

IMPORTANT NOTICE

THIS OFFERING IS AVAILABLE ONLY TO INVESTORS WHO ARE OUTSIDE OF THE UNITED STATES

IMPORTANT: You must read the following before continuing. The following applies to the preliminary offering memorandum (the “**Offering Memorandum**”) following this page, and you are therefore advised to read this carefully before reading, accessing or making any other use of the Offering Memorandum. In accessing the Offering Memorandum, you agree to be bound by the following terms and conditions, including any modifications to them from time to time each time you receive any information from the Issuer as a result of such access. You acknowledge that this electronic transmission and the delivery of this Offering Memorandum is confidential and intended only for you and you agree that you will not forward, reproduce, copy, download or publish this electronic transmission or this Offering Memorandum (electronically or otherwise) to any other person.

The Bonds (as defined below) are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (the “**Insurance Distribution Directive**”), where that client would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in point (e) of Article 2 of the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the “**Prospectus Regulation**”). In addition, the Bonds provide for debt obligations of the Issuer and the Guarantors with no exposure by investors to reference values or assets other than the assets and business operations of the Issuer and the Guarantors. Consequently, no key information document required by Regulation (EU) No. 1286/2014 (the “**PRIPs Regulation**”) for offering or selling the Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIPs Regulation.

The Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (“**UK**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (“**FSMA**”) and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by the PRIPs Regulation as it forms part of domestic law by virtue of the EUWA (the “**UK PRIPs Regulation**”) for offering or selling the Bonds or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Bonds or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIPs Regulation.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES OR ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION AND THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION, NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.

THIS DOCUMENT MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER AND IN PARTICULAR MAY NOT BE FORWARDED TO ANY UNITED STATES ADDRESS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS. IF YOU HAVE GAINED ACCESS TO THIS TRANSMISSION CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORIZED AND WILL NOT BE ABLE TO PURCHASE ANY OF THE SECURITIES DESCRIBED THEREIN.

Confirmation of your Representation: In order to be eligible to view this Offering Memorandum or make an investment decision with respect to the securities described herein, investors must be outside of the United States. This Offering Memorandum is being sent at your request and by accepting the e-mail and accessing this Offering Memorandum, you shall be deemed to have represented the Issuer that (1) you and any customers you represent are outside of the United States and not a U.S. Person (as defined in the Regulation S under the Securities Act) and that the electronic mail address that you gave the Issuer and to which this e-mail has been delivered is not located in the United States and (2) that you consent to delivery of such Offering Memorandum by electronic transmission.

Mifid II Product Governance. Solely for the purposes of each manufacturer’s product approval process, the target market assessment in respect of the Bonds has led to the conclusion that: (i) the target market for the Bonds is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, “**MIFID II**”); and (ii) all channels for distribution of the Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Bonds (a “**distributor**”) should take into consideration the manufacturers’ target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturers’ target market assessment) and determining appropriate distribution channels.

You are reminded that this Offering Memorandum has been delivered to you on the basis that you are a person into whose possession this Offering Memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorized to, deliver or disclose the contents of this Offering Memorandum to any other person.

The materials relating to the offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the underwriters or any affiliate of the underwriters is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the underwriters or such affiliate on behalf of the Issuer in such jurisdiction.

This Offering Memorandum has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently, the Issuer or any person who controls any of it, nor any director, officer, employee nor agent of the Issuer (the “**Agents**”) of it or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the Offering Memorandum distributed to you in electronic format and the hard copy version available to you on request from the Issuer or the Agents.

You are responsible for protecting against viruses and other destructive items. Your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

SUBSCRIPTION AND SALE

The Lead Manager will, pursuant to a subscription agreement (the “**Subscription Agreement**”), agree with the Issuer and the Guarantors, subject to the satisfaction of certain conditions, procure subscribers for the Bonds at the issue price of [●]% of their principal amount and less certain commissions as agreed upon with the Issuer. The Issuer will also reimburse the Lead Manager and the Co-Manager in respect of certain of their expenses in connection with the issue of the Bonds, and the Issuer and the Guarantors have agreed to indemnify the Lead Manager and the Co-Manager against certain liabilities that may be incurred in connection with the offer, issue and sale of the Bonds. The Subscription Agreement may be terminated in certain circumstances prior to the issue, sale and delivery of the Bonds.

To the extent permitted by local law, the Lead Manager and the Co-Manager and the Issuer have agreed that commissions may be offered to certain brokers, financial advisors and other intermediaries based upon the amount of investment in the Bonds purchased by such intermediary and/or its customers. Each such intermediary is required by law to comply with any disclosure and other obligations related thereto, and each customer of any such intermediary is responsible for determining for itself whether an investment in the Bonds is consistent with its investment objectives.

NOTICE TO INVESTORS

You should rely only on the information contained in this Offering Memorandum. Neither the Issuer nor the Guarantors (as defined herein) have authorized anyone to provide you with information that is different from the information contained herein. If given, any such information should not be relied upon. You should not assume that the information contained in this Offering Memorandum is accurate as of any date other than the date on the front of this Offering Memorandum.

Neither the Issuer nor the Guarantors are making an offer of the Bonds in any jurisdiction where the Offering is not permitted.

You are reminded that this Offering Memorandum has been delivered to you on the basis that you are a person into whose possession this Offering Memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorized to, deliver or disclose the contents of this Offering Memorandum to any other person.

REFERENCES

Unless the context otherwise requires, references to “**we**”, “**our**”, “**us**”, “**Eleving**” or the “**Group**” refer to Eleving Group and its direct and indirect subsidiaries. Unless the context otherwise requires, references to the “**Issuer**” refer to Eleving Group.

Unless otherwise defined, capitalized terms used in this Prospectus have the same meaning as defined in the terms and conditions governing the Bonds (the “**Terms and Conditions**”).

Information posted on our website and those of our affiliates and subsidiaries do not constitute a part of this Offering Memorandum.

NOTICE TO PROSPECTIVE INVESTORS

This Offering Memorandum is intended solely for the purpose of soliciting indications of interest in the Bonds from qualified investors and does not purport to summarize all of the terms, conditions, covenants and other provisions contained in the Terms and Conditions and other transaction documents described herein. None of Oppenheimer & Co. Inc. (the “**Lead Manager**”), Signet Bank AS (the “**Co-Manager**”), or any of their directors, affiliates, advisers or agents has independently verified the information contained in this Offering Memorandum in connection with the issue or offering of the Bonds and no representation or warranty, express or implied, is made by the Lead Manager, the Co-Manager or any of their directors, affiliates, advisers or agents with respect to the accuracy or completeness of such information. Nothing contained in this Offering Memorandum is to be construed as, or shall be relied upon as, a promise, warranty or representation, whether to the past or the future, by us or the Lead Manager or the Co-Manager or any of our or their respective directors, affiliates, advisers or agents in any respect. Banque Internationale à Luxembourg S.A. (the “**Paying Agent**”) assumes no undertaking as to the economical and financial soundness of the information contained herein and the quality or solvency of the Issuer. The Paying Agent makes no representation or warranty, express or implied, as to the accuracy or completeness of the information contained in this Offering Memorandum.

The contents of this Offering Memorandum are not, are not to be construed as, and should not be relied on as, legal, business or tax advice and each prospective investor should consult its own legal and other advisers for any such advice relevant to it.

Prospective investors hereby acknowledge that (i) they have not relied on the Lead Manager, the Co-Manager or any person affiliated with the Lead Manager or the Co-Manager in connection with any investigation of the accuracy of the information in this Offering Memorandum or their investment decision, and (ii) no person has been authorized to give any information or to make any representation concerning us, the Bonds or the Guarantees (other than as contained herein and information given by our duly

authorized officers and employees, as applicable, in connection with investors' examination of us, and the terms of this offering) and, if given or made, any such other information or representation should not be relied upon as having been authorized by us, the Lead Manager or the Co-Manager. This Offering Memorandum must be read and construed together with any amendments or supplements hereto and with any information incorporated by reference herein.

This Offering Memorandum is personal to the prospective investor to whom it has been delivered by the Lead Manager or the Co-Manager and does not constitute an offer to any other person or to the public in general to subscribe for or otherwise acquire the Bonds. Distribution of this Offering Memorandum to any person other than the prospective investor and those persons, if any, retained to advise that prospective investor with respect thereto is unauthorized, and any disclosure of its contents without our prior written consent is prohibited. The prospective investor, by accepting delivery of this Offering Memorandum, agrees to the foregoing and agrees not to make any copies of this Offering Memorandum.

The Bonds described in this Offering Memorandum have not been registered with, recommended by or approved by the U.S. Securities and Exchange Commission (the "**SEC**") or any other securities commission or regulatory authority, nor has the SEC or any other securities commission or authority passed upon the accuracy or adequacy of this Offering Memorandum. Any representation to the contrary is a criminal offence in the United States. The Bonds have not been, and will not be, registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States. Bonds may not be offered or sold within the United States, or to, or for the account of U.S. Persons except in accordance with Regulation S or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.

Confirmation of your Representation: In order to be eligible to view this Offering Memorandum or make an investment decision with respect to the securities described herein, investors must be outside of the United States. This Offering Memorandum is being sent at your request and by accepting the e-mail and accessing this Offering Memorandum, you shall be deemed to have represented the Issuer that (1) you and any customers you represent are outside of the United States and not a U.S. Person (as defined in the Regulation S under the Securities Act) and that the electronic mail address that you gave the Issuer and to which this e-mail has been delivered is not located in the United States and (2) that you consent to delivery of such Offering Memorandum by electronic transmission.

You are not to construe the contents of this Offering Memorandum as investment, legal or tax advice. You should consult your own counsel, accountant and other advisors as to legal, tax, business, financial and related aspects of a purchase of the Bonds. We are not making any representation to you regarding the legality of an investment in the Bonds by you under applicable investment or similar laws.

No person is authorized in connection with the offering to give any information or to make any representation not contained in this Offering Memorandum, and, if given or made, any other information or representation must not be relied upon as having been authorized by us. The information contained in this Offering Memorandum is as of the date hereof and subject to change, completion or amendment without notice. The delivery of this Offering Memorandum at any time after the date hereof shall not, under any circumstances, create any implication that there has been no change in the information set forth in this Offering Memorandum or in our affairs since the date of this Offering Memorandum. We undertake no obligation to update this Offering Memorandum or any information contained in it, whether as a result of new information, future events or otherwise, save as required by law.

This Offering Memorandum is being provided for informational use solely in connection with the consideration of a purchase of the Bonds (i) to QIBs and (ii) to qualified purchasers in offshore transactions complying with Rule 903 or Rule 904 of Regulation S under the U.S. Securities Act. Its use for any other purpose is not authorized.

We accept responsibility for the information contained in this Offering Memorandum. To the best of our knowledge and belief, having taken all reasonable care to ensure that such is the case, the information contained in this Offering Memorandum is in accordance with the facts and does not omit anything that is likely to affect the import of such information. The information contained in this Offering Memorandum has

been furnished by us and other sources we believe to be reliable. Nothing contained in this Offering Memorandum is or shall be relied upon as a promise or representation, whether as to the past or the future. This Offering Memorandum contains summaries, believed to be accurate, of some of the terms of specific documents, but reference is made to the actual documents, copies of which will be made available to you upon request, for the complete information contained in those documents. All summaries herein are qualified in their entirety by this reference.

We reserve the right to withdraw this offering at any time, and we reserve the right to reject any commitment to subscribe for the Bonds in whole or in part and to allot to any prospective purchaser less than the full amount of Bonds sought by such purchaser.

The distribution of this Offering Memorandum and the offer and sale of the Bonds may be restricted by law in some jurisdictions. This Offering Memorandum does not constitute an offer to sell or an invitation to subscribe for or purchase any of the Bonds in any jurisdiction in which such offer or invitation is not authorized or to any person to whom it is unlawful to make such an offer or invitation. Persons into whose possession this Offering Memorandum comes must inform themselves about and observe any such restrictions. For a description of the restrictions on offers, sales and resales of the Bonds and distribution of this Offering Memorandum, see sections below and “*Selling Restrictions*”. We are not making any representation to any offeree or purchaser under any applicable law.

The information set out in relation to sections of this Offering Memorandum describing clearing and settlement arrangements is subject to any change in or reinterpretation of the rules, regulations and procedures of the applicable clearing systems as currently in effect. While we accept responsibility for accurately summarizing the information concerning Euroclear and Clearstream and their participants, we accept no further responsibility in respect of such information.

We will not, nor will any of our respective agents, have responsibility for the performance of the respective obligations of Euroclear and Clearstream or their respective participants under the rules and procedures governing their operations, nor will we or our agents have any responsibility or liability for any aspect of the records relating to, or payments made on account of, book-entry interests held through the facilities of any clearing system or for maintaining, supervising or reviewing any records relating to these book-entry interests. Investors wishing to use these clearing systems are advised to confirm the continued applicability of their rules, regulations and procedures.

NOTICE TO PROSPECTIVE INVESTORS IN THE UNITED STATES

Nothing in this electronic transmission constitutes an offer of securities for sale in the United States or any jurisdiction where it is unlawful to do so. The securities have not been, and will not be, registered under the US Securities Act of 1933, as amended (the “**Securities Act**”), or the securities laws of any state of the United States or other jurisdiction and the securities may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction, not subject to, the registration requirements of the securities act and applicable state or local securities laws.

The following document may not be forwarded or distributed to any other person and may not be reproduced in any manner whatsoever and in particular may not be forwarded to any United States address. Any forwarding, distribution or reproduction of this document in whole or in part is unauthorized. Failure to comply with this directive may result in a violation of the securities act or the applicable laws of other jurisdictions. If you have gained access to this transmission contrary to any of the foregoing restrictions, you are not authorized and will not be able to purchase any of the securities described therein.

NOTICE TO PROSPECTIVE INVESTORS IN SWITZERLAND

Neither this Offering Memorandum nor any other offering or marketing material relating to the offering, the Issuer or the Bonds have been or will be filed with or approved by any Swiss regulatory authority. In particular, this Offering Memorandum will not be filed with, and the offer of Bonds will not be supervised by, the Swiss Financial Market Supervisory Authority (“**FINMA**”), and the offer of Bonds has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes (the “**CISA**”). The

investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of Bonds.

NOTICE TO PROSPECTIVE INVESTORS IN OTHER JURISDICTIONS

The distribution of this Offering Memorandum and the offer and sale or resale of the Bonds may be restricted by law in certain jurisdictions. Persons into whose possession this Offering Memorandum (or any part hereof) comes are required by us to inform themselves about, and to observe, any such restrictions.

MIFID II PRODUCT GOVERNANCE

Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Bonds, taking into account the five categories referred to in item 18 of the Guidelines on MiFID II (as defined below) product governance requirements published by ESMA dated 5 February 2018, has led to the conclusion that: (i) the target market for the Bonds is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "**MiFID II**"); and (ii) all channels for distribution of the Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Bonds (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS

The Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in point (e) of Article 2 of the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the "**Prospectus Regulation**"). In addition, the Bonds provide for debt obligations of the Issuer and the Guarantors with no exposure by investors to reference values or assets other than the assets and business operations of the Issuer and the Guarantors. Consequently, no key information document required by Regulation (EU) No. 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

PROHIBITION OF SALES TO UK RETAIL INVESTORS

The Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 ("**FSMA**") and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Bonds or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Bonds or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

AVAILABLE INFORMATION

Each purchaser of the Bonds will be furnished with a copy of this Offering Memorandum and any related amendments or supplements to this Offering Memorandum. Each person receiving this Offering Memorandum and any related amendments or supplements to this Offering Memorandum acknowledges that:

- (1) such person has been afforded an opportunity to request from us and to review, and has received, all additional information considered by it to be necessary to verify the accuracy and completeness of the information herein; and
- (2) except as provided pursuant to clause (1) above, no person has been authorized to give any information or to make any representation concerning the Bonds offered hereby other than those contained herein and, if given or made, such other information or representation should not be relied upon as having been authorized by us.

THIS OFFERING MEMORANDUM CONTAINS IMPORTANT INFORMATION WHICH YOU SHOULD READ BEFORE YOU MAKE ANY DECISION WITH RESPECT TO AN INVESTMENT IN THE BONDS.

PRELIMINARY OFFERING MEMORANDUM

SUBJECT TO COMPLETION AND AMENDMENT, DATED 29 SEPTEMBER 2021



Eleaving Group

formerly known as Mogo Finance

Luxembourg

Offering Memorandum

EUR [●],000,000.00

[●]% Senior Secured Bonds due 2026 (the “Bonds”)

with a Term from [●] 2021 until [●] 2026

of [●] 2021

International Securities Identification Number (ISIN): XS2393240887

Common Code: 239324088

Issue price of the Bonds: [●]%

Eleaving Group (the “**Issuer**”), a public limited liability company (*société anonyme*) incorporated and existing under the laws of the Grand Duchy of Luxembourg, having its registered address at 8-10 Avenue de la Gare, L-1610 Luxembourg, Grand Duchy of Luxembourg and registered with the Luxembourg Trade and Companies Register (*Registre de Commerce et des Sociétés, Luxembourg*) under number B.174457, is expected to issue [●]% senior secured bonds due [●] 2026 for an aggregate principal amount of EUR [●] (the “**Bonds**”) as from [●] October 2021 (the “**Issue Date**”).

The Bonds constitute direct, general, unconditional, unsubordinated and secured obligations of the Issuer. The Bonds will at all times rank *pari passu* in right of payment with all other present and future secured obligations of the Issuer and senior to all its existing and future subordinated debt. The Bonds are unconditionally and irrevocably guaranteed on a joint and several basis by certain direct and indirect subsidiaries of the Issuer (the “**Guarantors**”) under the terms and conditions set forth herein (collectively the “**Guarantees**” and each a “**Guarantee**”). The Bonds are further secured by the Transaction Securities (as defined below) granted by the Issuer and certain other direct and indirect subsidiaries of the Issuer (the “**Pledgors**”) and, together with the Guarantors, the “**Security Providers**”).

This offering memorandum (the “**Offering Memorandum**”) has been prepared on the basis that any offer of the Bonds in any member state of the European Economic Area will be made pursuant to an exemption under Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market (the “**Prospectus Regulation**”).

Application will be made to the Frankfurt Stock Exchange for the Bonds to be included to trading at the Open Market (Quotation Board) upon Settlement Date (as defined below).

