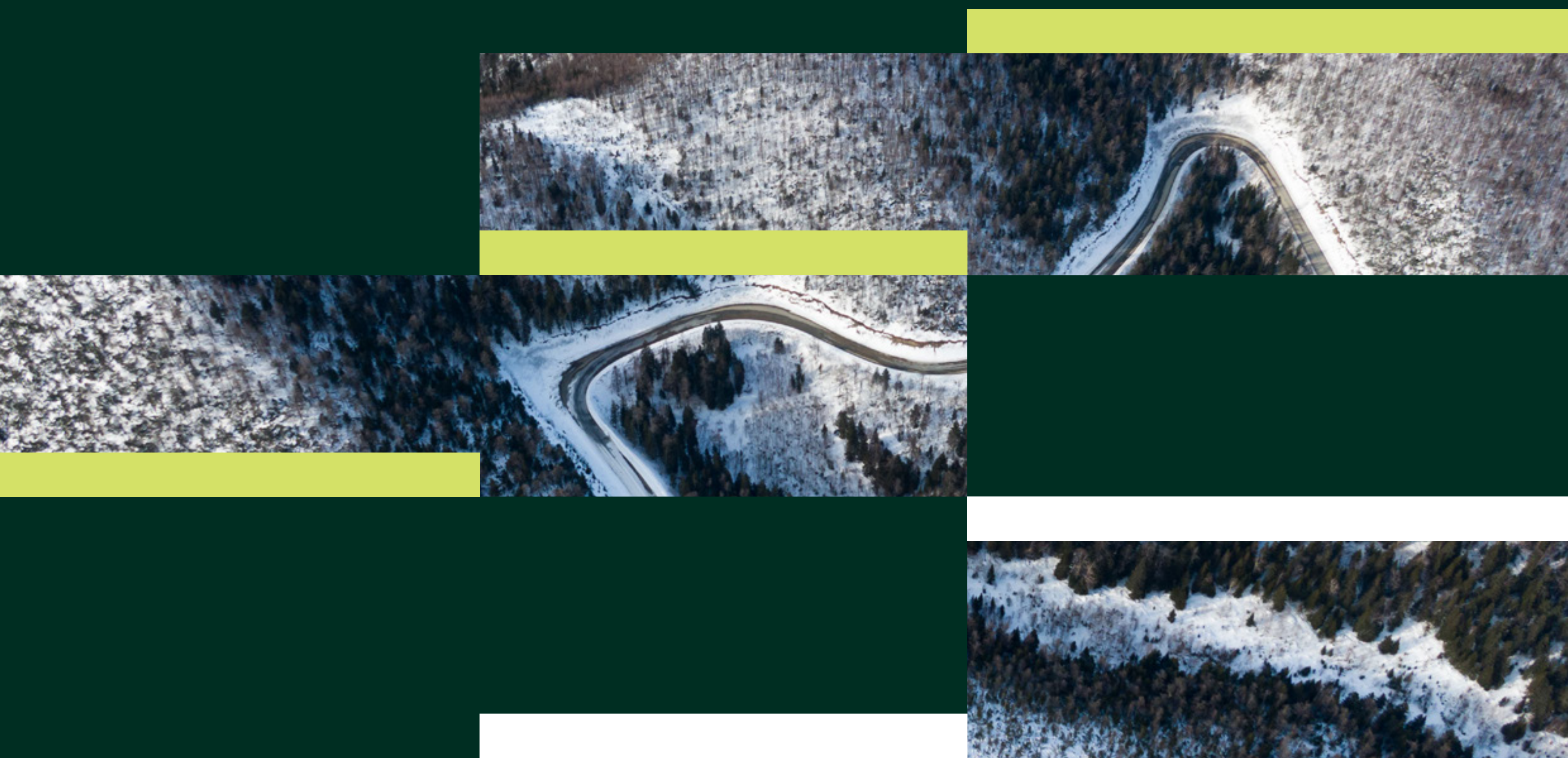
Eleving GROUP

Unaudited results for the twelve months ended 31 December 2023



Content

12 months at a glance

320 000+
Total Number of Active Customers

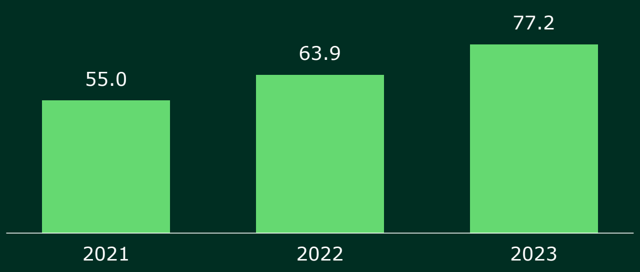
EUR 77.2 mln[1]
EBITDA, 12M 2023

EUR 320.2 mln
Vehicle and Consumer Financing Net Portfolio

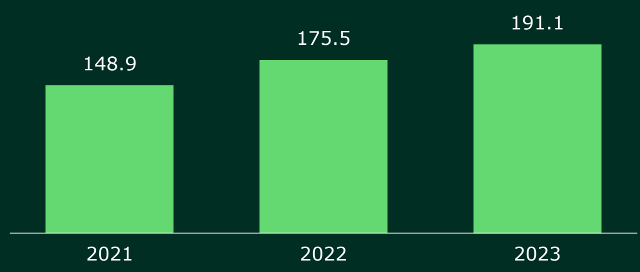
EUR 191.1 mln
Revenues, 12M 2023

Increased 12M EBITDA[1] — EUR 77.2 mln

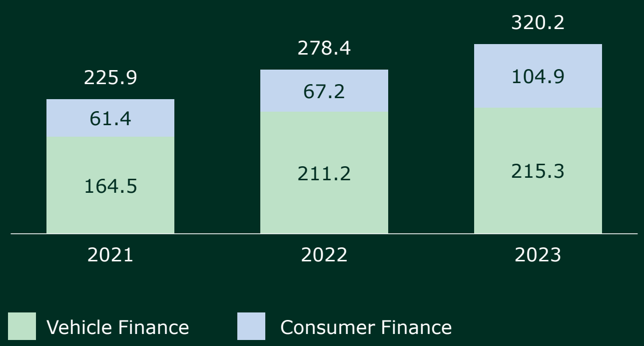
EBITDA, EUR mln[1]



