

# Earnings Call Presentation

3 months 2022

May 2022

Eleving<sup>GROUP</sup>

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# Presenters



**Modestas Sudnius**  
Chief Executive Officer

- With Eleving Group since 2013, part of the Group's management team as CEO since November 2018
- Started as country manager for Lithuania, where he established successful operations. In January 2018, he was promoted to regional CEO for the Group's core markets in Latvia, Lithuania, Estonia, Georgia, and Armenia
- Prior to Eleving Group, he worked for international companies such as EY, EPSLT, UAB
- A graduate of the ISM University of Management and Economics in Vilnius and a Master's Degree holder from the Stockholm School of Economics



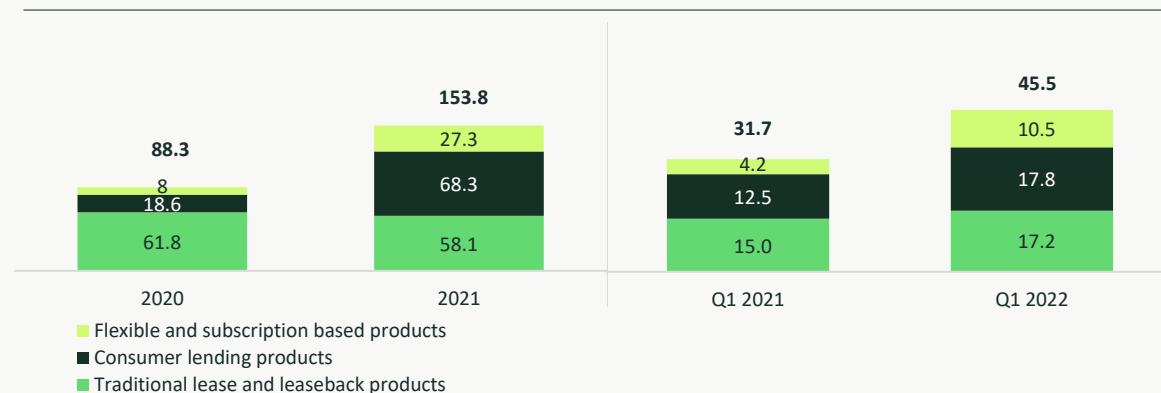
**Maris Kreics**  
Chief Financial Officer

- With Eleving Group since 2015
- Before joining Eleving Group, he spent two years in a corporate finance role with the largest telecommunication services company in Latvia—Tet (formerly, Lattelecom). Previously, he spent seven years at PwC, including two years in their New York office, working exclusively on one of the largest S&P 500 Tech company's lead audit teams responsible for managing other audit teams globally
- Holds a Master's Degree in Finance from the BA School of Business and Finance in Riga
- A CFA charterholder and a member of ACCA since 2011 (fellow since 2016)

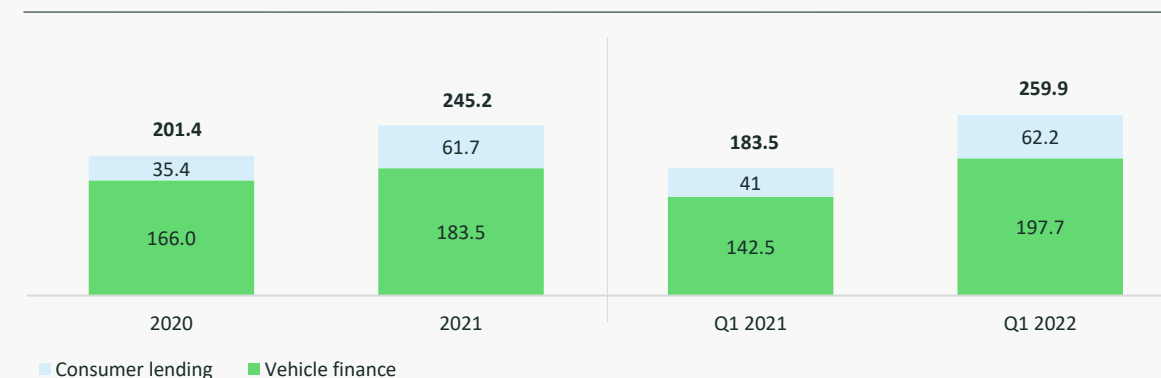
# Operational highlights

Improving operational and financial performance

## Revenue, mln EUR<sup>1</sup>



## Net portfolio, mln EUR



<sup>1</sup> Adjusted with fair value gain on acquisition in 2020 from portfolio in the amount of EUR 3.4 mln and subsequent amortization of portfolio gain in 2021 in the amount of EUR 3.2 mln and EUR 0.9 mln in Q1 2021.

Substantial increase in performance levels during the period:

- Revenue up by 44% compared to Q1 2021, to EUR 45.5 mln;
- Strong q-o-q portfolio growth by 6% (EUR 14.7 mln), to EUR 259.9 mln.

Continues diversification of business, and a balanced revenue stream from the 3 core business lines:

- flexible lease and subscription-based product's<sup>2</sup> revenue up by 16.8% compared to Q4 2021, driven by continues growth in motorcycle-taxi financing in Kenya and Uganda, and successful scale-up of rental and subscription-based products in the Baltics;
- lease and leaseback product revenue increased by 7.3% compared to Q4 2021 demonstrating stable upward trajectory post turbulences caused by COVID-19. Additionally, rationalization of some markets also had a positive effect;
- consumer lending product revenue decreased by 10.3% compared to Q4 2021, as a result of halted issuances and portfolio deterioration in Ukraine. Meanwhile, other consumer markets demonstrated steady and stable performance.

Subscription-based product, launched in Q4 2021, has successfully onboarded its first customers and fleet value surpassed EUR 1 mln with a utilization ratio above 80%. Half of the onboarded customers are SMEs, while the other half is comprised of private individuals.

During Q1, Eleving Group undertook market sizing and potential entry assessment of Finland's vehicle financing market. Consequently, a decision to pursue the market entry was made. Currently, the team is in late stage of market entry with license from the local regulator (ESAVI) already obtained. It is expected to have a commercial launch in Q2 2022.

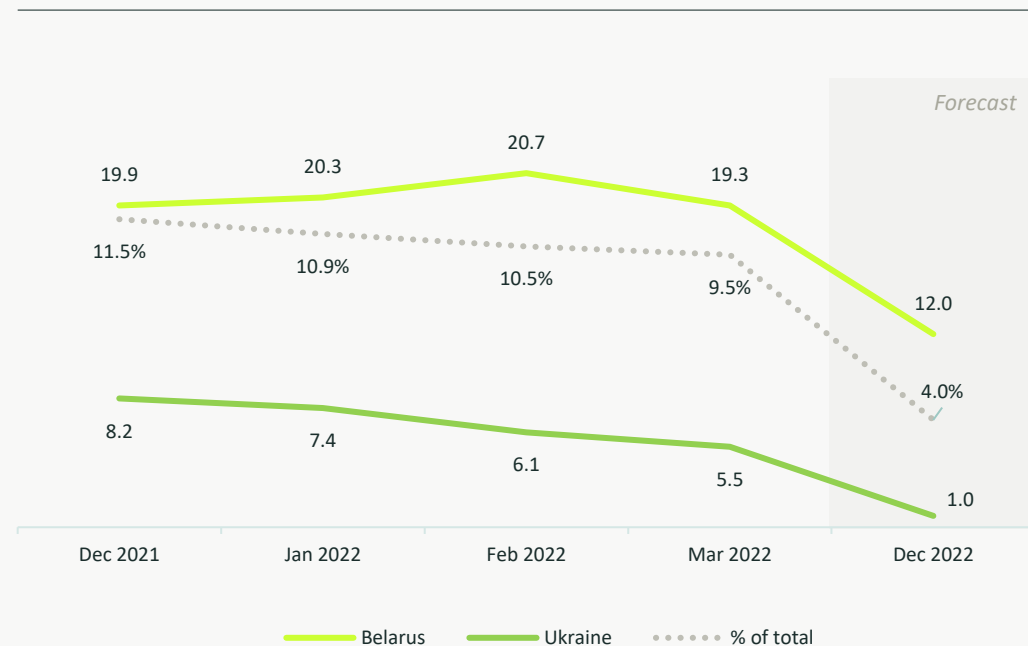
Eleving Group has adopted company's first ESG strategy for 2025. The strategy prioritizes the promotion of financial literacy in all markets represented by the Group, the alignment of business procedures with good governance practices, the growth of employees, gender equality, and the reduction of climate impact arising from the business procedures and portfolio.