On [●] 2021, Fitch Deutschland GmbH (“**Fitch**”) has assigned (i) a Long-Term Issuer Default Rating (IDR) of ‘B-’ with Stable Outlook to the Issuer, (ii) a Short-Term Issuer Default Rating (IDR) of [‘B’] to the Issuer and (iii) a Senior Secured Debt Rating of [‘B-/RR4’] for the Bonds. Credit ratings included or referred to in this Offering Memorandum have been issued by Fitch which is established in the EU and registered under Regulation (EC) No 1060/2009, as amended (the “**CRA Regulation**”). As such, Fitch is included in the list of credit rating agencies published by the European Securities and Markets Authority (the “**ESMA**”) on its website (www.esma.europa.eu/supervision/credit-rating-agencies/risk) in accordance with the CRA Regulation. A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating agency.

Investors should be aware, that an investment in the Bonds involves a risk and that, if certain risks, in particular those described under “*Risk Factors*”, occur, the investors may lose all or a very substantial part of their investment.

The distribution of this Offering Memorandum may be limited by certain legislation. Any person who enters into possession of this Offering Memorandum must take these limitations into consideration. The Bonds are not and will not be registered, particularly in accordance with the United States Securities Act of 1933, as amended (the “**Securities Act**”) or in accordance with securities law of individual states of the United States of America. Furthermore, they are not permitted to be offered or sold within the United States of America, or for the account or benefit of a person from the United States of America (as defined under Regulation S under the Securities Act), unless this ensues through an exemption of the registration requirements of the Securities Act or the laws of individual states of the United States of America or through a transaction, which is not subject to the aforementioned provisions.

LEAD MANAGER AND SOLE BOOKRUNNER

Oppenheimer & Co. Inc

CO-MANAGER

Signet Bank AS

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I. OVERVIEW OF THE OFFERING

Issuer:	Eleving Group, formerly known as Mogo Finance, a public limited liability company (<i>société anonyme</i>) incorporated and existing under the laws of the Grand Duchy of Luxembourg, having its registered address at 8-10 Avenue de la Gare, L-1610 Luxembourg, Grand Duchy of Luxembourg and registered with the Luxembourg Trade and Companies Register (<i>Registre de Commerce et des Sociétés, Luxembourg</i>) under number B.174457.
Guarantors:	The obligations of the Issuer under the Bonds (as defined below) will be guaranteed on a senior basis by AS “mogo” (<i>Latvia</i>), mogo OÜ (<i>Estonia</i>), UAB “mogo LT” (<i>Lithuania</i>), Mogo LLC (<i>Georgia</i>), Mogo IFN SA (<i>Romania</i>), O.C.N. “MOGO LOANS” S.R.L. (<i>Moldova</i>), OOO “Mogo Credit” (<i>Belarus</i>), MOGO Universal Credit Organization LLC (<i>Armenia</i>), AS Renti (<i>Latvia</i>), OCN SEBO CREDIT SRL (<i>Moldova</i>), Kredo Finance Shpk (<i>Albania</i>) and Finance Company TIGO FINANCE DOOEL Skopje (<i>North Macedonia</i>). All Material Group Companies (as defined below) (except (i) Mogo Auto Limited (<i>Kenya</i>), (ii) Mogo Kenya Limited (<i>Kenya</i>), (iii) Mogo Loans SMC Ltd (<i>Uganda</i>), (iv) OOO Mogo Lend (<i>Uzbekistan</i>) and (v) any Material Group Company incorporated in sub-Saharan Africa) will have to accede to the Guarantee as additional Guarantors within three months after becoming a Material Group Company.
Pledgors:	The obligations of the Issuer under the Bonds will be secured by pledges over the Pledged Assets (as defined below) granted by the Issuer, AS Mogo Eastern Europe (<i>Latvia</i>), AS “mogo” (<i>Latvia</i>), AS Renti (<i>Latvia</i>), AS Mogo Baltics and Caucasus (<i>Latvia</i>), mogo OÜ (<i>Estonia</i>), UAB “mogo LT” (<i>Lithuania</i>), Mogo LLC (<i>Georgia</i>), MOGO Universal Credit Organization LLC (<i>Armenia</i>), Mogo IFN SA (<i>Romania</i>), O.C.N. “MOGO LOANS” S.R.L. (<i>Moldova</i>), AS Eleving Consumer Finance (<i>Latvia</i>), OCN SEBO CREDIT SRL (<i>Moldova</i>), AS Eleving Finance (<i>Latvia</i>), Finance Company TIGO FINANCE DOOEL Skopje (<i>North Macedonia</i>), AS Eleving Consumer Finance Holding (<i>Latvia</i>) and Kredo Finance Shpk (<i>Albania</i>). Group entities will have to become Pledgors under the relevant Transaction Security Documents (as defined below) in accordance with the terms and conditions of the Bonds (the “Terms and Conditions”).
Material Group Companies:	Group companies with a loan portfolio of at least EUR 7,500,000 and which represents at least 3% of the Net Loan Portfolio. “Net Loan Portfolio”: The sum of loans, securities, investments, receivables and reserves minus allowances for loss of the Issuer and any of the group companies as set forth on a consolidated balance sheet.

Securities offered:	Euro denominated senior secured bonds (the “ Bonds ”).
Form:	Bearer bonds represented by a Global Bond.
Currency:	EUR
Issue Size:	EUR [●],000,000.00
Coupon Rate:	[●]%
Coupon type:	Fixed
Issue Price:	[●]% of the aggregate nominal amount of the Bonds (the “ Nominal Amount ”)
Issue Date:	[●] 2021
Maturity Date:	[●] 2026
Interest Payment Date:	Interest will be payable semi-annually on [●] and [●] of each year, commencing on [●] 2022. Interest will accrue from the Issue Date.
Day count fraction:	Act/Act (ICMA)
Denomination of the Bonds	EUR 1,000.00
Minimum Subscription Volume:	EUR 100,000.00
Status of the Bonds, Guarantees and Pledges:	The Bonds constitute direct, general, unconditional, unsubordinated and secured obligations of the Issuer. The Bonds will at all times rank <i>pari passu</i> in right of payment with all other present and future senior unsecured obligations of the Issuer and senior to all its existing and future subordinated debt. The Bonds are guaranteed on a senior secured basis by the Guarantors. Each Guarantee is subject to certain limitations under the laws of the relevant Guarantor’s jurisdiction of organization. In addition to the Guarantees, the Pledgors will grant the following pledges pursuant to local law governed pledge agreements subject to local law requirements and limitations (the “Transaction Security Documents”): • pledge over all the shares held directly by the Issuer or other group companies in the Material Group Companies; • pledge over all their present and future loan receivables (other than those secured by existing securities) granted by Material Group Companies incorporated in the European Union;

	- pledge over trademarks of the Material Group Companies; - pledge over primary bank accounts of the Pledgors provided such a pledge is feasible for the relevant account bank and applicable local legislation; - pledge over the certain loan receivables granted by the Issuer, including loans granted with the proceeds from the issue of the Bonds, (the “Pledges” and the assets pledged therein the “Pledged Assets”). The Guarantees and the Pledges will rank (i) <i>pari passu</i> with all of the Guarantors’ and Pledgors’ existing and future senior secured debt with respect to the Pledged Assets, (ii) <i>pari passu</i> with all unsecured debt with respect to assets of the Guarantors and the Pledgors other than the Pledged Assets, and (iii) senior to all of the Guarantors’ and Pledgors’ existing or future subordinated debt. Each Guarantee and Pledge is subject to certain limitations under the laws of the relevant Guarantor’s / Pledgor’s jurisdiction of organization. Enforceability of the Pledges: Market standard, i.e., upon an event of default which is continuing the Security Agent will enforce the Pledges on behalf of the secured parties. Subject to local laws.
Use of Proceeds:	Refinancing of existing indebtedness, in particular refinancing of the Existing Bonds (as defined below) and other borrowings, for general business purposes and payment of transaction fees and expenses.
Optional Redemptions: (Issuer call options):	Optional Redemption at the Discretion of the Issuer The Issuer may redeem all of the outstanding Bonds in full, but not in parts, on any Business Day before the Maturity Date at the applicable call option amount together with accrued and unpaid Interest as follows: (a) the Make Whole Amount (as defined below) if the call option is exercised until the date falling 24 months after the Issue Date (the “First Call Date”); (b) [●]% of the outstanding Nominal Amount if the call option is exercised after the First Call Date up to the date falling 36 months after the Issue Date (the “Second Call Date”); (c) [●]% of the outstanding Nominal Amount if the call option is exercised after the Second Call Date up to the date falling 48 months after the Issue Date (the “Third Call Date”);

	(d) 100% of the outstanding Nominal Amount if the call option is exercised after the Third Call Date up to (but excluding) the Maturity Date. “Make Whole Amount” means an amount equal to the sum of: (x) the present value on the relevant record date of [●]% of the outstanding Nominal Amount, as if such payment originally should have taken place on the First Call Date; and (y) the present value on the relevant record date of the remaining interest payments (excluding accrued and unpaid interest up to the relevant Redemption Date) up to and including the First Call Date; both calculated by using a discount rate of fifty (50) basis points over the comparable German Government Bond Rate (<i>i.e.</i> comparable to the remaining duration of the Bonds until the First Call Date). Optional Redemption following an Equity Offering The Issuer may redeem up to 35% of the aggregate Nominal Amount with the proceeds of certain equity offerings at [●]% of the outstanding Nominal Amount together with accrued and unpaid interest, provided that at least 65% of the aggregate Nominal Amount originally issued, remains outstanding immediately after the occurrence of such redemption. Optional Redemption for Taxation Reasons If certain changes in the law (or in its interpretation) of any relevant taxing jurisdiction impose certain withholding taxes or other deductions on the payments on the Bonds, the Issuer may redeem the Bonds in whole, but not in part, at a redemption price of 100% of the outstanding Nominal Amount, plus accrued and unpaid interest and additional amounts, if any, to the date of redemption.
Change of Control:	Upon the occurrence of certain events constituting a “change of control” the Issuer will be required to offer to repurchase all outstanding Bonds at a purchase price equal to [●]% of the outstanding Nominal Amount, plus accrued and unpaid interest and additional amounts, if any, to the date of such repurchase.
Additional Amounts (Tax Gross-up):	All payments in respect of the Bonds or with respect to a Guarantee will be made without withholding or deduction for any taxes or other governmental charges, except to the extent required by law. If withholding or deduction is required by law, subject to certain exceptions, the Issuer or the relevant Guarantor, as applicable, will pay additional amounts so that the net amount you receive is no less than that which you would have received in the absence of such withholding or deduction

Covenants / Financial Indebtedness:	The Terms and Conditions contain, inter alia, the following financial covenants: Maintenance Covenants The Issuer shall be subject to the following financial covenants, to be tested on an quarterly basis upon submission of the annual audited consolidated reports and interim unaudited quarterly consolidated reports: • the Interest Coverage Ratio for the Relevant Period is at least 1.25x; • the Capitalization Ratio for the Relevant Period is at least 15%; and • the Consolidated Net Leverage Ratio for the Relevant Period does not exceed 6.00x. Incurrence Covenants The Issuer and the Guarantors shall not (a) incur any financial indebtedness (other than Permitted Debt), or (b) pay any dividends or make any similar distribution to its shareholders outside the group, up to [●]% of the aggregate consolidated net profit accrued in the last 24 months as of the date of determination of the relevant payment, unless the Interest Coverage Ratio for the period ending on the last day of the period covered by the most recent financial report (immediately preceding the date on which such additional financial indebtedness is incurred) is not less than [1.75x], the Capitalization Ratio of the Issuer on a consolidated basis is not less than [20.00]%, and the Consolidated Net Leverage Ratio does not exceed 5.00x, determined on a pro forma-basis (including a pro forma-application of the net proceeds therefrom). The financial covenants are subject to a number of important limitations, including Permitted Debt. “Permitted Debt” market standard permitted indebtedness definition, including: • financial indebtedness of the Issuer and the Restricted Subsidiaries in existence on the Issue Date; and • up to 17.5% of the Group’s Net Loan Portfolio.
Certain further Covenants:	The Terms and Conditions contain covenants that, among other things, limit the ability of the Issuer, the Guarantors and the other Restricted Subsidiaries (as defined below) to: • incur or guarantee additional indebtedness (see above);

	• pay dividends on, redeem or repurchase capital stock (see above); • make certain restricted payments and investments, including dividends or other distributions with regard to the shares of the Issuer or the Guarantors (see above); • create or incur certain liens (i.e., negative pledge); • enter into agreements that restrict the Restricted Subsidiaries' ability to pay dividends or other distributions or make loans or advances to the Guarantors or any of the Restricted Subsidiaries; • transfer or sell shares and all or substantially all of the assets; • merge or consolidate with other entities; and • engage in certain transactions with affiliates. Each of these covenants are subject to a number of important limitations such as, e.g., intra-group transactions or if financial indicators are above certain thresholds. "Restricted Subsidiaries": relevant direct and indirect subsidiaries of the Issuer, including the Guarantors.
Information undertakings:	The Terms and Conditions contain undertakings that, among other things, require the Issuer to provide investors with the following information by publication on the Issuer's website in the English language: • annual audited unconsolidated and consolidated financial statements of the Issuer, not later than four (4) months after the expiry of each financial year; • quarterly interim unaudited consolidated reports of the Issuer, no later than 45 calendar days after the expiry of each relevant interim period. In addition, the Issuer undertakes to have quarterly earning calls with investors.
Event of default:	The Terms and Conditions provide for the following event of defaults that would trigger an early redemption of the Bonds by the Bondholders, acting through their Holders' Agent: (i) non-payment under the Bonds; (ii) fundamental breach of other material provisions of the Terms and Conditions;

	(iii) cross-default and cross acceleration of material financial indebtedness of the Issuer and the Guarantors; (iv) insolvency and insolvency proceedings; (v) mergers and demergers; (vi) material seizure of group assets; (vii) impossibility or illegality; (viii) loss of business license having a material impact on the activities of the group.
Put Option:	In addition to the Events of Default, each Bondholder may exercise a put option at [●]% of the outstanding Nominal Amount plus accrued and unpaid Interest, upon the occurrence of one of the following events: (i) breach of Maintenance Covenants (subject to 90 day cure period); and (ii) an ultimate beneficial owner of the Issuer is included into a sanction list of the European Union, the United Kingdom or the United States.
Selling Restrictions:	The Bonds and the Guarantees have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any other jurisdiction and are subject to certain restrictions on transfer and resale. There are restrictions on the offer, sale, and delivery of the Bonds, inter alia, in the United States and the United Kingdom. No sale/distribution in the U.S., or to investors in Canada, Australia and Japan. Standard restrictions apply elsewhere, including in the EEA.
Listing:	Application will be made to the Frankfurt Stock Exchange for the Bonds to be included to trading at the Open Market (Quotation Board) upon Settlement Date. The Bonds are aimed to be listed on a regulated market four months after the Issue Date.
Clearing:	Euroclear Bank S.A. / N.V. / Clearstream Banking S.A.
Governing Law:	The Bonds and the Guarantees will be governed by Luxembourg law.
Paying Agent:	Banque Internationale à Luxembourg S.A.
Lead Manager:	Oppenheimer & Co. Inc.

Co-Manager:	Signet Bank AS	
Holders' Agent:	TMF Trustee Services GmbH	
Security Agent:	TMF Trustee Services GmbH	
Escrow Agent:	TMF Services (UK) Limited	
Security Codes:	ISIN:	XS2393240887
	Common Code:	239324088
LEI:	Eleving Group (Luxembourg) 894500N14T2GUDX0FL66 AS "mogo" (Latvia) 213800DOKX626GYVOI32 mogo OÜ (Estonia) 894500O6EC87XECNSH80 UAB "mogo LT" (Lithuania) 39120022FMEDWPAHAI87 Mogo LLC (Georgia) 894500O761Z24B022906 Mogo IFN SA (Romania) 894500QW65WQAKW0A937 O.C.N. "MOGO LOANS" S.R.L. (Moldova) 894500VY0OPZ52J91R45 OOO "Mogo Credit" (Belarus) 894500VXPLMFV3VHQN64 MOGO Universal Credit Organization LLC (Armenia) 8945000Q63TANX0C5R15 AS Renti (Latvia) 894500SMOY1FAOF1IQ54 OCN SEBO CREDIT SRL (Moldova) 894500BZQ8TY7F8KMR30 Kredo Finance Shpk (Albania) 894500BZVSDPUEKGAB39 Finance Company TIGO FINANCE DOOEL Skopje (North Macedonia) 894500C01BXHHDWBXV82	

II. RISK FACTORS

Below is the description of risk factors that are material for the assessment of the market risk associated with the Bonds and risk factors that may affect each of the Issuer's ability to fulfil its obligations under the Bonds and, as applicable, the Guarantors' ability to fulfil their obligations under the Guarantee.

Any of these risks could have a material adverse effect on the financial condition and results of operations of the Group. The market price of the Bonds could decline due to any of these risks, and investors could lose all or part of their investments.

Potential investors should carefully consider the specific risk factors outlined below in addition to all other information in this Offering Memorandum and consult with their own professional advisors should they deem it necessary before deciding upon the purchase of the Bonds. In addition, investors should bear in mind that several of the described risks can occur simultaneously and those have, possibly together with other circumstances, a material adverse impact on the Group's business activities, financial conditions and result of operations. Additional risks, of which the Issuer is not presently aware, could also affect the business operations of the Group and have a material adverse effect on the Group's business activities and financial condition and results of operations.

In each category below the Issuer sets out first the most material risks, in its assessment. The assessment of the materiality of each risk factor based on the probability of its occurrence and the expected magnitude of its negative impact is disclosed by rating the relevant risk as, low, medium or high.

Potential investors should, among other things, consider the following:

1. RISK FACTORS RELATING TO THE ISSUER, THE GROUP AND OUR BUSINESS

The Guarantors are direct or indirect subsidiaries of the Issuer and part of the Group. Accordingly, the Issuer and the Guarantors are substantially affected by the same risks as those that affect the business and operations of the entire Group. Therefore, references in this section to the Group shall include references to the Issuer and all Guarantors (if applicable).

a. Risks relating to the Group's business activities and industry

We may face difficulties in assessing the credit risk of potential customers

Despite our credit scoring as well as vehicle valuation models, we may be unable to correctly evaluate the current financial condition of each prospective customer and determine his or her creditworthiness and/or value of the collateral. Our financing decisions are partly based on information provided to us by applicants. Prospective customers may fraudulently provide us with inaccurate information upon which, if not alerted to the fraud, we may base our credit scoring. Any failure to correctly assess the credit risk of potential customers, due to failure in our evaluation of the customer or incorrect information fraudulently provided by the customer, may have a material adverse effect on our business, financial condition, results of operations, prospects or cash flows and may even invoke regulatory sanctions (including imposition of fines and penalties, suspension of operations, or revocation of our licenses).

