



PART OF ELEIVING GROUP

Limited liability company Mogo LT

Unified registration number 302943102

Annual report

for the year ended
31 December 2024

Including financial statements

Separate financial statements prepared in
accordance with international financial reporting
standards as adopted by the EU

Together with independent auditor's report

Vilnius, 2025

TABLE OF CONTENTS

General Information	3
Management Report	4
Independent Auditor's Report	7
Financial Statements	
Statement of Comprehensive Income	9
Statement of Financial Position	10
Statement of Changes in Equity	12
Statement of Cash Flows	13
Notes to the Financial Statements	14

General Information

Name of the Company	mogo LT
Legal status of the Company	LLC
Unified registration number, place and date of registration	Lithuania, Vilnius, 31/12/2012
Registered office	Laisvės av. 10A, Vilnius, Lithuania
Major shareholders	Since 05.08.2024: AS Elevation Stella, company reg. No. 40103964830 (100%) Skanstes str. 52, Riga, LV-1013, Latvia
Financial year	01.01.2024 - 31.12.2024
Previous financial year	01.01.2023 - 31.12.2023
Auditors	UAB „ROSK Consulting“, Audit Company Certificate No. 001514 Laisvės av. 10A Vilnius, Lietuva Romanas Skrebnevskis, Licence number 000471

Management report

20 June 2025

General information

The private limited liability company "mogo LT" (hereinafter referred to as the "Company") was registered on 31 December 2012 in accordance with the procedure laid down by the Republic of Lithuania Law on Companies, legal entity registration number 302943102. The data about the Company is collected and stored in the Register of Legal Entities. The Company's registered office is located at the address Laisvės av. 10A, Vilnius, Republic of Lithuania.

Vision, purpose and values

Vision

Those who need to use a vehicle - can start using it quickly and easily without having to feel alone in this process.

Purpose

Our purpose – offer an opportunity for everyone to be able to use a vehicle.

Values

- We are the leaders of our segment and an example to our competitors - we strive to always maintain so.
- We know that if we will be persistent – we will definitely find the best solutions.
- We believe not only in our success, but in our clients success as well. We want to add to their success and we know that we can achieve this.

Management of the Company

Chief Executive Officer of the Company - Greta Montvilienė. Main employer - UAB "mogo LT". Other companies in which managerial positions are currently held:

Legal entity name and registration no.	Registered office (address) of the company	Position held
Renti UAB, 305653232	Laisvės av. 10A, Vilnius	Director
Primero Finance UAB, 305600347	Laisvės av. 10A, Vilnius	Director

UAB "Mogo LT" (hereinafter – the Company) is a Financial lease and Lease-back solutions company providing fast and convenient services to consumers and legal entities in Lithuania. Financial lease is a service where the customer wants to buy a vehicle and the Company finances this purchase. Vehicle lease-back is a service where the Company provides a loan to a customer against a vehicle that the customer owns. In both instances the vehicle is used as a collateral and hence these loans are secured. In addition, Company is providing Car loan, which is the consumer loan with the purpose to purchase the vehicle. The Company offers Financial lease, Lease-back and Car loan up to EUR 15 000 with contract maturity ranging up to seven years. Financing is offered at multiple branch offices as well as through a vast partners' network.

In 2024, the Company's fully paid up and formed authorized capital totaled to EUR 28 960 which consists of 1 000 shares. The par value of each share is EUR 28.96. All the shares are fully paid. Company does not hold any own shares as at 31 December 2024 and at 31 December 2023. Company did not sell or acquire its own shares in current financial year and previous financial year.

At the end of the accounting financial year, the Company's shareholder are:

Shareholder	Registration number	Number of shares held, units	Percentage of shareholding	Nominal value, EUR
AS Eleving Stella	40103964830	1 000	100,00%	28,96

90,44 % of the shares of AS Eleving Stella (40103964830) is held by AS Eleving Vehicle Finance (42103088260). 98,85 % of the shares of AS Eleving Vehicle Finance is held by Eleving group S.A. (B174.457). 37,31 % of the shares of Eleving group S.A. is held by SIA Alpes capital (52103097551) respectively, 100 per cent of the shares of SIA ALPPES Capital is held by Aigars Kesenfelds.

On 10 March 2021, the Company acquired 100% of all shares of the Company UAB "Renti", a private limited liability company incorporated and existing under the laws of the Republic of Lithuania, legal entity's code: 305653232, registered office address: Laisvės av. 10A, Vilnius, Lithuania.

As of 31 December 2024, the Company's subsidiaries were:

Subsidiaries	Registration number	Address	Shareholding %	Investment amount (acquisition cost), EUR	Profit (loss) of the reporting year, EUR	Equity, EUR
Renti UAB	305653232	Laisvės av. 10A, Vilnius	100%	2 900 000	26 111	3 279 801

By the end of 2024 the Company had 4 own branches in 4 cities in Lithuania covering most areas with the highest density and economic activity. The Company's services are also accessible at several of other places in regions (intermediaries and car dealers).

In addition to servicing clients at its own customer service centers the Company further works on expanding its network of car dealerships cooperation across the country.

As of 31 December 2024, the Company's branches were:

Branches	Address
Kauno automobilių turgus	Taikos pr. 141B, Kaunas
Gariūnų autoverslo centras	Gariūnų g. 49, Vilnius, 420 aikštelė
Šiauliai	Serbentų g. 220, Šiauliai
Klaipėda	Minijos g. 62, Klaipėda

A word from the Director

In 2024 the alternative non-bank financing market demonstrated steady growth, resulting in an increased demand of services, such as financial lease and car loan. In UAB "mogo LT" (hereinafter referred to as the "Company"), the following were visible as well: increase of consumer expectations and demand of used vehicles and financing products at the same time.

In response to the changes in the business needs, the Company kept making investments in digitalization and process standardization. The Company aims to be trusted even by more customers for lease or lease-back products and will focus on providing quality services and bringing new solutions to the market. It will do this with the help of qualified staff and trusted partners.

Financial performance

In 2024, the Company's customer portfolio was decreasing, as it diversifies its activities through subsidiary Renti, UAB. Although, part of very old portfolio was sold to 3rd parties in order to ensure portfolio quality and performance for upcoming years. In 2024 portfolio was EUR 6,62 million (in 2023 – EUR 10,24 million).

The deteriorating economic conditions had an impact on credit losses, which increased in 2024.

In 2024, the change in equity is due to the recognition of a current year result.

The Company's main goal remained to help individuals and small businesses to start using vehicles quickly and easily. Its services are favored by the customers and the market in general. The Company continued to invest resources in the development of information system solutions, development and calibration of clients' scoring and customer journey models. Company kept focus on efficiency of internal processes to optimize the costs.

The Company has a long-term credit facility from related parties for a total amount of EUR 21,10 million to support its business operations and further growth. The Company also was collaborating with Mintos peer-to-peer lending marketplace where investors can invest in Company's loans this way ensuring additional source of financing.

Economic environment

The labour market experienced a slight deterioration, though wage growth remained robust. Average gross wages increased at a double-digit rate, with public sector wages outpacing those in the private sector. Unemployment rates in Lithuania remain at somewhat elevated levels mainly due to the inclusion of Ukrainian refugees in official statistics, but employment rates are high for longer-term residents.

Despite challenges, overall employment levels remained relatively stable.

In Lithuania real wage growth has seen the restoration of individuals' purchasing power that was lost because of high energy and food inflation two-years ago.

Underlying price pressures are minimal, and price growth overall has normalised.

Lithuania's economy improved in 2024 due to recovering household consumption and exports. Public investments rose significantly, driven by increased allocations for defence and infrastructure, although private investments declined slightly.

Real estate price had growth in above 10 percent growth in Lithuania. The outlook for the real estate market is somewhat optimistic as interest rates decline and domestic demand returns.

Government is running budget deficit to support its economy, but debt to GDP ratios have increased little over recent years, as nominal GDP continues to increase, and public debt to GDP ratios remain low.

The outlook for the 2025 is optimistic, with modest growth expected.

Lithuania's industrial production rebounded in 2024 despite weak demand in major export markets, highlighting the sector's resilience and competitiveness.

Financial and ICT services exports also recorded strong growth, providing a key boost to the economy.

Environmental performance

In response to growing public concern about climate change and growing social inequalities has led the Company to develop a policy on the governance of Environmental, Social and Governance (ESG). It should help the Company to achieve its objectives of sustainability, social integrity and transparent governance.

Company updated ESG Strategic initiative milestones for 2025 and established internal carbon emission intensity reduction targets. In 2025 Company will continue to review such topics as: Climate change, Own workforce, and Business conduct amongst others and once approved, will develop internal controls and reporting.

We strengthened our understanding of climate risk and climate change by hosting training sessions across our home markets, including a dedicated session for our management members. These sessions foster a shared understanding of the complex and interconnected challenges posed by climate change, and helps equip decision makers with the knowledge to integrate sustainability into our business. By engaging leaders and teams, we aim to enhance our resilience to climate risks and align our actions with global sustainability goals, reinforcing our commitment to driving meaningful, long-term change.

Internal control system

The Company was continuously improving internal control systems seeking to minimize operational risks, improving reporting tools, adjusting procedures, developing tools to achieve higher automation level thus minimizing the possibility of human error.

Internal Control over Financial Reporting (ICFR) refers to the processes that the Company has implemented to ensure the accuracy and reliability of its financial statements. It involves controls that address the prevention or detection of errors and fraud related to financial reporting. These controls typically include policies, procedures and monitoring mechanisms to provide reasonable assurance regarding the preparation of reliable financial statements. ICFR is a well-established process designed to provide reasonable assurance regarding the reliability of financial reporting and reduce the risk for misstatements. ICFR is based on the framework established by EY Group.

Throughout the year the following steps are performed:

Perform risk assessment and scoping. To identify and understand which risks are relevant and material for the reporting process, financial results and balance sheets are analysed at EY Group unit levels. The outcome is used to determine which units, financial processes, business processes and IT systems are to be covered by the ICFR process in the coming year.

Identify risks and controls. Based on the outcome of the risk assessment and scoping, the EY Group decides on processes to be reviewed the coming year. Processes in scope are then reviewed with control owners, risks and controls are discussed.

Evaluate controls. The controls are evaluated on a regular basis throughout the year by the control owners through self-assessments. This way the Company's weaknesses can be identified, compensating controls can be implemented and improvements can be made. The evaluation describes material financial reporting risks and comments on material deviations compared with previous years.

Report. The result of the monitoring activities is analysed in order to assess the ICFR residual risk. Monitoring reports are submitted on a quarterly basis to the EY Group. The report contributes to transparency within the Company and enables prioritisation of improvement activities based on residual risk. Reporting is also done annually to the Audit.

Independent review. In addition to this process, Company performs independent review of controls covered by the ICFR framework and external audit as part of the financial audit of the EY Group.

Remuneration policy

Company kept commitment to the employees to ensure diversity (age, gender, ethnicity, language, education, ideas and perspectives), wellbeing (brand new office), clear and transparent communication, learning and development opportunities, etc., accompanied by the Employee benefit list, focused on keeping employees involved into company activities, ensuring work-life balance and both professional and personal growth.

The Company's remuneration consists of the following three elements:

- base salary (or hourly rate);
- variable remuneration, which may be allocated according to the following programmes:
 - o All Employee Programme –profit allocation programme for all employees of the Company;
 - o Individual programme, which is participated by a targeted KPI's.
- additional benefits.

Base salary (or hourly rate) – it is the base pay established in an employee's labour contract.

