



# Unaudited Consolidated Interim results for the period of January – June 2022



**Valdis Siksnis**  
Chairman of the Board

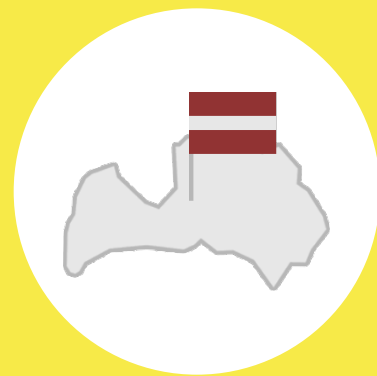


**Henrik Karmo**  
Board Member

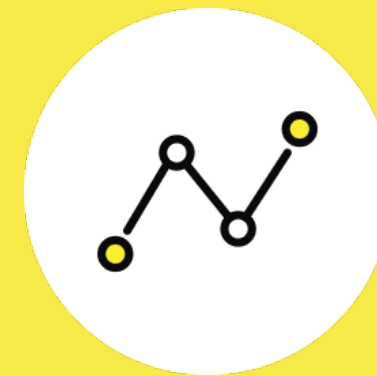
24 August 2022

# INDEXO Story

# INDEXO<sup>1</sup>



Launched in 2017  
as a **challenger brand**  
and the **first passive**  
**pension manager** in  
Latvia

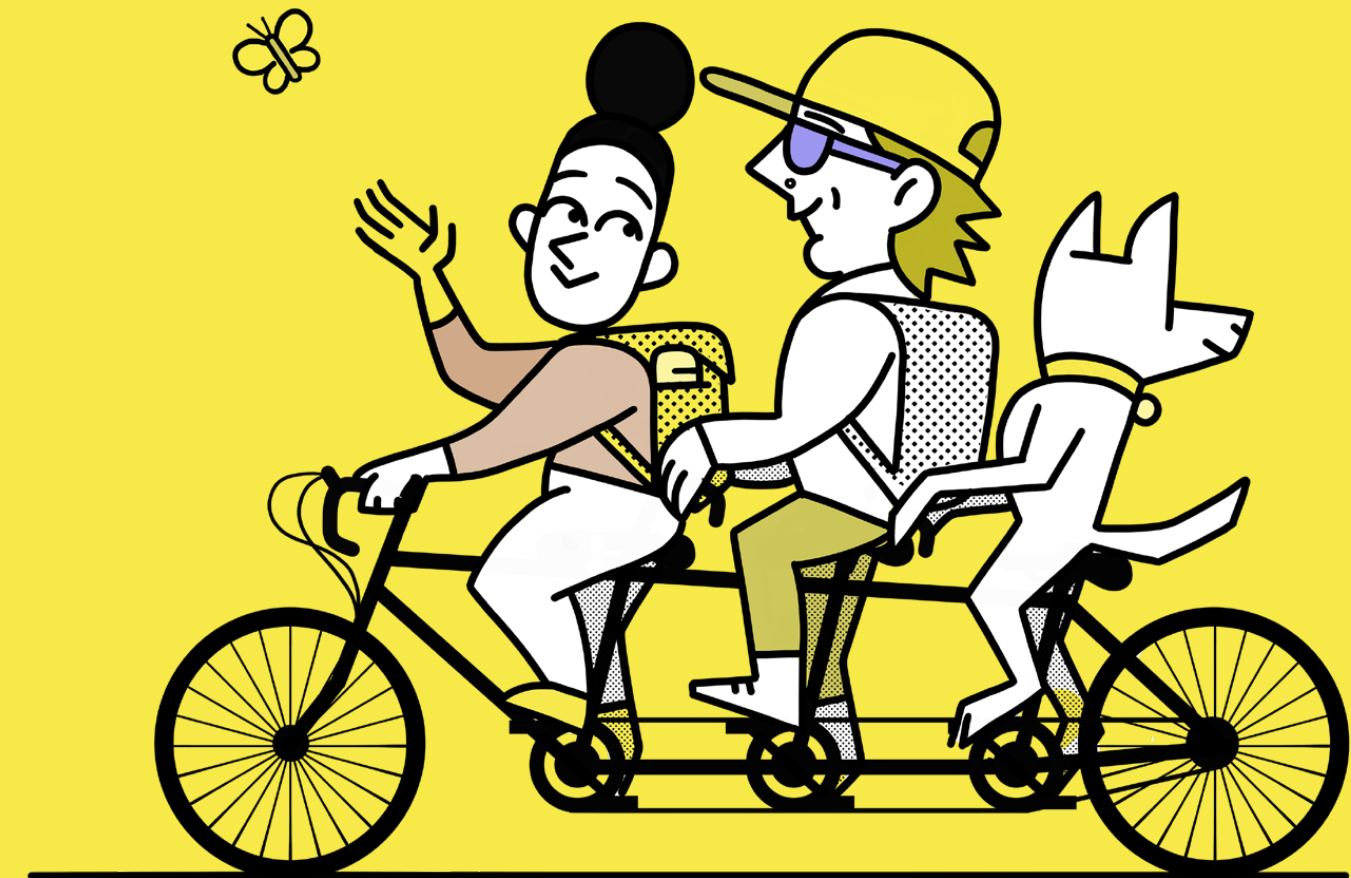


In April 2021 launched  
**the first 3<sup>rd</sup> Pillar**  
**robo-advisory product**  
with automated  
investment decisions in  
index funds



In July 2022 held a  
**successful IPO** by raising  
**7.49 million EUR** for  
Bank business  
**development**

**We did a lot of  
work for the IPO**



# Significant changes were made in the management team

INDEXO<sup>1</sup>



**Valdis Siksnis**

Chairman of the Board  
and CEO



**Henrik Karmo**

Board Member



**Ieva Margeviča**

Board Member

# Key Highlights

As of 30 June 2022

# INDEXO<sup>1</sup>

Total value of assets under management (AUM)

