

**JSC Eleving Solis (former Mogo Africa)**  
(UNIFIED REGISTRATION NUMBER 40203182962)

**ANNUAL REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**SEPARATE FINANCIAL STATEMENTS PREPARED IN ACCORDANCE  
WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS AS ADOPTED BY THE EU  
TOGETHER WITH INDEPENDENT AUDITOR'S REPORT**

**Riga, 2022**

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### General information

Name of the Company	Eleving Solis (former Mogo Africa)		
Legal status of the Company	JSC		
Unified registration number, place and date of registration	Rīga, 28 November 2018		
Registered office	Skanstes street 52, Riga		
Shareholders		31.12.2021	
	Eleving Vehicle Finance JSC	88%	
	Other	12%	
	<b>TOTAL</b>	<b>100%</b>	
Ultimate parent company	Eleving Group S.A. (Luxembourg)		
Board Members	Tomas Sudnius - Chairman of the Board from 28.11.2018. Māris Kreics - Member of the Board from 13.01.2021. Marius Barys - Member of the Board from 13.01.2021. Marina Samuilova - Member of the Board from 17.06.2020 till 13.01.2021.		
Council Members	Modestas Sudnius - Chairman of the Council from 10.05.2021. Kārlis Bērziņš - Deputy Chairman of the Council from 10.05.2021. Toms Puriņš - Member of the Council from 10.05.2021.  Modestas Sudnius - Chairman of the Council from 28.11.2018. to 10.05.2021. Jūlija Lebedinska-Ļitvinova - Deputy Chairman of the Council from 29.12.2020. to 10.05.2021. Toms Puriņš - Member of the Council from 29.12.2020. to 10.05.2021.		
Subsidiaries:	Subsidiary name	Country of incorporation	% equity interest
	<i>Mogo Auto Ltd</i>	<i>Kenya</i>	<i>100.0%</i>
	<i>Mogo Kenya Ltd</i>	<i>Kenya</i>	<i>100.0%</i>
	<i>Eleving Solis UAB</i>	<i>Lithuania</i>	<i>100.0%</i>
	<i>Mogo Loans SMC Ltd</i>	<i>Uganda</i>	<i>100.0%</i>
	<i>Mogo Lend LTD</i>	<i>Uzbekistan</i>	<i>99.1%</i>
Financial year	1 January - 31 December 2021		
Previous financial year	1 January - 31 December 2020		
Auditors:	Certified auditor:		
Revidentu birojs Gatis Sviklis Lāsma Svikle SIA	Gatis Sviklis		
Licence Nr.181	Certificate No. 202		
Kr.Valdemāra str. 123-15			
Rīga, LV-1013, Latvia			

## Management report

30 September 2022

The Board members of the Company present the report on the separate financial statements for the year ended 31 December 2021. All the figures are presented in EUR (euro).

### General information

JSC "Eleving Solis" (hereinafter - the Company) is a company that provides management services to its related companies, such as financial management, development of marketing strategy, provision of IT services and other strategically important services in service recipient companies.

### Mission, vision and values

#### *Mission*

The company's mission is to help its clients implement and maintain sustainable financial, marketing, IT and other strategies that would result in rapid development of these companies.

#### *Vision*

The company's vision is to become an important partner for clients to ensure further development of these companies.

#### *Values*

- Availability – the Company provides the necessary human resources.
- Open communication and adaptation – the core value of the Company is an open communication and an adaptive approach to each and every customer, which results in a mutually beneficial outcome in every situation.
- Long term relationship – the Company values and creates mutually beneficial long term relationship with all its customers, it welcomes feedback and suggestions for improvement.

### Operations and Financial Results

Total assets of the Company reached 12.7 million euro (48% increase, compared to 2020), Operational service income reached 670.2 thousand euro (266% increase compared to 2020), and net loss of the Company amounted to -3.1 million euro (726% increase, compared to 2020). Changes in the value of the dollar and losses from currency conversion transactions have a significant negative impact on the financial result of the reporting year.

In 2021, the Company continued its work to implement its mission, namely to offer fast and easily accessible services, as well as to expand the range of services provided. The company continued to make extensive resource investments in the development of information system solutions in order to continuously improve its operational activity in the near future, automating the existing processes, while simultaneously increasing customer satisfaction with the services received.

### The future development of the Company

In 2022, the Company continues its work to ensure its mission. Despite the fact that the Company has negative working capital and the Company's ability to continue its operations in the future depends on the financial support provided by the parent company, the Company's management believes that the Company will be able to continue its operations in the future. If the losses from the sale of dollars continue, the Company's management will have to evaluate potential solutions for reducing and covering the losses.

