Eleving GROUP

Integrated annual report

2024

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2024 at a glance

326 862
Total Number of Active Customers

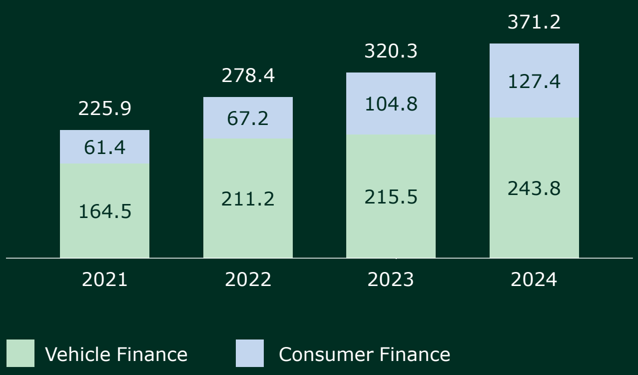
EUR 89.8 mln
EBITDA[1], 12M 2024

EUR 371.2 mln
Vehicle and Consumer Financing Net Portfolio

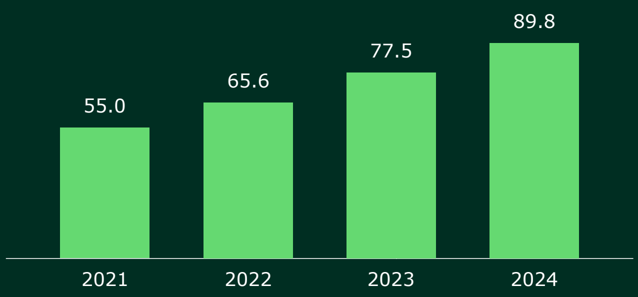
EUR 216.6 mln
Revenue, 12M 2024

All-time best annual net profit - EUR 29.6 mln

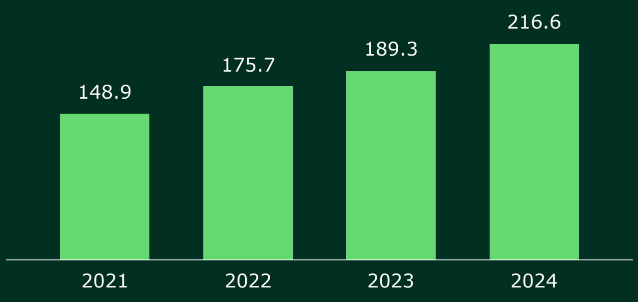
Net portfolio, EUR mln



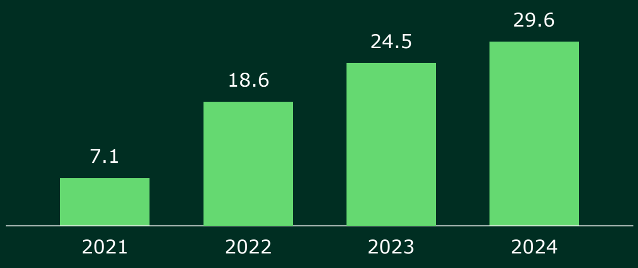
EBITDA, EUR mln[1]



Revenue, EUR mln[2]



Total net profit[3], 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. 2024 EBITDA adjusted with an increase by one-off costs of: (a) VAT in Romania for prior periods EUR 3.0 mln; and a decrease by one off-gains of: (a) non-controlling interests EUR 6.1 mln.

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

[3] Following an audit by the Romanian Tax Authority, additional VAT liabilities for the period 2017-2022 have been determined, resulting in a total net profit reduction of EUR 2.6 million. Adjusted for this one-off tax expense, the total net profit amounts to EUR 32.2 million.

Keynote from the CEO

A year of record growth and strategic milestones

General Overview

2024 was a landmark year for Eleving Group—characterized by strong performance, strategic progress, and further reinforcement of our foundation for long-term growth. Building on the momentum of 2023, we achieved outstanding results across key financial metrics while strengthening profitability. These results reflect the Group's operational maturity, efficiency, and resilience in an evolving financial landscape.

Operationally, the environment remained stable. Unlike previous years, we were not confronted with major macroeconomic disruptions, allowing us to maintain focus on our core markets. As a result, we successfully enhanced operational efficiency, improved profitability, and either increased our market share or consolidated our leading positions across most of our geographies.

Our focus on robust risk management remained central to our strategy. Even amid expansion, we continued to improve portfolio quality—demonstrating that growth has not come at the expense of underwriting discipline and profitability.

Products and Processes

Throughout 2024, Eleving Group advanced its digitalization efforts, particularly in Europe. Leveraging our established infrastructure, we focused on expanding digital sales channels, enhancing engagement with existing customers, and streamlining internal processes. These developments helped drive a significant increase in demand—nearly doubling the number of applications received compared to the previous year.

Additionally, we completed the integration of Sub-Saharan operations acquired in 2023. Rather than simply embedding new entities, we delivered tangible business growth—tripling the combined portfolio size across our three main markets in the region during the year. This progress reflects our ability to scale operations while maintaining the discipline required for long-term growth.

Sustainability remained a consistent priority. Our efforts in electric mobility—particularly in Eastern Africa—are closely tied to our long-term impact goals. In 2024, we financed nearly 2,000 electric motorcycles, which collectively covered over 20 mln kilometers and saved on emissions an estimated 1,000 metric tonnes of CO_2. This milestone enabled us to reach our previously set 2025 goal for electric vehicle deployment a full year ahead of schedule, reinforcing our commitment to cleaner, more inclusive commuting solutions.

Capital Management

A defining milestone in 2024 was Eleving Group's successful IPO in October—the largest in Nasdaq Riga's history and one of the most notable private company listings in the Baltics. The offering met our capital-raising objectives, securing EUR 29.0 mln in equity and further strengthening our position in the capital markets. This achievement is built on a decade of consistent engagement with debt investors, and we are honored to now extend this relationship to the equity investor community as well. The trust placed in us is deeply valued and will serve as a foundation for continued growth.

Over the year, we remained focused on diversifying our debt profile and broadening access to funding—particularly through local currency financing. We optimized funding costs in EUR and USD, reflecting a disciplined and balanced approach. In parallel, we strengthened our partnerships with impact funds, expanded activity on the Mintos marketplace, and developed local note programs in Kenya, Botswana, and other key markets.

Summary

2024 was a defining year for Eleving Group—marked by exceptional financial performance, strategic achievements, and continued operational refinement. We expanded market share, accelerated digital transformation, reinforced our risk practices, entered the public equity market, and advanced our sustainability agenda. Together, these accomplishments lay a solid foundation for the next phase in Eleving Group's journey.

Looking forward, our strategy remains focused on three core pillars: deepening our presence in existing markets, expanding our product portfolio, and entering new geographies. Our goal is ambitious yet achievable—to nearly double the size of the business within the next two years. As we move forward, we remain committed to delivering value for all stakeholders, upholding high standards of transparency, and maintaining the trust of our growing investor base.

Modestas Sudnius
Eleving Group CEO

About the report

Eleving Group, a public limited liability company (société anonyme) incorporated and existing under the laws of the Grand Duchy of Luxembourg, having its registered address at 8-10 Avenue de la Gare, L-1610 Luxembourg, Grand Duchy of Luxembourg, and registered with the Luxembourg Trade and Companies Register (Registre de Commerce et des Sociétés, Luxembourg) under number B.174457, has prepared this Integrated Annual Report 2024 (hereinafter - the Integrated Report) following International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and a Sustainability statement, demonstrating Eleving Group's financial standing, its performance regarding environmental, social, and governance aspects, adopted measures to prevent financial crime, responsible lending and inclusion measures, and other non-financial elements. The sustainability statement has been prepared taking into consideration the European Sustainability Reporting Standards (ESRS) data points and requirements but does not mean to be compliant yet. The sustainability disclosures in this report serve as a transitional step towards future ESRS compliance ensuring readiness for reporting once the Corporate Sustainability Reporting Directive (EU) 2022/2464 is transposed in Luxembourg Law and the reporting requirements are finalised. Due to the partial transition to the new reporting methodology and enhanced disclosure requirements that were not previously reported, comparative information with the prior year is limited.

The company is within the scope of the Non-Financial Reporting Directive (NFRD), and the sustainability statement also includes disclosures that align with the Taxonomy Regulation (EU) 2020/852.

The Integrated Report of Eleving Group discloses sustainability information of Eleving Group along with its key operating entities: AS 'mogo' (Latvia), Primero Finance OÜ (Estonia), UAB 'mogo LT' (Lithuania), Mogo LLC (Georgia), Mogo IFN SA (Romania), O.C.N. 'MOGO LOANS' S.R.L. (Moldova), MOGO Universal Credit Organization LLC (Armenia), AS Renti (Latvia), Mogo Auto Limited (Kenya), Mogo Loans – SMC Limited (Uganda), OOO Mogo Lend (Uzbekistan), OCN SEBO CREDIT SRL (Moldova), Kredo Finance Shpk (Albania), Finance Company FINMAK Doo Skopje (North Macedonia), SIA Spaceship (Latvia), YesCash Zambia LTD (Zambia), ExpressCredit LTD (Botswana), ExpressCredit Cash Advance (Namibia) and other subsidiaries (altogether hereinafter — Eleving Group, the Group, the Company).

The Integrated Report covers the period from 1 January until 31 December 2024.

Please send any questions or suggestions regarding the report to esg@eleving.com.

The report is made public on April 28, 2025.

EU Taxonomy statements

The EU Taxonomy regulation is a classification system of environmentally sustainable economic activities.[1] The regulation aims to direct capital flows towards projects and activities that contribute to at least one of the EU's six environmental objectives:

1. Climate change mitigation.
2. Climate change adaptation.
3. The sustainable use and protection of water and marine resources.
4. The transition to a circular economy.
5. Pollution prevention and control.
6. The protection and restoration of biodiversity and ecosystems.

Companies within the scope of the Non-Financial Reporting Directive (NFRD)[2], such as Eleving Group as defined under NFRD Part 1, Article 14, page 3 (classified as an EU Public Interest Entity), must disclose taxonomy-related information following the methodology and implementation timeframe of the disclosure obligation as specified in the Disclosures Delegated Act.[3] In the 2024 annual report, Eleving Group will disclose information regarding its exposures to taxonomy-eligible and non-eligible activities in line with article 10(2) of the Disclosures Delegated Act. Currently, the eligible activities concern the first two objectives of the Taxonomy regulation: climate change mitigation and adaptation.[4]

Eleving Group's to taxonomy-eligible activities comprise leases for vehicles, loans backed by vehicles, and used vehicle rental services. These loans directly relate to activities that fit the description of section 6.5 of the Climate Delegated Act Annex I: Transport by motorbikes, passenger cars, and light commercial vehicles. The exposures to taxonomy-non-eligible activities include unsecured consumer loans, vehicle loans granted outside the EU, and loans to companies not subject to the disclosure obligations under the NFRD.

[1] Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment and amending Regulation (EU) 2019/2088.

[2] Directive 2014/95/EU of the European Parliament and of the Council of 22 October 2014 amending Directive 2013/34/EU regarding disclosure of non-financial and diversity information by certain large undertakings and groups.

[3] Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021.

[4] Commission Delegated Regulation (EU) 2921/2139 of 4 June 2021.

Proportion of turnover derived from products or services associated with Taxonomy-aligned economic activities – disclosure covering financial year 2024

				Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic Activities (1)	Code (2)	Absolute turnover (3)	Proportion of Turnover (4)	Climate Change Mitigation (5)*	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity and ecosystems (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Taxonomy aligned proportion of total turnover, year N (18)**	Category (enabling activity) (20)	Category (tran-sitional activity) (21)
Text		*EUR*	*%*	*%*	*%*	*%*	*%*	*%*	*%*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*%*	*E*	*T*
A. TAXONOMY-ELIGIBLE ACTIVITIES			16%																
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
			0%	0%	0%	0%	0%	0%	0%								0%		
Turnover of environmentally sustainable activitie (Taxonomy-aligned) (A.1)		0.00	0%	0%	0%	0%	0%	0%	0%	**N**	**N**	**N**	**N**	**N**	**N**	**N**	0%	0%	0%
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
			0%																
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**35.543.886**	16%																
Total (A.1+A.2)		**35.543.886**	16%																
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		181.029.874	84%																
Total (A+B)		216.573.760	100%																

Proportion of CapEX derived from products or services associated with Taxonomy-aligned economic activities – disclosure covering financial year 2024

Economic Activities (1)	Code (2)	Absolute CapEx (3)	Proportion of CapEx (4)	Substantial Contribution Criteria: Climate Change Mitigation (5)*	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity and ecosystems (10)	DNSH criteria ('Does Not Significantly Harm'): Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Taxonomy aligned proportion of total CapEx, year N (18)**	Category (enabling activity) (20)	Category (tran-sitional activity) (21)
Text		*EUR*	*%*	*%*	*%*	*%*	*%*	*%*	*%*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*%*	*E*	*T*
A. TAXONOMY-ELIGIBLE ACTIVITIES			35%																
A.1. CapEx of environmentally sustainable activities (Taxonomy-aligned)																			
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0.00	0%	0%	0%	0%	0%	0%	0%	**N**	**N**	**N**	**N**	**N**	**N**	**N**	0%	0%	0%
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned)																			
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**4.672.707**	35%																
Total (A.1+A.2)		**4.672.707**	35%																
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Capex of Taxonomy-non-eligible activities		8.534.960	65%																
Total (A+B)		13.207.667	100%																

Proportion of OpEX derived from products or services associated with Taxonomy-aligned economic activities – disclosure covering financial year 2024

				Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic Activities (1)	Code (2)	Absolute OpEx (3)	Proportion of OpEx (4)	Climate Change Mitigation (5)*	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity and ecosystems (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Taxonomy aligned proportion of total OpEx, year N (18)**	Category (enabling activity) (20)	Category (tran-sitional activity) (21)
Text		*EUR*	*%*	*%*	*%*	*%*	*%*	*%*	*%*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*%*	*E*	*T*
A. TAXONOMY-ELIGIBLE ACTIVITIES			14%																
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0.00	0%	0%	0%	0%	0%	0%	0%	**N**	**N**	**N**	**N**	**N**	**N**	**N**	0%	0%	0%
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**-11.141.132**	14%																
Total (A.1+A.2)		**-11.141.132**	14%																
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		-70.762.895	86%																
Total (A+B)		-81.904.027	100%																

Supervisory Board statement

The Supervisory Board of Eleving Group is pleased to report on its activities and observations during what has been a record-setting year for the company. Throughout 2024, the Board diligently fulfilled its oversight responsibilities by holding regular meetings to monitor the performance of the Management Board, reviewing strategic developments, and ensuring that the company operated in alignment with its long-term goals and sound corporate governance principles.

During the year, the Supervisory Board closely monitored the Group's continued growth, digital transformation, and market expansion initiatives. We carefully reviewed the integration of the Sub-Saharan operations, the progress made in elevating digital capabilities, and the strong financial results achieved across key markets. Particular attention was given to Eleving Group's risk management framework and internal controls, which were continuously strengthened during a period of rapid business scaling.

A major highlight of the year was the successful execution of the Group's initial public offering on Nasdaq Riga and the Frankfurt Stock Exchange. The Supervisory Board actively engaged with the Management Board throughout this process, supporting their preparation and strategic positioning. The IPO represents a significant milestone and marks a new chapter in accountability and transparency for the Group. The Supervisory Board is committed to upholding the standards required of a listed entity.

The Supervisory Board also monitored the Group's sustainability efforts, paying particular attention to its achievements in electric mobility and the timely delivery of the Group's 2025 environmental targets. These results reflect a strong alignment between operational success and responsible business practices.

The Supervisory Board has reviewed the financial statements for 2024 prepared by the Management Board and the opinion of the sworn auditor, BDO, on these statements. Based on this review, the Supervisory Board submits for approval at the shareholders' meeting the decisions prepared by the Management Board regarding the approval of the stand-alone annual accounts, the consolidated financial statements, and the annual report of Eleving Group for 2024, the proposed profit distribution, and the election of the auditor for the audit of the 2025 financial statements.

We sincerely appreciate the leadership and dedication of the Management Board in guiding the company through a year of remarkable accomplishments. The Supervisory Board has complete confidence in the Management Board's ability to execute the Group's strategy and deliver sustainable value for all stakeholders.

On behalf of the Supervisory Board

Mārcis Grīnis
Chairman of the Supervisory Board
of Eleving Group

Consolidated financial statements

General information

Name of the Parent Company	Eleving Group	
Legal status of the Parent Company	Société Anonyme	
Unified registration number, place and date of registration	B 174.457, Luxembourg, 18 December 2012	
Registered office	8-10, Avenue de la Gare, L-1610 Luxembourg	
Major shareholders		31.12.2024
	SIA ALPPES Capital (Latvia)	37.31%
	AS Novo Holdings (Latvia)	12.44%
	SIA EMK Ventures (Latvia)	12.44%
	AS Obelo Capital (Latvia)	12.44%
	Lock-up shareholders each below 5%	6.19%
	Eleving Group S.A.	0.58%
	Other shareholders	18.60%
	TOTAL	**100.00%**
Management Board members	Māris Kreics (type A)	from 25.07.2018
	Modestas Sudnius (type A)	from 09.03.2019
	Sébastien Jean-Jacques J. François (type B)	from 01.11.2022
	Delphine Glessinger (type B)	from 15.10.2023
Supervisory Board members:	Mārcis Grīnis (chairman)	from 06.06.2024
	Lev Dolgatšjov (member)	from 06.06.2024
	Derek Bryce Urben (member)	from 06.06.2024
Financial year	January - December 2024	
Previous financial year	January - December 2023	
Auditors	BDO AUDIT Société Anonyme Cabinet de révision agréé 1 rue Jean Piret, L-2350 Luxembourg	

Consolidated Financial Statements

Consolidated Statement of Profit and Loss and Other Comprehensive Income

	Notes	2024 EUR	2023 EUR
Continuing operations			
Interest revenue	4	203 749 375	176 297 775
Interest expense	5	(41 520 275)	(37 499 444)
Net interest income		**162 229 100**	**138 798 331**
Fee and commission income related to financing activities	6	10 076 029	8 968 142
Impairment expense	7	(42 102 621)	(39 846 624)
Net gain/(loss) from de-recognition of financial assets measured at amortized cost	8	1 759 100	1 159 323
Expenses related to peer-to-peer platform services	9	(895 450)	(987 970)
Revenue from leases	10	2 748 356	4 067 111
Revenue from car sales and other goods	11	7 074 452	1 936 451
Expenses from car sales and other goods	11	(6 559 224)	(1 789 166)
Selling expense	12	(7 203 030)	(6 426 852)
Administrative expense	13	(74 700 997)	(63 246 010)
Other operating income	14	2 859 320	2 368 739
Other operating expense	15	(13 834 721)	(10 133 640)
Net foreign exchange result	16	(3 709 849)	(6 385 833)
Profit before tax		**37 740 465**	**28 482 002**
Corporate income tax	17	(8 203 820)	(8 324 461)
Deferred corporate income tax	18	(732 929)	1 758 559
Profit from continuing operations		**28 803 716**	**21 916 100**
Discontinued operations			
Profit from discontinued operation, net of tax	19	768 112	2 538 954
Profit for the period		**29 571 828**	**24 455 054**
Other comprehensive income/(loss):			
Items that may be reclassified subsequently to profit or loss:			
Translation of financial information of foreign operations to presentation currency		1 977 649	(4 582 333)
Other comprehensive income/(loss)		**1 977 649**	**(4 582 333)**
Total profit and loss for the year		**31 549 477**	**19 872 721**
Profit is attributable to:			
Equity holders of the Parent Company		23 502 987	20 098 665
Non-controlling interests		6 068 841	4 356 389
Net profit for the year		**29 571 828**	**24 455 054**
Other comprehensive income/(loss) is attributable to:			
Equity holders of the Parent Company		1 836 593	(4 355 896)
Non-controlling interests		141 056	(226 437)
Other comprehensive income/(loss) for the year		**1 977 649**	**(4 582 333)**
Earnings per share from profit for the period attributable to the owners of the parent during the year		0.20	0.20
From continuing operations		0.25	0.22
From discontinued operations		0.01	0.03

The accompanying notes are an integral part of these consolidated financial statements.

Signed on behalf of the Group on 28 April 2025 by:

Māris Kreics
Category A Member of the Management Board

Sébastien Jean-Jacques J. François
Category B Member of the Management Board

Consolidated Statement of Financial Position

ASSETS

NON-CURRENT ASSETS	Notes	31.12.2024 EUR	31.12.2023 EUR (restated)
Intangible assets			
Goodwill	**20**	6 807 055	6 807 055
Internally generated intangible assets	**20**	11 784 864	10 263 919
Other intangible assets	**20**	5 319 515	5 393 463
Total intangible assets		**23 911 434**	**22 464 437**
Tangible assets			
Right-of-use assets	**21, 22**	10 779 098	10 559 286
Rental fleet	**21**	2 037 986	7 085 928
Property, plant and equipment	**21**	2 594 569	2 089 283
Leasehold improvements	**21**	869 889	782 859
Advance payments for assets	**21**	663	-
Total tangible assets		**16 282 205**	**20 517 356**
Non-current financial assets			
Loans and advances to customers	**23**	189 649 583	154 854 453
Loans to associated companies	**24, 41**	3 253 724	-
Equity-accounted investees	**25**	1 238 003	580 714
Other loans and receivables		145 344	175 783
Deferred tax asset	**18**	9 193 592	8 877 839
Total non-current financial assets		**203 480 246**	**164 488 789**
TOTAL NON-CURRENT ASSETS		**243 673 885**	**207 470 582**
CURRENT ASSETS			
Inventories			
Finished goods and goods for resale	**26**	2 452 606	4 818 099
Total inventories		**2 452 606**	**4 818 099**
Receivables and other current assets			
Loans and advances to customers	**23**	179 516 427	158 349 702
Loans to associated companies	**24, 41**	54 455	-
Other loans and receivables		9 964	198 574
Prepaid expense	**27**	4 353 931	3 124 744
Trade receivables	**28**	2 164 840	1 606 770
Other receivables	**29**	8 740 369	8 267 676
Cash and cash equivalents	**30**	34 461 093	27 470 468
Total receivables and other current assets		**229 301 079**	**199 017 934**
Assets of subsidiary held for sale or under liquidation	**31**	-	9 556 863
Assets held for sale	**32**	861 195	452 055
Total assets held for sale		**861 195**	**10 008 918**
TOTAL CURRENT ASSETS		**232 614 880**	**213 844 951**
TOTAL ASSETS		**476 288 765**	**421 315 533**

The accompanying notes are an integral part of these consolidated financial statements.

Signed on behalf of the Group on 28 April 2025 by:

Māris Kreics
Category A Member of the Management Board

Sébastien Jean-Jacques J. François
Category B Member of the Management Board

Consolidated Statement of Financial Position

EQUITY AND LIABILITIES

EQUITY	Notes	31.12.2024 EUR	31.12.2023 EUR
Share capital	**33**	1 171 088	1 000 500
Treasury shares	**33**	(1 146 772)	-
Share premium	**33**	25 467 034	-
Reserve	**33**	4 691 940	4 287 631
Share-based payments	**45**	40 654	-
Foreign currency translation reserve		2 369 355	532 762
Retained earnings		60 110 305	47 773 110
brought forward		36 607 318	27 674 445
for the period		23 502 987	20 098 665
Total equity attributable to equity holders of the Parent Company		**92 703 604**	**53 594 003**
Non-controlling interests		15 413 373	11 841 222
TOTAL EQUITY		**108 116 977**	**65 435 225**
LIABILITIES			
Non-current liabilities			
Borrowings	**35**	267 562 839	225 944 140
Subordinated borrowings	**35**	-	16 462 354
Total non-current liabilities		**267 562 839**	**242 406 494**
Provisions	**34**	174 780	157 316
Total provisions for liabilities and charges		**174 780**	**157 316**
Current liabilities			
Borrowings	**35**	72 015 592	96 180 026
Liabilities associated with the assets held for sale or under liquidation	**31**	-	2 045 004
Prepayments and other payments received from customers	**36**	902 053	1 083 554
Trade and other payables		1 980 625	2 224 874
Current corporate income tax payable	**17**	3 591 081	729 149
Taxes payable	**37**	6 919 797	3 374 002
Derivative financial liabilities	**38**	5 317 084	-
Other liabilities	**39**	2 367 886	1 902 392
Accrued liabilities	**40**	7 340 051	5 777 497
Total current liabilities		**100 434 169**	**113 316 498**
TOTAL LIABILITIES		**368 171 788**	**355 880 308**
TOTAL EQUITY AND LIABILITIES		**476 288 765**	**421 315 533**

The accompanying notes are an integral part of these consolidated financial statements.

Signed on behalf of the Group on 28 April 2025 by:

Māris Kreics
Category A Member of the Management Board

Sébastien Jean-Jacques J. François
Category B Member of the Management Board

Consolidated Statement of Changes in Equity

	Share capital EUR	Treasury shares EUR	Share premium EUR	Reserve EUR	Share-based payments EUR	Foreign currency translation reserve EUR	Retained earnings EUR	**Total equity attributable to Equity holders of the Parent Company** EUR	Non-controlling interest EUR	**Total** EUR
Balance at 01.01.2023	**1 000 500**	**-**	**-**	**1 122 204**	**-**	**4 888 658**	**38 167 599**	**45 178 961**	**8 894 339**	**54 073 300**
Profit for the financial year	-	-	-	-	-	-	20 098 665	**20 098 665**	4 356 389	**24 455 054**
Other comprehensive income	-	-	-	-	-	(4 355 896)	-	**(4 355 896)**	(226 437)	**(4 582 333)**
Total comprehensive income	-	-	-	-	-	(4 355 896)	20 098 665	**15 742 769**	4 129 952	**19 872 721**
Change in share capital	-	-	-	-	-	-	-	**-**	(147 239)	**(147 239)**
Change in NCI without change in control	-	-	-	-	-	-	(978 846)	**(978 846)**	695 962	**(282 884)**
Obtaining of subsidiary	-	-	-	1 927 058	-	-	-	**1 927 058**	-	**1 927 058**
Interim dividends	-	-	-	-	-	-	(8 275 939)	**(8 275 939)**	(1 731 792)	**(10 007 731)**
Reserve (Note 33)	-	-	-	1 238 369	-	-	(1 238 369)	**-**	-	**-**
Balance at 31.12.2023	**1 000 500**	**-**	**-**	**4 287 631**	**-**	**532 762**	**47 773 110**	**53 594 003**	**11 841 222**	**65 435 225**
Balance at 01.01.2024	**1 000 500**	**-**	**-**	**4 287 631**	**-**	**532 762**	**47 773 110**	**53 594 003**	**11 841 222**	**65 435 225**
Profit for the financial year	-	-	-	-	-	-	23 502 987	**23 502 987**	6 068 841	**29 571 828**
Other comprehensive income	-	-	-	-	-	1 836 593	-	**1 836 593**	141 056	**1 977 649**
Total comprehensive income	-	-	-	-	-	1 836 593	23 502 987	**25 339 580**	6 209 897	**31 549 477**
Change in share capital	170 588	-	-	(100 000)	-	-	-	**70 588**	388	**70 976**
Sale of subsidiary	-	-	-	(2 842)	-	-	-	**(2 842)**	-	**(2 842)**
Change in NCI without change in control	-	-	-	-	-	-	(1 597 725)	**(1 597 725)**	649 750	**(947 975)**
Share premium increase	-	-	25 467 034	-	-	-	-	**25 467 034**	-	**25 467 034**
Purchase of treasury shares	-	(1 146 772)		-	-	-	-	**(1 146 772)**	-	**(1 146 772)**
Dividends	-	-	-	-	-	-	(9 020 262)	**(9 020 262)**	(3 287 884)	**(12 308 146)**
Share-based payments	-	-	-	-	40 654	-	(40 654)	**-**	-	**-**
Reserve (Note 33)	-	-	-	507 151	-	-	(507 151)	**-**	-	**-**
Balance at 31.12.2024	**1 171 088**	**(1 146 772)**	**25 467 034**	**4 691 940**	**40 654**	**2 369 355**	**60 110 305**	**92 703 604**	**15 413 373**	**108 116 977**

The accompanying notes are an integral part of these consolidated financial statements.

Signed on behalf of the Group on 28 April 2025 by:

Māris Kreics
Category A Member of the Management Board

Sébastien Jean-Jacques J. François
Category A Member of the Management Board

Consolidated Statement of Cash Flows

Cash flows to/from operating activities	Notes	2024 EUR	2023 EUR
Profit before tax from continuing operations		37 740 465	28 482 002
Profit from discontinued operation, net of tax		768 112	2 538 954
Adjustments for:			
Amortization and depreciation	**20, 21**	9 854 800	9 442 554
Interest expense	**5**	41 520 275	37 499 444
Interest income	**4**	(203 749 375)	(176 297 775)
Loss from disposal of property, plant and equipment	**13**	802 362	3 374 819
Impairment expense	**7**	42 102 621	39 846 624
(Gain)/loss from fluctuations of currency exchange rates		1 732 200	10 968 166
Cash flow (to)/from operating activities before working capital changes		**(69 228 540)**	**(44 145 212)**
Decrease/(increase) in inventories		2 365 493	(2 332 279)
Increase in loans and advances to customers and other current assets		(82 737 115)	(69 245 456)
(Decrease)/increase in accrued liabilities		1 580 018	(318 380)
Increase in trade payable, taxes payable and other liabilities		6 857 619	705 706
Cash generated to/from operations		**(141 162 525)**	**(115 335 621)**
Interest received		203 694 920	176 297 775
Interest paid	**35**	(37 484 963)	(33 269 320)
Corporate income tax paid		(6 635 098)	(10 545 511)
Net cash flows to/from operating activities		**18 412 334**	**17 147 323**
Cash flows to/from investing activities			
Purchase of property, plant and equipment and intangible assets	**20, 21**	(7 888 229)	(7 956 761)
Purchase of rental fleet	**21**	(421 846)	(1 108 735)
Disposal of discontinued operation, net of cash disposed of	**19**	-	(104 578)
Received payments for sale of shares in subsidiaries		-	7 601
Payment for the acquisition of shares		(947 975)	(290 485)
Cash acquired from integration of EC Finance		-	4 379 262
Loan repayments received		368 831	4 857 599
Loans issued		(3 403 364)	(11 714)
Net cash flows to/from investing activities		**(12 292 583)**	**(227 811)**
Cash flows to/from financing activities			
Paid in share premium/(share capital decrease)		27 753 617	(147 239)
Fees paid to service providers during IPO process		(3 362 379)	-
Proceeds from borrowings	**35**	199 164 638	288 281 493
Repayments for borrowings	**35**	(205 400 158)	(275 592 907)
Payments made for acquisition costs of borrowings	**35**	(1 984 721)	(2 915 882)
Dividends paid		(12 308 146)	(10 007 731)
Repayment of liabilities for right-of-use assets	**35**	(3 119 372)	(2 855 262)
Net cash flows to/from financing activities		**743 479**	**(3 237 528)**
Effect of exchange rates on cash and cash equivalents		127 395	(46 353)
Change in cash		**6 990 625**	**13 635 631**
Cash at the beginning of the year		27 470 468	13 834 837
Cash at the end of the year	**30**	**34 461 093**	**27 470 468**

The Group has elected to present a statement of cash flows that includes an analysis of all cash flows in total – including both continuing and discontinued operations. Amounts related to discontinued operations by operating, investing and financing activities are disclosed in Note 19.

The accompanying notes are an integral part of these consolidated financial statements.

Signed on behalf of the Group on 28 April 2025 by:

Māris Kreics
Category A Member of the Management Board

Sébastien Jean-Jacques J. François
Category B Member of the Management Board

Notes to the Consolidated Financial Statements

1. Corporate information

Eleving Group S.A. (hereinafter "the Parent Company") is a Luxembourg company incorporated on December 18, 2012 as a Société Anonyme for an unlimited duration, subject to the Company Law in Luxembourg. The Parent Company is registered in Luxembourg trade register under number B174457.

Shares of the Parent Company are listed in Frankfurt stock exchange and Nasdaq Baltics stock exchange platforms (ELEVR | ISIN LU2818110020).

The consolidated financial statements include Eleving group S.A. and its associated undertakings (hereinafter "the Group"):

Subsidiary name	Country of incorporation	Registration number	Principal activities	% equity interest 2024	% equity interest 2023
Eleving Vehicle Finance AS	Latvia	42103088260	Management services	98.85%	98.86%
Mogo Peru S.A.C.	Peru	20609973618	Financing	98.85%	98.86%
Mogo UCO LLC	Armenia	42	Financing	98.85%	98.86%
Eleving Finance AS	Latvia	40203150030	Management services	98.70%	98.70%
SIA EC Finance Group	Latvia	40203082656	Management services	98.70%	87.00%
EC finance branch in Botswana	Botswana	BW00004103567	Management services	98.70%	87.00%
AS ExpressCredit Holding	Latvia	40203169911	Management services	98.70%	87.00%
YesCash Group Ltd	Mauritius	137426 C1/GBL	Financing	98.70%	87.00%
ExpressCredit Ltd	Lesotho	TRMBS:68483	Financing	98.70%	87.00%
ExpressCredit Proprietary Ltd	Botswana	BW00000115487	Financing	98.70%	87.00%
YesCash Zambia LTD	Zambia	120180003452	Financing	98.70%	43.50%
Primero Finance OU	Estonia	12401448	Financing	88.32%	91.19%
Mogo LLC	Georgia	404468688	Financing	88.32%	91.19%
Eleving Georgia LLC	Georgia	402095166	Retail of motor vehicles	88.32%	91.19%
Eleving AM LLC (Longo LLC)	Armenia	286.110.1015848	Retail of motor vehicles	88.32%	91.19%
Mogo OY	Finland	3263702-2	Financing	88.32%	91.19%
Mogo IFN SA	Romania	35917970	Financing	88.32%	91.19%
Eleving Stella AS	Latvia	40103964830	Management services	88.32%	91.19%
Eleving Stella LT UAB	Lithuania	305018069	Management services	88.32%	91.19%
Renti AS	Latvia	40203174147	Rent services	88.32%	89.37%
Mogo AS	Latvia	50103541751	Financing	88.32%	89.37%
MOGO FINANCE LLC JE	Uzbekistan	310380440	Financing	86.55%	89.37%
Mogo Loans SRL	Moldova	10086000260223	Financing	85.23%	88.40%
Mogo LT UAB	Lithuania	302943102	Financing	88.32%	88.28%
Renti UAB	Lithuania	305653232	Financing	88.32%	88.28%
Eleving Solis AS	Latvia	40203182962	Management services	85.72%	84.84%
Eleving Solis UAB	Lithuania	304991028	Management services	85.72%	84.84%
MOGO LOANS SMC LIMITED	Uganda	80020001522601	Financing	85.23%	84.84%
Mogo Auto Ltd	Kenya	PVT-AJUR7BX	Financing	85.72%	84.84%
Green Power Trading LTD (Mogo Kenya Ltd)	Kenya	PVT-BEU3ZKD	Financing	85.72%	84.84%
Mogo Lend LTD	Uzbekistan	305723654	Financing	83.24%	82.38%
Eleving Consumer Finance Holding, AS	Latvia	40203249386	Management services	81.75%	81.74%
ExpressCredit Cash Advance Ltd	Namibia	2016/0767	Financing	78.66%	42.63%
Eleving Consumer Finance AS	Latvia	54103145421	Management services	78.13%	78.12%
Insta Finance LLC	Ukraine	43449827	Financing	78.13%	78.12%
Kredo Finance SHPK	Albania	L71610009A	Financing	78.02%	78.16%
OCN SE Finance SRL	Moldova	1020600028773	Financing	77.55%	77.54%
FINTEK DOO Skopje (TIGO Finance DOOEL)	North Macedonia	7229712	Financing	77.38%	79.41%
OCN Sebo Credit SRL	Moldova	1017600000371	Financing	77.12%	77.30%
Mogo Balkans and Central Asia AS (liquidated on 06.11.2024.)	Latvia	40203150045	Management services	0.00%	100.00%
Mogo Leasing d.o.o. (liquidated on 04.07.2024.)	Bosnia	4202540500009	Financing	0.00%	100.00%
Rocket Leasing OOO (liquidated on 19.12.2024.)	Belarus	193553071	Financing	0.00%	91.19%
ExpressCredit Ltd (liquidated on 31.01.2024.)	Eswatini	R7/55063	Financing	0.00%	87.00%
Autotrade OOO (sold on 07.05.2024.)	Belarus	192846476	Other services	0.00%	87.18%
MOGO Kredit LLC (sold on 07.05.2024.)	Belarus	192981714	Financing	0.00%	87.18%
Next Fin LLC (sold on 23.09.2024.)	Ukraine	42273138	Financing	0.00%	78.12%
SIA Spaceship (reorganized on 07.10.2024.)*	Latvia	40203300224	Car sharing services	0.00%	59.16%

* - Subsidiary was fully consolidated in the Group in 2023, but after reorganization it has been excluded from consolidation in 2024 and disclosed as equity-accounted investee. See Note 25 for more information.

Changes in equity interest percentages are mainly driven by vesting of share option plans for key management employees.

The core business activity of the Group comprises of providing financing services and loans and advances to customers as well as car retail.

These Consolidated financial statements were authorized for issue by decision of the Board of directors on 28 April 2025.

Shareholders have the financial statements' approval rights after approval by the Board of Directors.

2. Material accounting policy information

a) Basis of preparation

These consolidated financial statements as at and for the year ended 31 December 2024 are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU).

The Group's consolidated financial statements and its financial result are affected by accounting policies, assumptions, estimates and management judgement (Note 3), which necessarily have to be made in the course of preparation of the annual consolidated financial statements.

The Group's management makes estimates and assumptions that affect the reported amounts of assets and liabilities within the current and next financial period. All estimates and assumptions required in conformity with IFRS are best estimates undertaken in accordance with the applicable standard. Estimates and judgements are evaluated on a continuous basis, and are based on past experience and other factors, including expectations with regard to future events. Accounting policies and management's judgements for certain items are especially critical for the Group's results and financial situation due to their materiality. Future events may occur which cause the assumptions used in arriving at the estimates to change. The effect of any changes in estimates will be recorded in the financial statements, when determinable.

The consolidated financial statements are prepared on a historical cost basis as modified by the recognition of financial instruments measured at fair value, and except for inventory which is accounted in lower of cost or net realizable value and contingent consideration that has been measured at fair value.

Intercompany transactions, balances and gains or losses on transactions between group companies are eliminated. When necessary amounts reported by subsidiaries have been adjusted to conform to the Group's accounting policies.

The Group's presentation and functional currency is euro (EUR). Accounting policies and methods are consistent with those applied in the previous years, except as described below.

The consolidated financial statements comprise the financial statements of Eleving Group S.A. (Parent company) and entities controlled by the Parent Company (its subsidiaries) as at 31 December 2024. The financial statements of the subsidiaries are prepared for the same reporting period as for the Parent company, using consistent accounting policies.

Control is achieved when the Parent Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

The financial statements of the Parent Company and its subsidiaries are consolidated in the Group's consolidated financial statements by adding together like items of assets and liabilities as well as income and expense. All intercompany transactions, balances and unrealized gains and losses on transactions between controlled members of the Group are eliminated in full on consolidation. The equity and net income attributable to non-controlling interests are shown separately in the statement of financial position and the statement of profit and loss and other comprehensive income.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. The acquisition of an additional ownership interest in a subsidiary without a change of control is accounted for as an equity transaction in accordance with IFRS 10. Any excess or deficit of consideration paid over the carrying amount of the non-controlling interests is recognized in equity of the parent in transactions where the non-controlling interests are acquired or sold without loss of control. The Group recognizes this effect in retained earnings. If the subsidiary to which these non-controlling interests relate contain accumulated components recognized in other comprehensive income/ (loss), those are reallocated within equity of the Parent.

If the Group loses control over a subsidiary, it:
- Derecognizes the related assets (including goodwill) and liabilities of the subsidiary;
- Derecognizes the carrying amount of any non-controlling interests;
- Derecognizes the cumulative translation differences recorded in equity;
- Recognizes the fair value of the consideration received;
- Recognizes the fair value of any investment retained;
- Recognizes any surplus or deficit in the profit and loss;
- Reclassifies the Group's share of components previously recognized in other comprehensive income to profit and loss or retained earnings, as appropriate.

Going concern

As the global economy is entering a third year of non-zero key interest rates environment, the Group has managed to post its strongest ever financial results for year 2024 as well as 2023.

The Group's product structure allows a significant equity build up during the periods of stable growth. Although the Group largely operates with borrowed capital, the interest expense forms only 20.4% (in 2023: 21.3%) from its interest revenue. As at 31 December 2024, the principal of Group's total borrowings amounted to EUR 339.6 million of which EUR 72.0 million is due for renewal over the following 12 months. The Group's current assets are EUR 232.6 million, effectively exceeding the principal of borrowings due next 12 months by more than three times. The Group has a track record of successful cash generation and ability to access funding from debt capital markets as well as other sources during protracted periods of economic uncertainty (tested in both 2020, 2022 and onwards), hence the Group is expected to meet its funding requirements for the foreseeable future.

Although exposed to external economic environment, the Group's portfolio quality is substantially at the control of Group itself as it has the ability to adjust the underwriting standards on a country as well as individual product basis. Practically that means the Group would tighten the underwriting criteria for new loans to be issued if external factors (such as inflation or currency volatility) would potentially impact Group's borrowers' credit worthiness, meaning the Group would seek to issue loans primary to those customers with the highest ability to settle their debts in future. As a result of these activities the ratio of impairment expenses to the interest revenue has decreased by 2 percentage points when comparing year 2024 to the year 2023. Importantly the improvement of the mentioned ratio has been achieved despite having higher net portfolio by 16.0% in 2024 versus 2023.

Given the regional diversification of the Group's business across three continents and Eastern European region being one of them, it is important to highlight that the Group is not a sanctions target and does not maintain business relations with sanctioned entities. Additionally, two its subsidiary in Ukraine has been substantially scaled down without a substantial impact on the overall Group results and its subsidiary in Belarus has not been fully divested without negative impact on Group's financial results.

1) In Ukraine the Group is focused on collection activities only. The collected funds are being partially repatriated with remainder temporarily being housed in the country. The funds collected as well as temporarily housed in country are not material for the Group and its going concern operations.

2) In April 2024, the Group has completed the sale of Belarus entities coupled with a full refinance of Group's liabilities.

Additionally during June 2024 the Group received a credit rating upgrade from Fitch Ratings upgrading Group from 'B-' to 'B' with a stable outlook. As stated in Fitch's report, the key drivers for the rating update were improvements in the Group's performance in the last 24 months, including lower leverage, a longer record of business model stability, and access to debt capital markets.

During October 2024 the Group successfully placed the largest IPO in Latvia and one other largest ones in Baltics by attracting EUR 29 million and further strengthening its capital base. The Group's shares have become traded in Nasdaq Riga Baltic Main List and on the Frankfurt Stock Exchange's Prime Standard This event together with already established independent supervisory board and published dividend policy, notably improves Group's credit profile and its access to the European capital markets.

Total equity reached EUR 108.1 million at the end of 2025, compared to EUR 65.4 million at the end of the corresponding reporting period a year ago. Net profit for year reached EUR 29.6 million, an increase of 21%, compared to the corresponding reporting period a year ago (2023: EUR 24.5 million).

These consolidated financial statements are prepared on a going concern basis.

2. Material accounting policy information (continued)

b) Changes in accounting policy and disclosures

The accounting policies adopted are consistent with those of the previous financial year, except changes disclosed under section e).

c) New standards, interpretations and amendments adopted from 1 January 2024

The following amendments are effective for the period beginning 1 January 2024:

- Supplier Finance Arrangements (Amendments to IAS 7 & IFRS 7);
- Lease Liability in a Sale and Leaseback (Amendments to IFRS 16);
- Classification of Liabilities as Current or Non-Current (Amendments to IAS 1); and
- Non-current Liabilities with Covenants (Amendments to IAS 1).

These amendments to various IFRS Accounting Standards are mandatorily effective for reporting periods beginning on or after 1 January 2024. See the applicable notes for further details on how the amendments affected the Group.

Supplier Finance Arrangements (Amendments to IAS 7 & IFRS 7)

On 25 May 2023, the IASB issued Supplier Finance Arrangements, which amended IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures.

The amendments require entities to provide certain specific disclosures (qualitative and quantitative) related to supplier finance arrangements. The amendments also provide guidance on characteristics of supplier finance arrangements.

These amendments had no effect on the consolidated financial statements of the Group.

Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)

On 22 September 2022, the IASB issued amendments to IFRS 16 – Lease Liability in a Sale and Leaseback (the Amendments).

Prior to the Amendments, IFRS 16 did not contain specific measurement requirements for lease liabilities that may contain variable lease payments arising in a sale and leaseback transaction. In applying the subsequent measurement requirements of lease liabilities to a sale and leaseback transaction, the Amendments require a seller-lessee to determine 'lease payments' or 'revised lease payments' in a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use retained by the seller-lessee.

These amendments had no effect on the consolidated financial statements of the Group.

Classification of Liabilities as Current or Non-Current and Non-current Liabilities with Covenants (Amendments to IAS 1)

The IASB issued amendments to IAS 1 in January 2020 Classification of Liabilities as Current or Non-current and subsequently, in October 2022 Non-current Liabilities with Covenants.

The amendments clarify the following:

- An entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period.
- If an entity's right to defer settlement of a liability is subject to covenants, such covenants affect whether that right exists at the end of the reporting period only if the entity is required to comply with the covenant on or before the end of the reporting period.
- The classification of a liability as current or non-current is unaffected by the likelihood that the entity will exercise its right to defer settlement.
- In case of a liability that can be settled, at the option of the counterparty, by the transfer of the entity's own equity instruments, such settlement terms do not affect the classification of the liability as current or non-current only if the option is classified as an equity instrument.

These amendments have no effect on the measurement of any items in the consolidated financial statements of the Group.

d) New standards, interpretations and amendments not yet effective

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Group has decided not to adopt early.

The following amendments are effective for the period beginning 1 January 2025:

- Lack of Exchangeability (Amendment to IAS 21 The Effects of Changes in Foreign Exchange Rates).

The following amendments are effective for the period beginning 1 January 2026:

- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 Financial Instruments and IFRS 7);
- Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7).

The following amendments are effective for the period beginning 1 January 2027:

- IFRS 18 Presentation and Disclosure in Financial Statements;
- IFRS 19 Subsidiaries without Public Accountability: Disclosures.

The Group is currently assessing the effect of these new accounting standards and amendments.

IFRS 18 Presentation and Disclosure in Financial Statements, which was issued by the IASB in April 2024 supersedes IAS 1 and will result in major consequential amendments to IFRS Accounting Standards including IAS 8 Basis of Preparation of Financial Statements (renamed from Accounting Policies, Changes in Accounting Estimates and Errors). Even though IFRS 18 will not have any effect on the recognition and measurement of items in the consolidated financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorisation and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

The Group is yet to assess the impact on its accounting policies of IFRS 19 in the future.

2. Material accounting policy information (continued)

e) Reclassification of comparative indicators

To further improve the readability of the Group's Consolidated Financial Statements, the Group has decided to merge two items of its statement of financial position into one. Previously the Group split its receivables related to customer financing in two separate items based on legal framework. The Group has recognized that such split of receivables does not show desired information, therefore it has decided to merge those receivables into one and disclose more significant information in Notes, respectfully showing the segragation of its financing receivables according to their risk profile and showing them in secured and unsecured portions.

As a result, the Group has restated the balances as at 31 December 2023.

Statement of financial position - Assets	Balance at 31.12.2023 in annual report for 2023	Restatements	Balance at 31.12.2023 after restatement
NON-CURRENT ASSETS			
Finance lease receivables	59 798 508	(59 798 508)	-
Loans and advances to customers	95 055 945	59 798 508	154 854 453
CURRENT ASSETS			
Finance lease receivables	52 204 095	(52 204 095)	-
Loans and advances to customers	106 145 607	52 204 095	158 349 702
TOTAL:	**313 204 155**	**-**	**313 204 155**

Foreign currency translation

The consolidated financial statements are presented in euro (EUR), which is the presentation currency of the Group. EUR is the monetary unit of Luxembourg, where the Parent Company is established. Transactions in foreign currencies are translated into the euro at the reference exchange rate fixed by the European Central Bank at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into EUR applying the reference exchange rate established by the European Central Bank at the last day of the reporting year. The differences arising on settlements of transactions or on reporting foreign currency transactions at rates different from those at which these transactions have originally been recorded in the profit and loss and presented within finance costs.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. The non-monetary items are carried at historical cost and no further retranslation is performed.

For the purpose of presenting consolidated financial statements, the assets and liabilities of foreign operations except non-monetary items, valued at historical exchange rate are translated into euros at the rate of exchange prevailing at the reporting date and their statements of profit and loss and other comprehensive income are translated at exchange rates prevailing at the dates of transactions. If subsidiary's functional currency differs from the presentation currency of the Group, income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during the period, in which case the currency exchange rates at the date of the transactions are applied. The exchange differences arising on translation for consolidation are recognized in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is reclassified in profit or loss.

Currency exchange rates used for translation of foreign operations into euros:

	31.12.2024 1 EUR	31.12.2023 1 EUR	2024 average 1 EUR	2023 average 1 EUR
GEL	2.9306	2.9753	2.9455	2.8436
RON	4.9741	4.9746	4.9746	4.9464
ALL	98.15	103.88	100.70	108.75
MDL	19.3106	19.3574	19.2533	19.6431
BYR	3.4864	3.5363	3.3131	3.2544
UAH	43.9266	42.2079	43.4749	39.5619
UZS	13 436.01	13 731.82	13 694.50	12 694.06
AMD	413.89	447.90	424.88	424.59
MKD	61.4950	61.495	61.5728	61.5570
BAM	1.95583	1.9558	1.95583	1.95583
KEL	134.2900	173.78	145.8864	151.3074
UGX	3 822.52	4 172.28	4 064.98	4 029.01
BWP	14.5138	14.8588	14.6712	14.4545
ZMW	28.9679	28.3798	28.2497	21.8612
LSL	19.5710	20.2064	19.8347	19.9753
SZL	19.5710	20.2064	19.8261	19.9753
NAD	19.5710	20.2064	19.8339	19.9807

Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, including contingent consideration, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the Group elects whether it measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed and included in other operating expense in the statement of profit and loss.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date and any difference is recognized in profit and loss.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports in its financial statements provisional amounts for the items for which the accounting is incomplete. During the measurement period, the Group will retrospectively adjust the provisional amounts recognized at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date and, if known, would have affected the measurement of the amounts recognized as of that date. During the measurement period, the Group will also recognize additional assets or liabilities if new information is obtained about facts and circumstances that existed as of the acquisition date and, if known, would have resulted in the recognition of those assets and liabilities as of that date. The measurement period ends as soon as the Group receives the information it was seeking about facts and circumstances that existed as of the acquisition date or learns that more information is not obtainable. However, the measurement period shall not exceed one year from the acquisition date.

Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability will be recognized in accordance with IFRS 9 in profit or loss. If the contingent consideration is classified as equity, it will not be remeasured. Subsequent settlement is accounted for within equity. In instances where the contingent consideration does not fall within the scope of IFRS 9, it is remeasured at fair value at each reporting date and subsequent changes in fair value are recognized in profit or loss.

2. Material accounting policy information (continued)

Discontinued operations

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which:
– represents a separate major line of business or geographic area of operations;
– is part of a single co-ordinated plan to dispose of a separate major line of business or geographic area of operations; or
– is a subsidiary acquired exclusively with a view to resale.
Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held-for-sale.
When an operation is classified as a discontinued operation, the comparative statement of profit or loss and OCI is re-presented as if the operation had been discontinued from the start of the comparative year.

Goodwill

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests, over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the gain is recognized in profit or loss statement immediately.

Goodwill is carried at cost less accumulated impairment losses, if any. The Group tests goodwill for impairment at least annually and whenever there are indications that goodwill may be impaired. Goodwill is allocated to the cash-generating units. Such units represent the smallest groups of assets that generate cash inflows from continuing use that are largely independent of the cash flows of other assets or CGUs. Measurement of gains or losses on disposal of an operation within a cash generating unit to which goodwill has been allocated include the carrying amount of goodwill associated with the disposed operation, generally measured on the basis of the relative values of the disposed operation and the portion of the cash-generating unit which is retained. Impairment is recognized whenever the carrying value of CGU to which goodwill is allocated is above the recoverable value of such CGU.

The recoverable amount of cash generating units has been determined based on value in use calculations. These calculations require the use of estimates as disclosed in Note 20.

Internally generated intangible assets

Internally generated intangible assets primarily include the development costs of the Group's information management systems. These costs are capitalized only if they satisfy the criteria as defined by IAS38 and described below.

Internal and external development costs on management information systems arising from the development phase are capitalized. Significant maintenance and improvement costs are added to the initial cost of assets if they specifically meet the capitalization criteria.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. Internally generated intangible assets cost value is increased by Group's information technology costs - salaries and social security contribution capitalization. All other expenditure is recognised in profit or loss as incurred. Asset useful life is reassessed by management at each year end and amortization periods adapted accordingly.

Internally generated intangible assets are amortized over their useful lives of 7 years. The main internally generated intangible assets are CRM systems.

According to IAS38, development costs shall be capitalized if, and only if, the Group can meet all of the following criteria:
- the project is clearly identified and the related costs are itemized and reliably monitored;
- the technical and industrial feasibility of completing the project is demonstrated;
- there is a clear intention to complete the project and to use or sell the intangible asset arising from it;
- the Group has the ability to use or sell the intangible asset arising from the project;
- the Group can demonstrate how the intangible asset will generate probable future economic benefits;
- the Group has adequate technical, financial and other resources to complete the project and to use or sell the intangible asset.

When these conditions are not satisfied, development costs generated by the Group are recognized as an expense when incurred.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is completed and the asset is available for use.

Additional information is included in Notes 3 and 20.

Amortization is calculated on a straight-line basis over the estimated useful life of the asset as follows:

IT systems	- over 7 years.

Other intangible assets

Other intangible non-current assets are stated at cost and amortized over their estimated useful lives on a straight-line basis. The carrying values of intangible assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. Losses from impairment are recognized where the carrying value of intangible non-current assets exceeds their recoverable amount.

Other intangible assets mainly consists of acquired computer software products.

Amortization is calculated on a straight-line basis over the estimated useful life of the asset as follows:

Concessions, patents, licences and similar rights	- over 1 year;
Internally developed intangible assets	- over 7 years;
Other intangible assets	- over 2 to 7 years.

Trademarks, licenses and customer contracts (if separable) acquired in a business combination are recognized at fair value at the acquisition date.

Trademarks are used to identify and distinguish specific brand names of companies. The rights to use brand names have a set expiry date, however it is renewable at a notional cost. The group intends to renew the trademark continuously and past evidence supports its ability to do so. An analysis of future cash flows provides evidence that the brands will generate net cash inflows for the group for an indefinite period. Therefore, the trademarks are considered to have infinite useful lives and are measured at cost less accumulated impairment losses if the recoverable amount is lower than carrying value. Such impairment testing is done annually by allocating trademarks to relevant CGUs and estimating their value in use (VIU). Please see Note 20 for further details.

2. Material accounting policy information (continued)

Property, plant and equipment

Equipment is stated at cost less accumulated depreciation and any impairment in value. Depreciation is calculated on a straight-line basis over the estimated useful life of the asset as described below. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items:

Computers	- over 3 years;
Furniture	- over 5 years;
Vehicles	- over 5 years;
Leasehold improvements	- over lease term;
Other equipment	- over 2 years.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only then when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Depreciation of an asset begins when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. The carrying values of equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount. The recoverable amount of equipment is the higher of an asset's fair value less cost to sell and its value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. Impairment losses are recognized in the statement of profit and loss in the impairment expense caption.

An item of equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the statement of profit and loss in the year the item is derecognized.

Depreciation methods, useful lives and residual values of property, plant and equipment are reviewed at each reporting date and adjusted if appropriate.

Rental fleet

Rental fleet includes assets leased by the Group (as lessor) under operating leases. Group accounts for the underlying assets in accordance with IAS 16. Depreciation policy for the underlying assets subject to operating leases is consistent with the Group's depreciation policy for similar assets (vehicles) and amounts to 7 years.

Group adds initial direct costs, including The Global Positioning System (GPS) costs and dealership commissions, incurred in obtaining the operating lease to the carrying amount of the underlying asset and recognizes those costs as an expense over the lease term on the same basis as the lease income.

The Group applies the general principles described under 'Critical accounting estimates and judgements' (Note 3) to determine whether an underlying asset subject to an operating lease may have residual value unrecoverable and impairment loss may need to be recognized.

Financial assets

Financial instruments – initial recognition

Date of recognition

Loans and advances to customers are recognized when funds are transferred to the customers' accounts. Other assets are recognized on the date when Group enters into the contract giving rise to the financial instruments.

Initial measurement of financial instruments

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments, as described further in the accounting policies. Financial instruments are initially measured at their fair value (which is generally equal to the transaction price) adjusted for transaction costs that are directly attributable to its acquisition or issue, except in the case of financial assets and financial liabilities recorded at FVPL.

Classification of financial assets

The Group measures Loans and advances to customers, Loans to related parties, Receivables from related parties, cash equivalents and Other loans and receivables at amortized cost if both of the following conditions are met:
- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

2. Material accounting policy information (continued)

Business model assessment

The Group determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective - the risks that affect the performance of the business model (and the financial assets held within that business model) and the way those risks are managed. The frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity are also important aspects of the Group's assessment. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Group's stated objective for managing the financial assets is achieved and how cash flows are realised. The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realized in a way that is different from the Group's original expectations, the Group does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward. The assessed business model is with the intention to hold financial assets in order to collect contractual cash flows. Sales that take place from these portfolios relate to credit events. Loans from portfolios might be sold to debt collector agencies when underlying debtors have defaulted on their obligations. When, and only when, an entity changes its business model for managing financial assets it shall reclassify all affected financial assets. No financial liability reclassifications take place.

SPPI test

As a second step of its classification process the Group assesses, where relevant, the contractual terms of the financial assets to identify whether they meet the SPPI test. Financial assets subject to SPPI testing are loans and advances to customers and loans to related parties that solely include payments of principal and interest. 'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortization of the premium/discount). The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk.

In assessing whether the contractual cash flows are SPPI, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.
In making the assessment, the Group principally considers:

- contingent events that would change the amount and timing of cash flows;
- prepayment and extension terms; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse loans).

