

# Earnings Call Presentation

3 months 2024

May 2024

Eleving<sup>GROUP</sup>

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# Presenters



**Modestas Sudnius**  
Chief Executive Officer

- With Eleving Group since 2013, part of the Group's management team as CEO since November 2018
- Started as 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
- 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)





# Non-financial KPIs

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

## Vehicle Finance, Q1 2024

16.8k ↑ (4.6%)

**Vehicles financed**

6.1k Cars vs  
10.7k Motorcycles

8.9% ↓ (1.4 p.p.)

**Conversion rate**

4.3% Cars vs  
25.8% Motorcycles

2.9 mln ↑ (2.6%)

**Interactions with clients**

975 ↑ (1.9%)

**# of active dealers<sup>3</sup> (LTM)**

188.9k ↑ (22.0%)

**Applications received**

147.3k Cars vs  
41.6k Motorcycles

2.2k ↓ (0.3k)

**Avg ticket size (EUR)**

4.4k Cars vs  
0.8k Motorcycles

0.4k ↑ (54.0%)

**Green vehicles financed**

0.9k ↓ (26.2%)

**Bio-gas vehicles financed**

## Consumer Finance, Q1 2024<sup>2</sup>

113.1k ↑ (1.6%)

**Loans issued**

30.7% ↓ (3.4 p.p.)

**Conversion rate**

207.4k ↑ (8.3%)

**Applications received**

0.4k ↓ (0.8%)

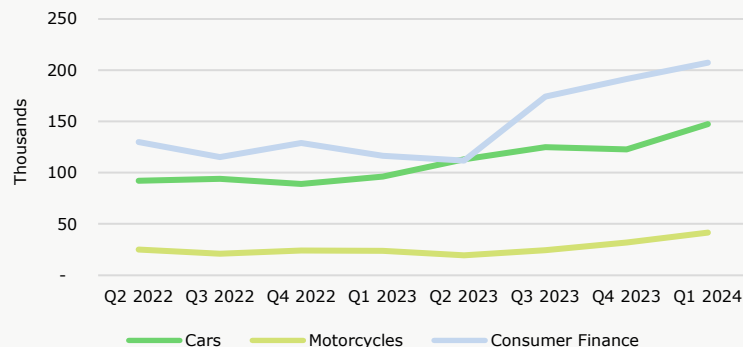
**Avg ticket size (EUR)**

3.5 mln ↑ (1.0%)

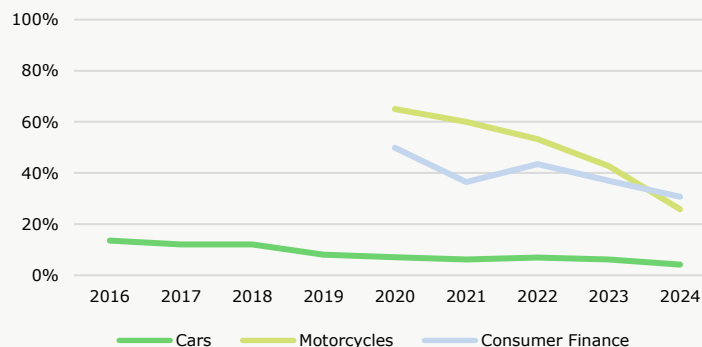
**Interactions with clients**

↑ ↓ - change YOY

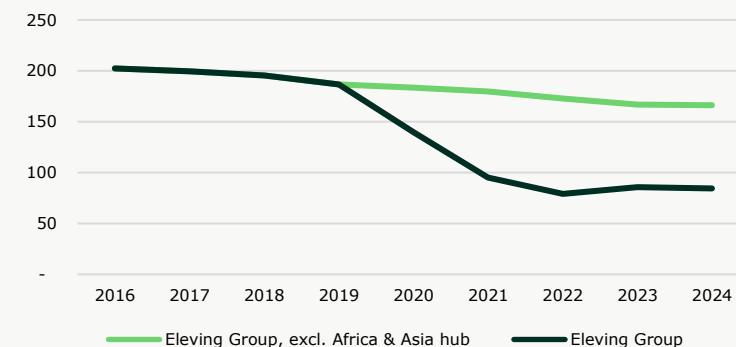
Applications received



Conversion rate



Average CO2 emissions of portfolio by loan issued date<sup>1</sup>, 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 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.

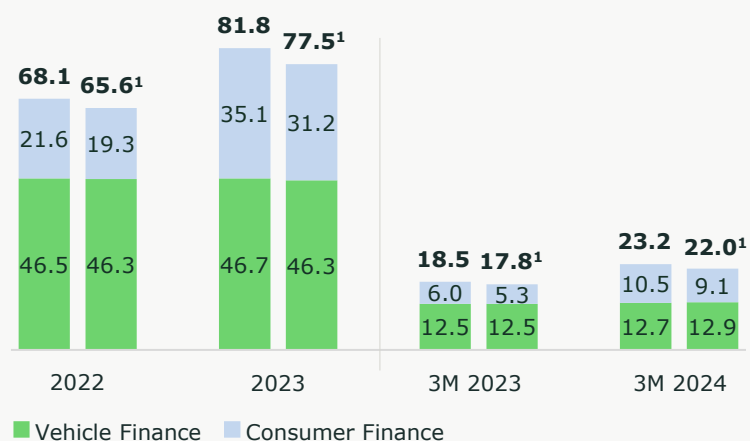
2. Consumer Finance data excludes Ukraine. Conversion rate statistics based on new client application data.

