

Mogo Finance Investor Presentation



November 2019

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Disclaimer (Continued)

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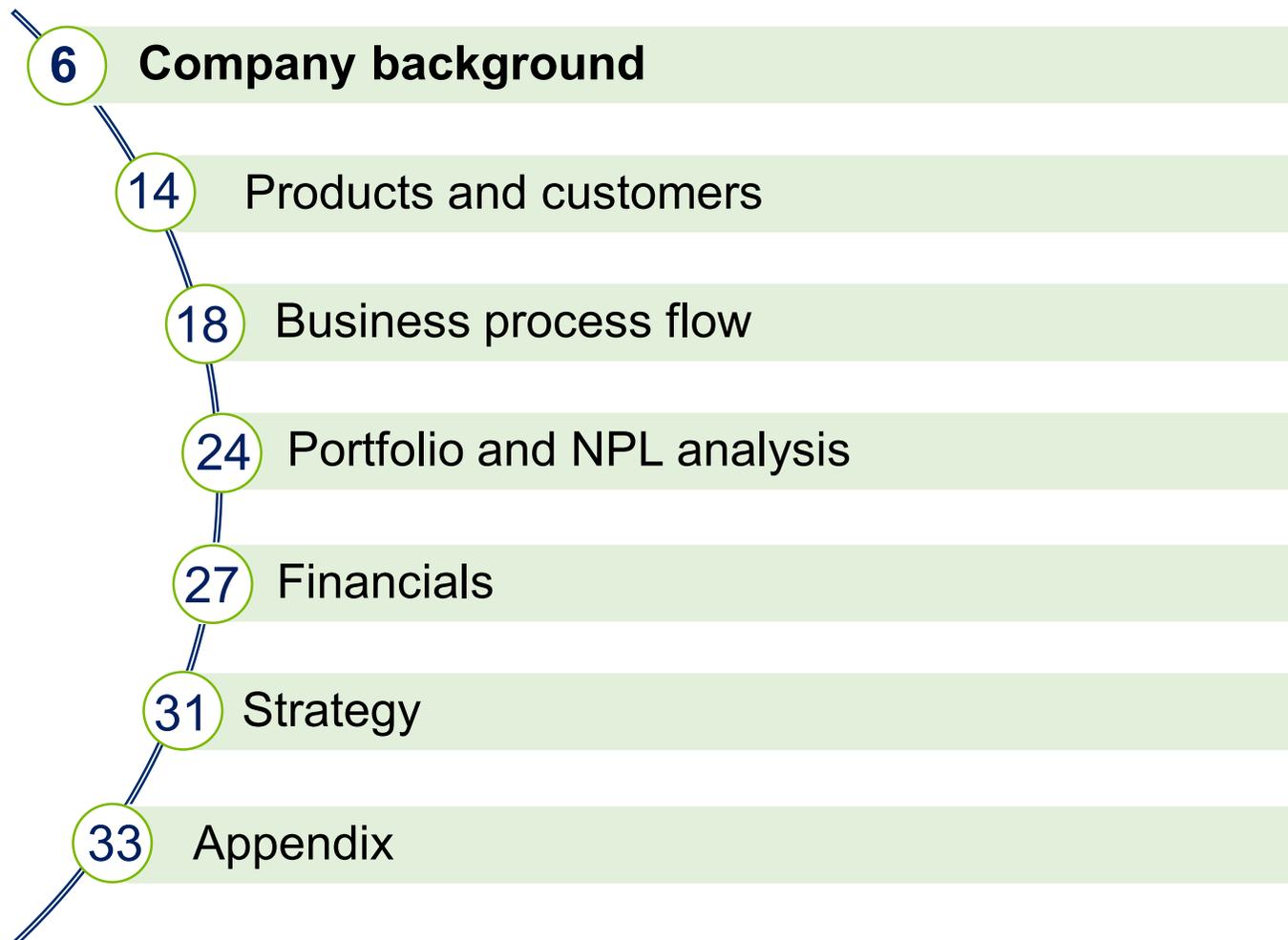
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Term sheet

Issuer	Mogo Finance S.A. (ISIN: XS1831877755)
Status	Senior secured bond
Structure	Guaranteed and secured
Pledgors	<ul style="list-style-type: none"> As of the Settlement Date: AS "mogo" (Latvia), mogo OÜ (Estonia); UAB "mogo LT" (Lithuania), Mogo LLC (Georgia), Mogo Bulgaria EOOD (Bulgaria), MOGO Universal Credit Organization LLC (Armenia), Mogo IFN SA (Romania), "MOGO LOANS" SRL (Moldova); Mogo Finance (Luxembourg) All group companies with Net Loan Portfolio of at least EUR 7.5 million
Security Package	<ul style="list-style-type: none"> Pledge over all present and future loan receivables of the Pledgors Pledge over trademarks of the Pledgors Pledge over all the shares held directly by the Issuer or other group companies in the Pledgors Pledge over the intra-group loans granted with the proceeds from the issue of the Bonds, up to the outstanding Nominal Amount General business pledge / pledge over the rights to repossess the cars to be granted by the Pledgors and Pledge over primary bank accounts of the Pledgors Guarantees by present and future active subsidiaries
Currency	Euro
Current outstanding	EUR 75 million
Additional issue size	Up to EUR [50] million (aggregated Bond Volume up to EUR [125] million)
Denomination	EUR 1,000
Minimum subscription	EUR 100,000
Maturity	10 July 2022
Coupon	9.50 %
Use of proceeds	Partial Refinancing of Mintos Debt
Lead Manager & Sole Bookrunner	Stifel Nicolaus Europe Limited
Sales agent	BlueOrange Bank AS (Latvia) and Gottex Brokers SA
Key Terms	<ul style="list-style-type: none"> Redemption: <ul style="list-style-type: none"> Issuer Call Put option (change of control, breach of maintenance covenants, sanctioned persons, quality of the portfolio) Taxation Equity claw back (35% of the notes) Limitation on indebtedness; restricted payments; negative pledge; transactions with affiliates; merger or consolidation; business activities; maintenance of authorizations; additional guarantors; maintenance of listing; designation of restricted and unrestricted subsidiaries Annual and quarterly reporting Events of default
Listing and Law	Frankfurt Stock Exchange Regulated Market (subject to timely approval by the CSSF) / Luxembourg law

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A vertical index diagram consisting of seven horizontal green bars. A blue line on the left side of the bars curves downwards, passing through a series of white circles with green borders. Each circle contains a page number, and each bar contains a corresponding page title.

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Presenters



Modestas Sudnius
Chief Executive Officer

- Modestas has been at Mogo Finance since 2013
- He started as country manager for Lithuania, where he established successful operations and subsequently in January 2018 was promoted to regional CEO for core markets of Mogo Finance in Latvia, Lithuania, Estonia, Georgia and Armenia
- In November 2018, he joined the Mogo Finance management team as CEO
- Prior to Mogo Finance, Modestas worked at international organizations, such as EY and EPS LT, UAB
- Modestas is a graduate of the Management program from ISM University of Management and Economics and also holds a Master's degree from the Stockholm School of Economics



Maris Kreics
Chief Financial Officer

- Maris has been at Mogo Finance since 2015
- Before joining Mogo Finance he spent two years in a corporate finance role working for the largest telecommunications service company in Latvia – Tet (prev. Lattelecom). Before that, he spent seven years at PwC with two of them in New York, working exclusively on one of the largest S&P 500 Tech company's lead audit team, which was responsible for managing other audit teams globally
- Maris holds a Master's degree in Finance from BA School of Business and Finance
- Maris is a CFA Charterholder and a member of ACCA since 2011 (Fellow since 2016)

Mogo Finance at a glance

Leading European used car finance provider

- Unique provider of used car financing to underserved customers across Europe and Central Asia
- Leading offline presence through 1,800+ car dealerships, ~100 branches and Mogo-owned used car sales lots
- Strong online presence through own used car sales portals and exclusive car classified ad deals
- Diversified risk profile and presence in 14 countries across Europe and Central Asia
- Focus on secured lending against the title to the car, with finance lease or car leaseback options
- Low funding amounts and fast & intelligent data-driven credit assessments results in a different risk profile in comparison to “traditional” banks and leasing companies

Group financials, EUR m	2016	2017	2018	6M 2018	6M 2019
Interest and similar income	27.5	35.6	54.4	24.8	33.9
EBITDA	15.1	20.0	20.4	8.1	14.9
Net profit	5.6	9.0	4.6	2.1	3.3
Loans issued	55.3	83.3	121.5	64.0	83.4
Car stock	1.2	3.0	4.3	4.1	6.9
Net loan portfolio	63.8	97.2	139.9	119.7	161.4
Equity	13.2	11.5	15.3	13.1	17.9
Net debt	53.1	91.4	146.4	121.7	181.7
Net margin	20%	25%	9%	8%	10%

Note: EBITDA is shown before forex fluctuation expense

14¹⁾
Markets
of Operation

815¹⁾
Employees

9%²⁾
Acceptance rate

8¹⁾
Profitable countries
(on a monthly basis)

B-
Rating from
Fitch

100,000¹⁾
Active
customers

37%²⁾
Revenue
growth y-o-y

EUR 405m+
Loans issued
since inception

84%²⁾
EBITDA
growth y-o-y

1) As at 30 June 2019

2) From 1H 2018 to 1H 2019

Mogo Finance - Investment Highlights

Leading European Used Car Finance Provider

- ✓ Mogo has built a platform focused on facilitating and financing transactions with used cars, successfully addressing underserved demand not met by traditional leasing companies or banks in strategically targeted regions
- ✓ With a strong online presence, c.100 strategically located branches, and over 1,800 partner locations, Mogo is the market leader in the majority of the 14 countries in which it operates

Proven and Sustainable Business Model

- ✓ Secured lending against high-quality used vehicles which preserve their value
- ✓ Loan to value decreases throughout due to monthly amortization of the loan, while Mogo retains title to the vehicle
- ✓ High total recovery rate¹⁾ from terminated loans of 92% since inception (63% comes from cars and the rest from debt collection procedures) due to Mogo's expertise in valuation, collection and monetization of cars after 35 days past due ("DPD")
- ✓ Successfully replicated the model in countries across Europe and Central Asia, resulting in a diversified risk profile and loan portfolio

Rigorous Underwriting and Approval Process

- ✓ Robust data-driven credit scoring models built to capture customers with the targeted risk profile
- ✓ 9% approval rate on c. 500,000 applications received in the first six months of 2019
- ✓ Sophisticated automated car evaluation tool used to instantly assess a vehicle's value

Strong Financial Growth

- ✓ Achieved double-digit growth in key financial and profitability indicators
- ✓ 36.8% growth in revenue and 84.3% growth in EBITDA from 1H 2018 to 1H 2019
- ✓ Growth driven by geographic expansion and further penetration of existing markets
- ✓ Strong focus on operational costs control and profitability at individual countries – demonstrated proof of concept with positive growth and profitability trajectory in all mid-tier countries operating since 2017

Experienced Management with Proven Track Record

- ✓ Mogo's executive team and country managers consist of qualified professionals with extensive experience in international financial markets and the banking sector
- ✓ Decentralized organizational structure with HUB-level management teams reporting to the Group to encourage efficiency and ensure a regional focus

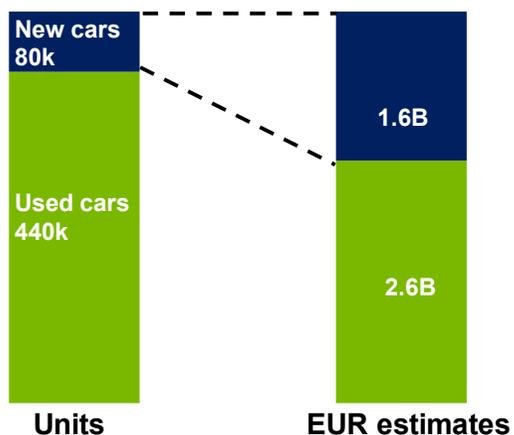
1) Total recovery rate = (Income from sold repossessed cars and debt collection procedures) / Outstanding debt amount at termination

Market opportunity

- In the Baltics, sales of used cars far exceed those of new cars, in terms of both units and value, creating a significant market opportunity for used car financing
- The Company operates in countries with a higher average vehicle age, where the market opportunity is larger
- Used car financing is an attractive niche market, as traditional banks and leasing companies mainly focus on financing purchases of new cars
- Mogo enjoys a leading position in most countries in which it operates, usually only facing smaller regional competitors

