



# Webinar on the audited consolidated financial results of 2023



**Valdis Siksnis**  
Chairman of the Board



**Henrik Karmo**  
Board Member

February 27, 2024



**The fastest growing  
pension fund manager  
in the Baltic states**



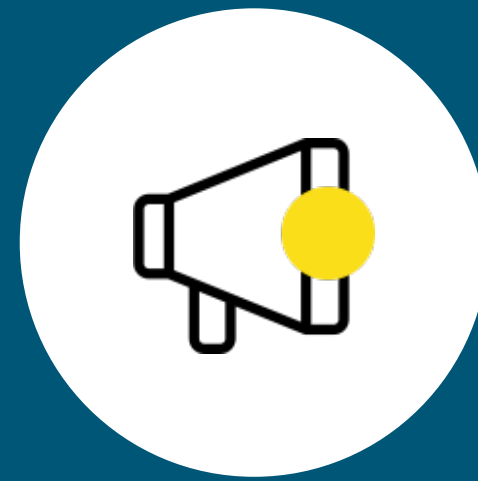
**915+ millions euro in AUM  
127 000+ clients\***



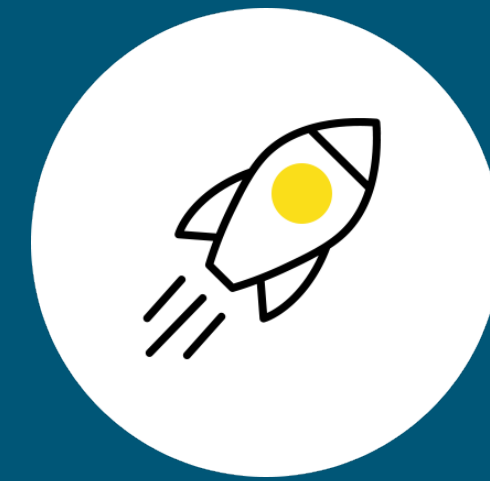
**INDEXO 2<sup>nd</sup> un 3<sup>rd</sup>  
pension pillar equity  
plans are among the  
best-performing in the  
Latvian market**



