

Earnings Call Presentation

12 months 2023

February 2024

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



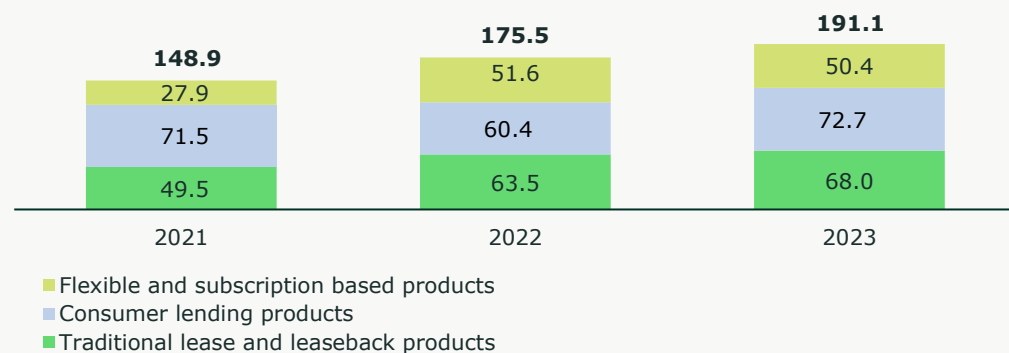
Maris Kreics
Chief Financial Officer

- 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)

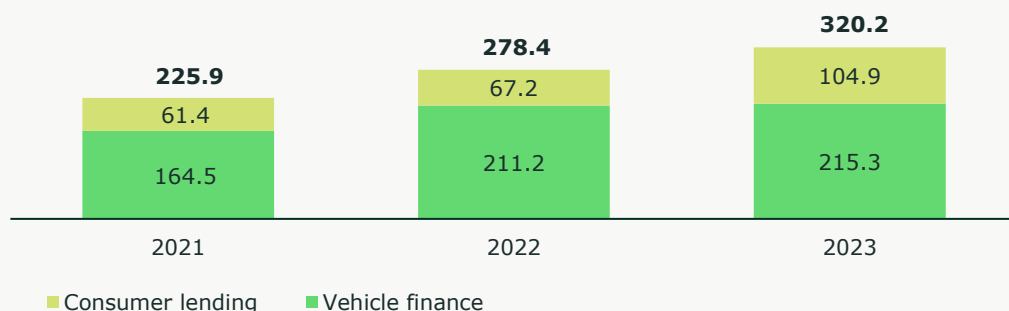
Operational highlights

Improving operational and financial performance

Revenue, mln EUR¹



Net portfolio, mln EUR



1. Adjusted with fair value gain on acquisition in 2021 in the amount of EUR 3.2 mln.

- **Adjusted revenue** up by 8.9% compared to 12M 2022 to **EUR 191.1 mln**;
- Significant increase in **net portfolio** by 15.0% YOY to **EUR 320.2 mln**.

- **Flexible lease and subscription-based products** contributed **EUR 50.4 mln** to the 2023 revenues – a decrease of 2% mainly due to selling of Renti Plus portfolio and and slightly decreasing Kenya motorcycle taxi loan portfolio (effect from unfavorable foreign currency rate development).
- **Traditional lease and leaseback products contributed EUR 68.0 mln** to the revenue stream, up by 7% compared to the respective period a year ago. The recorded increase can be explained by a steady and controlled portfolio and interest income growth across most of the Group's markets, with the highest growth rates recorded in Romania, Lithuania, and Moldova.
- Revenues from the **consumer loan segment contributed EUR 72.7 mln** to the 2023 revenues – a significant leap of over 20%. The successful results were driven by the efficient integration of the ExpressCredit business and outstanding performance in the Group's European consumer markets.

In mid-Q4, the Group **launched a retrofitting product – modification of internal combustion engine motorcycles to electric**, aiming to intensify the introduction of sustainable mobility in Kenya and to extend the life cycle of pre-owned motorcycles.

In Q4, the Group **issued EUR 50 mln of senior secured and guaranteed Eleving Group 2023/2028 bonds. Over 2,000 new investors** from the Baltic States and Europe were onboarded.

In January 2024, the Group received the necessary approvals from Belarussian authorities regarding the **Mogo Belarus sale**. It is **expected to be finished within 2024**.

During Q4, the Group established cooperation with MFX Currency Risk Solutions (USA) and Absa Bank (Uganda). In January 2024, the Group **companies entered into currency hedging contracts to fully cover the Group's exposure** with respect to the Ugandan shilling.

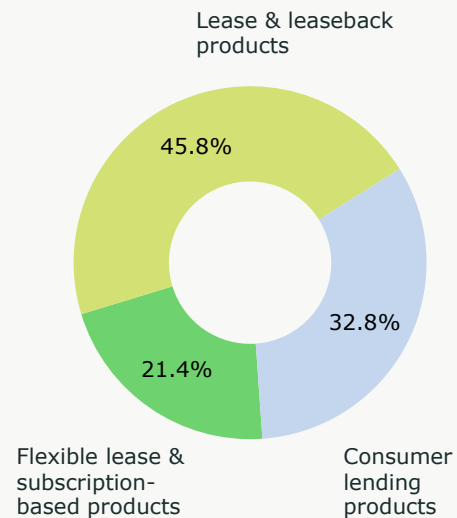
In 2023, **over 3.2 mln kilometers were commuted on pure electricity by the Group's clients**. Therefore, both green mobility services have reduced the potential CO2 emissions by over 300t, compared to the amount an internal combustion engine would have generated.

An important milestone in digitization was reached by **launching an advanced online client cabinet for the Romanian market**. It is planned to implement the respective project gradually across other Group markets.