We utilize a variety of proprietary credit scoring criteria, monitor our loan portfolios performance and maintain an allowance for estimated losses on loans and advances (including interest fees) at a level estimated to be adequate to absorb expected credit losses. Our allowances for doubtful debts are based on estimations and thus, if

circumstances or risks arise that have not been identified or anticipated when developing our credit scoring model, the level of our non-performing assets and write-offs could be greater than expected. Actual losses may materially exceed the level of our allowance for impairment losses, which may have a material adverse effect on our business, financial condition, results of operations, prospects or cash flows. The quality of credit risk is influenced by, among other factors, customers' financial strength, collateral quality, overall demand for vehicles and general macroeconomic conditions. In order to assess the level of credit risk, we use our proprietary credit scoring system and/or vehicle valuation models that provide us with an objective basis to evaluate a potential lease.

Covid-19

In addition to the worsening of the global macroeconomic environment and the risk of credit profile deterioration of some customer segments caused by the Covid-19 pandemic, such pandemic has led and could further lead to slowdowns in business activities. In particular, the Group operations and financial results may be further impacted by: (i) relief measures enacted by national and foreign authorities, such as loan deferment and suspension of enforcement procedures; (ii) disruption to business operations and economic activity in the Group's operating markets, with a cascading impact on both upstream and downstream supply chains, (iii) increase in economic uncertainty, reflected in more volatile asset prices and currency exchange rates; (iv) difficulties encountered by the Group's customers in repaying the loans; and (v) the decrease of the propensity to consume, negatively impacting the Group's overall results and objectives.

The Group's emergency response included (i) establishment of a crisis management team, (ii) reconsidering the debt collection strategy for the existing portfolios to address the increased credit risk (iii) strengthening the new loan issuance policy, (iv) cash preserving activities to manage liquidity risk and (v) work from home policy ensuring continuity of the core processes.

However, due to the widespread consequences of the Covid-19 pandemic on the markets in which the Group's operations are concentrated, there is no guarantee that the mitigating factors described above will outweigh the potential effects that the wider economic downturn could have on the Group. The ultimate severity of Covid-19 is uncertain and therefore the further impact it may have on the Group's businesses, operations, financial conditions and results cannot be predicted.

We are exposed to the risk that our customers or other contractual counterparties may default or that the credit quality of our customers or other contractual counterparties may deteriorate

The risk of counterparty default is defined as the potential negative deviation of the actual counterparty risk outcome from the planned one. This includes the risk of default on lease payments as well as on repayment. The deviation in outcome occurs when the actual loss exceeds the expected loss due to changes in internal credit ratings or credit losses.

In particular, we are subject to risk of loss through defaults in the customer business, notably, due to non-payments by a lessee or a borrower of its obligations. The default is contingent on the inability or unwillingness of the lessee or a borrower to make payments. This includes scenarios where the contracting party makes payments late, only partially or not at all.

We have implemented detailed procedures in order to contact delinquent customers for payment, initiate legal actions and, in the case of secured loans, also arrange for

the repossession of unpaid vehicles and sell repossessed vehicles. However, there is still the risk that our assessment procedures, monitoring of credit risk, maintenance of customer account records, collection procedures and repossession policies, in the case of secured loans, might not be sufficient to prevent negative effects for our operations.

In addition, factors beyond our control, such as the impact of macroeconomic trends, political events or adverse events affecting our key jurisdictions, or natural disasters, may result in an increase in non-performing assets. Our allowances for doubtful debts may not be adequate to cover an increase in the amount of non-performing assets or any future deterioration in the overall credit quality of our total portfolio. If the quality of our total portfolio deteriorates, we may be required to increase our allowances for doubtful debts, which may have a material adverse effect on our business, financial condition, results of operations, prospects or cash flows.

A decrease in the residual values or the sales proceeds of returned vehicles could have a material adverse effect on the value of the collateral of our finance leases, used car rent and sale and lease back

As a lessor under leasing and used-car rental contracts we generally bear the risk that the market value of vehicles sold at the end of the term may be lower than the contractual residual value at the time the contract was entered into (so-called residual value risk). We take such differences into account in establishing provisions for the existing portfolio and in its determination of the contractual residual values for new business.

The residual value risk could be influenced by many different external factors, including, government policies and regulatory reforms (e.g. implementation of EU emission standards). For example, a decline in the residual value of used vehicles was evident during the global financial and economic crisis as a result of incentive programs, offered by governments (e.g. scrapping premium) and automobile manufacturers, aiming to promote new vehicle sales. New policy initiatives and regulatory changes may also be implemented in the future in response to a renewed deterioration of the macroeconomic environment. For instance, current political discussions surrounding potential driving bans of Diesel vehicles might influence the residual value risk of such vehicles. Due to the fact that customers might change their consumption behavior and refrain from buying Diesel vehicles, the potential implementation of these bans could have a negative impact on the corresponding market prices.

Furthermore, changes in economic conditions, government policies, exchange rates, marketing programs, the actual or perceived quality, safety or reliability of vehicles or fuel prices could also influence the residual value risk.

Uncertainties may also exist with respect to the internal methods for calculating residual values. Although we continuously monitor used vehicle price trends and make adjustments to our risk valuation, there is still the risk of using false or inaccurate assumptions to assess the residual value risk.

Estimates of provisions for residual value risks may be less than the amounts actually required to be paid due to misjudgments of initial residual value forecasts or changes in market or regulatory conditions. Such a potential shortfall may have a material adverse effect on the value of the collateral of our finance leases, used car rent and sale and lease back.

Our operations in various countries subject us to foreign exchange risk

We operate in various jurisdictions and provide loan products in local currencies, including the Euro, the Georgian Lari, the Romanian Leu, the Moldavian Leu, the Albanian Lek, the Armenian Dram, the Uzbekistani Som, the Kenyan Shilling, the Ugandan Shilling, the North Macedonian Denar, the Ukrainian Hryvnia, the Belorussian Ruble and loans linked to the United States Dollar through monthly payments which are adjusted based on the performance of the United States Dollar in foreign exchange markets. Thus, our results of operations are exposed to foreign exchange rate fluctuations. As of 31 December 2020, 33% (as of 30 June 2021, 27%) of our net loans and advances due from customers and rental fleet were denominated in highly volatile foreign and unhedged currencies. Although we regularly monitor our open foreign currency positions, and manage them by borrowing in local currencies to the extent possible, and by entering into economically viable financial instruments, such as FX hedge agreements, we are still subject to certain shifts in currency valuations. Any failure to manage foreign exchange risk may have a material adverse effect on our business, financial condition, results of operations, prospects or cash flows.

Substantial change in the underwriting standards

Further credit risks could arise if our management decides on a more aggressive risk tolerance without compensating for it in the form of sufficient additional revenue. For instance, the acceptance policy for lease or loan contracts could be adjusted to a riskier approach by setting higher acceptance thresholds. This could lead to a situation where our total credit risk increases, but the planned income from additional business does not compensate the additional risk-related costs. As a consequence, our operational results could be adversely affected.

We are dependent upon our information technology systems to conduct our business operations

Our operations are significantly dependent on highly complex information technology ("IT") systems. The underwriting process is mainly performed automatically by IT systems developed internally by us and used at various stages of the underwriting process, including customer registration, application, identification and credit scoring. In addition, bank transfers are completed online and reminder e-mails and invoices are automatically generated and sent to customers. If any IT system at any stage of the underwriting process were to fail, any or all stages of the underwriting process could be affected and customer access to our websites and products could be disrupted. Any disruption in our IT systems would prevent customers from applying for leases, used-car rent and loans, which would hinder our ability to conduct business and have a material adverse effect on our business, financial condition, results of operations, prospects or cash flows.

Moreover, our IT strategy is based on utilizing, in our view, the most sophisticated technologies and solutions available on the market. Therefore, we intend to continue making substantial investments in our IT systems and to adapt our operations and software to support current and future growth. We are required by our IT strategy to continually upgrade our global IT system, and any failure to carry out such upgrades efficiently may result in the loss or impairment of our ability to do business or in additional remedial expense. In addition, there can be no assurance that we will be able to keep up to date with the most recent technological developments due to financial or technical limitations. Any inability to successfully develop or complete planned upgrades of our IT systems and infrastructure or to adapt our operations and

software may have a material adverse effect on our business, financial condition, results of operations, prospects or cash flows.

The continued expansion of our portfolio depends, to an increasing extent, upon our ability to obtain adequate funding

Our growth depends, to a significant extent, on our ability to obtain adequate funding from a variety of sources such as international capital markets, marketplace platforms, bank facilities and other third parties. It is possible that these sources of financing may not be available in the future in the amounts we require, or they may be prohibitively expensive and/or contain overly onerous terms. European and international credit markets have experienced, and may continue to experience, high volatility and severe liquidity disruptions, such as those that took place following the international financial and economic crisis in 2008 - 2009, and more recently, the European sovereign debt crisis. These and other related events have had a significant impact on the global financial system and capital markets, and may make it increasingly expensive for us to diversify our funding sources and refinance our debt, if necessary. Increased funding costs or greater difficulty in diversifying our funding sources may negatively impact our ability to sufficiently finance the expansion of our business operations and also, potentially, the business operations themselves, which may have a material adverse effect on our business, financial condition, results of operations, prospects or cash flows.

Our business depends on services provided by third parties such as banks, local consumer credit agencies, IT service providers and debt-collection agencies

For the most part, we advance loans to customers and collect repayments from customers through local bank accounts. Our continuing relationship with banks, with which we maintain accounts, are important to our business.

We contact consumer credit agencies and use other publicly available data sources in the jurisdictions in which we operate to verify the identity and creditworthiness of potential customers. In addition, every application in every country is verified through one or more credit bureaus. Should access to such information be restricted or disrupted for any period of time, or if the rates we are charged for access to such information should significantly increase, we may not be able to complete automatic customer identity and credit scoring checks in a timely manner or at all. This could impede our ability to process applications and to grant loans, and/or increase our cost of operation.

We also outsource certain IT services, such as software development, data center and technical support, to third party providers.

Moreover, in certain jurisdictions where we operate, we outsource the collection of debt to debt-collection agencies. The loss of a key debt-collection agency relationship, or the financial failure of one of our core debt-collection agency partners, could restrict our ability to recover delinquent debt, and there is no guarantee that we could replace a strategic debt-collection agency partner in a timely manner or on favorable terms.

Any inability to maintain existing business relationships with banks, local consumer credit agencies, IT service providers, debt-collection agencies and other third party providers or the failure by these third party providers to maintain the quality of their services or otherwise provide their services to us may have a material adverse effect on our business, financial condition, results of operations, prospects or cash flows.

Our current interest rate spread may decline in the future, which could reduce our profitability

We earn a substantial majority of our revenues from interest payments and fees on the loans we make to our customers. Financial institutions and other funding sources provide us with capital to fund these loans and charge us interest on funds that we draw down. In the event that the spread between the rate at which we lend to our customers and the rate at which we borrow from our lenders decreases, our financial results and operating performance will suffer. The interest rates we charge to our customers and pay to our lenders could each be affected by a variety of factors, including access to capital based on our business performance, the volume of loans we make to our customers, competition and regulatory requirements. These interest rates may also be affected by a change over time in the mix of the types of products we sell to our customers and investors. Interest rate changes may adversely affect our business forecasts and expectations and are highly sensitive to many macroeconomic factors beyond our control, such as inflation, the level of economic growth, the state of the credit markets, changes in market interest rates, global economic disruptions, unemployment and the fiscal and monetary policies of the jurisdictions in which we operate. Any material reduction in our interest rate spread could have a material adverse effect on our business, financial condition, results of operations, prospects or cash flows.

Our ability to recover outstanding debt may deteriorate if there is an increase in the number of our customers facing personal insolvency procedures

Various economic trends and potential changes to existing legislation may contribute to an increase in the number of customers subject to personal insolvency procedures. The ability to successfully collect on our loans may decline with an increase in personal insolvency procedures or a change in insolvency laws, regulations, practices or procedures, which may have a material adverse effect on our business, financial condition, results of operations, prospects or cash flows.

We operate in an evolving industry, which makes it difficult to evaluate our future prospects and may increase the risk that we will not be successful

We operate in an evolving industry that may not develop as expected. Assessing our business and future prospects is challenging in light of the risks and difficulties we may encounter. These risks and difficulties include our ability to:

- increase the number and total volume of loans while managing our credit risk;
- improve the terms on which we provide loans to our customers as our business becomes more efficient;
- increase the effectiveness of our direct marketing;
- increase repeated borrowing particularly in the consumer lending segment;
- increase partnership and brokerage network;
- successfully develop and deploy new products;
- favorably compete with other companies that are currently in, or may in the future enter, the business of vehicle financing, used car renting and consumer lending;
- successfully navigate economic conditions and fluctuations in credit markets;

- respond to regulatory developments;
- successfully integrate new acquisitions;
- effectively manage the growth of our business; and
- successfully expand our business into new markets.

We may not be able to successfully address these risks and difficulties, which could have a material adverse effect on our business, financial condition, results of operations, prospects or cash flows.

We may make acquisitions or pursue business combinations that prove unsuccessful or strain or divert our resources

Our growth strategy depends, in part, on the acquisition of existing businesses, including possible competitors. For example, in 2020, we expanded our business into consumer lending by acquiring three profitable and mature operating entities (Sebo, Tigo and Kreda) in Moldova, North Macedonia and Albania. We expect to continue growing our business by acquiring or combining with other businesses.

Successful growth, partially through future acquisitions, is dependent upon our ability to identify suitable acquisition targets, conduct appropriate due diligence, negotiate transactions on favourable terms and ultimately complete such transactions and integrate the acquired businesses into our existing network. If we make acquisitions, there can be no assurance that we will be able to generate expected margins or cash flows or to realize the anticipated benefits of such acquisitions, including growth or expected synergies. There can be no assurance that our assessments of and assumptions regarding acquisition targets will prove to be correct, and actual developments may differ significantly from our expectations.

Integration risks are particularly high when entering a new market due to the time associated with establishing an appropriate credit scoring and vehicle valuation models and an effective collection system. We may not be able to integrate acquisitions successfully into our business or such integration may require more investment than expected, particularly if acquisitions are in regions or areas of business where we do not currently have operations, and we could incur or assume unknown or unanticipated liabilities or contingencies with respect to customers, employees, suppliers, government authorities or other parties, which may impact our results of operations. The process of integrating businesses may be disruptive to our operations and may cause an interruption of, or a loss of momentum in, such businesses, or a deterioration in our results of operations. Moreover, any acquisition may result in the incurrence of additional debt. All of these factors may have a material adverse effect on our business, financial condition, results of operations, prospects or cash flows.

Rapid growth and expansion may place significant strain on our managerial and operational resources and could be costly

We have experienced substantial growth and development in a relatively short period of time and, although our strategy is to grow profitably, our business may continue to grow substantially in the future. This growth has placed and may continue to place significant demands on our management and our operational and financial infrastructure. Expanding our products or entering into new jurisdictions with new or existing products can be costly and may require significant management time and attention. Additionally, as our operations grow in size, and as scope and complexity and our product offerings increase, we will need to upgrade our systems and infrastructure to offer an increasing number of customer-enhanced solutions, features and functionality. The expansion of our systems and infrastructure will require us to

commit substantial financial, operational and technical resources in advance of an increase in the volume of business, with no assurance that the volume of business will ultimately increase. Continued growth could also strain our ability to maintain reliable service levels for our customers, develop and improve our operational, financial and management controls, develop and enhance our legal and compliance controls and processes, enhance our reporting systems and procedures and recruit, train and retain highly skilled personnel. Managing our growth will require, among other things, continued development of financial and management controls and IT systems; increased marketing activities; hiring and training new personnel; and the ability to adapt to changes in the markets in which we operate, including changes in legislation, incurrence of additional taxes, increased competition and changes in the demand for our services. Rapid growth and expansion may be costly, and may strain our managerial and operational resources; any difficulties encountered in managing our growth may have a material adverse effect on our business, financial condition, results of operations, prospects or cash flows.

Damage to our reputation and brand or a deterioration in the quality of our service may impede our ability to attract new customers and retain existing customers

Our ability to attract new customers and retain existing customers depends in part on our brand recognition and our reputation for and delivery of high quality services. The Group has recently rebranded by transferring from an outgrown umbrella brand to the new Eleving Group brand to better reflect the growing product range of the Group. Although the previously established Mogo brand remains the product brand in all vehicle finance markets of the Group, it is uncertain how the rebranding will affect our brand recognition and our reputation. In addition, our reputation and brand (including the newly acquired consumer finance brands – Kreda, Tigo, Sebo) may be harmed if we encounter difficulties in the provision of new or existing services, whether due to technical difficulties, changes to our traditional product offerings, financial difficulties, regulatory sanctions, or for any other reason. An unsuccessful rebranding, damage to our reputation and brand, or a deterioration in the quality of our service, may have a material adverse effect on our business, financial condition, results of operations, prospects or cash flows.

The international scope of our operations may contribute to increased costs

We currently operate in 14 jurisdictions and, as part of our business strategy, we aim to continue pursuing attractive business opportunities in new jurisdictions. Although we analyze and carefully plan our international expansion and strictly control our investments, such expansion increases the complexity of our organization and may result in additional administrative costs (including costs relating to investments in IT), operational risk (including risks relating to management and control of cash flows and management and control of local personnel), other regulatory risk (including risks relating to non-compliance with data protection, anti-money laundering and local laws and regulations) and other challenges in managing our business. Any unforeseen changes or mistakes in planning or controlling our operations in these respects may have a material adverse effect on our business, financial condition, results of operations, prospects or cash flows.

The introduction of our new products and services may not be successful

As part of our business strategy, we may develop and introduce products and services that complement our current lending proposition. For example, in 2019 we introduced our new premium vehicle financing brand, Primero, through a joint venture with a local Latvian bank. However, we cannot guarantee these pilot products will be developed

into permanent product offerings or that we will launch any other new products. We can also offer no assurance that any products or services that we introduce will be successful once they are offered to our current or future customers. We may not be able to adequately anticipate our target customers' needs or desires, which could change over time rendering certain of our products and services obsolete. We may face difficulties in making these products and services profitable and may incur significant costs in connection with such products. Moreover, our introduction of additional financial products or services could subject us to additional regulation or regulatory oversight by governmental authorities. Any of these factors may have a material adverse effect on our business, financial condition, results of operations, prospects or cash flows.