**The number one choice**  
switching pension  
manager in Latvia



**Almost 6 000**  
**shareholders,**  
allowing everyone to  
be a part of INDEXO  
growth



**INDEXO is ready to launch**  
**the Bank** and disrupt the  
Latvian banking market\*

# Key 2023 Highlights

917.2 million EUR

**Total value of AUM**

127.2 k

**Total number of customers**

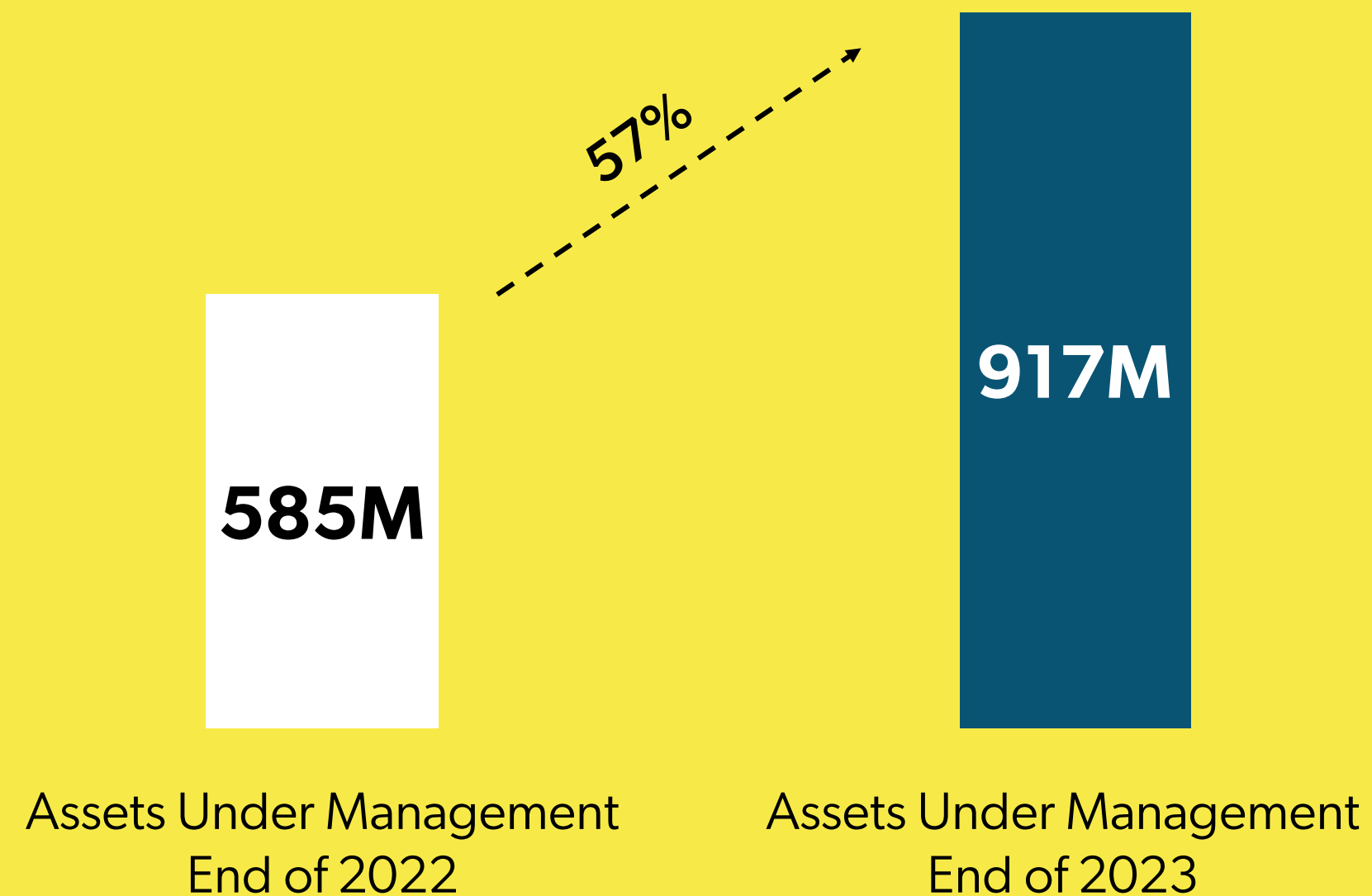
3.1 million EUR

**Commission income generated**

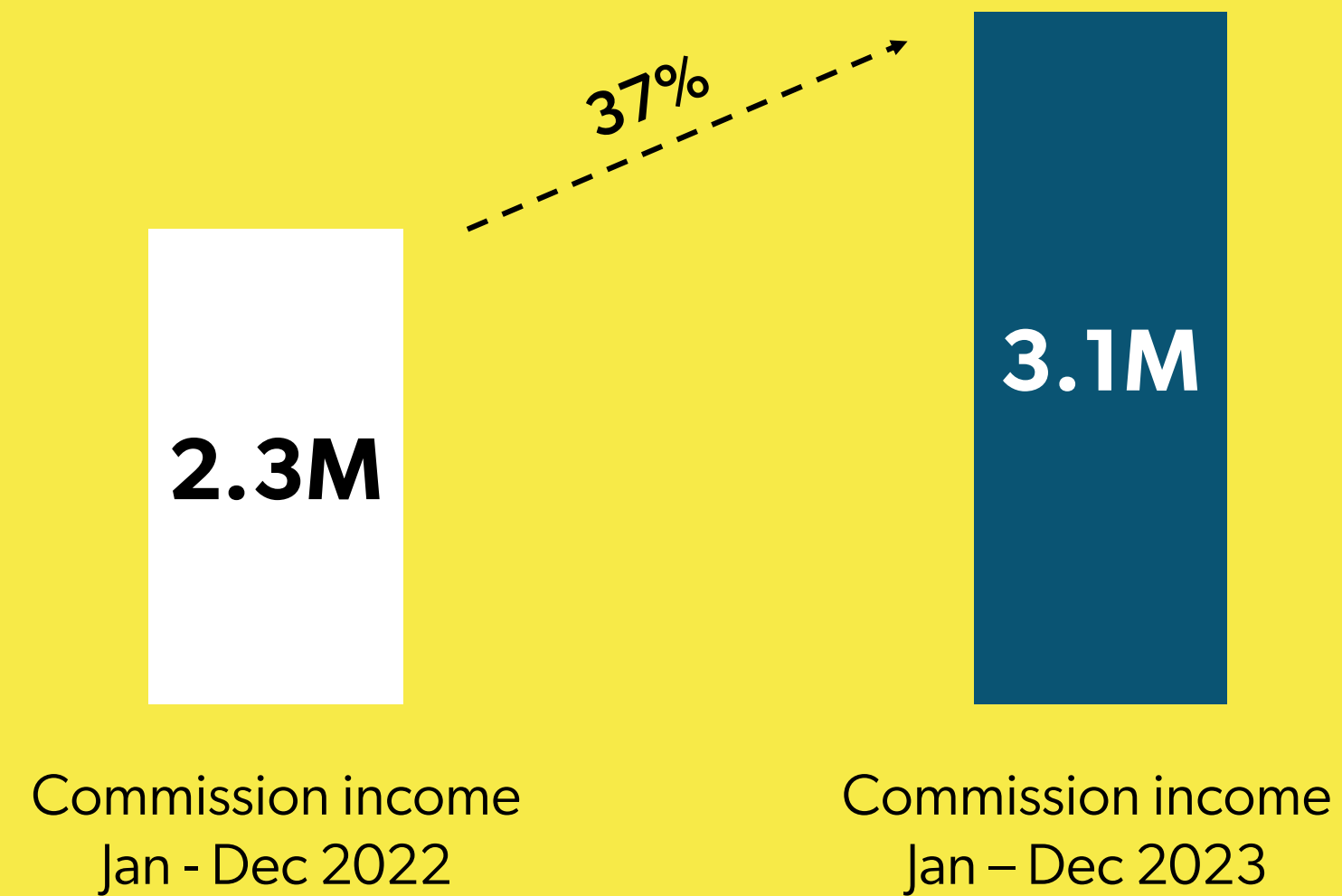
27.5 k

**Number of new customers over 12 months**

# Our Assets Under Management have grown by more than 50%



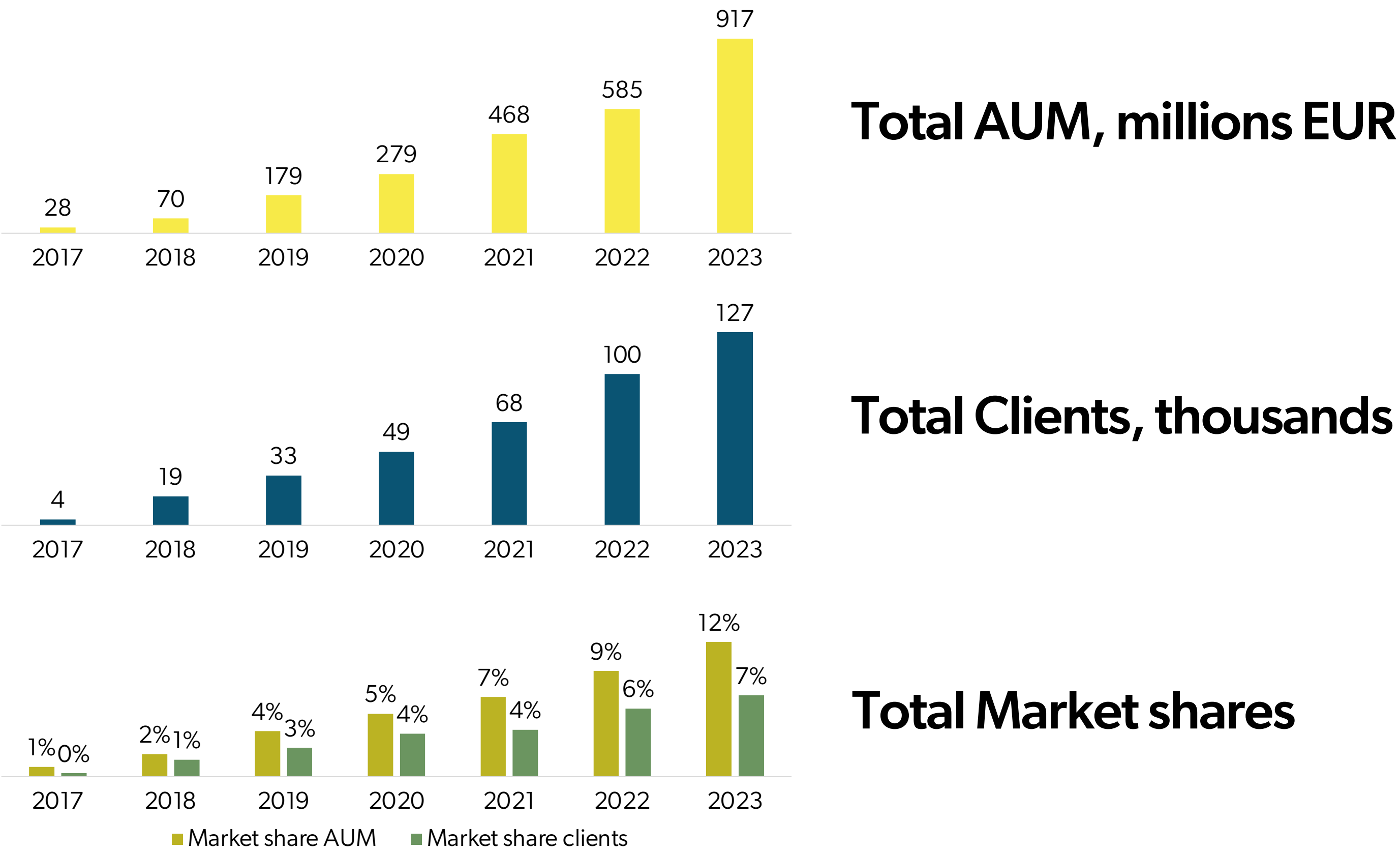
# Our revenues also keep growing quickly



# Key metrics have grown by more than 10x in 5 years

Period	Clients	AUM	Revenue
2018	19,121	69.9M	305,552
2023	127,159	917.2M	3,123,426
	6.7X	13.1X	10.2X