<sup>2</sup> 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

# Considerations regarding Ukraine & Belarus

Focus on warfare affected territories

## Net portfolio development, mln EUR



## Belarus

Sales activities:

- Sales currently **on hold**.

Operational activities:

- **Reorganization** of the existing personnel;
- Increased **focus on debt collection** by introducing new stimulus for **early repayments** (e.g., termination of early repayment fees);
- New **investments stopped** as well as renegotiated key terms of trade with several existing suppliers.

Cash movements:

- **No significant effect on incoming cash flows**;
- Increased focus on **liability settlement towards the Group** with evident success.

## Ukraine

Sales activities:

- **Sales stopped**.

Operational activities:

- Optimization of personnel remuneration & **headcount decreased three-fold**;
- **Flexible** approach in **debt collection**;
- Majority of service **purchase agreements stopped**;
- **Termination** of subscription-based services.

Cash movements:

- Significant **drop in incoming cash flows** in February and March with **two-fold increase** observed in April;
- **Suspension** of cross boarder **payments** and currency conversion.

# Non-financial KPIs

Leveraging data to provide up to date products to customers and highest returns to shareholders

## Vehicle Finance, Q1 2022

**21.0k**  
**Vehicles financed**  
 6.9k Cars vs  
 14.1K Motorcycles

**17.8%**  
**Conversion rate**  
 7.4% Cars vs  
 54.5% Motorcycles

**5.8 mln**  
**Interactions with clients**

**4.4k**  
**Dealer partnerships**

**113.7k**  
**Applications received**  
 88.5k Cars vs  
 25.2k Motorcycles

**2.2k**  
**Avg ticket size (EUR)**  
 4.0k Cars vs  
 1.5k Motorcycles

**0.1k**  
**Green vehicles financed**

**0.9k**  
**Bio-gas vehicles financed**

## Consumer Finance, Q1 2022

**168.2k**  
**Loans issued**

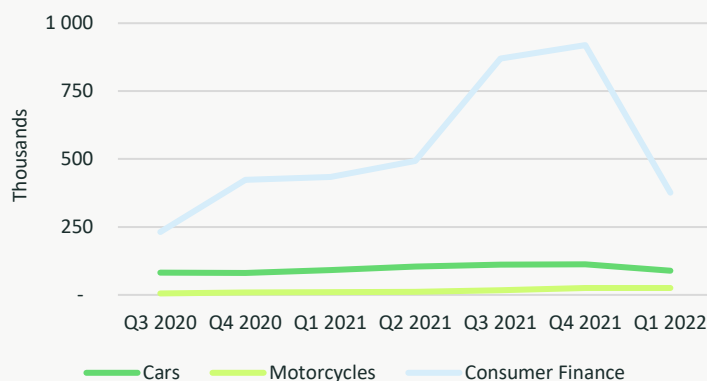
**44.7%**  
**Conversion rate**

**376.3k**  
**Applications received**

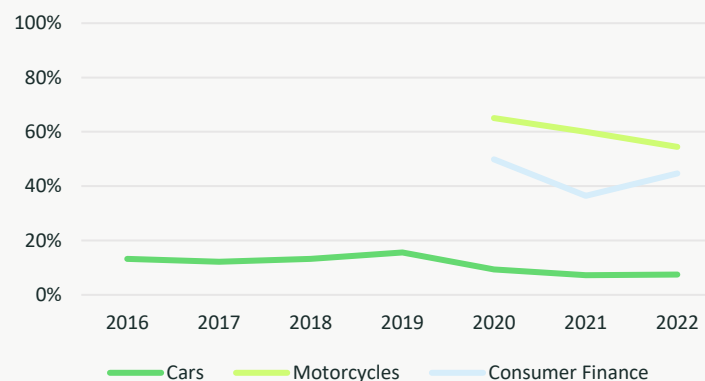
**0.2k**  
**Avg ticket size (EUR)**

**5.7 mln**  
**Interactions with clients**

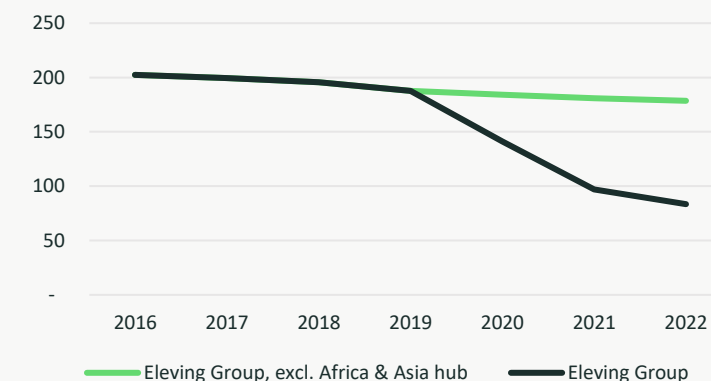
Applications received



Conversion rate



Average CO2 emissions of portfolio by loan issued date<sup>1</sup>, g per 100km

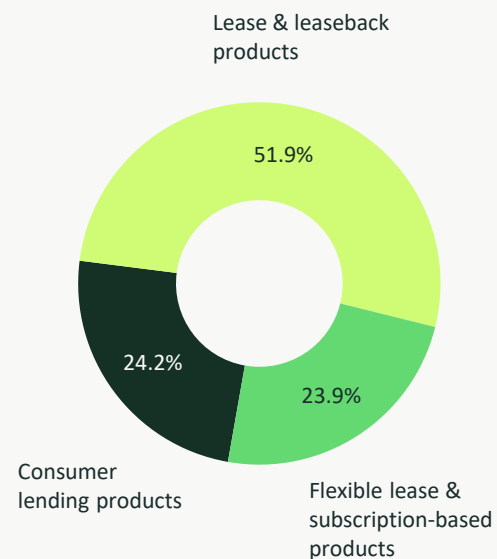


<sup>1</sup>To assess the current climate impact of the Group's portfolio, a CO2 calculation methodology was developed internally in 2022. After exploring different approaches and available data sources, it was decided to use the database of the Road Traffic Safety Directorate of Latvia (hereinafter CSDD (Latvian abbreviation)). The database was compared with the European Environment Agency's (EEA) CO2 emissions for new passenger cars, and the results were very similar. Since the CSDD database covers the period of 2004–2020 as opposed to EEA's 2010+, it was decided that the CSDD database will provide better coverage. In the CSDD database for 2004-2020, the New European Driving Cycle (NEDC) method was used but starting from 2021-2022, the method was changed