Global scope

Multi-geography platform that eliminates a single-market risk








Portfolio balance¹ as per December 2023

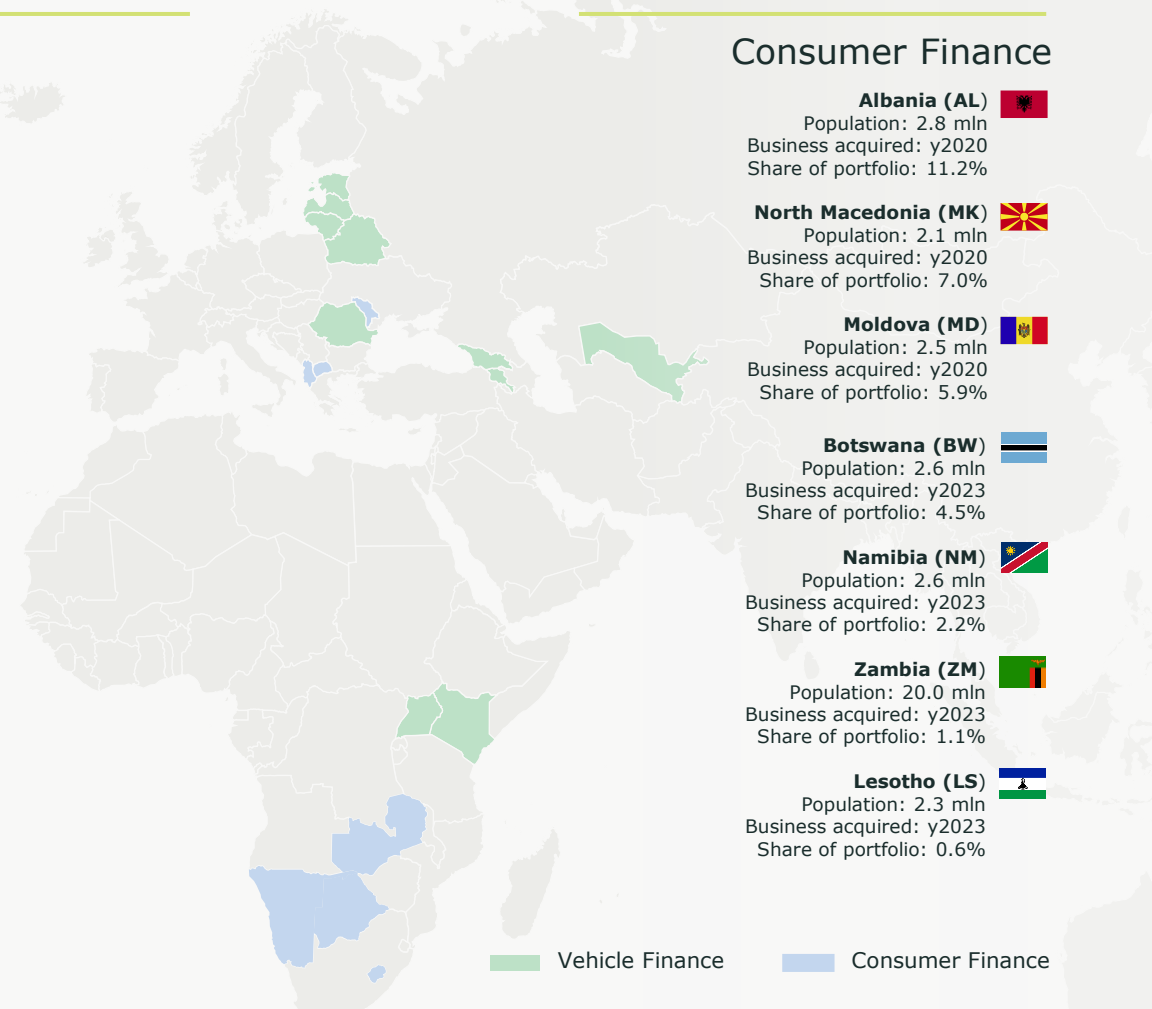




Vehicle Finance

 Latvia (LV) Population ² : 1.9 mln Passenger vehicles ³ : 0.66 mln Operations launched: y2012 Share of portfolio: 3.6% (9.5% ¹)	 Moldova (MD) Population: 2.5 mln Passenger vehicles: 0.58 mln Operations launched: y2017 Share of portfolio: 5.6%
 Lithuania (LT) Population: 2.8 mln Passenger vehicles: 1.26 mln Operations launched: y2013 Share of portfolio: 10.0%	 Uzbekistan (UZ) Population: 35.6 mln Passenger vehicles: n.a. Operations launched: y2018 Share of portfolio: 3.6%
 Estonia (EE) Population: 1.3 mln Passenger vehicles: 0.79 mln Operations launched: y2013 Share of portfolio: 3.4%	 Kenya (KE) Population: 54.0 mln Passenger vehicles: 0.96 mln Operations launched: y2019 Share of portfolio: 13.9%
 Georgia (GE) Population: 3.7 mln Passenger vehicles: 1.01 mln Operations launched: y2014 Share of portfolio: 5.2%	 Uganda (UG) Population: 47.2 mln Passenger vehicles: 0.17 mln Operations launched: y2019 Share of portfolio: 7.4%
 Romania (RO) Population: 19.0 mln Passenger vehicles: 6.90 mln Operations launched: y2016 Share of portfolio: 10.4%	
 Armenia (AM) Population: 2.8 mln Passenger vehicles: n.a. Operations launched: y2017 Share of portfolio: 4.1%	

Consumer Finance

 Albania (AL) Population: 2.8 mln Business acquired: y2020 Share of portfolio: 11.2%
 North Macedonia (MK) Population: 2.1 mln Business acquired: y2020 Share of portfolio: 7.0%
 Moldova (MD) Population: 2.5 mln Business acquired: y2020 Share of portfolio: 5.9%
 Botswana (BW) Population: 2.6 mln Business acquired: y2023 Share of portfolio: 4.5%
 Namibia (NM) Population: 2.6 mln Business acquired: y2023 Share of portfolio: 2.2%
 Zambia (ZM) Population: 20.0 mln Business acquired: y2023 Share of portfolio: 1.1%
 Lesotho (LS) Population: 2.3 mln Business acquired: y2023 Share of portfolio: 0.6%