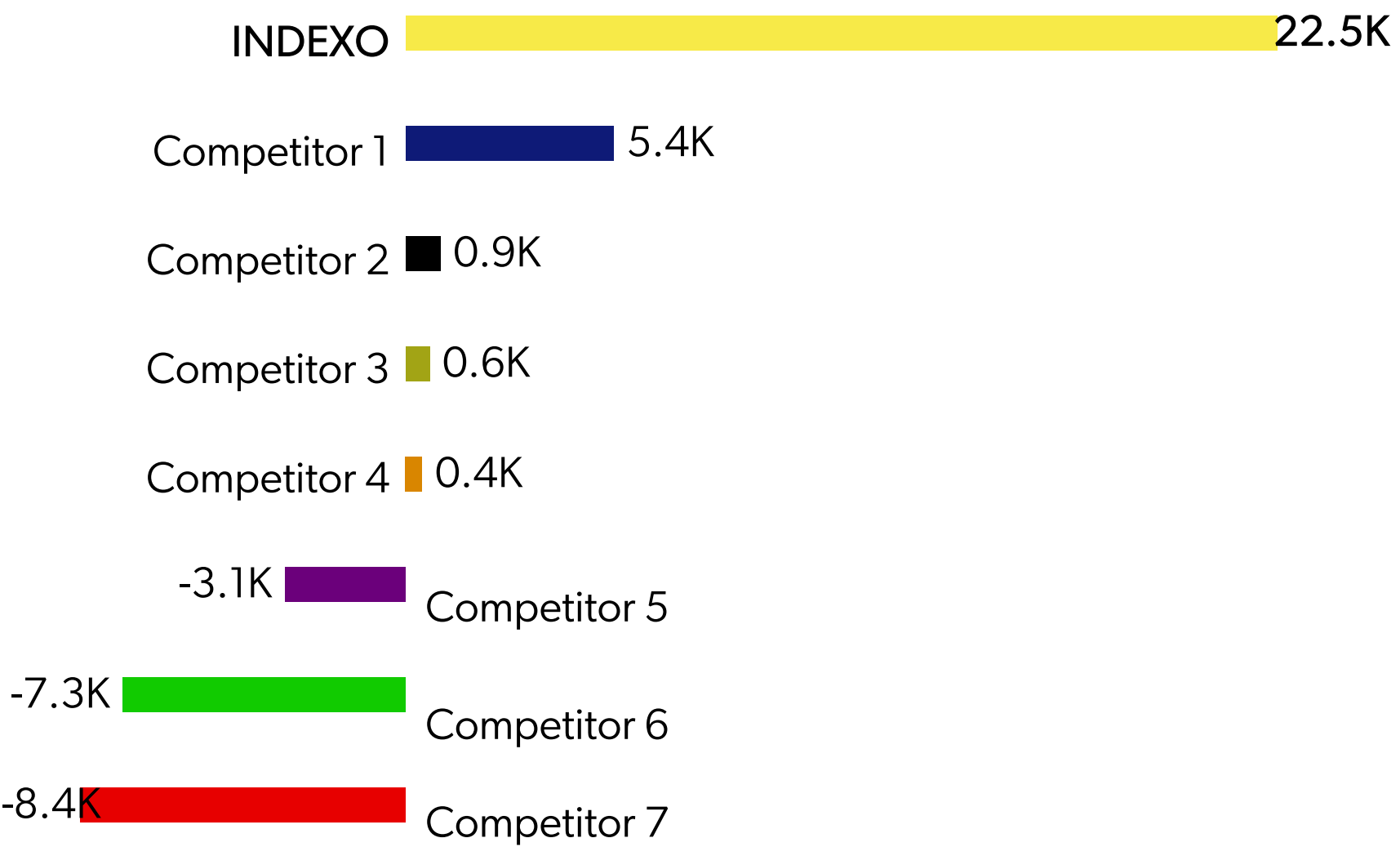
# Impressive growth of AUM and Clients



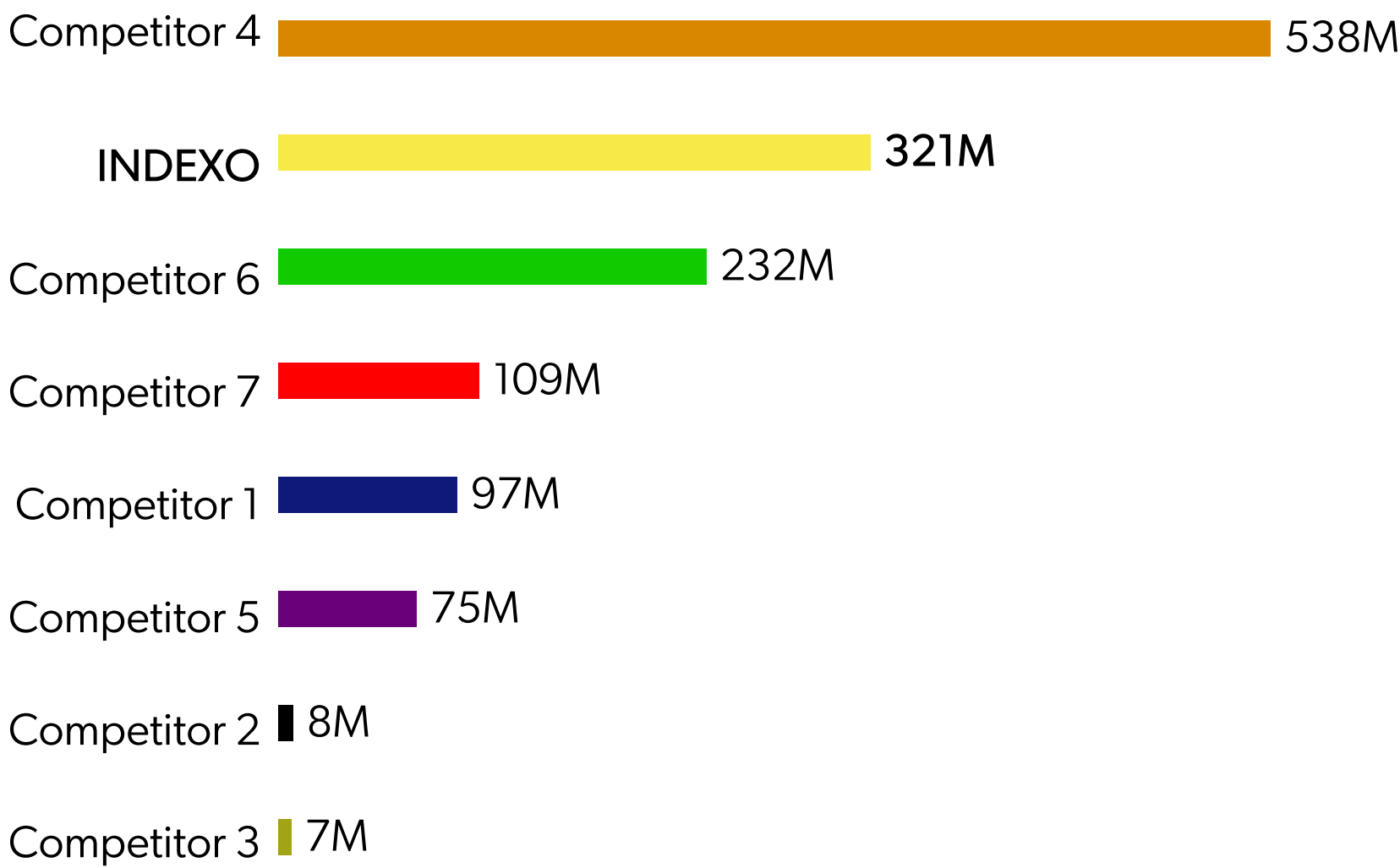


# INDEXO is the most popular choice switching 2<sup>nd</sup> pillar manager

Change in number of 2<sup>nd</sup> Pillar clients during 2023