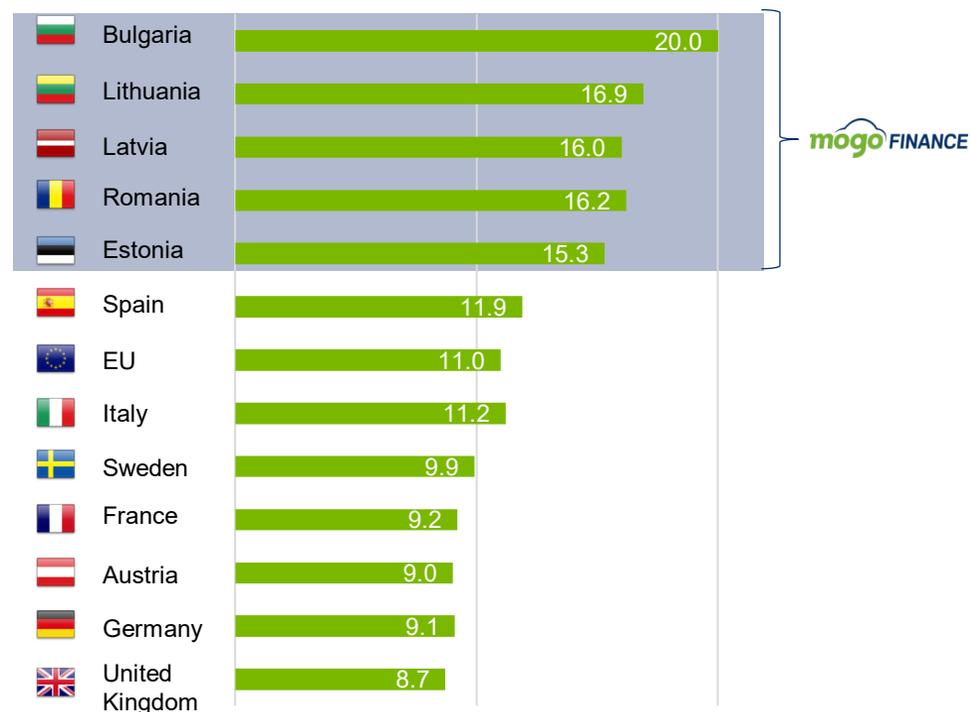
Case study: Baltic countries ¹⁾

Passenger car sales, Baltic 2018



(1) Preliminary analysis. Average used car price estimated at EUR 6k for used car and EUR 20k for a first registration car. The estimate only includes data on the local consumer market, and vehicle export volumes are not included.

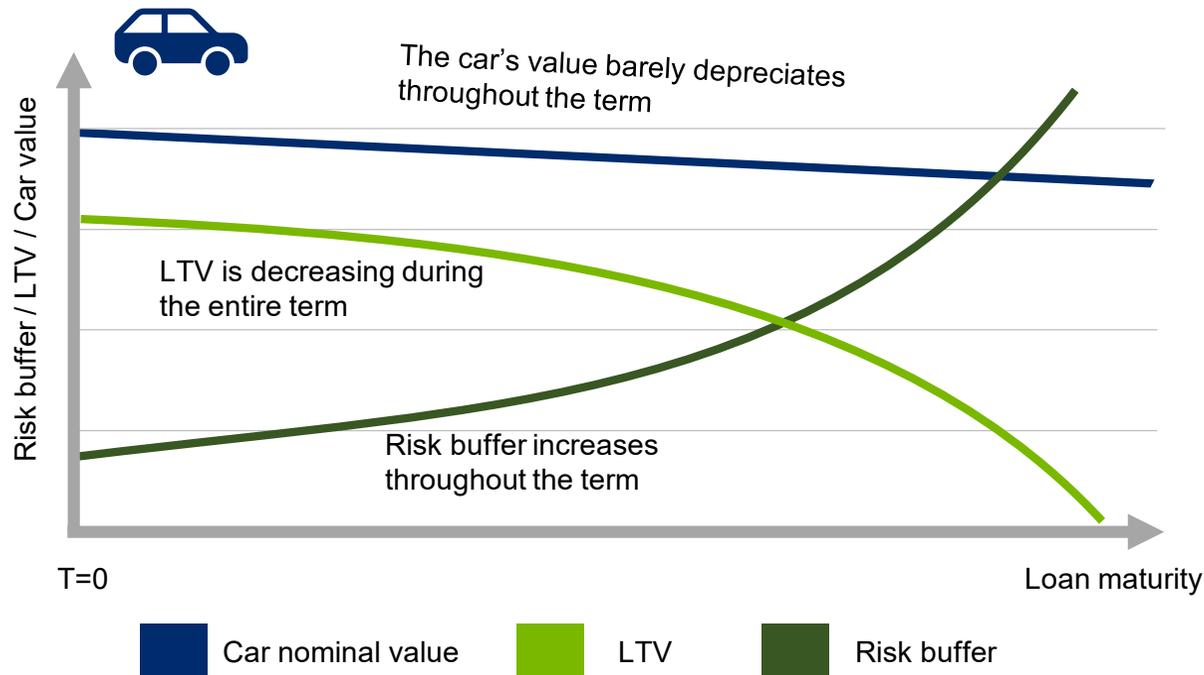
Average age of the EU car fleet in 2016



Source: European Automobile Manufacturers Association, CSDD, Statistic Bureau

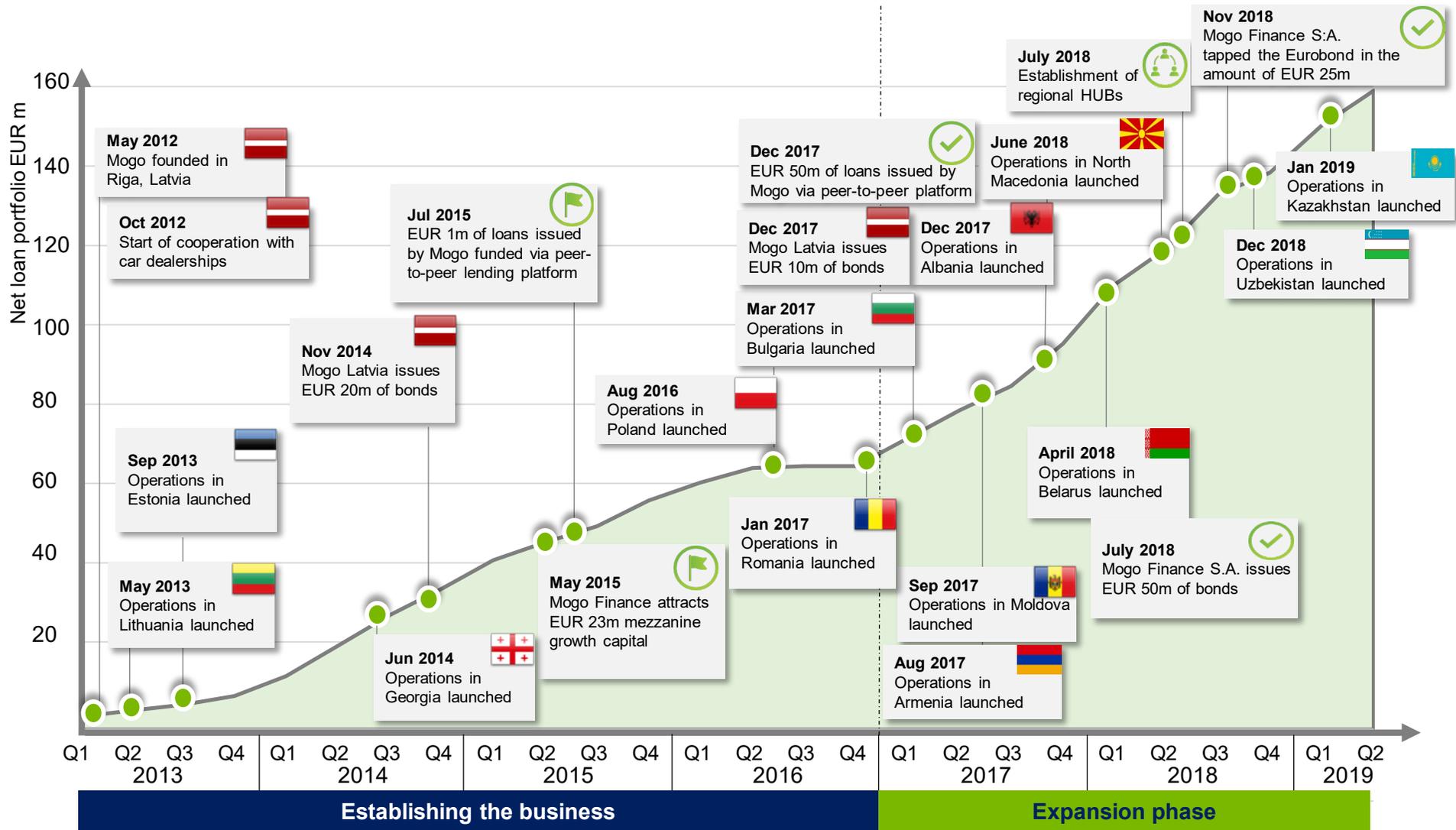
Low risk profile due to used car economics

Loan to value during the life of the loan

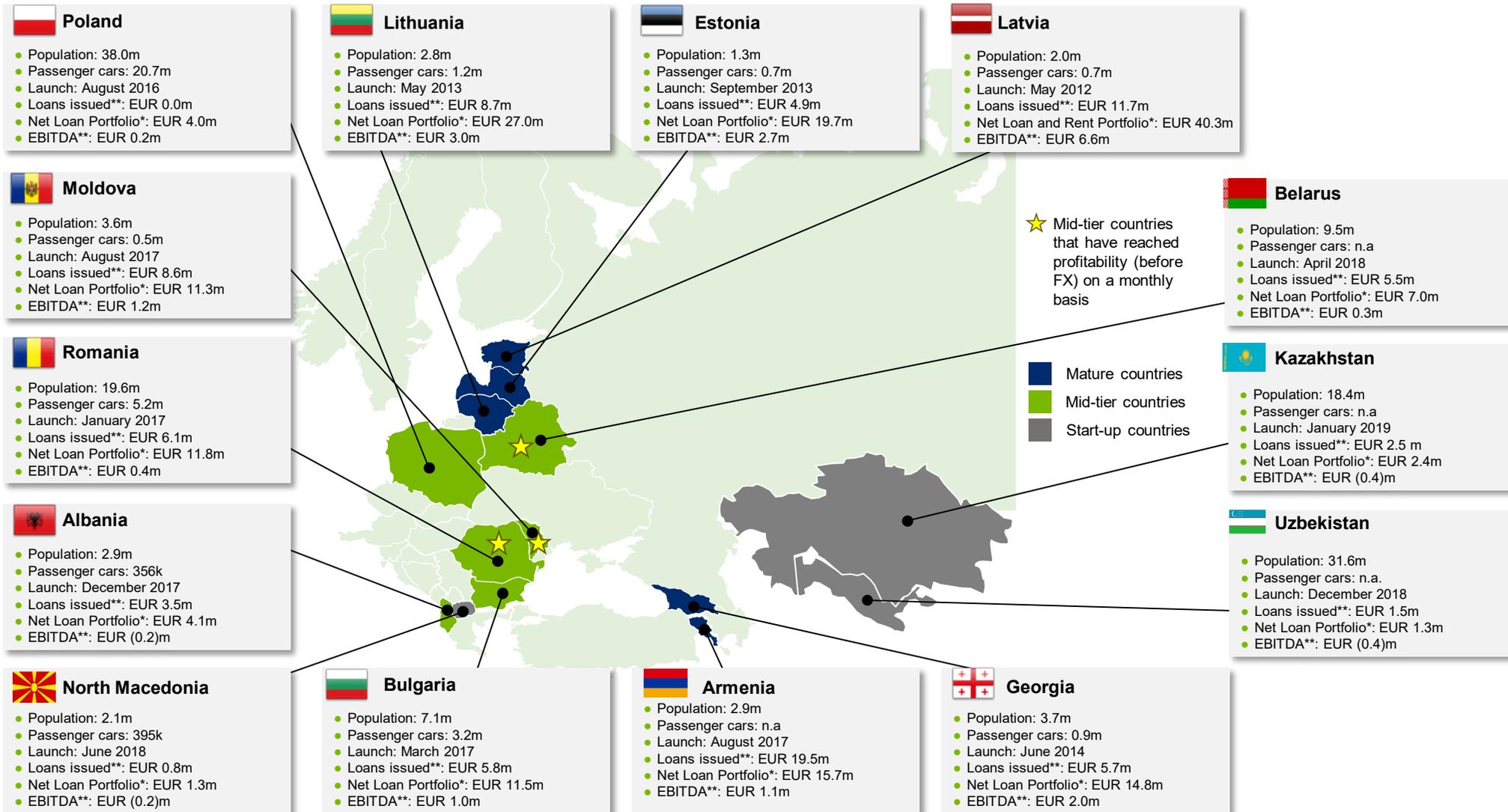


- High-quality used cars preserve their value. Mogo's borrowers repay a portion of the loan principal each month. Therefore, the LTV of the loan is constantly decreasing
- Mogo retains access to the collateral – title to the car – throughout the life of the loan
- In the event of default, Mogo can, ultimately, repossess and sell the car
- Recovery in this scenario has historically been 92% since inception