Company's All Employee Programme is a collective profit allocation programme meant for all employees, based on Company's performance in terms of financial targets (return on equity and total.

Variable remuneration – it is a variable portion of remuneration, which may be paid to employees as an extra amount, which depends on an individual employee's input to the performance.

Additional benefit – it includes additional health insurance, pension saving contribution, additional annual vacation, additional paid vacation and other possible benefits.

Risk management performance

In the context of long-term risk assessment, the Company assesses the proportion of loans in the portfolio that are past due (> 90 days) monthly and takes quick decisions to manage the risk. In 2024, the Company has successfully managed the increase growth in overdue payments by applying different methods of client payments provisioning.

In 2024, the Company used hedging instruments to manage its risks. The company has a contract with company "Risk Management Service" OU, which insures most of the portfolio. However, Company has decided to no longer insure customers at "Risk Management Service" OU and try to collect customer debts more efficiently using internal resources. This decision went into power in October, 2024.

The Company has no foreign currency exposure and therefore foreign currency risk is not included in the general books.

In 2025, household consumption is projected to recover and continue to grow. In the medium term, the labor market is likely to remain stable, with wage growth and low unemployment. Inflation should be less than 2.0%. The Company should keep risk indicators stable by taking strong measures when the situation requires it. The Company has all the necessary tools, including monitoring of portfolio quality through automated reports, to take prompt decisions on risk mitigation actions.

Anti-Corruption and Anti-Money laundering actions

The Company strives to uphold high ethical standards in areas such as anti-corruption, avoidance of conflicts of interest, promotion of equality, respect and professionalism. These values are reflected in the Company's Ethics Policy.

The Company also gives priority to the fight against financial crime. The Company provides its services only in the Republic of Lithuania and establishes business relations with natural persons who are mostly citizens of the Republic of Lithuania. This reduces the risk of financial crime. However, in any case, the Company has an internal control system in place to protect against financial crime. The Company has a separate department to ensure compliance with international sanctions and to combat money laundering, terrorist financing and other financial crimes. The Company follows strict due diligence procedures, indicators and criteria for monitoring customers on suspicious transactions. The Company complies with national legal requirements, recommendations, and guidance from regulators, including local supervisors. Company report possible sanctions breaches and violations to the regulatory authorities.

In 2024 Company has continued to enhance its anti-money laundering (AML) capabilities, sanctions compliance, and anti-fraud framework through iterative deliveries. Company plan to improve further in 2025 its anti-financial crime technologies, with a focus on efficiency and effectiveness, risk mitigation and training staff, so they can address better fraudulent activities.

Given the Company's business model, it is not exposed to the risk of bribery of foreign officials.

Future Outlook and Planned Actions

In 2024, the Company faced challenges in maintaining its focus on used vehicle financing solutions, particularly in the highly competitive non-bank financing market. Despite efforts to preserve a leading position and profitability, the company struggled to adapt effectively to the market's evolving demands. This year, the Company conducted a comprehensive review of its processes, digital systems, and portfolio, focusing on cleaning and optimizing its offerings. While these efforts were aimed at improving overall efficiency and reducing operational risks, they did not yield the anticipated improvements in performance.

Despite these challenges, the Company remains committed to moving forward and is now focusing on its 2025 strategy. With renewed processes and a clear plan for growth, the Company is determined to strengthen its position in the market and overcome the obstacles encountered in the previous year.

Taking into account the current market situation and operational performance, the Company is focusing on maintaining stability and improving quality in the near term, rather than pursuing aggressive growth. The main objective is to manage the existing leasing portfolio sustainably, ensuring its quality and profitability.

Planned strategic actions:

1. Review and optimization of business processes:

In order to enhance operational efficiency and competitiveness, the Company plans to analyze and optimize internal business processes. This will include reviewing customer service, risk assessment, contract administration, and debt collection processes to reduce costs and improve customer satisfaction.

2. Brand renewal to address reputational challenges:

In response to reputational challenges in the market, the Company plans to implement a brand renewal project. This will include updating the visual identity and revising the communication strategy with a focus on transparency, reliability, and strengthening customer trust.

3. Stable portfolio maintenance and quality improvement:

A conservative approach is planned regarding portfolio growth—no significant increase is expected. However, efforts will be made to retain the current client base, reduce the share of non-performing loans, and strengthen relationships with existing customers. More emphasis will be placed on risk management and preventive measures.

These actions are part of a long-term strategy aimed at ensuring sustainable operations, improving performance indicators, and strengthening the Company's position in the competitive leasing services market.

Information on significant events that have occurred after the end of the financial year

There have been no significant events occurring after the end of the financial year that could affect the company's operations or lead to adjustments in the company's business plans.

Information on the Company's research and development activities

The Company has no research and development activities.

Financial risk management is disclosed in note 25 of these financial statements.

Signed on behalf of the Company on 20 June 2025 by:

Greta Montvilienė
Director

INDEPENDENT AUDITOR'S REPORT

To the shareholder of Mogo LT, UAB:

Opinion

We have audited the financial statements of Mogo LT, UAB (hereafter – „the Company“), which comprise the statement of financial position as at 31 December 2024, and the statement of comprehensive income, statement of changes in equity, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2024 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants Handbook of the International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the requirements of the Law on Audit and Other Assurance Services of the Financial Statements of the Republic of Lithuania that are relevant to audit in the Republic of Lithuania, and we have fulfilled our other ethical responsibilities in accordance with the Law on Audit and Other Assurance Services of the Financial Statements of the Republic of Lithuania and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

The Company's operations are loss-making, the net loss amounted to EUR 667 thousand in 2024, the Company's current liabilities exceed its current assets. The Company's operations are significantly dependent on its ability to generate sufficient operating cash flows to meet its obligations on time. These events and conditions indicate that a material uncertainty exists regarding the Company's ability to continue as a going concern. We would like to draw attention to the explanatory note 30 „Going concern assumption“ in the financial statements, which discloses information regarding the Company's business plan and the raising of additional financing. It is expected that the Company will reduce the loss by accordingly reducing the Company's costs and optimizing internal processes. Our opinion is not modified in respect of this matter.

Other Information

The other information comprises the information included in the Company's management report, but does not include the financial statements and our auditor's report thereon. Management is responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon, except as specified below.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 that fact. We have nothing to report in this regard.

In addition, our responsibility is to consider whether information included in the Company's management report for the financial year for which the financial statements are prepared is consistent with the financial statements and whether management report has been prepared in compliance with applicable legal requirements. Based on the work carried out in the course of audit of financial statements, in our opinion, in all material respects:

- The information given in the Company's management report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The Company's management report has been prepared in accordance with the requirements of the Law on Reporting by Undertakings and Groups of Undertakings of the Republic of Lithuania.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company'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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs 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 financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management'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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Auditor Romanas Skrebnevskis
Auditor's Certificate No. 000471

ROSK Consulting UAB
Company's audit certificate No. 001514

Vilnius, Lithuania
20 June 2025

The auditor's electronic signature is used herein to sign only the Independent Auditor's Report.

Statement of Comprehensive Income

		2024 EUR	2023 EUR
Interest revenue calculated using the effective interest method	4	3 387 279	5 254 926
Interest expense calculated using the effective interest method	5	(2 755 379)	(3 331 463)
Net interest income		631 900	1 923 463
Fee and commission income/(loss)	6	77 144	129 100
Impairment expense	7	(330 033)	(330 447)
Net gain/(loss) from de-recognition of financial assets measured at amortized cost	8	(106 605)	910
Expenses related to peer-to-peer platform services		(13 541)	(35 534)
Selling expense	9	(79 044)	(110 273)
Administrative expense	10	(820 649)	(1 367 656)
Other operating income	11	72 086	559 168
Other operating expense	12	(139 080)	(341 775)
Profit before tax		(707 822)	426 956
Corporate income tax	13	-	(46 196)
Deferred corporate income tax	13	40 474	692
Net profit for the period		(667 348)	381 452
Other comprehensive income that will not be reclassified to profit (loss)		-	-
Other comprehensive income that may/will be reclassified to profit (loss)		-	-
Total comprehensive income for the year		(667 348)	381 452

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

Signed on behalf of the Company on 20 June 2025 by:

Greta Montvilienė
Director

Milda Mironienė
Chief Financial Officer

Statement of Financial Position

ASSETS		31.12.2024	31.12.2023
		EUR	EUR
NON-CURRENT ASSETS			
Tangible assets			
Right-of-use assets	14	50 803	145 088
Property, plant and equipment	14	54 146	72 817
Leasehold improvements	14	8 929	21 857
Total tangible assets		113 878	239 762
Non-current financial assets			
Loans and advances to customers	15	3 966 987	6 409 988
Loans to related parties	16	11 518 987	9 100 500
Investments in subsidiaries	27	2 900 000	3 900 000
Deferred tax asset	13	59 669	19 195
Total non-current financial assets		18 445 643	19 429 683
TOTAL NON-CURRENT ASSETS		18 559 521	19 669 445
CURRENT ASSETS			
Inventories			
Purchased vehicles held for sale		-	6 883
Total inventories		-	6 883
Receivables and other current assets			
Loans and advances to customers	15	2 653 793	3 832 142
Loans to related parties	16	126 271	101 994
Non-current assets held for sale		9 641	10 329
Trade receivables	17	217 164	1 241 094
Prepaid expense		58 690	61 501
Other receivables	18	1 095 326	827 378
Total receivables and other current assets		4 160 885	6 074 438
Cash and cash equivalents	19	1 777 858	259 884
TOTAL CURRENT ASSETS		5 938 743	6 341 205
TOTAL ASSETS		24 498 264	26 010 650

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

Signed on behalf of the Company on 20 June 2025 by:

Greta Montvilienė
Director

Milda Mironienė
Chief Financial Officer

Statement of Financial Position

EQUITY AND LIABILITIES		31.12.2024	31.12.2023
		EUR	EUR
EQUITY			
Share capital	20	28 960	28 960
Reserve		2 896	2 896
Retained earnings/(losses)		1 999 716	2 667 064
brought forward		2 667 064	2 285 612
for the period		(667 348)	381 452
TOTAL EQUITY		2 031 572	2 698 920
LIABILITIES			
Non-current liabilities			
Borrowings	21	17 597 914	21 169 338
Total non-current liabilities		17 597 914	21 169 338
Current liabilities			
Borrowings	21	4 526 083	1 671 962
Prepayments received from customers		18 533	12 422
Trade payables		30 266	56 892
Payables to related parties		17 925	8 675
Corporate income tax payable		-	46 196
Taxes payable	22	623	73 791
Other liabilities		4 653	-
Accrued liabilities	23	270 695	272 454
Total current liabilities		4 868 778	2 142 392
TOTAL LIABILITIES		22 466 692	23 311 730
TOTAL EQUITY AND LIABILITIES		24 498 264	26 010 650

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

Signed on behalf of the Company on 20 June 2025 by:

Greta Montvilienė
Director

Milda Mironienė
Chief Financial Officer

Statement of Changes in Equity

	Share capital EUR	Legal reserve EUR	Retained earnings/ (Accumulated loss) EUR	Total EUR
Balance at 01.01.2023	28 960	2 896	3 285 612	3 317 468
Profit (loss) for the reporting year	-	-	381 452	381 452
Other comprehensive income	-	-	-	-
Transfer to legal reserve	-	-	-	-
Dividends distribution	20	-	(1 000 000)	(1 000 000)
Balance at 31.12.2023	28 960	2 896	2 667 064	2 698 920
Balance at 01.01.2024	28 960	2 896	2 667 064	2 698 920
Profit (loss) for the reporting year	-	-	(667 348)	(667 348)
Other comprehensive income	-	-	-	-
Transfer from legal reserve	-	-	-	-
Dividends distribution	-	-	-	-
Other provisions	-	-	-	-
Balance at 31.12.2024	28 960	2 896	1 999 716	2 031 572

