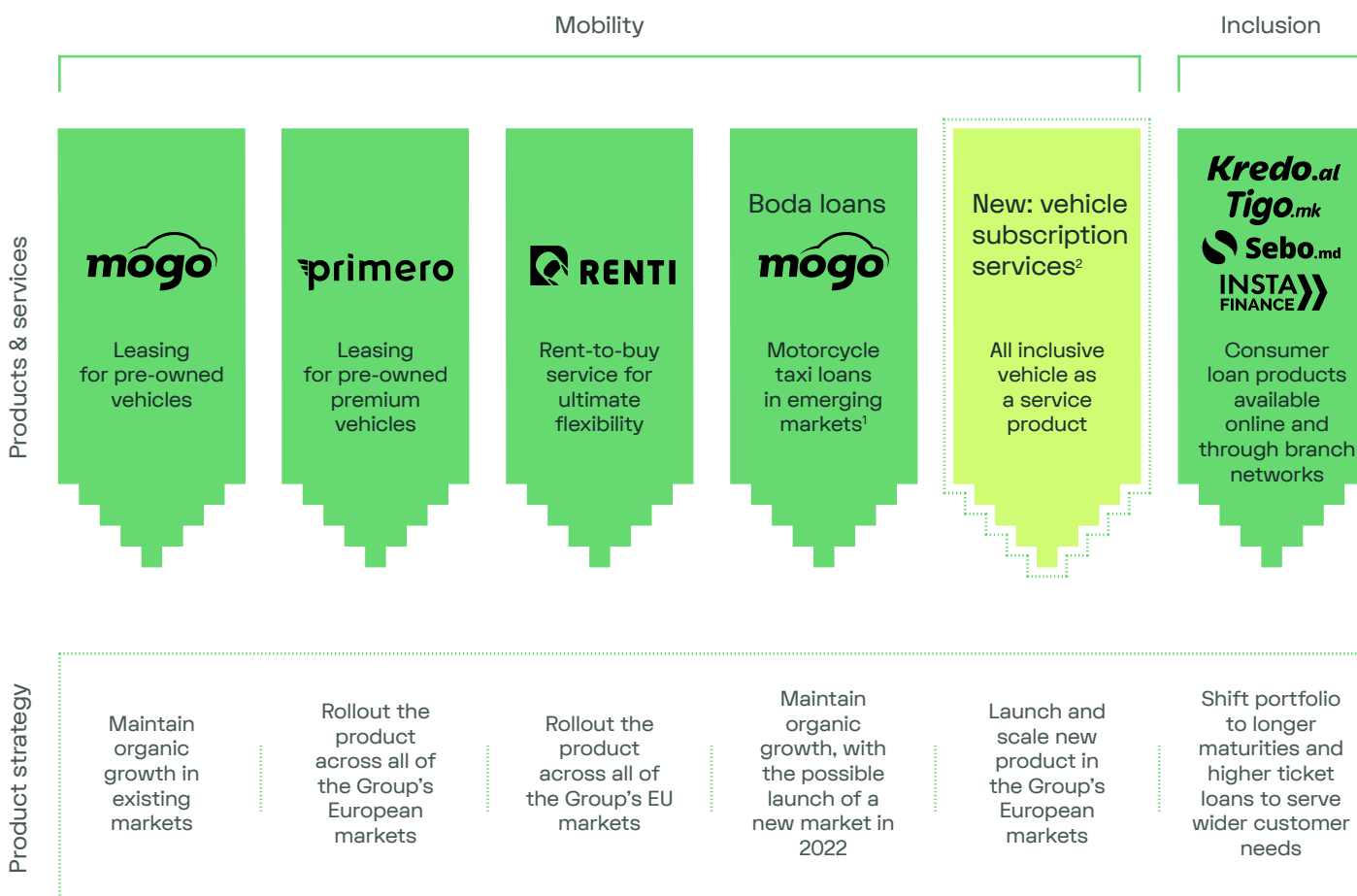
As a result of the successful Eurobond issuance in the amount of EUR 150 million, Eleving Group's funding maturity profile has been extended by five more years. New secured Eurobonds were issued at par with an annual interest rate of 9.5% and maturity in 2026. The proceeds were used to repay the previous Eurobond outstanding in the total amount of EUR 100 million as well as refinance other liabilities outstanding.



