Eleving GROUP

Unaudited results for the three months ended 31 March 2023

Content

3 months at a glance

266 000+
Total Number of Active Customers

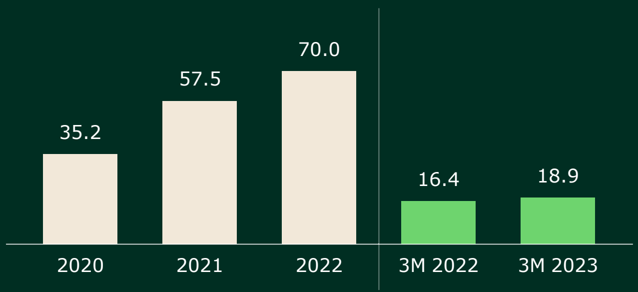
EUR 18.9 mln[1]
EBITDA, 3M 2023

EUR 290.3 mln
Vehicle and Consumer Financing Net Portfolio

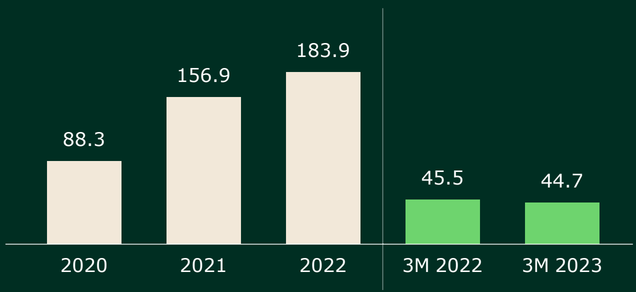
EUR 44.7 mln[2]
Revenues, 3M 2023

Continuously strong 3M EBITDA[1] — EUR 18.9 mln

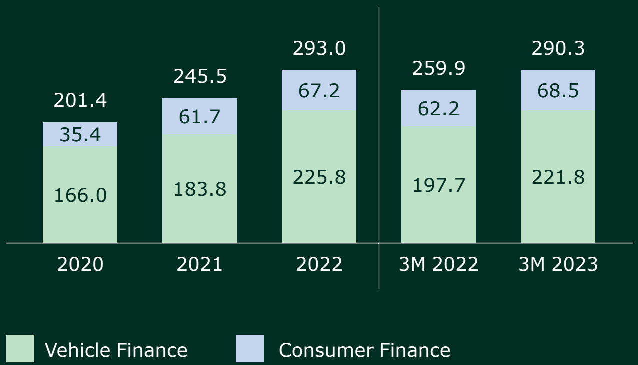
EBITDA, EUR mln[1]



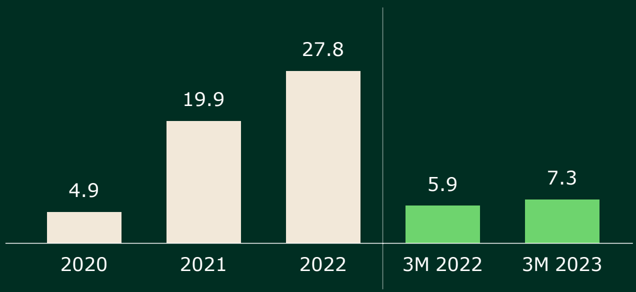
Revenue, EUR mln[2]



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; (c) non-controlling interests EUR 0.4 mln; and a decrease by one-off gains of: (a) fair value gain on acquisitions EUR 9.7 mln; (b) acquisition of trademark EUR 1.8 mln; (c) other one-off adjustments. 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 one-off gains of: (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 one-off gains of: (a) non-controlling interests EUR 5.0 mln. 3M 2021 and 3M 2022 EBITDA adjusted with a decrease by one-off gains of: (a) non-controlling interests EUR 0.7 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 in the amount of EUR 3.2 mln.

