



Mogo LLC

Unaudited interim financial statements

prepared in accordance with IFRS, as adopted by
the EU (Regulation (EC) No 1606/2002) and IAS34

for the period ended 30 September 2023

Mogo LLC

Interim report for the period ended 30 September 2023

Unified registration number:

404468688

Interim Financial Statements

Statement of Profit and Loss and Other Comprehensive Income

Continuing operations	Notes	01.01.2023. - 30.09.2023. GEL	01.01.2022. - 30.09.2022. GEL
Interest revenue	3	14 613 681	15 415 406
Interest expense	4	(292 894)	(1 284 502)
Net interest income		14 320 787	14 130 904
Fee and commission income related to finance lease activities	5	3 229 854	3 406 840
Impairment expense	6	(3 885 825)	(3 313 435)
Net gain/(loss) from de-recognition of financial assets measured at amortized cost	7	206 090	(2 459)
Expenses related to peer-to-peer platform services	8	(45 880)	(144 728)
Selling expense	9	(387 511)	(250 378)
Administrative expense	10	(3 743 575)	(3 745 830)
Other operating income	11	761 781	581 772
Other operating expense	12	(3 129 167)	(4 099 052)
Net foreign exchange result	13	114 148	3 787 898
Profit before tax		7 440 702	10 351 532
Corporate income tax	14	(80 876)	(2 015)
Profit from continuing operations		7 359 826	10 349 517

Statement of Financial Position

ASSETS

NON-CURRENT ASSETS	Notes	30.09.2023, GEL	31.12.2022, GEL
Intangible assets			
Goodwill		-	-
Internally generated intangible assets		-	-
Other intangible assets		-	-
Total intangible assets	15	-	-
Tangible assets			
Right-of-use assets		942 381	1 209 966
Property, plant and equipment		33 598	38 221
Total tangible assets	16	975 979	1 248 187
Non-current financial assets			
Finance lease receivables	17	20 647 898	18 082 290
Loans and advances to customers	18	10 432 933	10 151 550
Equity-accounted investees		439 217	-
Total non-current financial assets		31 520 048	28 233 840
TOTAL NON-CURRENT ASSETS		32 496 027	29 482 027
CURRENT ASSETS			
Receivables and other current assets			
Finance lease receivables	17	8 074 323	10 612 716
Loans and advances to customers	18	8 204 878	7 790 349
Prepaid expense		29 795	33 578
Trade receivables		923 004	842 608
Other receivables	19	3 997 868	4 158 207
Cash and cash equivalents	20	5 853 195	2 359 556
Total receivables and other current assets		27 083 064	25 797 014
Assets held for sale	21	681 346	-
Total assets held for sale		681 346	-
TOTAL CURRENT ASSETS		27 764 410	25 797 014
TOTAL ASSETS		60 260 436	55 279 041

Statement of Financial Position

EQUITY AND LIABILITIES

EQUITY	Notes	30.09.2023. GEL	31.12.2022. GEL
Share capital		200 000	200 000
Retained earnings/(losses) brought forward		54 449 684	47 089 858
for the period		7 359 826	12 330 741
TOTAL EQUITY		54 649 684	47 289 858
LIABILITIES			
Non-current liabilities			
Borrowings	22	2 322 331	3 569 537
Total non-current liabilities		2 322 331	3 569 537
Current liabilities			
Borrowings		1 668 463	2 903 175
Prepayments and other payments received from customers	22	117 800	111 287
Trade payable		173 194	153 287
Payables to related parties		-	1 781
Taxes payable		111 543	98 737
Other liabilities		264 452	160 724
Accrued liabilities		952 969	990 655
Total current liabilities		3 288 421	4 419 646
TOTAL LIABILITIES		5 610 752	7 989 183
TOTAL EQUITY AND LIABILITIES		60 260 436	55 279 041

Mogo LLC

Interim report for the period ended 30 September 2023

Unified registration number:

