

MOGO FINANCE REPORTS UNAUDITED RESULTS FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2020

EUR 46 million record EBITDA – Resilient to turbulences and strong foundation for 2021

OPERATIONAL AND STRATEGIC HIGHLIGHTS

- Continued strong performance in Mogo markets on pandemic recovery; no impact from second Covid-19 wave
- Successful divestment of the North Macedonia operations previously being on hold since beginning of the pandemic
- Stable issuance balance in Q4 q-o-q despite stricter restrictions; share of productive lending to self-employed businesses continues to grow
- Portfolio quality further improved driven by effective debt collection processes stricter underwriting policies in the past nine months
- Continued investments in and developments of proprietary technology further strengthened automated debt collection and underwriting processes
- Consumer lending business with rising earnings contribution
- Admin expenses increased by 12.3% to EUR 34.6 million (12M 2019: EUR 30.8 million) particularly due to an acquisition of consumer lending companies; admin expenses adjusted for acquisitions remained at the previous year's level

FINANCIAL HIGHLIGHTS AND PROGRESS

- Revenue up 24.0% to EUR 99.2 million (12M 2019: EUR 80.0 million)
- EBITDA up 45.4% to an all-time high EUR 45.8 million (12M 2019: EUR 31.5 million) driven by leaner structure and focus on most profitable markets; Q4 was the second consecutive quarter with a record EBITDA
- Net profit before FX increased to EUR 15.5 million (12M 2019: EUR 6.3 million) supported by revenue growth as well as control over portfolio quality
- Increase in total equity by 22.9% to EUR 35.4 million (31 December 2019: EUR 28.8 million) attributable to successful business results as well as shareholders equity contribution during Q1 2020
- Eurobond covenants with continuously good headroom

Modestas Sudnius, CEO of Mogo Finance, commented:

“Despite the challenges posed by Covid-19, Mogo Finance ended its fiscal 2020 on a strong note, recording record revenues, record EBITDA two quarters in a row, and excellent portfolio quality. Results were driven by effective capital allocation, with a profound focus on mature markets yielding highest returns, markets and products with the best unit economics, as well as overall cost optimization. The company made strategic acquisitions that helped to strengthen the Group's performance. Also, the pandemic required us to further strengthen our debt collection strategies and introduce more flexible schedules. On top of that, we refined our underwriting policy that has performed exceptionally well. And we had our investors by our side. While Eurobond holders voted for greater flexibility in further development, creditors of the two Latvian bonds signaled strong support for refinancing. We have strengthened Mogo Finance's resilience to turbulences and built a strong foundation for 2021.”

CRO Julija Lebedinska-Litvinova added:

“Our focus on debt collection and operational excellence, including continued investments in proprietary debt collection and underwriting technology, paid off with improved portfolio quality. As such, the share of the net portfolio attributable to Stage 1 allowances, meaning current or up to 30 days past due, improved by 3.0 p.p. to Q3 reaching 84.0%. At the same time, several successful sales of receivables indicated an upturn in the market. We also utilized the resurgent demand across all product lines, which led to record high quarterly issuances of EUR 65 million in Q4 2020, to revamp various products and make them more profitable.”

Maris Kreics, CFO of Mogo Finance:

“Mogo Finance continued to show strong upside in Q3 and Q4 of the year 2020, proving sustainability of its predominantly secured loans and their importance to customers even against a backdrop of economic turmoil. It was particularly pleasing that the full effect of the bolt-on acquisitions of profitable mature consumer credit companies made during 2020 already materialized revenue-wise in Q4. The corresponding earnings contribution grew exponentially from quarter to quarter and, combined with better-than-estimated portfolio quality, allowed us to revise the calculation of the acquisition price. At the same time, we offset the acquisition-related 62% employee build-up on administrative expenses to an only moderate increase of 12% through the cost control measures initiated in early 2020. Less pleasing, although not as bad as expected, was the currency situation. Nevertheless, we were able to generate a profit of EUR 0.7 million from our successful hedging activities in 2020. The record-high EBITDA of more than EUR 45 million, although offset by unprecedentedly high FX expense, still resulted in the net profit of EUR 1.7 million allowing Mogo Finance to have its fifth profitable year in a row.”

CONTACT:

Mogo Finance

Maris Kreics, Chief Financial Officer (CFO)

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CONFERENCE CALL:

A conference call in English with the Group's management team to discuss these results is scheduled for 17 February 2021, at 15:00 CET.