## Management report (continued)

### Significant risks and uncertainties

After March 2020, in the Republic of Latvia and many other countries, restrictions related to the spread of the coronavirus have entered into force, which significantly reduce economic development in the country and in the world. Also in the reporting year, various restrictions were introduced around the world to reduce the spread of the virus. It is not predictable how the situation could develop in the future, and therefore, there is uncertainty of economic development. The management of the company continuously evaluates the situation. Currently, the Company's management does not feel the consequences for the Company's operation. The management of the Company believes that the Company will be able to overcome the emergency situation. However, this conclusion is based on the information that is available at the time of signing this financial report, and the impact of future events on the Company's operations in the future may differ from the management's assessment.

The Company's key principles of finance risk management are presented in the Note 3

On December 31, 2021, the Company's short-term liabilities exceeded its current assets by EUR 1 177 875 (in 2020 by EUR 237 270), and the Company also had a negative equity of EUR 229 139 (in 2020 - positive EUR 2 856 048), as well as the financial result of the reporting period was a loss.

The Company has received a written confirmation from the parent company, in which the parent company confirms that it will continue to financially support the Company and, if necessary, will provide the Company with additional financial resources for the settlement of obligations within the stipulated terms. Therefore, the Company's management believes that it will not have a liquidity problem and will be able to settle with creditors within the specified terms. Accordingly, the Company's management believes that the going concern principle is applicable in the preparation of these financial statements.

The Company's key principles of finance risk management are presented in the Note 19

### Subsequent events

In 2022, many significant sanctions have been imposed by European Union and various countries on Russia and Belarus, certain Russian and Belarusian companies, companies in other jurisdictions, officials, businessmen and other physical persons in connection with the ongoing war in Ukraine, which began on 24 February, 2022. Imposed sanctions and restrictions and military actions creates the economic uncertainty in the World and in Latvia. The full impact of the sanctions and restrictions and military actions on the Company's operations in 2022 cannot be fully predicted, but the Company believes that the sanctions and restrictions imposed and military actions after the date of the financial statements will not materially affect the Company's operations both directly and indirectly. Company's assumption is based on available information at the time of signing the financial statements, and the impact of future events on the Company's future operations may differ from Company's assessment.

Information about subsequent events is disclosed in Note 21.

Signed on behalf of the Company on 30 September 2022 by:

Tomas Sudnius \_\_\_\_\_  
Chairman of the Board

Māris Kreics \_\_\_\_\_  
Member of the Board

Marius Barys \_\_\_\_\_  
Member of the Board

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### Statement of Management Responsibility

30 September 2022

JSC Eleving Solis management is responsible for preparation of the separate financial statements.

Management of the Company declares that in accordance with the information in their possession, separate financial statements have been prepared in accordance with accounting transaction documentation and with the International Financial Reporting Standards as adopted by EU and give a true and fair view of the Company's assets, liabilities, financial position as at 31 December 2021, results of operations and cash flows for the year ended 31 December 2021.

Management of the Company confirms that an appropriate and consistent accounting policies and management estimates are used. Management of the Company confirms that the separate financial statements are prepared using prudence principle as well as the going concern assumption. Management of the Company confirms its responsibility for maintaining proper accounting records, as well as monitoring, control and safeguarding of the Company's assets.

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

Signed on behalf of the Company on 30 September 2022 by:

Tomas Sudnius \_\_\_\_\_  
Chairman of the Board

Māris Kreics \_\_\_\_\_  
Member of the Board

Marius Barys \_\_\_\_\_  
Member of the Board

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Separate Financial Statements

Separate Statement of Comprehensive Income

	Note	2021 EUR	2020 EUR
Operational service income	4	670 192	182 919
Administrative expense	5	(659 532)	(407 444)
Other operating income		1 121	6 636
Other operating expense		(6 339)	(8 177)
Interest revenue		-	3 525
Interest expense	6	(877 843)	(150 889)
Net foreign exchange result	7	(2 212 786)	(75)
<b>Profit before tax</b>		<b>(3 085 187)</b>	<b>(373 505)</b>
Corporate income tax		-	(72)
<b>Net profit for the period</b>		<b>(3 085 187)</b>	<b>(373 577)</b>
<b>Total comprehensive income for the year</b>		<b>(3 085 187)</b>	<b>(373 577)</b>

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

Signed on behalf of the Company on 30 September 2022 by:

Tomas Sudnius \_\_\_\_\_  
Chairman of the Board

Māris Kreics \_\_\_\_\_  
Member of the Board

Marius Barys \_\_\_\_\_  
Member of the Board

Ieva Bernharde \_\_\_\_\_  
Chief Accountant

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**Separate Statement of Financial Position**

