Eleving GROUP

Unaudited results for the nine months ended 30 September 2024

Content

9 months at a glance

316 000
Total Number of Active Customers

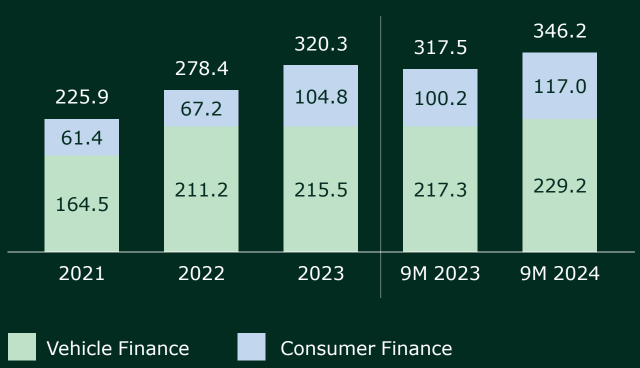
EUR 346.2 mln
Vehicle and Consumer Financing Net Portfolio

EUR 65.0 mln[1]
EBITDA, 9M 2024

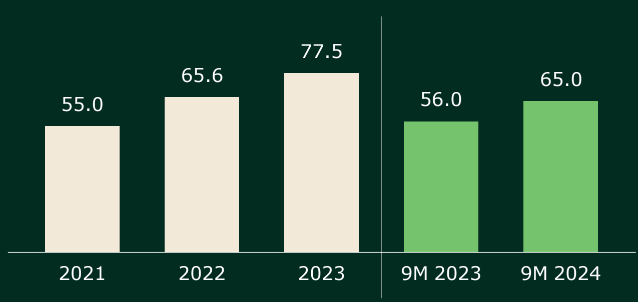
EUR 157.9 mln
Revenue, 9M 2024

All-time best nine-month net profit - EUR 21.9 mln

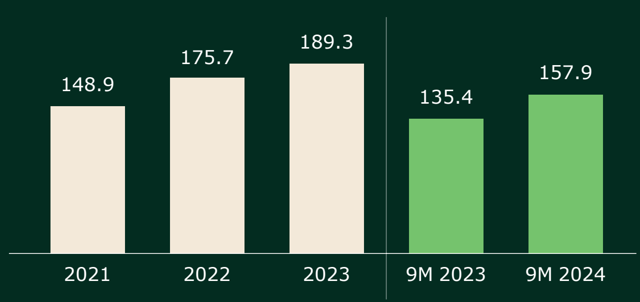
Net portfolio, EUR mln



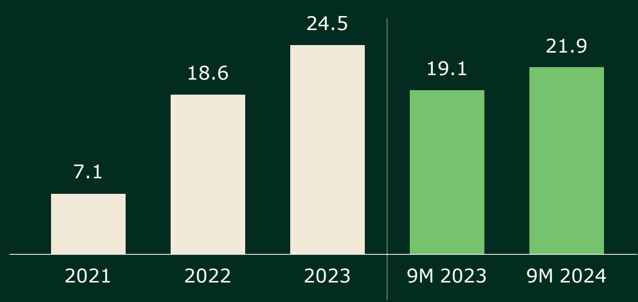
EBITDA, EUR mln[1]



Revenue, EUR mln[2]



Total net profit, EUR mln



[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 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. 9M 2023 EBITDA adjusted with a decrease by one off-gains of: (a) non-controlling interests EUR 3.8 mln. 9M 2024 EBITDA adjusted with a decrease by one off-gains of: (a) non-controlling interests EUR 4.8 mln.

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

Sustained accelerated growth backed by successful IPO

Operational and Strategic Highlights

Profitability

- Eleving Group closed the first nine months of 2024 with a strong financial performance, recording revenues of EUR 157.9 mln, up by nearly 17% compared to the corresponding reporting period a year ago.
- The Group maintained a diversified portfolio generating a well-balanced revenue stream from all key business segments:
  - Flexible and subscription-based products contributed EUR 34.8 mln to the revenues.
  - Traditional vehicle financing contributed EUR 53.1 mln to the revenues.
  - Consumer lending products contributed EUR 70.0 mln to the revenues.
- The Group's adjusted EBITDA reached a record high for the nine-month period, totaling EUR 65.0 mln, an impressive increase of around 16%, compared to the corresponding reporting period a year ago.
- The net portfolio reached EUR 346.2 mln at the end of Q3 2024, up a respectable 9%, compared to EUR 317.5 mln at the end of the corresponding reporting period a year ago.
- The net profit before FX and discontinued operations generated EUR 25.1 mln during the first nine months of 2024, a notable increase of 15%, compared to the first 9M 2023 (9M 2023: EUR 21.8 mln).
- Total net profit reached EUR 21.9 mln, a remarkable increase of 15%, compared to the corresponding reporting period a year ago (9M 2023: EUR 19.1 mln).
  - Interest and similar income have been the primary drivers of our improved bottom line in the first nine months of 2024, reaching EUR 147.9 mln and increasing by nearly 18%, compared to the first 9M 2023 (9M 2023: EUR 125.9 mln), while portfolio quality has remained excellent with impairment expense increasing only by 7%, compared to the corresponding reporting period a year ago.

