

Earnings Call Presentation

9 months 2023

November 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

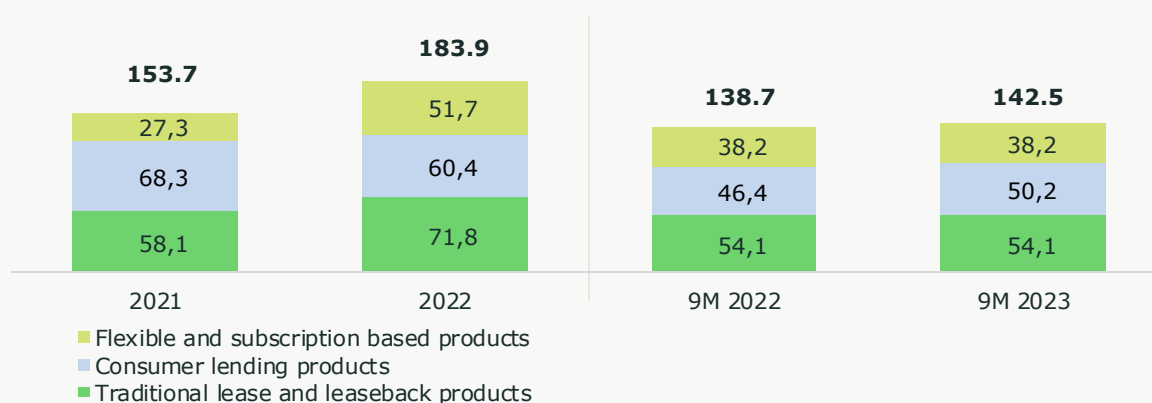
Chief Financial Officer

- 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)

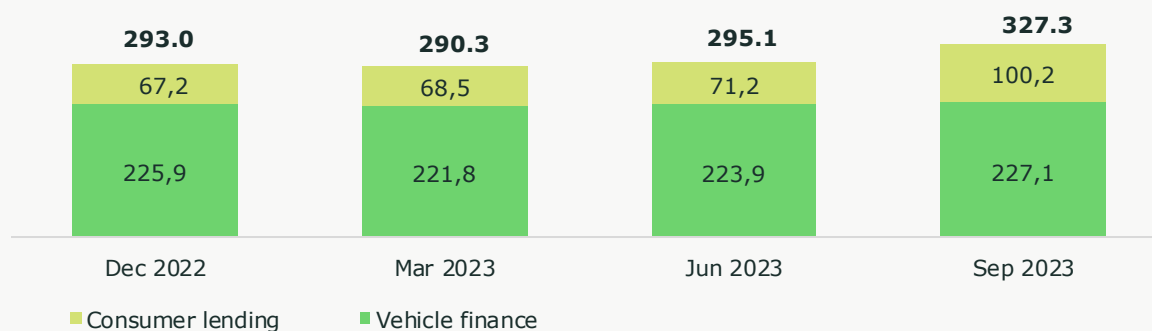
Operational highlights

Improving operational and financial performance

Revenue, mln EUR¹



Net portfolio, mln EUR



1. Adjusted with amortization of portfolio gain in 2021 in the amount of EUR 3.2 mln.

Stable development in key performance indicators during the period:

- Adjusted revenue up by 2.7% compared to 9M 2022 to EUR 142.5 mln;
- Significant increase in net portfolio by 10.9% QOQ to EUR 327.3 mln.

Diversified business operations and a balanced revenue stream from all three core business lines:

- Flexible lease and subscription-based products contributed EUR 37.7 mln to the 9M 2023 revenues—a steady result compared to the 9M 2022. The steady volumes in absolute figures can be explained by the selling of the Renti Plus portfolio and a slight decline in motorcycle-taxi income, which is compensated by improving results from Renti Lithuania operations.
- Traditional lease and leaseback products contributed EUR 51.0 mln to the 9M 2023 revenues—an unchanged result compared to the 9M 2022, mainly affected by Belarus portfolio run-down.
- Revenues from the consumer loan segment contributed EUR 47.3 mln to the 9M 2023 revenues— up by 8.0% compared to 9M 2022, mainly driven by the integration of the Express Credit business and successful results from the consumer segment in the Balkans.

The respective quarter is the first since the integration of the ExpressCredit business into the Group's portfolio and operations. The new countries have already shown strong results in the first months, contributing to the Group's net portfolio with EUR 26 mln, recording revenues of EUR 5.4 mln, EBITDA of EUR 2.6 mln, and comprehensive income of EUR 0.5 mln.

In Q3, the Group introduced a new B2B car sales platform to make car purchases more accessible and faster for small and medium-sized businesses. At the end of Q3, the platform is live in Lithuania, with a goal to gradually localize it across other Group markets.

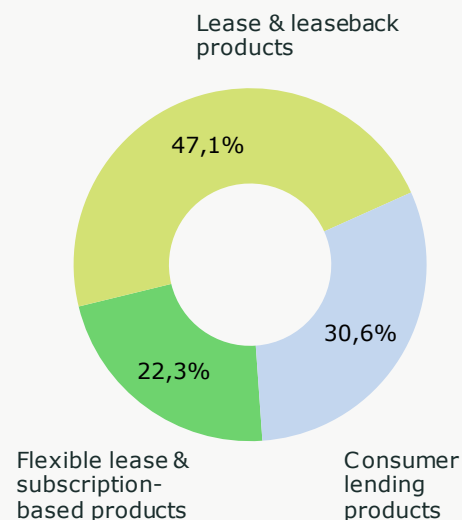
In the ESG and sustainability area, Eleving Group continued its course to introduce electric motorcycle financing in Kenya, with over 150 units financed. The Group sees increasing interest from self-employed and SMEs; therefore, in the coming months, by increasing supply capacity, the company expects to intensify e-boda financing significantly. In addition, the Group is steps away from launching e-boda financing services in Uganda.

During Q3, OX Drive, an electric car-sharing service with Tesla vehicles, has continued to show notable operational results. Since the launch of the OX Drive last summer, more than 35,000 customers have used the service, and they have commuted over 2.5 million kilometers on 64,000 journeys. In Q3, the company was exploring new avenues to attract external investment for further expansion, resulting in the allocation of EUR 2.8 mln for fleet development provided by Industra Bank in late October.

