



Webinar on H1 2023 consolidated financial results



Valdis Siksnis
Chairman of the Board

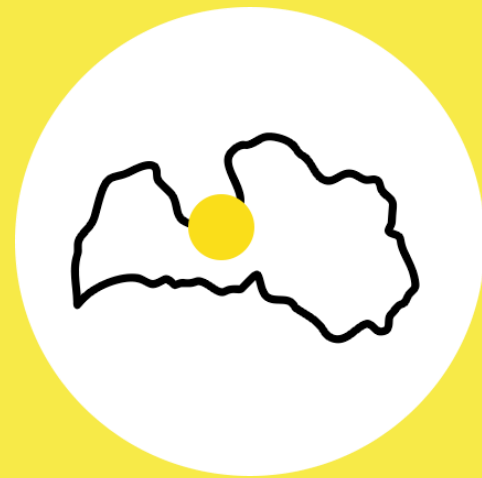


Henrik Karmo
Board Member

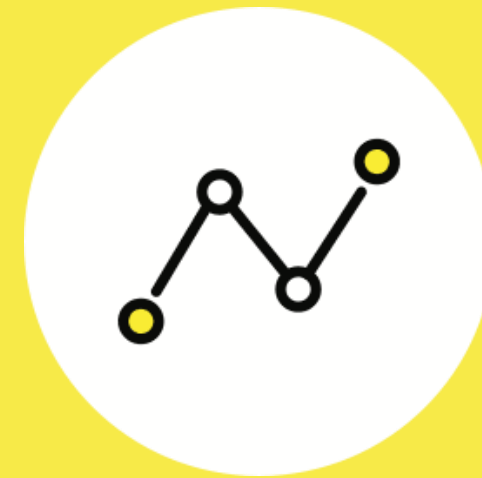
August 9, 2023

INDEXO Story

INDEXO¹



Launched in 2017
as a **challenger brand**
and the **first passive**
pension manager in
Latvia

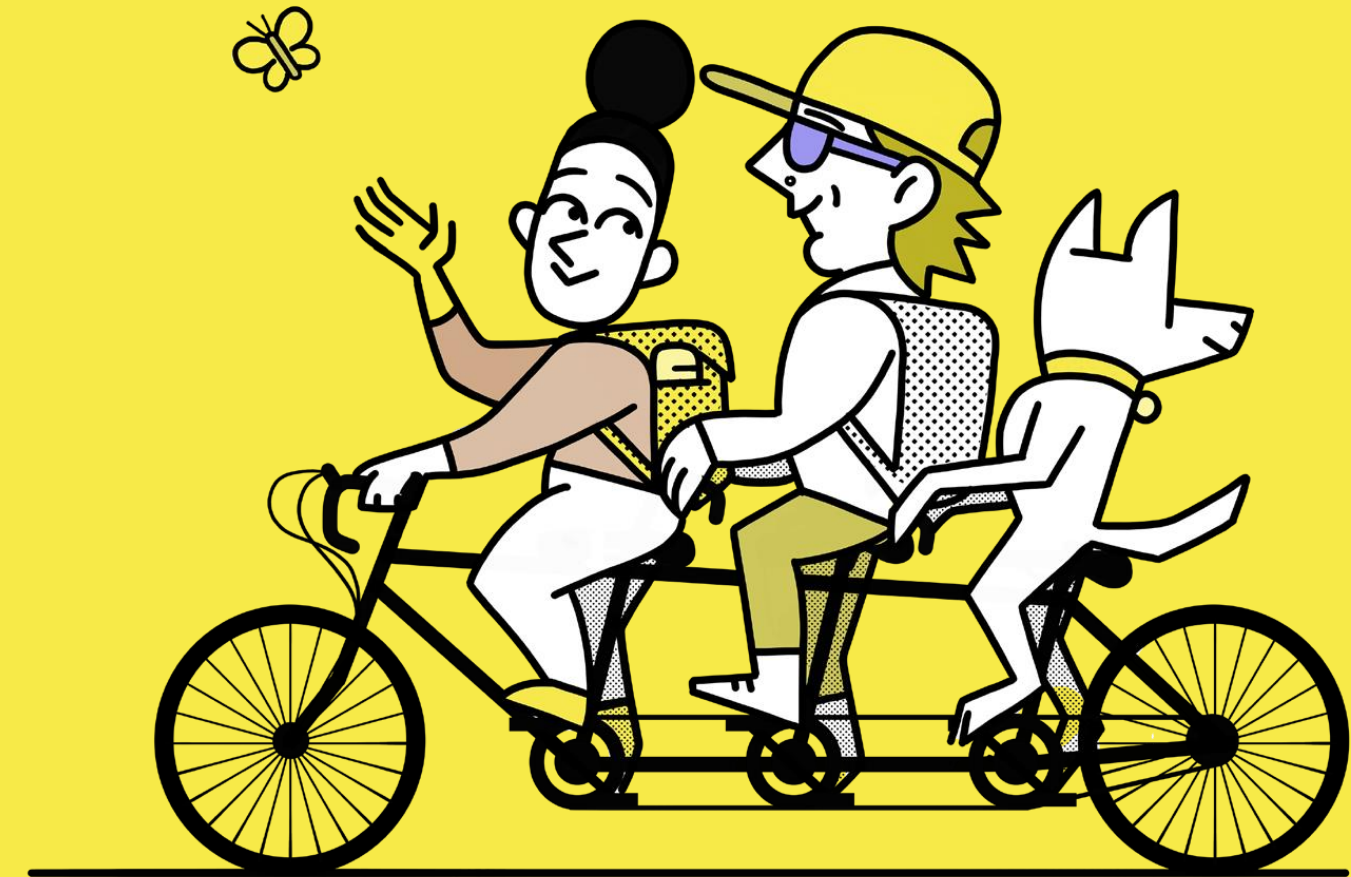


In April 2021 launched
the first 3rd Pillar
robo-advisory product
with automated
investment decisions in
index funds



In July 2022 held a
successful IPO by raising
7.49 million EUR for
Bank business
development