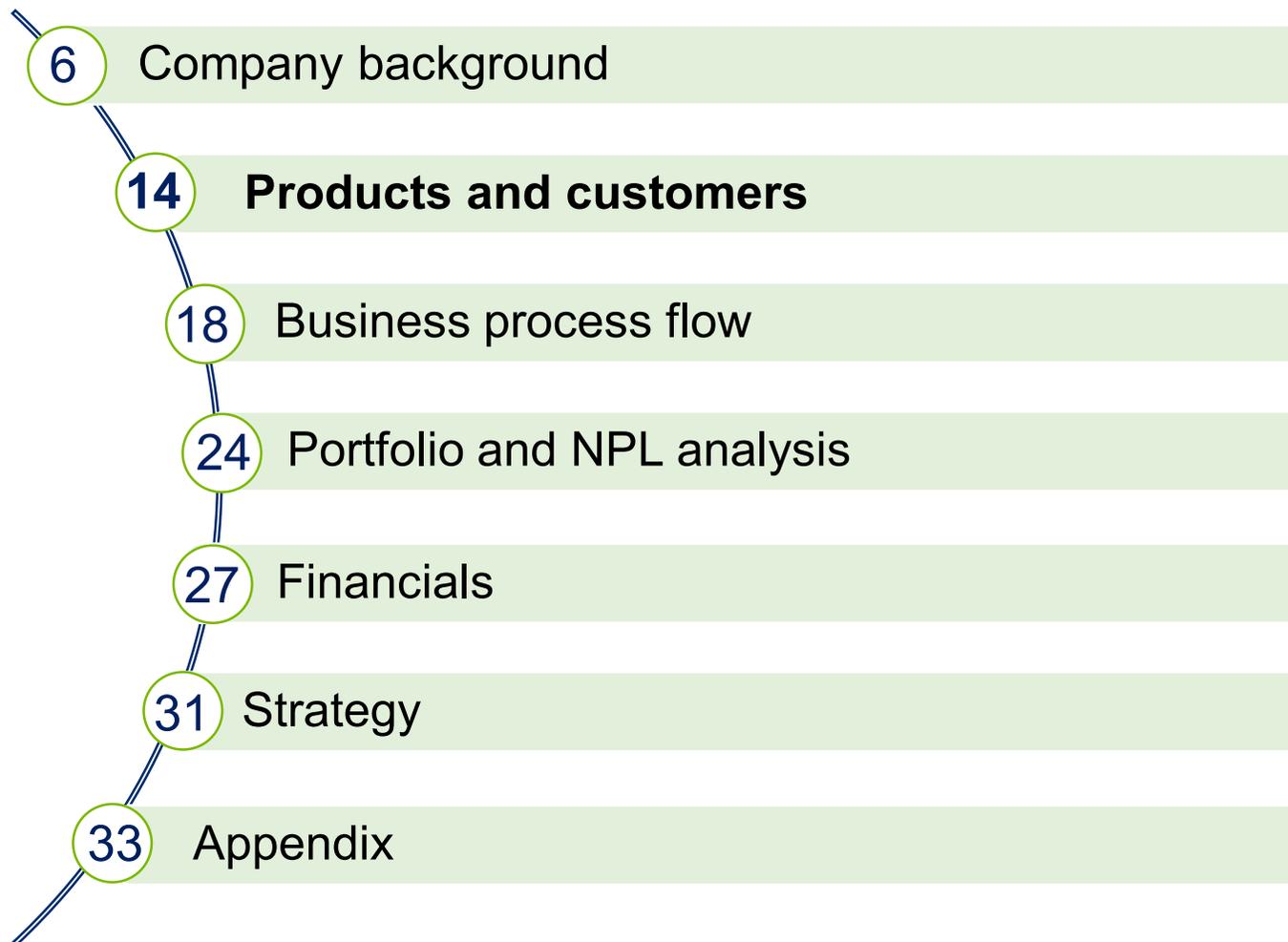
Geographic and financial expansion



Diversification of operations eliminating single market risk



Index

A vertical index diagram consisting of seven horizontal green bars. A blue line starts at the top left, passes through a circle containing the number '6', then curves down and to the right, passing through circles containing the numbers '14', '18', '24', '27', '31', and '33'. Each number is positioned at the start of a corresponding green bar. The text for each bar is to the right of the number.

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Clear product offering

	Core Products		Complementary Products	
Product	Financial leasing	Sale and lease back	Long term rent	Instalment loans
Share of portfolio (%)	65%	26%	4%	5%
Loan amount	<ul style="list-style-type: none"> Up to EUR 15,000 	<ul style="list-style-type: none"> Up to EUR 10,000 	<ul style="list-style-type: none"> Up to EUR 15,000 	<ul style="list-style-type: none"> Up to EUR 5,000
Term	<ul style="list-style-type: none"> Up to 84 months 	<ul style="list-style-type: none"> Up to 84 months 	<ul style="list-style-type: none"> Up to 84 months 	<ul style="list-style-type: none"> Up to 48 months
Min - Max loan size	<ul style="list-style-type: none"> EUR 410 - 15,000 	<ul style="list-style-type: none"> EUR 300 - 10,000 	<ul style="list-style-type: none"> EUR 500 - 15,000 	<ul style="list-style-type: none"> EUR 100 - 5,000
Min - Max interest rate	<ul style="list-style-type: none"> 1.5 - 5.5% per month 	<ul style="list-style-type: none"> 1.5 - 5.5% per month 	<ul style="list-style-type: none"> 1.9 - 3.9% per month 	<ul style="list-style-type: none"> 3.0 - 9.0% per month
Payment structure	<ul style="list-style-type: none"> Fixed monthly payments 			
Issuance commission	<ul style="list-style-type: none"> Average 5% 	<ul style="list-style-type: none"> Average 4% 	<ul style="list-style-type: none"> 0% 	<ul style="list-style-type: none"> Average 10%
Markets	<ul style="list-style-type: none"> All Mogo markets 	<ul style="list-style-type: none"> All Mogo markets 	<ul style="list-style-type: none"> Latvia 	<ul style="list-style-type: none"> Latvia, Estonia
Distribution channels	<ul style="list-style-type: none"> Online Offline Partners 			

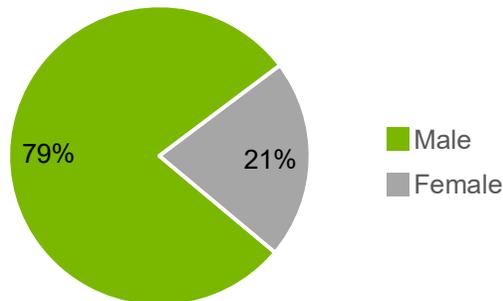
Diverse customer profile

Typical characteristics of Mogo's customers

- Has regular income
- Possesses a bank account
- Uses a car on a regular basis
- Regularly changes cars
- Cares about low monthly payments
- Limited savings

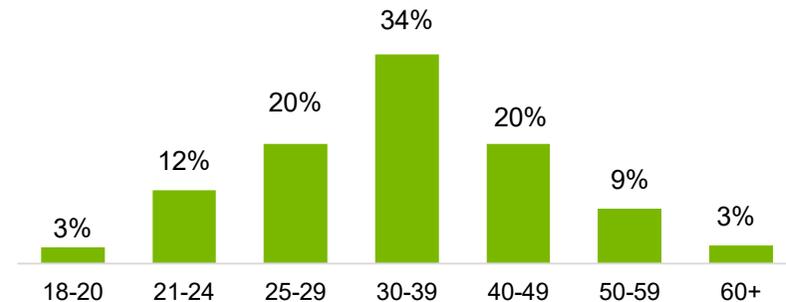
Customer split by gender

Issued from 01.07.2018 – 30.06.2019



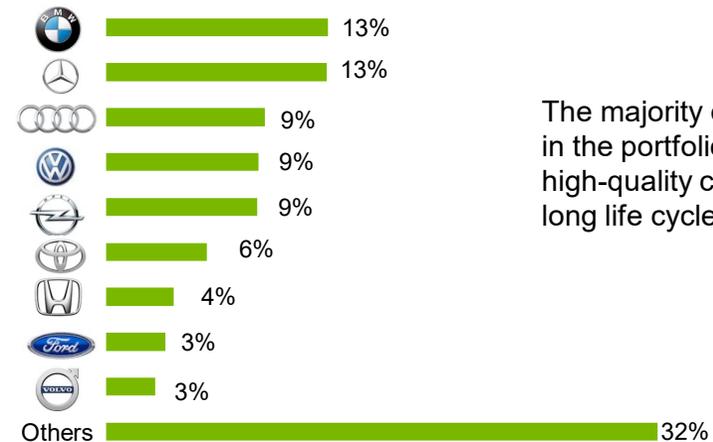
Customer split by age

Issued from 01.07.2018 – 30.06.2019



Customer split by car maker

Issued from 01.07.2018 – 30.06.2019



The majority of cars in the portfolio are high-quality cars with long life cycles

Portfolio analysis

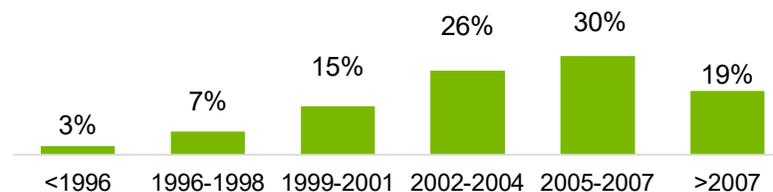
Product overview

Product structure	<ul style="list-style-type: none"> Finance lease or vehicle sale and leaseback options available
Loan portfolio breakout (% of portfolio)	<ul style="list-style-type: none"> 65% Finance lease 26% Leaseback 5% Instalment 4% Rent
Loan amount	<ul style="list-style-type: none"> Up to EUR 15,000
Average loan amount ¹⁾	<ul style="list-style-type: none"> EUR 3,163
Average term ¹⁾	<ul style="list-style-type: none"> 47 months
Average LTV ²⁾	<ul style="list-style-type: none"> 79%
Average car age ²⁾	<ul style="list-style-type: none"> 13 years
Average interest rate ¹⁾	<ul style="list-style-type: none"> 3.65% per month
Repayment schedule	<ul style="list-style-type: none"> Fixed monthly payments