Please register: <http://emea.directeventreg.com/registration/7928336>

ABOUT MOGO FINANCE:

Mogo Finance Group, keeping car lending business as predominant, also utilizes consumer lending in selective markets as a strategic capital allocation vehicle to leverage its performance and customer base. Recognizing the niche underserved by traditional lenders, Mogo Finance provides financial inclusion and disruptively changes the used car and consumer financing industry across 14 countries. Up to date the Company has issued over EUR 650 million secured loans and is running a net loan and used car rent portfolio of over EUR 202 million. Mogo offers secured loans up to EUR 15,000 with a maximum tenor of 84 months making used car financing process convenient, both for its customers and partners. Wide geographical presence and diversified revenue streams grant Mogo with unique scale and pace unmatched by its rivals. Mogo Finance operates a multi-channel fintech approach through its own branch network, more than 2,000 partner locations and a strong online presence. Physical footprint enriched with excellent customer journey makes Mogo Finance top of mind brand in its industry. A state-of-the-art car portal supports cross-selling potential from re-possessed cars to leasing and vice versa. Established in 2012, with headquarters in Riga, Latvia, Mogo Finance operates in Baltics and Europe with a strong focus on GDP-dynamic countries in Central, Eastern and South-Eastern Europe. Operating regions also include Caucasus and Central Asia as well as Eastern Africa.

www.mogofinance.com

FINANCIAL REVIEW

Condensed consolidated income statement

The table below sets out the condensed consolidated statement of profit and loss for the twelve months period ended 31 December 2020 and 31 December 2019.

| (in EUR million) | 2019 | 2020 | % change |
|---|-------------|-------------|---------------|
| Interest and similar income | 72.7 | 88.2 | 21.3% |
| Interest expense and similar expenses | (21.0) | (26.2) | 24.8% |
| Net interest income | 51.7 | 62.0 | 19.9% |
| Income from used car rent | 4.0 | 6.2 | 55% |
| Impairment expense | (18.7) | (26.8) | 43.3% |
| Operating expense and income | (30.3) | (27.6) | -8.9% |
| Net foreign exchange result | (0.1) | (13.0) | >1.000% |
| Profit before tax | 6.6 | 0.8 | -87.9% |
| Corporate income tax | (0.4) | 0.9 | -325.0% |
| Net profit for the period | 6.2 | 1.7 | -72.6% |
| Net profit for the period without FX and discontinued operations | 6.3 | 14.7 | 133.3% |

Interest, similar income and income from car rental

| (in EUR million) | 2019 | 2020 | % change |
|--|-------|-------|----------|
| Interest and similar income | 72.7 | 88.2 | 21.3% |
| Income from used car rent | 4.0 | 6.2 | 55.0% |
| Average net loan and used car rent portfolio | 165.5 | 196.0 | 18.4% |
| Average income yield on net loan and used car rent portfolio | 46.3% | 48.2% | 1.8 p.p. |

Interest, similar income and income from used car rent for the period increased by 23.1% to EUR 94.4 million (12M 2019: EUR 76.7 million) reflecting the growth in the average net loan and used car rent portfolio by 18.4% to EUR 196.0 million (12M 2019: EUR 165.5 million) and continuous focus on highest-yielding markets and products.

Interest expense and similar expense

Interest expense and similar expense grew by 24.8% to EUR 26.2 million (12M 2019: EUR 21.0 million) related to the increase in total borrowings to EUR 223.3 million (31 December 2019: EUR 206.7 million).

Income from used car rent

The launch of the Mogo Finance Car Portal contributed to boosting income from used car rent that increased by 55.0% to EUR 6.2 million (12M 2019: EUR 4.0 million). The total used car rental fleet in Latvia grew by 7.7% to EUR 14.7 million (31 December 2019: EUR 13.4 million).

Impairment expense for car finance portfolio

Net impairment losses on loans and receivables increased by 12.8% to EUR 21.1 million (12M 2019: 18.7 million). The NPL ratio (Net NPL / Total net portfolio) amounted to 9% (conservative 35+ days past due) of the net portfolio (31 December 2019: 6%), the provision coverage ratio was 88% (31 December 2019: 78%).

Impairment expense for consumer lending portfolio

Net impairment losses on loans and receivables consolidated as of 31 December 2020 amounted to EUR 5.7 million. The NPL ratio (Net NPL / Total net portfolio) amounted to 8% (90+ days past due) of the net portfolio, the provision coverage ratio was 133%.