3. Dealers with at least 1 loan application

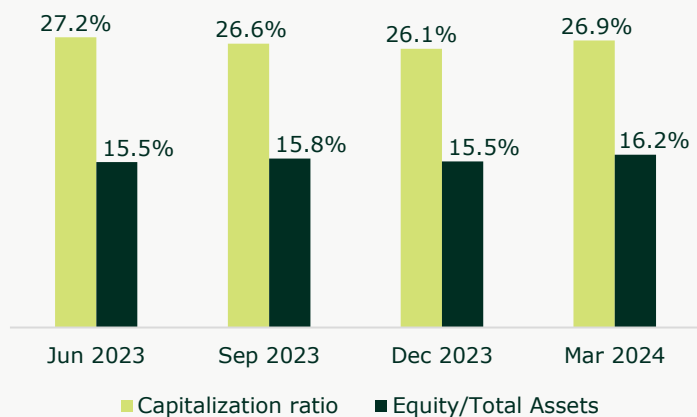
# Financial highlights

Solid profitability driven by robust loan issuances and consistent financial performance

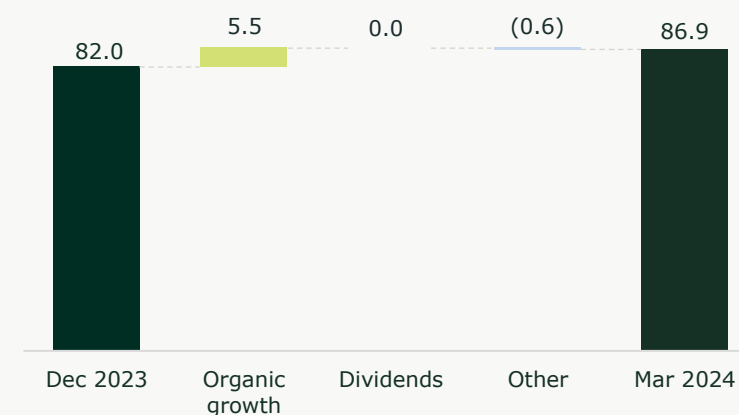
EBITDA and adjusted EBITDA, mln EUR



Capitalization and Equity/Total Assets ratio



Equity development, mln EUR



Solid profitability as evidenced by:

- Adjusted EBITDA of EUR 22.0 mln (3M 2023: EUR 17.8 mln)
- Net Profit before FX of EUR 7.8 mln (3M 2023: EUR 6.8 mln)
- Net Profit after FX of EUR 5.4 mln (3M 2023: EUR 5.1 mln)

The Group's equity has reached EUR 86.9 mln, with the capitalization ratio of 26.3%, providing adequate and stable headroom for Eurobond covenants.

Equity / Total Assets ratio has increased to 16.2%, proving considerable financial strength and prudent capital management.

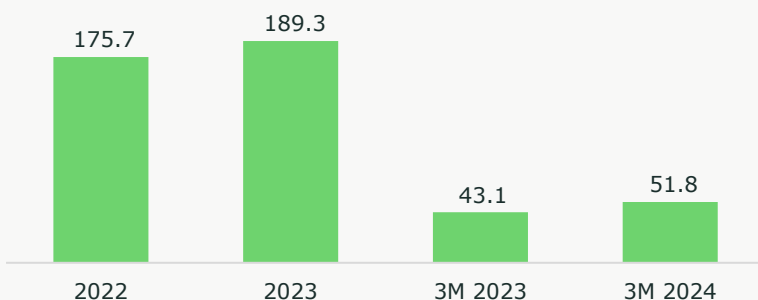
Growth in the Group's equity between December 2023 and March 2024 was exclusively attributable to the strong financial performance, as EUR 5.3 mln of equity growth stemmed from organic growth in net profits. Repayment of subordinated debt, partially offset by favorable FX movements, had a marginal negative contribution of EUR 0.6 mln to equity development.

1. 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 3.3 mln. 2023 EBITDA adjusted with a decrease by one off-gains of: (a) non-controlling interests EUR 4.4 mln. 3M 2023 EBITDA adjusted with a decrease by one off-gains of: (a) non-controlling interests EUR 0.7 mln. 3M 2024 EBITDA adjusted with a decrease by one off-gains of: (a) non-controlling interests EUR 1.2 mln.