Growth

- Following the largest initial public offering (IPO) in the Nasdaq Riga history, Eleving Group is firmly set for future growth.
  - EUR 29 mln were raised, with EUR 27 mln allocated to the primary proceeds and the remaining EUR 2 mln as the over-allotment option.
  - The company reached a post-IPO valuation of EUR 199 mln, based on the IPO price and shares outstanding after the IPO.
  - 47 institutional investors, including funds and family offices in the Baltics and Western Europe, contributed 72% of the allocated issued shares, while retail investors covered the remaining 28%.
  - Retail investors showed a lively interest in IPO, with 4,466 retail investors subscribing to the company's shares. Estonian investors led the round with 52%, and Latvian investors added 35% of the total retail investment pool.
- Loan issuance volumes increased to EUR 263.1 mln, an improvement of 26% (9M 2023: EUR 209.5m). The main drivers have been an increased organic demand for our products and further expansion of sales channels with an increased focus on digitalization.
- Eleving Group recorded a significant increase in customer activity in the Vehicle Finance segment. The loan application count during Q3 2024 grew by nearly 18%, compared to Q2 2024, and the nine-month figures leaped by almost 79%, compared to the corresponding reporting period a year ago. Impressive application growth has been recorded across most markets, with East Africa's motorcycle and the Romanian, Latvian, and Uzbek car financing segments standing out the most. The number of vehicles financed also increased significantly during Q3 2024, resulting in 20% growth, compared to Q2 2024, while the Group maintained prudent underwriting standards. The Group maintained a steady conversion rate of 8.2% in Q3 2024.
- The Group's Consumer Finance business line sets new loan issuance volume records each quarter, reaching a new milestone of EUR 47.9 mln worth of loans issued in Q3 2024, an increase of 7.1% compared to Q2 2024. The Group continued to perform steadily in its mature Consumer Finance markets in Europe, maintaining a stable net portfolio size. At the same time, the growth stems from scaling up the business in the African region, where the loan issuance volume almost doubled, reaching EUR 17.3 mln during Q3 2024, up by EUR 8.4 mln, compared to the corresponding reporting period a year ago (Q3 2023: EUR 8.9 mln). The African Consumer Finance operations issued 7.8% more loans compared to Q2 2024, setting a new quarterly loan issuance record. This was achieved while maintaining stable conversion rates for all Consumer Finance products, which only marginally increased by 1.3% p.p. to 35.8% in Q3 2024 (Q2 2024: 34.5%).

Operational Milestones

- OX Drive, the first electric car-sharing service in Latvia, and Carguru, the pioneers of the Latvian car-sharing business, have merged their operations. The OX Drive operations will continue to work under the Carguru brand. This merger strengthens Carguru's market position, with a fleet of over 420 vehicles, and establishes the company among the leading players in the Latvian car-sharing space. Eleving Group now holds approximately 36% of the combined entity.
- Eleving Group is further driving green mobility in Africa, with our East African motorcycle business rapidly expanding in the e-motorcycle financing segment. By the end of Q3, we financed 1,400 e-motorcycles and aim to reach 2,000 units by the end of the year. Uganda is leading the way, with 776 units issued since the launch of the e-motorcycle financing product in May 2024. The demand for green mobility solutions remains robust across the Sub-Saharan region.
- Eleving Group was ranked the 41st fastest-growing European company of the last decade in the Financial Times and Statista research. This list ranks the top 300 companies in Europe based on their percentage revenue growth between 2013 and 2023, focusing primarily on organic growth during this period. We are the highest-ranked company from the Baltics and the only Latvian company featured on the entire list of 'Europe's Long-Term Growth Champions 2025'.
- Eleving Group continues its digitalization journey, and our new generation 2.0 digital solution (customer self-service platform) has been introduced in Estonia and Lithuania. The solution has been a great success in Romania, with nearly all the portfolio now managed online. The Group is optimistic about the planned rollouts in Latvia and the Caucasus at the end of this year.

Sustained accelerated growth backed by successful IPO

Financial Highlights and Progress

- Consistent profitability as evidenced by the strongest-ever nine-month financial performance:
  - Adjusted EBITDA of EUR 65.0 mln (9M 2023: EUR 56.0).
  - The net profit before FX and discontinued operations of 25.1 mln (9M 2023: EUR 21.8 mln).
  - The total net profit of 21.9 mln (9M 2023: EUR 19.1 mln).
  - Total net loan and pre-owned vehicle rent portfolio of EUR 346.2 mln (9M 2023: EUR 317.5 mln).
  - 9M 2024 ended with a healthy financial position, supported by the capitalization ratio of 25.6% (31 December 2023: 26.1%), ICR ratio of 2.3 (31 December 2023: 2.3), and net leverage of 3.4 (31 December 2023: 3.7), providing sufficient headroom for Eurobond covenants.
- During Q3 2024, Eleving Group started and, in early October, finished the largest IPO in the Nasdaq Riga history, raising EUR 29 mln to further facilitate business expansion in new markets, launching new products and optimizing the capital structure. We forecast saving up to EUR 4 mln in annual borrowing costs by retiring unsecured subordinated bonds, repurchasing some of Mintos outstanding loans in Q4 2024, and expecting improvements in overall borrowing costs due to a significantly recapitalized balance sheet.
- Eleving Group remains focused on its strategic direction to further diversify its debt profile and funding through various channels, primarily in local currencies, and optimizing funding costs both in EUR and USD currencies:
  - The Group continues its pragmatic tapping into Mintos, a marketplace for loans. The weighted average annual funding cost for Mintos was 9.8% over Q3 2024, compared to 12.6% over the corresponding reporting period a year ago, significantly reducing the Group's interest expense and further improving its profitability. At the end of Q3 2024, Eleving Group had outstanding loans of EUR 63.6 mln on Mintos (compared to EUR 62.7 mln as of 30 June 2024), an increase of EUR 0.9 mln.
  - Outstanding investments raised through the Kenyan local notes program increased by around 28%, from EUR 16.0 mln to EUR 20.5 mln during Q3 2024. Most of this funding is secured in the local currency.
  - Eleving Group has secured a debt facility in the local currency equivalent of around EUR 4.75 in Uganda from Absa Bank to support further its capital structure and growth of the vehicle finance portfolio in the Ugandan market.
  - Throughout Q3 2024, the Group raised a total of BWP 42.9 mln (approximately EUR 3.0 mln) in Botswana from Morula Capital Partners and Kgori Capital Partners at favorable rates through the local notes program. All this funding is secured in the local currency.
- During Q3 2024, the Group increased its equity to EUR 87.9 mln (EUR 87.4 mln as of 30 June 2024), further solidifying its capital base for future growth.