1) Since inception
2) As at the beginning of the contract

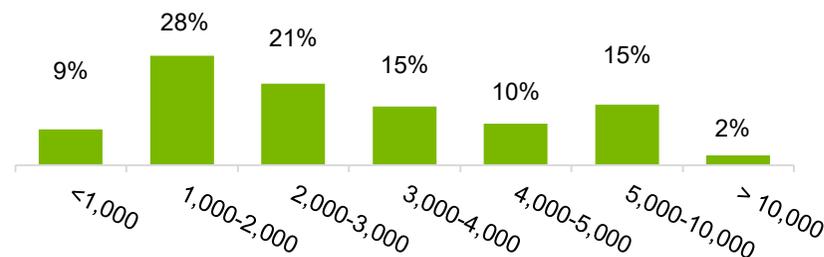
Car manufacturing year

Issued from 01.07.2018 – 30.06.2019



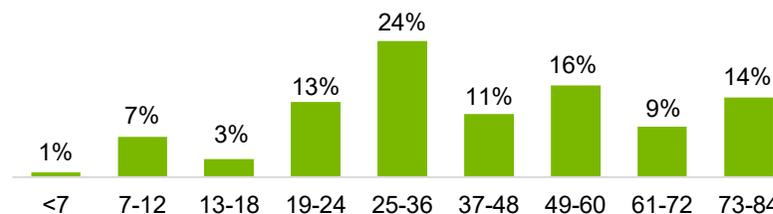
Loan size (EUR) ³⁾

Issued from 01.07.2018 – 30.06.2019



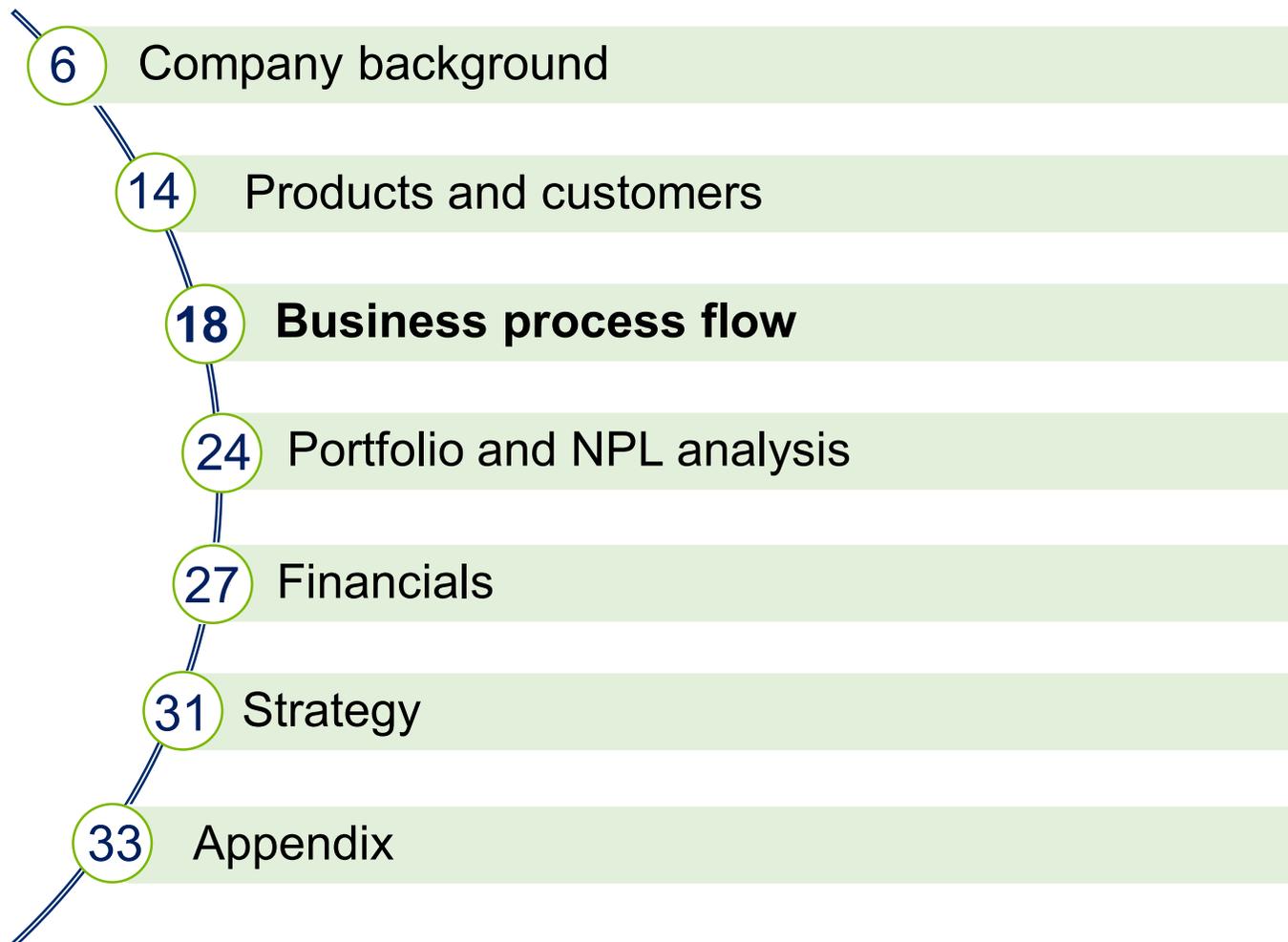
Term (months) ³⁾

Issued from 01.07.2018 – 30.06.2019



3) Based on the number of units at the time of issuance (excluding instalment)

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A vertical index diagram consisting of seven horizontal light green bars. A blue line on the left side connects the page numbers, which are enclosed in green circles. The text on each bar is in a dark blue font. The page number '18' is bolded.

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Marketing tailored to geography

Marketing strategy



- Application tool for desktop and mobile devices



- Phone
- Own branches

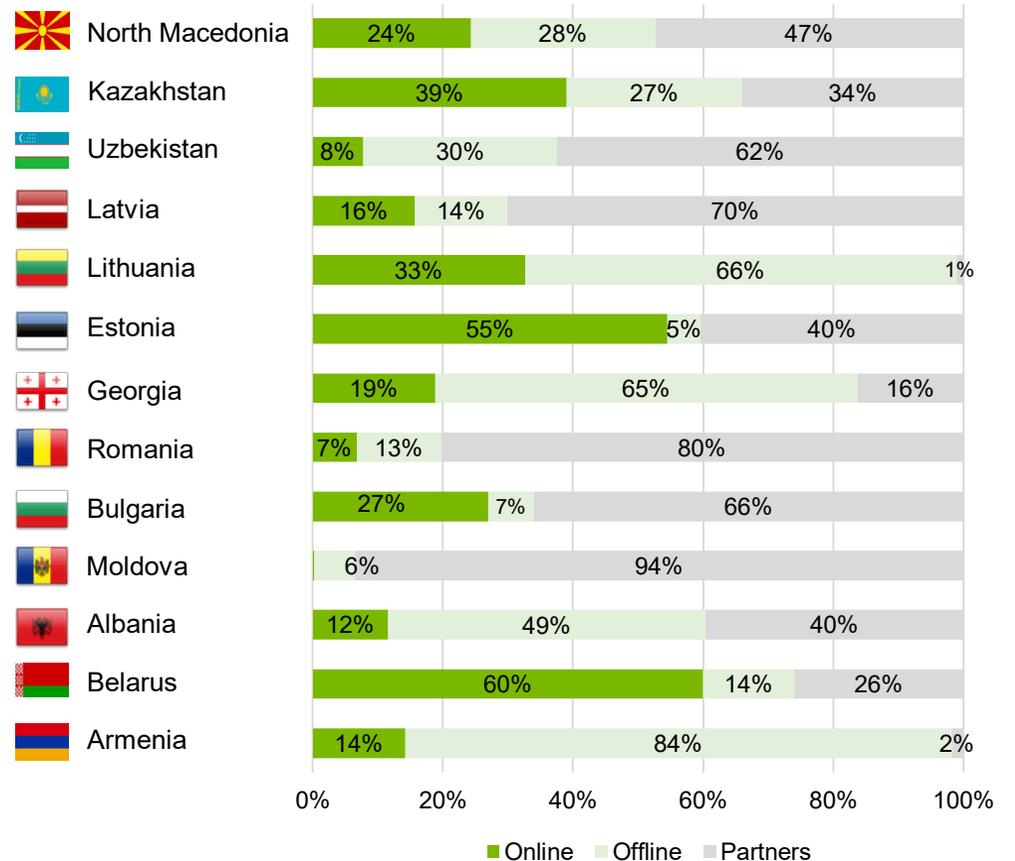


- Car dealerships
- Non-banking financial intermediaries

Effective client reach due to Mogo's focused marketing strategy and wide distribution channels

Omni-channel loan issuance

Issued from 01.07.2018 – 30.06.2019



Solid sales and underwriting network

Strong onsite presence and established relationships with car dealerships and brokers

Latvia

- 8 branches
- 237 car dealerships



Lithuania

- 6 branches
- 146 car dealerships



Estonia

- 3 branches
- 108 car dealerships



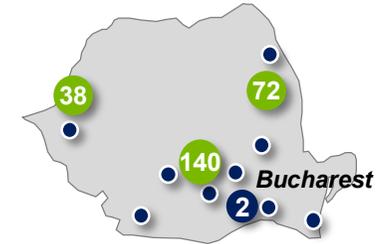
Georgia

- 12 branches
- 261 car dealers, incl. 17 larger car dealerships



Romania

- 11 branches
- 250+ car dealerships



Bulgaria

- 18 branches
- 102 car dealerships



Armenia

- 6 branches
- 164 car dealerships



Other geographies

- 34 branches
- 138 larger car dealerships

Group's total underwriting network

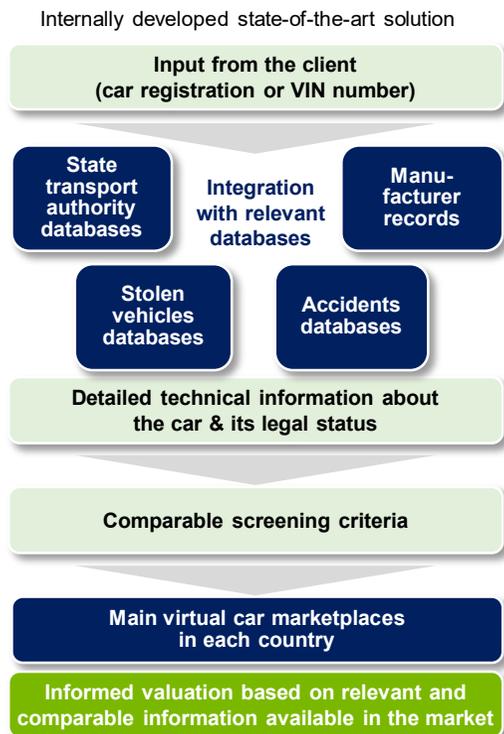
- 97 branches
- 1,800+ car dealerships

Branch Partner's location

Data driven underwriting

Rigorous credit assessment with fast decision output

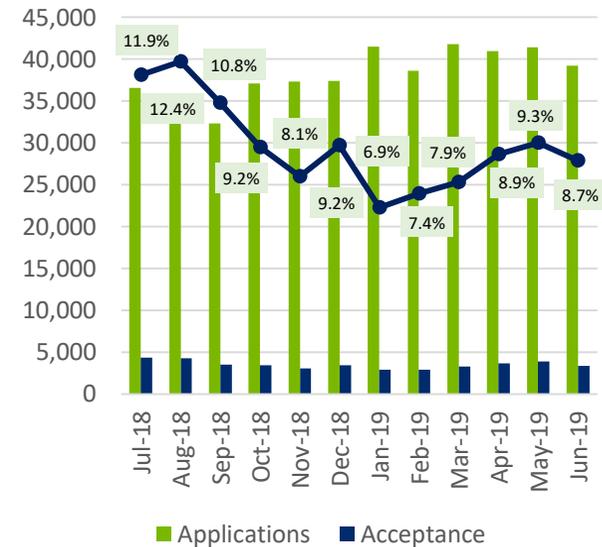
Car: Automated instant valuation



Client: Automated scoring



Total applications vs total acceptance



9% acceptance rate on c. 500,000 applications received from July 2018 to June 2019



Instant preliminary offer, based on car value and client scoring, using scalable and efficient proprietary IT platform

