Eleving GROUP

Unaudited results for the nine months ended 30 September 2022

Content

9 months at a glance

330 000+
Total Number of Active Customers

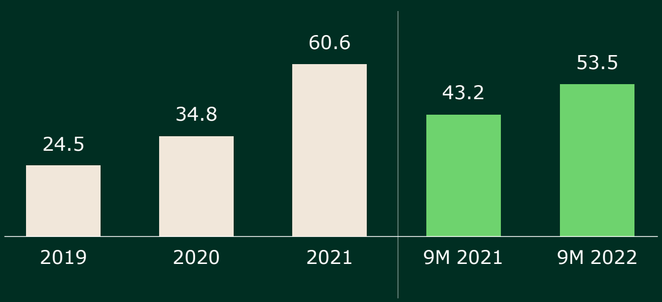
EUR 53.5 mln[1]
EBITDA, 9M 2022

EUR 288.6 mln
Vehicle and Consumer Financing Portfolio

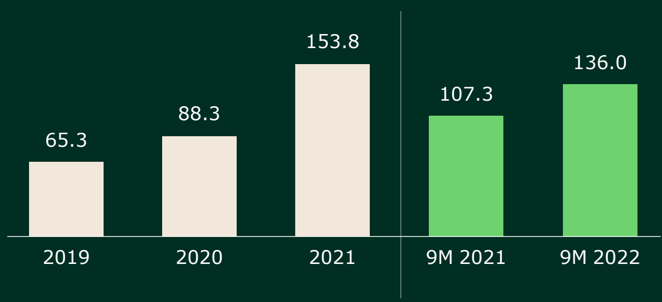
EUR 136.0 mln[2]
Revenues, 9M 2022

Excellent nine-month EBITDA[1] — EUR 53.5 mln

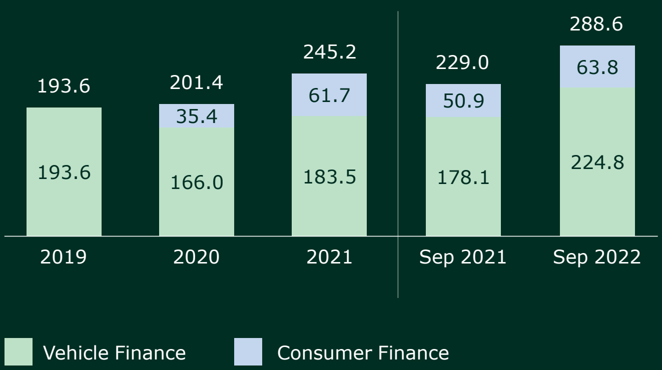
EBITDA, EUR mln[1]



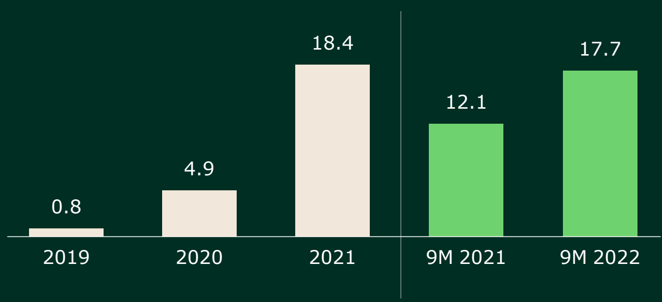
Revenue, EUR mln[2]



Net portfolio, EUR mln



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. 2021 EBITDA adjusted with an increase by one-off costs of: (a) amortization of fair vale gain EUR 3.2 mln; (b) loss resulting from subsidiary write-off EUR 1.0 mln; (c) bonds refinancing expense EUR 5.7 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 subsidiary write-off EUR 2.4 mln. 9M 2022 EBITDA adjusted with an increase by one-off costs: (a) loss resulting from subsidiary write-off EUR 0.4 mln.

[2] Adjusted with fair value gain on acquisition in 2020 in the amount of EUR 3.4 mln and subsequent amortization of portfolio gain in 2021 and 9M 2021 in the amount of EUR 3.2 mln and EUR 2.5 mln, respectively.

[3] 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. 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. 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 subsidiary write-off EUR 2.4 mln. 9M 2022 adjusted with an increase by one-off costs of: (a) loss resulting from subsidiary write-off EUR 0.4 mln.