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

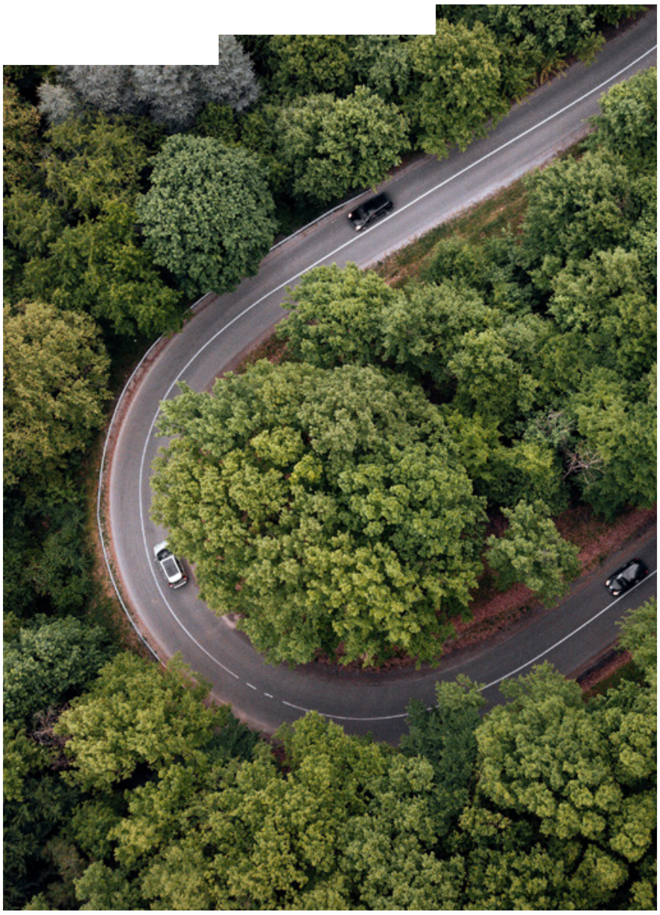
Stable portfolio while maintaining robust profitability

Operational and Strategic Highlights

- The Group closed the first quarter of 2023, recording steady financial performance as revenues kept the same level as in 1Q 2022, and reached EUR 44.7 mln. Over the last three months, the net portfolio remained stable and totaled EUR 290.3 mln. The relatively slower quarter was anticipated given the seasonality of the financing business, and signs of an economic slowdown were observed in multiple jurisdictions in late 2022, resulting in consumers postponing larger purchases in fear of rising commodity prices amid the winter heating season.
- Continued diversification of business operations and a balanced revenue stream from all three core business lines:
    - Flexible lease and subscription-based products contributed EUR 12.7 mln to the 3M 2023 revenues—up by 19.5% compared to 3M 2022, but down by 5.0% QOQ. The negative trend in revenues was largely attributable to political protests in Kenya that had a short-term adverse effect on issuance volumes and decreasing stock of rental vehicles in Latvia.
    - Traditional lease and leaseback products contributed EUR 17.0 mln to the 3M 2023 revenues—up by 12.4% compared to 3M 2022 and up by 2.1% QOQ. The respective revenue growth was mainly attributable to an upward reviewed pricing and the successful portfolio growth in Georgia and Lithuania.
    - Revenues from the consumer loan segment contributed EUR 13.2 mln to the 3M 2023 revenues—down by 26.0% compared to 3M 2022, but stable QOQ. The negative trend in consumer loan revenues mainly stemmed from the run-down of the Ukrainian portfolio.
- Midst Q1, the premium vehicle financing brand Primero was rolled out in Lithuania, thus making the product available in all three Baltic countries.
- In early 2023, the Group won 1st place in the prominent Nasdaq Baltic Awards category of Best Investor Relations on the First North Bond List. The award is presented every second year as part of the Nasdaq Baltic Awards ceremony, which celebrates outstanding achievements by Nasdaq Baltic-listed companies in the areas of transparency, sound corporate governance, and investor relations. Also, in Q1, Eleving Group was listed in 15th place among the best employers in Latvia in the CV-online's research in the category "On Top of Mind." The Group was the highest-ranked Fintech company.
- During Q1, Eleving Group continued its course towards a more sustainable future and achieved several milestones in line with its ESG strategic objectives. The most noteworthy achievements in the ESG space included the Group's participation in carbon offsetting campaigns in Kenya and Ethiopia to compensate for the carbon footprint caused by the operations of the Group's headquarters in Riga and Vilnius.

Financial Highlights and Progress

- Solid profitability as evidenced by:
    - Adjusted EBITDA of EUR 18.9 mln (3M 2022: EUR 16.4 mln);
    - Adjusted Net Profit before FX of EUR 7.3 mln (3M 2022: EUR 5.9 mln).;
    - Adjusted Net Profit after FX of EUR 5.7 mln (3M 2022: EUR 4.3 mln).
- Stable net portfolio of EUR 290.3 mln; Eleving Vehicle Finance and Eleving Consumer Finance accounted for EUR 221.8 mln and EUR 68.5 mln, respectively.
- In Q1, the Group extended its local bond issuance program in Kenya with an aim to double the amount raised in 2022. At the end of Q1, the total amount raised equaled EUR 10.6 mln, representing an increase of EUR 3.3 mln compared to December 2022. Moving forward, the Group will seek to leverage similar opportunities, as it both bolsters the Group's capital structure and mitigates the FX gap on the Group's balance sheet stemming from asset and liability currency mismatch.
- The 3-year Latvian bond is set to mature at the end of Q1 2024, hence the Group currently considers a range of refinancing opportunities, with more detailed information to follow in the upcoming months.
- Given the stable financial performance and positive cash flow, for the very first time, the Group decided to return a part of its existing capital to its shareholders in the form of a dividend payout. The respective dividend payment was executed in early 2023, totaling EUR 5.1 mln.
- Q1 was closed with a healthy financial position, supported by the capitalization ratio of 25.6% (31 December 2022: 25.8%), ICR ratio of 2.4 (31 December 2022: 2.4), and net leverage of 3.5 (31 December 2022: 3.3), providing an adequate and stable headroom for Eurobond covenants