<b>ASSETS</b>		<b>31.12.2021</b>	<b>31.12.2020</b>
<b>NON-CURRENT ASSETS</b>	<b>Note</b>	<b>EUR</b>	<b>EUR</b>
<b>Intangible assets</b>	<b>8</b>		
Licenses		-	1 000
Software		792 042	401 756
<b>Total intangible assets</b>		<b>792 042</b>	<b>402 756</b>
<b>Tangible assets</b>	<b>9</b>		
Right-of-use assets		29 878	33 775
Property and equipment		7 823	13 815
<b>Total tangible assets</b>		<b>37 701</b>	<b>47 590</b>
<b>Non-current financial assets</b>			
Investments in Subsidiary	<b>10</b>	10 971 349	7 971 551
<b>Total non-current financial assets</b>		<b>10 971 349</b>	<b>7 971 551</b>
<b>TOTAL NON-CURRENT ASSETS</b>		<b>11 801 092</b>	<b>8 421 897</b>
<b>CURRENT ASSETS</b>			
<b>Receivables and other current assets</b>			
Related party receivables	<b>11</b>	764 103	22 367
Contract assets	<b>12</b>	43 891	36 877
Prepaid expense		1 680	14 657
Other receivables	<b>13</b>	21 512	21 577
Cash and cash equivalents	<b>14</b>	22 975	5 832
<b>Total receivables and other current assets</b>		<b>854 161</b>	<b>101 310</b>
<b>TOTAL CURRENT ASSETS</b>		<b>854 161</b>	<b>101 310</b>
<b>TOTAL ASSETS</b>		<b>12 655 253</b>	<b>8 523 207</b>

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

Signed on behalf of the Company on 30 September 2022 by:

Tomas Sudnius \_\_\_\_\_  
Chairman of the Board

Māris Kreics \_\_\_\_\_  
Member of the Board

Marius Barys \_\_\_\_\_  
Member of the Board

Ieva Bernharde \_\_\_\_\_  
Chief Accountant

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**Separate Statement of Financial Position**

<b>EQUITY AND LIABILITIES</b>		<b>31.12.2021</b>	<b>31.12.2020</b>
<b>EQUITY</b>	<b>Note</b>	<b>EUR</b>	<b>EUR</b>
Share capital	<b>15</b>	39 743	39 743
Retained earnings		(268 882)	2 816 305
brought forward		2 816 305	3 189 882
for the period		(3 085 187)	(373 577)
<b>Total equity</b>		<b>(229 139)</b>	<b>2 856 048</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Borrowings	<b>16</b>	10 852 356	5 328 579
<b>Total non-current liabilities</b>		<b>10 852 356</b>	<b>5 328 579</b>
<b>Current liabilities</b>			
Forward exchange contracts	<b>7</b>	1 407 517	-
Borrowings	<b>16</b>	534 868	151 131
Accrued liabilities	<b>17</b>	78 641	41 731
Payables to related companies		78	99 399
Trade payables		104	3 126
Taxes payable		-	29 262
Other liabilities		10 828	13 931
<b>Total current liabilities</b>		<b>2 032 036</b>	<b>338 580</b>
<b>TOTAL LIABILITIES</b>		<b>12 884 392</b>	<b>5 667 159</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>12 655 253</b>	<b>8 523 207</b>

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

Signed on behalf of the Company on 30 September 2022 by:

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Ieva Bernharde \_\_\_\_\_  
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**Separate Statement of Changes in Equity**

	Share capital EUR	Retained earnings EUR	Total EUR
<b>Balance at 01.01.2020</b>	<b>35 000</b>	<b>3 286 340</b>	<b>3 321 340</b>
Share capital increase	4 743	-	4 743
Profit for the reporting year	-	(373 577)	(373 577)
Branch consolidation	-	(96 458)	(96 458)
<b>Balance at 31.12.2020</b>	<b>39 743</b>	<b>2 816 305</b>	<b>2 856 048</b>
<b>Balance at 01.01.2021</b>	<b>39 743</b>	<b>2 816 305</b>	<b>2 856 048</b>
Profit for the reporting year	-	(3 085 187)	(3 085 187)
<b>Balance at 31.12.2021</b>	<b>39 743</b>	<b>(268 882)</b>	<b>(229 139)</b>

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

Signed on behalf of the Company on 30 September 2022 by:

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Ieva Bernharde \_\_\_\_\_  
Chief Accountant

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### Separate Statement of Cash Flows