Global scope

Multi-geography platform that eliminates a single-market risk








Portfolio balance¹ as per September 2023

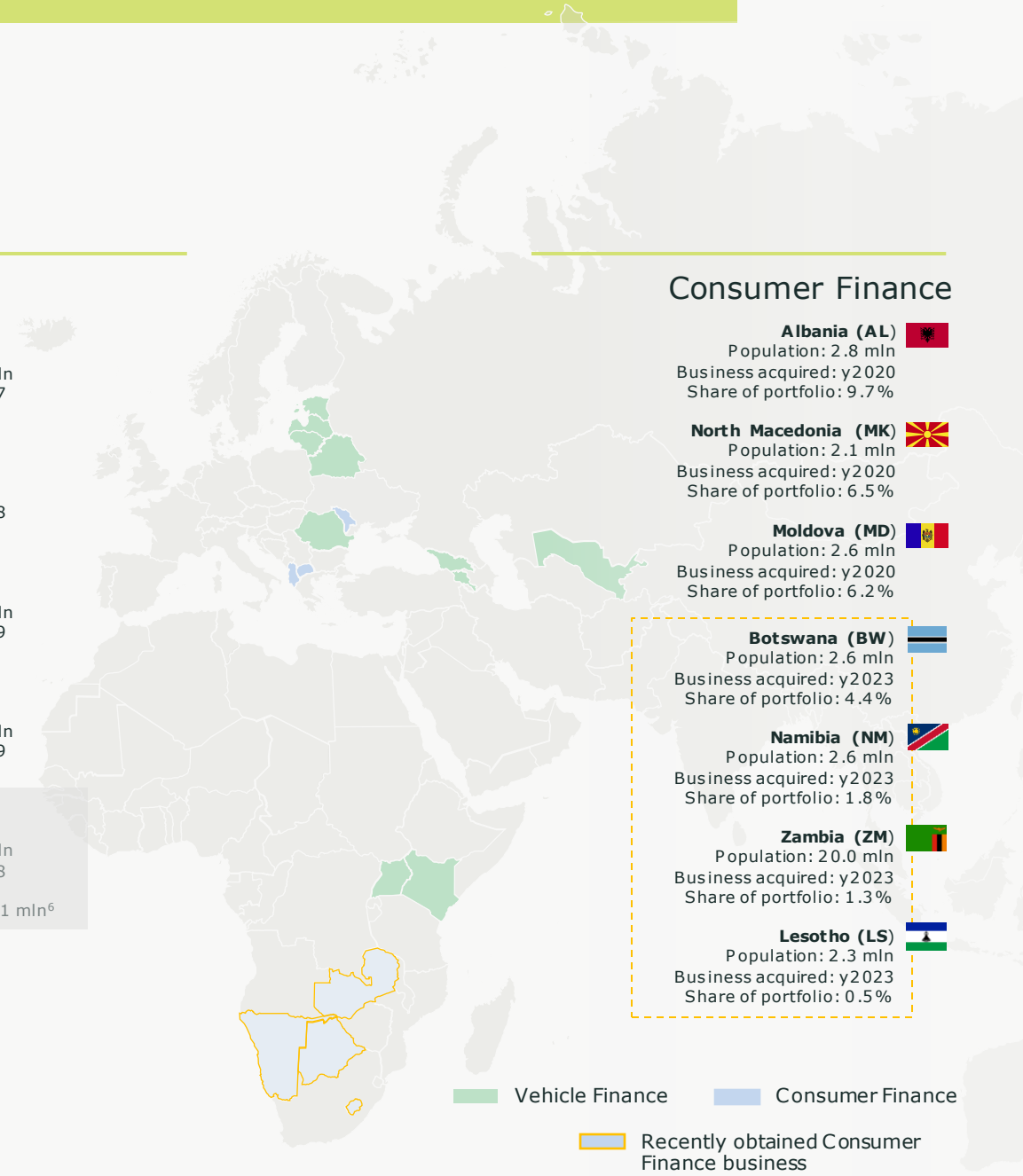


Vehicle Finance²

 Latvia (LV) Population ³ : 1.9 mln Passenger vehicles ⁴ : 0.66 mln Operations launched: y2012 Share of portfolio: 3.2% (9.1% ¹)	 Moldova (MD) Population: 2.6 mln Passenger vehicles: 0.58 mln Operations launched: y2017 Share of portfolio: 5.2%
 Lithuania (LT) Population: 2.8 mln Passenger vehicles: 1.26 mln Operations launched: y2013 Share of portfolio: 9.5% (9.8% ¹)	 Uzbekistan (UZ) Population: 34.2 mln Passenger vehicles: n.a. Operations launched: y2018 Share of portfolio: 3.1%
 Estonia (EE) Population: 1.3 mln Passenger vehicles: 0.79 mln Operations launched: y2013 Share of portfolio: 3.4%	 Kenya (KE) Population: 53.8 mln Passenger vehicles: 0.96 mln Operations launched: y2019 Share of portfolio: 15.5%
 Georgia (GE) Population: 3.7 mln Passenger vehicles: 1.01 mln Operations launched: y2014 Share of portfolio: 5.1%	 Uganda (UG) Population: 45.7 mln Passenger vehicles: 0.17 mln Operations launched: y2019 Share of portfolio: 7.7%
 Romania (RO) Population: 19.2 mln Passenger vehicles: 6.90 mln Operations launched: y2016 Share of portfolio: 9.6%	 Belarus (BY)⁵ Population: 9.4 mln Passenger vehicles: 3.29 mln Operations launched: y2018 Share of portfolio: 3.0% Group's exposure of EUR 9.1 mln ⁶
 Armenia (AM) Population: 2.9 mln Passenger vehicles: n.a. Operations launched: y2017 Share of portfolio: 3.9%	

Consumer Finance

 Albania (AL) Population: 2.8 mln Business acquired: y2020 Share of portfolio: 9.7%
 North Macedonia (MK) Population: 2.1 mln Business acquired: y2020 Share of portfolio: 6.5%
 Moldova (MD) Population: 2.6 mln Business acquired: y2020 Share of portfolio: 6.2%
 Botswana (BW) Population: 2.6 mln Business acquired: y2023 Share of portfolio: 4.4%
 Namibia (NM) Population: 2.6 mln Business acquired: y2023 Share of portfolio: 1.8%
 Zambia (ZM) Population: 20.0 mln Business acquired: y2023 Share of portfolio: 1.3%
 Lesotho (LS) Population: 2.3 mln Business acquired: y2023 Share of portfolio: 0.5%



■ Vehicle Finance
 ■ Consumer Finance
 Recently obtained Consumer Finance business

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)