Comments from Eleving Group CEO and CFO

Modestas Sudnius
CEO of Eleving Group

The third quarter of 2024 marks a transformative time for Eleving Group, highlighted by our initial public offering (IPO) — the largest in Nasdaq Riga's history and a milestone for a privately held company in the Baltics. We are deeply grateful to welcome over 4,500 new shareholders, a balanced mix of institutional and retail investors from the Baltics and beyond. This IPO success has provided us with EUR 29 mln, which we will use to drive our plans to nearly double the business over the next three years. In the immediate term, we are focusing on using these proceeds to strengthen our balance sheet and optimize funding costs.

Our diverse product portfolio remains a key driver of performance. Revenue from traditional loan products grew by 11.3%, driven by strong portfolio expansion in Romania and steady gains in Georgia, Moldova, and Estonia. While flexible and subscription-based products saw a controlled revenue decrease due to the anticipated slowdown in Lithuania's rent-to-buy segment and a more cautious lending strategy in Kenya's motorcycle-taxi business, Uganda's motorcycle-taxi segment maintained robust growth. Consumer lending revenues surged in Q3, fueled by rapid expansion in Sub-Saharan markets and further growth in Albania.

On the business development side, our strategic approach is yielding results and promises even more growth. We made significant progress in financing electric motorcycles in Uganda and Kenya, contributing to sustainable mobility in East Africa.

As we explore new market opportunities and innovative products, we remain committed to expanding accessible and eco-friendly solutions. Our electric-motorcycle financing markets are on track to meet this year's targets, with nearly 2,000 e-motorcycle units expected to be financed by year-end. Additionally, we are actively evaluating new product concepts for our mature markets and potential entries into new geographies with our established offerings. We anticipate tangible results from these initiatives in the coming year.

Our digitalization journey continues to advance, enhancing client accessibility. After successfully launching a self-service platform in Romania that has significantly improved portfolio management and client relations, we localized this platform in Estonia and Lithuania. Georgia, Latvia, Moldova, and Armenia are next in line for rollout by year-end.

It is worth noting that our growth to date was recognized in October by the Financial Times, which ranked Eleving Group 41st among the Fastest-Growing European Companies over the past decade. We are the highest-ranked company from the Baltics and the only Latvian company on the 'Europe's Long-Term Growth Champions 2025' list.

The third quarter was another strong operational period for Eleving Group, marked by the historic milestone of our IPO. As we move forward, we aim to sustain our profitable growth trajectory as a public company focused on sustainable expansion.

Our 9M results reflect continued growth and a strong operational focus. Revenue reached EUR 157.9 mln, a 17% increase compared to the first nine months of last year, and our net portfolio grew to EUR 346.2 mln, marking a 9% increase compared to the same period last year. Adjusted EBITDA rose to EUR 65.0 mln, and net profit was EUR 21.9 mln, up from EUR 19.1 mln in 9M 2023.

One of our most significant milestones this year was completing the largest IPO in the Baltics, raising EUR 29 million. This capital infusion will support our mid-term goals to expand into new markets, strengthen our position in existing ones, and enhance our balance sheet. Consistent with our IPO pledge, we are committed to rewarding both new and existing shareholders with regular dividend payments. Following the IPO, we aim for a target payout ratio exceeding 50% of net profits.

To strengthen our capital structure, we are strategically diversifying our debt portfolio. Following the IPO, a portion of the net proceeds will be allocated to redeem our subordinated unsecured bonds 2021/2031 (ISIN XS2427362491). This targeted move is expected to deliver nearly EUR 2 million in annual savings, directly boosting our profitability. Additionally, in Q3, we secured a EUR 4.75 million loan from Absa Bank, one of Africa's leading financial institutions, to fuel our portfolio expansion in Uganda, advancing our growth and solidifying our presence in this high-potential market.

These financial achievements and strategic initiatives have reinforced our foundation for sustained growth, enabling us to drive greater operational efficiency and ensure long-term profitability.

Māris Kreics
CFO of Eleving Group

Business outlook (2024)

Operational excellence and consistent growth

Healthy organic growth

Explore new growth opportunities

New-generation digital solutions

Outside equity attraction

Diversified funding structure

FX risk management

Streamlined governance

Climate impact mitigation

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 the recently integrated Southern African** consumer lending markets, with the core focus on creating sustainable financial products for the underserved population.

●●○○○ **Roll out an SME financing product in the existing European markets** – launch the first market in 2025.

●●●○○ 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** 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** for further 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.

●●●●● **Exit from Belarus.**

Governance and Social impact

●●●○○ Implement a **Group-wide environmental action plan** 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.