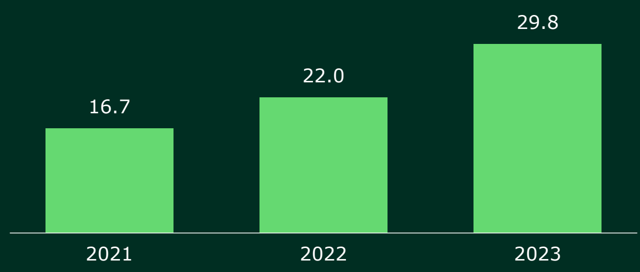
Revenue, EUR mln[2]



Net portfolio, EUR mln



Net profit before FX, EUR mln[3]



The Group has decided to classify the entity in Belarus as a discontinued operation as of the end of 2023, the comparative EBITDA, Revenue, Net Portfolio, Net profit before FX and other metrics have also been restated to show the Belarus as discontinued for comparability.

[1] 2021 EBITDA adjusted with an increase by one-off costs of: (a) amortization of fair value gain EUR 3.2 mln; (b) loss resulting from subsidiary write-off EUR 1.0 mln; (c) bonds refinancing expense EUR 5.7 mln; and a decrease by: (a) non-controlling interests EUR 5.0 mln. 2022 EBITDA adjusted with an increase by one-off costs of: (a) loss resulting from subsidiary write-off EUR 0.8 mln; and a decrease by: (a) non-controlling interests EUR 5.0 mln. 2023 EBITDA adjusted with a decrease by: (a) non-controlling interests EUR 4.6 mln.

[2] Adjusted with fair value gain on acquisition in 2021 in the amount of EUR 3.2 mln.

[3] 2021 adjusted with an increase by one-off costs of: (a) amortization of fair value gain EUR 3.2 mln; (b) loss resulting from subsidiary write-off EUR 1.0 mln; (c) bonds refinancing expense EUR 5.7 mln. 2022 adjusted with an increase by one-off costs of: (a) loss resulting from subsidiary write-off EUR 0.8 mln.

An outstanding year with promising prospects for robust growth in the future

Operational and Strategic Highlights

- Eleving Group finished the year 2023 with the best-ever business performance. Revenues, including fee and commission income, for the corresponding period reached EUR 191.1 mln, recording an increase of EUR 15.6 mln compared to 2022. Meanwhile, the net portfolio grew by EUR 27.1 mln and landed at EUR 320.2 mln.
- Diversified business operations and a balanced revenue stream from all core business lines:
    - Flexible lease and subscription-based products contributed EUR 50.4 mln to the 2023 revenues – a decrease of 2% mainly due to selling of Renti Plus portfolio and and slightly decreasing Kenya motorcycle taxi loan portfolio (effect from unfavorable foreign currency rate development).
    - Traditional lease and leaseback products contributed EUR 68.0 mln to the revenue stream, up by 7% compared to the respective period a year ago. The recorded increase can be explained by a steady and controlled portfolio and interest income growth across most of the Group's markets, with the highest growth rates recorded in Romania, Lithuania, and Moldova.
    - Revenues from the consumer loan segment contributed EUR 72.7 mln to the 2023 revenues – a significant leap of over 20%. The successful results were driven by the efficient integration of the ExpressCredit business and outstanding performance in the Group's European consumer markets.
- In Q4, the Group issued EUR 50 mln of senior secured and guaranteed Eleving Group 2023/2028 bonds. As a result, over 2,000 new investors from the Baltic States and Europe were onboarded, and the debt maturity profile was significantly improved. Shortly after, Fitch Ratings assigned a rating of 'B-' with a Recovery Rating of 'RR4' to the respective bonds.
- In January 2024, the Group received all the necessary approvals from Belarussian government authorities with respect to the Mogo Belarus sale. The sale is expected to be finished within 2024 once all aspects of the transaction, including asset refinance, will be implemented. For reporting purposes, Mogo Belarus is classified as a discontinued operation (also in comparatives).
- As part of its foreign currency exchange risk management strategy during Q4, the Group established cooperation with MFX Currency Risk Solutions (USA) and Absa Bank (Uganda). As a result, in January 2024, the Group companies entered in currency hedging contracts to fully cover the Group's exposure with respect to the Ugandan shilling.
- In the sustainable mobility area, Eleving Group continued to roll out its electric car-sharing service in Latvia and electric motorcycle financing in Kenya. In 2023, over 3.2 mln kilometers were commuted on pure electricity by the Group's clients. Therefore, both green mobility services have reduced the potential CO_2 emissions by approximately 300 to 315t, compared to the amount an internal combustion engine would have generated.
- In mid-Q4, the Group launched a new initiative in Kenya – retrofitting internal combustion engine motorcycles to electric. The main objective of this product is to intensify the introduction of sustainable mobility in Kenya and to give a second life to used motorcycles, thereby extending their life cycle. By the end of the year, Mogo Kenya had already retrofitted several motorcycles, and a healthy spike in demand is expected in 2024.
- An important milestone in digitization was reached by launching an advanced online client cabinet for the Romanian market. The respective project will ensure active onboarding of existing clients and 24/7 account access; it will provide real-time information on agreements, customer information, payment history, and plans. On top of that, it provides numerous payment methods that focus on promoting recurring (subscription) payments. It is planned to implement the respective project gradually across other Group markets.