Non-financial KPIs

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

Vehicle Finance, Q3 2023

19.5k ↑(5.4%)
Vehicles financed
 11.4k Cars vs
 8.1k Motorcycles

12.8% ↓(0.4 p.p.)
Conversion rate
 8.7% Cars vs
 38.9% Motorcycles

4.7 mln ↑(7.1%)
Interactions with clients

883 ↑(4.7%)
of active dealers (LTM)

147.8k ↑(10.3%)
Applications received
 127.0k Cars vs
 20.8k Motorcycles

2.4k ↑(0.2k)
Avg ticket size (EUR)
 4.6k Cars vs
 0.9k Motorcycles

0.2k ↑(5.2%)
Green vehicles financed

1.0k ↑(12.1%)
Bio-gas vehicles financed

Consumer Finance, Q3 2023²

65.4k ↑(2.3%)
Loans issued

39.8% ↑(1.1 p.p.)
Conversion rate

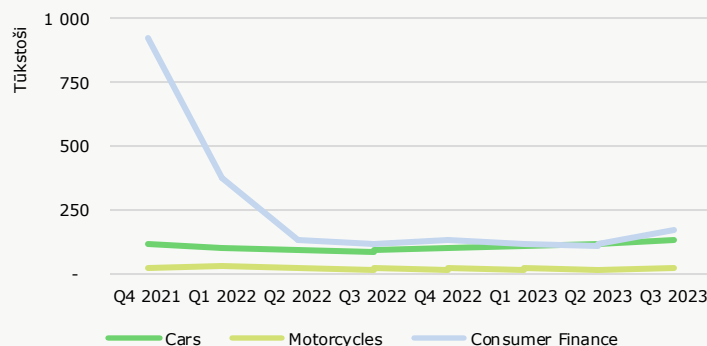
115.5k ↑(3.2%)
Applications received

0.4k
Avg ticket size (EUR)

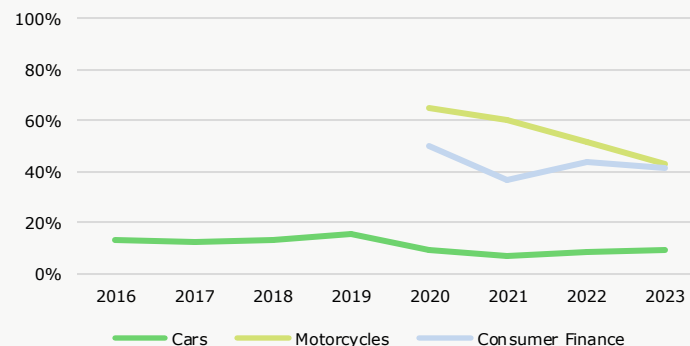
7.5 mln ↑(6.8%)
Interactions with clients

↑↓ - change QOQ

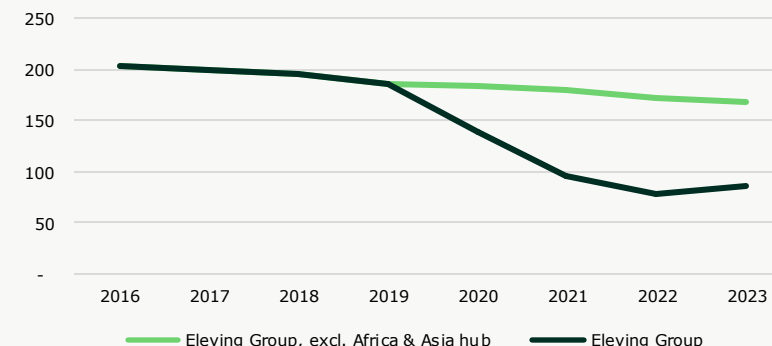
Applications received



Conversion rate



Average CO2 emissions of portfolio by loan issued date¹, 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.

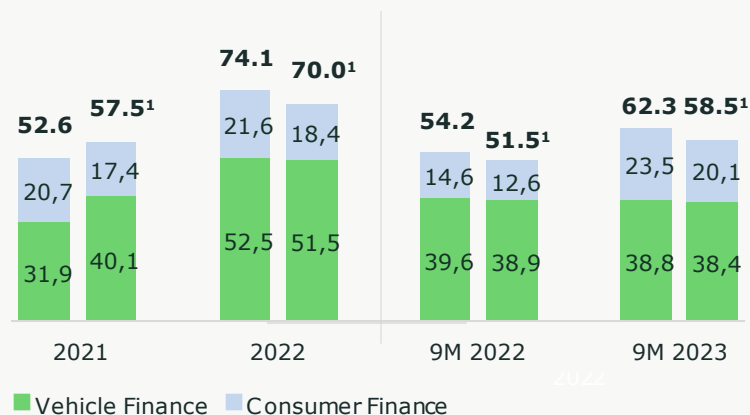
2. Consumer Finance data excludes Ukraine and integrated EC Finance Group operations. Conversion rate statistics based on new client data.

3. Dealers with at least 1 loan application

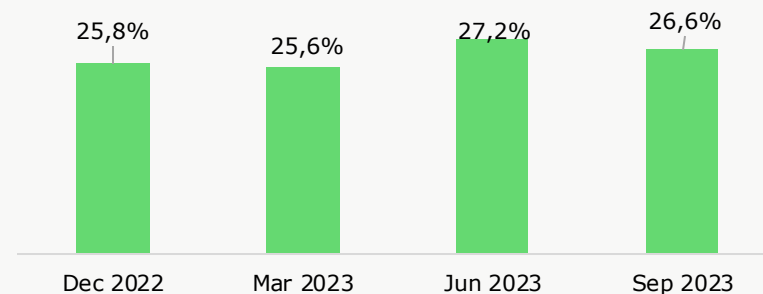
Financial highlights

Solid profitability driven by robust loan issuances and consistent financial performance

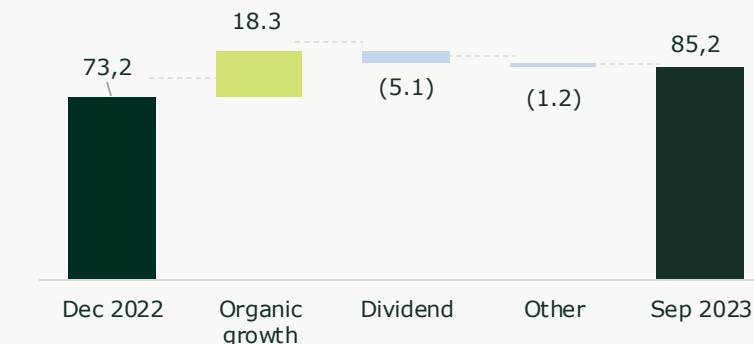
EBITDA and adjusted EBITDA, mln EUR



Capitalization ratio



Equity development, mln EUR



Solid profitability as evidenced by:

- Adjusted EBITDA of EUR 58.5 mln (9M 2022: EUR 51.4 mln)
- Adjusted Net Profit before FX of EUR 23.5 mln (9M 2022: EUR 18.2 mln²)
- Adjusted Net Profit after FX of EUR 19.4 mln (9M 2022: EUR 18.7 mln²)

The Group's equity has reached EUR 85.2 mln with capitalization ratio at 26.6%, providing an adequate and stable headroom for Eurobond covenants.