Our business depends on a strategically located branch footprint

A core part of our vehicle loan origination process is visually inspecting the vehicle on the spot before issuing the loan. Convenient location greatly improves customer experience and, thus, conversion. We have established branches in strategic locations, such as within close vicinity of large local vehicle markets, near (or within) vehicle registries, or areas with high population density to ensure vehicle inspection process causes minimal disruption in the customer journey. Our consumer lending business, formed through a strategic acquisition during 2020, also depends on the number of branches as well as their convenient location to enable our customers to easily contact our customer service representatives.

We do not own any of the premises where our branches are located. Any inability to maintain existing relationships with current landlords may have a material adverse effect on customer experience & conversion and/or increase cost of our operations as we may not be able to find comparable locations at similar cost.

Our business depends on marketing affiliates to assist us in obtaining new customers

We are partially dependent on marketing affiliates as a source for new customers. Our marketing affiliates place our advertisements on their websites, which, in turn, direct potential customers to our websites. As a result, the success of our business depends substantially on the willingness and ability of marketing affiliates to provide us customer leads at acceptable prices.

The failure of our marketing affiliates to comply with applicable laws and regulations, or any changes in laws and regulations applicable to marketing affiliates or changes in the interpretation or implementation of such laws and regulations, could have an adverse effect on our business and could increase negative perceptions of our business and industry. Also, certain changes in our online marketing affiliates' internal policies or privacy rules could limit our ability to advertise online. Additionally, the use of marketing affiliates could subject us to additional regulatory cost and expense. Any restriction on our ability to use marketing affiliates may have a material adverse effect on our business, financial condition, results of operations, prospects or cash flows.

Our vehicle finance business depends on partnerships (e.g. vehicle dealers) and brokers to assist us in obtaining new customers

A substantial part of our loan issuances goes through vehicle dealer and broker channels. We typically motivate our partners to work with us by paying a commission for each loan issued and, in some cases, offering better loan terms to the customers that have been attracted by some (or all) partners. In most markets, our competitors

use similar partner motivation models and the majority of partners work with more than one lease provider.

Should our partner motivation system become less competitive or should our loan product terms become substantially worse compared to competition, we may lose all or part of the business that is issued through partner channel. This may have a material adverse effect on our business, financial condition, results of operations, prospects or cash flows.

A decrease in demand for our financial products and failure by us to adapt to such decrease could result in a loss of revenues

Any decrease in demand for our products could have a significant impact on our revenue. A variety of factors could influence demand for our products, such as increased availability or attractiveness of competing financial products, changes in consumer sentiment and spending or borrowing patterns, regulatory restrictions that inhibit customer access to particular financial services, and changes in the financial condition of our customers that cause them to seek financing from other lending institutions or, alternatively, to exit the lending market entirely. Should we fail to adapt to a significant change in customer demand for, or access to, our products and services, our revenues could decrease significantly and our on-going business operations could be adversely affected. Even if we do adapt our existing products or introduce new products to meet changing customer demand, customers may resist or reject such products. The effect of any product diversification or change on the results of our business may not be fully ascertainable until the change has been in effect for some time. All of these factors may result in a loss of revenue and may have a material adverse effect on our business, financial condition, results of operations, prospects or cash flows.

We may be unable to protect our proprietary technology or keep up with that of our competitors and we may become subject to trademark infringements and intellectual property disputes, which are costly to defend and could harm our business and operating results

The success of our online and mobile lending channels depend to a significant degree upon the protection of our software and other proprietary intellectual property rights. We may be unable to deter misappropriation or other unauthorized use of our proprietary information or take appropriate steps to enforce our intellectual property rights. In addition, competitors could, without violating our proprietary rights, develop technologies that are as good as or better than our technology. Failure to protect our software and other proprietary intellectual property rights or to develop technologies that are as good as our competitors' could put us at a competitive disadvantage. Any such failures may have a material adverse effect on our business, financial condition, results of operations, prospects or cash flows.

We may face in the future, allegations that we have infringed the trademarks, copyrights, patents or other intellectual property rights of third parties, including from our competitors. Third parties without any affiliation to the Group may also infringe our intellectual property rights by unauthorized use of our trademarks. Trademark and other intellectual property litigation may be protracted and expensive, and the results are difficult to predict and may require us to stop offering certain products or product features, acquire licenses which may not be available at a commercially reasonable price or at all, or modify our products, product features, processes or websites while we develop non-infringing substitutes. Such events may have a material adverse effect on our business, financial condition, results of operations, prospects or cash flows.

We are subject to cyber security risks and security breaches and may incur increasing costs in an effort to minimize those risks and respond to cyber incidents

Our business involves the storage and transmission of customers' proprietary and personal information, and security breaches could expose us to a risk of loss or misuse of this information, of being involved in litigation procedures and of potentially being held liable. We are entirely dependent on the secure operation of our websites and systems, and the websites and systems of our data center providers, as well as on the operation of the internet generally. While we have not incurred any significant cyber-attacks or security breaches to date, a number of other companies have disclosed cyber-attacks and security breaches, some of which have involved intentional attacks. Attacks may be targeted at us, our customers and/or our data center providers. Although we and our data center providers devote resources to maintain and regularly upgrade our systems and processes that are designed to protect the security of our computer systems, software, networks and other technology assets and the confidentiality, integrity and availability of information belonging to us and our customers, there is no assurance that these security measures will provide absolute security. Despite our efforts to ensure the integrity of our systems and our data center providers' efforts to ensure the integrity of their systems, effective preventive measures against all security breaches may not be anticipated or implemented, especially because the techniques used change frequently or are not recognized until launched, and because cyber-attacks can originate from a wide variety of sources. These risks may increase in the future as we continue to increase our mobile and other internet-based product offerings and expand our internal usage of web-based products and applications or expand into new countries. If an actual or perceived breach of security occurs, customer and/or supplier perception of the effectiveness of our security measures could be harmed and could result in the loss of customers, suppliers or both. Actual or anticipated attacks and risks may cause us to incur increased costs, including costs to deploy additional personnel and protection technologies, train employees or engage third party experts and consultants.

Our servers are also vulnerable to computer viruses, physical or electronic break-ins, and similar disruptions, including "denial-of-service" type attacks. We may need to expend significant resources to protect against security breaches or to address problems caused by breaches. Security breaches that result in the unauthorized release of customers' personal information could damage our reputation and expose us to a risk of loss or litigation and possible liability. In addition, many of the third parties who provide products, services or support to us could also experience any of the cyber risks or security breaches described above, which could impact our customers and our business and could result in a loss of customers, suppliers or revenue.

Any of these events could result in a loss of revenue and may have a material adverse effect on our business, financial condition, results of operations, prospects or cash flows.

Our success is dependent upon our management and employees and our ability to attract and retain qualified employees

Our success depends on our management and employees who possess highly specialized knowledge and experience in IT and the development of vehicle and consumer financing. Many members of our senior management team possess significant experience in the lending industry and knowledge of the regulatory and legal environment in the markets in which we operate, and we believe that our senior management would be difficult to be replaced. The market for qualified individuals is highly competitive and labor costs for hiring and training new employees are increasing.

Accordingly, we may not be able to attract and/or retain qualified managers or IT specialists, which may have a material adverse effect on our business, financial condition, results of operations, prospects or cash flows.

The preparation of our consolidated financial statements under IFRS and certain tax positions taken by us require the judgment of management, and we could be subject to risks associated with these judgments or could be adversely affected by the implementation of new, or changes in the interpretation of existing, accounting standards, financial reporting requirements or tax rules

We prepare our consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (“IFRS”). IFRS and its interpretations are subject to change over time. If new accounting standards or interpretations of or amendments to existing accounting standards require us to change our financial reporting, our results of operations and financial condition could be materially adversely affected, and we could be required to restate historical financial reporting.

The preparation of our consolidated financial statements in conformity with IFRS requires the board of directors and other management personnel to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities, at the dates of the consolidated financial statements, and the reported amounts of income and expenses in the reporting periods. It also requires our board of directors and other management personnel to exercise their judgment in the application of our accounting policies. There is a risk that such estimates, assumptions or judgments by the board of directors and other management personnel do not correctly reflect the actual financial position of the Group.

In addition, management’s judgment is required in determining the provision for income taxes, the levels of deferred tax assets and liabilities and any valuation allowance recorded against deferred tax assets, along with our approach to matters concerning withholding tax and value added tax. We regularly assess the adequacy of our tax provisions. If required, we also seek advice from external tax advisors. There can be no assurance as to the outcome of these decisions, or to the quality of advice we receive. From time to time, we may become subject to tax audits in the jurisdictions in which we operate. Furthermore, tax laws and regulations, including the interpretation and enforcement thereof, in the jurisdictions in which we operate may be subject to change. As a result, we may face increases in taxes payable if tax rates increase, or if tax laws or regulations are modified in an adverse manner. Any additional or increased tax payments may have a material adverse effect on our business, financial condition, results of operations, prospects or cash flows.

If we fail to geographically diversify and expand our operations and customer base, our business may be adversely affected

Several countries in which we operate generate a significant share of our revenues. As a result, we are exposed to country-specific risks with respect to such national markets. In such markets, a dissatisfaction with our products, a revocation of our operating license, a decrease in customer demand, a failure to successfully market our new and existing products or the failure to further expand our customer base and retain our existing customer base may have a material adverse effect on our business, financial condition, results of operations, prospects or cash flows. While we continue to seek opportunities to expand our operations into new markets, there can be no guarantee that such efforts of diversification will be successful. Failure to geographically diversify and expand our operations and customer base could have a

material adverse effect on our business, financial condition, results of operations, prospects or cash flows.

Failure to keep up with the rapid changes in e-commerce and the uses and regulation of the Internet could harm our business

The business of providing products and services such as ours over the Internet is dynamic and relatively new. We must keep pace with rapid technological change, consumer use habits, Internet security risks, risks of system failure or inadequacy and governmental regulation and taxation. Local regulators may have divergent interpretations as to the classification of our services provided online, which may result in the reclassification of our services into services requiring a separate license. In addition, concerns about fraud, computer security and privacy and/or other problems may discourage additional customers from adopting or continuing to use the Internet as a medium of commerce, and each of these factors could adversely impact our business.

Significant, rapid or unforeseen economic or political changes in the economies in which we operate could reduce demand for our products and services and result in reduced income

We operate in a variety of markets which experience or may face in the future political and/or economic instability. Countries in which we currently operate, such as Belarus, Armenia and Uganda, have suffered from political turbulence and, in some instances, armed conflicts. We also consider expanding our business into other new markets should opportunities present themselves. Hence, any significant changes in, or a deterioration of, the political environment in regions where we currently operate or will operate in the future could lead to political and economic instability, which may have an adverse effect on investor and consumer confidence and affect consumers' ability to repay loans. Should the ability of our customers to repay loans be negatively affected, this could restrict our ability to sustain or expand our operations in these countries and could therefore adversely and materially affect our cash flow, liquidity and working capital position.

The unstable regulatory and legal framework and the volatility of the emerging economies in which we operate could reduce demand for our products and services and result in reduced income

In recent years, certain of the emerging markets where we operate have undergone substantial economic and institutional change. As it is typical of emerging or transitioning markets, they do not possess the full business, legal and regulatory infrastructures that would generally exist in more mature, free market economies, and the business, legal and regulatory infrastructures in these jurisdictions are continuously evolving. See also "*Our business is highly regulated, and if we fail to comply with existing or newly introduced applicable laws, regulations, rules and guidance, we may be subject to fines or penalties, have to exit certain markets or be restricted from carrying out certain operations*". In addition, the tax and currency legislation in the markets in which we operate are subject to varying interpretations and changes, which can occur frequently. Any disruption of the reform policies and recurrence of economic instability may have a material adverse effect on our business, financial condition, results of operations, prospects or cash flows.

The future economic development of the markets in which we operate remains largely dependent upon the effectiveness of economic, financial and monetary policies undertaken by their respective governments, together with tax, legal and regulatory developments. Our failure to manage the risks associated with our operations in

emerging markets may have a material adverse effect on our business, financial condition, results of operations, prospects or cash flows.

Our operations could be subject to civil unrest and other business disruptions, which could adversely impact our future income and financial condition and increase our costs and expenses

Our services and operations are vulnerable to damage or interruption from power losses, telecommunications failures, terrorist attacks, acts of war and similar events in countries where we operate. Although we have clear understanding of actions necessary to be taken in case of disaster to recover our IT systems, acts of terrorism, war, civil unrest and violence could cause disruptions to our business or the economy as a whole. Any of these events could cause consumer confidence to decrease, which could decrease the number of loans we make to customers. Any of these occurrences may have a material adverse effect on our business, financial condition, results of operations, prospects, credit recovery or cash flows.

b. Risks related to the Group's financial situation

Changes in our working capital requirements may adversely affect our liquidity and financial condition

Our working capital requirements can vary significantly from market to market, depending, in part, on differences in demand for vehicle financing and consumer credit. If our available cash flows from operations are not sufficient to fund our ongoing cash needs, we would be required to look to our cash balances and available credit facilities to satisfy those needs, as well as potential sources of additional capital.

Furthermore, an economic or industry downturn could increase the level of non-performing assets. A significant deterioration in our debt collection or our ability to sell non-performing loans to third parties could affect our cash flow and working capital position and could also negatively impact the cost or availability of financing to us.

If our capital resources are insufficient to meet our capital requirements, we will have to raise additional funds. We may not be able to raise sufficient additional funds on terms that are favorable to us, if at all. If we fail to raise sufficient funds, our ability to fund our operations, take advantage of strategic opportunities or otherwise respond to competitive pressures could be significantly limited, which may have a material adverse effect on our business, financial condition, results of operations, prospects or cash flows. See also *"The continued expansion of our portfolio depends, to an increasing extent, upon our ability to obtain adequate funding"*.

Our substantial level of indebtedness could adversely affect our financial condition, our ability to obtain financing in the future and our ability to fulfill our obligations under the Bonds

We have substantial indebtedness and we may incur additional indebtedness. Our high level of indebtedness and high debt to equity ratio could have important consequences for holders of the Bonds. Notably, it could:

- make it more difficult for us to satisfy our obligations with respect to the Bonds and our other indebtedness, resulting in possible defaults on and acceleration of such indebtedness;
- require us to dedicate a substantial portion of our cash flows from operations to the payment of principal and interest on our indebtedness, thereby reducing

the availability of such cash flows to fund working capital, acquisitions, capital expenditures and other general corporate purposes;

- limit our ability to obtain additional financing for working capital, acquisitions, capital expenditures, debt service requirements and other general corporate purposes;
- limit our ability to refinance indebtedness or cause the associated costs of such refinancing to increase;
- limit our ability to fund change of control offers;
- restrict the ability of our subsidiaries to pay dividends or otherwise transfer assets to us, which could limit our ability to, among other things, make required payments on our debt;
- increase our vulnerability to general adverse economic and industry conditions, including interest rate fluctuations (because a portion of our borrowings may have variable rates of interest); and
- place us at a competitive disadvantage compared to other companies with proportionately less debt or comparable debt at more favorable interest rates who, as a result, may be better positioned to withstand economic downturns.

The high level of our indebtedness and the consequences thereof (as described above) could have a material adverse effect on our business, financial condition and results of operations. We expect to obtain the funds to pay our expenses and to repay our indebtedness primarily from our operations. Our ability to meet our expenses and make these payments thus depends on our future performance, which will be affected by financial, business, economic, regulatory and other factors, many of which we cannot control. Our business may not generate sufficient cash flow from operations in the future and our currently anticipated growth in revenue and cash flow may not be realized, either or both of which could result in our being unable to repay indebtedness, or to fund other liquidity needs. If we do not have enough funds, we may be required to refinance all or part of our then existing debt, sell assets or borrow more funds, which we may not be able to accomplish on terms acceptable to us, or at all. In addition, the terms of existing or future debt agreements may restrict us from pursuing any of these alternatives.

We may face liquidity risks

We are exposed to liquidity risks arising out of the mismatches between the maturities of our assets and liabilities, which may prevent us from meeting our obligations in a timely manner. If short- and, in particular, long-term funding from international capital markets is unavailable or if maturity mismatches between our assets and liabilities occur, this may have a material adverse effect on our business, financial condition, results of operations, prospects or cash flows.

A downgrade of the Group's credit ratings may increase its financing costs and harm its ability to finance its operations and investments

Fitch Deutschland GmbH ("**Fitch**") has rated the Issuer "B-"; outlook stable. Depending on its ratings, the Group's access to capital markets may be limited and obtaining funding from capital markets may be more expensive. There can be no assurance that the credit ratings assigned to the Issuer will remain in effect for any given period of time or that a rating will not be lowered, suspended or withdrawn entirely by the rating agency if, in such rating agency's judgment, circumstances so warrant. Any actual or

anticipated changes or downgrades in our credit ratings, including any announcement that our ratings are under further review for a downgrade, could affect the market value of the Bonds and increase our corporate borrowing costs.

We may be able to incur substantially more debt, including secured debt, which could further exacerbate the risks associated with our substantial level of indebtedness

We may incur substantial additional indebtedness in the future, including secured debt. If new debt is added to our current debt levels, the related risks that we face would increase, and we may not be able to meet all of our debt obligations.

Financial information of the Guarantors

Given that:

- the Issuer is the holding company of the Group;
- the material operations of the Group are performed within the various Guarantors;
- the adjusted EBITDA generated by the Guarantors amounts to [85]% of the total adjusted EBITDA of the Group as of the financial year ended 31 December 2020 (for more information on the Group's adjusted EBITDA, see "*Selected Financial Information and Operating Data – Other Financial Data (EBITDA)*");
- the additional information gained from individual historical financial information of the individual Guarantors are of minor importance and do not as such influence the assessment of the financial position and prospects of the Guarantors;
- the vast majority of the revenue of the Group is generated by the Guarantors;
- the individual financial information of the Issuer or each Guarantor would, taken as a whole, not grant any significant additional information for investors.

Consequently, an investor in the Bonds has to rely on the consolidated financial information of the Issuer as contained in this Offering Memorandum and on the consolidated financial information of AS "mogo" as incorporated by reference in this Offering Memorandum.

c. Legal and regulatory risk

Failure to comply with anti-corruption laws, including anti-bribery laws, could have an adverse effect on our reputation and business

While we are committed to doing business in accordance with anti-corruption and anti-bribery laws applicable in the countries where we operate, we face the risk that any of our operating subsidiaries or their respective officers, directors, employees, agents or business partners may take actions or have interactions with persons that violate such anti-corruption laws, or face allegations that they have violated such laws.