Māris Kreics
Group CFO

Outlook - Products & Strategy

To become an ultimate mobility platform



Processes

Further **automation** of loan issuances and underwriting processes for seamless customer experience and efficient resource allocation

Further development of **sales channels**:

- Launch of updated car portal across all Vehicle Finance markets
- Upgrade partners (POS/Dealerships) sales tools



Capital management

Continuous **improvement in financial** covenants— Interest coverage ratio (ICR), Net leverage ratio and Capitalization ratio and target rating upgrade

Exploring routes for **attracting outside equity**



Social impact

Non-financial reporting based on the ESG framework to disclose information and data on the environmental, social and corporate governance aspects

Setting **long-term ESG targets**. Launching several projects to help vulnerable groups across different markets

¹ Kenya and Uganda

² Subscription services pilot project to be launched in Q4 2021 in Latvia and Estonia

Conference call

On 16 November

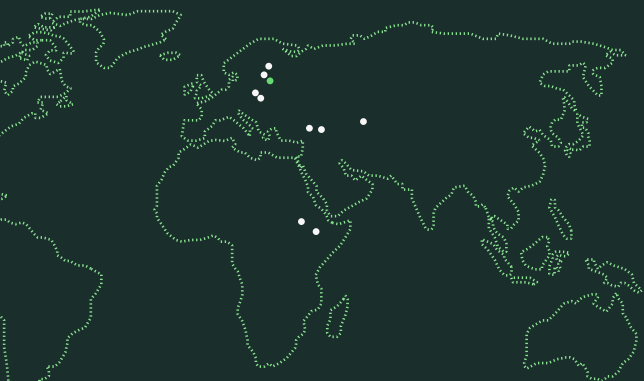
Contact

A conference call in English with the Group's management team to discuss these results is scheduled for 16 November 2021, at 15:00 CET.

Māris Kreics
Chief Financial Officer (CFO)
maris.kreics@eleving.com

[Click here to register for conference call →](#)

About Eleving Group



Our approach

Our approach to business is to identify underserved markets and disrupt them with innovative and sustainable financial solutions both in the vehicle and consumer financing segments

Presence

Eleving Group is an international fast-moving financial technology company offering services across the globe. The Group operates in 14 countries across 3 continents

Underserved
markets

Vehicle
financing

Consumer
financing



Sustained growth

The consistent pursuit of growth has turned us into a strong, global player of the financial services industry, earning us a spot among the Top 1,000 fastest growing companies in Europe, more than 2,300 employees and 350,000 loyal customers

Financial review

Condensed consolidated income statement

The table below sets out the condensed consolidated statement of profit and loss for the nine months period ended 30 September 2021 and 30 September 2020.

in EUR million	9M 2020	9M 2021	% change
Interest and similar income	60.5	99.6	66.4%
Interest expense and similar expenses	(18.7)	(22.1)	18.2%
Net interest income	41.8	77.5	85.4%
Income from used vehicle rent	4.4	5.1	15.9%
Impairment expense	(20.9)	(29.3)	40.2%
Operating expense and income	(23.7)	(40.1)	69.2%
Net foreign exchange result	(9.3)	0.4	nm
Profit before tax	(7.7)	13.6	nm
Corporate income tax	0.9	(4.4)	nm
Net profit for the period without FX and discontinued operations	2.5	8.8	252.0%
Net profit for the period	(6.8)	9.2	nm

Interest, similar income and income from vehicle rental

in EUR million	9M 2020	9M 2021	% change
Interest and similar income	60.5	99.6	64.6%
Income from used vehicle rent	4.4	5.1	15.9%
Average net loan and used vehicle rent portfolio	190.8	215.4	12.9%
Average income yield on net loan and used vehicle rent portfolio	45.4%	64.8%	19.5 p.p.