In general, the loan contracts stipulate that in case of default and collateral repossession the claim is not limited to the collateral repossession and if the collateral value does not cover the remaining debt, additional resources can still be claimed from the borrower to compensate for credit risk losses. Accordingly, this aspect does not create obstacles to passing SPPI test. However, in some cases, loans made by the Group that are secured by collateral of the borrower limit the Group's claim to cash flows of the underlying collateral (non-recourse loans). The group applies judgment in assessing whether the non-recourse loans meet the SPPI criterion. The Group typically considers the following information when making this judgement:

- whether the contractual arrangement specifically defines the amounts and dates of the cash payments of the loan;
- the fair value of the collateral relative to the amount of the underlying loan;
- the ability and willingness of the borrower to make contractual payments, notwithstanding a decline in the value of collateral;
- the Group's risk of loss on the asset relative to a full-recourse loan; and
- whether the Group will benefit from any upside from the underlying assets.

According to the judgement made the non-recourse loans that are secured by collateral of the borrower meet the SPPI criterion.

Embedded derivatives

The Group has certain call and put option agreements that can accelerate repayment of the issued bonds. These options arise out of bond (host contract) prospectus and individual agreements with certain bondholders and meet the definition of an embedded derivative in accordance with IFRS 9. An embedded derivative is a component of a hybrid instrument that also includes a non-derivative host contract with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided that, in the case of a non-financial variable, it is not specific to a party to the contract. A derivative that is attached to a financial instrument, but is contractually transferable independently of that instrument, or has a different counterparty from that instrument, is not an embedded derivative, but a separate financial instrument. The Group accounts for an embedded derivative separately from the host contract when:

- the host contract is not an asset in the scope of IFRS 9;
- the host contract is not itself carried at FVPL;
- the terms of the embedded derivative would meet the definition of a derivative if they were contained in a separate contract; and
- the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host contract.

Separated embedded derivatives are measured at fair value, with all changes in fair value recognised in profit or loss (unless they form part of a qualifying cash flow or net investment hedging relationship) and presented in the statement of financial position together with the host contract. The Group has derivatives embedded in financial liabilities and non-financial host contracts, see further information under 'Separation of embedded derivatives from the host contract' (Note 3). Financial assets are classified based on the business model and SPPI assessments as outlined above. Please refer to Note 3 for further discussion on embedded derivative details and considerations of separability.

The Group also has receivables recognized at fair value due to them containing a derivative element. When measuring the fair value of an asset, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques.

Reclassification of financial assets

The Group does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Group acquires, disposes of, or terminates a business line and changes its business model for managing financial assets.
Financial liabilities are never reclassified. The Group did not reclassify any of its financial assets or liabilities in 2024 nor 2023.

2. Material accounting policy information (continued)

Derecognition of financial assets

Derecognition provisions below apply to all financial assets measured at amortized cost.

Derecognition due to substantial modification of terms and conditions

The Group derecognizes a loan to a customer when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognized as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognized loans are classified as Stage 1 for ECL measurement purposes, unless the new financial asset is deemed to be purchased or originated credit impaired (POCI).

When assessing whether or not to derecognize a financial asset, the Group evaluates whether the cash flows of the modified asset are substantially different and the Group considers the following qualitative factors:
- Change in currency of the loan
- Change in counterparty
- If the modification is such that the instrument would no longer meet the SPPI criterion for financial asset
- Whether legal obligations have been extinguished.
- Furthermore, for loans to customers the Group specifically considers the purpose of the modification for increase in loan principal. It is evaluated whether modification was entered into for commercial reasons upon customer initiative or for credit restructuring reasons.

Management has performed analysis of the changes being made due to business reasons and evaluated that changes due to business reasons result in substantial modification of terms and conditions. This is in line with the objective of this modification that is to originate a new asset with substantially different present value of expected cash flows. If the customer was not in delay, and the principal was increase on a mutual agreement, the respective modification is considered to occur for a commercial reasons and results in derecognition of the initial loan receivable.
Other modifications to the agreement terms are treated as modifications that do not result in derecognition (see section on Modifications below).

Derecognition other than for substantial modification

A financial asset is derecognized when the rights to receive cash flows from the financial asset have expired. The Group also derecognizes the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.
The Group has transferred the financial asset if the Group has transferred its contractual rights to receive cash flows from the financial asset.

The Group has transferred the asset if, and only if, either:
- The Group has transferred its contractual rights to receive cash flows from the asset or
- It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass–through' arrangement.

Pass-through arrangements are transactions when Group retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:
- Group has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances by the entity with the right of full recovery of the amount lent plus accrued interest at market rates;
- Group cannot sell or pledge the original asset other than as security to the eventual recipients for the obligation to pay them cash flows;
- Group has to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Group is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents during the short settlement period from the collection date to the date of required remittance to the eventual recipients, and interest earned on such investments is passed to the eventual recipients.

A transfer only qualifies for derecognition if either:
- The Group has transferred substantially all the risks and rewards of the asset, or
- The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Modifications

The Group sometimes makes modifications to the original terms of loans a response to the borrower's financial difficulties, rather than taking possession or to otherwise enforce collection of collateral. The Group considers a loan restructured when such modifications are provided as a result of the borrower's present or expected financial difficulties and the Group would not have agreed to them if the borrower had been financially healthy. Indicators of financial difficulties include default or DPDs prior to the modifications. Such modifications may involve extending the payment arrangements and the agreement of new loan conditions.

If the modification does not result in cash flows that are substantially different, as set out in the preceding section, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Group records a modification gain or loss in interest revenue/expenses calculated using the effective interest method (Note 4, 5) in the consolidated statements of profit and loss, to the extent that an impairment loss has not already been recorded (Note 7). Further information on modified financial assets is disclosed in the following section on impairment.

Further, as described in section on 'Derecognition due to substantial modification of terms and conditions' if modification is performed for commercial reasons, then it is considered to result in derecognition of the initial loan receivable. Such modifications include increase in the loan amount and increase in loan term, which are agreed upon with customers for commercial reasons (i.e.-, customers and the Group are both interested in substantially modifying the scope of the loan transaction). Whenever such an agreement to modify is reached the old agreement and respective receivable is derecognized.

Treatment of non-substantial modifications

If expectations of fixed rate financial assets' cash flows (such assets present core part of Group' s financial asset base) are revised for reasons other than credit risk, then changes to future contractual cash flows are discounted at the original EIR with a consequential adjustment to the carrying amount. The difference from the previous carrying amount is booked as a positive or negative adjustment to the carrying amount of the financial asset on the consolidated statement of financial position with a corresponding increase or decrease in Interest revenue/expense calculated using the effective interest method.

The carrying amount of the financial asset or financial liability is adjusted if the Group revises its estimates of payments or receipts. If modification of a financial asset or liability measured at amortized cost does not result in the derecognition a modification gain/loss is calculated. The adjusted carrying amount is calculated based on the revised effective interest rate and the change in carrying amount is recorded as interest income or expense.

Changes in the contractual cash flows of the asset are recognized in statement of profit and loss and any costs or fees incurred adjust the carrying amount of the modified financial asset and are amortized over the remaining term of the modified instrument. Therefore, the original EIR determined at initial recognition is revised on modification to reflect any costs or fees incurred.

2. Material accounting policy information (continued)

Overview of the expected credit loss principles

The Group recognizes the allowance for expected credit losses for all loans and other debt financial assets not held at FVPL. In this section all referred to as 'financial instruments'.

If there has been no significant increase in credit risk since origination, the ECL allowance is based on the 12 months' expected credit loss (12mECL) as outlined in below. If there has been a significant increase in credit risk since initial recognition, the ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL). The Group's policies for determining if there has been a significant increase in credit risk are set out in below.

The 12mECL is the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. Both LTECLs and 12mECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments.

The Group has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. This is further explained in section on Significant increase in credit risk (Note 3).

Impairment of loans and advances to customers

Defining credit rating

The Group's core business assets – loans and advances to customers – are of retail nature, they are therefore grouped per countries and products for a collective ECL calculation that is modelled based on DPD (days past due) classification. Specifically, the Group analyzes its portfolio of loans and advances to customers by segregating receivables in categories according to: country, product group, days past due and presence of underlying collateral (for secured products). Secured loans (more specifically vehicle secured loans) are combined together due to similar nature of the products.

The Group continuously monitors all assets subject to ECLs. In order to determine whether an instrument or a portfolio of instruments is subject to 12m ECL or LTECL, the Group assesses whether there has been a significant increase in credit risk since initial recognition. When estimating ECLs on a collective basis for a group of similar assets, the Group applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition across the portfolios within the country based on product type – secured or unsecured product.

The Group segregates loans and advances to customers in the following categories:

Secured loans (mature countries*):
1) Not past due
2) Days past due up to 30 days
3) Days past due 31 up to 60 days
4) Days past due over 60 days
5) unsecured (general definition: days past due over 90 or collateral is not available, i.e. lost or sold).

* - Matured countries - Operations in Latvia, Estonia, Lithuania, Georgia, Armenia, Romania, Moldova.
Operations in these countries are the longest, with the smoothest processes, therefore consistent lending practices in these countries have a long enough track record. Refer to Eleving Vehicle Finance only.

Secured loans (non-mature countries*):
1) Not past due
2) Days past due up to 25 days (up to 30 days for Africa region)
3) Days past due 26 up to 34 days (31 - 34 days for Africa region)
4) Days past due over 35 days
5) unsecured (general definition: days past due over 90 or collateral is not available, i.e. lost or sold).

* - Non-matured countries - Operations in Kenya, Uganda and Uzbekistan. Refer to Eleving Vehicle Finance only.

Loans and advances to customers (unsecured loans, refer to Eleving Vehicle Finance only):
1) Not past due
2) Days past due up to 30 days
3) Days past due 31 up to 60 days
4) Days past due over 60 days

Loans and advances to customers (unsecured loans, acquired businesses*):
1) Not past due
2) Days past due up to 30 days
3) Days past due 31 up to 60 days
4) Days past due 61 up to 90 days
5) Days past due over 90 days

* - Businesses acquired during 2020 and 2023 – the term refers to unsecured consumer lending companies acquired in 2020 and 2023; acquired companies operate in Moldova, Ukraine, North Macedonia, Albania, Namibia, Botswana, Zambia and Lesotho. Term is introduced to distinguish unsecured consumer lending operations in these countries from Eleving greenfield investments into unsecured consumer lending operations in Latvia, Estonia, Armenia and Lithuania as there are differences in product set up and processes.

2. Material accounting policy information (continued)

Before the acquisition of consumer unsecured portfolios, the Group made due diligence on the impairment of respective portfolios. It was concluded that applied methodology is inline with the IFRS9 standard, it is well aligned with debt collections and other critical business processes and it is quite prudent. Although methodology differed from the one applied for Mogo unsecured portfolios it was decided to keep the applied methodology.

Based on the above process, the Group groups its loans into Stage 1, Stage 2, and Stage 3, as described below:

The Group defines staging predominantly based on DPD and aligns it with the debt collections processes. For more accurate ECL assessment, split by stages is enhanced by healing bucket concept to reflect on cases when DPD is not a sufficient indicator of credit risk. This is applicable to car loans (unsecured consumer loan where clients borrow a sum of money in order to purchase a car).

The Group's experience in lending suggests that DPD is a strong predictor of a credit default, thus DPD is the main quantitative factor for the backstop identification for Stage 2. Data from the Groups active vehicle operations (active 3+ years) shows that probability to reach default status over the next 12 months horizon is quite low for accounts which have 0 DPD and merely low for accounts with delay up to 30 DPD. Respective probabilities are higher for immature markets due to very strict default definition at 35 DPD. Additionally, debt collection process is structured in such way that the Group actively works with delaying clients at least 30 days. Recovery results show ~90% cure rate within 30 days for regular invoices. However, accounts with DPD 30 and more demonstrate probability to default within the next 12 months above 50% and thus based on the Group's management judgement clearly have signs of SICR.

The Group applies the rule that not more than 30 DPD should trigger backstop and transfer to Stage 2. It is set 30 DPD for matured countries loans portfolios, for African countries loan portfolios and consumer loan portfolios. For the sake of alignment with default definition for immature countries loan portfolios backstop is 25 DPD. Additionally, to reflect on significant increase in credit risk (SICR) in the case when DPD is not a sufficient indicator the Group have introduced Healing state.

Healing state concept is applied for car loans, and it is applied in the case of:

- Loan contract recoveries during middle DC stage – after 30 delay days for matured counties and after 26 delay days for immature (2 months period from reporting date is observed).
- Loan contract delaying 26-30 days for immature countries.
- Loan contract renewal after termination or theoretical renewal (returning to active portfolio without terminating the agreement) after default (including countries without termination functionality). In these cases, 2 months period from reporting date is observed.
- Only for immature Africa's countries – restructurings due to credit reasons. In 2021 year, the Group decided to supplement healing bucket definition for Africa's countries as a reaction on massive usage of such amendments as an effective DC tool. At current stage the Group cannot evaluate increase in credit risk for such cases due to insufficient history, therefor uses more prudent approach for balance staging.

In such cases the exposures are included in Stage 2 for a period of two months. Afterwards SICR related to the event is settled and exposure is allocated to the stage based on DPD.

- Stage 1: When loans are first recognized, the Group recognizes an allowance based on 12mECLs. The Group considers loans that are current or with DPD up to 30 (up to 25 DPD in non-mature countries) as Stage 1. A healing period of 2 months is applied before an exposure previously classified as Stage 2 can be transferred to Stage 1 and such an exposure must meet the general Stage 1 DPD criteria above. Healing period concept is applicable to car loans. Exposures are classified out of Stage 1 if they no longer meet the criteria above.
- Stage 2: When a loan has shown a significant increase in credit risk since origination, the Group records an allowance for the LTECLs. The Group generally considers secured loans and car loans that have a status of 31-60 DPD (matured countries) and 26-34 DPD (non-matured countries) to being Stage 2. An unsecured loan is considered Stage 2 if DPD is in the range of 30 to 60 or 30 to 90 days for acquired businesses. Loan exposures remain in Stage 2 for a healing period of 2 months, even if they otherwise would meet Stage 1 criteria above during this period.
- Stage 3: Loans considered credit-impaired and at default. The Group records an allowance for the LTECLs. The Group considers a loan agreement, secured loan and car loans agreement defaulted and therefore Stage 3 in all cases when the borrower becomes 61 DPD (matured countries) or 35 DPD (non-matured countries) on its contractual payments or the loan agreement is terminated. The Group considers an unsecured loan agreement defaulted and therefore Stage 3 in all cases when the borrower becomes 91 days past due for acquired businesses on its contractual payments.

The difference in default definition for unsecured consumer loan agreements is driven by different business processes, product set up and development history in greenfield and acquired operations. Debt collections practices applied in Latvia, Estonia, Armenia and Lithuania for secured loans were transferred to unsecured operations, thus active in-house debt collections process runs until DPD 60. After that exposure is either sold, or legal execution starts, or settlement process is enabled. Acquired businesses have active in-house debt collections process running until DPD 90. After that exposure is transferred to external agencies for the debt collections. Later it is either sold or legal execution starts.

Macroeconomic shocks, geopolitical crisis, and other unpredictable situations: business adoption and reflection in Impairment, impact on SICR.

The first years of this decade have heralded a particularly disruptive period in human history. The return to a "new normal" following the COVID-19 pandemic was quickly disrupted by the outbreak of war in Ukraine, ushering in a fresh series of crises in food and energy – triggering problems that decades of progress had sought to solve. Majority of Group Countries returned to "older" risks as inflation, cost-of-living crises, widespread social unrest, geopolitical confrontation which negatively impacted Group's operations and caused increase in credit risk. In early 2025 also a threat of U.S. imposed import tariffs added uncertainty to the global market. Potential impact of these tariffs are yet to be analised by the Group.

Analysing and evaluating Group's responses to such non-standard situations in past, management decided to keep and maintain introduced during Covid-19 pandemic so-called TDR (temporary debt restructuring) program. Forbearance tools (TDR and restructuring, i.e., change of the original payment schedule) is almost the only feasible solution to reduce financial burden on customers crisis circumstances, thus fact of the forbearance as such does not lead to the recognition of SICR if customer pays according to new terms and later returns to the original schedule or close to it.
Following the crisis situation Group's management might decide to activate TDR program for certain market for defined period (from 3 to 6 months). In mentioned situation – cases where the Group has sound grounds to expect customer to return to the regular discipline not longer than in 12-month time should not be classified as SICR even if customer has been granted forbearance tool.

Temporary debt restructuring (TDR) and other forbearance tools:

1. Alternative schedule (AS) – a temporary reduction of monthly payment, typically not more than 50%. Customers use this option for several, e.g. 3-6 months in row.

2. Extension – is a payment holiday for 1 month. Customer pays extension fee (in some cases free extensions are possible) and returns to the original schedule in next 1-3 months.

3. Restructurings – permanent amendment of the schedule (term end increase, monthly payment decrease, interest decrease).

TDR is granted upon customer's request. Customer is on TDR program if he complies with agreed terms (no SICR is recognized). If terms are breached customer returns to the original schedule and his credit risk is assessed as per actual DPD.

2. Material accounting policy information (continued)

The calculation of ECLs

The Group calculates ECLs based on probability-weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR.
A cash shortfall is the difference between the cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive.
Key elements of the model are, as follows:
- PD The Probability of Default is an estimate of the likelihood of default over a 12 month or lifetime horizon (time horizon depends on ECL type - i.e. 12mECL or LTECL);
- the Default distribution vector (DDV) is the estimate of the time to default, more specifically it provides distribution of PD over the course of a 12 month or lifetime horizon; Specifically, how many defaulted loans during 12 months/ lifetime defaulted during 1st, 2nd, 3rd etc. month started from certain moment of time (evaluation starting point);
- EAD The Exposure at Default is an estimate of the exposure at a future default date, considering expected changes in the exposure after the reporting date, including repayments, whether scheduled by contract or otherwise;
- LGD The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the cash flows due at the moment of default and those that the lender would expect to receive, including from the realization of any collateral and deducting expenses related to cash collections or collateral realization processes. It is usually expressed as a percentage of the defaulted balance;
- lifetime period is estimated as average remaining contractual term of respective portfolio.

The Group may choose to use actual balance instead of EAD and do not apply DDV for the segments with the elevated credit risk.

Significant judgments used for determining PD and LGD are described in Note 3.

The Group employs multiplication model across all Stages for the ECL calculation:

*ECL=EAD*PD*LGD*[DDV]*

Given that DDV is a multidimensional vector (generally 12 or 13 dimensions, but can be shorter if representative historical data is available for s a shorter period) it is aggregated into one value before multiplication - [DDV]. DDV aggregated value is obtained as follows:

- each value of the DDV is multiplied with discount factor;
- discount factor is calculated in a regular way (e.g. NPV formula), where discount is calculated on EIR of the portfolio and number of periods corresponds to the dimension of the respective DDV value;
- [DDV] is the sum of all respective multiplications of DDV values with respective discount factors.

Depending on the Stage the following specifics are applied to the general ECL model:
- Stage 1: The 12mECL is calculated. The Group calculates the 12mECL allowance using 12 months (or shorter if lifetime of the product is less than 12 months) PDs and DDV over the 12-month horizon. These 12-month default probabilities are applied to an estimated EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR using DDV, in this way incorporating time to default into model.
- Stage 2: When a loan has shown a significant increase in credit risk since origination, the Group records an allowance for the LTECLs. The mechanics are like those explained above, but PDs and DDV are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR using DDV.
- Stage 3: For loans considered credit-impaired, the Group recognizes the LTECLs for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%.

ECL on restructured and modified loans

Some types of modifications performed to customers that serve to renegotiate terms of an agreement that was previously in default result in continued Stage 3 treatment during the one month healing period for mature countries followed by 2 months of healing period in Stage 2. For immature countries due to the nature of the default definition and lack of ability to renew terminated agreements, exposure enters Stage 2 directly. In case of modification for credit reasons prior to default (generally term extension), exposure is moved to Stage 2 for a healing period of 2 months.

Write off of unrecoverable debts

The Group considers any kind of receivable completely unrecoverable and writes off the receivable from balance sheet entirely if all legal actions have been performed to recover the receivable and the Group has no reasonable expectations of recovering the exposure.

Impairment of contract assets and financial assets other than loans and advances to customers

Further financial assets where the Group calculates ECL on an individual basis or collective basis are:

- Other receivables from customers/contract assets - on collective basis;
- Loans and advance payments to related parties - on individual basis;
- Trade receivables - on collective basis;
- Cash and cash equivalents - on individual basis;
- Deposits - on individual basis.

Financial assets are aggregated in categories considering the similarities of key risk characteristics and nature of each of these.

The Group assesses the impairment for other receivables from customers/contract assets on a collective basis at country level. For the rest of financial assets other than loans and advances to customers the Group calculates ECL on an individual basis.

Impairment of other receivables from customers/contract assets

During the course of business, the Group may have other type of claims against its customers. In such cases, considering the portfolio features, the ECL methodology of the related loan receivable is mirrored and the ECL mirrors the impairment of the loan receivable. The Group considers other receivables from customers/contract assets that are current or with DPD up to 25 as Stage 1. A healing period of 5 days is applied before an exposure previously classified as Stage 2 can be transferred to Stage 1. The Group generally considers other receivables from customers/contract assets that have a status of 26-34 DPD to be Stage 2 loans. The Group considers financial assets defaulted and therefore Stage 3 in all cases when the borrower becomes 35 DPD.

For other receivables and contract assets that are not related to loan portfolio receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The ECL recorded is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Impairment for loans and advance payments to related parties, trade receivables

Receivables from related parties inherently are subject to the Group's credit risk. Therefore, a benchmarked PD and LGD rate - based on Standard & Poor's corporate statistics studies has been applied in determining the ECLs. For related party exposures Stage 2 and lifetime ECL calculation is applied based on 30 day back stop and 90 day back stop is applied to Stage 3 determination. Further qualitative factors evaluated include extension of the payment terms granted, previous arrears in the last 12 months and significant adverse changes in business.

Impairment of cash and cash equivalents and deposits

For cash and cash equivalents default is considered as soon as balances are not cleared beyond conventional banking settlement timeline, ie., a few days. Therefore, transition is straight from Stage 1 to Stage 3 given the low number of days that it would take the exposure to reach Stage 3 classification, meaning default. For cash and cash equivalents no Stage 2 is applied given that any past due days would result in default. When calculating the impairment for a bank deposit, any loans or other credit facilities granted by the credit institution to the Group is being set off against the deposits if the bank has a contractual right to offset in case of resolution. Hence, the ECL is recognized on the net amount.

2. Material accounting policy information (continued)

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL or other financial liabilities that are measured at amortized cost. All financial liabilities are recognized initially at fair value plus, for an item not at FVTPL, directly attributable transaction costs.

The Group's financial liabilities include trade and other payables and loans and borrowings, including funding attracted through peer-to-peer platforms as well as subordinated borrowings.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss
A financial liability is classified at FVTPL if it is classified as held for trading, it is a derivative or it is designated as such upon initial recognition. Net gains or losses, including any interest expense, on liabilities held at FVTPL are recognized in the statement of profit and loss.
The Group has not designated any financial liability as at fair value through profit or loss.

Loans and borrowings
This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized; interest expense is recognized through the EIR amortization process.
Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.
This category generally applies to interest-bearing loans and borrowings.

Subordinated borrowings
The Group recognizes liabilities as subordinated borrowings if it is an unsecured loan or bond that ranks below other, more senior loans or securities, and have lower payment priority than more senior debt. Accordingly, the claims of more senior debt holders must be satisfied before the holders of subordinated debt can be paid. In the case of default, creditors who own subordinated debt will not be paid out until after more senior creditors are paid in full.
Borrowings are classified as subordinated only if respective agreements contain dedicated clauses defining the borrowing as subordinated.

Modification of financial liabilities

For financial liabilities, the Group considers a modification substantial based on qualitative factors and if it results in a difference between the adjusted discounted present value and the original carrying amount of the financial liability of, or greater than, ten percent. If the modification is substantial, then a derecognition gain or loss is recorded on derecognition. If the modification does not result in cash flows that are substantially different the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Group records a modification gain or loss.

Treatment of non-substantial modifications

If expectations of fixed rate financial liabilities' cash flows are revised, then changes to future contractual cash flows are discounted at the original EIR with a consequential adjustment to the carrying amount. The difference from the previous carrying amount is booked as a positive or negative adjustment to the carrying amount of the financial liability on the consolidated statement of financial position with a corresponding increase or decrease in Interest revenue/expense calculated using the effective interest method.

The carrying amount of the financial liability is adjusted if the Group revises its estimates of payments or receipts. If modification of a financial liability measured at amortized cost does not result in the derecognition a modification gain/loss is calculated. The adjusted carrying amount is calculated based on the original effective interest rate and the change in carrying amount is recorded as interest income or expense (Note 5).

Changes in the contractual cash flows of the asset are recognized in statement of profit and loss and any costs or fees incurred adjust the carrying amount of the modified financial asset or liability and are amortized over the remaining term of the modified instrument. Therefore, the original EIR determined at initial recognition is revised on modification to reflect any costs or fees incurred.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

The Group considers a modification substantial based on qualitative factors and if it results in a difference between the adjusted discounted present value and the original carrying amount of the financial liability of, or greater than, ten percent.

Transactions with peer-to-peer platforms

Background

Certain subsidiaries, as loan originators, have signed cooperation agreements with operator of a peer-to-peer (P2P) investment internet-based platform. Cooperation agreements and the related assignment agreements are in force until parties agree to terminate. Purpose of the cooperation agreement for the Group is to attract funding through the P2P platform.

The P2P platform makes it possible for individual and corporate investors to obtain a fully proportionate interest cash flows and the principal cash flows from debt instruments (loans and advances to customers) issued by the Group in exchange for an upfront payment. These rights are established through assignment agreements between investors and P2P platform, who is acting as an agent on behalf of the Group. Assignment agreements are of two types:

1) Agreements with recourse rights which require the Group to guarantee full repayment of invested funds by the investor in case of default of Group's customer (buy back guarantee);
2) Agreements without recourse rights which do not require the Group to guarantee repayment of invested funds by the investor in case of default of the customer (no buy back guarantee).

The Group retains the legal title to its debt instruments (including payment collection), but transfers a part of equitable title and interest to investors through P2P platform.

2. Material accounting policy information (continued)

Receivables and payables from/to P2P platform

The P2P platform is acting as an agent in transferring cash flows between the Group and investors. The receivable for attracted funding from investors through the P2P platform corresponds to the due payments from the P2P platform.

Receivable is arising from assignments made through P2P platform where the related investment is not yet transferred to the Group (Note 29).

P2P platform commissions and service fees incurred by the Group are fees charged by P2P platform for servicing the funding attracted through peer-to-peer platform and are disclosed in Note 9.

Funding attracted through peer-to-peer platform

Liabilities arising from assignments with or without recourse rights are initially recognized at cost, being the fair value of the consideration received from investors net of issue costs associated with the loan.

Liabilities to investors are recognized in statement of financial position caption Funding attracted through peer-to-peer platform (Note 35) and are treated as loans received.

After initial recognition the funding attracted through peer-to-peer platform is subsequently measured at amortized cost using the effective interest rate method. Amortized cost is calculated by taking into account any issue costs, and any discount or premium on settlement. Gains and losses are recognized in the statement of profit and loss as interest income/ expense when the liabilities are derecognized.

The Group must repay to the investor the proportionate share of the attracted funding for each debt instrument according to the conditions of the respective individual agreement with the Group's client, which can be up to 72 months.

Assignments with recourse rights (buy back guarantee)

Assignments with recourse rights provide for direct recourse to the Group, thus do not meet the requirements to be classified as pass-through arrangement in accordance with IFRS 9. Specifically, neither investors, nor the P2P platform bear any risks in relation to creditworthiness of the Group's borrower. The Group is obliged, on first demand of the P2P platform, to repay all monies due if loan agreement with borrower defaults . Additionally, the Group retains the risks and rewards of ownership of the financial asset.

Therefore, the Group's respective debt instruments do not qualify to be considered for partial derecognition and interest expense paid to investors is shown in gross amount under Interest expense calculated using effective interest method (Note 5).

Assignments without recourse rights (no buy back guarantee)

On the contrary, assignments without recourse rights (the Group is not obliged to reimburse neither to investors nor to P2P platform if the borrower defaults) are arrangements that transfer to investors substantially all the risks and rewards of ownership equal to a fully proportionate share of the cash flows to be received from Group's debt instruments. Therefore such arrangements are classified as pass-through arrangements in accordance with IFRS 9.

As such, a fully proportionate share, equal to investor's claim in relation to the related debt instrument, is derecognized.

The derecognized part is accounted as an off-balance sheet item (Note 35) and interest income is recognized to the extent of being the residual interest. Residual interest is the difference between the interest earned on the respective debt instrument by the Group and the respective share of interest earned by the investor.

Equity - accounted investees

The Group interests in equity-accounted investees comprise investment in associate. Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. Interests in associates are accounted for using the equity method. They are initially recognized as cost, which includes transaction costs. As the Group gained significant influence over its associate after losing control over the investee, the deemed cost is the fair value of the interest retained subsequent to the loss of control. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of the associate, until the date on which significant influence ceases. Unrealised gain arising from transactions with associate are eliminated against the investments to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Group as a Lessee

Lease liability

Initial recognition

At the commencement date of the lease the Group measures the lease liability at the present value of the lease payments that are not paid at that date in accordance with lease term. Lease payments included in the measurement of the lease liability comprise:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate the lease.

The Group has elected for all classes of underlying assets not to separate non-lease components from lease components in lease payments. Instead Group accounts for each lease component and any associated non-lease components as a single lease component. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses the incremental borrowing rate.

Lease term is the non-cancellable period for which the Group has the right to use an underlying asset, together with both:
(a) Periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and
(b) Periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option.

At the commencement date, the Group assesses whether it is reasonably certain to exercise an option to extend the lease or to purchase the underlying asset, or not to exercise an option to terminate the lease.

Subsequent measurement

After the commencement date, the Group measures the lease liability by:
- increasing the carrying amount to reflect interest on the lease liability;
- reducing the carrying amount to reflect the lease payments made; and
- remeasuring the carrying amount to reflect any reassessment or lease modifications specified, or to reflect revised in-substance fixed lease payments.

2. Material accounting policy information (continued)

Right-of-use assets

Initial recognition

At the commencement date of the lease, the Group recognizes right-of-use asset at cost. The cost of a right-of-use asset comprises:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are to produce inventories.

Subsequent measurement

Group measures the right-of-use asset at cost, less any accumulated depreciation and accumulated impairment losses; and adjusted for the remeasurement of the lease liability (which may take place when there is a change in future lease payments arising from a change in an index or rate, when there is change in estimated amounts payable under residual value guarantee or there is a change of assessment of extension, purchase or termination option) . Depreciation of the right-of-use asset is recognized on a straight-line basis in profit or loss. If the lease transfers ownership of the underlying asset to the Group by the end of the lease term or if the cost of the right-of-use asset reflects that the Group will exercise a purchase option, the Group depreciates the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. Otherwise, the right-of-use asset is depreciated from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Group involvement with the underlying asset before the commencement date

If a Group incurs costs relating to the construction or design of an underlying asset, the lessee accounts for those costs applying other IFRS, such as IAS 16. Costs relating to the construction or design of an underlying asset do not include payments made by the lessee for the right to use the underlying asset.

Group applies IAS 36 to determine whether the right-of-use asset is impaired and to account for any impairment loss identified.

Initial recognition exemptions applied

As a recognition exemption the Group elects not to apply the recognition requirements of right-of-use asset and lease liability to:
(a) Short term leases – for all classes of underlying assets; and
(b) Leases of low-value assets – on a lease-by-lease basis.

For leases qualifying as short-term leases and/or leases of low-value assets, the Group does not recognize a lease liability or right-of-use asset. The Group recognizes the lease payments associated with those leases as an expense on either a straight-line basis over the lease term.
(a) Short term leases
A short-term lease is a lease that, at the commencement date, has a lease term of 3 months or less. A lease that contains a purchase option is not a short-term lease. This lease exemption is applied for all classes of underlying assets.
(b) Leases of low-value assets

The Group defines a low-value asset as one that:
1) has a value, when new of 5 000 EUR or less. Group assesses the value of an underlying asset based on the value of the asset when it is new, regardless of the age of the asset being leased.
2) the Group can benefit from use of the assets on its own, or together with, other resources that are readily available to the Group; and
3) the underlying asset is not dependent on, or highly interrelated with, other assets.

Inventories

Inventories are valued at the lower of cost and net realizable value.

Net realizable value represents the estimated selling price for inventories in the ordinary course of business less estimated costs necessary to make the sale.

Inventories contain only vehicles which are purchased for the sole purpose of selling them to customers.

Value of inventories is measured by using specific identification of individual unit cost. Disposal of each individual stock item is performed on sale of respective individual stock item.

Accrued revenue or expenses from currency trading

The Group recognizes accrued income or expenses from transactions of trading currency based on currency rates agreed for each currency hedging transaction. The difference between hedging rate and currency rate at year end is recognized as accrued income or expenses depending from mathematical result.

Non-Deliverable Forward Hedge contracts

Foreign exchange risk arises when individual group operations enter into transactions denominated in a currency other than their functional currency. Where the risk to the Group is considered to be significant, Group treasury enters into a matching Non-Deliverable Forward Hedge contract with a reputable financial institution.

"Matching" refers to the practice of aligning the terms of the hedge contract (such as the amount, maturity, and timing) with the anticipated foreign currency exposure of the underlying transaction or cash flow. This ensures that the hedge effectively mitigates the risk by directly offsetting the fluctuations in exchange rates that could impact the Group's financial position.

Non-Deliverable Forward hedge contracts will mature at various dates within the next 12 months. As of 31 December 2024, gains and losses from open contracts are recognized in the Consolidated Statement of Profit and Loss, while financial receivables and liabilities related to open Non-Deliverable Forward hedge contracts at year-end, with settlement dates within the next 12 months, are recognized in the Consolidated Statement of Financial Position.

The total result consists of a variable component and a fixed cost component for the period ending 31 December 2024. For each transaction, the variable component is determined by applying the agreed strike currency rate and the currency rate as of 31 December 2024. The total fixed cost component is determined based on the difference between the agreed strike currency rate and the currency rate as of the transaction's execution date.

Assets held for sale

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use.

Assets held for sale includes vehicles which are obtained by enforcement of repossession in case clients default on existing loan agreements. Such repossessed collaterals are classified as held for sale and measured at the lower of their carrying amount and fair value less costs to sell (FVLCTS). Costs to sell are the incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense. Once classified as held-for-sale, vehicles are no longer depreciated.

The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

Assets classified as held for sale are presented separately as current items in the statement of financial position.

2. Material accounting policy information (continued)

Share premium

Share premium represents the amount subscribed for share capital in excess of nominal value deducted by expense incurred during IPO process.

Treasury shares

Treasury shares represent the Group's own equity instruments that have been reacquired but not canceled. These shares are recorded as a deduction from equity at the cost of acquisition, with no recognition of gain or loss in profit or loss on subsequent sale, reissuance, or cancellation. Any consideration received from the sale or reissuance of treasury shares is recognized directly in equity. Treasury shares do not carry voting rights or entitlement to dividends while held by the Group. The Group presents treasury shares separately within equity in the statement of financial position.

Reserves

Luxembourg companies are required to allocate to a legal reserve a minimum of 5% of its annual net profit until this reserve equals 10% of the subscribed share capital. This reserve may not be distributed.

Lithuania companies are required to allocate to a legal reserve a minimum of 10% of its annual net profit until this reserve equals 10% of the subscribed share capital. This reserve may not be distributed.

Moldavian companies are required to allocate to a reserve capital amount in proportion of at least 5% of its annual net profit, until reserve capital equals 10% the amount of the share capital. The reserve capital of the company may be used only to cover losses or to increase its share capital.

Macedonian companies are required to allocate to a reserve capital amount in proportion of at least 5% of its annual net profit, until reserve capital equals 10% the amount of the share capital. The reserve capital of the company may be used only to cover losses or to increase its share capital. Reserve may be increased above 5% in order to meet capital adequacy ratio.

Romanian companies are required to allocate to a reserve capital amount in proportion of at least 5% of its annual net profit, until reserve capital equals 20% the amount of the share capital. The reserve capital of the company may be used only to cover losses or to increase its share capital.

Foreign currency translation reserve is used to record exchange differences arising from the translation of assets and liabilities of foreign operations.

Provisions

In accordance with IAS 37, provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of provisions to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as finance cost.

Contingent assets and contingent liabilities

Contingent liabilities are not recognized in the financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognized in the financial statements but disclosed when an inflow of economic benefits is probable.

Share-based payments

The Group may grant share options of Subsidiaries to its employees. Share options are generally awarded on the first day of employment. A share-based payment is primarily a payment in equity instruments of the entity. Under certain circumstances there are cash settlement alternatives which are subject to cash settlement events occurring or entity's choice in certain scenarios. Given absence of an ongoing sale of subsidiaries or Eleving Group S.A. and any other relevant cash settlement events, the cash settlement is considered not to be probable. The Group does not have a present obligation to settle in cash, therefore awards are classified as equity settled. The Group does not have a past practice of cash settlement for these awards.

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognized in employee benefits expense, together with a corresponding increase in equity (other capital reserves), over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit and loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period.

No expense is recognized for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognized is the grant date fair value of the unmodified award, provided the original terms of the award are met. An additional expense, measured as at the date of modification, is recognized for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

2. Material accounting policy information (continued)

Income and expenses

Expenses are recognized as incurred. Expenses are recognized net of the amount of value added tax. In certain situations value added tax incurred on a services received or calculated in accordance with legislation requirements is not recoverable in full from the taxation authority. In such cases value added tax is recognized as part of the related expense item as applicable. The same principles is applied if value added tax is not recoverable on acquisition an asset.

Revenue is recognized in accordance with the related standard's requirements and to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

The effective interest rate method

For all financial instruments measured at amortized cost interest income or expense is recorded at the effective interest rate, which is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the net carrying amount of the financial asset or financial liability.

The calculation takes into account all contractual terms of the financial instrument and includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the effective interest rate, but not future credit losses.

When a financial asset becomes credit-impaired and is regarded as 'Stage 3', the Group stops calculating interest. If the financial asset cures and is no longer credit-impaired, the Group reverts to calculating interest income on a gross basis.

Income from cession of bad debt

Gain or loss from sale of doubtful loans and advances to customers is presented on net basis under " Net loss from de-recognition of financial assets measured at amortized cost". Gains or losses arising on cession deals are recognized in the statement of profit and loss at transaction date as the difference between the proceeds received and the carrying amount of derecognized loan receivables assigned through cession agreements.

Expenses related to attracting funding

Expenses related to attracting funding consists of administration fee for using peer-to-peer platform. Expenses are charged monthly and recognized in Group's statement of profit and loss when they occur.

Revenues and expenses from contracts with customers

Revenue from contracts with customers in scope of IFRS 15 encompasses sold goods or services provided as output of the Group's ordinary activities. The Group uses the following criteria to identify contracts with customers:
– the parties in the contract have approved the contract (in writing, orally or in accordance with other customary business practices) and are committed to perform their respective obligations;
– can be identified each party's rights regarding the goods or services to be transferred;
– can be identified the payment terms for the goods or services to be transferred;
– the contract has commercial substance (i.e. the risk, timing or amount of the entity's future cash flows is expected to change as a result of the contract);
– it is probable that the Group will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer.

Performance obligations are promises in the contracts (either explicitly stated or implied) with Group's customers to transfer to the customers distinct goods or services. Promised goods or services represent separate performance obligations if the goods or services are distinct. A promised good or service is considered distinct if the customer can benefit from the good or service on its own or with other readily available resources (i.e. distinct individually) and the good or service is separately identifiable from other promises in the contract (distinct within the context of the contract). Both of these criteria must be met to conclude that the good or service is distinct.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of equipment, the Group considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

The Group recognizes revenue when (or as) it satisfies a performance obligation to transfer a promised good or service to a customer. Revenue is recognized when customer obtains control of the respective good or service. Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

Revenue from satisfied performance obligations is recognized over time, if one of the following criteria is met:
– customer simultaneously receives and consumes the benefits;
– customer controls the asset as it is created or enhanced;
– the Group's performance creates an asset and has a right to payment for performance completed.

Payment terms for goods or services transferred to customers according to contract terms are within 45 to 60 days from the provision of services or sale of goods. The transaction price is generally determined by the contractually agreed conditions. Invoices typically are issued after the goods have been sold or service provided.

Key revenue streams the Group generates relate to provision of goods or services provided directly to end customer with no third party service/product provider involved. In such transactions the Group acts as a principal. However, for certain services, where other parties are involved, as described below, the Group performs assessment whether it acts as an agent or a principal. Such revenue streams include income from debt collection activities, income from providing registration services and income from agency services as described below.

When another party is involved in providing goods or services to the Group's customers, the Group considers that it is a principal, if it obtains control of any one of the following:

a) a good or another asset from the other party that it then transfers to the customer;

b) a right to a service to be performed by the other party, which gives the entity the ability to direct that party to provide the service to the customer on the entity's behalf - relevant for car registration income to conclude on principal presentation;

c) a good or service from the other party that it then combines with other goods or services in providing the specified good or service to the customer - relevant for debt collection income to conclude on agent presentation.

2. Material accounting policy information (continued)

Fee and commission income (Note 6)

Income from debt collection activities and earned penalties (point in time)

Fee and commission income arises from contracts with customers. Accordingly, it results in a recognized financial instrument in the Group's financial statements that is partially in scope of IFRS 9 and partially in scope of IFRS 15. Therefore, the Group first applies IFRS 9 to separate and measure the part of the contract that is in the scope of IFRS 9 and then applies IFRS 15 to the residual.

Income from debt collection activities and penalties is recognized in Group's statement of profit and loss at the moment when the likelihood of consideration being settled for such services is high, therefore income is recognized only when actual payment for provided services is actually received.

Income from penalties arise in case customers breach the contractual terms of loans and advances to customers agreements, such as exceeding the payment date. In those situations Group is entitled to charge the customers in accordance with the agreement terms.

The Group recognizes income from penalties at the moment of cash receipt as likelihood and timing of settlement is uncertain. In case customers do not settle the penalty amount, the Group is entitled to enforce repossession of the collateral.

Debt collection activities revenue typically arises when customers delay the payments due. As a lessor, the Group has protective rights in the loan agreements with customers that require the customers to safeguard and maintain the condition of the vehicle, as it serves as a collateral to the loan. Group's revenue encompasses a compensation of internal and external costs incurred by the Group in relation to debt management, legal fees as well as repossession of vehicle in case of loan agreement termination and are recharged to the customers in accordance with the agreement terms. The performance obligation is satisfied when respective service has been provided.

Income from commissions (point in time)

Income from commissions arises from additional services provided by the Group to its customers. Main additional source of income from commissions is from premature termination of contracts by the initiative from a customer. Income is recognized at the moment of cash receipt as likelihood and timing of settlement is uncertain. The performance obligation is satisfied when respective service has been provided.

Income from providing registration services (point in time)

In certain countries, the Group provides vehicle registration services to its customers. The Group organizes the registration of the vehicles with the state authorities on behalf of the customer, which is a separate service provided by the Group. Typically these services are performed before customers enter the loan agreements. Income from providing these services is recognized at the moment of providing the services. In majority of countries such services are not provided by the Group, as the customers perform registration procedures themselves and costs are covered by the customers directly without the need for such services from the Group. The performance obligation is satisfied when the respective service has been provided.

Revenue from car sales and other goods (Note 11)

Sale of motor vehicles and other goods (point in time)

The Group earns part of its revenues from the sales of used vehicles that were either bought from third parties or repossessed from its non-performing leasing customers . The Group is calculating minimum sales price based on initial cost or value after repossession plus additional cost incurred (e.g. repairs) and a margin added in order to make profit from the deal. The performance obligation is satisfied when the car is registered on client's name. Similarly the Group is selling mobile phones in Africa region.

Other operating income (Note 14)

Income from management services (over time)

The Group provides management services to its related parties. Income is recognized at an amount that reflects the consideration to which the Group expects to be entitled in exchange for providing these services. The performance obligation is satisfied as the respective service is being provided.

Revenue from agency services (point in time)

Agency services consist of different services, such as settlement of costs on behalf of 3rd parties and recharging those costs to customers. The Group is acting as an agent in provision of these services to the customers. Such services are provided with the intention to realize the economies of scale of purchasing power for a service that is both used by the Group and the 3rd party. The Group recognises revenue in the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the specified services to be provided by the other party. The performance obligation is satisfied when the respective service has been provided.

Variable consideration revenue from client acquisition (point in time)

The Group has entered into a contract with JSC Primero Finance on providing commercial client acquisition services with the variable component of the contract on 26 September, 2019.

The fee is paid on all concluded agreements with clients. The fee consists of two elements – fixed and variable. Fixed fee is set as % from total loan amount and is invoiced every month based on concluded agreement list for previous month. Variable fee part is an additional fee and is set as percentage dependant on the specific annual percentage rate (APR) threshold for each individual concluded agreement.

The fixed and variable part of client acquisition fee is calculated and invoiced monthly. The revenue from the fixed part of the fee is recognized at point in time as the corresponding performance obligations are satisfied, and there is no significant judgement applied to determine the transaction price or the satisfaction of the performance obligations.

The additional client acquisition fee is determined to be a variable consideration as it is based on the individual APR of each concluded agreement.

In the case of loan defaults, the parties agreed to measure the default loss. In the cases when not all outstanding debt has been covered after the collateral sale, the Group returns part (proportional to the uncovered debt) of the additional fee, which has been invoiced to JSC Primero Finance.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration.

As at 31 December 2024 the Group did not have any contract assets in its consolidated statement of financial position.

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

These receivables are disclosed in balance sheet caption 'Trade receivables' (Note 28).

Trade receivables are non-interest bearing and are generally on terms of 30 to 120 days. Accounting policies applicable to financial assets measured using amortized cost are applicable as described above in Note 2.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are extinguished and revenue is recognized when the Group performs under the contract.

As at 31 December 2024 the Group does not have any contract liabilities in its consolidated statement of financial position.

2. Material accounting policy information (continued)

Income taxes

Income taxes include current and deferred taxes. Income taxes are recognized in profit and loss except to the extent that they are related to a business combination, or items recognized directly in equity or other comprehensive income. Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes. It is measured using tax rates enacted or substantively enacted at the reporting date in the countries where the Group and the Parent Company operates.

Current corporate income tax rate for the Parent company is applied at the statutory rate of 24.94%. Current corporate income tax rates for the foreign subsidiaries are:

Country	Tax rate
Estonia*	20%
Latvia*	20%
Lithuania	15%
Georgia*	20%
Romania	16%
Kenya	30%
Uganda	30%
Botswana	22%
Zambia	30%

Country	Tax rate
Moldova	12%
Albania	15%
Ukraine	18%
Uzbekistan	7.5%
North Macedonia	10%
Lesotho	25%
Namibia	32%
Mauritius	15%

* - as described further below corporate income tax in these countries is paid on distributed profits and deemed profit distributions only.

Deferred tax assets and liabilities

Deferred income tax is recognized on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of transaction affects neither accounting nor taxable profit / loss. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

In Latvia, Estonia and Georgia deferred tax assets and liabilities are not recognized starting from 2017 or before in accordance with local legislation. Accordingly, deferred tax assets and liabilities which were calculated and recognized previously have been reversed through the statement of profit and loss and other comprehensive income in the year when the legislation was amended (for Latvia: 2017).

In Latvia legal entities are not required to pay income tax on earned profits starting from 1 January 2018 in accordance with amendments made to the Corporate Income Tax Law of the Republic of Latvia. Corporate income tax is paid on distributed profits and deemed profit distributions. Consequently, current and deferred tax assets and liabilities are measured at the tax rate applicable to undistributed profits. Starting from 1 January 2018, both distributed profits and deemed profit distributions are subject to the tax rate of 20 per cent of their gross amount, or 20/80 of net expense. Corporate income tax on dividends is recognized in the statement of profit and loss and other comprehensive income as expense in the reporting period when respective dividends are declared, while, as regards to other deemed profit items, at the time when expense is incurred in the reporting year.

Similar accounting policies are adopted in Estonia and Georgia.

Related parties

The parties are considered related when one party has a possibility to control the other one or has significant influence over the other party in making financial and operating decisions. Related parties of the Group are shareholders who could control or who have significant influence over the Group in accepting operating business decisions, key management personnel of the Group including members of Supervisory body – Audit committee and close family members of any above-mentioned persons, as well as entities over which those persons have a control or significant influence.

The Group has defined that a person or a close member of that person's family is related to a reporting entity if that person:
- has control or joint control of the reporting entity;
- has significant influence over the reporting entity; or
- is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

An entity is related to a reporting entity if any of the following conditions applies:
- The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
- One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
- Both entities are joint ventures of the same third party;
- One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity;
- The entity is controlled or jointly controlled by a person identified in (a);
- A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity);
- The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

Non-controlling interest

Non-controlling interest is that part of the net results and of the equity of a subsidiary attributable to interests which are not owned, directly or indirectly, by the Group. Non-controlling interest forms a separate component of the Group's equity.

Non-controlling interest are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition.

Dividend distribution

Dividend distribution to the shareholders of the Group is recognized as a liability and as distribution of retained earnings in the financial statements in the period in which the dividends are approved by the shareholders as the Group has the obligations to pay the dividend which cannot be withdrawn.

2. Material accounting policy information (continued)

Subsequent events

Post-period-end events that provide additional information about the Group's position at the statement of financial position date (adjusting events) are reflected in the consolidated financial statements. Post-period-end events that are not adjusting events are disclosed in the notes when material.

3. Critical accounting estimates and judgements

The preparation of the consolidated financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses, and disclosure of contingencies. The most significant areas of estimation and judgement used in the preparation of the consolidated financial statements include assumptions used in Goodwill and other non-financial asset impairment tests, Impairment of financial assets, Determination of fair values and judgements around Going concern and military conflict in Ukraine impact assessment. They are described below among other estimates and judgements used in the preparation of these consolidated financial statements. Although these estimates and conclusions are based on the management's best knowledge of current events and actions, the actual results may ultimately differ from those estimates.

Principal versus agent assessment

In provision of agency services (Note 14) the Group has assessed that it does not obtain control of these services before they are transferred to customers, as these services or goods are acquired on their behalf. Therefore, it is considered agent in these transactions.

The Group is also acting as an agent in purchasing specific goods and services from 3rd parties on behalf of customers - mainly legal, recruitment and similar services, as it does not obtain control of the service, does not incur inventory risk nor has discretion in determining the sales price. For all other revenue streams the Group concluded that it acts as a principal.

Other revenue streams where the Group involves third parties in the provision of services include income from debt collection activities (Group acts as an agent as it does not control the service before it is provided to the customer) and income from car registration services (Group acts as a principal as it controls the asset being registered for the prospective customer).

Goodwill and other non-financial asset impairment tests

The calculation of value in use for cash generating units among other is sensitive to the assumptions of discount rate and growth rates. These assumptions and their sensitivity are outlined in Note 20.

Determination of the FVLCTS of assets held for sale

Determination of the FVLCTS for repossessed vehicles is performed on an individual basis at the moment of the repossession.

Management's estimate is based on available data from historical sales transactions for such assets in previous reporting periods. The Group also considers factors such as historical actual average loss (if any) from the previous years. Management considers whether also events after the reporting year indicate a decline in the sales prices of such assets.

See further information in Note 32.

Estimation of the residual value of rental fleet

The Group assesses at each reporting date whether there is an indication that the expected residual value of the rental fleet asset at the end of the current rental period may not be recoverable. The residual value is an estimate of the amount that could be received from disposal of the vehicle at the reporting date if the asset were already of the age and in the condition that it will be in when Group expects to dispose of it (i.e. after expiration of the ultimate loan period, if any). Therefore, if any indication exists, in order to determine the recoverable amount for rental fleet assets, the management uses valuation models based on two methods primarily depending from the status of the loan agreement:

1) value in use (VIU) - for assets with active loan agreements; and

2) fair value less costs of disposal (FVLCOD) - for assets with inactive loan agreements.

VIU is the present value of the future cash flows expected to be derived from an asset or cash generating unit, both from its continuing use and ultimate disposal. In assessing VIU, the estimated future cash flows are discounted to their present value using WACC. In measuring VIU the Group bases its cash flow projections on reasonable and supportable assumptions that represent management's best estimate of the range of economic conditions that will exist over the remaining useful life of the asset covering in total 7-year period.

For assets with an inactive loan agreement the Group applies probability-weighted scenario in determining the possible future use of vehicles - secondary rent or disposal. The outcome of the probability-weighted scenario has been determined based on the Group's/Company's historical data. According to management assessment, the carrying amount of secondary rent assets is expected to be recovered principally through a continuing use of it rather than sale transactions, therefore VIU method has been applied.

For assets with an inactive agreement, for which the carrying amount is expected to be recovered principally through disposal, the Group determines the residual value based on FVLCOD method. Assumptions applied for determination of the FVLCOD of assets are based on making a reliable estimate of the price at which a transaction to sell the asset would take place between market participants at the measurement date under current market conditions and on available data from historical sales transactions. The market price is being adjusted for car repair costs, which are estimated based on historical data for an average vehicle repair expenses occurred in 2023. In addition, management considers whether events after the reporting year indicate a decline in the sales prices of such assets. Costs of disposal are incremental costs directly attributable to the disposal of an asset or cash generating unit, excluding finance costs and income tax expense.

For assets an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss and other comprehensive income unless the asset is carried at a revaluated amount, in which case the reversal is treated as a revaluation increase.

As at 31 December 2024 the Group recognised impairment of rental fleet. Please refer to Note 21.

Impairment of financial assets

The measurement of impairment losses under IFRS 9 across all categories of financial assets in scope requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances. The Group's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include Probability of Default and Loss Given Default, judgment is applied also when determining significant increase in credit risk.

3. Critical accounting estimates and judgements (continued)

Impairment of loans and advances to customers

The Probability of Default (PD)

The Probability of Default is an estimate of the likelihood of default over a given time horizon, where default is defined as:
1. 61 DPD (Secured loans, matured countries)
2. 35 DPD (Secured loans, non-matured countries)
3. 61 DPD Loans and advances to customers (unsecured loans, car loans)
4. 91 DPD Loans and advances to customers (unsecured loans, acquired businesses).

In order to estimate PDs the Group utilizes Markov chains methodology. This methodology employs statistical analysis of historical transitions between delinquency buckets to estimate the probability that loan will eventually end up in default state which is set as absorbing state.
The Group uses 12-months continuous horizon window (or smaller if actual lifetime of the product is shorter), and estimation over lifetime is defined as nth power of 12-months matrix (n – depends on the estimated lifetime, e.g., if lifetime is 36-months then n=3).
Exposures are grouped into buckets of days past due (DPD) loans.

Forward-looking macroeconomic indicators model for portfolio

Guided by IFRS 9, the Group assesses forward looking information and incorporates it into impairment model. Impairment change is modelled given expected future changes of macroeconomic factors' (hereinafter macro model). In 2021 the Group changed Hierarchical Bayes model approach to simplified approached based on relation analysis between changes in input variables and changes in PD and the Group expert's opinion. Macro model uses several assumptions which were agreed by group of experts. Model assumptions and historical periods for macroeconomic factors are reviewed and analyzed once per year considering available macroeconomic outlooks.

General description of the model

Macro model uses expected changes in macroeconomic indicators and assumes the same or similar change to Stage 1 PD. Model incorporates three macro indicators – unemployment rate, inflation rate and GDP annual growth rate, as more relevant for private individuals' financial stability evaluation. The model is based on actual and forecasted data points. Recalculated in December 2024 model includes macroeconomic indicators as of 2024 Q4 and average of all four 2025 quarter forecasts to predict the effect on Stage 1 PD. Data points average is taken to avoid significant indicator fluctuations due to forecast volatility. The Group built macroeconomic models for each country and business (vehicle/consumer) individually – LV, LT, EE, GE, AM, UZ, KE, UG, MD, RO, MK, AL, LES, ZM, NM, BOT. Data for all cases is taken from the source: https://tradingeconomics.com/indicators. Forecasts are validated by National Banks forecasts.

For each macro indicator three scenarios are obtained – base, best and worse. Base scenario is based on actual data and forecasts. Worse and best scenario is obtained from base scenario increasing or decreasing base scenario by confidence interval of given macro indicator forecast. For each scenario is applied probability of occurring. The impact on PD from each macro indicator is calculated as weighted output across all three scenarios. As for all input macro indicators are applied weights according to their significance to the default rates of the Group customers then the final model output is obtained as sum of weighted output across all macro indicators.

Model's variables and assumptions

The model includes indicators which, based on the Group experts' opinion and used practice in industry, might have a significant impact on finance products default rates. Such indicators are also widely used by banking and non-banking industry across the world:

1. GDP growth
2. unemployment rate (UR) change
3. inflation rate (IR) change.

There are several assumptions made in the model to accommodate the Group customer specifics.

Assumption 1. UR is one of the main variables in the model, and it significantly affects Stage 1 PD.

Assumption 2. Okun's law holds in macro environment affected by macro-economic shocks.

Assumption 3. Typically, reasonably increasing inflation rate positively affects consumption and economy in general, and therefore reduces PD. However, the Groups customers rather suffers from increase in prices than benefit from income increase. Thus, the Group arrived at the assumption 3: increase in inflation in will affect customers negatively.

Determination of impact on PD based on macro indicator change

The model assumes relation between changes in macro indicators and Stage 1 PD change. If there is strong correlation between Stage 1 PD and macro indicator change then used linear regression equation to determine the impact on PD due to macro indicator changes. If there is no visible correlation between Stage 1 PD and macro indicators change then impact on PD is evaluated based on qualitative analysis of available data and reasonable experts' assumptions:

1. For each macro indicator chosen 25 data points, one 0 point and another 24 points that reflects indicator change – 12 points with negative change and 12 data points with positive change. The distance between 2 adjacent points is the same for all 24 points and is evaluated considering historical changes in macro indicators.

2. For PD impact determination relational table is built that describes linear or piecewise smooth function and its direction changes at 0 point. At 0 point assumed 0 PD impact. For other macro indicator change points impact on PD is evaluated individually based on historical PD rates and PD change in time, as well taking into account each country and product specifics. Then evaluated PD impacts on each macro indicator change point are summarized in table. This table remains fixed until the next year when impact on PD will be reviewed.