The slight decrease in the capitalization ratio during the third quarter is attributable to the integration of EC Finance Group with the further expectation of capitalization to improve as the integrated business will build sufficient equity through retained profits.

Growth in the Group's equity between December 2022 and September 2023 was exclusively attributable to the strong financial performance as EUR 18.3 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.

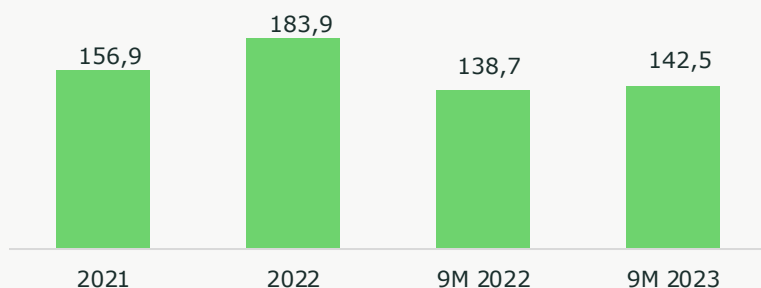
1. 2021 EBITDA adjusted with an increase by one-off costs of: (a) amortization of fair value gain EUR 3.2 mln; (b) loss resulting from subsidiary write-off EUR 1.0 mln; (c) bonds refinancing expense EUR 5.7 mln; and a decrease by one-off gains of: (a) non-controlling interests EUR 5.0 mln. 2022 EBITDA 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. 9M 2022 EBITDA adjusted with an increase by one-off costs of: (a) loss resulting from subsidiary write-off EUR 0.4 mln; and a decrease by one-off gains of: (a) non-controlling interests EUR 3.1 mln. 9M 2023 EBITDA adjusted with a decrease by one-off gains of: (a) non-controlling interests EUR 3.8 mln.

2. 9M 2022 adjusted with an increase by one-off costs of: (a) loss resulting from subsidiary write-off EUR 0.4 mln

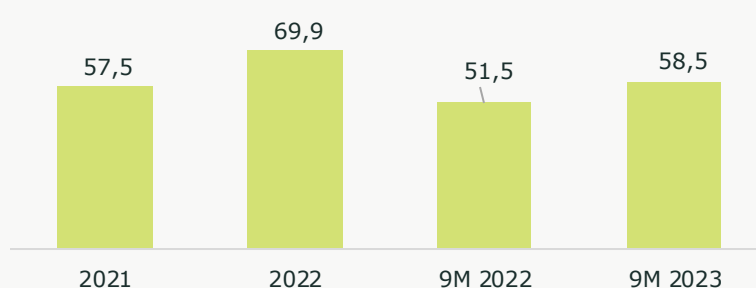
Financial highlights

Financial results manifest the improving performance

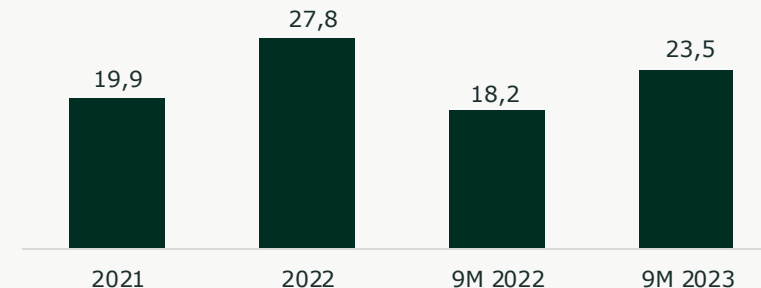
Revenue, mln EUR¹



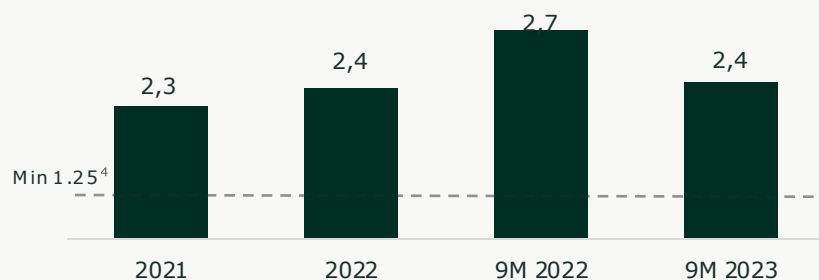
EBITDA, mln EUR²



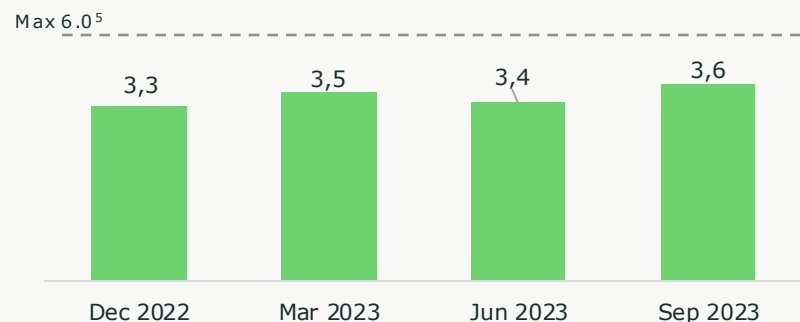
Net Profit before FX effect, mln EUR³



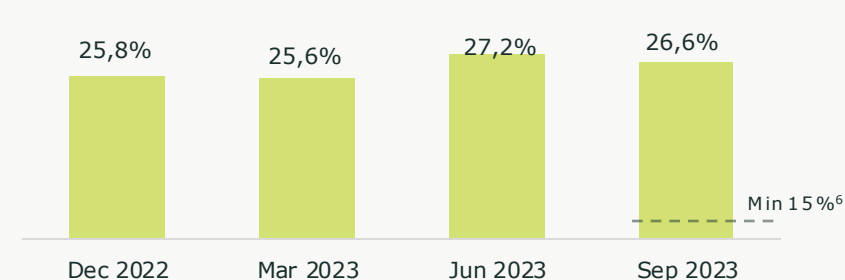
Interest coverage ratio



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. 9M 2022 EBITDA adjusted with an increase by one-off costs of: (a) loss resulting from subsidiary write-off EUR 0.4 mln; and a decrease by one-off gains of: (a) non-controlling interests EUR 3.1 mln. 9M 2023 EBITDA adjusted with a decrease by one-off gains of: (a) non-controlling interests EUR 3.8 mln.