Financial Highlights and Progress

- Solid profitability evidenced by strongest-ever business financials:
    - Adjusted EBITDA of EUR 77.2 mln (2022: EUR 63.9 mln).
    - Adjusted Net Profit before FX of EUR 29.8 mln (2022: EUR 22.0 mln).*
    - Adjusted Net Profit after FX of EUR 23.4 mln (2022: EUR 14.6 mln).*
    - Increased net portfolio of EUR 320.2 mln; Eleving Vehicle Finance and Eleving Consumer Finance accounted for EUR 215.3 mln and EUR 104.9 mln, respectively.
    - 2023 ended with a healthy financial position, supported by the capitalization ratio of 26.3% (31 December 2022: 25.5%), ICR ratio of 2.3 (31 December 2022: 2.3), and net leverage of 3.7 (31 December 2022: 3.9), providing an adequate and stable headroom for Eurobond covenants.
- During Q4, Eleving Group continued diversifying its funding structure by entering into talks with ACP Credit. In early 2024, it resulted in EUR 10 mln attracted for business development in Romania.
- In the meantime, the Group has continued the private placement of Kenyan notes with an aggregate size of up to EUR 23 mln. As of the end of 2023, EUR 13 mln has been raised in total.
- The Group continues to explore numerous local funding channels to raise funds in local currencies to mitigate future adverse foreign currency exchange impacts. The groundwork has been laid for several collaborations with investment funds and banks, the results of which will be reported over the coming year.

*2022 adjusted with an increase by one-off costs of: a) loss resulting from subsidiary write-off EUR 0.8 mln.

Comments from Eleving Group CEO and CFO

Modestas Sudnius
CEO of Eleving Group

Entering this year, it was clear that high inflation rates and the growing cost of borrowing would challenge overall client payment behavior. Also, Eleving Group had a significant debt of its own, which had to be managed in the best possible way. And finally, we had a goal to increase our efficiency and profitability as an organization further.

Looking back, I can tell that we had very ambitious goals, and I am even more delighted to conclude that we managed to achieve most of them and even more. We were able to have a stable year with increasing portfolio quality; on top of that, in the second part of the year, we laid the foundation for further growth in 2024 - through the integration of consumer finance businesses in the South African region, by capturing new possibilities in our existing markets and securing future financing by issuing new EUR 50 mln bonds.

Despite the uncertainty in the global economy, demand for consumer credit products has not weakened, and people's ability to pay is still higher than expected in a period of rising interest rates and inflation. In the vehicle financing segment, after a slightly slower start early in 2023, we recovered the dynamics in the second half. This mixed trend was, however, to be expected, as people temporarily postponed large purchases. In the meantime, the unsecured consumer finance business grew steadily throughout the year, benefiting from weakening competition and utilizing previously established business essentials – a vast sales network through online and offline channels and well-calibrated customer scoring models.

We have successfully addressed the diversification of our funding structure by unlocking numerous additional financing channels like local impact funds, bank loans, local notes, and, of course, the latest bond issue that attracted EUR 50 mln and improved our debt maturity profile. Also, we continue to maintain lean operations and strong cost discipline. Together with the increasing digitization of our daily processes, we have managed to maintain a very cost-effective business even in an inflationary environment.

In recent years, our mindset has been more focused on organic expansion in our core business lines. However, the integration of ExpressCredit business will allow us to expand while still maintaining strong position in other existing markets. We are open to exploring further growth opportunities through new market launches or acquisitions. However, it will not be growth at the cost of profit, and this would become a priority in case of additional equity injection in the business. We will continue actively participating in the capital markets and exploring all the opportunities these avenues offer. Having a well-diversified debt stack in place with no significant maturities upcoming in 2024, our focus will be on potential equity raising, exploring opportunities both in Baltic markets and outside it, not ruling out IPO as one of the routes.

In the meantime, the Group strengthened its position in green mobility by rapidly expanding the electric car-sharing service in Latvia and electric motorcycle financing service in Kenya. Our customers commuted over 3.2 million kilometers on pure electricity, thus reducing over 300tCO_2 compared to what traditional vehicles would have produced. This year, more than in other years, we see that people paid much more attention to the so-called value for money criteria. This translated into more sustainable decisions, i.e., a greater demand for green mobility solutions that are more climate-friendly and economical in the medium to long term. This trend will likely continue next year, so we expect good results from our sustainable mobility products.

Despite the challenging year of peak interest rates and inflation, Eleving Group achieved strong results in all key financial indicators. The Group's adjusted EBITDA increased to EUR 77.2 mln, or by over 21%, compared to 2022, while the total revenue, including fee and commission income, reached EUR 191.1 mln, showing an increase of close to 9%. The net profit before FX landed at EUR 29.8 mln, up by 35%, while the net portfolio reached EUR 320.2 mln.

It was a year in which we made a solid effort to increase our efficiency and improve our cost of risk. Compared to last year, the Group also achieved higher relative profitability, allowing it to absorb any foreign currency exchange rate fluctuations successfully. With local funding and hedging solutions in place, Eleving Group is expected to have a limited negative impact on foreign currency exchange rates in the coming years. We also strengthened the Group's capitalization ratio while maintaining sustainable dividend payout levels.

During 2023, we continued to diversify our funding structure by raising USD 7 mln from the Verdant Capital Hybrid Fund for the Kenyan portfolio growth. In addition, we successfully continued our Kenyan note program, through which we raised more than EUR 13 mln for business development. Furthermore, in 2023, we established the cooperation with ACP Credit, Central Europe's leading provider of financing solutions for middle-market businesses. As a result, in early 2024, Mogo Romania received an investment of EUR 10 mln, making it the first time in the Group's history that a significant external funding partner outside the Mintos marketplace was brought to Mogo Romania. In addition, we continued to develop our electric car-sharing service, OX Drive, by raising EUR 2.8 million from Industra Bank to expand its car fleet.