3. Critical accounting estimates and judgements (continued)

Weighted scenarios approach

To take into account possible economic fluctuations and uncertainty, three scenarios are considered and used for final calculation to arrive at weighted average probability:

1. base case scenario - based on actual data and forecasts by external source.
2. worst case scenario - based on expert judgement of potential worsening of macroeconomic indicators.
3. best case scenario - based on expert judgement of potential improvement of macroeconomic indicators.

Worse and best scenario is obtained from base scenario increasing or decreasing base scenario by confidence interval of given historical macro indicators. Confidence intervals are calculated based on last 24 or more macro indicator data points applying confidence level of 99%. How long period is taken is indicated for each country and indicator separately.

Each scenario also has a specific probability of occurring, which is configurable for each country separately to account for potential differences in macroeconomic outlooks.
Recent global macroeconomic trends in the regions where the company operates suggest a challenging environment for the businesses which specialize in financing solutions. The pandemic's disruptions, supply chain pressures, and energy crises in recent years have fuelled inflation and led to tighter monetary policies, reducing credit affordability and loan demand. In emerging markets, high debt levels and exchange rate volatility continue to pose risks, particularly in regions with weak fiscal positions. In such circumstances a significant risk lies in debtors' growing challenges to repay loans, increasing default risks. In order to mitigate that, lending companies must adapt by focusing on risk management, leveraging fintech innovations, and targeting resilient sectors to navigate the economic uncertainty effectively.
Considering mentioned information, the Group applies at least 15% probability for worst-case scenario and only 5% for best-case. Last updated forecasts for macroeconomic indicators already reflect actual trends, for example – increase in inflation rate. At this stage base-case scenario is considered as a most possible. Sensitivity test was done to evaluate impact from scenarios probability change. Changing worst-case scenario probability till 50%, no major effect on macro coefficient noticed. But, considering uncertainty in projections, macro coefficient was increased by 1-2pp for Eurozone countries.

Macro model results

To obtain final effect on PD from macro indicator change, applied weights for each macro indicator and the final result is taken as a weighted average of macro indicator PD effect. Weights are changed based on their significance in affecting default rate overall. Considering model main assumptions, the Group's experts evaluate historical relationship and chooses weights for each country individually. In most of the countries UR (unemployment rate) and IR (inflation rate) chosen as main macro indicators and higher weights are applied for them.

To account for future uncertainty in case the model yields positive PD correction, the Group decided to be prudent and not to apply improving PD effect for impairment correction.

Illustration of example: UR impact evaluation on PD:

Scenarios	Current rate	2Y forecast	Difference (p.p.)	Likelihood of the scenario	Impact on PD
Worst case scenario	7.400%	8.50%	1.1pp	15%	109.6%
Base case scenario	7.400%	7.40%	0pp	80%	100.0%
Best case scenario	7.400%	6.30%	-1.1pp	5%	93.7%
Final macroeconomic correction				**100%**	**101.1%**

Loss Given Default

Group closely following recoveries from defaulted financing receivables and revises LGD rates every month for portfolios based on actual recoveries received.

- The sample used for LGD calculation consists of all the financing receivables that have been defaulted historically. If termination of the contract happens before default state is reached, then loan is considered defaulted (early default) and it is considered in LGD sample. Subsequent recoveries on such loans are monitored on a monthly basis. Recoveries from regular collections process, car sales, cessions and legal process are followed.

- Renewed loans (restored payments capacity after termination) also affect the LGD rate by incorporating recovered cash after renewal of the agreement and comparing it to the exposure at default of the agreements subsequently renewed, implying the cure rate. Cure rate from renewals is calculated over a three-year period. For the 31 December 2024 impairment purposes recovery rate for renewed cases were applied in range of 55% to 96% depending on the market. Above described LGD rate is used for all portfolio groups except for unsecured portfolio part. For unsecured portfolio part LGD is estimated using triangular recovery matrix on all unsecured cases. Received recovery is discounted with effective interest rate depending on the number of months between the date account got unsecured status and the date when recovery was received. Given that majority of the car sales happen before unsecured status, the LGD for unsecured portfolio is higher than for other buckets – as of 31 December 2024 Group average LGD unsecured for portfolios with DPD less than 360 DPD was 75%, respective LGD for portfolio older than 360 DPD was 94%.

Loans and advances to customers (unsecured loans, car loans)

For unsecured loans LGD is determined based on debt sales market activity and offered prices or based on historical recoveries. For the later stages (DPD 360) LGD is set to 100%.

Loans and advances to customers (unsecured loan, businesses acquired in 2020 and 2023)

LGD is calculated using triangle recovery matrix built on all defaulted loans. Received recovery is discounted with effective interest rate depending on the number of months between the date account got into default and the date when recovery was received. For later stages (DPD 360) LGD is set to 100%.

3. Critical accounting estimates and judgements (continued)

Exposure at default (EAD) modelling

Exposure at default is modelled by adjusting the unpaid balance of loan receivables as at the reporting date by expected future repayments during the next 12 months. As of 31 December 2024, it is applied for Stage 1 exposures only. This is performed based on contractual repayment schedules, adjusted for historical prepayment rate observed.

Historical prepayment patterns are assumed to be a reliable estimate for future prepayment activity.

Loans and advances to customers (unsecured loan, businesses acquired in 2020 and 2023)

EAD is calculated using the sample of defaulted loans. Outstanding balance of defaulted loans is divided by outstanding balance of the same accounts 12 months ago. Observation window can be shortened; however, it cannot exceed 12 months to avoid overestimation of EAD which may lead to underestimation of ECL.
As of 31 December 2024, EAD is applied for Stage 1 and Stage 2.

Impairment for loans to and receivables from related parties

Receivables from related parties inherently are subject to the Group’s credit risk. Therefore, a benchmarked PD and LGD rate - based on Standard & Poor's corporate statistics studies has been applied in determining the ECLs.

Significant increase in credit risk for related party transactions is determined based on information available in the Group about the financial performance of the related parties. Financial position of related parties as at impairment assessment date is compared to that when the exposure was originated. Further 30 days past due back stop indicator is utilized to transfer exposures to Stage 2.

Recoverability of deferred tax asset

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The deferred tax assets are recognized based on profitability assumptions over 3 year horizon. In developing these assumptions the Group considers both positive and negative evidence of past performance and future development plans to ensure that assumptions used are reasonable, realistic and achievable. The future taxable profit of 2025-2026 has been approved by the Management Board, while 2027 is considered as plausible taxable profit of the Group. Budgeting models used are the same as the ones used in goodwill impairment tests.

At each reporting date, the Group’s management analyses the recoverability of deferred tax and reduces the deferred tax asset if it is no longer probable that during the period of utilization of tax losses future taxable profits will be available against which unused tax losses can be utilized (Note 18).

Capitalization of development costs

For capitalization of expenses in process of developing Group's enterprise resource planning (ERP) system and other IT systems management uses certain assumptions. Capitalization of salary expenses of IT personnel is based on employee time sheets and personnel involved in development dedicate up to 80% of their time on developing new functionality. Therefore up to 80% of salary expenses of involved personnel are capitalized under Other intangible assets while remaining 20% are recognized as salary expenses in Statement of profit and loss.

Expenses from amortization of capitalized development costs are included in statement of profit and loss caption "Administrative expense".

See further information in Note 20.

Separation of embedded derivatives from the host contract

The Group has certain call and put option arrangements that can accelerate repayment of the issued bonds. These options arise out of bond (host contract) prospectus and meet the definition of an embedded derivative in accordance with IFRS 9.

There are call and put options included in Eurobond prospectus. The Group may redeem all of the outstanding Eurobonds in full prior to the their maturity date, at 102.375 percent of the nominal amount if is exercised up to 18 October 2025; and 100% of the Nominal Amount if the call option is exercised after 18 October 2025. There is also a put option possibility in case of change of control event, breach of certain financial covenants, ultimate beneficial owner of the Group being included into a sanction list of the European Union and the USE, then each bondholder has the right to request that all, or only some, of its Eurobonds are repurchased at a price of 101.00 percent of the nominal amount plus accrued unpaid interests.

The Group’s management has evaluated that the embedded derivatives are not contractually separable, not contractually transferrable independently and have the same counterparty. Each option’s exercise price is approximately equal on each exercise date to the amortized cost of bond, therefore these embedded derivatives are not separated from the host contract.

Fair value of employee share options

The Group’s employees have entered a share option agreement with the Parent Company or the Parent Company’s shareholders and Subsidiaries. Under the agreements respective employees obtain rights to acquire Parent company’s or certain subsidiaries’ shares under several graded vesting scenarios. The respective option would be classified as an equity-settled share-based payment transaction in Group’s consolidated financial statements in accordance with IFRS 2. There are cash settlement alternatives. Given absence of an ongoing sale of any of Subsidiaries or the Parent or any listing process initiated and other relevant cash settlement events, then cash settlement is considered not to be probable and the Group does not have a present obligation to settle in cash.

The Group’s management has determined the fair value of the share options and recorded expenses related to this transaction and recognized a respective component of equity.

In estimating fair value for the share option the most appropriate valuation model would depend on the terms and conditions of the grant. In 2019 fair value of employee share options has been estimated by first establishing the fair value at the grant date of the relevant issuer company/group applying discounted cash flow valuation methodology and same assumptions as the ones used in value in use estimation (refer to Goodwill impairment tests). Subsequently, the estimate is adjusted by the number of options granted, vesting period and the employee turnover rates in the respective grade.

Deferred Tax Liability on unremitted earnings

In Latvia, Estonia and Georgia legal entities are required to pay income tax on earned profits in accordance with local legislation on Corporate Income Tax. Corporate income tax would be paid on distributed profits and deemed profit distributions. Corporate income tax on dividends would be recognized in the statement of profit and loss as expense in the reporting period when respective dividends are declared, while, as regards other deemed profit items, at the time when expense is incurred in the reporting year.

The Group has decided to use these beneficial tax regimes to reinvest profits in further development of respective subsidiaries, therefore it does not plan to distribute dividends from subsidiaries in these countries in the next 5 years. The Group controls the process of dividend distribution and does not plan to distribute dividends from subsidiaries of these countries for year 2024 and after in the foreseeable future: 5 year horizon is considered appropriate given the Group's planning cycle.

Due to above mentioned reason, the Group has not recognized deferred tax liabilities.

See further information in Note 17.

3. Critical accounting estimates and judgements (continued)

Provisions

Significant management judgement is used for estimating provisions in relation to tax amounts disputed with tax authorities.
For more details see Note 34.

Lease term determination under IFRS 16 (Group as a Lessee)

IFRS 16 requires that in determining the lease term and assessing the length of the non-cancellable period of a lease, an entity shall determine the period for which the contract is enforceable. In assessment of lease term determination the Group considers the enforceable rights and obligations of both parties. If both the lessee and the lessor can terminate the contract without more than an insignificant penalty at any time at or after the end of the non-cancellable term, then there are no enforceable rights and obligations beyond the non-cancellable term. For lease agreements without a fixed term and agreements that are "rolled over" on monthly basis until either party gives notice the Group considers that it does have enforceable rights and obligations under such agreements, therefore a reasonable estimate of the lease term assessment is made.

When determining the lease term, the Group considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise an option to renew or not to exercise an option to terminate early. When assessing whether the Group is reasonably certain to exercise an option to extend, or not to exercise an option to terminate early, the economic reasons underlying the Group's past practice regarding the period over which it has typically used particular types of assets (whether leased or owned) are considered. Furthermore, the following factors are considered: level of rentals in any secondary period compared with market rates, contingent payments, renewal and purchase options, costs relating to the termination of the lease and the signing of a new replacement lease, costs to return the underlying asset, nature and the level of specialization of the leased assets, asset location, availability of suitable alternatives and existence of significant leasehold improvements. See Note 22.

Lease liability incremental borrowing rate determination under IFRS 16 (Group as a Lessee)

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group has used market rates in each of the countries as its incremental borrowing rate. The discount rate applied is obtained from official state government institutions as the average market rate available at the beginning of the lease agreement for loans over a similar term, security, value and applied in similar economic environment. The Group considers market rates used as an appropriate measure for incremental borrowing rates as they correctly reflect the ability the respective subsidiary to finance a specific asset purchase in each of the jurisdictions given the Group's wide geographical coverage, its track record in ability to raise public debt and the overall financial results of the Group and each subsidiary individually.

As additional factor considered is the way how local lenders would approach the asset financing at each subsidiary level. The two most important factors assessed would be the potential borrower's (in this case Group's subsidiary's) financial position and the asset that is being financed (i.e. the quality of the security). As per Group's assessment each of the Group's subsidiaries would qualify as a good quality borrower in the local markets in the context of overall Group results.

Lease classification for rental fleet (Group as a Lessor)

The Group has entered into vehicle leases on its rental fleet (Note 21). These lease agreements have a non-cancellable term of 6 months and an optional term of up to 72 months. After the non-cancellable term of 6 months the lessee can return the leased asset to the Group and losses associated with the cancellation are borne by the Group. The leased asset is not transferred to lessee at the end of lease term. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the leased assets and the present value of the minimum lease payments not amounting to substantially all of the fair value of the leased asset, that it retains all the significant risks and rewards of ownership of these assets and accounts for the contracts as operating leases.

Measurement of fair values

Trademarks obtained in business combinations during 2023

The Relief-from-royalty method was used for measuring the fair value of trademarks obtained. The relief from-royalty method considers the discounted estimated royalty payments that are expected to be avoided as a result of the patents or trademarks being owned.
Management's key assumptions used to determine the value of trademarks were as follows:
Average cash flow forecast (5 Year) revenue growth rate is 19% per year (range 10% - 37%)
Long term revenue growth rate is 0% as a matter of prudence for fair value estimation.
Average trademark royalty rate is 0.9% (range 0.9% - 1.1%)
Average discount rate is 25.4% (range 22.2% - 32.0%)

Property, plant and equipment obtained in business combinations

Depreciated replacement cost technique was used for measuring the fair value of Property, plant and equipment obtained. Depreciated replacement cost reflects adjustments for physical deterioration as well as functional and economic obsolescence of assets obtained.

Other intangible assets obtained in business combinations

The With and Without Method (WWM) was used for measuring fair value of DAS Access asset acquired. The WWM estimates an intangible asset's value by calculating the difference between two discounted cash-flow models: one that represents the status quo for the business enterprise with the asset in place, and another without it.
Management's key assumptions used to determine the value of DAS Asset were as follows:
Loan issuance growth rate is 18%
Long term growth rate is 0% as a matter of prudence for fair value estimation.
Expected Loss (EL) for DAS loans issued: With asset is 8.0%; Without asset is 25.0%
Discount rate is 32%

Depreciated replacement cost technique was used for measuring the fair value of Intangible assets obtained (excluding Trademarks and DAS Access Asset). Depreciated replacement cost reflects adjustments for physical deterioration as well as functional and economic obsolescence of assets obtained.

Please refer to Note 44 for disclosure of and relevant inputs for fair value techniques applied to financial assets and liabilities.

Obtaining control over obtained entities

During 2023 the Group obtained several new subsidiaries in a transaction where legal ownership of the companies was obtained through obtaining of a holding entity EC Finance Group SIA. The Group assumed full control over the newly obtained entities from the moment of signing the agreements since they include clauses granting the Group the power to govern the obtained entities from day of signing the share obtaining agreements. Accordingly, the Group concluded that control in accordance with IFRS 10 was exercised and commenced consolidation of the subsidiaries. The management of Eleving Group S.A. evaluated whether the acquisition of EC Finance Group SIA is considered as "transaction under common control", whereas such transactions are outside of the scope of IFRS 3 "Business combinations". Such evaluation was performed due to the fact that CI Holding AS and Eleving Group S.A. has overlapping shareholders. However, after careful consideration and interpretation of IFRS Accounting Policies, the management determined that the transaction should not be treated as under common control. This determination was made due to the impact of the transaction on minority shareholders, leading the management to conclude that the acquisition method prescribed by IFRS 3 should be applied. Consequently, the transaction falls within the scope of IFRS 3 for business combinations.

3. Critical accounting estimates and judgements (continued)

Disposal groups and discontinued operations

At the end of 2021 the Group made a decision to fully exit the Balkan region with its car financing business as well as in late 2023 the Group decided to exit also from Belarus.

As a result of these decisions some entities have been sold in 2024, but for some entities the process of liquidation has been completed. Due to these reasons all of the following group subsidiaries as at 31 December 2023 were classified as subsidiaries held for sale or under liquidation and as discontinued operations in 2023 and 2024:

- Mogo Leasing d.o.o. (Bosnia&Herzegovina) – liquidated in 2024;
- Rocket Leasing OOO (Belarus) – liquidated in 2024;
- Autotrade OOO (Belarus) – sold in early 2024;
- MOGO Kredit LLC (Belarus) – sold in early 2024.

4. Interest revenue

	2024 EUR	2023 EUR
Interest income from secured receivables according to effective interest rate method	97 959 131	98 735 235
Interest income from unsecured receivables according to effective interest rate method	105 173 029	76 785 582
Other interest income according to effective interest rate method	617 215	776 958
TOTAL:	**203 749 375**	**176 297 775**

Interest income contains earned interest on portfolio derecognized from Group's assets due to being listed on P2P platform and having no buy back obligation.

Gross and net earned interest are as follows:	2024 EUR	2023 EUR
Gross interest income	203 749 375	176 298 402
Interest derecognized due to derecognition of portfolio from Group's assets	-	(627)
TOTAL NET INTEREST:	**203 749 375**	**176 297 775**

Interest income from impaired Stage 3 loans amounts to EUR 2 116 441 (2023: EUR 1 898 445).

5. Interest expense

	2024 EUR	2023 EUR
Interest expenses on financial liabilities measured at amortised cost:		
Interest expense on issued bonds	27 825 505	23 807 651
Interest expenses for loans from P2P platform investors	6 707 269	9 399 425
Interest expenses for bank liabilities and related parties	4 912 231	2 952 186
Interest expenses for lease liabilities	825 878	727 919
Interest expenses for other borrowings	1 249 392	612 263
TOTAL:	**41 520 275**	**37 499 444**

6. Fee and commission income related to financing activities

Revenue from contracts with customers recognized point in time:	2024 EUR	2023 EUR
Income from penalties received	9 331 627	7 754 726
Income from commissions	4 113 572	3 663 653
TOTAL:	**13 445 199**	**11 418 379**
Gain/(loss) from contracts with customers recognized point in time related to debt collection activities:	2024 EUR	2023 EUR
Gross income from debt collection activities	2 034 840	2 423 808
Gross expenses from debt collection activities	(5 404 010)	(4 874 045)
TOTAL:	**(3 369 170)**	**(2 450 237)**
Total fees and commissions income:	**10 076 029**	**8 968 142**

7. Impairment expense

	2024 EUR	2023 EUR
Change in impairment of intangible assets (Notes 20)	-	65 640
Change in impairment in rental fleet (Note 21)	(27 303)	(61 895)
Change in impairment in loans and advances to customers (Note 23)*	(347 044)	7 479 821
Change in impairment in loans to related parties (Note 24)	-	(49 727)
Change in impairment of finished goods and goods for resale (Notes 26)	427 961	297 207
Change in impairment in trade receivables (Note 28)	(332 150)	381 300
Change in impairment in other receivables (Note 29)	3 796	(612 092)
Change in impairment in assets held for sale (Note 32)	132 938	241 165
Disposal of impairment after sale of the respective receivables*	17 336 331	9 030 123
Written off debts	24 908 092	23 075 082
TOTAL:	**42 102 621**	**39 846 624**

* - In 2024 the Group more actively performed sales transactions of bad debts thus its impairment expense of sold receivables increased compared to previous year while change in impairment of remaining portfolio was relatively low. In 2023 the Group sold less doubtful receivables therefore the cost of impairment of sold receivables were less while change in impairment was higher.

8. Net gain/(loss) from de-recognition of financial assets measured at amortized cost

	2024 EUR	2023 EUR
Loans and advances to customers		
Income arising from cession of loans and advances to customers receivables to non related parties	3 700 998	5 778 683
Loss arising from cession of loans and advances to customers receivables to non related parties	(1 995 005)	(4 626 282)
TOTAL:	**1 705 993**	**1 152 401**
Receivables from rent contracts		
Income arising from cession of customers receivables to non related parties	432 044	54 653
Loss arising from cession of customers receivables to non related parties	(378 937)	(47 731)
TOTAL:	**53 107**	**6 922**
Net gain/(loss) arising from cession of loans and advances to customers and rent contracts	**1 759 100**	**1 159 323**

During 2023 and 2024 the Group performed cessions of doubtful loans and advances to customers receivables to non related parties. The Group uses opportunities to sell receivables in cession to improve cash flow and reduce debt collection related expenses associated of recovering of doubtful debts.

When loans and advances to customers portfolio is sold in cession the Group reverses the respective part of impairment allowance of the ceded assets (Note 23).

The Group then separately recognizes net losses arising from derecognition of the ceded portfolio, which is reduced by the respective cession income.

9. Expenses related to peer-to-peer platform services

	2024 EUR	2023 EUR
Service fee for using P2P platform	895 450	987 970
TOTAL:	**895 450**	**987 970**

10. Revenue from leases

	2024 EUR	2023 EUR
Revenue from operating lease	2 748 356	4 067 111
TOTAL:	**2 748 356**	**4 067 111**

The Group has scaled down its operating lease business line therefore income from this revenue stream has reduced compared to previous year.

11. Revenue from car sales and other goods

Revenue from contracts with customers recognized point in time:	2024 EUR	2023 EUR
Income from sale of vehicles and other goods	7 074 452	1 936 451
TOTAL:	**7 074 452**	**1 936 451**

Expenses from contracts with customers recognized point in time:	2024 EUR	2023 EUR
Expenses from sale of vehicles and other goods	(6 559 224)	(1 789 166)
TOTAL:	**(6 559 224)**	**(1 789 166)**
Total Net revenue from contracts with customers recognized point in time	**515 228**	**147 285**

During 2023 the Group has started car sale and mobile phone sale business in Kenya which has resulted in significant increase in revenue from this business line. In 2024 the Group continued expansion of this business line.

12. Selling expense

	2024 EUR	2023 EUR
Online marketing expenses	1 700 614	1 342 637
Radio advertising	551 230	215 735
TV advertising	484 711	582 692
Affiliate fees	6 463	26 671
Other marketing expenses	1 816 998	1 286 993
Total marketing expenses	*4 560 016*	*3 454 728*
Customer insurance expenses	2 021 612	2 172 727
Other selling expenses	621 402	799 397
TOTAL:	**7 203 030**	**6 426 852**

13. Administrative expense

	2024 EUR	2023 EUR
Employees' salaries	41 807 837	34 814 751
Amortization and depreciation	9 854 800	9 442 554
Professional services	4 057 927	2 802 696
IT services	3 827 765	3 220 247
Office and branches' maintenance expenses	3 480 022	2 928 259
Communication expenses	1 800 781	1 450 133
GPS tracking service expenses	1 539 965	1 649 342
Business trip expenses	1 319 030	1 060 195
Other personnel expenses	1 206 002	832 018
Bank commissions	1 198 499	927 972
Credit database expenses	947 413	757 986
Transportation expenses	640 586	667 357
Insurance expenses	524 651	503 786
Low value equipment expenses	232 966	182 197
Expenses from disposal of rental fleet and other fixed assets	181 804	39 093
Employee recruitment expenses	139 082	126 863
Real estate tax	86 796	132
Donations	50 946	23 990
Other administration expenses	1 804 125	1 816 439
TOTAL:	**74 700 997**	**63 246 010**

Audit fees for Group's entities' 2024 financial statements audit amounts to 683 660 EUR, the Parent Company - 138 000 EUR (2023: EUR 549 930; the Parent Company – 80 430 EUR).
In 2024 the audit company also provided services related to interim dividend distribution in total amount of EUR 15 900 (2023: EUR 25 200).

The audit company provided 6 month 2024 ISRE 2410 review services and issued a comfort letter on the proposed international public offering. Total amount of these services consisted of EUR 427 000.

No other permitted non-audit-services were provided to the Group by the auditor and member firms of its network during the year.
Amounts included in 'Professional services' line.

Key management personnel compensation

Members of the Management	2024 EUR	2023 EUR
Remuneration*	4 182 741	4 376 041
Social security contribution expenses	502 877	631 353
TOTAL:	**4 685 618**	**5 007 394**

Key management personnel is considered to be all Group top management employees, regional management employees and country managers.
* - Including vacation accruals.
Although total amount of employees has reduced, total salary costs for the year have increased due to the fact that the EC Finance Group SIA (obtained in second half of 2023) has contributed salary expenses for full year in 2024 compared to only half year in 2023.

There are no amounts receivable or payable as of 31 December 2024 with members of the Group's Management (none at 31 December 2023) for any past transactions. There are no emoluments granted for current and for former members of the management and commitments in respect of retirement pensions for former members of the management.

In 2024 the Group employed 2 589 employees (in 2023: 2 817).

Country	2024 EUR	2023 EUR
Albania	222	231
Armenia	60	72
Belarus	-	61
Bosnia&Hercegovina	-	2
Botswana	86	73
Estonia	23	21
Georgia	71	75
Kenya	723	833
Latvia	273	257
Lesotho	13	11

Country	2024 EUR	2023 EUR
Lithuania	75	74
Mauritius	2	3
Moldova	184	195
Namibia	203	139
North Macedonia	179	163
Romania	57	57
Uganda	233	355
Ukraine	15	59
Uzbekistan	58	50
Zambia	112	86

14. Other operating income

	2024 EUR	2023 EUR
Supplementary services income*	1 890 635	1 003 605
Income from management services	567 920	476 572
Other operating income	400 765	888 562
TOTAL:	**2 859 320**	**2 368 739**

* - Additionally to its main services provided by the Group to its customers, the Group also provides other minor supplementary services which improve customer experience. Such services are not significant part of the Groups' service portfolio on individual type basis, thus are aggregated and disclosed as 'Supplementary services'.

*Revenue from contracts with customers recognized point in time where the Group acted as an agent ***	2024 EUR	2023 EUR
Gross revenue from agency services	140 173	271 600
Gross expenses from agency services	(140 173)	(271 600)
TOTAL:	**-**	**-**

** - Revenue associated with these transactions is presented as revenue in net amount in these consolidated financial statements.

15. Other operating expense

	2024 EUR	2023 EUR
Withholding tax expenses	3 824 459	3 594 500
Non-deductible VAT from management services	3 504 857	3 083 292
Additional VAT calculated by tax authorities in Romania*	3 030 217	-
Credit default swap expenses**	1 338 248	1 352 161
Expense from associates accounted under equity method	490 439	623 908
Other operating expenses	1 646 501	1 479 779
TOTAL:	**13 834 721**	**10 133 640**

* - On December 16, 2024, the Romanian tax authorities concluded a VAT audit of Eleving Group's company for 2017–2022, assessing an additional EUR 3 million in VAT liabilities. Utilizing Romania's tax amnesty provisions, the company settled only the assessed tax amount by the January 20, 2025 deadline, while actively contesting the findings, with a formal appeal submitted by January 31, 2025.

** - a subsidiary of the Parent company - Mogo LT UAB, has signed a credit default swap agreement with a former company of the Group - Risk Management Services OU. Based on this contract the Group incurs credit default swap expenses in return for an insurance of the default of Mogo LT UAB loans and advances to customers portfolio.

16. Net foreign exchange result

	2024 EUR	2023 EUR
Currency exchange gain	(15 469 241)	(2 737 620)
Currency exchange loss	19 179 090	9 123 453
TOTAL:	**3 709 849**	**6 385 833**

Main impact comes from currency rate fluctuations of Kenya Shiling.

17. Corporate income tax

	2024 EUR	2023 EUR
Current corporate income tax charge for the reporting year	8 203 820	8 324 461
Deferred corporate income tax due to changes in temporary differences	732 929	(1 758 559)
Corporate income tax charged to the income statement:	**8 936 749**	**6 565 902**

Unrecognized deferred tax liability for undistributed dividends as described in Note 3 comprises 10 030 374 EUR. (2023: 9 406 035 EUR)

	31.12.2024 EUR	31.12.2023 EUR
Current corporate income tax liabilities	3 591 081	729 149
TOTAL:	**3 591 081**	**729 149**

Corporate income tax liabilities have increased in 2024 compared to 2023 mainly due to subsidiaries in Africa obtained in 2023. Those subsidiaries have generated taxable profits in 2024 which caused increase of corporate income tax liabilities at year end.

18. Deferred corporate income tax

	Balance sheet		Income statement	
	31.12.2024 EUR	31.12.2023 EUR	2024 EUR	2023 EUR
Deferred corporate income tax liability				
Accelerated depreciation for tax purposes	164 988	251 308	(75 462)	(64 391)
Other	2 126 423	229 918	1 610 477	137 428
Gross deferred tax liability	**2 291 411**	**481 226**	**1 535 015**	**73 037**
Deferred corporate income tax asset				
Tax loss carried forward	(2 350 119)	(2 846 009)	523 335	(76 945)
Unused vacation accruals	(245 902)	(196 978)	(32 939)	54 514
Impairment	(7 483 783)	(4 720 754)	(1 633 653)	289 392
Currency fluctuation effect	-	-	(1 048 682)	1 198 508
Other	(1 405 199)	(1 595 324)	341 171	(2 098 557)
Gross deferred tax asset	**(11 485 003)**	**(9 359 065)**	**(1 850 768)**	**(633 088)**
Net deferred tax liability/ (asset)	**(9 193 592)**	**(8 877 839)**	**(315 753)**	**(560 051)**
Increase in net deferred tax asset:				
In the statement of profit and loss	-	-	732 929	(1 758 559)
Net deferred corporate income tax assets	(9 193 592)	(8 877 839)		
Net deferred corporate income tax expense/ (benefit)			732 929	(1 758 559)

The Group believes that tax asset arising from tax losses will be utilized in nearest few years with future profits as well as asset arising due to temporary impairment cost recognition when low performing portfolio will be sold to third parties.

18. Deferred corporate income tax (continued)

For all countries the asset is deemed recoverable based on trends of historical performance and estimates of future results. Deferred tax asset has been recognized in subsidiaries in following countries:

Subsidiary	Deferred tax asset 2024 EUR	2023 EUR
Mogo Auto Ltd	2 506 292	2 998 449
YesCash Group Ltd	2 247 180	1 876 026
MOGO LOANS SMC LIMITED	1 834 029	2 062 902
ExpressCredit Proprietary Ltd	780 691	438 623
ExpressCredit Cash Advance Ltd	696 529	145 978
YesCash Zambia LTD	467 341	531 251
Kredo Finance SHPK	244 876	271 449
Green Power Trading LTD	233 480	311 281
Other	183 174	241 880
TOTAL:	**9 193 592**	**8 877 839**

Recognition of deferred taxes mainly is driven from accumulated tax losses from entities in Mauritius and Uganda as well as temporary differences in taxable impairment in Kenya.

Deferred tax assets have not been recognized mainly in respect to tax losses arisen in Luxembourg and Ukraine as there may be no future taxable profits available in the foreseeable future. Subsidiaries in Ukraine have been loss-making and there are no other tax planning opportunities or other evidence of recoverability in the near future. Recoverability of deferred tax asset in Luxembourg in nearest future is also unlikely.

Deferred tax asset not recognized due to the above reason in amount of 8 824 652 EUR. (2023: 8 548 066 EUR).

The potential income tax consequence attached to the payment of dividends in 2024 amounts to 624 339 EUR. (2023: 624 736 EUR.)

Tax losses for which no deferred tax assets are recognized by the Group may be utilized as follows for carry forward:	Tax loss EUR	Expiry term
Tax loss for 2019	3 852 603	2025
Tax loss for 2020	6 787 321	2025-2026
Tax loss for 2021	20 813 333	2026-2027
Tax loss for 2022	3 703 855	2027-2028
Tax loss for 2023	2 253 199	2028-2029
Tax loss for 2024	2 462 672	2029-2030
TOTAL:	**39 872 983**	

Tax losses for which no deferred tax assets were recognized by the Group for previous reporting period consisted of EUR 38 632 230.

Actual corporate income tax charge for the reporting year, if compared with theoretical calculations:	2024 EUR	2023 EUR
Profit before tax	**37 740 465**	**28 482 002**
Tax at the applicable tax rate*	**9 412 472**	**7 103 411**
Undistributed earnings taxable on distribution**	(572 496)	(2 534 833)
Unrecognized deferred tax asset	106 073	354 482
Effect of different tax rates of subsidiaries operating in other jurisdictions	(2 675 034)	(3 146 455)
Non-temporary differences:		
Business not related expenses (donations, penalties and similar expenses)	(185 911)	(807 112)
Other***	2 851 645	5 596 409
Actual corporate income tax for the reporting year:	**8 936 749**	**6 565 902**
Effective income tax rate	23.68%	23.05%

* - Tax rate for the Parent company for year 2024 - 24,94% (2023 - 24,94%)

** - In Latvia, Estonia and Georgia corporate income tax expenses are not recognized starting from 2017 or before in accordance with local legislation. See further information in Note 3.

*** - 'Other' contains other non-temporary differences as well as impact of consolidation adjsutments.

19. Discontinued operations

As of end of 2023 the Group had either sold or was in active liquidation process of its vehicle business operations in the Balkan region. In 2022 the Group had decided to fully exit from the Balkan region as a geographical market with its vehicle financing business line while retaining its consumer financing business lines in the region. Due to this reason the Group had decided to classify the vehicle financing operations in Bosnia-Herzegovina as well as Poland as discontinued operation and present their results separately. The subsidiary in Bosnia-Herzegovina was liquidated in 2024. Also in 2023 the Group decided to exit Belarus as a geographical market therefore several subsidiaries in Belarus are also classified as discontinued operations. As of end of 2024 all entities in Belarus are either sold or liquidated. The Group does not have any discontinued operations at 2024 year end.

All following entities are classified as discontinued operations in these consolidated financial statements:

- Mogo Leasing d.o.o. (Bosnia&Herzegovina), liquidation process finished in Q1 of 2024
- Rocket Leasing OOO (Belarus), company sold in January 2024
- Autotrade OOO (Belarus), company sold in January 2024
- MOGO Kredit LLC (Belarus), company sold in January 2024

Results of discontinued operation	2024 EUR	2023 EUR
Interest income	900 598	4 894 168
Other debt collection income/(expense)	45 812	301 050
External revenue	946 410	5 195 218
Expenses	(552 901)	(3 745 069)
Elimination of expenses related to inter-segment sales	-	1 104 241
External expenses	(552 901)	(2 640 828)
Results from operating activities	**393 509**	**2 554 390**
Income tax	(270 622)	(291 447)
Results from operating activities, net of tax	**122 887**	**2 262 943**
Gain on sale of discontinued operation/(loss) on measurement to fair value less costs to sell of the disposal group	645 225	276 011
Profit (loss) from discontinued operations, net of tax	**768 112**	**2 538 954**

19. Discontinued operations (continued)

Cash flows from discontinued operation	2024 EUR	2023 EUR
Net cash used in operating activities	8 175 838	5 078 806
Net cash from investing activities	401 587	253 509
Net cash from financing activities	(9 541 121)	(14 875 734)
Net cash flows for the year	**(963 696)**	**(9 543 419)**

Effect of disposal on the financial position of the Group	2024 EUR	2023 EUR
Intangible assets	-	-
Tangible assets	-	(405 104)
Deferred tax asset	-	(290 860)
Loans and advances to customers	-	(145 140)
	-	(8 050 101)
Other receivables	-	(561 080)
Cash and cash equivalents disposed of	-	(104 578)
Total disposed assets	**-**	**(9 556 863)**
Other liabilities	-	2 045 004
Net assets and liabilities	**-**	**(7 511 859)**
Net cash outflows	**-**	**(104 578)**

20. Intangible assets

	Goodwill EUR	Internally generated intangible assets EUR	Trademarks EUR	Other intangible assets EUR	Other intangible assets *SUBTOTAL* EUR	**TOTAL** EUR
Cost	4 659 049	14 789 632	2 151 085	409 993	2 561 078	**22 009 759**
Accumulated amortization	-	(6 148 194)	-	(149 820)	(149 820)	**(6 298 014)**
As at 1 January 2023	**4 659 049**	**8 641 438**	**2 151 085**	**260 173**	**2 411 258**	**15 711 745**
2023						
Additions	-	2 474 926	-	1 060 536	1 060 536	**3 535 462**
Acquisition of a subsidiary through business combination	2 148 006	7 798 508	1 072 000	1 860 778	2 932 778	**12 879 292**
Reclassification	-	904 566	-	(904 566)	(904 566)	**-**
Reclassified to assets held for sale (cost)	-	(366 717)	-	(2 144)	(2 144)	**(368 861)**
Disposals (cost)	-	(75 263)	-	(37 423)	(37 423)	**(112 686)**
Exchange difference, net	-	9 555	-	(6 455)	(6 455)	**3 100**
Amortization charge	-	(3 081 502)	-	(55 817)	(55 817)	**(3 137 319)**
Disposals (amortization)	-	76 879	-	15 177	15 177	**92 056**
Acquisition of a subsidiary through business combination (amortization)	-	(6 096 372)	-	(26 298)	(26 298)	**(6 122 670)**
Reclassified from assets held for sale (amortization)	-	62 254	-	1 902	1 902	**64 156**
Impairment	-	(65 640)	-	-	-	**(65 640)**
Exchange difference, net	-	(18 713)	-	4 515	4 515	**(14 198)**
Cost	6 807 055	25 535 207	3 223 085	2 380 719	5 603 804	**37 946 066**
Accumulated amortization	-	(15 271 288)	-	(210 341)	(210 341)	**(15 481 629)**
As at 31 December 2023	**6 807 055**	**10 263 919**	**3 223 085**	**2 170 378**	**5 393 463**	**22 464 437**
2024						
Additions	-	1 477 326	-	3 066 640	3 066 640	**4 543 966**
Reclassification	-	3 104 261	-	(3 104 261)	(3 104 261)	**-**
Disposals (cost)	-	(27 829)	-	(56 760)	(56 760)	**(84 589)**
Exchange difference, net	-	77 316	-	3 239	3 239	**80 555**
Amortization charge	-	(3 166 962)	-	(33 582)	(33 582)	**(3 200 544)**
Disposals (amortization)	-	7 589	-	51 646	51 646	**59 235**
Exchange difference, net	-	49 244	-	(872)	(870)	**48 372**
Cost	6 807 055	30 166 281	3 223 085	2 289 577	5 512 662	**42 485 998**
Accumulated amortization	-	(18 381 417)	-	(193 149)	(193 147)	**(18 574 566)**
As at 31 December 2024	**6 807 055**	**11 784 864**	**3 223 085**	**2 096 428**	**5 319 515**	**23 911 432**

* Internally generated intangible assets mainly consist of Group's developed ERP systems. Carrying amount of ERP systems at reporting year end was EUR 11 613 281. Expected amortization period is 7 years with year 2030 end date.
Carrying amount has increased as the Group continued to make investments in further development of the systems.
Amortization costs are included in the caption "Administrative expense".

Split of goodwill per cash generating unit: Name	31.12.2024 EUR	31.12.2023 EUR
TIGO Finance DOOEL Skopje (North Macedonia)	3 000 276	3 000 276
EC Finance Group SIA*	2 148 006	2 148 006
UAB mogo (Lithuania)	646 063	646 063
OU Primero Finance (Estonia)	451 894	451 894
AS mogo (Latvia)	298 738	298 738
Mogo UCO (Armenia)	182 028	182 028
Mogo LLC (Georgia)	80 050	80 050
	6 807 055	**6 807 055**

Each cash generating unit represents a subsidiary of the Group.

* - During 2023 the Group obtained the EC Finance Group SIA as a whole group with its 'Express Credit' brand. Goodwill from this transaction was recognized on the group as a whole instead of individual subsidiaries due to the fact that the Group considers whole EC Finance Group SIA as one cash generating unit therefore does not recognize goodwill on each individual subsidiary obtained.

Goodwill and trademarks impairment test

As at 31 December 2024, goodwill and trademarks were tested for impairment.
The impairment test was performed for each cash generating unit separately.

The recoverable amounts for each unit were calculated based on their value in use, determined by discounting the future cash flows expected to be generated from the continuing activities of the units. No impairment losses were recognized because the recoverable amounts of these units including the goodwill allocated were determined to be higher than their carrying amounts. The calculations of value-in-use were based on free cash flow to equity approach to each unit respectively, discounted by estimated cost of equity. The value-in-use calculations are most sensitive to projected operating cash-flow, terminal growth rates used to extrapolate cash flows beyond the budget period, and discount rates. Projected operating cash-flow figures were based on detailed financial models.

Recoverable amount for the subsidiaries are estimated to be:	
Name	Amount
TIGO Finance DOOEL Skopje (North Macedonia)	13.4 million EUR
EC Finance Group SIA	39.1 million EUR
UAB mogo (Lithuania)	11.8 million EUR
OU Primero Finance (Estonia)	10.1 million EUR
AS mogo (Latvia)	9.6 million EUR
Mogo UCO (Armenia)	9.6 million EUR
Mogo LLC (Georgia)	19.7 million EUR

2024 actual figures were used as a starting point in these models, and took into account management's expectations of the future performance of each unit.

Five years of cash flows were included in the discounted cash flow model. A long-term terminal growth rate into perpetuity was determined to be from 2.1% to 5.0%. The rate was estimated by management based on the forecasted trends of economic and macroeconomic environment in existing markets.

Discount rates reflect the current market assessment of the risk specific to each unit.

Discount rates applied are:	
Name	Rate
TIGO Finance DOOEL Skopje (North Macedonia)	31.4%
EC Finance Group SIA	27.8% - 54.3%
UAB mogo (Lithuania)	15.6%
OU Primero Finance (Estonia)	14.8%
AS mogo (Latvia)	15.9%
Mogo UCO (Armenia)	30.0%
Mogo LLC (Georgia)	28.3%

Sensitivity analysis was performed to assess changes to key assumptions that could influence whether the carrying value of the units exceeded their recoverable amounts. The results of this analysis indicate that for all units, the recoverable amount would not be below the carrying amount including goodwill (i.e. goodwill would not become impaired), if terminal growth rates decreased by 0.5% and discount rates increased by 5%.

The recoverable amounts after stress test exceed the carrying amounts for:	
Name	Amount
TIGO Finance DOOEL Skopje (North Macedonia)	8.5 million EUR
EC Finance Group SIA	37.0 million EUR
UAB mogo (Lithuania)	6.8 million EUR
OU Primero Finance (Estonia)	6.7 million EUR
AS mogo (Latvia)	6.4 million EUR
Mogo UCO (Armenia)	8.8 million EUR
Mogo LLC (Georgia)	15.8 million EUR

The following table shows currently applied terminal growth and discount rates and their adjusted values which would result in carrying value to be equal to recoverable value:

	Currently applied values		Adjusted values	
Name	Terminal growth rate	Discount rate	Terminal growth rate	Discount rate
TIGO Finance DOOEL Skopje (North Macedonia)	3.5%	31.4%	0.0%	165.4%
EC Finance Group SIA	2.1% - 4.9%	27.8% - 54.3%	0.0%	294.2%
UAB mogo (Lithuania)	2.2%	15.6%	0.0%	73.8%
OU Primero Finance (Estonia)	2.0%	14.8%	0.0%	152.9%
AS mogo (Latvia)	2.5%	15.9%	0.0%	112.7%
Mogo UCO (Armenia)	4.5%	30.0%	0.0%	3903.5%
Mogo LLC (Georgia)	5.0%	28.3%	0.0%	5703.3%

The Group has determined that there is no risk in terms of potential impairment arising from a change in the valuation parameters.

21. Property, plant and equipment and Right-of-use assets

	Right-of-use premises	Right-of-use motor vehicles	*SUBTOTAL Right-of-use assets*	Car sharing rental fleet	Long term rental fleet	*SUBTOTAL Rental fleet*	Other property, plant and equipment	TOTAL
	EUR	EUR	*EUR*	*EUR*	EUR	*EUR*	EUR	EUR
Cost	15 097 612	327 385	*15 424 997*	750 747	13 256 631	*14 007 378*	6 947 223	**36 379 598**
Accumulated depreciation	(5 407 430)	(82 938)	*(5 490 368)*	(25 393)	(3 973 490)	*(3 998 883)*	(4 169 468)	**(13 658 719)**
As at 1 January 2023	**9 690 182**	**244 447**	***9 934 629***	**725 354**	**9 283 141**	***10 008 495***	**2 777 755**	**22 720 879**
2023								
Additions	4 976 220	15 508	*4 991 728*	3 013 359	1 108 735	*4 122 094*	1 407 939	**10 521 761**
Disposals (cost)	(2 485 573)	(48 757)	*(2 534 330)*	(38 651)	(7 640 331)	*(7 678 982)*	(478 011)	**(10 691 323)**
Acquisition of a subsidiary through business combination	1 850 387	-	*1 850 387*	-	-	-	1 600 186	**3 450 573**
Reclassified to assets held for sale (cost)	(190 949)	(16 945)	*(207 894)*	-	-	-	(82 394)	**(290 288)**
Exchange difference, net	(1 069 714)	(2 302)	*(1 072 016)*	-	-	-	(589 262)	**(1 661 278)**
Depreciation charge	(2 341 327)	(84 902)	*(2 426 229)*	(179 198)	(1 299 276)	*(1 478 474)*	(1 213 667)	**(5 118 370)**
Disposals (depreciation)	686 550	27 105	*713 655*	5 236	2 045 664	*2 050 900*	231 922	**2 996 477**
Acquisition of a subsidiary through business combination (depreciation)	(1 149 316)	-	*(1 149 316)*	-	-	-	(1 179 191)	**(2 328 507)**
Reclassified to assets held for sale (depreciation)	108 952	10 407	*119 359*	-	-	-	74 047	**193 406**
Impairment release	-	-	-	-	61 895	*61 895*	-	**61 895**
Exchange difference, net	337 906	1 407	*339 313*	-	-	-	322 818	**662 131**
Cost	18 177 983	274 889	*18 452 872*	3 725 455	6 725 035	*10 450 490*	8 805 681	**37 709 043**
Accumulated depreciation	(7 764 665)	(128 921)	*(7 893 586)*	(199 355)	(3 165 207)	*(3 364 562)*	(5 933 539)	**(17 191 687)**
As at 31 December 2023	**10 413 318**	**145 968**	***10 559 286***	**3 526 100**	**3 559 828**	***7 085 928***	**2 872 142**	**20 517 356**
2024								
Additions	4 738 145	159 446	*4 897 591*	2 358	421 846	*424 204*	3 341 906	**8 663 701**
Disposals (cost)	(2 967 447)	(246 231)	*(3 213 678)*	-	(2 394 139)	*(2 394 139)*	(1 848 656)	**(7 456 473)**
Disposals due to subsidiary reorganisation (cost)	-	-	-	(3 727 813)	-	*(3 727 813)*	-	**(3 727 813)**
Exchange difference, net	527 847	161	*528 008*	-	-	-	322 148	**850 156**
Depreciation charge	(4 037 231)	(73 070)	*(4 110 301)*	(128 589)	(804 849)	*(933 438)*	(1 610 517)	**(6 654 256)**
Disposals (depreciation)	2 289 910	151 221	*2 441 131*	-	1 227 997	*1 227 997*	617 678	**4 286 806**
Disposals due to subsidiary reorganisation (depreciation)	-	-	-	327 944	-	*327 944*	-	**327 944**
Impairment release	-	-	-	-	27 303	*27 303*	-	**27 303**
Exchange difference, net	(322 788)	(151)	*(322 939)*	-	-	-	(229 580)	**(552 519)**
Cost	20 476 528	188 265	*20 664 793*	-	4 752 742	*4 752 742*	10 621 079	**36 038 614**
Accumulated depreciation	(9 834 774)	(50 921)	*(9 885 695)*	-	(2 714 756)	*(2 714 756)*	(7 155 958)	**(19 756 409)**
As at 31 December 2024	**10 641 754**	**137 344**	***10 779 098***	**-**	**2 037 986**	***2 037 986***	**3 465 121**	**16 282 205**

Operating leases maturity analysis		Contractual cash flows			
	Carrying value	Up to 1 year	1-5 years	More than 5 years	Total
	EUR	EUR	EUR	EUR	EUR
Long term rental fleet	**2 037 986**	1 552 292	869 013	-	**2 421 305**

Impairment test of non-financial assets (long term rental fleet)

As of 31 December 2024, non-financial assets of long term rental fleet were tested for impairment. An impairment indication existed as Renti AS has been loss making.

Out of total long term rental fleet with the acquisition cost of EUR 4 752 742, impairment was identified for the total long term rental fleet with a acquisition cost of EUR 1 036 669. For those cars recoverable amount is estimated to EUR 281 656. The recoverable amount was estimated based on the value in use method discounting the cash-flow using a WACC of 12.6%. The cash-flow was projected based on rental agreements probabilities of default and early repayments. As a result, impairment loss was recognised in previous years and remaining impairment amount as at 31 December is EUR 48 095.
For the remaining long term rental fleet with the acquisition value of EUR 3 716 073 the recoverable amount was estimated as EUR 1 153 141.

Sensitivity analysis was performed to assess changes to key assumptions that could influence whether the carrying value of the long term rental fleet assets exceeded their recoverable amounts. If WACC would have increased by 2%, all other assumptions remaining the same including the rental income, acquisition cost would increase to EUR 1 129 990 and the recoverable amount of impaired assets would equal to EUR 311 985, additional impairment of EUR 4 239 would need to be recognized.

For detailed description of impairment testing refer to 'Impairment of non-financial assets (rental fleet) (Note 3).

22. Right-of-use assets and lease liabilities

Right-of-use assets and lease liabilities are shown as follows in the statement of financial position and statement of profit and loss:

	31.12.2024 EUR	31.12.2023 EUR
ASSETS		
Non-current assets		
Right-of-use assets - premises	10 641 754	10 413 318
Right-of-use assets - motor vehicles	137 344	145 968
TOTAL:	**10 779 098**	**10 559 286**
EQUITY AND LIABILITIES		
Non-current liabilities		
Lease liabilities	6 805 081	7 247 159
Current liabilities		
Lease liabilities	5 067 981	4 553 929
TOTAL:	**11 873 062**	**11 801 088**

	2024 EUR
Leases in the statement of profit and loss	
Revenue from contracts with customers	
Operating lease income	2 748 356
Total cash inflow from leases	**2 748 356**
Administrative expense	
Expense relating to leases of low-value assets and short-term leases	(369 371)
Depreciation	(4 281 910)
Net finance costs	
Interest expense on lease liabilities	(769 723)
Total cash outflow from lease liabilities	
Principal payments for finance lease liabilities	(2 349 649)
Interest payments for lease liabilities	(769 723)
Total cash outflow from leases	**(3 119 372)**

In 2024 the Group incurred expenses for lease agreements which did not qualify for recognition of Right-of-use assets in total amount of EUR 369 371.

The cost relating to variable lease payments that do not depend on an index or a rate amounted to EUR nil for the year ended December 31, 2024. There were no leases with residual value guarantees or leases not yet commenced to which the Group is committed.

23. Loans and advances to customers

Loans and advances to customers, net	Non-Current 31.12.2024 EUR	Current 31.12.2024 EUR	Non-Current 31.12.2023 EUR (restated)	Current 31.12.2023 EUR (restated)
Loans and advances to customers (secured)	140 830 463	110 245 433	123 487 542	89 282 439
Impairment allowance for secured loans	(6 579 988)	(30 695 254)	(4 853 057)	(27 770 540)
Loans and advances to customers (unsecured)	61 376 766	123 096 365	43 858 190	118 615 693
Impairment allowance for unsecured loans	(5 785 923)	(52 627 768)	(6 830 011)	(52 099 017)
Accrued interest and handling fee	-	29 718 909	-	31 615 709
Fees paid and received upon loan disbursement	(191 735)	(221 258)	(808 211)	(1 294 582)
	189 649 583	**179 516 427**	**154 854 453**	**158 349 702**

The table below shows the credit quality and the maximum exposure to credit risk based on the Group's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances.

Loans and advances to customers (unsecured)	2024 Stage 1 EUR	2024 Stage 2 EUR	2024 Stage 3 EUR	2024 TOTAL EUR	2023 TOTAL EUR
Not past due	131 156 213	115 276	576 297	131 847 786	106 193 377
Days past due up to 30 days	10 279 829	999 409	391 596	11 670 834	9 408 556
Days past due up to 60 days	801 770	3 742 020	225 055	4 768 845	3 913 017
Days past due over 60 days	-	2 290 288	48 564 289	50 854 577	52 390 489
TOTAL, GROSS:	**142 237 812**	**7 146 993**	**49 757 237**	**199 142 042**	**171 905 439**

Loans and advances to customers (secured)	2024 Stage 1 EUR	2024 Stage 2 EUR	2024 Stage 3 EUR	2024 TOTAL EUR	2023 TOTAL EUR
Not past due	167 526 641	9 592 655	294 128	177 413 424	148 996 364
Days past due up to 30 days	30 130 370	12 963 603	421 386	43 515 359	43 252 083
Days past due up to 60 days	-	3 090 518	3 619 853	6 710 371	8 950 523
Days past due over 60 days	-	-	38 486 740	38 486 740	33 755 164
TOTAL, GROSS:	**197 657 011**	**25 646 776**	**42 822 107**	**266 125 894**	**234 954 134**

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to loans and advances to customers are, as follows:

Loans and advances to customers (unsecured)	Stage 1 EUR	Stage 2 EUR	Stage 3 EUR	Total EUR
Balance at 1 January 2024	114 903 724	5 964 421	51 037 294	171 905 439
Transfer to Stage 1	514 702	(386 365)	(128 337)	-
Transfer to Stage 2	(1 893 321)	1 920 527	(27 206)	-
Transfer to Stage 3	(9 630 237)	(2 316 254)	11 946 491	-
New financial assets acquired	94 253 688	4 897 338	10 317 528	109 468 554
Receivables settled	(56 049 451)	(1 441 885)	(4 915 579)	(62 406 915)
Receivables written off	(701 685)	(1 298 531)	(5 874 765)	(7 874 981)
Receivables sold	(2 912 530)	(738 355)	(13 585 920)	(17 236 805)
Receivables partially settled	916 794	434 287	800 831	2 151 912
Currency conversion effect	2 836 128	111 810	186 900	3 134 838
Balance at 31 December 2024	**142 237 812**	**7 146 993**	**49 757 237**	**199 142 042**

23. Loans and advances to customers (continued)

Impairment allowance (unsecured)	Stage 1 EUR	Stage 2 EUR	Stage 3 EUR	Total EUR
Balance at 1 January 2024	8 853 112	2 958 314	47 117 602	58 929 028
Transfer to Stage 1	199 649	(144 612)	(55 037)	-
Transfer to Stage 2	(266 681)	280 505	(13 824)	-
Transfer to Stage 3	(1 906 392)	(1 303 713)	3 210 105	-
Impairment for new financial assets acquired	7 008 872	2 595 353	7 716 468	17 320 693
Reversed impairment for settled receivables	(3 217 187)	(381 507)	(643 243)	(4 241 937)
Reversed impairment for written off receivables	(724 499)	(1 299 040)	(8 044 823)	(10 068 362)
Reversed impairment for sold receivables	(310 019)	(698 953)	(11 919 426)	(12 928 398)
Net remeasurement of loss allowance	337 146	823 906	7 817 809	8 978 861
Currency conversion effect	209 923	60 722	153 161	423 806
Balance at 31 December 2024	**10 183 924**	**2 890 975**	**45 338 792**	**58 413 691**
Change in impairment excluding impact from foreign exchange conversion	**1 120 889**	**(128 061)**	**(1 931 971)**	**(939 143)**

Loans and advances to customers (secured)	Stage 1 EUR	Stage 2 EUR	Stage 3 EUR	Total EUR
Balance at 1 January	166 808 290	28 675 566	39 470 278	234 954 134
Transfer to Stage 1	7 404 476	(6 686 966)	(717 510)	-
Transfer to Stage 2	(11 612 757)	12 382 156	(769 399)	-
Transfer to Stage 3	(18 469 237)	(11 480 327)	29 949 564	-
New financial assets acquired	140 333 923	15 101 147	18 831 029	174 266 099
Receivables settled	(35 530 530)	(2 768 040)	(1 623 115)	(39 921 685)
Receivables written off	(1 005 670)	(1 051 167)	(13 414 904)	(15 471 741)
Receivables sold	(1 405 495)	(769 385)	(5 264 588)	(7 439 468)
Receivables partially settled	(60 384 288)	(11 731 852)	(28 746 709)	(100 862 849)
Currency conversion effect	11 518 299	3 975 644	5 107 461	20 601 404
Balance at 31 December	**197 657 011**	**25 646 776**	**42 822 107**	**266 125 894**

Impairment allowance (secured)	Stage 1 EUR	Stage 2 EUR	Stage 3 EUR	Total EUR
Balance at 1 January	4 770 950	4 001 301	23 851 346	32 623 597
Transfer to Stage 1	1 075 974	(843 215)	(232 759)	-
Transfer to Stage 2	(533 439)	751 175	(217 736)	-
Transfer to Stage 3	(899 616)	(1 788 356)	2 687 972	-
Impairment for new financial assets acquired	4 048 393	2 169 854	11 042 672	17 260 919
Reversed impairment for settled receivables	(506 771)	(170 930)	(459 864)	(1 137 565)
Reversed impairment for written off receivables	(868 031)	(1 034 337)	(13 145 715)	(15 048 083)
Reversed impairment for sold receivables	(364 049)	(392 958)	(3 650 926)	(4 407 933)
Net remeasurement of loss allowance	(1 668 122)	396 136	5 196 747	3 924 761
Currency conversion effect	501 787	552 227	3 005 532	4 059 546
Balance at 31 December	**5 557 076**	**3 640 897**	**28 077 269**	**37 275 242**
Change in impairment excluding impact from foreign exchange conversion	**284 339**	**(912 631)**	**1 220 391**	**592 099**

* - Amounts presented as changes in loans and advances to customers and impairment allowance due to transfer among stages include only movement of opening balances as at 1 January. Information about transfers among stages does not include new financial assets acquired and impairment calculated during the year.

24. Loans to associated companies

Non current	*Interest rate per annum (%)*	*Maturity*	31.12.2024 EUR	31.12.2023 EUR
Loans to associated companies (Spaceship SIA)	10%	31.01.2027	3 253 724	-
		TOTAL:	**3 253 724**	**-**

Current	31.12.2024 EUR	31.12.2023 EUR
Accrued interest	54 455	-
TOTAL:	**54 455**	**-**

The Group has recognised the loan to its former subsidiary as a result of subsidiary's reorganization and becoming an equity accounted investee. The loan is colletarised with all assets of the entity.