Operating expense

The table below sets out a breakdown of the Group's total operating expenses.

| (in EUR million) | 2019 | 2020 | % change |
|--|-------------|-------------|--------------|
| Employees' salaries | 17.6 | 18.9 | 7.4% |
| Marketing expenses | 3.4 | 2.9 | -14.7% |
| Office and branch maintenance expenses | 1.3 | 1.4 | 7.7% |
| Professional services | 2.0 | 1.9 | -5.0% |
| Amortization and depreciation | 3.8 | 5.6 | 47.4% |
| Other operating expenses | 2.2 | (3.1) | -240.9% |
| Total operating expense | 30.3 | 27.6 | -8.9% |

Total operating expenses at EUR 27.6 million decreased by 8.9% (12M 2019: EUR 30.3 million), as a result of gains on the acquisition of consumer finance companies recognized in other operating expenses. Salaries increased by 7.4% to EUR 18.9 million (12M 2019: EUR 17.6 million), comprising 68.5% of total operating expenses (12M 2019: 58.1%). Marketing expenses with effective costs per loan issued of EUR 8 accounted for 10.5% of total operating expenses and income (12M 2019: 11.2%).

Profit before tax

As a result of significant devaluations of local currencies, particularly in Georgia, Armenia, Moldova, Belarus, Kazakhstan and Uzbekistan, the Group recorded a currency loss of EUR 13 million in 12M 2020. Consequently, the consolidated profit before taxes amounted to EUR 0.8 million (12M 2019: profit EUR 6.6 million).

Corporate income tax

The following table sets out a breakdown of the Group's corporate income tax.

| (in EUR million) | 2019 | 2020 | % change |
|-----------------------------------|--------------|------------|----------------|
| Corporate income tax | (1.3) | (0.9) | -30.8% |
| Deferred tax | 0.9 | 1.8 | 100.0% |
| Total corporate income tax | (0.4) | 0.9 | -325.0% |

Profit for the period

Primarily due to the currency devaluations, which are largely related to the Covid-19 pandemic, the Group's net profit for the period was EUR 1.7 million (12M 2019: profit EUR 6.2 million).

Non-IFRS figures – EBITDA

| (in EUR million) | 2019 | 2020 | % change |
|-------------------------------|-------------|-------------|--------------|
| Profit for the period | 6.2 | 1.7 | -72.6% |
| Provisions for taxes | 0.4 | (0.9) | -325.0% |
| Interest expense | 21.0 | 26.2 | 24.8% |
| Depreciation and amortization | 3.8 | 5.8 | 52.6% |
| Currency exchange loss | 0.1 | 13.0 | >1,000,0% |
| EBITDA | 31.5 | 45.8 | 45.4% |

Condensed consolidated balance sheet

The table below sets out the Group's condensed consolidated statement of its financial position.

| Assets (in EUR million) | 31 Dec. 2019 | 31 Dec. 2020 |
|---|--------------|--------------|
| Intangible assets | 7.6 | 14.5 |
| Tangible assets | 9.8 | 9.1 |
| Loans and lease receivables and rental fleet | 189.7 | 202.3 |
| Deferred tax asset | 1.7 | 3.0 |
| Inventories | 1.0 | 1.6 |
| Non-current assets held for sale | 3.9 | 2.0 |
| Other receivables | 12.7 | 15.3 |
| Assets of subsidiary held for sale | - | 9.8 |
| Receivables as a result of sale of subsidiaries | 16.1 | 9.4 |
| Cash and cash equivalents | 8.6 | 11.0 |
| Total assets | 251.1 | 278.0 |
| Equity and liabilities (in EUR million) | 31 Dec. 2019 | 31 Dec. 2020 |
| Share capital and reserves | 1.2 | 1.3 |
| Foreign currency translation reserve | (0.8) | (2.3) |
| Retained earnings | 21.1 | 23.8 |
| Non-controlling interests | 0.5 | 0.5 |
| Subordinated debt | 6.8 | 12.1 |
| Total equity | 28.8 | 35.4 |
| Borrowings | 206.7 | 223.3 |
| Other liabilities | 15.6 | 19.3 |
| Total liabilities | 222.3 | 242.6 |
| Total equity and liabilities | 251.1 | 278.0 |

Assets

Total assets of the Group increased by 10.2% to EUR 276.7 million (31 December 2019: EUR 251.1 million), reflecting an increase in the consumer loan portfolio which was mainly offset by a decline in net loan and used car rent portfolio and depreciation.

Tangible assets

Tangible assets decreased by 7.1% to EUR 9.1 million (31 December 2019: EUR 9.8 million) primarily due to reduced rights of use assets following the optimization of the HQ office space.