404468688

Consolidated Statement of Changes in Equity

	Share capital GEL	Foreign currency translation reserve GEL	Retained earnings/ (Accumulated loss) GEL	Reserve GEL	Total equity attributable to Equity holders of the Parent Company GEL	Non controlling interest GEL	Total GEL
Balance at 01.01.2022.	200 000	-	47 089 858	-	47 289 858	-	47 289 858
Profit for the period	-	-	10 349 517	-	10 349 517	-	10 349 517
Balance at 30.09.2022.	200 000	-	57 439 375	-	57 639 375	-	57 639 375
Balance at 01.01.2023.	200 000	-	47 089 858	-	47 289 858	-	47 289 858
Profit for the reporting year	-	-	7 359 826	-	7 359 826	-	7 359 826
Balance at 30.09.2023.	200 000	-	54 449 684	-	54 649 684	-	54 649 684

Statement of Cash Flows

Cash flows to/from operating activities	01.01.2023. - 30.09.2023. GEL	01.01.2022. - 30.09.2022. GEL
Profit before tax	7 440 702	10 351 531
Adjustments for:		
Amortization and depreciation	552 403	618 803
Interest expense	530 213	1 108 757
Interest income	(14 613 681)	(15 415 406)
Loss on disposal of property, plant and equipment	23 403	(7 003)
Impairment expense	3 679 735	3 315 894
Loss from fluctuations of currency exchange rates	(114 148)	(3 787 898)
Operating profit before working capital changes	(2 501 373)	(3 815 322)
Increase in finance lease receivables, loans and advances to customers and other current assets	(5 426 778)	174 718
Increase in accrued liabilities	(51 191)	(532 140)
Increase/(decrease) in trade payable, taxes payable and other liabilities	256 949	3 628 105
Cash generated to/from operations	(7 722 393)	(544 639)
Interest received	14 613 681	15 415 406
Interest paid	(523 509)	(1 135 463)
Corporate income tax paid	(81 921)	(3 746)
Net cash flows to/from operating activities	6 285 858	13 731 558
Cash flows to/from investing activities		
Purchase of property, plant and equipment and intangible assets	(303 596)	(392 387)
Purchase of rental fleet	-	-
Net cash flows to/from investing activities	(303 596)	(392 387)
Cash flows to/from financing activities		
Proceeds from borrowings	11 865 293	20 237 489
Repayments for borrowings	(14 336 111)	(30 932 643)
Payments made for loan acquisition costs	(17 805)	(3 904)
Net cash flows to/from financing activities	(2 488 623)	(10 699 058)
Effect of exchange rates on cash and cash equivalents		
Change in cash	3 493 639	2 640 113
Cash at the beginning of the year	2 359 556	1 815 364
Cash at the end of the year	5 853 195	4 455 477

Notes to the Financial Statements

1. Corporate information

Mogo LLC (hereinafter "the Company") is a Georgian limited liability company as defined in the Law on Entrepreneurs of Georgia and was incorporated on 14 March 2014. The Company's identification number is 404468688.

2. Summary of significant accounting policies

Basis of preparation

The interim 9 months report of the Company is, to the best of the Directors' knowledge, prepared in accordance with the applicable set of accounting standards and gives a true and fair view of the assets, liabilities, financial position and profit or loss of the Company.

These interim financial statements for the period ended 30 September 2023 are prepared in accordance with IFRS, as adopted by EU (Regulation (EC) No 1606/2002) and IAS34.

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

The Company 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 Company's results and financial situation due to their materiality. Future events 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 financial statements are prepared on a historical cost basis as modified by the recognition of financial instruments measured at fair value, except for inventory which is accounted in net realizable value and contingent consideration that has been measured at fair value.

Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated.

The Company's presentation currency is GELo (GEL). The financial statements cover the period from 1 January 2023 till 30 September 2023. Accounting policies and methods are consistent with those applied in the previous years.