Certain countries where we operate pose risks of corruption violations. According to the 2020 Transparency International Corruption Perceptions Index, which evaluates data on corruption in countries throughout the world by ranking countries from 1 (least corrupt) to 179 (most corrupt), key markets for the Group in terms of assets, growth and profitability like Lithuania, Romania, Kenya and Moldova were ranked 35, 69, 124 and 115 respectively.

While we closely monitor any signs of potential breaches of the law, the effects of corruption on our operations are difficult to predict. However, under certain

circumstances, corruption, particularly where it heightens regulatory uncertainty or leads to regulatory changes adverse to our operations or to liability on our part or on the part of our directors or business partners, may result in penalties and sanctions, which may have a material adverse effect on our reputation, business, financial condition, results of operations, prospects or cash flows.

The legal and judicial systems in some of our markets of operation are less developed than western European countries – enforceability risk

The legal and judicial systems in some of the markets in which we operate are less developed than those of western European countries. Commercial, competition, securities, anti-bribery, personal data protection, company and bankruptcy law (as well as other areas of law) in such countries may be unfamiliar to local judges. Related legal provisions in these jurisdictions have been and continue to be subject to ongoing, and at times unpredictable, changes. Existing laws and regulations in our countries of operation may be applied inconsistently or may be interpreted in a manner that is restrictive and non-commercial. Furthermore, it may not be possible, in certain circumstances, to obtain legal remedies in a timely manner in these countries. The relatively limited experience of a significant number of judges or other legal officials practicing in these markets, specifically with regard to capital markets issues, and questions regarding the independence of the judiciary system in such markets may lead to decisions based on considerations that are not grounded in the law. The enforcement of judgments may also prove difficult, which means that the enforcement of rights through the respective court systems may be laborious, especially where such judgments may lead to business closures or job losses. This lack of legal certainty may adversely affect our business, and may also make it difficult for you to address any claims you may have as an investor.

Our business is highly regulated, and if we fail to comply with existing or newly introduced applicable laws, regulations, rules and guidance we may be subject to fines, penalties or limitations, have to exit certain markets or be restricted from carrying out certain operations

Our 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. See “*Regulatory Framework*”. National and international regulations, as well as plaintiff bars, the media and consumer advocacy groups, have subjected our industry to intense scrutiny in recent years. Failure to comply with existing laws and regulations applicable to our operations, or to obtain and comply with all authorizations and permits required for our operations, or adverse findings of governmental inspections, may result in the imposition of material fines or penalties or more severe sanctions, including preventing us from continuing substantial parts of our business activities, suspension or revocation of our licenses, or in some cases criminal penalties being imposed on our officers.

In several of the jurisdictions where we operate, we also face risks related to the acquisition of licenses to conduct financial leasing and consumer lending services. We are dependent on the authorities to grant us such required licenses, and in some jurisdictions the licenses are subject to renewal procedures. See “*Regulatory Framework*”. If we fail to comply with the laws and regulations applicable to our business, it may result in us not being able to renew our consumer lending license in one or several jurisdictions. Local regulators may also suspend existing licenses temporarily or revoke them permanently.

Furthermore, governments may seek to impose new laws, regulatory restrictions or licensing requirements that affect the products or services we offer, the terms on which we offer them, and the disclosure, compliance and reporting obligations we must fulfill in connection with our business. They may also interpret or enforce existing requirements in new ways that could restrict our ability to continue our current methods of operation, including the development of our scoring models, or to expand operations or impose significant additional compliance costs on us. In some cases these measures could even directly limit or prohibit some or all of our current business activities in certain jurisdictions, or render them unprofitable. In addition, they could require us to refund interest and result in a determination that certain leases and loans are not recoverable and could cause damage to our brand and our valued customer relationships.

Our business is subject to complex and evolving laws and regulations regarding privacy, data protection, and other matters

Our business is subject to a variety of laws and regulations internationally that involve user privacy issues, data protection, advertising, marketing, disclosures, distribution, electronic contracts and other communications, consumer protection and online payment services. The introduction of new products or the expansion of our activities in certain jurisdictions may subject us to additional laws and regulations. In addition, the application and interpretation of these laws and regulations are often uncertain, particularly in the new and rapidly evolving industry in which we operate, and may be interpreted and applied inconsistently from country to country and may also be inconsistent with our current or past policies and practices. Existing and proposed laws and regulations can be costly to comply with and can delay or impede the development of new products, the expansion into new markets, result in negative publicity, increase our operating costs, require significant management time and attention, and subject us to inquiries or investigations, claims or other remedies, including demands which may require us to modify or cease existing business practices and/or pay fines, penalties or other damages. This may have a material adverse effect on our business, financial condition, results of operations, prospects or cash flows.

Although we continuously educate our employees on applicable laws and regulations in relation to privacy, data protection and other relevant matters, we cannot guarantee that our employees will comply at all times with such laws and regulations. If our employees fail to comply with such laws and regulations in the future, we may become subject to fines or other penalties which may have a negative impact on our reputation and may have a material adverse effect on our business, financial condition, results of operations, prospects or cash flows.

Failure to comply with anti-money laundering laws could have an adverse effect on our reputation and business

We are subject to anti-money laundering laws and related compliance obligations in part of the jurisdictions in which we do business. We have put in place local anti-money laundering policies and procedures, which we apply in all of our countries of operation. However, our compliance with the anti-money laundering requirements of local laws may not prevent all possible breaches. The relatively small amounts invested by our customers make our business less attractive for money laundering activities at a large scale and therefore we consider the money laundering risk inherent to the Group is low. Country managers in each jurisdiction are responsible for money laundering prevention and compliance. As a financial institution, we are required to comply with anti-money laundering regulations that are generally less restrictive than those that apply to banks. As a result, we often rely on anti-money laundering checks performed by our customers' banks when such customers open new bank accounts. If we are not

in compliance with relevant anti-money laundering laws (including as a result of relying on deficient checks carried out by our customers' banks), we may be subject to criminal and civil penalties and other remedial measures. Any penalties, remedial measures or investigations into any potential violations of anti-money laundering laws could harm our reputation and may have a material adverse effect on our business, financial condition, results of operations, prospects or cash flows.

We may be adversely affected by contractual claims, complaints, litigation and negative publicity

We may be adversely affected by contractual claims, complaints and litigation, resulting from relationships with counterparties, customers, competitors or regulatory authorities, as well as by any adverse publicity that we may attract. Any such litigation, complaints, contractual claims, or adverse publicity may have a material adverse effect on our business, financial condition, results of operations, prospects or cash flows.

Defense of any lawsuit, even if successful, could require substantial time and attention of our management and could require the expenditure of significant amounts for legal fees and other related costs. We are also subject to regulatory proceedings, and we could suffer losses from the interpretation of applicable laws, rules and regulations in regulatory proceedings, including regulatory proceedings in which we are not a party. Any of these events could have a material adverse effect on our business, financial condition, results of operations, prospects or cash flows.

The transposition of the Anti-Tax Avoidance Directive in Luxembourg law could have an impact on our tax position (including our performance)

As part of its anti-tax avoidance package, the EU Commission published a draft Anti-Tax Avoidance Directive on 28 January 2016, which was formally adopted by the EC Council on 12 July 2016 in Council Directive (EU) 2016/1164 ("**ATAD 1**").

In this respect, the Luxembourg law dated 21 December 2018 (the "**ATAD 1 Law**") transposed ATAD 1 into Luxembourg legislation. The ATAD 1 Law may have an impact on the tax position of the Issuer (including on its performance). Amongst the measures contained in the ATAD 1 Law is an interest deductibility limitation rule.

The interest deduction limitation rule set out by ATAD 1 has been implemented in article 168bis of the Luxembourg income tax law ("**LITL**") effective as of 1 January 2019, which restricts, for a Luxembourg taxpayer (such as the Issuer), the deduction of net interest expenses qualifying as "exceeding borrowing costs" to the higher of (i) 30% of the taxpayer's EBITDA (defined as the taxpayer's total net income increased by the amount of its exceeding borrowing costs, depreciation and amortisation), and (ii) €3 million.

Exceeding borrowing costs are defined as the amount by which the deductible borrowing costs of a taxpayer exceeds the taxpayer's taxable interest revenues and other economically equivalent taxable income of the taxpayer. Exceeding borrowing costs not deductible in a tax period can be carried forward indefinitely. The same applies to a taxpayer's excess interest capacity which cannot be used in a given tax period (however, such exceeding interest capacity can only be carried forward for a maximum period of 5 years).

If ATAD 1 should result in the refusal of the tax deductibility of a portion of the interest accrued or paid under the Bonds, the tax position as well as the performance of the Issuer could be impacted due to the potential increase of its taxable basis.

d. Internal control risk

The interests of our beneficial owners may conflict with those of the Holders

The Group is ultimately controlled by several individuals (see *Information about the Group – Beneficial ownership*). These individuals have and will continue to have the power to affect the legal and capital structure and the day-to-day operations of the Group, as well as the ability to elect and change the management team and approve other changes to the Group's operations. The interests of the ultimate beneficial owners may, in some circumstances, conflict with the interests of the Holders, particularly if the Group encounters financial difficulties or if we are unable to pay our debts as they become due. The ultimate beneficial owners could also have an interest in pursuing financings or other transactions which, in their judgment, could enhance their equity investment, although such transactions might increase the Group's indebtedness, require the Group to sell assets or otherwise impair our ability to make payments under the Bonds. Any potential conflict between the interests of the indirect controlling shareholder or the ultimate beneficial owners, on the one hand, and Holders, on the other hand, may have a material adverse effect on the value of the Bonds.

2. RISK FACTORS RELATING TO THE BONDS, THE TRANSACTION SECURITIES, THE GUARANTEES AND THE SECURITY AGENT AGREEMENT

a. Risks related to the nature of the Bonds

We may not be able to generate sufficient cash to service all of our indebtedness, including the Bonds, and may be forced to take other actions to satisfy our obligations under our debt agreements, which may not be successful

Our ability to make scheduled payments on or refinance our debt obligations depends on our financial condition and operating performance, which is subject to prevailing economic and competitive conditions and to certain financial, business and other factors beyond our control. We may not be able to maintain a level of cash flows from operating activities sufficient to permit us to pay the principal, premium, if any, and interest and additional amounts, if any, on our indebtedness, including the borrowings under the Bonds offered hereby.

If our cash flows and capital resources are insufficient to fund our debt service obligations, we may be forced to reduce or delay investments and capital expenditures, or to sell assets, seek additional capital or restructure or refinance our indebtedness, including our indebtedness under the Bonds offered hereby. Our ability to restructure or refinance our debt will depend on the condition of the capital markets and our financial condition at such time. Any refinancing of our debt could be at higher interest rates and may require us to comply with more onerous borrowing covenants, which could further restrict our business operations. The terms of existing or future debt instruments may restrict us from adopting some of these alternatives. These alternative measures may not be successful and may not permit us to meet our scheduled debt service obligations. In addition, any failure to make payments of interest and principal on our outstanding indebtedness on a timely basis would likely result in a reduction of our credit rating, which could harm our ability to incur additional indebtedness.

If we cannot make scheduled payments on our debt:

- the holders of our debt could declare all outstanding principal and interest to be due and payable;
- the holders of our secured debt, to the extent we have any, could commence foreclosure proceedings against our assets;

- we could be forced into bankruptcy or liquidation; and
- you could lose all or part of your investment in the Bonds.

We may be unable to repay or repurchase the Bonds at maturity

At maturity, the entire principal amount of the Bonds, together with accrued and unpaid interest, will become due and payable. We may not have the ability to repay or refinance these obligations. We may also attempt to seek approval of the Holders to further extend the maturity of the Bonds. If the maturity date occurs at a time when other arrangements prohibit us from repaying the Bonds, we could try to obtain waivers of such prohibitions from the lenders and holders under those arrangements, or we could attempt to refinance the borrowings that contain the restrictions. If we fail to obtain the waivers or refinance these borrowings, we would be unable to repay the Bonds.

Relevant insolvency and administrative laws may not be as favorable to creditors, including Holders, as insolvency laws of the jurisdictions in which you are familiar and may limit your ability to enforce your rights under the Bonds and the Guarantees and the Issuer and the Guarantors are subject to risks relating to the location of their center of main interest (“COMI”)

The Issuer is incorporated in the Grand Duchy of Luxembourg and the Guarantors are incorporated or organized in Latvia, Lithuania, Georgia, Romania, Moldova, Belarus, Armenia, Albania and North Macedonia. The insolvency laws of these jurisdictions may not be as favorable to your interests as creditors as the bankruptcy laws of certain other jurisdictions and your ability to receive payment under the Bonds may be more limited than would be the case under such bankruptcy laws. See *“Limitations on Validity and Enforceability of the Guarantees, Transaction Security Documents and the Bonds and Certain Insolvency Considerations”*.

In addition, there can be no assurance as to how the insolvency laws of these jurisdictions will be applied in relation to one another. In the event that the Issuer, any of the Guarantors or any other of our subsidiaries experience financial difficulty, it is not possible to predict with certainty in which jurisdiction or jurisdictions insolvency or similar proceedings would be commenced or the outcome of such proceedings. Under the Regulation (EU) No 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings, as amended (the **“EU Insolvency Regulation”**), the “main” insolvency proceedings in respect of a debtor should be opened in the EU Member State in which its COMI is located. See *“Limitations on Validity and Enforceability of the Guarantees and the Bonds and Certain Insolvency Considerations”*. There is a presumption in the EU Insolvency Regulation that a company’s COMI is in the EU Member State in which its registered office is located; however, this presumption may be rebutted by certain factors relating in particular to where the company’s central administration is located. Although the Issuer is incorporated under the laws of the Grand Duchy of Luxembourg and has its registered office in the Grand Duchy of Luxembourg, where the board meetings are held or initiated, some members of its board of directors are not residing in the Grand Duchy of Luxembourg, and thus it is possible, even though rather unlikely, that the Issuer’s COMI may be found to exist outside Luxembourg, and insolvency laws of another jurisdiction may become relevant. The insolvency and other laws of different jurisdictions may be materially different from, or in conflict with, each other, including in the areas of rights of secured and other creditors, the ability to void preferences, transactions at an undervalue and transactions defrauding creditors, priority of governmental and other creditors, ability to obtain or claim interest following the commencement of insolvency proceedings and the duration of the proceedings. The

application of these laws, or any conflict among them, could call into question whether any particular jurisdiction's laws should apply, adversely affect your ability to enforce your rights under the Bonds or the Guarantees in these jurisdictions and limit any amounts that you may receive. Prospective investors in the Bonds should consult their own legal advisors with respect to such considerations.

The credit rating assigned to the Bonds may not reflect all risks of your investment in the Bonds

The credit rating assigned to the Bonds by Fitch is limited in scope and does not address all material risks relating to an investment in the Bonds but rather reflects only the view of the rating agency at the time the rating is issued. The credit rating agency also evaluates our industry and may change its credit rating for us based on its overall view of our industry. There can be no assurance that the credit ratings assigned to the Bonds will remain in effect for any given period of time or that a rating will not be lowered, suspended or withdrawn entirely by the rating agency if, in such rating agency's judgment, circumstances so warrant. Credit ratings are not a recommendation to buy, sell or hold any security. Each agency's rating should be evaluated independently of any other agency's rating, if any. Any actual or anticipated changes or downgrades in our credit ratings, including any announcement that our ratings are under further review for a downgrade, could affect the market value of the Bonds and increase our corporate borrowing costs.

Investors may face foreign exchange risks by investing in the Bonds

The Bonds will be denominated and payable in EUR. If investors measure their investment returns by reference to a currency other than EUR, an investment in the Bonds will entail foreign exchange-related risks due to, among other factors, possible significant changes in the value of the EUR relative to the currency by reference to which investors measure the return on their investments because of economic, political and other factors over which we have no control. Depreciation of the EUR against the currency by reference to which investors measure the return on their investments could cause a decrease in the effective yield of the relevant Bonds below their stated coupon rates and could result in a loss to investors when the return on such Bonds is translated into the currency by reference to which the investors measure the return on their investments.

We may choose to repurchase or redeem the Bonds when prevailing interest rates are relatively low, including in open market purchases

We may seek to repurchase or redeem the Bonds from time to time in full under a call option right provided under the Terms and Conditions, especially when prevailing interest rates are lower than the rate borne by such Bonds. We may also seek to repurchase or redeem the Bonds from time to time in part in case of an equity listing event under an equity claw back right provided under the Terms and Conditions. If prevailing rates are lower at the time of redemption, you may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as the interest rate on such Bonds being redeemed. Our redemption right may also adversely impact your ability to sell such Bonds.

We may also from time to time repurchase the Bonds in the open market, privately negotiated transactions, tender offers or otherwise. Any such repurchases or redemptions and the timing and amount thereof would depend on prevailing market conditions, liquidity requirements, contractual restrictions and other factors. Such transactions could impact the market for such Bonds and negatively affect our liquidity.

The Bonds will be structurally subordinated to all indebtedness of those of our existing or future subsidiaries that are not, or do not become, Guarantors of the Bonds

The Bonds are initially guaranteed only by some of the Issuer's subsidiaries. Claims of holders of the Bonds will be structurally subordinated to all indebtedness and the claims of creditors of any non-guarantor subsidiaries, including trade creditors. All indebtedness and obligations of any non-guarantor subsidiaries will have to be satisfied before any of the assets of such subsidiaries would be available for distribution upon liquidation or otherwise to us or to a Guarantor of the Bonds.

The Issuer is a company that has no revenue generating operations of its own and depends on cash from our operating companies to be able to make payments on the Bonds

The Issuer's only business operations consist of providing financing to the Group companies and to act as holding company of the Group with no business operations other than the equity interests it holds in its subsidiaries. See "*Information about the Issuer*" and "*Information about the Group and the Guarantors*". The Issuer will be dependent upon the cash flow from our operating subsidiaries in the form of interest income, direct loan repayment, dividends or other distributions or payments to meet their obligations, including the Issuer's obligations under the Bonds or other indebtedness incurred to fund its equity interests and other financial assets. The amounts of interest income, dividends or other distributions or payments available to the Issuer will depend on the profitability and cash flows of our subsidiaries and the ability of those subsidiaries to issue dividends and make distributions and other payments under applicable law. Our subsidiaries, however, may not be able to, or may not be permitted under applicable law to, make interest payments, loan principal repayments, dividends, distributions or other payments to the Issuer to make payments in respect of their indebtedness, including the Bonds. In addition, our subsidiaries that do not guarantee the Bonds have no obligation to make payments with respect to the Bonds.