Net loan and used car rent portfolio

The net loan and used car rental portfolio increased by 6.6% to EUR 202.3 million (31 December 2019: EUR 189.7 million).

| (in EUR million) | | | | |
|---|--------------|--------------------|--------------|--------------------|
| Net loan and used car rent portfolio | | | | |
| | 31 Dec. 2019 | Total share (in %) | 31 Dec. 2020 | Total share (in %) |
| Developed countries* | 155.0 | 81.7% | 131.8 | 65.2% |
| Developing countries** | 8.6 | 4.5% | 22.2 | 11.0% |
| Consumer loan markets | - | 0.0% | 38.5 | 19.0% |
| Countries on hold*** | 26.1 | 13.8% | 9.8 | 4.8% |
| Total net loan and used car rent portfolio | 189.7 | 100.0% | 202.3 | 100.0% |

* Developed countries are Latvia (including used car rent portfolio), Lithuania, Estonia, Belarus, Romania, Moldova, Georgia and Armenia

** Developing countries are Uzbekistan, Kenya and Uganda

*** Countries on hold are Kazakhstan, Bosnia and Herzegovina, Poland, Albania and Bulgaria

In line with the strategy going forward to align Mogo Finance to a leaner cost base and structure, the management pursues a proactive portfolio optimization with a clear focus on the most profitable markets. Consequently, issuances in Albania, Bosnia and Herzegovina as well as Bulgaria and North Macedonia were suspended or decreased to minimum; the focus lies now on debt collection. As of the end of the fourth quarter, issuances in Kazakhstan were kept at a minimum level and a sale of North Macedonia business line was concluded. The remaining developing countries still showed significant upside potential, with full-fledged operations in Uzbekistan, Kenya and Uganda maintained.

The following table sets out the classification of the Group's net loan and used car rent portfolio (excluding consumer lending) in terms of overdue buckets as well as the total impairment coverage ratio.

| (in EUR million) | | | | |
|---|--------------|--------------------|--------------|--------------------|
| Net loan and used car rent portfolio (excluding consumer loans) | | | | |
| | 31 Dec. 2019 | Total share (in %) | 31 Dec. 2020 | Total share (in %) |
| STAGE 1* | 153.1 | 86.8% | 122.7 | 82.3% |
| STAGE 2** | 12.1 | 6.9% | 14.1 | 9.5% |
| STAGE 3*** | 11.1 | 6.3% | 12.2 | 8.2% |
| Total net loan portfolio | 176.3 | 100% | 149.0 | 100% |
| Used car rent | 13.4 | 7.1% | 14.7 | 9.0% |
| Total net loan and used car rent portfolio | 189.7 | | 163.7 | |
| Net NPL ratio**** | 6% | | 9% | |
| Impairment coverage ratio***** | 78% | | 88% | |

* Allowances are recognized based on 12m ECLs by first recognition of loans/leases. Leases current or with up to 30 DPD are considered as Stage 1 for Latvia, Lithuania, Estonia, Armenia and Georgia. For other countries, 25 DPD is used. Loans up to 30 DPD are considered Stage 1.

** Allowances are recorded for LTECLs by loans/leases showing a significant increase in credit risk since origination. Leases with 31-60 DPD (or 26-34 DPD for countries other than Latvia, Lithuania, Estonia, Armenia and Georgia) are considered to be Stage 2 loans. Loans with 30 to 60 DPD are considered Stage 2.

*** Leases and loans are considered credit-impaired and at default. Allowances are recorded for the LTECLs. Finance lease agreements are considered defaulted and therefore Stage 3 with 60 DPD on contractual payments or terminated lease agreement. For countries other than Latvia, Lithuania, Estonia, Armenia and Georgia a 35 DPD backstop is applied. Loans with 60 DPD are considered defaulted and therefore Stage 3.

A healing period of 3 months for mature countries and 2 months for immature countries is applied before an exposure previously classified as Stage 3 can be transferred to Stage 1. In case of mature countries, it is determined to have two healing periods – one month period to Stage 2 and further two month period to Stage 1. This is considered appropriate in context of a prudent default definition of 60 DPD. In case of immature countries, it is determined to have one healing period – two month period where the exposure is in Stage 2 and then transfers to Stage 1. This is considered appropriate in context of an even more conservative default definition of 35 DPD.

**** Net NPL (35+ days overdue) / Total net portfolio

***** Total impairment / Gross NPL (35+ days overdue)

NPLs in the net loan portfolio increased to 8.2% of the total net portfolio (31 December 2019: 6.3%), primarily driven by customer delays on payments as a result of Covid-19 curfew restrictions and moratoriums.

The following table sets out the classification of the Group's consumer lending portfolio in terms of overdue buckets as well as the total impairment coverage ratio.

| (in EUR million) | | | | |
|---------------------------------------|--------------|-----------------------|--------------|-----------------------|
| Net consumer loan portfolio | | | | |
| | 31 Dec. 2019 | Total share (in %) | 31 Dec. 2020 | Total share (in %) |
| STAGE 1* | - | - | 34.9 | 90.4% |
| STAGE 2** | - | - | 0.6 | 1.6% |
| STAGE 3*** | - | - | 3.1 | 8.0% |
| Total net loan portfolio | - | 0% | 38.6 | 100% |
| Net NPL ratio**** | - | | 8% | |
| Impairment coverage ratio***** | - | | 133% | |

* Allowances are recognized based on 12m ECLs by first recognition of loans. Loans current or with up to 30 DPD are considered as Stage 1.