**484,5 million** EUR

Commission income generated

**1,0 million** EUR

Number of new customers in 1H 2022

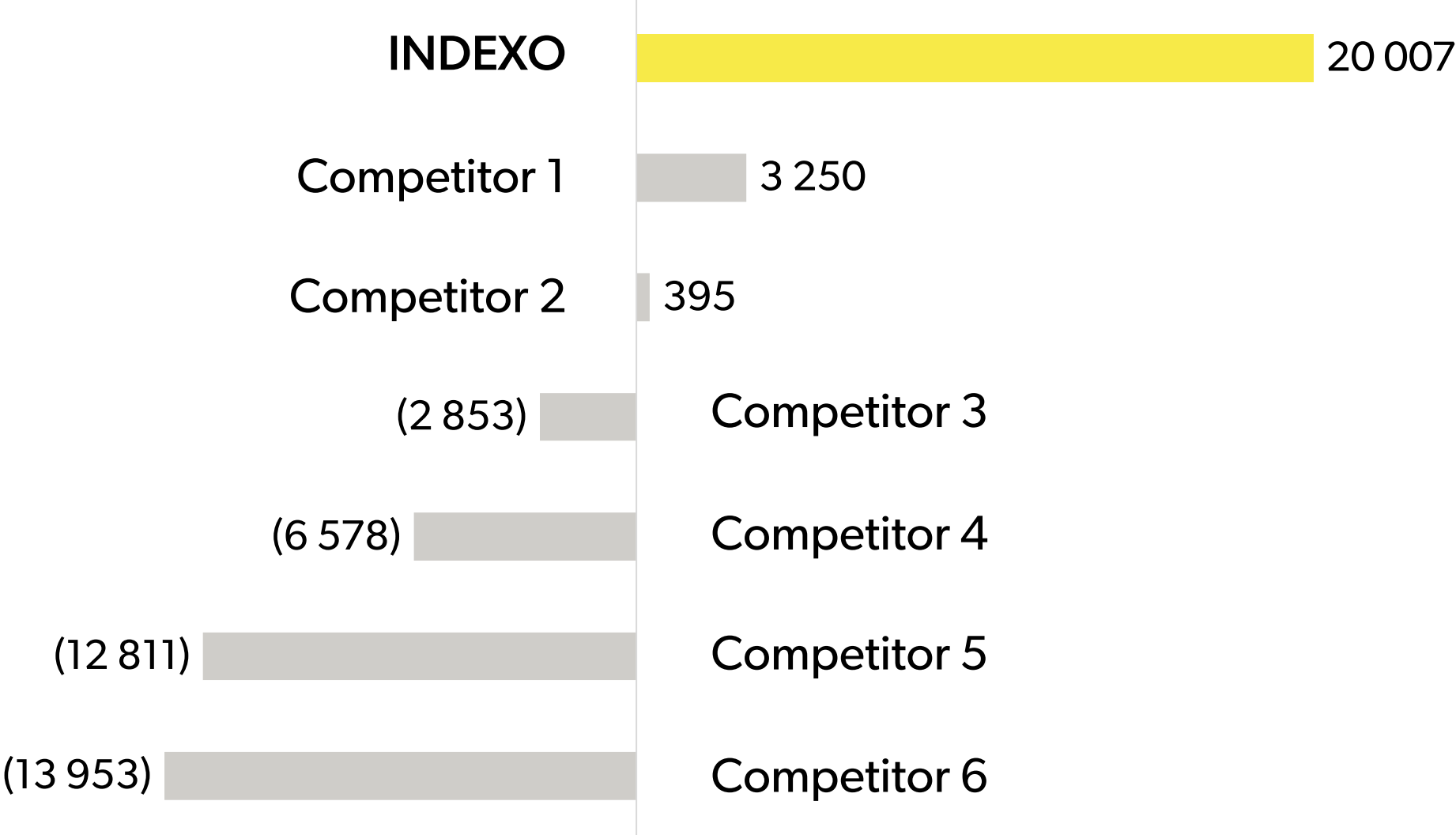
**14,4 k**

Total number of customers

**82,0 k**

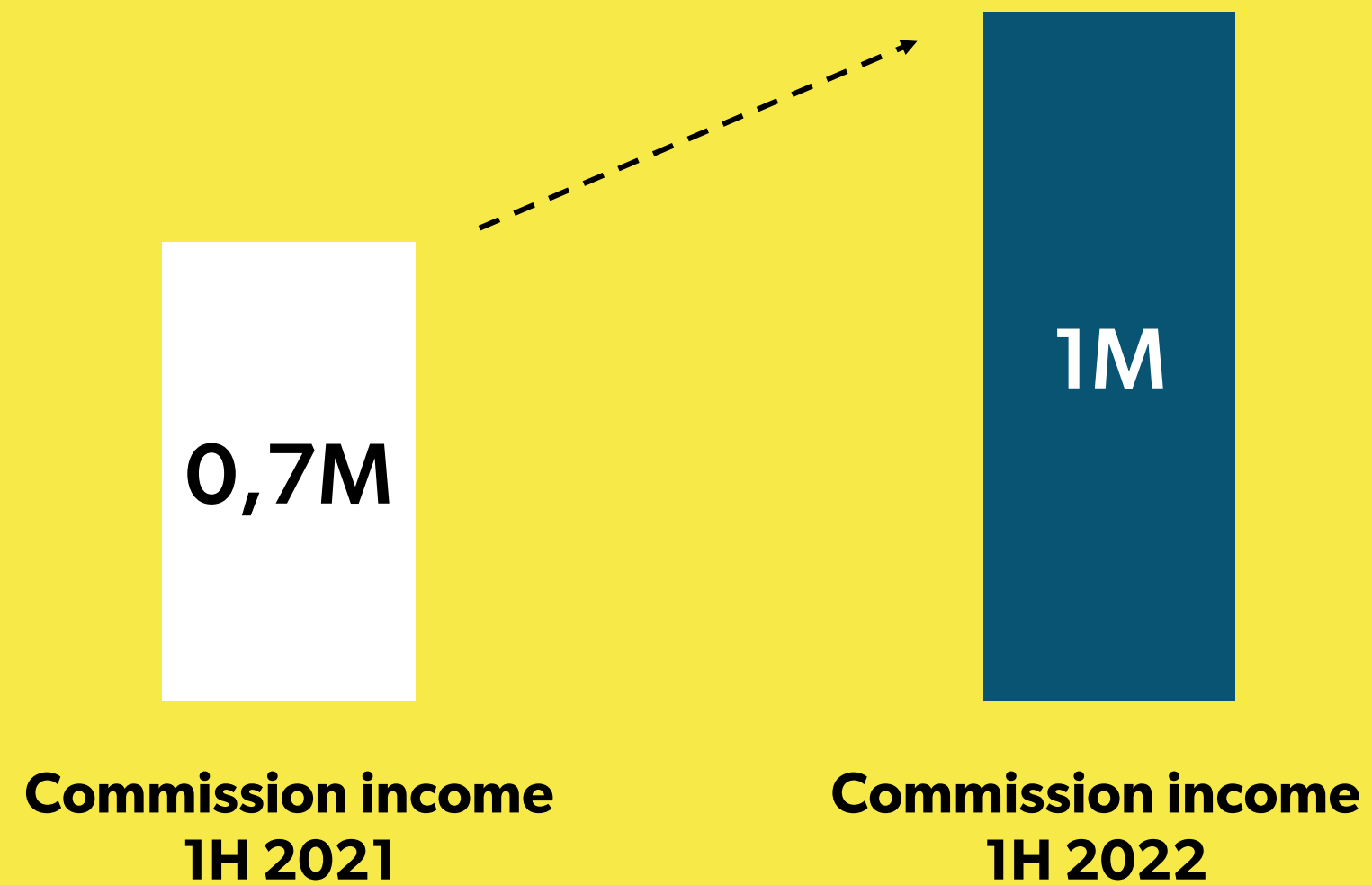
# INDEXO:

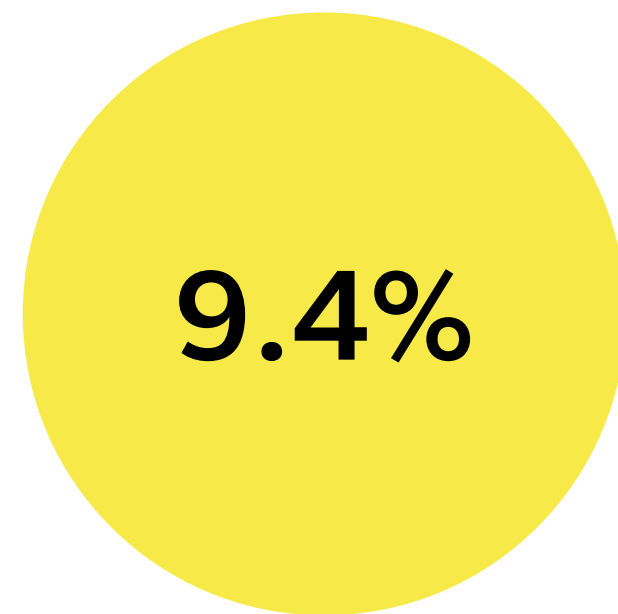
## The Best 2<sup>nd</sup> Pillar Pension Manager at Attracting Clients Over the Last 12 months