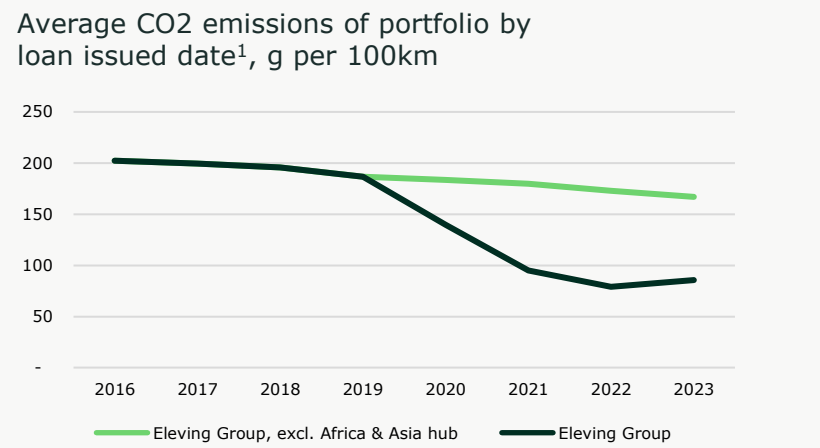
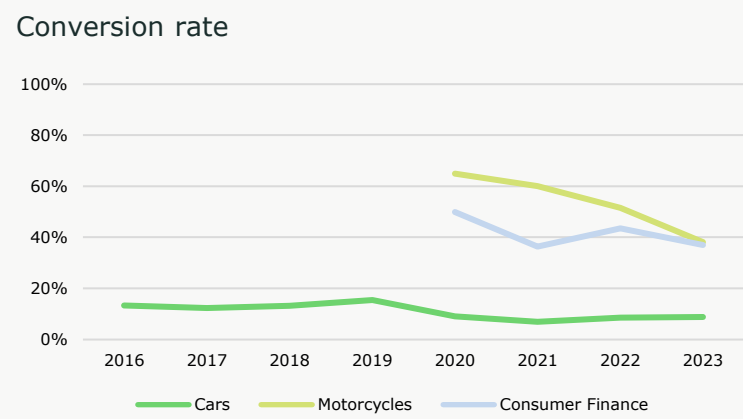
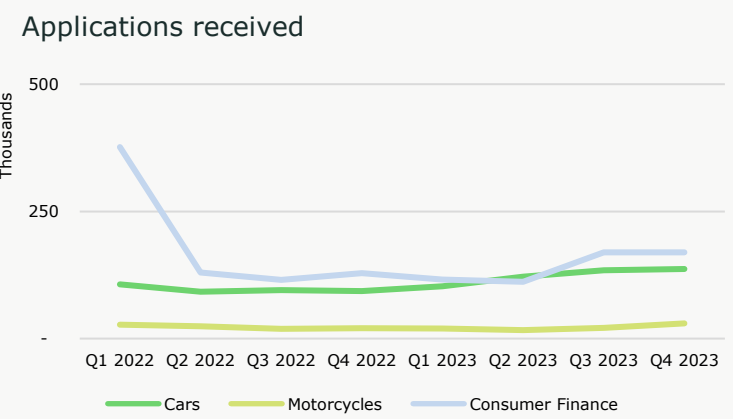
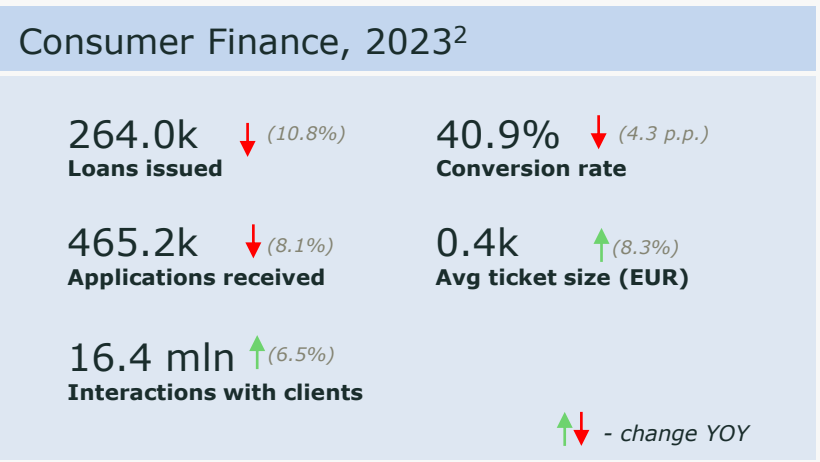
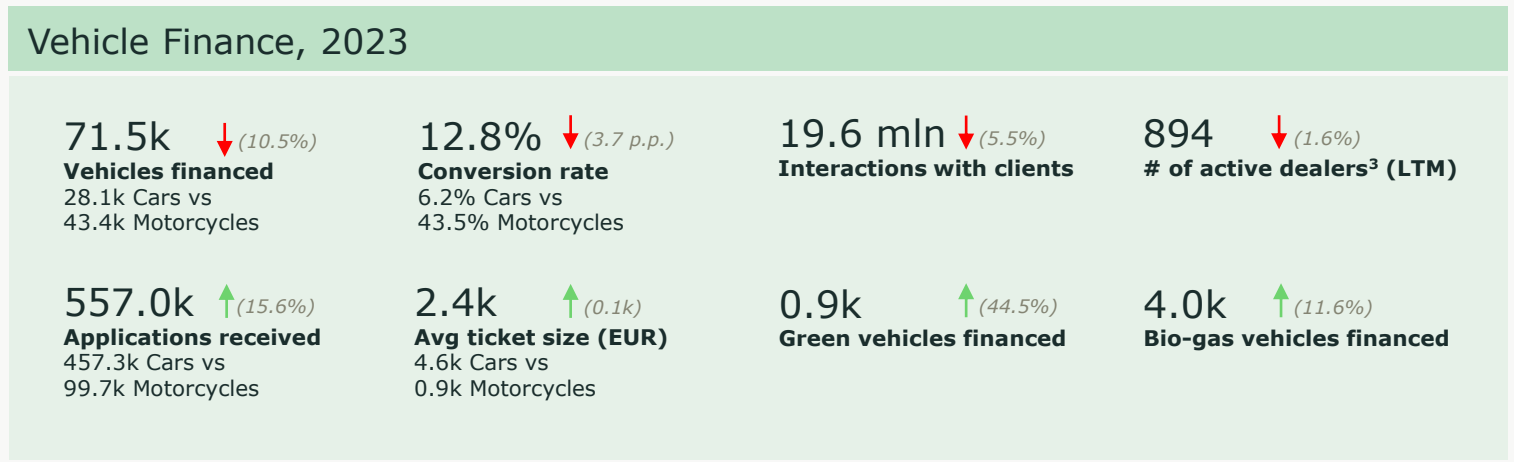
 Vehicle Finance  Consumer Finance

1. Including Primero product portfolio in total portfolio balance
2. Population data source: Eurostat and World Bank

3. Passenger vehicle data source: ACEA VEHICLES IN USE REPORT and Nation Master

Non-financial KPIs

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



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 163 loans (0.6% of loans excluding boda boda), CO2 mission 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.

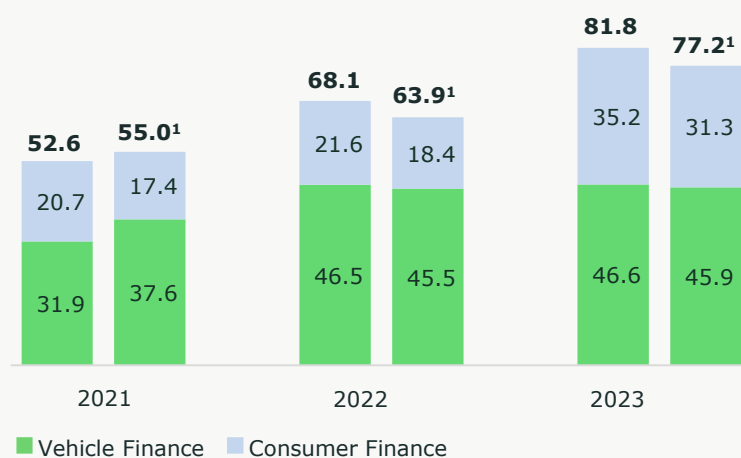
2. Consumer Finance data excludes Ukraine and integrated EC Finance Group operations. Conversion rate statistics based on new client data.