Change in 2<sup>nd</sup> Pillar AUM during 2023

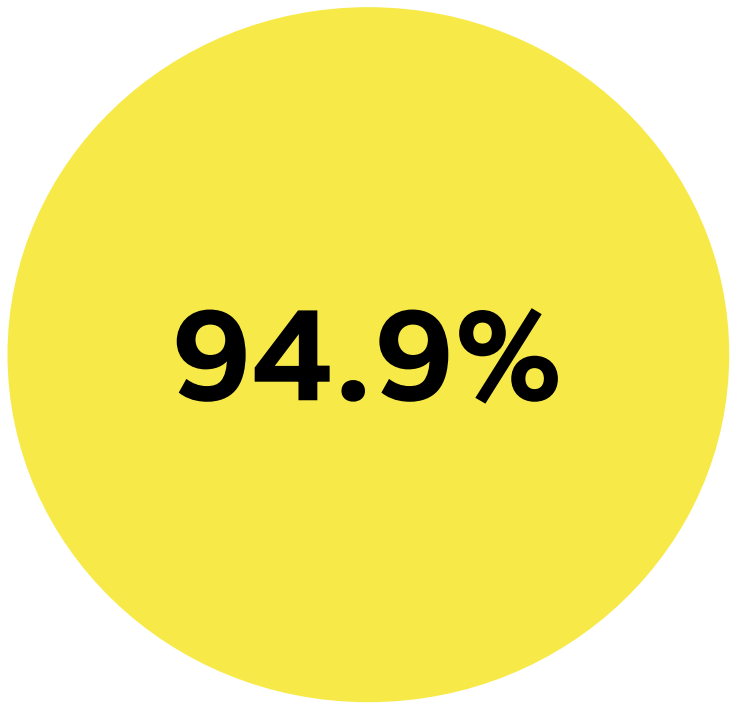


**During the 2023 churn rate in the pension market has increased**

**INDEXO customer loyalty remains at high level**

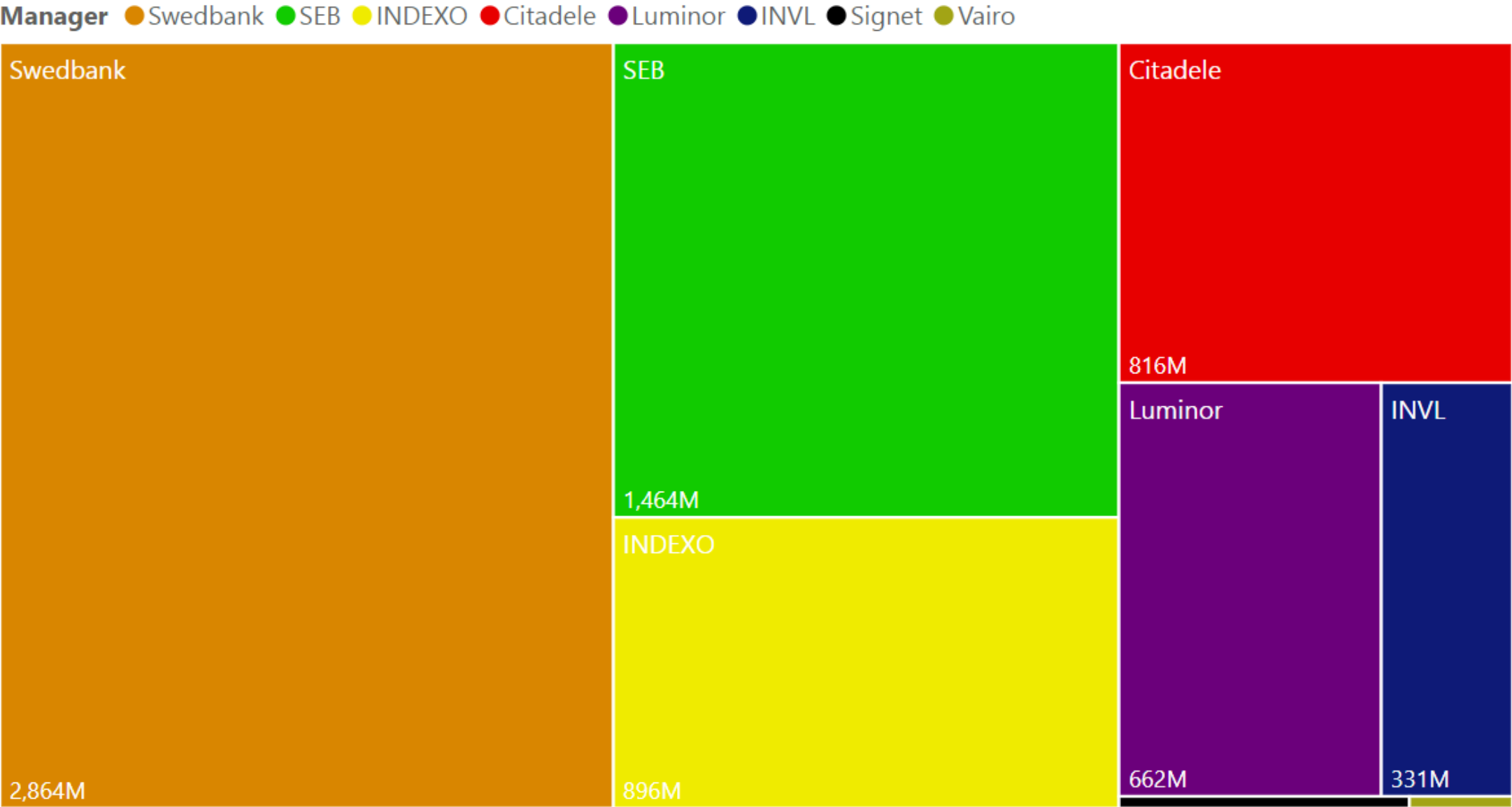
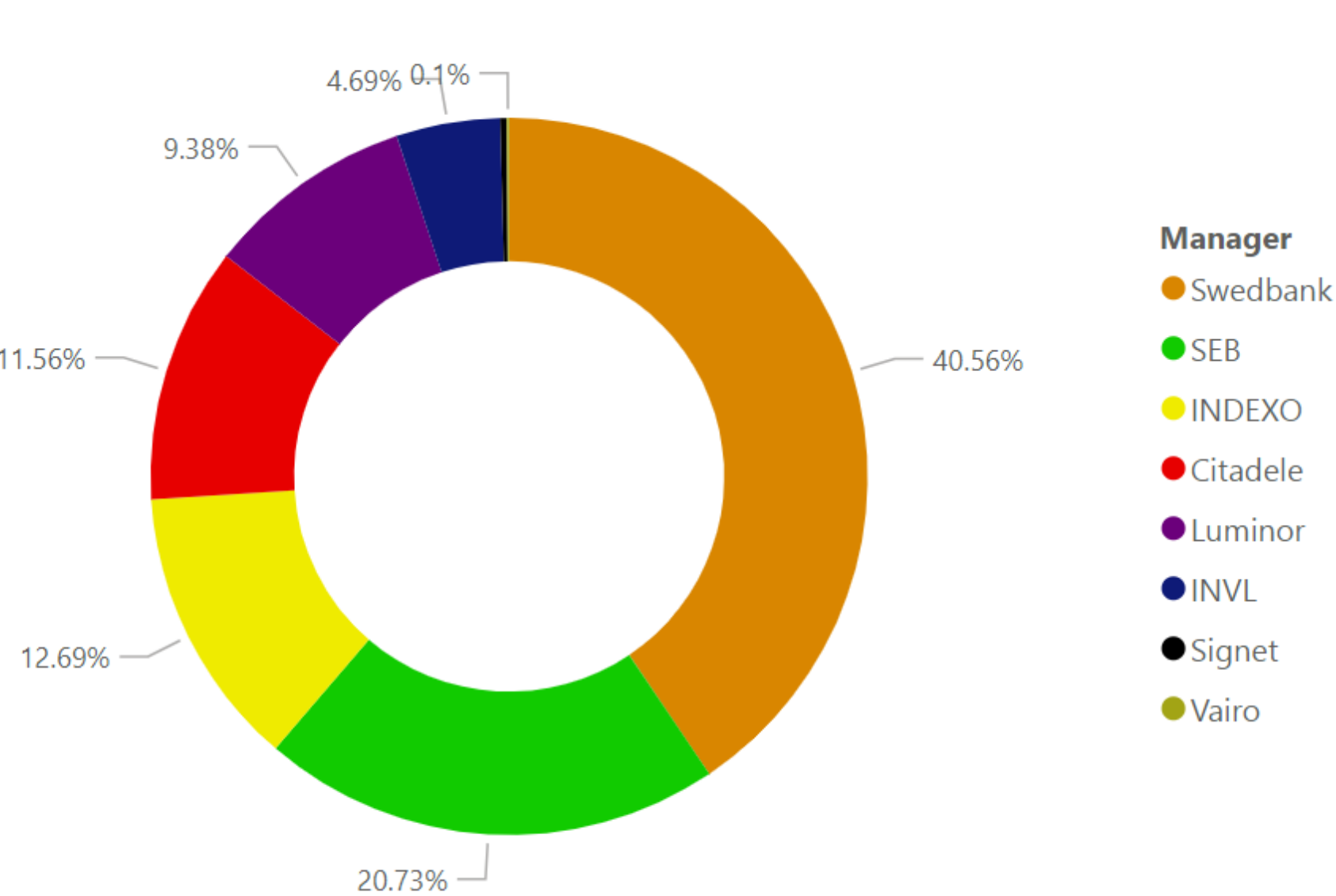