3. Interest revenue

	01.01.2023. - 30.09.2023. GEL	01.01.2022. - 30.09.2022. GEL
Interest income from finance lease receivables	14 044 979	14 851 586
Interest income from loans and advances to customers	379 131	437 894
Other interest income	189 571	125 926
TOTAL:	14 613 681	15 415 406

4. Interest expense

	01.01.2023. - 30.09.2023. GEL	01.01.2022. - 30.09.2022. GEL
Interest expenses for loans from P2P platform investors	237 222	998 802
Interest expenses for bank liabilities and related parties	-	207 671
Interest expenses for lease liabilities	55 672	78 029
TOTAL:	292 894	1 284 502

5. Fee and commission income related to finance lease activities

	01.01.2023. - 30.09.2023. GEL	01.01.2022. - 30.09.2022. GEL
Revenue from contracts with customers recognized point in time:		
Income from penalties received	2 092 230	2 434 264
Income from commissions	171 813	252 975
TOTAL:	2 264 043	2 687 239

	01.01.2023. - 30.09.2023. GEL	01.01.2022. - 30.09.2022. GEL
Revenue from contracts with customers recognized point in time where the Group acted as an agent:		
Gross income from debt collection activities	1 226 713	1 081 955
Gross expenses from debt collection activities	(260 902)	(362 354)
TOTAL:	965 811	719 601
Total fees and commissions income:	3 229 854	3 406 840

6. Impairment expense

	01.01.2023. - 30.09.2023. GEL	01.01.2022. - 30.09.2022. GEL
Change in impairment	3 885 825	3 313 435
TOTAL:	3 885 825	3 313 435

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

	01.01.2023. - 30.09.2023. GEL	01.01.2022. - 30.09.2022. GEL
Financial lease		
Income arising from cession of financial lease receivables to non related parties	124 571	(2 459)
TOTAL:	124 571	(2 459)
Loans and advances to customers		
Income arising from cession of loans and advances to customers receivables to non related parties	81 519	-
TOTAL:	81 519	-

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

	01.01.2023. - 30.09.2023. GEL	01.01.2022. - 30.09.2022. GEL
Service fee for using P2P platform	45 880	144 728
TOTAL:	45 880	144 728

9. Selling expense

	01.01.2023. - 30.09.2023. GEL	01.01.2022. - 30.09.2022. GEL
Online marketing expenses	132 896	90 015
TV advertising	3 540	-
Radio advertising	40 434	22 629
Other marketing expenses	209 079	132 698
Total marketing expenses	385 949	245 342
Other selling expenses	1 562	5 036
TOTAL:	387 511	250 378

10. Administrative expense		01.01.2023. - 30.09.2023.	01.01.2022. - 30.09.2022.
		GEL	GEL
Employees' salaries		2 289 150	2 270 945
Amortization and depreciation		552 403	618 802
Office and branches' maintenance expenses		260 852	249 883
Professional services		159 005	123 818
IT services		131 233	114 514
Communication expenses		72 539	71 222
Credit database expenses		71 518	73 707
Other personnel expenses		60 211	30 584
Bank commissions		29 541	32 817
Transportation expenses		17 462	18 925
Low value equipment expenses		12 009	7 716
Business trip expenses		11 748	8 039
Employee recruitment expenses		2 140	1 325
Insurance expenses		206	-
Other administration expenses		73 558	123 533
TOTAL:		3 743 575	3 745 830

11. Other operating income		01.01.2023. - 30.09.2023.	01.01.2022. - 30.09.2022.
		GEL	GEL
Other operating income		761 781	581 772
TOTAL:		761 781	581 772

12. Other operating expense		01.01.2023. - 30.09.2023.	01.01.2022. - 30.09.2022.
		GEL	GEL
Management services		1 620 991	2 192 239
Non-deductible VAT from management services		311 658	422 822
Provision expenses for possible withholding tax liabilities		12 540	454 053
Other operating expenses		1 183 978	1 029 938
TOTAL:		3 129 167	4 099 052