to the Worldwide Harmonised Light Vehicle Test Procedure (WLTP) developed by the European Union. Since the WLTP method gives slightly higher CO2 emission results, the impact of methodology change should be estimated before it can be used in calculations. For 254 loans (0.8% of loans excluding boda boda), CO2 emission data from 2020 are used. The CSDD database contains data on vehicle fuel type, year, engine capacity, transmission type, brand, and model. Since the data level of detail on Eleving Group's side did not correspond that of CSDD and in order to avoid manual monitoring of all current entries in the Group's database, it was decided to group the data by vehicle year, fuel type, and engine capacity. For each vehicle matching the group, the average CO2 consumption from the CSDD database was used. For vehicles that did not match the group (e.g., boda bodas, electric cars and cars manufactured before 2004), exception rules were created.

# Global scope

Multi-geography platform that eliminates a single-market risk

## Portfolio balance<sup>1</sup> as of 31.03.2022



## Vehicle Finance

**Latvia (LV)**  
Population<sup>2</sup>: 1.9 mln  
Passenger vehicles<sup>3</sup>: 0.66 mln  
Operations launched: y2012  
Share of portfolio: 5.9% (12.4%<sup>4</sup>)

**Lithuania (LT)**  
Population: 2.8 mln  
Passenger vehicles: 1.26 mln  
Operations launched: y2013  
Share of portfolio: 9.4%

**Estonia (EE)**  
Population: 1.3 mln  
Passenger vehicles: 0.79 mln  
Operations launched: y2013  
Share of portfolio: 4.4% (asset held for sale, EUR 12.0 mln)

**Georgia (GE)**  
Population: 3.7 mln  
Passenger vehicles: 1.01 mln  
Operations launched: y2014  
Share of portfolio: 5.3%

**Romania (RO)**  
Population: 19.2 mln  
Passenger vehicles: 6.90 mln  
Operations launched: y2016  
Share of portfolio: 9.3%

**Armenia (AM)**  
Population: 2.9 mln  
Passenger vehicles: n.a.  
Operations launched: y2017  
Share of portfolio: 3.7%

**Moldova (MD)**  
Population: 2.6 mln  
Passenger vehicles: 0.58 mln  
Operations launched: y2017  
Share of portfolio: 5.2%

**Belarus (BY)**  
Population: 9.4 mln  
Passenger vehicles: 3.29 mln  
Operations launched: y2018  
Share of portfolio: 7.1%

**Uzbekistan (UZ)**  
Population: 34.2 mln  
Passenger vehicles: n.a.  
Operations launched: y2018  
Share of portfolio: 2.5%

**Kenya (KE)**  
Population: 53.8 mln  
Passenger vehicles: 0.96 mln  
Operations launched: y2019  
Share of portfolio: 17.8%

**Uganda (UG)**  
Population: 45.7 mln  
Passenger vehicles: 0.17 mln  
Operations launched: y2019  
Share of portfolio: 6.4%

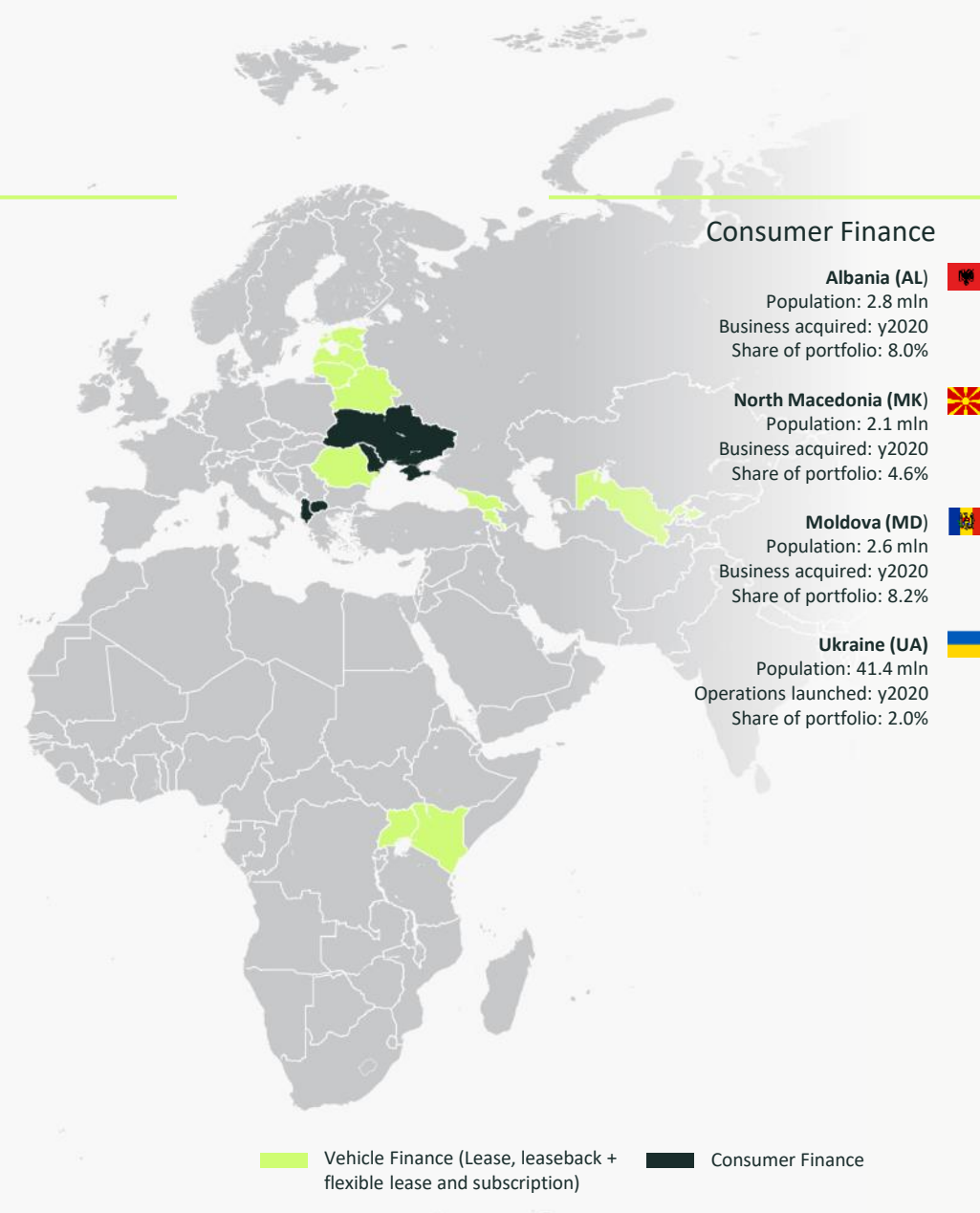
## Consumer Finance

**Albania (AL)**  
Population: 2.8 mln  
Business acquired: y2020  
Share of portfolio: 8.0%

**North Macedonia (MK)**  
Population: 2.1 mln  
Business acquired: y2020  
Share of portfolio: 4.6%

**Moldova (MD)**  
Population: 2.6 mln  
Business acquired: y2020  
Share of portfolio: 8.2%

**Ukraine (UA)**  
Population: 41.4 mln  
Operations launched: y2020  
Share of portfolio: 2.0%



Vehicle Finance (Lease, leaseback + flexible lease and subscription)    Consumer Finance