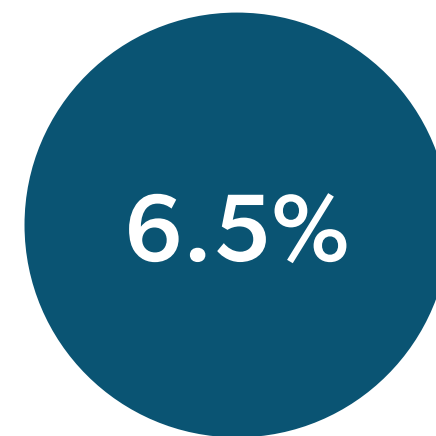
Data source: manapensija.lv

# Our revenues also keep growing quickly





June 2021 churn rate



June 2022 churn rate

**Less clients chose to leave INDEXO than in the previous year**

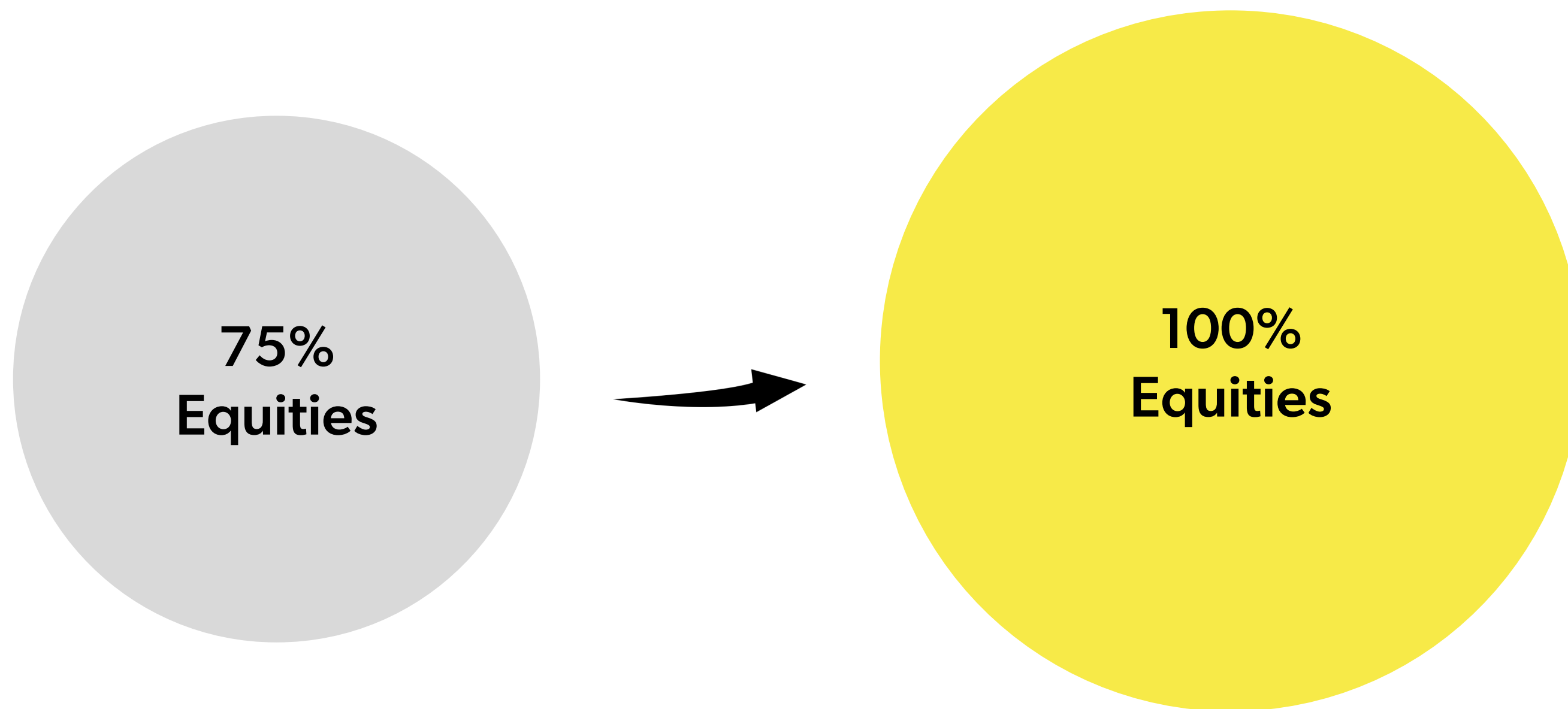


# We managed to improve OCF

All-in cost for our 2 <sup>nd</sup> pillar pension clients	31.07.2022	31.12.2021	OCF improvement for clients
INDEXO Jauda 16-50	0.607%	0.651%	4.4 bps
INDEXO Izaugsme 47-57	0.622%	0.648%	2.6 bps
INDEXO Konservatīvais 55+	0.525%	0.557%	3.2 bps

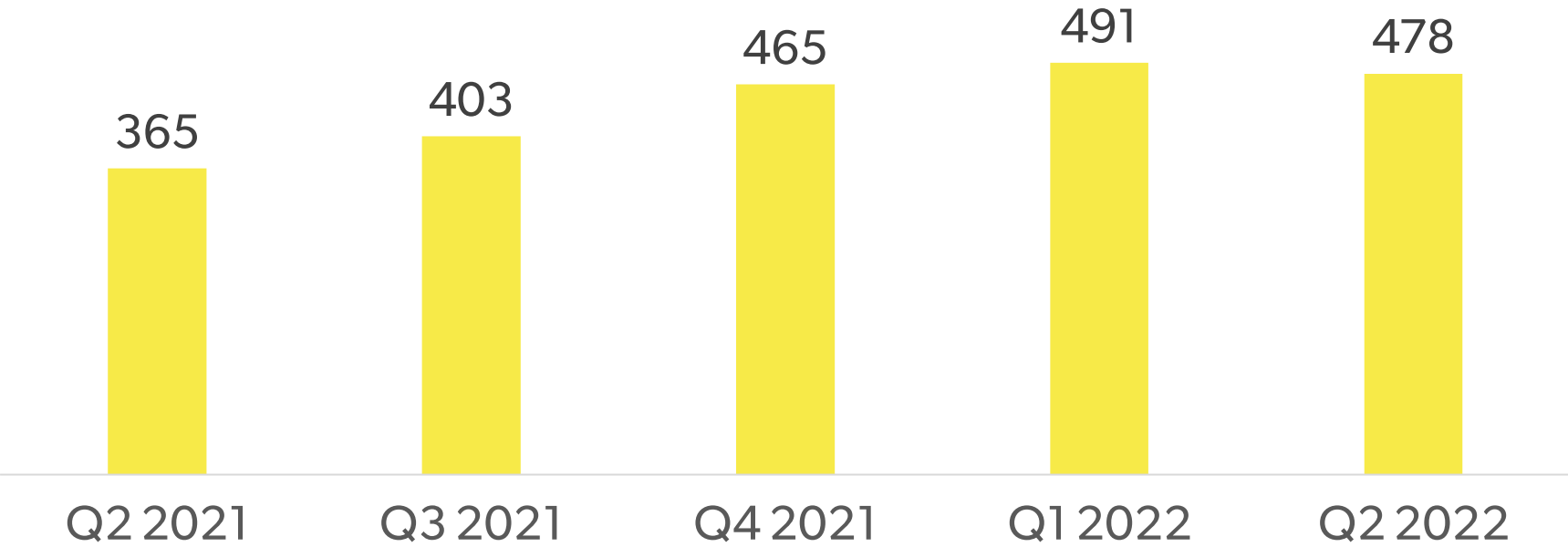
OCF = ongoing cost figure, which represents all costs related to INDEXO and third party service providers.