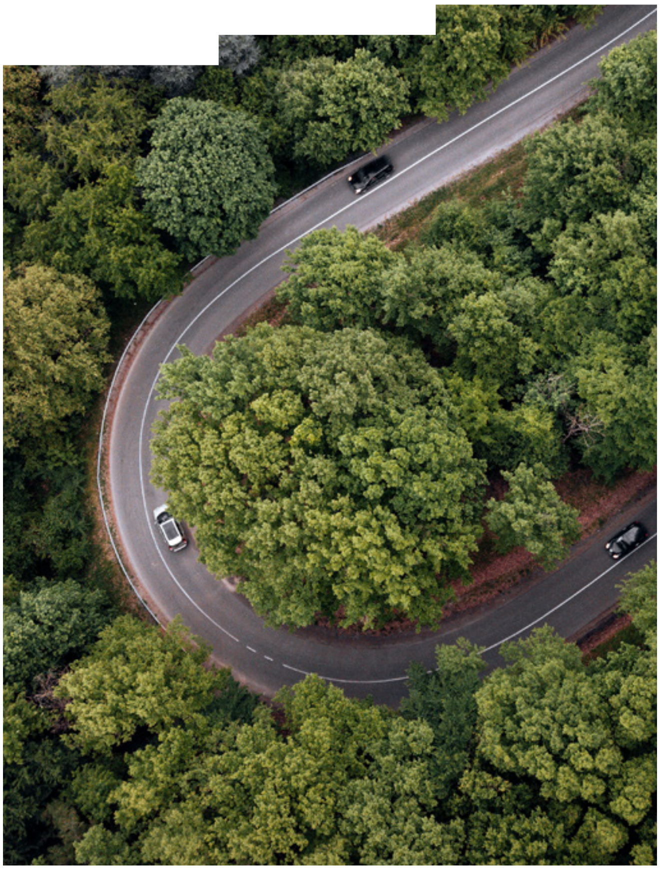
Sustained growth while maintaining excellent profitability

Operational and Strategic Highlights

- The Group continues to demonstrate robust financial performance and delivers on its previously approved strategy as revenues have hit an all-time nine-month high, and the net portfolio has seen 4.6% QOQ growth, totaling EUR 288.6 mln.
- Continued diversification of business operations and a balanced revenue stream from all three core business lines:
  - Flexible lease and subscription-based products contributed EUR 37.5 mln to 9M 2022 revenues—up by 109.5% compared to 9M 2021 and up by 7.7% QOQ. The key revenue driver was the solid performance in productive lending in the motorcycle-taxi segment in East Africa;
  - Traditional lease and leaseback products contributed EUR 48.6 mln to 9M 2022 revenues—up by 24.6% compared to 9M 2021 and up by 5.6% QOQ. Quarterly revenue growth was mainly driven by successful portfolio growth in Romania and Georgia, however, nearly all other Group's markets also experienced positive incremental growth;
  - Revenues from consumer loan segment contributed EUR 43.8 mln to 9M 2022 revenues—up by 2.8% compared to 9M 2021, but a 3.0% decrease QOQ. The negative trend in consumer loan revenues was mainly driven by the run-down of Ukrainian portfolio.
- Tightened underwriting policy has been introduced throughout the Group, given the economic uncertainty worldwide. As a result, vehicle segment's conversion rate has decreased from 16.9% in Q2 to 14.4% in Q3 as well as the average ticket size has dropped from EUR 2.2k in Q2 to EUR 1.9k in Q3.
- Customer payment discipline has remained stable across both segments with net NPL ratio of 6.3% in vehicle finance and 5.6% in consumer finance, representing a 0.1p.p. increase QOQ for each segment.
- During Q3, Eleving Group has continued its path towards a more sustainable and future-proof business model and has achieved several milestones in line with its ESG strategic objectives:
  - A new feature has been introduced in car portals operated by the Group – CO_2 intensity metric educating customers on vehicle adverse effects on the environment. Moreover, vehicles that meet higher ecological standards will be awarded a badge and made more eye-catching to promote environmentally friendly customer decision-making;
  - Eleving Group has signed the Mission Zero Charter to increase workplace safety standards and reduce work-related accident risk. Additionally, the Group has implemented a support program for employees with kids and a re-onboarding plan for employees returning from parental leave.

Financial Highlights and Progress

- Solid profitability as evidenced by:
  - Adjusted EBITDA of EUR 53.5 mln (9M 2021: EUR 43.2 mln);
  - Adjusted Net Profit before FX of EUR 17.7 mln (9M 2021: EUR 12.1 mln);
  - Adjusted Net Profit after FX of EUR 18.2 mln (9M 2021: EUR 12.6 mln).
- Record-high net portfolio of EUR 288.6 mln, EUR 12.8 mln increase QOQ; Eleving Vehicle Finance and Eleving Consumer Finance accounted for EUR 224.8 mln and EUR 63.8 mln, respectively.
- The Group has continued to diversify its capital structure by onboarding EUR 4 mln debt via private bond issuance in Kenya. Moreover, majority of the new funding is KES denominated, thus providing a natural hedge against the local currency risk.
- The Group has successfully continued to decrease its operational cost base, as evidenced by the 1.4 p.p. drop in cost-to-income ratio in 9M 2022 compared to 9M 2021. Moreover, facing an inflationary environment, the Group will look to become even more cost-efficient moving forward.
- Driven by outstanding financial performance in 2022, the Group enjoys the healthiest financial position to date, supported by a capitalization ratio of 27.4% (31 December 2021: 20.7%), ICR ratio of 2.7 (31 December 2021: 2.5), and net leverage of 3.3 (31 December 2021: 3.8) providing an adequate and stable headroom for Eurobond covenants.



Comments from Eleving Group CEO and CFO

Modestas Sudnius
CEO of Eleving Group

It has been another excellent quarter for Eleving Group since the business continues to grow steadily as evidenced by all the fundamental figures. We have experienced a successful three-month run, and given the outstanding financial performance in 2022, the Group enjoys the strongest financial position to date.