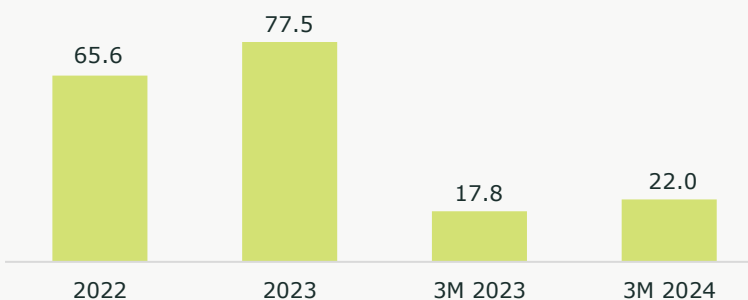
# Financial highlights

Financial results manifest the improving performance

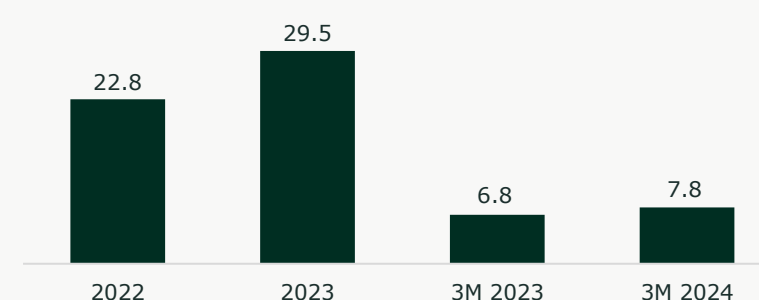
Revenue, mln EUR



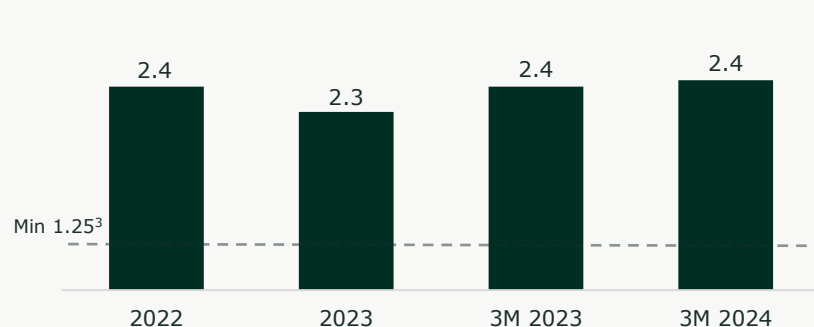
EBITDA, mln EUR<sup>1</sup>



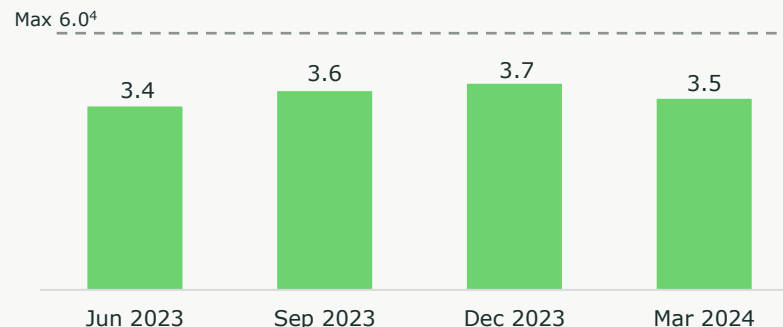
Net Profit before FX effect, mln EUR<sup>2</sup>



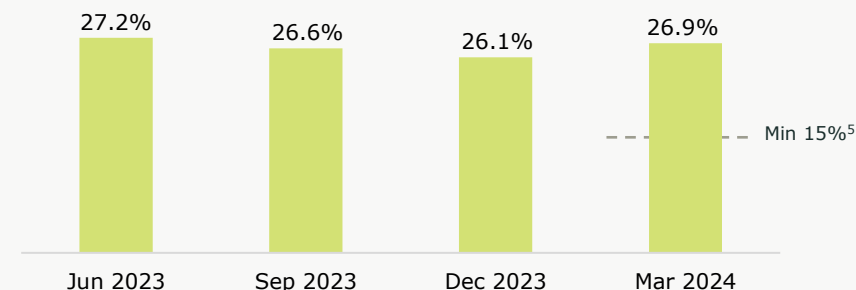
Interest coverage ratio



Net leverage



Capitalization ratio



1. 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 3.3 mln. 2023 EBITDA adjusted with a decrease by one off-gains of: (a) non-controlling interests EUR 4.4 mln. 3M 2023 EBITDA adjusted with a decrease by one off-gains of: (a) non-controlling interests EUR 0.7 mln. 3M 2024 EBITDA adjusted with a decrease by one off-gains of: (a) non-controlling interests EUR 1.2 mln.

2. 2022 adjusted with an increase by one-off costs of: (a) loss resulting from subsidiary write-off EUR 0.8 mln. 2023 adjusted with an increase by one-off costs of: (a) solidarity tax payment in North Macedonia EUR 1.2 mln.

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

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

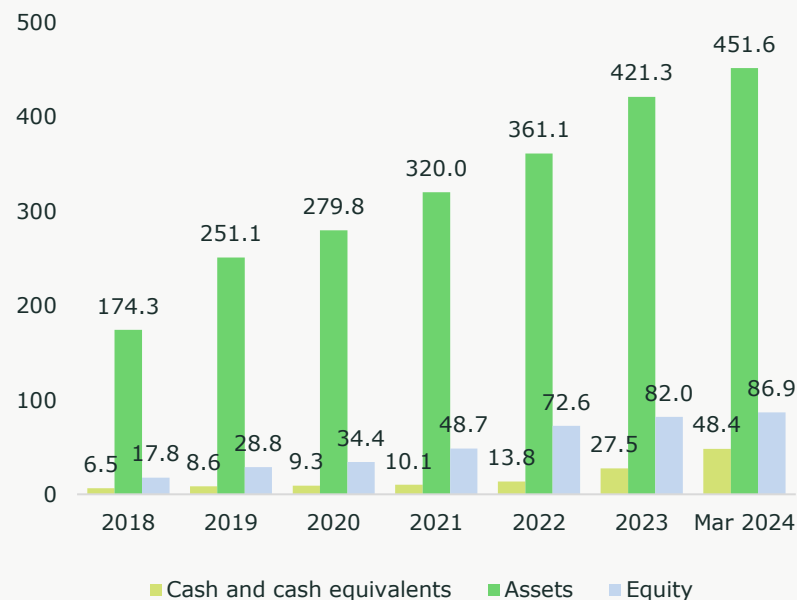
5. Financial covenant - Capitalization ratio (Equity to Net Loan portfolio) of at least 15%.