3. Dealers with at least 1 loan application

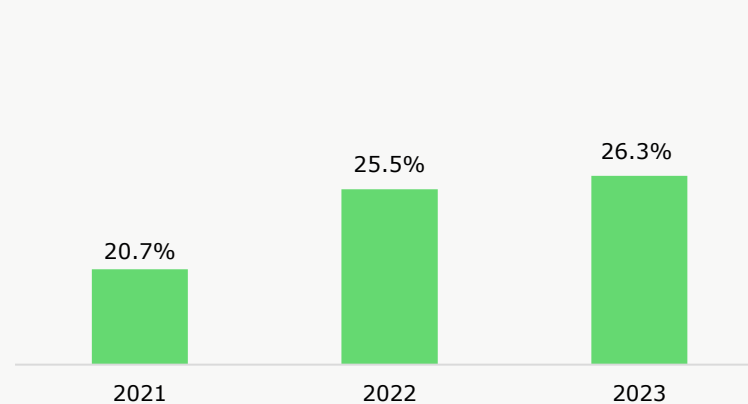
Financial highlights

Solid profitability driven by robust loan issuances and consistent financial performance

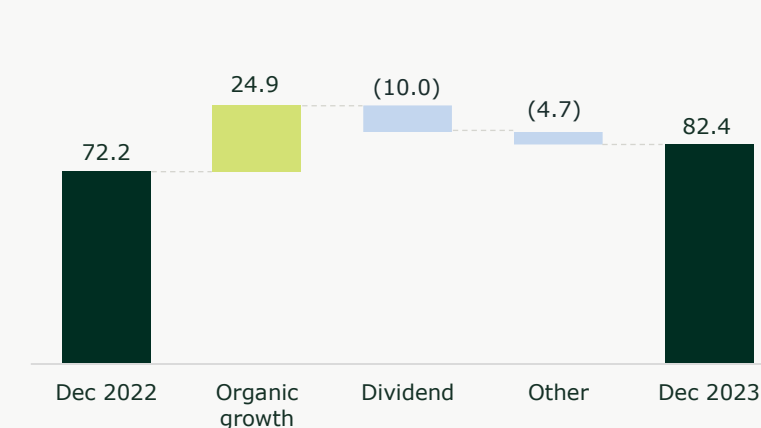
EBITDA and adjusted EBITDA, mln EUR



Capitalization ratio



Equity development, mln EUR



Solid profitability as evidenced by:

- Adjusted EBITDA of EUR 77.2 mln (12M 2022: EUR 63.9 mln)
- Adjusted Net Profit before FX of EUR 29.8 mln (12M 2022: EUR 22.0 mln²)
- Adjusted Net Profit after FX of EUR 23.4 mln (12M 2022: EUR 14.6 mln²)

The Group's equity has reached EUR 82.4 mln with capitalization ratio at 26.3%, providing an adequate and stable headroom for Eurobond covenants.

Growth in the Group's equity between December 2022 and December 2023 was exclusively attributable to the strong financial performance, as EUR 24.9 mln of equity growth stemmed from organic growth in net profits. Meanwhile, the dividend payout in 2023, coupled with adverse FX movements and a slight decrease in subordinated debt, had a negative contribution to equity development.

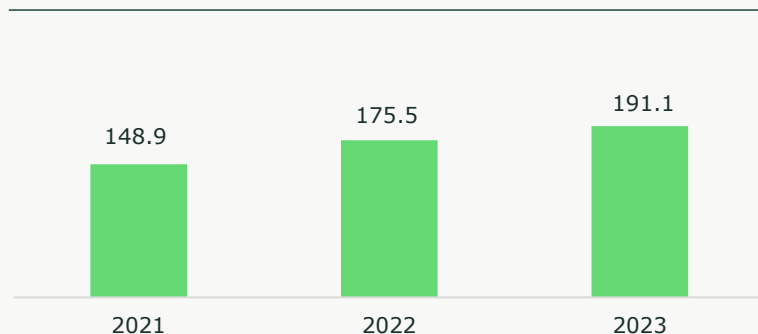
1. 2021 EBITDA adjusted with an increase by one-off costs of: (a) amortization of fair value gain EUR 3.2 mln; (b) loss resulting from subsidiary write-off EUR 1.0 mln; (c) bonds refinancing expense EUR 5.7 mln; and a decrease by: (a) non-controlling interests EUR 5.0 mln. 2022 EBITDA adjusted with an increase by one-off costs of: (a) loss resulting from subsidiary write-off EUR 0.8 mln; and a decrease by: (a) non-controlling interests EUR 5.0 mln. 2023 EBITDA adjusted with a decrease by: (a) non-controlling interests EUR 4.6 mln.

2. 12M 2022 adjusted with an increase by one-off costs of: (a) loss resulting from subsidiary write-off EUR 0.8 mln.