●●●●● Execute a **dividend policy.**

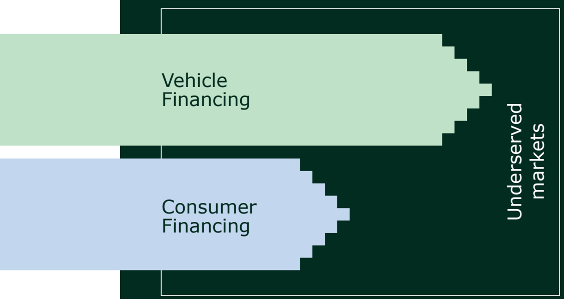
A Way
Way Up

mogo primero Renti
OX DRIVE Kredo.al Tigo.mk
Sebo.md ExpressCredit

About Eleving Group

Our approach

Our approach to business is to identify underserved markets and disrupt them with innovative and sustainable financial solutions both in the vehicle and consumer financing segments.

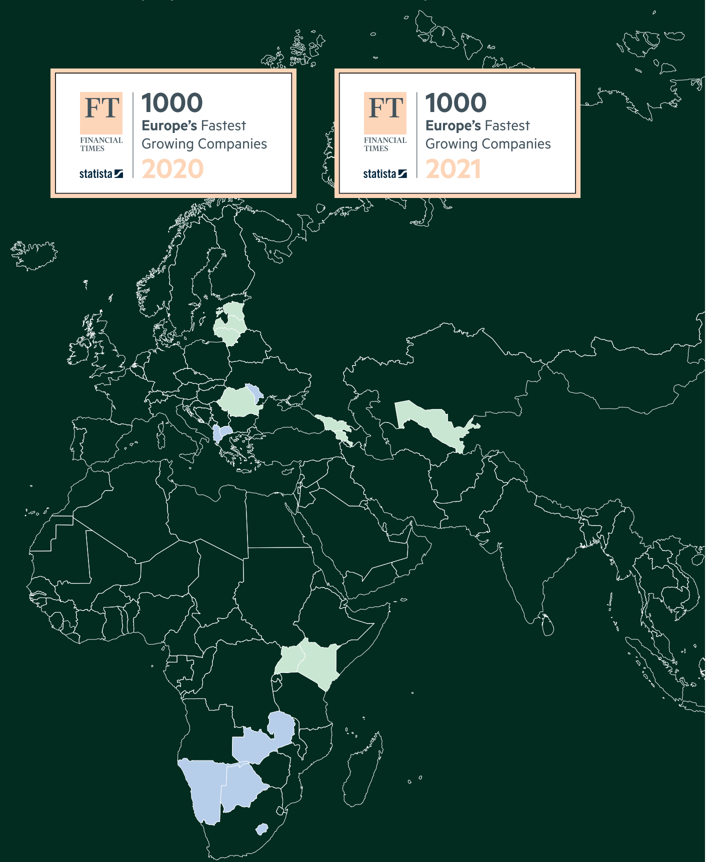


Presence

Eleving Group is an international fast-moving financial technology company offering services across the globe. The Group operates in 16 countries across 3 continents.

Sustained growth

The consistent pursuit of growth has turned us into a strong, global player of the financial services industry, earning us a spot among the Top 1 000 fastest growing companies in Europe, with 2 850 employees and 316 000 active loyal customers.



Conference call

On 12 November

A conference call in English with the Group's management team to discuss these results is scheduled for 12 November 2024, at 15:00 CET.

Contact

Māris Kreics
Chief Financial Officer (CFO)
maris.kreics@eleving.com

Conference call access information

Financial review

Condensed consolidated income statement

The table below sets out the condensed consolidated statement of profit and loss for the nine months period ended 30 September 2023 and 30 September 2024.

EUR million	9M 2023	9M 2024	Change (%)
Interest and similar income	125.9	147.9	17.5%
Interest expense and similar expenses	(27.1)	(30.6)	12.9%
Net interest income	**98.8**	**117.3**	**18.7%**
Fee and commission income	6.3	7.6	20.6%
Income from used vehicle rent	3.2	2.4	(25.0%)
Total net revenue	**108.3**	**127.3**	**17.5%**
Impairment expense	(27.2)	(29.1)	7.0%
Operating expense and income	(55.2)	(66.4)	20.3%
Net foreign exchange result	(4.6)	(4.0)	(13.0%)
Profit before tax	**21.3**	**27.8**	**30.5%**
Corporate income tax	(4.1)	(6.7)	63.4%
Total net profit for the period without FX and discontinued operations	21.8	25.1	15.1%
Net profit from continued operations	**17.2**	**21.1**	**22.7%**

Interest, similar income and income from used vehicle rent

EUR million	9M 2023	9M 2024	Change (%)
Flexible loan and subscription based products	**37.5**	**34.8**	**(7.2%)**
Interest and similar income	33.4	31.9	(4.5%)
Rental income	3.2	2.4	(25.0%)
Fee and commission income	0.9	0.5	(44.4%)
Traditional loan products	**47.7**	**53.1**	**11.3%**
Interest and similar income	45.2	49.6	9.7%
Fee and commission income	2.5	3.5	40.0%
Consumer lending products	**50.2**	**70.0**	**39.4%**
Interest and similar income	47.3	66.4	40.4%
Fee and commission income	2.9	3.6	24.1%
Average net loan and used vehicle rent portfolio	**297.9**	**333.3**	**11.9%**
Average income yield on net loan and used vehicle rent portfolio	**60.6%**	**63.2%**	**2.6 p.p.**

Flexible loan and subscription based products revenues decreased by 7.2% to EUR 34.8 million (9M 2023: EUR 37.5 million) due to a forecasted slowdown in Renti rental products in Lithuania and conservative new loan issuances at the beginning of this year in the motorcycle-taxi segment in Kenya, partially mitigated by record loan motorcycle-taxi segment loan issuances in Uganda.