Interest, similar income and income from used vehicle rent for the period increased by 61.3% to EUR 104.7 million (9M 2020: EUR 64.9 million) reflecting the growth in the average net loan and used vehicle rent portfolio by 12.9% to EUR 215.4 million (9M 2020: EUR 190.8 million) and continuous focus on highest-yielding markets and products, as well as successful performance of Consumer Finance markets acquired in Q3 2020.

Interest expense and similar expense

Interest expense and similar expense grew by 18.2% to EUR 22.1 million (9M 2020: EUR 18.7 million) related to the increase in total borrowings to EUR 236.1 million (30 September 2020: EUR 225.3 million).

Income from used vehicle rent

The launch of the Car Portal contributed to boosting income from used vehicle rent that increased by 15.9% to EUR 5.1 million (9M 2020: EUR 4.4 million). The total used vehicle rental fleet in Latvia stood at EUR 12.0 million (31 December 2020: EUR 14.7 million).

Impairment expense for vehicle finance portfolio

Net impairment losses on loans and receivables decreased by 41.3% to EUR 10.8 million (9M 2020: 18.4 million). The NPL ratio (Net NPL / Total net portfolio) amounted to 6% (conservative 35+ days past due) of the net portfolio (31 December 2020: 8%), the provision coverage ratio was 89% (31 December 2020: 88%).

Impairment expense for consumer lending portfolio

Net impairment losses on loans and receivables consolidated as of 30 September 2021 amounted to EUR 18.5 million. The NPL ratio (Net NPL / Total net portfolio) amounted to 3% (90+ days past due) of the net portfolio, the provision coverage ratio was 147% (31 December 2020: 133%).

Operating expense

The table below sets out a breakdown of the Group's total operating expenses.

in EUR million	9M 2020	9M 2021	% change
Employees' salaries	13.0	20.3	56.2%
Marketing expenses	1.8	5.4	200.0%
Office and branch maintenance expenses	1.0	1.5	50.0%
Professional services	1.4	2.0	42.9%
Amortization and depreciation	4.2	5.5	31.0%
Other operating expenses	2.3	5.4	134.8%
Total operating expense	23.7	40.1	69.2%

Total operating expenses at EUR 40.1 million increased by 69.2% (9M 2020: EUR 23.7 million), as a result of consumer lending business acquisition. Salaries increased by 56.2% to EUR 20.3 million (9M 2020: EUR 13.0 million), comprising 50.6% of total operating expenses (9M 2020: 54.9%). Marketing expenses with effective costs per loan issued of EUR 7 accounted for 13.5% of total operating expenses (9M 2020: 7.6%).

Profit before tax

The consolidated profit before taxes amounted to EUR 13.6 million (9M 2020: loss EUR 7.7 million).

Corporate income tax

The following table sets out a breakdown of the Group's corporate income tax.

in EUR million	9M 2020	9M 2021	% change
Corporate income tax	(0.9)	(5.0)	455.6%
Deferred tax	1.8	0.6	-66.7%
Total corporate income tax	0.9	(4.4)	nm

Profit for the period

The Group's net profit for the period was EUR 9.2 million (9M 2020: loss EUR 6.8 million), or EUR 10.0 million (9M 2020: loss EUR 7.0 million) with net result from discontinued operations taken into account.