**77% annual
growth in the last 5
years**



Key H1 2023 Highlights

INDEXO¹



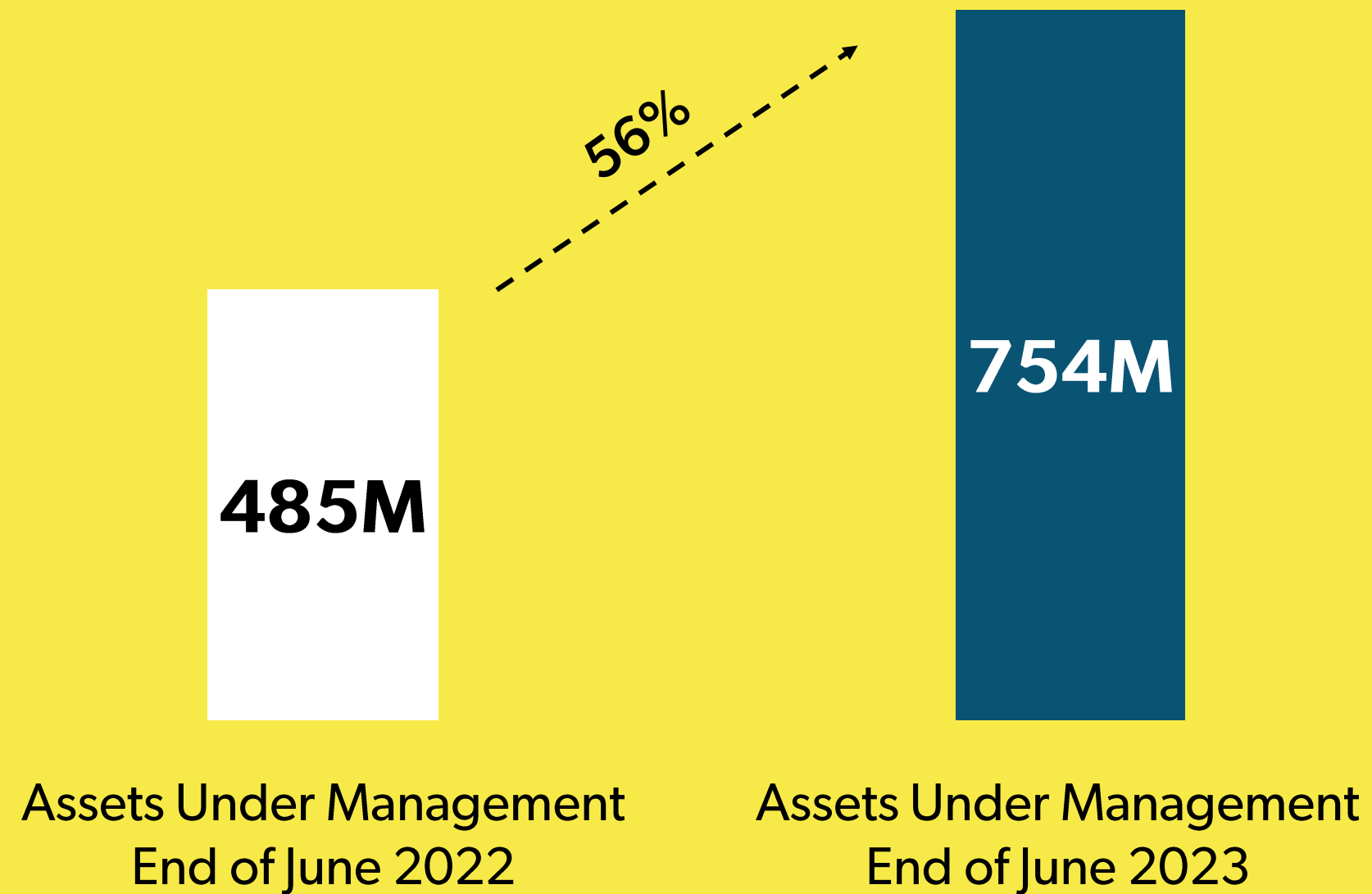
753.8 million EUR
Total value of AUM

113.3 k
Total number of customers

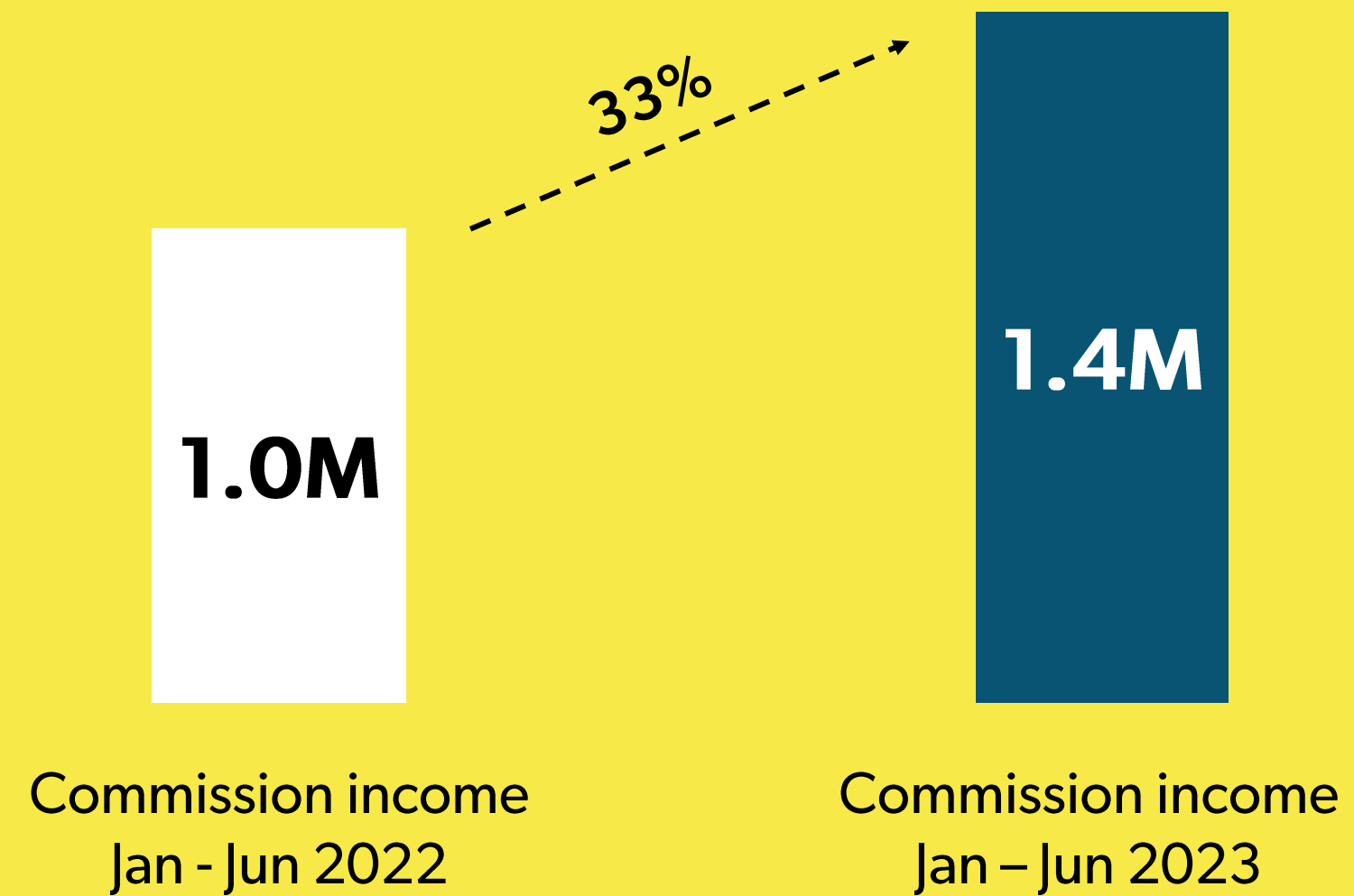
1.4 million EUR
Commission income generated