Traditional loan products revenues increased by 11.3% to EUR 53.1 (9M 2023: EUR 47.7 million), mainly driven by substantial portfolio growth in Romania, supported by sizeable increases in Georgia, Moldova, and Estonia. However, nearly all other Group's markets also experienced positive incremental growth.

Lastly, consumer lending product revenues increased by 39.4% to EUR 70.0 million (9M 2023: EUR 50.2 million). The main drivers for the formidable revenue increase was continued loan portfolio growth in Albania and rapid growth in loan issuances and portfolio sizes in newly integrated African countries Namibia and Zambia.

Interest expense and similar expense

Interest expenses increased by 12.9% to EUR 30.6 mln (9M 2023: EUR 27.1 mln), a difference of EUR 3.5 mln. This is mainly attributable to last year's integrated Express Credit African operations interest expenses appearing only in the final quarter of the 2023 nine-month reporting period, while these interest expenses were accounted for the full 2024 nine-month reporting period. Excluding Express Credit interest expenses, other Group's interest expenses marginally decreased.

Income from used vehicle rent

Income from used vehicle rent decreased by 25.0% to EUR 2.4 million (9M 2023: EUR 3.2 million). Due to partial vehicle rental portfolio sale in 2023, the total used vehicle rental fleet decreased to EUR 2.4 million (31 December 2023: EUR 7.1 million).

Impairment expense for vehicle finance portfolio

Net impairment losses on loans and receivables decreased by 2.7% to EUR 14.9 million (9M 2023: EUR 15.3 million). The NPL ratio (Net NPL / Total net portfolio) amounted to 6.7% (conservative 35+ days past due) of the total net portfolio (31 December 2023: 7.5%) with provision coverage ratio of 88.6% (31 December 2023: 86.2%).

Impairment expense for consumer lending portfolio

Net impairment losses on loans and receivables increased by 19.8% to EUR 14.2 million (9M 2023: EUR 11.8 million). The NPL ratio (Net NPL / Total net portfolio) amounted to 4.7% (90+ days past due) of the total net portfolio (31 December 2023: 4.5%) with provision coverage ratio of 121.3% (31 December 2023: 119.2%).

Operating expense

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

EUR million	9M 2023	9M 2024	Change (%)
Employees' salaries	25.1	30.3	20.7%
Marketing expenses	4.6	5.4	17.4%
Office and branch maintenance expenses	2.2	2.6	18.2%
Professional services	2.0	3.1	55.0%
Amortization and depreciation	6.8	7.4	8.8%
IT services	3.4	4.4	29.4%
Tax expenses	2.5	3.8	52.0%
Other operating expenses/(income)	8.6	9.4	9.3%
Total operating expense	**55.2**	**66.4**	**20.3%**

The total operating expense for the period increased to EUR 66.4 million (9M 2023: EUR 55.2 million).

Salaries increased by 20.7% to EUR 30.3 million (9M 2023: EUR 25.1 million), comprising 45.6% of the total operating expenses (9M 2023: 45.5%). Meanwhile, marketing expenses, with an effective cost of EUR 13 per loan issued, accounted for 8.1% of the total operating expenses (9M 2023: 8.3%).

The general increase in total operating expenses was due to last year's integrated Express Credit African consumer lending operations expenses appearing only in the final quarter of the 2023 nine-month reporting period, while these operating expenses were accounted for the full 2024 nine-month reporting period.

Profit before tax

The consolidated profit before taxes increased by 30.5% and amounted to EUR 27.8 million (9M 2023: EUR 21.3 million).

Corporate income tax

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

EUR million	9M 2023	9M 2024	Change (%)
Corporate income tax	(5.9)	(6.2)	5.1%
Deferred tax	1.8	(0.5)	(127.8%)
Total corporate income tax	**(4.1)**	**(6.7)**	**63.4%**

Total corporate income tax increased by 63.4% to EUR 6.7 mln (9M 2023: EUR 4.1 mln) due to overall increase in the profit before tax. Changes in the deferred corporate income tax were mainly due to currency volatility in Kenya in the comparable period, which resulted in higher loss before tax at a local country level during 9M 2023 (an increse in deferred tax), but reversed with Kenya local currency appreciation during 9M 2024 resulting in increase of unrealized FX gain (a decrease in deferred tax), and recent tax code change in Uganda in relation to interest expense deductibility cap (now all interest expenses can be deducted as part of the general corporate income tax calculation).

Profit for the period

The consolidated total net profit for the period increased by 14.7% and amounted to EUR 21.9 million (9M 2023: EUR 19.1 million).

Alternative performance measures (non-IFRS)

EUR million	9M 2023	9M 2024	Change (%)
Profit for the period	17.2	21.1	22.7%
Provisions for taxes	4.1	6.7	63.4%
Interest expense	27.1	30.6	12.9%
Depreciation and amortization	6.8	7.4	8.8%
Currency exchange (gain)/loss	4.6	4.0	(13.0%)
EBITDA	**59.8**	**69.8**	**16.7%**
Non-controlling interests	(3.8)	(4.8)	28.2%
Adjusted EBITDA	**56.0**	**65.0**	**15.9%**

Condensed consolidated balance sheet

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

EUR million	31 Dec. 2023	30 Sep. 2024
Intangible assets	22.5	23.4
Tangible assets	13.5	14.1
Loans receivables and rental fleet	320.3	346.2
Deferred tax asset	8.9	9.1
Inventories	4.8	1.3
Non-current assets held for sale	0.5	0.9
Other receivables	13.6	19.4
Assets of subsidiary held for sale	9.6	-
Cash and cash equivalents	27.5	27.4
Total assets	**421.2**	**441.8**

EUR million	31 Dec. 2023	30 Sep. 2024
Share capital and reserves	5.3	4.0
Foreign currency translation reserve	0.5	0.6
Retained earnings	47.9	54.1
Non-controlling interests	11.8	16.5
Subordinated debt	16.5	12.7
Total equity	**82.0**	**87.9**
Borrowings	310.6	317.9
Other liabilities	28.6	36.0
Total liabilities	**339.2**	**353.9**
Total equity and liabilities	**421.2**	**441.8**

Assets

The total assets of the Group increased by 4.9% to EUR 441.8 million (31 December 2023: EUR 421.2 million), chiefly due to prudent and consistent growth in the loan and used vehicle rent portfolio.