# **Jauda pension plan switch to 100% equities was completed**

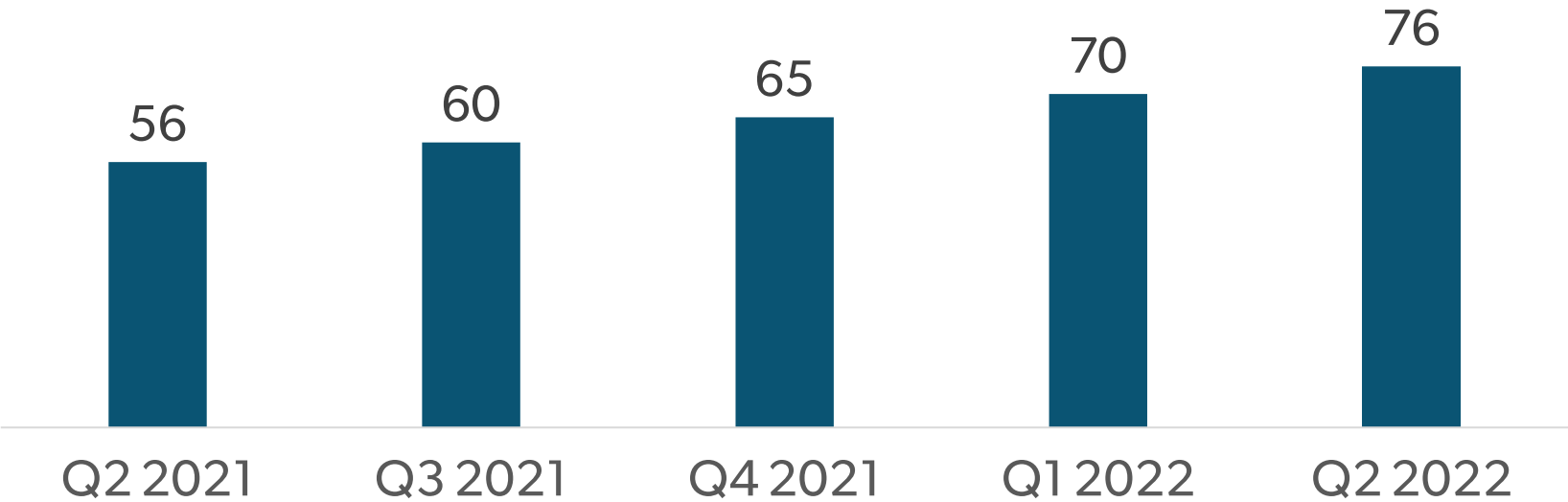


# 2<sup>nd</sup> pillar pension business continued strong growth despite market volatility

2<sup>nd</sup> pillar pension assets,  
millions EUR



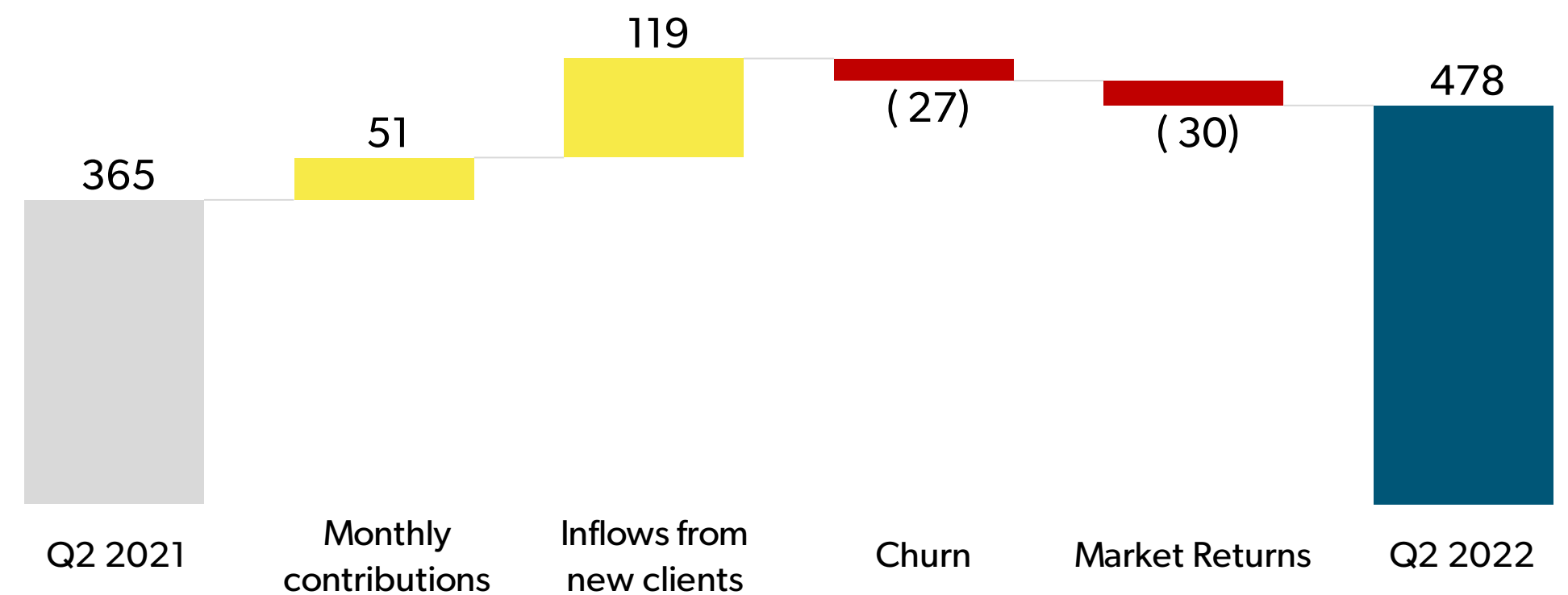
2<sup>nd</sup> pillar pension clients,  
thousands



**Our business growth in 2<sup>nd</sup> pillar can be attributed to growing monthly contributions and new customers joining INDEXO**