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

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

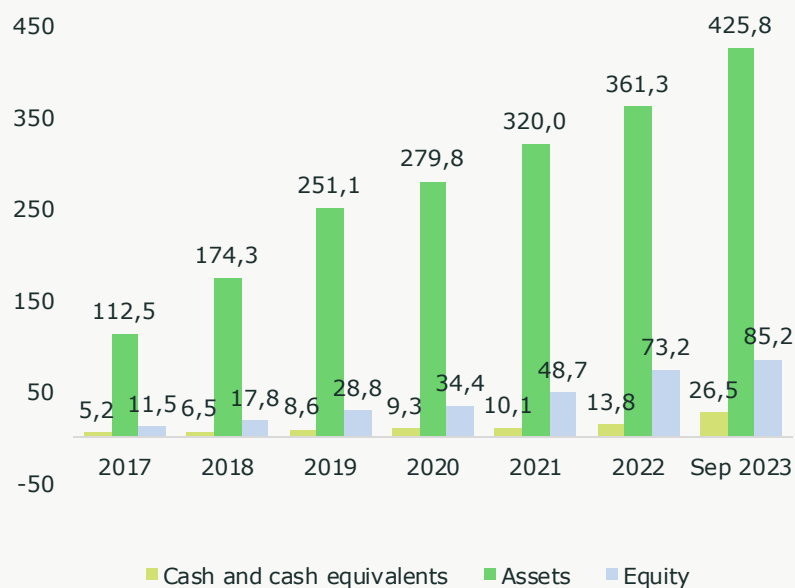
5. Financial covenant - Net leverage (Net Debt to EBITDA) not more than 6.0.

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 in 2023 has mainly been driven by EC Finance Group integration and a growing vehicle finance portfolio.

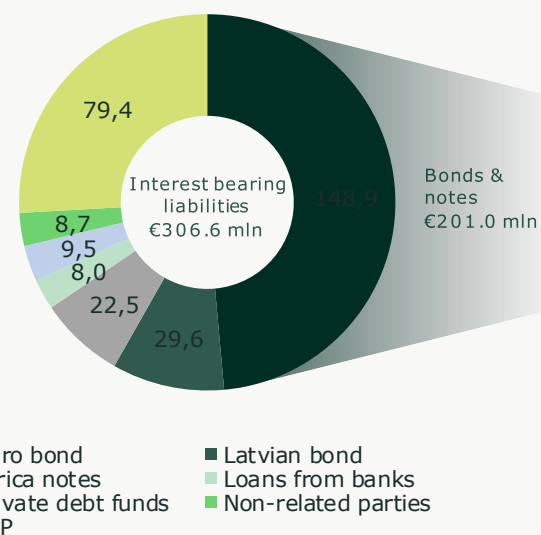
Capitalization ratio remains above the Eurobond covenant requirements.

	2018	2019	2020	2021	2022	Sep 2023
Capitalization ratio ¹	12.7%	15.1%	18.4%	20.7%	25.8%	26.6%

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

2. Funds were received in early Q4, hence excluded from the Group's Q3 financials.

Liabilities, mln EUR



Almost 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 22.5 mln privately placed Africa notes with an annual interest rate of 14-18%, depending on holding period and country.

In the early Q4, the Group issued EUR 50 mln senior secured and guaranteed bonds. The investments attracted will be mainly used to refinance Mogo AS 2021/2024 bonds maturing next year on March 31 and to repay other Group's liabilities.

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

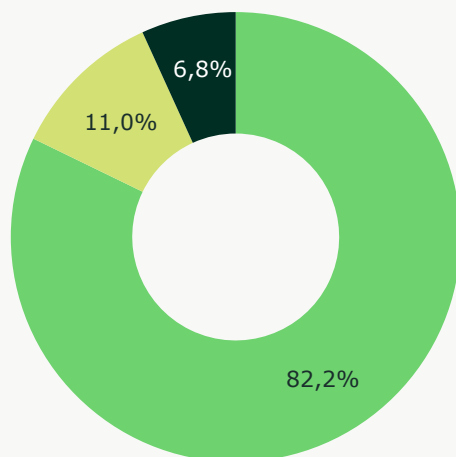
Fitch Ratings has affirmed our long-term Issuer Default Rating (IDR) and senior secured debt rating to "B-". The outlook on the long-term IDR is Stable.