26.3 k
Number of new customers over 12 months

Our Assets Under Management have grown by more than 50%



Our revenues also keep growing quickly

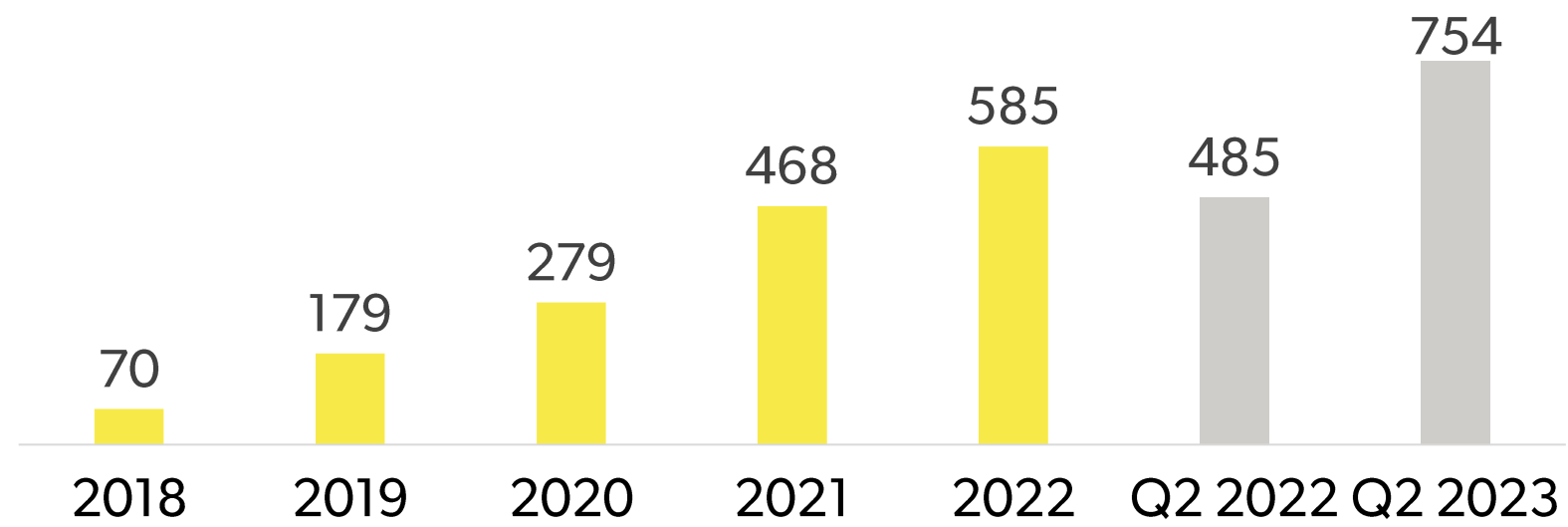


Key metrics have grown by more than 10x in 5 years

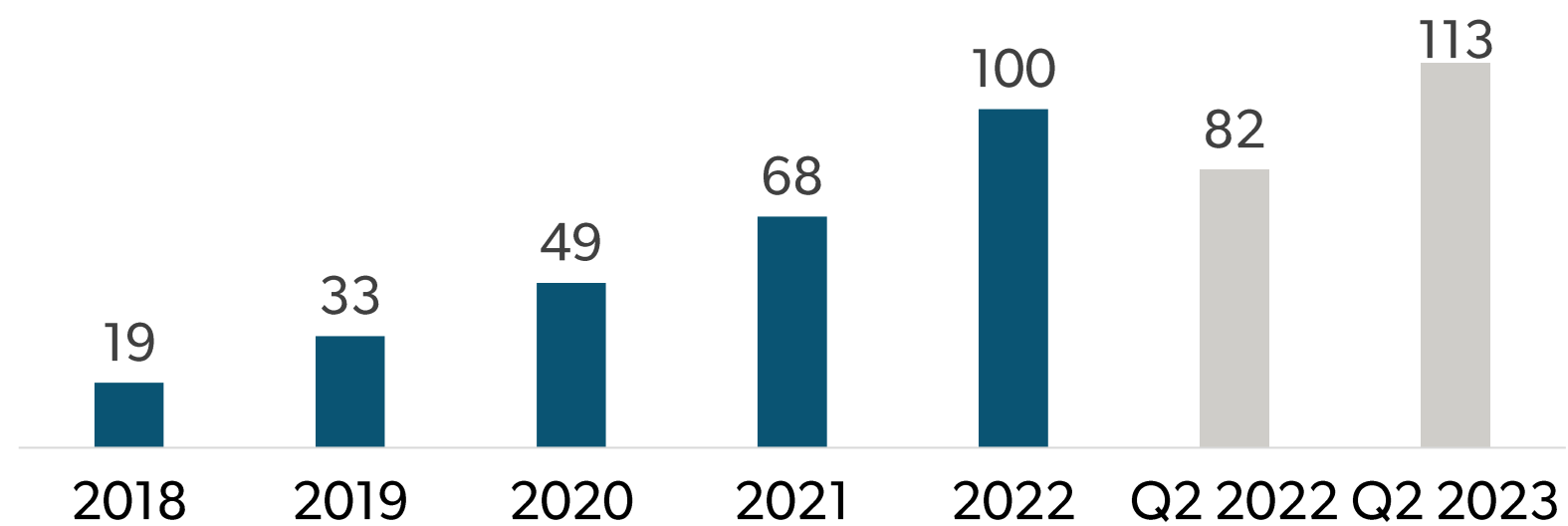
Period	Clients	AUM	Revenue	Operating income*
H1 2018	5,871	43.1M	117,424	4,194
H1 2023	113,268	753.8M	1,386,025	832,723
	19.3X	17.5X	11.8X	198.6X