### Q2 2021 – Q2 2022

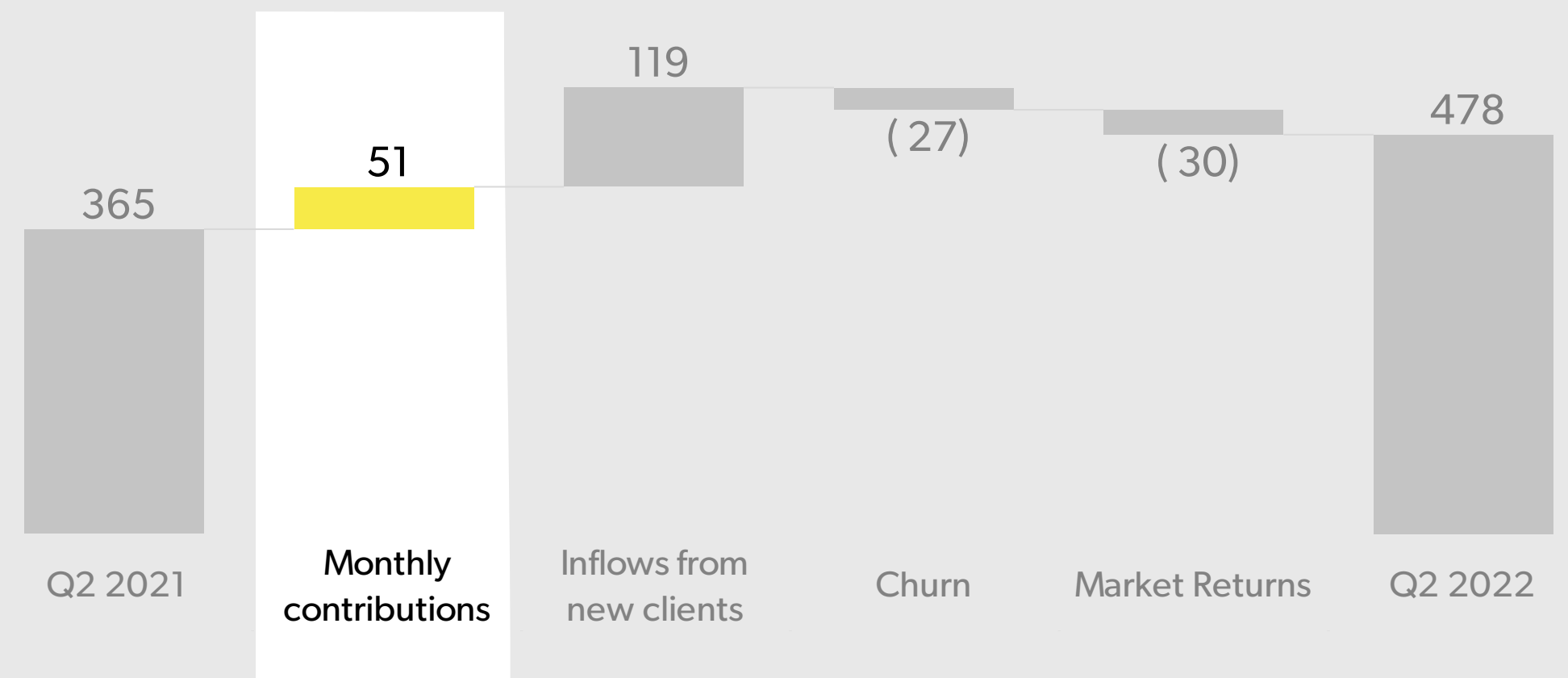
Millions EUR, based on management estimates



Our business growth in 2<sup>nd</sup> pillar can be attributed to **growing monthly contributions** and new customers joining INDEXO

### Q2 2021 – Q2 2022

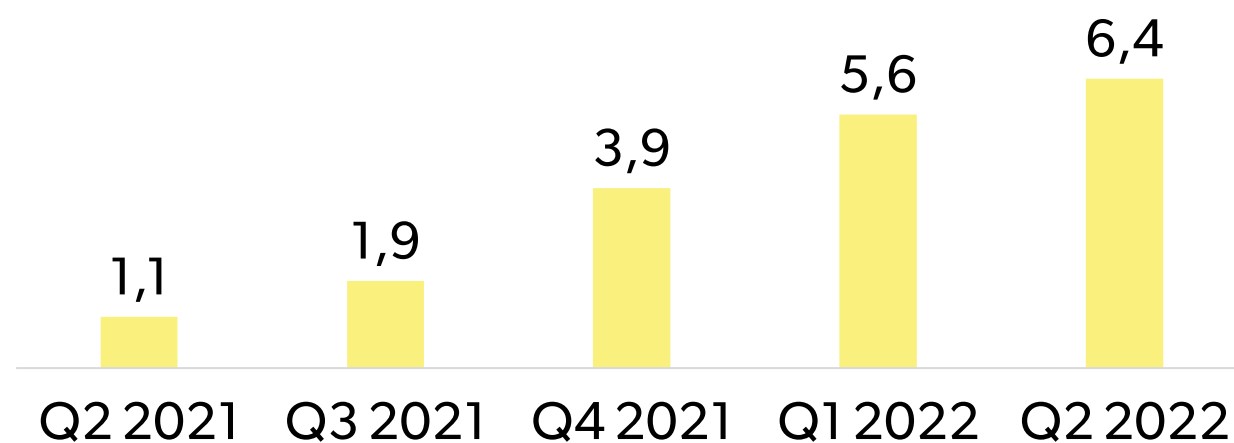
Millions EUR, based on management estimates



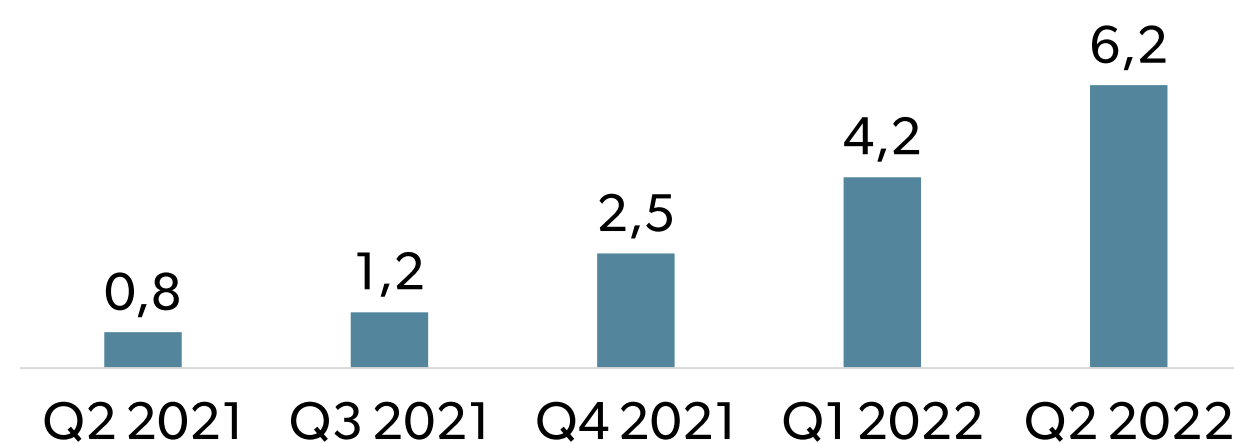
From: 3.3 million euro in June 2021  
To: 4.8 million euro in June 2022  
**45% increase**