<sup>1</sup> Including Primero product portfolio in total portfolio balance

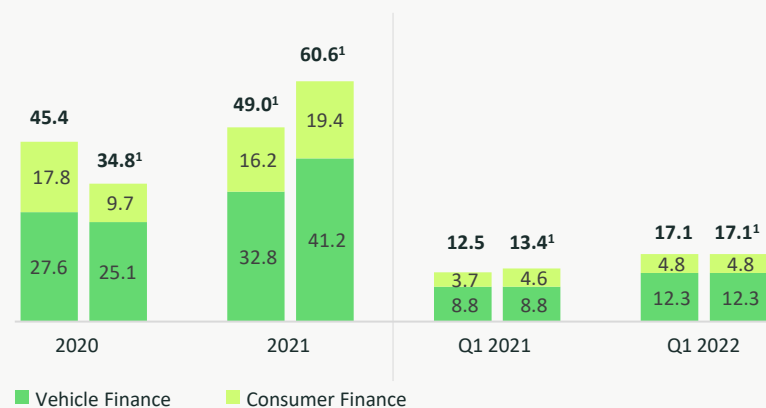
<sup>2</sup> Population data source: Eurostat and World bank

<sup>3</sup> Passenger vehicle data source: ACEA VEHICLES IN USE REPORT and Nation Master

# Financial highlights

Solid profitability driven by the robust loan issuances and consistent financial performance

## EBITDA and adjusted EBITDA, mln EUR

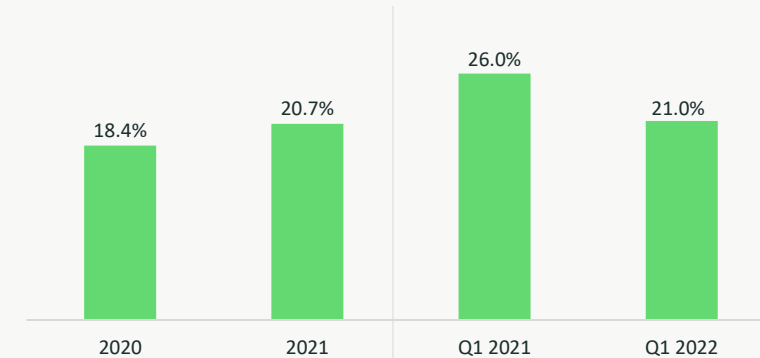


Solid profitability as evidenced by:

- EBITDA - EUR 17.1 mln (Q1 2021: EUR 12.5 mln)
- Net Profit before FX – EUR 5.9 mln (Q1 2021: EUR 2.8 mln)
- Net Profit after FX – EUR 4.3 mln (Q1 2021: EUR 3.0 mln)

<sup>1</sup> 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-ff 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. Q1 2021 EBITDA adjusted with an increase by one-ff costs of: (a) amortization of fair value gain EUR 0.9 mln.

## Capitalization ratio



Group's equity has reached almost EUR 53.0 mln with capitalization ratio at 21.0%. The slight decrease in capitalization ratio compared the Q1 of 2021 is mainly related to EUR 5.7 mln of refinancing expenses incurred during the Q4 of 2021 in connection with issuance of new EUR 150.0 mln worth of Eurobonds.

## Equity development, mln EUR



High quality of earnings as evidenced by more than EUR 5.0 mln equity contribution from organic net profits slightly offset by negative FX movements that have been largely mitigated in April

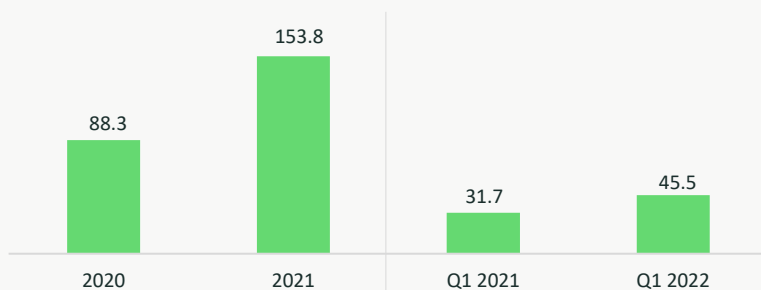
Receivable from the sale of Longo Group has been fully repaid as of end of 31 March 2022



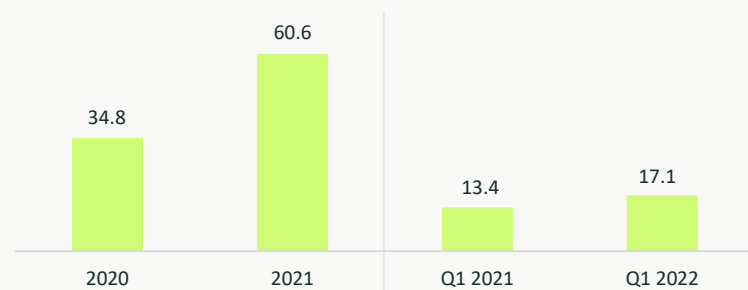
# Financial highlights

Financial results manifest the improving performance

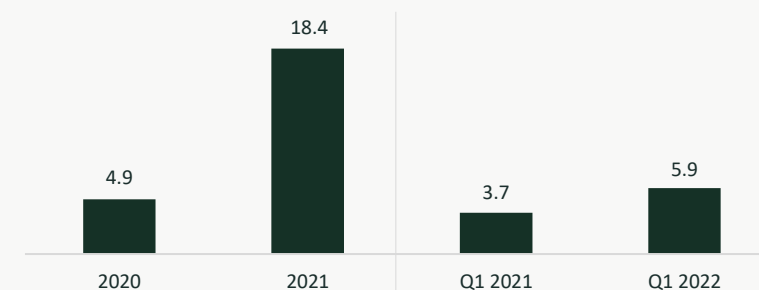
## Revenue, mln EUR<sup>1</sup>



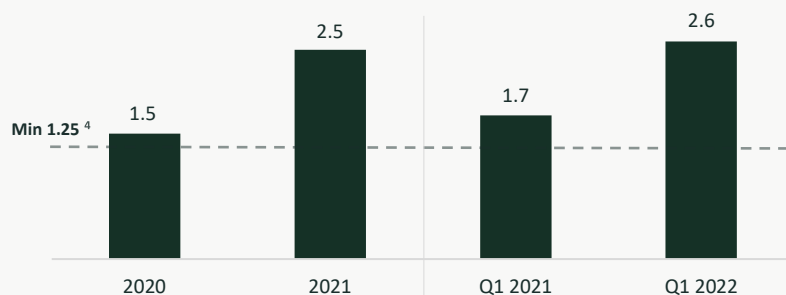
## EBITDA, mln EUR<sup>2</sup>



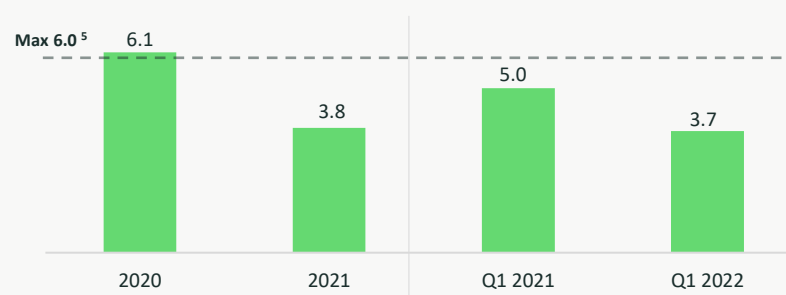
## Net Profit before FX effect, mln EUR<sup>3</sup>