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

Signed on behalf of the Company on 20 June 2025 by:

Greta Montvilienė
Director

Milda Mironienė
Chief Financial Officer

Statement of Cash Flows

		31.12.2024	31.12.2023
		EUR	EUR
Cash flows to/from operating activities			
Profit before tax from continuing operations		(707 822)	426 956
Adjustments for:			
Amortisation and depreciation	14	153 464	137 018
Interest expense	5	2 755 379	3 680 346
Interest income	4	(3 387 279)	(5 254 926)
Disposals of property, equipment and intangible assets	14	6 710	7 450
Increase/ (decrease) of impairment and cession result	7,8	223 428	330 447
Elimination of other non-cash items	11	-	(389 686)
Operating profit before working capital changes		(956 120)	(1 062 396)
Decrease/ (increase) in inventories		6 883	37 006
Decrease/ (increase) in finance lease receivables, loans and advances to customers, trade and other receivables		5 157 403	860 018
Decrease/ (increase) in advances received and trade payables and guarantees		(81 539)	(126 089)
Cash generated to/from operations		4 126 627	(291 461)
Interest received		3 363 002	5 409 478
Interest paid		(2 554 187)	(3 857 729)
Corporate income tax paid		(46 196)	-
Net cash flows to/from operating activities		4 889 246	1 260 289
Cash flows to/from investing activities			
Purchase of property and equipment and other intangible assets	14	(34 288)	(50 493)
Loan repayments received from related parties		3 660 000	7 100 000
Loans issued to related parties		(6 078 487)	(3 223 000)
Net cash flows to/from investing activities		(2 452 775)	3 826 507
Cash flows to/from financing activities			
Proceeds from borrowings		49 798 974	55 319 762
Repayments for borrowings		(50 716 256)	(59 142 072)
Payments for borrowings acquisition costs		(1 215)	(1 569)
Repayment of liabilities for right-of-use assets			(130 140)
Dividends paid			(1 000 000)
Net cash flows to/from financing activities		(918 497)	(4 954 018)
Change in cash		1 517 974	132 778
Net foreign exchange difference			
Cash at the beginning of the year	19	259 884	127 106
Cash at the end of the year	19	1 777 858	259 884

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

Signed on behalf of the Company on 20 June 2025 by:

Greta Montvilienė
Director

Milda Mironienė
Chief Financial Officer

Notes to the Financial Statements

1. Corporate information

UAB "mogo LT" (hereinafter – the Company) was registered with the Registry Center of Republic of Lithuania on 31 December 2012. The registered office of the Company is at Laisvės av. 10A, Vilnius, Lithuania. At the end of the accounting financial year, the Company's major shareholder is Eleving Stella AS registered in Latvia, registration number 40103964830, which owns 100 % of the Company's equity.

90,44 % of the shares of AS Eleving Stella is held by AS Eleving Vehicle Finance (42103088260). 98,85 % of the shares of AS Eleving Vehicle Finance is held by Eleving group S.A. (B174457). 37,31 % of the shares of Eleving group S.A. is held by SIA ALPPES Capital (52103097551) respectively, 100 per cent of the shares of SIA ALPPES Capital is held by Aigars Kesenfelds.

On 10th March 2021, the Company acquired 100% of all shares of the Company UAB "Renti", a private limited liability company incorporated and existing under the laws of the Republic of Lithuania, legal entity's code:305653232, registered office address: Laisvės av. 10A, Vilnius, Lithuania.

The core business activity of the Company comprises of providing finance lease services, leaseback services and consumption loans.

These financial statements have been approved for issue by the Shareholder on 20 June 2025

The total number of employees at the end of the December 2024 was 46 (2023: 47).

The shareholders have the right to approve the financial statements or not approve them and require the management to prepare a new version of financial statements.

2. Summary of significant accounting policies

Basis of preparation

These annual financial statements, for the year ended 31 December 2024, are prepared in accordance with International Financial Reporting Standards as adopted in the European Union.

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

The Company may not prepare consolidated financial statements because the Company's data is consolidated at a higher level (at the Elevating Group S.A. level).

The Company's presentation currency is euro (EUR). The financial statements cover the period from 01.01.2024 till 31.12.2024. Accounting policies and methods are consistent with those applied in the previous years, except as described below.

Business management does not use segmental approach to operational decision-making. All of the Company's economic activities are carried out in one geographical segment - Lithuania.

Changes in accounting policies

Application of new and revised International Financial Reporting Standards (IFRSs)

(a) New and/or amended standards and interpretations effective from 1 January 2024:

The following standards, amendments to the existing standards and interpretations issued by the International Accounting Standards Board (IASB) and adopted by the European Union (further – EU) are effective for the current period and were adopted by the Company:

- Amendments to IFRS 16 "Leases": Lease liability in a sale and leaseback (effective for annual periods beginning on or after 1 January 2024).
- Amendments of IAS 1 "Presentation of Financial Statements": Classification of Liabilities as Current and Non-Current Date; Classification of Liabilities as Current and Non-Current – Deferral of the Effective Date; Non-Current Liabilities with Covenants (effective for annual periods beginning on or after 1 January 2024);
- Amendments to IAS 7 "Statement of Cash Flows" and IFRS 7 "Financial Instruments": Disclosures: Supplier Finance Arrangements (effective for annual periods beginning on or after 1 January 2024).

The application of these standards, amendments and interpretations did not have a material impact on the Company's financial statements.

b) Standards, amendments and interpretations to existing standards issued by IASB, adopted by EU, but not yet effective:

At the date of authorisation of these financial statements, the Company has not early adopted the following new and revised IFRS standards, amendments and interpretations that have been issued but are not yet effective:

- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (effective for annual periods beginning on or after 1 January 2025).

The management of the Company does not expect that the adoption of these standards, amendments and interpretations listed above will have a material impact on the financial statements of the Company in future periods.

(c) Standards, amendments and interpretations to existing standards that are not yet effective and have not been endorsed by EU:

IFRSs currently endorsed by EU are not significantly different from the standards, endorsed by IASB, except the standards, amendments and interpretations that were not endorsed by EU (the effective dates are applicable to IFRS to full extent). These standards, amendments and interpretations are listed below:

- IFRS 19 Subsidiaries without Public Accountability: Disclosures (effective for annual periods beginning on or after 1 January 2027);
- IFRS 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027).
- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) (effective for annual periods beginning on or after 1 January 2026).
- Annual Improvements Volume 11 (effective for annual periods beginning on or after 1 January 2026).
- Contracts Referencing Nature-dependent Electricity Amendments to IFRS 9 and IFRS 7 (effective for annual periods beginning on or after 1 January 2026).

The management of the Company does not expect that the adoption of these standards, amendments and interpretations listed above will have a material impact on the financial statements of the Company in future periods.

Accounting policies

Licenses and other intangible assets

Intangible non-current assets are initially 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 consist 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, licenses and similar rights	- over 1 year;
Other intangible assets - acquired IT Systems	- over 2, 3 and 5 years.

Property 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 follows:

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

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 net selling price 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 comprehensive income 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 from 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 comprehensive income in the year the item is derecognized.

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 the Company 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, except in the case of financial assets and financial liabilities recorded at FVPL, transaction costs are added to, or subtracted from, this amount. Other receivables are measured at the transaction price.

Business model assessment

The Company 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 expected frequency, value and timing of sales are also important aspects of the Company's assessment. 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 Company's original expectations, the Company 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.

SPPI test

As a second step of its classification process the Company assesses the contractual terms of the financial assets to identify whether they meet the SPPI test. '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. The Company has performed the SPPI assessment and assessed its financial assets to be compliant with SPPI criteria.

Reclassification of financial assets

The Company did not reclassify any of its financial assets or liabilities in 2024 or 2023.

Derecognition of financial assets and finance lease receivables

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

Derecognition due to substantial modification of terms and conditions

The Company derecognizes loan to a customer or finance lease receivable when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan or lease, 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, amongst others, the Company 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
- Whether legal obligations have been extinguished.

Furthermore, for loans and advances to customers and financial lease receivables the Company specifically considers the purpose of the modifications. It is evaluated whether modification was entered into for commercial (business) reasons or for credit restructuring reasons. Modification is considered to occur for a commercial reasons if the DPD (days past due) of the counterparty immediately prior the modification is less than 5 DPDs. In such cases the respective modification is considered to be performed for commercial reasons and results in derecognition of the initial lease/loan receivable.

Other modifications resulting in derecognition include increase in the lease amount and increase in lease term, which are agreed upon with customers for a specific commercial reasons (i.e., customers and the Company are both interested in substantially modifying the scope of the lease/loan transaction). Whenever such an agreement to modify is reached the old agreement and respective receivable is derecognized. Other modifications to the agreement terms are treated as modifications that do not result in derecognition (see section on Modifications below).

Accounting policies (continued)

Derecognition of financial assets and finance lease receivables (continued)

Derecognition other than for substantial modification

A financial asset or finance lease receivable (or, where applicable, a part of a financial asset or finance lease receivable or part of a group of similar financial assets or finance lease receivables) is derecognized when the rights to receive cash flows from the financial asset or finance lease receivable have expired. The Company also derecognizes the financial asset or finance lease receivable if it has both transferred the financial asset or finance lease receivable and the transfer qualifies for derecognition.

The Company has transferred the financial asset or finance lease receivable if the Company has transferred its contractual rights to receive cash flows from the financial asset or finance lease receivable.

The Company has transferred the asset if, and only if, either:

- The Company 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 the Company 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:

- Company 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;
- Company cannot sell or pledge the original asset other than as security to the eventual recipients for the obligation to pay them cash flows;
- Company has to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Company 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 Company has transferred substantially all the risks and rewards of the asset, or
- The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Modifications

The Company sometimes makes modifications to the original terms of loans/lease as a response to the borrower's financial difficulties, rather than taking possession or to otherwise enforce collection of collateral. The Company considers a lease/loan restructured when such modifications are provided because of the borrower's present or expected financial difficulties and the Company would not have agreed to them if the borrower had been financially healthy. Indicators of financial difficulties include default or having at least 5 DPDs prior to the modifications. Such modifications may involve renewing (in the case of renewal of a terminated agreement) or extending (in case of customer having at least 5 DPD) the payment arrangements. Other modifications treated as non-substantial include modification of agreement conditions such as term or principal decrease or changes in payment dates, which are typically implemented due to customers' initiative. 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.

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

Treatment of non-substantial modifications (IFRS 9)

If expectations of fixed rate financial assets' cash flows 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 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 Company 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 original 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 comprehensive income 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.

Impairment of trade and other receivables from customers/contract assets

During the course of business, the Company may have other type of claims against its leasing customers. In such cases the ECL methodology of the related lease receivable is mirrored and the ECL mirrors the impairment of the lease receivable. For other receivables and contract assets that are not related to lease portfolio receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company 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. For claims against its leasing customers the Company mirrors the staging applied to the underlying lease exposure.