Of course, one of the highlights of the year was the issuance of the latest Eurobond and subsequent listing on the Baltic and Frankfurt stock exchanges, resulting in EUR 50 mln raised and over 2,000 new investors onboarded. The bond issue was mainly tailored towards the existing investors (both retail and professional ones) from the Baltic states. In terms of volume, this was one of the largest corporate issuances in the Baltics in recent years. Retail investors from Estonia were particularly active. Therefore, we can assume that companies with a strong track record and a healthy balance sheet still have support from local retail investors even in volatile market conditions characterized by an ambiguous investment landscape.

Furthermore, I would like to note that Fitch Ratings affirmed Eleving Group's long-term Issuer Default Rating (IDR) and Senior Secured Debt Rating (SDRR) at 'B-,' with a stable outlook. Despite the global economic challenges, we have maintained this performance for the fourth consecutive year.

In conclusion, it was a successful year for the company, with healthy growth, sound decisions that delivered expected results, and a strong financial position that will contribute to the future sustainable development of our global business.

Māris Kreics
CFO of Eleving Group

Business outlook (2024)

Operational excellence and consistent growth

Healthy organic growth

Explore new growth opportunities

New-generation digital solutions

Attract outside equity

Diversified funding structure

FX risk management

Streamlined governance

Climate impact mitigation

Processes

Maintain healthy organic growth across existing products and markets, **targeting a 5-20% growth rate** depending on the market.

Scale up portfolio operations in recently integrated South African region consumer lending markets, with core focus on creating sustainable financial products for the underserved population.

Roll out SME financing product in existing European markets – launch the first market in 2024.

In 2024, **explore opportunities to launch new vehicle financing markets** with the goal to open a new market in Q1 2025.

Explore M&A opportunities in the markets for both entering the SME segment and entering a new market.

Become a leading Electric motorcycle financier (financing new EVs and retrofitting used petrol bikes) in the Eastern Africa region.

Roll out new generation 2.0 digital solutions (client cabinet, auto-process, car portal) across all Eleving Vehicle Finance markets.

Capital management

Explore opportunities to raise outside equity in 2024 for further company's growth.

Further focus on fundraising initiatives to supplement the existing capital structures of different markets with local currency funding and unlock new debt funding avenues, especially in East African markets, to facilitate growth and mitigate the FX gap. Also, explore other FX hedging opportunities and options.

Diversify and improve debt structure while raising additional debt across markets with a specific focus on financing partners with an impact focus.

Finalize **an exit from Belarus**.

Governance and Social impact

Implement a **Group-wide environmental activity** across all markets.

Reduce the carbon footprint arising from the company's portfolio by **implementing carbon offsetting projects in Kenya and Uganda**.

Continue the improvement of the company's processes and policies to maintain a sustainable and transparent business and reporting practice according to CSRD standards.

Build an **independent management board** following the best corporate governance practices.

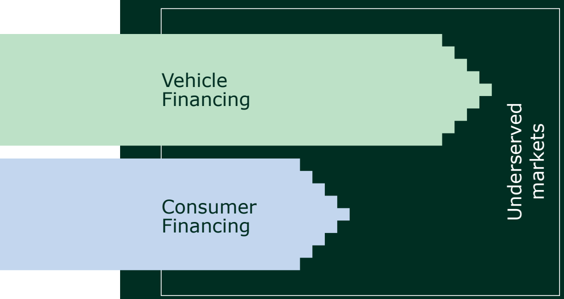
Publish **a dividend policy**.

A Way
Way Up

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.



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, with 2 760 employees and more than 320 000 active loyal customers.

Presence

Eleving Group is an international fast-moving financial technology company offering services across the globe. The Group operates in 16 countries across 3 continents.

Conference call

On 14 February

A conference call in English with the Group's management team to discuss these results is scheduled for 14 February 2024, at 15:00 CET.

Contact

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

Conference call access information

Financial review

The Group has decided to classify the entity in Belarus as a discontinued operation as of the end of 2023, the comparative consolidated statement of profit or loss and OCI have also been restated to show the Belarus as discontinued for comparability.

Condensed consolidated income statement

The table below sets out the condensed consolidated statement of profit and loss for the twelve months period ended 31 December 2022 and 31 December 2023.

EUR million	12M 2022	12M 2023	Change (%)
Interest and similar income	162.5	178.1	9.6%
Interest expense and similar expenses	(31.1)	(37.5)	20.6%
Net interest income	**131.4**	**140.6**	**7.0%**
Fee and commission income	7.6	8.9	17.1%
Income from used vehicle rent	5.4	4.1	(24.1%)
Total net revenue	**144.4**	**153.6**	**6.4%**
Impairment expense	(42.6)	(41.1)	(3.5%)
Operating expense and income	(72.9)	(77.6)	6.4%
Net foreign exchange result	(7.4)	(6.4)	(13.5%)
Profit before tax	**21.5**	**28.5**	**32.6%**
Corporate income tax	(7.7)	(5.1)	(33.8%)
Net profit for the period without FX and discontinued operations	21.2	29.8	40.6%
Net profit for the period	**13.8**	**23.4**	**69.6%**

Interest, similar income and income from used vehicle rent and fee and commission income

EUR million	12M 2022	12M 2023	Change (%)
Flexible lease and subscription based products	**51.6**	**50.4**	**(2.3%)**
Interest and similar income	45.0	45.3	0.7%
Rental income	5.4	4.1	(24.1%)
Fee and commission income	1.2	1.0	(16.7%)
Traditional lease and leaseback products	**63.5**	**68.0**	**7.1%**
Interest and similar income	60.4	64.1	6.1%
Fee and commission income	3.1	3.9	25.8%
Consumer lending products	**60.4**	**72.7**	**20.4%**
Interest and similar income	57.1	68.7	20.3%
Fee and commission income	3.3	4.0	21.2%
Average net loan and used vehicle rent portfolio	**269.4**	**306.7**	**13.8%**
Average income yield on net loan and used vehicle rent portfolio	**65.2%**	**62.3%**	**(2.9) p.p.**

Flexible lease and subscription based products revenues decreased by 2.3% to EUR 50.4 million (12M 2022: EUR 51.6 million) mainly due to selling of Renti Plus portfolio and a decline in income from the Kenya motorcycle taxi loans (unfavorable local currency exchange rate development).