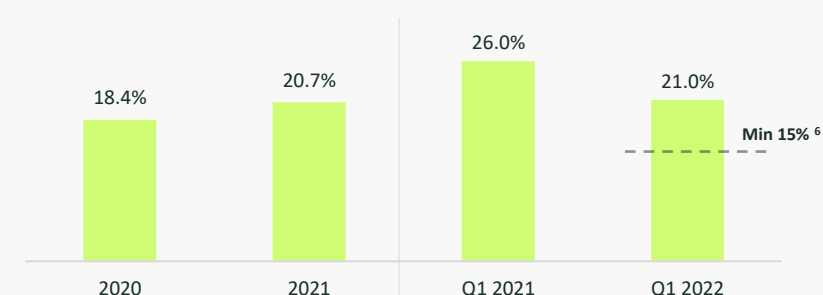
## Interest coverage ratio



## Net leverage



## Capitalization ratio



1. Adjusted with fair value gain on acquisition in 2020 from portfolio in the amount of EUR 3.4 mln and subsequent amortization of portfolio gain in 2021 in the amount of EUR 3.2 mln and EUR 0.9 mln in Q1 2021.

2. 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 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. Q1 2021 EBITDA adjusted with an increase by one-off costs of: (a) amortization of fair value gain EUR 0.9 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) 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 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. Q1 2021 adjusted with an increase by one-off costs of: (a) amortization of fair value gain EUR 0.9 mln.

4. Financial covenant - Interest coverage ratio (EBITDA to Net Finance Charges) of at least 1.25,

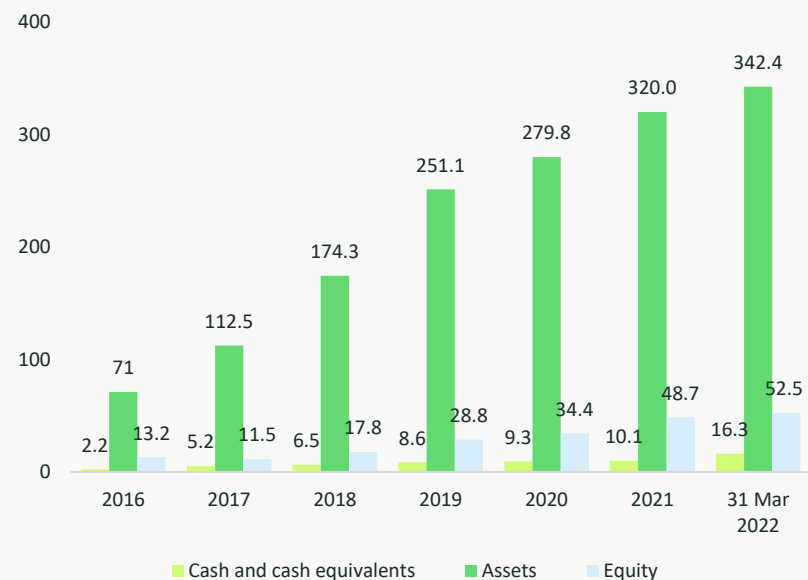
5. Financial covenant - Net leverage (Net Debt to EBITDA) not more than 6.0

6. Financial covenant - Capitalization ratio (Equity to Net Loan portfolio) of at least 15%

# Assets & Liabilities

Sustained growth in assets

## Assets and Equity, mln EUR



Most of total assets are comprised of net loan portfolio, used car rent portfolio, and cash

An increase in total assets driven by growth of vehicle and consumer loan portfolios

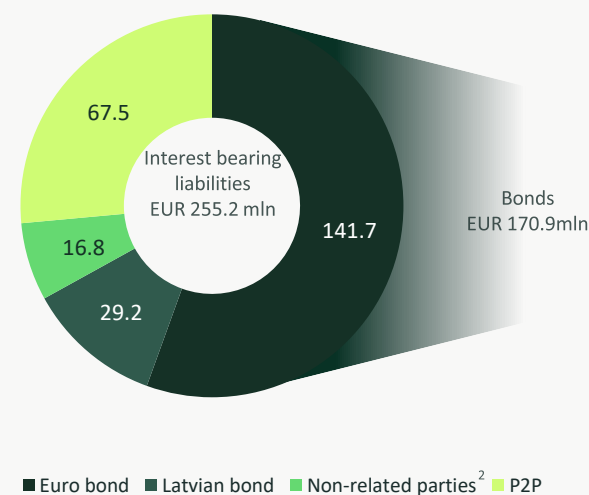
Capitalization ratio above the Eurobond covenant level

	2017	2018	2019	2020	2021	31 Mar 2022
Capitalization ratio <sup>1</sup>	11.8%	12.7%	16.2%	18.4%	20.7%	21.0%

<sup>1</sup>Capitalization ratio: (Shareholders' equity + shareholders' loans) / Net loan portfolio

<sup>2</sup>This consists of EUR 15.3 mln of loans from local banks and EUR 1.5 mln of other interest-bearing liabilities

## Liabilities, mln EUR



Two thirds of Group's funding sources are comprised from issued bonds:

- EUR 150 mln Eurobond issued on 18 October 2021 with annual interest rate of 9.5%
- EUR 30 mln Latvian bond issued on 1 March 2021 with annual interest rate of 11%

On 7 March 2022, Eleving Group's subordinated bonds (XS2427362491) were admitted to the trading on the Nasdaq Baltic First North Market. The subordinated bonds are considered part of equity of the Group as per Fitch Rating agency's assessment

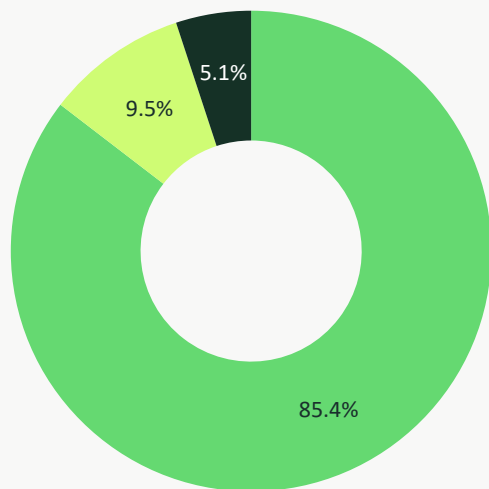
Bond maturity profile	2024	2026
EUR	30 000 000	150 000 000