13. Net foreign exchange result		01.01.2023. - 30.09.2023.	01.01.2022. - 30.09.2022.
		GEL	GEL
Currency exchange gain		(144 946)	(3 908 796)
Currency exchange loss		30 798	120 898
TOTAL:		(114 148)	(3 787 898)

14. Corporate income tax		01.01.2023. - 30.09.2023.	01.01.2022. - 30.09.2022.
		GEL	GEL
Current corporate income tax charge for the reporting year		80 876	2 015
Corporate income tax charged to the income statement:		80 876	2 015

15. Intangible assets		Internally generated intangible assets	Other intangible assets	TOTAL
Cost		48 762	32 245	81 007
Accumulated amortization		(48 762)	(32 176)	(80 938)
As at 1 January 2022		-	69	69
2022				
Additions		-	-	-
Disposals (cost)		-	-	-
Amortization charge		-	(69)	(69)
Disposals (amortization)		-	-	-
Cost		48 762	32 245	81 007
Accumulated amortization		(48 762)	(32 245)	(81 007)
As at 31 December 2022		-	-	-
Cost		48 762	32 245	81 007
Accumulated amortization		(48 762)	(32 245)	(81 007)
As at 1 January 2023		-	-	-
9 months 2023				
Additions		-	-	-
Disposals (cost)		-	-	-
Amortization charge		-	-	-
Disposals (amortization)		-	-	-
Cost		48 762	32 245	81 007
Accumulated amortization		(48 762)	(32 245)	(81 007)
As at 30 September 2023		-	-	-

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

	Right-of-use premises	Right-of-use motor vehicles	Total Right-of-use assets	Rental fleet	Other property, plant and equipment	TOTAL
Cost	1 924 061	-	1 924 061	-	1 143 118	3 067 179
Accumulated depreciation	(335 058)	-	(335 058)	-	(1 058 869)	(1 393 927)
As at 1 January 2022	1 589 004	-	1 589 004	-	84 249	1 673 253
2022						
Additions	390 110	-	390 110	-	8 379	398 489
Disposals (cost)	(157 619)	-	(157 619)	-	(9 619)	(167 238)
Depreciation charge	760 533	-	760 533	-	53 926	814 460
Disposals (depreciation)	(149 005)	-	(149 005)	-	(9 138)	(158 143)
Impairment	-	-	-	-	-	-
Cost	2 156 552	-	2 156 552	-	1 141 878	3 298 431
Accumulated depreciation	(946 586)	-	(946 586)	-	(1 037 657)	(2 050 243)
As at 31 December 2022	1 209 966	-	1 209 966	-	38 221	1 248 188
Cost	2 156 552	-	2 156 552	-	1 085 619	3 242 172
Accumulated depreciation	(946 586)	-	(946 586)	-	(1 047 398)	(1 993 984)
As at 1 January 2023	1 209 966	-	1 209 966	-	38 221	1 248 188
9 months 2023						
Additions	289 608	-	289 608	-	13 988	303 596
Disposals (cost)	(651 547)	-	(651 547)	-	(4 345)	(655 892)
Depreciation charge	(533 795)	-	(533 795)	-	(18 607)	(552 402)
Disposals (depreciation)	628 149	-	628 149	-	4 340	632 489
Impairment	-	-	-	-	-	-
Cost	1 794 613	-	1 794 613	-	1 095 263	2 889 877
Accumulated depreciation	(852 232)	-	(852 232)	-	(1 061 665)	(1 913 897)
As at 30 September 2023	942 381	-	942 381	-	33 598	975 979

17. Finance Lease Receivables

	Non-Current 30.09.2023. GEL	Current 30.09.2023. GEL	Non-Current 31.12.2022. GEL	Current 31.12.2022. GEL
Finance lease receivables, net				
Finance lease receivables	21 695 686	11 217 045	20 258 528	12 777 601
Accrued interest and handling fee	-	643 619	-	598 264
Fees paid and received upon lease disbursement	(277 732)	(143 592)	(280 981)	(177 222)
Impairment allowance	(770 056)	(3 642 749)	(1 895 257)	(2 585 927)
	20 647 898	8 074 323	18 082 290	10 612 716