End of December 2023  
customer retention rate



End of December 2022  
customer retention rate

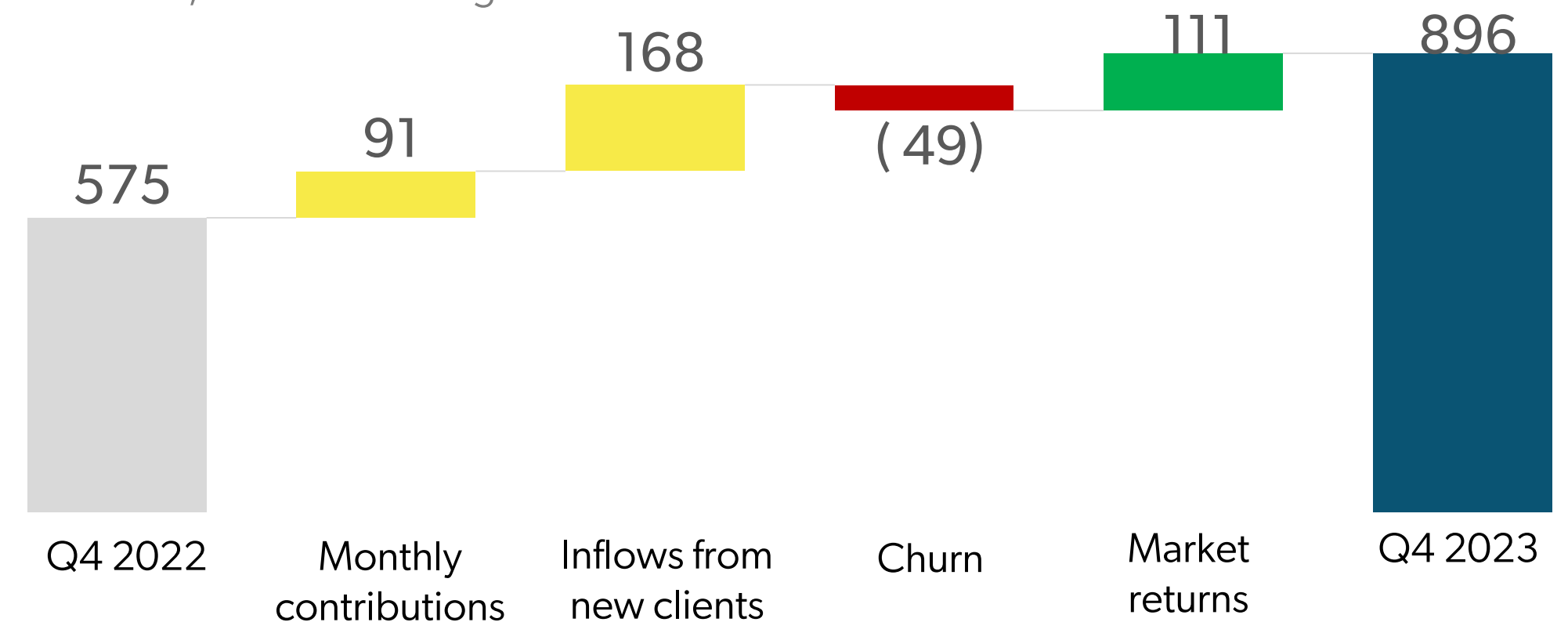
# INDEXO is the 3<sup>rd</sup> largest pension manager in Latvia (as of 31 December, 2023)



**Our business growth in 2<sup>nd</sup> pillar can be attributed to growing monthly contributions and new customers joining INDEXO**

### Q4 2022 – Q4 2023

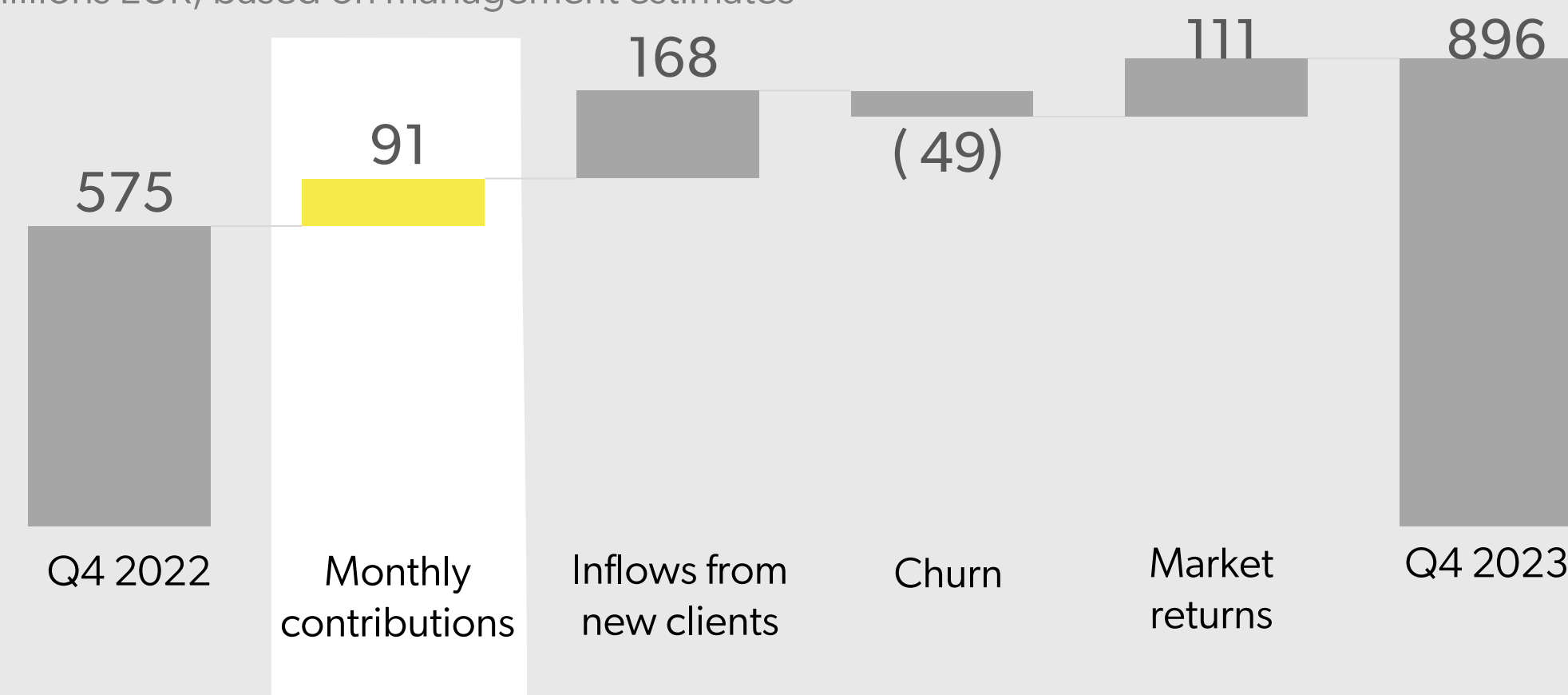
Millions EUR, based on management estimates