At this point, we do not see any significant signals of an economic slowdown at the Group level. However, we are ready to adopt the right measures if challenges arise in the future. Quarter to quarter, we have proven that we have the right business structure in place and are ready to exploit its full potential. This has been one of the key factors consistently producing stable profit, revenue, EBITDA results, and increasing the company's portfolio figures.

Being aware of the new global and economic reality, we continue to take a more conservative approach to the company's development. Our primary focus for this year is on streamlining the existing products in our mature markets which continue to perform at the steady level in both mobility and consumer finance segments.

We have tightened our underwriting policies and reviewed the cost structure to be better prepared for upcoming turbulences. However, the demand for the company's products remains strong, and we have achieved a QOQ portfolio increase of almost 5%. It is lower than in the previous quarters this year, yet it has been our choice to maintain controlled and healthy growth during the times of uncertainty. Enjoying the best financial position in the company's history, having an efficient business structure in place, and running flexible operations, not only are we ready to embrace potential challenges but we are also ready to strengthen our market share in the existing markets.

Finally, we keep pursuing our ESG goals. In September, we started implementing a new feature on our car portals—a CO_2 intensity measure in the car ads. Vehicles that meet higher ecological standards will now be highlighted, thus helping our customers to take sustainable mobility decisions. In addition, we also carry on with several internal employee programs to promote emotional well-being and work-life balance.

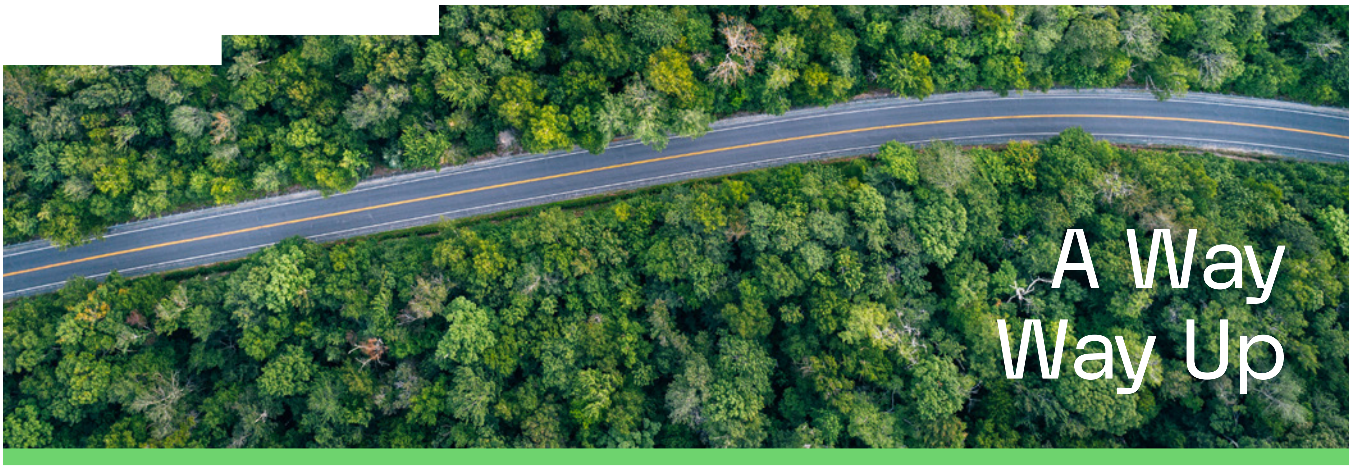
The last quarter contributed to our company's strongest-ever nine-month performance, driven by satisfactory portfolio quality and smart cost control. It is reaffirmation that the adopted strategy consistently produces high quality financial performance.

We may now conclude that the strategic decisions regarding the diversification of the funding have been justified and yield tangible results. We find ourselves in a fairly comfortable position since we have various funding sources, such as bonds, bank loans, and borrowings from third parties that were acquired or issued when the conditions for fundraising were more favorable.

This quarter, we successfully raised an additional EUR 4 mln worth of funds in Kenya through a private bond placement aimed at local investors. The successful results of the previous quarters have contributed to the further growth of our business (portfolio), which was primarily financed by the company's equity.

In the following months, we will be more actively streamlining the company's administrative processes. We have prepared ourselves for the turbulent times ahead, and we believe that these times are best spent with a strong balance sheet and lean operations. That is where our focus lies.