Fraud prevention

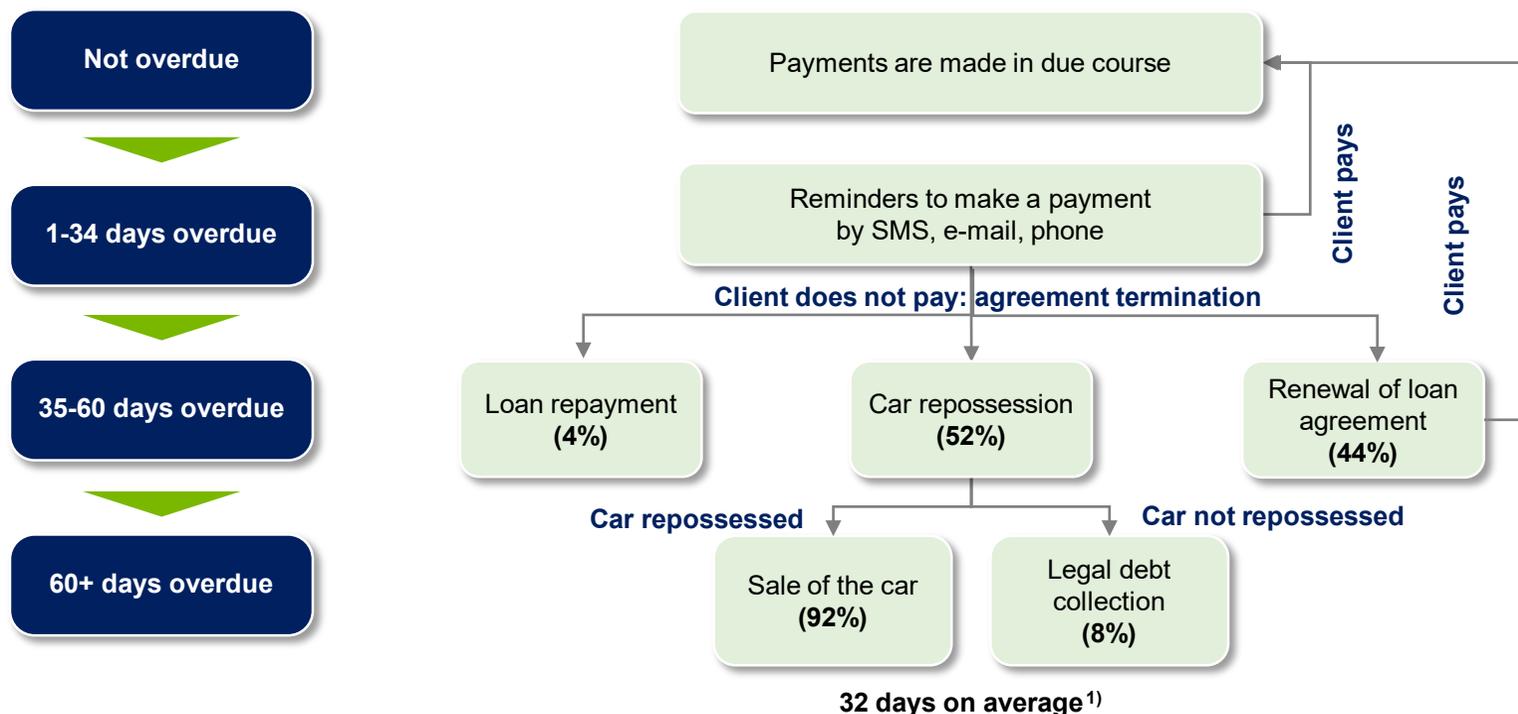


For the purpose of vehicle evaluation, Mogo has internally developed a state-of-the-art solution with the integration of multiple relevant databases



1) Depending on the market, either all or selected segments of cars are equipped with GPS devices

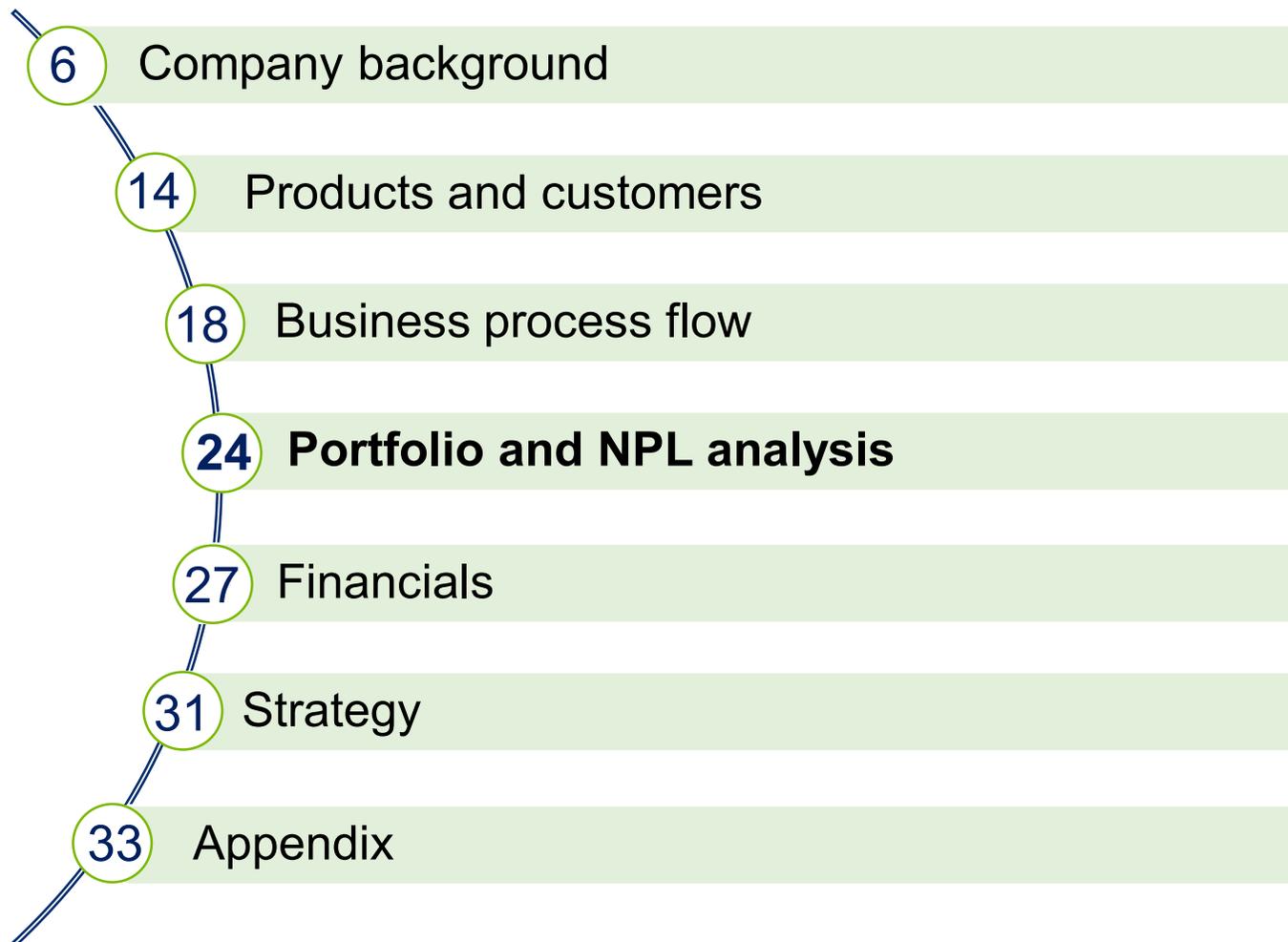
Efficient debt collection process



- Dedicated in-house debt collection team in each country (except Estonia, where outsourcing debt collection is more efficient)
- All debt collection practices fully compliant with local regulation
- Effort taken to reach an agreement with customers to find a solution for loan repayment prior to pursuing further debt collection activities
- Throughout the loan period, the customer can modify the agreement (extend loan term, make partial repayment etc.)
- Loan agreement termination upon 35-60 days overdue to physically repossess the car and preserve its value
- Sale of a repossessed car takes 32 days on average from loan termination, calculated for the first six months of 2019¹⁾

1) Includes mature countries (Latvia, Lithuania, Estonia, Armenia and Georgia) only

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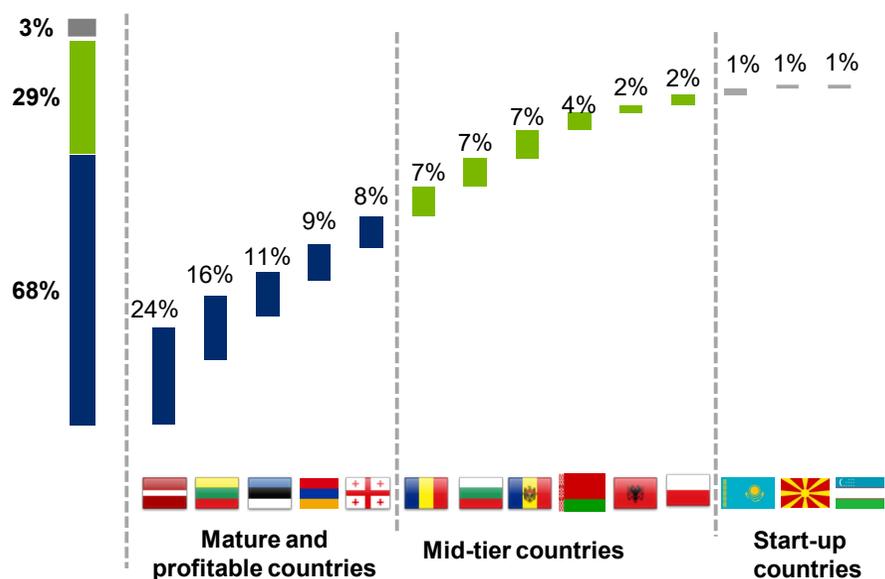
A vertical index diagram consisting of seven horizontal green bars. A blue line on the left side connects the page numbers, which are enclosed in green circles. The text on each bar is white. The fourth bar, 'Portfolio and NPL analysis', is bolded.

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Diversified loan portfolio

Net loan and rent portfolio by country

6M 2019



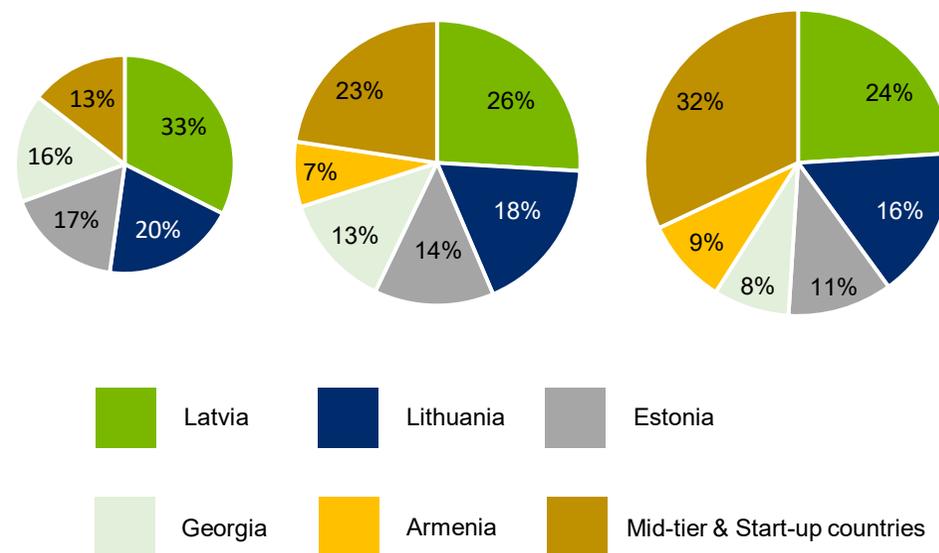
- The loan portfolio of mid-tier and start-up countries was EUR 49.7m and EUR 5.9m respectively, an increase of EUR 21.0m and EUR 3.0m as compared to FY 2018

Net loan and rent portfolio diversification

2017: EUR 97.2m

2018: EUR 141.3m

6M 2019: EUR 171.5m

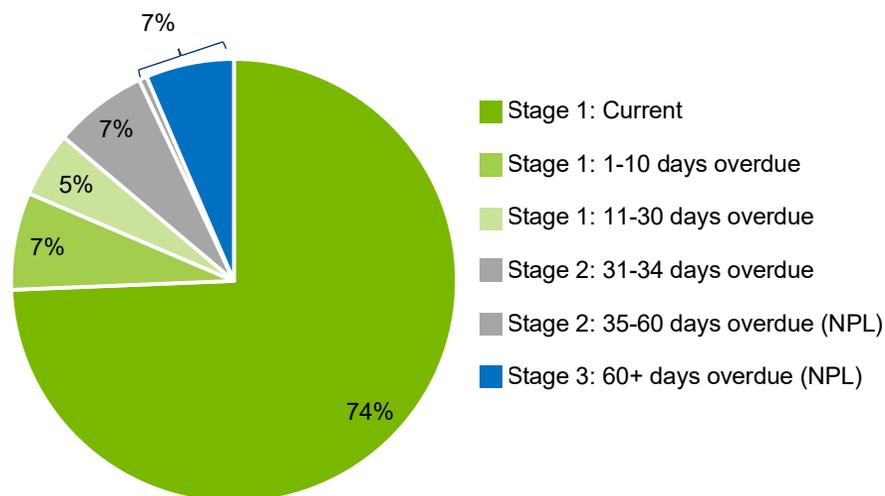


- Diversifying the risk with sustainable growth through geographical expansion: The share of mid-tier and start-up countries as at 30 June 2019 increased to 32.4% (FY 2018: 22.2%, FY 2017: 13.1%)