Our business growth in 2<sup>nd</sup> pillar can be attributed to **growing monthly contributions** and new customers joining INDEXO

### Q4 2022 – Q4 2023

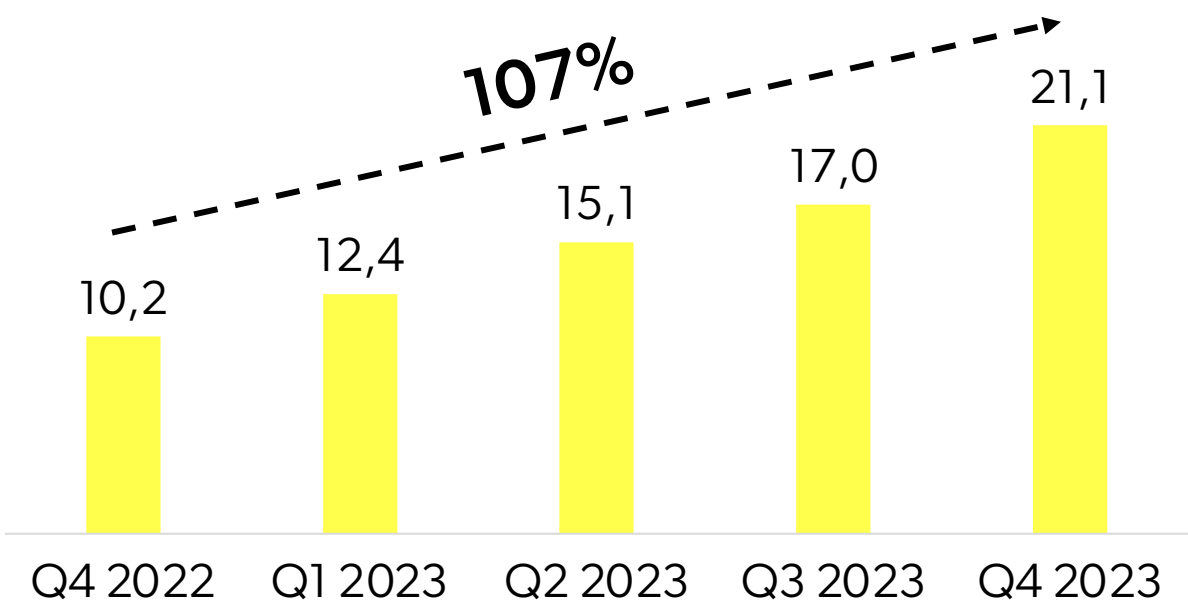
Millions EUR, based on management estimates



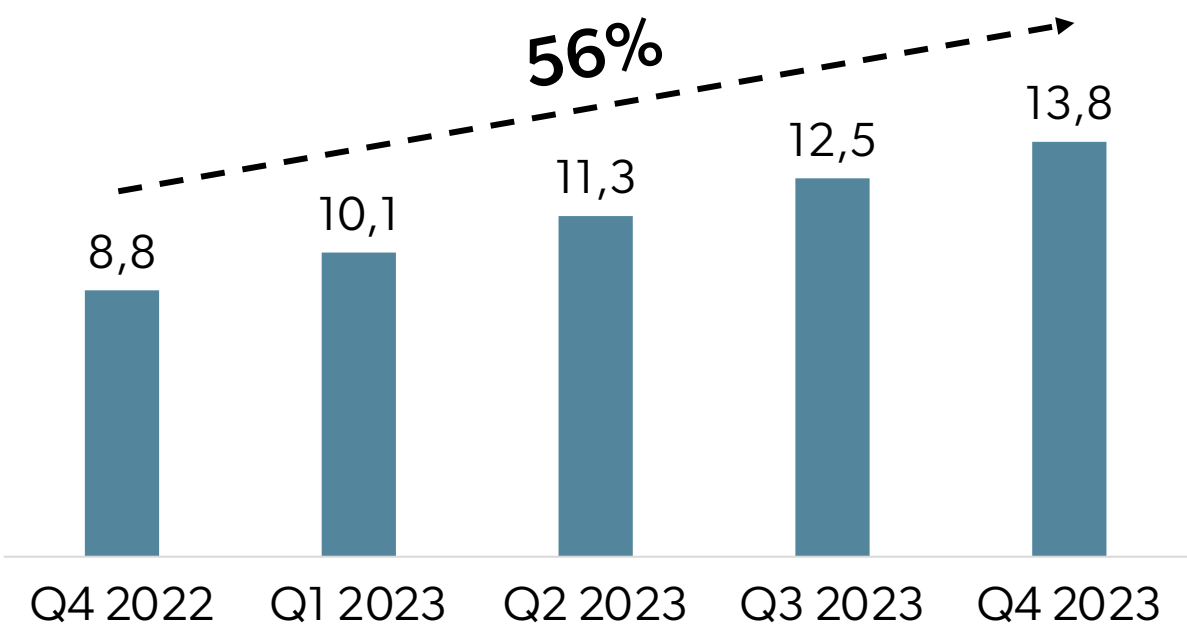
From: 6.5 million euro in December 2022  
To: 8.8 million euro in December 2023  
36% increase