Comments from Eleving Group CEO and CFO

Modestas Sudnius
CEO of Eleving Group

The first quarter of this year developed exactly as we had anticipated since the start of the year is always a bit slower in the mobility segment coupled with higher than usual utility bills that impacted personal spending priorities and consumption levels. Despite the challenges, we maintained the quality of the Group's portfolio, demonstrating that our strategy and business decisions can deliver high-quality results even in uncertain times. In the middle of last year, we de-emphasized our plans for significant growth and shifted our focus to business efficiency. The growth of the portfolio has indeed been slowed down, which negatively affects QOQ revenue, but at the same time, the company has maintained exceptional cost discipline and reviewed prices upwards in the majority of its car leasing product markets. All these actions allowed us to achieve higher efficiency ratios that align with the company's strategy.

In the first months of 2023, we continued to maintain well-diversified operations, thus reducing business-related risks. We have launched near-prime car financing product in Lithuania under the Primero brand, while in Romania, we continue to digitize business operations to improve the customer onboarding process and overall experience.

The general operational focus in 2023 remains on further process digitization and improvements to our existing products. Despite our more conservative business approach, we still aim to reach double-digit organic growth in the net loan portfolio by the end of the year. On top of that, with strong cash and equity position and well-diversified borrowing channels, the company is exploring potential portfolio purchases or business acquisitions in the market.

We also remain focused on ESG, where we continue to pursue our long-term goals. This year we have offset our entire carbon footprint in the amount of 114tCO_2 arising from the operations of our headquarters in Riga and Vilnius. This was achieved through participation in carbon offsetting projects in Kenya and Ethiopia. We are also finalizing the localization of the Group's financial literacy platform, which is already integrated into product pages in nine of our countries.

In the first quarter, we increased our adjusted EBITDA to EUR 18.9 mln, an increase of EUR 2.5 mln compared to the same quarter in 2022. The adjusted net profit before FX reached EUR 7.3 mln, an increase of EUR 1.4 mln compared to the respective period a year ago. The net portfolio remained stable, totaling EUR 290.3 mln. These results, during the overall challenging first months of the year, are evidance of prudent business management, proving that we are on a solid footing and well positioned for further controlled growth in the following quarters.

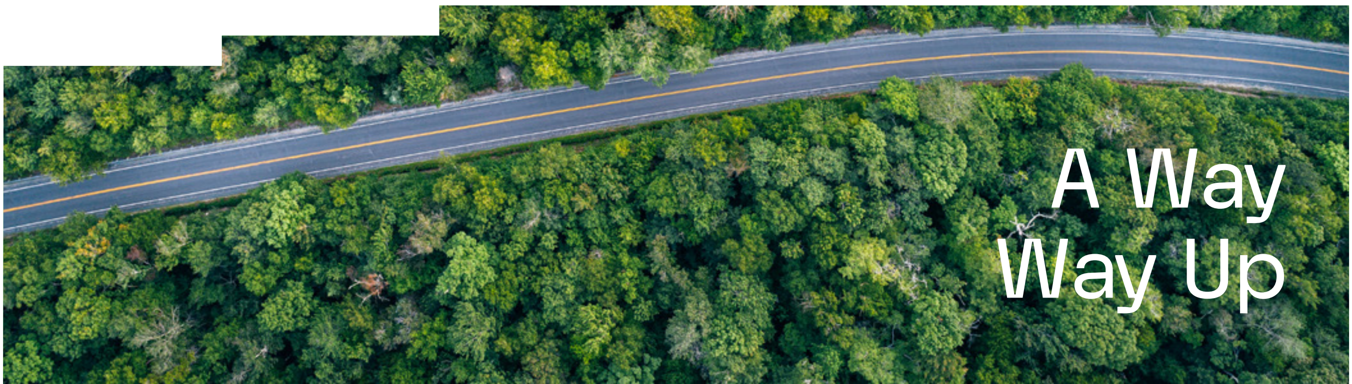
Throughout the first quarter, we have continued to diversify the risks within our portfolio and within our funding structure. We are actively continuing our local bond issuance program in Kenya to strengthen the Group's capital structure and to minimize currency mismatches.

At the end of Q1, the total amount raised equaled EUR 10.6 mln, representing an increase of EUR 3.3 mln compared to December 2022.

Also, the 3-year Latvian bond is poised to reach maturity at the end of Q1 2024. Consequently, the Group actively evaluates various refinancing opportunities and anticipates disclosing further details in the forthcoming months.