*before client acquisition and other business project expenses

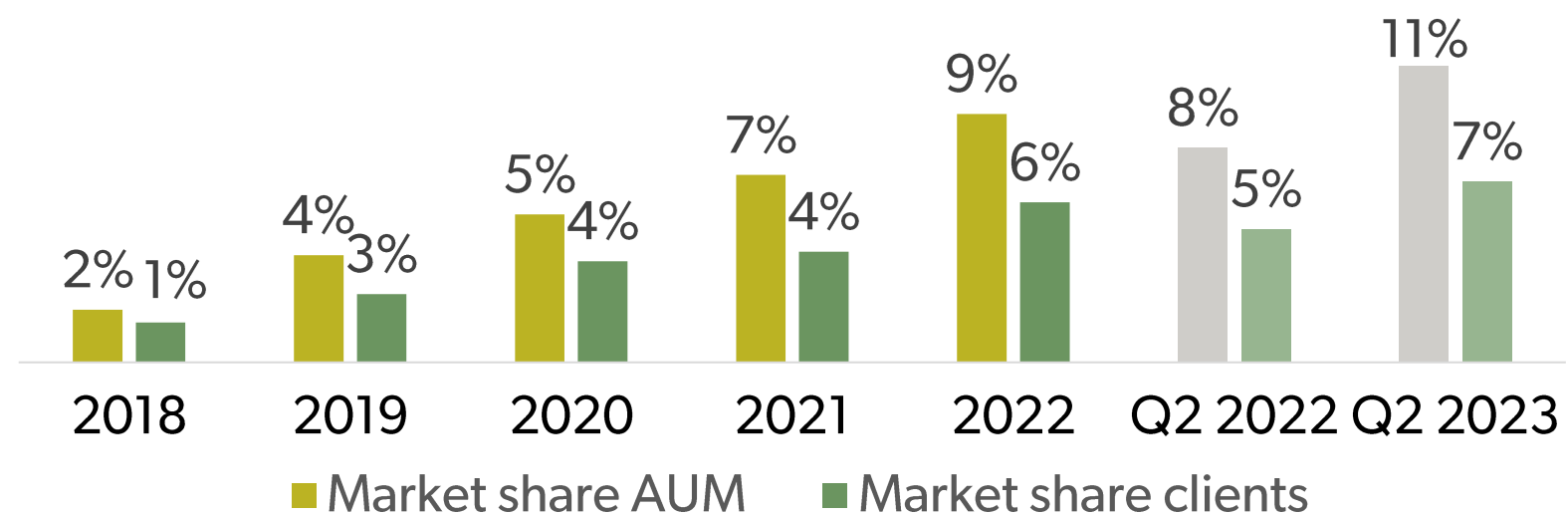
Impressive growth of AUM and Clients



Total AUM, millions EUR



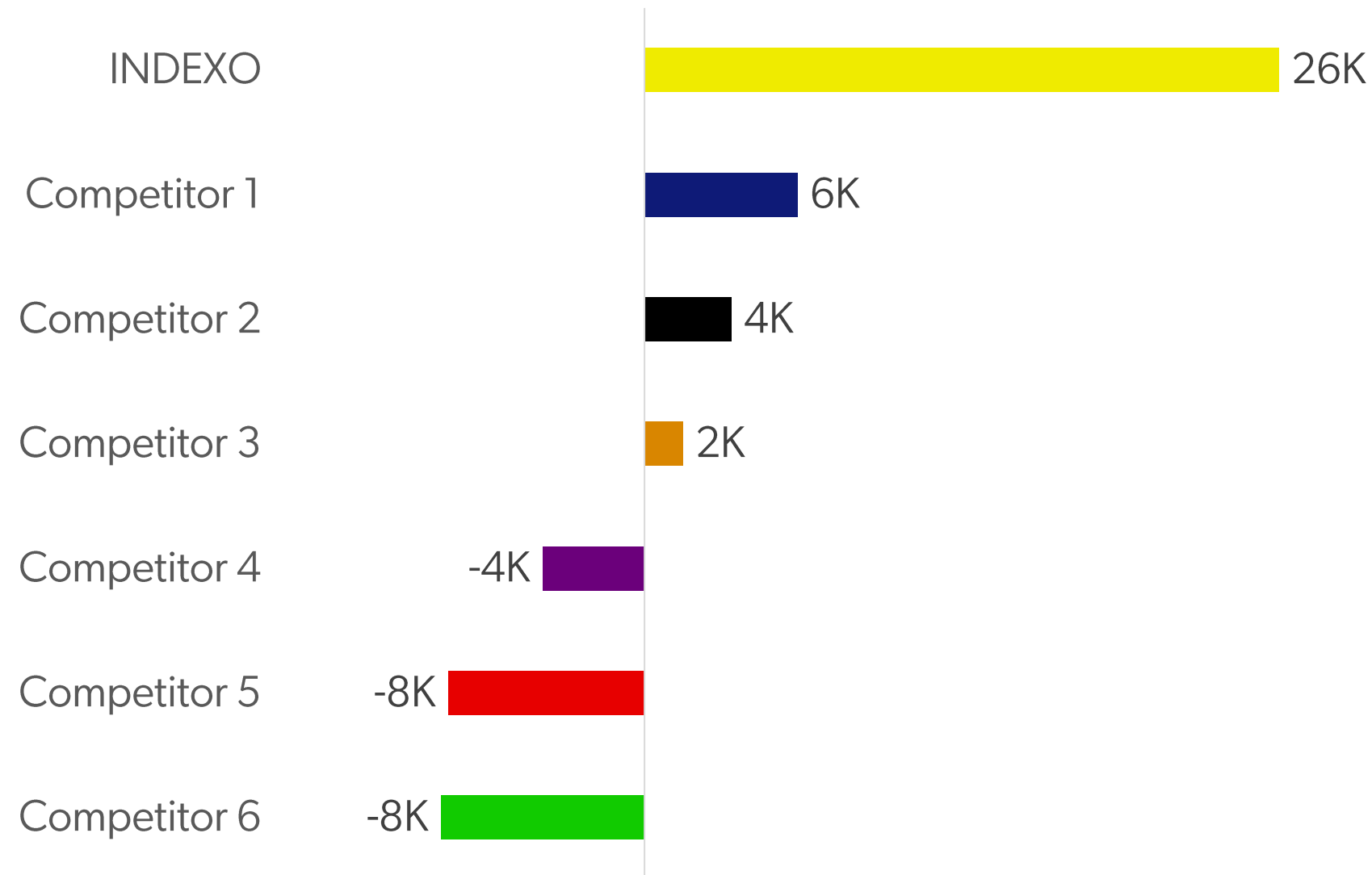
Total Clients, thousands



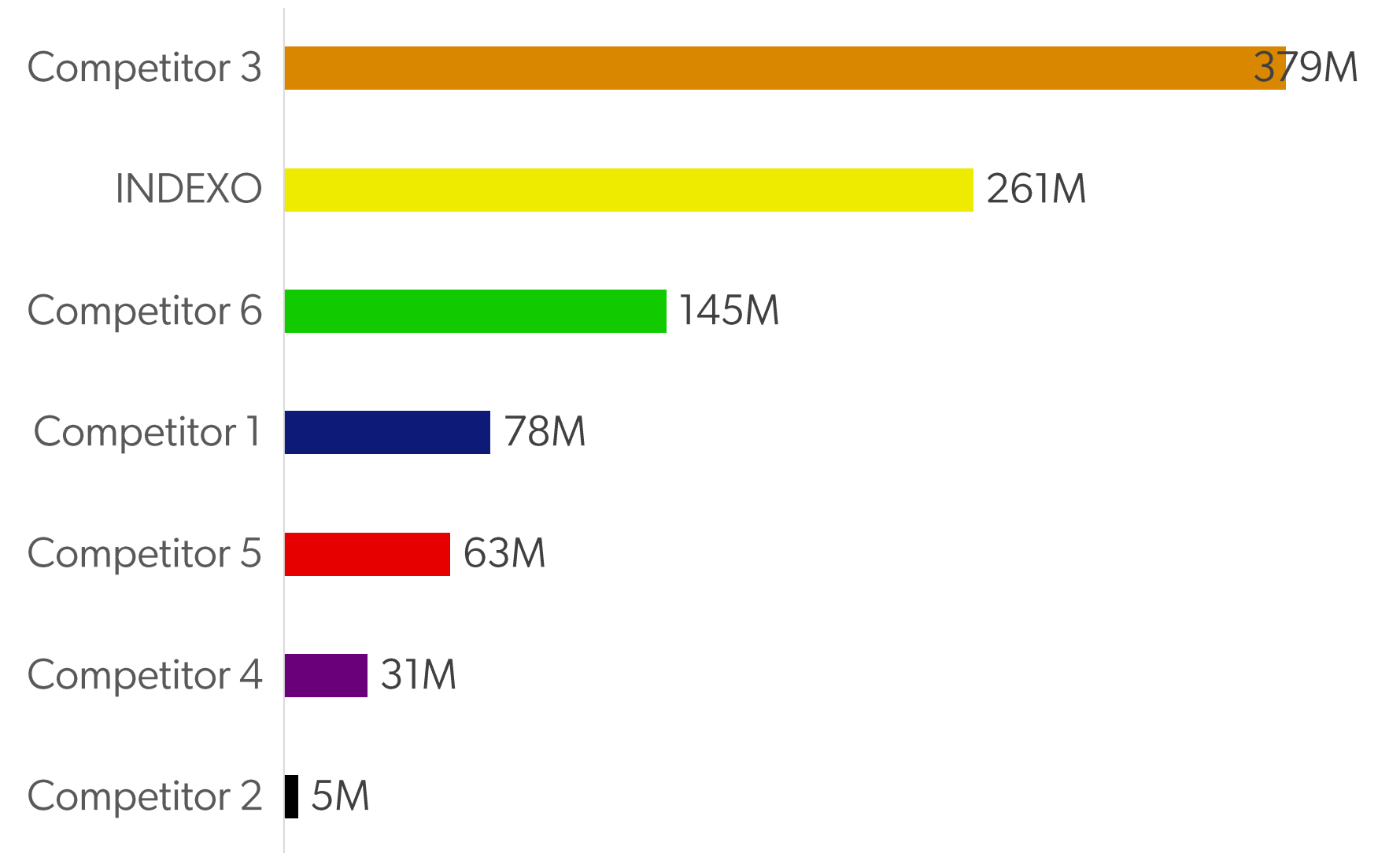
Total Market shares

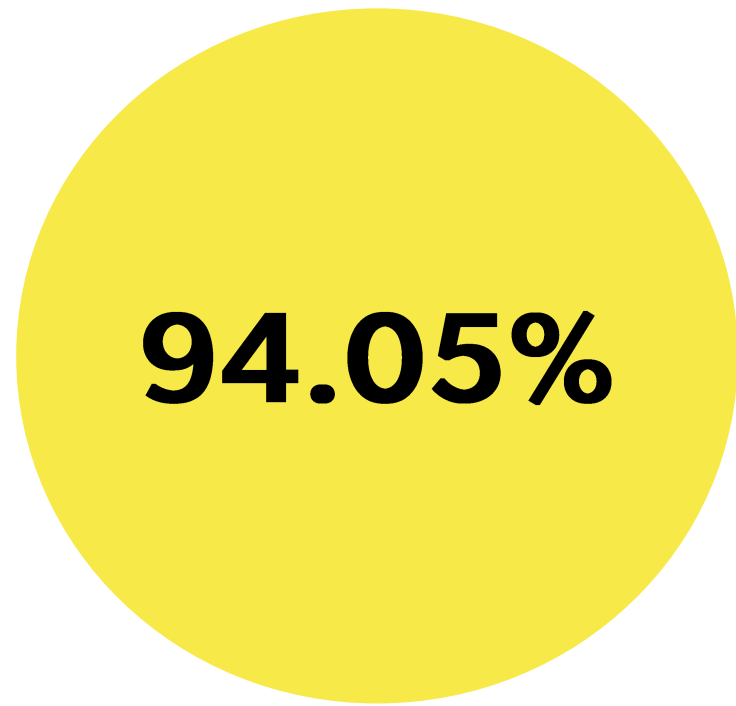
INDEXO: The fastest growing 2nd Pillar Pension Manager in Latvia