An analysis of Loans to related parties staging and the corresponding ECL allowances at the year end are as follows:

31.12.2024	Stage 1	Stage 2	Stage 3	Total
Loans to associated companies (Spaceship SIA)	3 253 724	-	-	3 253 724
Accrued interest	54 455	-	-	54 455
Total	**3 308 179**	**-**	**-**	**3 308 179**
Total ECL calculated	**-**	**-**	**-**	**-**

25. Equity-accounted investees

	Interest rate	*Maturity*	31.12.2024 EUR	31.12.2023 EUR
Investments in associates			1 238 003	580 714
		TOTAL:	**1 238 003**	**580 714**

In September 2019 the Group sold 51% of its previously wholly owned investment in its subsidiary Primero Finance AS. As a result the Group lost the control over the subsidiary and recognizes this investment in the statement of financial position as equity-accounted investees. During 2021 the Group established a new holding company - Primero Holding AS together with majority shareholder of Primero Finance AS. Group's shareholding also is 49% in the new entity. At the same time ownership of Primero Finance AS was transferred to Primero Holding AS. Through 49% shareholding in Primero Holding AS, the Group continues to have investment in Primero Finance AS at the same level. Also during 2021 Primero Holding AS established a new company in Lithuania - Primero Finance UAB and plans to expand its activities in this market. In 2022 Primero Holding AS also established a subsidiary 'Primero SV1 OU' and also will expand its activities in Estonia.

OX Drive (Spaceship SIA), Eleving Group's electric car-sharing business, and Carguru (Slyfox SIA), the frontrunners of car-sharing services in Latvia, have combined their operations, with Eleving Group converting its previous majority stake in Spaceship SIA into a minority equity holding in the joint venture, which now operates under the Carguru brand in September 2024. This merger elevates their market position with a robust fleet of over 420 vehicles, making them one of the leading players in the Latvian car-sharing space. Eleving Group now holds 36.24% of the combined entity.

25. Equity-accounted investees (continued)

Further information on entities performance disclosed below:

Name of the company	Country	Share capital EUR	Total Equity EUR	Interest in associate equity %	Net value according to equity method EUR
		31.12.2024 (unaudited)			
Primero Holding AS (Latvia)	Latvia	2 550 000	573 869	49	286 275
SlyFox SIA (Latvia)	Latvia	1 691 687	2 626 181	36.24	951 728

Name of the company	Country	Share capital EUR	Total Equity EUR	Interest in associate equity %	Net value according to equity method EUR
		31.12.2023 (unaudited)			
Primero Holding AS (Latvia)	Latvia	2 150 000	1 642 011	49	580 714

Changes in investments in associate	2024 EUR	2023 EUR
Balance as at 1 January	580 714	420 622
Increase in share capital	1 415 573	784 000
Income/(loss) from associates accounted under equity method	(758 284)	(623 908)
Balance as at 31 December	1 238 003	580 714

Consolidated statement of profit and loss of associates (unaudited)	2024 EUR	2023 EUR
Interest revenue	4 702 101	3 518 858
Interest expense	(15 268)	(58 269)
Net interest income	**4 686 833**	**3 460 589**
Fee and commission income	947 652	26 027
Revenue from leases	4 868 133	-
Impairment expense	(611 121)	(741 965)
Net loss from de-recognition of financial assets measured at amortized cost	(1 327 628)	(583 487)
Selling expense	(166 094)	(281 298)
Administrative expense	(4 566 840)	(1 163 099)
Other operating income	(222 465)	197 485
Other operating expense	(5 342 375)	(2 176 750)
Profit before tax	**(1 733 905)**	**(1 262 498)**
Corporate income tax	(6 078)	(10 155)
Deferred income tax	-	(628)
Net profit	**(1 739 983)**	**(1 273 281)**

Consolidated statement of financial position at year end of associates

	31.12.2024 EUR (unaudited)	31.12.2023 EUR (unaudited)
ASSETS		
Other intangible assets	1 124 737	11 897
Right-of-use assets	4 494	5 877
Property, plant and equipment	7 624 628	990
Loans and advances to customers	22 219 629	17 410 021
TOTAL NON-CURRENT ASSETS	**30 973 488**	**17 428 785**
Loans and advances to customers	6 545 860	9 806 952
Stock	413 168	-
Prepaid expense	519 087	67 820
Trade receivables	198 334	260 988
Other receivables	1 125 330	102 841
Cash and cash equivalents	492 607	2 037 451
Assets held for sale	10 712	77 103
TOTAL CURRENT ASSETS	**9 305 098**	**12 353 155**
TOTAL ASSETS	**40 278 586**	**29 781 940**
EQUITY		
Share capital	5 782 529	2 150 000
Retained earnings/(losses)	(2 582 479)	(507 989)
brought forward	(842 496)	765 292
for the period	(1 739 983)	(1 273 281)
TOTAL EQUITY	**3 200 050**	**1 642 011**
LIABILITIES		
Non-current liabilities		
Borrowings	34 282 237	26 814 699
Total non-current liabilities	**34 282 237**	**26 814 699**
Current liabilities		
Borrowings	1 362 102	53 787
Trade and other payables	693 437	1 048 317
Taxes payable	138 736	33 675
Other liabilities	430 459	55 043
Accrued liabilities	171 565	134 408
Total current liabilities	**2 796 299**	**1 325 230**
TOTAL LIABILITIES	**37 078 536**	**28 139 929**
TOTAL EQUITY AND LIABILITIES	**40 278 586**	**29 781 940**

26. Finished goods and goods for resale

	31.12.2024 EUR	31.12.2023 EUR
Advance payments to vehicle dealerships	2 406 828	2 517 439
Acquired vehicles for purpose of selling them to customers	512 012	2 220 088
Other inventory	258 934	377 779
Impairment allowance	(725 168)	(297 207)
TOTAL:	**2 452 606**	**4 818 099**

Income and expenses from sale of vehicles and other goods during the reporting year were EUR 7 074 452 and EUR 6 559 224 respectively.
(2023: EUR 1 936 451 and EUR 1 789 166 respectively. Note 11).

27. Prepaid expense

	31.12.2024 EUR	31.12.2023 EUR
Advances paid for services	607 623	647 299
Prepaid insurance expenses	630 633	557 675
Prepaid Mintos service fee	1 667	1 667
Other prepaid expenses	3 114 008	1 918 103
TOTAL:	**4 353 931**	**3 124 744**

28. Trade receivables

	31.12.2024 EUR	31.12.2023 EUR
Receivables for ceased financial assets	2 037 237	1 190 064
Receivables for rent services	197 874	610 249
Receivables for provided management services	76 387	424 589
Receivables for insurance services	112 879	92 840
Receivables for other services provided	304 086	184 801
Impairment allowance	(563 623)	(895 773)
TOTAL:	**2 164 840**	**1 606 770**

An analysis of trade receivables staging and the corresponding ECL allowances at the year end are as follows:

31.12.2024	Current	1-30 DPD	31-60 DPD	>60 DPD	**Total**
Receivables for ceased financial assets	-	-	-	2 037 237	2 037 237
Receivables for rent services	24 450	25 289	2 207	145 928	197 874
Receivables for provided management services	76 387	-	-	-	76 387
Receivables for insurance services	112 879	-	-	-	112 879
Receivables for other services provided	304 086	-	-	-	304 086
Total	**517 802**	**25 289**	**2 207**	**2 183 165**	**2 728 463**
Total ECL calculated	**(563 623)**	**-**	**-**	**-**	**(563 623)**

31.12.2023	Current	1-30 DPD	31-60 DPD	>60 DPD	**Total**
Receivables for ceased financial assets	-	-	-	1 190 064	1 190 064
Receivables for rent services	61 258	44 174	2 833	501 984	610 249
Receivables for provided management services	424 589	-	-	-	424 589
Receivables for insurance services	92 840	-	-	-	92 840
Receivables for other services provided	184 801	-	-	-	184 801
Total	**763 488**	**44 174**	**2 833**	**1 692 048**	**2 502 543**
Total ECL calculated	**(651)**	**(8 652)**	**(1 069)**	**(885 401)**	**(895 773)**

The Group does not have contract assets and contract liabilities at 31.12.2024 (EUR 0 at 31.12.2023).

29. Other receivables

	31.12.2024 EUR	31.12.2023 EUR
CIT paid in advance	3 792 023	1 610 554
Currency hedging deposits*	1 010 684	-
Disputed tax audit measurement in Georgia**	932 225	911 322
Receivables for payments received from customers through online payment systems	720 349	320 394
Security deposit for office lease (more information in Note 22).	538 758	358 706
Overpaid VAT	500 822	566 688
Receivables from P2P platform for attracted funding	318 882	1 016 629
Advance payments for other taxes	215 158	287 472
Accrued income from currency hedging transactions***	174 563	1 960 166
Advances to employees	9 105	34 454
Other debtors	706 903	1 376 598
Impairment allowance	(179 103)	(175 307)
TOTAL:	**8 740 369**	**8 267 676**

29. Other receivables (continued)

* - In order to establish contractual relationship with currency hedging partners the Group must reserve certain amounts as deposits with partners before concluding the transactions. Such deposits are disclosed as other receivables in these financial statements.

** - The Georgian tax administration has initiated a transfer pricing audit for Mogo LLC (Georgia). The audit covers the financial years 2016, 2017 and 2018. Additional audit has been initiated for financial years 2019, 2020 and 2021. Audit decisions have been issued for respective year. The Georgian tax administration has challenged that interest rate applied by Eleving Group S.A. on loan issued to Mogo LLC complies with arm's lengths principle. According to the decisions additional tax amount of EUR 932 225 has been assessed. The amount has been withheld by the Georgian tax administration from a tax overpayment of Mogo LLC, and part of the amount has been transferred to the Georgian state budget by Mogo LLC.

Mogo LLC has appealed the decisions.

The tax audit decisions for have been appealed within Tbilisi City Court.

Group's management has made a decision to apply for a mutual agreement procedure according to the double tax treaty concluded between Georgia and Luxembourg. In 2022 the Group has submitted the application within the Luxembourg tax administration to initiate mutual agreement procedure. The tax administration is assessing the application.

The management of the Group considers that the interest rate applied by Eleving Group S.A. on loans issued to related parties fully complies with the arm's length principle. The applied interest rate is justified by transfer pricing policies held by the Group. The management of the Group considers that the approach of the Georgian tax administration does not comply with basic loan pricing principles and international guidelines. In order to determine the market interest rate for the Eleving Group S.A. loan issued to the Mogo LLC, Georgian tax administration has used coupon rate of bonds issued by credit institutions as a comparable source. The coupon rates of such bonds are not comparable as represents lower risk market comparing with that where the Group operates. Additionally, when issuing the decision Georgian tax administration has not considered borrowing costs of Eleving Group S.A. The interest rate applied by the Georgian tax administration in the decisions is significantly lower than the borrowing costs of Eleving Group S.A.

The Group is in a position to use all available local and international measures to justify its transfer pricing policies and to achieve the result that the decisions are fully cancelled. According to management's best estimate no significant economical outflows in relation to the transfer pricing audit is expected in the future as the possibility of such has been assessed as remote.

The Group management expects to fully recover paid tax.

*** - The Group enters into currency exchange transactions where it tries to limit its foreign currency rate fluctuation loss. The transaction requires the Group to reserve the a cash deposit with its currency transaction partners. At year end the Group recognizes accrued income based on year end currency rates versus agreed currency transaction rates and recognizes income if the estimated result is expected to be profitable.

30. Cash and cash equivalents

	31.12.2024 EUR	31.12.2023 EUR
Cash at bank	33 414 949	26 754 625
Cash on hand*	1 046 144	715 843
TOTAL:	**34 461 093**	**27 470 468**

* - The Group provides the possibility to its customers to pay their monthly receivables in cash, therefore it holds cash on hand at period end.

An analysis of cash and cash equivalent staging and the corresponding ECL allowances at the year end are as follows:

31.12.2024	Stage 1 EUR	Stage 2 EUR	Stage 3 EUR	Total EUR
Cash at bank	33 414 949	-	-	33 414 949
Cash on hand	1 046 144	-	-	1 046 144
Total	**34 461 093**	**-**	**-**	**34 461 093**
Total ECL calculated	**-**	**-**	**-**	**-**

31.12.2023	Stage 1 EUR	Stage 2 EUR	Stage 3 EUR	Total EUR
Cash at bank	26 754 625	-	-	26 754 625
Cash on hand	715 843	-	-	715 843
Total	**27 470 468**	**-**	**-**	**27 470 468**
Total ECL calculated	**-**	**-**	**-**	**-**

The Group has not calculated an ECL allowance for cash and cash equivalents on the basis that placements with banks are of short term nature and the lifetime of these assets under IFRS 9 is so short that the low probability of default would result in immaterial ECL amounts (2023: EUR 0).
The Group cooperates with banks with credit ratings no less than BBB-.
The Group also does not keep large amounts of funds in one specific bank to limit concentration risk and high exposure to small amount of banks.

31. Disposal groups held for sale

In latter part of 2021, management committed to a plan to sell parts of its vehicle finance business operations in Balkan countries and liquidate subsidiary in Bosnia&Herzegovina. Accordingly, several entities were presented as a disposal group held for sale.
Also in 2024 the Group has sold its subsidiaries in Belarus, therefore respective entities are disclosed as disposal groups in these consolidated financial statements.

As at 31 December 2023 following companies were classified as held for sale or under liquidation and were fully disposed from the Group in 2024:
- Mogo Leasing d.o.o., Bosnia&Herzegovina (liquidated)
- Rocket Leasing OOO, Belarus (liquidated)
- Autotrade OOO, Belarus (sold)
- MOGO Kredit LLC, Belarus (sold)

Assets and liabilities of disposal groups held for sale	31.12.2024 EUR	31.12.2023 EUR
ASSETS		
Mogo Leasing d.o.o., Bosnia&Herzegovina	-	35 172
Rocket Leasing OOO, Belarus	-	856
Autotrade OOO, Belarus	-	2 464
MOGO Kredit LLC, Belarus	-	9 518 371
TOTAL ASSETS OF DISPOSAL GROUPS HELD FOR SALE	**-**	**9 556 863**
LIABILITIES		
Mogo Leasing d.o.o., Bosnia&Herzegovina	-	4 086
Rocket Leasing OOO, Belarus	-	382
Autotrade OOO, Belarus	-	110
MOGO Kredit LLC, Belarus	-	2 040 426
TOTAL LIABILITIES DIRECTLY ASSOCIATED WITH THE ASSETS HELD FOR SALE	**-**	**2 045 004**

32. Assets held for sale

Other assets held for sale	31.12.2024 EUR	31.12.2023 EUR
Repossessed collateral (gross)	1 287 988	745 910
Impairment allowance	(426 793)	(293 855)
	861 195	**452 055**

Changes in other assets held for sale	31.12.2023	Net changes during the year	31.12.2024
Repossessed collateral (net)	452 055	409 140	861 195
TOTAL:	**452 055**	**409 140**	**861 195**

Repossessed collaterals are vehicles taken over by the Group in case of default by the Group's clients on the related loan agreements. After the default of the client, the Group has the right to repossess the vehicle and sell it to third parties. The Group does not have the right to repossess, sell or pledge the vehicle in the absence of default by Group's clients. The Group usually sells the repossessed vehicles within 90 days after repossession. There are no balances left unsold from previous reporting period.

33. Share capital, share premium, treasury shares and reserves

Share capital

On 16 October 2024, Eleving Group S.A. Successfully completed the initial public offering (IPO) and shares of the Company have become traded in Nasdaq Riga Baltic Main List and on the Frankfurt Stock Exchange's Prime Standard. During IPO the Company issued 17 058 824 new shares with par value of EUR 0.01 each.

The subscribed share capital of the Group amounts to EUR 1 171 088 and is divided into 117 108 824 shares fully paid up.

The movements on the Share capital caption during the year are as follows:

	Share capital EUR	**Number of regular Shares**	**Total number of Shares**
Opening balance as at 1 January 2023	**1 000 500**	**100 050 000**	**100 050 000**
Subscriptions	-	-	-
Redemptions	-	-	-
Closing balance as at 31 December 2023	**1 000 500**	**100 050 000**	**100 050 000**
Opening balance as at 1 January 2024	**1 000 500**	**100 050 000**	**100 050 000**
Subscriptions	170 588	17 058 824	17 058 824
Redemptions	-	-	-
Closing balance as at 31 December 2024	**1 171 088**	**117 108 824**	**117 108 824**

Share premium

As a result of successful IPO the Group has attracted additional equity funding in form of share premium which is comprised as follows:

Number of shares issued in IPO	17 058 824
Share price at the end of subscription period; EUR	1.70
Proceeds from shares issued; EUR	29 000 001
Par value of new shares; EUR	(170 588)
Costs related to IPO; EUR	(3 362 379)
Share premium	**25 467 034**

Treasury shares

During 30 days after IPO the Group performed purchase of its own share as part of share price stabilisation process. As a result the Group purchased in total 689 558 shares for total amount of EUR 1 146 772 (on average around EUR 1.663 per share).

Earnings per share

	Continued operations 2024 EUR	Discontinued operations 2024 EUR	Total 2024 EUR	Continued operations 2023 EUR	Discontinued operations 2023 EUR	Total 2023 EUR
Profit for the year	28 803 716	768 112	**29 571 828**	21 916 100	2 538 954	**24 455 054**
Number of shares	117 108 824	117 108 824	**117 108 824**	100 050 000	100 050 000	**100 050 000**
Earnings per share	0.25	0.01	**0.25**	0.22	0.03	**0.24**
Profit attributable to equity holders of the Parent			**23 502 987**			**20 098 665**
Earnings per share attributable to equity holders of the Parent			**0.20**			**0.20**

Dividends

During 2024 the Group paid out dividends to equity holders of the Parent company for total amount of EUR 9 020 262. Amount of paid dividends per share was EUR 0.09.

Foreign currency translation reserve

As explained in Note 2, foreign currency translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Reserves

	31.12.2024 EUR	31.12.2023 EUR
Mandatory reserves in TIGO Finance DOOEL Skopje (North Macedonia)**	2 092 386	1 938 924
Reserve in Eleving Finance AS*	1 827 058	1 927 058
Mandatory reserve in Renti LT UAB (Lithuania)**	353 689	-
Mandatory reserve in OCN Sebo Credit SRL (Moldova)**	258 187	258 187
Mandatory reserve in Eleving Group S.A. (Luxembourg)**	100 050	100 050
Mogo IFN SA (Romania)**	52 940	52 940
Mandatory reserve in Mogo Loans SRL (Moldova)**	4 733	4 733
Mandatory reserve in Mogo LT UAB (Lithuania)**	2 897	2 897
Mandatory reserve in Next Fin LLC (Ukraine)**	-	2 842
TOTAL:	**4 691 940**	**4 287 631**

* - Reserve in Eleving Finance AS consists of 1 827 058 EUR. It was obtained during the integration of EC Finance Group SIA into the Groups equity. Reserve was reduced during financial year as a result of increase of share capital of respective subsidiary by using this reserve.

** - further information disclosed in Note 2.

34. Provisions

Non-current	31.12.2024 EUR	31.12.2023 EUR
Provision for VAT liabilities in Latvia	133 044	123 798
Provision for taxes and duties in Latvia	41 736	33 518
TOTAL:	**174 780**	**157 316**

Changes in provisions	01.01.2024	Additional provisions recognized	Unused provisions reversed	Provisions used	Unwinding of discount	31.12.2024
Provision for VAT liabilities in Latvia	123 798	-	-	9 246	-	133 044
Provision for taxes and duties in Latvia	33 518	8 218	-	-	-	41 736
	157 316	**8 218**	**-**	**9 246**	**-**	**174 780**

35. Borrowings

Non-current

Subordinated borrowings	*Interest rate per annum (%)*	*Maturity*	31.12.2024 EUR	31.12.2023 EUR
Eleving Group S.A. subordinated bonds nominal value[1]	12%+6m Euribor	29.12.2031	-	16 850 000
Bonds acquisition costs			-	(387 647)
		TOTAL:	**-**	**16 462 353**

Bonds	*Interest rate per annum (%)*	*Maturity*	31.12.2024 EUR	31.12.2023 EUR
Eleving Group S.A. bonds nominal value[2]	9.5%	18.10.2026	144 991 000	144 916 000
Eleving Group S.A. bonds nominal value[3]	13%	31.10.2028	50 000 000	46 667 200
Bond additional interest accrual			-	171 461
Bonds acquisition costs			(4 392 355)	(5 538 601)
		TOTAL:	**190 598 645**	**186 216 060**
Other borrowings				
Long term loan from banks[4]	3.1% - 20%	up to December 2033	5 486 441	3 054 777
Long term loan from fund in Romania[5]	10% -12%	31.12.2028	10 000 000	-
Lease liabilities for rent of premises[6]	2%-12%	up to 10 years	6 300 511	6 466 463
Lease liabilities for rent of vehicles[6]	2%-12%	up to 3 years	504 570	780 696
Financing received from P2P investors[7]	6% - 13.55%	up to December 2031	30 191 629	21 077 011
Long term borrowings in Kenya[8]	9.5%-15.5%	21.06.2027	6 739 370	6 302 336
Long term loans from non related parties in Botswana and Namibia[9]	13.25%-18.75%	up to December 2028	4 343 979	-
Long term borrowings in Albania[12]	13.5%	15.04.2027	3 056 546	-
Long term loans from non related parties in Luxembourg[10]	12%+6M EURIBOR	up to August 2027	2 300 000	-
Other borrowings[11]	17%-22.5%	up to August 2027	8 697 983	2 198 622
Loan acquisition costs			(656 835)	(151 824)
		TOTAL:	**76 964 194**	**39 728 081**
		TOTAL NON CURRENT BORROWINGS:	**267 562 839**	**242 406 494**

Current

Other borrowings	*Interest rate per annum (%)*	*Maturity*	31.12.2024 EUR	31.12.2023 EUR
Short term loans from banks[4]	3.1% - 20%	up to December 2025	3 404 266	3 029 560
Accrued interest for loans from banks			149 782	15 906
Lease liabilities for rent of premises[6]	2%-12%	up to December 2025	4 768 360	3 763 479
Lease liabilities for rent of vehicles[6]	2%-12%	up to December 2025	299 621	790 450
Financing received from P2P investors[7]	6% - 13.55%	up to December 2025	29 224 027	42 798 405
Accrued interest for financing received from P2P investors			1 288 764	312 643
Short term loans from non related parties in Botswana and Namibia[9]	13.25%-18.75%	up to December 2025	7 967 087	12 328 261
Accrued interest for loans from non related parties			293 826	264 992
Short term loans from related parties	14%	up to December 2025	1 755 321	100 000
Accrued interest for short term loans from related parties			14 631	-
Other borrowings[11]	17%-22.5%	up to December 2025	18 010 667	11 244 485
Accrued interest for borrowings in Kenya			869 624	375 424
Accrued interest for bonds			3 969 616	3 675 421
Mogo AS 30m bonds nominal value			-	17 481 000
		TOTAL:	**72 015 592**	**96 180 026**

35. Borrowings (continued)

1) On 29 December 2021 Eleving Group S.A. registered with the Latvian Central Depository a bond facility through which it can raise up to EUR 25 million (XS2427362491). The notes are issued at par, have a maturity at 29 of December, 2031 and carry a coupon of 12% + 6 month Euribor per annum, paid monthly in arrears. On 7 March 2022 the bonds were listed on the First North unregulated bond market of NASDAQ OMX Baltic. On 2 December 2024 the Group repaid these liabilities prematurely.
As a result of successfully actracting equity funding through IPO process, the Group prematurely repaid its most expensive borrowings, therefore subordinated bonds were paid in 2024.

2) On 18 October 2021, Eleving Group successfully issued a 5-year senior secured corporate bond (XS2393240887), listed on the Regulated Market (General Standard) of the Frankfurt Stock Exchange in 2023 for EUR 150 million at par with an annual interest rate of 9.5%. The bond will mature on 18 October 2026.

3) On 31 October 2023, Eleving Group successfully issued a 5-year senior secured corporate bond (DE000A3LL7M4), admitted to trading on Frankfurt Stock Exchange's and Nasdaq Riga Stock Exchange's regulated market, for EUR 50 million at par with an annual interest rate of 13%. The bond will mature on 31 October 2028.

4) Loans from banks comprise loans received by:
- Renti UAB from bank in Lithuania. The loans are denominated in EUR currency with an interest rates of 3.1%-3.5% plus 3M EURIBOR.
- MOGO LOANS SMC LIMITED from bank in Uganda. The loans are denominated in local currency with an interest rate of 20%.
- Mogo Armenia from bank in Armenia. The loans are denominated in local currency with an interest rate of 7.5%-14%.
- OCN Sebo Credit SRL from bank in Moldova. The loan is denominated in local currency with an interest rate of 16%.
- Kredo Finance SHPK (Albania) from Union Bank JSC (Albania) in amount of ALL 150 million and from Tirana Bank JSC (Albania) in the amount of ALL 120 million and interest rate of 10%.

5) At the end of 2023, Mogo IFN signed a new financing agreement with ACP Credit, a leader on the Central European lending market, in order to contract a credit facility totaling EUR 10 million, which was successfully disbursed at the beginning of January 2024. The loan matures within 5 years from the date of disbursement, with variable interest rate and quarterly interest payment.

6) Group has entered into several lease agreements for office premises and branches as well as several vehicle rent agreements, which are accounted under IFRS 16.

7) Attracted funding from P2P platform non-current/ current split is aligned with the related non-current/ current split of the loan agreement which is assigned to investors through the P2P platform. Funds are transferred to Group's bank accounts once per week.

8) On 21 June 2023 Mogo Auto Limited (Kenya) has attracted from VERDANT CAPITAL HYBRID FUND I GMBH & CO. a USD 7 million loan facility consisting of USD 5.5 million senior secured tranche and USD 1.5 million unsecured subordinated tranche. The senior secured tranche has an interest rate of 9.5% + 3m SOFR and the unsecured subordinated tranche of 15.5% + 3m SOFR. The loan facility matures on the fourth anniversary of the agreement.

9) Expresscredit Proprietary Ltd, based in Botswana, has borrowed funds from unrelated non-financial institutions and the Mintos Marketplace AS peer-to-peer lending platform.
- Loans from unrelated parties have interest rates ranging from 15% to 17.5% per annum, backed by long-standing relationships.
- Borrowings from Mintos are secured by the Company's customer loans and offer interest rates up to 14.0% per annum as of 31 December 2024.
Express Credit Cash Advance (Proprietary) Limited, based in Namibia, has borrowed funds from unrelated non-financial institutions, with interest rates ranging from 13.25% to 18.75% per annum.

10) As of the reporting date, the Parent company's total other long term borrowings from non related parties amounted to EUR 2.3 million. Of this amount, EUR 2.0 million has been borrowed from a non-related corporate entity, while the remaining EUR 0.3 million was provided by private individuals. All borrowings bear an annual interest rate of 12% plus the applicable 6-month EURIBOR rate. The borrowings mature in August 2027.

11) In June 2022, Mogo Auto Limited entered into an agreement for short term note program with Dry Associates Limited, where the later was to manage the placement of funds. The average rate of interest is 15.5% for notes issued in local currency (KES), while EUR and USD notes are issued at 8.3% and 9.3% respectively.

12) ECFA JSC (Albania) Private bond with American Bank of Investment JSC in amount of 300m ALL and interest rate of 13.5%. The bond will mature on 15 April 2027.

Subordinated borrowings	01.01.2024	Cash flows	Foreign exchange effect	Other	31.12.2024
Eleving Group S.A. subordinated bonds nominal value	16 850 000	(16 850 000)	-	-	-
TOTAL SUBORDINATED BORROWINGS PRINCIPAL:	**16 850 000**	**(16 850 000)**	**-**	**-**	**-**

Other borrowings	01.01.2024	Cash flows	Foreign exchange effect	Other	31.12.2024
Bonds nominal value	209 064 200	(14 058 007)	(15 193)	-	194 991 000
Financing received from P2P investors	63 875 416	(5 244 632)	784 872	-	59 415 656
Loans from banks	6 084 337	2 268 593	537 777	-	8 890 707
Long term loan from fund in Romania	-	9 999 074	926	-	10 000 000
Long term loans from non related parties in Luxembourg	-	2 300 000	-	-	2 300 000
Short term loans from related parties	100 000	1 655 321	-	-	1 755 321
Borrowings in Kenya	17 546 821	5 235 854	1 967 362	-	24 750 037
Borrowings in Albania	-	2 979 100	77 446	-	3 056 546
Other borrowings	2 198 622	5 807 965	691 396	-	8 697 983
Short term loans from non related parties in Botswana and Namibia	12 328 261	(328 788)	311 593	-	12 311 066
Lease liabilities	11 801 088	(3 119 372)	271 714	2 919 632	11 873 062
TOTAL OTHER BORROWINGS PRINCIPAL:	**322 998 745**	**7 495 108**	**4 627 893**	**2 919 632**	**338 041 378**
TOTAL BORROWINGS PRINCIPAL:	**339 848 745**	**(9 354 892)**	**4 627 893**	**2 919 632**	**338 041 378**

Total cash flow of borrowings of EUR -9 354 892 consists of cash inflows EUR 199 164 638, cash outflows of EUR 205 400 158 and payments for lease liabilities in amount of EUR 3 119 372.

Acquisition costs and accrued interest	01.01.2024	Cash flows	Foreign exchange effect	Other*	31.12.2024
Bonds acquisition costs	(5 926 248)	(1 313 699)	(40 886)	2 888 478	(4 392 355)
Loan acquisition costs	(151 824)	(671 022)	(4 871)	170 882	(656 835)
Acquisition costs of borrowings	(6 078 072)	(1 984 721)	(45 757)	3 059 360	(5 049 190)
Accrued interest for loans from non related parties	264 992	(1 618 481)	6 290	1 641 025	293 826
Accrued interest for short term loans from related parties	-	(148 980)	-	163 611	14 631
Accrued interest for financing received from P2P investors	312 643	(3 660 907)	3 773	4 633 255	1 288 764
Accrued interest for short term borrowings in Kenya	375 424	(1 468 183)	69 125	1 893 258	869 624
Additional bond interest accrual	3 846 882	(30 107 476)	2 322	30 227 888	3 969 616
Accrued interest for loan from bank	15 906	(480 935)	9 239	605 572	149 782
TOTAL ACQUISITION COSTS AND ACCRUED INTEREST:	**4 815 847**	**(37 484 962)**	**90 749**	**39 164 609**	**6 586 243**
TOTAL BORROWINGS:	**338 586 520**	**(48 824 575)**	**4 672 885**	**45 143 601**	**339 578 431**

Subordinated borrowings	01.01.2023	Cash flows	Foreign exchange effect	Other	31.12.2023
Eleving Group S.A. subordinated bonds nominal value	18 956 000	(2 106 000)	-	-	16 850 000
TOTAL SUBORDINATED BORROWINGS PRINCIPAL:	**18 956 000**	**(2 106 000)**	**-**	**-**	**16 850 000**

35. Borrowings (continued)

Other borrowings	01.01.2023	Cash flows	Foreign exchange effect	Other*	31.12.2023
Bonds nominal value	178 876 000	30 188 200	-	-	209 064 200
Financing received from P2P investors	67 647 262	(15 266 084)	399 824	11 094 414	63 875 416
Loans from banks	5 495 958	830 421	(242 042)	-	6 084 337
Short term loans from related parties	-	100 000	-	-	100 000
Borrowings in Kenya	7 289 026	13 829 173	(3 571 378)	-	17 546 821
Lease liabilities for acquired rental fleet	2 940 308	(2 939 818)	(490)	-	-
Lease liabilities	10 096 492	(2 855 262)	(768 670)	5 328 528	11 801 088
Short term loans from non related parties in Botswana and Namibia	1 462 811	(14 265 479)	5 112	25 125 817	12 328 261
Other borrowings	198 184	2 318 173	(317 735)	-	2 198 622
TOTAL OTHER BORROWINGS PRINCIPAL:	**274 006 041**	**11 939 324**	**(4 495 379)**	**41 548 759**	**322 998 745**
TOTAL BORROWINGS PRINCIPAL:	**292 962 041**	**9 833 324**	**(4 495 379)**	**41 548 759**	**339 848 745**

Total cash flow of borrowings of EUR 9 833 324 consists of cash inflows EUR 288 281 493, cash outflows of EUR 275 592 907 and payments for lease liabilities in amount of EUR 2 855 262.

Acquisition costs and accrued interest	01.01.2023	Cash flows	Foreign exchange effect	Other*	31.12.2023
Bonds acquisition costs	(5 310 582)	(2 740 283)	54 123	2 070 494	(5 926 248)
Loan acquisition costs	(131 905)	(175 599)	4 380	151 300	(151 824)
Acquisition costs of borrowings	**(5 442 487)**	**(2 915 882)**	**58 503**	**2 221 794**	**(6 078 072)**
Accrued interest for loans from non related parties	32 516	(1 640 802)	(2 997)	1 876 275	264 992
Accrued interest for financing received from P2P investors	489 376	(6 358 270)	17 670	6 163 867	312 643
Accrued interest for short term borrowings in Kenya	188 268	267 847	(80 691)	-	375 424
Additional bond interest accrual	3 017 725	(22 952 765)	-	23 781 922	3 846 882
Accrued interest for loan from bank	60 914	(605 537)	(4 507)	565 036	15 906
TOTAL ACQUISITION COSTS AND ACCRUED INTEREST:	**3 788 799**	**(31 289 527)**	**(70 525)**	**32 387 100**	**4 815 847**
TOTAL BORROWINGS:	**291 308 353**	**(24 372 085)**	**(4 507 401)**	**76 157 653**	**338 586 520**

* - mainly consists of accrued expenses and other changes in liabilities which are not a result of direct cash flows. In 2023 also contains changes in liability as a result of obtaining EC Finance SIA group.

See Note 42 for additional information about covenants.

36. Prepayments and other payments received from customers

	31.12.2024 EUR	31.12.2023 EUR
Unallocated payments received*	610 693	785 587
Received deposits from customers	250 894	253 587
Overpayments from former customers	34 612	36 926
Advances for sold cars	1 192	2 524
Payments received from ceased receivables	4 662	4 930
TOTAL:	**902 053**	**1 083 554**

* - Unallocated payments are payments received from former clients after contractual terms are ended and payments received which cannot be identified and allocated to a respective loan and advance to customer balance at 31 December 2024.

37. Taxes payable

	31.12.2024 EUR	31.12.2023 EUR
Value added tax*	3 958 304	917 821
Withholding tax	1 645 893	1 271 185
Social security contributions	587 777	503 980
Personal income tax	208 252	227 822
Other taxes	519 571	453 194
TOTAL:	**6 919 797**	**3 374 002**

* - please see Note 15 for more information.

38. Derivative financial liabilities

	31.12.2024 EUR	31.12.2023 EUR
Non-current:		
Non-Deliverable Forward (NDF) Hedge	-	-
Current:		
Non-Deliverable Forward (NDF) Hedge	5 317 084	-
TOTAL:	**5 317 084**	**-**

The Group has elected to adopt the hedge accounting requirements of IFRS 9 Financial Instruments. The Group enters into hedge relationships where the critical terms of the hedging instrument and the hedged item match, therefore, for the prospective assessment of effectiveness a qualitative assessment is performed. Hedge effectiveness is determined at the origination of the hedging relationship. Quantitative effectiveness tests are performed at each period end to determine the continuing effectiveness of the relationship.

As of 31 December 2024, Non-Deliverable Forward hedge contracts have been concluded by AS Eleving Solis (Latvia) and MOGO LOANS LIMITED (Uganda).

The effect of Non-Deliverable Forward hedge contracts concluded by AS Eleving Solis are as follows on 31 December:

EUR - KES	
Execution date	07.08.2024
Notional amount	EUR 5 000 000
Settlement date	07.08.2025
Carrying amount of derivative	EUR 635 328
Variable component	EUR 318 691
Cost component	EUR 316 637

EUR - UGX	
Execution date	19.01.2024
Notional amount	EUR 15 000 000
Settlement date	21.01.2025
Carrying amount of derivative	EUR 2 438 093
Variable component	EUR 1 350 111
Cost component	EUR 1 087 982

EUR - KES	
Execution date	05.11.2024
Notional amount	EUR 5 000 000
Settlement date	05.05.2025
Carrying amount of derivative	EUR 324 551
Variable component	EUR 244 599
Cost component	EUR 79 952

EUR - KES	
Execution date	08.11.2024
Notional amount	EUR 5 000 000
Settlement date	08.05.2025
Carrying amount of derivative	EUR 274 157
Variable component	EUR 197 894
Cost component	EUR 76 263

TOTAL	
Notional amount	EUR 30 000 000
Carrying amount of derivative	EUR 3 672 129
Variable component	EUR 2 111 295
Cost component	EUR 1 560 834

The effect of Non-Deliverable Forward hedge contract concluded by MOGO LOANS LIMITED is as follows on 31 December:

EUR - UGX	
Execution date	19.01.2024
Notional amount	EUR 10 000 000
Settlement date	21.01.2025
Carrying amount of derivative	EUR 1 644 955
Variable component	EUR 944 288
Cost component	EUR 700 667

The total effect of Non-Deliverable Forward hedge contracts concluded by Group companies is as follows on 31 December:

Notional amount	EUR 40 000 000
Carrying amount of derivatives	EUR 5 317 084
Variable component	EUR 3 055 583
Cost component	EUR 2 261 501

39. Other liabilities

	31.12.2024 EUR	31.12.2023 EUR
Liabilities against employees for salaries	690 778	664 049
Deferred income	421 097	643 591
Other liabilities	1 256 011	594 752
TOTAL:	**2 367 886**	**1 902 392**

40. Accrued liabilities

	31.12.2024 EUR	31.12.2023 EUR
Accrued unused vacation	2 017 240	1 895 772
Accruals for bonuses	2 027 169	2 174 311
Other accrued liabilities for received services	3 295 642	1 707 414
TOTAL:	**7 340 051**	**5 777 497**

Increase in other accrued liabilities is caused by standard economic activities and overall growth of the Group.

41. Related party disclosures

All ultimate beneficial shareholders and entities controlled or jointly controlled by these individuals or close family members of these individuals are deemed as related parties of the Group. All shareholders have equal rights in making decisions proportional to their share value.
As at 31 December 2024 and 31 December 2023 none of the ultimate beneficial owners individually controls the Group.
All transactions between related parties are performed according to market rates. Receivables and payables incurred are not secured with any kind of pledge.
More detailed information about transactions with related parties is provided in Notes 33 and 35.
Other related parties are entities which are under control or joint control of the shareholders of the Group, but not part of the Group.
The information related to remuneration of the Group`s Management Board and council members is provided in Note 13.

The income and expense items with related parties for 2024 were as follows:

Related party	Shareholder controlled companies EUR	Other related parties EUR
Interest income	116 875	-
Management services provided to associated entities	-	328 915

The income and expense items with related parties for 2023 were as follows:

Related party	Shareholder controlled companies EUR	Other related parties EUR
Interest income	221 079	-
Sale of loan receivables to associated entities	-	1 008 330
Management services provided to associated entities	-	408 422

The receivables and liabilities with related parties as at 31.12.2024 and 31.12.2023 were as follows:

	31.12.2024 EUR	31.12.2023 EUR
Amounts owed by related parties		
Loans to associated companies	3 308 179	-
Trade receivables*	81 678	424 589
Total	**3 389 857**	**424 589**
Amounts owed to related parties		
Payables to associated companies	146 239	275 584
Total	**146 239**	**275 584**

* Other short term receivables from related parties contain receivables for provided management services to equity accounted investees.

Movement in amounts owed by related parties	Amounts owed by related parties EUR
Amounts owed by related parties as of 01 January 2023	3 334 516
Receivables repaid in period	(2 909 927)
Amounts owed by related parties as of 31 December 2023	424 589
Amounts owed by related parties as of 01 January 2024	424 589
Receivables incurred in period	2 965 268
Amounts owed by related parties as of 31 December 2024	3 389 857

Movement in amounts owed to related parties	Amounts owed to related parties EUR
Amounts owed to related parties as of 01 January 2023	444 894
Change in other payables	(75 041)
Dividends calculated for shareholders	10 007 731
Dividends paid to shareholders	(10 102 000)
Amounts owed to related parties as of 31 December 2023	275 584
Amounts owed to related parties as of 01 January 2024	275 584
Change in other payables	(129 345)
Dividends calculated for shareholders	12 308 146
Dividends paid to shareholders	(12 308 146)
Amounts owed to related parties as of 31 December 2024	146 239

42. Commitments and contingencies

Externally imposed regulatory capital requirements

The Group considers both equity capital as well as borrowings a part of its overall capital risk management strategy.

The Group is subject to externally imposed capital requirements in several countries. The main requirements are listed below:

Albania

Acquired license on performing financing activities requires to maintain amount of equity at all times not lower than 10% of the total assets of the entity. Management of the Group monitors and increases the share capital if needed to satisfy this requirement.

Armenia

Acquired license on performing financing activities require:
1) To maintain minimum amount of statutory capital of 150mln AMD;
2) To maintain minimum amount of total capital of 150mln AMD;
3) To maintain minimum ratio of amounts of total capital and risk-weighted assets at 10%.
Management of the Group monitors and increases the share capital if needed to satisfy this requirement.

Romania

Acquired license on performing financing activities require to ensure the level of equity is not less than company's finance receivables portfolio divided 15 times. Management of the Group monitors and increases the share capital or issues subordinated loans l if needed to satisfy this requirement.

42. Commitments and contingencies (continued)

North Macedonia

Acquired license on performing financing activities require to ensure that the loan portfolio limit is set as share capital multiplied by 10.

Moldova

The non-bank credit organization is required to hold and maintain its own capital in relation to the value of the assets at any date in the amount of at least 5%.

Botswana

In terms of Regulation 6 of the Micro-Lending Regulations, any person applying to carry on a business as a micro lender shall have and maintain at all times a minimum financial balance of P20,000 (Twenty Thousand Pula).

Zambia

As at 31st December 2024, the subsidiary in Zambia did not meet the minimum capital requirements as per the Bank of Zambia regulations. On the 19th December 2024, the subsidiary reclassified a portion of its related party loan, an amount of ZMW 43 299 400, to secondary capital as part of its ongoing capital management strategy. This reclassification is subject to approval by the Bank of Zambia. Once approved, the subsidiary's capital position will be strengthened and will reflect an improvement over the figures reported in the local standalone audited financial statements.

Cooperation agreement with P2P platforms

Cooperation agreements with P2P platforms require to maintain positive amount of equity at all times in Albania, Armenia, Estonia, Georgia, Kenya, Latvia, Lithuania, Moldova, North Macedonia, Romania and Botswana. Management of the Group monitors and increases the share capital if needed to satisfy this requirement.

The Group is subject to additional financial covenants relating to its attracted funding through P2P platform. Group is regularly monitoring respective indicators and ensures that covenants are satisfied. The Group is in compliance during the entire reporting period.

Eleving Group S.A. bonds

There are restrictions in the prospectus for the bonds issued on the Frankfurt Stock exchange (ISIN (XS2393240887 and DE000A3LL7M4)). These financial covenants are the following:
(a) the Interest Coverage Ratio for the Relevant Period is at least 1.25;
(b) the Capitalization Ratio for the Relevant Period is at least 15%; and
(c) the Consolidated Net Leverage Ratio for the Relevant Period does not exceed 6.00x.

There are other limitations regarding additional and permitted debt, restricted and permitted payments, permitted loans and securities.

The Group is in compliance with all covenants during the entire reporting period.

Other contingent liabilities and commitments

1) Starting from 14 October 2021 Eleving Group and certain of its Subsidiaries entered into several pledge agreements with TMF Trustee Services GmbH, establishing pledge over shares of those Subsidiaries, pledge over present and future loan receivables of those Subsidiaries, pledge over trademarks of those Subsidiaries, general business pledge over those Subsidiaries, pledge over primary bank accounts if feasible, in order to secure Eleving Group obligations towards bondholders deriving from Eleving Group bonds (ISIN: XS2393240887). Subsequently additional pledgors were added who became material (subsidiaries with net portfolio of more than EUR 7 500 000 and represents at least 3% of the Net Loan Portfolio) according to terms and conditions of the bonds.

2) Starting from 14 October 2021 Eleving Group as Issuer and certain of its Subsidiaries (subsidiaries with net portfolio of more than EUR 7 500 000 and represents at least 3% of the Net Loan Portfolio) as Guarantors have entered into a guarantee agreement dated 14 October 2021 (as amended and restated from time to time) according to which the guarantors unconditionally and irrevocably guaranteed by way of an independent payment obligation to each holder of the Eleving Group bonds (ISIN: XS2393240887) the due and punctual payment of principal of, and interest on, and any other amounts payable under the Eleving Group bonds (ISIN: XS2393240887) offering memorandum.

3) On 12 December 2018 the subsidiary in Latvia - mogo AS issued guarantee letters for the benefit of SIA Skanste City (previously SWH Grupa JSC) to secure other Subsidiary Eleving Vehicle Finance JSC (previously Mogo Group JSC) obligations from the secured office space lease agreements concluded on 12 December 2018. According to the guarantee letters the Company undertook to fulfil Eleving Vehicle Finance JSC obligations towards SIA Skanse City if they are overdue on liabilities under the agreements terms. The guarantees expire if the lease agreements are amended, renewed without prior written approval by the Company and is effective for the entire duration of the respective lease agreements. At the beginning of 2020 both lease agreements were amended and the Company provided the new guarantee to secure only obligations of Eleving Vehicle Finance JSC.

4) On 22 July, 2020 O.C.N. Sebo Credit issued guarantee favour of private individual Tamara Paun to secure repayment of the loan issued by Tamara Paun to Rodica Paun. The loan was used to provide a subordinated loan to O.C.N. Sebo Credit.

5) The Group has signed Covenant Agreements with P2P platform companies AS Mintos Marketplace and Mintos Finance OU according to which the Group secures P2P platform's claims towards the subsidiaries if certain subsidiaries cooperating with P2P platform fail to perform their obligations. The claims are limited by amounts borrowed by each subsidiary.

6) The Group has signed Guarantee Agreements with P2P platform companies AS Mintos Marketplace, SIA Mintos Finance No.1 and Mintos Finance Estonia OU according to which the Group secures P2P platform's claims towards the subsidiaries if certain subsidiaries cooperating with P2P platform fail to perform their obligations. The claims are limited by amounts borrowed by each subsidiary.

7) Certain subsidiaries of the Group have entered into a commercial pledge agreements with SIA Mintos Finance No.1 and/or Mintos Finance Estonia OU, in order to secure those Group subsidiary obligations towards AS Mintos Marketplace, SIA Mintos Finance No.1 and Mintos Finance Estonia OU deriving from cooperation agreements entered into between the respective subsidiary and AS Mintos Marketplace, SIA Mintos Finance No.1 and/or Mintos Finance Estonia OU.

8) The Group's subsidiary AS Eleving Vehicle Finance (Latvia) has entered into a put option agreement with Ropat Trust Company Limited according to which AS Eleving Vehicle Finance undertakes to purchase Mogo Auto Limited (Kenya) secured revolving loan notes up to two billion Kenya Shillings in case of default of Mogo Auto Limited under the terms and conditions of the short term notes programme and Mogo Auto Limited (Kenya) secured revolving loan notes up to two billion Kenya Shillings in case of default of Mogo Auto Limited under the terms and conditions of the medium term notes programme.

9) The Group's subsidiary AS Eleving Stella (Latvia) has entered into a guarantee agreement with SIA Citadele Leasing in order to secure SIA Citadele Leasing claims towards AS Renti under several financial leasing agreements entered between AS Renti and SIA Citadele Leasing.

10) The Group's subsidiary Mogo Auto Limited (Kenya) has entered into a deed of assignment and Ropat Trust Company Limited (acting on behalf of the noteholders) in order to secure Mogo Auto Limited (Kenya) liabilities towards the noteholders under the terms and conditions of Mogo Auto Limited (Kenya) secured revolving short term notes and medium term notes programmes.

11) Eleving Group has provided a guarantee to VERDANT CAPITAL HYBRID FUND I GMBH & CO. KG with the aim to secure punctual performance by Mogo Auto Limited (Kenya) of all Mogo Auto Limited (Kenya) obligations under the Finance Documents relating to USD 7,000,000 loan facility provided by VERDANT CAPITAL HYBRID FUND I GMBH & CO.

12) Mogo Auto Limited has entered into an account charge agreement creating a security interest over the accounts of Mogo Auto Limited and a fixed and floating charge agreement creating a security interest over specified receivable assets of Mogo Auto Limitedin order to secure Mogo Auto Limited (Kenya) obligations under the Finance Documents relating to USD 7,000,000 loan facility provided by VERDANT CAPITAL HYBRID FUND I GMBH & CO.

42. Commitments and contingencies (continued)

13) The Group's subsidiary AS Eleving Vehicle Finance (Latvia) has entered into a guarantee agreement with AS Industra Bank according to which AS Eleving Vehicle Finance guarantees SIA Spaceship loan liabilities against AS Industra Bank in the total amount of for 918 825,00 EUR.

14) On 30 March 2023 Express Credit Cash Advance (Proprietary) Limited, registered in Namibia, has entered into Pledge and Cession Agreement (Account Pledge) establishing a pledge over the funds in the bank accounts of Express Credit Cash Advance (proprietary) Limited, and in Cession in Security agreement ceding the rights over Loan book and insurance, in favour of trustees of Private Capital Trust, in order to secure Express Credit Cash Advance (Proprietary) Limited obligations towards Private Capital Trust trustees deriving from Loan Agreement dated 30 March 2023. The Loan Agreement is separated into three tranches. The second tranche was on 23 February 2024, and the third tranche was on 15 March 2024.

15) On 6 May 2022 ExpressCredit (Pty) Limited, registered in Botswana, has signed Cession in Security Agreement No. LVMM/06-07-2021-125 with P2P platform company SIA Mintos Finance No. 8, ceding the rights over loan agreement portfolio (loan agreements entered into between ExpressCredit (Pty) Limited and its customers, book debts and loan receivables) to ensure timely and proper performance of obligations by ExpressCredit (Pty) Limited towards SIA Mintos Finance No. 8 derived from Cooperation Agreement dated 6 May 2022.

16) On 22 December 2021 ExpressCredit (Pty) Limited, registered in Botswana, has entered into Cession in Security agreement with Norsad Finance Limited, ceding the rights over book debts to ensure timely and proper performance of obligations by ExpressCredit (Pty) Limited towards Norsad Finance Limited derived from the Credit Facility Agreement dated 20 December 2020. In addition, with the Credit Facility Agreement simultaneously is also guarantee established by YesCash Group Limited (now - Eleving Consumer Finance Mauritius Ltd) to ensure proper performance of obligations by ExpressCredit (Pty) Limited in favour of Norsad Finance Limited.

17) Starting from 31 October 2023 Eleving Group and certain of its Subsidiaries entered into several pledge agreements with TMF Trustee Services GmbH, establishing pledge over shares of those Subsidiaries, pledge over present and future loan receivables of those Subsidiaries, pledge over trademarks of those Subsidiaries, general business pledge over those Subsidiaries, pledge over primary bank accounts if feasible, in order to secure Eleving Group obligations towards bondholders deriving from Eleving Group bonds (ISIN: DE000A3LL7M4).

18) Starting from 31 October 2023 Eleving Group as Issuer and certain of its Subsidiaries (subsidiaries with net portfolio of more than EUR 7 500 000 and represents at least 3% of the Net Loan Portfolio) as Guarantors have entered into a guarantee agreement dated 31 October 2023 according to which the guarantors unconditionally and irrevocably guaranteed by way of an independent payment obligation to each holder of the Eleving Group bonds (ISIN: DE000A3LL7M4) the due and punctual payment of principal of, and interest on, and any other amounts payable under the Eleving Group bonds (ISIN: DE000A3LL7M4).

19) On 18 December 2023 ACP CREDIT I SCA SICAV-RAIF has made available to MOGO IFN S.A. (Romania) a facility amounting to EUR 10,000,000. The ACP Facility has a 48-month maturity with an amortised loan repayment schedule and carries an interest rate of 11.6% in the first year, 10.8% in second year and 8% + 3m EURIBOR thereafter. The ACP Facility is secured with a movable mortgage on loan receivables and separate bank account of MOGO IFN S.A. (Romania), a commercial pledge over AS Eleving Stella subordinated loan receivables from MOGO IFN S.A. (Romania) and a guarantee from AS Eleving Vehicle Finance.

20) On 18 December 2023 Union Bank JSC (Albania) and financial company Kredo Finance Shpk (Albania) concluded a Loan Agreement (Installment Loan), under which the bank made funds available to Kredo amounting to 150'000'000 Albanian Leke. In order to secure the loan obligations, a security was placed over Kredo's loan portfolio for the minimum value of 195'000'000.00 ALL or 130% of the remaining value of the loan according to a specific list of loans attached to the Security Agreement. The respective security was registered in the Albanian Pledge Registry according to the provisions stipulated in the Security Agreement. In addition to the loan portfolio provided by Kredo to the bank as a security, Kredo's majority shareholder AS Eleving Consumer Finance Holding also provided its corporate guarantee to ensure the rights and obligations of Kredo arising out of the Loan Agreement.

21) On 18 December 2023 Tirana Bank JSC (Albania) and financial company Kredo Finance Shpk (Albania) and Eleving Group as Guarantor concluded a Loan Agreement (Overdraft Agreement), under which the bank made funds available to Kredo amounting to 120'000'000 Albanian Leke. In order to secure the loan obligations, a security was placed over Kredo's loan portfolio (loans receivables) for the minimum value of 156'000'000.00 ALL or 130% of the loan value. The respective security was registered in the Albanian Pledge Registry according to the provisions stipulated in the Security Agreement. In addition to the loan portfolio (loans receivables) provided by Kredo to the bank as a security, Eleving Group also became a guarantor of rights and obligations of Kredo arising out of the concluded Guarantee Agreement and Loan Agreement.

22) On 29 December 2023, Eleving Group has provided a guarantee in favour of MFX Solutions whereby Eleving Group absolutely, unconditionally and irrevocably guarantees on all transactions of Eleving Group subsidiary AS Eleving Solis makes under ISDA Master Agreement entered into between AS Eleving Solis and MFX Solutions.

23) On 21 February 2024 FI Bank JSC (Albania) and financial company Kredo Finance Shpk (Albania) concluded a Loan Agreement, under which the bank made funds available to Kredo amounting to 100'000'000 Albanian Lek. In order to secure the loan obligations, a security was placed over Kredo's loan portfolio (loans receivables) for the minimum value of 130'000'000.00 ALL or 130% of the loan value. The respective security was registered in the Albanian Pledge Registry according to the provisions stipulated in the Security Agreement.

24) On 1 August 2024, Eleving Group and AS Eleving Solis has provided a letter of guarantee and indemnity in favour of I&M Bank (Kenya) whereby Eleving Group and AS Eleving Solis absolutely, unconditionally and irrevocably guarantees on Mogo Auto Limited (Kenya) debt liabilities towards I&M Bank (Kenya) under the KES 500,000,000 credit facility dted 19 July 2024.

25) On 10 October 2024, Eleving Group has provided professional payment guarantee in favour of Absa Bank Uganda Limited whereby Eleving Group and AS Eleving Solis absolutely, unconditionally and irrevocably guarantees on MOGO Loans (Uganda) debt liabilities towards Absa Bank Uganda Limited under the UGX 19,000,000,000 credit facility dated 25 September 2024.

26) On 2 October 2024, Mogo Loans (Uganda) entered into a specific debenture agreement with Absa Bank Uganda Limited, whereby Mogo Loans (Uganda) provided a debenture over a portion of it's net loan book not voer 60 days past due with minimum collateral cover equivalent to 120% of Absa Bank Uganda Limited debt exposure or UGX 22,800,000,000.

27) On 4 November 2024, Eleving Group has entered into a deed of guarantee and indemnity agreement, whereby Eleving Group agreed to guarantee and indemnity Cambridge Mercantile Corp. (UK) Limited and/or Cambridge Mercantile Risk Management (UK) Ltd. Eleving Consumer Finance Mauritius Limited liabilities under one or more agreement under which Corpay provides certain foreign currency exchange and/or payment services to Eleving Consumer Finance Mauritius Limited.

43. Financial risk management

The risk management function within the Group is carried out in respect of financial risks, operational risks and legal risks. Financial risk comprises market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The primary objectives of the financial risk management function are to establish risk limits, and then ensure that exposure to risks stays within these limits. The operational and legal risk management functions are intended to ensure proper functioning of internal policies and procedures, in order to minimize operational and legal risks.

Operational risks

The Group takes on exposure to certain operational risks, which result from general and specific market and industry requirements.

Compliance risk

Compliance risk refers to the risk of losses or business process disruption resulting from inadequate or failed internal processes systems, that have resulted in a breach of applicable law or other regulation currently in place.

43. Financial risk management (continued)

Regulatory risks

Group's operations are subject to regulation by a variety of consumer protection, financial services and other state authorities in various jurisdictions, including, but not limited to, laws and regulations relating to consumer loans and consumer rights protection, debt collection and personal data processing. Formal licences issued by respective regulators are required in all countries where the Group operates in, except for Lithuania, Georgia, Moldova and Uzbekistan. The Group closely monitors all the changes in regulatory framework for each of the countries it operates in. The Group employs both in-house as well as outsourced legal specialists to assist in addressing any current or future regulatory developments that might have an impact on Group's business activities.

Regulatory changes in Romania

During 2024, significant regulatory developments took place in Romania, notably the enactment of Law No. 243/2024, which introduced caps on the effective annual interest rates (APR) for certain categories of loans granted by non-banking financial institutions (NBFIs). These changes reflect broader market efforts to enhance consumer protection and transparency in lending practices. The Group has assessed the implications of this new legislation and implemented necessary adjustments to ensure full compliance with the applicable regulatory requirements.

See further information on regulatory matters in Note 42.

Anti-money laundering and Know Your Customer laws compliance risk

The Group is subject to anti-money laundering laws and related compliance obligations in most of the jurisdictions in which it does business. The Group has put in place local anti-money laundering policies in those jurisdictions where it is required under local law to do so and in certain other jurisdictions. As a financial institution, the Group is required to comply with anti-money laundering regulations that are generally less restrictive than those that apply to banks.
As a result, the Group often relies on anti-money laundering and know your customer checks performed by our customers' banks when such customers open new bank accounts, however Group has implemented further internal policies to minimise these risks. Group has put in place internal control framework to identify and report all suspicious transactions with a combination of IT based solutions and human involvement. Internal policies of the Group typically include customers' background check against sanctioned lists and other public sources as required by each local law.