At the same time, we are proud that our work in investor relations has been recognized on a pan-Baltic level, with Eleving Group receiving an award for Best Investor Relations among Nasdaq Baltic First North Bond list companies in February of this year.

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	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 controlled growth, subject to the availability of bank financing	Maintain organic growth in the existing markets	Increase rental fleet and scale the product further in Latvia	Maintain controlled growth, while focusing on profitability

Processes

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

Continued **focus on cost optimization** initiatives.

Roll-out country wide **motorcycle financing branch network in Kenya**.

Capital management

Maintain sufficient and comfortable headroom for financial covenants: Interest Coverage ratio (ICR), Net Leverage ratio and Capitalization ratio.

Focus on **efficient capital allocation** between the existing markets and products. **Evaluate** possible growth opportunities through **portfolio or business acquisitions or new market launches.**

Continue to **decrease exposure** in Belarus.

Monitor developments in the financial markets since the local bond in Latvia is maturing in 2024.

Social impact

Localize the **financial literacy platform for Group's consumer segment markets**.

Promote financial literacy, investing and financial independence via various public activities and designated events.

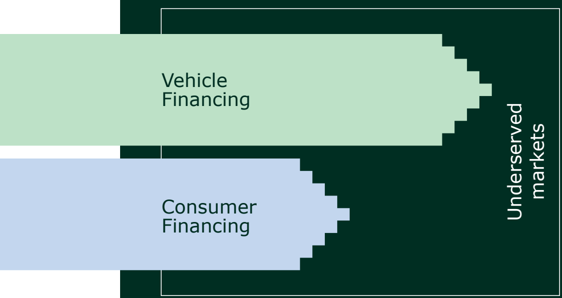
Define financing principles for social activities - a unified and clear charity and sponsorship policy, with a key focus on providing meaningful support on issues consistent with the Group's ESG strategy.

[1] Kenya and Uganda.

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.

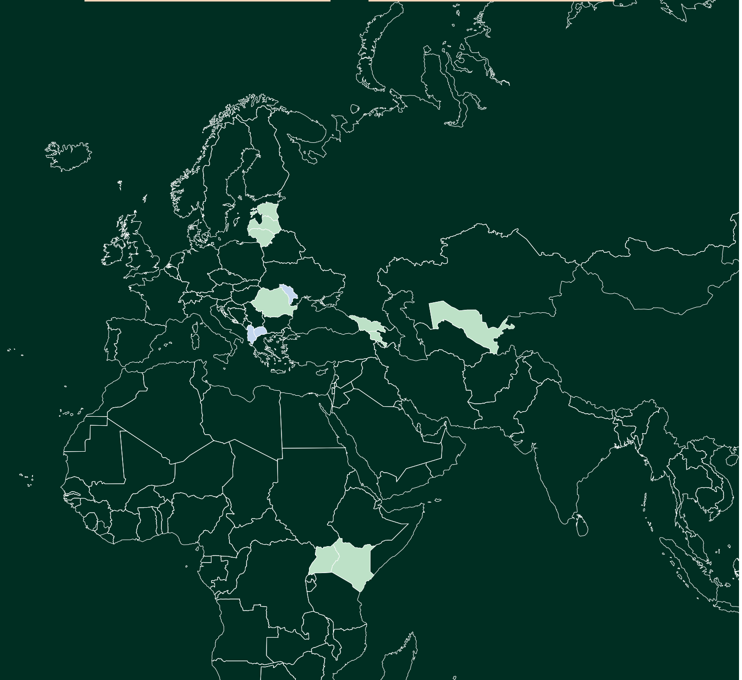


Sustained growth

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 266 000 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 15 May

A conference call in English with the Group's management team to discuss these results is scheduled for 15 May 2023, at 15:00 CET.

Contact

Māris Kreics
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 three months period ended 31 March 2022 and 31 March 2023.

EUR million	3M 2022	3M 2023	Change (%)
Interest and similar income	42.2	41.8	(0.9%)
Interest expense and similar expenses	(6.9)	(8.7)	26.1%
Net interest income	**35.3**	**33.1**	**(6.2%)**
Income from used vehicle rent	1.4	1.1	(21.4%)
Impairment expense	(13.4)	(9.7)	(27.6%)
Operating expense and income	(15.1)	(15.7)	4.0%
Net foreign exchange result	(1.6)	(1.6)	0.0%
Profit before tax	**6.6**	**7.2**	**9.1%**
Corporate income tax	(2.3)	(1.5)	(34.8%)
Net profit for the period without FX and discontinued operations	5.9	7.3	23.7%
Net profit for the period	**4.3**	**5.7**	**32.6%**