Traditional lease and leaseback products revenues increased by 7.1% to EUR 68.0 (12M 2022: EUR 63.5 million). The recorded increase can be explained by a steady and controlled portfolio and interest income growth across most of the Group's markets, with the highest growth rates recorded in Romania, Lithuania, and Moldova.

Lastly, consumer lending products revenues increased by 20.4% to EUR 72.7 million (12M 2022: EUR 60.4 million). The successful results were driven by the efficient integration of the ExpressCredit business and outstanding performance in the Group's European consumer markets.

Interest expense and similar expense

Interest expense and similar expense increased by 20.6% to EUR 37.5 million (12M 2022: EUR 31.1 million) driven by the increase in total borrowings to EUR 310.6 million (31 December 2022: EUR 261.5 million).

Income from used vehicle rent

Income from used vehicle rent decreased by 24.4% to EUR 4.1 million (12M 2022: EUR 5.4 million). Due to partial vehicle rental portfolio sale, the total used vehicle rental fleet decreased to EUR 7.1 million (31 December 2022: EUR 10.0 million).

Impairment expense for vehicle finance portfolio

Net impairment losses on loans and receivables increased by 25.4% to EUR 25.8 million (12M 2022: EUR 20.6 million). The NPL ratio (Net NPL / Total net portfolio) amounted to 7.5% (conservative 35+ days past due) of the total net portfolio (31 December 2022: 6.5%) with provision coverage ratio of 86.2% (31 December 2022: 88.3%).

Impairment expense for consumer lending portfolio

Net impairment losses on loans and receivables decreased by 30.9% to EUR 15.3 million (12M 2022: EUR 22.1 million). The NPL ratio (Net NPL / Total net portfolio) amounted to 4.5% (90+ days past due) of the total net portfolio (31 December 2022: 5.5%) with provision coverage ratio of 119.2% (31 December 2022: 131.9%).

Operating expense

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

EUR million	12M 2022	12M 2023	Change (%)
Employees' salaries	32.1	34.9	8.7%
Marketing expenses	7.8	6.4	(17.9%)
Office and branch maintenance expenses	2.6	3.0	15.4%
Professional services	2.7	2.8	3.7%
Amortization and depreciation	8.1	9.4	16.0%
IT services	3.5	4.7	34.3%
Tax expenses	4.3	3.2	-25.6%
Other operating expenses	11.8	13.2	11.9%
Total operating expense	**72.9**	**77.6**	**6.4%**

The total operating expense for the period increased to EUR 77.6 million (12M 2022: EUR 72.9 million).

Salaries increased by 8.7% to EUR 34.9 million (12M 2022: EUR 32.1 million), comprising 45.0% of the total operating expenses (12M 2022: 44.0%). Meanwhile, marketing expenses, with effective cost of EUR 13 per loan issued, accounted for 8.2% of the total operating expenses (12M 2022: 10.7%).

Profit before tax

The consolidated profit before taxes increased by 32.6% and amounted to EUR 28.5 million (12M 2022: EUR 21.5 million).

Corporate income tax

The table below sets out a breakdown of the Group’s corporate income tax.

EUR million	12M 2022	12M 2023	Change (%)
Corporate income tax	(10.2)	(6.7)	(34.3%)
Deferred tax	2.5	1.6	(36.0%)
Total corporate income tax	**(7.7)**	**(5.1)**	**(33.8%)**

Profit for the period

The consolidated net profit for the period increased by 69.6% and amounted to EUR 23.4 million (12M 2022: EUR 13.8 million).

Alternative performance measures (non-IFRS)

EUR million	12M 2022	12M 2023	Change (%)
Profit for the period	13.8	23.4	69.6%
Provisions for taxes	7.7	5.1	(33.8%)
Interest expense	31.1	37.5	20.6%
Depreciation and amortization	8.1	9.4	16.0%
Currency exchange (gain)/loss	7.4	6.4	(13.5%)
EBITDA	**68.1**	**81.8**	**20.1%**
Non-controlling interests	(5.0)	(4.6)	-6.5%
(Gain)/Loss from subsidiary sale	0.8	-	nm
Adjusted EBITDA	**63.9**	**77.2**	**20.7%**

Condensed consolidated balance sheet

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

EUR million	31 Dec. 2022	31 Dec. 2023
Intangible assets	15.7	22.0
Tangible assets	12.7	13.2
Loans and lease receivables and rental fleet	293.1	320.2
Deferred tax asset	5.6	8.8
Inventories	2.5	4.8
Non-current assets held for sale	1.1	0.7
Other receivables	16.4	15.6
Assets of subsidiary held for sale	0.4	9.4
Cash and cash equivalents	13.8	25.6
Total assets	**361.3**	**420.3**

EUR million	31 Dec. 2022	31 Dec. 2023
Share capital and reserves	2.1	5.3
Foreign currency translation reserve	4.9	(0.5)
Retained earnings	37.3	48.2
Non-controlling interests	8.9	12.9
Subordinated debt	19.0	16.5
Total equity	**72.2**	**82.4**
Borrowings	261.5	310.6
Other liabilities	27.6	27.3
Total liabilities	**289.1**	**337.9**
Total equity and liabilities	**361.3**	**420.3**

Assets

The total assets of the Group increased by 16.3% to EUR 420.3 million (31 December 2022: EUR 361.3 million), chiefly due to the integration of EC Finance Group consumer lending business.

Tangible assets

Tangible assets increased by 3.9% to EUR 13.2 million (31 December 2022: EUR 12.7 million).

Net loan and used vehicle rent portfolio

The net loan and used vehicle rent portfolio increased by 9.2% to EUR 320.2 million (31 December 2022: EUR 293.1 million).