Māris Kreics
CFO of Eleving Group



Outlook - Products & Strategy

To become an ultimate mobility platform

	Mobility					Inclusion
	Financing		Flexible lease and subscription			Consumer lending
Products & services	mogo Vehicle leasing for pre-owned cars	primero Premium vehicle leasing for pre-owned cars	Renti plus, RENTI Rent-to-buy & subscription services for ultimate flexibility	Boda loans mogo Motorcycle taxi loans in emerging markets[1]	OX Electric car sharing product[2]	Kredo.al, Tigo.mk, Sebo.md Consumer loan products available online and through branch networks
Product strategy for next 12 months	Maintain organic growth in the existing markets	Maintain organic growth in the existing markets	Maintain organic growth in the existing markets	Maintain organic growth in the existing markets	Scale the new product in Latvia	Shift portfolio to longer maturities and higher ticket loans to serve wider customer needs, portfolio run down in Ukraine

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

Exploring routes for **attracting outside equity**

Significantly **decrease exposure** in Ukraine and Belarus

Social impact

Development of financial literacy program for Group's markets by the mid Q4

Definition of **Code of Business Conduct and Ethics** to serve as a guideline for all subsidiaries in business-related processes

Further development of internal projects aimed at improving the **emotional well-being and mental health of employees**

Educational measures for clients in Kenya and Uganda about financial literacy

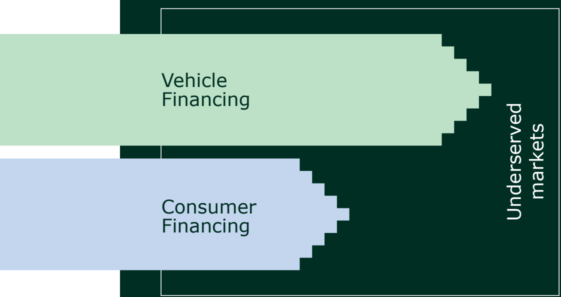
[1] Kenya and Uganda.

[2] Electrical car-sharing services launched in Latvia in July 2022.

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.

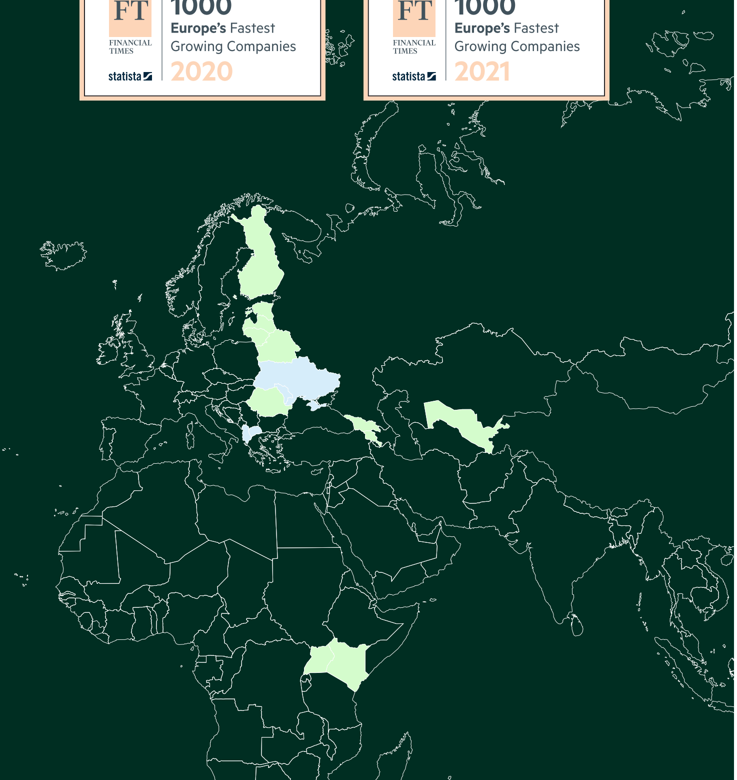


Sustained growth

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 more than 2 650 employees and 330 000 active loyal customers.

Presence

Eleving Group is an international fast-moving financial technology company offering services across the globe. The Group operates in 12 countries across 3 continents.



Conference call

On 9 November

A conference call in English with the Group’s management team to discuss these results is scheduled for 9 November 2022, at 15:00 CET.

Contact

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

Conference call access information

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 2022.

in EUR million	9M 2021	9M 2022	Change (%)
Interest and similar income	94.4	125.7	33.2%
Interest expense and similar expenses	(21.4)	(22.3)	4.2%
Net interest income	**73.0**	**103.4**	**41.6%**
Income from used vehicle rent	5.1	4.2	-17.6%
Impairment expense	(28.6)	(34.8)	21.7%
Operating expense and income	(37.9)	(48.1)	26.9%
Net foreign exchange result	0.5	0.5	0.0%
Profit before tax	**12.1**	**25.2**	**108.3%**
Corporate income tax	(4.4)	(7.4)	68.2%
Net profit for the period without FX and discontinued operations	7.2	17.3	140.3%
Net profit for the period	**7.7**	**17.8**	**131.2%**

Interest, similar income and income from used vehicle rent

in EUR million	9M 2021	9M 2022	Change (%)
Flexible and subscription based products	**17.9**	**37.5**	**109.5%**
Interest and similar income	12.8	33.1	158.6%
Rental income	5.1	4.2	-17.6%
Other	-	0.2	nm
Traditional lease and leaseback products	**39.0**	**48.6**	**24.6%**
Interest and similar income	39.0	48.6	24.6%
Consumer lending products	**42.6**	**43.8**	**2.8%**
Interest and similar income	42.6	43.8	2.8%
Average net loan and used vehicle rent portfolio	**215.4**	**266.9**	**23.9%**
Average income yield on net loan and used vehicle rent portfolio	**61.6%**	**64.9%**	**3.3 p.p.**

Interest, similar income and income from used vehicle rent for the period increased by 30.6% to EUR 129.9 million (9M 2021: EUR 99.5 million) reflecting the growth in the average net loan and used vehicle rent portfolio by 23.9% to EUR 266.9 million (30 September 2021: EUR 215.4 million) and continuous focus on highest-yielding markets and products.