18. Loans and advances to customers

	Non-Current 30.09.2023. GEL	Current 30.09.2023. GEL	Non-Current 31.12.2022. GEL	Current 31.12.2022. GEL
Loans and advances to customers, net				
Loans and advances to customers	10 775 284	10 044 454	11 309 499	9 244 307
Accrued interest	-	521 727	-	561 405
Fees paid and received upon loan disbursement	48 848	45 534	20 294	16 588
Impairment allowance	(391 199)	(2 406 837)	(1 178 243)	(2 031 951)
	10 432 933	8 204 878	10 151 550	7 790 349

19. Other receivables

	30.09.2023. GEL	31.12.2022. GEL
Property tax	825 917	989 388
CIT paid in advance	2 954 249	2 953 204
Receivables for payments received from customers through online payment systems	194 423	179 023
Other debtors	23 279	1 880
TOTAL:	3 997 868	4 158 207

All receivables are expected to be paid within the following year.

20. Cash and cash equivalents

	30.09.2023. GEL	31.12.2022. GEL
Cash at bank	5 853 195	2 359 556
TOTAL:	5 853 195	2 359 556

The Company has not created an ECL allowances 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 (2022: GEL 0).

21. Assets held for sale

	30.09.2023. GEL	31.12.2022. GEL
Other non-current assets held for sale		
Repossessed collateral	681 346	-
	681 346	-

Repossessed collaterals are vehicles taken over by the Company in case of default by the Company's clients on the related lease agreements. After the default of the client, the Company has the right to repossess the vehicle and sell it to third party. The Company does not have the right to repossess, sell or pledge the vehicle in the absence of default by Company's clients. The Company usually sells the repossessed vehicles within 90 days after repossession.

22. Borrowings

Non-current

Other borrowings	Interest rate per annum (%)	Maturity	30.09.2023. GEL	31.12.2022. GEL
Lease liabilities for rent of premises			511 464	706 211
Financing received from P2P investors	4.5-6.5%		1 810 867	2 863 326
TOTAL:			2 322 331	3 569 537
TOTAL NON CURRENT BORROWINGS:			2 322 331	3 569 537

Current

Other borrowings	Interest rate per annum (%)		30.09.2023. GEL	31.12.2022. GEL
Financing received from P2P investors	4.5-6.5%		1 279 918	2 460 263
Lease liabilities for rent of premises			379 359	422 447
Accrued interest for financing received from P2P investors			9 186	20 465
TOTAL:			1 668 463	2 903 175

23. Related party disclosures

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

Related party	Shareholder controlled companies GEL	Other related parties GEL
Management services received from related parties	(1 932 648)	

The income and expense items with related parties for 2022 were as follows:

Related party	Shareholder controlled companies GEL	Other related parties GEL
Interest expenses	(200 869)	-
Management services received from related parties	(3 468 395)	-

The receivables and liabilities with related parties as at 30.09.2023. and 31.12.2022. were as follows:

	30.09.2023. GEL	31.12.2022. GEL
Amounts owed to related parties		
Payables to related parties	-	1 781

Movement in amounts owed to related parties	Amounts owed to related parties
Amounts owed to related parties as of 01 January 2022	5 225 814
Loans received in period	174 488
Loans repaid/settled in period	(5 342 888)
Interest calculated in period	200 869
Interest repaid/settled in period	(258 283)
Management services received in period	3 232 514
Management services paid in period	(3 230 733)
Amounts owed to related parties as of 31 December 2022	1 781
Amounts owed to related parties as of 01 January 2023	1 781
Management services received in period	1 776 475
Management services paid in period	(1 778 256)
Amounts owed to related parties as of 30 September 2023	0

24. Events after balance sheet date

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