# 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.

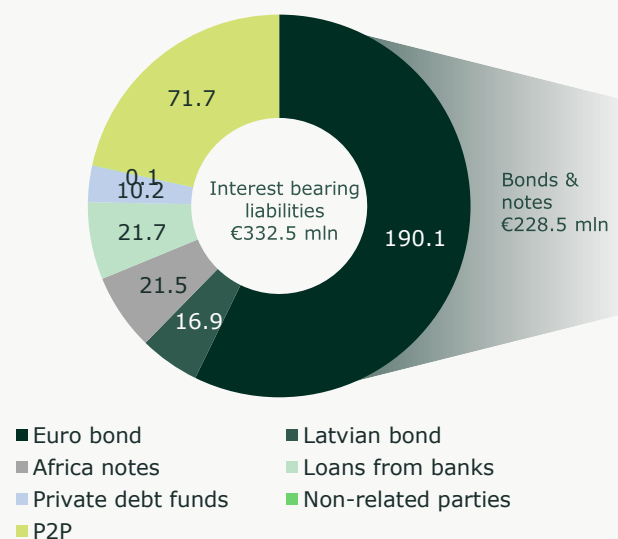
The increase in the total assets has mainly been driven by growing vehicle and consumer loan portfolios.

Capitalization ratio remains above the Eurobond covenant requirements.

	2019	2020	2021	2022	2023	Mar 2024
Capitalization ratio <sup>1</sup>	16.2%	18.4%	20.7%	25.6%	26.1%	26.9%
Bond maturity profile	2026	2028	2031			
EUR	150 000 000	50 000 000	25 000 000			

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

## 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 50 mln Eurobond issued on 31 October 2023 (Frankfurt), and 6 November 2023 (Riga) with an annual interest rate of 13%;
- EUR 25 mln subordinated bond issued on 29 December 2021 with a floating annual rate of 12% + Euribor;
- EUR 21.5 mln privately placed Africa notes with average annual interest rates of 14-16%, depending on holding period and country.

In early January the Group raised EUR 10 mln for its business expansion in the Romanian market.

In March and early April the Group raised approximately 4.5 mln EUR in local currency for Botswana and Namibia markets.

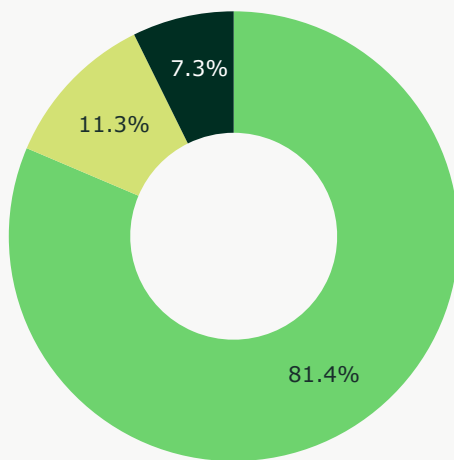
On 2 April, 2021/2024 bond (ISIN LV0000802452) was successfully repaid. A total of EUR 17.2 mln were repaid to the bondholders.