Change in number of 2nd Pillar clients during H1 2023

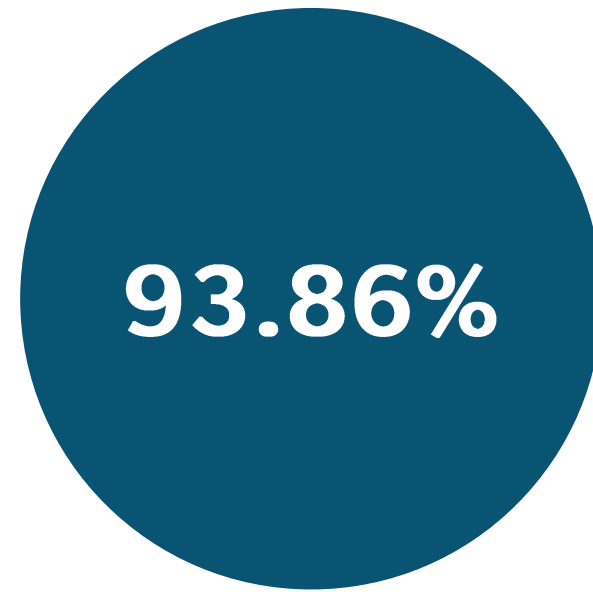


Change in 2nd Pillar AUM during H1 2023





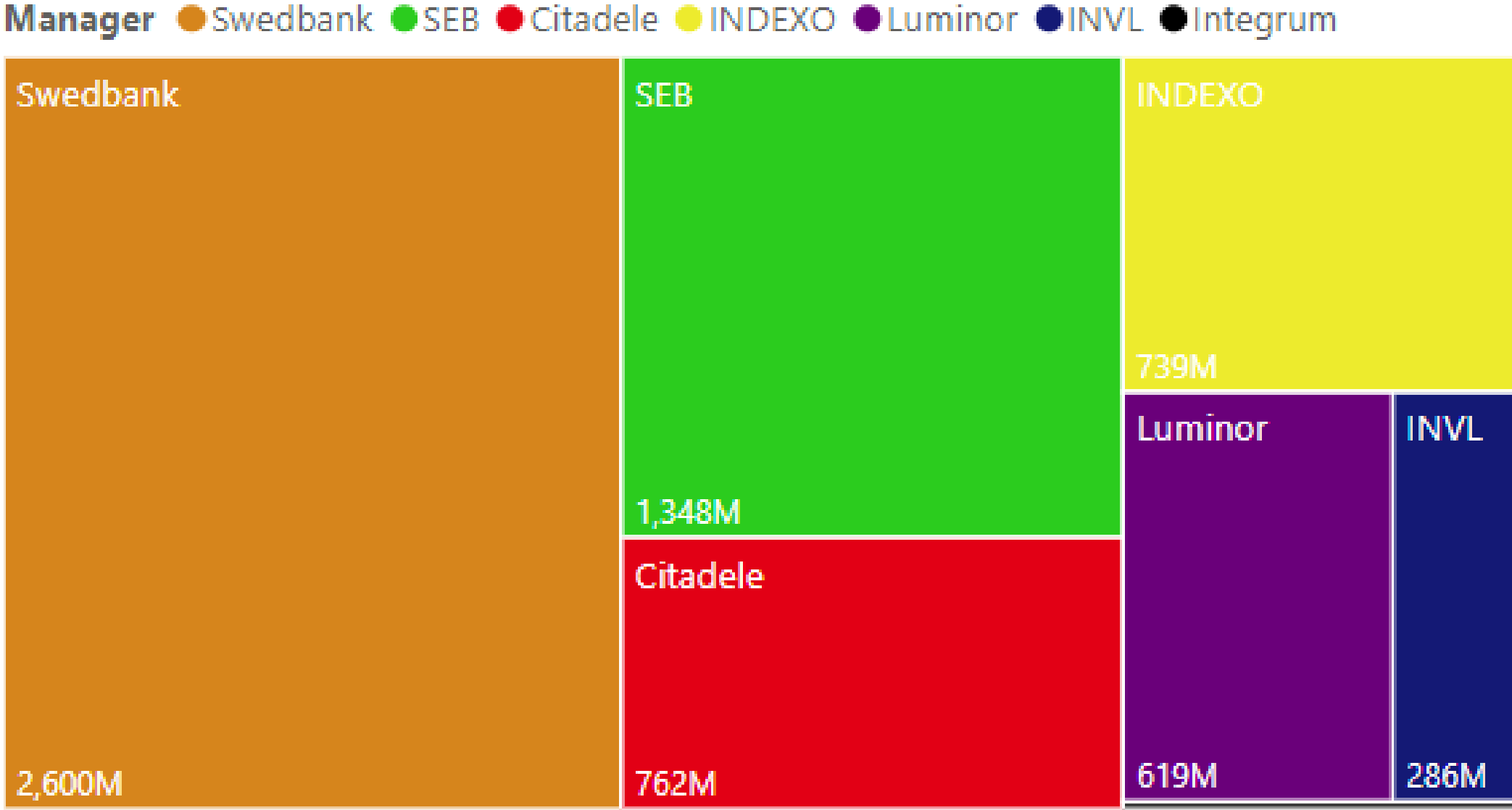
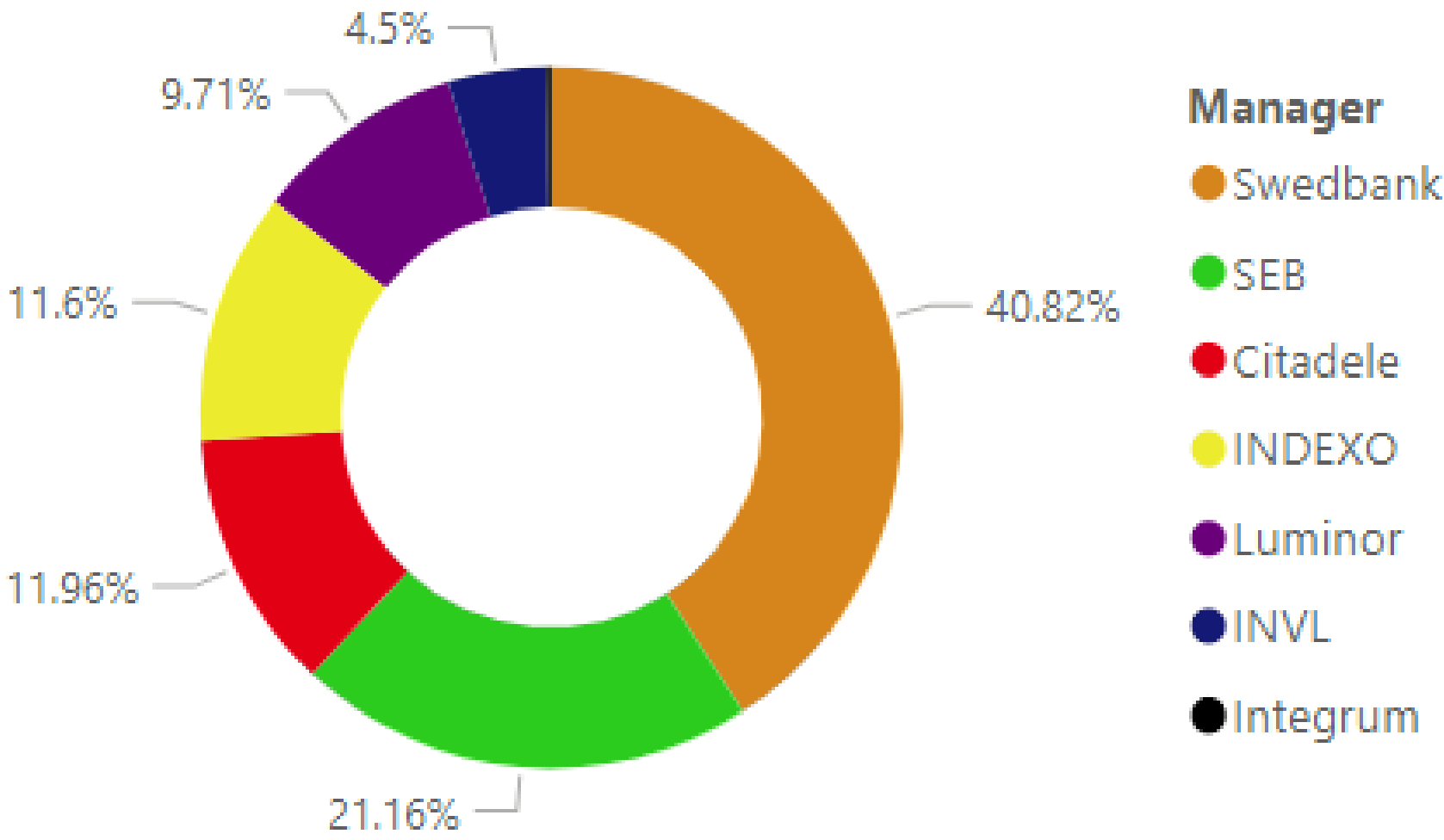
End of June 2022
customer retention rate



End of June 2023
customer retention
rate

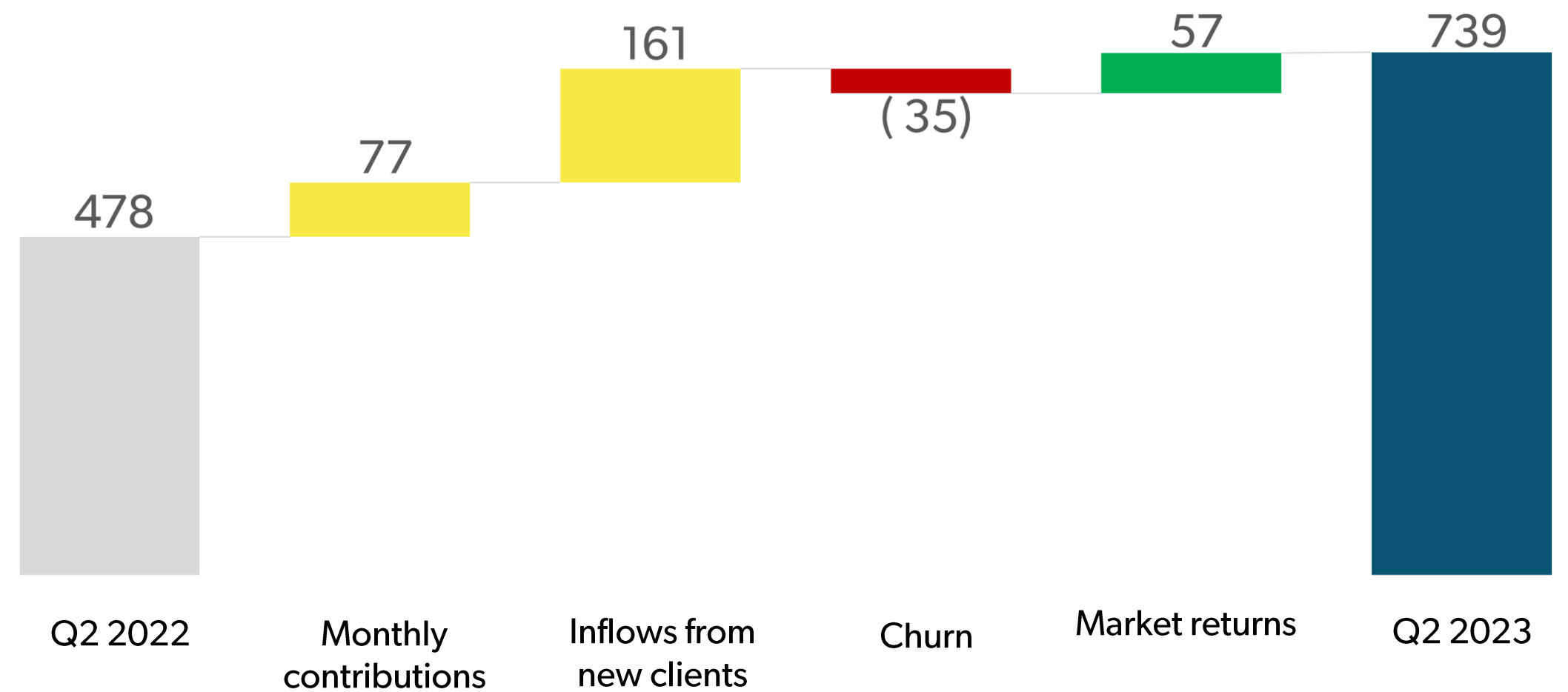
Our customer retention figure has slightly worsened from H1 2022 to H1 2023