The Company has CDS agreement with Risk Management Service OU to insure its lease and loan portfolio. This transaction is considered as credit enhancement. The monthly CDS fee is calculated and charged to the Company until the agreement is repaid or terminated. CDS fee consists of projected credit losses of a lease agreement and a mark-up. Till October, 2024 all leasing and loan agreements were transferred to the issuer of CDS, if the client of leasing or loan agreement is late in paying the debt for more than 90 days. The Company has transferred its credit risk to the issuer, therefore impairment is calculated only for agreements signed after 1st of October, 2024. However, it is expected to have increase of impairment expenses in upcoming year, as CDS-covered portfolio keeps decreasing and new issuances are not insured.

Accounting policies (continued)

Impairment of trade and other receivables from customers/contract assets (continued)

Impairment is being calculated on repossessed cars, as CDS agreement is not covering this part.

The Company segregates finance lease receivables and loans and advances to customers in the following categories:

Finance lease receivables (lease):

- 1) Not past due
- 2) Days past due up to 30 days
- 3) Days past due up to 60 days
- 4) Days past due over 60 days

Loans and advances to customers (loan):

- 1) Not past due
- 2) Days past due up to 30 days
- 3) Days past due up to 60 days
- 4) Days past due over 60 days

Based on the above process, the Company applies the Group's policy (as described below) and groups its leases and loans into Stage 1, Stage 2, and Stage 3 even though no impairment loss is calculated:

- Stage 1: When loans/leases are first recognized, the Company recognizes an allowance based on 12mECLs. The Company considers leases that are current or with DPD up to 30 as Stage 1. A healing period of 1 month 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. Exposures are classified out of Stage 1 if they no longer meet the criteria above.
 - Stage 2: When a loan/lease has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs. The Company generally considers leases that have a status of 31-60 DPD to be Stage 2 loans. A loan is considered Stage 2 if DPD is in range of 30 to 60 days. Exposures remain in Stage 2 for a healing period of 1 month, even if they otherwise would meet Stage 1 criteria above during this period.
 - Stage 3: Leases and loans considered credit-impaired and at default. The Company records an allowance for the LTECLs.
- The Company considers a finance lease agreement defaulted and therefore Stage 3 in all cases when the borrower becomes 60 DPD on its contractual payments or the lease agreement is terminated.

The Company considers a loan agreement defaulted and therefore Stage 3 in all cases when the borrower becomes 60 days past due on its contractual payments.

Exposures remain in Stage 3 for a healing period of 2 months, even if they otherwise would meet Stage 2 criteria above during this period.

Due to the nature of credit exposures of the Company qualitative assessment of whether a customer is in default is not performed and primary reliance is placed on the above criteria.

Impairment of finance lease receivables (according to IFRS 9)

The Company has recorded the allowance for ECL for finance lease receivables to customers agreements started from October, 2024 and ECL for repossessed Vehicles which is calculated based on client's remaining amount (receivables) at the reporting period combined with Probability of Default (PD) and Loss Given Default (LGD), judgment when determining significant increase in credit risk.

The Company has CDS agreement with Risk Management Service OU to insure its lease and loan portfolio. This transaction is considered as credit enhancement.

Impairment for loans to related parties

Receivables from related parties are inherently subject to the Company's credit risk. Therefore, a benchmarked PD and LGD rate - based on Fitch's corporate statistics studies has been applied in determining the ECLs. For related party exposures for the Stage 2 and lifetime ECL calculation is applied based on 30 days back stop and 90 day back stop is applied to Stage 3 determination.

Impairment of cash and cash equivalents

For cash and cash equivalents default is considered as soon as balances are not cleared beyond conventional banking settlement timeline, i.e., 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.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement

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

- Financial liabilities at fair value through the statement of comprehensive income

Financial liabilities at fair value through the statement of comprehensive income include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through the statement of comprehensive income.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the statement of comprehensive income.

Financial liabilities designated upon initial recognition at fair value through the statement of comprehensive income are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Company has not designated any financial liability as at fair value through statement of comprehensive income.

- Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in the statement of comprehensive income when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by considering 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 comprehensive income.

Accounting policies (continued)

Financial liabilities (continued)

Modification of financial liabilities

For financial liabilities, the Company 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 Company records a modification gain or loss.

Treatment of non-substantial modifications (IFRS 9)

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 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 Company 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 comprehensive income 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 comprehensive income.

The Company 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.

Loans and borrowings

All loans, borrowings and funding attracted through peer-to-peer platforms are initially recognized at cost, being the fair value of the consideration received net of issue costs associated with the borrowing. After initial recognition, loans, borrowings and funding attracted through peer-to-peer platforms are subsequently measured at amortized cost using the effective interest rate method.

Amortized cost is calculated by considering any issue costs, and any discount or premium on settlement.

Gains and losses are recognized in the statement of comprehensive income as interest income/ expense when the liabilities are derecognized through the amortization process.

Finance lease – Company as lessor

Whilst financial lease receivables that represent financial instruments and to which IAS 17 or IFRS 16 applies are within the scope of IAS 32 and IFRS 7, they are only within the scope of IFRS 9 to the extent that they are (1) subject to the derecognition provisions, (2) 'expected credit loss' requirements and (3) the relevant provisions that apply to derivatives embedded within leases.

The Company is engaged in financial lease transactions by selling vehicles to its customers through financial lease contracts. the Company also engages in financing of vehicles already owned by the customers. Under such leaseback transactions the Company purchases the underlying asset and the leases it back to the same customer. Vehicle serves as a collateral to secure all leases. To assess whether such leaseback transactions are classified as finance leases, the Company applies the same indicators of a lease classification, as for finance leases.

At inception of a contract, the Company assesses whether the contract is, or contains, a lease. The inception of the lease is the earlier of the date of the lease agreement and the date of commitment by the parties to the principal provisions of the lease. As of this date:

- a lease is classified as a finance lease; and
- the amounts to be recognized at the commencement of the lease term are determined.

A lease is classified as a finance lease at the inception of the lease if it transfers substantially all the risks and rewards incidental to ownership. The inception of the lease is the earlier of the date of the lease agreement and the date of commitment by the parties to the principal provisions of the lease. As of this date:

- the lease transfers ownership of the asset to the lessee by the end of the lease term;
- the lessee has the option to purchase the asset at a price which is expected to be sufficiently lower than fair value at the date the option becomes exercisable that, at the inception of the lease, it is reasonably certain that the option will be exercised;
- the lease term is for a major part of the economic life of the asset, even if title is not transferred;
- at the inception of the lease, the present value of the minimum lease payments amounts to at least substantially all of the fair value of the leased asset;
- the lease assets are of a specialized nature such that only the lessee can use them without major modifications being made.

Further indicators that individually or in combination would also lead to a lease being classified as a finance lease are:

- the lessee can cancel the lease, the lessor's losses associated with the cancellation are borne by the lessee;
- gains or losses from the fluctuation in the fair value of the residual accrue to the lessee;
- the lessee can continue the lease for a secondary period at a rent that is substantially lower than market rent.

Initial measurement

At lease commencement, the Company accounts for a finance lease, as follows:

- derecognizes the carrying amount of the underlying asset;
- recognizes the net investment in the lease; and
- recognizes, in profit or loss, any selling profit or selling loss. Such profit or loss is recognized under "Revenue from leases" (Note 10).

Upon commencement of finance lease, the Company records the net investment in leases, which consists of the sum of the minimum lease term payments, and gross investment in lease less the unearned finance lease income. The difference between the gross investment and its present value is recorded as unearned finance lease income. Initial direct costs, such as client commissions and commissions paid by the Company to car dealers, are included in the initial measurement of the lease receivables. The calculations are done using an effective interest method.

Prepayments and other payments received from customers are recorded in statement of financial position upon receipt and settled against respective client's finance lease receivables agreement at the moment of issuing next monthly invoice according to the agreement schedule.

If a sale and leaseback transaction results in a finance lease, any excess of sales proceeds over the carrying amount is deferred and amortized over the lease term.

Prepayments received from customers are presented in separate financial statements separately as part of liabilities due to uncertainty of how they will be utilized.

Prepayments received from customers are recorded in statement of financial position upon receipt and settled against respective client's finance lease receivables.

Accounting policies (continued)

Finance lease – Company as lessor (continued)

Subsequent measurement

Finance lease income consists of the amortization of unearned finance lease income. Finance lease income is recognized based on a pattern reflecting a constant periodic rate of return on the net investment according to effective interest rate in respect of the finance lease. The Company applies the lease payments relating to the period against the gross investment in the lease to reduce both the principal and the unearned finance income.

The Company recognizes income from variable payments that are not included in the net investment in the lease (e.g. performance-based variable payments, such as penalties or debt collection income) separately in the period in which the income is earned. Such income is recognized under "Fee and commission income" (Note 6) in accordance with IFRS 15.

After lease commencement, the net investment in a lease is not remeasured unless the lease is modified and the modified lease is not accounted for as a separate contract or the lease term is revised when there is a change in the non-cancellable period of the lease.

The Company applies derecognition and impairment requirements in IFRS 9 to the net investment in the lease.

Operating lease – Company as lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of comprehensive income. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

Operating lease – Company as lessee

Lease liability

Initial recognition

At the commencement date of the lease the Company measures the lease liability at the present value of the lease payments that are not paid at that date in accordance with the 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 Company under residual value guarantees;
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the Company exercising an option to terminate the lease.

The Company has elected for all classes of underlying assets not to separate non-lease components from lease components in lease payments. Instead, the Company 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 Company uses the incremental borrowing rate.

Lease term is the non-cancellable period for which the Company has the right to use an underlying asset, together with both:

- (a) Periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and
- (b) Periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option.

At the commencement date, the Company 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 Company 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.

Right-of-use assets

Initial recognition

At the commencement date of the lease, the Company recognises 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 Company; and
- an estimate of costs to be incurred by the Company 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.

Sale and leaseback transactions

The Company also engages in financing of vehicles already owned by the customers. Under such leaseback transactions the Company purchases the underlying asset and then leases it back to the same customer. Vehicle serves as a collateral to secure all leases. The Company applies the requirements for determining when a performance obligation is satisfied in IFRS 15 to determine whether the transfer of an asset is accounted for as a sale of that asset. If the transfer of an asset by the seller-lessee does not satisfy the requirements of IFRS 15 to be accounted for as a sale of the asset, the buyer-lessor shall not recognize the transferred asset and shall recognize a financial asset equal to the transfer proceeds. It shall account for the financial asset as loans and advances to customers by applying IFRS 9.

The Company has performed SPPI test for its sale and leaseback arrangements. Vehicle serves as collateral to secure all such loans. Sale and leaseback contracts include contractual terms that can vary the contractual cash flows in a way that is unrelated to a basic lending arrangement. Such cash flows arise in the case of borrowers' default and are related to repossessed car sales for which any excess gains can be retained by the Company in certain jurisdictions and commissions and other fees charged to the customer that are not directly linked to outstanding principal/interest (e.g. external debt recovery costs being charged to clients with mark-up). Other contract elements relevant to SPPI assessment for components in certain jurisdictions include the leased asset repurchase options, where the option value is below the car market value at the moment of exercise and significant termination penalties for certain non-recourse contracts.

The Company has made relevant judgements and concluded that SPPI test is met in all above circumstances as 1) repossession commissions and fees charged by the Company are intended to cover the costs incurred by the Company in the debt servicing process under regular lending model, 2) the fact that in certain jurisdictions the Company maintains proceeds from sale of repossessed car in excess of recovered exposure (if applicable) is not an evidence that the risk taken up by the Company is in fact the price risk of the car and not the credit risk. The Company is able to sell the collateral and keep any surplus only on default and the occasional trivial gains from the transaction are not the purpose of the core business model (which is to earn interest income from the loan asset) and are not the focus of the business, but instead are just an instrument to minimize the credit losses, 3) termination penalties for non-recourse sale and leaseback transactions charged to the customers in certain jurisdictions are also contractual elements intended to compensate for credit risk and do not result in any notable net gains to the Company.