# Non-performing loans and provisioning

Maintaining excellent portfolio quality

## Net vehicle loan portfolio quality analysis<sup>1</sup>

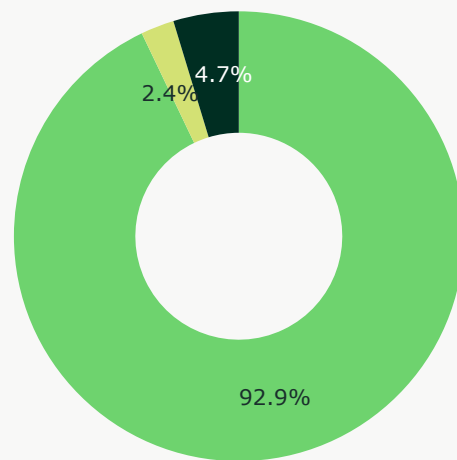
As of 31 March 2024



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

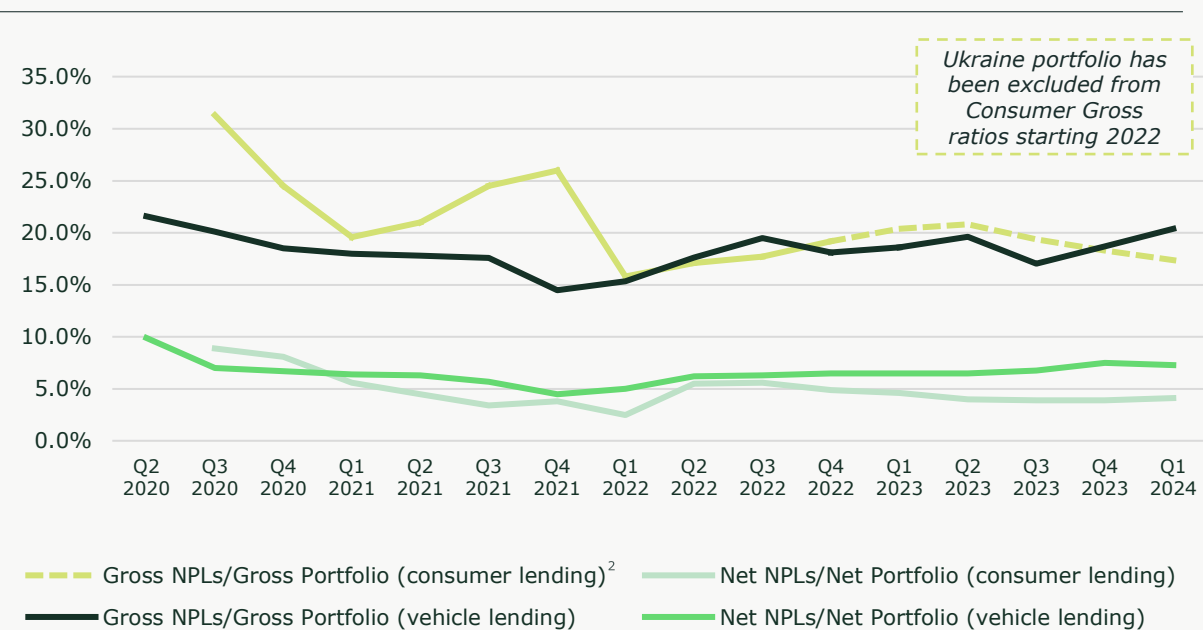
## Net consumer loan portfolio quality analysis<sup>1</sup>

As of 31 March 2024



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

## Gross and net NPL portfolio



Ukraine portfolio has been excluded from Consumer Gross ratios starting 2022

Net portfolio quality remains high, with Stage 3 loans below 8% across both segments.

Slight uptick in vehicle lending gross NPLs due to an increase in defaulted loans in Kenya, and debt collection strategy changes from cessions to internal collection in Europe (keeping longer NPLs on balance sheets). No structural changes were noted in net NPLs for both business segments within the last quarter.

High impairment coverage of 89% in vehicle business segment and 121% 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



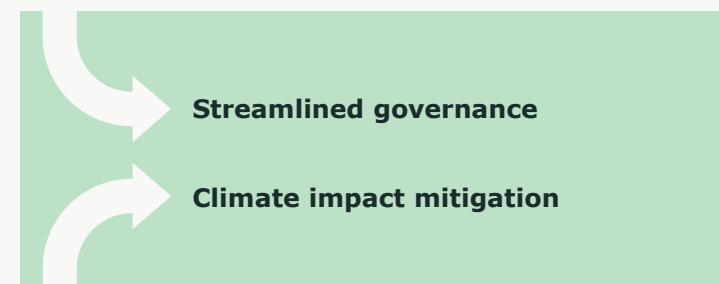
## Products and processes

- 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

- 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.
- Build an **independent supervisory board** following the best corporate governance practices.
- Publish a **dividend policy**.



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Focus on sustainability & ESG strategy for 2025