2nd pillar pension market share AUM (as of 30 June, 2023)



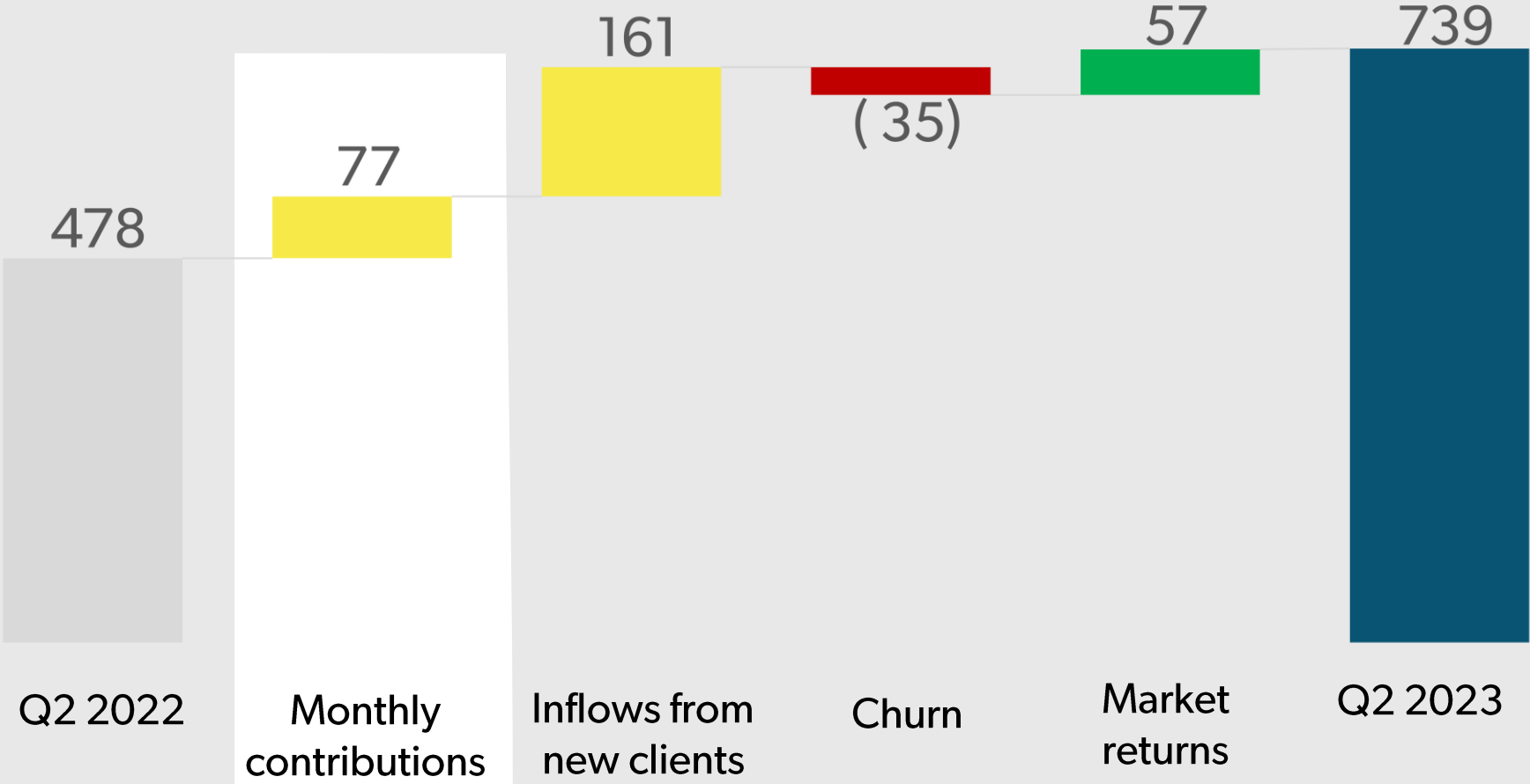
Our business growth in 2nd pillar can be attributed to growing monthly contributions and new customers joining INDEXO

2nd Pillar pension waterfall chart Q2 2022 – Q2 2023
Millions EUR, based on management estimates



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

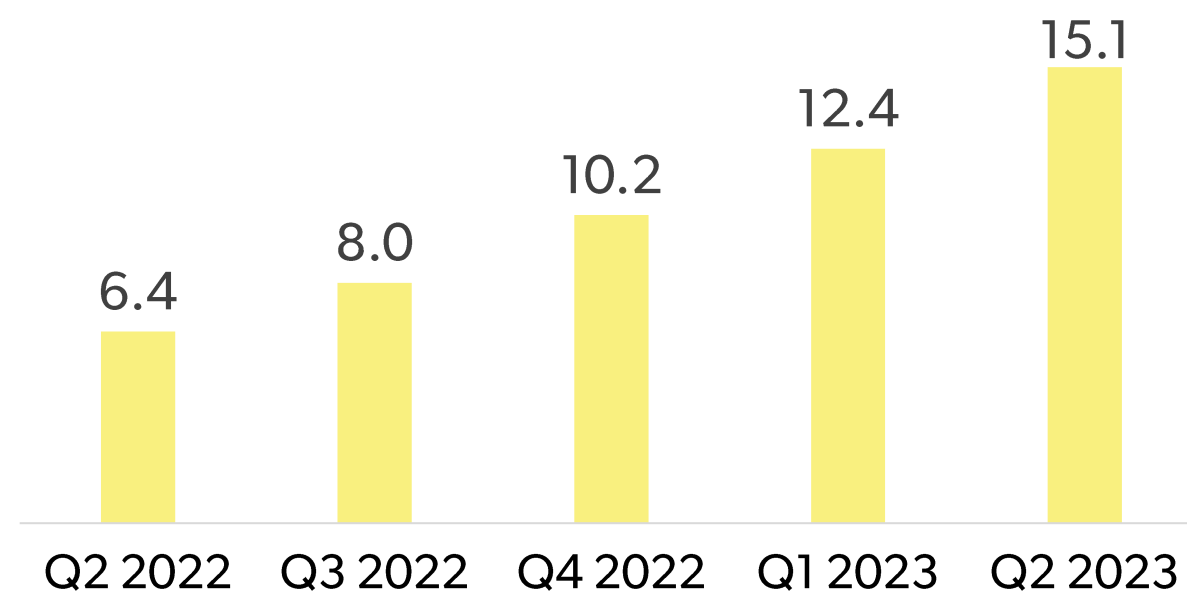
2nd Pillar pension waterfall chart Q2 2022 – Q2 2023
Millions EUR, based on management estimates



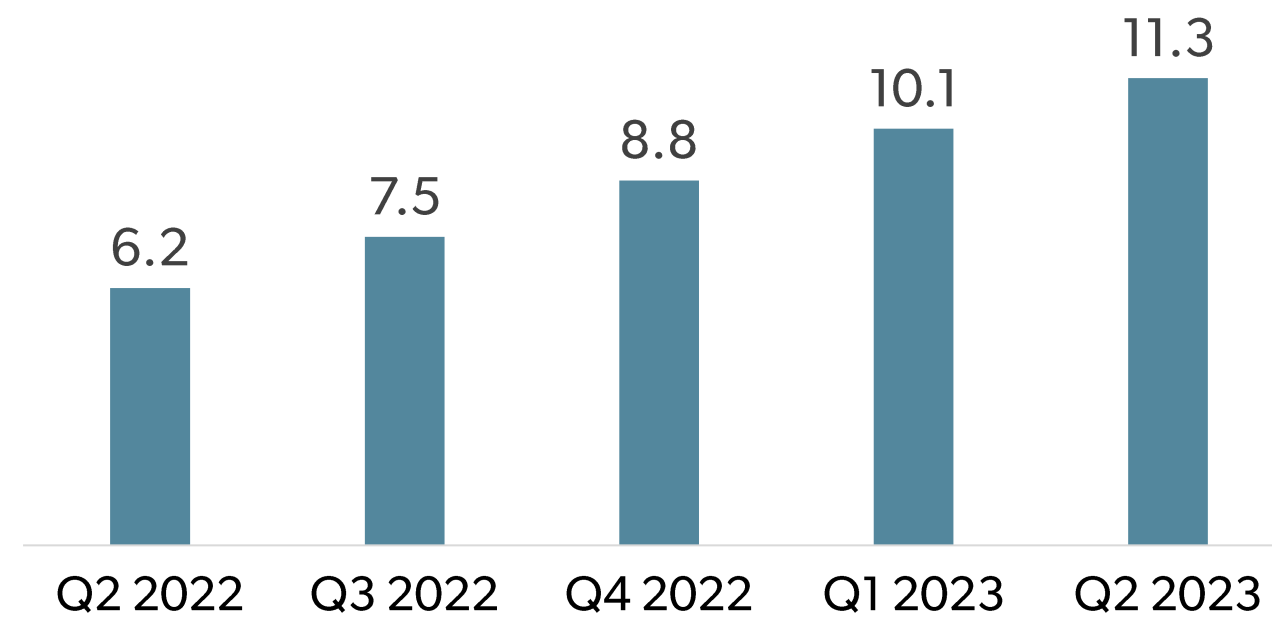
From: 4.8 million euro in Jun 2022
To: 7.4 million euro in Jun 2023
55% increase