Non-performing loans and provisioning

Maintaining excellent portfolio quality

Net vehicle loan portfolio quality analysis

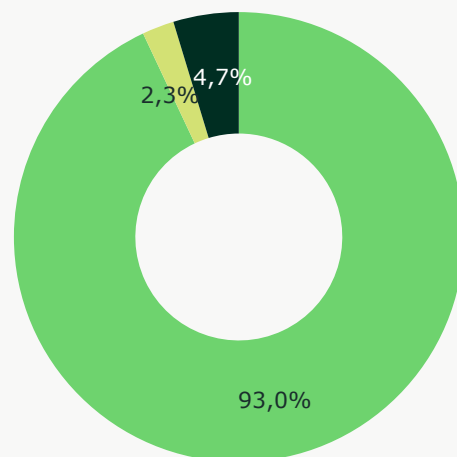
As per September 2023



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

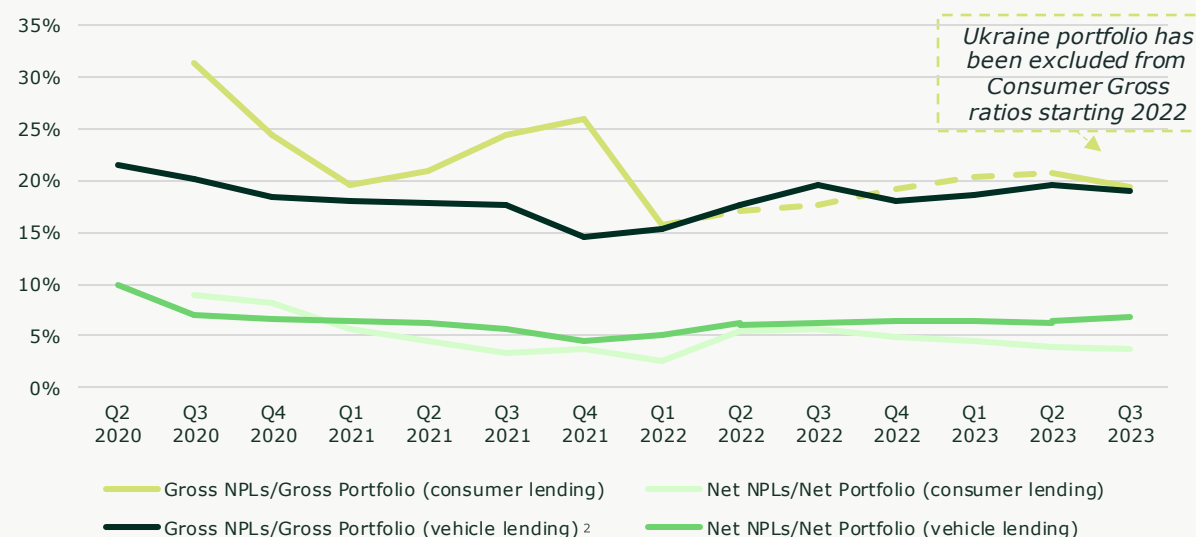
Net consumer loan portfolio quality analysis

As per September 2023



- 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 below 7% across both segments.

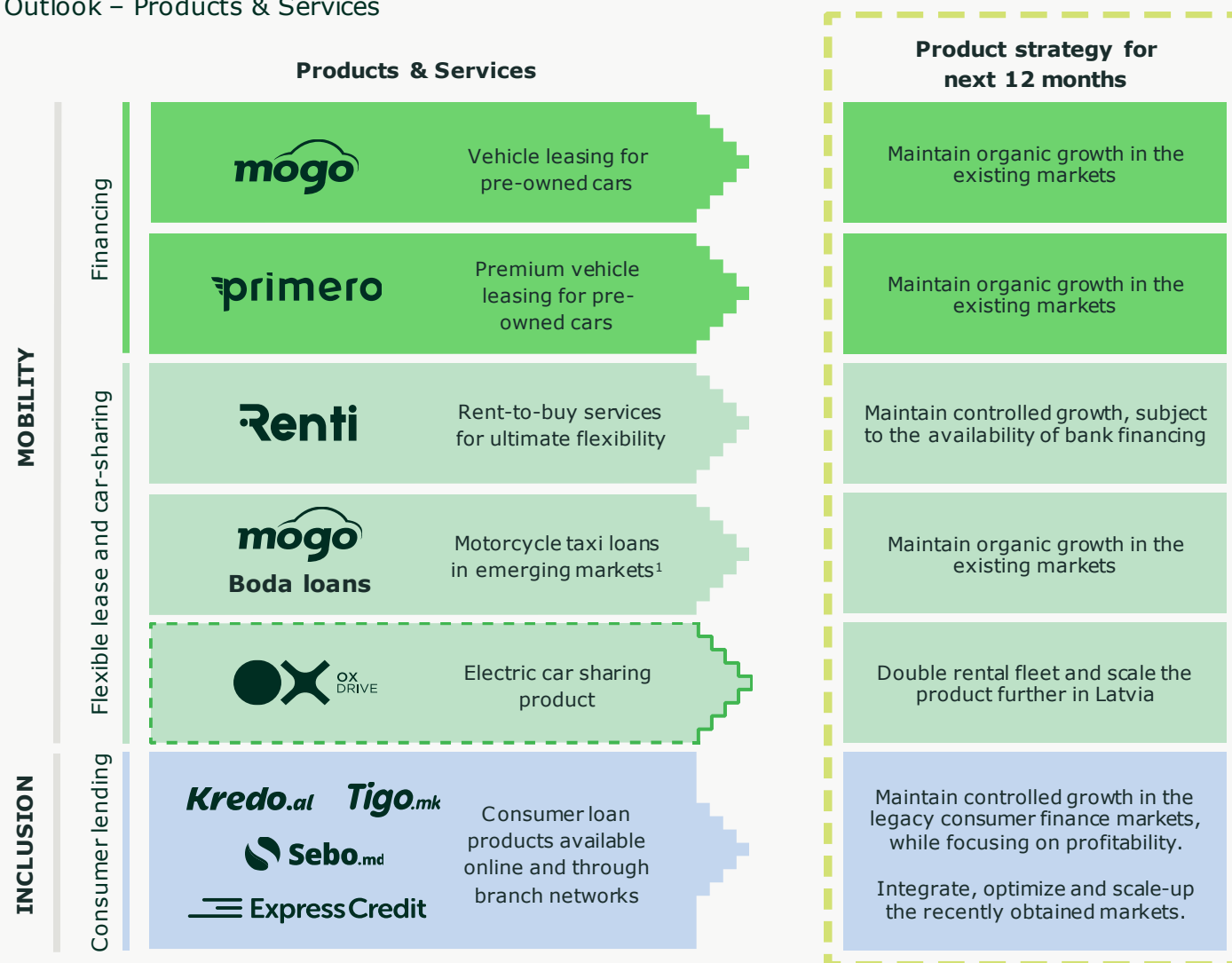
Gross NPLs as well as net NPLs have remained largely the same compared to the quarter before

High impairment coverage of 90% in vehicle business segment and 120% 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



1. Kenya and Uganda.



Processes

- **Finalize integration of EC Finance Group** under Consumer Finance hub.
- **Continue electric vehicle funding initiatives in Africa** and establish strategic partnerships with electric vehicle infrastructure providers in the region.
- **Further automation of loan issuance and underwriting processes** for seamless customer experience and efficient resource allocation.



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.
- Explore routes for attracting **outside equity**.
- Continue fundraising initiatives with an aim of **supplementing the existing capital structures of different markets with local currency funding** and investigating new debt funding avenues.
- Continue to **decrease exposure in Belarus**.



Social impact

- **Setting up a development and training program for employees** for 2024.
- **Localize financial literacy platform for newly integrated ExpressCredit** business in Botswana, Namibia, Zambia, and Lesotho.
- **Launch electric motorcycle-taxi (e-boda) financing** product in Uganda.

