Earnings Call Presentation

6 months 2023

August 2023

Eleving GROUP

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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 a country manager for Lithuania, where established successful operations. In January 2018, promoted to regional CEO for the Group’s core markets in Latvia, Lithuania, Estonia, Georgia, and Armenia
- Prior to Eleving Group, worked for international companies, such as EY, EPS LT, 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

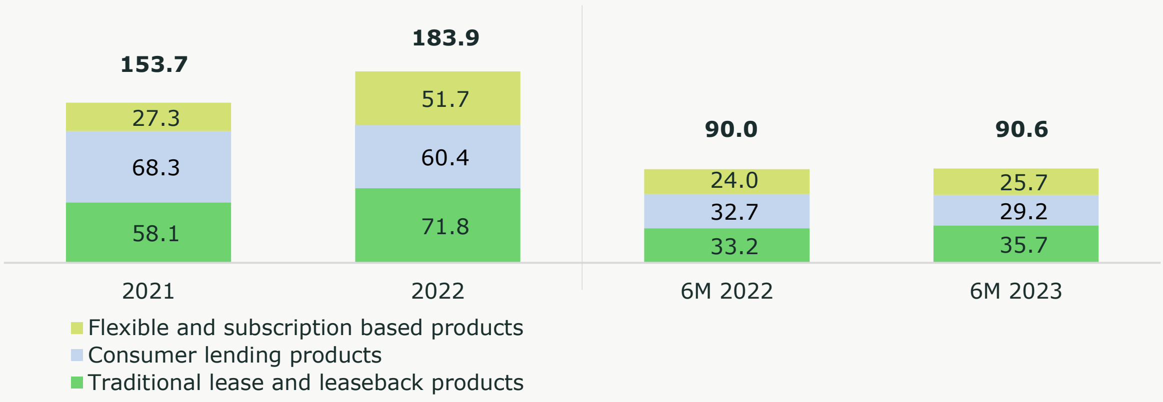
Chief Financial Officer

- With Eleving Group since 2015
- Before joining Eleving Group, spent two years in a corporate finance role with Tet (formerly, Lattelecom), the largest telecommunication services company in Latvia. Previously, spent seven years at PwC, including two years in its 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)

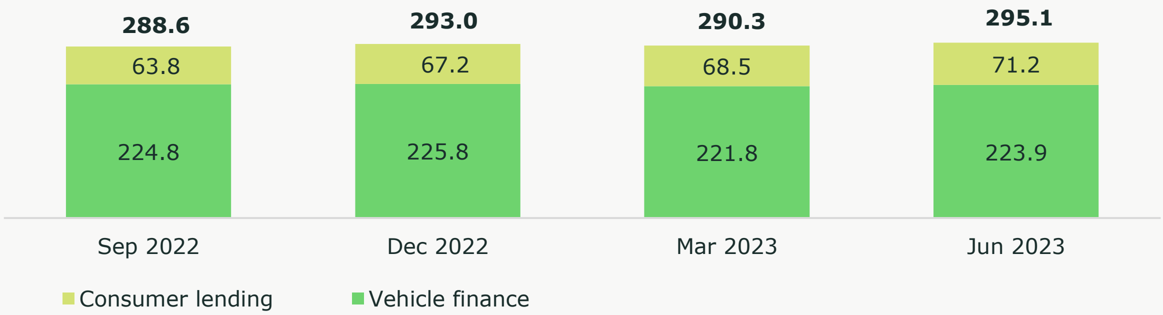
Operational highlights

Improving operational and financial performance

Revenue, mln EUR[1]



Net portfolio, mln EUR



1. Adjusted with amortization of portfolio gain in 2021 in the amount of EUR 3.2 mln.
2. Transaction was finalized in early Q3, hence excluded from the Group's Q2 financials.
3. Transaction was finalized in early Q3, hence excluded from the Group's Q2 financials.

Stable development in key performance indicators during the period:

- Adjusted revenue up by 0.7% compared to 6M 2022 to EUR 90.6 mln;
- Slight increase in net portfolio by 1.7% QOQ to EUR 295.1 mln.

Continuous diversification of business, and a balanced revenue stream from all three core business lines:

- flexible lease and subscription-based products contributed EUR 25.2 mln to the 6M 2023 revenues—up by 7.2% compared to 6M 2022, driven by the solid performance in productive lending in the motorcycle-taxi segment in East Africa and a successful scale-up of rental and electric car-sharing products in the Baltics;
- traditional lease and leaseback products contributed EUR 34.0 mln to the 6M 2023 revenues—up by 7.9% compared to 6M 2022. The respective revenue growth was mainly attributable to portfolio growth in Romania, however, nearly all other Group's markets also experienced positive incremental growth;
- consumer loan revenues contributed EUR 27.6 mln to the 6M 2023 revenues—down by 11.0% compared to 6M 2022. The negative revenue development stemmed exclusively from the run-down of the Ukrainian portfolio, as the revenues of all other consumer finance markets increased during the corresponding timespan.

In early July, Eleving Group announced that it has obtained[2] EC Finance Group through integration and combination of both companies' equity amounts. EC Finance Group, better known by the product brand name ExpressCredit, is a consumer finance provider operating in four Southern African countries.

In early July, Renti Plus business operations in Latvia were sold[3] to Transporent Ltd. The respective transaction included a sale of 100+ vehicles as well as the active customer portfolio. With closing of the deal, the Group will continue to develop its financing services in the retail and SME segments in Latvia, with focus on streamlining existing products.

The end of Q2 marks the first full year of the Group's electric car-sharing products' OX Drive operations in Latvia. Within the first year, the product generated more than half a million euros in revenues and the mobile app was downloaded more than 30k times. Also, the vehicle fleet has increased two-fold since the launch and surpasses 100 vehicle threshold.

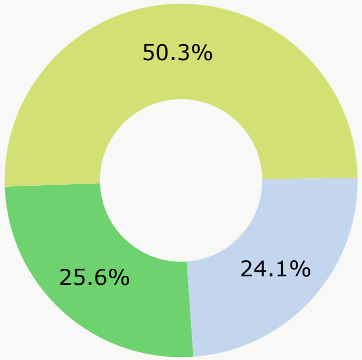
In the ESG space, the Group has continued to grow its electric motorcycle-taxi financing product in Kenya with 80 units financed during 2023 and a goal of 500 by the end of the year. The same electric motorcycle-taxi financing product is also currently under development in Uganda. Lastly, the Group is proud to share that the 2 mln kilometers traveled using OX Drive product has saved the same amount of CO_2 emissions that 10k trees could have captured within one years' time.