Accounting policies (*continued*)

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 on a stock item by item basis. Write-off of each individual stock item is performed on sale of respective individual stock item.

Cash and cash equivalents

Cash comprises cash at bank and on hand with an original maturity of less than three months.

Assets held for sale

The Company 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 include vehicles which are obtained by enforcement of repossession in case clients default on existing lease 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.

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.

Investments in subsidiaries

Investments in subsidiaries (i.e. where the Company holds more than 50% interest of the share capital or otherwise controls the company) and associates (i.e. an entity over which the Company has significant influence without control over the financial and operating policy decisions of the investee) are recognized at cost according to IAS 27. Following initial recognition, investments in subsidiaries and associates are carried at cost less any accumulated impairment losses. The carrying values of investments are reviewed for impairment at each reporting date. The Company calculates the amount of impairment as the difference between the recoverable amount of the subsidiary or associate and its carrying value, then, recognizes the loss in the statement of comprehensive income.

Dividends received from subsidiaries and associates are recognized in statement of comprehensive income when the Company's right to receive the dividend is established.

The considerations made in determining significant influence are similar to those necessary to determine control over subsidiaries.

Transactions with peer-to-peer platforms

Background

The Company, 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. The purpose of the cooperation agreement for the Company is to attract funding through the P2P platform.

P2P platform makes possible for individual and corporate investors to obtain a fully proportionate interest cash flows and the principal cash flows from debt instruments (finance lease receivables or loans and advances to customers) issued by the Company 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 Company. Assignment agreement type is:

- Agreements with recourse rights which require the Company to guarantee full repayment of invested funds by the investor in case of default of the Company's customer (buy back guarantee).

The Company 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.

Receivables and payables from/to P2P platform

P2P platform acts as an agent in transferring cash flows between the Company and investors. Receivable for attracted funding from investors through P2P platform corresponds to the due payments from P2P platform.

Receivable is arising from assignments made through P2P platform where the related investment is not yet transferred to the Company (Note 18)

P2P platform commissions and service fees incurred by the Company are fees charged by P2P platform for servicing the 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 23) and are treated as loans received.

After initial recognition 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 comprehensive income as interest income/ expense when the liabilities are derecognized.

The Company has to 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 Company'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 Company, thus do not meet the requirements to be classified as a pass-through arrangement in accordance with IFRS 9.

Therefore, the Company'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 revenue calculated using effective interest method (Note 4).

Assignments without recourse rights (no buy back guarantee)

Assignments without recourse rights 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 the Company'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 23) and interest income is recognized to the extent of being the residual interest. Residual income is the difference between the interest earned on the respective debt instrument by the Company and the respective share of interest earned by the investor.

Accounting policies (continued)

Provisions

Provisions are recognized when the Company 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 Company 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 comprehensive income 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 a borrowing cost.

Accruals and deferrals

Accruals and deferrals are recorded to recognise revenues and costs as they are earned or incurred.

Contingencies

Contingent liabilities are not recognized in the separate 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 separate financial statements but disclosed when an inflow of economic benefits is probable.

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 legislative 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 are applied if value added tax is not recoverable on acquisition of 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 Company and the revenue can be reliably measured.

The effective interest rate method (IFRS 9)

Under IFRS 9 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 considers 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 Company calculates interest income by applying the EIR to the net amortized cost of the financial asset. If the financial asset cures and is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

Income from cession of bad debt

Gain or loss from sale of doubtful financial lease receivables and 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 comprehensive income at transaction date as the difference between the proceeds received and the carrying amount of derecognized lease receivables assigned through cession agreements.

Revenue and expenses from contracts with customers (according to IFRS 15)

Revenue from contracts with customers in scope for IFRS 15 encompasses sold goods or services provided as output of the Company's ordinary activities. The Company uses the following criteria to identify contracts with customers:

- the parties to 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 Company 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 the Company'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 criteria must be met to conclude that the good or service is distinct.

The Company 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 Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

In 2024 and 2023 the Company did not enter into contracts with variable considerations, rights of return, financing components, non-cash considerations or consideration payable to the customer.

The Company recognizes revenue when (or as) it satisfies a performance obligation to transfer a promised good or service to a customer. Revenue is recognized when the customer obtains control of the respective good or service. Revenue from contracts with customers is recognized when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Company 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 Company'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.

The Company has generally concluded that it is the principal in its revenue arrangements, except for the debt collection activities and agency services below, because it typically controls the goods or services before transferring them to the customer.

When another party is involved in providing goods or services to Company's customers, the Company 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.
- 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.

Management judgment on transactions where the Company acts as agent is disclosed in Note 3.

Accounting policies *(continued)*

Fee and commission income (Note 6)

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

Income from debt collection activities and penalties is recognized in the Company's statement of comprehensive income 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 financial lease receivables and loans and advances to customers agreements, such as exceeding the payment date. In those situations, the Company is entitled to charge the customers in accordance with the agreement terms. The Company recognizes income from penalties at the moment of cash receipt as likelihood and timing of settlement is uncertain. In case customers does not settle the penalty amount, the Company is entitled to enforce repossession of the collateral.

Debt collection activities revenue typically arises when customers delay the payments due. As a lessor, the Company has protective rights in the lease agreements with customers that require the customers to safeguard and maintain the condition of the vehicle, as it serves as a collateral to the lease. Company's revenue encompasses a compensation of internal and external costs incurred by the Company in relation to debt management, legal fees as well as repossession of vehicle in case of lease agreement termination and are recharged to the customers in accordance with the agreement terms. Debt collection income is recognized on net (agent) basis as these amounts are recharged to the customers in accordance with agreement terms and the Company does not control these services before they are transferred to a customer. The performance obligation is satisfied when respective service has been provided.

Revenue from car sales

Sale of motor vehicles (point in time)

The Company 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 Company is calculating the minimum sales price based on initial cost or value after repossession plus additional cost incurred (e.g. repairs) and a margin editor to make profit from the deal. The performance obligation is satisfied when the car is registered on client's name.

Income taxes

Corporate Income tax includes current and deferred tax. Current Corporate Income tax is applied at the rate of 15% on taxable income generated by the Company during the taxation period.

Deferred Corporate Income tax arising from temporary differences in the timing of the recognition of items in the tax returns and these separate financial statements is calculated using the liability method. The Deferred Corporate Income tax asset and liability are determined based on the tax rates that are expected to apply when the timing differences reverse. The principal temporary timing differences arise from differing rates of accounting and tax amortization and depreciation on the Company's non-current assets, the treatment of provisions and accruals.

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.

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 Company are shareholders who could control or who have significant influence over the Company in accepting operating business decisions, key management personnel of the Company 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 Company 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;
- 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.

Dividend distribution

Dividend distribution to the shareholders of the Company is recognized as a liability and distribution of retained earnings in the separate financial statements in the period in which the dividends are approved by the shareholders. (Note 20)

Subsequent events

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

3. Significant accounting judgments, estimates and assumptions

The preparation of the separate 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 judgment is related to the Company's ability to continue as a going concern, while significant areas of estimation uncertainty used in the preparation of the separate financial statements are financial guarantees, lease liability borrowing and sale and leaseback transactions.

Although these estimates and judgements along with other items listed below are based on the management's best knowledge of current events and actions, the actual results may ultimately differ from those estimates.

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the separate financial statements:

Sale and leaseback transactions

Under sale and leaseback transactions the Company purchases the underlying asset and then leases it back to the same customer. To determine how to account for a sale and leaseback transaction, the Company first considers whether the initial transfer of the underlying asset from the seller-lessee (Customer) to the buyer-lessor (the Company) is a sale.

The Company applies IFRS 15 to determine whether a sale has taken place. The key indicators that control has passed to the Company include the Company having:

- a present obligation to pay;
- physical possession (of the purchased asset);
- a legal title (to the purchased asset);
- the risks and rewards of ownership (of the purchased asset);
- the Company has accepted the asset;
- the borrower can or must repurchase the asset for an amount that is less than the original selling price of the asset.

In assessing whether the contractual cash flows are SPPI, the Company 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 Company considers:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse loans); and
- features that modify consideration of the time value of money (e.g. periodical reset of interest rates).

4. Interest revenue calculated using the effective interest method

	2024 EUR	2023 EUR
Interest income from related parties	1 356 893	1 799 697
Interest income from loans and advances to customers	2 030 386	3 455 229
TOTAL:	3 387 279	5 254 926

5. Interest expense calculated using the effective interest method

	2024 EUR	2023 EUR
<i>Interest expenses on financial liabilities measured at amortized cost:</i>		
Interest expenses for loans from P2P platform investors	129 864	288 920
Interest expenses for bank liabilities and related parties	2 624 637	3 039 997
Interest expenses for lease liabilities	878	2 546
TOTAL:	2 755 379	3 331 463

6. Fee and commission income/(loss)

	2024 EUR	2023 EUR
<i>Revenue from contracts with customers recognized point in time:</i>		
Income from penalties received	95 206	145 191
Income from commissions	9 935	23 874
TOTAL:	105 141	169 065

Revenue from contracts with customers recognized point in time where the Group acted as an agent:

	2024 EUR	2023 EUR
Gross income from debt collection activities	10 578	8 762
Gross expenses from debt collection activities	(38 575)	(48 727)
TOTAL:	(27 997)	(39 965)
Total fees and commissions income:	77 144	129 100

7. Impairment expense

	2024 EUR	2023 EUR
Change in impairment in loans and advances to customers	277 073	325 684
Change in impairment for repossessed cars	1 155	(30 646)
Written off debts	36 770	30 894
Written off debts for other receivables	15 035	4 515
TOTAL:	330 033	330 447

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

	2024	2023
	EUR	EUR
<i>Loans and advances to customers</i>		
Income arising from cession of customer receivables to non related parties	77 732	910
Loss arising from cession of customer receivables to non related parties	(184 337)	-
TOTAL:	(106 605)	910
Net gain/(loss) arising from cession of loans and advances to customers and rent contracts	(106 605)	910

9. Selling expense

	2024	2023
	EUR	EUR
Online marketing expenses	68 457	92 400
Other marketing expenses	1 894	13 845
<i>Total marketing expenses</i>	<i>70 351</i>	<i>106 245</i>
Other selling expenses	8 693	4 028
TOTAL:	79 044	110 273

The classification of the 2023 financial statements has been revised to reflect the 2024 financial statements presentation. "Other administration expenses" were reclassified to "Other marketing expenses".

These changes are also consistent with the Company's internal reporting and provide relevant information to its stakeholders.

10. Administrative expense

	2024	2023
	EUR	EUR
Employees' salaries	256 698	406 720
Expenses from management fee	327 055	663 338
Amortization and depreciation	21 624	35 645
Professional services	40 370	60 481
Office and branches' maintenance expenses	13 372	32 981
IT services	38 792	57 801
Credit database expenses	37 675	44 998
Employee recruitment expenses	1 044	3 882
Communication expenses	2 632	3 619
Business trip expenses	1 542	3 373
Donations	-	300
Bank commissions	6 542	6 436
Low value equipment expenses	705	1 705
Other personnel expenses	3 965	7 366
Transportation expenses	1 572	4 322
Insurance expenses	21	-
Other administration expenses	67 040	34 689
TOTAL:	820 649	1 367 656

The classification of the 2023 financial statements has been revised to reflect the 2024 financial statements presentation: "Other administration expenses" were reclassified to "Other marketing expenses".