Interest, similar income and income from used vehicle rental

EUR million	3M 2022	3M 2023	Change (%)
Flexible and subscription based products	**10.5**	**12.5**	**19.2%**
Interest and similar income	9.1	11.3	24.4%
Rental income	1.4	1.1	(21.4%)
Other	-	0.1	nm
Traditional lease and leaseback products	**15.3**	**17.2**	**12.6%**
Interest and similar income	15.3	17.2	12.6%
Consumer lending products	**17.8**	**13.2**	**(26.0%)**
Interest and similar income	17.8	13.2	(26.0%)
Average net loan and used vehicle rent portfolio	**252.6**	**291.7**	**15.5%**
Average income yield on net loan and used vehicle rent portfolio	**69.1%**	**58.8%**	**(10.2) p.p.**

Interest, similar income and income from used vehicle rent decreased by 1.6% to EUR 42.9 million (3M 2022: EUR 43.6 million) largely driven by the run-down of the Ukranian operations.

Interest expense and similar expense

Interest expense and similar expense increased by 26.1% to EUR 8.7 million (3M 2022: EUR 6.9 million) driven by the increase in the total borrowings to EUR 275.5 million (31 December 2022: EUR 261.5 million) as well as by the slightly higher cost of borrowings.

Income from used vehicle rent

Income from used vehicle rent decreased by 21.4% to EUR 1.1 million (3M 2022: EUR 1.4 million). Meanwhile, the total used vehicle rental fleet in Latvia remained stable and stood at EUR 9.8 million (31 December 2022: EUR 10.0 million).

Impairment expense for vehicle finance portfolio

Net impairment losses on loans and receivables increased by 37.7% to EUR 5.7 million (3M 2022: EUR 4.2 million). The NPL ratio (Net NPL / Total net portfolio) amounted to 6.5% (conservative 35+ days past due) of the total net portfolio (31 December 2022: 6.5%) with provision coverage ratio of 87.2% (31 December 2022: 88.3%).

Impairment expense for consumer lending portfolio

Net impairment losses on loans and receivables decreased by 57.0% to EUR 4.0 million (3M 2022: EUR 9.2 million). The NPL ratio (Net NPL / Total net portfolio) amounted to 5.6% (90+ days past due) of the total net portfolio (31 December 2022: 5.5%) with provision coverage ratio of 131.0% (31 December 2022: 131.9%).

Operating expense

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

EUR million	3M 2022	3M 2023	Change (%)
Employees’ salaries	7.7	8.1	5.2%
Marketing expenses	1.9	1.6	(15.8%)
Office and branch maintenance expenses	0.6	0.7	16.7%
Professional services	0.6	0.6	0.0%
Amortization and depreciation	2.0	2.1	5.0%
Other operating expenses	2.3	2.6	13.0%
Total operating expense	**15.1**	**15.7**	**4.0%**

The total operating expense for the period experienced a slight increase to EUR 15.7 million (3M 2022: EUR 15.1 million).

Salaries increased by 5.2% to EUR 8.1 million (3M 2022: EUR 7.7 million), comprising 51.6% of the total operating expenses (3M 2022: 51.0%). Meanwhile, marketing expenses, with effective cost of EUR 20 per loan issued, accounted for 10.2% of the total operating expenses (3M 2022: 12.6%).

Profit before tax

The consolidated profit before taxes amounted to EUR 7.2 million (3M 2022: EUR 6.6 million).

Corporate income tax

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

EUR million	3M 2022	3M 2023	Change (%)
Corporate income tax	(2.7)	(2.8)	3.7%
Deferred tax	0.4	1.3	225.0%
Total corporate income tax	**(2.3)**	**(1.5)**	**(34.8%)**

Profit for the period

The consolidated net profit for the period amounted to EUR 5.7 million (3M 2022: EUR 4.3 million).

Alternative performance measures (non-IFRS)

EUR million	3M 2022	3M 2023	Change (%)
Profit for the period	4.3	5.7	32.6%
Provisions for taxes	2.3	1.5	(34.8%)
Interest expense	6.9	8.7	26.1%
Depreciation and amortization	2.0	2.1	5.0%
Currency exchange (gain)/loss	1.6	1.6	0.0%
EBITDA	**17.1**	**19.6**	**14.6%**
Non-controlling interests	(0.7)	(0.7)	1.6%
Adjusted EBITDA	**16.4**	**18.9**	**15.2%**

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 Mar. 2023
Intangible assets	15.7	16.1
Tangible assets	12.7	12.6
Loans and lease receivables and rental fleet	293.1	290.3
Deferred tax asset	5.6	6.5
Inventories	2.5	4.6
Non-current assets held for sale	1.1	1.5
Other receivables	16.4	21.2
Assets of subsidiary held for sale	0.4	0.3
Cash and cash equivalents	13.8	22.9
Total assets	**361.3**	**376.0**

EUR million	31 Dec. 2022	31 Mar. 2023
Share capital and reserves	2.1	2.1
Foreign currency translation reserve	4.9	3.1
Retained earnings	38.3	37.6
Non-controlling interests	8.9	9.8
Subordinated debt	19.0	19.3
Total equity	**73.2**	**71.9**
Borrowings	261.5	275.5
Other liabilities	26.6	28.6
Total liabilities	**288.1**	**304.1**
Total equity and liabilities	**361.3**	**376.0**

Assets

The total assets of the Group increased by 4.1% to EUR 376.0 million (31 December 2022: EUR 361.3 million), mainly reflecting the increase in cash and other receivables positions.