Non-performing loans and provisioning

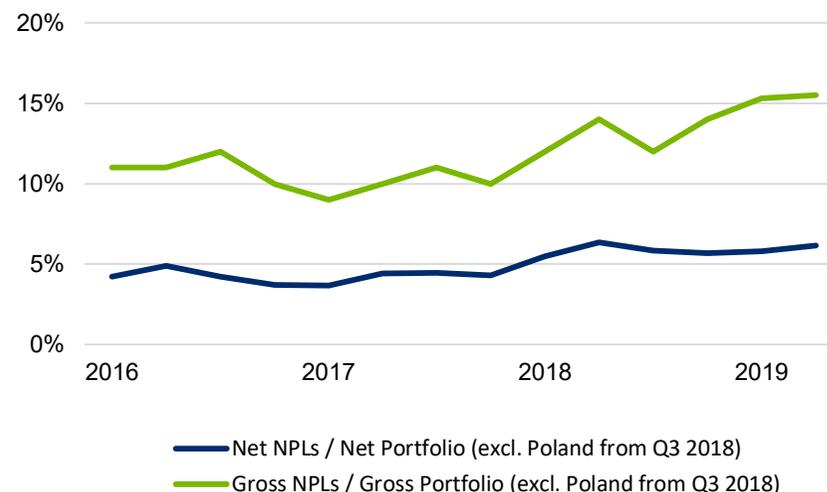
Net loan portfolio quality analysis

As at 6M 2019



- Conservative NPL definition of 35+ days overdue
- Performing loan portfolio (“current” and “1-10 days overdue”) accounts for 81%
- Prudent impairment policy, with effective impairment rate of 13% of gross loan portfolio
- Provision coverage (total provisions/gross NPL) ratio of 86%

Gross and net NPL (35+ DPD) portfolio ¹⁾



- Due to Mogo’s position as a secured lender, overdue loans remain on the balance sheet as long as there is a reasonable expectation of recovery
- Controlled profit maximizing strategy in some mature countries and entrance into new markets has led to a rise in Gross NPLs
- Full adoption of IFRS 9 together with stringent provisioning has resulted in NPLs on a Net portfolio basis being a true indicator of the portfolio quality and remaining stable

1) Net loan portfolio (including accrued interest) = Gross loan portfolio - provisions

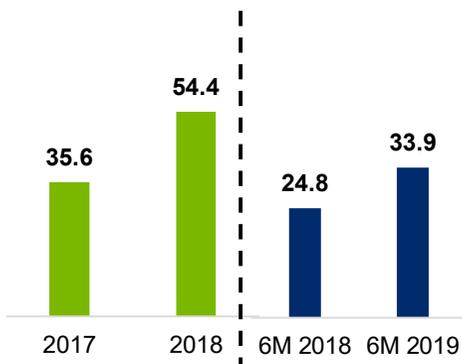
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A vertical index diagram consisting of seven horizontal green bars. A blue line on the left side connects the numbers in circles to the bars. The numbers are 6, 14, 18, 24, 27, 31, and 33. The word 'Financials' is bolded.

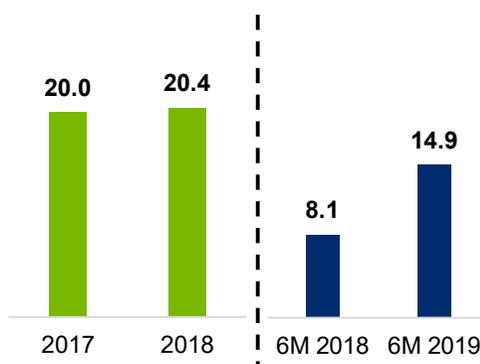
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Financial highlights

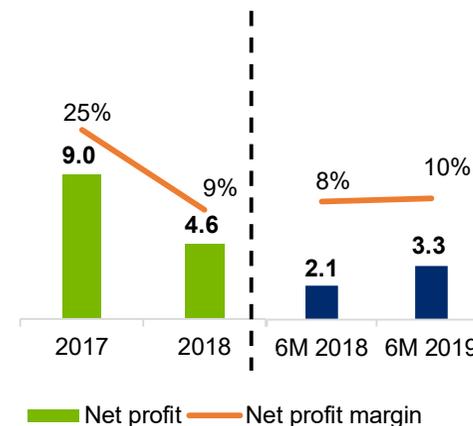
Revenue EUR m



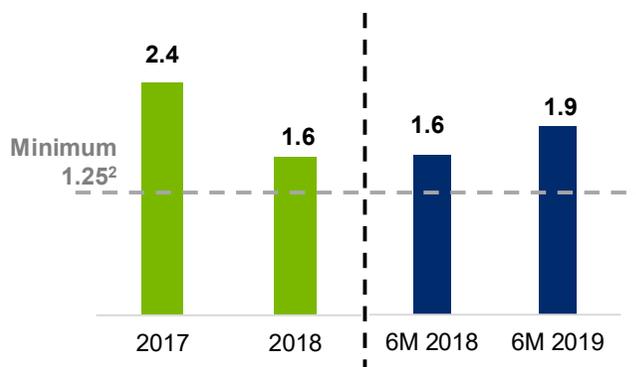
EBITDA EUR m



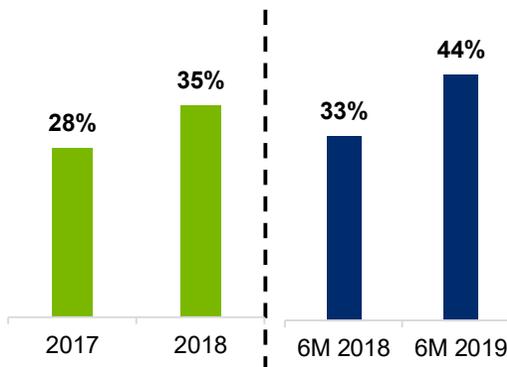
Net profit EUR m and margin



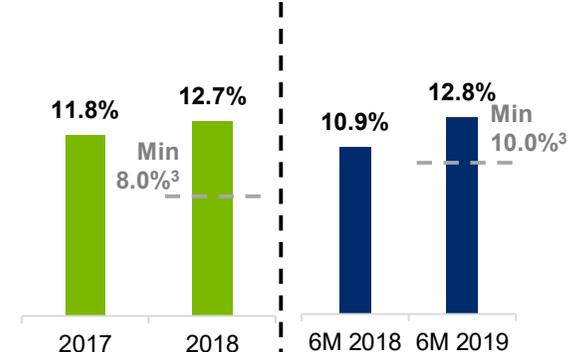
Interest coverage ratio



Cost to income ratio¹⁾



Capitalization ratio



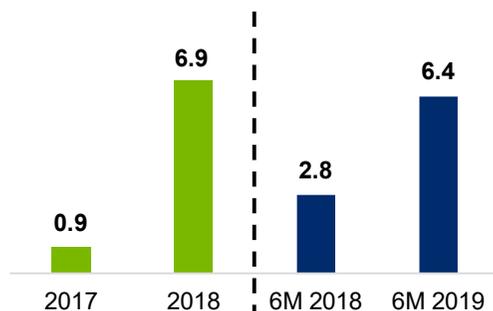
1) Cost to income ratio increased due to introduction of HUB structure
 2) Financial covenant - Interest coverage ratio of at least 1.25

3) Financial covenant - Capitalization ratio of at least 8.0% until the end of the financial year ending on 31 December 2018; and 10.0% until the end of the financial year ending on 31 December 2019

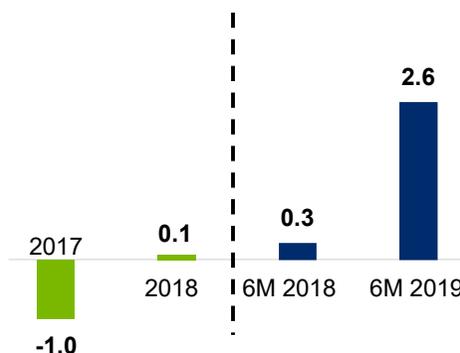
Mid-tier markets on the path to maturity¹⁾

Positive growth and profitability trajectory in all mid-tier countries operating since 2017

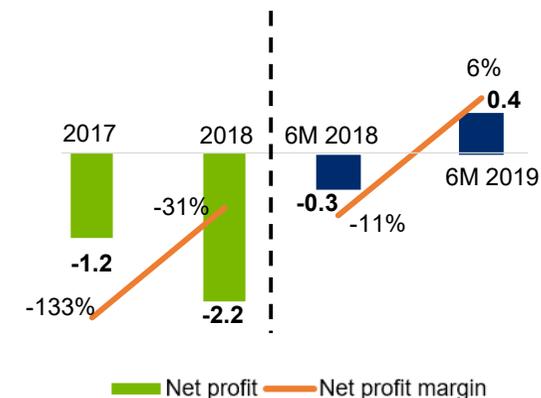
Revenue EUR m



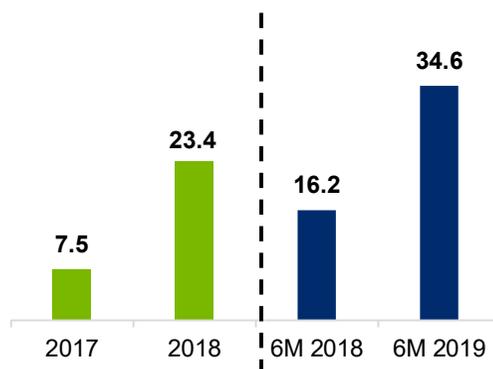
EBITDA EUR m



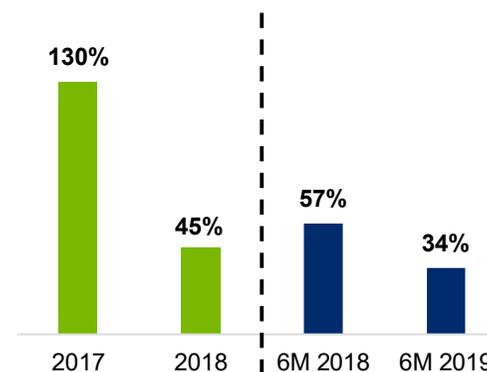
Net profit EUR m and margin



Net loan portfolio



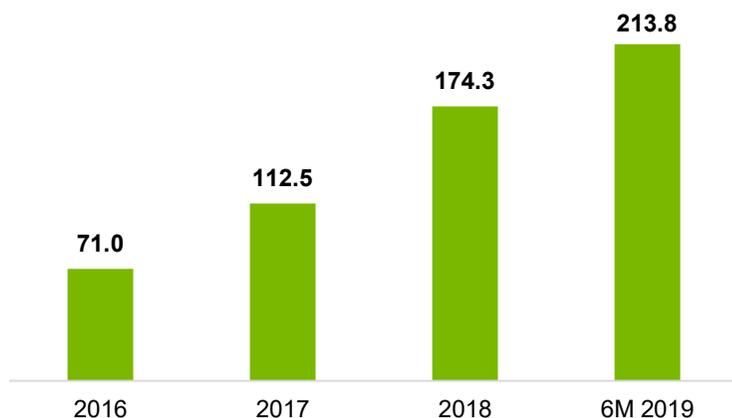
Cost to income ratio



1) Mid-tier countries (operating since 2017): Bulgaria, Moldova and Romania. Poland is excluded as Mogo has stopped issuing loans in Poland.