Alternative performance measures (non-IFRS)

in EUR million	9M 2020	9M 2021	% change
Profit for the period	(6.8)	9.2	nm
Provisions for taxes	(0.9)	4.4	nm
Interest expense	18.7	22.1	18.2%
Depreciation and amortization	4.4	5.5	25.0%
Currency exchange loss / (gain)	9.3	(0.4)	nm
EBITDA	24.7	40.8	65.2%
Warrant repurchase from Mezzanine Management	1.3	-	
Gain from acquisitions	1.1	-	
Write-off loss from discontinued operations	0.1	2.4	
Amortization of acquisitions' fair value gain	-	2.5	
Adjusted EBITDA	25.0	45.7	82.8%

Condensed consolidated balance sheet

The table below sets out the Group's condensed consolidated statement of its financial position.

Assets (in EUR million)	31 Dec. 2020	30 Sep. 2021
Intangible assets	14.8	16.4
Tangible assets	10.0	11.0
Loans and lease receivables and rental fleet	201.7	229.0
Deferred tax asset	2.9	2.5
Inventories	1.6	3.9
Non-current assets held for sale	2.1	1.0
Other receivables	26.5	17.5
Assets of subsidiary held for sale	-	8.1
Receivables as a result of sale of subsidiaries to related parties	9.4	3.3
Receivables as a result of sale of subsidiaries to third parties	1.5	4.0
Cash and cash equivalents	9.3	14.1
Total assets	279.8	310.8

Equity and liabilities (in EUR million)	31 Dec. 2020	30 Sep. 2021
Share capital and reserves	1.3	1.6
Foreign currency translation reserve	(2.3)	(1.0)
Retained earnings	22.9	31.8
Non-controlling interests	0.5	0.9
Subordinated debt	12.1	17.3
Total equity	34.5	50.6
Borrowings	224.4	236.1
Other liabilities	20.9	24.1
Total liabilities	245.3	260.2
Total equity and liabilities	279.8	310.8

Assets

Total assets of the Group increased by 11.1% to EUR 310.8 million (31 December 2020: EUR 279.8 million), reflecting an increase in the net loan and used vehicle rent portfolio.

Tangible assets

Tangible assets increased by 10.0% to EUR 11.0 million (31 December 2020: EUR 10.0 million).

Net loan and used vehicle rent portfolio

The net loan and used vehicle rental portfolio increased by 13.5% to EUR 229.0 million (31 December 2020: EUR 201.7 million).

Net loan and used vehicle rent portfolio

in EUR million	31 Dec. 2020	Total share (in %)	30 Sep. 2021	Total share (in %)
Developed countries ¹	131.7	65.3%	129.8	56.7%
Developing countries ²	22.2	11.0%	47.1	20.6%
Consumer loan markets	38.6	19.1%	50.9	22.2%
Countries on hold ³	9.2	4.6%	1.2	0.5%
Total net loan and used vehicle rent portfolio	201.7	100.0%	229.0	100.0%

¹ Developed countries are Latvia (including used vehicle rent portfolio), Lithuania, Estonia, Belarus, Romania, Moldova, Georgia and Armenia

² Developing countries are Uzbekistan, Kenya and Uganda

³ Countries on hold are Bosnia and Herzegovina, Poland

In line with the strategy going forward to align Eleving Group to a leaner cost base and structure, the management pursued a proactive portfolio optimization during 2020 with a clear focus on the most profitable markets. As of the end of first quarter, a sale of North Macedonia business line was concluded and shortly after end of first quarter a sale of Kazakhstan business lines concluded also country sale agreement has been signed in relation to Mogo Albania and Mogo Bulgaria vehicle financing business. In Poland and Bosnia and Herzegovina the Group has suspended or decreased issuances to minimum and is focusing on debt collection actions.

The following table sets out the classification of the Group's net loan and used vehicle rent portfolio (excluding consumer lending) in terms of overdue buckets as well as the total impairment coverage ratio.