An increase in interest rates could result in a decrease in the relative value of the Bonds

In general, as market interest rates rise, Bonds bearing interest at a fixed rate generally decline in value because the premium, if any, over market interest rates will decline. Consequently, if you purchase these Bonds and market interest rates increase, the market value of your Bonds may decline. We cannot predict future levels of market interest rates.

Risks related to the Common Reporting Standard

The common reporting standard framework was first released by the OECD in February 2014 as a result of the G20 members endorsing a global model of automatic exchange of information in order to increase international tax transparency. On 21 July 2014, the Standard for Automatic Exchange of Financial Account Information in Tax Matters was published by the OECD, including the Common Reporting Standard ("**CRS**"). As of 12 May 2016 and per the status issued by the OECD on 19 August 2016, 84 jurisdictions, including Luxembourg, signed the multilateral competent authority agreement, which is a multilateral framework agreement to automatically exchange financial and personal information, with the subsequent bilateral exchanges coming into effect between those signatories that file the subsequent notifications. More than 40 jurisdictions, including Luxembourg, have committed to a specific and ambitious timetable leading to the first automatic exchanges in 2017 (early adopters).

Under CRS, financial institutions resident in a CRS country would be required to report, according to a due diligence standard, account balance or value, income from certain insurance products, sales proceeds from financial assets and other income generated with respect to assets held in the account or payments made with respect to the account. Reportable accounts include accounts held by individuals and entities (which include trusts and foundations) with tax residency in another CRS country. CRS includes a requirement to look through passive entities to report on the relevant controlling persons.

As of 1 January 2016, CRS and EU Council Directive 2014/107/EU have been implemented in Luxembourg law (by the Luxembourg law dated 18 December 2015 on the Common Reporting Standard (*loi relative à l'échange automatique de renseignements relatifs aux comptes financiers en matière fiscale*), as amended). As a result, the Issuer is required to comply with identification obligations starting in 2016, with reporting having begun in 2017. Holders of Bonds may be required to provide additional information to the Issuer to enable it to satisfy its identification obligations under the Luxembourg implementation of the CRS. Prospective investors are advised to seek their own professional advice in relation to the CRS and EU Council Directive 2014/107/EU. Not complying with the CRS rules may be sanctioned by fines imposed upon the Issuer. Furthermore, it cannot be ruled out that as a sanction against failure to comply with the CRS rules, a withholding tax will be introduced similar to the withholding tax imposed for non-compliance with FATCA regulations.

There is no established trading market for the Bonds. If an actual trading market does not develop for the Bonds, you may not be able to resell them quickly, for the price that you paid or at all

The Bonds will constitute a new issue of securities and there is no established trading market for the Bonds. If an active trading market does not develop or is not sustained, the market price and liquidity of the Bonds may be adversely affected and you may be unable to resell your Bonds at a particular time, at their fair market value or at all.

If a trading market does develop, the market price of the Bonds will depend on many factors, including:

- the market demand for securities similar to the Bonds and the interest of securities dealers in making a market for the Bonds;
- the number of holders of the Bonds;
- the prevailing interest rates being paid by other companies similar to us;
- our financial condition, financial performance and future prospects;
- the market price of our common stock;
- the prospects for companies in our industry generally; and
- the overall condition of the financial markets.

Historically, the market for non-investment grade debt has been subject to disruptions that have caused volatility in prices of securities similar to the Bonds. It is possible that the market for the Bonds will be subject to such disruptions. Any disruptions may have a negative effect on holders, regardless of our prospects and financial performance.

The transfer of the Bonds is restricted for U.S. Securities Act purposes, which may adversely affect their liquidity and the price at which they may be sold

The Bonds and the Guarantees have not been registered under, and we are not obliged to register the Bonds or the Guarantees under, the U.S. Securities Act or the securities laws of any other jurisdiction and, unless so registered, may not be offered or sold except pursuant to an exemption from, or a transaction not subject to, the registration requirements of the U.S. Securities Act or such securities laws as applicable. We have not agreed to or otherwise undertaken to register the Bonds or the Guarantees, and do not have any intention to do so.

b. Risks related to the Transaction Securities, the Guarantees and the Security Agent Agreement

The Transaction Securities and the Guarantees may not be sufficient to cover all the Secured Obligations and the enforcement of the security may be delayed or the security may not be enforceable at all.

There is no assurance that the Transaction Securities and the Guarantees, benefiting the holders of the Bonds, will be sufficient to cover all the Secured Obligations and, therefore, all the Issuer's payment obligations under the Bonds may not be secured, if at all.

The receivables of the holders of the Bonds rank *pari passu* with the receivables of the other secured creditors except for certain liabilities owed to the Security Agent and certain enforcement costs of the secured creditors, which have priority to the enforcement proceeds of the Transaction Securities and Guarantees. The Issuer cannot assure that the proceeds of any enforcement of the Transaction Securities would be sufficient to satisfy all amounts then owed to the Holders. In addition, any enforcement may be delayed due to any inability to sell the security assets in a timely and efficient manner. For more information on the Security Agent Agreement, please see "Additional Information on the Guarantees, the Transaction Securities and the Security Agent Agreement".

Enforcement of the Guarantees across multiple jurisdictions may be difficult

The Bonds will be guaranteed by the initial and any additional Guarantors, which are organized or incorporated under the laws of multiple jurisdictions. In the event of a bankruptcy, insolvency or similar event, proceedings could be initiated in any of these jurisdictions. The rights of holders of the Bonds under the Guarantees will thus be subject to the laws of a number of jurisdictions, and it may be difficult to enforce such rights in multiple bankruptcy, insolvency and other similar proceedings. Moreover, such multi-jurisdictional proceedings are typically complex and costly for creditors' rights. In addition, the bankruptcy, insolvency, administration and other laws of the jurisdiction of organization of the Issuer or the Guarantors may be materially different from, or in conflict with, one another, including creditor's rights, priority of creditors, the ability to obtain post-petition interest and the duration of the insolvency proceeding. The application of these various laws in multiple jurisdictions could trigger disputes over which jurisdictions' law should apply and could adversely affect the ability to realize any recovery under the Bonds and the Guarantees.

There are risks related to the Security Agent Agreement

The holders of the Bonds and the other secured creditors are represented by the Security Agent in all matters relating to the Transaction Securities. There is a risk that the Security Agent, or anyone appointed by it, does not properly fulfil its obligations in

terms of perfecting, maintaining, enforcing or taking other necessary actions in relation to the Transaction Securities.

Subject to the terms of the Security Agent Agreement, the Security Agent is entitled to enter into agreements with the Issuer or a third party or take any other actions necessary for the purpose of maintaining, releasing or enforcing the Transaction Securities or for the purpose of settling, among others, the holders of the Bonds rights to the security. Although there is a limitation that such actions shall not be taken if the Security Agent deems the action to be detrimental to the interests of the holders of the Bonds, it cannot be guaranteed that actions would not be taken that may be considered to be detrimental in the view of some or all of the holders of the Bonds.

The Transaction Securities and the Guarantees will be subject to certain limitations on enforcement and may be limited by applicable law or subject to certain defenses that may limit its validity and enforceability

The Transaction Securities and the Guarantees provide the Security Agent, acting for the benefit of the holders of the Bonds, with a claim against the relevant Security Provider. However, the Transaction Securities and the Guarantees will be limited to the maximum amount that can be guaranteed by the relevant Security Provider without rendering the relevant Transaction Securities and Guarantee voidable or otherwise ineffective under applicable law, and enforcement of each Transaction Securities and Guarantee would be subject to certain generally available defenses. See “*Limitations on Validity and Enforceability of the Guarantees and the Bonds and Certain Insolvency Considerations*”.

Enforcement of any of the Transaction Securities and the Guarantees against any Security Provider will be subject to certain defenses available to Security Providers in the relevant jurisdiction. Although laws differ among these jurisdictions, these laws and defenses generally include those that relate to corporate purpose or benefit, fraudulent conveyance or transfer, voidable preference, insolvency or bankruptcy challenges, financial assistance, preservation of share capital, thin capitalization, capital maintenance or similar laws, regulations or defenses affecting the rights of creditors generally. If one or more of these laws and defenses are applicable, a Security Provider may have no liability or decreased liability under its Transaction Securities and Guarantee depending on the amounts of its other obligations and applicable law.

Although laws differ among various jurisdictions, in general, under bankruptcy or insolvency law and other laws, a court could (i) avoid or invalidate all or a portion of a Security Provider’s obligations under its Transaction Securities and Guarantee, (ii) direct that the holders of the Bonds return any amounts paid under a Transaction Securities and the Guarantee to the relevant Security Provider or to a fund for the benefit of the Security Provider’s creditors or (iii) take other action that is detrimental to you, typically if the court found that:

- the relevant Transaction Securities and Guarantee was incurred with actual intent to give preference to one creditor over another, hinder, delay or defraud creditors or shareholders of the Security Provider or, in certain jurisdictions, when the granting of the Transaction Securities and Guarantee has the effect of giving a creditor a preference or guarantee or the creditor was aware that the Security Provider was insolvent when the relevant Transaction Securities or Guarantee given;
- the Security Provider did not receive fair consideration or reasonably equivalent value or corporate benefit for the relevant Transaction Securities and Guarantee and the Security Provider: (i) was insolvent or rendered insolvent because of the relevant Transaction Securities and Guarantee; (ii) was undercapitalized or

became undercapitalized because of the relevant Transaction Securities and Guarantee; or (iii) intended to incur, or believed that it would incur, indebtedness beyond its ability to pay at maturity;

- the relevant Transaction Securities and Guarantee were held to exceed the corporate objects of the Security Provider or not to be in the best interests of or for the corporate benefit of the Security Provider; or
- the amount paid or payable under the relevant Transaction Securities and Guarantee was in excess of the maximum amount permitted under applicable law.

We cannot assure you which standard a court would apply in determining whether a Security Provider was “insolvent” at the relevant time or that, regardless of method of valuation. There can also be no assurance that a court would not determine that a Security Provider was insolvent on that date, or that a court would not determine, regardless of whether or not a Security Provider was insolvent on the date its Transaction Securities and Guarantee were issued, that payments to holders of the Bonds constituted preferences, fraudulent transfers or conveyances on other grounds. The liability of each Security Provider under its Transaction Securities and Guarantee will be limited to the amount that will result in such Transaction Securities and Guarantee not constituting a preference, fraudulent conveyance or improper corporate distribution or otherwise being set aside. However, there can be no assurance as to what standard a court will apply in making a determination of the maximum liability of each Security Provider. There is a possibility that the entire Transaction Securities or Guarantee may be set aside, in which case the entire liability may be extinguished. If a court decided that a Transaction Securities or Guarantee was a preference, fraudulent transfer or conveyance and voided such Transaction Securities or Guarantee, or held it unenforceable for any other reason, the Security Agent may cease to have any claim in respect of the relevant Security Provider and would be a creditor solely of the Issuer and, if applicable, of any other Security Provider under the relevant Transaction Securities or Guarantee which has not been declared void. In the event that any Transaction Securities or Guarantee is invalid or unenforceable, in whole or in part, or to the extent the agreed limitation of the Transaction Securities and Guarantee obligations apply, the Bonds would be effectively subordinated to all liabilities of the applicable Security Provider.

Rights in the Transaction Securities may be adversely affected by the failure to perfect it

According to the law applicable to the Transaction Securities Documents, a security interest in certain assets can only be properly perfected and its priority retained through certain actions undertaken by the secured creditor, the security provider or the relevant local regulator or governmental authority. The Transaction Securities may not be perfected if the Security Agent or the relevant security provider is not able to or does not take the actions necessary to perfect or maintain the perfection of any such security. Such failure may result in the ineffectiveness of the relevant Transaction Securities or adversely affect the priority of such security interest in favor of third parties, including a bankruptcy administrator and other creditors who claim a security interest in the same Transaction Securities.

In relation to certain classes of security assets, the terms of the Transaction Securities documents require the perfection action to be carried out only upon the occurrence of a trigger event. A failure by the Security Agent to react to the trigger event may cause the security to be unperfected, and the occurrence of the triggering event and due

perfection of the security during a suspect period before the insolvency of the security provider may expose the security to recovery.

The enforcement of the Guarantees and the Transaction Securities will be subject to the procedures and limitations set out in the Security Agent Agreement

Even when the Transaction Securities are enforceable, the enforcement is subject to the procedures and limitations agreed in the Security Agent Agreement and the Terms and Conditions. There can be no assurance as to the ability of the holders of the Bonds to instruct the Security Agent to initiate any enforcement procedures. Furthermore, any enforcement of security may be delayed due to the provisions of the Security Agent Agreement and the Terms and Conditions.

The Security Agent Agreement and the Transaction Security Documents may be amended without the consent of the holders of the Bonds

The Terms and Conditions provide for the Agent to agree to amendments and grant waivers and consents and give written instructions in respect of the Security Agent Agreement and the Transaction Security Documents without consulting the holders of the Bonds provided that in the opinion of the Issuer and the Agent, such amendments or waivers are of a formal, minor or technical nature or are made to correct a manifest or proven error or to comply with mandatory provisions of law and which are in the opinion of the Issuer and the Agent not materially prejudicial to the interests of the holders of the Bonds. Any of the before-mentioned actions may result in less beneficial rights and more cumbersome obligations for the holders of the Bonds under the Transaction Security Documents.

The net proceeds from the issue of the Bonds will be first allocated to an account controlled by the Escrow Agent

The net proceeds received from the issue of the Bonds will be held in the Escrow Account, pledged in favour of the Security Agent for the benefit of the holders of the Bonds. The Escrow Account will be controlled by the Escrow Agent, and the funds will be released to the Issuer only after repayment of the Existing Bonds and perfection of certain Transaction Securities, in accordance with the Escrow Agreement. Despite the balance sheet strength and credit rating of the escrow bank, the investors in the Bonds may bear the insolvency risk of the escrow bank and the Escrow Agent until the net proceeds of the Bonds are released to the Issuer. The Escrow Account is not insolvency remote. It is not certain that a bankruptcy administrator of the escrow bank or of the Escrow Agent would respect an escrow arrangement or escrow account pledge, which potentially could adversely affect the interests of the holders of the Bonds.

The rights of the holders of the Bonds depend on the Agent's and Security Agent's actions and financial standing

By subscribing for, or accepting the assignment of, any Bond, each holder of a Bond will accept the appointment of the Agent (being on the date of this Offering Memorandum TMF Trustee Services GmbH) to act on its behalf and to perform administrative functions relating to the Bonds and the Finance Documents. In addition, pursuant to the Security Agent Agreement, the Security Agent has been appointed as the agent and representative of the secured creditors, to represent and act for such

secured creditors, i.e., the holders of the Bonds, in relation to the Transaction Securities.

The Agent has, among other things, the right to represent the holders of the Bonds in all court and administrative proceedings in respect of the Bonds and the sole right and legal authority to represent the holders of the Bonds vis-à-vis the Security Agent. Only the Security Agent is entitled to exercise the rights under the Transaction Securities and enforce the same. Any failure by an agent to perform its duties and obligations properly, or at all, may adversely affect the enforcement of the rights of the holders of the Bonds due to, for example, inability to enforce the security and/or receive any or all amounts payable from the security in a timely and effective manner.

A failure by the Agent to perform its duties and obligations properly or at all may adversely affect the enforcement of the rights of the holders of the Bonds. Funds collected by the Agent as the representative of the holders of the Bonds must be held separately from the funds of the Agent and be treated as escrow funds to ensure that in the event of the Agent's bankruptcy, such funds can be separated for the benefit of the holders of the Bonds. In the event the Agent would fail to separate the funds in an appropriate manner, the funds could be included in the Agent's bankruptcy estate.

The Agent may be replaced by a successor Agent in accordance with the Terms and Conditions. Generally, the successor Agent has the same rights and obligations as the retired Agent. It may be difficult to find a successor Agent with commercially acceptable terms or at all. Further, it cannot be excluded that the successor Agent would not breach its obligations under the above documents or that insolvency proceedings would not be initiated against it.

Materialization of any of the above risks may have a material adverse effect on the enforcement of the rights of the holders of the Bonds and the rights of the holders of the Bonds to receive payments under the Bonds.

We cannot exclude that the Guarantee granted under the Guarantee Agreement may be reclassified as a suretyship by a Luxembourg court

While the Guarantee provided under the Guarantee Agreement is structured as a first demand independent guarantee and it explicitly states that it is not a suretyship (*cautionnement*) we cannot exclude that such Guarantee could, if submitted to a Luxembourg court, possibly be construed by such court as a suretyship (*cautionnement*) and not as a first demand guarantee or an independent guarantee. Article 2012 of the Luxembourg Civil Code provides that the validity and enforceability of a suretyship (which constitutes an accessory obligation) is subject to the validity of the underlying obligation. It follows that if the underlying obligations were invalid or challenged, it cannot be excluded that the Guarantors would be released from their liabilities under such Guarantee.

Transaction Securities and Guarantees may be released under certain circumstances

In addition to the authority for the Security Agent to release relevant parts of the Transaction Securities and Guarantees and to discharge Secured Obligations and certain intra-group liabilities in order to facilitate enforcement of Transaction Securities or a distressed disposal or appropriation made in accordance with the Security Agent Agreement, the Security Agent Agreement provides that in connection with a disposal of an asset by a member of the Group permitted under the terms of the secured financing under non-distressed circumstances, the Security Agent is under the Security Agent Agreement authorized to release Transaction Securities over that asset and where the asset consists of shares in a Group company, Transaction Securities and

Guarantees granted by such company. Such release will impair the security interest and the secured position of the holders of the Bonds.

The Terms and Conditions of the Bonds provide that the Agent shall in certain circumstances agreed therein, take actions necessary to release the Guarantees and Transaction Securities or part thereof.

After any such release, depending on the scope of the release, the holders of the Bonds may become unsecured and unguaranteed and lose priority in case of foreclosure, dissolution, winding-up, liquidation, recapitalization, administrative or other bankruptcy or insolvency proceedings of any member of the Group.

Insolvency administrator may not respect the Security Agent Agreement

It is not certain that a secured creditor or a bankruptcy administrator of such secured creditor or of the Issuer would respect the Security Agent Agreement which potentially could adversely affect the interests of other secured creditors.