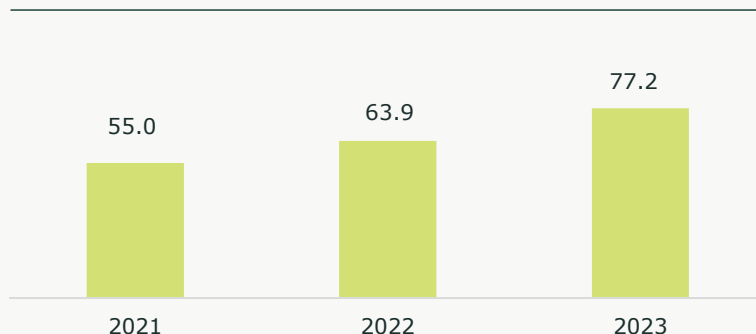
Financial highlights

Financial results manifest the improving performance

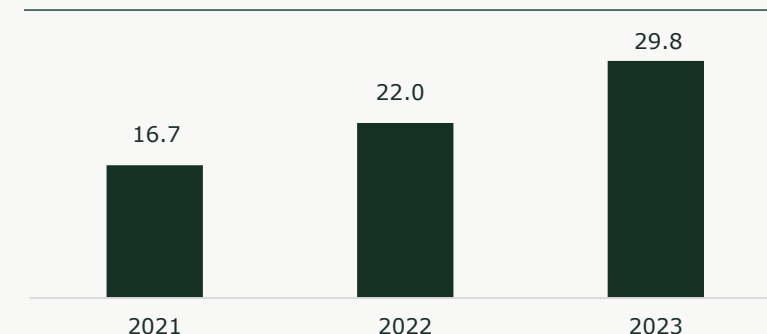
Revenue, mln EUR¹



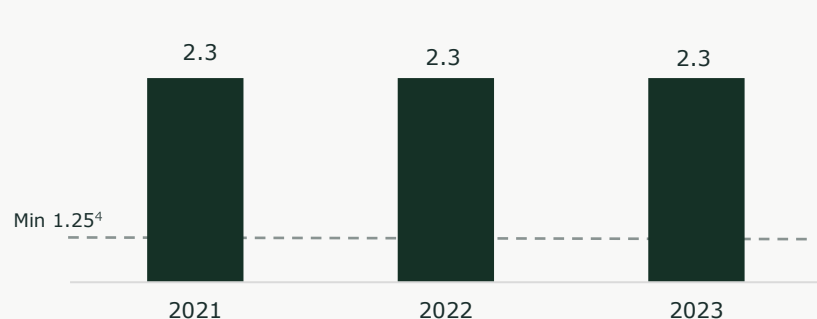
EBITDA, mln EUR²



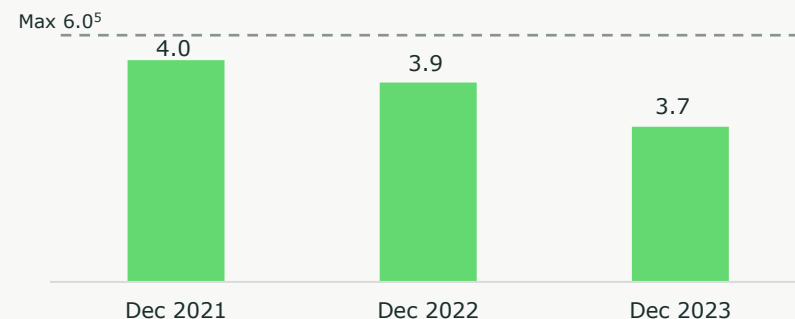
Net Profit before FX effect, mln EUR³



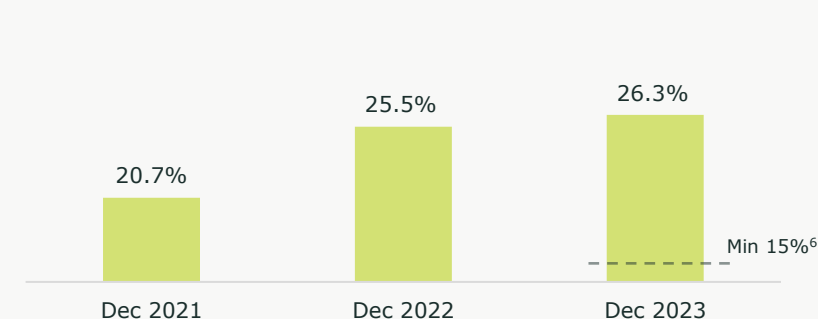
Interest coverage ratio



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: (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: (a) non-controlling interests EUR 5.0 mln. 2023 EBITDA adjusted with a decrease by: (a) non-controlling interests EUR 4.6 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.

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

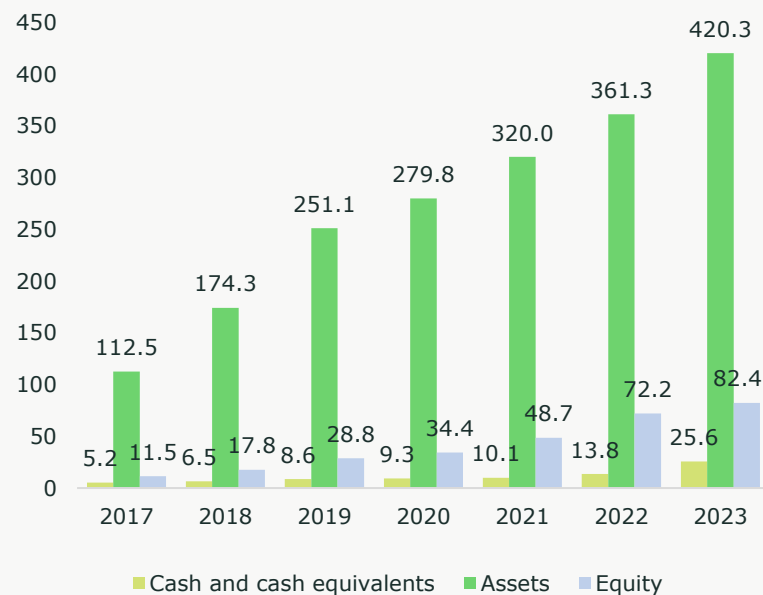
5. Financial covenant - Net leverage (Net Debt to EBITDA) not more than 6.0.

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.

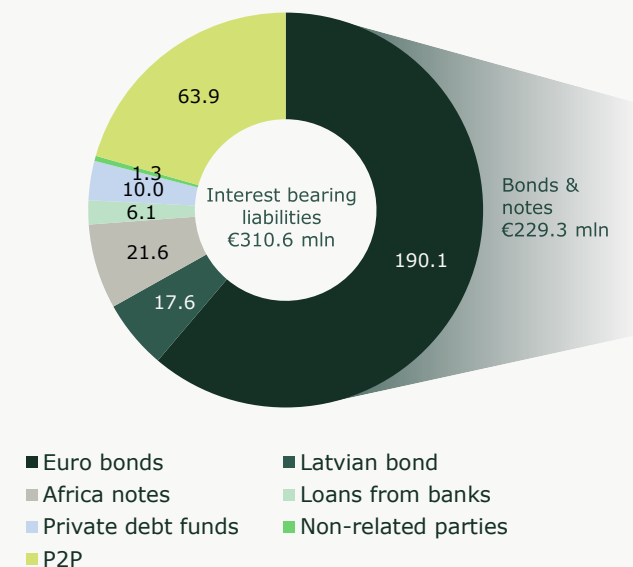
Increase in the total assets in 2023 has mainly been driven by ExpressCredit integration and a growing vehicle and consumer loan portfolios.

Capitalization ratio remains above the Eurobond covenant requirements.

	2018	2019	2020	2021	2022	2023
Capitalization ratio ¹	12.7%	16.2%	18.4%	20.7%	25.5%	26.3%
Bond maturity profile	2024	2026	2028			
EUR	17 500 000	150 000 000	50 000 000			

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

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 50 mln Eurobond issued on 31 October 2023 (Frankfurt), and 6 November 2023 (Riga) with an annual interest rate of 13%;
- EUR 21.6 mln privately placed Africa notes with average annual interest rates of 14-16%, 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 this year on March 31 and to repay other Group's liabilities.