Organizational structure

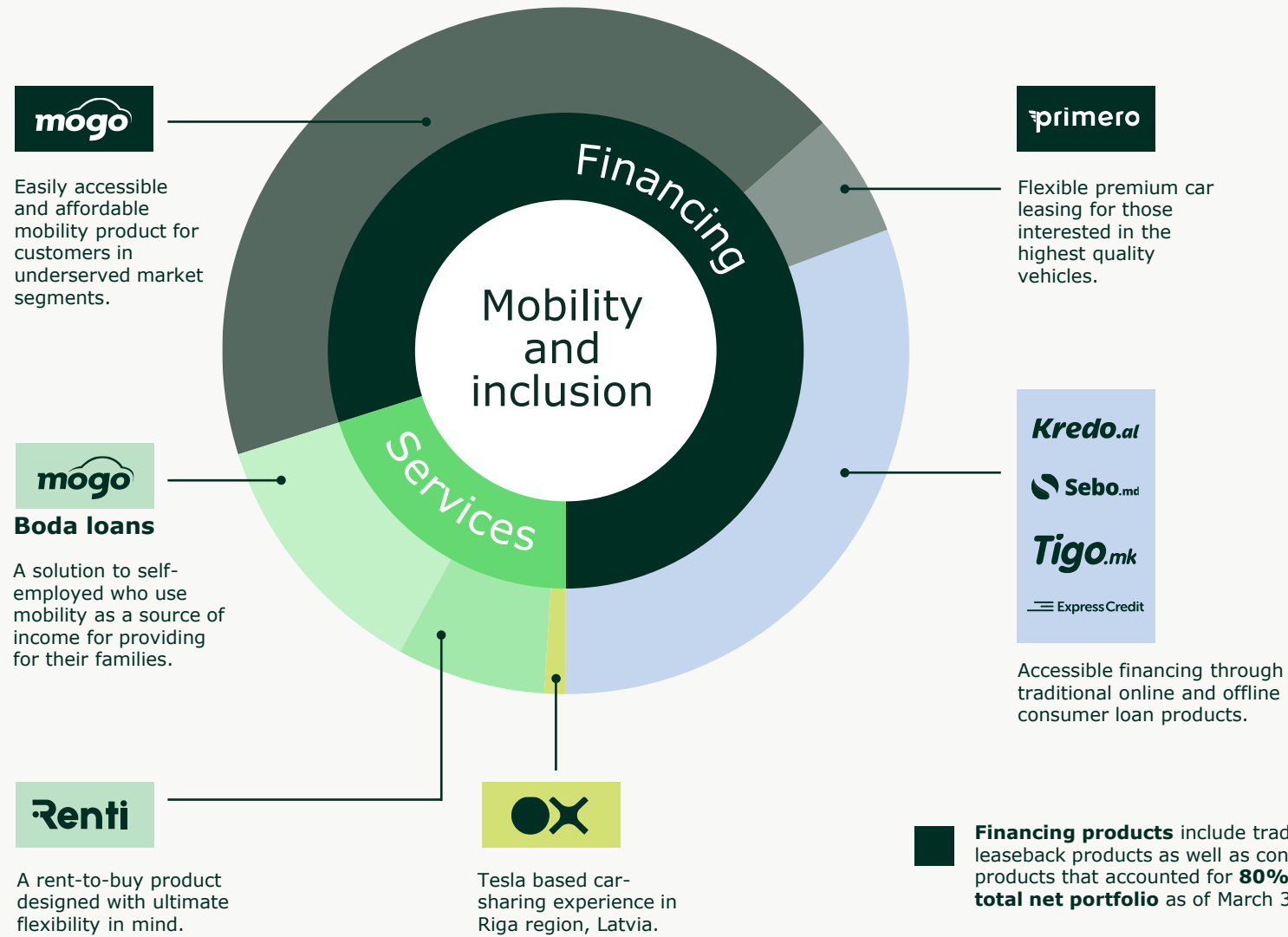
Income statement

Balance sheet

Statement of Cash Flow

Glossary

# Eleving Group's product universe



**Product Highlights of Q1 2024**

- 188 electric motorcycle taxis financed in Kenya during 2024 Q1;
- New generation 2.0 digital solution (client cabinet, auto-process, car portal) is being rolled out across all Eleving Vehicle Finance markets, Romania being the first country in January.

**Financing products** include traditional lease and leaseback products as well as consumer financing products that accounted for **80% of the Group's total net portfolio** as of March 31, 2024.

**Services products** include flexible lease and subscription-based products that accounted for **20% of the Group's total net portfolio** as of March 31, 2024.

# 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
- CO<sub>2</sub> 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 1Q 2024

- In the first quarter of 2024, the Group has issued loans for more e-motorcycles (e-bodas) in Kenya than in the entire 2023. **In the first three months, almost 200 new e-bodas were financed**, and it is **projected that over 1000 units will be financed this year alone**.
- Eleving Group donated over EUR 10 300 to the Parents' House of Children's Hospital Foundation in Riga.** The donations will be used by the Children's Hospital to cover the functions of the house!
- Eleving Group took the #workingwithcancer pledge.** As a part of the Employee Well-being program, the Group will provide several support instruments for its employees facing the battle with cancer disease - a specified number of company-paid psychotherapist appointments, a fixed amount of financial support to cover the cost of medicine and medical procedures and a special hybrid work model.

## Alignment with the United Nations Sustainable Development Goals




Carbon Neutral Organisation



# Organizational structure

Eleving GROUP

Luxembourg domiciled 

Eleving VEHICLE FINANCE

Eleving CONSUMER FINANCE

Eleving VEHICLE AFRICA & ASIA

Eleving VEHICLE EUROPE

Mogo (Kenya)



Mogo, Primero, OX Drive (Latvia)



Mogo, Primero (Estonia)



Sebo (Moldova)



Mogo (Uganda)



Mogo, Renti (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	2020	2021	2022	2023	3M 2023	3M 2024
Interest revenue calculated using the effective interest method	73.7	139.9	162.5	176.3	40.3	48.4
Interest expense calculated using the effective interest method	(24.9)	(29.0)	(31.1)	(37.5)	(8.6)	(10.1)
<b>Net interest income</b>	<b>48.8</b>	<b>110.8</b>	<b>131.4</b>	<b>138.8</b>	<b>31.7</b>	<b>38.3</b>
Fee and commission income	5.0	7.3	7.7	9.0	1.7	2.5
Revenue from rent	6.2	6.5	5.4	4.1	1.1	0.9
<b>Total net revenue</b>	<b>60.0</b>	<b>124.7</b>	<b>144.6</b>	<b>151.8</b>	<b>34.5</b>	<b>41.7</b>
Impairment expense	(21.9)	(37.2)	(41.3)	(38.7)	(9.6)	(9.5)
Expenses related to peer-to-peer platform services	(0.9)	(1.1)	(0.9)	(1.0)	(0.2)	(0.3)
Selling expense	(2.6)	(8.4)	(7.8)	(6.4)	(1.6)	(1.7)
Administrative expense	(31.0)	(50.5)	(57.3)	(63.2)	(14.5)	(18.2)
Bonds refinancing expense	-	(5.7)	-	-	-	-
Other operating (expense) / income	8.8	(5.6)	(8.3)	(7.6)	(0.7)	(1.4)
Net foreign exchange result	(11.1)	1.1	(7.4)	(6.4)	(1.7)	(2.4)
<b>Profit before taxes</b>	<b>1.3</b>	<b>17.3</b>	<b>21.5</b>	<b>28.5</b>	<b>6.2</b>	<b>8.3</b>
Corporate income tax	(0.7)	(6.9)	(9.0)	(8.3)	(2.5)	(3.4)
Deferred corporate income tax	1.0	0.8	2.2	1.8	1.4	0.5
<b>Net profit for the period</b>	<b>1.6</b>	<b>11.2</b>	<b>14.6</b>	<b>21.9</b>	<b>5.1</b>	<b>5.4</b>
Discontinued operations	(0.0)	(4.1)	4.0	2.5	0.5	0.4
Translation of financial information of foreign operations to presentation currency	(1.5)	2.5	4.9	(4.6)	(2.0)	2.3
<b>Total profit for the period</b>	<b>0.1</b>	<b>9.7</b>	<b>23.5</b>	<b>19.9</b>	<b>3.6</b>	<b>8.1</b>
<b>Net profit before FX and discontinued operations</b>	<b>12.7</b>	<b>10.1</b>	<b>22.0</b>	<b>28.3</b>	<b>6.8</b>	<b>7.8</b>
<b>EBITDA</b>	<b>42.6</b>	<b>52.6</b>	<b>68.1</b>	<b>81.8</b>	<b>18.5</b>	<b>23.2</b>
<b>Adjusted EBITDA</b>	<b>34.8</b>	<b>57.5</b>	<b>65.6</b>	<b>77.5</b>	<b>17.8</b>	<b>22.0</b>