Net loan and used vehicle rent portfolio (excluding consumer loans)

in EUR million	31 Dec. 2020	Total share (in %)	30 Sep. 2021	Total share (in %)
STAGE 1 ¹	122.1	82.3%	142.4	85.7%
STAGE 2 ²	14.1	9.5%	13.8	8.3%
STAGE 3 ³	12.2	8.2%	10.0	6.0%
Total net loan portfolio	148.4	100%	166.2	100%
Used vehicle rent	14.7	9.0%	12.0	6.7%
Total net loan and used vehicle rent portfolio	163.1		178.2	
Net NPL ratio⁴	8%		6%	
Impairment coverage ratio⁵	88%		89%	

¹ Allowances are recognized based on 12m ECLs by first recognition of loans/leases. Leases current or with up to 30 DPD are considered as Stage 1 for Latvia, Lithuania, Estonia, Armenia and Georgia. For other countries, 25 DPD is used. Loans up to 30 DPD are considered Stage 1

² Allowances are recorded for LTECLs by loans/leases showing a significant increase in credit risk since origination. Leases with 31-60 DPD (or 26-34 DPD for countries other than Latvia, Lithuania, Estonia, Armenia and Georgia) are considered to be Stage 2 loans. Loans with 30 to 60 DPD are considered Stage 2

³ Leases and loans are considered credit-impaired and at default. Allowances are recorded for the LTECLs. Finance lease agreements are considered defaulted and therefore Stage 3 with 60 DPD on contractual payments or terminated lease agreement. For countries other than Latvia, Lithuania, Estonia, Armenia and Georgia a 35 DPD backstop is applied. Loans with 60 DPD are considered defaulted and therefore Stage 3

A healing period of 3 months for mature countries and 2 months for immature countries is applied before an exposure previously classified as Stage 3 can be transferred to Stage 1. In case of mature countries, it is determined to have two healing periods – one month period to Stage 2 and further two month period to Stage 1. This is considered appropriate in context of a prudent default definition of 60 DPD. In case of immature countries, it is determined to have one healing period – two month period where the exposure is in Stage 2 and then transfers to Stage 1. This is considered appropriate in context of an even more conservative default definition of 35 DPD.

⁴ Net NPL (35+ days overdue) / Total net portfolio

⁵ Total impairment / Gross NPL (35+ days overdue)

NPLs in the net loan portfolio decreased to 6.0% of the total net portfolio (31 December 2020: 8.2%).

The following table sets out the classification of the Group's consumer lending portfolio in terms of overdue buckets as well as the total impairment coverage ratio.

Net consumer loan portfolio

in EUR million	31 Dec. 2020	Total share (in %)	30 Sep. 2021	Total share (in %)
STAGE 1 ¹	34.9	90.4%	47.9	94.3%
STAGE 2 ²	0.6	1.6%	1.2	2.4%
STAGE 3 ³	3.1	8.0%	1.7	3.3%
Total net loan portfolio	38.6	100%	50.8	100%
Net NPL ratio⁴	8%		3%	
Impairment coverage ratio⁵	133%		147%	

¹ Allowances are recognized based on 12m ECLs by first recognition of loans. Loans current or with up to 30 DPD are considered as Stage 1

² Allowances are recorded for LTECLs by loans showing a significant increase in credit risk since origination. Loans with 31-90 DPD are considered to be Stage 2 loans

³ Loans are considered credit-impaired and at default. Allowances are recorded for the LTECLs. Loans with 90 DPD are considered defaulted and therefore Stage 3

⁴ Net NPL (90+ days overdue) / Total net portfolio

⁵ Total impairment / Gross NPL (90+ days overdue)

Equity

Total equity increased by 46.7% to EUR 50.6 million (31 December 2020: EUR 34.5 million). The capitalization ratio at 23.3% (31 December 2019: 18.4%), providing good headroom for Eurobond covenants.

Liabilities

Total liabilities stood at EUR 260.2 million (31 December 2020: EUR 245.3 million).