** Allowances are recorded for LTECLs by loans showing a significant increase in credit risk since origination. Loans with 31-90 DPD are considered to be Stage 2 loans.

*** Loans are considered credit-impaired and at default. Allowances are recorded for the LTECLs. Loans with 90 DPD are considered defaulted and therefore Stage 3.

**** Net NPL (90+ days overdue) / Total net portfolio

***** Total impairment / Gross NPL (90+ days overdue)

Equity

Total equity increased by 22.9% to EUR 35.4 million (31 December 2019: EUR 28.8 million). The capitalization ratio ended up at 18.9% (31 December 2019: 16.3%), providing good headroom for Eurobond covenants.

Liabilities

Total liabilities increased by 9.1% to EUR 242.6 million (31 December 2019: EUR 222.3 million), primarily driven by the increase in borrowings due to consumer lending companies' acquisitions.

Loans and borrowings

The following table sets out loans and borrowings by type.

| (in EUR million) | 31 Dec. 2019 | 31 Dec. 2020 |
|---|--------------|--------------|
| Loans from banks | 16.3 | 11.6 |
| Latvian Bonds | 23.9 | 24.1 |
| Eurobonds (excl. accrued interest) | 96.8 | 96.3 |
| Bonds acquisition costs and accrued interest | (0.6) | 1.7 |
| Financing received from P2P investors | 70.2 | 64.1 |
| Borrowings acquired as a result of acquisition of subsidiaries* | - | 22.6 |
| Loans from other parties | 0.1 | 2.9 |
| Total loans and borrowings | 206.7 | 223.3 |

Latvian bonds

On 17 March 2014, the Latvian entity (AS "mogo") registered with the Latvian Central Depository a bond facility through which it could raise up to EUR 20 million. This bond issue is unsecured. The notes issued at par, carry a fixed coupon of 10.0% per annum, paid monthly in arrears, and are maturing on March 2021. On 11 November 2014, the note type was changed to "publicly issued notes" and the notes were listed on the regulated market of NASDAQ OMX Baltic.

On 1 December 2017, the Latvian entity (AS "mogo") registered with the Latvian Central Depository a bond facility through which it could raise up to EUR 10 million. This bond issue is unsecured. The notes issued at par, carry a fixed coupon of 10.0% per annum, paid monthly in arrears, and are maturing on March 2021. The Bonds are listed on First North of NASDAQ OMX Baltic and are "privately issued notes".

As result of the voting procedure initiated on 6 March 2019, the noteholders have accepted the amendments to the Notes Prospectus (ISIN: LV0000801363) and Terms of the Notes Issue (ISIN: LV0000880029). According to the amendments, the principal amount of the notes shall be fully repaid in one instalment on 31 March 2021, replacing quarterly instalments of the principal amount of the notes. The approved amendments are effective from 29 March 2019.

On February 2, 2021, the Latvian Finance and Capital Market Commission approved the base prospectus of the EUR 30,000,000 bond program of Latvian entity (AS "mogo") to enable holders of existing bonds to exchange for new bonds as part of the refinancing of bonds LV0000801363 and LV0000880029. In addition, bonds are offered for new subscription to existing Mogo bondholders as well as private and institutional investors from Latvia, Estonia and Lithuania. The public offering period for bonds is set from 12 February 2021 to 25 February 2021. The bonds are planned to be included in the regulated market – the Baltic Bond List of "Nasdaq Riga" stock exchange not later than on 31 March 2021.

Eurobonds

On 11 July 2018, Mogo Finance successfully issued a 4-year corporate bond (XS1831877755), listed on the Open Market of the Frankfurt Stock Exchange, oversubscribed for EUR 50 million at par with an annual interest rate of 9.5%, followed on 16 November 2018 by a EUR 25 million tap at par and 13 November 2019 by a EUR 25 million tap at a price of 95 per cent. After the tap issue, the total amount outstanding of Mogo Finance's 9.50% corporate bonds 2018/2022 (XS1831877755) amounts to EUR 100 million. On 30 November 2018, the corporate bond 2018/2022 (XS1831877755) was uplisted to the regulated market (General Standard) of the Frankfurt Stock Exchange. The bond will mature in July 2022.

At the height of the Covid-19 pandemic, investor representatives and Mogo Finance agreed in April 2020 on a technical waiver to temporarily increase the headroom of the covenants in exchange for a liquidity undertaking. This was a purely precautionary measure; the original covenants of the Eurobond were complied with at all times.