Tangible assets

Tangible assets increased by 4.4% to EUR 14.1 million (31 December 2023: EUR 13.5 million).

Net loan and used vehicle rent portfolio

The net loan and used vehicle rent portfolio increased by 8.1% to EUR 346.2 million (31 December 2023: EUR 320.3 million).

Net loan and used vehicle rent portfolio split by market type

EUR million	31 Dec. 2023	Total share (%)	30 Sep. 2024	Total share (%)
Developed countries*	135.5	42.3%	144.1	41.6%
Developing countries**	80.0	25.0%	85.1	24.6%
Consumer loan markets	104.8	32.7%	117.0	33.8%
Total net loan and used vehicle rent portfolio	**320.3**	**100.0%**	**346.2**	**100.0%**

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

** Developing countries are Uzbekistan, Kenya, and Uganda

Net loan portfolio split by product type

EUR million	31 Dec. 2023	Total share (%)	30 Sep. 2024	Total share (%)
Flexible and subscription based products	68.6	21.4%	71.5	20.7%
Traditional loan products	146.9	45.9%	157.7	45.5%
Consumer lending products	104.8	32.7%	117.0	33.8%
Total net loan portfolio split by product type	**320.3**	**100.0%**	**346.2**	**100.0%**

The Group continues controlled loan portfolio growth strategy in its flexible and subscription based products, as well tradional loan business lines, which at the end of the period stood at 20.7% and 45.5% of the total net loan and used vehicle rent portfolio.

Consumer lending business line is continuing steady growth trajectory and mainly due to sucessfully integrated Namibia and Zambia operations and Albania's solid performance has considerably increased the share within the Group and now is standing at 33.8% from the total net loan and used vehicle rent portfolio.

Developing markets, especially African operations, retain significant potential for future growth.

Net loan and used vehicle rent portfolio (excluding consumer lending)

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

EUR million	31 Dec. 2023	Total share (%)	30 Sep. 2024	Total share (%)
STAGE 1*	168.8	81.0%	191.6	84.5%
STAGE 2**	24.0	11.5%	20.0	8.8%
STAGE 3***	15.6	7.5%	15.2	6.7%
Total net loan portfolio	**208.4**	**100.0%**	**226.8**	**100.0%**
Used vehicle rent	7.1	3.3%	2.4	1.0%
Total net loan and used vehicle rent portfolio	**215.5**		**229.2**	
Net NPL ratio******	**7.5%**		**6.7%**	
Impairment coverage ratio*********	**86.2%**		**88.6%**	

* 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 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 showing a significant increase in credit risk since origination. Loans 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.

*** Loans are considered credit-impaired and at default. Allowances are recorded for the LTECLs. Loan agreements are considered defaulted and therefore Stage 3 with 60 DPD on contractual payments or terminated loan 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 and used vehicle rent portfolio has improved and have decreased by 0.8 p.p. (31 December 2023: 7.5%).

Net consumer loan portfolio

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

EUR million	31 Dec. 2023	Total share (%)	30 Sep. 2024	Total share (%)
STAGE 1*	98.0	93.5%	108.4	92.6%
STAGE 2**	2.2	2.1%	3.1	2.6%
STAGE 3***	4.6	4.4%	5.5	4.7%
Total net loan portfolio	**104.8**	**100.0%**	**117.0**	**100.0%**
Net NPL ratio******	**4.5%**		**4.7%**	
Impairment coverage ratio*********	**119.2%**		**121.3%**	

* 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)

NPLs in the total net consumer loan portfolio increased marginally and amounted to 4.7% (31 December 2023: 4.5%).

Equity

The total equity of the Group increased by 7.2% to EUR 87.9 million (31 December 2023: EUR 82.0 million). The capitalization ratio at the end of the period stood at 25.6% (31 December 2023: 26.1%), providing adequate and stable headroom for Eurobond covenants.

Liabilities

The total liabilities of the Group increased by 4.3% and stood at EUR 353.9 million (31 December 2023: EUR 339.2 million). The increase was in line with growing net loan and used vehicle rent portfolio, supporting capital for higher loan issuances. Borrowings grew to EUR 317.9 million (31 December 2023: EUR 310.6 million).

Borrowings

The table below sets out borrowings by type.

EUR million	31 Dec. 2023	30 Sep. 2024
Loans from banks	6.1	5.3
Local Notes and Bonds	38.6	25.4
Private debt funds	10.0	26.7
Eurobonds (excl. accrued interest)	191.6	191.7
Bond acquisition costs and accrued interest	(0.9)	3.2
Financing received from P2P investors	63.9	63.6
Loans from other parties	1.3	2.0
Total borrowings	**310.6**	**317.9**

Eurobonds

On 18 October 2021, Eleving Group successfully issued a 5-year corporate bond (XS2393240887), listed onthe Open Market of the Frankfurt Stock Exchange, at par with an annual interest rate of 9.5% and total amount of EUR 150 million. The bond will mature in October 2026. The previous corporate bond (XS1831877755) with an annual interest rate of 9.5% was fully repaid on 20 October 2021 following the issuance of the new corporate bond (XS2393240887).