Loans and borrowings

The following table sets out loans and borrowings by type.

in EUR million	31 Dec. 2020	30 Sep. 2021
Loans from banks	11.6	12.0
Latvian Bonds	24.1	29.7
Eurobonds (excl. accrued interest)	96.3	98.9
Bonds acquisition costs and accrued interest	1.7	(0.8)
Financing received from P2P investors	84.1	93.9
Loans from other parties	6.6	2.4
Total loans and borrowings	224.4	236.1

Latvian bonds

On 1 March 2021, through public offering JSC “mogo” successfully issued corporate bond (LV0000802452) in the amount of EUR 30 million, which from 31 March 2021 is listed on the regulated market – the Baltic Bond List of “Nasdaq Riga” stock exchange. The notes, with a minimum subscription amount of EUR 1,000 were issued at par, having a maturity of 3 years and carrying a fixed coupon of 11% per annum, paid monthly in arrears. The bonds were offered to existing Mogo bondholders and other retail and institutional investors from the Baltic region.

Eurobonds

On 18 October 2021, Eleving Group successfully issued a 5-year corporate bond (XS2393240887), listed on the Open Market of the Frankfurt Stock Exchange, at par with an annual interest rate of 9.5%. The bond will mature in October 2026.

As of the date of the reporting period the previous corporate bond (XS1831877755) with an annual interest rate of 9.5% was still outstanding, but fully repaid on 20 October 2021 following the issuance of the new corporate bond (XS2393240887).

Off-balance sheet arrangements

The Group does not have significant off-balance sheet arrangements.

Condensed consolidated statement of cash flow

in EUR million	9M 2020	9M 2021
Profit before tax	(7.9)	14.4
Net cash flows to/from operating activities	17.4	(5.3)
Net cash flows to investing activities	(6.6)	(2.3)
Net cash flows from/to financing activities	(7.7)	12.4
Change in cash	3.1	4.8
Cash at the beginning of the year	8.6	9.3
Cash at the end of the year	11.7	14.1

Net cash outflow from operating activities amounted to EUR 5.3 million (9M 2020: cash inflow EUR 17.4 million). The Group's cash flow from operating activities without the working capital change of Net loan portfolio was positive EUR 50.8 million (9M 2020: EUR 21.0 million). The Group's net cash outflow from investing activities totalled EUR 2.3 million (9M 2020: cash outflow EUR (6.6) million).

Eurobond covenant ratios

Capitalization	31 Dec. 2020	30 Sep. 2021	Change (in % p.)
Equity/Net loan portfolio	18.4%	23.3%	4.9
Profitability	31 Dec. 2020	30 Sep. 2021	Change (in %)
Interest coverage ratio (ICR)	1.6	2.2	44%
Leverage	31 Dec. 2020	30 Sep. 2021	Change (in %)
Net leverage	5.7	3.8	-34%

Net loan and used vehicle rent portfolio

in EUR mln	31 Dec. 2020	Total share (in %)	30 Sep. 2021	Total share (in %)
Armenia ¹	10.0	6.1%	8.8	4.9%
Belarus ¹	15.3	9.4%	17.5	9.8%
Estonia ¹	12.9	7.9%	10.9	6.1%
Georgia ¹	11.9	7.3%	13.4	7.5%
Kenya ²	12.8	7.8%	31.8	17.9%
Latvia ¹	26.6	16.3%	17.6	9.9%
Lithuania ¹	27.0	16.6%	25.6	14.4%
Moldova ¹	11.2	6.9%	13.3	7.5%
Romania ¹	16.8	10.3%	22.7	12.7%
Uganda ²	5.1	3.1%	10.0	5.6%
Uzbekistan ²	4.3	2.6%	5.3	3.0%
Countries on hold ³	9.2	5.6%	1.2	0.7%
Total vehicle lease and rent	163.1	100%	178.1	100%
Consumer loan markets	38.6	23.7%	50.9	22.2%
Total	201.7		229.0	

¹ Developed countries are Latvia (including used vehicle rent portfolio), Lithuania, Estonia, Georgia, Romania, Moldova, Belarus and Armenia

² Developing countries are Uzbekistan, Kenya and Uganda

³ Countries on hold are Bosnia and Herzegovina and Poland

Recent developments

No Regulatory Changes

There are no material regulatory changes taken place since 30 September 2021.