# Our 3<sup>rd</sup> pillar pension plans have had 1 full year of operations

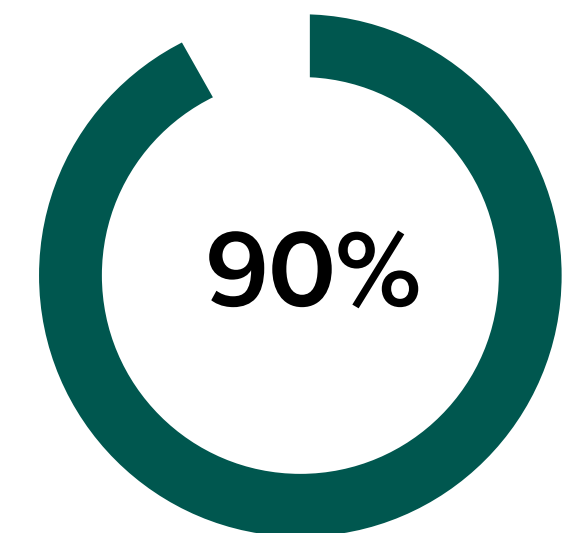
3<sup>rd</sup> pillar pension assets,  
millions EUR



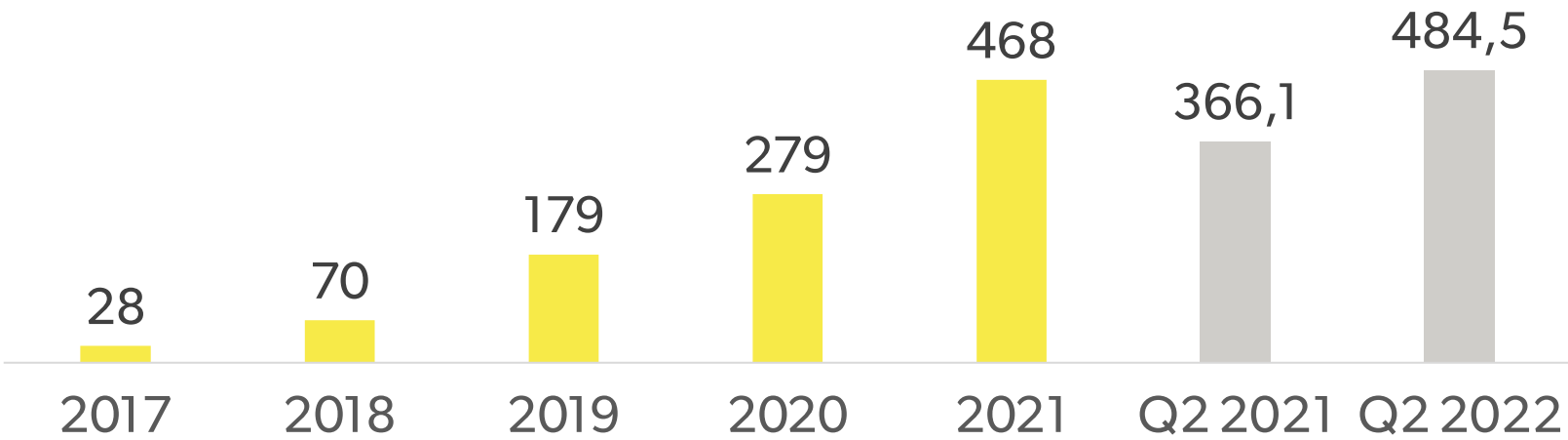
3<sup>rd</sup> pillar pension clients,  
thousands



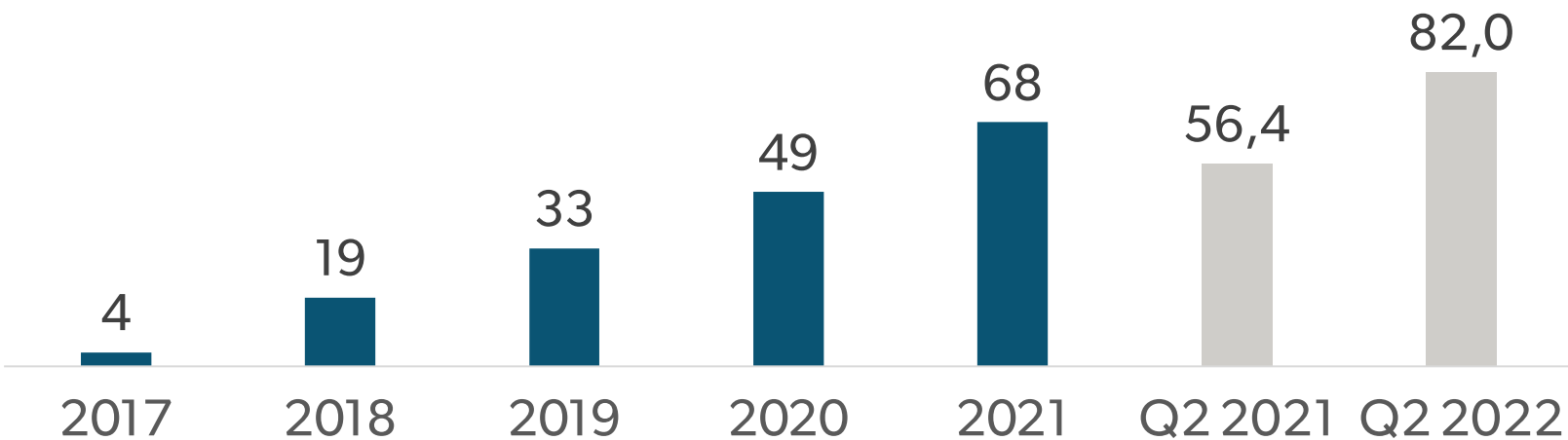
Clients with automatic  
equity/bond allocation



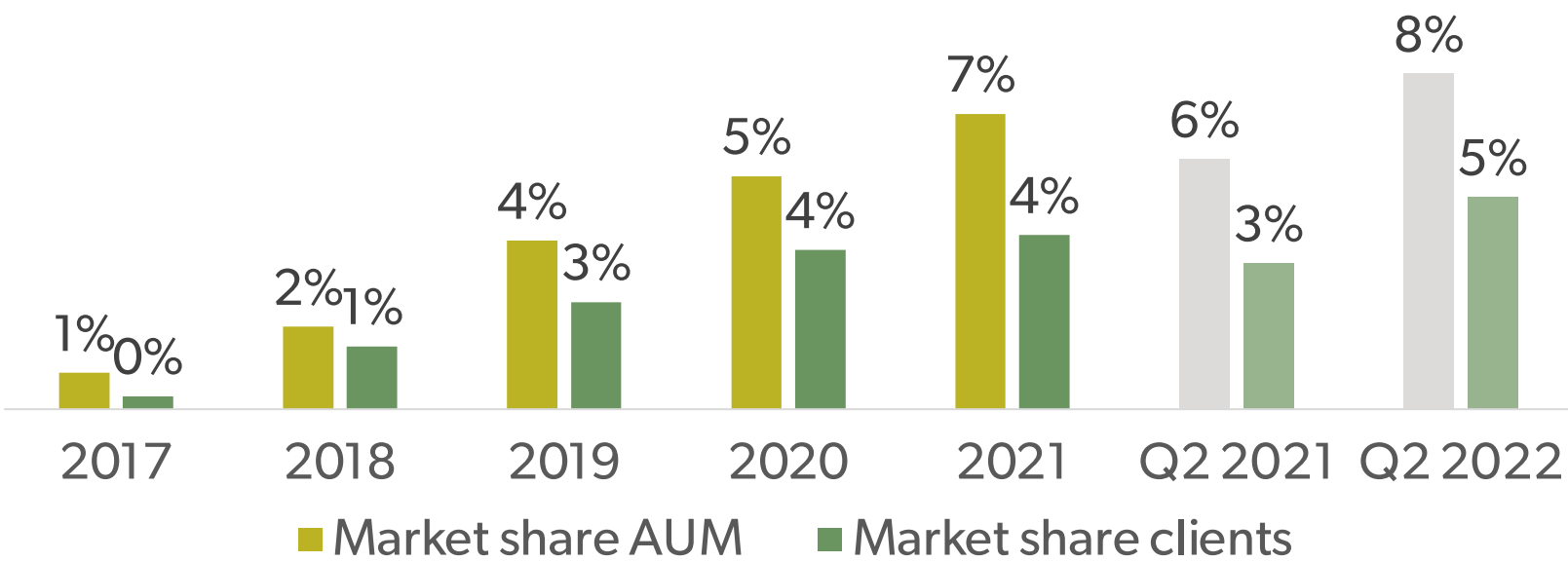
# Asset management growth since inception has been excellent despite market turmoil



