

JOINT STOCK COMPANY "MOGO"
(UNIFIED REGISTRATION NUMBER LV50103541751)

INTERIM CONDENSED FINANCIAL INFORMATION
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2016

(5th financial year)

Riga, 2016

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General information

Name of the company	"MOGO"
Legal status of the company	JOINT STOCK COMPANY
Unified registration number, place and date of registration	LV50103541751 Riga, 3 May 2012
Registered office	Skanstes street 50 Riga, Latvia
Major shareholders	Mogo Finance S.A. (100%) 6, rue Guillaume Schneider L- 2522, Luxembourg
Board Members	Aleksandrs Čerņagins, Chairman of the Board
Council Members	Ramona Miglāne Uldis Judinskis Ieva Judinska-Bandeniece Mārtiņš Bandeniēks
Reporting period	1 January – 30 September 2016
Previous financial year	1 January – 31 December 2015

Management report

18 October, 2016

General information

JSC mogo (hereinafter – the Company) is a market leading leaseback and finance lease solutions Company measured by the number of leased items. The Company provides quick and convenient services for both individuals and legal entities in Latvia offering vehicle finance lease transactions for amounts up to 10 000 euro and leaseback transactions for amounts up to 10 000 euro with duration up to six years. Funding is being offered online through the Company's branded website and mobile homepage and onsite at customer service centers, as well as at the sales centres of car dealerships.

Company's main goal is to offer its customers easily available, quickly executable, convenient and transparent leaseback and finance lease solutions. In order to achieve this the Company offers to its customers various solutions adjusted to their needs, as well as highest quality service and accessibility. The Company directly operates with a wide network of car dealerships, where the customers can buy a vehicle by obtaining funding from the Company.

Mission, vision and values

Mission

The Company's mission is to offer accessible and affordable leasing services to clients who need quick and simple way of getting financing or would like to purchase a vehicle.

Vision

The Company's vision is to be the market leading, customer friendly and accessible leaseback and finance lease solutions Company in Latvia.

Values

- Quick assistance without unnecessary formalities - the Company will provide the required funding within a couple of hours.
- Open communication and adaptation – the core value of the Company is an open communication and an adaptive approach to each and every customer, which results in a mutually beneficial outcome in every situation.
- Long term relationship – the Company values and creates mutually beneficial long term relationship with all its customers, it welcomes feedback and suggestions for improvement.

Operations and Financial Results

Turnover amounted to EUR 7,5 million (11% increase, compared to the same period in 2015), EBITDA reached EUR 4,6 million (115% increase, compared to the same period in 2015), net profit was EUR 2,3 million (553% increase, compared to the same period in 2015) and net profit margin was 31% (491% increase, compared to the same period in 2015). At the end of September 2016 gross value of the lease portfolio reached 28,2 million euro (4% increase, compared to the end of December 2015).

In third quarter of 2016 the Company continued its operations in order to support its mission – to offer accessible leasing services in a quick and simple way. The Company continues to invest significant resources in the development of information system solutions in order to improve its operational activities by automating current processes.

Signed on behalf of the Company on 18 October, 2016 by:



Aleksandrs Čerņagins
Chairman of the Board

Statement of Management Responsibility

18 October, 2016

JSC „mogo” management is responsible for preparation of the financial information.

Management of the Company declares that in accordance with the information in their possession, financial information has been prepared in accordance with accounting transaction documentation and give a true and fair view of the Company's assets, liabilities, financial position as at 30 September 2016.

Management of the Company confirms that an appropriate and consistent accounting policies and management estimates are used. Management of the Company confirms that the financial information is prepared using prudence principle as well as the going concern assumption. Management of the Company confirms it's responsibility for maintaining proper accounting provisioning, as well as monitoring, control and conservation policies of the Company's assets.

The Company's management is responsible for detection and prevention of the error, inaccuracy and / or fraud. The Company's management is responsible for the Company's activities to be carried out in compliance with the legislation of the Republic of Latvia. The management report includes a fair view of the development of the Company's business and results of operation.