Privacy, data protection compliance risk

The Group's business is subject to a variety of laws and regulations internationally that involve user privacy, data protection, advertising, marketing, disclosures, distribution, electronic contracts and other communications, consumer protection and online payment services. The Group has put in place an internal control framework consisting from a combination of IT based solutions and business procedures that are designed to capture any potential non-compliance matter before it has occurred and to ensure compliance with these requirements.

Market risks

The Group takes on exposure to market risks, which are the risks that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks arise from open positions in interest rate and currency products, all of which are exposed to general and specific market movements and changes in the level of volatility or market rates or prices such as interest rates and foreign exchange rates.

Financial risks

The main financial risks arising from the Group's financial instruments are foreign currency risk, interest rate risk, liquidity risk, and credit risk.

Foreign currency risk

The Group accepts the currency risk by issuing loans in local currencies and funding local operations mostly with EUR. Further currency risk is managed transaction wise by avoiding unnecessary conversions back and forth to settle payments and invoices in EUR. Also Group is constantly looking for ways to fund local country operations with local currency funds.

The currency risk is defined as the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Group is exposed to the effects of fluctuations in the prevailing foreign currency exchange rates on its financial position and cash flows.

The most significant foreign currency exposure comes from Armenia, Georgia, Moldova, Kenya, Uganda, and Uzbekistan, where Group has evaluated potential hedging options, but due to the costs associated with it, has decided not to pursue hedging strategy for now and assume potential short to mid-term currency fluctuations with retaining potential upside from strengthening in those currencies. The Group has always operated with a forex loss being a legitimate and always present cost item that was adequately priced within each non-EUR country's product portfolio.
It is expected that Group's exposure to volatile foreign currencies will be continuing to decrease in future with Group's divestment of several of its subsidiaries. Additionally, the Group has started to proactively manage to foreign currency exposure risk towards USD, since in several of Group's largest markets local loan portfolios are linked to USD. The proactive management of USD exposure can be observed by forward contract purchases that have started already in 2020 and continued since then.

The U.S. imposed (but currently paused for 90 days) tariffs in early 2025 are a very recent action whose longer-term actual implications are very hard (or virtually impossible) to assess reliably in the mid or longer term. Currently it is virtually impossible to gauge any reasonable near-term outlook both at macroeconomic as well as the Group's levels. However, thr Group remains alert to possible second-order effects on global funding (especially high-yield credit) markets as well as foreign currency markets both of which might impact the Group's future growth plans in the existing and new markets and generally the Group's appetite towards larger portfolios in non-EUR emerging markets.

Assets and liabilities exposed to foreign currencies fluctuation risk as at 31 December 2024:

Currency	Assets in EUR	Equity and liabilities in EUR	Foreign exchange contracts in EUR	Net assets exposed to currency risk in EUR
ALL (Albania)*	43 946 188	(21 707 150)	-	22 239 037
AMD (Armenia)	19 391 726	(14 090 628)	-	5 301 097
BWP (Botswana)	21 412 065	(20 549 976)	-	862 089
GEL (Georgia)	21 522 843	(21 216 361)	-	306 482
KEL (Kenya)	57 841 661	(44 129 874)	(15 000 000)	(1 288 213)
LSL (Lesotho)	3 459 750	(421 508)	-	3 038 242
MDL (Moldova)	26 009 687	(17 212 333)	-	8 797 355
MKD (North Macedonia)*	24 842 678	(14 148 489)	-	10 694 190
NAD (Namibia)	20 306 645	(10 185 966)	(10 250 000)	(129 321)
RON (Romania)*	47 588 654	(10 883 367)	-	36 705 288
SZL (Eswatini)	2 379	(2 292)	-	87
UAH (Ukraine)	1 279 943	605 716	-	1 885 659
UGX (Uganda)	34 566 981	(14 102 728)	(25 000 000)	(4 535 747)
USD (Group)	15 477 573	(16 392 380)	-	(914 807)
UZS (Uzbekistan)	13 644 721	(3 284 077)	-	10 360 644
ZMW (Zambia)	12 805 646	(3 720 223)	-	9 085 424
TOTAL:	364 099 138	(211 441 634)	(50 250 000)	102 407 504
excluding currencies with currency rate fluctuations below 5% over the last three years	247 721 618	(164 702 629)	(50 250 000)	32 768 990

* - currency has not fluctuated more than 5% during last 3 years.

43. Financial risk management (continued)

Assets and liabilities exposed to foreign currencies fluctuation risk as at: 31 December 2023:

Currency	Assets in EUR	Equity and liabilities in EUR	Foreign exchange contracts in EUR	Net assets exposed to currency risk in EUR
ALL (Albania)*	38 142 013	(21 346 733)	-	16 795 280
AMD (Armenia)	14 299 457	(8 745 835)	-	5 553 623
BYR (Belarus)	1 431 951	(728 057)	-	703 895
GEL (Georgia)	21 436 604	(19 443 418)	-	1 993 186
KEL (Kenya)	32 364 407	(18 083 658)	-	14 280 749
MDL (Moldova)	40 113 979	(15 108 211)	-	25 005 768
MKD (North Macedonia)*	25 785 315	(11 070 868)	-	14 714 447
RON (Romania)*	34 578 737	(2 987 459)	-	31 591 278
UAH (Ukraine)	2 956 528	241 987	-	3 198 515
UGX (Uganda)	29 242 422	(5 236 855)	-	24 005 567
USD (Group)	35 436 845	(14 380 483)	(71 350 000)	(50 293 638)
UZS (Uzbekistan)	13 054 932	(1 505 292)	-	11 549 640
BWP (Botswana)	17 365 335	(7 999 159)	-	9 366 176
ZMW (Zambia)	5 007 424	(3 045 941)	-	1 961 483
LSL (Lesotho)	2 305 927	(14 519)	-	2 291 408
SZL (Eswatini)	2 366	(2 281)	-	84
NAD (Namibia)	9 588 106	(2 548 951)	-	7 039 156
TOTAL:	323 112 348	(132 005 732)	(71 350 000)	119 756 616
excluding currencies with currency rate fluctuations below 5% over the last three years	224 606 284	(96 600 673)	(71 350 000)	56 655 611

* - currency has not fluctuated more than 5% during last 3 years.

An analysis of sensitivity of the Group's net assets to changes in foreign currency exchange rates based on positions existing as at 31 December 2024 and 31 December 2023 and a simplified scenario of a +/- 5% change in respective currency to EUR exchange rates (which is considered a reasonable historical approximation of average currency fluctuations) is as follows*:

Foreign currency rate risk exposure	31.12.2024 in EUR	31.12.2023 in EUR
ALL currency	+/- 1 111 952	+/- 839 764
AMD currency*	+/- 530 110	+/- 555 362
BYR currency*	-	+/- 70 389
GEL currency*	+/- 30 648	+/- 199 319
KEL currency*	+/- 128 821	+/- 1 428 075
MDL currency	+/- 439 868	+/- 1 250 288
MKD currency	+/- 534 709	+/- 735 722
RON currency	+/- 1 835 264	+/- 1 579 564
UAH currency*	+/- 188 566	+/- 319 851
UGX currency*	+/- 453 575	+/- 2 400 557
USD currency	+/- 45 740	+/- 2 514 682
UZS currency*	+/- 1 036 064	+/- 1 154 964
BWP currency*	+/- 86 209	+/- 936 618
ZMW currency*	+/- 908 542	+/- 196 148
LSL currency*	+/- 303 824	+/- 229 141
SZL currency*	+/- 9	+/- 8
NAD currency*	+/- 12 932	+/- 703 916
TOTAL:	**+/- 7 646 833**	**+/- 15 114 368**

* - Due to historical fluctuations and higher risk of future significant fluctuations a higher sensitivity rate of 10% has been used for these currencies.

An analysis of sensitivity of the Group's net profit to changes in foreign currency exchange rates based on positions existing as at 31 December 2024 and 31 December 2023 and a simplified scenario of a +/- 5% change in respective currency to EUR exchange rates (which is considered a reasonable historical approximation of average currency fluctuations) is as follows:

Foreign currency rate risk exposure	31.12.2024 in EUR	31.12.2023 in EUR
ALL currency	+/- 579 106	+/- 424 505
AMD currency	+/- 164 007	+/- 65 185
BWP currency	+/- 124 924	+/- 71 373
BYR currency	+/- 23 634	+/- 66 112
GEL currency	+/- 208 214	+/- 180 765
KEL currency	+/- 41 408	+/- 145 000
LSL currency	+/- 15 496	+/- 6 415
MDL currency	+/- 291 199	+/- 370 080
MKD currency	+/- 297 312	+/- 130 780
NAD currency	+/- 140 062	+/- 17 144
RON currency	+/- 65 662	+/- 8 719
SZL currency	+/- 3	+/- 4
UAH currency	+/- 22 401	+/- 27 118
UGX currency	+/- 156 824	+/- 138 308
UZS currency	+/- 79 409	+/- 30 127
ZMW currency	+/- 7 918	+/- 31 824
TOTAL:	**+/- 2 217 579**	**+/- 1 713 459**

Interest rate risk

The Company is exposed to interest rate risk through its floating coupon notes in Kenya (9.5%-15.5%). However, due to its relatively low size in terms of total borrowings (2.0% from total borrowings as at end of 2024), which in turn are fixed rate, the Group believes its revenue will be sufficient to cover the increased borrowings costs.

43. Financial risk management (continued)

Financial risks

Capital risk management

The Group considers both equity capital as well as borrowings a part of overall capital risk management strategy.
The Group manages its capital to ensure that it will be able to continue as going concern. In order to maintain or adjust the capital structure, the Group may attract new credit facilities or increase its share capital. The Group fulfils externally imposed equity capital requirements as stated in Note 42.

The Group monitors equity capital on the basis of the capitalization ratio as defined in Eurobond prospectus. This ratio is calculated as Net worth (the sum of paid in capital, retained earnings, reserves and shareholder loan) divided by Net Loan portfolio. As of end of reporting year the capitalization ratio was 29.3% (2023: 26.1%).

In order to maintain or adjust the overall capital structure, the Group may issue new bonds, borrow in P2P platform or sell assets to reduce debt. The management of the borrowings is driven by monitoring and complying the lender imposed covenants as well as planning the further borrowing needs to ensure business development of the Group.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The Group manages its liquidity risk by arranging an adequate amount of committed credit facilities with related parties, P2P investors and by issuing bonds. The Group monitors daily cash flows and plans for milestone dates for cash outflows to cover major liabilities like semi-annual interest payments for Eurobonds. The Group regulates its issuances of new loans to ensure the adequate funds are available when upcoming larger settlement of liabilities is approaching.

The table below presents the cash flows payable by the Group and to the Group under non-derivative financial liabilities and assets held for managing liquidity risk by remaining contractual maturities at the date of the statement of financial position. The amounts disclosed in the table are the contractual undiscounted cash flow. Cash flow payable for borrowings includes estimated interest payments assuming principal is paid in full at maturity date.

		Contractual cash flows				
As at 31.12.2024	Carrying value EUR	On demand	Up to 1 year EUR	1-5 years EUR	More than 5 years EUR	Total EUR
Assets						
Cash in bank	34 461 093	34 461 093	-	-	-	**34 461 093**
Loans and advances to customers	369 166 009	-	361 570 352	314 564 532	25 122 688	**701 257 572**
Loans to related parties	3 308 178	-	55 321	4 229 841	-	**4 285 162**
Trade receivables	2 164 840	-	2 164 840	-	-	**2 164 840**
Other loans and receivables	155 309	-	10 269	-	-	**10 269**
Total undiscounted financial assets	409 255 429	34 461 093	363 800 782	318 794 373	25 122 688	**742 178 936**
Liabilities						
Borrowings*	(339 578 431)	-	(100 237 905)	(339 161 523)	(1 572 781)	**(440 972 209)**
Derivative financial liabilities	(5 317 084)	-	(5 317 084)	-	-	**(5 317 084)**
Other current liabilities	(12 590 615)	-	(12 590 615)	-	-	**(12 590 615)**
Total undiscounted financial liabilities	(357 486 130)	-	(118 145 604)	(339 161 523)	(1 572 781)	**(458 879 908)**
Net undiscounted financial assets/ (liabilities)	51 769 299	34 461 093	245 655 178	(20 367 150)	23 549 907	**283 299 028**

* - borrowings contain balances from P2P lenders which might require earlier repayment due to 'buy back' guarantee. Carrying amount of such liabilities is 59 415 656 EUR. See Note 2 for further information on 'buy back' guarantee.

		Contractual cash flows				
As at 31.12.2023	Carrying value EUR	On demand EUR	Up to 1 year EUR	1-5 years EUR	More than 5 years EUR	Total EUR
Assets						
Cash in bank	27 470 468	27 470 468	-	-	-	**27 470 468**
Loans and advances to customers	313 204 155	-	331 613 080	315 228 214	22 324 441	**669 165 735**
Loans to related parties	-	-	-	-	-	**-**
Trade receivables	1 606 770	-	1 606 770	-	-	**1 606 770**
Other loans and receivables	374 357	-	180 096	27 826	-	**207 922**
Total undiscounted financial assets	342 655 750	27 470 468	333 399 946	315 256 040	22 324 441	**698 450 895**
Liabilities						
Borrowings*	(322 124 166)	-	(114 282 330)	(293 195 656)	(6 626 662)	**(414 104 648)**
Other current liabilities	(10 988 315)	-	(10 988 315)	-	-	**(10 988 315)**
Total undiscounted financial liabilities	(333 112 481)	-	(125 270 645)	(293 195 656)	(6 626 662)	**(425 092 963)**
Net undiscounted financial assets/ (liabilities)	9 543 269	27 470 468	208 129 301	22 060 384	15 697 779	**273 357 932**

* - borrowings contain balances from P2P lenders which might require earlier repayment due to 'buy back' guarantee. Carrying amount of such liabilities is 63 875 416 EUR. See Note 2 for further information on 'buy back' guarantee.

43. Financial risk management (continued)

Credit risk

The Group is exposed to credit risk through its loans and advances to customers, loans to associated companies, trade and other receivables as well as cash and cash equivalents. Maximum credit risk exposure is represented by the gross carrying value of the respective financial assets. The key areas of credit risk policy cover loan granting process (including solvency check of the loan), monitoring methods, as well as decision making principles.

	31.12.2024 EUR	31.12.2023 EUR
Loans and advances to customers	465 267 936	406 859 573
Loans to associated companies	3 308 179	-
Trade and other receivables	4 066 282	4 694 748
Cash and cash equivalents	34 461 093	27 470 468
TOTAL:	**507 103 490**	**439 024 789**

The Group collateralizes and provides loans in amount of no more than 85% of the market values of the collateral.

The Group operates by applying a clear set of loan granting criteria. This criteria includes assessing the credit history of customer, means of loan repayment and understanding the loan object. The Group takes into consideration both quantitative and qualitative factors when assessing the creditworthiness of the customer. Based on this analysis, the Group sets the credit limit for each and every customer.

When the loan agreement has been signed, the Group monitors the loan object and customer's solvency. The Group has developed loan monitoring process so that it helps to quickly spot any possible non-compliance with the provisions of the agreement. The receivable balances are monitored on an ongoing basis to ensure that the Group's exposure to bad debts is minimized, and, where appropriate, provisions are being made.

The Group does not have a significant credit risk exposure to any single counterparty, but has risk to group of counterparties having similar characteristics.

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry or geographical location.

In order to avoid excessive concentrations of risk, the Group is maintaining a diversified portfolio. It's main product is subprime loans, however it is offering also near prime loans, as well as instalment loan and long-term rent products.

The concentration risk on Groups financial assets (based on net exposure) is the following:	31.12.2024 EUR	31.12.2023 EUR
Kenya	50 084 853	46 435 188
Romania	46 446 880	33 481 634
Albania	41 597 468	36 941 231
Moldova	37 950 549	37 935 566
Lithuania	32 142 389	34 308 971
Uganda	31 040 036	24 609 498
Luxembourg	27 856 140	8 477 994
North Macedonia	23 507 516	23 518 504
Botswana	20 096 869	16 288 324
Georgia	20 061 553	19 768 338
Namibia	18 189 044	8 477 667
Armenia	18 110 654	13 340 306
Uzbekistan	12 839 220	11 929 791
Estonia	12 655 273	11 360 545
Zambia	11 077 347	4 156 237
Lesotho	3 243 440	2 046 890
Mauritius	1 320 142	679 367
Ukraine	843 181	2 468 167
Latvia	190 276	6 421 446
Finland	220	7 720
Eswatini	2 379	2 366
TOTAL:	**409 255 429**	**342 655 750**

Climate-related risk

'Climate-related risks' are potential negative impacts on the Group arising from climate change. Climate-related risks have an impact on the principal risk categories discussed above (i.e. credit, liquidity, market and operational risks), but due to their pervasive nature have been identified and managed by the Group on an overall basis.

The Group distinguishes between physical risks and transition risks. Physical risks arise as the result of acute weather events such as hurricanes, floods and wildfires, and longer-term shifts in climate patterns, such as sustained higher temperatures, heat waves, droughts and rising sea levels. Transition risks arise as a result of measures taken to mitigate the effects of climate change and transition to a low-carbon economy – e.g. changes to laws and regulations, litigation due to failure to mitigate or adapt, and shifts in supply and demand for certain commodities, products and services due to changes in consumer behaviour and investor demand.

The Group has incorporated Climate related risks into a broader ESG policy that aims to assess the materiality of focus areas as well as defines future goals for 2026 (including climate related ones).

44. Fair value of financial assets and liabilities

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Instruments within Level 1 include highly liquid assets and standard derivative financial instruments traded on the stock exchange.

Fair value for such financial instruments as Financial assets at fair value through profit and loss is mainly determined based on publicly available quoted prices (bid price, obtainable from Bloomberg system).

44. Fair value of financial assets and liabilities (continued)

Instruments within Level 2 include assets, for which no active market exists, such as over the counter derivative financial instruments that are traded outside the stock exchange, bonds, as well as balances on demand with the central banks, balances due from banks and other financial liabilities. Bonds fair value is observable in Frankfurt Stock Exchange public information. Fair value of bank loans is based on effective interest rate which represents current market rate to similar companies. The management recognizes that cash and cash equivalents' fair value is the same as their carrying value therefore the risk of fair value change is insignificant.

Instruments within Level 3 include loans and receivables.

Fair value of loans and advances to customers is determined using discounted cash flow model consisting of contractual loan cash flows that are adjusted by expectations about possible variations in the amount and timings of cash flows using methodology consistent with the expected credit loss determination as at 31 December 2024 to determine the cash flows expected to be received net of impairment losses. The pre-tax weighted average cost of capital (WACC) of the entity holding the respective financial assets is used as the basis for the discount rate. The WACC is based on the actual estimated cost of equity and cost of debt that reflect any other risks relevant to the loans that have not been taken into consideration by the impairment loss adjustment described above and also includes compensation for the opportunity cost of establishing a similar loan. An additional 1.5 to 4.1% is added to the discount rate as an adjustment to consider service costs of the portfolio that are not captured by the cash flow adjustments.

The annual discount rate was determined between 6.18% and 31.34% depending on the Group's component holding the respective financial asset. Impairment loss is estimated by applying PD and LGD rates, which are in line with ECL methodology described under 'The calculation of ECLs' (Note 2).

The table below summarizes the carrying amounts and fair values of those financial assets and liabilities not presented on the Group's statement of financial position at their fair value:

	Carrying value 31.12.2024 EUR	Fair value 31.12.2024 EUR	Carrying value 31.12.2023 EUR	Fair value 31.12.2023 EUR
Assets for which fair value is disclosed				
Loans to associated companies	3 308 179	3 308 179	-	-
Loans and advances to customers	369 166 010	469 299 211	313 204 155	463 826 143
Other loans and receivables	155 308	155 308	374 357	374 357
Trade receivables	2 164 840	2 164 840	1 606 770	1 606 770
Other receivables	8 740 369	8 740 369	8 267 676	8 267 676
Cash and cash equivalents	34 461 093	34 461 093	27 470 468	27 470 468
Total assets for which fair value is disclosed	**417 995 799**	**518 129 000**	**350 923 426**	**501 545 414**
Liabilities for which fair value is disclosed				
Borrowings				
Eleving Group S.A. bonds	194 568 261	196 610 886	189 720 020	177 572 764
Mogo AS bonds	-	-	17 652 461	17 470 317
Lease liabilities for right-of-use assets	11 873 062	11 873 062	11 801 088	11 801 088
Long term loan from banks	8 890 707	8 890 707	6 084 337	6 084 337
Financing received from P2P investors	58 758 821	58 758 821	63 723 592	63 723 592
Other borrowings	65 487 580	65 487 580	33 142 668	33 142 668
Trade payables	1 980 625	1 980 625	2 224 874	2 224 874
Other liabilities	2 367 886	2 367 886	1 902 392	1 902 392
Total liabilities for which fair value is disclosed	**343 926 942**	**345 969 567**	**326 251 432**	**313 922 032**
Liabilities measured at fair value				
Other financial liabilities	-	-	-	-
Total liabilities measured at fair value and liabilities for which fair value is disclosed	**343 926 942**	**345 969 567**	**326 251 432**	**313 922 032**

The table below specified analysis by fair value levels as at 31 December 2024 (based on their fair values):

	Level 1 31.12.2024 EUR	Level 2 31.12.2024 EUR	Level 3 31.12.2024 EUR	Level 1 31.12.2023 EUR	Level 2 31.12.2023 EUR	Level 3 31.12.2023 EUR
Assets for which fair value is disclosed						
Loans to associated companies	-	-	3 308 179	-	-	-
Loans and advances to customers	-	-	469 299 211	-	-	463 826 143
Other loans and receivables	-	-	155 308	-	-	374 357
Trade receivables	-	-	2 164 840	-	-	1 606 770
Other receivables	-	-	8 740 369	-	-	8 267 676
Cash and cash equivalents	34 461 093	-	-	27 470 468	-	-
Total assets for which fair value is disclosed	**34 461 093**	**-**	**483 667 907**	**27 470 468**	**-**	**474 074 946**
Liabilities for which fair value is disclosed						
Borrowings						
Eleving Group S.A. bonds	-	196 610 886	-	-	177 572 764	-
Mogo AS bonds	-	-	-	-	-	17 470 317
Lease liabilities for right-of-use assets	-	-	11 873 062	-	-	11 801 088
Long term loan from banks	-	-	8 890 707	-	-	6 084 337
Financing received from P2P investors	-	-	58 758 821	-	-	63 723 592
Other borrowings	-	-	65 487 580	-	-	33 142 668
Trade payables	-	-	1 980 625	-	-	2 224 874
Other liabilities	-	-	2 367 886	-	-	1 902 392
Total liabilities for which fair value is disclosed	**-**	**196 610 886**	**149 358 681**	**-**	**177 572 764**	**136 349 268**
Liabilities measured at fair value						
Other financial liabilities	-	-	-	-	-	-
Total liabilities measured at fair value and liabilities for which fair value is disclosed	**-**	**196 610 886**	**149 358 681**	**-**	**177 572 764**	**136 349 268**

Bonds issued by Eleving Group S.A. have been classified as Level 2 fair value measurement given that there are observable market quotations in markets. The market for Mogo AS bonds is not assessed as an active market thus classified as Level 3. Fair value of the bonds has been determined based on observable quotes.

There have been no transfers between fair value hierarchy levels during 2024 and 2023.

45. Share-based payments

General Employee Share Option Plan

The Group may grant share options of Subsidiaries to its employees. Share options are generally awarded on the first day of employment. The share options vest within four years time with front loaded vesting of 25% of the granted shares after one year of employment. The maximum term of options granted is 4 years.

Fair value of the respective share options

The fair value of share options granted is estimated at the date of grant. Group's management has assessed that the fair value of the respective share options as at reporting period end is EUR 40 654.

The exercise price of the share options under typical circumstances is equal to the nominal priceof the underlying shares. There are cash settlement alternatives.The Group does not have a past practice of cash settlement for these awards and the Group does not have a present obligation to settle in cash.

The following table illustrates the number and weighted average exercise prices of the General Employee share option plan:

	2024		2023	
	Number	Weighted average exercise price, EUR	Number	Weighted average exercise price, EUR
Outstanding at 1 January	**23**	**0.1**	**66**	**0.1**
Granted during the year	2	0.1	4	0.1
Fully vested during the year	-9	0.1	-45	0.1
Terminated due to failed vesting conditions	-1	-	-2	-
Outstanding at 31 December	**15**	**0.1**	**23**	**0.1**
Exercisable at the end of the period	-	-	-	-

Several employee share options have been exercised, expired and/or forfeited in accordance with the terms and conditions of the General Share Option plan, while a several other employee share options remain outstanding and may be exercised, expired and/or forfeited in the future. The table above does not include employee share options that have been granted during the year and exercised during the year or shares provided to the employees. Refer to note 1 for Eleving Group equity Interest percentage in the Group subsidiaries.

The exercise price for options outstanding at the end of the year was 0.1 EUR (2023: 0.1 EUR). The weighted average remaining contractual life for the share options outstanding as at 31 December 2024 is less than a year (2023: 1).

The main purpose of both share option plans is to attract and retain highly experienced employees for extensive period of time and build strong management team.

46. Segment information

For management purposes, the Group is organized into business units based on their geographical locations and on internal management structure, which is the basis for reporting system. These consolidated financial statements provide information on the following operating segments. Comparative figures reflect segments according to previous years structure.

- Eleving Stella. This is the major segment of the Group representing entities performing car financing activities in Latvia, Lithuania, Romania, Moldova, Georgia, Armenia and Estonia.
- Eleving Solis. This is the major segment of the Group representing entities performing car financing activities in Uzbekistan, Kenya and Uganda.
- Entities performing consumer loan financing activities. This is the major segment of the Group representing entities performing activities in Moldova, Albania, Ukraine, Botswana, Namibia, Zambia, Lesotho, Mauritius and Eswatini.
- Discontinued operations. This group includes entities from countries where the group has decided to exit from geographical markets. Countries included Bosnia&Herzegovina, Poland and Belarus.
- Other segments. This segment comprises Group's business lines with aggregate unconsolidated revenue below 10% of the total unconsolidated revenue of all operating segments.
- Other. The Group's financing (including finance costs, finance income and other income) and income taxes are managed on a Group basis and are not allocated to operating segments hence these are presented in "Other".

Management monitors mainly the following indicators of operating segments for the purpose of making decisions about resource allocation and performance assessment: net revenue, profit before tax, gross portfolio and impairment. Other segment is not monitored on segment level but on comprising subsidiaries level.

The Group`s Chief operating decision maker is Group`s CEO.
Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.
No revenue from transactions with a single external customer or counterparty amounted to 10% or more of the Group's total revenue in 2023 or 2024.

Segment information below shows main income and expense items of profit and loss statement. Other smaller income and expense items are summarized and shown under 'Other income/(expense)' column.

46. Segment information (continued)

Segment information for the period ended on 31 December 2024 is presented below:

Operating segment	Interest income	Interest expenses	Impairment expense*	Other operating income	Other operating expense	Corporate income tax	Segment profit/(loss) for the period	Total assets	Total liabilities
Eleving Stella	55 923 129	(14 644 718)	(10 287 719)	7 824 455	(33 308 962)	(1 238 485)	4 267 700	204 722 129	164 548 734
Eleving Solis	57 789 316	(16 571 572)	(10 263 607)	9 114 591	(36 676 130)	(1 774 626)	1 617 972	116 355 395	114 877 724
Entities performing consumer loan	87 430 932	(7 556 577)	(19 485 696)	6 562 115	(34 359 289)	(5 615 719)	26 975 766	126 604 560	65 100 002
Discontinued operations	897 522	(285 862)	(37 519)	57 672	(238 304)	(270 622)	122 887	-	-
Other segments	241 886	(1 134 586)	(1 530 389)	16 452 632	(14 265 662)	(2 002)	(238 121)	20 945 324	12 718 057
Total segments	*202 282 785*	*(40 193 315)*	*(41 604 930)*	*40 011 465*	*(118 848 347)*	*(8 901 454)*	*32 746 204*	*468 627 408*	*357 244 517*
Other	24 243 611	(24 075 965)	(78 633)	10 210 826	(3 436 313)	(35 295)	6 828 231	231 895 501	201 944 118
Total	**226 526 396**	**(64 269 280)**	**(41 683 563)**	**50 222 291**	**(122 284 660)**	**(8 936 749)**	**39 574 435**	**700 522 909**	**559 188 635**
Adjustments and eliminations	(22 777 021)	22 749 005	1 340 042	(27 464 134)	15 381 389	-	(10 770 719)	(224 234 143)	(191 016 846)
Consolidated	**203 749 375**	**(41 520 275)**	**(40 343 521)**	**22 758 157**	**(106 903 271)**	**(8 936 749)**	**28 803 716**	**476 288 766**	**368 171 789**

* - includes net gain/(loss) from de-recognition of financial assets measured at amortized cost.

46. Segment information (continued)

Inter-segment revenues are eliminated upon consolidation and reflected in the 'adjustments and eliminations' line. All other adjustments and eliminations are part of detailed reconciliations presented further below.

Revenue	2024 EUR
External customers (interest income and other income)	192 053 095
Inter-segment (interest income and other income)	50 241 155
TOTAL:	**242 294 250**

Reconciliation of profit	2024 EUR
Segment profit	32 746 204
Profit from other	*6 828 231*
Elimination of inter-segment revenue	*(50 241 155)*
Elimination of intragroup interest income	(22 777 019)
Elimination of intragroup income from dividends	(11 691 878)
Elimination of intragroup management services	(7 626 512)
Elimination of intragroup other income	(8 015 401)
Elimination of intragroup income from dealership commissions	(130 345)
Elimination of inter-segment expenses	*39 470 436*
Elimination of intragroup interest expenses	22 749 005
Elimination of intragroup management services	7 827 458
Elimination of intragroup other expenses	7 553 931
Elimination of impairment expenses	1 340 042
Consolidated profit for the period	28 803 716

Reconciliation of assets	31.12.2024 EUR
Segment operating assets	468 627 408
Loans to subsidiaries (assets of Other)	193 100 449
Other short term receivables (assets of Other)	38 795 052
Elimination of intragroup loans	(187 957 738)
Elimination of other intragroup receivables	(36 276 405)
Total assets	476 288 766

Reconciliation of liabilities	31.12.2024 EUR
Segment operating liabilities	357 244 517
Borrowings (liabilities of Other)	200 437 377
Other liabilities (liabilities of Other)	1 506 741
Elimination of intragroup borrowings	(187 844 831)
Elimination of other intragroup accounts payable	(3 172 015)
Total liabilities	368 171 789

Segment information for the period ended on 31 December 2023 is presented below:

	Interest income	Interest expenses	Impairment expense*	Other operating income	Other operating expense	Corporate income tax	Segment profit for the period	Total assets	Total liabilities
Eleving Stella	45 721 926	(12 786 195)	(8 197 387)	8 000 373	(26 851 637)	(985 228)	4 901 852	197 861 294	143 052 784
Eleving Solis	58 952 956	(13 641 605)	(15 222 425)	4 205 343	(33 725 804)	(446 184)	122 281	103 835 772	106 286 739
Entities performing consumer loan financing	68 272 605	(8 088 821)	(15 222 530)	5 140 774	(25 160 192)	(4 745 215)	20 196 621	122 521 648	75 281 520
Discontinued operations	4 912 144	(1 296 305)	(137 513)	322 033	(2 350 208)	(291 447)	1 158 704	9 597 949	9 432 078
Other segments	(254 985)	(2 883 929)	(11 093 219)	11 440 883	(8 708 678)	(499)	(11 500 427)	27 812 078	20 526 637
Total segments	177 604 646	(38 696 855)	(49 873 074)	29 109 406	(96 796 519)	(6 468 573)	14 879 031	461 628 741	354 579 758
Other	18 434 908	(18 793 579)	(619 429)	7 531 774	(1 634 539)	(97 329)	4 821 806	214 687 811	207 017 742
Total	**196 039 554**	**(57 490 434)**	**(50 492 503)**	**36 641 180**	**(98 431 058)**	**(6 565 902)**	**19 700 837**	**676 316 552**	**561 597 500**
Adjustments and eliminations	(19 741 779)	19 990 990	11 805 202	(19 300 737)	9 461 587	-	2 215 263	(255 001 019)	(205 717 192)
Consolidated	**176 297 775**	**(37 499 444)**	**(38 687 301)**	**17 340 443**	**(88 969 471)**	**(6 565 902)**	**21 916 100**	**421 315 533**	**355 880 308**

* - includes net gain/(loss) from de-recognition of financial assets measured at amortized cost.

Revenue	2023 EUR
External customers (interest income and other income)	167 671 536
Inter-segment (interest income and other income)	39 042 516
TOTAL:	**206 714 052**

46. Segment information (continued)

Reconciliation of profit	2023 EUR
Segment profit	14 879 031
Profit from other	*4 821 806*
Elimination of inter-segment revenue	*(39 042 516)*
Elimination of intragroup interest income	(20 025 671)
Elimination of intragroup income from dividends	(9 470 579)
Elimination of intragroup management services	(7 787 025)
Elimination of intragroup other income	(1 687 008)
Elimination of intragroup income from dealership commissions	(72 233)
Elimination of inter-segment expenses	*41 257 779*
Elimination of intragroup interest expenses	19 990 990
Elimination of intragroup management services	7 791 873
Elimination of intragroup other expenses	1 669 714
Elimination of impairment expenses	11 805 202
Consolidated profit for the period	21 916 100

Reconciliation of assets	31.12.2023 EUR
Segment operating assets	461 628 741
Loans to subsidiaries (assets of Other)	195 461 113
Other short term receivables (assets of Other)	19 226 698
Elimination of intragroup loans	(204 762 773)
Elimination of other intragroup receivables	(50 238 246)
Total assets	421 315 533
Reconciliation of liabilities	
Segment operating liabilities	354 579 758
Borrowings (liabilities of Other)	190 139 431
Other liabilities (liabilities of Other)	16 878 311
Elimination of intragroup borrowings	(204 762 772)
Elimination of other intragroup accounts payable	(954 420)
Total liabilities	355 880 308

47. Events after balance sheet date

Since the last day of the reporting year several significant events took place:

1) On 10 March 2025 the Group has concluded the public bond offering of its senior secured and guaranteed bonds (ISIN DE000A3LL7M4). As a result of the bond tap, the Group has issued additional new bonds worth EUR 40 mln in nominal with original matury date of 31.10.2028, but with effectve yield reduced from 13% to 10%. Additional funds will be mainly used to fuel the future growth of the business and partially refinance existing liabilities.

2) In March 2025 the government of North Macedonia has lost a court case where it is now obliged to pay back one off solidarity tax payments made by companies in 2023. The Group's subsidiary in North Macedonia made such a payment to government authorities in 2023 for total amount of EUR 1 151 000. Now the entity is eligible for a refund of this payment and the Group expects to receive the refund in second quarter of 2025.

As of the last day of the reporting year until the date of signing these integrated consolidated financial statements there have been no other events requiring adjustment of or disclosure in the statements or Notes thereto.

48. Alternative performance measures (unaudited)

This Integrated report provides, as incorporated in these consolidated financial statements, alternative performance measures (APMs) which are not defined or specified under the requirements of International Financial Reporting Standards as adopted by the EU. We believe these APMs provide readers with important additional information on our business. To support this, we have included, a reconciliation of the APMs we use where relevant and a glossary indicating the APMs that we use, an explanation of how they are calculated. These numbers are unaudited.

APM	Definition
Capitalization ratio	Total equity (incl. subordinated loans/bonds)/net loan portfolio (excl. rental fleet)
EBITDA	Profit from continuing operations for the period before corporate income tax and deferred corporate income tax, interest expense, amortization and depreciation, and net foreign exchange result
Interest coverage ratio	Last twelve-month Adjusted EBITDA/interest expense less Eurobonds acquisitions costs and subordinated loans/bonds interest expense
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
Net loan portfolio	Sum of rental fleet and loans and advances to customers
Net profit before FX	Net profit for the period before net foreign exchange result
Revenue	Sum of interest revenue, fee and commission income related to financing activities and revenue from loans

Capitalization ratio	2024	2023	2022	2021	2020
Total Equity	108 116 977	65 435 225	54 073 300	31 390 094	22 238 223
Subordinated loans/bonds	-	16 462 353	18 477 014	17 300 238	12 126 467
Net loan portfolio	369 166 010	313 204 155	282 954 694	234 851 859	186 890 484
Capitalization ratio	**29.3%**	**26.1%**	**25.6%**	**20.7%**	**18.4%**

EBITDA	2024	2023	2022	2021	2020
Profit from continuing operations	28 803 716	21 916 100	14 608 552	11 205 675	1 647 029
Corporate income tax	(8 203 820)	(8 324 461)	(9 004 133)	(6 932 013)	(709 012)
Deferred corporate income tax	(732 929)	1 758 559	2 151 290	815 335	1 012 121
Net foreign exchange result	(3 709 849)	(6 385 833)	(7 422 727)	1 095 031	(11 061 815)
Amortization and depreciation	9 854 800	9 442 554	8 063 484	7 399 657	5 347 054
Interest expense	(41 520 275)	(37 499 444)	(31 131 649)	(29 022 570)	(24 877 404)
EBITDA	**92 825 389**	**81 809 833**	**68 079 255**	**52 649 549**	**42 630 193**
(Gain)/Loss from subsidiary sale	-	-	805 957	-	(2 270 197)
Loss from cancelled acquisition in Kosovo	-	-	-	960 237	-
Amortization of acquisitions' fair value gain	-	-	-	3 183 838	3 365 103
Bonds refinancing expense	-	-	-	5 667 930	-
Warrant repurchase from Mezzanine Management	-	-	-	-	2 546 353
Gain from acquisitions	-	-	-	-	(11 473 296)
VAT in Romania for prior periods	3 030 217	-	-	-	-
Non-controlling interests	(6 068 841)	(4 356 389)	(3 311 445)	(5 002 715)	426 199
Adjusted EBITDA	**89 786 765**	**77 453 444**	**65 573 767**	**57 458 839**	**35 224 355**

Interest coverage ratio	2024	2023	2022	2021	2020
Interest expense	41 520 275	37 499 444	31 131 649	29 022 570	24 877 404
Interest expense from subordinated loans/bonds	2 022 044	2 774 925	2 233 276	1 735 481	344 406
Bonds issuance costs	2 114 297	1 259 773	1 079 908	2 142 668	1 938 791
Interest coverage ratio	**2.4**	**2.3**	**2.4**	**2.3**	**1.6**

Net leverage	2024	2023	2022	2021	2020
Non-current borrowings, less:	267 562 839	242 406 494	231 194 120	229 757 374	166 696 463
Subordinated loans/bonds	-	*16 462 353*	*18 477 014*	*17 300 238*	*12 126 467*
Non-current lease liabilities for rent of premises	*6 300 511*	*6 466 463*	*7 115 543*	*6 612 744*	*5 682 880*
Non-current lease liabilities for rent of vehicles	*504 570*	*780 696*	*178 449*	*93 446*	*42 135*
Current borrowings, less:	72 015 592	96 180 026	60 114 233	38 267 475	76 537 465
Current lease liabilities for rent of premises	*4 768 360*	*3 763 479*	*2 659 706*	*2 443 778*	*2 013 871*
Current lease liabilities for rent of vehicles	*299 621*	*790 450*	*142 794*	*57 412*	*56 425*
Cash and cash equivalents	*34 461 093*	*27 470 468*	*13 834 837*	*10 127 087*	*9 315 430*
Net leverage	**3.3**	**3.7**	**3.8**	**4.0**	**6.1**

Net loan portfolio	2024	2023	2022	2021	2020
Rental fleet	2 037 986	7 085 928	10 008 495	10 700 138	14 549 784
Non-current loans and advances to customers	189 649 583	154 854 453	139 934 850	119 126 287	98 368 630
Current loans and advances to customers	179 516 427	158 349 702	143 019 844	115 725 572	88 521 854
Net loan portfolio	**371 203 996**	**320 290 083**	**292 963 189**	**245 551 997**	**201 440 268**

Net profit after FX	2024	2023	2022	2021	2020
Profit from continuing operations	28 803 716	21 916 100	14 608 552	11 205 675	1 647 029
Net profit after FX	**28 803 716**	**21 916 100**	**14 608 552**	**11 205 675**	**1 647 029**
(Gain)/Loss from subsidiary sale	-	-	805 957	960 237	(2 270 197)
Amortization of acquisitions' fair value gain	-	-	-	3 183 838	3 365 103
Bonds refinancing expense	-	-	-	5 667 930	-
Warrant repurchase from Mezzanine Management	-	-	-	-	2 546 353
Gain from acquisitions	-	-	-	-	(11 473 296)
VAT in Romania for prior periods	2 555 565	-	-	-	-
One off solidarity tax payment in North Macedonia	-	1 151 000	-	-	-
Adjusted Net profit after FX	**31 359 281**	**23 067 100**	**15 414 509**	**21 017 680**	**(6 185 008)**

48. Alternative performance measures (unaudited) (continued)

Net profit before FX	2024	2023	2022	2021	2020
Profit from continuing operations	28 803 716	21 916 100	14 608 552	11 205 675	1 647 029
Net foreign exchange result	(3 709 849)	(6 385 833)	(7 422 727)	1 095 031	(11 061 815)
Net profit before FX	**32 513 565**	**28 301 933**	**22 031 279**	**10 110 644**	**12 708 844**
(Gain)/Loss from subsidiary sale	-	-	805 957	960 237	(2 270 197)
Amortization of acquisitions' fair value gain	-	-	-	3 183 838	3 365 103
Bonds refinancing expense	-	-	-	5 667 930	-
Warrant repurchase from Mezzanine Management	-	-	-	-	2 546 353
Gain from acquisitions	-	-	-	-	(11 473 296)
VAT in Romania for prior periods	2 555 565	-	-	-	-
One off solidarity tax payment in North Macedonia	-	1 151 000	-	-	-
Adjusted Net profit before FX	**35 069 130**	**29 452 933**	**22 837 236**	**19 922 649**	**4 876 807**

Revenue	2024	2023	2022	2021	2020
Interest revenue	203 749 375	176 297 775	162 516 856	139 857 244	73 685 522
Fee and commission income related to financing activities	10 076 029	8 968 142	7 743 433	7 317 048	5 040 256
Revenue from leases	2 748 356	4 067 111	5 421 567	6 549 933	6 247 484
Revenue	**216 573 760**	**189 333 028**	**175 681 856**	**153 724 225**	**84 973 262**
Amortization of acquisitions' fair value gain	-	-	-	3 183 838	3 365 103
Adjusted revenue	**216 573 760**	**189 333 028**	**175 681 856**	**156 908 063**	**88 338 365**

Signed on behalf of the Group on 28 April 2025 by:

Māris Kreics
Category A Member of the Management Board

Sébastien Jean-Jacques J. François
Category B Member of the Management Board

Management Board's statement

The undersigned Eleving Group, a public limited liability company (societe anonyme), governed by laws of the Grand-Duchy of Luxembourg, having its registered office at 8-10 Avenue de la Gare, L-1610, Luxembourg and registered with the Luxembourg Trade and Companies Register under the number B 174457 (the "Company"),
Hereby formally and expressly declares the following:

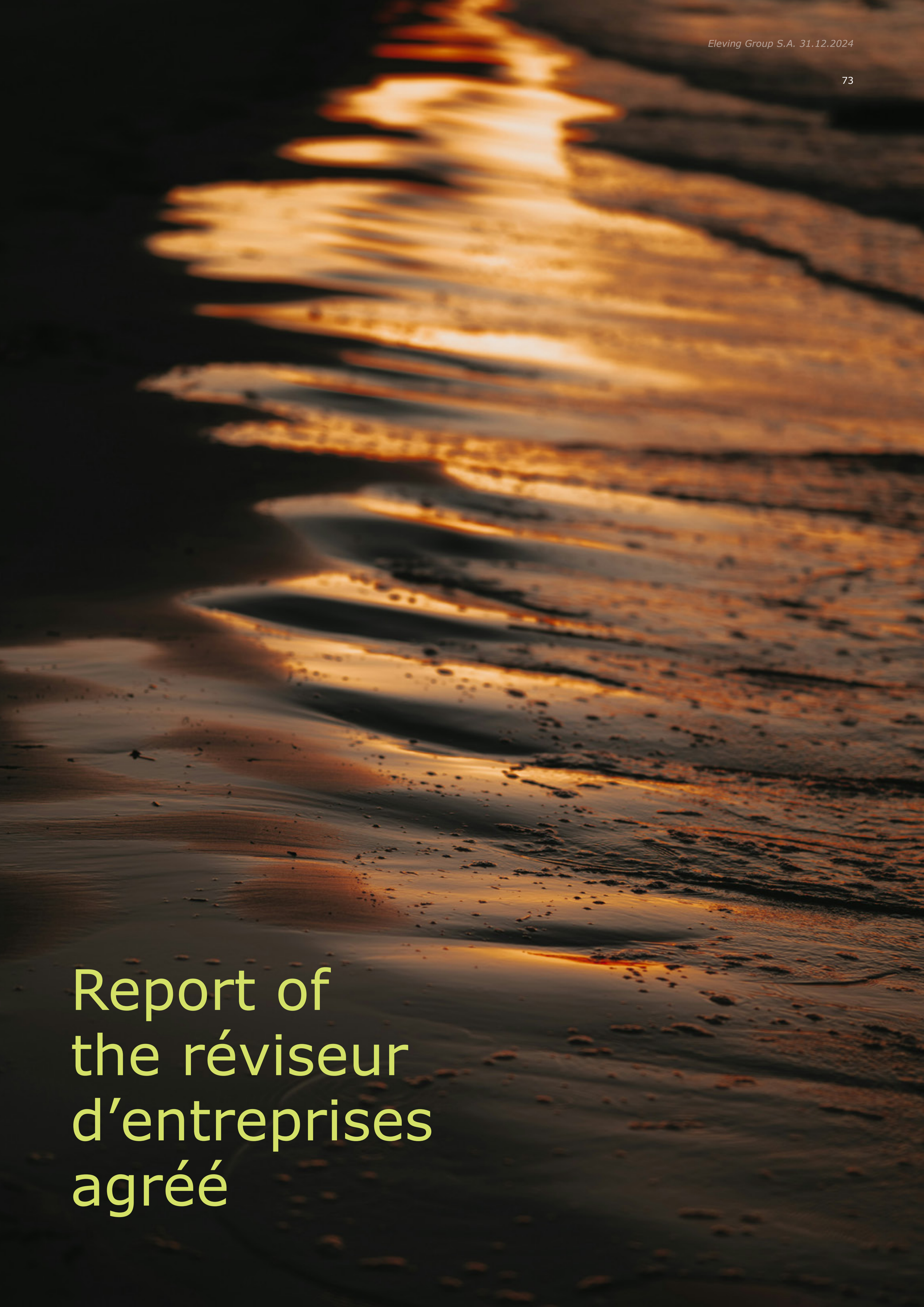
1. The consolidated annual report of the Company for the year ended 31 December 2023 is, to the best of Directors' knowledge, prepared in accordance with the applicable set of accounting standards and gives a tru and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole,

2. The 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.

Signed on behalf of the Group on 28 April 2025 by:

Māris Kreics
Category A Member of the Management Board

Sébastien Jean-Jacques J. François
Category B Member of the Management Board



Report of the réviseur d'entreprises agréé

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REPORT OF THE REVISEUR D'ENTREPRISES AGREE

To the Shareholders of
Eleving Group
Société anonyme
8-10, Avenue de la Gare
L - 1610 Luxembourg
Luxembourg

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Eleving Group S.A. and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit and loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union.

Basis for opinion

We conducted our audit in accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 on the audit profession ("Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" ("CSSF"). Our responsibilities under the EU regulation N° 537/2014, the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the « Responsibilities of the *"réviseur d'entreprises agréé"* for the audit of the consolidated financial statements » section of our report. We are also independent of the Group in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the consolidated financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of the audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	***How the Key Audit Matter was addressed in our audit***
Impairment allowance for "Loans and advances to customers"	
The total net value of "Loans and advances to customers" ("portfolio") amounts to EUR 369 166 010 and represents approximately 78% of the Group's total assets at 31 December 2024 (31 December 2023: EUR 313 204 155 and approximately 74%). The portfolio consists mainly of both secured and unsecured loans. The Group's management estimates the amount of the impairment allowance in accordance with the expected credit loss (ECL) model under IFRS 9. Expected credit losses for the entire portfolio are determined by grouping them, applying modelling techniques based on historical loss rates and changes in the portfolio's risk characteristics adjusted for forward-looking information. The main parameters used in the model include those related to probability of default ('PD'), loss given default ('LGD') and exposure at default ('EAD'). Management needs to make critical judgements in order to identify, in a timely manner, portions of the portfolio with significant increases in credit risk and impaired exposures. In view of the above, we have identified this as a key audit matter.	**Our audit procedures included amongst others:** • We tested control environment related to the approval and issuance of loans, the identification of defaults and the collection of debts. • We engaged IT specialists to test the overall IT environment and the effectiveness of controls over the systems supporting portfolio accounting and ECL calculation. • We tested the accounting policies, management assumptions and data used to estimate the probability of default and loss given default rates. We tested the completeness and accuracy of the data used to calculate the provision for impairment losses. • We tested selected key inputs and outputs of the ECL model. • We also tested management's assessment of the impact of macro factors on the quality of the loan portfolio and other related considerations. • We performed other substantive and analytical procedures. • We tested the completeness and accuracy of the disclosures relating to originated loans, impairment allowance and losses in the notes to the consolidated financial statements.

Interest income recognition	
For the year ended 31 December 2024, interest income from and "Loans and advances to customers" totaled EUR 203 721 402 and represented approximately 93% of the Group's total income and other revenue (31 December 2023: EUR 176 297 775 and approximately 92%). In accordance with IFRS 9 - Recognized interest income is determined using the effective interest rate ("EIR") method. In determining the amount of interest income, the Group uses a model whereby automatically calculated interest amounts are manually adjusted based on the contractual interest rate to reflect the additional costs incurred in entering into the lease and loan agreement in the EIR measurement and the resulting interest income is recognized in the income statement. The calculation of interest income is performed using sophisticated information technology systems that process frequently updated and voluminous data. In view of the above, we have identified this as a key audit matter.	**Our audit procedures included amongst others:** • We tested the accounting policies, management assumptions and inputs used in the recognition of interest income. • We engaged IT specialists who tested the effectiveness of the overall IT environment and controls over the systems supporting the calculation of interest income. • We tested the design and implementation of selected controls over the interest revenue recognition process, controls over the application of appropriate contractual interest rates and other contractual terms in the interest revenue recognition process and controls over the review and validation of manual accounting entries used in the EIR valuation. • We performed other substantive and analytical procedures. • We tested the completeness and accuracy of the disclosures relating to interest income in the notes to the consolidated financial statements.

Other information

The Management Board is responsible for the other information. The other information comprises the information included in the Integrated annual report including the "Our Group" section, the consolidated management report, the unaudited Sustainability Statement and the Corporate Governance Statement but does not include the consolidated financial statements and our report of "*réviseur d'entreprises agréé*" thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Responsibilities of the Management Board and Those Charged with Governance for the consolidated financial statements

The Management Board is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with IFRS Accounting Standards as adopted by the European Union, and for such internal control as the Management Board determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

The Management Board is responsible for presenting the consolidated financial statements in compliance with the requirements set out in the Delegated Regulation 2019/815 on European Single Electronic Format ("ESEF Regulation").

In preparing the consolidated financial statements, the Management Board is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management Board either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Responsibilities of the *"réviseur d'entreprises agréé"* for the audit of the consolidated financial statements

The objectives of our audit are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of *"réviseur d'entreprises agréé"* that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

Our responsibility is to assess whether the consolidated financial statements have been prepared in all material respects with the requirements laid down in the ESEF Regulation.

As part of an audit in accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Board.

- Conclude on the appropriateness of Management Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the *"réviseur d'entreprises agréé"* to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the *"réviseur d'entreprises agréé"*. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes public disclosure about the matter.

Report on Other Legal and Regulatory Requirements

We have been appointed as *"réviseur d'entreprises agréé"* by the Annual General Meeting of the Shareholders held on 30 April 2024 and the duration of our uninterrupted engagement, including previous renewals and reappointments, is three years.

The consolidated management report is consistent with the consolidated financial statements and has been prepared in accordance with applicable legal requirements.

The Corporate Governance Statement is included in the consolidated management report. The information required by Article 68ter paragraph (1) letters c) and d) of the law of 19 December 2002 on the commercial and companies register and on the accounting records and annual accounts of undertakings, as amended, is consistent with the consolidated financial statements and has been prepared in accordance with applicable legal requirements.

We confirm that the audit opinion is consistent with the additional report to the audit committee or equivalent.

We confirm that the prohibited non-audit services referred to in the EU Regulation N° 537/2014 were not provided and that we remained independent of the Group in conducting the audit.

We have checked the compliance of the consolidated financial statements of the Group as at 31 December 2024 with relevant statutory requirements set out in the ESEF Regulation that are applicable to financial statements.

For the Group it relates to:

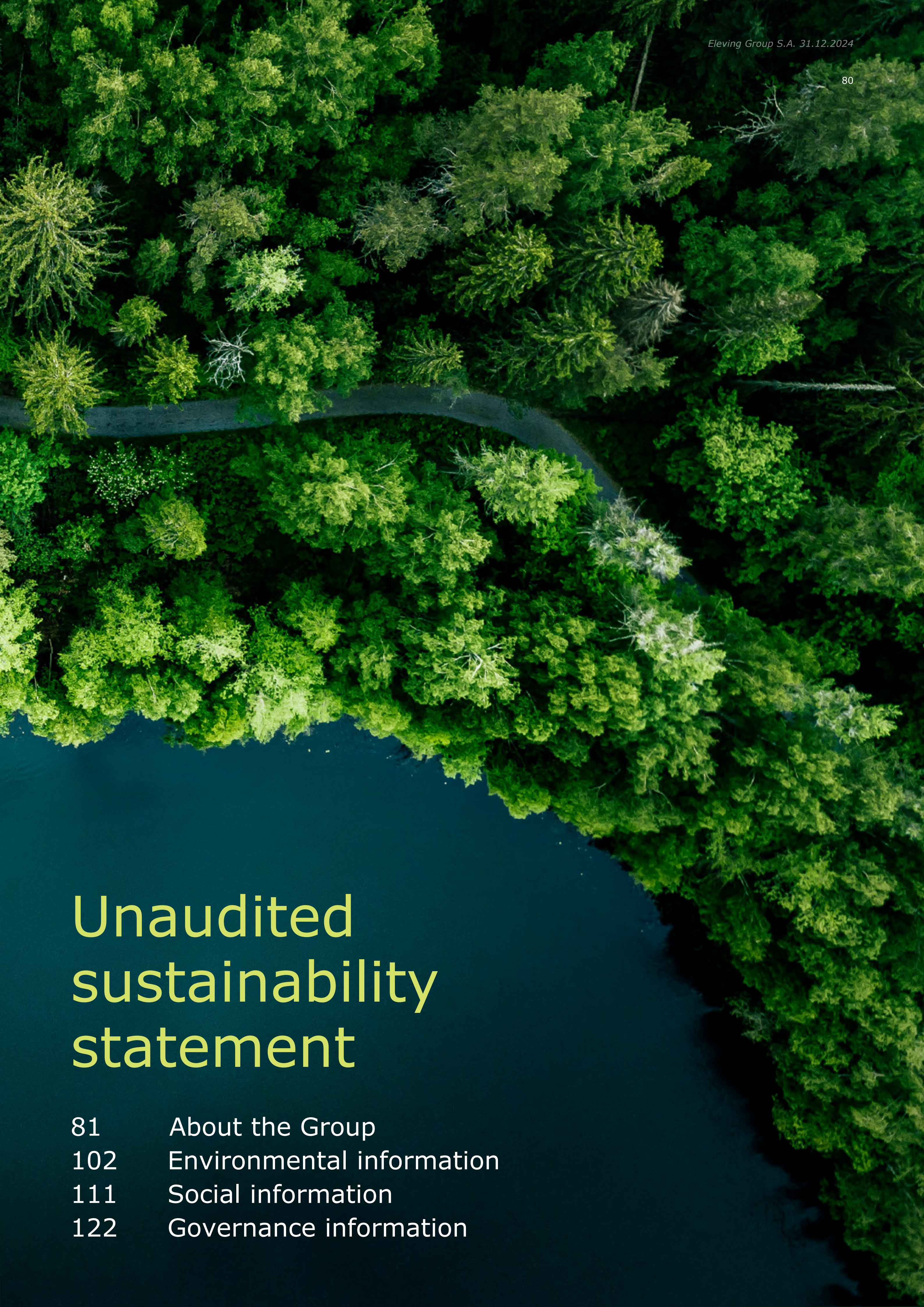
- Consolidated financial statements prepared in a valid xHTML format;
- The XBRL markup of the consolidated financial statements using the core taxonomy and the common rules on markups specified in in the ESEF Regulation.

In our opinion, the consolidated financial statements of the Group as at 31 December 2024, have been prepared, in all material respects, in compliance with the requirements laid down in the ESEF Regulation.

Luxembourg, 28 April 2025

BDO Audit
Cabinet de révision agréé
represented by

Anke Schelling Michaël Meuret



Unaudited sustainability statement

About the Group

Group's profile

Eleving Group has driven innovation in financial technology worldwide since its foundation in Latvia in 2012. Currently, the Group operates in 16 markets and three continents, encouraging financial inclusion and upward social mobility in underserved communities around the globe. Eleving Group has developed a multi-brand portfolio for its vehicle and consumer finance business lines, with around 2/3 of the portfolio comprising secured vehicle loans and mobility products, with Mogo as the leading brand, and around 1/3 of the portfolio including unsecured consumer finance products, with Kredo and Tigo as the segment's flagship brands. Currently, 53% of the group's portfolio is located in Europe, 34% in Africa, and 13% in the rest of the world. The Group's registered customer base exceeds 1.3 million customers worldwide, while the total volume of loans issued goes beyond EUR 2.0 billion. Headquartered in the Baltics and domiciled in Luxembourg, the Group runs efficient and transparent operations, employing 2793 employees.

Our mission

To facilitate upward social mobility across diverse communities worldwide by creating access to innovative and sustainable financial solutions.

Our values

Driven by Success

We are hungry for success and strive for excellence. While we revel in the process of dealing with any challenges encountered along the way, it is the result that truly matters and drives us. We define and measure our success, allowing it to be the driving force for new achievements.

Geared Towards Growth

We have a business owner's mindset. We take full responsibility for our actions and decisions, encouraging others to do the same. We take the initiative rather than react to events—we take calculated risks, boost efficiency, and keep improving.