These changes are also consistent with the Company's internal reporting and provide relevant information to its stakeholders.

Key management personnel compensation

	2024	2023
	EUR	EUR
Members of the Management		
Remuneration*	181 911	217 644
Social security contribution expenses	3 220	3 852
TOTAL:	185 131	221 496

Key management personnel is considered to be all Group top management employees, regional management employees and country managers.

* - Including vacation accruals.

	2024	2023
Average number of employees	2	2

11. Other operating income

	2024	2023
	EUR	EUR
Other income	72 086	169 482
Income recognised from derecognition of CDS provision		389 686
TOTAL:	72 086	559 168

12. Other operating expense

	2024	2023
	EUR	EUR
CDS fee	90 795	170 179
Non-deductible VAT from management services	35 278	135 085
Provision expenses for possible withholding tax liabilities	12 461	28 446
Other operating expenses	546	8 065
TOTAL:	139 080	341 775

13. Corporate income tax

	2024	2023
	EUR	EUR
Current corporate income tax charge for the reporting year	-	46 196
Deferred corporate income tax due to changes in temporary differences	(40 474)	(692)
Corporate income tax charged to the income statement:	(40 474)	45 504
Deferred corporate income tax:		
	Balance sheet	Income statement
	31.12.2024	31.12.2023
	EUR	EUR
Deferred corporate income tax liability		
Accelerated depreciation for tax purposes	(1)	(1 186)
Gross deferred tax liability	(1)	1 185
Deferred corporate income tax asset		
Tax loss carried forward	(43 015)	(43 015)
Unused vacation accruals	(16 653)	(18 009)
Gross deferred tax asset	(59 668)	(41 659)
Net deferred tax liability/ (asset)	(59 669)	(40 474)
Reversal of deferred tax:		
In the statement of comprehensive income		-
Net deferred corporate income tax assets	(59 669)	(19 195)
Net deferred corporate income tax expense/ (benefit)		(40 474)
		45 504
Actual corporate income tax charge for the reporting year, if compared with theoretical calculations:		
	2024	2023
Profit/ (loss) before tax	(707 822)	426 956
Tax at the applicable tax rate of...	15%	
	(106 173)	64 043
Deferred tax asset not recognized		
Permanent differences:		
Other	65 699	(18 539)
Actual corporate income tax for the reporting year:	(40 474)	45 504

14. Tangible assets

Property, plant and equipment

	Other fixtures and fittings, tools and equipment	Leashold improvements	Rental fleet	Rights-of-use assets	Advance payments for tangible assets	TOTAL
	EUR	EUR	EUR	EUR	EUR	EUR
As at 01.01.2023						
Cost	220 945	-	-	476 261	-	697 206
Accumulated depreciation and impairment	(130 071)	-	-	(233 569)	-	(363 640)
Carrying amount	90 874	-	-	242 692	-	333 566
2023						
Additions	26 657	23 835	-	27 771	-	78 264
Cost of disposals	(26 762)	-	-	(78 579)	-	(105 341)
Accumulated depreciation of disposals	19 313	-	-	60 595	-	79 908
Revaluation	-	-	-	-	-	-
Reclassification	-	-	-	-	-	-
Impairment	-	-	-	-	-	-
Depreciation charge	(37 265)	(1 978)	-	(107 390)	-	(146 633)
As at 31.12.2023						
Cost	220 840	23 835	-	425 452	-	670 127
Accumulated depreciation and impairment	(148 023)	(1 978)	-	(280 364)	-	(430 365)
Carrying amount	72 817	21 857	-	145 088	-	239 762
As at 01.01.2024						
Cost	220 840	23 835	-	425 452	-	670 127
Accumulated depreciation and impairment	(148 023)	(1 978)	-	(280 364)	-	(430 365)
Carrying amount	72 817	21 857	-	145 088	-	239 762
2024						
Additions	12 175	3 821	-	18 292	-	34 288
Cost of disposals	(3 132)	-	-	(4 872)	-	(8 004)
Accumulated depreciation of disposals	1 295	-	-	-	-	1 295
Revaluation	-	-	-	-	-	-
Reclassification	-	-	-	-	-	-
Depreciation charge	(29 009)	(16 750)	-	(107 705)	-	(153 464)
Impairment charge	-	-	-	-	-	-
As at 31.12.2024						
Cost	229 883	27 656	-	438 872	-	696 411
Accumulated depreciation and impairment	(175 737)	(18 727)	-	(388 069)	-	(582 533)
Carrying amount	54 146	8 929	-	50 803	-	113 878

Depreciation costs are included in Note - "Administrative expense".

Fixed Assets and Depreciation Allocation

Fixed assets are recognized in the financial statements of the parent company UAB "mogo LT". However, a portion of the depreciation expense related to these assets is allocated to the subsidiary UAB "Renti", in accordance with a cost allocation agreement between the companies. This allocation reflects the actual use of the assets by Renti and follows the same principles applied to other administrative expenses shared between the entities.

15. Loans and advances to customers

	Non-Current 31.12.2024	Current 31.12.2024	Non-Current 31.12.2023	Current 31.12.2023
<i>Customer receivables; net</i>	EUR	EUR	EUR	EUR
Customer receivables (secured); gross	1 441 285	1 932 027	2 666 714	3 065 140
Impairment allowance (secured)	-	(18 588)	-	-
Customer receivables (insecured); gross	2 497 578	1 177 958	3 652 571	792 082
Impairment allowance (unsecured)	-	(611 581)	-	(353 096)
Accrued interest and handling fee	-	136 277	-	223 762
Fees received upon loan disbursement	(134 602)	(180 432)	(211 212)	(242 769)
Fees paid upon loan disbursement	162 726	218 132	301 915	347 023
TOTAL, NET:	3 966 987	2 653 793	6 409 988	3 832 142

	31.12.2024 EUR	31.12.2023 EUR
<i>Customer receivables; gross</i>		
<i>Non-current</i>		
Loans and advances to customers (secured)	1 441 285	2 666 714
Loans and advances to customers (unsecured)	2 497 578	3 652 571
<i>Current</i>	-	-
Loans and advances to customers (secured)	1 932 027	3 065 140
Loans and advances to customers (unsecured)	1 177 958	792 083
Accrued interest and handling fee (secured)	93 526	187 156
Accrued interest and handling fee (unsecured)	42 751	36 606
TOTAL, GROSS:	7 185 125	10 400 270

	Minimum loan payments 31.12.2024 EUR	Present value of minimum loan payments 31.12.2024 EUR	Minimum loan payments 31.12.2023 EUR	Present value of minimum loan payments 31.12.2023 EUR
<i>Customer receivables (secured)</i>				
Up to one year	3 434 863	2 071 388	4 745 889	3 215 850
Years 2 through 5 combined	2 285 755	1 363 386	3 648 842	2 551 871
More than 5 years	33 706	32 064	151 289	151 289
TOTAL, GROSS:	5 754 324	3 466 838	8 546 020	5 919 010

	31.12.2024 EUR	31.12.2023 EUR
<i>Unearned finance income</i>		
Up to one year	1 363 475	1 530 039
Years 2 through 5 combined	922 369	1 096 971
More than 5 years	1 642	-
TOTAL, GROSS:	2 287 486	2 627 010

	31.12.2023			
	Stage 1	Stage 2	Stage 3	TOTAL
<i>Customer receivables (secured)</i>				
Not past due	3 874 656	139 572	2 727	4 016 955
Days past due up to 30 days	866 725	427 447	7 248	1 301 420
Days past due up to 60 days	-	274 324	10 555	284 879
Days past due over 60 days	-	-	315 758	315 758
TOTAL, GROSS:	4 741 381	841 343	336 288	5 919 012

	31.12.2024			
	Stage 1	Stage 2	Stage 3	TOTAL
<i>Customer receivables (secured)</i>				
Not past due	2 203 643	66 347	-	2 269 990
Days past due up to 30 days	450 661	198 865	-	649 526
Days past due up to 60 days	-	122 312	-	122 312
Days past due over 60 days	-	-	425 010	425 010
TOTAL, GROSS:	2 654 304	387 524	425 010	3 466 838

15. Loans and advances to customers (continued)

<i>Customer receivables (secured)</i>	Stage 1	Stage 2	Stage 3	Total
Balance at 1 January 01.01.2024	4 741 381	841 343	336 288	5 919 012
Transfer to Stage 1	235 691	(235 691)	-	-
Transfer to Stage 2	(229 480)	234 169	(4 689)	-
Transfer to Stage 3	(77 735)	(62 759)	140 494	-
New financial assets acquired	816 306	22 531	88 789	927 626
Receivables settled	(1 234 155)	(131 667)	(29 407)	(1 395 229)
Receivables written off	(13 679)	(2 325)	(20 766)	(36 770)
Sold debts written off	(8 147)	(53 968)	(122 221)	(184 336)
Receivables partially settled	(1 575 878)	(224 109)	36 522	(1 763 465)
Foreign exchange movements	-	-	-	-
Balance at 31 December 2024	2 654 304	387 524	425 010	3 466 838
	-	-	-	-

<i>Impairment allowance (secured)</i>	Stage 1	Stage 2	Stage 3	Total
Balance at 1 January 01.01.2024	-	-	-	-
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Impairment for new financial assets acquired	10 715	7 212	660	18 587
Reversed impairment for settled receivables	-	-	-	-
Reversed impairment for written off receivables	-	-	-	-
Reversed impairment for sold receivables	-	-	-	-
Net remeasurement of loss allowance	1	-	-	1
Foreign exchange movements	-	-	-	-
Balance at 31 December 2024	10 716	7 212	660	18 588

	Minimum loan payments 31.12.2024 EUR	Present value of minimum loan payments 31.12.2024 EUR	Minimum loan payments 31.12.2023 EUR	Present value of minimum loan payments 31.12.2023 EUR
<i>Customer receivables (unsecured)</i>				
Up to one year	2 457 464	2 221 625	2 757 416	2 434 708
Years 2 through 5 combined	1 836 536	1 462 272	2 552 103	1 932 012
More than 5 years	37 837	34 390	141 324	114 540
TOTAL, GROSS:	4 331 837	3 718 287	5 450 843	4 481 260

	31.12.2024 EUR	31.12.2023 EUR
<i>Unearned finance income</i>		
Up to one year	235 839	322 708
Years 2 through 5 combined	374 264	620 091
More than 5 years	3 447	26 784
TOTAL, GROSS:	613 550	969 583

	Stage 1	Stage 2	Stage 3	TOTAL
<i>Customer receivables (unsecured)</i>				
Not past due	3 840 746	16 555	-	3 857 301
Days past due up to 30 days	213 903	61 970	-	275 873
Days past due up to 60 days	-	75 255	-	75 255
Days past due over 60 days	-	-	272 831	272 831
TOTAL, GROSS:	4 054 649	153 780	272 831	4 481 260
	-	-	-	-

	Stage 1	Stage 2	Stage 3	TOTAL
<i>Customer receivables (unsecured)</i>				
Not past due	2 860 092	9 703	-	2 869 795
Days past due up to 30 days	196 314	37 988	8 889	243 191
Days past due up to 60 days	-	92 278	21 413	113 691
Days past due over 60 days	-	-	491 610	491 610
TOTAL, GROSS:	3 056 406	139 969	521 912	3 718 287
	-	-	-	-