Global scope

Multi-geography platform that eliminates a single-market risk

Portfolio balance[1]

as per June 2023



Pro-forma portfolio split, incl. EC Finance Group[7]:

- Lease & leaseback: 46.1%
- Flexible lease & subscription-based: 23.4%
- Consumer lending: 30.5%

ExpressCredit

Vehicle Finance[2]

Latvia (LV)
Population[3]: 1.9 mln
Passenger vehicles[4]: 0.66 mln
Operations launched: y2012
Share of portfolio: 4.4% (10.8%[1])

Lithuania (LT)
Population: 2.8 mln
Passenger vehicles: 1.26 mln
Operations launched: y2013
Share of portfolio: 10.3%

Estonia (EE)
Population: 1.3 mln
Passenger vehicles: 0.79 mln
Operations launched: y2013
Share of portfolio: 3.8%

Georgia (GE)
Population: 3.7 mln
Passenger vehicles: 1.01 mln
Operations launched: y2014
Share of portfolio: 5.7%

Romania (RO)
Population: 19.2 mln
Passenger vehicles: 6.90 mln
Operations launched: y2016
Share of portfolio: 9.9%

Armenia (AM)
Population: 2.9 mln
Passenger vehicles: n.a.
Operations launched: y2017
Share of portfolio: 4.3%

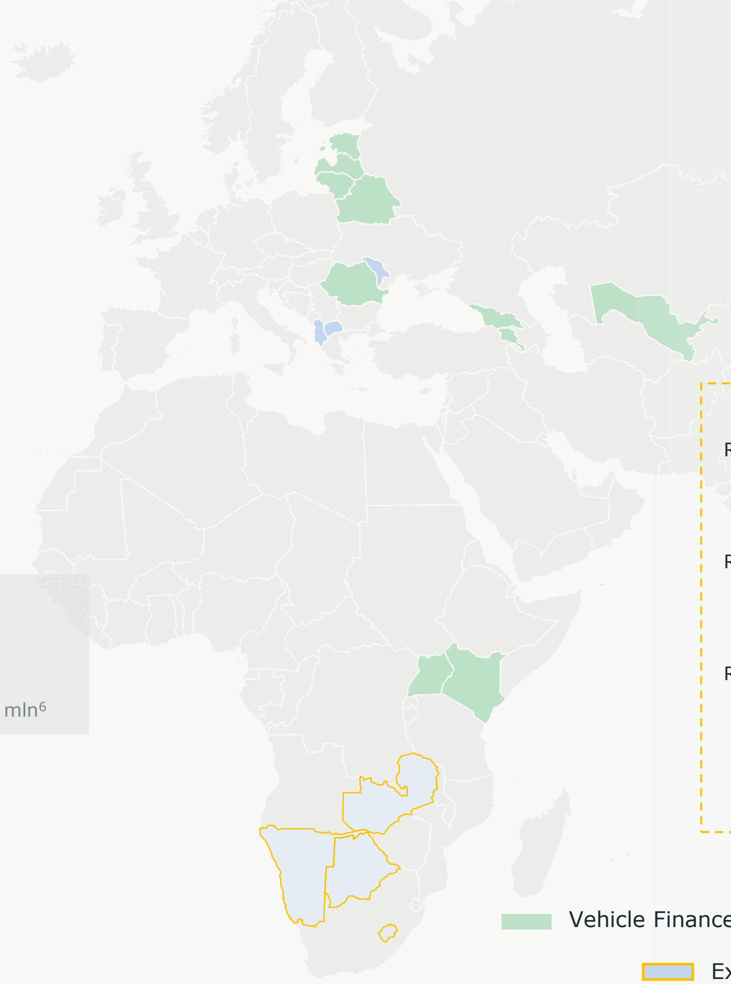
Moldova (MD)
Population: 2.6 mln
Passenger vehicles: 0.58 mln
Operations launched: y2017
Share of portfolio: 5.4%

Uzbekistan (UZ)
Population: 34.2 mln
Passenger vehicles: n.a.
Operations launched: y2018
Share of portfolio: 2.9%

Kenya (KE)
Population: 53.8 mln
Passenger vehicles: 0.96 mln
Operations launched: y2019
Share of portfolio: 17.3%

Uganda (UG)
Population: 45.7 mln
Passenger vehicles: 0.17 mln
Operations launched: y2019
Share of portfolio: 8.2%

Belarus (BY) [5]
Population: 9.4 mln
Passenger vehicles: 3.29 mln
Operations launched: y2018
Share of portfolio: 3.7%
Group's exposure of EUR 9.2 mln[6]



Consumer Finance

Albania (AL)
Population: 2.8 mln
Business acquired: y2020
Share of portfolio: 10.5%

North Macedonia (MK)
Population: 2.1 mln
Business acquired: y2020
Share of portfolio: 6.6%

Moldova (MD)
Population: 2.6 mln
Business acquired: y2020
Share of portfolio: 6.7%

Botswana (BW)
Net portfolio: EUR 15.9 mln
Revenue (LTM): EUR 9.0 mln
EBITDA (LTM): EUR 2.6 mln

Namibia (NM)
Net portfolio: EUR 5.5 mln
Revenue (LTM): EUR 6.5 mln
EBITDA (LTM): EUR 2.1 mln

Zambia (ZM)
Net portfolio: EUR 4.2 mln
Revenue (LTM): EUR 2.9 mln
EBITDA (LTM): EUR 800k

Lesotho (LS)
Net portfolio: EUR 1.6 mln
Revenue (LTM): EUR 800k
EBITDA (LTM): EUR 450k

ExpressCredit

Vehicle Finance
Consumer Finance
ExpressCredit

1. Including Primero product portfolio in total portfolio balance
2. Finland on pause, with license acquired in Q2 2022
3. Population data source: Eurostat and World bank
4. Passenger vehicle data source: ACEA VEHICLES IN USE REPORT and Nation Master
5. Issuances halted in BY with aim to decrease exposure
6. Calculated as (equity + loans from Group)
7. EC Finance Group was obtained in early Q3, hence excluded from the Group's Q2 financials.