III. GENERAL INFORMATION

Responsibility Statement

The Issuer accepts sole responsibility for the information contained in this Offering Memorandum and hereby declares, having taken all reasonable care to ensure that such is the case, the information contained in this Offering Memorandum is, to the best of its knowledge, in accordance with the facts and does not omit anything likely to affect its import.

The Issuer, having made all reasonable enquiries, confirms that this Offering Memorandum contains all information which is material in the context of the listing of the Bonds on the Regulated Market, including all information which, according to the particular nature of the Issuer, of the Group and of the Bonds is necessary to enable investors to make an assessment of the assets and liabilities, financial position, profits and losses and prospects of the Issuer and the Group and of the rights attached to the Bonds, that the information contained in this Offering Memorandum is true and accurate in all material respects and is not misleading in any material respect, that the opinions and intentions expressed in this Offering Memorandum are honestly held, and that there are no other facts the omission of which would make this Offering Memorandum or any of such information or the expression of any such opinions or intentions misleading in any material respect, and all reasonable enquiries have been made by the Issuer to ascertain such facts and to verify the accuracy of all such information and statements.

Responsibility Statement towards the Lead Manager

The Issuer, having made all reasonable enquiries, has confirmed to Oppenheimer & Co. Inc. (the “**Lead Manager**”) that this Offering Memorandum and the documents incorporated by reference herein contain all information regarding the Issuer, the Group and the Bonds which is (in the context of the issue of the Bonds) material, including all information which, according to the particular nature of the Issuer, of the Group and of the Bonds is necessary to enable investors to make an assessment of the assets and liabilities, financial position, profits and losses and prospects of the Issuer and the Group and of the rights attached to the Bonds, that the information contained in this Offering Memorandum is true and accurate in all material respects and is not misleading in any material respect, that the opinions and intentions expressed in this Offering Memorandum are honestly held, and that there are no other facts the omission of which would make this Offering Memorandum or any of such information or the expression of any such opinions or intentions misleading in any material respect, and all reasonable enquiries have been made by the Issuer to ascertain such facts and to verify the accuracy of all such information and statements.

The Lead Manager has not separately verified the information contained or incorporated by reference in this Offering Memorandum.

Neither the Lead Manager nor any of its affiliates have authorised the whole or any part of this Offering Memorandum and none of them makes any representation or warranty or accepts any responsibility as to the accuracy or completeness of the information contained or incorporated by reference in this Offering Memorandum. Neither the delivery of this Offering Memorandum nor the offering, sale or delivery of any Bond shall in any circumstances create any implication that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the condition (financial or otherwise) of the Issuer or the Group since the date of this Offering Memorandum. Neither this Offering Memorandum nor any other financial statements are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer and the Lead

Manager that any recipient of this Offering Memorandum or of any other financial statements should purchase the Bonds. Each potential purchaser of Bonds should determine for itself the relevance of the information contained in this Offering Memorandum and its purchase of Bonds should be based upon such investigation as it deems necessary. The Lead Manager does not undertake to review the financial condition or affairs of the Issuer or the Group during the life of the arrangements contemplated by this Offering Memorandum nor to advise any investor or potential investor in the Bonds of any information coming to the attention of the Lead Manager.

Authorisation

The creation and issue of the Bonds has been authorised by a resolution of the board of directors of the Issuer dated [●] 2021.

Subject of this Offering Memorandum

The subject matter of the Offering Memorandum is the offering of the Bonds by the way of non-public offering to qualified investors within the meaning of Article 2(e) of the Prospectus Regulation and other investors in compliance with Article 1(4) (a) and (b) of the Prospectus Regulation, the listing and admission to trading on the corporate bond list of Frankfurt Stock Exchange (Open Market - Quotation Board) in the aggregate principal amount of EUR [●] in a denomination of EUR 1,000.00 each. The interest offered on the Bonds is [●]%. Unless previously redeemed, the Bonds will be repaid on [●] 2026. The Bonds are governed by Luxembourg law and constitute bonds in bearer form in accordance with Luxembourg applicable laws. The Bonds are freely transferable. The yield of the Bonds is [●]% per annum, equal to the interest rate of the Bonds. The security codes of the Bonds are as follows:

International Securities Identification Number: XS2393240887

Common Code: 239324088

Form of Bonds

The Bonds will initially be represented by a temporary global note (the “**Temporary Global Bonds**” and each a “**Temporary Global Bond**”) deposited with, or on behalf of, a specified common depository (the “**Common Depository**”) for Clearstream Banking S.A. (“**Clearstream**”) and Euroclear Bank S.A/N.V. (“**Euroclear**” and together with Clearstream, the “**Clearing Systems**”). Interests in each Temporary Global Bond are exchangeable on and after the date which is 40 days after the Issue Date, upon certification of non-U.S. beneficial ownership by the relevant Holders, for interests recorded in the records of the Clearing Systems in a permanent global bond (each, a “**Permanent Global Bond**”) (the expressions “**Global Bonds**” and “**Global Bond**” meaning, respectively, (i) all the Temporary Global Bonds and the Permanent Global Bonds or (ii) any of the Temporary Global Bonds or Permanent Global Bonds, as the context may require). The Permanent Global Bonds will also be deposited with the Common Depository for the Clearing Systems. Title to the Global Bonds will pass by delivery.

The Bonds have been accepted for clearance by Clearstream.

References

Unless the context otherwise requires, references to “**we**”, “**our**”, “**us**”, “**Eleving**” or the “**Group**” refer to Eleving Group and its direct and indirect subsidiaries. Unless the context otherwise requires, references to the “**Issuer**” refer to Eleving Group.

Unless otherwise defined, capitalized terms used in this Offering Memorandum have the same meaning as defined in the terms and conditions governing the Bonds (the “**Terms and Conditions**”).

Information posted on our website and those of our affiliates and subsidiaries do not constitute a part of this Offering Memorandum.

Hyperlinks

The content of any website referred to in this Offering Memorandum by hyperlinks is for information purposes only, does not form part of the Offering Memorandum (with the exception of hyperlinks to the electronic addresses where information incorporated by reference is available).

Forward-looking Statements

This Offering Memorandum includes forward-looking statements. All statements other than statements of historical facts contained in this Offering Memorandum, including, without limitation, those regarding the Issuer’s future financial position and results of operations, its strategy, plans, objectives, goals, targets and future developments in the markets in which it participates or is seeking to participate and any statements preceded by, followed by or that include the words “anticipate”, “believe”, “continue”, “could”, “estimate”, “expect”, “forecast”, “aims”, “intends”, “will”, “may”, “plan”, “should” or similar expressions or the negative thereof, are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the Issuer’s actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Certain forward looking statements may prove wrong, although being reasonable at present. Furthermore there are a lot of risks and uncertainties related to the Issuer’s business because of which a forward looking statement, estimate or forecast may prove wrong. Thus, the investors should urgently read the chapters “Summary”, “Risk Factors” and “Description of the Issuer”, which contain a detailed explanation of the factors, which influence the business development of the Issuer and the market, in which the Issuer is active.

In consideration of the risks, uncertainties and assumptions the future events mentioned in the Offering Memorandum may not occur.

Because the risk factors referred to in this Offering Memorandum, and other factors, could cause actual results or outcomes to differ materially from those expressed in any forward-looking statements made in this Offering Memorandum by the Issuer or on its behalf, the investors should not place any reliance on any of these forward-looking statements. Further, any forward-looking statement speaks only as of the date on which it is made, and the Issuer undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events. New factors will emerge in the future, and it is not possible for the Issuer to predict which factors they will be. In addition, the Issuer cannot assess the effect of each factor on its business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those described in any forward-looking statements. The Issuer does not assume any obligation to update such forward looking statements or to adapt them to future events or developments unless required by law.

Third Party Information

In this Offering Memorandum, the Issuer relies on and refers to information regarding the Group's business and the markets in which it operates and competes. Certain economic and industry data, market data and market forecasts set forth in this Offering Memorandum were extracted from market research and industry publications. Where such third party data has been used in the Offering Memorandum, the source of data is named.

Where information in this Offering Memorandum has been specifically identified as having been extracted from third party documents, the Issuer confirms that this information has been accurately reproduced and that as far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. Although the Issuer has no reason to believe that any of this information is inaccurate in any material respect, the Issuer has not independently verified the competitive position, market size, market growth or other data provided by third parties or by industry or other publications.

Clarifications Regarding the Role of the Lead Manager in Connection with the Bonds

The Lead Manager and its affiliates may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for the Issuer and its affiliates in the ordinary course of business. The Lead Manager and its affiliates may have positions, deal or make markets in the Bonds, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies with the Issuer and its affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities.

In addition, in the ordinary course of their business activities, the Lead Manager and its affiliates may make or hold a broad array of investments and actively trade debt and securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or the Issuer's affiliates. Typically, the Lead Manager and its affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Bonds. Any such positions could adversely affect liquidity and future trading prices of the Bonds. The Lead Manager and its affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Presentation of Financial Information

The financial information of the Group set forth herein, has, unless otherwise indicated, been derived (i) from the audited consolidated financial statements of the Issuer as of and for the financial year ended 31 December 2020 (including restated comparative financial information as of and for the financial year ended 31 December 2019) (the **"Issuer's Consolidated Financial Statements"**) which have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (**"IFRS"**) or (ii) from the unaudited interim condensed consolidated financial information as of and for the six-month period ended 30 June 2021 (consisting of the consolidated statements of comprehensive income, financial position, changes in equity and cash flows and notes to the consolidated financial statements for the six months ended 30 June 2021) which are prepared on the basis of the applicable

recognition, measurement and consolidation principles of the IFRS applicable to interim financial reporting (IAS 34).

Where financial information in the tables in the Offering Memorandum is labeled “audited”, this means that it has been taken from the above mentioned audited consolidated financial statements. The label “unaudited” is used in the tables in the Offering Memorandum to indicate financial information that was not taken from the above mentioned audited consolidated financial statements but has been taken either from the above mentioned unaudited consolidated interim financial information or the Issuer’s internal accounting and reporting system, or is based on calculations of financial information of the above mentioned sources as well as the Issuer’s unconsolidated financial statements.

Certain stated figures, financial information and market data (including percentages) given in this Offering Memorandum have been rounded up or down pursuant to generally applicable commercial and business standards. It is therefore possible that not all total amounts (total sums or interim totals, differences or figures used as reference) contained within this Offering Memorandum coincide completely with the underlying (non-rounded) individual amounts contained in other places or in documents incorporated by reference in this Offering Memorandum. In addition, it is possible that these rounded figures in tables do not add up precisely to form the overall total sums in the respective tables.

Further Information Regarding this Offering Memorandum

No person is authorized to give any information or to make any representations other than those contained in this Offering Memorandum and, if given or made, such information or representations must not be relied upon as having been authorized by or on behalf of the Issuer.

The delivery of this Offering Memorandum shall not, under any circumstances, create any implication

- (i) that the information in this Offering Memorandum is correct as of any time subsequent to the date hereof or, as the case may be, subsequent to the date on which this Offering Memorandum has been most recently amended, or supplemented, or
- (ii) that there has been no adverse change in the affairs or the financial situation of the Issuer which is material in the context of the issue and sale of the Bonds since the date of this Offering Memorandum or, as the case may be, the date on which this Offering Memorandum has been most recently amended or supplemented, or
- (iii) that any other information supplied in connection with the issue of the Bonds is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The Bonds are not suitable for all kinds of investors. Neither this Offering Memorandum nor any other information supplied in connection with the Bonds should be considered as a recommendation by the Issuer to an investor that such investor should purchase any Bonds.

The offer, sale and delivery of the Bonds and the distribution of this Offering Memorandum are subject to restrictions. In this respect, reference is made in particular to the section “Subscription and Sale” of this Offering Memorandum.

MiFID II Product Governance

Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Bonds, taking into account the five categories referred to in item 18 of the Guidelines on MiFID II (as defined below) product governance requirements published by ESMA dated 5 February 2018, has led to the conclusion that: (i) the target market for the Bonds is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "**MiFID II**"); and (ii) all channels for distribution of the Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Bonds (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

Documents Available for Inspection

For a year following the admission to trading of the Bonds on the regulated market of the Frankfurt Stock Exchange or another comparable trading segment within the EU in accordance with the Terms and Conditions, copies of the following documents may be inspected at the head office of the Issuer, 8-10 Avenue de la Gare, L-1610 Luxembourg, Grand Duchy of Luxembourg, on weekdays from 9:00 am to 4:00 pm:

- the Offering Memorandum;
- the Issuer's up to date articles of association;
- the Issuer's audited consolidated financial statements as of and for the financial years ended 31 December 2020 and 31 December 2019;
- the Issuer's unaudited interim consolidated financial information as of and for the six months ended 30 June 2021;
- the Guarantee Agreement;
- the Transaction Security Documents;
- the Agent Agreement;
- the Security Agent Agreement; and
- the Escrow Agreement.

IV. USE OF NET PROCEEDS

In connection with the issue of the Bonds, the Issuer expects to receive net proceeds of approximately EUR [175] million. The estimated total costs of the issue are approximately [2.8]% of the aggregate principal amount of the Bonds, i.e. EUR [4.9] million. These costs cover the fees of the Lead Manager, legal fees, financial consultancy fees and any other costs and expenses relating to the offering and/or the listing and admission to trading of the Bonds.

The net proceeds of the issue of the Bonds will be used to refinance part of existing debt, in particular:

- (i) as first priority, to refinance the Existing Bonds (as defined below), in the amount of approximately EUR [104.8] million, including the early redemption fee and accrued and unpaid interest; and
- (ii) as second priority, to refinance part of the outstanding Mintos Debt (as defined below), in the amount of approximately EUR [47.8] million.

(see “*Information about the Group and the Guarantors – Material Agreements*”).

Other part of the net proceeds will be used for general business purposes. The Issuer will lend the proceeds to the Group companies as required.

The net proceeds received from the issue of the Bonds will be held in the Escrow Account, pledged in favour of the Security Agent for the benefit of the holders of the Bonds. The Escrow Account will be controlled by the Escrow Agent, and the funds will be released to the Issuer only after repayment of the Existing Bonds and perfection of certain Transaction Securities in accordance with the Initial Transaction Security Documents, as further set out in the Escrow Agreement.

The table below sets forth the expected proceeds received in connection with the issue of the Bonds and the use of the proceeds.

Sources		Uses	
(in million EUR)		(in million EUR)	
Issue of the Bonds	175.0	Refinancing of the Existing Bonds (including the redemption fee and estimation of the accrued and unpaid interest)	104.8
		Estimated transaction fees and expenses	4.9
		Refinancing part of the outstanding Mintos Debt	47.8
		Cash to balance sheet for general corporate purposes	17.5
Total Sources	175.0	Total Uses	175.0

V. CAPITALIZATION

The table below sets forth the consolidated capitalization of the Group as of 31 December 2020, 31 December 2019 and 30 June 2021 on an actual historical basis. This table should be read in conjunction with “*Use of Net Proceeds*”, “*Material Agreements*”, “*Loans with Related Parties*” and the consolidated financial statements of the Issuer as of and for the financial years ended 31 December 2020 and 31 December 2019 and the unaudited consolidated interim financial information of the Issuer as of and for the six-month period ended 30 June 2021 incorporated by reference in this Offering Memorandum.

	As of 30 June 2021	As of 31 December 2020	As of 31 December 2019
	Unaudited	Audited	Audited
	(in million EUR)	(in million EUR)	(in million EUR)
Cash and cash equivalents	7.9	9.3	8.7
Debt			
Non-current loans from related parties	17.3	12.1	6.8
Non-current bonds	127.2	90.4	121.3
Non-current bond additional interest accrual	0.0	-	0.3
Non-current bonds acquisition costs	(3.6)	(3.1)	(5.3)
Long term loan from banks	4.8	6.5	8.9
Non-current lease liabilities for rent of premises and vehicles	5.5	5.7	6.6
Non-current financing received from P2P investors	35.6	49.4	49.2
Non-current loans from non related parties	0.2	-	-
Non-current acquisition costs	(0.1)	(0.1)	(0.3)
Financing received from P2P investors	44.0	37.4	21.0
Bonds	-	30.0	-
Accrued interest for bonds	(0.2)	4.5	4.4
Bond additional interest accrual	-	0.4	-
Lease liabilities for rent of premises and vehicles	2.3	2.1	1.3
Accrued interest for financing received from P2P investors	0.4	0.5	0.4
Short term loans from banks	9.0	6.1	7.5
Short term loans from non related parties	1.7	1.4	-
Accrued interest for loans from non related parties	-	0.0	0.0
Accrued interest for loans from related parties	0.0	-	0.0
Accrued interest for loans from bank	0.1	0.1	0.1

Total debt	244.1	243.2	222.2
Equity			
Share capital	1.0	1.0	1.0
Retained earnings/(losses)	29.6	22.9	21.4
Reserve	0.6	0.3	0.3
Foreign currency translation reserve	(1.9)	(2.3)	(0.8)
Total equity attributable to equity holders of the parent company	29.3	21.9	21.8
Non-controlling interests	0.7	0.3	0.5
Total capitalization¹	274.1	265.4	244.5

There have been no material changes in the Group's consolidated capitalization or indebtedness since 30 June 2021.

The table below sets forth the consolidated pro forma capitalization of the Group, as adjusted by the expected use of net proceeds from the issue of Bonds.

	Pre-Transaction as of 30 June 2021	Change	Pro Forma
		Unaudited (in million EUR)	
Cash and cash equivalents	7.9	17.5	25.4
Debt			
Existing Bonds	100.0	(100.0)	-
Other borrowings ²	119.0	(47.8)	71.2
The Bonds	-	175.0	175.0
Total debt without IFRS 16 liabilities³	219.0	27.2	246.2
Equity			
Total equity including subordinated loans ⁴	47.3	-	47.3

¹ For the purposes of this Offering Memorandum, the Total capitalization is the sum of (i) Non-current borrowings (EUR 186.9 million), (ii) Current borrowings (EUR 57.2 million) and (iii) Total equity (EUR 30.0 million) as presented in the Issuer's interim consolidated financial information as of 30 June 2021.

² For the purposes of this table Other borrowings equals Total Debt (EUR 244.1 million) less Non-current loans from related parties (EUR 17.3 million), less Lease liabilities for rent of premises and vehicles (EUR 2.3 million), less Non-current lease liabilities for rent of premises and vehicles (EUR 5.5 million) and less Existing Bonds (EUR 100 million).