15. Loans and advances to customers (continued)

<i>Customer receivables (unsecured)</i>	Stage 1	Stage 2	Stage 3	Total
Balance at 1 January 01.01.2024	4 054 649	153 780	272 831	4 481 260
Transfer to Stage 1	39 135	(39 135)	-	-
Transfer to Stage 2	(122 580)	128 822	(6 242)	-
Transfer to Stage 3	(141 552)	(95 365)	236 917	-
New financial assets acquired	2 165 400	124 585	348 072	2 638 057
Receivables settled	(143 410)	-	-	(143 410)
Receivables written off	-	-	-	-
Sold debts written off	-	-	-	-
Receivables partially settled	(2 795 236)	(132 718)	(329 666)	(3 257 620)
Foreign exchange movements	-	-	-	-
Balance at 31 December 2024	3 056 406	139 969	521 912	3 718 287

<i>Impairment allowance (unsecured)</i>	Stage 1	Stage 2	Stage 3	Total
Balance at 1 January 01.01.2024	107 568	35 280	210 248	353 096
Transfer to Stage 1	7 972	(7 972)	-	-
Transfer to Stage 2	(4 163)	7 826	(3 663)	-
Transfer to Stage 3	(5 291)	(23 955)	29 246	-
Impairment for new financial assets acquired	71 056	33 618	313 788	418 462
Reversed impairment for settled receivables	(4 034)	-	-	(4 034)
Reversed impairment for written off receivables	-	-	-	-
Reversed impairment for sold receivables	-	-	-	-
Net remeasurement of loss allowance	(81 692)	(8 233)	(66 018)	(155 943)
Foreign exchange movements	-	-	-	-
Balance at 31 December 2024	91 416	36 564	483 601	611 581

16. Loans to related parties

Non-current

	Interest rate per annum (%)	Maturity	31.12.2024	31.12.2023
			EUR	EUR
Loan to related parties	13%	2030-11-10	11 518 987	9 100 500
TOTAL:			11 518 987	9 100 500

17. Trade receivables

	31.12.2024	31.12.2023
	EUR	EUR
Other trade receivables	4 059	-
Accrued revenue from related parties	168 899	153 181
Receivables from RMS	3 689	686 914
Receivables from RATO	40 517	33 125
Receivables from Primero	-	367 874
TOTAL:	217 164	1 241 094

18. Other receivables

	31.12.2024	31.12.2023
	EUR	EUR
Receivable for attracted funding through P2P platform	-	285
Overpaid VAT	32 721	-
Net overpaid VAT	32 721	-
Advances to employees	210	204
Other debtors	22 890	25 592
Receivables from related parties	900 000	3 529
CIT paid in advance	139 505	797 768
TOTAL:	1 095 326	827 378

19. Cash and cash equivalents

	31.12.2024	31.12.2023
	EUR	EUR
Cash at bank	1 777 858	256 584
Cash on hand*	-	3 300
TOTAL:	1 777 858	259 884

*The cash on hand is held in regional offices and is kept there to ensure daily cash transactions.

20. Share capital

The share capital of the Company is EUR 28 960 and consists of 1 000 shares. The nominal value of each share is EUR 28.96. All shares are fully paid.

A legal reserve is a compulsory reserve under the Lithuanian legislation. Annual transfers of not less than 1/20 of net profit are compulsory until the reserve reaches 1/10 of the share capital. According to the legislation this reserve can be used only for covering losses. The Company fully formed legal reserve in 2022 year.

The Company's shares consist of ordinary shares. All ordinary shares confers the right to vote and the right to receive dividends.

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

	Share capital EUR
Opening balance at 01.01.2023	28 960
Subscriptions	-
Redemptions	-
Opening balance at 01.01.2023	28 960
Opening balance at 01.01.2024	28 960
Reductions	-
Subscriptions	-
Redemptions	-
Opening balance at 31.12.2024	28 960

	31.12.2024 EUR	31.12.2023 EUR
Cash dividends paid	-	(1 000 000)
Non-cash dividends*	-	-
Total dividends paid:	-	(1 000 000)

In 2024 dividends were not distributed. In 2023 dividends paid per one share amounted to EUR 34.53

21. Borrowings

Non-current

	Interest rate per annum (%), Maturity	Maturity	31.12.2024 EUR	31.12.2023 EUR
<i>Loans from related parties</i>				
Loan from related parties (Romania)	13%	2029-11-06	3 877 500	587 500
Loan from related parties (Renti LT)	13%	2029-11-06	13 350 000	19 544 488
TOTAL:			17 227 500	20 131 988
<i>Other borrowings</i>				
Financing received from P2P investors	8.5%-13.5%	2029-01-20	351 628	985 152
Liabilities for rights-of-use assets			18 786	52 198
TOTAL:			370 414	1 037 350
TOTAL NON CURRENT BORROWINGS:			17 597 914	21 169 338

Current

	Interest rate per annum (%)	Maturity	31.12.2024 EUR	31.12.2023 EUR
<i>Other borrowings</i>				
Financing received from P2P investors	8.5%-13.5%		389 454	958 724
Liabilities for rights-of-use assets			34 725	96 807
Short term loan from related parties (Romania)	13%	2026-12-31	3 877 500	587 500
Accrued interest for loans from related parties	13%		220 471	18 298
Accrued interest for financing received from P2P investors	8.5%-13.5%		3 933	10 633
TOTAL:			4 526 083	1 671 962

22. Taxes payable

	31.12.2024 EUR	31.12.2023 EUR
Personal income tax liabilities	-	-
Social tax liabilities	-	-
VAT	-	72 021
Other taxes and duties	623	1 770
	623	73 791

23. Accrued liabilities

	31.12.2024 EUR	31.12.2023 EUR
Accruals for vacation reserves	111 017	120 060
Accrued liabilities against employees	77 196	48 622
Other accrued liabilities for received services	82 482	103 772
	270 695	272 454

24. Related party disclosures

Related parties are defined as subsidiaries and associates of the Company as well as shareholders that have the ability to control the Company or exercise significant influence over the Company in making financial and operating decisions, members of the key management personnel of the Company or its parent company, and close members of the families of any individual referred to previously and entities over which these persons exercise significant influence or control.

Receivable from related companies

	31.12.2024	31.12.2023
	EUR	EUR
Loan receivable from Renti UAB	11 518 987	9 100 500
Accrued interest from Renti UAB	126 271	101 994
Accrued revenue (cost allocation) from Renti UAB	168 899	153 181
Other receivables from Renti UAB	900 000	3 529
TOTAL:	12 714 157	9 359 204

Payables to related companies

	31.12.2024	31.12.2023
	EUR	EUR
Loan from Eleving Group S.A.	13 350 000	19 544 488
Loan from Renti Latvia	-	-
Loan from Mogo Romania	7 755 000	1 175 000
Accrued interest from loan to Eleving Group S.A.	146 882	122 275
Accrued interest from loan to Mogo Latvia	-	(116 823)
Accrued interest from loan to Renti Latvia	-	-
Accrued interest from loan to Mogo Romania	73 589	12 847
Other payables (MNG fee) to Eleving Stella AS	23 196	56 920
Other payables to Renti UAB	17 925	8 675
TOTAL:	21 366 592	20 803 382

Services provided to related companies

	31.12.2024	31.12.2023
	EUR	EUR
Interest income from Renti UAB	1 356 893	1 799 697
TOTAL:	1 356 893	1 799 697

Services received from related companies

	31.12.2024	31.12.2023
	EUR	EUR
Interest expenses to Mogo Latvia	-	1 106 307
Interest expenses to Eleving Group S.A.	1 743 716	772 078
Interest expenses to Renti Latvia	-	290 528
Interest expenses to Mogo Romania	720 359	507 297
Management fee to Eleving Stella UAB	327 055	663 338
TOTAL:	2 791 130	3 339 548

1) The Company through its divisions performs the function of collecting money from customers to the related party UAB Renti.

2) Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties

3) Company has loan agreement with its subsidiary company which allows both parties to agree on flexible loan payout and loan repayment arrangement with maximum loan amount of 23 million EUR.

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

31.12.2024	Stage 1	Stage 2	Stage 3	Total
Loan receivable from Subsidiary company	11 518 987	-	-	11 518 987

Loan receivables from related parties inherently are subject to the Company's credit risk. Therefore, a benchmarked PD rate was based on Standard & Poor's corporate statistics studies. The LGD has been assessed considering the related parties' financial position.

25. Financial risk management

The risk management function within the Company is carried out in respect of financial risks, operational risks and legal risks. Financial risk comprises 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, to minimize operational and legal risks.

Operational risks

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

Regulatory risks

The Company'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. The Company closely monitors all the changes in the regulatory framework. The Company 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 the Company's business activities.

Anti-money laundering and Know Your Customer laws compliance risk

As a result, the Company often relies on anti-money laundering and know your customer checks performed by our customers' banks when such customers open new bank accounts, however the Company has implemented further internal policies to minimize these risks. The Company has put in place an internal control framework to identify and report all suspicious transactions with a combination of IT based solutions and human involvement. Internal policies of the Company typically include customers' background checks against sanctioned lists and other public sources as required by local law and Consumer Rights Protection Centre.

Privacy, data protection compliance risk

The Company'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 Company has put in place an internal control framework consisting of 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 Company 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.

Foreign currency risk

The Company does not have currency risk by issuing loans and funding local operations only in EUR.

Financial risks

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

Interest rate risk

The Company is not exposed to interest rate risk because all of its interest-bearing assets and liabilities are with a fixed interest rate.

Capital risk management

The Company considers both equity capital as well as borrowings a part of overall capital risk management strategy. (Note 30)

The Company 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 Company may attract new credit facilities or increase its share capital.

Liquidity risk

The Company manages its liquidity risk by arranging an adequate amount of committed credit facilities with related parties and by issuing bonds and P2P platforms.

The table below presents the cash flows payable by the Company and to the Company 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.

Credit risk

The Company is exposed to credit risk through its finance lease receivables, loans and advances to customers and related parties as well as cash and cash equivalents. The key areas of credit risk policy cover the lease granting process (including solvency check of the lease), monitoring methods, as well as decision making principles.

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

When the lease agreement has been signed, the Company monitors the lease object and customer's solvency. The Company has developed a lease 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 Company's exposure to bad debts is minimized, and, where appropriate, provisions are being made (Note 15 and 16).

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

	Carrying value 31.12.2024	Carrying value 31.12.2023
Assets exposed to credit risk	EUR	EUR
Loans and advances to customers	113 878	246 645
Loans to related parties	-	-
Investments in subsidiaries	3 966 987	6 409 988
Cash and cash equivalents	-	-
Total assets exposed to credit risk	4 080 865	6 656 633

25. Financial risk management (continued)

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 Company's performance to developments affecting a particular industry or geographical location.

To avoid excessive concentrations of risk, the Company is maintaining a diversified portfolio. Its main product is subprime lease, however it is also offering near prime lease, as well as loans and advances to customers.

Impairment of financial assets

The measurement of impairment losses under IFRS9 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 Company's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and 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.

Risk Management Services OU has issued CDS for all lease portfolio of the Company. Management of the Company has made judgement that financial guarantee contract (CDS) held by the Company is an integral element of another financial instrument in the scope of IFRS 9. Factors considered by the management whether a financial guarantee contract is integral to the debt instrument are as follow:

- the guarantee is implicitly part of the contractual terms of the debt instrument as the loan/lease agreement refers to it;
- the financial guarantee contract is entered at the same time as and in contemplation of the debt instrument;
- business purpose - the guarantee and the loan have been contracted in contemplation of one another, i.e., the loan would not have been contracted without the guarantee and the Company would not have FGC expenses, if the loan would not have been issued.
- the fee is calculated considering projected losses and a mark-up, the counterparty has ensured its profitability in a long run

The Company concludes, that CDS is an integral element of a debt instrument and is accounted for as a component of that instrument (is not recognised separately). The Company has transferred its credit risk to the issuer, therefore only partial impairment has been calculated, as starting from 1st of October, for new issued agreements CDS insurance is not calculated.