Non-financial KPIs

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

Vehicle Finance, Q2 2023

18.2k ↓ *(2.6%)*
Vehicles financed
10.0k Cars vs
8.2k Motorcycles

13.2% ↓ *(2.0 p.p.)*
Conversion rate
8.3% Cars vs
46.9% Motorcycles

4.4 mln ↓ *(8.2%)*
Interactions with clients

843 ↑ *(1.6%)*
# of active dealers (LTM)

134.0k ↑ *(9.5%)*
Applications received
117.0k Cars vs
17.0k Motorcycles

2.2k ↑ *(0.3k)*
Avg ticket size (EUR)
4.3k Cars vs
0.9k Motorcycles

0.2k ↑ *(19.5%)*
Green vehicles financed

0.9k ↑ *(7.8%)*
Bio-gas vehicles financed

Consumer Finance, Q2 2023[2]

64.0k ↑ *(1.0%)*
Loans issued

38.7% ↑ *(0.4 p.p.)*
Conversion rate

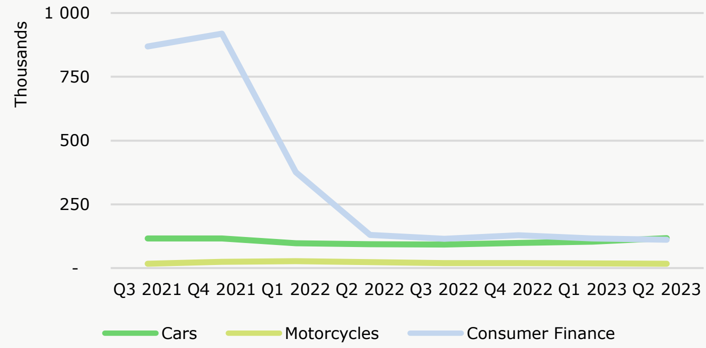
111.9k ↓ *(4.0%)*
Applications received

0.4k
Avg ticket size (EUR)

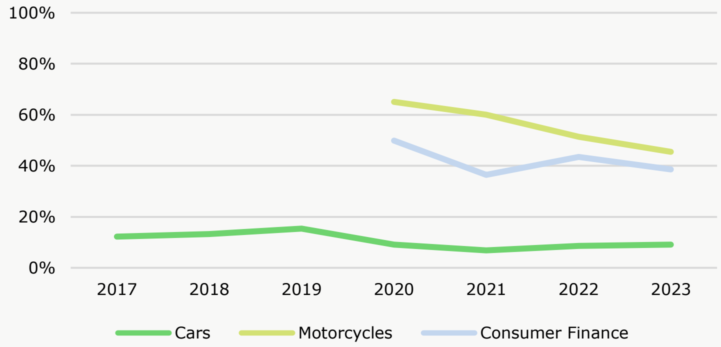
7.0 mln ↓ *(3.4%)*
Interactions with clients

↑↓ *- change QOQ*

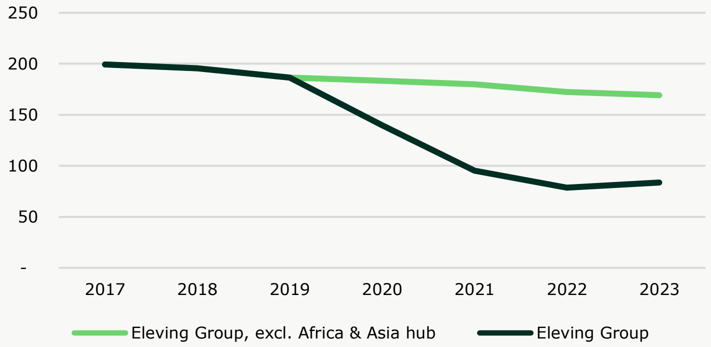
Applications received



Conversion rate



Average CO2 emissions of portfolio by loan issued date[1], g per 100km

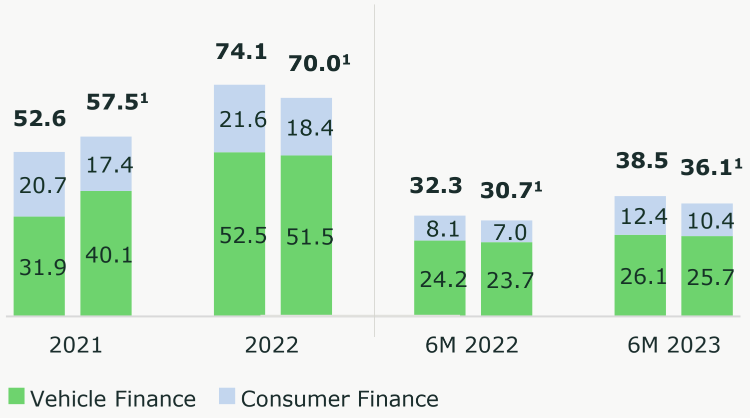


1. To assess the current climate impact of the Group's portfolio, a CO2 calculation methodology was developed internally in 2022. After exploring different approaches and available data sources, it was decided to use the database of the Road Traffic Safety Directorate of Latvia (hereinafter CSDD (Latvian 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.
2. Consumer Finance data excludes Ukraine. Conversion rate statistics based on new client data.
3. Dealers with at least 1 loan application

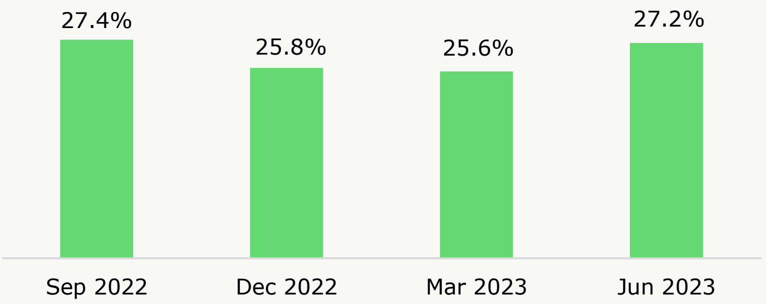
Financial highlights

Solid profitability driven by robust loan issuances and consistent financial performance

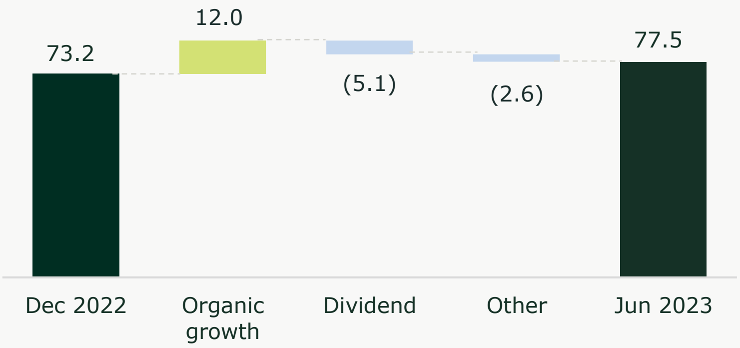
EBITDA and adjusted EBITDA, mln EUR



Capitalization ratio



Equity development, mln EUR



Solid profitability as evidenced by:

- Adjusted EBITDA of EUR 36.1 mln (6M 2022: EUR 30.7 mln)
- Adjusted Net Profit before FX of EUR 13.6 mln (6M 2022: EUR 9.0 mln)
- Adjusted Net Profit after FX of EUR 12.4 mln (6M 2022: EUR 7.4 mln)

The Group's equity has reached EUR 77.5 mln with capitalization ratio at 27.2%, providing an adequate and stable headroom for Eurobond covenants.