Powered by Teamwork

We are open, honest, and caring. We lead by example and are trusting and trustworthy. We care for and support each other in reaching our common goals. We work with passion, celebrate our victories, and have fun along the way. We thrive on equality and diversity. An individual can achieve a great deal, but even more with a strong team.

Open to changes

We challenge and elevate everything we touch and are eager to find out-of-the-box solutions. Change is our driving force, and we face it head-on. We take on whatever comes our way, showing strength in a changeable environment.

Organizational structure

Luxembourg (domiciled)

Eleving GROUP

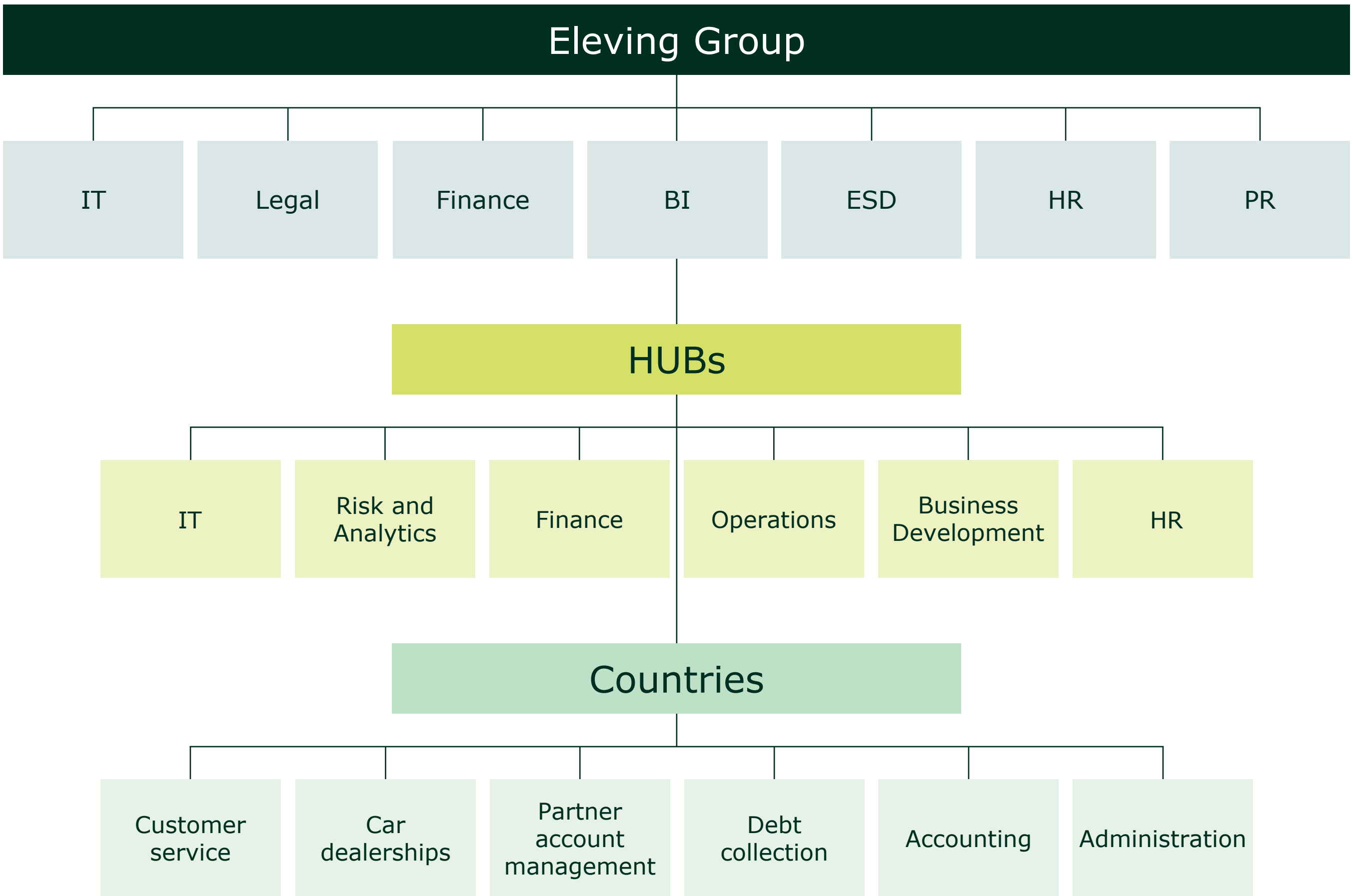
Baltics (HQ locations)

Eleving VEHICLE FINANCE		Eleving CONSUMER FINANCE
Eleving VEHICLE AFRICA & ASIA	**Eleving VEHICLE EUROPE**	
Mogo (Kenya)	Mogo, Renti, Primero (Latvia)	Kredo (Albania)
Mogo (Uganda)	Mogo, Renti (Lithuania)	Tigo (North Macedonia)
Mogo (Uzbekistan)	Mogo (Estonia)	Sebo (Moldova)
	Mogo (Romania)	Express Credit (Botswana)
	Mogo (Moldova)	Express Credit (Namibia)
	Mogo (Armenia)	Express Credit (Zambia)
	Mogo (Georgia)	Express Credit (Lesotho)

Vehicle and Consumer financing businesses have separate management teams. Having the largest operational scale and geographical outreach, vehicle business operations are managed through two regional hubs - Europe; and Africa & Asia.

Corporate governance

Eleving Group is a public limited liability company. It is subject to and complies—among the others - with the Luxembourg law of 10 August 1915 on commercial companies, as amended, and the law of 11 August 2008 on transparency requirements for issuers of securities, as amended (the "Luxembourg Company Law"), as well as the Rules and Regulations of the Frankfurt and Riga Stock Exchanges. The Group does not apply additional requirements in addition to those required above. In 2024, the Group continued to operate in 16 countries. Each country's subsidiary can make operational decisions regarding its business activities. Countries in a particular region are organized in clusters ("Hubs") coordinated by sub-holding companies controlled by the parent company.



Group functions

- HUB oversight
- Strategy
- Reporting
- Compliance
- Fundraising
- Consolidation

Hub functions

- Operational excellence
- Reporting
- Risk management
- Compliance
- Analysis and data management
- Countries oversight

Country-level functions

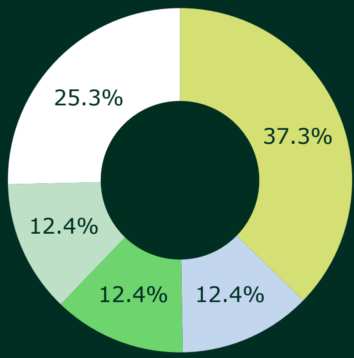
- Sales
- Operational execution (debt collection and customer service)
- Policy implementation
- Administration
- Local regulatory compliance

Group's shareholders

The share capital of the Group is indirectly held by the four founders of the Group (approximately 75%) and by present and former employees of the Group. The share capital of Eleving Group is held by the following shareholders (see the table on the right).

In its decision making and administration, the Group applies the Luxembourg Company Law, the Luxembourg law of 24 May 2011 on the exercise of certain rights of shareholders in general meetings of the shareholders of listed companies and implementing Directive 2007/36/EC of the European Parliament and of the Council of 11 July 2007 on the exercise of certain rights of shareholders in listed companies, as amended and the Group's Articles of Association.

The general shareholders' meeting also determines the number of members of the Supervisory Board, the Supervisory Board members' remuneration, and the terms of their office (which may not exceed five years).



AS ALPPES Capital	37.31%
AS Novo Holdings	12.44%
AS Obelo Capital	12.44%
SIA EMK Ventures	12.44%
Other shareholders	25.37%

Supervisory Board

In 2024, Eleving Group appointed a Supervisory Board. The Supervisory Board's functions are executed by Lev Dolgatšjov, Derek Urben, and Mārcis Grīnis, the Supervisory Board's Chairman. The new governance structure's responsibilities include contributing to the company's future strategy, overseeing external capital raises, advising management on business decisions, and further enhancing the quality of corporate governance.

Mārcis Grīnis

Appointed as the Chairman of the Supervisory Board of the Group on 6 June 2024. He holds a Bachelor's degree in Economics and Business, a post-graduate degree in Management, and a Master's degree in Finance and Strategic Management. Graduating from the Stockholm School of Economics in Riga and Copenhagen Business School, Mārcis has showcased exceptional expertise in various domains, including data intelligence, Business Strategy, Operations Scaling, Financial & Risk Management, and Corporate Finance. With a track record of founding and developing several start-ups and businesses within the MarTech, IT, and FinTech sectors, Mārcis stands as one of the early co-founders and shareholders of the Issuer.

Lev Dolgatšjov

Appointed as a Member of the Supervisory Board of the Group on 6 June 2024. Lev is an investment community and start-up ecosystem activist. Outside his new role as a Member of the Supervisory Board, he is a managing partner of an Estonian investment company Meemaeger Capital OÜ and a founding partner of the Estonian company Syda Ventures OÜ. He has previously served as a board member and president of the Estonian Business Angels Network (EstBAN) and as a member of the board of directors of the European Business Angels Network (EBAN). In addition, he has advised and mentored numerous start-up projects and businesses.

Derek Bryce Urben

Appointed as a Member of the Supervisory Board of the Group on 6 June 2024. Derek is an investor from the United States who previously spent five years at the company Left Lane Capital, a USD 2.0 billion growth equity fund. At Left Lane Capital, he led over a dozen investments representing over USD 200.0 mln into companies worldwide, including Moove, Freetrade, Jackpocket, Salad, and others across the fintech, software, and consumer internet categories. Before working with Left Lane Capital, he was the CFO of a trading technology software business. Today, he is the founder of a new private investment firm focusing on activism in emerging markets. He currently serves on the board of Moove, a global mobility fintech, and Salad, a distributed AI computing company.

Management Board

The Group is managed by the Management Board, whose members have been appointed as Category A members and Category B members by the shareholders' general meeting of the Group. By the Luxembourg Company Law, each category A member and category B member may be removed at any time without cause (révocation ad nutum). The Management Board consists of two executive members and two non-executive members.

Meetings of the Management Board are convened upon request of the chairman of the Management Board or any two members of the Group as often as the interest of the Group so requires. The meetings of the Management Board are validly held if, at the commencement of the meeting, at least one category A member and one category B member is present or represented, and decisions are validly taken by most of the members present or represented (including at least one category A member and at least one category B member). Any member may represent one or more other members at a board meeting. The Management Board of the Group may, from time to time, delegate its power to conduct the daily management (gestion journalière) of the Group to one or more members, i.e., the managing director(s) (administrateur(s) délégué(s)), commit the management of the affairs of the Group to one or more members or give special powers for determined matters to one or more proxy holders.

The Group is currently managed by the Management Board composed of two members of Category A and two of Category B, elected pursuant to resolutions of the shareholders of the Group. Based on the articles of association of the Group, members of each category are vested with the same individual powers and duties. The members of Category B are Luxembourg residents, whereas the members of Category A are not Luxembourg residents and, at the same time, hold the positions of CEO and CFO within the Group. The Management Board has not appointed a chairperson among its members. The company does not have employee or worker representation within its administrative, management, or supervisory bodies.

Modestas Sudnius

Appointed as CEO of Eleving Group in November 2018 and as Director of the Group in March 2019. A Stockholm School of Economics graduate, Mr. Sudnius held the position of Country Manager in Lithuania, followed by Regional CEO of Eleving Group in charge of the Baltic states, Georgia, and Armenia. He has several years of experience in financial assurance in Ernst and Young and project management and business development experience in financial technology company EPS LT.

Māris Kreics

Appointed as A Director in 2018 and as CFO of the Group in 2015. Mr. Kreics spent two years in a corporate finance role at Tet (previously Lattelecom), Latvia's biggest telecommunication services company. Before that, he spent seven years at PwC and two years in New York working exclusively on one of the largest (top 5 by market capitalization) S&P 500 Tech company's lead audit team. Mr. Kreics is a CFA (Chartered Financial Analyst) certificate holder and a member of ACCA (Association of Chartered Certified Accountants), the global body for professional accountants. He holds a bachelor's and master's degree in Finance from the BA School of Business and Finance in Riga.

Sébastien François

Appointed as a B Director in 2022. Mr. François is also a Group Head of Corporate Services at Centralis S.A.; previously, he held a Client Service Manager position at AIB Administrative Services Luxembourg Sàrl. Mr. François holds a Université Catholique de Louvain (U.C.L.) post-graduate degree in Financial Economics and a Université Catholique de Louvain (U.C.L.) bachelor's degree in Business Administration.

Delphine Marie-Paul Glessinger

Appointed as director in 2023. Ms. Glessinger is currently also a senior legal administrator at Centralis S.A. She has previously held a legal trust officer position at Citco Corporate and Trust for over 8 years. Ms. Glessinger holds a Université de Haute-Alsace Mulhouse-Colmar degree in law, a University of Lincoln Bachelor's degree in administrative and legal studies, and a Université Nancy 2 Bachelor's degree in international business.

The Management Board and executive management members possess or have access to sustainability-related expertise, either through the direct knowledge of its members or by leveraging internal and external experts and dedicated training programs. This expertise aligns directly with the Group's material impacts, risks, and opportunities, ensuring that sustainability considerations are integrated into the company's strategic decision-making process. To support compliance with evolving sustainability regulations, the Group has appointed an ESG Lead responsible for providing strategic insights and leading ESG strategy development across all markets. This role ensures that the Group remains proactive in addressing sustainability challenges while continuously refining its approach to risk management, regulatory adherence, and sustainability performance. The Management Board ensures sustainability governance by assigning management responsibilities to a dedicated ESG function, which is closely monitored through status reviews, performance tracking, and alignment with the company's strategic objectives.

Functional leaders provide weekly updates to Management Board members regarding material risks, impacts, and opportunities in their respective areas. Additionally, country leaders assess ESG risks as part of their responsibilities, ensuring that relevant matters are integrated into local operations throughout the reporting period. All these measures are incorporated in financial planning processes, including budget planning and mid-year reviews, to ensure that sustainability risks and opportunities are included in business decision-making and compliance overseen by internal audit and the Supervisory Board, ensuring that sustainability-related risks, controls, and reporting processes align with regulatory and corporate governance requirements.

The company manages sustainability-related impacts, risks, and opportunities through its existing governance frameworks, ensuring alignment with financial, operational, and regulatory requirements.

Audit Committee

In 2019, the Group established an audit committee. The audit committee oversees the Group's financial reporting process to ensure transparency and integrity of the published financial information, the effectiveness of the Group's internal control and risk management system, the effectiveness of the internal audit function and independent audit process of the Group, including providing recommendations for the appointment and evaluating the performance of the external auditor and the effectiveness of the procedure for ensuring compliance with regulations and legislation related to financial reporting and the code of business conduct (where applicable).

The audit committee is set up and its members are appointed by Eleving Group's Management Board. The committee is comprised of two members: Lev Dolgatsjov and Derek Urben, both appointed in 2024 for three years. The audit committee reports directly to the Company's Supervisory Board.

Sustainability matters addressed by administrative, management, and supervisory bodies

The Supervisory and Management Board oversees corporate strategy and sustainability governance, ensuring that material sustainability-related impacts, risks, opportunities are addressed, and goals are aligned with the company's long-term strategic priorities and business model. This includes assessing sustainability-related targets and performance indicators, policies and actions to ensure strategic alignment across all markets and maintaining compliance with evolving regulatory requirements.

To monitor progress, the Management Board receives updates on sustainability-related goals during regular functional meetings, the frequency of which varies based on the topic's relevance. Additionally, the Board oversees the development and implementation of sustainability frameworks to support regulatory compliance and value creation, and also approves the budget for sustainability matters.

During the reporting period, sustainability-related matters were overseen at strategic and operational levels, with functional leaders providing regular reports to the Management Board. This ensured continuous assessment of material impacts, risks, and opportunities across Eleving Group's key environmental, social, and governance areas. The Management Board reviewed and approved the annual Integrated report, including the sustainability information, to ensure transparent communication that reflects the company's commitment to responsible business practices. During the double materiality assessment process, the Management Board was involved in reviewing and approving of material impacts, risks, and opportunities, reinforcing the integration of sustainability considerations into corporate risk management and strategic planning.

Through these activities, the Management Board ensures that sustainability-related risks and opportunities are managed and embedded within the Group's long-term vision, contributing to creating sustainable value for stakeholders.

Incentive schemes and remuneration policies

Eleving Group has not incorporated sustainability-related performance criteria into the incentive structures or remuneration policies for the company's administrative, management, or supervisory bodies. Sustainability commitments are integrated across relevant functions within the organization, and implementation is led by relevant experts and C-suite executives who are responsible for their respective ESG areas. During the development of the ESG strategy for the 2026-2031 period, ESG-related incentive schemes may potentially be expanded to include the company's administrative, management, or supervisory bodies.

Risk management and internal controls

Risk management at Eleving Group is defined as a process of identifying, monitoring, and managing potential risks to mitigate the negative impact they may have on the Group. To ensure efficient significant risk management at all stages, Eleving Group describes the general framework and duties in its internal policies and guidelines. Internal policies and guidelines set out the following objectives for each of the Group's operating companies:

- To establish the framework required for the identification of significant risks
- To assess exposure to significant risks
- To establish the techniques and indicators to be used for the management of significant risks, including with reference to the adequacy of the limits system
- To allocate the risk management duties within the entity
- To establish the framework required for risk reporting (reporting typology - indicators, content, frequency, users)
- To establish the entity's risk profile in line with the entity's business strategy
- To establish the measures required for addressing the conflicts of interests at the level of the risk management function and the conditions required for the independent exercise of the risk management function.

The risk management process at Eleving Group consists of four main parts:

- risk identification,
- risk management,
- risk monitoring,
- and risk control.

Eleving Group has defined the following significant risks: (i) financial risk, (ii) legal risk, (iii) operational risk, (iv) reputational risk, and (v) ESG risk. The Group's activities are exposed to liquidity risk, credit risk, and market risk (including currency risk and interest rate risk).

The Group's overall risk management focuses on financial markets and seeks to minimize potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge specific risk exposures carried out by the central treasury department (the Group's treasury).

The Group controls its liquidity by managing the amount of funding it attracts through peer-to-peer marketplace platforms for loans, which provides the management with greater flexibility to manage the level of borrowings and available cash balances. Also, the Group manages its longer-term liquidity needs by obtaining funding from international capital markets, in particular by issuing the Bonds.

The Group is exposed to credit risk through its finance lease receivables, loans, and advances, as well as cash and cash equivalents. The key areas of credit risk policy cover the lease and loan granting process (including the solvency check of the lessee or the borrower), monitoring methods, and decision-making principles. The Group uses financed vehicles as collateral to reduce the credit risk significantly. The Group operates by applying a clear set of finance lease and loan granting criteria. These criteria include assessing the customer's credit history, lease and loan repayment means, and understanding the lease object. The Group considers both quantitative and qualitative factors when assessing the customer's creditworthiness. Based on this analysis, the Group sets the credit limit for each customer. When the lease agreement has been signed, the Group monitors the lease object and the customer's solvency. The Group has developed a lease monitoring process that helps quickly spot any possible non-compliance with the provisions of the agreement. The receivable balances are monitored continuously to ensure that the Group's exposure to bad debts is minimized and, where appropriate, sufficient provisions are made. The Group does not have a significant credit risk exposure to any single counterparty but is exposed to risks to counterparties with similar characteristics.

The Group takes on exposure to market risks, which are the risks that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks arise from open positions in the interest rate and currency products, all of which are exposed to general and specific market movements and changes in the level of volatility or market rates or prices, such as interest rates and foreign exchange rates.

Currency risk is defined as the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Group is exposed to the effects of fluctuations in prevailing foreign currency exchange rates on its financial position and cash flows. The most significant foreign currency exposures currently arise from Kenya, Uganda, Namibia, Lesotho, Zambia, Georgia, Armenia, Uzbekistan, and Moldova. To mitigate this risk, the Group actively hedges its exposures in key markets - Kenya, Uganda, Namibia, Lesotho (both via EUR/ZAR hedge), and Zambia. In other markets, the Group has evaluated potential hedging strategies but, due to associated costs, has opted to manage currency risk through pricing mechanisms and by assuming potential short- to mid-term fluctuations. Where applicable, currency risk is priced into product offerings, particularly in the more volatile markets, to safeguard margins and reduce exposure.

In addition, the Group is making substantial progress in issuing as many loans as possible in EUR and USD currencies. Having a significant portfolio of USD loans and leases, mainly linked to Kenya and Uganda, the Group has started proactively managing the foreign currency exposure risk towards USD. The proactive management of USD exposure can be observed by forward contract purchases that began in 2020 and have continued since then.

Cash flow interest rate risk means the risk that future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates, in particular, that the Group's income or the value of its portfolios of financial assets might be affected as a result. The management of Eleving Group believes that interest rate risk is not material for the Group since the vast majority of loans are issued and received at fixed rates, and most of the borrowings and loans issued to customers are long-term.

Legal risks are mainly derived from regulatory changes, which the Group successfully manages with the help of an in-house legal department and external legal advisors that closely follow the latest developments and the legal environment. While most of Eleving Group's operating entities are financial institutions, the Group is not regulated as a bank, payment institution, or e-money institution in any of its operating jurisdictions. The regulatory framework applicable to the Group's operating entities varies depending on the jurisdiction in which they operate. The relevant regulations relate to, inter alia, lending and leasing activities, consumer rights protection, the processing of personal data, debt collection, and the prevention of money laundering and financing of terrorism.

The Group's operational risks are managed by rigid underwriting procedures in the loan issuance process and efficient debt collection procedures.

Reputational risk is concerned with the exposure of Eleving Group to events that could adversely affect customers' trust in its products, could decrease its customer portfolio, or could lead to: (i) an increased difficulty in attracting new customers; (ii) difficulty raising finance; (iii) difficulty in retaining employees; (iv) non-compliance with the requirements set forth by local authorities. The Group's reputational risk monitoring is performed, e.g., by monitoring the local and central media, monitoring Eleving Group's activity with the focus on the events that could expose the Group to a reputational risk (specifically those related to customer relations and the relationships with the supervisory authority), and monitoring the number of complaints received from customers.

For Eleving Group, ESG risks include the following:

- Climate change - changes in the policy and regulatory context; timely development of innovative products and services, supporting the reduction of CO_2 emissions and customer preferences; business interruption due to chronic (e.g., temperature increase, etc.) or extreme (e.g., floods, etc.) events on key company assets, i.e., physical risk.
- Responsible use of natural resources - optimization of material cycles, in terms of recycling, waste, etc., management; sustainable resource (water, electricity, etc.) management.
- Human resources management - diversity, equal opportunities; health, safety, and well-being of employees; attraction, retention, and development of talent; employee training and development.
- Responsible lending - compliance with legal and voluntary regulations.
- Customers - customer relations (e.g., conduct, non-discrimination, mislabelling products); customer data protection; evolving customer preferences regarding sustainable products; increasing use of digitalization and automation; affordable/accessible financial products.
- Impact on local communities - providing access to finance for diverse groups.
- Business ethics and integrity - prevention, detection, and countering unlawful behavior by employees, clients, and/or suppliers (incl. corruption, AML) and compliance with related international and national legislation.

Main features of internal control and risk management systems in relation to the process of consolidated financial statements

The employees involved in the accounting process meet qualitative standards and receive regular training. Duties and responsibilities are clearly assigned to different roles. Complex evaluations are assigned to specialized service providers who involve qualified in-house staff. Separating administrative, executive, settlement, and report preparation functions reduces the possibility of fraud. Internal processes also ensure that changes in the Group's economic or legal environment are mapped and that new or amended legal provisions are applied in the Group's accounting. The Group's accounting rules also govern specific formal requirements placed on consolidated financial statements. These include the mandatory use of a standardized and complete reporting package. The Group's Accounting Department assists the Regional units in resolving complex accounting issues. Additional data for the presentation of external information in the notes and the Group's management report is also prepared and aggregated at the Group level. Reporting packages containing errors are identified and corrected at the Regional or Group level. Impairment tests are conducted centrally for the specific cash-generating units, known as CGUs, from the Group's perspective to ensure that consistent, standardized evaluation criteria are applied.

Description of business model and value chain

Strategy and business model

Eleving Group is a leading global financial technology company with a presence in 16 markets across three continents. Founded in Latvia in 2012, the company has built a scalable, technology-driven, and diversified business model that enables seamless geographic expansion, business volume growth, and product innovation.

The Company is focused on reinforcing its footprint in established markets, where it has deep market knowledge and operational expertise. However, its scalable business model, supported by technology-driven IT and operational infrastructure, allows for rapid expansion beyond these regions when strategic opportunities arise. Eleving Group also benefits from a strong corporate governance structure, a diversified funding base, and an experienced management team rooted in Baltic talent and global know-how.

Eleving Group operates through a multi-brand portfolio designed to serve diverse financial needs. The Company manages two business lines - vehicle finance and consumer finance, designed to support financial inclusion and upward social mobility.

Vehicle finance composes 2/3 of the Group's portfolio, offering secured vehicle loans and mobility solutions under the Mogo, Primero, and Renti brands. Eleving Group has invested in sustainable mobility through Carguru, an electric car-sharing platform operating in Latvia, reinforcing its commitment to environmentally responsible transportation solutions. The vehicle finance business is split into two segments – traditional vehicle finance and flexible and subscription-based products.

Traditional vehicle finance segment represents 45% of the portfolio, providing tailored financing solutions through Mogo and Primero brands. In European and Central Asian markets, Eleving Group inspects and purchases a vehicle selected by the customer. The customer uses the vehicle during the lease period, making installment payments. Ownership is transferred to the customer once the loan is fully repaid, while Eleving retains legal ownership during the financing period. In Africa, the customer is the legal owner of the vehicle, and Eleving Group issues credit against the vehicle collateral.

Flexible and subscription-based products hold 20% of the portfolio and are provided under the Renti brand in Lithuania and boda-boda financing under the Mogo brand in Kenya and Uganda. In Lithuania, the Group offers rent-to-buy solutions, granting customers the flexibility to return or exchange vehicles anytime. In Eastern Africa, the Group focuses on productive lending through vehicle loans, targeting self-employed riders and SMEs with ICE and electric motorcycle and three-wheeler financing for passenger transport or deliveries.

The remaining 1/3 of the portfolio consists of unsecured consumer finance products with the Kredo, Tigo, Sebo, and ExpressCredit brands. These products are specifically designed to serve underserved populations, offering alternative financing options to those typically excluded by traditional financial institutions. The Company maintains high standards of credit provisioning to ensure quality and reliability in its lending practices. Eleving Group's business model is strongly supported by an extensive branch network, allowing the Company to provide financing to customers when and where it is needed most. The Group frequently finances the purchase of consumer goods and, in certain African markets, offers long-term credit to government employees through deduction codes, where repayments are facilitated directly by the employer rather than the customer.

Eleving Group offers a diverse range of financing products across 16 countries, utilizing a variety of sales channels to ensure accessibility and efficiency. These channels include an online platform managed by the Group, third-party online car sales portals, physical branches, and used car dealerships. As of the end of 2024, the Company maintains a strong offline presence through 1,786 active partner dealerships and 282 physical branches, providing broad accessibility and efficient service delivery in all of its markets.

Eleving Group also has a dynamic online presence that strengthens market reach and customer interaction via 25 product websites and over 50 integrations with sales partners on digital channels. This reach has enabled Eleving Group to serve about 326,800 active customers as of the end of 2024 and over 1.3 mln since inception.

The Group's financial services are designed to promote financial inclusion and upward social mobility, especially in underserved communities. By combining advanced IT architecture, a technology-driven approach, and a wide sales channel network, Eleving Group ensures streamlined customer experiences and operational efficiency in all its markets.

Eleving Group's existing strategy is anchored in three core pillars:

Organic growth in current markets

Strengthening market positions in established regions (primarily Europe and Africa) by optimizing operations, improving product quality, and increasing customer penetration.

New product development

Enhancing existing financial solutions and exploring innovative lending approaches that align with evolving market demands and technology-driven opportunities.

Geographic expansion

Entering new markets with proven financial solutions, leveraging the Group's regional management team to ensure swift market penetration and maintain high operational efficiency.

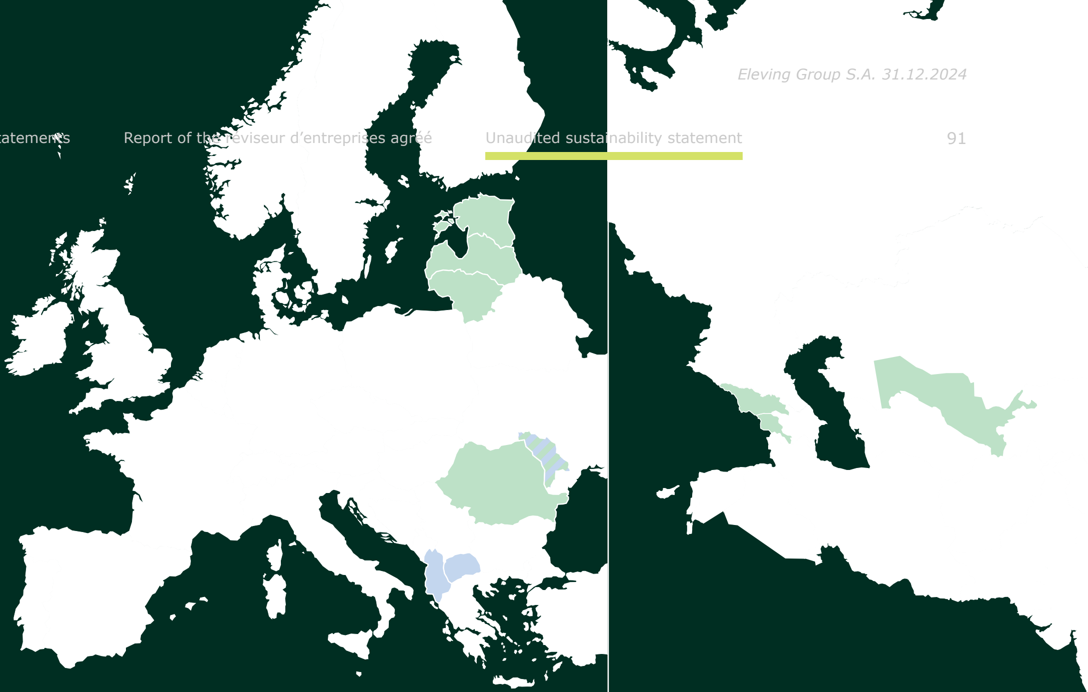
As part of its long-term growth vision, Eleving Group remains committed to driving digital transformation. The first phase of the Group's digitalization journey has been successfully completed with the implementation of a next-generation "2.0" self-service platform in all established European vehicle finance markets. The project is facilitating the seamless onboarding of existing clients and providing them with 24/7 access to their accounts. It offers real-time updates on agreements, customer details, payment history, and plans. Initially piloted in Romania, this platform has been continuously enhanced to provide customers with a broader range of digital financial and customer services.

Looking ahead, Eleving Group is actively exploring the integration of AI-driven tools into its processes to further improve automation, risk management, and customer experience. This continued investment in technology aligns with the Company's strategic goal of nearly doubling its business within the next two years.

Customer segments

The typical client of Eleving Group mobility products is an economically active person who frequently uses a vehicle for daily commuting and as an instrument to make a living for themselves and his family. It is a person looking for a convenient and easy-to-understand financial product with fast onboarding and simple use. Our mobility clients prefer to drive pre-owned quality vehicles since such vehicles perform better, depreciate less, and have cheaper maintenance costs due to a well-developed aftermarket. For most customers, a car is not a nice-to-have item but a necessity to travel to work or generate income. The Group also serves small and medium enterprises that need quick financial solutions to solve mobility issues in their businesses.

The Company's consumer segment includes people who need financial solutions for specific situations, often to cover urgent or unexpected expenses. These customers are often underserved by traditional banks due to small loan amounts, slow approval processes, or complex applications.



Global scope

Eleving Group has a geographically diverse portfolio across three continents. Over 53% of the business is concentrated in Continental Europe with resilient economies and strong currencies. The Group's African markets account for over 34% of the portfolio, while 13% of the portfolio is located in other geographies.

66% Vehicle Finance
(Lease, leaseback, flexible lease and subscription)

34% Consumer Finance

53% Continental Europe

Latvia (LV)
Population[2]: 1.9 mln
Passenger vehicles[3]: 0.66 mln
Operations launched: 2012
Share of portfolio: 3.2% (10.1%[1])

Lithuania (LT)
Population: 2.9 mln
Passenger vehicles: 1.26 mln
Operations launched: 2013
Share of portfolio: 7.9%

Estonia (EE)
Population: 1.4 mln
Passenger vehicles: 0.79 mln
Operations launched: 2013
Share of portfolio: 3.3%

Romania (RO)
Population: 19.1 mln
Passenger vehicles: 6.90 mln
Operations launched: 2016
Share of portfolio: 12.0%

Moldova (MD)
Population: 2.5 mln
Passenger vehicles: 0.58 mln
Operations launched: 2017
Share of portfolio: 4.9%

Moldova (MD)
Population: 2.5 mln
Business acquired: 2020
Share of portfolio: 4.9%

Albania (AL)
Population: 2.7 mln
Business acquired: 2020
Share of portfolio: 10.8%

North Macedonia (MK)
Population: 1.8 mln
Business acquired: 2020
Share of portfolio: 6.1%

13% Rest of the World

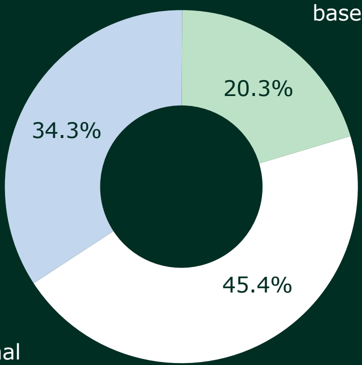
Georgia (GE)
Population: 3.7 mln
Passenger vehicles: 1.01 mln
Operations launched: 2014
Share of portfolio: 5.2%

Armenia (AM)
Population: 3.0 mln
Passenger vehicles: n.a.
Operations launched: 2017
Share of portfolio: 4.6%

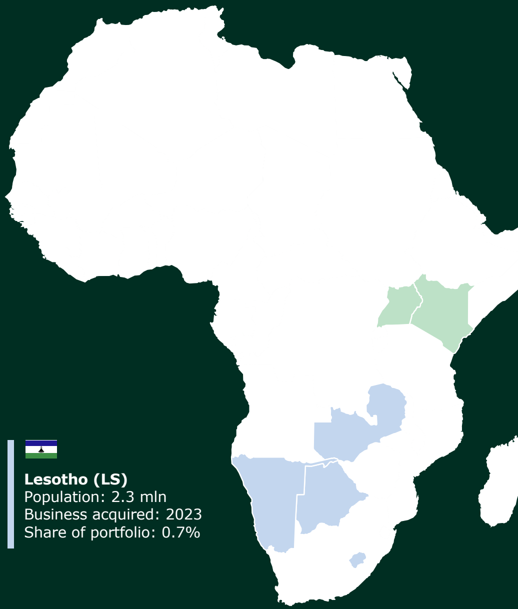
Uzbekistan (UZ)
Population: 35.7 mln
Passenger vehicles: n.a.
Operations launched: 2018
Share of portfolio: 3.3%

Portfolio balance[1]

as per December 2024



34% Africa



Kenya (KE)
Population: 55.3 mln
Passenger vehicles: 0.96 mln
Operations launched: 2019
Share of portfolio: 12.9%

Uganda (UG)
Population: 48.7 mln
Passenger vehicles: 0.17 mln
Operations launched: 2019
Share of portfolio: 8.3%

Botswana (BW)
Population: 2.5 mln
Business acquired: 2023
Share of portfolio: 4.8%

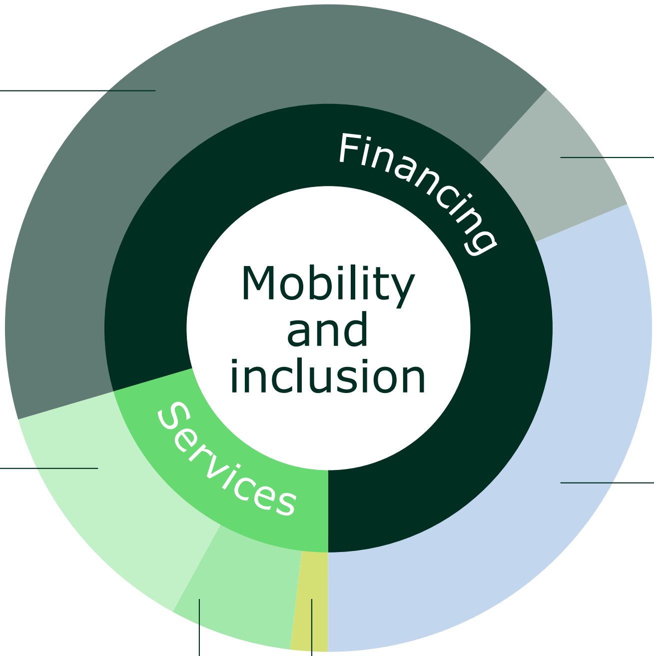
Zambia (ZM)
Population: 20.7 mln
Business acquired: 2023
Share of portfolio: 2.6%

Namibia (NM)
Population: 3.0 mln
Business acquired: 2023
Share of portfolio: 4.2%

Lesotho (LS)
Population: 2.3 mln
Business acquired: 2023
Share of portfolio: 0.7%

[1] Including Primero product portfolio in total portfolio balance
[2] Population data source: Eurostat and World bank
[3] Passenger vehicle data source: ACEA VEHICLES IN USE REPORT and Nation Master

Eleving Group's product universe



mogo

Well accessible and affordable mobility product for customers in underserved market segments

EUR 168.3 mln
Net portfolio

mogo BODA LOANS

A solution for self-employed who use mobility as a source of income

EUR 50.7 mln
Net portfolio

Renti

A rent-to-buy product with ultimate flexibility

EUR 24.9 mln
Fleet value

CARGURU

Investment[1] in sustainable car-sharing in Latvia (Riga)

EUR 7.6 mln
Fleet value

primero

Flexible Premium car leasing for people interested in the high-quality vehicles

EUR 28.3 mln
Net portfolio

Sebo.md
Kredo.al
Tigo.mk
ExpressCredit

Accessible financing through traditional consumer loan products

EUR 127.4 mln
Net portfolio

Financing products include traditional lease and leaseback products as well as consumer financing products that accounted for 80% of the Group's total net portfolio as of December 31, 2024.

Services products include flexible lease and subscription-based products that accounted for 20% of the Group's total net portfolio as of December 31, 2024.

[1] In August 2024, OX Drive merged its operations with SIA Slyfox and is now operating under the Carguru brand, with Eleving Group holding 36.24% of SIA Slyfox.

Fostering responsible access to finance

Eleving Group empowers diverse communities across the globe by promoting financial inclusion and enabling upward social mobility. At the core of the Group's business lies a commitment to helping customers make informed financial decisions. By offering access to innovative and sustainable financial solutions, Eleving Group strives to create meaningful social and economic impact. The Company is also dedicated to improving financial literacy in every market in which it operates.

Eleving Group's corporate strategy is impact-driven. By advancing financial inclusion, the Group supports underserved communities across its regions of operation, providing them with the tools needed to improve their financial well-being. Its products are designed for simplicity, convenience, and transparency—delivered both online and through a strong offline presence. With clear fee and interest structures and a firm commitment to data privacy, Eleving Group ensures that customers can access funding with confidence and ease.

Productive lending

Access to reliable financial services helps people increase their income, gain access to asset ownership, and better manage financial challenges. Eleving Group has transformed the used vehicle market by providing financing to individuals with limited access to capital. In 2021, Mogo, the Group's flagship brand, introduced its first productive lending product—financing vehicles that customers can use to earn income or grow their businesses. In Kenya and Uganda, this primarily includes financing boda-bodas (motorcycle taxis) and tuk-tuks (three-wheel taxis).

Boda-bodas are widely used by self-employed individuals and small entrepreneurs in Kenya and Uganda for both passenger transport and deliveries, creating economic opportunities for a significant portion of the local population.

With Mogo leasing, riders can pay similar—or even lower—monthly installments compared to renting. But unlike renting, once the payments are complete, the motorcycle becomes their own. This approach empowers riders to gain financial independence while making mobility more accessible and sustainable.

Responsible lending

Responsible and productive lending promoting economic inclusion lies at the core of Eleving Group's operations in the mobility and consumer segments. Eleving Group and all its subsidiaries always fully comply with the local regulatory regulations (Financial Services Supervisory authorities, Central Banks, Consumer Right Protection authorities, and/ or Ministries of Finance/ Economy). Eleving Group also follows its internal standards on responsible lending and fair treatment; one of the fundamental principles of these standards is transparency. Eleving Group ensures that all the relevant information, including fees, key terms and conditions, legal documentation, and advertising, is clear, understandable, and accessible to clients. Eleving Group has two main business lines: secured lending via car loans, flexible vehicle loans, and subscription-based products against the title of the vehicle, and unsecured consumer lending. The Group's core focus remains on secured lending, which comprises around 66% of the consolidated net loan portfolio at the end of 2024. Consumer loans issued by Eleving Group are primarily used for everyday expenses or purchasing consumer goods and electronics. Eleving Group provides consumers with easy access to finance since it has both- a brick-and-mortar and online presence.

Risk management as a core competence

Eleving Group has over 70 employees in risk management roles. The Group's organizational framework is built around a hub structure: Vehicle Finance Europe, Vehicle Finance Africa & Asia, and Consumer Finance. Each of these business segments is supported by experienced and knowledgeable risk management teams, complemented by centralized risk management functions at the headquarters level.

These highly skilled leaders work closely with senior management to ensure a comprehensive risk management framework is implemented across the organization. This framework ensures that all risk-related activities are effectively monitored and aligned with Eleving Group's strategic objectives, even as the Company continues to expand into new markets and product categories.

The management team plays an active role in overseeing risk mitigation, ensuring that business decisions are both strategically sound and responsible. This structure enables the Group to support its growth with flexibility while maintaining a disciplined approach to risk—ensuring long-term sustainability and organizational resilience.

Risk management in client relations

The Group's goal is not only to reject high-risk applicants but also to educate customers throughout the loan application process. This ensures that customers fully understand the implications of taking out a loan, including their ability to meet financial obligations. Eleving Group proactively works to enhance financial literacy among borrowers, guiding them through the decision-making process to assess whether a loan is a sustainable choice for their personal or business finances. For this reason, Eleving Group maintains a conservative loan application conversion rate, while for high-value vehicle finance loans customers are also required to contribute some of their own funds. As a result, the Group's conversion rate for vehicle finance loans is 8.3%, but for consumer finance, it stands at 33.8%.

Once a customer applies for a loan, their creditworthiness is determined through a sophisticated underwriting process that relies on data-driven statistical analysis, incorporated into Eleving Group's proprietary vehicle and consumer finance scoring models. Across all its products, Eleving Group assesses customers' creditworthiness using public and private databases, for example, vehicle registries, government institution records, debt collection agency databases, industry and peer company blacklists, and bank statement providers, to name a few. Each applicant is allocated a risk score based on this data.

The automated scoring models are developed in-house and, depending on the country, are either integrated into the customer relationship management systems or run on third-party cloud solutions. These models help ensure objective and accurate risk assessment while promoting financial stability among borrowers.

Loan Application Process

Each loan application undergoes a comprehensive multi-step assessment:

- **Loan application processing and preliminary assessment** – Initial customer information is collected and evaluated.
- **Risk assessment and scoring** – The applicant's financial profile is analyzed using data-driven models.
- **Vehicle inspection (for car loans, flexible vehicle loans, and subscription-based products) and finalization of loan terms** – The asset is assessed to ensure compliance with financing criteria.
- **Loan approval and disbursement of funds** – Approved loans are processed and disbursed to customers.

By following this structured approach, Eleving Group ensures that counterparty risk is properly assessed while maintaining responsible lending practices. The rigorous approval criteria are a key factor in the Group's commitment to financial stability, customer protection, and long-term business sustainability.

Through its responsible lending approach, robust risk management framework, and dedication to financial literacy, Eleving Group ensures long-term value creation for customers.

Eleving Group's responsible lending principles

Integrity + Availability + Care + Transparency

ESG framework

To demonstrate compliance with the ethical standards of the industry and the national and international frameworks on corporate sustainability and sustainable development, the Group has aligned its practices and environmental, social, and governance goals with the United Nations Sustainable Development Goals (SDGs). Based on an analysis of its contributions to the SDGs, since 2021, Eleving Group has prioritized 8 of the 17 SDGs. The Group's established processes and targets are integrated within the functions to ensure compliance with commitments.

In Eleving Group's ESG framework 2022-2025, developed in 2021, the Group's management has set the following goals:

Eleving Group ESG priority topics

Practicing responsible business

- Sustainable procurements
- Fair and transparent business operations

Striving for climate impact reduction and adaptation

- Portfolio environmental/ climate impact
- Climate impact of own admin activities

Ensuring growth & well-being of employees

- Learning and development
- Health and well-being
- Engagement, diversity & equal opportunities

Fostering responsible access to finance

- Responsible lending
- Enabling access to finance
- Privacy, data protection, cybersecurity
- Financial literacy

A Way Way Up

ESG goals 2022-2025

Environment

- Climate impact monitoring and data collection system in place
- Climate neutrality of administrative operations
- User-friendly tools for measuring vehicle CO_2 emissions

Social

- At least 8 hours of professional development training for employees per year
- Infrastructure for healthy work-life balance
- Fair and equal internal progression of employees with 10% vacant management positions occupied by employees
- Gender pay gap maximum 2% (HQ)
- Employee recommendation score (eNPS) at >50
- Public programs and tools to improve the financial literacy of at least 500,000 people

Governance

- Gender diversity in senior leadership roles
- Zero unaddressed whistle-blower reports
- Structured ESG framework in place
- Key suppliers assessed according to ESG criteria

The findings of this year's double materiality assessment will be integrated into the strategic decision-making process when setting the ESG strategy for the next period (2026-2031) to ensure the business model's long-term resilience. In this process, sustainability-related goals will be considered in relation to significant groups of products and services, customer categories, geographical areas, and relationships with stakeholders to ensure that ESG priorities are aligned with key business segments, market needs, and stakeholder expectations.

Interests and views of stakeholders

Eleving Group understands the importance of engaging with stakeholders across its value chain, including employees, customers, suppliers, business partners, financial institutions, investors, and regulators. Open communication helps build trust, strengthen relationships, and create value for both the Company and its stakeholders.

Stakeholder engagement is conducted through various customized approaches for each stakeholder group. These approaches include direct communication channels such as meetings and e-mail communication, feedback surveys like Eleway Pulse or the reporting platform FaceUp, and participation in events such as seminars and corporate gatherings to facilitate meaningful dialogue. Insights gathered from stakeholder engagement are incorporated during the Company's decision-making processes, ensuring alignment with stakeholder expectations and strategic goals.

Eleving Group operates through its subsidiaries across three continents: Africa, Asia, and Europe. As a financial service provider, the Company's operations play a central role in the value chain. 2793 employees are a key stakeholder group, so most material sustainability matters are directly linked to the Company's operations.

Eleving Group provides vehicle and consumer loans to customers and end-users, so its downstream value chain primarily relates to issued vehicle loans and mobility products.

The Company's upstream value chain includes institutions that shape the regulatory landscape, set listing standards, and promote adherence to financial regulations. It also includes critical Eleving Group's suppliers who provide IT infrastructure, like hardware, software, and data centers, and who have strategic importance in ensuring the delivery of services to customers across diverse markets.

Stakeholder engagement in the value chain

Material stakeholders and their relation with strategy and/or business model	Topics addressed	Engagement method	Purpose & outcome of the stakeholder engagement
Employees All employees across all subsidiaries in the Group's active markets	■ Training & Development ■ Health & Safety ■ Social dialogue & Corporate culture ■ Company's strategy, plans, and results ■ Well-being and working conditions	■ Regular meetings ■ Workplace assessments ■ Monthly Group-level All-hands meetings ■ Non-formal internal events ■ Surveys ■ Corporate employee events ■ Personal development dialogues ■ Training	■ Human and intellectual capital ■ Improved social dialogue ■ Higher engagement & satisfaction ■ Legal and safety compliance
Customers & local communities All customers across the Group's active markets and product segments	■ Access to finance ■ Service quality ■ Improved mobility & low-carbon products ■ Financial literacy ■ Engagement with local communities	■ Online surveys ■ Direct communication via sales agents ■ Website ■ Marketing campaigns ■ Newsletter ■ CRM channels	■ Providing access to finance to individuals or self-employed individuals, utilizing financial products in the regions where Eleving Group operates ■ Customer service improvements, product adjusting to consumer needs
Business partners Business partners (vehicles & consumer loans)	■ Service quality ■ Business ethics	■ Meetings ■ E-mails, and other direct communication channels ■ Webinars ■ Seminars ■ Corporate events	■ New sales tools generation ■ Transparency ■ Client onboarding ■ Enabling access to the pre-owned vehicle market and its clients
Suppliers Technology and software service providers, insurance, recruitment, office service providers, other administrative support service providers	■ Service availability and quality ■ Responsible business activities and governance	■ Supplier due diligence ■ Direct communication channels ■ Periodic service quality reviews ■ Meetings	■ Responsible and sustainable business activities ■ Legal compliance

Material stakeholders and their relation with strategy and/or business model	Topics addressed	Engagement method	Purpose & outcome of the stakeholder engagement
Financial Institutions & Investors Banks, investment funds, financial advisors, family offices, institutional investors, hedge funds, sales agents in capital markets markets	■ Regulatory landscape ■ Business ethics ■ Financial and operational compliance ■ Market trends	■ Meetings, ■ E-mails and other direct communication channels ■ Webinars ■ Seminars ■ Corporate events ■ Round table discussions ■ Capital market days ■ Financial reports	■ Shaping regulatory landscape ■ Listing standards ■ Fostering transparency and promoting adherence to financial regulations ■ Market data & platform for listing shares ■ Capital raising ■ Compliance with regulatory requirements
Regulators Central banks, Financial supervisory authorities, Consumer protection authorities, Stock exchanges	■ Regulatory landscape ■ Business ethics ■ Financial and operational compliance ■ Market trends	■ Meetings ■ E-mails and other direct communication channels ■ Corporate events ■ Round table discussions ■ Direct discussions and working groups ■ White papers ■ Research	■ Product development and market entry

The Management Board is informed about stakeholders' views and interests regarding sustainability-related impacts through structured engagement, reporting when relevant and material, and integration into decision-making. Stakeholder consultations, materiality assessments, and ESG reporting provide insights, while dedicated function leaders ensure operational updates. Furthermore, grievance mechanisms and feedback channels facilitate continuous input, enabling the incorporation of stakeholder perspectives into the Company's risk assessment and sustainability strategy.

Description of the process to identify and assess material impacts, risks, and opportunities

As part of the Eleving Group's impact materiality assessment process, the Company prioritizes stakeholder engagement to ensure that its environmental, social, and governance goals and actions align with the expectations and priorities of those directly or indirectly impacted by business operations.

In 2024, the methodology had been evolved, incorporating the principles of double materiality. The scope of the assessment was expanded to include a more comprehensive view of the value chain, encompassing also upstream and downstream operations. This assessment considered both impact materiality, assessing the Company's broader environmental and social positive or negative impacts, and financial materiality, evaluating how sustainability factors influence the Company's financial performance, and it allowed to identify the most significant sustainability-related risks, opportunities, and impacts across the value chain. Double materiality assessment will be reviewed and updated on an annual basis.

Principles for Stakeholder Selection

The previous year's materiality matrix and stakeholder engagement records were revisited before the double materiality assessment was performed. Subsequently, an online survey was conducted to gather insights on the areas stakeholders perceive as most material for the Eleving Group, prioritizing engagement with the most affected stakeholders.

Stakeholder groups included investors, employees, customers, suppliers, partners, NGOs, media, C-level management and the Supervisory Board, banks and funds, and regulators. Their insights are vital in identifying ESG issues that matter most to Eleving Group's business and stakeholders alike. Recognizing the environment as a silent stakeholder, the Company also considered the wider environmental footprint of its operations.

Market representation

Given that Eleving Group operates across 16 markets, to ensure a focused and efficient survey, only markets contributing 5% or more to the Group's total portfolio were included, reflecting their significance in the operations and potential to drive meaningful impact. Eleving Group is a Baltic-listed company, so Estonia was selected as an exception. This approach allowed to gather actionable insights efficiently while accommodating participants across multiple geographies.

Impacts, risks, and opportunities identification

The Company created a comprehensive list of topics and systematically assessed them, guided by the following factors:

- stakeholder perspectives, as gathered through the online survey,
- industry benchmarks to compare sustainability practices across the financial sector and
- regulatory requirements set by relevant institutions to ensure alignment with compliance requirements and industry standards.

The Company analyzed the Employee Net Promoter Score (eNPS) to understand employee engagement, areas for development, and sentiment regarding own operations across all geographies of operation. To identify potential risk areas, the Company also analyzed whether any social and human rights risks across various geographies and stakeholder groups were reported through the FaceUp platform — an anonymous reporting system for concerns related to misconduct, unethical behavior, or illegal activities within or in connection to the Eleving Group.

Scoring and thresholds

All relevant topics and sub-topics across the own operations, upstream, and downstream value chains were evaluated as part of the double materiality assessment. This comprehensive approach ensured that both direct and indirect sustainability risks and opportunities were considered. The severity of actual or potential negative impacts was assessed from the perspective of the affected people – employees, customers, communities, and others, or - the environment.

All identified topics were assessed against predefined thresholds, as determined by the internal assessment team involving both subject matter experts and external advisory, ensuring a consistent and structured approach to defining issues as material for the Eleving Group. As a result of this process, a list of material topics was set and classified as material either from an impact and/or financial materiality perspective.

Materiality threshold and characteristics

To establish thresholds for materiality determination, the following characteristics were applied:

1. Scale – the gravity of the impact, considering its magnitude and intensity.

2. Scope – the extent of the impact, assessing how widespread it is across stakeholders or ecosystems.

3. Irremediable Character – the degree to which the impact can be reversed or remediated.

The impact scale ranged from 0 - no impact, to 5 - absolute impact, to measure the severity of the impact. A minimum score means no or minor positive or negative effect, while 5 signifies severe, often irreversible damage to the environment, company assets, reputation, employee well-being, and human rights, with significant societal consequences.

The scope of impact ranged from no material effect or local impacts affecting specific countries or regions to broader influences across multiple markets, employee groups, customers, and communities. At the highest level, the impact is widespread across all operational markets, encompassing the entire value chain.

For the negative impacts, irremediability to which an impact can be reversed was assessed. Lower scores indicate minimal effort required for remediation, with no significant harm to people, communities, or the environment. As severity increases, remediation demands more time, cost, and effort, involving short-term (up to 1 year) to long-term (beyond 5 years) impacts.

The likelihood of an impact occurring was categorized on a scale from 0 to 5, ranging from no probability to near certainty.

The determination of financial materiality thresholds was based on the assessment that considered both the likelihood of occurrence and the potential magnitude of financial impacts on the Company across the short-, medium-, and long-term horizons giving a comprehensive perspective on how these factors influence the Company’s financial resilience. Financial materiality refers to the extent to which economic, regulatory, environmental, social, or market risks and opportunities impact a Company’s financial performance and operations in a range from small administrative costs with negligible financial consequences to absolute impacts, where fundamental regulatory changes or market shifts can lead to severe financial losses.

Topics have been identified as material, if they were associated with one or more material impacts, risks, or opportunities assessed with the highest score exceeding 3.2. Setting the materiality threshold above 3 ensured that the Company prioritizes topics with material impact or financial risks and opportunities, balancing risk management, strategic alignment, and regulatory compliance with the severity or likelihood of the specific risk or opportunity.

To ensure a structured and objective approach, internal risk management processes for threshold-setting were leveraged, determining whether an impact meets the materiality criteria for sustainability reporting. This approach allowed to identify and prioritize material issues in alignment with regulatory standards and corporate responsibility objectives.

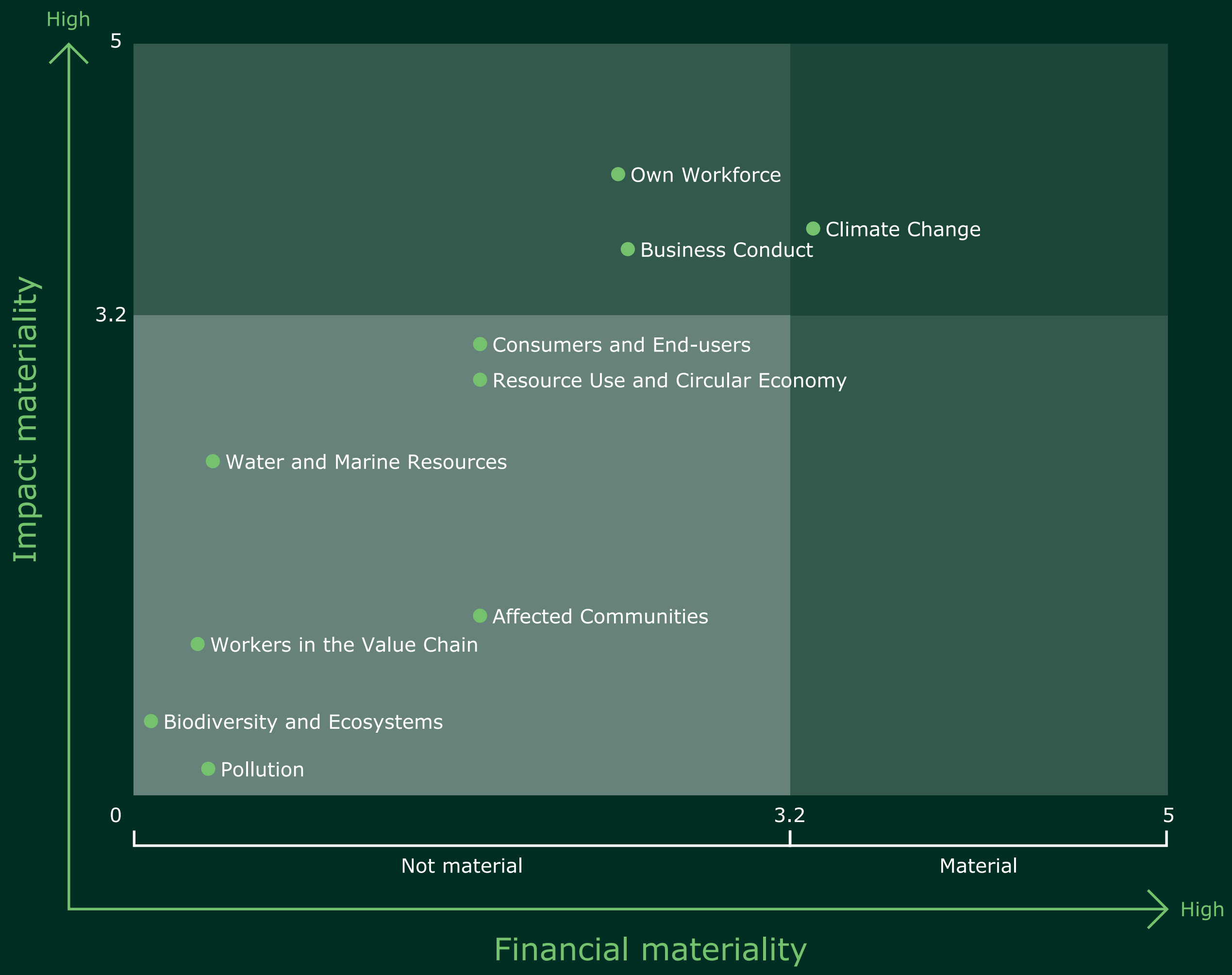
As the final part of the materiality assessment, an internal review was conducted, involving both subject matter experts and external advisory. The assessment was conducted by the Group ESG Lead, Group Internal Auditor, Group Chief Corporate Affairs Officer, Group Accounting Process Supervisor, and External Advisory experts. Upon completion of the evaluation, the findings and recommendations underwent a formal review and approval process by the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) to ensure alignment with the Company's corporate strategy and regulatory compliance. Subsequently, the methodology, process, and outcomes were presented to the External Audit Committee for further review and approval.