Liquidity risk

	Carrying value	Contractual cash flows					Total
		On demand	Up to 1 year	1-5 years	More than 5 years		
As at 31.12.2024	EUR	EUR	EUR	EUR	EUR		EUR
Assets							
Cash in bank	1 777 858	1 777 858					1 777 858
Loans and advances to customers	6 620 780		5 892 327	4 122 291	71 543		10 086 161
Loans to related parties (loans to mogo group companies)	11 645 258		126 271	11 518 987			11 645 258
Trade receivables	217 164		217 164				217 164
Total undiscounted financial assets	20 261 060	1 777 858	6 235 762	15 641 278	71 543		23 726 441
Liabilities							
Borrowings (do not include I/C borrowings)	(4 676 026)		(440 653)	(384 408)			(825 061)
Borrowings (only I/C borrowings)	(17 447 971)		(4 097 971)	(13 350 000)			(17 447 971)
Other liabilities (do not include I/C liabilities)	(319 499)		(319 499)				(319 499)
Other liabilities (only I/C liabilities)	(23 196)		(23 196)				(23 196)
Total undiscounted financial liabilities	(22 466 692)	-	(4 881 319)	(13 734 408)	-		(18 615 727)
Net undiscounted financial assets / (liabilities)	(2 205 632)	1 777 858	1 354 443	1 906 871	71 543		5 110 715

	Carrying value	Contractual cash flows					Total
		On demand	Up to 1 year	1-5 years	More than 5 years		
As at 31.12.2023	EUR	EUR	EUR	EUR	EUR		EUR
Assets							
Cash in bank	259 884		259 884				259 884
Loans and advances to customers	10 242 130		7 503 305	6 200 945	292 613		13 996 862
Loans to related parties (do not include loans to mogo group companies)	9 202 494		101 994	9 100 500			9 202 494
Trade receivables	1 241 094		1 241 094				1 241 094
Total undiscounted financial assets	20 945 602	-	9 106 277	15 301 445	292 613		24 700 334
Liabilities							
Borrowings (do not include I/C borrowings)	(2 691 014)		(1 137 005)	(1 185 920)			(2 322 925)
Borrowings (only I/C borrowings)	(20 150 286)		(605 798)	(19 544 488)			(20 150 286)
Other liabilities (do not include I/C liabilities)	(413 510)		(413 510)				(413 510)
Other liabilities (only I/C liabilities)	(56 920)		(56 920)				(56 920)
Total undiscounted financial liabilities	(23 311 730)	-	(2 213 233)	(20 730 408)	-		(22 943 641)
Net undiscounted financial assets / (liabilities)	(2 366 128)	-	6 893 043	(5 428 963)	292 613		1 756 693

26. Fair value of financial assets and liabilities

Company has not presented in separate disclosure classification levels of fair value information for the financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value. Trade and other receivables, cash and cash equivalents, and trade and other payables carrying amount is reasonable approximation of fair value. Further, the fair value disclosure of lease liabilities is also not required.

Fair value of finance lease and loan receivables is not smaller from the carrying value, which is present value of minimum lease and loan payments discounted using effective agreement interest rate and adjusted for impairment allowance.

Fair value of current and non-current borrowings is based on cash flows discounted using effective agreement interest rate which represents current market rate. The Company's management believes that interest rates applicable to loan portfolio and borrowings are in line with current market interest rates for companies similar to UAB "mogo LT".

The management recognizes that if a fair value of such assets/liabilities would be assessed as an amount at which an asset could be exchanged or liability settled on an arm's length basis with knowledgeable third parties, the fair values obtained of the respective assets and liabilities would not be materially different.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

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

	Carrying value 31.12.2024	Fair value 31.12.2024	Carrying value 31.12.2023	Fair value 31.12.2023
	EUR	EUR	EUR	EUR
Assets for which fair value is disclosed				
Finance lease receivables	6 620 780	6 046 942	10 242 130	8 974 782
Loans to related parties	11 645 258	6 590 067	9 202 494	6 084 334
Trade receivables	217 164	217 164	1 241 094	1 241 094
Cash and cash equivalents	1 777 858	1 777 858	259 884	259 884
Total assets for which fair value is disclosed	20 261 060	14 632 031	20 945 602	16 560 094
Liabilities for which fair value is disclosed				
Loan from related parties	17 447 971	12 068 113	20 150 286	13 711 023
Lease liabilities for right-of-use assets	53 511	53 511	149 005	149 005
Financing received from P2P investors	745 015	743 398	1 954 509	1 950 697
Trade payables	30 266	30 266	56 892	56 892
Other liabilities	312 429	312 429	413 538	413 538
Total liabilities for which fair value is disclosed	18 589 192	13 207 717	22 724 230	16 281 155
Liabilities measured at fair value				
Other financial liabilities	-	-	-	-
Total liabilities measured at fair value and liabilities for which fair value is disclosed	18 589 192	13 207 717	22 724 230	16 281 155

	Level 1 31.12.2024	Level 2 31.12.2024	Level 3 31.12.2024	Level 1 31.12.2023	Level 2 31.12.2023	Level 3 31.12.2023
	EUR	EUR	EUR	EUR	EUR	EUR
Assets for which fair value is disclosed						
Finance lease receivables	-	-	6 046 942	-	-	8 974 782
Loans to related parties	-	-	6 590 067	-	-	6 084 334
Trade receivables	-	-	217 164	-	-	1 241 094
Cash and cash equivalents	1 777 858	-	-	259 884	-	-
Total assets for which fair value is disclosed	1 777 858	-	12 854 173	259 884	-	16 300 210
Liabilities for which fair value is disclosed						
Loan from related parties	-	12 068 113	-	-	13 711 023	-
Lease liabilities for right-of-use assets	-	-	53 511	-	-	149 005
Financing received from P2P investors	-	-	743 398	-	-	1 950 697
Trade payables	-	-	30 266	-	-	56 892
Other liabilities	-	-	312 429	-	-	413 538
Total liabilities for which fair value is disclosed	-	12 068 113	1 139 604	-	13 711 023	2 570 132
Liabilities measured at fair value						
Other financial liabilities	-	-	-	-	-	-
Total liabilities measured at fair value and liabilities for which fair value is disclosed	-	12 068 113	1 139 604	-	13 711 023	2 570 132

27. Investments in subsidiaries

The Company's investments in subsidiaries as of 31 December 2024 and 31 December 2023 are set out below:

Company	Business	Shareholding	Company's investment	
			31.12.2024 EUR	31.12.2023 EUR
Renti UAB	Consumer leasing	100%	2 900 000	3 900 000
Impairment:			-	-
Total Net Investments in subsidiaries:			2 900 000	3 900 000

Impairment testing of the investments in subsidiary has been performed by the management of the Company using valuation methods and based on assumptions described in section impairment testing. As a result of performed impairment test calculations there is no additional impairment recognised in the year ended 31 December 2024.

Income from investments

There were no dividends received from Company's subsidiaries during years 2024.

Impairment testing

The recoverable amount of Renti UAB is determined based on a value in use calculation using cash flow projections from financial budgets approved by the management. As a result of performed calculations the management has not identified impairment for Company's investment in Renti UAB for the year ended 31 December, 2024.

Operating results of Renti UAB are presented below:

	31.12.2024 EUR	31.12.2023 EUR
Profit/Loss	26 111	935 062
	31.12.2024 EUR	31.12.2023 EUR
Current assets	6 886 180	4 908 219
Non-current assets	17 339 368	17 761 357
Current liabilities	(3 106 334)	(5 015 554)
Non-current liabilities	(17 839 414)	(13 400 333)
Net assets	3 279 800	4 253 689

28. Commitments and contingencies

Starting from 14 October 2021 Eleving Group and certain of its Subsidiaries (including Mogo LT) 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. In 2022 the following amendments were made to these commercial pledges with TMF Trustee Services GmbH: On 8 June 2022 amendments to the terms of commercial pledge No 100195518 was registered, where the commercial pledgor is mogo LT (Lithuania).

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.

On 31 July 2019 mogo LT has concluded a Commercial pledge (as amended from time to time) with JSC Citadele bank by virtue of which certain receivables of mogo JSC are pledged in favor of JSC Citadele bank in order to secure mogo JSC, Primero OU and UAB mogo LT obligations towards JSC Citadele bank under the Credit line agreement of 8 July 2019 (as amended from time to time). On 14 February 2022 mogo LT (Lithuania) registered an amendment to the commercial pledge. As of the end of 2024, guarantee have been closed due to maturity, including the related pledge contract. Consequently, no outstanding guarantees remain as of December 31, 2024. (31 December 2023: EUR 2.5 millions).

On 6 June 2016 mogo LT entered into a commercial pledge agreement with Mintos Finance Estonia OU, in order to secure mogo LT obligations towards Mintos Finance Estonia OU deriving from Cooperation agreement on issuance of loans No 21/2016L, dated 6 June 2016. As of the end of 2024, guarantee have been closed due to maturity, including the related pledge contract. Consequently, no pledged gross receivables remain as of December 31, 2024. (31 December 2023: EUR 191 thus.).

On 5 July 2022 mogo LT entered into a commercial pledge agreement with Mintos Marketplace JSC and Mintos Finance No1 LLC in order so secure mogo JSC obligations towards Mintos Marketplace JSC and Mintos Finance No1 LLC deriving from Cooperation agreement on issuance of loans No. LVMM/06-07-2022-39 , dated 5 July 2022. The subject of the pledge is the right of claim arising from leasing or loan agreements for a maximum amount of secured claim is EUR 787k. The last amendment to this commercial pledge was registered on 1 August 2024.

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).

29. Management of Capital

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern. The Company considers total capital under management to be equity as shown in the statement of financial position.

The amount of capital that the Company managed as of 31.12.2024 was 2 031 572 EUR (2023: 2 698 920 EUR).

Management reviews its capital position on a regular basis to maintain sufficient funds in order to support the medium and long-term strategic goals of the Company.

30. Going Concern Assumption

The 2025 financial statements reflect a net loss, and the current ratio (current assets to current liabilities) is below 1. This indicates a potential risk regarding the Company's ability to continue as a going concern.

Nevertheless, the financial statements have been prepared on a going concern basis, as the Company's management expects that the going concern assumption will remain valid based on the following planned actions:

In 2025, the Company intends to restructure its offered financial products to improve profitability and increase customer reach;

Internal processes are planned to be optimized to reduce operating costs;

The Company's liquidity will be supported by an existing loan from the parent group, ensuring short-term funding.

The company will receive additional cash flow from dividends received from its subsidiary UAB "Renti", which is operating profitably.

Having assessed the planned actions and available sources of financing, management believes that the Company will have sufficient resources to continue its operations for at least 12 months from the date of approval of the financial statements.

31. Legal claims

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent in its operations. As a result, the Company is involved in various litigation, arbitration and regulatory proceedings, in the ordinary course of its business. The Company has formal controls and policies for managing legal claims. At year end, the Company had several unresolved legal claims, none of them individually neither in aggregate are significant to the Company.

32. Events after balance sheet date

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

Greta Montvilienė
Director

Milda Mironienė
Chief Financial Officer