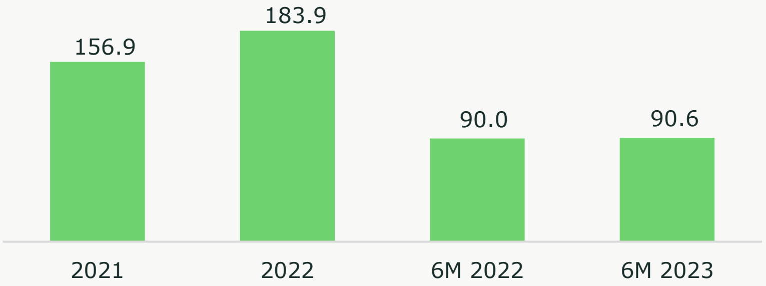
Growth in the Group's equity between December 2022 and June 2023 was exclusively attributable to the strong financial performance as EUR 12.0 mln of equity growth stemmed from organic growth in net profits. Meanwhile, the dividend payout executed in early 2023 coupled with an adverse FX movements and a slight decrease in subordinated debt had a negative impact on equity development.

1. 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. 6M 2022 and 6M 2023 EBITDA adjusted with a decrease by one-off gains of: (a) non-controlling interests EUR 1.6 mln and EUR 2.4 mln, respectively.

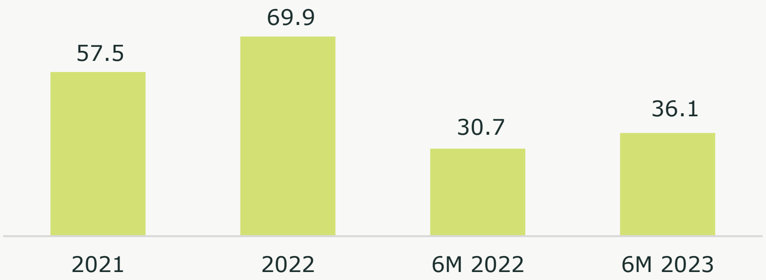
Financial highlights

Financial results manifest the improving performance

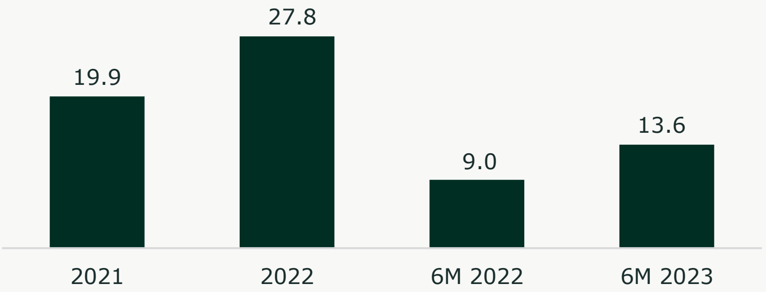
Revenue, mln EUR[1]



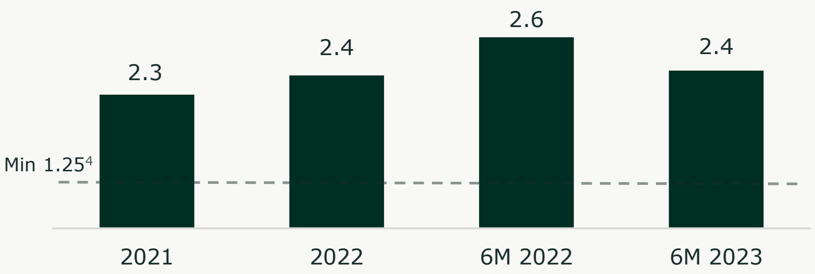
EBITDA, mln EUR[2]



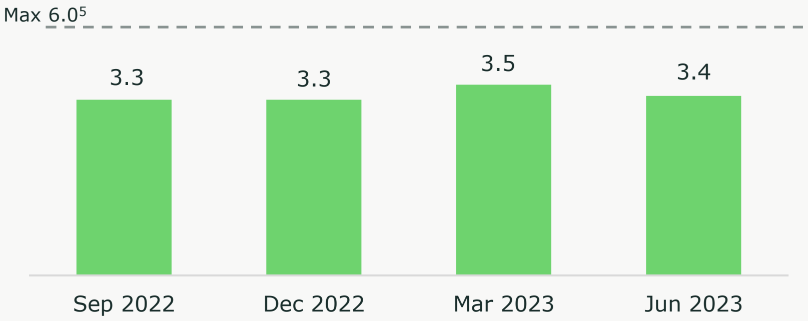
Net Profit before FX effect, mln EUR[3]



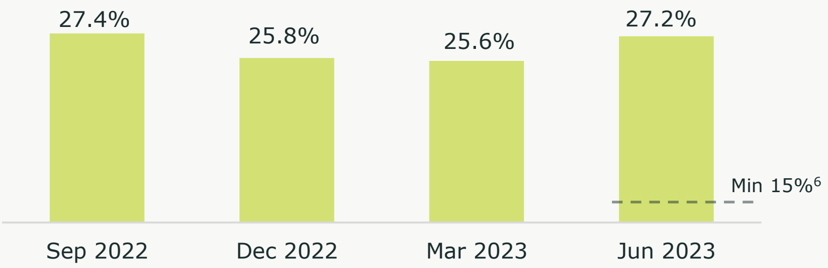
Interest coverage ratio



Net leverage



Capitalization ratio

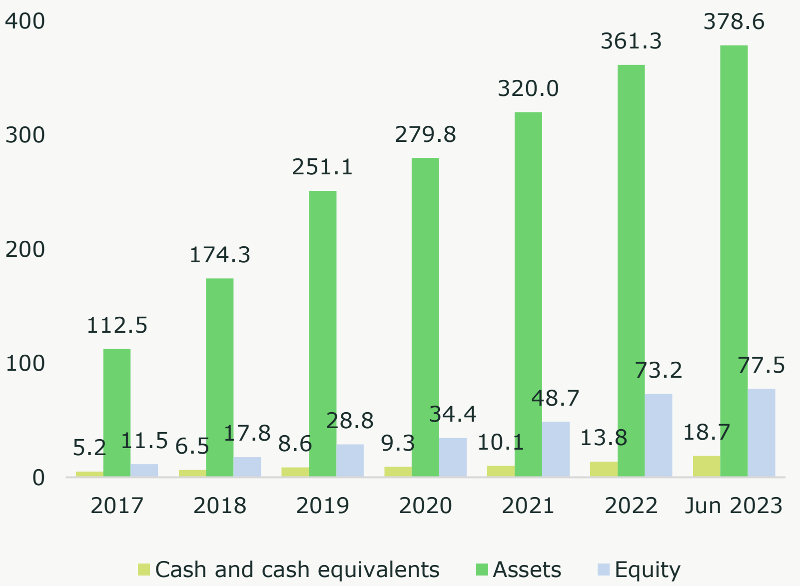


1. Adjusted with amortization of portfolio gain in 2021 in the amount of EUR 3.2 mln.
2. 2021 EBITDA adjusted with an increase by one-off costs of: (a) amortization of fair value gain EUR 3.2 mln; (b) loss resulting from subsidiary write-off EUR 1.0 mln; (c) bonds refinancing expense EUR 5.7 mln; and 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. 6M 2022 and 6M 2023 EBITDA adjusted with a decrease by one-off gains of: (a) non-controlling interests EUR 1.6 mln and EUR 2.4 mln, respectively.
3. 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.
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