Interest expense and similar expense

Despite the increase in total borrowings to EUR 261.4 million (30 September 2021: EUR 236.1 million), interest expense and similar expense remained relatively unchanged compared to the corresponding period in 2021 and amounted EUR 22.3 million.

Income from used vehicle rent

Income from used vehicle rent decreased by 17.6% to EUR 4.2 million (9M 2021: EUR 5.1 million). Meanwhile, the total used vehicle rental fleet in Latvia remained stable and stood at EUR 10.2 million (31 December 2021: EUR 10.7 million).

Impairment expense for vehicle finance portfolio

Net impairment losses on loans and receivables increased by 47.3% to EUR 15.0 million (9M 2021: EUR 10.2 million). The NPL ratio (Net NPL / Total net portfolio) amounted to 6.3% (conservative 35+ days past due) of the net portfolio (31 December 2021: 4.5%), the provision coverage ratio was 89.8% (31 December 2021: 93.0%).

Impairment expense for consumer lending portfolio

Net impairment losses on loans and receivables for 9M 2022 amounted to EUR 19.8 million (9M 2021: EUR 18.4 million). The NPL ratio (Net NPL / Total net portfolio) amounted to 5.6% (90+ days past due) of the net portfolio (31 December 2021: 3.8%), the provision coverage ratio was 136.3% (31 December 2021: 143.9%).

Operating expense

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

in EUR million	9M 2021	9M 2022	Change (%)
Employees’ salaries	18.9	24.1	27.5%
Marketing expenses	5.3	5.8	9.4%
Office and branch maintenance expenses	1.4	1.9	35.7%
Professional services	1.8	1.9	5.6%
Amortization and depreciation	5.3	6.1	15.1%
Other operating (income)/expenses	5.2	8.3	59.6%
Total operating expense	**37.9**	**48.1**	**26.9%**

Total operating expenses increased by 26.9% to EUR 48.1 million (9M 2021: EUR 37.9 million) driven by net loan portfolio growth.

Salaries increased by 27.5% to EUR 24.1 million (9M 2021: EUR 18.9 million), comprising 50.1% of the total operating expenses (9M 2021: 49.9%). Marketing expenses, with effective costs of EUR 16 per loan issued, accounted for 12.1% of total operating expenses (9M 2021: 14.0%).

Profit before tax

The consolidated profit before taxes amounted to EUR 25.2 million (9M 2021: EUR 12.1 million).

Corporate income tax

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

in EUR million	9M 2021	9M 2022	Change (%)
Corporate income tax	(5.0)	(8.7)	74.0%
Deferred tax	0.6	1.3	116.7%
Total corporate income tax	**(4.4)**	**(7.4)**	**68.2%**

Profit for the period

The Group's net profit for the period was EUR 17.8 million (9M 2021: EUR 7.7 million).

Alternative performance measures (non-IFRS)

in EUR million	9M 2021	9M 2022	Change (%)
Profit for the period	7.7	17.8	131.2%
Provisions for taxes	4.4	7.4	68.2%
Interest expense	21.4	22.3	4.2%
Depreciation and amortization	5.3	6.1	15.1%
Currency exchange loss	(0.5)	(0.5)	0.0%
EBITDA	**38.3**	**53.1**	**38.6%**
Amortization of acquisitions' fair value gain	2.5	-	nm
(Gain)/Loss from subsidiary sale	2.4	0.4	-81.6%
Adjusted EBITDA	**43.2**	**53.5**	**23.9%**

Condensed consolidated balance sheet

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

in EUR million	31 Dec. 2021	30 Sep. 2022
Intangible assets	14.4	15.5
Tangible assets	12.2	14.2
Loans and lease receivables and rental fleet	245.2	288.6
Deferred tax asset	2.8	4.8
Inventories	3.8	3.1
Non-current assets held for sale	2.4	1.2
Other receivables	12.8	17.5
Assets of subsidiary held for sale	12.9	13.0
Receivables as a result of sale of subsidiaries to related parties	2.3	-
Receivables as a result of sale of subsidiaries to 3rd parties	1.1	-
Cash and cash equivalents	10.1	24.6
Total assets	**320.0**	**382.5**

in EUR million	31 Dec. 2021	30 Sep. 2022
Share capital and reserves	1.8	1.8
Foreign currency translation reserve	0.2	8.6
Retained earnings	22.3	36.0
Non-controlling interests	7.1	10.8
Subordinated debt	17.3	19.0
Total equity	**48.7**	**76.2**
Borrowings	241.6	261.4
Other liabilities	29.7	44.9
Total liabilities	**271.3**	**306.3**
Total equity and liabilities	**320.0**	**382.5**

Assets

Total assets of the Group increased by 19.5% to EUR 382.5 million (31 December 2021: EUR 320.0 million), reflecting an increase in the net loan and used vehicle rent portfolio.