# Balance sheet

Assets, EUR mln	2020	2021	2022	2023	3M 2024
<b>ASSETS</b>					
Goodwill	6.6	4.2	4.7	6.8	6.8
Internally generated intangible assets	5.9	7.5	8.6	10.3	10.6
Other intangible assets	2.3	2.7	2.4	5.4	5.4
Loans and lease receivables and rental fleet	201.4	247.3	293.0	320.4	330.5
Right-of-use assets	7.5	9.1	9.9	10.6	11.0
Property, plant and equipment	2.1	2.5	2.2	2.1	2.2
Leasehold improvements	0.4	0.6	0.6	0.8	0.8
Receivables as a result of sale of subsidiaries to related parties	9.4	-	-	-	-
Receivables as a result of sale of subsidiaries to third parties	1.5	-	-	-	-
Loans to related parties	5.2	6.3	3.2	0.0	0.0
Other financial assets	2.7	3.1	1.4	0.9	0.5
Deferred tax asset	2.9	2.8	5.3	8.9	10.1
Inventories	1.6	3.8	2.5	4.8	3.8
Prepaid expense	1.9	1.7	2.1	3.1	3.5
Trade receivables	0.8	3.6	2.7	-	-
Other receivables	6.8	3.3	7.3	9.6	7.8
Assets of subsidiary held for sale	9.4	12.9	0.4	9.6	9.0
Assets held for sale	2.1	0.6	1.1	0.5	1.2
Cash and cash equivalents	9.3	10.1	13.8	27.5	48.4
<b>TOTAL ASSETS</b>	<b>279.8</b>	<b>322.1</b>	<b>361.1</b>	<b>421.3</b>	<b>451.6</b>

Equity & Liabilities, EUR mln	2020	2021	2022	2023	1Q 2023
<b>EQUITY</b>					
Share capital	1.0	1.0	1.0	2.9	2.9
Retained earnings	22.9	22.3	38.2	47.9	52.1
Foreign currency translation reserve	(2.3)	0.2	4.9	0.5	2.6
Reserve	0.3	0.8	1.1	2.4	2.4
<b>Equity attributable to equity holders of the Company</b>	<b>22.0</b>	<b>24.3</b>	<b>45.2</b>	<b>53.7</b>	<b>60.0</b>
Non-controlling interests	0.3	7.1	8.9	11.8	13.1
Subordinated debt	12.1	17.3	18.5	16.5	13.8
<b>TOTAL EQUITY</b>	<b>34.4</b>	<b>48.7</b>	<b>72.6</b>	<b>82.0</b>	<b>86.9</b>
<b>LIABILITIES</b>					
Borrowings	215.5	224.4	262.7	310.6	332.2
Provisions	0.9	0.4	0.2	0.0	0.0
Prepayments and other payments received from customers	0.2	0.5	0.5	1.1	1.0
Trade payable	1.3	1.3	1.6	2.2	1.9
Corporate income tax payable	0.3	0.8	3.9	0.7	3.0
Taxes payable	1.5	2.0	2.4	3.4	3.7
Other liabilities	2.4	8.6	12.1	13.4	14.7
Liability of subsidiary held for sale	-	3.9	0.1	2.0	2.8
Accrued liabilities	2.6	3.3	5.0	5.8	5.3
Other non-current financial liabilities	0.1	0.2	0.0	0.1	0.1
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>253.6</b>	<b>279.8</b>	<b>361.1</b>	<b>421.3</b>	<b>451.6</b>