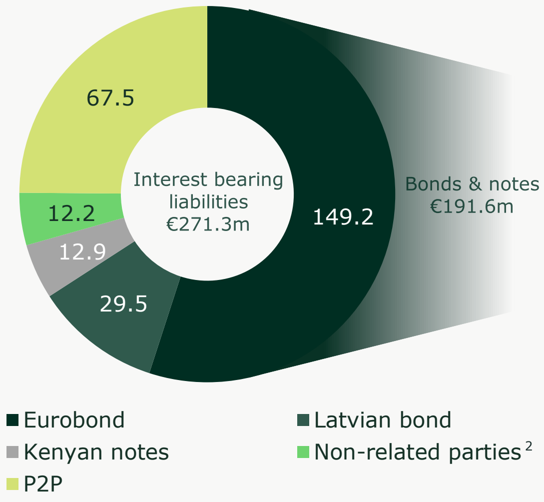
Most of the Group's assets are comprised of net loan portfolio, used car rent portfolio, and cash.

Increase in the total assets has mainly been driven by growing vehicle and consumer loan portfolios.

Capitalization ratio remains above the Eurobond covenant requirements.

	2018	2019	2020	2021	2022	Jun 2023
Capitalization ratio[1]	12.7%	15.1%	18.4%	20.7%	25.8%	27.2%

Liabilities, mln EUR



More than two thirds of the Group's funding stems from bond & note issuances:

- EUR 150 mln Eurobond issued on 18 October 2021 with an annual interest rate of 9.5%;
- EUR 30 mln Latvian bond issued on 1 March 2021 with an annual interest rate of 11%;
- EUR 12.9 mln privately placed Kenyan notes issued starting August 2022 with an annual interest rate of 14% or 15%, depending on holding period.

In late Q2, the Group raised USD 7 mln[3] from Verdant Capital Hybrid Fund in Kenya. The purpose of the facility is to grow the existing vehicle financing portfolio as well as to support the introduction of sustainable mobility products in Kenya.

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

Fitch Ratings has affirmed our long-term Issuer Default Rating (IDR) and senior secured debt rating to "B-". The outlook on the long-term IDR is Stable.

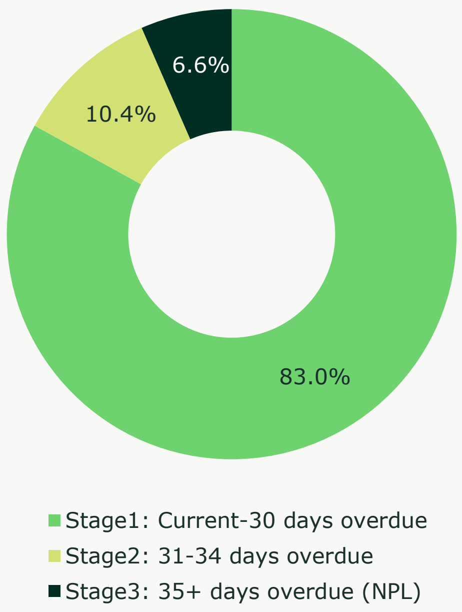
1. Capitalization ratio: (Shareholders´ equity + shareholders´ loans) / Net loan portfolio
2. This consists of EUR 8.6 mln of loans from local banks and EUR 3.6 mln of other interest-bearing liabilities
3. Funds were received in early Q3, hence excluded from the Group's Q2 financials.

Non-performing loans and provisioning

Maintaining excellent portfolio quality

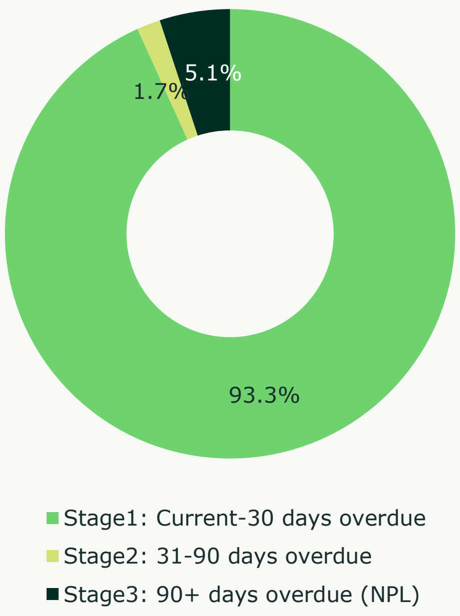
Net vehicle loan portfolio quality analysis