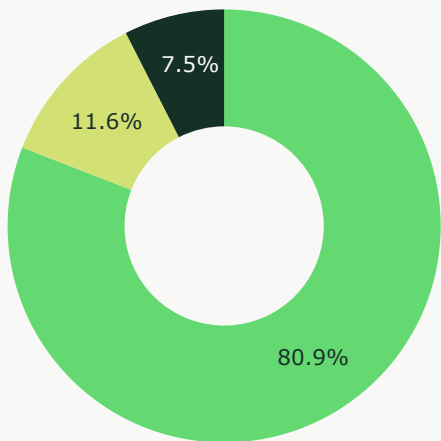
Fitch Ratings has affirmed our long-term Issuer Default Rating (IDR) and senior secured debt rating to "B-". The outlook on the long-term IDR is Stable.

Non-performing loans and provisioning

Maintaining excellent portfolio quality

Net vehicle loan portfolio quality analysis¹

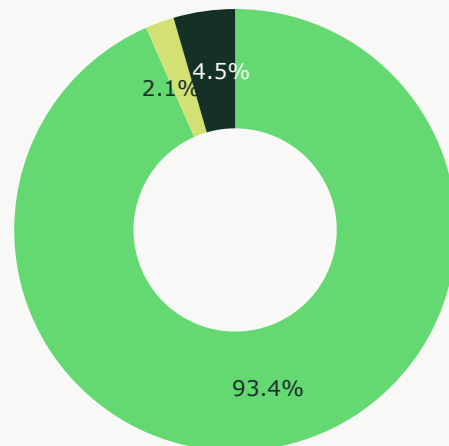
As of 31 December 2023



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

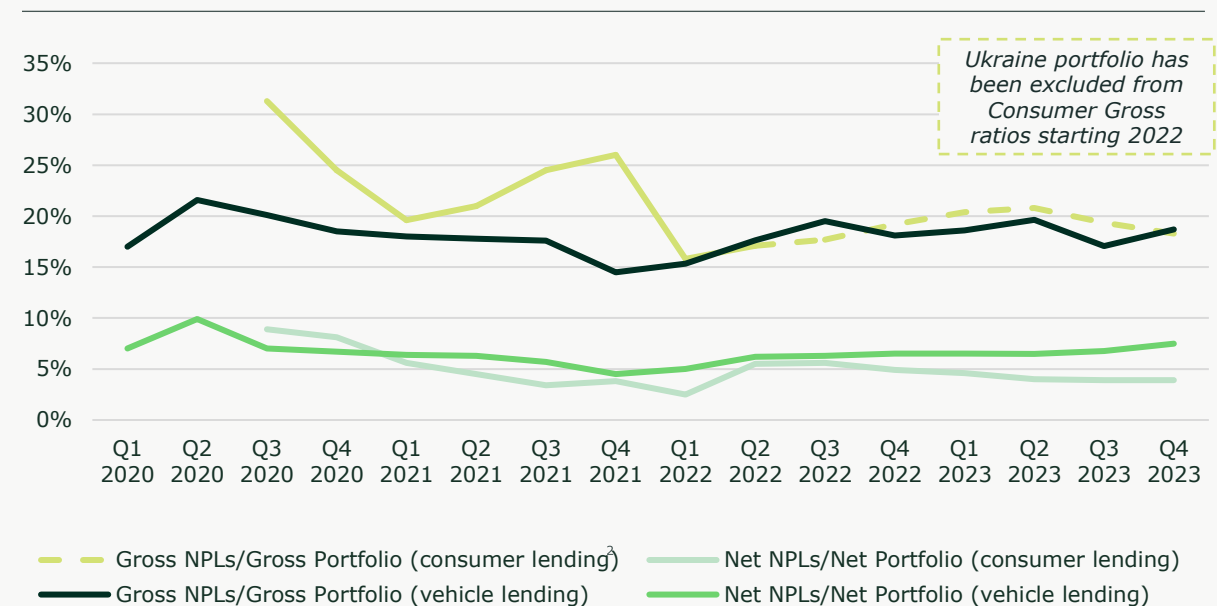
Net consumer loan portfolio quality analysis¹

As of 31 December 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 8% across both segments.

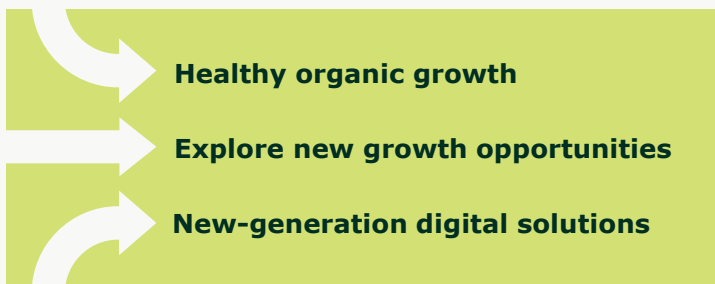
No structural changes were noted in both gross & net NPLs for both business segments within the last quarter.

High impairment coverage of 86% 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

Business outlook (2024)

Operational excellence and consistent growth



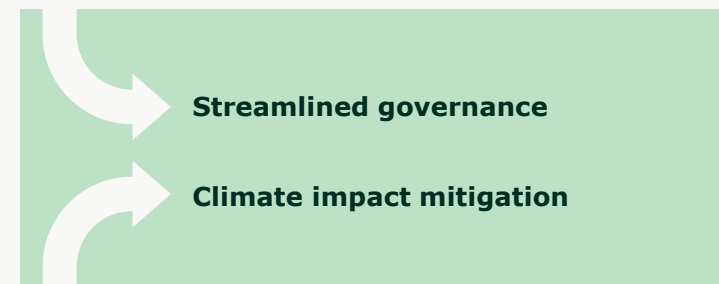
Products and processes

- Maintain healthy organic growth across existing products and markets, **targeting a 5-20% growth rate** depending on the market.
- **Scale up portfolio operations in recently integrated South African region** consumer lending markets, with core focus on creating sustainable financial products for the underserved population.
- **Roll out SME financing product in existing European markets** – launch the first market in 2024.
- In 2024, **explore opportunities to launch new vehicle financing markets** with the goal to open a new market in Q1 2025.
- **Explore M&A opportunities** in the markets for both entering the SME segment and entering a new market.
- **Become a leading Electric motorcycle financier** (financing new EVs and retrofitting used petrol bikes) in the Eastern Africa region.
- **Roll out new generation 2.0 digital solutions** (client cabinet, auto-process, car portal) across all Eleving Vehicle Finance markets.