**Total AUM**

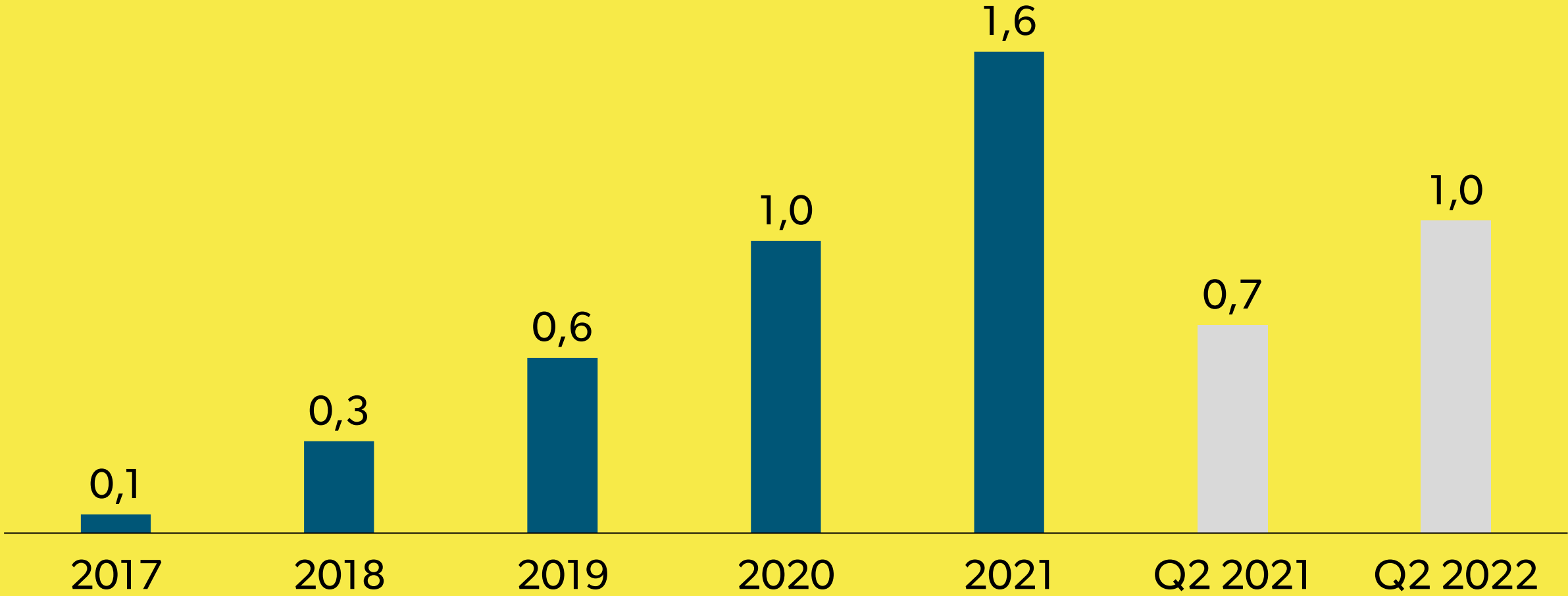


**Total Clients**



**Total Market shares**

**AUM growth has  
ensured strong  
long-term  
revenue growth**



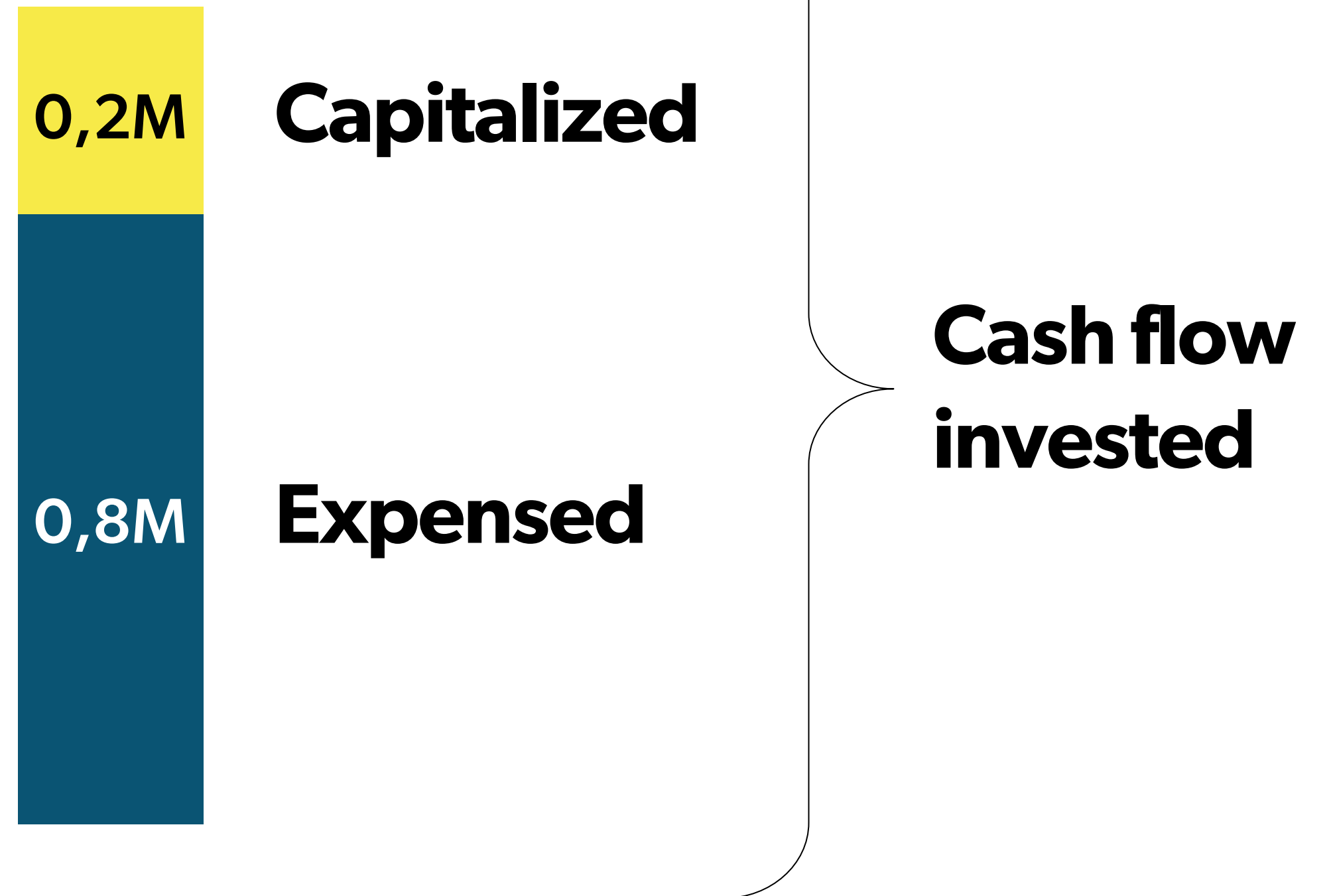


**INDEXO keeps  
investing in future  
growth by acquiring  
new clients**

**IPO expenses will be  
fully recognized during  
Q3 2022**

		Jan – Jun 2022
		Unaudited
Commission income	EUR	1 039 552
Administrative and other expenses for pension management	EUR	(409 070)
Operating income before client acquisition and other business project expenses	EUR	630 482
Client acquisition	EUR	(773 275)
Pension management operating result	EUR	(142 793)
IPO expenses	EUR	(63 927)
Bank development expenses	EUR	(217 134)
Net income	EUR	(423 854)

**Client acquisition is partially capitalized and should be viewed on a cash flow basis**



# INDEXO<sup>7</sup>

For a better financial environment in Latvia!

[indexo.lv/investors/](https://indexo.lv/investors/)



# Consolidated Statement of Comprehensive Income

	Notes	Jan-Jun 2022	Jan-Jun 2021
		Unaudited	Unaudited
		EUR	EUR
Commission income	2	1 039 552	691 564
Interest expense	10	(642)	0
Administrative expenses	3	(1 458 197)	(670 897)
Other operating expenses	4	(4 567)	(2 852)
<b>Profit/(loss) before corporate income tax</b>		<b>(423 854)</b>	<b>17 815</b>
<b>Profit/(loss) for the period</b>		<b>(423 854)</b>	<b>17 815</b>
<b>Total comprehensive profit/(loss) for the period, attributable to shareholders for the period</b>		<b>(423 854)</b>	<b>17 815</b>
<b>Earnings per share</b>		<b>(0.14)</b>	<b>0.01</b>
<b>Diluted earnings per share</b>		<b>(0.13)</b>	<b>0.01</b>

# Consolidated Statement of Financial Position

	Notes	Jun 2022	Jun 2021	Dec 2021
		Unaudited	Unaudited	
		EUR	EUR	EUR
<b>ASSETS</b>				
Placements with financial institutions	5	740 120	1 233 041	1 162 841
Receivables	6	175 075	128 081	169 055
Prepayments	7	3 587	21 975	3 465
Contract acquisition costs	8	769 522	375 213	535 977
Other assets	9	4 706	2 829	2 828
Property, plant and equipment and right-of-use of assets	10	155 671	126 274	155 826
Other securities and investments	11	11 663	11 663	11 663
<b>Total assets:</b>		<b>1 860 344</b>	<b>1 899 076</b>	<b>2 041 655</b>
<b>EQUITY AND LIABILITIES</b>				
Accrued liabilities	12	288 933	90 565	120 961
Trade payables	13	47 108	20 852	35 049
Taxes and national social insurance mandatory contributions		18 158	36 342	48 151
Lease liabilities	10	33 635	14 696	39 332
Other liabilities	14	188 985	73 444	143 899
<b>Total liabilities:</b>		<b>576 819</b>	<b>235 899</b>	<b>387 392</b>
<b>Equity</b>				
Share capital	15	3 033 511	3 016 987	3 016 987
Share options		11 295	5 436	5 436