As per June 2023

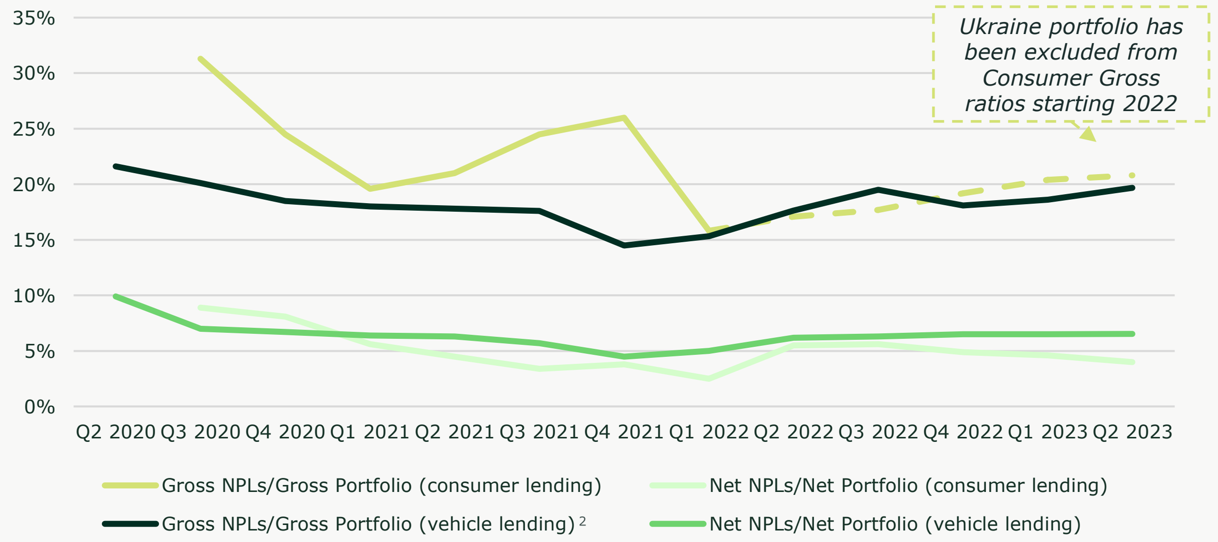


Net consumer loan portfolio quality analysis

As per June 2023



Gross and net NPL portfolio



Net portfolio quality remains high, with Stage 3 loans below 7% across both segments.

Slight uptick in gross NPLs particularly in consumer business segment driven mainly by lower amount of debt sales to external parties as well as generally growing loan portfolio.

High impairment coverage of 90% in vehicle business segment and 119% in consumer business segment.

1. Net loan portfolio (including accrued interest) = Gross loan portfolio – provisions; NPL is defined as 35+ DPD for vehicle and 90+ DPD for consumer portfolios
2. Excluding Albania, Kazakhstan, Bosnia and Herzegovina, and North Macedonia starting Q2 2020

Outlook – Products & Services

Outlook – Products & Services

		Products & Services		Product strategy for next 12 months
MOBILITY	Financing	mogo	Vehicle leasing for pre-owned cars	Maintain organic growth in the existing markets
MOBILITY	Financing	primero	Premium vehicle leasing for pre-owned cars	Maintain organic growth in the existing markets
MOBILITY	Flexible lease and car-sharing	RENTI	Rent-to-buy services for ultimate flexibility	Maintain controlled growth, subject to the availability of bank financing
MOBILITY	Flexible lease and car-sharing	mogo Boda loans	Motorcycle taxi loans in emerging markets[1]	Maintain organic growth in the existing markets
MOBILITY	Flexible lease and car-sharing	OX	Electric car sharing product	Double rental fleet and scale the product further in Latvia
INCLUSION	Consumer lending	Kredo.al, Tigo.mk, Sebo.md	Consumer loan products available online and through branch networks	Maintain controlled growth in the legacy consumer finance markets, while focusing on profitability. Integrate, optimize and scale-up the recently obtained markets.

1. Kenya and Uganda.

Processes

- **Integrate EC Finance Group** under Consumer Finance hub.
- Further **automation of loan issuance and underwriting processes** for seamless customer experience and efficient resource allocation.
- Seek for further **cost optimization initiatives** on both Group and country level.

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 and **scale-up recently integrated businesses**.
- Continue to **decrease exposure** in Belarus.
- **Refinance** Group's 3-year **Latvian bond** during the second half of 2023.
- **Continue the already started fundraising initiatives** with an aim of supplementing the existing capital structures of different markets with both USD and local currency funding.

Social impact

- **Integrate EC Finance Group into the Group's ESG strategy** via Group-level ESG activities and regular monitoring procedures.
- **Conduct a Group-level self-assessment** to check the Group's openness to different social groups in the national-level project in Latvia organized by the Society Integration Foundation.
- **Launch electric motorcycle-taxi financing product in Uganda** and **double rental fleet of OX Drive** to increase the green vehicle share in the Group's portfolio.

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Eleving Group’s product universe

Accessible financing through traditional online and offline consumer loan products.

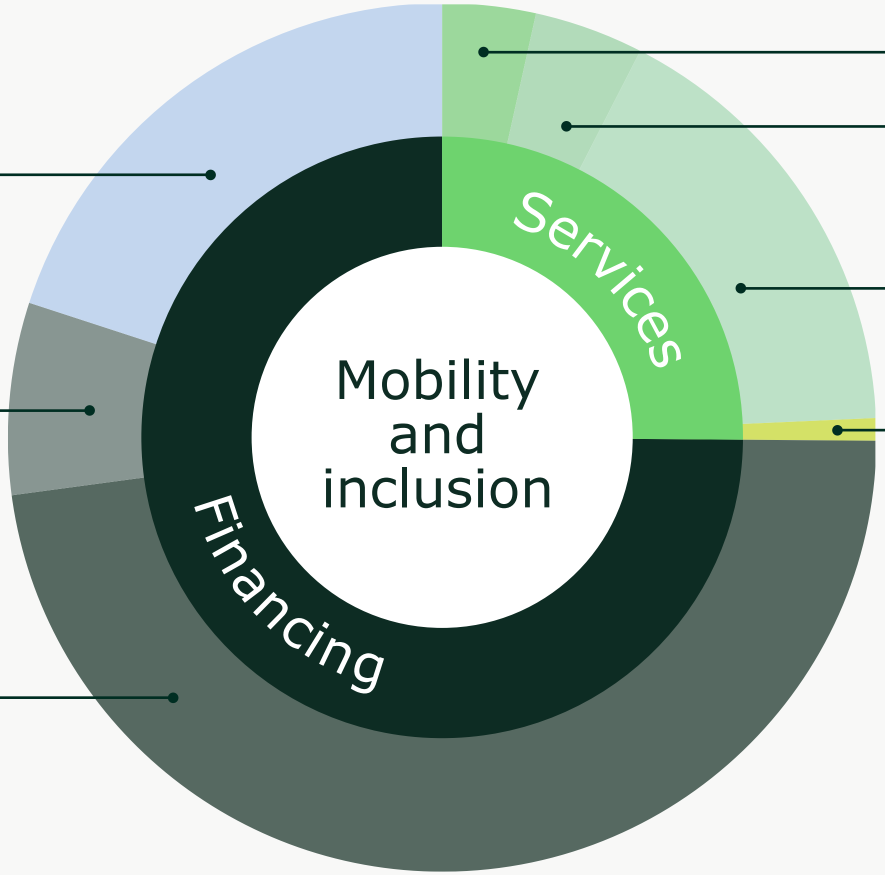
Kredo.al
Sebo.md
Tigo.mk

Flexible premium car leasing for those interested in the highest quality vehicles.

primero

Easily accessible and affordable mobility product for customers in underserved market segments.

mogo



RENTI — A rent-to-buy product designed with ultimate flexibility in mind.

Renti plus — Subscription-based product of brand-new cars for clients searching for immediate mobility solutions.

mogo **Boda loans** — A solution to self-employed who use mobility as a source of income for providing for their families.