Our 3rd pillar pension is also growing

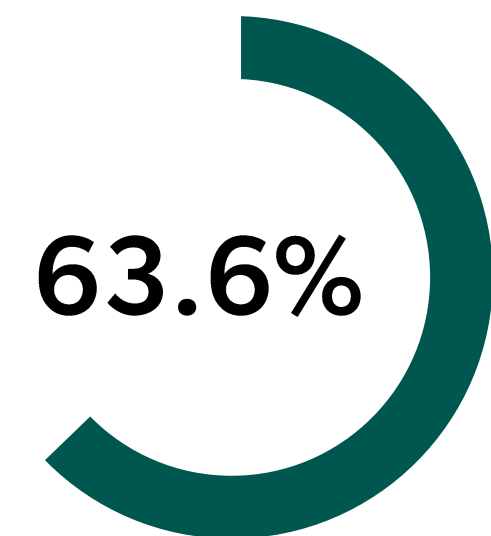
3rd pillar pension assets,
millions EUR



3rd pillar pension clients,
thousands



Clients with regular
contributions



vs 48% in June 30, 2022

INDEXO keeps investing in future growth by acquiring new clients

		Jan – Jun 2023	Jan – Jun 2022
		Unaudited	Unaudited
Commission income	EUR	1,386,025	1,039,552
Interest income/expense	EUR	7,855	(1,656)
Administrative and other expenses for pension management	EUR	(561,157)	(419,510)
Operating income before client acquisition and other business project expenses	EUR	832,723	618,386
Client acquisitions costs	EUR	(988,430)	(773,275)
Pension management operating result	EUR	(155,707)	(154,889)
Bank development expenses	EUR	(1,047,354)	(217,134)
IPO expenses	EUR	-	(63,927)
Non-cash personnel option expenses	EUR	(230,576)	-
Corporate income tax	EUR	(2,298)	-
Comprehensive losses for the reporting period	EUR	(1,435,935)	(435,950)

Client acquisition is partially capitalized and should be viewed on a cash flow basis

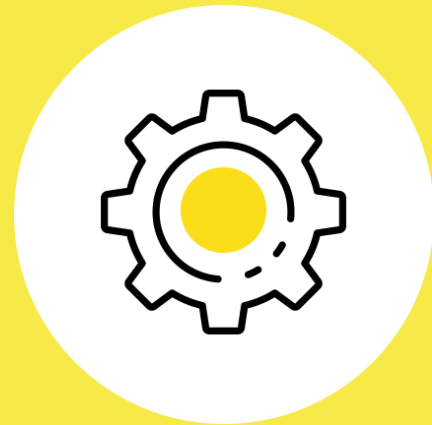


Capitalized

Expensed

Cash flow invested

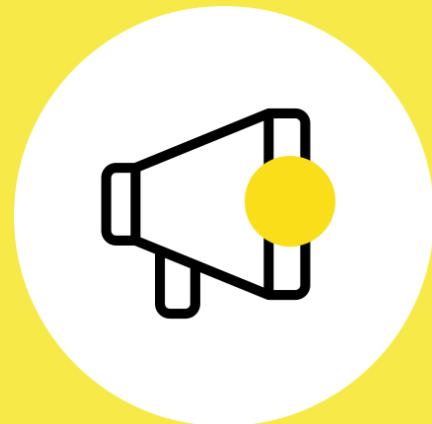
We have invested 1.9* million EUR in bank development



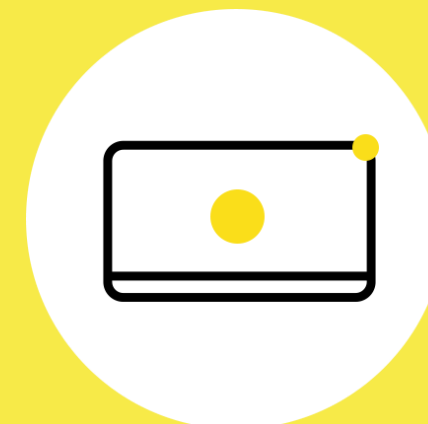
We have started implementing a new CRM system for our pension fund



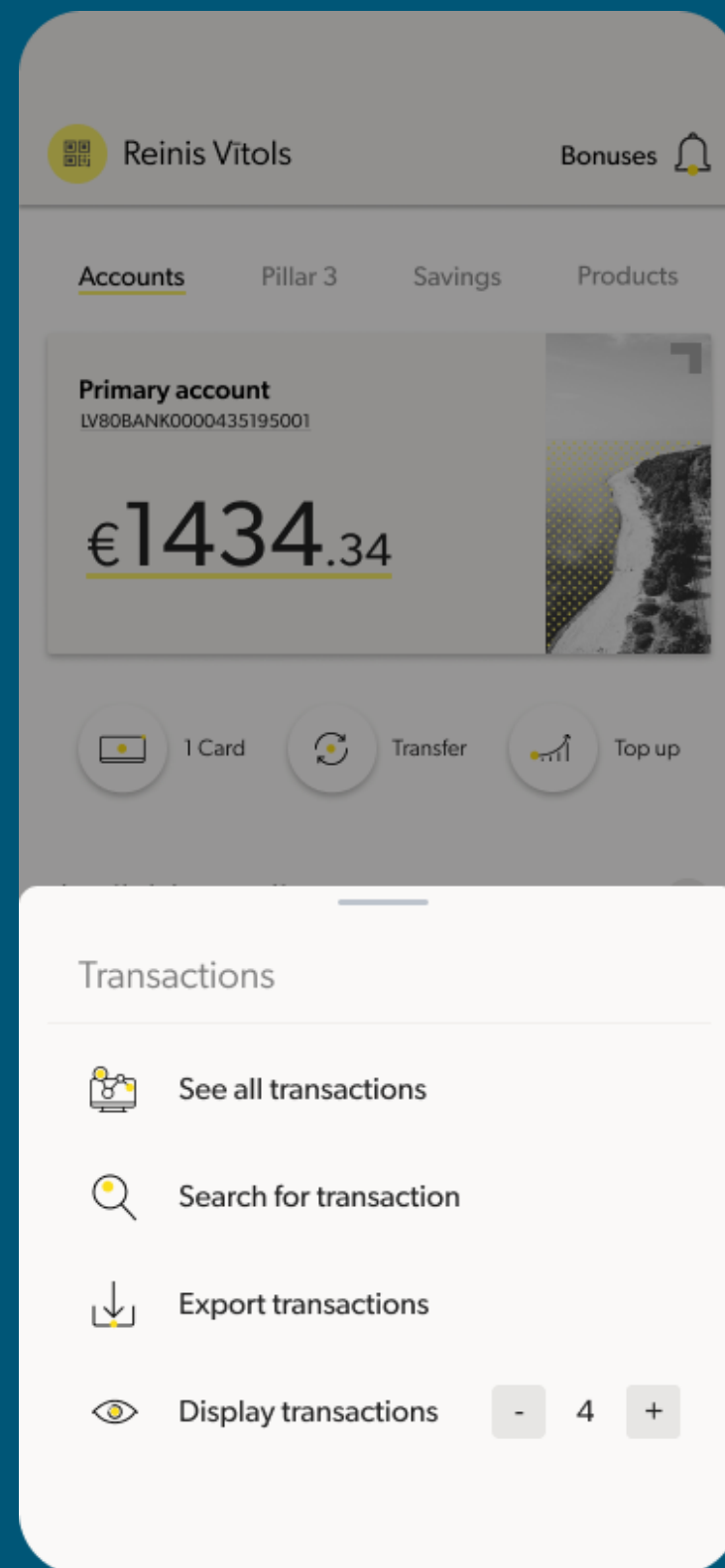
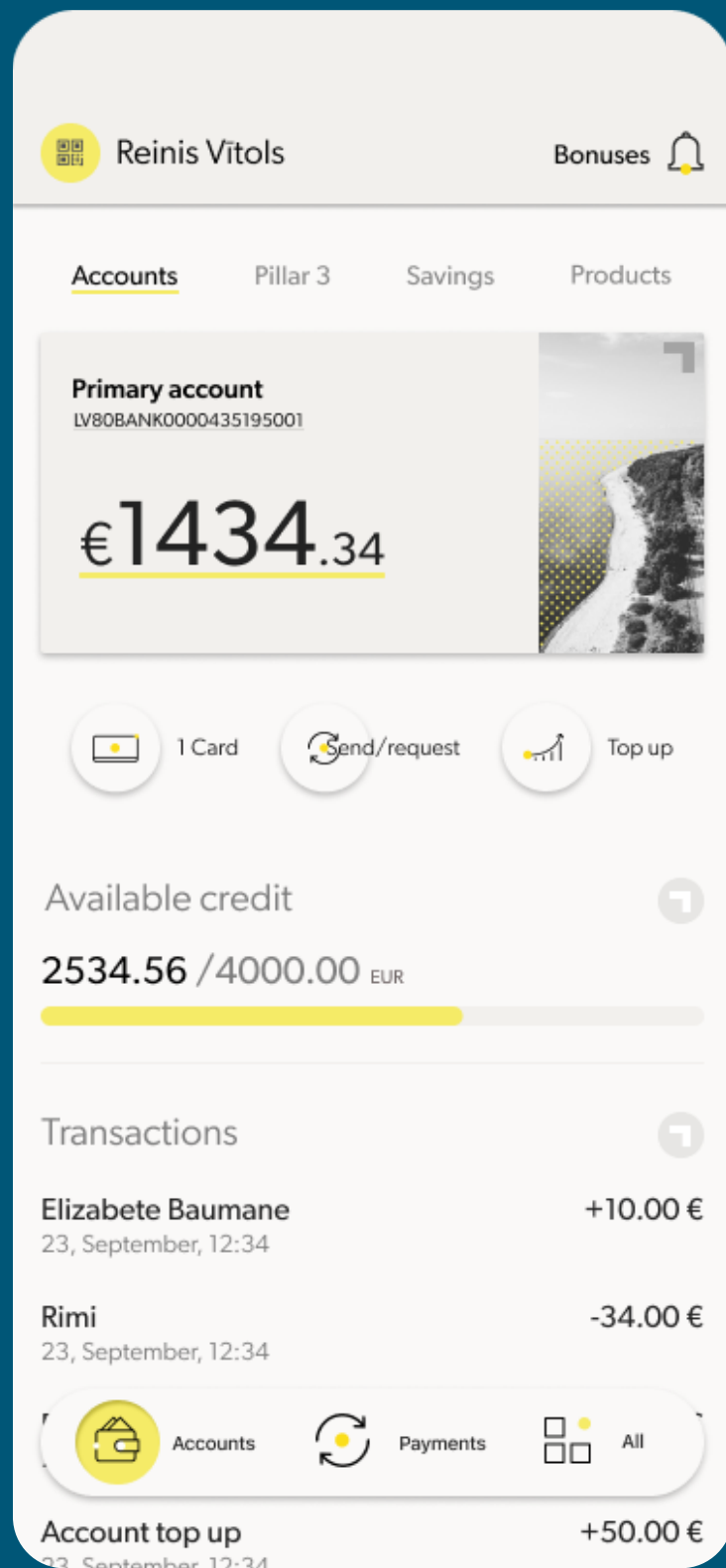
Based on the feedback from our customer base we are close to finalizing the card product design and features