Tangible assets

Tangible assets decreased by 0.8% to EUR 12.6 million (31 December 2022: EUR 12.7 million).

Net loan and used vehicle rent portfolio

The net loan and used vehicle rent portfolio decreased by 1.0% to EUR 290.3 million (31 December 2022: EUR 293.1 million), mostly driven by the decrease in traditional lease and leaseback product portfolio.

Net loan and used vehicle rent portfolio split by market type

EUR million	31 Dec. 2022	Total share (%)	31 Mar. 2023	Total share (%)
Developed countries*	140.5	47.9%	138.4	47.7%
Developing countries**	85.4	29.1%	83.3	28.7%
Consumer loan markets	67.2	22.9%	68.5	23.6%
Countries on hold***	-	0.0%	0.1	0.0%
Total net loan and used vehicle rent portfolio	**293.1**	**100.0%**	**290.3**	**100.0%**

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

** Developing countries are Uzbekistan, Kenya and Uganda

*** Countries on hold are Bosnia and Herzegovina, and Poland

Net loan portfolio split by product type

EUR million	31 Dec. 2022	Total share (%)	31 Mar. 2023	Total share (%)
Flexible and subscription based products	72.7	24.8%	72.5	25.0%
Traditional lease and leaseback products	153.2	52.3%	149.3	51.4%
Consumer lending products	67.2	22.9%	68.5	23.6%
Total net loan portfolio split by product type	**293.1**	**100.0%**	**290.3**	**100.0%**

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

The Group also continues to capitalize on the latest consumer trends and continue to roll-out its flexible lease and subscription based products that at the end of the period already comprised 25.0% of the total net loan and used vehicle rent portfolio.

Meanwhile, the consumer lending portfolio stood at 23.6% from the total net loan and used vehicle rent portfolio, which is in line with Group’s long term strategy regarding its net loan portfolio composition.

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

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 Mar. 2023	Total share (%)
STAGE 1*	175.4	81.2%	180.3	85.1%
STAGE 2**	26.4	12.2%	17.9	8.4%
STAGE 3***	14.1	6.5%	13.7	6.5%
Total net loan portfolio	**215.9**	**100.0%**	**211.9**	**100.0%**
Used vehicle rent	10.0	4.4%	9.8	4.4%
Total net loan and used vehicle rent portfolio	**225.9**		**221.7**	
Net NPL ratio****	**6.5%**		**6.5%**	
Impairment coverage ratio*****	**88.3%**		**87.2%**	

* 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 6.5% (31 December 2022: 6.5%).

Net consumer loan portfolio

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

EUR million	31 Dec. 2022	Total share (%)	31 Mar. 2023	Total share (%)
STAGE 1*	61.7	91.8%	63.7	93.0%
STAGE 2**	1.8	2.7%	1.0	1.5%
STAGE 3***	3.7	5.5%	3.8	5.5%
Total net loan portfolio	**67.2**	**100.0%**	**68.5**	**100.0%**
Net NPL ratio******	**5.5%**		**5.6%**	
Impairment coverage ratio*********	**131.9%**		**131.0%**	

* 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 increased marginally and amounted to 5.6% (31 December 2022: 5.5%).

Equity

The total equity of the Group decreased slightly by 1.8% to EUR 71.9 million (31 December 2022: EUR 73.2 million) mainly driven by the one-time dividend payment of EUR 5.0 million. The capitalization ratio at the end of the period stood at 25.6% (31 December 2022: 25.8%), providing adequate and stable headroom for Eurobond covenants.

Liabilities

The total liabilities of the Group increased by 5.6% and stood at EUR 304.1 million (31 December 2022: EUR 288.1 million), reflecting the increase in total borrowings to EUR 275.5 million (31 December 2022: EUR 261.5 million).

Borrowings

The table below sets out borrowings by type.

EUR million	31 Dec. 2022	31 Mar. 2023
Loans from banks	5.6	9.3
Kenyan Notes	7.3	10.6
Latvian Bonds	28.8	29.6
Eurobonds (excl. accrued interest)	149.7	150.0
Bond acquisition costs and accrued interest	(1.2)	2.6
Financing received from P2P investors	67.6	69.7
Loans from other parties	3.7	3.7
Total borrowings	**261.5**	**275.5**

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.