* - change in borrowings due to acquisition of subsidiaries

| (in EUR million) | At the moment of acquisition | Change | 31 Dec. 2020 |
|---------------------------------------|------------------------------|--------------|--------------|
| Financing received from P2P investors | 27.9 | (6.9) | 21.0 |
| Loans from other non-related parties | 0.1 | 1.5 | 1.6 |
| Total loans and borrowings | 28 | (5.4) | 22.6 |

Off-balance sheet arrangements

The Group does not have significant off-balance sheet arrangements.

Condensed consolidated statement of cash flow

| (in EUR million) | 31 Dec. 2019 | 31 Dec. 2020 |
|--|---------------|--------------|
| Profit before tax | 6.6 | 1.6 |
| Net cash flows to/from operating activities | (22.1) | 11.6 |
| Net cash flows to investing activities | (24.4) | (8.8) |
| Net cash flows from/to financing activities | 48.6 | (0.4) |
| Change in cash | 2.1 | 2.4 |
| Cash at the beginning of the year | 6.5 | 8.6 |
| Cash at the end of the year | 8.6 | 11.0 |

Net cash inflow from operating activities amounted to EUR 11.6 million (12M 2019: cash outflow EUR 22.1 million) as a result of debt collection successfully developing. Furthermore, consumer lending leveraged the positive operative cash flow. The Group's net cash outflow from investing activities totalled EUR (8.8) million (12M 2019: EUR (24.4) million) with the investment in a rental fleet - Latvian used car rental - as well as consumer lending companies acquisitions being the main drivers.

Eurobond covenant ratios

| Capitalization | 31 Dec. 2019 | 31 Dec. 2020 | Change (in % p.) |
|---------------------------|--------------|--------------|------------------|
| Equity/Net loan portfolio | 16.3% | 18.9% | 2.5 |

| Profitability | 31 Dec. 2019 | 31 Dec. 2020 | Change (in %) |
|-------------------------------|--------------|--------------|---------------|
| Interest coverage ratio (ICR) | 1.6 | 1.9 | 19% |

| (in EUR million) | Mintos loans | | | Net loan and used car rent portfolio | | | |
|---------------------------------|--------------|--------------|---------------|--------------------------------------|--------------------|--------------|--------------------|
| | 31 Dec. 2019 | 31 Dec. 2020 | Change (in %) | 31 Dec. 2019 | Total share (in %) | 31 Dec. 2020 | Total share (in %) |
| Armenia* | 7.5 | 3.1 | -59% | 18.4 | 9.7% | 10.2 | 6.2% |
| Belarus* | 3.4 | 9.1 | 168% | 13.0 | 6.9% | 15.3 | 9.3% |
| Estonia* | 8.1 | 7.4 | -9% | 16.5 | 8.7% | 12.9 | 7.9% |
| Georgia* | 6.6 | 5.1 | -23% | 16.7 | 8.8% | 12.0 | 7.3% |
| Kenya** | 0.0 | 0.4 | 0% | 2.5 | 1.3% | 12.8 | 7.8% |
| Latvia* | 14.3 | 13.6 | -5% | 35.4 | 18.7% | 26.7 | 16.3% |
| Lithuania* | 12.9 | 11.3 | -12% | 27.7 | 14.6% | 27.0 | 16.5% |
| Moldova* | 5.2 | 6.0 | 15% | 13.2 | 7.0% | 11.0 | 6.7% |
| Romania* | 5.8 | 9.7 | 67% | 14.1 | 7.4% | 16.7 | 10.2% |
| Uganda** | 0.0 | 0.0 | 0% | 2.6 | 1.4% | 5.1 | 3.1% |
| Uzbekistan** | 0.0 | 0.0 | 0% | 3.5 | 1.8% | 4.3 | 2.6% |
| Countries on hold*** | 6.4 | 1.9 | -70% | 26.1 | 13.8% | 9.8 | 6.0% |
| Total car lease and rent | 70.2 | 67.6 | -4% | 189.7 | 100% | 163.8 | 100% |
| Consumer loan markets | 0.0 | 18.9 | 0% | 0.0 | 0% | 38.5 | 19.0% |
| Total | 70.2 | 86.5 | | 189.7 | | 202.3 | |

* Developed countries are Latvia (including used car rent portfolio), Lithuania, Estonia, Georgia, Romania, Moldova, Belarus and Armenia

** Developing countries are Uzbekistan, Kenya and Uganda

*** Countries on hold are Kazakhstan, Bosnia and Herzegovina, Poland, and Albania

RECENT DEVELOPMENTS

No Regulatory Changes

There are no material regulatory changes taken place since 31 December 2020.

Events after the balance sheet date

On 27 January 2021, bondholders approved amendments to bond (XS1831877755) terms and conditions to temporarily secure greater financial flexibility in the Covid-19 environment.