Net loan and used vehicle rent portfolio split by market type

EUR million	31 Dec. 2022	Total share (%)	31 Dec. 2023	Total share (%)
Developed countries*	140.5	47.9%	135.5	42.3%
Developing countries**	85.4	29.1%	79.8	24.9%
Consumer loan markets	67.2	22.9%	104.9	32.8%
Total net loan and used vehicle rent portfolio	**293.1**	**100.0%**	**320.2**	**100.0%**

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

** Developing countries are Uzbekistan, Kenya and Uganda

Net loan portfolio split by product type

EUR million	31 Dec. 2022	Total share (%)	31 Dec. 2023	Total share (%)
Flexible and subscription based products	72.7	24.8%	68.6	21.4%
Traditional lease and leaseback products	153.2	52.3%	146.7	45.8%
Consumer lending products	67.2	22.9%	104.9	32.8%
Total net loan portfolio split by product type	**293.1**	**100.0%**	**320.2**	**100.0%**

The Group continues controlled loan portfolio growth strategy in its flexible and subscription based products, as well tradional lease and leaseback business lines, which at the end of the period stood at 21.4% and 45.8% of the total net loan and used vehicle rent portfolio.

Consumer lending business line is continuing steady growth trajectory and after integration of EC Finance Group operations has considerably increased the share within the Group and now is standing at 32.8% from the total net loan and used vehicle rent portfolio.

Despite certain regional macro headwinds, the developing markets such as Kenya and Uganda retain significant potential for future growth.

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

The table below 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.

EUR million	31 Dec. 2022	Total share (%)	31 Dec. 2023	Total share (%)
STAGE 1*	175.4	81.2%	168.5	80.9%
STAGE 2**	26.4	12.2%	24.1	11.6%
STAGE 3***	14.1	6.5%	15.6	7.5%
Total net loan portfolio	**215.9**	**100.0%**	**208.2**	**100.0%**
Used vehicle rent	10.0	4.4%	7.1	3.3%
Total net loan and used vehicle rent portfolio	**225.9**		**215.3**	
Net NPL ratio****	**6.5%**		**7.5%**	
Impairment coverage ratio*****	**88.3%**		**86.2%**	

* 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.

** 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.

*** 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.

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

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

NPLs in the net loan and used vehicle rent portfolio remained stable and amounted to 7.5% (31 December 2022: 6.5%).

Net consumer loan portfolio

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

EUR million	31 Dec. 2022	Total share (%)	31 Dec. 2023	Total share (%)
STAGE 1*	61.7	91.8%	98.0	93.4%
STAGE 2**	1.8	2.7%	2.2	2.1%
STAGE 3***	3.7	5.5%	4.7	4.5%
Total net loan portfolio	**67.2**	**100.0%**	**104.9**	**100.0%**
Net NPL ratio****	**5.5%**		**4.5%**	
Impairment coverage ratio*****	**131.9%**		**119.2%**	

* 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.

** 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.

*** 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.

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

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

NPLs in the total net consumer loan portfolio decreased marginally and amounted to 4.5% (31 December 2022: 5.5%).

Equity

The total equity of the Group increased by 14.1% to EUR 82.4 million (31 December 2022: EUR 72.2 million). The capitalization ratio at the end of the period stood at 26.3% (31 December 2022: 25.5%), providing adequate and stable headroom for Eurobond covenants.

Liabilities

The total liabilities of the Group increased by 16.9% and stood at EUR 337.9 million (31 December 2022: EUR 289.1 million). The increase was mainly due to EC Finance Group integration, including its liabilities. Total borrowings grew to EUR 310.6 million (31 December 2022: EUR 261.5 million).

Borrowings

The table below sets out borrowings by type.

EUR million	31 Dec. 2022	31 Dec. 2023
Loans from banks	5.6	6.1
Africa Notes	7.3	21.6
Latvian Bonds	28.8	17.0
Private debt funds	-	10.0
Eurobonds (excl. accrued interest)	149.7	191.6
Bond acquisition costs and accrued interest	(1.2)	(0.9)
Financing received from P2P investors	67.6	63.9
Loans from other parties	3.7	1.3
Total borrowings	**261.5**	**310.6**

Latvian bonds

On 1 March 2021, through a public offering JSC "mogo" successfully issued a 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 JSC "mogo" bondholders and other retail and institutional investors from the Baltic region. On 26 September 2023, existing Mogo AS 2021/2024 bondholders were provided with an opportunity to exchange the respective bonds for new Eleving Group 2023/2028 senior secured and guaranteed bonds (ISIN DE000A3LL7M4). Mogo AS 2021/2024 bonds were partially converted to the new Eurobonds in October 2023.

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% and total amount of EUR 150 million. The bond will mature in October 2026. The previous corporate bond (XS1831877755) with an annual interest rate of 9.5% was fully repaid on 20 October 2021 following the issuance of the new corporate bond (XS2393240887).

On 31 October 2023, Eleving Group successfully issued a 5-year senior secured and guaranteed bonds (ISIN DE000A3LL7M4), listed on the Regulated Market of Frankfurt Stock Exchange at par with an annual interest rate of 13.0% and a total amount of EUR 50 million. On 6 November 2023, the respective bonds were also listed on the Regulated Market of Nasdaq Riga Stock Exchange. The bond maturity is set at 31 October 2028.

Subordinated bonds

On 7 March 2022, Eleving Group bonds (XS2427362491) were admitted to trading on the Nasdaq Baltic First North Market. The size of the Eleving Group bond issue is EUR 25 million. The bonds have a nominal value of EUR 1 000 each and a floating annual coupon rate of 12% + 6 month EURIBOR, with interest paid monthly. Subordinated bonds mature on 29 December 2031.