# Our 3<sup>rd</sup> pillar pension is also growing

3<sup>rd</sup> pillar pension assets,  
millions EUR



3<sup>rd</sup> pillar pension clients,  
thousands



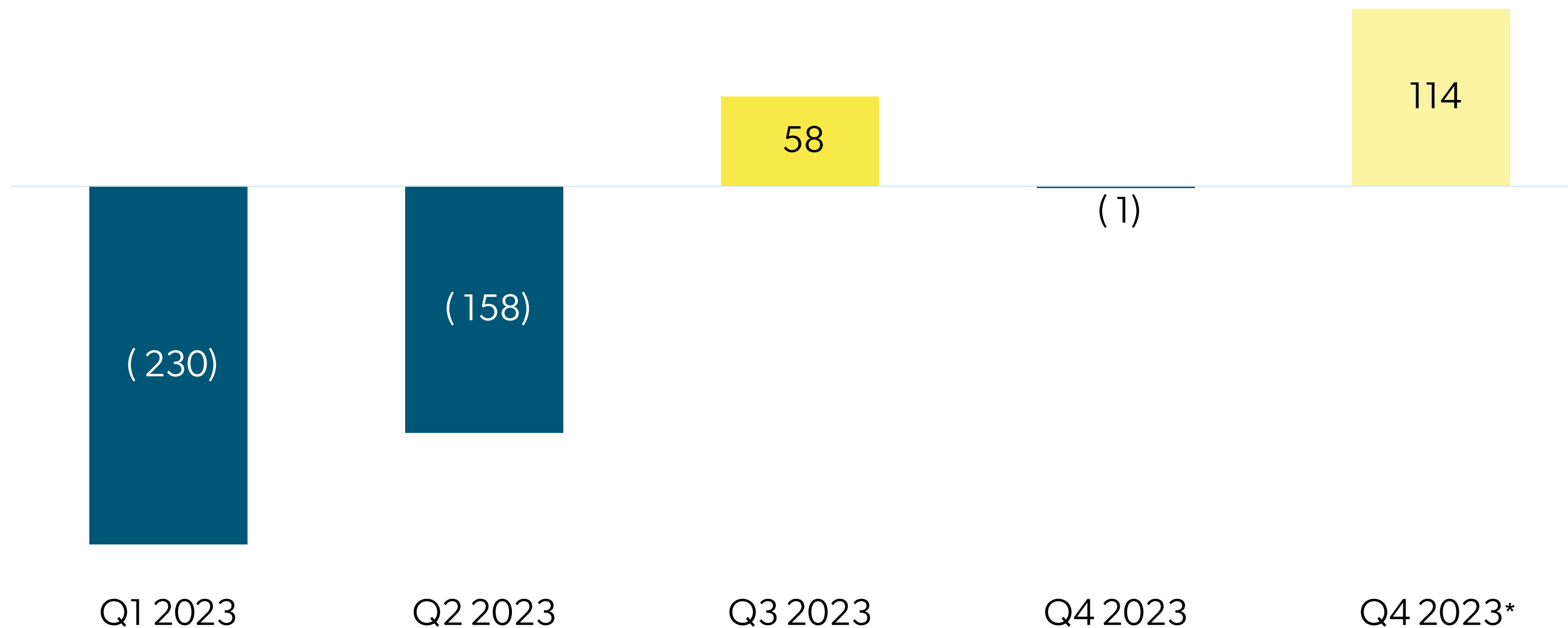
Clients with regular  
contributions



vs 61.7%  
on December 31, 2022

# Became profitable in second half of 2023\*

Quarterly net profit/ (loss) of pension business in 2023, thousand EUR

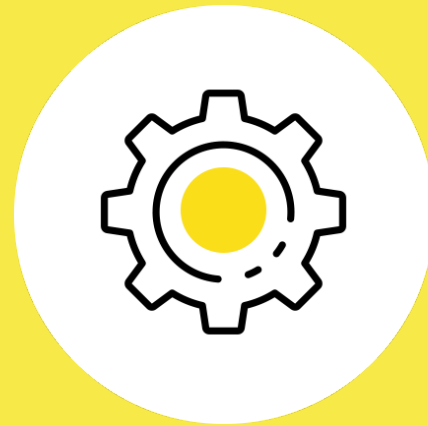


# INDEXO keeps investing in future growth by acquiring new clients

INDEXO Pension business results		Jan-Dec 2023	Jan-Dec 2022
Commission income	EUR	3 123 426	2 277 620
Interest income/(expense)	EUR	25 012	(652)
Administrative and other expenses for pension management	EUR	(1 272 371)	(610 648)
Operating income before client acquisition and other business project expenses	EUR	1 876 067	1 666 320
Client acquisitions costs	EUR	(1 791 549)	(1 579 333)
Pension management operating result	EUR	94 518	86 987
Non-cash personnel option expenses*	EUR	(420 819)	(171 524)
Corporate income tax	EUR	(5 226)	(1 069)
Comprehensive losses for the reporting period	EUR	(331 527)	(85 606)



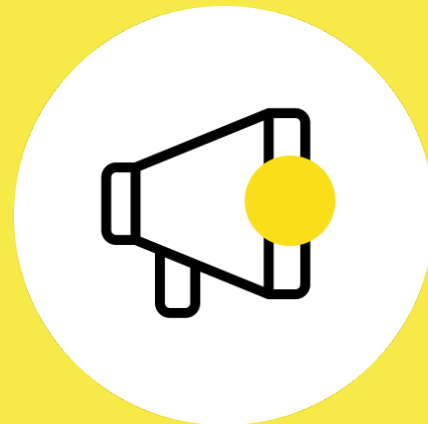
# We have invested 4.45\* million EUR in Bank development



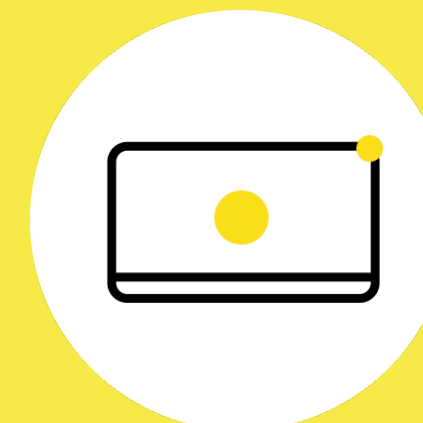
**We have implemented a new CRM system for our pension fund**



**Successfully finished VISA card certification process, payment card systems and card designs**



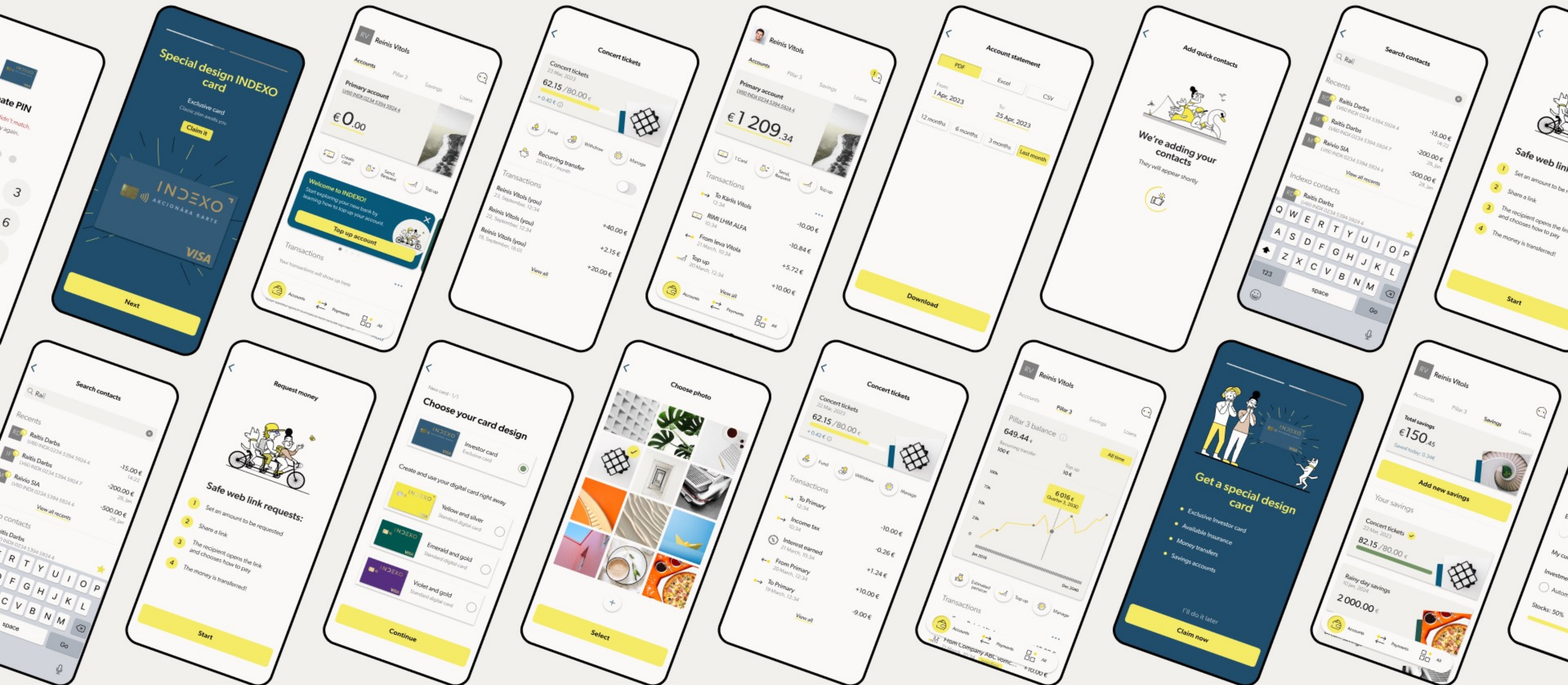
**We are building the core team for the bank. Currently, around 33 people working on the Bank project**