Directors' Statement

The consolidated twelve-month report of the Company is, to the best of the Directors' knowledge, prepared in accordance with the applicable set of accounting standards and gives a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole.

The twelve-month management report of the Company includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

Consolidated Statements of: Financial Position – Assets, Financial Position - Equity and liabilities, Income Statement and Statement of Cash Flow

Consolidated Statement of Financial Position – Assets

| (in EUR million) | 31 Dec. 2019 | 31 Dec. 2020 |
|---|--------------|--------------|
| Goodwill | 4.0 | 6.7 |
| Internally generated intangible assets | 3.6 | 5.9 |
| Other intangible assets | - | 1.9 |
| Loans and lease receivables and rental fleet | 189.7 | 202.3 |
| Right-of-use assets | 7.6 | 6.5 |
| Property, plant and equipment | 1.9 | 2.2 |
| Leasehold improvements | 0.3 | 0.4 |
| Receivables as a result of sale of subsidiaries | 16.1 | 9.4 |
| Loans to related parties | 6.9 | 6.8 |
| Other financial assets | 1.6 | 1.1 |
| Deferred tax asset | 1.7 | 3.0 |
| Inventories | 1.0 | 1.6 |
| Prepaid expense | 1.2 | 2.3 |
| Trade receivables | 0.3 | 0.5 |
| CIT paid in advance | 0.1 | 0.7 |
| Other receivables | 2.6 | 3.9 |
| Assets of subsidiary held for sale | - | 9.8 |
| Assets held for sale | 3.9 | 2.0 |
| Cash and cash equivalents | 8.6 | 11.0 |
| TOTAL ASSETS | 251.1 | 278.0 |

Consolidated Statement of Financial Position – Equity and liabilities

| (in EUR million) | 31 Dec. 2019 | 31 Dec. 2020 |
|---|--------------|--------------|
| EQUITY | | |
| Share capital | 1.0 | 1.0 |
| Retained earnings | 21.1 | 23.8 |
| Foreign currency translation reserve | (0.8) | (2.3) |
| Reserve | 0.2 | 0.3 |
| Total equity attributable to owners of the Company | 21.5 | 22.8 |
| Non-controlling interests | 0.5 | 0.5 |
| Subordinated debt | 6.8 | 12.1 |
| Total equity | 28.8 | 35.4 |
| LIABILITIES | | |
| Borrowings | 206.7 | 223.3 |
| Provisions | 1.1 | 0.4 |
| Prepayments and other payments received from customers | 0.3 | 0.5 |
| Trade payables | 1.3 | 1.4 |
| Corporate income tax payable | - | 0.6 |
| Taxes payable | 0.9 | 1.4 |
| Other liabilities | 9.2 | 7.4 |
| Liabilities of subsidiary held for sale | - | 4.0 |
| Accrued liabilities | 2.7 | 3.4 |
| Other financial liabilities | 0.1 | 0.2 |
| Total liabilities | 222.3 | 242.6 |
| Total equity and liabilities | 251.1 | 278.0 |

Consolidated Income Statement

| (in EUR million) | 2019 | 2020 |
|---|-------------|-------------|
| Interest revenue calculated using the effective interest method | 72.7 | 88.2 |
| Interest expense calculated using the effective interest method | (21.0) | (26.2) |
| Net interest income | 51.7 | 62.0 |
| Fee and commission income | 3.3 | 4.8 |
| Revenue from rent | 4.0 | 6.2 |
| Total net revenue | 59.0 | 73.0 |
| Impairment expense | (18.7) | (26.8) |
| Expenses related to peer-to-peer platform services | (0.7) | (1.0) |
| Selling expense | (3.4) | (2.9) |
| Administrative expense | (30.8) | (34.5) |
| Other operating (expense) / income | 1.3 | 6.0 |
| Net foreign exchange result | (0.1) | (13.0) |
| Profit before tax | 6.6 | 0.8 |
| Corporate income tax | (1.3) | (0.9) |
| Deferred corporate income tax | 0.9 | 1.8 |
| Net profit for the period | 6.2 | 1.7 |
| Discontinued operations | - | 0.8 |
| Translation of financial information of foreign operations to presentation currency | (0.4) | (1.5) |
| Total comprehensive income for the period | 5.8 | 1.0 |
| Total comprehensive income for the period without FX | 6.3 | 15.5 |