Tangible assets

Tangible assets increased by 16.4% to EUR 14.2 million (31 December 2021: EUR 12.2 million).

Net loan and used vehicle rent portfolio

The net loan and used vehicle rental portfolio increased by 17.7% to EUR 288.6 million (31 December 2021: EUR 245.2 million).

Net loan and used vehicle rent portfolio

in EUR million	31 Dec. 2021	Total share (%)	30 Sep. 2022	Total share (%)
Developed countries*	123.2	50.2%	133.3	46.2%
Developing countries**	59.2	24.1%	91.5	31.7%
Consumer loan markets	61.4	25.0%	63.8	22.1%
Countries on hold***	1.4	0.6%	-	0.0%
Total net loan and used vehicle rent portfolio	**245.2**	**100.0%**	**288.6**	**100.0%**

* Developed countries are Latvia (including used vehicle rent portfolio), Lithuania, Estonia (classified as assets of subsidiary held for sale or under liquidation), Georgia, Romania, Moldova, Belarus and Armenia

** Developing countries are Uzbekistan, Kenya and Uganda

*** Countries on hold are Bosnia and Herzegovina and Poland (boh countries classified as assets of subsidiary held for sale or under liquidation)

Net loan portfolio split by product type

in EUR million	31 Dec. 2021	Total share (%)	30 Sep. 2022	Total share (%)
Flexible and subscription based products	53.6	21.9%	74.3	25.7%
Traditional lease and leaseback products	130.2	53.1%	150.5	52.2%
Consumer lending products	61.4	25.0%	63.8	22.1%
Total net loan portfolio split by product type	**245.2**	**100.0%**	**288.6**	**100.0%**

With the legacy markets rationalized, developing markets such as Kenya and Uganda continue to establish themselves as the key drivers of the future portfolio growth.

The Group is also capitalizing on recent consumer trends and gradually rolling out flexible lease and subscription-based products that comprised 25.7% of the Group's total net loan portfolio as per 30 September 2022.

Meanwhile, the consumer loan's portfolio stood at 22.1% from total net loan portfolio, which is in line with the Group’s long term strategy regarding its net loan portfolio composition.

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

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.

in EUR million	31 Dec. 2021	Total share (%)	30 Sep. 2022	Total share (%)
STAGE 1*	150.5	86.9%	173.3	80.8%
STAGE 2**	14.9	8.6%	27.8	13.0%
STAGE 3***	7.7	4.4%	13.5	6.3%
Total net loan portfolio	**173.1**	**100%**	**214.6**	**100%**
Used vehicle rent	10.7	5.8%	10.2	4.5%
Total net loan and used vehicle rent portfolio	**183.8**		**224.8**	
Net NPL ratio****	**4.5%**		**6.3%**	
Impairment coverage ratio*****	**93.0%**		**89.8%**	

* 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 portfolio increased to 6.3% of the total net portfolio (31 December 2021: 4.5%).

Net consumer loan portfolio

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.

in EUR million	31 Dec. 2021	Total share (%)	30 Sep. 2022	Total share (%)
STAGE 1*	57.6	93.8%	58.2	91.2%
STAGE 2**	1.4	2.3%	2.0	3.1%
STAGE 3***	2.4	3.9%	3.6	5.6%
Total net loan portfolio	**61.4**	**100%**	**63.8**	**100%**
Net NPL ratio****	**3.8%**		**5.6%**	
Impairment coverage ratio*****	**143.9%**		**136.3%**	

* 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 net consumer loan portfolio increased to 5.6% of the total net portfolio (31 December 2021: 3.8%).

Equity

Total equity increased by 56.5% to EUR 76.2 million (31 December 2021: EUR 48.7 million). The capitalization ratio ended up at 27.4% (31 December 2021: 20.7%), providing adequate and stable headroom for Eurobond covenants.

Liabilities

Total liabilities increased by 12.9% to EUR 306.3 million (31 December 2021: EUR 271.3 million).

Loans and borrowings

The following table sets out loans and borrowings by type.

in EUR million	31 Dec. 2021	30 Sep. 2022
Loans from banks	7.6	17.5
Kenyan Bonds	-	4.0
Latvian Bonds	29.5	28.2
Eurobonds (excl. accrued interest)	142.2	149.6
Bonds acquisition costs and accrued interest	(2.4)	1.9
Financing received from P2P investors	62.3	58.8
Loans from other parties	2.4	1.4
Total loans and borrowings	**241.6**	**261.4**

Latvian bonds

On 1 March 2021, through 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.

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).

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. They mature on December 29, 2031.

Off-balance sheet arrangements

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

Condensed consolidated statement of cash flow

in EUR million	30 Sep. 2021	30 Sep. 2022
Profit before tax	14.4	24.2
Net cash flows to/from operating activities	(6.0)	4.8
Net cash flows to investing activities	(2.3)	(4.8)
Net cash flows from/to financing activities	13.1	14.5
Change in cash	4.8	14.5
Cash at the beginning of the year	9.3	10.1
Cash at the end of the year	14.1	24.6

Net cash inflow from operating activities amounted to EUR 4.8 million (9M 2021: cash outflow EUR 6.0 million). The Group's net cash outflow from investing activities totaled EUR 4.8 million (9M 2021: cash outflow EUR 2.3 million). Finally, the Group's net cash inflow from financing activities amounted to EUR 14.5 million (9M 2021: cash inflow EUR 13.1 million).