OX — Tesla based car-sharing experience in Riga region, Latvia.

Product Highlights of Q2 2023

- 40 electric motorcycle-taxis financed in Kenya;
- Electric motorcycle-taxi financing product under development in Uganda;
- Sale of Renti Plus in Latvia[1];
- Group obtains EC Finance Group[1];
- OX Drive closes the first year of operations with more than half a million euro in revenues, 2+ million kilometers traveled, 30k+ mobile app downloads and two-fold fleet since inception.

Financing products include traditional lease and leaseback products as well as consumer financing products that accounted for **74% of the Group’s total net portfolio** as at June 2023.

Services products include flexible lease and subscription-based products that accounted for **26% of the Group’s total net portfolio** as at June 2023.

1. Integration of EC Finance Group as well as the sale of Renti Plus Latvian operations to be reflected in the Group’s financials and product breakdown starting Q3 2023.

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 whistleblowing 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 the 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 electric 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[2]

3 GOOD HEALTH AND WELL-BEING | 4 QUALITY EDUCATION | 5 GENDER EQUALITY | 8 DECENT WORK AND ECONOMIC GROWTH | 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE | 12 RESPONSIBLE CONSUMPTION AND PRODUCTION | 13 CLIMATE ACTION | 15 LIFE ON LAND

Latest ESG milestones

- In Q2, the Group started the process of doubling the existing fleet of OX Drive, the Group's electric car-sharing product in Latvia. **OX Drive has enabled over 2 mln kilometers driven on pure electricity within the first year of operations**, equivalent to the same amount of CO2 emissions that 10 000 trees could capture in one years' time.
- The Group participated in Global Money Week in Latvia, led by the Central Bank of Latvia. During the event, **over 2,000 Latvians took a self-assessment on Group's financial literacy platform**.

Nasdaq Baltic Awards 2023 — Best Investor Relations on First North Bond List

MISSION ZERO — HEALTH AND SAFETY STARTS WITH US

carbon footprint standard — Carbon Neutral Organisation

TOP Darba Devējs 2022 — CV-Online Latvija | TOP 50

Organizational structure

Eleving GROUP

Eleving VEHICLE FINANCE

Eleving VEHICLE AFRICA & ASIA

- MOGO (Kenya)
- MOGO (Uganda)
- MOGO (Uzbekistan)

Eleving VEHICLE EUROPE

- MOGO, RENTI, PRIMERO, OX Drive (Latvia)
- MOGO, RENTI, PRIMERO (Lithuania)
- MOGO (Moldova)
- MOGO (Romania)
- MOGO, PRIMERO (Estonia)
- MOGO (Armenia)
- MOGO (Georgia)
- MOGO (Belarus)

Eleving CONSUMER FINANCE

- SEBO (Moldova)
- TIGO (North Macedonia)
- KREDO (Albania)

*EC Finance Group to be integrated into Eleving Consumer Finance HUB during the second half of 2023.

Income statement

EUR mln	2019	2020	2021	2022	6M 2022	6M 2023
Interest revenue calculated using the effective interest method	68.0	73.7	139.9	170.5	83.3	84.6
Interest expense calculated using the effective interest method	(21.2)	(24.9)	(29.0)	(32.0)	(14.6)	(17.4)
Net interest income	**46.8**	**48.8**	**110.8**	**138.5**	**68.7**	**67.2**
Fee and commission income	3.8	5.0	7.3	8.0	4.0	3.8
Revenue from rent	4.0	6.2	6.5	5.4	2.7	2.2
Total net revenue	**54.6**	**60.0**	**124.7**	**151.9**	**75.4**	**73.2**
Impairment expense	(16.1)	(21.9)	(37.2)	(41.4)	(26.3)	(20.6)
Expenses related to peer-to-peer platform services	(0.7)	(0.9)	(1.1)	(1.0)	(0.4)	(0.5)
Selling expense	(3.1)	(2.6)	(8.4)	(8.0)	(3.9)	(3.2)
Administrative expense	(29.4)	(31.0)	(50.5)	(59.2)	(29.9)	(30.1)
Bonds refinancing expense	-	-	(5.7)	-	-	-
Other operating (expense) / income	(0.4)	8.8	(5.6)	(8.4)	(1.2)	(2.0)
Net foreign exchange result	(0.2)	(11.1)	1.1	(6.4)	(1.6)	(1.2)
Profit before taxes	**4.7**	**1.3**	**17.3**	**27.6**	**12.1**	**15.6**
Corporate income tax	(1.3)	(0.7)	(6.9)	(9.6)	(5.8)	(5.7)
Deferred corporate income tax	1.0	1.0	0.8	2.7	1.1	2.5
Net profit for the period	**4.4**	**1.6**	**11.2**	**20.6**	**7.4**	**12.4**
Discontinued operations	2.1	(0.0)	(4.1)	(1.7)	(0.6)	(0.2)
Translation of financial information of foreign operations to presentation currency	(0.4)	(1.5)	2.5	4.9	4.1	(2.5)
Total comprehensive income for the period	**6.2**	**0.1**	**9.7**	**23.8**	**10.9**	**9.7**
Net profit before FX and discontinued operations	**4.6**	**12.7**	**10.1**	**27.0**	**9.0**	**13.6**
EBITDA	**27.0**	**42.6**	**52.6**	**74.1**	**32.3**	**38.5**
Adjusted EBITDA	**27.0**	**34.8**	**57.5**	**70.0**	**30.7**	**36.1**

Balance sheet

Assets, EUR mln	2019	2020	2021	2022	2Q 2023
ASSETS					
Goodwill	4.1	6.6	4.2	4.7	4.7
Internally generated intangible assets	3.6	5.9	7.5	8.6	9.2
Other intangible assets	0.2	2.3	2.7	2.4	2.3
Loans and lease receivables and rental fleet	193.6	201.4	247.3	293.0	295.1
Right-of-use assets	7.9	7.5	9.1	9.9	10.4
Property, plant and equipment	1.6	2.1	2.5	2.2	1.9
Leasehold improvements	0.3	0.4	0.6	0.6	0.5
Advance payments for assets	-	0.0	0.0	-	-
Receivables as a result of sale of subsidiaries to related parties	16.0	9.4	-	-	-
Receivables as a result of sale of subsidiaries to third parties	-	1.5	-	-	-
Loans to related parties	6.1	5.2	6.3	3.2	3.4
Other financial assets	2.5	2.7	3.1	1.4	0.9
Deferred tax asset	1.6	2.9	2.8	5.6	7.5
Inventories	0.6	1.6	3.8	2.5	7.3
Prepaid expense	1.0	1.9	1.7	2.1	1.9
Trade receivables	1.4	0.8	3.6	0.1	0.4
Other receivables	2.5	6.8	3.3	9.6	12.7
Assets of subsidiary held for sale	-	9.4	12.9	0.4	0.3
Assets held for sale	1.9	2.1	0.6	1.1	1.4
Cash and cash equivalents	8.7	9.3	10.1	13.8	18.7
TOTAL ASSETS	**253.6**	**279.8**	**322.1**	**361.3**	**378.6**