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. 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	31 Mar. 2022	31 Mar. 2023
Profit before tax	6.5	7.1
Net cash flows from operating activities	(9.2)	7.9
Net cash flows from investing activities	2.1	(3.7)
Net cash flows from financing activities	13.3	4.9
Change in cash	6.2	9.1
Cash at the beginning of the year	10.1	13.8
Cash at the end of the year	16.3	22.9

Net cash inflow from operating activities amounted to EUR 7.9 million (3M 2022: cash outflow of EUR 9.2 million). The Group's net cash ouflow from investing activities totalled EUR 3.7 million (3M 2022: cash inflow of EUR 2.1 million). Finally, the Group's cash inflow from financing activities amounted to EUR 4.9 million (3M 2022: cash inflow of EUR 13.3 million).

Eurobond covenant ratios

Capitalization	31 Dec. 2022	31 Mar. 2023	Change (p.p.)
Equity/Net loan portfolio	25.8%	25.6%	(0.2)

Profitability	31 Dec. 2022	31 Mar. 2023	Change
Interest coverage ratio (ICR)	2.4	2.4	-

Leverage	31 Dec. 2022	31 Mar. 2023	Change
Net leverage	3.3	3.5	0.1

EUR million	Mintos loans			Net loan and used vehicle rent portfolio			
Country	31 Dec. 2022	31 Mar. 2023	Change (%)	31 Dec. 2022	Total share (%)	31 Mar. 2023	Total share (%)
Armenia*	1.1	1.7	54.5%	12.6	5.6%	12.4	5.6%
Belarus*	1.4	-	(100.0%)	14.7	6.5%	12.3	5.5%
Georgia*	1.9	2.0	5.3%	16.2	7.2%	16.4	7.4%
Estonia*	4.8	4.4	(8.3%)	11.5	5.1%	11.3	5.1%
Kenya**	4.8	5.9	22.9%	53.7	23.8%	51.9	23.4%
Latvia*	1.8	2.5	38.9%	13.3	5.9%	13.4	6.0%
Lithuania*	2.2	1.9	(13.6%)	27.2	12.0%	28.6	12.9%
Moldova*	6.3	5.4	(14.3%)	15.9	7.0%	15.7	7.1%
Romania*	14.9	14.6	(2.0%)	29.1	12.9%	28.3	12.8%
Uganda**	-	-	-	23.0	10.2%	23.6	10.6%
Uzbekistan**	-	-	-	8.7	3.9%	7.8	3.5%
Countries on hold***	-	-	-	-	-	0.1	0.0%
Total vehicle lease and rent	**39.2**	**38.4**	**(2.0%)**	**225.9**	**100%**	**221.8**	**100%**
Consumer loan markets	28.4	31.3	10.2%	67.2	29.7%	68.5	23.6%
Total	**67.6**	**69.7**		**293.1**		**290.3**	

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

** Developing countries are Uzbekistan, Kenya and Uganda

*** Countries on hold are Bosnia and Herzegovina and Poland

Recent developments

No Regulatory Changes

No material regulatory changes have taken place since 31 March 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 three months ended 31 March 2023 there have been no events requiring adjustment of unaudited results.

Directors' Statement

The consolidated three 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 three 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 Mar. 2023
Assets		
Goodwill	4.7	4.7
Internally generated intangible assets	8.6	9.1
Other intangible assets	2.4	2.3
Loans and lease receivables and rental fleet	293.1	290.3
Right-of-use assets	9.9	10.1
Property, plant and equipment	2.2	2.0
Leasehold improvements	0.6	0.5
Loans to related parties	3.2	3.4
Other financial assets	1.4	2.6
Deferred tax asset	5.6	6.5
Inventories	2.5	4.6
Prepaid expense	2.1	2.5
Trade receivables	0.1	0.3
Other receivables	9.6	12.4
Assets of subsidiary held for liquidation	0.4	0.3
Assets held for sale	1.1	1.5
Cash and cash equivalents	13.8	22.9
Total Assets	**361.3**	**376.0**

Consolidated Statement of Financial Position – Equity and liabilities

EUR million	31 Dec. 2022	31 Mar. 2023
Equity		
Share capital	1.0	1.0
Retained earnings	38.3	37.6
Foreign currency translation reserve	4.9	3.1
Reserve	1.1	1.1
Total equity attributable to owners of the Company	**45.3**	**42.8**
Non-controlling interests	8.9	9.8
Subordinated debt	19.0	19.3
Total equity	**73.2**	**71.9**
Liabilities		
Borrowings	261.5	275.5
Provisions	0.2	0.2
Prepayments and other payments received from customers	0.5	0.7
Trade payables	1.7	1.5
Corporate income tax payable	3.9	5.6
Taxes payable	2.4	3.3
Other liabilities	12.8	12.7
Liabilities of subsidiary held for sale	0.1	0.1
Accrued liabilities	5.0	4.5
Total liabilities	**288.1**	**304.1**
Total equity and liabilities	**361.3**	**376.0**