Consolidated statement of cash flow

| (in EUR million) | 31 Dec. 2019 | 31 Dec. 2020 |
|---|---------------|---------------|
| Cash flows to/from operating activities | | |
| Profit/(loss) before tax | 6.6 | 1.6 |
| Adjustments for: | | |
| Amortisation and depreciation | 4.7 | 5.8 |
| Interest expense | 21.6 | 26.2 |
| Interest income | (72.7) | (88.2) |
| Loss on disposal of property, plant and equipment | 2.9 | 0.7 |
| Impairment expense | 18.7 | 26.8 |
| Negative goodwill | - | (5.3) |
| Loss from fluctuations of currency exchange rates | 0.5 | 11.5 |
| Operating profit before working capital changes | (17.7) | (20.9) |
| (Increase)/decrease in inventories | 0.7 | (1.0) |
| (Increase)/decrease in receivables | (53.8) | (29.3) |
| Increase/(decrease) in trade payable, taxes payable and other liabilities | (2.7) | (1.5) |
| Cash generated to/from operating activities | (73.5) | (52.7) |
| Interest received | 72.8 | 88.0 |
| Interest paid | (19.4) | (22.6) |
| Corporate income tax paid | (2.0) | (1.1) |
| Net cash flows to/from operating activities | (22.1) | 11.6 |
| Cash flows to/from investing activities | | |
| Purchase of property, plant and equipment and intangible assets | (4.9) | (3.9) |
| Purchase of rental fleet | (16.5) | (9.1) |
| Loan repayments received | 4.7 | 8.6 |
| Investments in subsidiaries | (0.8) | (4.0) |
| Loans issued | (6.9) | (0.4) |
| Net cash flows to/from investing activities | (24.4) | (8.8) |
| Cash flows to/from financing activities | | |
| Proceeds from issue of share capital | 1.0 | - |
| Proceeds from borrowings | 278.6 | 214.2 |
| Repayments for borrowings | (231.0) | (214.6) |
| Net cash flows to/from financing activities | 48.6 | (0.4) |
| Change in cash | 2.1 | 2.4 |
| Cash at the beginning of the year | 6.5 | 8.6 |
| Cash at the end of the year | 8.6 | 11.0 |

LATVIAN OPERATIONS ONLY

CONDENSED FINANCIAL INFORMATION OF AS "MOGO" (consolidated)

Statement of Profit or Loss and Other Comprehensive Income (AS "mogo" (consolidated))

| (in EUR million) | 2019 | 2020 |
|---|-------------|-------------|
| Interest revenue calculated using the effective interest method | 11.8 | 10.2 |
| Interest expense calculated using the effective interest method | (4.1) | (4.5) |
| Net interest income | 7.7 | 5.7 |
| Fee and commission income | 0.6 | 0.5 |
| Revenue from rent | 2.6 | 6.2 |
| Total net revenue | 10.9 | 12.4 |
| Impairment expense | (2.6) | (2.5) |
| Expenses related to peer-to-peer platforms services | (0.1) | (0.2) |
| Selling expense | (0.3) | (0.1) |
| Administrative expense | (3.7) | (5.8) |
| Other operating (expense) / income | 0.1 | 2.0 |
| Profit before tax | 4.3 | 5.8 |
| Corporate income tax | - | - |
| Deferred corporate income tax | - | - |
| Net profit for the period | 4.3 | 5.8 |

Consolidated Statement of Financial Position – Assets, Equity and liabilities (AS "mogo" (consolidated))

| (in EUR million) | 31 Dec. 2019 | 31 Dec. 2020 |
|--|---------------------|---------------------|
| ASSETS | | |
| Loans and lease receivables and rental fleet | 35.3 | 26.2 |
| Loans to Mogo Finance S.A. | 24.3 | 28.5 |
| Property, plant and equipment | 1.6 | 1.3 |
| Receivables from group companies | - | 1.4 |
| Non-current assets held for sale | 0.2 | 0.1 |
| Other receivables | 1.1 | 0.7 |
| Cash and cash equivalents | 0.4 | 0.2 |
| TOTAL ASSETS | 62.9 | 58.5 |
| (in EUR million) | 31 Dec. 2019 | 31 Dec. 2020 |
| EQUITY | | |
| Share capital | 5.0 | 5.0 |
| Other reserves | (4.8) | (4.0) |
| Retained earnings | | |
| brought forward | 2.9 | 7.7 |
| for the period | 4.9 | 5.8 |
| TOTAL EQUITY | 8.0 | 14.5 |
| LIABILITIES | | |
| Borrowings | 48.4 | 40.8 |
| Other provisions | 4.8 | 2.4 |
| Trade payables | 0.1 | 0.1 |
| Payables to related companies | 0.2 | 0.3 |
| Taxes payable | 0.1 | 0.1 |
| Accrued liabilities | 1.3 | 0.3 |
| TOTAL LIABILITIES | 54.9 | 44.0 |
| TOTAL EQUITY AND LIABILITIES | 62.9 | 58.5 |

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