Equity & Liabilities, EUR mln	2019	2020	2021	2022	2Q 2023
EQUITY					
Share capital	1.0	1.0	1.0	1.0	1.0
Retained earnings	21.4	22.9	22.3	38.3	42.8
Foreign currency translation reserve	(0.8)	(2.3)	0.2	4.9	2.5
Reserve	0.3	0.3	0.8	1.1	1.3
Equity attributable to equity holders of the Company	**21.8**	**22.0**	**24.3**	**45.3**	**47.6**
Non-controlling interests	0.5	0.3	7.1	8.9	11.1
Subordinated debt	6.8	12.1	17.3	19.0	18.8
TOTAL EQUITY	**29.1**	**34.4**	**48.7**	**73.2**	**77.5**
LIABILITIES					
Borrowings	215.5	224.4	241.5	261.5	271.3
Provisions	0.9	0.4	0.1	0.2	0.2
Prepayments and other payments received from customers	0.2	0.5	0.9	0.5	0.7
Trade payable	1.3	1.3	2.7	1.7	1.2
Corporate income tax payable	0.3	0.8	3.7	3.9	6.4
Taxes payable	1.5	2.0	1.8	2.4	3.3
Other liabilities	2.4	8.6	12.3	12.8	13.4
Liability of subsidiary held for sale	-	3.9	6.1	0.1	-
Accrued liabilities	2.6	3.3	4.2	5.0	4.6
Other non-current financial liabilities	0.1	0.2	-	-	-
TOTAL EQUITY + LIABILITIES	**253.6**	**279.8**	**322.1**	**361.3**	**378.6**

Statement of cash flow

EUR mln	2019	2020	2021	2022	6M 2022	6M 2023
Cash flows from operating activities						
Profit/(loss) before tax	6.9	0.9	13.2	25.8	11.5	15.4
Adjustments for:						
Amortization and depreciation	3.8	5.7	7.4	8.2	4.0	4.3
Interest expense	21.9	26.1	29.0	28.9	14.6	17.4
Interest income	(72.4)	(83.5)	(139.9)	(170.5)	(83.3)	(84.6)
Loss/(gain) on disposal of property, plant and equipment	1.0	1.4	1.0	3.2	1.0	0.6
Impairment expense	16.7	26.5	41.0	43.4	26.3	20.6
(Gain)/loss on acquisition/disposal of subsidiaries	-	(11.5)	3.1	-	-	-
(Gain)/loss from fluctuations of currency exchange rates	(0.1)	11.7	(3.6)	1.4	(2.5)	3.7
Operating profit before working capital changes	**(22.3)**	**(22.7)**	**(48.8)**	**(59.5)**	**(28.4)**	**(22.6)**
(Increase)/decrease in inventories	1.1	(1.0)	(2.2)	1.3	(0.3)	(4.8)
(Increase)/decrease in receivables	(66.3)	(24.6)	(87.2)	(72.8)	(48.0)	(31.6)
Increase/(decrease) in trade payable, taxes payable and other liabilities	(3.2)	2.4	6.6	(1.1)	(0.4)	0.5
Cash generated from operating activities	**(84.3)**	**(45.9)**	**(131.6)**	**(132.1)**	**(77.1)**	**(58.5)**
Interest received	70.5	83.3	139.3	170.5	83.3	84.6
Interest paid	(19.4)	(22.6)	(25.4)	(29.1)	(15.0)	(15.4)
Corporate income tax paid	(1.8)	(1.0)	(4.5)	(10.2)	(5.2)	(2.7)
Net cash flows from operating activities	**(35.0)**	**13.8**	**(22.2)**	**(0.9)**	**(14.0)**	**8.0**

EUR mln	2019	2020	2021	2022	6M 2022	6M 2023
Cash flows from investing activities						
Purchase of property, plant and equipment and intangible assets	(5.4)	(4.0)	(6.0)	(5.1)	(4.2)	(2.4)
Purchase of rental fleet	(13.4)	(9.0)	(3.5)	(5.0)	(3.1)	(3.0)
Loan repayments received	9.2	3.3	19.3	5.7	4.8	0.3
Received payments for sale of shares in subsidiaries	0.2	5.3	1.3	-	-	-
Advance payments for acquisition of a subsidiaries	(0.3)	-	-	-	-	-
Acquisition of a subsidiary, net of cash acquired	(0.8)	(4.1)	-	-	-	-
Disposal of discontinued operation, net of cash disposed of	(1.4)	(0.3)	(0.4)	(0.2)	-	-
Payments for acquisition of non-controlling interests	(0.1)	(0.1)	-	-	-	-
Loans issued and bank deposits	(11.4)	(0.4)	(0.2)	(0.0)	-	(0.1)
Net cash flows from investing activities	**(23.4)**	**(9.3)**	**10.5**	**(4.6)**	**(2.5)**	**(5.2)**
Cash flows from financing activities						
Proceeds from issue/(repayment) of share premium	1.0	-	-	0.0	-	-
Proceeds from borrowings	108.3	212.8	522.1	189.9	88.8	81.4
Repayments for borrowings	(47.0)	(216.6)	(507.8)	(177.8)	(69.2)	(73.9)
Repayment of liabilities for right-of-use assets	(1.8)	-	(1.4)	(2.4)	-	-
Dividends paid to controlling shareholders	-	-	-	-	-	(5.4)
Dividends paid to non-controlling shareholders	-	-	(0.4)	(0.6)	-	-
Net cash flows from financing activities	**60.5**	**(3.8)**	**12.5**	**9.1**	**19.6**	**2.1**
Effect of exchange rates on cash and cash equivalents	0.1	-	0.0	0.1	-	-
Change in cash	**2.1**	**0.7**	**0.8**	**3.7**	**3.1**	**4.9**
Cash at the beginning of the period	6.5	8.6	9.3	10.1	10.1	13.8
Cash at the end of the period	**8.7**	**9.3**	**10.1**	**13.8**	**13.2**	**18.7**

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 at 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 to 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**—motorcycle-taxi financing in Kenya and Uganda, used vehicle rent in Latvia and Lithuania, new vehicle subscription in Latvia
- **QOQ/YOY** – comparison between two consecutive quarters/years, e.g., 2021 compared to 2022

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 (run-down)
- **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

Eleving GROUP

Thank you!

Eleving Group

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