Eurobond covenant ratios

Capitalization	31 Dec. 2021	30 Sep. 2022	Change (p.p.)
Equity/Net loan portfolio	20.7%	27.4%	6.7

Profitability	31 Dec. 2021	30 Sep. 2022	Change (%)
Interest coverage ratio (ICR)	2.5	2.7	10%

Leverage	31 Dec. 2021	30 Sep. 2022	Change (%)
Net leverage	3.8	3.3	-13%

in EUR million	Mintos loans			Net loan and used vehicle rent portfolio			
Country	31 Dec. 2021	30 Sep. 2022	Change (%)	31 Dec. 2021	Total share (%)	30 Sep. 2022	Total share (%)
Armenia*	1.0	1.1	10.0%	9.9	5.4%	13.0	5.8%
Belarus*	10.0	3.6	-64.0%	19.3	10.5%	18.2	8.1%
Georgia*	4.2	3.7	-11.9%	14.1	7.7%	17.2	7.7%
Estonia (Renti+) *	0.0	-	0.0%	-	0.0%	0.5	0.2%
Kenya**	1.4	4.6	228.6%	39.2	21.3%	60.2	26.8%
Latvia*	5.8	3.6	-37.9%	16.6	9.0%	13.2	5.9%
Lithuania*	2.3	3.3	43.5%	25.3	13.8%	26.4	11.7%
Moldova*	5.5	5.6	1.8%	14.1	7.7%	16.0	7.1%
Romania*	10.6	12.3	16.0%	23.9	13.0%	28.8	12.8%
Uganda**	0.0	-	0.0%	13.4	7.3%	22.7	10.1%
Uzbekistan**	0.0	-	0.0%	6.6	3.6%	8.6	3.8%
Countries on hold***	0.0	-	0.0%	1.4	0.8%	-	0.0%
Total vehicle lease and rent	**40.8**	**37.8**	**-7.4%**	**183.8**	**100%**	**224.8**	**100%**
Consumer loan markets	21.5	21.0	-2.3%	61.4	33.3%	63.8	22.1%
Total	**62.3**	**58.8**		**245.2**		**288.6**	

* Developed countries are Latvia (including used vehicle rent portfolio), Lithuania, Estonia (classified as assets of subsidiary held for sale or under liquidation), Georgia, Romania, Moldova, Belarus and Armenia

** Developing countries are Uzbekistan, Kenya and Uganda

*** Countries on hold are Bosnia and Herzegovina and Poland (boh countries classified as assets of subsidiary held for sale or under liquidation)

Recent developments

No Regulatory Changes

No material regulatory changes have taken place since 30 September 2022.

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 nine months ended 30 September 2022 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. 2021	30 Sep. 2022
Assets		
Goodwill	4.2	4.2
Internally generated intangible assets	7.5	8.9
Other intangible assets	2.7	2.4
Loans and lease receivables and rental fleet	245.2	288.6
Right-of-use assets	9.1	10.4
Property, plant and equipment	2.5	3.2
Leasehold improvements	0.6	0.6
Receivables as a result of sale of subsidiaries to related parties	2.3	-
Receivables as a result of sale of subsidiaries to third parties	1.1	-
Loans to related parties	4.1	3.5
Other financial assets	1.8	1.9
Deferred tax asset	2.8	4.8
Inventories	3.8	3.1
Prepaid expense	1.7	2.2
Trade receivables	0.7	0.3
Other receivables	4.5	9.6
Assets of subsidiary held for sale	12.9	13.0
Assets held for sale	2.4	1.2
Cash and cash equivalents	10.1	24.6
Total Assets	**320.0**	**382.5**

Consolidated Statement of Financial Position – Equity and liabilities

in EUR million	31 Dec. 2021	30 Sep. 2022
Equity		
Share capital	1.0	1.0
Retained earnings	22.3	36.0
Foreign currency translation reserve	0.2	8.6
Reserve	0.8	0.8
Total equity attributable to owners of the Company	**24.3**	**46.4**
Non-controlling interests	7.1	10.8
Subordinated debt	17.3	19.0
Total equity	**48.7**	**76.2**
Liabilities		
Borrowings	241.6	261.4
Provisions	0.1	0.2
Prepayments and other payments received from customers	0.9	0.5
Trade payables	2.7	1.6
Corporate income tax payable	3.7	6.6
Taxes payable	1.8	2.7
Other liabilities	10.1	16.6
Liabilities of subsidiary held for sale	6.1	8.1
Accrued liabilities	4.2	8.5
Other financial liabilities	0.1	0.1
Total liabilities	**271.3**	**306.3**
Total equity & liabilities	**320.0**	**382.5**