Capital management

- **Explore opportunities to raise outside equity** in 2024 for further company's growth.
- **Further focus on fundraising initiatives** to supplement the existing capital structures of different markets with local currency funding and unlock new debt funding avenues, especially in East African markets, to facilitate growth and mitigate the FX gap. Also, explore other FX hedging opportunities and options.
- **Diversify and improve debt structure** while raising additional debt across markets with a specific focus on financing partners with an impact focus.
- Finalize an **exit from Belarus**.



Governance and social impact

- Build an **independent management board** following the best corporate governance practices.
- Publish a **dividend policy**.
- Implement a **Group-wide environmental activity** across all markets.
- **Reduce the carbon footprint** arising from the company's portfolio by **implementing carbon offsetting projects in Kenya and Uganda**.
- **Continue the improvement of the company's processes and policies** to maintain a sustainable and transparent business and reporting practice according to CSRD standards.



Appendix

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Eleving Group's product universe

Focus on sustainability & ESG strategy for 2025

Organizational structure

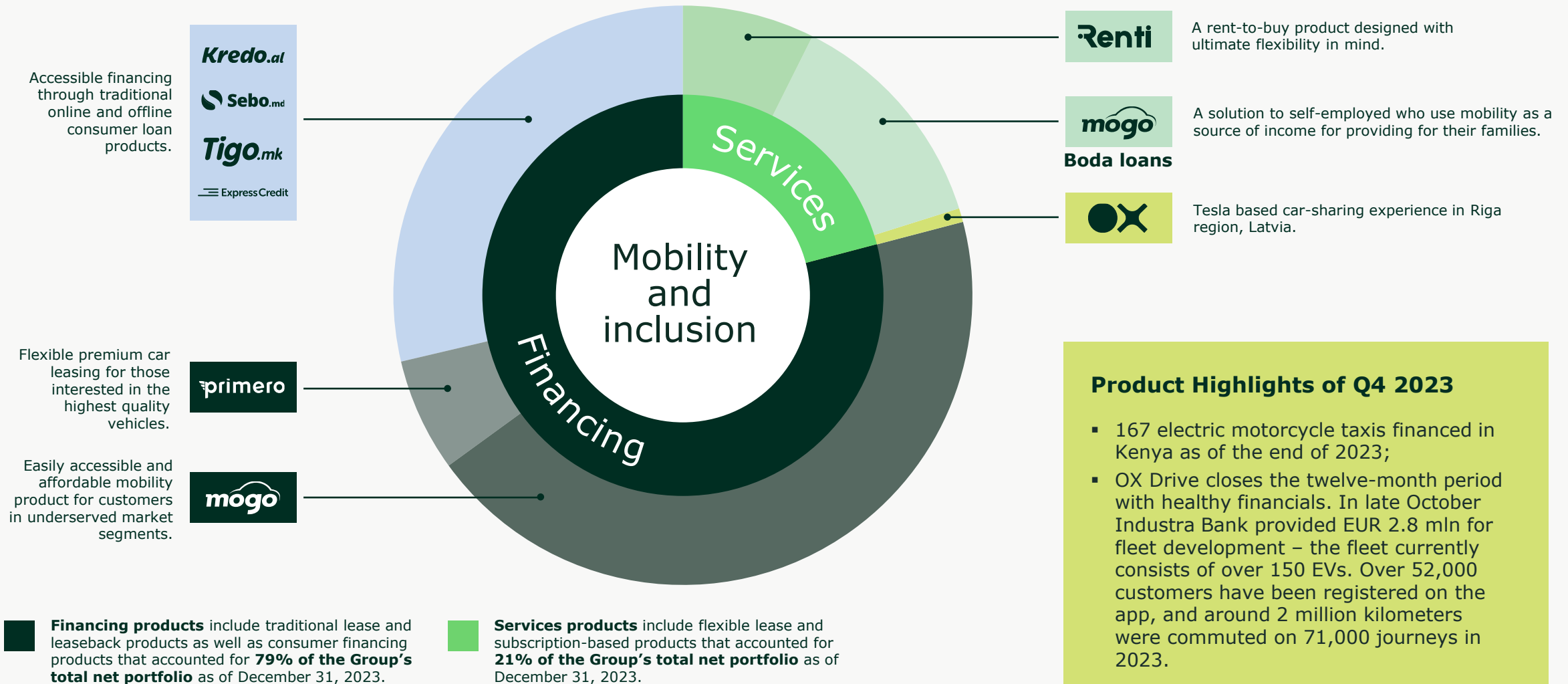
Income statement

Balance sheet

Statement of Cash Flow

Glossary

Eleving Group's product universe



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

Key ESG milestones in 2023

- Over 3.2 mln kilometers were commuted on electricity by the Group's clients.** Both green mobility services have **reduced the potential CO₂ emissions by close to 315t**, compared to the amount an internal combustion engine would have generated.
- The Group has **reduced the average CO₂ emission intensity in the car portfolio** (excluding the motorcycle segment) **from 174.4 g/km (2022) to 167.5 g/km (2023), or by -4%**.
- Around **30,000 unique users took the self-assessment test** on the Group's financial literacy platform.
- Over 20% of the Group's portfolio serves the self-employed and SMEs**, thereby increasing economic inclusion and the prosperity of local communities.

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)



Express Credit (Botswana)



Express Credit (Namibia)



Express Credit (Zambia)



Express Credit (Lesotho)



Income statement

EUR mln	2019	2020	2021	2022	2023
Interest revenue calculated using the effective interest method	68.0	73.7	139.9	162.5	178.1
Interest expense calculated using the effective interest method	(21.2)	(24.9)	(29.0)	(31.1)	(37.5)
Net interest income	46.8	48.8	110.8	131.4	140.6
Fee and commission income	3.8	5.0	7.3	7.6	8.9
Revenue from rent	4.0	6.2	6.5	5.4	4.1
Total net revenue	54.6	60.0	124.7	144.4	153.6
Impairment expense	(16.1)	(21.9)	(37.2)	(42.6)	(41.1)
Expenses related to peer-to-peer platform services	(0.7)	(0.9)	(1.1)	(0.9)	(1.0)
Selling expense	(3.1)	(2.6)	(8.4)	(7.8)	(6.4)
Administrative expense	(29.4)	(31.0)	(50.5)	(59.2)	(65.0)
Bonds refinancing expense	-	-	(5.7)	-	-
Other operating (expense) / income	(0.4)	8.8	(5.6)	(5.0)	(5.3)
Net foreign exchange result	(0.2)	(11.1)	1.1	(7.4)	(6.4)
Profit before taxes	4.7	1.3	17.3	21.5	28.5
Corporate income tax	(1.3)	(0.7)	(6.9)	(10.2)	(6.7)
Deferred corporate income tax	1.0	1.0	0.8	2.5	1.6
Net profit for the period	4.4	1.6	11.2	13.8	23.4
Discontinued operations	2.1	(0.0)	(4.1)	4.0	2.5
Translation of financial information of foreign operations to presentation currency	(0.4)	(1.5)	2.5	5.0	(4.9)
Total comprehensive income for the period	6.2	0.1	9.7	22.8	21.0
Net profit before FX and discontinued operations	4.6	12.7	10.1	21.2	29.8
EBITDA	27.0	42.6	52.6	68.1	81.8
Adjusted EBITDA	27.0	34.8	57.5	63.9	77.2