Assets & Liabilities

Assets, EUR m



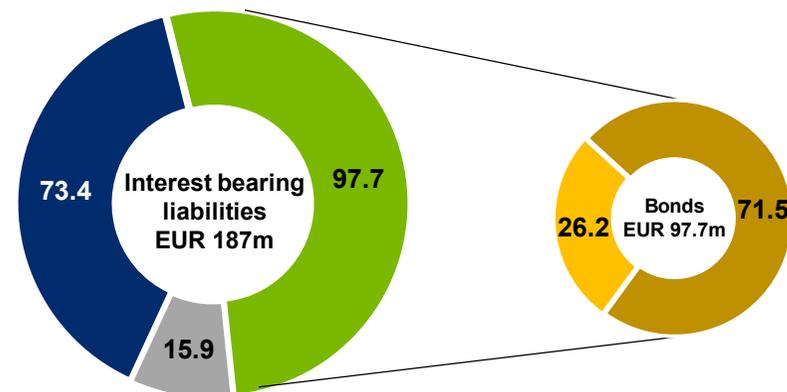
	2017	2018	6M 2019
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Capitalisation ratio*

Capitalisation ratio*	11.8%	12.7%	12.8%
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- 88% of assets consist of the net loan portfolio, rent portfolio and cash
- Increase of assets driven by increase of loan portfolio
- Improving capitalisation ratio

Liabilities, EUR m



■ Bonds
 ■ Non-related parties**
 ■ P2P
 ■ Latvian bond
 ■ Euro bond

- Total liabilities increased by EUR 36.9m to 195.9m EUR (FY 2018: EUR 159.0m)
- P2P loan portfolio increased by EUR 24.7m to EUR 73.4m (FY 2018: EUR 48.7m)

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A vertical index diagram consisting of seven horizontal light green bars. A blue line on the left side of the bars curves downwards, connecting to a series of seven circles. Each circle contains a page number, and each number is followed by the title of the corresponding bar. The bar for 'Strategy' is highlighted with a darker green background.

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Strategy

Leveraging expertise and expanding into new markets



Facilitating and financing transactions with used cars

Strengthening and diversifying the capital structure



Exploring possibilities to optimize the capital structure



Focusing on operational excellence



Leveraging fully established regional teams to ensure the exchange of best practices and knowledge



Continuing to improve the quality and ensure the steady growth of the portfolio in profitable mid-tier markets, while bringing the remaining mid-tier countries to profitability this year



Accelerating time to profitability in start-up markets by leveraging on Mogo's experience in tested markets

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A vertical index diagram consisting of seven horizontal green bars. A blue line on the left side of the bars curves downwards, passing through a series of white circles with green borders. Each circle contains a page number, and each bar contains a corresponding page title. The bars are stacked vertically, with the top bar at the top and the bottom bar at the bottom.

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Regulatory framework

Country	Products	Regulator	License required	Interest cap
Albania 	<ul style="list-style-type: none"> Lease/leaseback 	<ul style="list-style-type: none"> Bank of Albania 	<ul style="list-style-type: none"> Yes 	<ul style="list-style-type: none"> No APR cap
Armenia 	<ul style="list-style-type: none"> Lease/leaseback 	<ul style="list-style-type: none"> Central Bank of the Republic of Armenia 	<ul style="list-style-type: none"> Yes 	<ul style="list-style-type: none"> No APR cap Interest rate cap 24% annually
Bulgaria 	<ul style="list-style-type: none"> Lease/leaseback 	<ul style="list-style-type: none"> Bulgarian National Bank 	<ul style="list-style-type: none"> Yes 	<ul style="list-style-type: none"> APR cap 50.4% Cannot exceed 5x statutory interest
Estonia 	<ul style="list-style-type: none"> Lease/leaseback Instalment 	<ul style="list-style-type: none"> Estonian Financial Supervision and Resolution Authority 	<ul style="list-style-type: none"> Yes 	<ul style="list-style-type: none"> APR cap 58.11% Updated twice per year
Georgia 	<ul style="list-style-type: none"> Lease/leaseback 	<ul style="list-style-type: none"> Not applicable 	<ul style="list-style-type: none"> No 	<ul style="list-style-type: none"> APR cap 50%¹⁾
Latvia 	<ul style="list-style-type: none"> Lease/leaseback Instalment Long term rent 	<ul style="list-style-type: none"> Consumer Rights Protection Centre 	<ul style="list-style-type: none"> Yes 	<ul style="list-style-type: none"> No APR cap DPR cap for 0.07% a day Marketing restrictions
Lithuania 	<ul style="list-style-type: none"> Lease/leaseback 	<ul style="list-style-type: none"> Central Bank of Lithuania 	<ul style="list-style-type: none"> Yes 	<ul style="list-style-type: none"> Up to 75% yearly interest rate

1) APR cap has been imposed by the National Bank of Georgia.

Regulatory framework

Country	Products	Regulator	License required	Interest cap
Moldova 	<ul style="list-style-type: none"> Lease/leaseback 	<ul style="list-style-type: none"> National Commission of Financial Market ¹⁾ 	<ul style="list-style-type: none"> Yes 	<ul style="list-style-type: none"> No APR cap
North Macedonia 	<ul style="list-style-type: none"> Lease/leaseback 	<ul style="list-style-type: none"> Ministry of Finance 	<ul style="list-style-type: none"> Yes 	<ul style="list-style-type: none"> APR cap 51.25%
Poland 	<ul style="list-style-type: none"> Lease/leaseback 	<ul style="list-style-type: none"> Office of Competition and Consumer Protection 	<ul style="list-style-type: none"> Yes 	<ul style="list-style-type: none"> Interest cap 10% annually Additional cap on non-interest costs ²⁾ Consumer protection regulator
Romania 	<ul style="list-style-type: none"> Lease/leaseback 	<ul style="list-style-type: none"> National Bank of Romania 	<ul style="list-style-type: none"> Yes 	<ul style="list-style-type: none"> Capital requirement for own funds if APR > 30%
Belarus 	<ul style="list-style-type: none"> Lease/leaseback 	<ul style="list-style-type: none"> National Bank of Republic of Belarus 	<ul style="list-style-type: none"> Yes 	<ul style="list-style-type: none"> No APR cap
Kazakhstan 	<ul style="list-style-type: none"> Lease/leaseback 	<ul style="list-style-type: none"> Not applicable 	<ul style="list-style-type: none"> No 	<ul style="list-style-type: none"> APR cap 100% ²⁾ Interest can not exceed the outstanding principal²⁾
Uzbekistan 	<ul style="list-style-type: none"> Lease/leaseback 	<ul style="list-style-type: none"> Not applicable 	<ul style="list-style-type: none"> No 	<ul style="list-style-type: none"> No APR cap

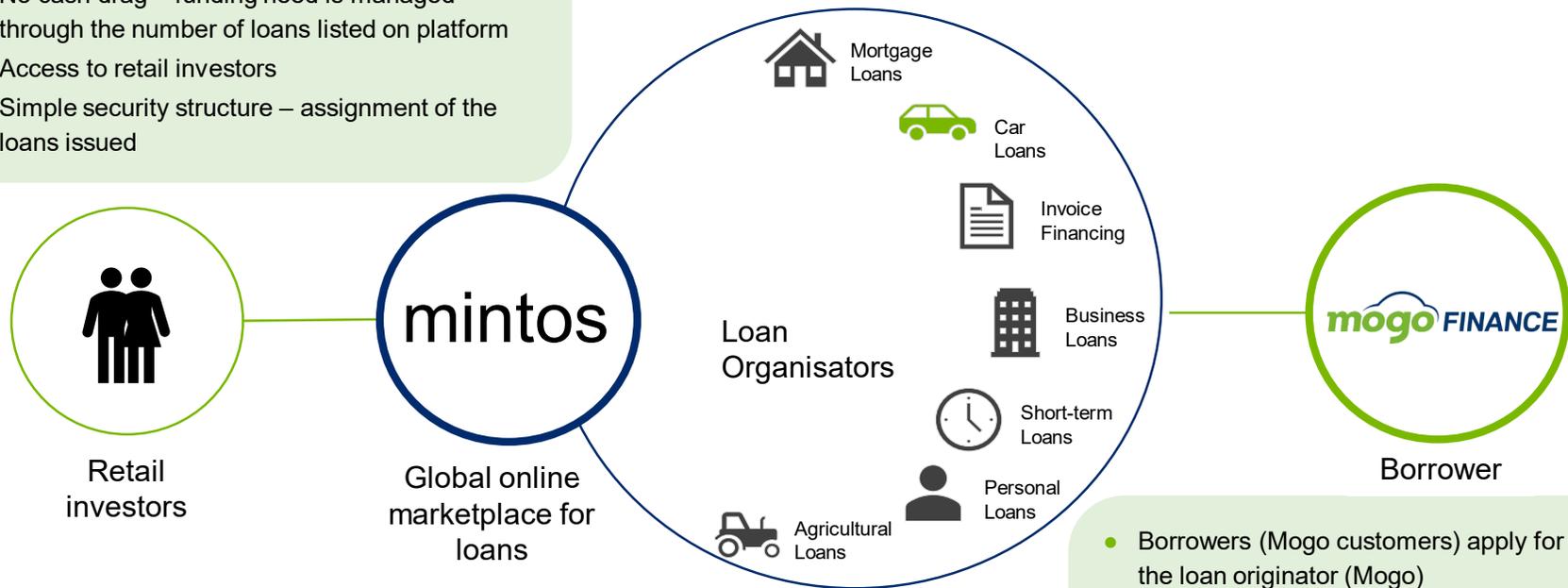
1) Registration and approval of National Commission of Financial Market is needed
 2) It should not exceed the sum of a) 25% of the total loan amount b) 30% of the total amount of the loan calculated per year. In total amount non-interest costs can not exceed 100% of the total loan amount

3) Implemented according to the civil code

P2P market place (Mintos)

Benefits for Mogo

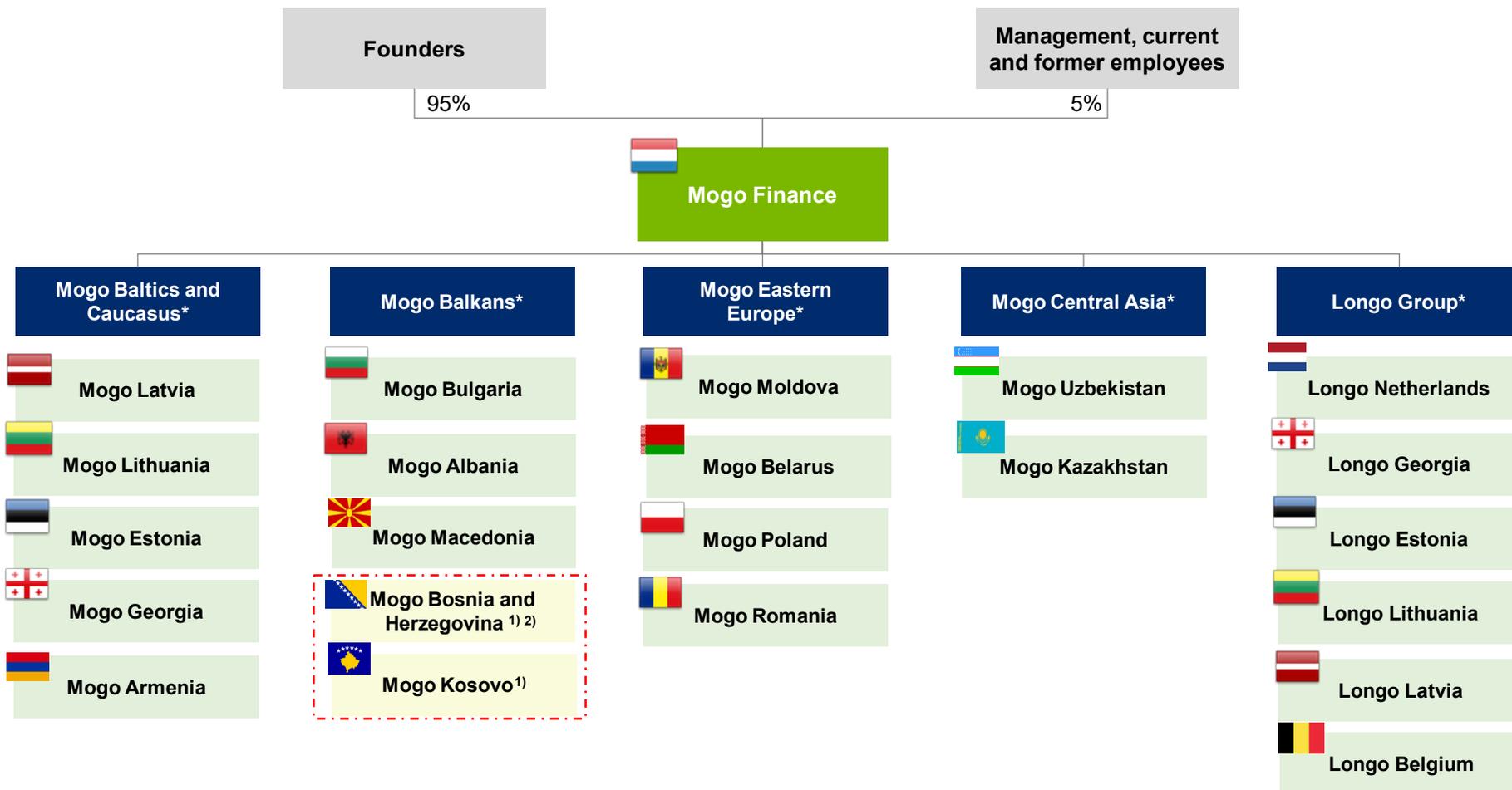
- Perfect asset / liability match (same duration as loans issued)
- No cash drag – funding need is managed through the number of loans listed on platform
- Access to retail investors
- Simple security structure – assignment of the loans issued



- Borrowers (Mogo customers) apply for a loan from the loan originator (Mogo)
- The loan originator evaluates the application, sets an interest rate and lends money to the borrower from its own funds
- The loans are then listed on the Mintos marketplace, where investors can select loans to invest in, receiving monthly payments and interest

Operational structure

In July 2018, the Company implemented a new decentralized organizational structure with the creation of five HUB units. Each hub unit has its own management team which reports to Group-level, to encourage efficiency at a regional-level.