	Note	2021 EUR	2020 EUR
<b>Cash flows to/from operating activities</b>			
Profit before tax from continuing operations		(3 085 187)	(373 505)
Adjustments for:			
Amortisation and depreciation	5, 8, 9	102 502	69 986
Interest expense	6	877 843	150 889
Interest income		-	(3 525)
(Gain)/loss from fluctuations of currency exchange rates	7	1 407 517	-
Disposals of tangible and intangible assets	8, 9	-	620
<b>Operating profit before working capital changes</b>		<b>(697 325)</b>	<b>(155 535)</b>
Decrease/ (increase) in inventories		-	-
Decrease/ (increase) in trade and other receivables		(735 708)	(45 173)
Increase in advances received and trade payables		(97 798)	(166 396)
<b>Cash generated to/from operations</b>		<b>(1 530 831)</b>	<b>(367 104)</b>
Interest received		-	3 525
Interest paid	16	(493 467)	(26 164)
Corporate income tax paid		-	(72)
<b>Net cash flows to/from operating activities</b>		<b>(2 024 298)</b>	<b>(389 815)</b>
<b>Cash flows to/from investing activities</b>			
Purchase of tangible and intangible assets	8, 9	(481 899)	(257 832)
Investments in Subsidiary		202	(994)
<b>Net cash flows to/from investing activities</b>		<b>(481 697)</b>	<b>(258 826)</b>
<b>Cash flows to/from financing activities</b>			
Paid in share capital		-	4 743.00
Proceeds from borrowings	16	4 150 500	758 500
Repayments for borrowings	16	(1 623 000)	(113 000)
Repayment of lease liabilities for right-of-use assets	16	(4 362)	(20 110)
<b>Net cash flows to/from financing activities</b>		<b>2 523 138</b>	<b>630 133</b>
Effect of exchange rates on cash and cash equivalents		-	-
Change in cash		<b>17 143</b>	<b>(18 508)</b>
Cash at the beginning of the year		5 832	24 340
<b>Cash at the end of the year</b>	<b>14</b>	<b>22 975</b>	<b>5 832</b>

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

Signed on behalf of the Company on 30 September 2022 by:

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Chief Accountant

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## Notes to the separate financial statements

### 1. Corporate information

Eleving Solis JSC (registration number 40203182962) is a Latvian company. The Company was incorporated in Riga on November 28, 2018 as a joint stock company for an unlimited duration, subject to general company law.

The ultimate parent company of Eleving Solis JSC is Eleving Group S.A. (Luxembourg). The ultimate beneficiary owner of mogo JSC is Aigars Kesenfelds (37.9%). The share of the rest shareholders does not exceed 25%.

The core business activity of the Company comprises of providing management services to its related companies.

Annual report of 2021 has been approved by decision of the board on 30 September 2022.

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

	2021	2020
Average number of employees during the reporting year	6	8

### 2. Summary of significant accounting policies

#### a) Basis of preparation

These annual separate financial statements as of and for the year ended 31 December 2021 are prepared in accordance with International Financial Reporting Standards as adopted in the European Union.

First-time Adoption of International Financial Reporting Standards.

This year, for the first time, the Company chose to prepare financial statement in accordance with the IFRS. The transition from Latvia GAAP to the IFRS did not lead to any differences in the Company's financial statements, namely, there were no differences in the recognition of assets, liabilities, equity items or items of comprehensive income. The absence of differences is explained by the fact that accounting principles according to Latvian GAAP and IFRS are similar, in addition, the Company has previously recognized Right-of-use assets according to IFRS 16, which is permitted by Latvian law in exceptional cases.

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

The separate financial statements are prepared on a historical cost basis except for the recognition of financial instruments measured at fair value.

The Company's presentation and functional currency is euro (EUR). The separate financial statements cover the period from 01 January 2021 till 31 December 2021. Accounting policies and methods are consistent with those applied in the previous years.

The management does not use segmental approach to operational decision-making.

#### Going concern

These separate financial statements are prepared on the going concern basis.

Going concern assumptions in the context of subsequent events are disclosed under 'Going concern (non-adjusting subsequent events)' (Note 3).

#### b) Standards issued but not yet effective and not early adopted

A number of new standards are effective for annual periods beginning after 1 January 2021 and earlier application is permitted; however, the Company has not early adopted the new or amended standards in preparing these financial statements.

#### Other standards

The following new and amended standards are not expected to have a significant impact on the Company's separate financial statements.

- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37).
- COVID-19-Related Rent Concessions beyond 30 June 2021 (Amendment to IFRS 16).b
- Annual Improvements to IFRS Standards 2018–2020.
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16).
- Reference to Conceptual Framework (Amendments to IFRS 3).
- Classification of Liabilities as Current or Non-current (Amendments to IAS 1).c
- IFRS 17 Insurance Contracts and amendments to IFRS 17 Insurance Contracts.
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2).
- Definition of Accounting Estimates (Amendments to IAS 8).











