Appendix

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Eleving Group's product universe

Focus on sustainability & ESG strategy for 2025

Organizational structure

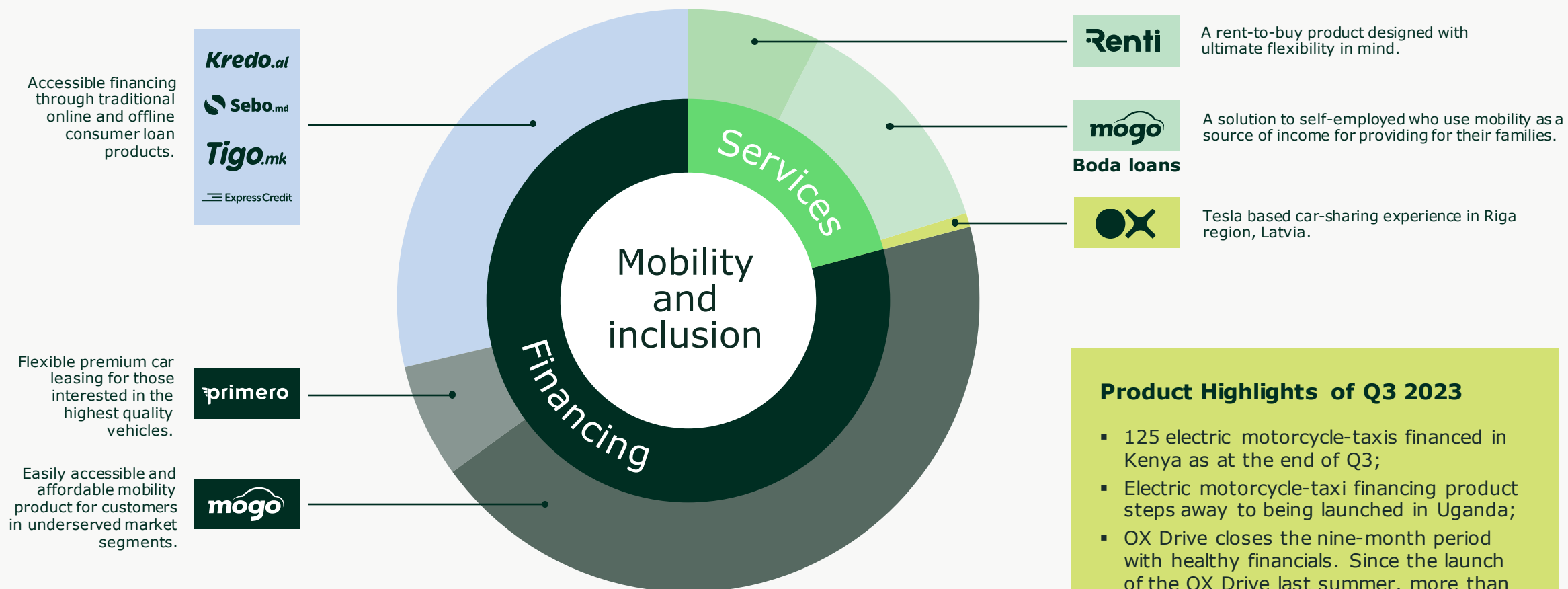
Income statement

Balance sheet

Statement of Cash Flow

Glossary

Eleving Group's product universe



Product Highlights of Q3 2023

- 125 electric motorcycle-taxis financed in Kenya as at the end of Q3;
- Electric motorcycle-taxi financing product steps away to being launched in Uganda;
- OX Drive closes the nine-month period with healthy financials. Since the launch of the OX Drive last summer, more than 35,000 customers have used the service, and have commuted over 2.5 million kilometers on 64,000 journeys.

Focus on sustainability.

Eleving Group's ESG strategy for 2025 with four key 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

Latest ESG milestones

- During Q3, OX Drive, an electric car-sharing service with Tesla vehicles, has continued to show notable operational results. Since the launch of the OX Drive last summer, more than 35,000 customers have used the service, and they have commuted over 2.5 million kilometers on 64,000 journeys.
- The Group has continued its support for Ukraine in its struggles for independence and democracy by donating numerous SUVs to the Ukrainian Defence Forces.
- As the Nagorno-Karabakh conflict escalated, the Group, through its Armenian subsidiary, donated EUR 15 000 to resettle Armenian refugees to safer areas of the country.

Alignment with the United Nations Sustainable Development Goals



Carbon Neutral Organisation



Organizational structure

Eleving GROUP

Eleving VEHICLE FINANCE

Eleving CONSUMER FINANCE

Eleving VEHICLE AFRICA & ASIA

Eleving VEHICLE EUROPE

Mogo (Kenya)



Mogo, Renti, Primero, OX Drive (Latvia)



Mogo, Primero (Estonia)



Sebo (Moldova)



Mogo (Uganda)



Mogo, Renti, Primero (Lithuania)



Mogo (Armenia)



Tigo (North Macedonia)



Mogo (Uzbekistan)



Mogo (Moldova)



Mogo (Georgia)



Kredo (Albania)



Mogo (Romania)



Mogo⁽¹⁾ (Belarus)



Express Credit (Botswana)



Express Credit (Namibia)



Express Credit (Zambia)



Express Credit (Lesotho)



1. Belarus portfolio is on the run-down.

Income statement

EUR mln	2019	2020	2021	2022	9M 2022	9M 2023
Interest revenue calculated using the effective interest method	68.0	73.7	139.9	170.5	128.4	132.8
Interest expense calculated using the effective interest method	(21.2)	(24.9)	(29.0)	(32.0)	(22.8)	(27.3)
Net interest income	46.8	48.8	110.8	138.5	105.6	105.5
Fee and commission income	3.8	5.0	7.3	8.0	6.1	6.5
Revenue from rent	4.0	6.2	6.5	5.4	4.2	3.2
Total net revenue	54.6	60.0	124.7	151.9	115.9	115.2
Impairment expense	(16.1)	(21.9)	(37.2)	(41.4)	(35.3)	(30.6)
Expenses related to peer-to-peer platform services	(0.7)	(0.9)	(1.1)	(1.0)	(0.7)	(0.7)
Selling expense	(3.1)	(2.6)	(8.4)	(8.0)	(5.9)	(4.6)
Administrative expense	(29.4)	(31.0)	(50.5)	(59.2)	(46.9)	(47.9)
Bonds refinancing expense	-	-	(5.7)	-	-	-
Other operating (expense) / income	(0.4)	8.8	(5.6)	(8.4)	(1.9)	(3.3)
Net foreign exchange result	(0.2)	(11.1)	1.1	(6.4)	0.5	(4.1)
Profit before taxes	4.7	1.3	17.3	27.6	25.7	24.0
Corporate income tax	(1.3)	(0.7)	(6.9)	(9.6)	(8.7)	(6.4)
Deferred corporate income tax	1.0	1.0	0.8	2.7	1.3	1.8
Net profit for the period	4.4	1.6	11.2	20.6	18.3	19.4
Discontinued operations	2.1	(0.0)	(4.1)	(1.7)	(1.5)	(0.3)
Translation of financial information of foreign operations to presentation currency	(0.4)	(1.5)	2.5	4.9	8.8	(1.9)
Total comprehensive income for the period	6.2	0.1	9.7	23.8	25.6	17.2
Net profit before FX and discontinued operations	4.6	12.7	10.1	27.0	17.8	23.5
EBITDA	27.0	42.6	52.6	74.1	54.2	62.3
Adjusted EBITDA	27.0	34.8	57.5	70.0	51.5	58.5