# Non-performing loans and provisioning

Maintaining excellent portfolio quality

## Net vehicle loan portfolio quality analysis

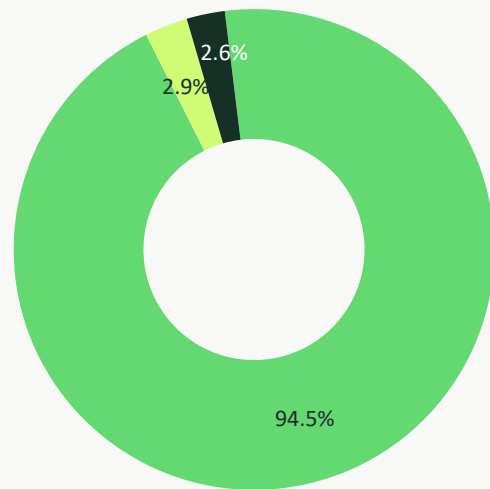
As at 31.03.2022



- Stage1: Current-30 days overdue
- Stage2: 31-34 days overdue
- Stage3: 35+ days overdue (NPL)

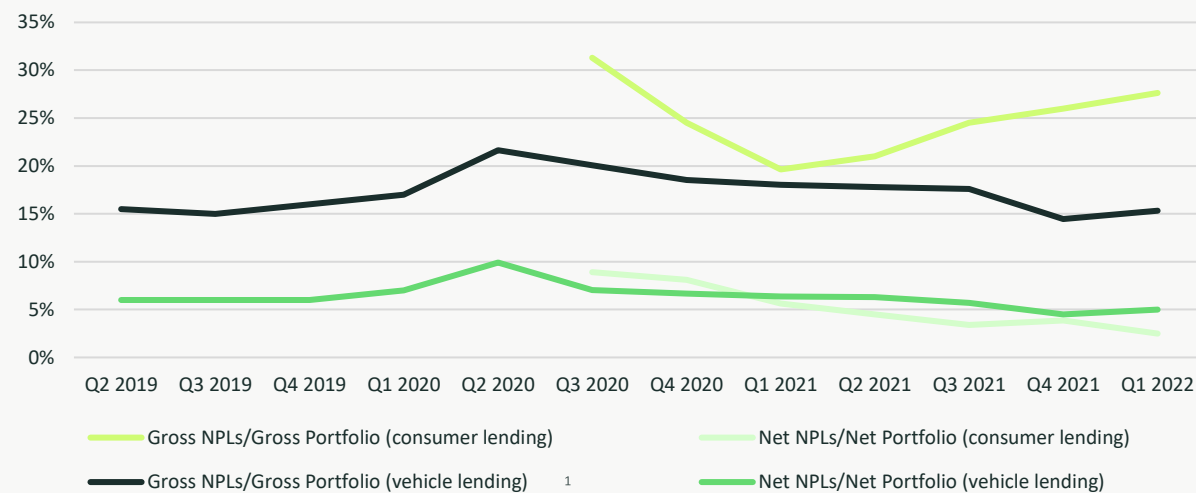
## Net consumer loan portfolio quality analysis

As at 31.03.2022



- Stage1: Current-30 days overdue
- Stage2: 31-90 days overdue
- Stage3: 90+ days overdue (NPL)

## Gross and net NPL portfolio



Net portfolio quality remains high, with Stage 3 loans at or below 5% across both segments

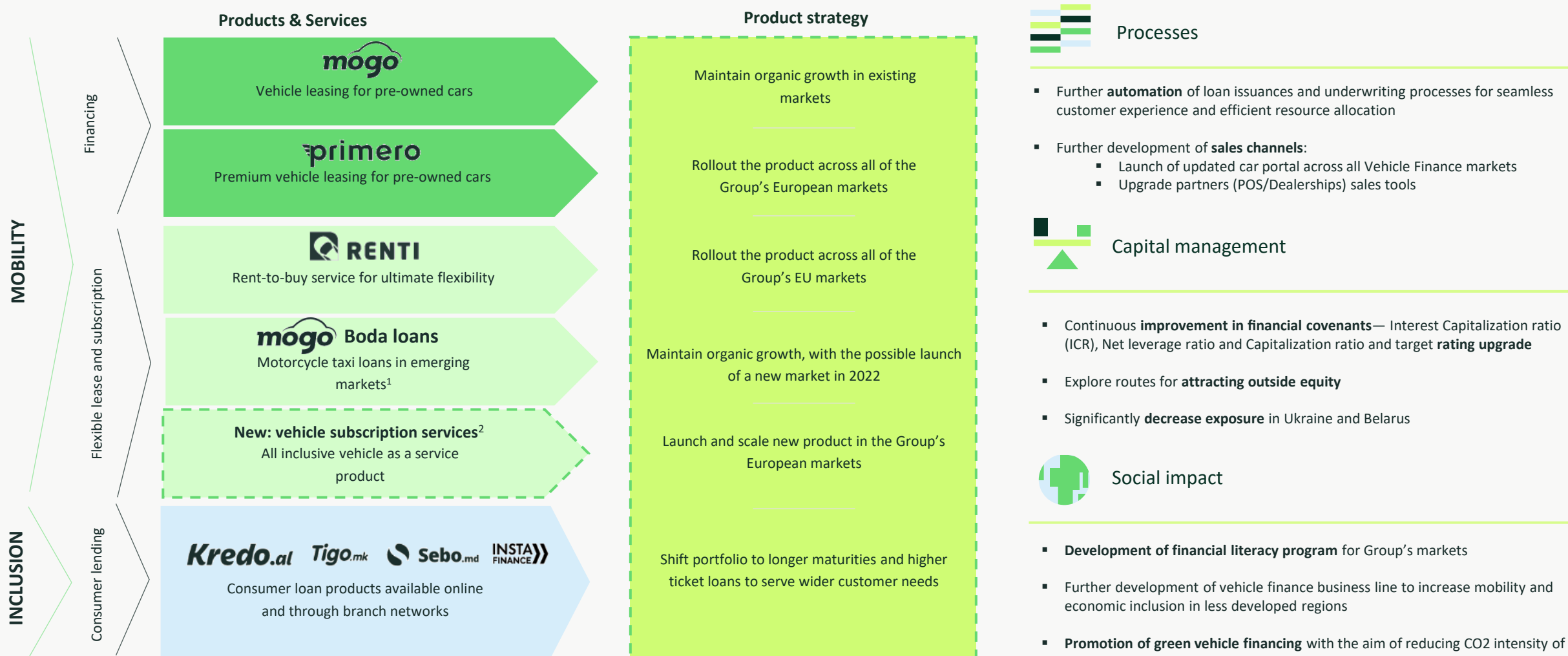
Gross NPLs have increased in consumer loans business line due to few third party debt sales conducted in Q1 2022, however portfolio remains to be adequately provisioned as evidenced by low Net NPL ratios

High impairment coverage of 90% in vehicle business segment and more than 140% in consumer business segment

Net loan portfolio (including accrued interest) = Gross loan portfolio – provisions; NPL is defined as 35+ DPD for vehicle and 90+ DPD for consumer portfolios  
<sup>1</sup> Excluding Poland from Q3 2018 and Albania, Kazakhstan, Bosnia and Herzegovina, and North Macedonia since Q2 2020

# Outlook – Products & Services

Become an ultimate mobility platform



<sup>1</sup> Kenya and Uganda

<sup>2</sup> New car subscription services launched in Latvia in 2021 Q4

# Appendix

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Focus on sustainability

Operational structure

Corporate brand change

Income statement

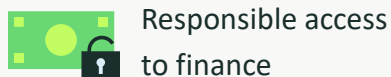
Balance sheet

Statement of Cash Flow

Glossary

# Focus on sustainability. ESG strategy for 2025

Eleving Group's four areas of action



Responsible access  
to finance

## Responsible lending

- Improvement of financial literacy of at least 500 000 people through the implementation of interactive tools for markets represented by the Group