We are building the core team for the bank. Currently, around 20 people working on bank project



We are making excellent progress with our exclusive native mobile app, which is the only one of its kind in the market



Simple for everyday user, customizable for power users

INDEXXO¹

Potential INDEXXO credit card design

Consolidated Statement of Comprehensive Income

	Notes	Jan-Jun 2023	Jan-Jun 2022
		Unaudited	Unaudited
		EUR	EUR
Commission income	2	1,386,025	1,039,552
Interest income/expense	4,5	7,855	(1,656)
Administrative expenses	3	(2,804,194)	(1,450,362)
Other operating expenses	6	(23,323)	(23,484)
Profit/(loss) before corporate income tax		(1,433,637)	(435,950)
Corporate income tax		(2,298)	-
Profit/(loss) for the period		(1,435,935)	(435,950)
Total comprehensive profit/(loss) for the period, attributable to shareholders for the period		(1,435,935)	(435,950)
Earnings per share		(0.40)	(0.14)
Diluted earnings per share		(0.38)	(0.13)

Consolidated Statements of Financial Position

	Notes	Jun 2023 Unaudited EUR	Jun 2022 Unaudited EUR	Dec 2022 Audited EUR
ASSETS				
Cash and cash equivalents	7	4,959,431	740,120	7,231,123
Receivables	8	254,132	175,075	220,190
Prepayments	9	126,645	3,587	24,279
Contract acquisition costs	10	1,203,972	769,522	990,417
Other assets	11	5,001	3,058	6,937
Intangible assets, property, plant and equipment, and right-of-use assets	12	990,659	219,174	259,047
Participation in the share capital of associated companies	13	58,800	-	49,000
Loans to associated companies	14	69,961	-	-
Other securities and investments	15	11,663	11,663	11,663
Total assets:		7,680,264	1,922,199	8,792,656
EQUITY AND LIABILITIES				
Accrued liabilities	16	234,437	288,932	193,584
Trade payables	17	100,586	45,460	89,072
Taxes and national social insurance mandatory contributions	18	125,627	18,158	95,245
Lease liabilities	12	69,257	109,233	90,468
Other liabilities	19	264,472	188,987	233,046
Total liabilities:		794,379	650,770	701,415
Equity				
Share capital	20	3,568,511	3,033,511	3,568,511
Share options		407,536	11,295	176,960
Share issue premium		7,062,908	107,908	7,062,908
Retained losses		(2,717,135)	(1,445,335)	(1,445,335)
Profit/(loss) for the period		(1,435,935)	(435,950)	(1,271,803)
Total equity and reserves:		6,885,885	1,271,429	8,091,241
TOTAL EQUITY AND LIABILITIES		7,680,264	1,922,199	8,792,656

Consolidated Statement of Changes in Equity

Notes	Share capital	Share options	Share issue premium	Retained losses	Profit/(loss) for the period	Total
	EUR	EUR	EUR	EUR	EUR	EUR
At 31.12.2022	3,568,511	176,960	7,062,908	(2,717,135)	-	8,091,244
Increase in Share option reserves		230,576			(729,172)	(498,596)
Comprehensive income for the reporting period					(706,763)	(706,763)
At 30.06.2023	3,568,511	407,536	7,062,908	(2,717,135)	(1,435,935)	6,885,885
At 31.12.2021	3,016,987	5,436	77,175	(1,445,335)	-	1,654,263
Increase in Share capital	16,524		30,733			47,257
Increase in Share option reserves		5,859				5,859
Comprehensive income for the reporting period					(435,950)	(435,950)
At 30.06.2022	3,033,511	11,295	107,908	(1,445,335)	(435,950)	1,271,429

Consolidated Statement of Cash Flows

	Notes	Jan-Jun 2023	Jan-Jun 2022
		Unaudited EUR	Unaudited EUR
Cash flow from operating activities			
Profit/(loss) before corporate income tax		(1,433,637)	(435,950)
Depreciation of PPE and amortisation of right-of-use assets	12	42,498	33,867
Amortisation of contract acquisition costs	10	104,394	56,938
Amortization of Share option reserves		230,576	5,859
Interest income	4	(9,052)	-
Interest expense	5	1,197	1,656
(Decrease)/increase in cash and cash equivalents from operating activities before changes in assets and liabilities		(1,064,024)	(337,630)
Increase in receivables, prepayments, and other assets		(448,980)	(298,502)
Increase/(decrease) in accrued liabilities		40,852	173,550
Increase/(decrease) in trade payables and other liabilities		69,441	23,445
Corporate income tax		(2,298)	-
Increase/(decrease) in cash and cash equivalents from operating activities		(1,405,009)	(439,137)
Cash flow from investing activities			
PPE purchases	12	(774,112)	(21,635)
Investment in the share capital of associated companies		(9,800)	-
Loans issued	14	(68,600)	-
Interest received		7,691	-
Other securities and investments	15	-	-
Decrease in cash and cash equivalents from investing activities		(844,821)	(21,635)
Cash flow from financing activities			
Share issue		-	47,257
Payments for the right-of-use of assets	12	(22,411)	(7,550)
Interest on the right-of-use asset	5	(1,197)	(1,656)
(Decrease)/increase in cash and cash equivalents from financing activities		(23,608)	38,051
Decrease in cash and cash equivalents		(2,273,438)	(422,721)
Cash and cash equivalents at the beginning of the reporting period		7,232,869	1,162,841
Cash and cash equivalents at the end of the reporting period	7	4,959,431	740,120

INDEXO¹

For a better financial environment in Latvia!

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