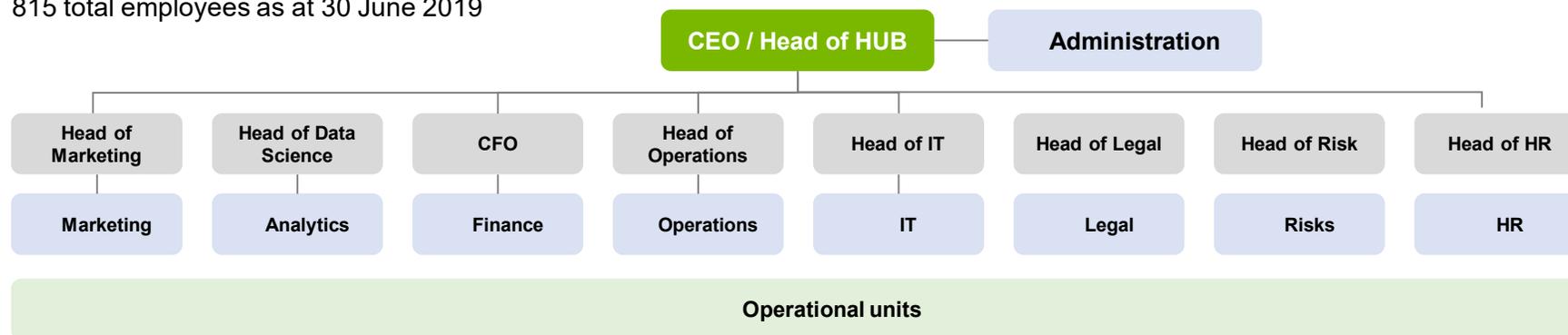


* Represents different HUB organizational units
 1) Are not yet part of the consolidated group
 2) Share purchase agreement has been signed

Management Structure and Employees

The Group and the HUB units share a common structure

815 total employees as at 30 June 2019

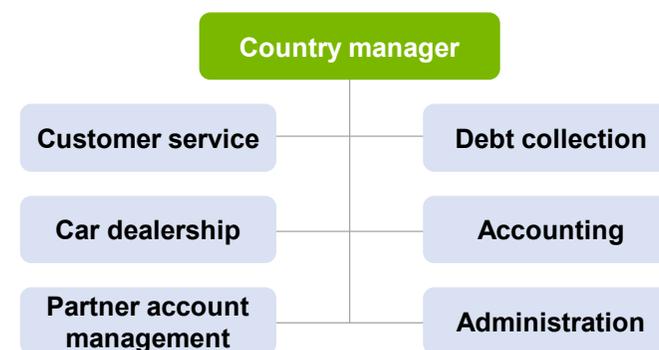


Operational units

630 employees as at 30 June 2019



Operational unit structure



Group's employees are entitled to share options, incentivising them to enhance Mogo's value in the long-term

Income statement

Group financials, EUR m	2016	2017	2018	6M 2018	6M 2019
Interest revenue calculated using the effective interest method	27.5	35.6	54.4	24.8	33.9
Interest expense calculated using the effective interest method	(6.9)	(8.5)	(12.6)	(6.7)	(9.2)
Net interest income	20.6	27.0	41.8	18.1	24.8
Fee and commission income	2.0	2.9	3.6	1.7	1.7
Impairment expense	(4.2)	(6.9)	(17.6)	(7.6)	(6.0)
Net loss from de-recognition of financial assets measured at amort. cost	(0.4)	(0.2)	(0.7)	(1.6)	(1.3)
Expenses related to peer-to-peer platform services	(0.3)	(0.9)	(0.7)	(0.8)	(0.3)
Revenue from leases	-	-	0.2	-	1.3
Revenue from car sales	-	-	4.0	1.6	6.3
Expenses from car sales	-	-	(3.9)	(1.6)	(6.2)
Selling expense	(1.3)	(1.4)	(2.3)	(1.2)	(1.8)
Administrative expense	(8.6)	(9.3)	(17.9)	(7.5)	(14.4)
Other operating income	0.1	0.2	0.8	0.1	1.2
Other operative expenses	(0.4)	(0.6)	(1.2)	(0.3)	(1.0)
Net foreign exchange result	(0.7)	(0.9)	(0.3)	0.9	(1.0)
Profit or loss before taxes	6.8	10.0	5.7	1.9	3.1
Corporate income tax	(1.0)	(1.0)	(1.4)	(0.4)	(0.4)
Deferred corporate income tax	(0.3)	(0.0)	0.4	0.5	0.6
Net profit for the period	5.6	9.0	4.6	2.1	3.3
Translation of financial information of foreign operations to presentation currency	(0.0)	(0.5)	0.1	0.7	(0.6)
Other comprehensive income/(loss)	(0.0)	(0.5)	0.1	0.7	(0.6)
Total comprehensive income for the year	5.6	8.5	4.7	2.8	2.7
EBITDA	15.1	20.0	20.4	8.1	14.9

Balance sheet

Assets, EUR m	2016	2017	2018	6M 2019	Equity & Liabilities, EUR m	2016	2017	2018	6M 2019
ASSETS					EQUITY				
Cash and cash equivalents	2.2	5.2	6.5	5.3	Share capital ¹⁾	0.0	0.0	0.0	0.0
Non-current finance lease receivables	42.3	63.8	88.2	108.1	Share premium	10.0	-	-	-
Non-current loans and advances to customers	-	0.7	2.2	2.6	Retained earnings	3.0	11.5	15.1	18.5
Current finance lease receivables	21.5	32.1	46.4	44.5	Foreign currency translation reserve	0.0	(0.5)	(0.4)	(1.0)
Current loans and advances to customers	-	0.5	3.1	6.3	Reserves	0.0	0.1	0.1	0.1
Current loans to related parties	0.0	0.0	0.1	0.1	Equity attributable to equity holders of the Parent Company	13.0	11.1	14.8	17.6
Assets held for sale	1.1	2.2	2.6	1.5	Non-controlling interest	0.2	0.4	0.5	0.4
Goodwill	1.5	1.5	1.7	2.2	TOTAL EQUITY	13.2	11.5	15.3	17.9
Internally generated intangible assets	1.0	1.2	1.9	2.8	LIABILITIES				
Other intangible assets	0.1	0.1	0.1	0.1	Non-current borrowings	51.9	70.8	122.6	154.6
Right-of-use assets	-	-	2.4	2.5	Current borrowings	3.4	25.8	30.3	32.4
Rental fleet	-	-	1.4	10.1	Other non-current financial liabilities	-	0.1	0.1	-
Property, plant and equipment	0.5	0.4	1.0	1.8	Prepayments and other payments received from customers	0.6	0.8	0.1	0.1
Leasehold improvements	0.0	0.0	0.3	0.5	Trade payable	0.3	0.7	1.2	1.3
Advance payments for assets	0.0	-	0.2	0.2	Corporate income tax payable	0.5	0.7	0.6	0.2
Deferred tax asset	0.2	0.2	0.6	1.2	Taxes payable	0.2	0.2	0.6	0.5
Finished goods and goods for resale	0.0	0.8	1.7	5.0	Other liabilities	0.2	0.1	0.2	3.3
Prepaid expense	0.1	0.7	0.8	1.3	Accrued liabilities	0.6	1.0	1.8	2.2
Trade receivables	-	-	0.8	0.2	Other current financial liabilities	-	0.1	0.1	0.1
Non-current loans to related parties	-	0.6	5.3	8.7	Non-current provisions	0.2	0.7	1.1	0.6
Other non-current financial assets	-	-	1.0	0.8	TOTAL LIABILITIES	57.8	101.0	159.0	195.9
Other short-term receivables from related parties	0.0	0.1	0.0	-	Current provisions	-	-	0.4	0.6
Other non-current receivables from related parties	0.1	-	-	-	TOTAL EQUITY + LIABILITIES	71.0	112.5	174.3	213.8
Other loans and receivables	-	-	4.7	4.0					
Corporate income tax receivable	-	-	-	0.5					
Other receivables	0.3	2.3	1.3	3.6					
TOTAL ASSETS	71.0	112.5	174.3	213.8					

1) Share capital of EUR 31,036

Statement of Cash Flow

EUR m	2016	2017	2018	6M 2018	6M 2019
Cash flows to/from operating activities					
Profit before tax	6.8	10.0	5.7	1.9	3.1
Adjustments for:					
Amortization and depreciation	0.6	0.6	1.8	0.4	1.6
(Gain)/loss from fluctuations of currency exchange rates	(0.8)	(0.9)	0.3	1.6	0.4
Impairment expense	0.4	6.9	17.6	9.1	7.3
Loss/(gain) on disposal of property, plant and equipment	0.4	(0.0)	0.2	(0.0)	0.4
Interest income	(0.0)	(35.5)	(54.4)	(24.8)	(33.6)
Interest expense	6.9	8.5	12.6	6.7	9.2
Operating profit before working capital changes	14.3	(10.4)	(16.1)	(5.0)	(11.6)
Increase in inventories	(0.0)	(0.8)	(0.9)	(0.3)	(3.3)
Increase in finance lease receivables, loans and advances to customers and other current assets	(6.9)	(43.6)	(52.5)	(34.3)	(28.6)
Increase in accrued liabilities	0.5	0.9	1.2	0.1	(0.2)
Increase/(decrease) in trade payable, taxes payable and other liabilities	(0.2)	0.4	0.1	(0.7)	2.8
Cash generated to/from operations	7.8	(53.5)	(68.1)	(40.2)	(41.0)
Interest received	0.0	35.5	54.3	24.8	33.4
Interest paid	(7.2)	(7.8)	(12.4)	(6.9)	(8.9)
Corporate income tax paid	(0.4)	(0.8)	(1.2)	(0.9)	(0.6)
Net cash flows to/from operating activities	0.2	(26.6)	(27.4)	(23.2)	(17.0)

EUR m	2016	2017	2018	6M 2018	6M 2019
Cash flows to/from investing activities					
Purchase of property, plant and equipment and intangible assets	(1.2)	(0.7)	(1.9)	(1.9)	(3.5)
Purchase of rental fleet	-	-	(1.4)	-	(10.2)
Acquisition of a subsidiary, net of cash acquired	-	-	(0.9)	-	(0.1)
Advance payments for acquisition of a subsidiaries	-	-	(1.0)	-	-
Loan repayments received	0.0	0.1	1.5	0.1	1.1
Loans issued	(0.0)	(0.6)	(10.7)	(3.8)	(4.7)
Net cash flows to/from investing activities	(1.2)	(1.3)	(14.4)	(5.6)	(17.4)
Cash flows to/from financing activities					
Proceeds from issue/(repayment) of share premium	0.0	(10.0)	-	-	-
Proceeds from borrowings	2.8	150.1	304.7	131.3	103.5
Repayments for borrowings	-	(109.3)	(259.5)	(104.8)	(68.8)
Repayment of liabilities for right-of-use assets	-	-	(1.8)	-	(1.5)
Dividends paid to non-controlling shareholders	(0.0)	(0.0)	(0.1)	-	-
Net cash flows to/from financing activities	2.8	30.8	43.3	26.5	33.2
Effect of exchange rates on cash and cash equivalents	(0.3)	0.1	(0.2)	-	-
Change in cash	1.5	3.0	1.3	(2.3)	(1.3)
Cash at the beginning of the year	0.8	2.2	5.2	5.2	6.5
Cash at the end of the year	2.2	5.2	6.5	2.9	5.3

Thank you for your attention!

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