Off-balance sheet arrangements

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

Condensed consolidated statement of cash flow

EUR million	12M 2022	12M 2023
Profit before tax	25.4	31.1
Net cash flows from operating activities	(4.9)	18.9
Net cash flows from investing activities	(4.4)	(3.4)
Net cash flows from financing activities	13.0	(3.7)
Change in cash	3.7	11.8
Cash at the beginning of the year	10.1	13.8
Cash at the end of the year	13.8	25.6

Net cash inflow from operating activities amounted to EUR 18.9 million (12M 2022: cash outflow of EUR 4.9 million). The Group's net cash outflow from investing activities totalled EUR 3.4 million (12M 2022: cash outflow of EUR 4.4 million). Finally, the Group's cash outflow from financing activities amounted to EUR 3.7 million (12M 2022: cash inflow of EUR 13.0 million).

Eurobond covenant ratios

Capitalization	31 Dec. 2022	31 Dec. 2023	Change (p.p.)
Equity/Net loan portfolio	25.5%	26.3%	0.8

Profitability	31 Dec. 2022	31 Dec. 2023	Change
Interest coverage ratio (ICR)	2.3	2.3	0.0

Leverage	31 Dec. 2022	31 Dec. 2023	Change
Net leverage	3.9	3.7	(0.2)

EUR million	Mintos loans			Net loan and used vehicle rent portfolio			
Country	31 Dec. 2022	31 Dec. 2023	Change (%)	31 Dec. 2022	Total share (%)	31 Dec. 2023	Total share (%)
Armenia*	1.1	1.1	-	12.6	5.6%	13.2	6.1%
Belarus	1.4	-	(100.0%)	14.7	6.5%	-	0.0%
Georgia*	1.9	1.6	(15.8%)	16.2	7.2%	16.7	7.8%
Estonia*	4.8	3.5	(27.1%)	11.5	5.1%	11.0	5.1%
Kenya**	4.8	3.0	(37.5%)	53.7	23.8%	44.6	20.7%
Latvia*	1.8	2.5	38.9%	13.3	5.9%	11.4	5.3%
Lithuania*	2.2	10.3	368.2%	27.2	12.0%	32.0	14.9%
Moldova*	6.3	3.8	(39.7%)	15.9	7.0%	17.9	8.3%
Romania*	14.9	2.1	(85.9%)	29.1	12.9%	33.3	15.5%
Uganda**	-	-	-	23.0	10.2%	23.7	11.0%
Uzbekistan**	-	-	-	8.7	3.9%	11.5	5.3%
Total vehicle lease and rent	**39.2**	**27.9**	**(28.8%)**	**225.9**	**100%**	**215.3**	**100%**
Consumer loan markets	28.4	36.0	26.8%	67.2	22.9%	104.9	32.8%
Total	**67.6**	**63.9**		**293.1**		**320.2**	

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

** Developing countries are Uzbekistan, Kenya and Uganda

Recent developments

No Regulatory Changes

No material regulatory changes have taken place since 31 December 2023.

Events after the balance sheet date

As of the last day of the reporting period until the date of publishing these unaudited results for the twelve months ended 31 December 2023 there have been no events requiring adjustment of unaudited results.

Directors' Statement

The consolidated twelve month report of the Group 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 Group and the undertakings included in the consolidation taken as a whole.

The twelve month management report of the Group includes a fair review of the development and performance of the business and the position of the Group 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

EUR million	31 Dec. 2022	31 Dec. 2023
Assets		
Goodwill	4.7	6.3
Internally generated intangible assets	8.6	10.3
Other intangible assets	2.4	5.4
Loans and lease receivables and rental fleet	293.1	320.2
Right-of-use assets	9.9	10.3
Property, plant and equipment	2.2	2.1
Leasehold improvements	0.6	0.8
Loans to related parties	3.2	-
Other financial assets	1.4	2.9
Deferred tax asset	5.6	8.8
Inventories	2.5	4.8
Prepaid expense	2.1	3.2
Trade receivables	0.1	0.1
Other receivables	9.6	9.4
Assets of subsidiary held for liquidation	0.4	9.4
Assets held for sale	1.1	0.7
Cash and cash equivalents	13.8	25.6
Total Assets	**361.3**	**420.3**

Consolidated Statement of Financial Position – Equity and liabilities

EUR million	31 Dec. 2022	31 Dec. 2023
Equity		
Share capital	1.0	2.9
Retained earnings	37.3	48.2
Foreign currency translation reserve	4.9	(0.5)
Reserve	1.1	2.4
Total equity attributable to owners of the Company	**44.3**	**53.0**
Non-controlling interests	8.9	12.9
Subordinated debt	19.0	16.5
Total equity	**72.2**	**82.4**
Liabilities		
Borrowings	261.5	310.6
Provisions	0.2	-
Prepayments and other payments received from customers	0.5	1.1
Trade payables	1.5	2.0
Corporate income tax payable	5.1	1.4
Taxes payable	2.4	2.8
Other liabilities	12.8	12.4
Liabilities of subsidiary held for sale	0.1	1.8
Accrued liabilities	5.0	5.7
Total liabilities	**289.1**	**337.9**
Total equity and liabilities	**361.3**	**420.3**

Consolidated Income Statement

EUR million	12M 2022	12M 2023
Interest revenue calculated using the effective interest method	162.5	178.1
Interest expense calculated using the effective interest method	(31.1)	(37.5)
Net interest income	**131.4**	**140.6**
Fee and commission income	7.6	8.9
Revenue from rent	5.4	4.1
Total net revenue	**144.4**	**153.6**
Impairment expense	(42.6)	(41.1)
Expenses related to P2P platform services	(0.9)	(1.0)
Selling expense	(7.8)	(6.4)
Administrative expense	(59.2)	(65.0)
Other operating income/(expense)	(5.0)	(5.3)
Net foreign exchange result	(7.4)	(6.4)
Profit before tax	**21.5**	**28.5**
Corporate income tax	(10.2)	(6.7)
Deferred corporate income tax	2.5	1.6
Net profit for the period	**13.8**	**23.4**
Discontinued operations	4.0	2.5
Translation of financial information of foreign operations to presentation currency	5.0	(4.9)
Total comprehensive income for the period without FX	25.2	32.3
Total comprehensive income for the period	**22.8**	**21.0**