Signed on behalf of the Company on 18 October, 2016 by:



Aleksandrs Čerņagins
Chairman of the Board

Statement of Profit or Loss and other Comprehensive Income

	01.01.2016. - 30.09.2016. unaudited EUR	01.01.2015. - 30.09.2015. unaudited EUR
Interest and similar income	7 477 571	6 766 611
Interest expense and similar expenses	(1 630 720)	(1 619 014)
Impairment	(240 899)	(1 828 764)
Gross profit	5 605 952	3 318 833
Selling expense	(377 871)	(451 829)
Administrative expense	(2 602 644)	(2 395 444)
Other operating income	24 570	22 748
Other operating expense	(4 793)	(18 652)
Other interest receivable and similar income	22 170	26 953
Profit before tax	2 667 384	502 609
Corporate income tax	(346 037)	(281 034)
Deferred corporate income tax	(29 473)	129 321
Total comprehensive profit for the period	2 291 874	350 896

Signed on behalf of the Company on 18 October, 2016 by:



Aleksandrs Čerņagins
Chairman of the Board

Statement of Financial Position

ASSETS		30.09.2016.	31.12.2015.
		unaudited	
		EUR	EUR
NON-CURRENT ASSETS			
Intangible assets			
Concessions, patents, licences and similar rights		6 480	8 416
Other intangible assets		978 026	643 762
Prepayments for intangible assets		-	32 891
	TOTAL	984 506	685 069
Property, plant and equipment			
Leasehold improvements		-	2 308
Other fixtures and fittings, tools and equipment		195 819	220 123
	TOTAL	195 819	222 431
Non-current financial assets			
Investments in related companies		20	-
Finance Lease Receivables		19 027 480	16 100 752
Deferred tax		380 055	409 528
	TOTAL	19 407 555	16 510 280
	TOTAL NON-CURRENT ASSETS	20 587 880	17 417 780
CURRENT ASSETS			
Inventories			
Finished goods and goods for resale		4 100	-
	TOTAL	4 100	-
Receivables			
Finance Lease Receivables		5 955 092	7 678 734
Loans to related companies		-	60 180
Loans to non related parties		21 671	-
Receivables from related companies		1 499	22 992
Assets held for sale		312 415	259 725
Other receivables		125 885	172 012
Prepaid expense		127 713	74 038
Accrued revenue		610	3 155
	TOTAL	6 544 885	8 270 836
Cash and cash equivalents		205 483	399 884
	TOTAL CURRENT ASSETS	6 754 468	8 670 720
TOTAL ASSETS		27 342 348	26 088 500

Signed on behalf of the Company on 18 October, 2016 by:



Aleksandrs Čerņagins
 Chairman of the Board

Statement of Financial Position

EQUITY AND LIABILITIES		30.09.2016.	31.12.2015.
		unaudited	
EQUITY		EUR	EUR
Share capital		5 000 000	5 000 000
Currency conversion reserve		1	1
Retained earnings:			
brought forward		589 856	(119 710)
for the period		2 291 874	709 566
	TOTAL EQUITY	7 881 731	5 589 857
LIABILITIES			
Non-current liabilities			
Liabilities for issued bonds		17 597 046	15 200 026
Loans from credit institutions		1 300 000	3 539 913
Loans from non related parties		-	500 000
	TOTAL	18 897 046	19 239 939
Current liabilities			
Prepayments received from customers		200 574	198 369
Loans from credit institutions		8 900	16 049
Trade payables		47 016	103 787
Payables to related companies		-	369 744
Loans from non related parties		-	187 864
Taxes payable		71 684	83 466
Other liabilities		98 639	106 351
Other provisions		79 600	85 209
Accrued liabilities		57 158	107 865
	TOTAL	563 571	1 258 704
	TOTAL LIABILITIES	19 460 617	20 498 643
TOTAL EQUITY AND LIABILITIES		27 342 348	26 088 500

Signed on behalf of the Company on 18 October, 2016 by:



Aleksandrs Čerņagins
 Chairman of the Board