

JOINT STOCK COMPANY "MOGO"
(UNIFIED REGISTRATION NUMBER LV50103541751)

INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2016

PREPARED IN ACCORDANCE WITH INTERNATIONAL
ACCOUNTING STANDARD No. 34

Riga, 2016

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General information

Name of the company	mogo
Legal status of the company	JOINT STOCK COMPANY
Unified registration number, place and date of registration	LV50103541751 Riga, 3 May 2012
Registered office	Skanstes street 50 Riga, LV-1013, Latvia
Major shareholders	Since 01.07.2014: Mogo Finance S.A. (100%) 6, rue Guillaume Schneider L-2522, Luxembourg
Board Members	Aleksandrs Čerņagins, Chairman of the Board from 17 July 2015
Council Members	Ramona Miglāne, from 5 August 2014 Uldis Judinskis, from 5 August 2014 Ieva Judinska-Bandeniece, from 5 August 2014 Mārtiņš Bandeniēks, from 24 October 2014
Financial period	1 January – 30 June 2016
Previous financial period Statement of Financial Position	1 January – 31 December 2015
Previous financial period Statement of Profit or Loss	1 January – 30 June 2015
Auditors	PricewaterhouseCoopers SIA Commercial licence No. 5 Krišjāņa Valdemāra street 21-21, Riga, LV-1010, Latvia Certified auditor in charge Ilandra Lejiņa Sworn auditor Certificate No. 168

Management report

31 August, 2016

General information

JSC mogo (hereinafter – the Company) is a market leading leaseback and finance lease solutions Company measured by the number of leased items. The Company provides quick and convenient services for both individuals and legal entities in Latvia offering vehicle finance lease transactions for amounts up to 10 000 euro and leaseback transactions for amounts up to 50 000 euro with duration up to six years. Funding is being offered online through the Company's branded website and mobile homepage and onsite at customer service centers, as well as at the sales centres of car dealerships.

Company's main goal is to offer its customers easily available, quickly executable, convenient and transparent leaseback and finance lease solutions. In order to achieve this the Company offers to its customers various solutions adjusted to their needs, as well as highest quality service and accessibility. The Company directly operates with a wide network of car dealerships, where the customers can buy a vehicle by obtaining funding from the Company.

Mission, vision and values

Mission

The Company's mission is to offer accessible and affordable leasing services to clients who need quick and simple way of getting financing or would like to purchase a vehicle.

Vision

The Company's vision is to be the market leading, customer friendly and accessible leaseback and finance lease solutions Company in Latvia.

Values

- Quick assistance without unnecessary formalities - the Company will provide the required funding within a couple of hours.
- Open communication and adaptation – the core value of the Company is an open communication and an adaptive approach to each and every customer, which results in a mutually beneficial outcome in every situation.
- Long term relationship – the Company values and creates mutually beneficial long term relationship with all its customers, it welcomes feedback and suggestions for improvement.
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Operations and Financial Results

The first 6 months of 2016 was a period of very rapid growth in profitability for the Company due to significant improvements of the issued loans portfolio as well as Company's operational efficiency. Turnover amounted to EUR 4,8 million (9% increase, compared to the same period in 2015), EBITDA reached EUR 2,8 million (91% increase, compared to the same period in 2015) and comprehensive income was EUR 1,4 million (356% increase, compared to the same period in 2015). At the end of June 2016 gross value of the lease portfolio reached 28 million euro (3% increase, compared to the end of December 2015).

The results of the first 6 months of 2016 have proven that customers continue to evaluate the Company's services and their benefits. After reviewing and optimizing the operations of customer service and debt collection, the Company has decreased the total number of employees as well as revised its interest rates and various commission fees. As a result the Company's net profit increase has been very significant.

During the first half of 2016 the Company has continued its operations in order to support its mission – to offer accessible leasing services in a quick and simple way. The Company continued to invest significant resources in the development of information system solutions in order to improve its operational activities by automating current processes in the nearest future, at the same time increasing customers satisfaction with the provided service.