By integrating these insights, the Company developed a clear and strategic understanding of the most material sustainability issues, as illustrated in the matrix below, which are crucial for ensuring that sustainability efforts drive long-term business resilience while creating a positive impact on the environment, employees, and society or reducing negative impacts in a short-, mid-, or long-term perspective.

Eleving Group systematically evaluates the connections between sustainability-related impacts and dependencies on natural, human and social resources, recognizing how these factors influence associated risks and opportunities and integrating these considerations into the risk assessment framework to anticipate potential financial, operational, and reputational effects. This assessment is based on a structured analysis of their impact and likelihood and includes both quantitative and qualitative methodologies to ensure a comprehensive understanding of potential sustainability-related impacts. Identified risks and opportunities are evaluated against financial, regulatory, and market-related factors to determine their material significance and are integrated into the overall risk management process.

Internal control procedures guide decision-making processes related to sustainability risks and opportunities, including oversight by executive leadership and the Management Board.

Double materiality matrix



Cross-functional teams ensure that material risks and opportunities are effectively monitored and managed, integrating sustainability considerations into the broader enterprise risk management framework to have a holistic view. The identification, assessment, and management of sustainability-related opportunities are embedded within our strategic planning and operational decision-making processes, ensuring long-term value creation.

Key input parameters in the Company's risk and opportunity assessment process include regulatory trends and standards assessments, stakeholder expectations gathered via online stakeholder surveys or in-person communication, climate-related desk-top scenario analyses, supply chain dependencies, and financial modeling of sustainability impacts.

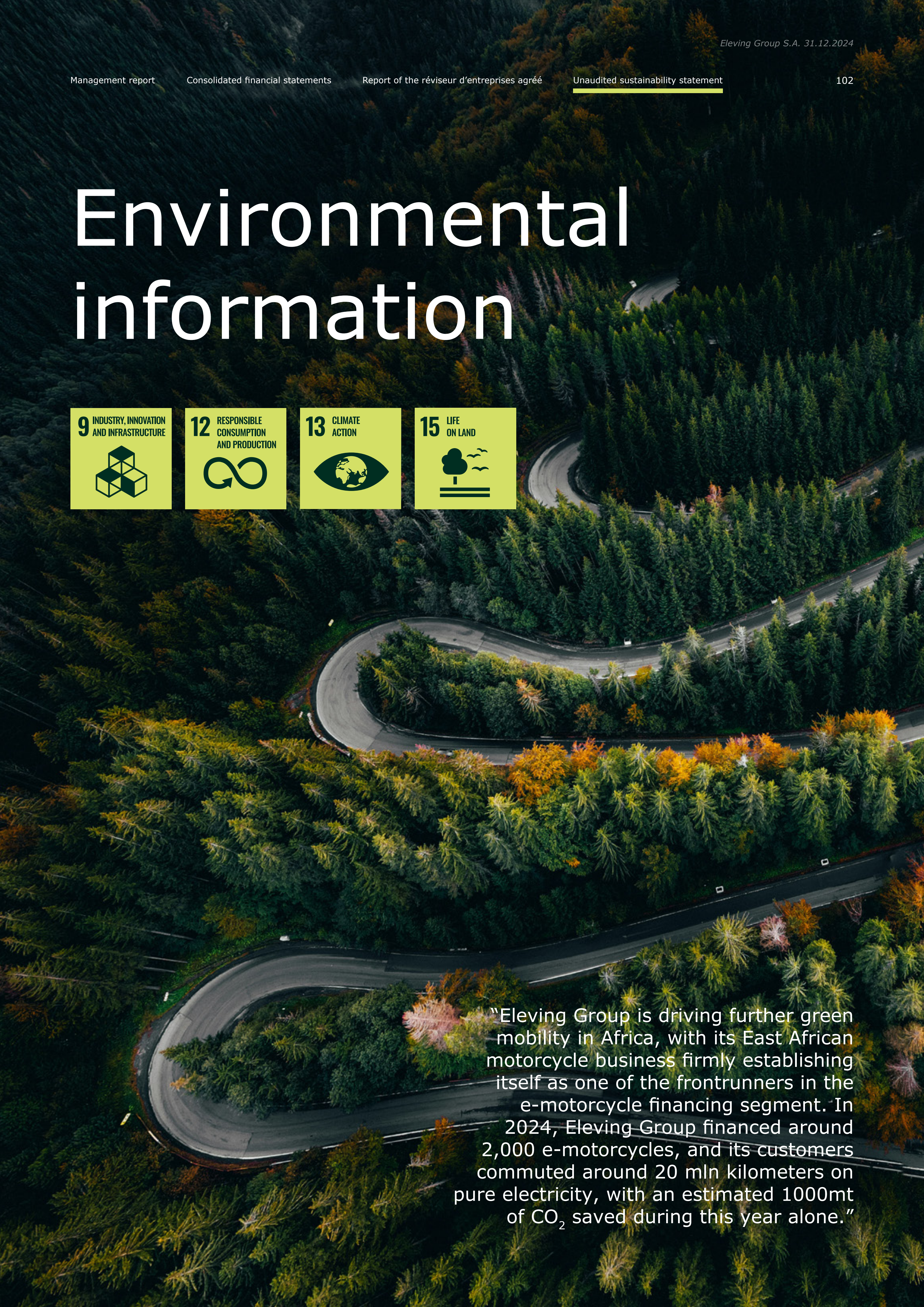
Compared to the previous reporting period, the process for identifying, assessing, and managing sustainability-related risks and opportunities has been enhanced by ensuring assessment both from an impact and financial perspective. Sustainability-related risks were monitored and analyzed within the overall risk management framework based on their potential impact on business continuity, compliance, and stakeholder expectations. These risks are assessed in relation to other types of risks, such as financial, operational, and strategic risks, ensuring an integrated approach to risk prioritization.

Material impacts, risks, and opportunities and their interaction with strategy and business model

As a result of the double materiality assessment, Eleving Group reports on the Climate Change, Own Workforce, and Governance, as well as the EU Taxonomy. The double materiality assessment process was conducted considering the applied time horizons, ensuring a comprehensive evaluation of short-term (up to 1 year), medium term (up to 5 years), and long term (beyond 5 years) material impacts, risks, and opportunities.

	Material impacts, risks, and/or opportunities	Classification / Value chain / Time horizon	Description and interaction with business model and/or strategy
Climate change			
Climate change adaptation and resilience building (SDG 13 Climate action)	Physical risks from extreme weather events or value chain disruptions	Negative potential impact on Own operations in Medium-term	The growing frequency of extreme weather events presents significant risks in the medium term. These include threats to employee safety and well-being, potential property damage, and loss of critical records. Such events can also disrupt supply chains and damage financed vehicles, reducing market value and increasing the likelihood of loan defaults. Mitigation and interaction with Eleving Group's strategy are described on page 103.
Climate change mitigation (SDG 9 Industry, innovation and infrastructure)	Transitional risks of climate change mitigation related to resource efficiency, consumer trends, regulatory frameworks, and technological advancements alternatives	Negative actual impact on Downstream and Own operations in Medium-term	Carbon pricing and stricter emissions regulations may reduce the value of high-emission vehicles, impacting loan portfolios. Mitigation: Opportunity to further scale up electric vehicle financing products to support customers transitioning to low-carbon mobility; reducing the footprint of our own operations.
Energy (SDG 12 Responsible consumption and production)	Energy consumption affects carbon footprint, and regulatory or cost changes in energy sources can create financial or operational risks when transitioning to low-carbon	Negative actual impact on Own operations & Positive potential impact on Downstream operations in Medium-term	Fluctuations in fossil fuel prices can impact customers' financial stability and ability to repay loans. Stricter regulations on internal combustion engines and other related policies may reduce the value or availability of vehicles that depend on fossil fuels. Mitigation: Electric vehicle financing—offering loans for EVs can address the rising demand for energy-efficient transportation and reduce the footprint of our own operations.
Own workforce			
Secure employment & Adequate wages (SDG 3 Good health and well-being; SDG 8 Decent work and economic growth)	Employment type impacts job security, financial safety, and the economic and psychological stress of the own workforce	Positive actual impact on Own operations in Short-term	Eleving Group prioritizes open-ended, full-time, fixed-fee employment contracts to ensure fair employment practices. The associated risks may lead to high employee turnover and increased recruitment and training costs, disrupting service continuity.
Health & Safety (SDG 3 Good health and well-being; SDG 8 Decent work and economic growth)	Unsafe working conditions can lead to serious accidents, particularly for employees whose duties involve the use of transportation	Negative potential impact on Own operations in Short-term	Health and safety training programs and ensuring strict compliance with safety standards.
Training & Development (SDG 4 Quality education)	Enhancing the Company's competitiveness by empowering employees to continuously update their knowledge and develop new skills that improve job performance	Positive actual impact on Own operations in Short-term	A continuous learning culture in place, providing all company's own employees at least 8 hours of professional development training per year. The Group also implements succession planning strategies to prepare talent for leadership roles, supporting internal promotions and strengthening organizational capability.

	Material impacts, risks, and/or opportunities	Classification / Value chain / Time horizon	Description and interaction with business model and/or strategy
Own workforce			
Work-life balance & Working time (3 GOOD HEALTH AND WELL-BEING)	Promoting work-life balance and employee well-being	Positive actual impact on Own operations in Short-term	Eleving Group is dedicated to supporting its employees in achieving a healthy work-life balance through flexible working arrangements, including hybrid work models, flexible hours, and a "work from anywhere" policy. The Company also offers a wide range of paid and unpaid leave options to accommodate personal needs and life events.
Diversity (5 GENDER EQUALITY)	Diverse and inclusive workplace	Positive potential impact on Own operations in Short-term	The Group is committed to maintaining a diverse and inclusive workplace, ensuring equal opportunities for all employees regardless of ethnicity, gender, age, disability, or background. The Group employs individuals from over 20 different nationalities, reinforcing its commitment to fair treatment and non-discrimination.
Social dialogue (8 DECENT WORK AND ECONOMIC GROWTH)	Promotion of employee engagement and transparent communication through social dialogue	Positive potential impact on Own operations in Short-term	Eleving Group is committed to open and transparent communication with employees through internal meetings, feedback sessions, and surveys, and provides grievance mechanisms to address concerns.
Governance			
Anti-Corruption and Anti-Bribery (8 DECENT WORK AND ECONOMIC GROWTH; 16 PEACE, JUSTICE AND STRONG INSTITUTIONS)	Implementation of robust anti-corruption measures	Positive potential impact on Own operations in Short-term	Eleving Group's implementation of robust anti-corruption measures ensures compliance with international standards. Comprehensive training programs helps to equip employees to identify and mitigate risks proactively, ensuring adherence to regulations and ethical standards.
Whistle-blower Protection (8 DECENT WORK AND ECONOMIC GROWTH; 16 PEACE, JUSTICE AND STRONG INSTITUTIONS)	Protection of whistle-blowers and promoting grievance reporting tools	Positive potential impact on Own operations in Medium-term	Eleving Group is committed to the highest standards of ethics and integrity. To support this, the Company has established an anonymous reporting system, FaceUp, enabling employees and stakeholders to report concerns safely. The Whistle-blowing Policy encourages individuals to speak up, promotes awareness of their rights, and protects whistle-blowers from retaliation or discrimination.



Environmental information

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

15 LIFE ON LAND

"Eleving Group is driving further green mobility in Africa, with its East African motorcycle business firmly establishing itself as one of the frontrunners in the e-motorcycle financing segment. In 2024, Eleving Group financed around 2,000 e-motorcycles, and its customers commuted around 20 mln kilometers on pure electricity, with an estimated 1000mt of CO_2 saved during this year alone."

Climate change

The Environmental section provides an overview of how Eleving Group evaluates and manages the impacts, risks, and opportunities associated with climate change mitigation and adaptation. It highlights the most significant areas across the value chain and outlines key actions, targets, and metrics, with a particular focus on greenhouse gas emissions. Looking ahead, it also presents the Company's commitments and planned strategic initiatives to reduce emissions and support the transition to a low-carbon economy.

Eleving Group empowers diverse communities worldwide by promoting financial inclusion, thereby enabling upward social mobility. While the Company's primary focus is on economic empowerment, the Company also acknowledges that the loan portfolio contributes to the scope 3 indirect carbon footprint. This requires the Company to measure the impact and make proactive efforts toward reducing it. Eleving Group continuously monitors and works to reduce the environmental impact of its own operations, and as a service-based company, the scope 1 and 2 emissions remain relatively low – contributing only around 1% of the total emissions, with the most significant environmental impact coming from the services provided, particularly - through the vehicles financed.

Transition plan for climate change mitigation

Based on the results of the double materiality process, Eleving Group will initiate the development of a transition plan for climate change mitigation. This plan, which will be prepared and adopted in 2025 for the next strategic period (2026-2031), will evaluate the Company's strategy and business model alignment with the transition to a sustainable economy and contribute to limiting global warming to 1.5°C in accordance with the Paris Agreement. To meet these targets, the plan is to assess decarbonization strategies, such as adopting renewable energy sources and enhancing energy efficiency. Clear governance structures will be established to oversee implementation, ensuring accountability and mechanisms for monitoring and transparently reporting progress, enabling us to track developments and make informed adjustments as needed.

Climate-related risks

Climate-related risks are an integral part of the Eleving Group's broader risk management framework, ensuring a comprehensive understanding of both its impact on climate change and the risks climate change poses to its operations.

Climate-related risks were also assessed during the double materiality process and covered two main categories: physical and transition risks. Analysis included all subsidiaries of Eleving Group across geographies, primarily focusing on the own operations and analyzing downstream operations related to consumers and end-users. An assessment was conducted in line with the internal risk assessment to evaluate the physical risks identified and outlined accordingly as part of the double materiality assessment. The desktop analysis focused on identifying risks to business operations and accounted for regional specifics.

Climate-related risks were assessed as limited in the medium term – in a 5-year period. While historically, these risks have not been material, and their effects are expected to be limited and location-specific, more comprehensive climate scenarios and resilience analyses will be carried out in the future to assess potential financial and operational impacts, vulnerabilities, and opportunities under different climate scenarios. In 2025, Eleving Group will evaluate how to adjust or adapt the strategy and business model to climate change over the short-, medium- and long term to ensure the business model's long-term resilience and a strategy and business model concerning climate change.

Regarding transition risks, the primary impact is linked to downstream operations, specifically related to vehicle loans and potential environmental and regulatory developments. No other material physical or transition risks were identified during the double materiality assessment, which was conducted based on stakeholder opinions, internal risk review processes, and management evaluations.

Material climate-related physical and transitional impacts, risks and opportunities on climate change

Physical/ transitional risk	Risks and/or Opportunities	Classification / Value chain / Time horizon	Management approach
Physical risk **Climate change adaptation and resilience building** addressing risks from extreme weather events or value chain disruptions	**Risk:** The growing frequency of extreme weather events presents potential risks in the medium term. These include threats to employee well-being (i.e., labor productivity due to heat stress), potential property damage, or loss of critical records. Events like heavy rain and flood can disrupt supply chains or damage financed vehicles, reducing market value and increasing the likelihood of loan defaults.	Negative potential impact on Upstream and Own operations in Medium-term	The identified risks are addressed through Eleving Group's ESG framework 2022-2025 & Internal climate impact goals
Transitional risk **Climate change mitigation** through resource efficiency, employee awareness, consumer trends, regulatory frameworks, and technological advancements	**Risk:** Increased pricing of GHG emissions and enhanced emissions reporting obligations may reduce the value of high-emission vehicles, impacting loan portfolios. **Opportunity:** Further scale up electric vehicle financing products to support customers transitioning to low-carbon mobility. Reducing the footprint of the Company's operations through renewable energy.	Negative actual impact on Downstream and Own operations in Medium-term	The identified risks are addressed through Eleving Group's Strategic ESG framework 2022-2025 & Internal climate impact goals
Transitional risk **Energy** consumption affects carbon footprint, and regulatory or cost changes in energy sources can create financial or operational risks when transitioning to low-carbon alternatives.	**Risk:** Fluctuations in fossil fuel prices (increased cost of raw materials). Cost of transition of lower emissions technology - stricter regulations on internal combustion engines and other related policies may reduce the value or availability of vehicles that depend on fossil fuels. **Opportunity:** Electric vehicle financing - loans for EVs to address the rising demand for energy-efficient transportation. Since the financed EV fleet primarily drives downstream energy consumption, investing in renewable-powered charging infrastructure can further support this transition.	Negative actual impact on Own operations & Positive potential impact on Downstream operations in Medium-term	Area to focus on when implementing ESG strategy for the next period (2026-2031)

Description of process in relation to impacts on climate change

Climate-related transition risks were internally evaluated over the short term (up to 1 year), medium term (up to 5 years), and long term (beyond 5 years) in line with the internal risk assessment process conducted across all Group countries of operations. This assessment involved identifying climate-related hazards, screening their potential impact on the Group's assets and business activities, and analyzing their financial and operational implications over different time horizons. An additional evaluation will be conducted in 2025 to assess how these definitions align with the expected lifetime of assets, strategic planning horizons, and capital allocation plans.

Eleving Group's material environmental impact on climate change comes from its vehicle loan portfolio, which contributes to greenhouse gas (GHG) emissions. The Group is committed to reducing these emissions by promoting low-emission mobility solutions, primarily through financing fuel-efficient, hybrid, and electric vehicles and further scaling up the electric motorcycle segment in Africa.

While previous targets have focused on monitoring CO_2 emissions per kilometer for issued loans, GHG emissions calculations were not conducted in the past. 2025 is the first year the Group calculates GHG emissions from both its own operations and downstream activities, specifically emissions associated with financed vehicles.

Eleving Group also assessed potential climate-related risks, including transition and physical risks, to ensure that the Company's operations and services remain resilient and aligned with evolving consumer trends. A comprehensive internal risk assessment, conducted across all countries in collaboration with the internal auditor, indicates that current exposure to these risks is low. However, it is recognized that the likelihood of long-term risks to own operations and downstream activities is increasing.

While high-emission climate scenarios were not assessed in 2024, the rising frequency and severity of climate-related hazards - such as floods or heatwaves - may pose physical risks to Eleving Group's operations in the medium to long term. These conditions could jeopardize employee well-being, compromise IT infrastructure, disrupt operations, and lead to financial losses. Additionally, financed consumer vehicles may incur climate-related damages, diminishing their market value and increasing the risk of loan defaults.

Beyond physical risks, transitioning to a low-carbon economy introduces regulatory, economic, and market-related challenges that could affect the Company's operations and financial products while presenting new opportunities. Climate-related transition risks involve GHG pricing that could lower the value of high-emission vehicles, impacting loan portfolios. Rising fossil fuel prices and regulatory restrictions on internal combustion engines may increase costs and limit vehicle availability. At the same time, further scaling up electric vehicle financing supports customers in shifting to sustainable mobility while reducing portfolio exposure to high-emission assets.

Although internal analyses suggest that climate-related impacts will remain limited in the medium term, Eleving Group is committed to conducting more detailed climate scenario and resilience analyses in the future, in particular, considering a climate scenario in line with limiting global warming to 1.5°C to evaluate potential financial and operational impacts, vulnerabilities, and opportunities associated with various climate scenarios. To ensure the long-term resilience of the business model, these findings will be integrated into the strategic decision-making while developing the ESG strategy for the 2026-2031 period.

Policies

While delivering innovative financial solutions across diverse communities, Eleving Group recognizes its climate responsibilities and has embedded key principles within the Code of Business Conduct and Ethics. Eleving Group aims to become climate-neutral in its administrative operations and constantly works to maintain high environmental standards in all its offices, addressing the material impact of the Company's own operations.

To demonstrate compliance with the industry's ethical standards and the national and international frameworks on corporate sustainability and sustainable development, the Group has aligned its practices with the United Nations Sustainable Development Goals (SDGs). Based on analyzing its contributions to the SDGs, the Group prioritizes SDGs 9, 12, 13, and 15 in the environmental area.

As of December 2024, the Group has not developed policies related to climate change mitigation and adaptation. The Group addresses material sustainability areas across all geographies in alignment with internally established targets outlined in the ESG Framework 2022–2025. The current ESG framework covers the Company's own operations as actions related to energy efficiency (reducing the climate impact of HQ offices through energy efficiency and the use of renewable energy at a Group-wide level), as well as the downstream value chain in relation to consumer vehicle loans (reducing the CO_2 intensity of the funded fleet). It applies across all geographies and considers the impact on key stakeholder groups, including the Group's employees, consumers and end users, and suppliers.

In line with the changing regulatory environment, in 2025, Eleving Group will develop and adopt a policy related to climate change mitigation and adaptation and ESG strategy for 2026-2031. It will expand the current scope regarding the value chain and climate change mitigation efforts and adaptation, further integrate renewable energy solutions, and address energy efficiency to contribute effectively to global climate change mitigation efforts.

When the initial ESG framework was set in 2021, Eleving Group conducted a materiality analysis considering business operations, the value chain, and various environmental, social, and governance impacts. Stakeholder interests were prioritized through an online survey, interviews, management workshops, and peer reviews. Around 150 stakeholders from 130 organizations contributed to shaping the Group's approach to sustainability, preventing, mitigating, and remediating actual and potential impacts, addressing risks, and pursuing opportunities.

The Supervisory and Management Board oversees policies, corporate strategy, and sustainability governance. It will be involved in transition plan development and approval in 2025, ensuring that material sustainability matters are integrated into decision-making processes and that sustainability-related impacts, risks, opportunities, and goals are aligned with the Company's long-term strategic priorities and business model and employees–engaged. The Group educates and involves its team in sustainable practices, fostering a culture of environmental responsibility. This collective effort ensures that sustainability is a shared value, driving continuous improvement in the Group's operations and services.

The Code of Business Conduct and Ethics and Eleving Group's strategic ESG framework for 2022-2025 are publicly accessible on the Company's website, ensuring transparency and availability to all stakeholders.

Targets related to climate change mitigation and adaptation

Eleving Group is committed to contributing to the transition toward a low-carbon economy and sustainable mobility. The Group encourages customers to make sustainable decisions by introducing more low-carbon products. These efforts have led to a 2.27% reduction in the average CO_2 intensity of its car portfolio in 2024 compared to 2023 (read more about the additional targets and results in the section Actions and resources in relation to climate change policies).

Eleving Group has set reducing the CO_2 intensity of its funded fleet as one of the primary goals in the ESG framework 2022–2025. It intends to reach its ambitions by promoting green vehicle financing and focusing on productive lending. In this framework, developed in 2021, the Group's management has set the following targets for emission reduction and monitoring:

- To measure average gCO_2/km tailpipe emissions and reduce the CO_2 emissions intensity of the funded fleet annually.
- Educate customers and society about CO_2 emissions intensity and provide incentives to move to green mobility vehicles.
- Reach climate neutrality of the Group's HQ administrative operations by 2025.

The Group's established processes and targets are integrated within the functions that ensure daily commitment compliance. Until now, Eleving Group has monitored the average CO_2 emission levels from its financed fleet and the level of CO_2 reduction across regions and years. In 2024, the achieved CO_2 intensity of the funded fleet was 81.3 gCO_2/km, progressing toward the target of 80 gCO_2/km by 2025.

After a thorough double materiality process, Eleving Group has started developing plans to accelerate efforts in minimizing impact; therefore, environmental targets will be reviewed in 2025, with an assessment of all areas deemed material, focusing on the impact across the value chain. 2024 marks the first time reporting on greenhouse gas emissions, establishing a baseline for future assessments. In alignment with this, Eleving Group will define and adopt targets for the next ESG strategic period, 2026–2031, later in 2025, to effectively manage significant climate-related impacts, risks, and opportunities.

Actions and resources in relation to climate change policies

The Company recognizes its primary climate impact through scope 3 emissions associated with consumer vehicle loans and is committed to mitigating these emissions by monitoring CO_2 reductions and expanding access to low-carbon mobility solutions following annual progress in line with the ESG Framework 2022–2025, with defined targets to be achieved by 2025.

As a key action, the Company is tracking the emissions of its financed fleet and expanding the share of low-emission vehicles. The scope of this action includes measuring, analyzing, and reducing emissions from financed vehicles as well as monitoring the proportion of low—and zero-emission vehicles in the loan portfolio.

Before 2025, the Eleving Group monitored CO_2 reductions within the financed fleet as part of its sustainability efforts and did not analyze GHG emissions. To ensure accountability and continuous improvement, in 2025, the Company will adopt GHG-related targets, with progress tracking and reporting starting for the 2025 reporting period. The Company plans to assess climate change mitigation actions through key decarbonization levers to ensure a structured and transparent approach to emission calculations and reductions. The outcomes of these initiatives will include both achieved and expected GHG emission reductions, aligning with the Company's long-term strategy.

In line with the key action, in East Africa, the Group has expanded its electric vehicle financing portfolio, supporting green mobility initiatives in Kenya and Uganda by providing electric motorcycle financing to self-employed individuals and small entrepreneurs. This initiative positively impacts the climate and fosters economic inclusion, as motorcycles in these regions serve as vital income-generating tools for passenger transport, delivery services, and other small businesses. To further support customers, the Company collaborates with partners to offer battery-swapping services, enhancing the circular economy and helping clients save on costs and energy. Instead of charging batteries themselves, customers can exchange depleted batteries for fully charged ones at designated swapping stations. The empty batteries are then recharged and given to the next customer.

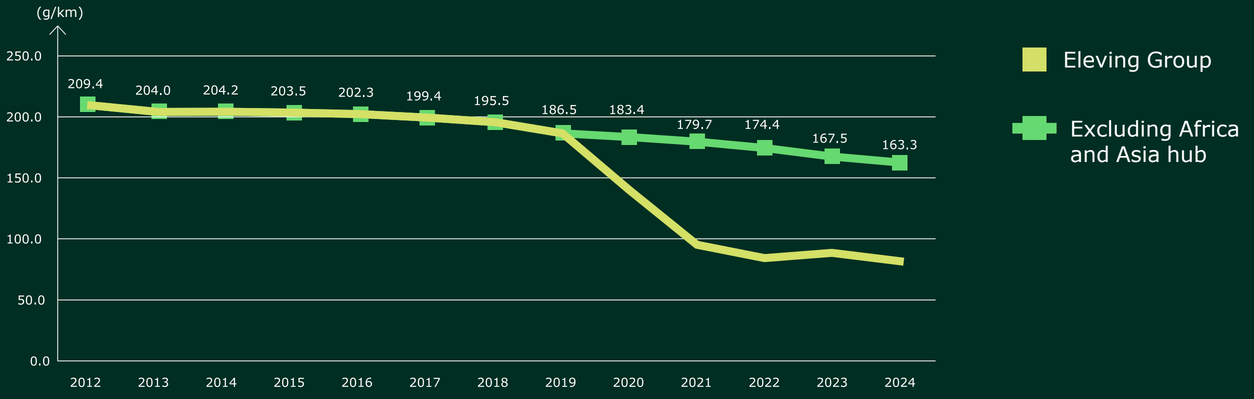
Eleving Group primarily focuses on financing electric motorcycles and in the East Africa region, with over 2,000 units financed and an investment of approximately 2 million euros to expand this product line. As a result, in 2024, the target was exceeded by more than double surpassing the 2025 goal of at least 1,000 leased cars in the Company's portfolio with zero CO_2 tailpipe emissions. Eleving Group is remaining focused on further scaling up the electric vehicle financing segment primarily in the Group's Eastern Africa markets that possess the largest headroom for organic and meaningful growth.

At the same time, the Company is not missing out on the electric car-sharing segment, where it has invested around 4 million euros (since the launch in summer 2022) in developing its OX Drive, a car-sharing app in Latvia. In mid-2024, OX Drive merged with Carguru, a pioneering Latvian car-sharing company, resulting in Eleving Group holding a 36% stake in the merged entity. This merger has strengthened Carguru's market position, expanding its fleet to over 420 vehicles, including more than 200 electric cars provided by Eleving Group. The rest of the Carguru fleet comprises hybrid cars, meaning that the Eleving Group continues to invest in a sustainable and green car-sharing service even after the transfer of OX Drive operations to Carguru.

Also, Eleving Group's portfolio includes hybrid vehicles, totaling 5,697 units by the end of 2024, and the value of the Company's loans in the hybrid segment exceeds 21 million euros since inception. The Group promotes sustainability by educating customers through regular communication and has introduced a CO_2 metric on all its sales portals, encouraging clients to consider vehicles with lower carbon footprints. These efforts have led to a 2.27% reduction in the average CO_2 intensity of its car portfolio vs 2023.

The average CO_2 emissions generated by the vehicle loan data have been calculated using the following conversion factors: the emission factors for vehicle loans were derived from the Road Traffic Safety Directorate of Latvia (vehicle fuel type, year, engine capacity, transmission type, brand, and model). For Boda-Boda electric motorcycles in Kenya and Uganda emissions have been estimated at 40g per km used (EPA Emission Factors for Greenhouse Gas Inventories). Calculations are performed using the entire active loan portfolio at the end of the reporting period, categorized by vehicle type, and determining the average CO_2 emissions (g) per kilometer driven.

Average CO_2 emissions (g/km) of the portfolio by loan issued date



By financing electric and hybrid vehicles, the Company contributes to reducing CO_2 emissions in urban areas where internal combustion engine vehicles are prevalent. The transition to electric mobility enhances public health by decreasing air and noise pollution, potentially reducing respiratory illnesses and associated healthcare costs.

In its operations, Eleving Group implements targeted measures to reduce office emissions by renting eco-friendly class-A office spaces and purchasing energy-efficient technologies. The Group monitors electricity, heating, and water usage to identify opportunities for reduction. While the Group focuses on reducing resource consumption, waste reduction and recycling are also prioritized. The Group's HQ has already implemented a range of waste optimization initiatives, such as a zero-paper policy and reducing plastic waste.

In 2024, a waste management system was introduced in the operations in Kenya. The Mogo Sustainable Waste and Residue Management (SWARM) Program was developed to reduce the amount of waste sent to landfills by 80% while generating revenue from recyclable materials, with the target to be achieved by the end of October 2025. This program aims to promote responsible waste management practices within Mogo Kenya and engage surrounding communities in the circular economy. In its initial phase, the program was launched at the Company's headquarters, where more than 300 employees are based, and it achieved 100% traceability for all waste produced across its properties, giving a comprehensive overview of the environmental impacts. The introduction of waste management systems in other markets, such as offices in the Baltic States, is also progressively being rolled out.

The Group's financial resources for managing climate-related physical risks are integrated within the relevant business functions, as the assessed risks are considered low. Resources allocated for climate change mitigation, specifically concerning the decarbonization of vehicle loans, are incorporated into the business plan. Additionally, in the annual budget planning, the Company anticipates allocating further resources to support implementing carbon offsetting projects. From 2025, the Company plans to define a separate ESG budget, with a 10% yearly indexation until 2030.

Energy consumption and mix

As jurisdictional requirements vary across the regions where Eleving Group operates, data from the Company's operations are unavailable in all locations. The data required for scope 2 energy-related calculations and emissions are estimates, as supplier-specific information on energy sources, emission factors, and consumption data is not accessible for all subsidiaries. As part of the double materiality assessment and reporting process, the Company has identified such challenges and will establish a centralized reporting process in 2025 to ensure consistency across all markets.

In 2024, most purchased energy for Eleving Group's own operations in countries was classified as originating from non-renewable sources. CO_2 emissions were calculated using the Harmonized Grid Emission Factor dataset from the IFI Interim Dataset of Grid Factors (Version 1.0, July 2016), aligned with the Partnership for Carbon Accounting Financials guidelines (IFI, 2016).

Energy consumption and mix	2024
Total energy consumption from fossil sources (MWh)	1520
Total energy consumption from nuclear sources (MWh)	0
Total energy consumption from renewable sources (MWh)	202
Fuel consumption for renewable sources including biomass (MWh)	0
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	202
Consumption of self-generated non-fuel renewable energy (MWh)	0
Total energy from fossil fuels (MWh)	1520
Total energy consumption (MWh)	**1722**

Due to data limitations and missing information from Botswana and Namibia, the energy mix data is based on available information and covers 91% of the Group's operations while still providing a reliable representation.

GHG Emissions Assessment

In the first year of reporting, scope 1 calculations account only for fuel-related emissions from the Eleving Group's own fleet, specifically the carbon emissions generated by its use in two of Eleving Group's markets. The calculations were based on the amount of fuel combusted using the spend-based method. The direct GHG emissions displayed represent the total of the greenhouse gases carbon dioxide (CO_2), methane (CH_4), and nitrous oxide (N_2O) converted into carbon dioxide equivalents by applying emission factors to each energy source in line with emissions and methodology issued by the U.S. EPA Center for Corporate Climate Leadership – GHG Inventory Guidance. This guidance was used due to its thorough methodology and detailed scenarios for calculating vehicle-related impacts based on available data, ensuring the least uncertainty in emissions estimations.

Scope 2 greenhouse gas emissions refer to indirect emissions resulting from the energy purchased by the Eleving Group. These emissions are linked to electricity, heating, and cooling consumption. They are calculated as a sum of total consumption (MWh) times the location-based or market-based emission factor for each country.

The market-based method was used in Latvia based on the certificate and emission factor provided by the supplier. To calculate GHG emissions for energy for entities where supplier-specific information is not available, UN Harmonized Grid Emission factor location data has been used.

The following Scope 3 categories, as defined by the GHG Protocol, are included in Eleving Group's greenhouse gas emissions assessment:

Category 1:	Purchased goods and services
Category 5:	Waste generated in the operations
Category 6:	Business traveling
Category 15:	Investments

Scope 1, 2 and 3 GHG emissions are disclosed in a consolidated Group format.

Investments

Eleving Group calculates the environmental footprint associated with vehicle financing, including cars and motorcycles. As the sole financing provider for these loans, 100% of the annual emissions from these vehicles are attributed to Eleving Group's scope 3 emissions.

The Company assesses the environmental footprint associated with vehicle financing, covering both cars and motorcycles. Since vehicle loans are issued to individual consumers, precise data on distance driven or fuel consumed is not available. As a result, the calculations rely on the average-data method, using estimates based on general commuting patterns, which introduce significant uncertainty.

The GHG emissions associated with the Group's vehicle loan data have been calculated using emission factors derived from the Road Traffic Safety Directorate of Latvia (CSDD). These factors consider various factors, including fuel type, manufacturing year, engine capacity, transmission type, brand, and model. For the initial reporting period (up to 2024), the calculations account solely for CO_2 emissions, as methane (CH_4) and nitrous oxide (N_2O) emissions from on-road vehicles less than 20 years old typically contribute less than one percent of total greenhouse gas (GHG) emissions.

In 2025, the methodology will be adjusted to include CH_4 and N_2O emissions, ensuring a more comprehensive assessment of transportation-related greenhouse gas emissions. For Boda-Boda electric motorcycles in Kenya and Uganda, EPA Emission Factors for Greenhouse Gas Inventories are used.

Calculations are based on the average-data method, which involves estimating emissions from commuting using average data on commuting patterns. For the average distance travelled, the Central Statistical Bureau of Latvia Mobility Statistics is used (CTP01, 2022). These statistical data have been compared to internal customer mobility data, revealing a similar trend. For the motorcycle segment in Africa, data from the Company's consumer mobility in Kenya is used for calculations, and based on this, an average is applied to other countries in Africa.

Purchased goods and services

Scope 3 GHG emissions include those generated from the cloud computing and data center services company procures based on one supplier's information. It covers key Tier 1 supplier and accounts for purchased IT services in 15 of the Company's 16 markets.

Waste generated in operations

Based on the GHG Protocol methodology, the calculations were performed using the average-data method, which involves collecting the total mass of waste generated in operations and applying the average emission factor based on the waste treatment method assuming 100% of the waste was landfilled.

Business travel

In 2024, in the first year of calculating emissions from employees' business travel, the total distance traveled in kilometers is converted into corresponding CO_2 emissions. This information includes only air travel and covers all of Eleving Group's subsidiaries. For calculations, the average mass of CO_2 emitted per passenger-kilometer is used, based on data from the European Union Aviation Safety Agency's European Aviation Environmental Report 2025.

Eleving Group does not apply internal carbon pricing schemes and, in 2024, did not have GHG removal or mitigation projects financed through carbon credits.

GHG intensity based on net revenue

GHG intensity is calculated on a consolidated basis across all operations by dividing the total significant scope 1, scope 2, and scope 3 greenhouse gas (GHG) emissions by net revenue. Net revenue is obtained from the Group's consolidated financial statements.

GHG intensity on net revenue	2024
Total GHG emissions (location-based) per net revenue (tCO_2eq / mln EUR)	716.56
Total GHG emissions (market-based) per net revenue (tCO_2eq / mln EUR)	714.32

GHG emissions	2024
Scope 1 GHG emissions	
Gross Scope 1 GHG emissions (tCO_2eq)	803
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	0
Scope 2 GHG emissions	
Gross location-based Scope 2 GHG emissions (tCO_2eq)	515
Gross market-based Scope 2 GHG emissions (tCO_2eq)	30
Scope 3 GHG emissions	
Total Gross indirect (Scope 3) GHG emissions (tCO_2eq)	153888
Purchased goods and services (cloud computing and data centre services)	4
Waste generated in the operations	76
Business traveling	96
Investments	153712
Total GHG emissions	**309927**
Total GHG emissions (market-based; tCO_2e)	154721
Total GHG emissions (location-based; tCO_2e)	155206

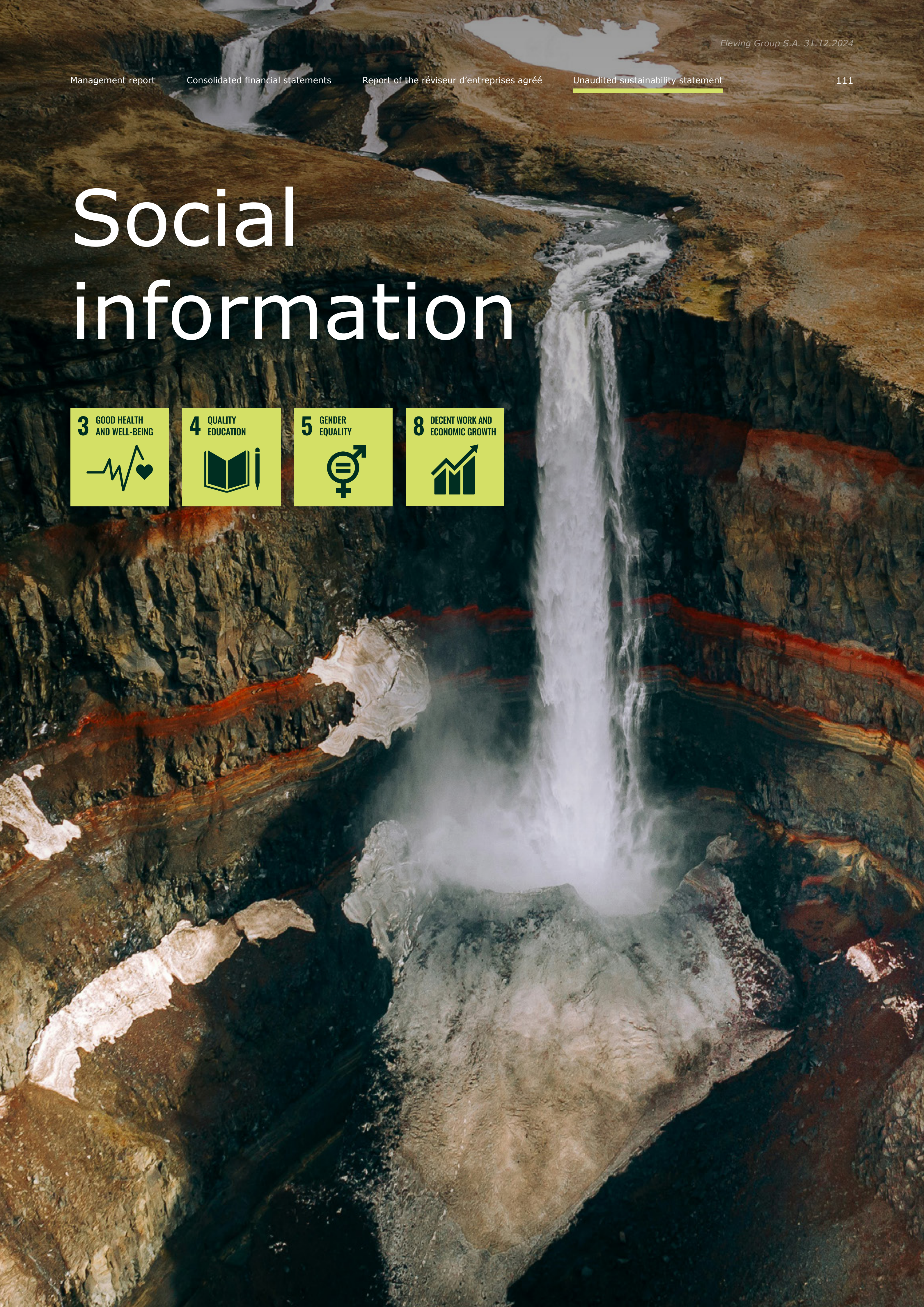
Social information

3 GOOD HEALTH AND WELL-BEING

4 QUALITY EDUCATION

5 GENDER EQUALITY

8 DECENT WORK AND ECONOMIC GROWTH



Own Workforce

The Own Workforce section outlines Eleving Group's approach to managing its workforce and the related significant impacts, risks, and opportunities. It describes the policies implemented to promote a safe and inclusive work environment, ensure compliance with legislative requirements, foster employee's engagement, and provide information about the remediation tools for effective risk management. The section also offers insights into key metrics and results related to employee characteristics and diversity, training and development, health and safety, and overall employee well-being, ensuring transparency in workforce management efforts.

Material impacts, risks and opportunities

Eleving Group's success depends on its team and the Company aims to be an employer of choice, constantly developing a working environment in all markets where it operates to assure every employee feels safe, healthy, and comfortable. Eleving Group is committed to promoting responsible and sustainable business practices across its operations, creating an organizational culture that fosters inclusion, openness, and a sense of belonging.

Most of Eleving Group's workforce is permanent, full-time employees. The Company provides long-term employment contracts, where workplace health and safety are always prioritized. All employees within the Company's own workforce are materially impacted by the Company and are included in its disclosure scope. These impacts arise from the Company's operations, such as working conditions, job security, health and safety, well-being, and access to benefits, as well as from the value chain, including its services and business relationships.

Eleving Group also engages non-employees, such as service contractors, who may be involved in specific tasks or provide ongoing services, bringing skills or expertise in particular areas. The Company balances the risks and opportunities associated with non-employees by ensuring fair treatment, compliance, and workplace standards and mitigates risks, ensuring that all workers - employees, and contractors - are treated fairly and in line with legislative standards and regulatory requirements.

Own workforce	Material impacts, risks, and/or opportunities	Classification / Value chain / Time horizon	Description and interaction with business model and/or strategy
Secure employment & Adequate wages	Employment type impacts job security, financial safety, and the economic and psychological stress of the own workforce	Positive actual impact on Own operations in Short-term	Eleving Group prioritizes open-ended, full-time, fixed-fee employment contracts to ensure fair employment practices. The associated risks may lead to high employee turnover and increased recruitment and training costs, disrupting service continuity.
Health & Safety	Unsafe working conditions can lead to serious accidents, particularly for employees whose duties involve the use of transportation	Negative potential impact on Own operations in Short-term	Health and safety training programs and ensuring strict compliance with safety standards.
Training & Development	Enhancing the Company's competitiveness by empowering employees to continuously update their knowledge and develop new skills that improve job performance	Positive actual impact on Own operations in Short-term	A continuous learning culture in place, providing all company's own employees at least 8 hours of professional development training per year. The Group also implements succession planning strategies to prepare talent for leadership roles, supporting internal promotions and strengthening organizational capability.
Work-life balance & Working time	Promoting work-life balance and employee well-being	Positive actual impact on Own operations in Short-term	Eleving Group is dedicated to supporting its employees in achieving a healthy work-life balance through flexible working arrangements, including hybrid work models, flexible hours, and a "work from anywhere" policy. The Company also offers a wide range of paid and unpaid leave options to accommodate personal needs and life events.

Own workforce	Material impacts, risks, and/or opportunities	Classification / Value chain / Time horizon	Description and interaction with business model and/or strategy
Diversity	Diverse and inclusive workplace	Positive potential impact on Own operations in Short-term	The Group is committed to maintaining a diverse and inclusive workplace, ensuring equal opportunities for all employees regardless of ethnicity, gender, age, disability, or background. The Group employs individuals from over 20 different nationalities, reinforcing its commitment to fair treatment and non-discrimination.
Social dialogue	Promotion of employee engagement and transparent communication through social dialogue	Positive potential impact on Own operations in Short-term	Eleving Group is committed to open and transparent communication with employees through internal meetings, feedback sessions, and surveys, and provides grievance mechanisms to address concerns.

Operating in developing regions presents challenges that can affect workforce availability and business operations. Economic uncertainty may lead to difficulties in talent retention, reduced employee satisfaction, and a shrinking talent pool, making it harder to find and retain skilled professionals. Understanding well the challenges of local markets is crucial to maintaining a resilient and high-performing workforce.

Eleving Group is committed to upholding human rights and unequivocally opposes any violations, including child labor. As a result, the likelihood of such risks occurring within the Company's operations is assessed to be very limited. Eleving Group upholds a zero-tolerance policy toward forced labor both in its own operations and in the value chain and is committed to ensuring that all employment practices are voluntary and free from coercion. The Company strictly adheres to relevant national standards and international labor standards, including the International Labor Organization's Declaration on Fundamental Principles and Rights at Work, to protect human rights and promote ethical working conditions across all its business operations. The Group implements strict recruitment and employment screening processes to ensure fair and ethical hiring practices, reducing the risk of forced or bonded labor. This includes providing clear, legally compliant contracts in a language employees understand and upholding their rights to freedom of movement and voluntary job termination without penalties. Additionally, ongoing monitoring and grievance mechanisms allow workers to report any concerns, ensuring transparency and accountability in the hiring process.

Eleving Group's commitment to responsible business practices helps to raise its awareness of these risks and encourages the implementation of proactive measures to mitigate them. By following relevant policies like the Code of Business and Ethics and human rights policies or processes, the Company addresses fair employment practices, meets employees' training and development needs, and fosters a work environment that enhances employee well-being and operational sustainability.

Policies

To effectively manage the material impacts, risks, and opportunities within its own workforce, Eleving Group has implemented policies to ensure human and labor rights, fair treatment, and professional development across all geographies. The following section outlines the key policies established to achieve these objectives.

The Company's policies apply to all employees, ensuring a consistent commitment to ethical business practices across all operations. Senior management oversees their implementation, ensuring alignment with corporate values and regulatory requirements. They also oversee the effective communication of these policies to employees and relevant stakeholders through training, awareness programs, and regular updates, fostering a culture of compliance and accountability.

Code of Business Conduct and Ethics

The Company has embedded key principles within the Code of Business Conduct and Ethics, defining main principles and standards to promote fair and transparent business practices, respect for human and labor rights, and adherence to business ethics. To demonstrate compliance with the ethical standards of the industry and the national and international frameworks on corporate sustainability and sustainable development, Eleving Group has aligned its practices with the United Nations (UN) Sustainable Development Goals (SDGs) in the social aspect, contributing to SDGs 3, 4, 5, and 8. The code outlines its commitment to human and labor rights, emphasizing adherence to international standards. The Code prohibits child and forced labor and discrimination and ensures safe and healthy working conditions. Human rights policy applies equally and universally in all countries, irrespective of the legal framework. The Group provides and enables remedy for human rights impacts through the process defined in a Whistleblowing Policy that allows confidential and anonymous reporting of any suspected violations.

Employee engagement

Open communication is crucial for identifying and addressing both actual and potential impacts on the workforce. It ensures that employees' concerns are considered, and that appropriate measures are taken. Building on this foundation, employees' engagement processes facilitate meaningful dialogue and foster a culture of transparency and accountability.

One of the engagement formats with employees is through bi-annual Eleway Pulse surveys. These surveys evaluate the Company's own employee experience, assess satisfaction, and identify areas for improvement. They include questions about the resources and tools available for productive work, learning and professional development opportunities, work-life balance, and overall satisfaction. In 2024, 1352 employees participated in the survey and provided their feedback. This input contributes to management decision-making and helps shape activity plans and initiatives to address actual and potential impacts on employees.

Engagement occurs directly with employees rather than through representatives, ensuring a broad and inclusive approach across all Eleving Group subsidiaries. The anonymity of survey responses allows for open and honest feedback across different workforce segments.

Eleving Group adheres to applicable labor laws and internal policies that are aligned with the Universal Declaration of Human Rights, including non-discrimination, prohibition of child and forced labor, and safe and healthy working conditions. The effectiveness of workforce engagement is assessed through survey participation rates, trends in engagement scores, and employee feedback on the key areas. The Human Resources department has operational responsibility for overseeing the engagement process, while the Management Board ensures that insights from these activities contribute to the Company's strategic direction.

Additionally, Eleving Group actively engages with its workforce every quarter through All-Hands meetings, where the Management Board provides updates on the Company's strategic plans, financial results, ESG-related commitments, and other key developments while addressing employee questions.

With the above-mentioned measures in place, the Company ensures consistent communication, engagement, and the protection of employee rights; therefore, additional instances for collective bargaining are not established.

Reporting system

The Company is committed to addressing issues related to its material impacts, risks, and opportunities through its established grievance mechanisms. It allows employees to raise concerns or report incidents of occupational health and safety risks, human rights risks, harassment, and discrimination. Employees may submit their concerns directly to their local Human Resources representative or the Group Human Resources department. Additionally, the Eleving Group provides a whistle-blowing tool, FaceUp, which serves as an independent reporting channel for cases that involve a special department that is responsible for security and pertain to severe instances of discrimination or harassment. Employees also have the option to report concerns anonymously. When a potential non-compliance issue is reported, the respective department conducts a thorough investigation. Appropriate actions are taken based on the findings and the scale of the problem.

In 2024, a total of 20 reports concerning potential misconduct were received, recording an increase of 6 compared to a year ago. None of them were related to human rights misconduct or discrimination. All whistle-blowing reports were solved. This reflects stakeholders' growing awareness of the whistle-blowing tool, increased trust in using it, and greater attentiveness to general matters. To further strengthen this awareness and engagement, the Company is organizing campaigns to inform employees about the tool and encourage its use for reporting potential concerns.

Eleving Group upholds the highest standards of ethics and integrity in its business practices. The Company fosters a strong corporate culture through ethical governance, well-defined values, and active employee engagement. By fostering a culture of integrity, collaboration, and accountability, the Company ensures its corporate values remain embedded in its daily operations and long-term strategy.

Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

To effectively manage risks and opportunities within its own workforce and mitigate material negative impacts, Eleving Group has set targets to promote long-term sustainability and employee well-being.

These workforce-related targets were set in 2021 as part of the development of the initial ESG framework, with active involvement from representatives of the relevant functions. To maintain engagement and accountability, employees are regularly informed about progress and the Company's commitments, ensuring transparency in tracking performance against these targets. This is done through multiple channels, including discussions of employee engagement survey results, the Company's year-end reviews, and monthly management meetings - a platform for employees to discuss results, raise concerns, and contribute to identifying improvements based on the Company's performance.

The Company uses outcome-oriented targets to drive and measure its progress in addressing material negative impacts, advancing positive implications on its workforce, and managing material risks and opportunities related to its employees. This approach ensures a structured and measurable framework for continuous improvement and accountability.

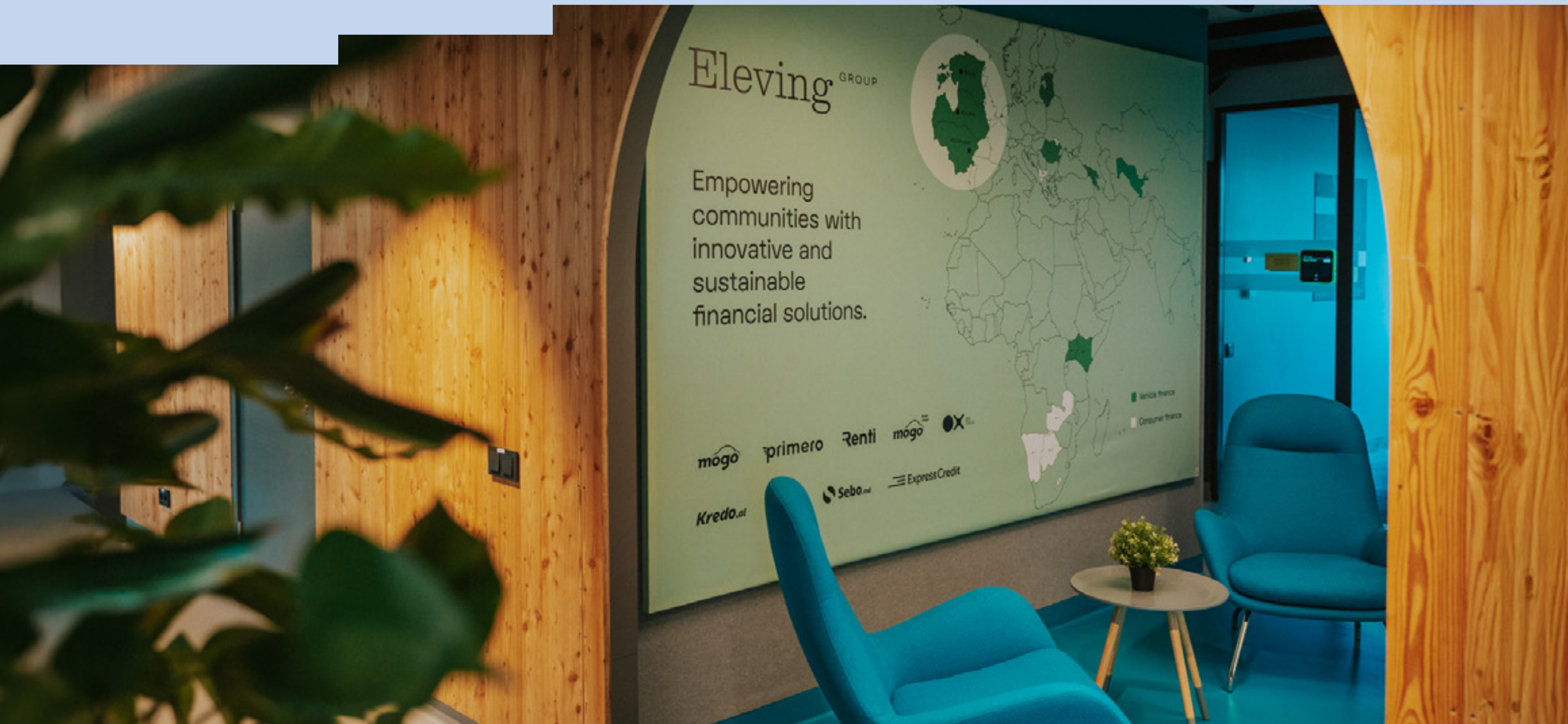
Eleving Group uses the Employer Net Promoter Score (eNPS) system to measure employee satisfaction and loyalty. The employee survey is conducted biannually. In the first half of 2024, the score was 30.9, increasing slightly to 31.3 in the second half of the year.

eNPS, which ranges from -100 (all Detractors) to 100 (all Promoters), is widely used to gauge employee sentiment. A score in the range of 10 to 30 is commonly interpreted as a positive indicator of employee engagement, reflecting a generally favorable perception of the workplace. Scores above 50 are viewed as excellent and reflect outstanding employee loyalty and satisfaction. Acknowledging this standard, the Group has set an ambitious target of achieving an eNPS of 50 or higher by 2025. To support this goal, Eleving Group engages employees in results discussions and defines follow-up actions, maintaining a commitment to support continuous improvement.

To maintain gender diversity in senior leadership roles, Eleving Group set a target of achieving 40% female representation by 2025. This goal was met at the end of 2024, when the ratio of women to men in the senior leadership team (C-Suite) was 40% to 60%. Looking ahead, Eleving Group remains committed to gender diversity and aims to maintain or improve current balance by developing internal talent and encouraging qualified female candidates to pursue leadership roles.

Aligned with the social commitments, the Company has set goals to support employees' professional growth and career progression. This includes providing at least 8 hours of professional training per employee annually. Eleving Group offers a wide range of training opportunities to support professional and personal growth for all employees, which is also reviewed in regular performance and development evaluations. The annual target of 8 training hours per employee is consistently achieved.

By creating a safe and growth-oriented working environment that focuses on employees' well-being, human and labor rights compliance, and development opportunities, Eleving Group strengthens its workforce and fosters sustainable organizational growth. To ensure these commitments are effectively implemented, the Group has established action plans and allocated resources to manage material impacts, risks, and opportunities related to its own workforce.