**Already over 1000 working screens have been made for the Mobile app functionality, mobile first full-service bank with local support is on a finish line**



# Over 1000 working screens awaits you





# Consolidated Statement of Comprehensive Income

	Jan – Dec 2023	Jan – Dec 2022
	EUR	EUR
Commission and fee income	3 123 426	2 277 620
Interest income calculated using the effective interest rate	51 466	2 495
Administrative expenses	(5 994 955)	(3 514 964)
Interest expense	(4 713)	(3 147)
Other operating expenses	(63 632)	(32 738)
Credit losses	(3 497)	-
Loss before corporate income tax	(2 891 905)	(1 270 734)
Corporate income tax	(6 296)	(1 069)
Loss for the period	(2 898 201)	(1 271 803)
Total comprehensive loss for the period, attributable to shareholders for the period	(2 898 201)	(1 271 803)
Basic earnings per share	(0.79)	(0.39)
Diluted earnings per share	(0.78)	(0.38)

# Consolidated Statements of Financial Position

	Dec 2023	Dec 2022
	EUR	EUR
<b>ASSETS</b>		
Cash and cash equivalents	2 707 396	7 231 123
Receivables	321 489	220 190
Prepayments	548 006	24 279
Contract acquisition costs	1 389 048	990 417
Other assets	81 990	6 937
Loans to subsidiaries and associates	53 944	-
Intangible assets	1 965 168	177 176
Property, plant and equipment and right-of-use of assets	59 499	81 871
Investments in subsidiaries	-	-
Investments in associates	127 400	49 000
Other securities and investments	61 583	11 663
<b>TOTAL ASSETS</b>	<b>7 315 523</b>	<b>8 792 656</b>
<b>EQUITY AND LIABILITIES</b>		
Accrued liabilities	246 200	193 584
Trade payables	608 361	89 072
Taxes and national social insurance mandatory contributions	207 962	95 245
Lease liabilities	46 665	90 468
Other liabilities	334 154	233 046
<b>Total liabilities:</b>	<b>1 443 342</b>	<b>701 415</b>
<b>Equity</b>		
Share capital	3 795 407	3 568 511
Share options	379 055	176 960
Share premium	7 094 334	7 062 908
Retained losses	(2 498 414)	(1 445 335)
Profit/(loss) for the period	(2 898 201)	(1 271 803)
<b>Total equity</b>	<b>5 872 181</b>	<b>8 091 241</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>7 315 523</b>	<b>8 792 656</b>

# Consolidated Statement of Changes in Equity

	Share capital	Share options	Share premium	Retained losses	Total
	EUR	EUR	EUR	EUR	EUR
31.12.2021	3 016 987	5 436	77 175	(1 445 335)	1 654 263
Increase in Share option reserves	-	171 524	-	-	171 524
Increase in Share capital after public listing	535 000	-	6 955 000	-	7 490 000
Increase in Share capital after share option exercise	16 524	-	30 733	-	47 257
Total comprehensive profit for the period	-	-	-	(1 271 803)	(1 271 803)
31.12.2022	3 568 511	176 960	7 062 908	(2 717 138)	8 091 241
Share option exercise	-	(218 724)	-	218 724	-
Increase in Share option reserves	-	420 819	-	-	420 819
Increase in Share capital after share option exercise	226 896	-	31 426	-	258 322
Total comprehensive loss for the period	-	-	-	(2 898 201)	(2 898 201)
31.12.2023	3 795 407	379 055	7 094 334	(5 396 615)	5 872 181

# Consolidated Statement of Cash Flows

	Jan – Dec 2023 EUR	Jan – Dec 2023 EUR
<b>Cash flow from operating activities</b>		
Loss before corporate income tax	(2 891 905)	(1 270 734)
Depreciation of PPE and amortisation of right-of-use assets	112 016	69 760
Amortisation of contract acquisition costs	233 824	139 277
Amortization of Share option reserves	420 819	171 524
Interest income	( 51 466)	( 2 495)
Interest expense	4 713	3 147
<b>(Decrease)/increase in cash and cash equivalents from operating activities before changes in assets and liabilities</b>	<b>(2 171 998)</b>	<b>( 889 521)</b>
Increase in receivables, prepayments, and other assets	(1 327 446)	( 670 111)
Increase in accrued liabilities	52 616	76 330
Increase/ (decrease) in trade payables and other liabilities	729 047	192 001
Corporate income tax	( 6 296)	( 1 069)
<b>Increase/(decrease) in cash and cash equivalents from operating activities</b>	<b>(2 724 077)</b>	<b>(1 292 370)</b>
<b>Cash flow from investing activities</b>		
Intangible asset and PPE purchases	(1 885 145)	( 97 402)
Investments in subsidiaries	-	-
Investments in associated company share capital	( 128 320)	( 49 000)
Issued loans	( 50 403)	-
Interest income received	47 924	750
<b>Decrease in cash and cash equivalents from investing activities</b>	<b>(2 015 944)</b>	<b>( 145 652)</b>
<b>Cash flow from financing activities</b>		
Share capital increase	226 896	16 524
Share capital increase after public quotation	-	535 000
Share issue	31 427	6 985 733
Payment of principal of lease liabilities	( 37 315)	( 27 806)
Interest paid on lease liabilities	( 4 713)	( 3 147)
<b>Increase in cash and cash equivalents from financing activities</b>	<b>216 294</b>	<b>7 506 304</b>
<b>(Decrease)/increase in cash and cash equivalents</b>	<b>(4 523 727)</b>	<b>6 068 282</b>
Cash and cash equivalents at the beginning of the reporting period	7 231 123	1 162 841
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>2 707 396</b>	<b>7 231 123</b>

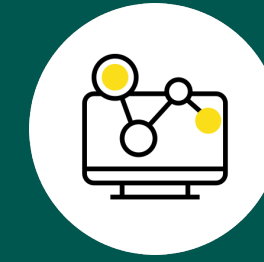
# INDEXO<sup>1</sup>



**The number one choice**  
switching pension  
manager in Latvia



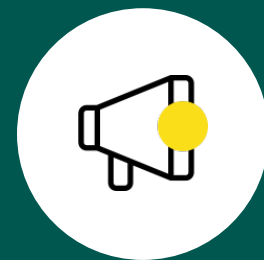
**915+ millions euro** in  
AUM  
**127 000+** clients\*



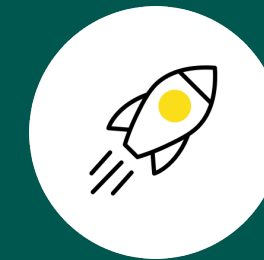
**INDEXO 2<sup>nd</sup> un 3<sup>rd</sup>**  
**pension pillar equity plans**  
are among the best-  
performing in the Latvian  
market



**The fastest growing**  
**pension fund manager in**  
**the Baltic states**



**Almost 6 000**  
**shareholders**, allowing  
everyone to be a part  
of INDEXO growth



**INDEXO is ready to launch**  
**the Bank** and disrupt the  
Latvian banking market\*\*

\*data on December 31, 2023

\*\*Approval from the European Central Bank is required for obtaining a commercial bank license

[indexo.lv/investors](https://indexo.lv/investors)