## Enabling access to finance

- Support local SME environment by creating jobs through Company's funding



Responsible business conduct

## Governance

- Implementation of the whistle-blowing system
- Customer service and debt collection guidelines on local websites
- Employee Business Code of Conduct
- Internal compliance program

## Sustainable procurements

- Development of internal procurement guidelines in line with ESG strategy and external regulations



Employee growth and  
well-being

## Learning and development projects

- Provide employees with at least 8 hrs of professional development training per year
- Improvement of health and well-being of employees through health-related initiatives
- Infrastructure for healthy work-life balance

## Engagement, diversity, and equal opportunities

- Improve gender diversity in senior leadership roles by 2-3%, maintain equal salary level with a gap not exceeding 2%
- Implementation of Equality, Inclusion, and Non-Discrimination policy



Climate impact

## Reduction of portfolio environmental impact

- Promotion of low-carbon mobility
- Subscription product focusing on low pollution vehicles
- Development of an electrical car-sharing product for the Latvian market
- Promotion of electric Boda Boda financing product in African markets
- At least 1 000 zero-emission vehicles in the portfolio by 2025
- CO2 emission-related information in Group's sales portals

## Reduction of the climate impact of administrative activities

- Increase share of renewable energy used in offices to 90%
- Reduction of energy and water consumption
- Reduction of waste generation

Alignment with the  
United Nations Sustainable  
Development Goals<sup>2</sup>



## Newest milestones of ESG

- Adoption of ESG strategic framework containing the main goals and targets to be achieved by 2025
- The signing of the Latvian Diversity Charter to reaffirm the Group's commitment to diversity and inclusion
- Donation of EUR 100 000 to Ukraine via the "Entrepreneurs for peace" project
- Internal support program for Ukrainian employees and their families
- Created and tested methodology for CO2 emission calculations
- Carbon footprint assessment report

# Organizational structure

## Eleving GROUP

### Eleving VEHICLE FINANCE

### Eleving CONSUMER FINANCE

#### Eleving VEHICLE AFRICA & ASIA

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INSTAFINANCE (Ukraine)



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# Income statement

EUR mln	2018	2019	2020	2021	Q1 2021	Q1 2022
Interest revenue calculated using the effective interest method	54.4	68.0	73.7	136.5	27.4	42.2
Interest expense calculated using the effective interest method	(14.2)	(21.2)	(24.9)	(28.2)	(6.9)	(6.9)
<b>Net interest income</b>	<b>40.2</b>	<b>46.8</b>	<b>48.8</b>	<b>108.3</b>	<b>20.5</b>	<b>35.3</b>
Fee and commission income	3.4	3.8	5.0	7.5	1.7	1.9
Revenue from rent	0.2	4.0	6.2	6.5	1.7	1.4
<b>Total net revenue</b>	<b>43.8</b>	<b>54.6</b>	<b>60.0</b>	<b>122.3</b>	<b>23.9</b>	<b>38.6</b>
Impairment expense	(18.3)	(16.1)	(21.9)	(37.2)	(6.5)	(13.4)
Expenses related to peer-to-peer platform services	(0.7)	(0.7)	(0.9)	(1.0)	(0.3)	(0.2)
Selling expense	(2.2)	(3.1)	(2.6)	(8.2)	(1.2)	(1.9)
Administrative expense	(16.8)	(29.4)	(31.0)	(49.6)	(11.4)	(14.3)
Bonds refinancing expense	-	-	-	(5.7)	-	-
Other operating (expense) / income	1.0	(0.4)	8.8	(5.5)	(0.6)	(0.6)
Net foreign exchange result	(0.3)	(0.2)	(11.1)	1.1	0.2	(1.6)
<b>Profit or loss before taxes</b>	<b>6.5</b>	<b>4.7</b>	<b>1.3</b>	<b>16.3</b>	<b>4.1</b>	<b>6.6</b>
Corporate income tax	(1.4)	(1.3)	(0.7)	(6.9)	(1.4)	(2.7)
Deferred corporate income tax	0.4	1.0	1.0	0.4	0.3	0.4
<b>Net profit for the period</b>	<b>5.5</b>	<b>4.4</b>	<b>1.6</b>	<b>9.7</b>	<b>3.0</b>	<b>4.3</b>
Discontinued operations	(0.8)	2.1	(0.0)	(2.6)	0.7	(0.1)
Translation of financial information of foreign operations to presentation currency	0.1	(0.4)	(1.5)	2.5	-	(0.4)
<b>Total comprehensive income for the year</b>	<b>4.7</b>	<b>6.2</b>	<b>0.1</b>	<b>9.7</b>	<b>3.7</b>	<b>3.8</b>
<b>Net profit before FX and discontinued operations</b>	<b>5.8</b>	<b>4.6</b>	<b>12.7</b>	<b>8.8</b>	<b>2.8</b>	<b>5.9</b>
<b>EBITDA</b>	<b>22.7</b>	<b>27.0</b>	<b>42.6</b>	<b>50.8</b>	<b>12.5</b>	<b>17.1</b>
<b>Adjusted EBITDA</b>	<b>22.7</b>	<b>27.0</b>	<b>34.8</b>	<b>60.6</b>	<b>13.4</b>	<b>17.1</b>



# Balance sheet

Assets, EUR mln	2018	2019	2020	2021	Q1 2022
<b>ASSETS</b>					
Goodwill	1.7	4.1	6.6	4.2	4.2
Internally generated intangible assets	1.9	3.6	5.9	7.5	8.2
Other intangible assets	0.1	0.2	2.3	2.7	2.3
Loans and lease receivables and rental fleet	141.3	193.6	201.4	245.2	259.9
Right-of-use assets	2.4	7.9	7.5	9.1	9.3
Property, plant and equipment	1.0	1.6	2.1	2.5	2.5
Leasehold improvements	0.3	0.3	0.4	0.6	0.7
Advance payments for assets	0.2	-	0.0	0.0	-
Receivables as a result of sale of subsidiaries to related parties	-	16.0	9.4	2.3	-
Receivables as a result of sale of subsidiaries to third parties	-	-	1.5	1.1	-
Loans to related parties	5.4	6.1	5.2	4.1	3.6
Other financial assets	5.8	2.5	2.7	1.8	1.6
Deferred tax asset	0.6	1.6	2.9	2.8	3.6
Inventories	1.7	0.6	1.6	3.8	4.1
Prepaid expense	0.8	1.0	1.9	1.7	2.0
Trade receivables	0.8	1.4	0.8	0.7	0.3
Other receivables	1.3	2.5	6.8	4.5	6.6
Assets of subsidiary held for sale	-	-	9.4	12.9	15.8
Assets held for sale	2.6	1.9	2.1	2.4	1.4
Cash and cash equivalents	6.5	8.7	9.3	10.1	16.3
<b>TOTAL ASSETS</b>	<b>174.3</b>	<b>253.6</b>	<b>279.8</b>	<b>319.9</b>	<b>342.4</b>