On 31 October 2023, Eleving Group successfully issued a 5-year senior secured and guaranteed bond (ISIN DE000A3LL7M4), listed on the Regulated Market of Frankfurt Stock Exchange at par with an annual interest rate of 13.0% and a total amount of EUR 50 million. On 6 November 2023, the respective bond was also listed on the Regulated Market of Nasdaq Riga Stock Exchange. The bond maturity is set at 31 October 2028.

Subordinated bonds

On 7 March 2022, Eleving Group bonds (XS2427362491) were admitted to trading on the Nasdaq Baltic First North Market. The size of the Eleving Group bond issue is EUR 25 million. The bonds have a nominal value of EUR 1 000 each and a floating annual coupon rate of 12% + 6 month EURIBOR, with interest paid monthly. Subordinated bonds mature on 29 December 2031. On 21 October 2024, Eleving Group has notified holders of the respective unsecured bonds of its intention to redeem the outstanding bonds on 29 November 2024.

Off-balance sheet arrangements

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

Condensed consolidated statement of cash flow

EUR million	9M 2023	9M 2024
Profit before tax	23.3	28.6
Net cash flows from operating activities	18.5	25.4
Net cash flows from investing activities	0.8	(8.9)
Net cash flows from financing activities	(6.6)	(16.6)
Change in cash	12.7	(0.1)
Cash at the beginning of the period	13.8	27.5
Cash at the end of the period	26.5	27.4

Net cash inflow from operating activities amounted to EUR 25.4 million (9M 2023: cash inflow of EUR 18.5 million). The Group's net cash outflow from investing activities totalled EUR 8.9 million (9M 2023: cash inflow of EUR 0.8 million). Finally, the Group's cash outflow from financing activities amounted to EUR 16.6 million (9M 2023: cash outflow of EUR 6.6 million).

Eurobond covenant ratios

Capitalization	31 Dec. 2023	30 Sep. 2024	Change (p.p.)
Equity/Net loan portfolio	26.1%	25.6%	(0.5)

Profitability	31 Dec. 2023	30 Sep. 2024	Change
Interest coverage ratio (ICR)	2.3	2.3	0.0

Leverage	31 Dec. 2023	30 Sep. 2024	Change
Net leverage	3.7	3.4	(0.3)

EUR million	Mintos loans			Net loan and used vehicle rent portfolio			
Country	31 Dec. 2023	30 Sep. 2024	Change (%)	31 Dec. 2023	Total share (%)	30 Sep. 2024	Total share (%)
Armenia*	1.1	2.0	81.8%	13.2	6.1%	14.5	6.3%
Georgia*	1.6	-	(100.0%)	16.7	7.7%	18.2	7.9%
Estonia*	3.5	4.1	17.1%	11.0	5.1%	11.9	5.2%
Kenya**	3.0	1.3	(56.7%)	44.6	20.7%	45.8	20.0%
Latvia*	2.5	2.0	(20.0%)	11.4	5.3%	10.9	4.8%
Lithuania*	10.3	8.9	(13.6%)	32.0	14.8%	29.6	12.9%
Moldova*	3.8	7.3	92.1%	17.9	8.3%	18.1	7.9%
Romania*	2.1	7.2	242.9%	33.3	15.5%	40.9	17.8%
Uganda**	-	-	-	23.8	11.0%	28.4	12.4%
Uzbekistan**	-	-	-	11.6	5.4%	10.9	4.8%
Total vehicle loans and rent	**27.9**	**32.8**	**17.6%**	**215.5**	**100%**	**229.2**	**100%**
Consumer loan markets	36.0	30.8	-14.4%	104.8	32.7%	117.0	33.8%
Total	**63.9**	**63.6**		**320.3**		**346.2**	

* Developed countries are Latvia (including used vehicle rent portfolio), Lithuania (including used vehicle rent portfolio), Estonia, Romania, Moldova, Georgia, and Armenia
** Developing countries are Uzbekistan, Kenya, and Uganda

Recent developments

No Regulatory Changes

No material regulatory changes have taken place since 30 September 2024.

Events after the balance sheet date

As of the last day of the reporting period until the date of publishing these unaudited results for the nine months ended 30 September 2024 there have been no events requiring adjustment of unaudited results.

Directors' Statement

The consolidated nine month report of the Group 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 Group and the undertakings included in the consolidation taken as a whole.

The nine month management report of the Group includes a fair review of the development and performance of the business and the position of the Group 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

EUR million	31 Dec. 2023	30 Sep. 2024
Assets		
Goodwill	6.8	6.8
Internally generated intangible assets	10.3	11.0
Other intangible assets	5.4	5.6
Loans receivables and rental fleet	320.3	346.2
Right-of-use assets	10.6	11.0
Property, plant and equipment	2.1	2.3
Leasehold improvements	0.8	0.8
Loans issued	-	3.1
Other financial assets	0.9	1.5
Deferred tax asset	8.9	9.1
Inventories	4.8	1.3
Prepaid expense	3.1	3.9
Trade receivables	-	0.5
Other receivables	9.6	10.4
Assets of subsidiary held for liquidation	9.6	-
Assets held for sale	0.5	0.9
Cash and cash equivalents	27.5	27.4
Total Assets	**421.2**	**441.8**