Consolidated statement of cash flow

EUR million	12M 2022	12M 2023
Cash flows from operating activities		
Profit before tax	25.4	31.1
Adjustments for:		
Amortisation and depreciation	8.1	9.4
Interest expense	31.1	36.5
Interest income	(162.5)	(178.1)
Loss on disposal of property, plant and equipment	3.2	1.3
Impairment expense	42.6	41.1
Loss/(gain) from fluctuations of currency exchange rates	2.4	11.3
Operating profit before working capital changes	**(49.7)**	**(47.4)**
(Increase)/decrease in inventories	1.3	(2.3)
(Increase)/decrease in receivables	(72.4)	(65.9)
Increase/(decrease) in trade payable, taxes payable and other liabilities	(7.3)	(0.7)
Cash generated to/from operating activities	**(128.1)**	**(116.3)**
Interest received	162.5	178.1
Interest paid	(29.1)	(33.3)
Corporate income tax paid	(10.2)	(9.6)
Net cash flows from operating activities	**(4.9)**	**18.9**
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(5.1)	(5.4)
Purchase of rental fleet	(5.0)	(4.1)
Loan repayments received	5.7	1.9
Integration of a subsidiary, net of cash acquired	-	4.2
Net cash flows from investing activities	**(4.4)**	**(3.4)**
Cash flows from financing activities		
Reduction of minority interest share capital of subsidiaries	-	(0.1)
Proceeds from borrowings	193.8	287.0
Repayments for borrowings	(180.2)	(280.6)
Dividends paid	(0.6)	(10.0)
Net cash flows from financing activities	**13.0**	**(3.7)**
Change in cash	3.7	11.8
Cash at the beginning of the period	10.1	13.8
Cash at the end of the period	**13.8**	**25.6**

Latvian operations only

Condensed Financial Information of JSC “mogo” (consolidated)

Statement of Profit or Loss and Other Comprehensive Income (JSC "mogo" (consolidated))

EUR million	12M 2022	12M 2023
Interest revenue calculated using the effective interest method	7.5	7.5
Interest expense calculated using the effective interest method	(4.3)	(4.2)
Net interest income	**3.2**	**3.3**
Fee and commission income	0.2	0.1
Revenue from rent	4.7	2.8
Total net revenue	**8.1**	**6.2**
Impairment expense	0.5	0.2
Selling expense	(0.2)	(0.1)
Administrative expense	(5.1)	(4.1)
Other operating income/(expense)	0.7	0.3
Profit before tax	**3.9**	**2.5**
Corporate income tax	-	-
Deferred corporate income tax	-	-
Net profit for the period	**3.9**	**2.5**

Consolidated Statement of Financial Position – Assets, Equity and liabilities (AS "mogo" (consolidated))

EUR million	31 Dec. 2022	31 Dec. 2023
Assets		
Loans and lease receivables and rental fleet	12.7	7.9
Loans to Eleving Group S.A.	39.9	33.3
Property, plant and equipment	0.8	0.7
Receivables from group companies	0.6	2.9
Other receivables	0.7	0.7
Prepaid expense	0.1	0.1
Cash and cash equivalents	0.7	0.3
Total assets	**55.5**	**45.9**

EUR million	31 Dec. 2022	31 Dec. 2023
Equity		
Share capital	0.4	0.4
Other reserves	(0.4)	(0.4)
Retained earnings		
Brought forward	15.5	19.3
For the period	3.8	2.5
Total equity	**19.3**	**21.8**
Liabilities		
Borrowings	34.5	22.9
Other provisions	0.3	0.2
Prepayments received from customers	0.2	-
Trade payables	0.4	0.3
Payables to related companies	0.4	0.3
Accrued liabilities	0.4	0.4
Total liabilities	**36.2**	**24.1**
Total equity and liabilities	**55.5**	**45.9**

Glossary and important information

Definitions and alternative performance measures

- **Average income yield on net loan and used car rent portfolio** — the sum of annualized interest revenue calculated using the effective interest method and revenue from rent/average net loan and used car rent portfolio
- **Average net loan and used car rent portfolio** — the sum of net loan and used car rent portfolio as of the start and end of each period divided by two
- **Capitalization ratio** — equity (incl. subordinated debt)/net loan portfolio (excl. used car rent portfolio)
- **Cost/income ratio** — the sum of selling expense and administrative expense/sum of interest revenue calculated using the effective interest method, fee and commission income and revenue from rent
- **DPD** — days past due
- **EBITDA** — net profit for the period before corporate income tax and deferred corporate income tax, interest expense calculated using the effective interest method, amortization and depreciation, and net foreign exchange result
- **ESG** — Environmental, Social, and Governance strategy
- **Flexible lease and subscription-based products** — motorcycle-taxi financing in Kenya and Uganda, used vehicle rent in Latvia and Lithuania, new vehicle subscription in Latvia
- **GROSS NON-PERFORMING LOANS (NPLs)** — 35+ days overdue loan and used car rent portfolio receivables or 90+ days overdue consumer loan portfolio receivables
- **Impairment coverage ratio** — total impairment/gross non-performing loans (NPLs)
- **Interest coverage ratio** — last twelve-month Adjusted EBITDA/ interest expense calculated using the effective interest method less Eurobonds acquisitions costs and subordinated debt interest expense
- **Net NPL ratio** — non-performing loans (NPLs)/total net portfolio
- **Non-performing loans (NPLs)** — 35+ days overdue loan and used car rent portfolio receivables or 90+ days overdue consumer loan portfolio receivables less impairment provisions
- **Net profit before FX effect** — net profit for the period before net foreign exchange result

Market definitions

- **Consumer finance markets** — Albania, North Macedonia, Moldova
- **Developed markets** — Latvia, Lithuania, Estonia, Georgia, Armenia, Romania, Moldova, Belarus
- **Developing markets** — Kenya, Uganda, Uzbekistan
- **On-hold markets** — Poland, Bosnia and Herzegovina

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