Equity & Liabilities, EUR mln	2018	2019	2020	2021	Q1 2022
<b>EQUITY</b>					
Share capital	-	1.0	1.0	1.0	1.0
Retained earnings	15.1	21.4	22.9	22.3	25.8
Foreign currency translation reserve	(0.4)	(0.8)	(2.3)	0.2	(0.2)
Reserve	0.1	0.3	0.3	0.8	0.8
<b>Equity attributable to equity holders of the Company</b>	<b>14.8</b>	<b>21.8</b>	<b>22.0</b>	<b>24.3</b>	<b>27.4</b>
Non-controlling interests	0.5	0.5	0.3	7.1	8.1
Subordinated debt	2.5	6.8	12.1	17.3	17.0
<b>TOTAL EQUITY</b>	<b>17.8</b>	<b>29.1</b>	<b>34.4</b>	<b>48.7</b>	<b>52.5</b>
<b>LIABILITIES</b>					
Borrowings	150.4	215.5	224.4	241.6	255.2
Provisions	1.4	0.9	0.4	0.1	0.2
Prepayments and other payments received from customers	0.1	0.2	0.5	0.9	0.6
Trade payable	1.2	1.3	1.3	2.7	2.0
Corporate income tax payable	0.6	0.3	0.8	3.7	5.8
Taxes payable	0.6	1.5	2.0	1.8	2.1
Other liabilities	0.2	2.4	8.6	10.1	11.0
Liability of subsidiary held for sale	-	-	3.9	6.1	9.0
Accrued liabilities	1.8	2.6	3.3	4.2	3.9
Other non-current financial liabilities	0.1	0.1	0.2	0.1	0.1
<b>TOTAL EQUITY + LIABILITIES</b>	<b>174.3</b>	<b>253.6</b>	<b>279.8</b>	<b>320.0</b>	<b>342.4</b>

# Statement of cash flow

EUR mln	2018	2019	2020	2021	Q1 2021	Q1 2022
<b>Cash flows to/from operating activities</b>						
Profit/(loss) before tax	5.7	6.9	0.9	13.5	4.9	6.5
Adjustments for:						
Amortization and depreciation	1.8	3.8	5.7	7.3	1.7	2.0
Interest expense	14.2	21.9	26.1	28.2	6.9	6.9
Interest income	(54.4)	(72.4)	(83.5)	(135.3)	(27.4)	(42.2)
Loss/(gain) on disposal of property, plant and equipment	0.2	1.0	1.4	1.3	1.4	0.5
Impairment expense	17.6	16.7	26.5	39.7	6.5	13.4
Gain on acquisition of subsidiaries	-	-	(11.5)	-	-	-
(Gain)/loss from fluctuations of currency exchange rates	0.3	(0.1)	11.7	0.5	(0.2)	1.2
<b>Operating profit before working capital changes</b>	<b>(14.6)</b>	<b>(22.3)</b>	<b>(22.7)</b>	<b>(44.8)</b>	<b>(6.2)</b>	<b>(11.7)</b>
(Increase)/decrease in inventories	(0.9)	1.1	(1.0)	(2.1)	(0.2)	(0.4)
Increase in receivables	(53.9)	(66.3)	(24.6)	(89.2)	(12.6)	(33.5)
Increase in trade payable, taxes payable and other liabilities	1.4	(3.2)	2.4	4.5	13.2	(0.7)
<b>Cash generated to/from operating activities</b>	<b>(68.1)</b>	<b>(84.3)</b>	<b>(45.9)</b>	<b>(131.6)</b>	<b>(5.8)</b>	<b>(46.3)</b>
Interest received	54.3	70.5	83.3	135.3	26.7	42.2
Interest paid	(12.4)	(19.4)	(22.6)	(25.3)	(8.6)	(4.3)
Corporate income tax paid	(1.2)	(1.8)	(1.0)	(3.7)	(0.7)	(0.8)
<b>Net cash flows to/from operating activities</b>	<b>(27.4)</b>	<b>(35.0)</b>	<b>13.8</b>	<b>(25.3)</b>	<b>11.6</b>	<b>(9.2)</b>

EUR mln	2018	2019	2020	2021	Q1 2021	Q1 2022
<b>Cash flows to/from investing activities</b>						
Purchase of property, plant and equipment and intangible assets	(1.9)	(5.4)	(4.0)	(5.9)	(2.3)	(1.4)
Purchase of rental fleet	(1.4)	(13.4)	(9.0)	(3.5)	(1.4)	(0.7)
Loan repayments received	1.5	9.2	3.3	18.7	1.6	4.2
Received payments for sale of shares in subsidiaries	-	0.2	5.3	-	-	-
Advance payments for acquisition of a subsidiaries	(1.0)	(0.3)	-	-	-	-
Acquisition of a subsidiary, net of cash acquired	(0.9)	(0.8)	(4.1)	-	-	-
Disposal of discontinued operation, net of cash disposed of	-	(1.4)	(0.3)	-	-	-
Payments for acquisition of non-controlling interests	-	(0.1)	(0.1)	-	-	-
Loans issued	(10.7)	(11.4)	(0.4)	(0.1)	-	--
<b>Net cash flows to/from investing activities</b>	<b>(14.4)</b>	<b>(23.4)</b>	<b>(9.3)</b>	<b>9.2</b>	<b>(2.1)</b>	<b>2.1</b>
<b>Cash flows to/from financing activities</b>						
Proceeds from issue/(repayment) of share premium	-	1.0	-	-	-	-
Proceeds from borrowings	304.7	108.3	212.8	537.5	145.1	49.9
Repayments for borrowings	(259.5)	(47.0)	(216.6)	(520.6)	(151.8)	(36.6)
Repayment of liabilities for right-of-use assets	(1.8)	(1.8)	-	-	-	-
Dividends paid to non-controlling shareholders	(0.1)	-	-	(0.3)	-	-
<b>Net cash flows to/from financing activities</b>	<b>43.3</b>	<b>60.5</b>	<b>(3.8)</b>	<b>16.6</b>	<b>(6.7)</b>	<b>13.3</b>
Effect of exchange rates on cash and cash equivalents	(0.2)	0.1	-	-	-	-
<b>Change in cash</b>	<b>1.3</b>	<b>2.1</b>	<b>0.7</b>	<b>0.5</b>	<b>2.8</b>	<b>6.2</b>
Cash at the beginning of the year	5.2	6.5	8.6	9.3	9.3	10.1
<b>Cash at the end of the year</b>	<b>6.5</b>	<b>8.7</b>	<b>9.3</b>	<b>9.8</b>	<b>12.1</b>	<b>16.3</b>

# Glossary

## 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)
- **Conversion rate** — number of loans issued/number of loan applications received
- **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
- **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
- **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
- **Marketing expenses with effective costs per loan issued**—marketing expenses for the period divided by number of loans issued in the respective period
- **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
- **DPD** – days past due
- **Flexible lease and subscription-based products** – 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

## Market definitions

- **Developed markets:** markets where the Group has operated for more than 3 years, with already substantial net portfolios (more than EUR 7 million). Those being: Latvia, Lithuania, Estonia, Georgia, Armenia, Romania, Moldova, Belarus
- **Emerging markets:** markets where the Group has operated for less than 3 years, and portfolios are in their early growth stage. Those being: Kenya, Uganda, Uzbekistan
- **On-hold markets:** markets where the Group has stopped or limited its issuances to minimum with the goal to exit some markets. Those being: Poland, Bosnia and Herzegovina
- **Consumer finance markets:** markets where the Group offers consumer loans only. Those being: Albania, North Macedonia, Moldova, Ukraine

# Thank you!

## Eleving Group

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