Events after the balance sheet date

As of the last day of the reporting year until the date of publishing these unaudited results for the nine months ended 30 September 2021 there have been no events requiring adjustment of unaudited results.

Directors' Statement

The consolidated nine-month report of the Company is, to the best of the Directors' knowledge, prepared in accordance with the applicable set of accounting standards and gives a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole.

The nine-month management report of the Company includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

Consolidated Statements of:

Financial Position – Assets

Financial Position - Equity and liabilities

Income Statement and Statement of Cash Flow

Consolidated Statement of Financial Position – Assets

in EUR million	31 Dec. 2020	30 Sep. 2021
Goodwill	6.6	6.6
Internally generated intangible assets	5.9	7.5
Other intangible assets	2.3	2.3
Loans and lease receivables and rental fleet	201.7	229.0
Right-of-use assets	7.5	8.2
Property, plant and equipment	2.1	2.3
Leasehold improvements	0.4	0.5
Receivables as a result of sale of subsidiaries to related parties	9.4	3.3
Receivables as a result of sale of subsidiaries to third parties	1.5	4.0
Loans to related parties	5.2	5.7
Other financial assets	2.7	1.7
Deferred tax asset	2.9	2.5
Inventories	1.6	3.9
Prepaid expense	1.9	2.5
Trade receivables	0.5	0.4
Other receivables	6.8	7.2
Assets of subsidiary held for sale	9.4	8.1
Assets held for sale	2.1	1.0
Cash and cash equivalents	9.3	14.1
Total assets	279.8	310.8

Consolidated Statement of Financial Position – Equity and liabilities

in EUR million	31 Dec. 2020	30 Sep. 2021
Equity		
Share capital	1.0	1.0
Retained earnings	22.9	31.8
Foreign currency translation reserve	(2.3)	(1.0)
Reserve	0.3	0.6
Total equity attributable to owners of the Company	21.9	32.4
Non-controlling interests	0.5	0.9
Subordinated debt	12.1	17.3
Total equity	34.5	50.6
Liabilities		
Borrowings	224.4	236.1
Provisions	0.4	0.2
Prepayments and other payments received from customers	0.5	0.7
Trade payables	1.2	1.9
Corporate income tax payable	0.8	3.5
Taxes payable	2.0	3.0
Other liabilities	8.6	7.5
Liabilities of subsidiary held for sale	3.9	3.3
Accrued liabilities	3.3	3.9
Other financial liabilities	0.2	0.1
Total liabilities	245.3	260.2
Total equity and liabilities	279.8	310.8

Consolidated Income Statement

in EUR million	9M 2020	9M 2021
Interest revenue calculated using the effective interest method	60.5	99.6
Interest expense calculated using the effective interest method	(18.7)	(22.1)
Net interest income	41.8	77.5
Fee and commission income	2.9	5.4
Revenue from rent	4.4	5.1
Total net revenue	49.1	88.0
Impairment expense	(20.9)	(29.3)
Expenses related to peer-to-peer platform services	(0.7)	(0.9)
Selling expense	(1.8)	(5.4)
Administrative expense	(23.6)	(37.9)
Other operating (expense) / income	(0.5)	(1.3)
Net foreign exchange result	(9.3)	0.4
Profit before tax	(7.7)	13.6
Corporate income tax	(0.9)	(5.0)
Deferred corporate income tax	1.8	0.6
Net profit for the period	(6.8)	9.2
Discontinued operations	(0.2)	0.8
Translation of financial information of foreign operations to presentation currency	(0.4)	1.3
Total comprehensive income for the period without FX	2.3	9.6
Total comprehensive income for the period	(7.4)	11.3