Consolidated Income Statement

EUR million	3M 2022	3M 2023
Interest revenue calculated using the effective interest method	42.2	41.8
Interest expense calculated using the effective interest method	(6.9)	(8.7)
Net interest income	**35.3**	**33.1**
Fee and commission income	1.9	1.8
Revenue from rent	1.4	1.1
Total net revenue	**38.6**	**36.0**
Impairment expense	(13.4)	(9.7)
Expenses related to P2P platform services	(0.2)	(0.2)
Selling expense	(1.9)	(1.6)
Administrative expense	(14.3)	(14.9)
Other operating income/(expense)	(0.6)	(0.8)
Net foreign exchange result	(1.6)	(1.6)
Profit before tax	**6.6**	**7.2**
Corporate income tax	(2.7)	(2.8)
Deferred corporate income tax	0.4	1.3
Net profit for the period	**4.3**	**5.7**
Discontinued operations	(0.1)	(0.1)
Translation of financial information of foreign operations to presentation currency	(0.4)	(2.0)
Total comprehensive income for the period without FX	5.8	7.2
Total comprehensive income for the period	**3.8**	**3.6**

Consolidated statement of cash flow

EUR million	31 Mar. 2022	31 Mar. 2023
Cash flows from operating activities		
Profit before tax	6.5	7.1
Adjustments for:		
Amortisation and depreciation	2.0	1.6
Interest expense	6.9	8.7
Interest income	(42.2)	(41.8)
Loss on disposal of property, plant and equipment	0.5	0.1
Impairment expense	13.4	9.7
Loss/(gain) from fluctuations of currency exchange rates	1.2	3.6
Operating profit before working capital changes	**(11.7)**	**(11.0)**
(Increase)/decrease in inventories	(0.4)	(2.1)
(Increase)/decrease in receivables	(33.5)	(15.9)
Increase/(decrease) in trade payable, taxes payable and other liabilities	(0.7)	0.2
Cash generated to/from operating activities	(46.3)	(28.8)
Interest received	42.2	41.8
Interest paid	(4.3)	(4.1)
Corporate income tax paid	(0.8)	(1.0)
Net cash flows from operating activities	**(9.2)**	**7.9**
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(1.4)	(1.0)
Purchase of rental fleet	(0.7)	(1.2)
Loan repayments received	4.2	1.8
Bank deposits	-	(3.3)
Net cash flows from investing activities	**2.1**	**(3.7)**
Cash flows from financing activities		
Proceeds from borrowings	49.9	45.6
Repayments for borrowings	(36.6)	(35.6)
Dividends paid	-	(5.1)
Net cash flows from financing activities	**13.3**	**4.9**
Change in cash	6.2	9.1
Cash at the beginning of the period	10.1	13.8
Cash at the end of the period	**16.3**	**22.9**

Latvian operations only

Condensed Financial Information of JSC "mogo" (consolidated)

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

EUR million	3M 2022	3M 2023
Interest revenue calculated using the effective interest method	1.7	2.0
Interest expense calculated using the effective interest method	(1.0)	(1.0)
Net interest income	**0.7**	**1.0**
Fee and commission income	0.1	-
Revenue from rent	1.4	0.8
Total net revenue	**2.2**	**1.8**
Impairment expense	(0.3)	(0.2)
Selling expense	(0.1)	-
Administrative expense	(1.4)	(1.2)
Other operating income/(expense)	0.7	0.1
Profit before tax	**1.1**	**0.5**
Corporate income tax	-	-
Deferred corporate income tax	-	-
Net profit for the period	**1.1**	**0.5**

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

EUR million	31 Dec. 2022	31 Mar. 2023
Assets		
Loans and lease receivables and rental fleet	12.7	12.5
Loans to Eleving Group S.A.	39.9	44.7
Property, plant and equipment	0.8	0.7
Receivables from group companies	0.6	1.5
Other receivables	0.7	0.9
Prepaid expense	0.1	0.1
Cash and cash equivalents	0.7	0.0
Total assets	**55.5**	**60.4**

EUR million	31 Dec. 2022	31 Mar. 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	0.5
Total equity	**19.3**	**19.8**
Liabilities		
Borrowings	34.5	39.0
Other provisions	0.3	0.3
Prepayments received from customers	0.2	0.2
Trade payables	0.4	0.3
Payables to related companies	0.4	0.2
Taxes payable	-	0.2
Accrued liabilities	0.4	0.4
Total liabilities	**36.2**	**40.6**
Total equity and liabilities	**55.5**	**60.4**

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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info@eleving.com
www.eleving.com

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