# Statement of cash flow

EUR mln.	2020	2021	2022	2023	3M 2023	3M 2024
<b>Cash flows from operating activities</b>						
Profit before tax	0.9	13.2	25.4	31.0	6.7	8.7
Adjustments for:						
Amortization and depreciation	5.7	7.4	8.1	9.4	2.0	2.4
Interest expense	26.1	29.0	28.9	37.5	8.6	10.1
Interest income	(83.5)	(139.9)	(162.5)	(176.3)	(40.3)	(48.4)
Loss/(gain) on disposal of property, plant and equipment	1.4	1.0	3.2	3.4	0.1	0.8
Impairment expense	26.5	41.0	43.3	39.8	9.6	9.5
Loss/(gain) acquisition/disposal of subsidiaries	(11.5)	3.1	-	-	-	-
(Gain)/loss from fluctuations of currency exchange rates	11.7	(3.6)	2.5	11.0	3.7	0.1
<b>Operating profit before working capital changes</b>	<b>(22.7)</b>	<b>(48.8)</b>	<b>(51.2)</b>	<b>(44.1)</b>	<b>(9.6)</b>	<b>(16.8)</b>
(Increase)/decrease in inventories	(1.0)	(2.2)	1.3	(2.3)	(2.1)	1.0
(Increase)/decrease in receivables	(24.6)	(87.2)	(72.8)	(69.2)	(15.9)	(12.0)
Increase/(decrease) in trade payable, taxes payable and other liabilities	2.4	6.6	(1.1)	0.4	0.2	1.0
<b>Cash generated from operating activities</b>	<b>(45.9)</b>	<b>(131.6)</b>	<b>(123.8)</b>	<b>(115.3)</b>	<b>(27.4)</b>	<b>(26.8)</b>
Interest received	83.3	139.3	162.5	176.3	40.3	48.4
Interest paid	(22.6)	(25.4)	(29.1)	(33.3)	(4.1)	(8.6)
Corporate income tax paid	(1.0)	(4.5)	(10.2)	(10.5)	(1.0)	(0.9)
<b>Net cash flows from operating activities</b>	<b>13.8</b>	<b>(22.2)</b>	<b>(0.6)</b>	<b>17.1</b>	<b>7.8</b>	<b>12.1</b>

EUR mln	2020	2021	2022	2023	1Q 2023	1Q 2024
<b>Cash flows from investing activities</b>						
Purchase of property, plant and equipment and intangible assets	(4.0)	(6.0)	(5.1)	(8.0)	(1.0)	(2.2)
Purchase of rental fleet	(9.0)	(3.5)	(5.0)	(1.1)	(1.2)	(0.2)
Loan repayments received	3.3	19.3	5.7	4.9	1.8	0.3
Payments for acquisition of non-controlling interests	(0.1)	-	-	-	-	(0.3)
Received payments for sale of shares in subsidiaries	5.3	1.3	-	0.0	-	-
Integration of a subsidiary, net of cash acquired	(4.1)	-	-	4.1	-	-
Disposal of discontinued operation, net of cash disposed of	(0.3)	(0.4)	-	-	-	-
Loans issued and bank deposits	(0.4)	(0.2)	(0.0)	(0.0)	(3.3)	-
<b>Net cash flows from investing activities</b>	<b>(9.3)</b>	<b>10.5</b>	<b>(4.9)</b>	<b>(0.2)</b>	<b>(3.7)</b>	<b>(2.4)</b>
<b>Cash flows from financing activities</b>						
Change in share capital and repayments of share capital to minority interest	-	-	0.0	(0.1)	-	-
Proceeds from borrowings	212.8	522.1	189.9	288.3	45.7	73.1
Repayments for borrowings	(216.6)	(507.8)	(177.8)	(278.5)	(35.6)	(61.7)
Repayment of liabilities for right-of-use assets	-	(1.4)	(2.4)	(2.9)	-	-
Dividends paid	-	(0.4)	(0.6)	(10.0)	(5.1)	(0.2)
<b>Net cash flows from financing activities</b>	<b>(3.8)</b>	<b>12.5</b>	<b>9.1</b>	<b>(3.2)</b>	<b>5.0</b>	<b>11.2</b>
Effect of exchange rates on cash and cash equivalents	-	0.0	0.1	(0.0)	-	-
<b>Change in cash</b>	<b>0.7</b>	<b>0.8</b>	<b>3.7</b>	<b>13.6</b>	<b>9.1</b>	<b>20.9</b>
Cash at the beginning of the period	8.6	9.3	10.1	13.8	13.8	27.5
<b>Cash at the end of the period</b>	<b>9.3</b>	<b>10.1</b>	<b>13.8</b>	<b>27.5</b>	<b>22.9</b>	<b>48.4</b>

# Glossary

## Definitions and Alternative Performance Measures

- **Average income yield on net loan and used car rent portfolio** — the sum of annualized interest revenue calculated using the effective interest method and revenue from rent/average net loan and used car rent portfolio
- **Average net loan and used car rent portfolio** — the sum of net loan and used car rent portfolio as 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
- **DPD** — days past due
- **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
- **Equity/Total Assets ratio** — equity (excl. subordinated debt)/total assets
- **ESG** – Environmental, Social, and Governance strategy
- **Flexible lease and subscription-based products** — motorcycle-taxi financing in Kenya and Uganda, used vehicle rent in Lithuania, new vehicle subscription in Latvia
- **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
- **QOQ/YOY** — comparison between two consecutive quarters/years, e.g., 3M 2024 compared to 3M 2023 / 2024 compared to 2023

## Market definitions

- **Developed markets:** Latvia, Lithuania, Estonia, Georgia, Armenia, Romania, Moldova
- **Developing markets:** Kenya, Uganda, Uzbekistan
- **On-hold markets:** Bosnia and Herzegovina
- **Consumer finance markets:** Albania, North Macedonia, Moldova, Botswana, Namibia, Zambia and Lesotho

# Thank you!

## Eleving Group

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Māris Kreics  
Group Chief Financial Officer  
E-mail: [maris.kreics@eleving.com](mailto:maris.kreics@eleving.com)

Skanstes street 52  
LV-1013 Riga, Latvia  
[www.eleving.com](http://www.eleving.com)

[www.eleving.com](http://www.eleving.com)

## Eleving Group

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Edgars Rauza  
Investor Relations Manager  
E-mail: [edgars.rauza@eleving.com](mailto:edgars.rauza@eleving.com)

Skanstes street 52  
LV-1013 Riga, Latvia  
[www.eleving.com](http://www.eleving.com)