Action plans and resources to manage material impacts, risks, and opportunities related to its own workforce

Eleving Group is committed to fostering a secure, fair, and supportive work environment by actively preventing and mitigating negative impacts on its workforce across all jurisdictions in which it operates. The Company ensures secure employment, promotes work-life balance, maintains fair working hours, and provides competitive wages. Health, safety, and social dialogue remain top priorities, supported by structured career development programs and fair employment practices. The Group's Personnel Management Policy focuses on developing a skilled, engaged, and high-performing workforce, empowering employees at every stage of their careers.

To enhance employee well-being, Eleving Group implements various initiatives, including health and safety training, awareness programs on work-life balance, and employee engagement activities. The Company also provides remedies through grievance mechanisms and corrective actions, ensuring that employee concerns are addressed promptly and effectively.

Tracking Effectiveness and Risk Mitigation

The Company continuously assesses the effectiveness of its workforce-related initiatives through key performance indicators (KPIs), employee engagement surveys, training completion rates, health and safety incident reports, and social dialogue outcomes. Employee feedback and compliance monitoring help identify necessary improvements, ensuring that policies remain effective and aligned with regulatory standards.

To mitigate material risks related to workforce stability and retention, the Company closely monitors labor market trends, strengthens retention strategies, and evaluates HR performance through incident reporting systems. This proactive approach allows Eleving Group to adapt to workforce challenges efficiently.

Workforce Development and Well-Being Initiatives in 2024

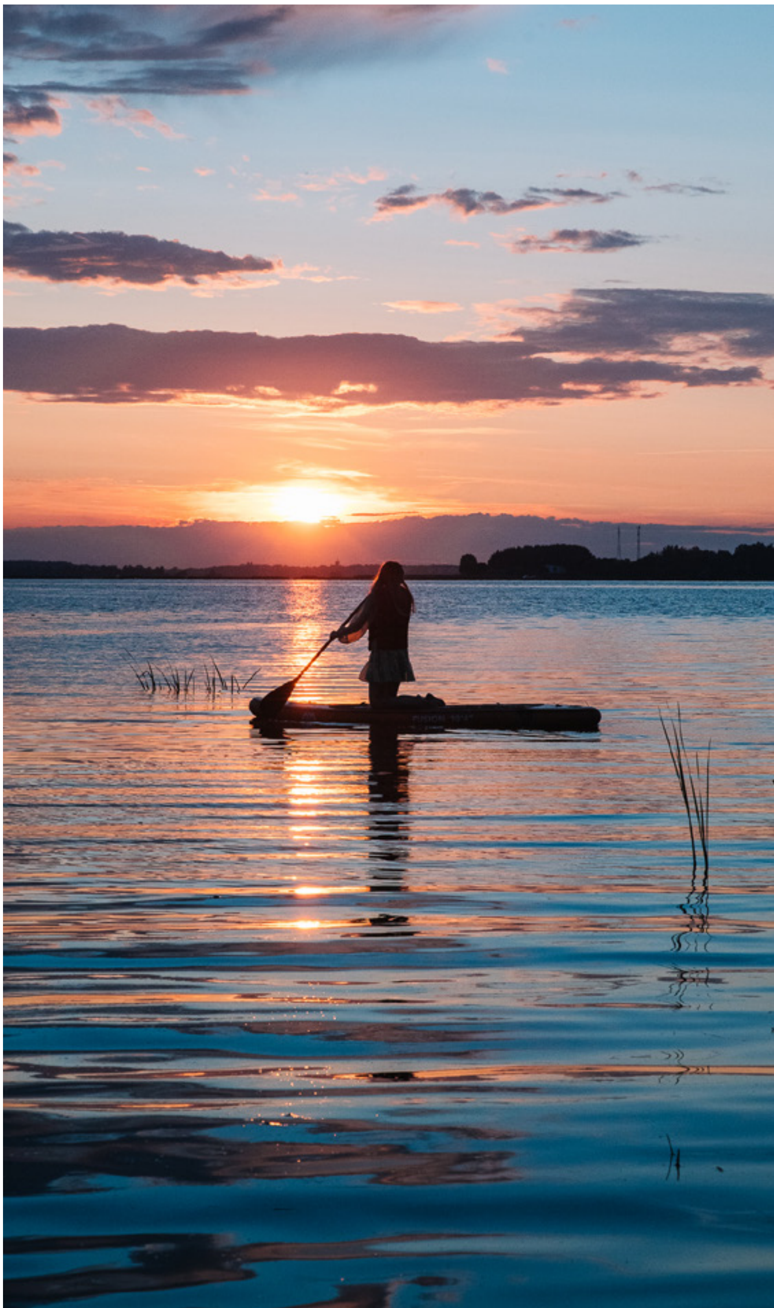
In 2024, Eleving Group introduced diverse training, development, and well-being programs across its operations to support employees in strengthening their skills, leadership abilities, and overall resilience. Key initiatives included:

- Cybersecurity and digital literacy webinars, along with an AI masterclass series, to equip employees with critical knowledge of emerging technologies.
- Organizational leadership programs and experience-sharing forums for functional leaders, enhancing managerial and leadership competencies.
- Well-being programs, such as webinars on emotional intelligence and stress management, to foster a balanced and supportive work environment.
- Team-building training to promote collaboration and strengthen workplace culture.

Commitment to Ethical and Sustainable Workforce Practices

Eleving Group ensures that its business practices do not cause or contribute to material negative impacts on employees. The Company aligns its policies with international labor standards, maintains grievance mechanisms, and conducts regular internal evaluations to uphold workplace integrity.

Resources for workforce management are strategically allocated through dedicated HR and functional budgets, supporting occupational health and safety programs, employee benefits, and workforce well-being initiatives. Additionally, to mitigate potential workforce disruptions due to the transition to a climate-neutral economy, the Company provides employee training and raises awareness about sustainability-related challenges and opportunities.



Characteristics of the employees

Eleving Group employs people of various cultural backgrounds, genders, and ages. The Group is represented by employees form 20 different nationalities. Therefore, diversity and equal opportunities are essential to Eleving Group's human resources strategy. The Group ensures that employees are treated fairly and given equal opportunities. Eleving Group is committed to creating and maintaining an open, inclusive work environment free from discrimination and harassment. No internal employees or external candidates should feel discriminated against or harassed during the recruitment, promotion, or employment processes.

As of December 31, 2024, 2793 employees were working in Eleving Group. This number includes all employees with active employment on that date, including permanent, temporary, and part-time employees. The data is based on the headcount as of the end of 2024, using actual employment records from the year-end reporting date. The other table provides an overview of all Eleving Group countries, detailing the number of employees by country and gender.

Characteristics of Eleving Group employees (headcount)

Characteristics of employees	Male	Female	Total
Permanent employees	1274	1428	2702
Temporary employees	31	52	83
Non-guaranteed hours employees	2	6	8
		Total:	**2793**

Number of employees (headcount) on 31.12.2024.

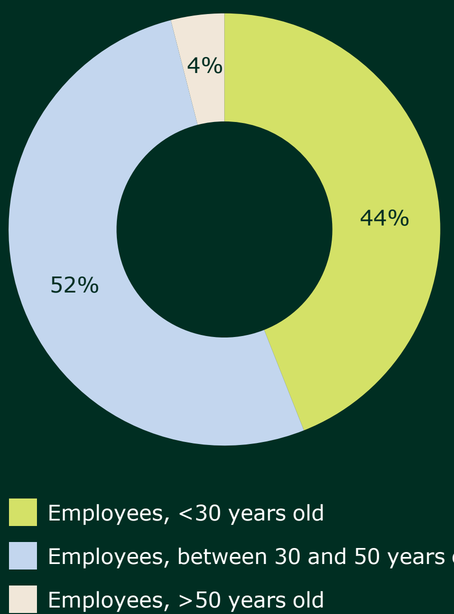
Country	Number of employees
Albania	222
Armenia	71
Botswana	77
Estonia	19
Georgia	73
Kenya	688
Latvia	265
Lesotho	13
Lithuania	83
Moldova	152
Namibia	214
North Macedonia	191
Romania	64
Uganda	431
Uzbekistan	65
Zambia	165

In 2024, the average number of employees was 2589, and 870 employees left the Company during the year, resulting in a turnover rate of 33.6%. This rate is calculated by dividing the number of employees who left the company in 2024 by the average number of employees during the year, providing a more accurate measure that accounts for workforce fluctuations.

Employee turnover is primarily driven by frontline positions and customer service entry-level roles, which typically experience higher turnover rates across industries. The turnover rate also highlights workforce-related risks from a regional perspective, particularly in certain markets such as Uganda and Botswana, where local labor dynamics and market conditions contribute to higher employee mobility. As part of the ESG strategy development for 2026-2031, dedicated goals and measures will be established in 2025 to enhance employee retention and workforce stability.

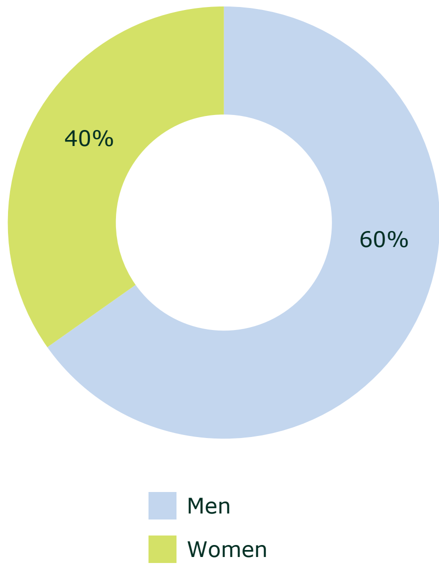
Diversity metrics

Distribution of employees



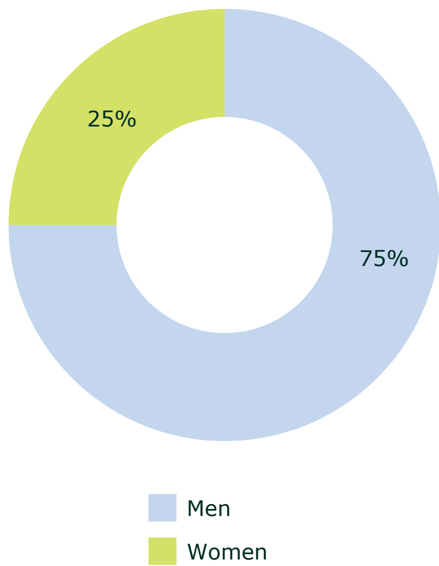
The Company's workforce is primarily composed of employees between the ages of 30 and 50, who represent 52% of the total. Younger employees, under 30 years old, represent 44% of the workforce, while those over 50 account for 4%.

Senior level

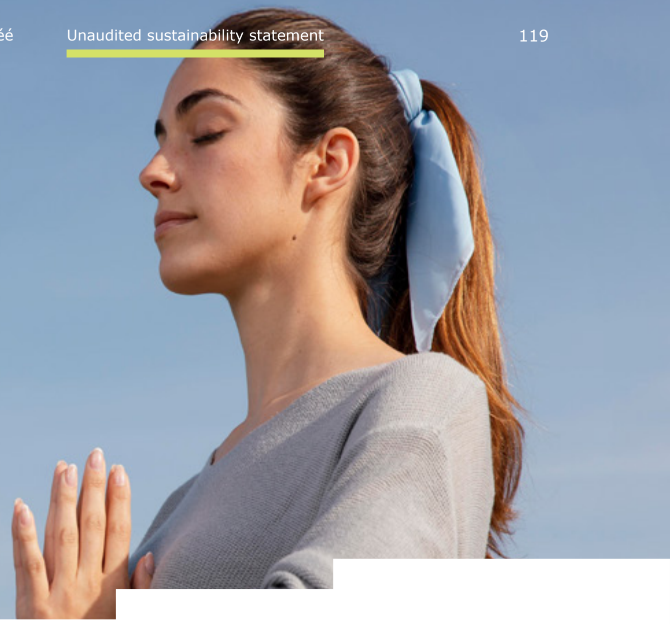


To maintain gender diversity in senior leadership roles, Eleving Group set a target of achieving 40% female representation by 2025 and as of December 31, 2024, women accounted for 40% and men for 60% of the Group's gender diversity ratio in senior-level positions.

Management board



Within the Management Board, 75% of representatives were men, while 25% were women.



Employees' well-being

Employees' health, safety, and well-being have always been important to Eleving Group. The Company is committed to creating a safe working environment in all its countries. Compliance with local laws, adherence to the Group's policy and standards, and working towards health and safety objectives are all essential components of the Group's efforts to reduce risks and improve its health and safety record.

Health and Safety

The Company's health and safety management system covers the entire workforce, ensuring compliance with workplace safety regulations. All employees are included in health and safety programs, training sessions, and risk prevention measures. Workplace safety risks and hazards are prevented by implementing proper measures. First, as the law requires, workplace risks are assessed within the labor protection management system framework. All employees are regularly instructed on general work safety and during test fire alarms. At employee onboarding and annually, employees are provided with information, instructions, and training to work safely and take steps to protect themselves from hazards.

The Company tracks and reports on work-related accidents, and fatalities. These incidents are monitored through an internal reporting system, and corrective actions are implemented to mitigate risks and enhance workplace safety. Regular assessments and preventive measures are in place to continuously improve employee well-being and minimize occupational hazards.

During 2024, the Group registered 69 recordable accidents among the Company's employees, compared to 57 a year ago. Out of all accidents, one recorded case in Kenya and one in Namibia resulted in casualties. The Company has ensured its full support to those affected by the incident. Immediate measures were taken to assist the employees' families. Comprehensive actions have been implemented to strengthen health and safety standards, and the Company remains fully committed to maintaining a safe and secure working environment for all employees.

The reported health and safety incidents involved employees who were injured while performing duties with motorcycle taxis—either during field debt collections, boda-boda verification, or GPS Tracker installation. These incidents were influenced by regional factors, including infrastructure challenges and location-specific driving culture in Uganda, Kenya and Namibia. To mitigate risks and enhance health and safety within the workforce, additional safety training, including safe driving practices, is provided in these high-incident regions, along with the necessary health and safety equipment. As a part of these efforts, all field officers are consistently supplied with safety riding gear, and all motorcycle users benefit from enhanced medical coverage. Furthermore, the Company complies with the Work Injury Benefits Act (WIBA), the regulatory framework governing workplace accidents in Kenya, which ensures that employees are covered in the event of work-related injuries or illnesses—providing access to medical care, compensation, and rehabilitation support.

No health and safety cases or injuries were recorded in other markets.

Health and safety	**2024**
Percentage of employees covered by health and safety management system	100%
Number of work-related accidents	69
Rate of recordable work-related accidents	2.47%
Number of fatalities as result of work-related injuries	2

To mitigate health and safety risks and reduce the number of incidents, particularly in high-risk roles and regions with reported incidents, the Company has implemented H&S training programs. In 2025, H&S targets will be established to develop a structured action plan and integrate safety considerations into strategic decision-making. These initiatives will be part of the company's ESG strategy for the 2026-2031 period, with a commitment to striving for zero accidents. Its effectiveness will be monitored through key performance indicators, including incident rates and training completion.

Adequate wages

Eleving Group has always stood up for fair pay and social and health guarantees. The Group rewards employees based on their performance and contribution to the Company while considering factors like location and cost of living. Employees are also provided with competitive benefits packages and are encouraged to use development opportunities offered by the Company. The Group's Remuneration policy states that each employee is entitled to a salary review once per calendar year as a part of the performance review. Employees who have worked for a full calendar year are eligible for a bonus equivalent to two salaries, which is paid in addition to their regular salary.

Eleving Group believes a fair and transparent tax system is vital to a well-functioning society. The Group pays maximum attention to all tax-related procedures, complying with local and international legislation, legal requirements, and acceptable business standards. This applies to labor taxes, where the Group maintains a rigorous tax discipline.

In 2024, the Company revised its remuneration ratio and pay gap reporting metrics and reports on two key pay equity metrics: the gender pay gap and remuneration ratio.

The gender pay gap represents the percentage difference in average pay levels between male and female employees, expressed as a percentage of the average pay level of male employees. This calculation is based solely on gender and does not consider factors such as job roles, seniority, skills, or other elements essential for ensuring equal pay for work of the same or equal value.

The composition of job categories within the Company primarily influences the gender pay equity. Certain roles or functions tend to be predominantly occupied by either male or female employees, which affects the average pay levels across genders. Furthermore, remuneration levels can vary between different job categories, driven by the nature of the roles rather than by gender. Eleving Group addresses pay equity through compensation transparency and data-driven reviews. Managers have access to clear remuneration frameworks, and annual audits help ensure salaries align with roles, experience, and market benchmarks - ensuring fairness and equity in pay throughout the organization.

Gender pay gap	2024
Total:	25.25%

The annual total remuneration ratio compares the total annual remuneration of the highest-paid individual to the median annual total remuneration for all employees (excluding the highest-paid individual).

Remuneration ratio	2024
Total:	8.54

The Eleving Group pays all its employees an adequate wage that is in line with industry benchmarks. Additionally, during 2024, the Group's entity in Latvia received the Equal Pay Award, issued by the remuneration research and management consultancy company Figure Baltic Advisory. This award recognized the Company's commitment to ensuring equal pay across all levels of the organization. This acknowledgment reinforces the Company's dedication to fair compensation practices and workplace equity.

Secure employment

The Group offers its employees benefits to foster an inclusive working environment. Among other things, Eleving Group focuses on solutions that prevent working parents from choosing between career and family. Eleving Group provides working parents with a support package that includes a room designated for children at the Company office, flexible working hours, additional leave according to the Company's internal policies, and professional childcare service once a year for three weeks in July at the Company's HQ. Eleving Group has also developed and implemented a re-onboarding plan for colleagues returning from parental leave. The plan aims to promote a smoother return to the work environment, design an adapted work schedule for the first month of return, and determine the duties of direct managers during the reintegration process. These efforts, along with the Group's broader initiatives to secure employment and support employee well-being, contributed to the Company in Latvia being named a Family-Friendly Workplace for the second consecutive time in 2024. The Society Integration Foundation of Latvia runs the Family-Friendly Workplace program, and its goal is to promote a family-friendly work environment in Latvia and to increase the public awareness. Involvement in the Family-Friendly Workplace program motivates companies to introduce new solutions to enhance the well-being of working parents. In addition, the program provides an excellent opportunity to draw inspiration from other program participants and inspire change for those Latvian companies that are still considering joining the program.

Incidents, complaints, and severe human rights impacts

During the reporting period, Eleving Goup recorded no work-related incidents of discrimination on the grounds of gender, racial or ethnic origin, nationality, religious belief, disability, age, sexual orientation, or other relevant forms of discrimination involving internal and/or external stakeholders across operations in the reporting period, complaints, or severe human rights impacts within its own workforce. No fines, sanctions, or compensation were also issued concerning such matters. The Company remains committed to maintaining a safe and fair working environment, ensuring compliance with labor laws and human rights standards.

Incidents of discrimination	2024
Number of incidents of discrimination	0

Managing a diverse and skilled workforce is essential for ensuring quality, innovation, and growth. To support this, Eleving Group enforces its Equality, Inclusion, and Non-Discrimination Policy across all companies, guided by the following principles:

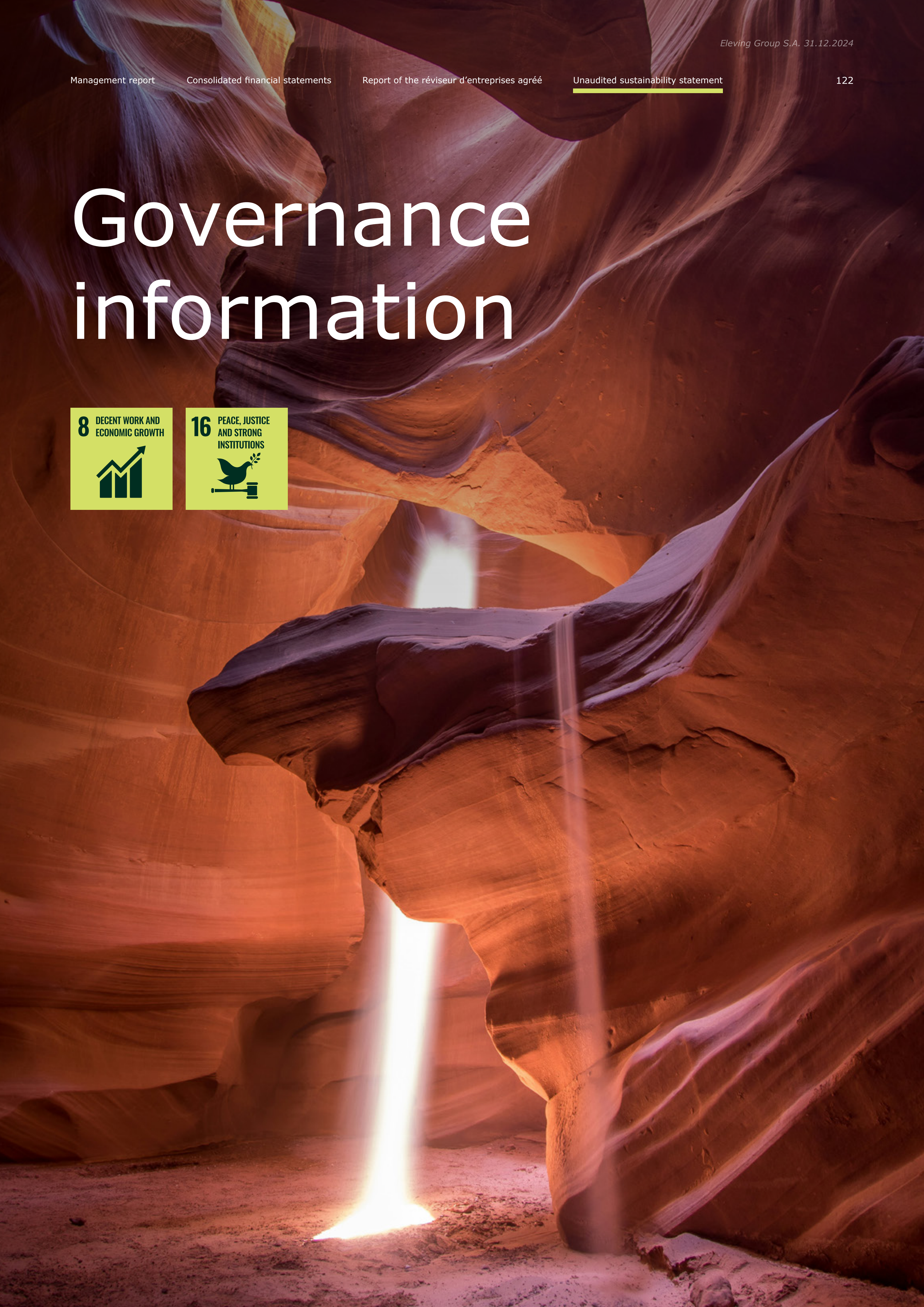
- Equality—all humans are born equal. Therefore, equal treatment of all individuals, regardless of ethnicity, cultural background, sex, gender identity, sexual orientation, religion, disability, age, or other factors, is our overriding priority.
- Zero-tolerance against discrimination, harassment, sexual harassment, and victimization.
- Respect for individual differences concerning ethnicity, sex, gender identity, sexual orientation, culture, religion, and other factors.

This policy applies to the Group's management, employees, agency workers, contractors, business partners, and suppliers. The policy applies to all work-related activities, including but not limited to recruitment and selection, conditions and benefits, training and promotion, task allocation, shifts, hours, leave arrangements, workload, equipment, as well as interpersonal relationships at work, related situations such as travel, events, and after-work gatherings. To ensure full compliance and adherence to the policy throughout the Group, continuous work is being done to raise employee awareness of diversity issues.

Governance information

8 DECENT WORK AND ECONOMIC GROWTH

16 PEACE, JUSTICE AND STRONG INSTITUTIONS



Governance

Eleving Group strives for transparency, trust, and integrity. This approach applies to all its business entities, markets, customers, and business relations. The Group is committed to initiating and maintaining collaboration across the financial industry and promoting ethical behavior within the business environment.

During the double materiality assessment, the Company identified material impacts, risks, and opportunities related to business conduct. This process considered various criteria, such as high-risk job categories, geographic location, and business activities, to ensure a comprehensive understanding of where the most significant impacts may arise.

The Company has implemented mechanisms to mitigate potential risks, including publicly available compliance policies for all stakeholders and regular training for employees. To address any potential violations, the Group has established robust grievance mechanisms, reinforcing transparency and accountability across operations. The table below outlines the key governance-related risks and opportunities, along with their classification and activities implemented to address them.

Governance	Material impacts, risks, and/or opportunities	Classification / Value chain / Time horizon	Description and interaction with business model and/or strategy
Anti-Corruption and Anti-Bribery	Implementation of robust anti-corruption measures	Positive potential impact on Own operations in Short-term	Eleving Group's implementation of robust anti-corruption measures ensures compliance with international standards. Comprehensive training programs helps to equip employees to identify and mitigate risks proactively, ensuring adherence to regulations and ethical standards.
Whistleblower Protection	Protection of whistleblowers and promoting grievance reporting tools	Positive potential impact on Own operations in Medium-term	Eleving Group is committed to the highest standards of ethics and integrity. To support this, the Company has established an anonymous reporting system, FaceUp, enabling employees and stakeholders to report concerns safely. The Whistleblowing Policy encourages individuals to speak up, promotes awareness of their rights, and protects whistleblowers from retaliation or discrimination.

Policies

Eleving Group upholds the highest ethical standards in its business practices, promoting a strong corporate culture through ethical governance and employee engagement. By fostering collaboration and accountability, it ensures its values are integrated into daily operations and long-term strategy.

Code of Business Conduct and Ethics

The Company has developed the Code of Business Conduct and Ethics as a cornerstone of its commitment to conducting business responsibly, with transparency and respect for human rights, ensuring that its actions align with the highest ethical standards. It aligns with the United Nations Guiding Principles on Business and Human Rights, the United Nations Global Compact, and the International Labor Organization's principles, reflecting the Company's commitment to these frameworks and standards.

The Code prohibits child and forced labor, discrimination, ensures safe and healthy work conditions, and mandates compliance with anti-corruption, anti-money laundering, and regulatory requirements applicable in all jurisdictions where Eleving Group operates.

The policy is published on Eleving Group's website and internal systems, ensuring that it is accessible to all stakeholders. It applies universally to all Eleving Group entities, employees, and operations without exclusions and covers all activities within the organization, extending to interactions with clients, partners, suppliers, and other stakeholders throughout the entire value chain, both upstream and downstream. All new employees undergo mandatory training to ensure its effective implementation and adherence: and regular training programs are conducted and tailored to specific roles and responsibilities, reinforcing compliance and promoting ethical business practices across the organization.

Whistle-blowing policy, reporting system, and protection of whistle-blowers

Eleving Group is committed to its business's highest levels of ethics and integrity. To identify and investigate concerns regarding potential unlawful behavior or actions that contradict the Company's Code of Business Conduct and Ethics, Eleving Group has established the reporting system FaceUp, an anonymous form to report concerns about potential misconduct or improper and/or illegal activity within or in relation to Eleving Group. This solution allows sharing concerns regarding violations of the Group's policies, local laws, regulations, fraud, and corruption without fear of negative consequences or retributions. Eleving Group ensures that the reporting on actual and potential conflicts of interest is confidential and that reporting employees, clients, and suppliers are protected from discrimination and retaliation. Additionally, employees may submit their concerns directly to their local Human Resources representative or the Group Human Resources department.

The Whistle-blowing policy guides how Eleving Group will support whistle-blowers so that they:

- Are encouraged to express their concerns
- Know how to report their concerns
- Know their rights, including their right to remain anonymous
- Know what will happen if they report their concerns
- Feel safe in reporting their concerns
- Will not be subject to retaliation, detriment, or victimization in response to reporting their concerns.

Anyone with evidence or suspicion that an Eleving Group employee or business partner has violated the established norms or that Eleving Group commits systematic procedural violations can report it through the whistle-blowing system. A dedicated Whistle-blower Report Coordinator monitors the system 24 hours a day, seven days a week, and handles reports in accordance with internally established procedures. More detailed information is provided in the section Prevention and Detection of Corruption and Bribery.

The Company remains committed to continuously monitoring the effectiveness of the whistle-blowing system to ensure that all reports are handled confidentially and without any retaliation against the individuals who report concerns.

Management of relationships with suppliers

Eleving Group is committed to managing its relationships with suppliers responsibly and transparently, ensuring that its cooperation across the value chain—with entities such as banks, local consumer credit agencies, IT service providers, and debt collection agencies—contributes to a sustainable and resilient supply chain. This includes mitigating potential material risks and adverse impacts across its value chain while fostering long-term responsible business practices.

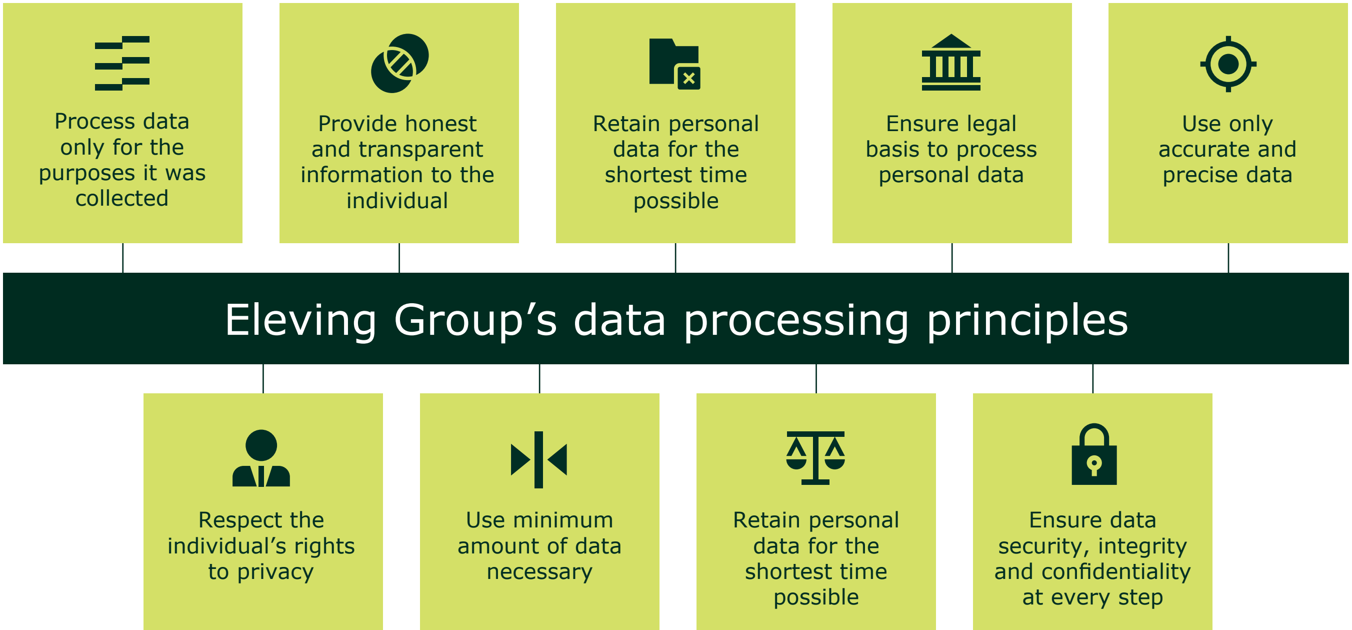
Eleving Group has drawn up its internal procurement guidelines in line with the Group's strategic direction and internal and external regulations. Employees must verify suppliers against the economic sanctions list, conduct due diligence checks including tax liabilities and overall reputation, and research whether suppliers adhere to the Code of Business Conduct and Ethics and maintain responsible corporate practices.

Eleving Group follows the standard payment terms set by each supplier. The Company recognizes the importance of preventing delayed payments to small and medium-sized enterprises and ensures fair payment terms and practices. In 2024 the average payment period was 23 days, reflecting its commitment to timely payments and supporting small and medium-sized partners. Additionally, there are no outstanding legal proceedings related to late payments.

Payment practices	2024
Average days for payment to suppliers	23
Percentage of payments aligned with agreed terms	100%
Number of legal proceedings currently outstanding for late payments	0

Data protection and privacy

Eleving Group protects the privacy of its suppliers, customers, employees, and partners and ensures compliance with applicable personal data protection laws and regulations. 326 862 active customers globally, 2793 employees, and almost 1800 dealerships have entrusted Eleving Group with their personal data, and the Group ensures that this information is processed securely and follows applicable laws and regulations.



Data protection procedures are held to the highest standard, even in countries where the legislation imposes lower-level obligations. This approach includes full alignment with the provisions of the EU General Data Protection Regulation (GDPR). Eleving Group's general data protection counsel, local data protection officers, and legal and IT teams ensure compliance with applicable laws and regulations. All Eleving Group business entities have adopted the same general privacy framework, complemented by additional local requirements. Eleving Group strives to achieve a unified approach and provide high-quality technical and organizational security measures. Eleving Group continuously reviews existing procedures and educates its employees on applicable laws and regulations about privacy, data protection, and other relevant matters such as information security.

- Security measures' common approach
- General privacy framework
- Improvement audits
- Staff education & training
- Privacy management system "OneTrust"

Privacy and data protection activities are coordinated by the Group's general data protection counsel, with the assistance of local data protection officers, legal, risk, business development, and IT teams. Such a governance model ensures overreaching support and a common approach to the Group's privacy objectives and standards and addresses the local legal requirements. In 2024, no data breaches involving consumers or end-users were recorded.

- Local data protection officers
- Legal team
- Risk officers
- Business development experts
- IT team

Eleving Group's employees are bound by strict confidentiality requirements and must not intentionally or accidentally disclose sensitive information while performing their work duties. The information is protected, regardless of whether it belongs to Eleving Group or its stakeholders. Employees are precluded from using confidential information obtained during their employment in Eleving Group for personal gain or the advancement of private interests.

Cybersecurity

Cybersecurity is crucial for the Eleving Group as the Company manages highly sensitive financial data, requiring strict safeguards to uphold customer trust and meet regulatory requirements. Robust cybersecurity measures safeguard against unauthorized access and fraudulent transactions and ensure business continuity by mitigating the risks of cyberattacks. Protecting intellectual property from theft or unauthorized access highlights the importance of strong cybersecurity measures in maintaining the long-term success of fintech companies.

To maintain the highest security standards, Eleving Group's Information Security department collaborates closely with the Infrastructure and Development teams. They conduct regular system scans and assessments to proactively identify vulnerabilities before they can be exploited. Additionally, the Company performs annual security assessments, both internally and with external experts, to enhance its resilience and overall security. During 2024, the Eleving Group conducted annual mandatory cybersecurity training for all employees. The training covered essential areas such as phishing awareness, password security, data protection, and threat detection. It educated employees on the nature of cyberattacks, attackers' objectives, and associated risks. Annually, the Information Security Team organizes a phishing simulation test involving the Eleving Group employees in all countries and subsidiaries and has implemented advanced security monitoring and Security Information and Event Management (SIEM) solutions. They are continuously improved so that the Company can respond promptly when an incident happens. Ongoing enhancements to infrastructure and network safety sensors further reinforce the Company's cybersecurity framework.

As a result of these proactive measures, the number of external incidents significantly declined. During 2024, 27 external incidents were reported, representing an almost 44% decrease compared to 2023.

Prevention and detection of corruption and bribery

To prevent, detect, investigate, and respond to allegations or incidents relating to corruption and bribery, Eleving Group has developed and adopted an Anti-corruption, Anti-bribery, and Anti-fraud Policy. It aims to ensure a common understanding of the problems arising from corruption and fraud and their types, responsibilities, and action models to prevent corrupt and fraudulent activities within Eleving Group and in relations with external partners and those involved in the political process. This policy applies and is binding to all employees of Eleving Group and its subsidiaries, regardless of their position. Eleving Group is committed to complying with all applicable anti-bribery and corruption laws and regulations in the jurisdictions in which it operates, and it promotes transparency in lending, fair business practices, and responsible partnerships. Eleving Group has zero-tolerance against bribery, corruption, and other activities that are unethical, unacceptable, and inconsistent with the Group's values. Eleving Group strives to operate with transparency, trust, and integrity. This approach applies to all its markets of operation and all business relations. The sole purpose of the policy is to set out the responsibilities of Eleving Group and its personnel regarding zero-tolerance against bribery and corruption.

Reporting tool FaceUp is monitored and reviewed by the Whistle-blower Report Coordinator, who:

- Establishes independent and autonomous external reporting channels for receiving and handling reports.
- Promptly, and in any event within seven days of receipt of a Report, acknowledges that receipt of the report, unless the reporting person explicitly requested otherwise, or the competent authority reasonably believes that acknowledging receipt of the report would jeopardize the protection of the reporting person's identity.
- Diligently follows up on the reports and investigates the concerns set out in those reports.
- In well-justified cases, provides feedback to the reporting person within a reasonable timeframe not exceeding three or six months.
- Communicates to the reporting person.
- Notifies the person of the outcome of investigations triggered by the report following the procedures provided for under national law.
- Transmits in due time the information in the report to competent institutions, bodies, offices, or agencies, as appropriate, for further investigation, where provided for under EU or applicable national law.

These mechanisms reflect Eleving Group's commitment to maintaining ethical standards and proactively addressing potential violations. Furthermore, to mitigate potential fraudulent activities, Eleving Group is now prioritizing the automation of specific decision-making processes and the optimization of its fraud detection systems, including the enhancement of security underwriting metrics.

In 2024, the Company received one whistle-blower report concerning potential bribery through the whistle-blowing tool FaceUp. A thorough field investigation discovered that the employee did not breach any procedures and acted transparently, and the claim was unsubstantiated.

During the 2024, Eleving Group organized anti-fraud trainings for all employees, including at-risk employees, in Lithuania, Latvia, Moldova, Romania, Estonia, Georgia, Kenya, and Uganda. Details of the training during the year are as follows:

Training coverage	2024
Total receiving training:	Whole team in each country
Delivery method and duration:	
Computer-based training	8+ hours
Classroom training	6+ hours
Frequency:	On quarterly basis
Topics covered:	Definition of fraud/corruption/bribery
	General policy
	Procedures on suspicion cases detection
	Skip tracing

Anti-money laundering, countering terrorism and proliferation financing, sanctions compliance

Eleving Group has approved and follows its Anti-Money Laundering, Countering Terrorism Financing, and Proliferation Financing (AML/ CTF/PF) Policy, which formulates Eleving Group's general principles and methods to determine measures for the assessment and management of money laundering, terrorism, and proliferation financing and international sanctions risks inherent in Eleving Group. The Group has developed processes to mitigate those risks and to protect Eleving Group's customers and employees from money laundering, terrorism, proliferation financing, and international sanctions violation risks. The Group also pays close attention to breaches of sanctions or other illegal activities. Eleving Group and its subsidiaries do not deal with sanctioned companies or individuals. Compliance with this standard is strictly monitored.

Given that Eleving Group entities operate in multiple jurisdictions, their policies and procedures are adjusted to comply with the regulations of each jurisdiction where the Group's subsidiaries operate and consider not only the specific local legal requirements but also product nuances, Eleving Group's AML/CTF/PF best practices, and international recommendations and guidelines, thus ensuring the highest level of AML/CTF/PF and global sanctions compliance reasonably possible.

The country managers in each jurisdiction are responsible for preventing money laundering and ensuring compliance. AML team works closely with various internal departments and committees, including the legal department and client support, to achieve AML-related goals and adhere to international and local legal requirements.

Along with the internal know-your-client (KYC) investigative practices, Eleving Group uses a special information technology solution that enhances compliance and provides faster and more efficient AML checks. This allows performing the required client due diligence and KYC checks, monitoring and screening transactions, and reporting suspicious transactions or sanctions infringements. It enables the effective evaluation of the potential risks associated with each client and ensures that the Group adheres to the Group's policies and standards.

To ensure full compliance with the AML legal requirements, internal AML practices are reviewed and amended at least once every 18 months according to globally consistent policies, standards, and local legal requirements. Furthermore, internal and external AML and sanctions compliance audits are performed regularly, and in case any findings and recommendations are received, those are implemented in due course to ensure maximum compliance with the applicable legal regulations.

Insider trading

Eleving Group`s Policy on Preventing Insider Trading and the laws of the countries in which it operates prohibit trading in securities (shares, debt securities or bonds, and stocks) while possessing material non-public information regarding the issuer.

According to this policy, all the Group's employees must not engage or attempt to engage in insider trading or circumvent that obligation by any means, which includes:

- Improperly disclosing inside information or recommending the third party to trade or cancel or amend an order while in possession of inside information (tipping off);

  or

- using such a recommendation as referred to above where the employee knows or ought to know it is based on inside information.

Furthermore, the Group's general principle reiterates that in case of any doubt, employees should treat non-public information as inside information and consult with management before engaging in any transaction. This approach effectively ensures that employees do not enter transactions that amount to or create the appearance of market manipulation.

To enhance compliance with insider trading prevention policies, the Group uses information technology services that maintain an up-to-date list of persons who have access to insider (price-sensitive) information and regularly inform these persons about their duties and obligations under the Group's Policy on Preventing Insider Trading.

In addition to the above, all the Group's employees must adhere to specific information barriers to protect insider (price-sensitive) information. This includes:

- Prevent confidential information from being shared with individuals not authorized to know such information.
- Restricting access to potentially material non-public information to those persons who do not necessarily need to see it to perform their work duties.
- Addressing actual or potential conflicts of interest related to business activities.

Failure to comply with this policy may lead to sanctions imposed by the Group, including dismissal for cause, whether or not the failure to abide by this policy results in an actual violation of the law.

Customer experience

The Group's priority is to ensure a transparent and convenient customer journey. Customer satisfaction and operational excellence are essential for Eleving Group to meet its customers' needs. Eleving Group has developed a customer service division, delivering highly efficient customer support in local languages across all markets. Eleving Group continuously works to improve customer satisfaction by creating personal contact with its customers through telephone calls, e-mails, and chats, among others, to discuss product options, address customers' questions, inform customers of their payment due dates and encourage them to pay on time, discuss late payment arrangements, and help customers with their applications. In addition, the Group carefully monitors specific customer service quality ratios, such as call waiting times and abandoned calls. Customer service quality is one of the reasons why customers return to Eleving Group for more services. In Latvia, this was also reflected externally, as during 2024 the Consumer Rights Protection Centre has not received any consumer applications related to financial services concerning the Company.

Debt collection

Eleving Group has established an efficient, effective, and responsible debt collection process in each country it operates. To ensure consistent quality of debt collection operations across the Group, Eleving Group has developed group-wide debt collection service standards that include (i) debt collection principles, (ii) best practices and requirements for the Debt Collection Departments, and (iii) internal procedures for each country to ensure practical knowledge sharing and continuous improvement of operations.

Eleving Group's debt collection team in each country utilizes debt collection measures that comply with local regulations. If the local regulations set standards lower than in other countries where the Group operates, Eleving Group applies the higher standard. Group ensures compliance with applicable debt collection standards and regulations through a multi-layered monitoring system, which includes internal compliance audits, employee training and guidelines, a whistle-blower mechanism, feedback channels, and risk assessments with reporting.

Eleving Group's strategy is focused on maximizing dialogue with customers. Before the loan becomes overdue, the Group has an automated reminder process that ensures that the client is aware of the upcoming payment and payment details.

On the first day when the payment is overdue, it enters the early debt collection process, where Eleving Group launches its automated reminder system (auto-calls, texts, e-mails) informing the customer about the overdue amount, further actions if the payment will not be made, and the Group's contacts to discuss further scenarios. Eleving Group constantly monitors the effectiveness of its automated system. In addition, the Group involves its in-house debt collection officers who call all debtors according to a predetermined schedule (as early as Day 1 in some countries) to recover the payable amount, identify the reason for the delay, and, if necessary, offer restructuring possibilities where possible and economically viable. Before pursuing further debt collection activities, Eleving Group first aims to agree with a customer to find a solution for loan repayment. If an agreement is not reached within 30 days, the case moves to the next debt collection stage.

When Eleving Group ascertains that a customer can repay their loan, it offers various scenarios and a tailored repayment schedule. If the customer is unable to continue fulfilling their contractual obligations, a quick and efficient repossession of the collateral and subsequent sale of it is pursued, maintaining complete transparency with the customer about the process. In the case of unsecured loans, legal collection or debt sale is initiated.

Eleving Group largely handles all debt collection and car repossession activities in-house. The Group has gained substantial expertise in debt collection strategies over the years. In certain countries, Eleving Group outsources parts of the debt collection activities to test and compare the efficiency of internal versus external debt collection.

Eleving Group does not employ controversial debt collection practices, such as using a continuous payment authority or siphoning money from customers' bank accounts. Such methods are controversial and will or may become illegal in certain jurisdictions. Due to this fact, and from the customer relations and loyalty perspective, Eleving Group firmly believes that its business model is more sustainable, organic, and transparent.

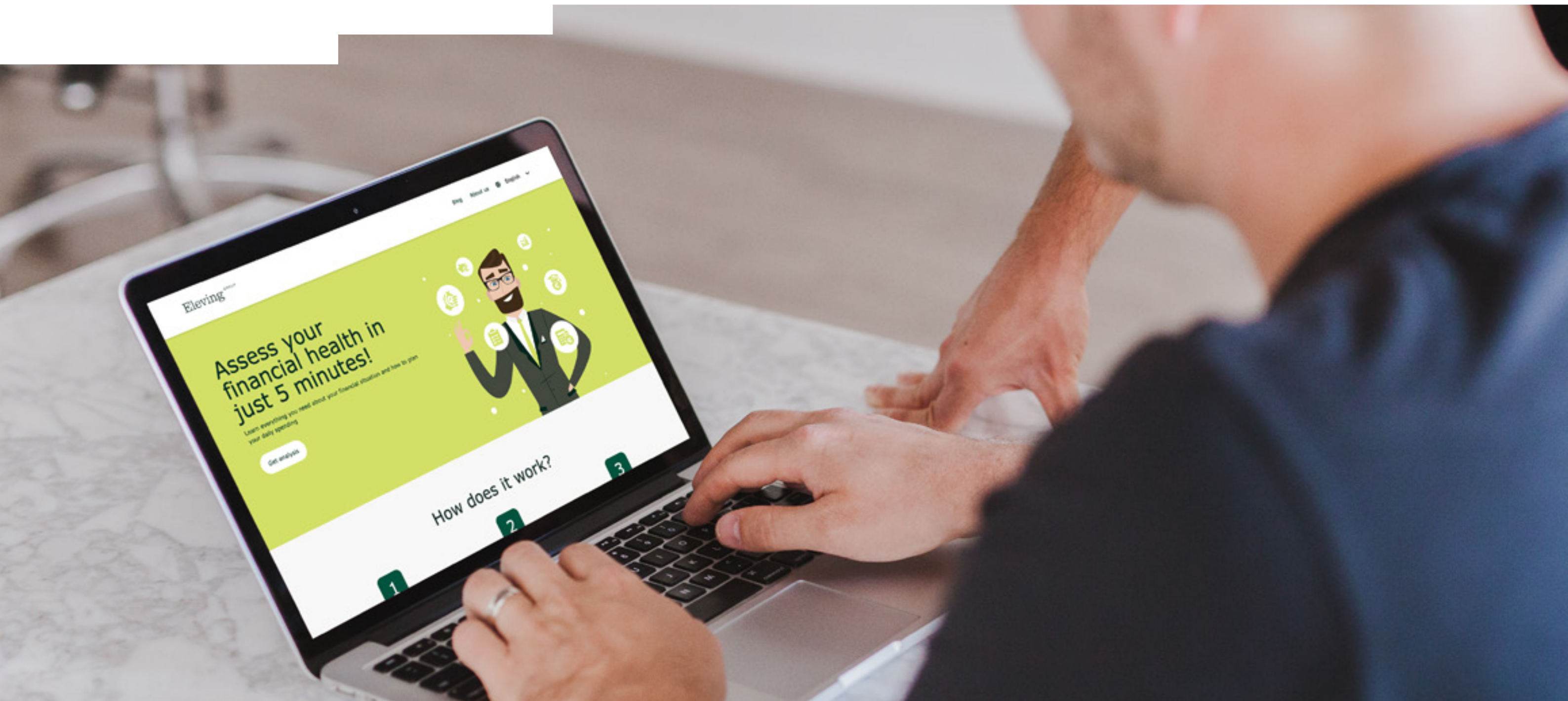
Debt collection is improved through regular benchmarking, experience sharing, and targeted projects supervised by the Group's operations team to develop best practices across the Group.

Increasing financial literacy

Eleving Group is committed to fostering financial literacy and supports various social initiatives that help local communities, as part of its broader goal to build a prosperous and sustainable society. In addition to complying with all applicable local regulations, the Company implements group-wide practices that strengthen customer protection and support informed financial decision-making. In 2022, Eleving Group launched www.smart.eleving.com, a financial literacy platform designed to enable customers to evaluate their current financial commitments, assess the affordability of potential new obligations within their existing budgets, and access practical guidance on budgeting, debt management, saving, and overall financial well-being.

As of 31 December 2024, the platform is available in Latvia, Lithuania, Estonia, Romania, Moldova, Georgia, Armenia, Albania, Kenya, and Uganda. Over 35,000 unique consumers have taken the self-assessment in 2024, with the vast majority from Tanzania, Latvia, and North Macedonia. Since its launch, the platform has seen steady growth in engagement, reaching over 80,000 users by the end of 2024. In 2025, the platform will be further localized for users in Uzbekistan, Botswana, Namibia, Zambia, and Lesotho, supporting the Group's ambitious target to educate and positively impact at least 500,000 individuals across all its markets by the end of the 2025.

In addition to providing an online financial literacy platform, Eleving Group is committed to promoting financial education more broadly and supports social initiatives that benefit local communities. These efforts align with the broader objective of fostering a more prosperous and sustainable society. In 2024, Mogo Kenya delivered informative sessions to vulnerable community groups supported by the Kenyan non-profit organization Usikimye. These sessions provided practical financial education, offering participants the knowledge and tools needed work toward long-term financial independence. The focus was on building financial resilience, understanding savings and credit, and exploring income-generating opportunities within the mobility sector - empowering community members to pursue economic stability with confidence. These efforts highlight the critical role of community support and financial literacy in fostering long-term self-reliance and inclusive economic growth.



Sustained accelerated growth backed by successful IPO

Operational and Strategic Highlights

Profitability

- Eleving Group finished 2024 with the historically strongest financial performance, recording revenues of EUR 216.6 mln, up by nearly 15%, compared to the 2023 results.
- The Group maintained a diversified business operations portfolio, generating a well-balanced revenue stream from all core business lines:
  - Flexible and subscription-based products contributed EUR 48.0 mln to the revenues.
  - Traditional vehicle financing contributed EUR 73.1 mln to the revenues.
  - Consumer lending products contributed EUR 95.5 mln to the revenues.
- The Group's adjusted EBITDA hit a twelve-month record high, totaling EUR 89.8 mln, a noteworthy increase of over 16% compared to the corresponding reporting period a year ago.
- The net portfolio over 2024 increased by EUR 50.9 mln and reached EUR 371.2 mln at the end of Q4 2024, a rise by an impressive 16% compared to the corresponding reporting period a year ago.
- The net profit before FX and discontinued operations landed at EUR 32.5 mln by the end of 2024, a notable increase of nearly 15% compared to the corresponding reporting period a year ago.
- Total net profit reached EUR 29.6 mln, a substantial increase of almost 21% compared to the corresponding reporting period a year ago. Adjusted for one-off Romanian VAT liability for prior years, total net profit stands at EUR 32.2 mln, reflecting more than 31% growth year-over-year.

Growth

- Loan issuance volumes increased to EUR 368.6 mln, an improvement of 26.8%, compared to the corresponding reporting period a year ago (12M 2023: EUR 290.6 mln). The main drivers have been the continuous increase in organic demand for our products, successful loan product offering strategy modifications in certain countries, and further expansion of sales channels, with an increased focus on digitalization and scalability.
- Loan portfolio reached a new record high of EUR 371.2 mln, marking a cumulative growth rate of 25% over the last 8 years. The most significant portfolio growth occurred in Q4, with an increase of EUR 25.0 mln. Growth was primarily driven by Romania, Uganda, Albania, and the acquired Sub-Saharan markets.
  - The vehicle finance business line sustained upward momentum as loan applications over the year leaped by 80.9% compared to the 2023 figures. Significant customer activity was generated by East Africa's motorcycle and the Romanian, Latvian, and Uzbek car financing segments.
  - The Group's consumer finance business line reached a new milestone of EUR 56.4 mln worth of loans issued in Q4 2024. Loans issued in EUR terms grew by 43.7% in 2024 compared to the previous year. The main growth drivers were Albania, Namibia, and Zambia.
- During Q4 2024, Lesotho implemented a business activation strategy, including updated product pricing. These changes led to significant issuance growth beginning in December.

Operational Milestones

- Eleving Group has finished the first stage of its digitalization journey. Our new generation 2.0 digital solution (customer self-service platform) has been implemented in all established European vehicle finance markets, finishing with year-end implementations in Latvia and the Caucasus. Piloted with Romania at the start of the year, the self-service portal has been continually updated, now offering a broad range of services. Key benefits:
  - New records for repeated sales and new loan issuance growth.
  - A double increase in subscription payment usage.
  - Improved collections, customer reach rates, and operational efficiency.
- Eleving Group continues to invest in improving its underwriting and customer risk evaluation processes. Portfolio quality improvements on a year-on-year basis are evidenced by a significant reduction of NPL rates in 2024—from 7.5% to 6.1% for vehicle finance and from 4.5% to 4.3% for the consumer finance business segment.
- Eleving Group is driving further green mobility in Africa, with our East African motorcycle business firmly establishing itself as the frontrunner in the e-motorcycle financing segment. This year, we financed over 2,000 e-motorcycles, and our customers commuted around 20 mln kilometers on pure electricity, with an estimated 1,000 metric tonnes of CO_2 saved during this year alone.
- Eleving Group, in collaboration with Ibis Consulting ESG advisors and Verdant Capital, a specialist investment bank, is deploying an Environmental Social Management System across its vast branch network in Kenya. This initiative will include scaling up the waste management program, starting from Nairobi headquarters to Kenyan branches.

Sustained accelerated growth backed by successful IPO

Financial Highlights and Progress

- Consistent and healthy profitability as evidenced by the strongest-ever yearly financial performance:
  - Adjusted EBITDA of EUR 89.8 mln (12M 2023: EUR 77.5 mln).
  - The net profit before FX and discontinued operations of EUR 32.5 mln (12M 2023: EUR 28.3 mln).
  - Total net profit of EUR 29.6 mln (12M 2023: EUR 24.5 mln). Adjusted for the Romanian VAT liability, total net profit reached EUR 32.2 mln.
  - Total net loan and pre-owned vehicle rent portfolio of EUR 371.2 mln (31 December 2023: EUR 320.3 mln).
  - 2024 ended with an improved financial position, supported by the capitalization ratio of 29.3% (31 December 2023: 26.1%), ICR ratio of 2.4 (31 December 2023: 2.3), and net leverage of 3.3 (31 December 2023: 3.7), providing sufficient headroom for Eurobond covenants.
- During Q4 2024, Eleving Group accomplished the largest initial public offering (IPO) in Nasdaq Riga's history. Immediate short-term use of the proceeds was allocated to redeeming Eleving Group's subordinated bonds and selectively repaying higher-cost Mintos outstanding loans. The remaining IPO proceeds were allocated for organic growth, new product rollout, and new market launches. The medium-term target remains to double the business and maintain a consistent 50% annual dividend rate.
- 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:
  - Investments raised through the Kenyan local notes program increased by around 30%, from EUR 20.5 mln to EUR 26.7 mln during Q4 2024. Most of this funding is secured in the local currency.
  - Throughout Q4 2024, the Group raised EUR 2.0 mln in Botswana at favorable rates through the local notes program. The outstanding total investment amount is around EUR 8.1 mln. All of this funding is secured in the local currency.
  - The Group continues using the Mintos platform, a marketplace for loans. The weighted average annual funding cost for Mintos was 10.1% over Q4 2024, in line with the marketplace's year-end seasonality trends. It represented a considerable improvement, compared to the end of 2023 11.0% weighted average annual funding cost. At the end of Q4 2024, Eleving Group had outstanding loans of EUR 60.5 mln on Mintos (compared to EUR 63.9 mln as of 31 December 2024), a reduction of EUR 3.4 mln.
- During Q4 2024, due to IPO equity raise proceeds and continuous profitability, the Group increased its equity to EUR 108.2 mln (EUR 87.9 mln as of 30 September 2024), further enhancing its capital base for future growth.
- On 16 December 2024, the Romanian Tax Authority concluded a tax audit of Eleving Group's Romania operations. Based on the audit's findings, an additional VAT liability of EUR 3.0 million (with an impact on the net profit of EUR 2.6 mln) was determined for the years 2017-2022. The related penalties and late payment interest under Romanian tax amnesty rules have been waived. The Group strongly disagrees with the tax audit assessment and has submitted a formal contestation to the Romanian tax authorities.

Business outlook (2025)

Accelerating growth through market expansion and product innovation

Products and markets

Eleving VEHICLE EUROPE

Maintain existing market positions, with a **focus on growing portfolio across all markets**.

Roll out consumer loan products, primarily focusing on customer retention and upselling.

Launch a new market.

Eleving VEHICLE AFRICA & ASIA

Maintain existing market positions, with a **focus on car and motorcycle financing products**.

Further **scale up electric motorcycle** financing products.

Launch a **new financing product** across existing Sub-Saharan markets.

Launch a new market.

Eleving CONSUMER FINANCE

Promote **higher-ticket, lower-APR products** while preserving continued organic growth in European markets.

Launch **new financing products** to meet a wider range of customer demands **in African markets**.

Continue **significant portfolio scaling in African markets**.

Capital management

Continue to be **active in debt capital markets by raising additional financing** to support business growth in 2025 and beyond.

Proactively **address the Eurobonds maturing in 2026** by having a concrete refinancing plan in place.

Further **improve the company's credit profile** and place additional emphasis on aspects necessary for **credit rating improvement**.

Further **diversify funding sources** with a focus on increasing local financing in local markets, with the highest priority **the Africa region and the Caucasus**.

Maintain a **50% dividend payout ratio**, with semi-annual payments.

Maintain the **capitalization ratio** at a sufficient level of **25-30%**.

Governance and sustainability

Development of the **ESG strategy for 2026-2031**.

Achieve **carbon neutrality for HQ operations** and implement carbon compensation exercises at the Group level.

Implement a carbon emission monitoring system aligned with ESRS standards.

Further **enhance internal audit procedures** and risk oversight.

General information

Information related to the previous reporting period is available on Eleving Group website under the Sustainability section.

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