Consolidated Income Statement

in EUR million	9M 2021	9M 2022
Interest revenue calculated using the effective interest method	94.4	125.7
Interest expense calculated using the effective interest method	(21.4)	(22.3)
Net interest income	**73.0**	**103.4**
Fee and commission income	5.3	6.1
Revenue from rent	5.1	4.2
Total net revenue	**83.4**	**113.7**
Impairment expense	(28.6)	(34.8)
Expenses related to peer-to-peer platform services	(0.8)	(0.7)
Selling expense	(5.3)	(5.8)
Administrative expense	(35.9)	(45.8)
Other operating (expense) / income	(1.2)	(1.9)
Net foreign exchange result	0.5	0.5
Profit before tax	**12.1**	**25.2**
Corporate income tax	(5.0)	(8.7)
Deferred corporate income tax	0.6	1.3
Net profit for the period	**7.7**	**17.8**
Discontinued operations	2.3	(1.0)
Translation of financial information of foreign operations to presentation currency	1.3	8.8
Total comprehensive income for the period without FX	9.5	16.3
Total comprehensive income for the period	**11.3**	**25.6**

Consolidated statement of cash flow

in EUR million	30 Sep. 2021	30 Sep. 2022
Cash flows to/from operating activities		
Profit before tax	14.4	24.2
Adjustments for:		
Amortisation and depreciation	5.3	6.1
Interest expense	21.4	22.3
Interest income	(94.4)	(125.7)
Loss on disposal of property, plant and equipment	2.5	2.2
Impairment expense	28.6	34.8
Loss/(gain) from fluctuations of currency exchange rates	0.8	(9.3)
Operating profit before working capital changes	**(21.4)**	**(45.4)**
(Increase)/decrease in inventories	(2.3)	0.7
(Increase)/decrease in receivables	(55.0)	(55.5)
Increase/(decrease) in trade payable, taxes payable and other liabilities	(1.6)	4.0
Cash generated to/from operating activities	**(80.3)**	**(96.2)**
Interest received	96.7	125.7
Interest paid	(19.8)	(18.3)
Corporate income tax paid	(2.6)	(6.4)
Net cash flows to/from operating activities	**(6.0)**	**4.8**
Cash flows to/from investing activities		
Purchase of property, plant and equipment and intangible assets	(5.3)	(5.4)
Purchase of rental fleet	(3.0)	(4.0)
Loan repayments received	6.5	5.1
Loans issued and bank deposits	(0.5)	(0.5)
Net cash flows to/from investing activities	**(2.3)**	**(4.8)**
Cash flows to/from financing activities		
Proceeds from borrowings	211.6	129.6
Repayments for borrowings	(198.2)	(115.1)
Dividends paid	(0.3)	-
Net cash flows to/from financing activities	**13.1**	**14.5**
Change in cash	4.8	14.5
Cash at the beginning of the period	9.3	10.1
Cash at the end of the period	**14.1**	**24.6**

Latvian operations only

Condensed financial information of JSC "MOGO" (consolidated)

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

in EUR million	9M 2021	9M 2022
Interest revenue calculated using the effective interest method	5.8	5.5
Interest expense calculated using the effective interest method	(3.4)	(3.2)
Net interest income	**2.4**	**2.3**
Fee and commission income	0.3	0.1
Revenue from rent	5.1	3.7
Total net revenue	**7.8**	**6.1**
Impairment expense	0.8	0.4
Expenses related to peer-to-peer platforms services	(0.1)	(0.1)
Selling expense	(0.1)	(0.2)
Administrative expense	(4.6)	(3.8)
Other operating (expense) / income	1.2	0.5
Profit before tax	**5.0**	**2.9**
Corporate income tax	-	-
Deferred corporate income tax	-	-
Net profit for the period	**5.0**	**2.9**

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

in EUR million	31 Dec. 2021	30 Sep. 2022
Assets		
Loans and lease receivables and rental fleet	16.6	13.3
Loans to Eleving Group S.A.	35.6	42.9
Property, plant and equipment	0.8	0.8
Receivables from group companies	0.9	1.3
Other receivables	0.7	1.0
Prepaid expense	0.1	0.1
Cash and cash equivalents	0.4	0.6
Total assets	**55.1**	**60.0**

in EUR million	31 Dec. 2021	30 Sep. 2022
Equity		
Share capital	0.4	0.4
Other reserves	(1.8)	(2.0)
Retained earnings		
Brought forward	10.2	15.8
For the period	5.6	2.9
Total equity	**14.4**	**17.1**
Liabilities		
Borrowings	37.8	39.6
Other provisions	1.8	1.7
Prepayments received from customers	0.1	0.2
Trade payables	0.1	0.5
Payables to related companies	0.4	0.4
Taxes payable	0.1	0.1
Accrued liabilities	0.4	0.4
Total liabilities	**40.7**	**42.9**
Total equity and liabilities	**55.1**	**60.0**

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, Ukraine
- **Developed markets** — Latvia, Lithuania, Estonia, Georgia, Armenia, Romania, Moldova, Belarus
- **Emerging markets** — Kenya, Uganda, Uzbekistan
- **On-hold markets** — Poland, Bosnia and Herzegovina

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