Balance sheet

Assets, EUR mln	2019	2020	2021	2022	2023
ASSETS					
Goodwill	4.1	6.6	4.2	4.7	6.3
Internally generated intangible assets	3.6	5.9	7.5	8.6	10.3
Other intangible assets	0.2	2.3	2.7	2.4	5.4
Loans and lease receivables and rental fleet	193.6	201.4	247.3	293.1	320.2
Right-of-use assets	7.9	7.5	9.1	9.9	10.3
Property, plant and equipment	1.6	2.1	2.5	2.2	2.1
Leasehold improvements	0.3	0.4	0.6	0.6	0.8
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	-
Other financial assets	2.5	2.7	3.1	1.4	2.9
Deferred tax asset	1.6	2.9	2.8	5.6	8.8
Inventories	0.6	1.6	3.8	2.5	4.8
Prepaid expense	1.0	1.9	1.7	2.1	3.2
Trade receivables	1.4	0.8	3.6	0.1	0.1
Other receivables	2.5	6.8	3.3	9.6	9.4
Assets of subsidiary held for sale	-	9.4	12.9	0.4	9.4
Assets held for sale	1.9	2.1	0.6	1.1	0.7
Cash and cash equivalents	8.7	9.3	10.1	13.8	25.6
TOTAL ASSETS	253.6	279.8	322.1	361.3	420.3

Equity & Liabilities, EUR mln	2019	2020	2021	2022	2023
EQUITY					
Share capital	1.0	1.0	1.0	1.0	2.9
Retained earnings	21.4	22.9	22.3	37.3	48.2
Foreign currency translation reserve	(0.8)	(2.3)	0.2	4.9	(0.5)
Reserve	0.3	0.3	0.8	1.1	2.4
Equity attributable to equity holders of the Company	21.8	22.0	24.3	44.3	53.0
Non-controlling interests	0.5	0.3	7.1	8.9	12.9
Subordinated debt	6.8	12.1	17.3	19.0	16.5
TOTAL EQUITY	29.1	34.4	48.7	72.2	82.4
LIABILITIES					
Borrowings	215.5	224.4	241.5	261.5	310.6
Provisions	0.9	0.4	0.1	0.2	-
Prepayments and other payments received from customers	0.2	0.5	0.9	0.5	1.1
Trade payable	1.3	1.3	2.7	1.5	2.0
Corporate income tax payable	0.3	0.8	3.7	5.1	1.4
Taxes payable	1.5	2.0	1.8	2.4	2.8
Other liabilities	2.4	8.6	12.3	12.8	12.4
Liability of subsidiary held for sale	-	3.9	6.1	0.1	1.8
Accrued liabilities	2.6	3.3	4.2	5.0	5.7
Other non-current financial liabilities	0.1	0.2	-	-	-
TOTAL EQUITY AND LIABILITIES	253.6	279.8	322.1	361.3	420.3

Statement of cash flow

EUR mln.	2019	2020	2021	2022	2023
Cash flows from operating activities					
Profit before tax	6.9	0.9	13.2	25.4	31.1
Adjustments for:					
Amortization and depreciation	3.8	5.7	7.4	8.1	9.4
Interest expense	21.9	26.1	29.0	31.1	36.5
Interest income	(72.4)	(83.5)	(139.9)	(162.5)	(178.1)
Loss/(gain) on disposal of property, plant and equipment	1.0	1.4	1.0	3.2	1.3
Impairment expense	16.7	26.5	41.0	42.6	41.1
(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)	2.4	11.3
Operating profit before working capital changes	(22.3)	(22.7)	(48.8)	(49.7)	(47.4)
(Increase)/decrease in inventories	1.1	(1.0)	(2.2)	1.3	(2.3)
(Increase)/decrease in receivables	(66.3)	(24.6)	(87.2)	(72.4)	(65.9)
Increase/(decrease) in trade payable, taxes payable and other liabilities	(3.2)	2.4	6.6	(7.3)	(0.7)
Cash generated from operating activities	(84.3)	(45.9)	(131.6)	(128.1)	(116.3)
Interest received	70.5	83.3	139.3	162.5	178.1
Interest paid	(19.4)	(22.6)	(25.4)	(29.1)	(33.3)
Corporate income tax paid	(1.8)	(1.0)	(4.5)	(10.2)	(9.6)
Net cash flows from operating activities	(35.0)	13.8	(22.2)	(4.9)	18.9

EUR mln	2019	2020	2021	2022	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)
Purchase of rental fleet	(13.4)	(9.0)	(3.5)	(5.0)	(4.1)
Loan repayments received	9.2	3.3	19.3	5.7	1.9
Received payments for sale of shares in subsidiaries	0.2	5.3	1.3	-	-
Advance payments for acquisition of a subsidiaries	(0.3)	-	-	-	-
Integration of a subsidiary, net of cash acquired	(0.8)	(4.1)	-	-	4.2
Disposal of discontinued operation, net of cash disposed of	(1.4)	(0.3)	(0.4)	-	-
Payments for acquisition of non-controlling interests	(0.1)	(0.1)	-	-	-
Loans issued and bank deposits	(11.4)	(0.4)	(0.2)	(0.5)	-
Net cash flows from investing activities	(23.4)	(9.3)	10.5	(4.4)	(3.4)
Cash flows from financing activities					
Proceeds from issue/(repayment) of share premium	1.0	-	-	-	-
Proceeds from borrowings	108.3	212.8	522.1	193.8	287.0
Repayments for borrowings	(47.0)	(216.6)	(507.8)	(180.2)	(280.6)
Repayment of liabilities for right-of-use assets	(1.8)	-	(1.4)	-	-
Dividends paid	-	-	(0.4)	(0.6)	(10.0)
Net cash flows from financing activities	60.5	(3.8)	12.5	13.0	(3.7)
Effect of exchange rates on cash and cash equivalents	0.1	-	0.0	-	-
Change in cash	2.1	0.7	0.8	3.7	11.8
Cash at the beginning of the period	6.5	8.6	9.3	10.1	13.8
Cash at the end of the period	8.7	9.3	10.1	13.8	25.6

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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