Consolidated Statement of Financial Position – Equity and liabilities

EUR million	31 Dec. 2023	30 Sep. 2024
Equity		
Share capital	2.9	2.8
Retained earnings	47.9	54.1
Foreign currency translation reserve	0.5	0.6
Other reserves and equity items	2.4	1.2
Total equity attributable to owners of the Company	**53.7**	**58.7**
Non-controlling interests	11.8	16.5
Subordinated debt	16.5	12.7
Total equity	**82.0**	**87.9**
Liabilities		
Borrowings	310.6	317.9
Prepayments and other payments received from customers	1.1	0.9
Trade payables	2.1	2.9
Corporate income tax payable	0.7	4.0
Taxes payable	3.4	4.0
Other liabilities	13.4	18.5
Liabilities of subsidiary held for sale	2.0	-
Accrued liabilities	5.8	5.6
Other financial liabilities	0.1	0.1
Total liabilities	**339.2**	**353.9**
Total equity and liabilities	**421.2**	**441.8**

Consolidated Income Statement

EUR million	9M 2023	9M 2024
Interest revenue calculated using the effective interest method	125.9	147.9
Interest expense calculated using the effective interest method	(27.1)	(30.6)
Net interest income	**98.8**	**117.3**
Fee and commission income	6.3	7.6
Revenue from rent	3.2	2.4
Total net revenue	**108.3**	**127.3**
Impairment expense	(27.2)	(29.1)
Expenses related to P2P platform services	(0.7)	(0.6)
Profit from car sales and other equipment	-	0.4
Selling expense	(4.6)	(5.4)
Administrative expense	(46.7)	(56.4)
Other operating income/(expense)	(3.2)	(4.4)
Net foreign exchange result	(4.6)	(4.0)
Profit before tax	**21.3**	**27.8**
Corporate income tax	(5.9)	(6.2)
Deferred corporate income tax	1.8	(0.5)
Net profit from continued operations for the period	**17.2**	**21.1**
Net profit from discontinued operations	1.9	0.8
Total net profit for the period	**19.1**	**21.9**
Attributable to Equity holders of the Parent Company	15.3	17.1
Attributable to Non-controlling interests	3.8	4.8
Earnings per share:		
Attributable to Equity holders of the Parent Company	0.15 €	0.17 €
Translation of financial information of foreign operations to presentation currency	(1.9)	0.1
Total profit for the period	**17.2**	**22.0**

Consolidated statement of cash flow

EUR million	9M 2023	9M 2024
Cash flows from operating activities		
Profit before tax	23.3	28.6
Adjustments for:		
Amortisation and depreciation	6.8	7.4
Interest expense	27.1	30.6
Interest income	(125.9)	(147.9)
Loss on disposal of property, plant and equipment	0.2	-
Impairment expense	27.1	29.1
Loss/(gain) from fluctuations of currency exchange rates	6.5	3.9
Operating profit before working capital changes	**(34.9)**	**(48.3)**
(Increase)/decrease in inventories	(1.8)	3.5
(Increase)/decrease in receivables	(50.7)	(51.1)
Increase/(decrease) in trade payable, taxes payable and other liabilities	0.6	2.1
Cash generated to/from operating activities	**(86.8)**	**(93.8)**
Interest received	129.1	147.9
Interest paid	(20.0)	(25.0)
Corporate income tax paid	(3.8)	(3.7)
Net cash flows from operating activities	**18.5**	**25.4**
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(3.4)	(5.0)
Purchase of rental fleet	(3.3)	(0.4)
Loan repayments received	3.0	2.3
Investments in subsidiaries	4.5	(0.6)
Integration of a subsidiary, net of cash acquired	4.5	-
Payments for acquisition of non-controlling interests	-	(0.6)
Loans issued and bank deposits	-	(5.2)
Net cash flows from investing activities	**0.8**	**(8.9)**
Cash flows from financing activities		
Proceeds from borrowings	122.3	137.4
Repayments for borrowings	(123.1)	(143.7)
Dividends paid	(5.8)	(10.3)
Net cash flows from financing activities	**(6.6)**	**(16.6)**
Change in cash	12.7	(0.1)
Cash at the beginning of the period	13.8	27.5
Cash at the end of the period	**26.5**	**27.4**

Glossary and important information

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 of 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.
- **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 ratio** — total shareholders' equity (excl. subordinated debt) / total assets
- **Earnings per share (EPS)** — a financial metric calculated by dividing a company's net income by the total number of outstanding shares, indicating the portion of a company's profit allocated to each share of common stock.
- **Financial covenant** — a clause in a loan agreement that requires the borrower to meet specific financial metrics or conditions, such as maintaining a minimum level of liquidity or a maximum debt-to-equity ratio, to ensure ongoing financial health and risk management.
- **Flexible 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.
- **Net portfolio** — gross loan portfolio, minus provisions for bad debts and debt acquisition costs, and comprising the total of finance lease receivables, loans and advances to customers, and rental fleet assets.
- **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** — net profit for the period before net foreign exchange result.
- **Net leverage** — sum of non-current and current borrowings (excl. lease liabilities for rent of vehicles and premises and subordinated debt/bonds) less cash and cash equivalents / last twelve-month Adjusted EBITDA.
- **Revenue** — total of interest and similar income, fee and commission income, income from used vehicle rent.
- **Subordinated debt** — a type of loan or security that ranks below other debts in terms of claims on assets or earnings. In the event of a liquidation or bankruptcy, subordinated debt holders are paid only after senior debt holders are fully satisfied.
- **QOQ/YOY change** — comparison of financial performance between two consecutive quarters or years, such as Q3 2024 compared to Q2 2024, or 2024 compared to 2023, used to assess growth trends over time.

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