Balance sheet

Assets, EUR mln	2019	2020	2021	2022	3Q 2023
ASSETS					
Goodwill	4.1	6.6	4.2	4.7	6.4
Internally generated intangible assets	3.6	5.9	7.5	8.6	10.7
Other intangible assets	0.2	2.3	2.7	2.4	5.0
Loans and lease receivables and rental fleet	193.6	201.4	247.3	293.0	327.3
Right-of-use assets	7.9	7.5	9.1	9.9	10.8
Property, plant and equipment	1.6	2.1	2.5	2.2	2.2
Leasehold improvements	0.3	0.4	0.6	0.6	0.8
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	0.6
Other financial assets	2.5	2.7	3.1	1.4	1.0
Deferred tax asset	1.6	2.9	2.8	5.6	9.8
Inventories	0.6	1.6	3.8	2.5	4.3
Prepaid expense	1.0	1.9	1.7	2.1	2.9
Trade receivables	1.4	0.8	3.6	0.1	0.0
Other receivables	2.5	6.8	3.3	9.6	16.0
Assets of subsidiary held for sale	-	9.4	12.9	0.4	0.2
Assets held for sale	1.9	2.1	0.6	1.1	1.3
Cash and cash equivalents	8.7	9.3	10.1	13.8	26.5
TOTAL ASSETS	253.6	279.8	322.1	361.3	425.8

Equity & Liabilities, EUR mln	2019	2020	2021	2022	3Q 2023
EQUITY					
Share capital	1.0	1.0	1.0	1.0	2.9
Retained earnings	21.4	22.9	22.3	38.3	48.1
Foreign currency translation reserve	(0.8)	(2.3)	0.2	4.9	3.0
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	55.3
Non-controlling interests	0.5	0.3	7.1	8.9	12.1
Subordinated debt	6.8	12.1	17.3	19.0	17.8
TOTAL EQUITY	29.1	34.4	48.7	73.2	85.2
LIABILITIES					
Borrowings	215.5	224.4	241.5	261.5	306.6
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	1.3
Trade payable	1.3	1.3	2.7	1.7	1.5
Corporate income tax payable	0.3	0.8	3.7	3.9	6.2
Taxes payable	1.5	2.0	1.8	2.4	4.1
Other liabilities	2.4	8.6	12.3	12.8	15.3
Liability of subsidiary held for sale	-	3.9	6.1	0.1	0.0
Accrued liabilities	2.6	3.3	4.2	5.0	5.4
Other non-current financial liabilities	0.1	0.2	-	-	-
TOTAL EQUITY + LIABILITIES	253.6	279.8	322.1	361.3	425.8

Statement of cash flow

EUR mln	2019	2020	2021	2022	9M 2022	9M 2023
Cash flows from operating activities						
Profit/(loss) before tax	6.9	0.9	13.2	25.8	24.2	23.8
Adjustments for:						
Amortization and depreciation	3.8	5.7	7.4	8.2	6.2	6.9
Interest expense	21.9	26.1	29.0	28.9	22.8	27.3
Interest income	(72.4)	(83.5)	(139.9)	(170.5)	(128.4)	(132.8)
Loss/(gain) on disposal of property, plant and equipment	1.0	1.4	1.0	3.2	2.2	0.2
Impairment expense	16.7	26.5	41.0	43.4	35.3	30.6
(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	(9.3)	6.0
Operating profit before working capital changes	(22.3)	(22.7)	(48.8)	(59.5)	(47.0)	(38.0)
(Increase)/decrease in inventories	1.1	(1.0)	(2.2)	1.3	0.7	(1.8)
(Increase)/decrease in receivables	(66.3)	(24.6)	(87.2)	(72.8)	(55.8)	(51.1)
Increase/(decrease) in trade payable, taxes payable and other liabilities	(3.2)	2.4	6.6	(1.1)	(4.0)	0.6
Cash generated from operating activities	(84.3)	(45.9)	(131.6)	(132.1)	(106.1)	(90.3)
Interest received	70.5	83.3	139.3	170.5	128.5	132.8
Interest paid	(19.4)	(22.6)	(25.4)	(29.1)	(18.8)	(20.0)
Corporate income tax paid	(1.8)	(1.0)	(4.5)	(10.2)	(6.4)	(3.8)
Net cash flows from operating activities	(35.0)	13.8	(22.2)	(0.9)	(2.8)	18.7

EUR mln	2019	2020	2021	2022	9M 2022	9M 2023
Cash flows from investing activities						
Purchase of property, plant and equipment and intangible assets	(5.4)	(4.0)	(6.0)	(5.1)	(5.4)	(3.4)
Purchase of rental fleet	(13.4)	(9.0)	(3.5)	(5.0)	(4.0)	(3.3)
Loan repayments received	9.2	3.3	19.3	5.7	5.1	3.0
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)	-	-	-	4.5
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)	(0.5)	-
Net cash flows from investing activities	(23.4)	(9.3)	10.5	(4.6)	(4.8)	0.8
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	143.5	122.1
Repayments for borrowings	(47.0)	(216.6)	(507.8)	(177.8)	(121.1)	(123.1)
Repayment of liabilities for right-of-use assets	(1.8)	-	(1.4)	(2.4)	-	-
Dividends paid to controlling shareholders	-	-	-	-	-	(5.8)
Dividends paid to non-controlling shareholders	-	-	(0.4)	(0.6)	-	-
Net cash flows from financing activities	60.5	(3.8)	12.5	9.1	22.4	(6.8)
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	14.8	12.7
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	24.9	26.5

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

Thank you!

Eleving Group

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