Consolidated statement of cash flow

in EUR million	9M 2020	9M 2021
Cash flows to/from operating activities		
Profit/(loss) before tax	(7.9)	14.4
Adjustments for:		
Amortisation and depreciation	4.4	5.5
Interest expense	18.7	22.1
Interest income	(60.5)	(99.6)
Loss on disposal of property, plant and equipment	0.6	2.5
Impairment expense	20.9	29.3
Negative goodwill	(1.1)	-
Loss from fluctuations of currency exchange rates	8.8	0.9
Operating profit before working capital changes	(16.1)	(24.9)
(Increase)/decrease in inventories	0.4	(2.3)
(Increase)/decrease in receivables	(3.6)	(56.1)
Increase/(decrease) in trade payable, taxes payable and other liabilities	(4.0)	(1.6)
Cash generated to/from operating activities	(23.3)	(84.9)
Interest received	60.2	102.0
Interest paid	(19.1)	(19.8)
Corporate income tax paid	(0.4)	(2.6)
Net cash flows to/from operating activities	17.4	(5.3)
Cash flows to/from investing activities		
Purchase of property, plant and equipment and intangible assets	(2.4)	(5.3)
Purchase of rental fleet	(6.8)	(3.0)
Loan repayments received	6.3	6.0
Investments in subsidiaries	(3.7)	-
Net cash flows to/from investing activities	(6.6)	(2.3)
Cash flows to/from financing activities		
Proceeds from borrowings	162.4	210.9
Repayments for borrowings	(170.1)	(198.2)
Dividends paid	-	(0.3)
Net cash flows to/from financing activities	(7.7)	12.4
Change in cash	3.1	4.8
Cash at the beginning of the year	8.6	9.3
Cash at the end of the year	11.7	14.1

Latvian operations only

Condensed financial information of AS “mogo” (consolidated)

Consolidated Income Statement (AS “mogo” (consolidated))

in EUR million	9M 2020	9M 2021
Interest revenue calculated using the effective interest method	8.1	5.8
Interest expense calculated using the effective interest method	(3.5)	(3.4)
Net interest income	4.6	2.4
Fee and commission income	0.4	0.3
Revenue from rent	4.4	5.1
Total net revenue	9.4	7.8
Impairment expense	(2.6)	0.8
Expenses related to peer-to-peer platforms services	(0.1)	(0.1)
Selling expense	(0.1)	(0.1)
Administrative expense	(4.2)	(4.6)
Other operating (expense) / income	1.5	1.2
Profit before tax	3.9	5.0
Corporate income tax	-	-
Deferred corporate income tax	-	-
Net profit for the period	3.9	5.0

Consolidated Statement of Financial Position – Assets, Equity and Liabilities (AS “mogo” (consolidated))

in EUR million	31 Dec. 2020	30 Sep. 2021
Assets		
Loans and lease receivables and rental fleet	26.2	17.6
Loans to Mogo Finance S.A.	28.5	39.3
Property, plant and equipment	1.3	0.8
Receivables from group companies	1.4	1.0
Non-current assets held for sale	0.1	-
Other receivables	0.7	0.9
Prepaid expense	0.1	-
Cash and cash equivalents	0.2	0.2
Total assets	58.5	59.8
Equity		
Share capital	5.0	5.0
Other reserves	(4.0)	(3.9)
Retained earnings		
brought forward	7.7	13.3
for the period	5.8	5.0
Total equity	14.5	19.4
Liabilities		
Borrowings	40.8	38.2
Other provisions	2.4	1.2
Trade payables	0.1	0.1
Payables to related companies	0.3	0.3
Taxes payable	0.1	-
Accrued liabilities	0.3	0.5
Total liabilities	44.0	40.4
Total equity and liabilities	58.5	59.8

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