Share premium		107 908	77 175	77 175
Retained losses		(1 445 335)	(1 454 236)	(1 454 236)
Profit/(loss) for the year		(423 854)	17 815	8 901
<b>Total equity and reserves:</b>		<b>1 283 525</b>	<b>1 663 177</b>	<b>1 654 263</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1 860 344</b>	<b>1 899 076</b>	<b>2 041 655</b>

# Consolidated Statement of Changes in Equity

	Notes	Share capital	Share options	Share premium	Retained losses	Total
		EUR	EUR	EUR	EUR	EUR
At 31.12.2020		3 016 987	5 436	77 175	(1 454 236)	1 645 362
Comprehensive income for the reporting period					17 815	17 815
At 30.06.2021		3 016 987	5 436	77 175	(1 436 421)	1 663 177
Comprehensive income for the reporting period		-	-	-	(8 914)	(8 914)
At 31.12.2021		3 016 987	5 436	77 175	(1 445 335)	1 654 263
Increase in Share option reserves			5 859			5 859
Increase in Share capital		16 524		30 733		47 257
Comprehensive income for the reporting period		0	0		(423 854)	(423 854)
At 30.06.2022		3 033 511	11 295	107 908	(1 869 189)	1 283 525

# Consolidated Statement of Cash Flows

	Notes	Jan – Jun 2022	Jan – Jun 2021
		Unaudited	Unaudited
		EUR	EUR
<b>Cash flow from operating activities</b>			
Profit/(loss) before corporate income tax		(423 854)	17 815
Depreciation of PPE and amortisation of right-of-use assets	9	22 888	2 201
Amortisation of contract acquisition costs	8	56 938	26 353
Amortization of Share option reserves		5 859	0
Interest expense	10	642	0
<b>(Decrease)/increase in cash and cash equivalents from operating activities before changes in assets and liabilities</b>		<b>(337 527)</b>	<b>46 369</b>
Increase in receivables, prepayments, and other assets		(298 502)	(102 117)
Increase/(decrease) in accrued liabilities		167 719	30 021
Increase/(decrease) in trade payables and other liabilities		26 849	(17 210)
<b>Increase/(decrease) in cash and cash equivalents from operating activities</b>		<b>(441 461)</b>	<b>(42 937)</b>
<b>Cash flow from investing activities</b>			
PPE purchases	10	(21 635)	(42 788)
Other securities and investments	12	0	(11 663)
<b>Decrease in cash and cash equivalents from investing activities</b>		<b>(21 635)</b>	<b>(54 451)</b>
<b>Cash flow from financing activities</b>			
Share issue		47 257	0
Payments for the right-of-use of assets	10	(6 240)	0
Interest on the right-of-use asset liabilities	10	(642)	0
<b>(Decrease)/increase in cash and cash equivalents from financing activities</b>		<b>40 375</b>	<b>0</b>
<b>Decrease in cash and cash equivalents</b>		<b>(422 721)</b>	<b>(97 388)</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<b>1 162 841</b>	<b>1 330 429</b>
<b>Cash and cash equivalents at the end of the reporting period</b>	5	<b>740 120</b>	<b>1 233 041</b>