³ For the purposes of this table Total debt without IFRS 16 liabilities equals Total Debt (EUR 244.1 million) less Non-current loans from related parties (EUR 17.3 million), less Lease liabilities for rent of premises and vehicles (EUR 2.3 million) and less Non-current lease liabilities for rent of premises and vehicles (EUR 5.5 million).

⁴ For the purposes of this table Total equity including subordinated loans is the sum of Total equity attributable to equity holders of parent company (EUR 29.3 million), plus Non-controlling interests (EUR 0.7 million), plus Non-current loans from related parties (EUR 17.3 million).

Total capitalization⁵	266.3	293.5
Net Debt⁶	211.1	220.8
LTM Adjusted EBITDA ⁷	53.0	53.0
<i>Total Leverage⁸</i>	<i>4.1x</i>	<i>4.6x</i>
<i>Net Leverage⁹</i>	<i>4.0x</i>	<i>4.2x</i>

⁵ For the purposes of this table Total capitalization is the sum of Total debt without IFRS 16 liabilities and Total equity including subordinated loans.

⁶ For the purposes of this table Net Debt is the sum of [●].

⁷ For the purposes of this table LTM Adjusted EBITDA is the sum of [●].

⁸ For the purposes of this table Total Leverage is the ratio of [●].

⁹ For the purposes of this table Net Leverage is the ratio of [●].

VI. SELECTED FINANCIAL INFORMATION AND OPERATING DATA

As at the date of this Offering Memorandum, the parent company of the Group is the Issuer.

The selected consolidated financial information set forth below should be read in conjunction with the respective documents incorporated by reference in this Offering Memorandum.

The tables below present key selected consolidated financial information for the Group as of and for (i) the financial years ended 31 December 2020 and 31 December 2019 derived from the Issuer's audited consolidated financial statements as of and for the financial year ended 31 December 2020 (including restated comparative financial information for the financial year ended 31 December 2019) prepared in accordance with IFRS, and (ii) the six-month periods ended 30 June 2021 and 30 June 2020 derived from the unaudited interim condensed consolidated financial information as of and for the six-month period ended 30 June 2021 (consisting of the consolidated statements of comprehensive income, financial position, changes in equity and cash flows and notes to the consolidated financial statements for the six months ended 30 June 2021) prepared on the basis of the applicable recognition, measurement and consolidation principles of the IFRS applicable to interim financial reporting (IAS 34).

The financial information, with respect to net debt and the key financial parameters set forth herein, has, unless otherwise indicated, been derived from the management report included in the Issuer's annual reports of 2020 and 2019, the Issuer's internal accounting and reporting system and the Issuer's unconsolidated financial statements, prepared in accordance with IFRS, and have been calculated based on financial information from the aforementioned sources.

Where financial information is labelled as "audited", this means that it has been taken from the above mentioned audited consolidated financial statements of the Issuer. Financial information labelled as "unaudited" has been taken or derived from the above mentioned unaudited interim consolidated financial information, from the Issuer's internal accounting and reporting system or is based on calculations of figures from the sources mentioned before.

1. Selected Consolidated Statement of Comprehensive Income

	Year ended 31 December 2020	Year ended 31 December 2019	Six-month period ended 30 June 2021	Six-month period ended 30 June 2020
	(Audited)		(Unaudited)	
	(in million EUR)			
Interest revenue calculated using the effective interest method	83.5	68.0	62.5	36.0
Net interest income	57.4	46.8	47.7	23.5
Net profit/(loss) for the period	1.6	6.6	7.4	(3.9)
Total comprehensive income for the year/period	0.1	6.2	7.8	(3.6)

Consolidated Statement of Profit and Loss and Other Comprehensive Income

	Year ended 31 December 2020	Year ended 31 December 2019	Six-month period ended 30 June 2021	Six-month period ended 30 June 2020
	(Audited)		(Unaudited)	
	(in million EUR)			
Interest revenue calculated using the effective interest method	83.5	68.0	62.5	36.0
Interest expense calculated using the effective interest method	(26.1)	(21.2)	(14.8)	(12.5)
Net interest income	57.4	46.8	47.7	23.5
Fee and commission income	5.2	3.8	3.7	1.6
Impairment expense	(26.1)	(15.8)	(12.5)	(15.6)
Net loss from de-recognition of financial assets measured at amortized cost	0.6	(0.3)	(3.3)	3.4
Expenses related to peer-to-peer platform services	(1.0)	(0.7)	(0.6)	(0.5)
Revenue from leases	6.2	4.0	3.4	3.0
Revenue from vehicle sales	0.1	1.8	0.0	0.0
Expenses from vehicle sales	(0.1)	(1.8)	(0.0)	(0.0)
Selling expense	(2.8)	(3.1)	(2.9)	(1.1)
Administrative expense	(35.0)	(29.4)	(24.5)	(14.4)
Other operating income	14.5	1.6	0.6	0.5
Other operating expense	(5.3)	(2.0)	(2.7)	(0.9)
Net foreign exchange result	(13.2)	(0.2)	0.1	(3.2)
Profit before tax	0.4	4.7	9.0	(3.7)
Corporate income tax	(0.7)	(1.3)	(3.0)	(0.5)
Deferred corporate income tax	1.4	1.0	0.7	1.0
Net profit for the period	1.1	4.4	6.7	(3.3)
Profit from discontinued operation, net of tax	0.5	2.1	0.7	(0.6)
Translation of financial information of foreign operations to presentation currency	(1.5)	(0.4)	0.4	0.3
Total comprehensive income for the year/period	0.1	6.2	7.8	(3.6)

2. Selected Consolidated Statement of Financial Position

	As of 31 December 2020	As of 31 December 2019	As of 30 June 2021
	(Audited)		(Unaudited)
	(in million EUR)		
Total assets	279.8	253.6	291.6
Non-current borrowings	160.8	187.5	186.9
Current borrowings	82.4	34.8	57.2
Total equity	22.2	22.3	30.0
Total equity and liabilities	279.8	253.6	291.6

Consolidated Statement of Financial Position

	As of 31 December 2020	As of 31 December 2019	As of 30 June 2021
	(Audited)		(Unaudited)
	(in million EUR)		
Goodwill	6.6	4.1	6.6
Internally generated intangible assets	5.9	3.6	7.3
Other intangible assets	2.3	0.2	2.2
Right-of-use assets	7.5	7.9	7.5
Rental fleet	14.5	13.5	13.5
Property, plant and equipment	2.1	1.6	2.1
Leasehold improvements	0.4	0.3	0.5
Advance payments for assets	0.0	0.0	0.0
Non-current finance lease receivables	60.4	68.6	56.9
Non-current loans and advances to customers	37.9	49.7	37.4
Non-current loans to related parties	8.3	20.0	8.8
Equity-accounted investees	0.1	0.3	0.1
Other non-current financial assets	-	1.3	-
Other non-current loans and receivables	0.2	0.0	0.8

	As of 31 December 2020	As of 31 December 2019	As of 30 June 2021
	(Audited)		(Unaudited)
	(in million EUR)		
Deferred tax asset	2.9	1.6	2.7
Finished goods and goods for resale	1.6	0.6	2.9
Current finance lease receivables	34.0	33.8	41.1
Current loans and advances to customers	54.5	28.0	62.9
Current loans to related parties	7.6	2.1	2.5
Other current loans and receivables	2.7	0.9	5.7
Prepaid expense	1.9	1.0	2.3
Trade receivables	3.3	1.4	3.5
Other receivables	4.1	2.5	6.4
Cash and cash equivalents	9.3	8.7	7.9
Assets of subsidiaries held for sale	9.4	-	8.9
Assets held for sale	2.1	1.9	1.0
Total assets	279.8	253.6	291.6
Share capital	1.0	1.0	1.0
Reserve	0.3	0.3	0.6
Foreign currency translation reserve	(2.3)	(0.8)	(1.9)
Retained earnings	22.9	21.4	29.6
Total equity attributable to equity holders of the Parent Company	21.9	21.8	29.3
Non-controlling interests	0.3	0.5	0.7
Total equity	22.2	22.3	30.0
Liabilities			
Non-current borrowings	160.8	187.5	186.9
Other non-current financial liabilities	0.1	0.0	-
Non-current provisions	0.4	0.9	0.4
Current borrowings	82.4	34.8	57.2

	As of 31 December 2020	As of 31 December 2019	As of 30 June 2021
	(Audited)		(Unaudited)
	(in million EUR)		
Liabilities directly associated with the assets held for sale	3.9	-	4.2
Prepayments and other payments received from customers	0.5	0.2	0.3
Trade and other payables	1.3	1.3	2.0
Current corporate income tax payable	0.8	0.3	1.8
Taxes payable	2.0	1.5	2.6
Other liabilities	1.9	2.4	2.2
Accrued liabilities	3.3	2.6	3.9
Other current financial liabilities	0.1	0.0	0.1
Total liabilities	257.5	231.3	261.6
Total equity and liabilities	279.8	253.6	291.6

3. Selected Consolidated Statement of Cash Flows

	Year ended 31 December 2020	Year ended 31 December 2019	Six-month period ended 30 June 2021	Six-month period ended 30 June 2020
	(Audited)		(Unaudited)	
	(in million EUR)			
Operating profit before working capital changes	(23.1)	(22.3)	(16.4)	(8.2)
Cash generated to/from operations	(41.6)	(84.3)	(47.9)	(11.5)
Net cash flows to/from operating activities	18.2	(35.0)	(2.6)	16.4
Net cash flows to/from financing activities	(8.2)	60.4	0.2	1.5
Cash at the end of the year	9.3	8.7	7.9	20.3

Consolidated Statement of Cash Flows

	Year ended 31 December 2020	Year ended 31 December 2019	Six-month period ended 30 June 2021	Six-month period ended 30 June 2020
	(Audited)			(Unaudited)
Cash flows to/from operating activities	(in million EUR)			
Profit before tax	0.9	6.9	9.7	(4.6)
Adjustments for:				
Amortization and depreciation	5.7	3.8	3.6	4.5
Interest expense	26.1	21.9	14.8	12.8
Interest income	(83.5)	(72.4)	(62.5)	(39.1)
Loss/(gain) on disposal of property, plant and equipment	1.4	1.0	2.0	0.7
Impairment expense	26.1	16.7	15.7	13.7
Gain on acquisition of subsidiaries	(11.5)	-	-	-
(Gain)/loss from fluctuations of currency exchange rates	11.7	(0.1)	0.3	3.8
Operating profit before working capital changes	(23.1)	(22.3)	(16.4)	(8.2)
Decrease/(increase) in inventories	(1.0)	1.1	(1.3)	0.3
Increase in finance lease receivables, loans and advances to customers and other current assets	(24.6)	(66.3)	(32.5)	(0.7)
(Decrease)/increase in accrued liabilities	(0.1)	(0.2)	0.6	(0.3)
Increase in trade payable, taxes payable and other liabilities	7.2	3.5	1.6	(2.7)
Cash generated to/from operations	(41.6)	(84.3)	(47.9)	(11.5)
Interest received	83.3	70.5	64.1	38.9
Interest paid	(22.6)	(19.4)	(16.8)	(10.9)
Corporate income tax paid	(1.0)	(1.8)	(2.0)	(0.1)
Net cash flows to/from operating activities	18.2	(35.0)	(2.6)	16.4
Cash flows to/ from investing activities				
Purchase of property, plant and equipment and intangible assets	(3.9)	(5.4)	(4.0)	(1.4)
Purchase of rental fleet	(9.0)	(13.4)	(2.4)	(4.4)

	Year ended 31 December 2020	Year ended 31 December 2019	Six-month period ended 30 June 2021	Six-month period ended 30 June 2020
	(Audited)		(Unaudited)	
Cash flows to/from operating activities				
	(in million EUR)			
Acquisition of a subsidiary, net of cash acquired	(4.1)	(0.8)	-	-
Disposal of discontinued operation, net of cash disposed of	(0.3)	(1.4)	-	-
Advance payments for acquisition of a subsidiaries	-	(0.3)	-	-
Received payments for sale of shares in subsidiaries	5.3	0.2	-	-
Loan repayments received	3.3	9.2	8.5	4.8
Loans issued	(0.4)	(11.4)	(1.0)	(5.4)
Net cash flows to/ from investing activities	(9.3)	(23.3)	1.0	(6.3)
Cash flows to/from financing activities				
Proceeds from issue of share capital	-	1.0	-	-
Proceeds from borrowings	212.8	108.3	149.7	106.5
Repayments for borrowings	(216.3)	(45.5)	(148.0)	(103.7)
Payments made for acquisition costs of borrowings	(0.2)	(1.5)	-	-
Repayment of liabilities for right-of-use assets	(4.3)	(1.8)	(1.5)	(1.3)
Payments for acquisition of non-controlling interests	(0.1)	(0.1)	(0.1)	-
Net cash flows to/from financing activities	(8.2)	60.4	0.2	1.5
Effect of exchange rates on cash and cash equivalents	(0.0)	0.1	-	-
Change in cash	0.7	2.1	(1.4)	11.7
Cash at the beginning of the year/period	8.7	6.5	9.3	8.7
Cash at the end of the year/period	9.3	8.7	7.9	20.3

4. Key Financial Ratios

The definitions for the following key financial ratios are contained in the respective footnotes below the following table. The Group believes that such key financial ratios are a useful way of understanding trends in the performance of the business of the Group over time.

	As of and for the year ended 31 December 2020	As of and for the year ended 31 December 2019	As of and for the six- month period ended 30 June 2021	As of and for the six- month period ended 30 June 2020
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	(in million EUR, except percentages)			
Net loan portfolio and rental fleet ⁽¹⁾	201.4	193.6	211.9	-
Net worth ⁽²⁾ / Net loan portfolio	18%	16%	24%	-
Profit before tax margin ⁽³⁾	1%	7%	14%	-10%
Return on average assets ⁽⁴⁾	1%	3%	3%	-
Cost / income ratio ⁽⁵⁾	40%	43%	39%	38%
Net impairment to revenue ratio ⁽⁶⁾	27%	21%	23%	30%
Non-performing loans (STAGE 3) as a share of value of portfolio of loans	8%	7%	6%	-

(1) Gross loan portfolio less provisions for bad debts and debt acquisition costs.

(2) Net worth is calculated as the sum of share capital, retained earnings, reserves and subordinated debt.

(3) Profit before tax divided by the interest revenue calculated using the effective interest method for the relevant period.

(4) Net profit for the period/ average assets (total assets as of the start and end of each period divided by two).

(5) Sum of administrative expense and selling expense / sum of Interest revenue calculated using the effective interest method, Fee and commission income and Revenue from leases.

(6) Sum of Impairment of financial assets and Net gain/(loss) from de-recognition of financial assets measured at amortized cost divided by operating income (Interest revenue calculated using the effective interest method, Fee and commission income and Revenue from leases).

5. Other Financial Data (EBITDA)

	Year ended 31 December 2020	Year ended 31 December 2019	Six-month period ended 30 June 2021	Six-month period ended 30 June 2020
	(Audited unless otherwise indicated)			(Unaudited)
	(in million EUR)			
Net profit/ (loss) for the period from continuing operations	1.1	4.4	6.7	(3.3)
Corporate income tax and deferred corporate income tax (unaudited)	0.7	(0.3)	(2.2)	0.4
Interest expense calculated using the effective interest method	(26.1)	(21.2)	(14.8)	(12.5)
Amortization and depreciation	(5.7)	(3.6)	(3.6)	(2.5)
Net foreign exchange result	(13.2)	(0.2)	0.1	(3.2)
EBITDA (unaudited)	45.4	29.7	27.3	14.6
Adjustments	(7.9) ¹⁰	-	2.8 ¹¹	-
Adjusted EBITDA	37.5	29.7	30.1	14.6

The abbreviation “EBITDA” stands for: “Earnings Before Interest, Taxes, Depreciation and Amortization”.

EBITDA is defined as net profit for the period before corporate income tax and deferred corporate income tax, interest expense calculated using the effective interest method, amortization and depreciation, and net foreign exchange result and is calculated based on figures extracted from the consolidated statement of comprehensive income.

The Group believes this metric is a useful indicator of its capacity to pay interest on its borrowings.

6. Key Performance Indicators (unaudited)

Our key performance indicators in terms of business volume include (i) the number of registered customers; (ii) the value of loan amounts issued; and (iii) average ticket. The number of registered customers reflects the number of customers who have

¹⁰ 2020 EBITDA is adjusted with an increase by one-off costs of: (a) Mezzanine payments for warrant (EUR 2.5 million); (b) amortization of fair value gain from acquisitions (EUR 3.4 million) and a decrease by one off-gains of: (a) fair value gain on acquisitions (EUR 9.7 million); (b) trademark acquired (EUR 1.8 million); (c) other one-off adjustments.

¹¹ 6M 2021 EBITDA is adjusted with amortization of fair value gain (EUR 1.8 million) and Albania write-off (EUR 1.0 million).

applied for a loan, regardless of acceptance, and whose contact information we retain. The value of loan amounts issued reflects the total amount of new loans issued during a period. The average ticket represents the average value of the loan size issued in the respective period. The table below summarizes these key performance indicators for our operative companies for the periods indicated.

The Group acquired three consumer lending companies during 2020 – OCN Sebo Credit SRL (Moldova), Kredo Finance SHPK (Albania), TIGO Finance DOOEL Skopje (North Macedonia) – and also started operations Ukraine. There is no comparable data as of and for the financial year ended 31 December 2019 for these entities.

The Group started operations in Kenya and Uganda in 2019.

	As of and for the year ended 31 December 2020	As of and for the year ended 31 December 2019
	(Unaudited)	(Unaudited)
Latvia		
Number of registered customers	11 437	16 144
Loan amounts issued (in million EUR)	11.3	20.6
Average ticket (in thousand EUR)	3.8	3.3
Lithuania		
Number of registered customers	9 540	9 795
Loan amounts issued (in million EUR)	11.5	17.7
Average ticket (in thousand EUR)	4.5	4.0
Estonia		
Number of registered customers	5 760	6 411
Loan amounts issued (in million EUR)	3.7	8.6
Average ticket (in thousand EUR)	2.5	2.7
Georgia		
Number of registered customers	10 149	17 708
Loan amounts issued (in million EUR)	9.2	14.0
Average ticket (in thousand EUR)	1.7	1.7
Armenia		
Number of registered customers	6 521	7 061
Loan amounts issued (in million EUR)	5.0	15.7
Average ticket (in thousand EUR)	1.9	2.4
Romania		
Number of registered customers	5 728	4 629

	As of and for the year ended 31 December 2020	As of and for the year ended 31 December 2019
	(Unaudited)	(Unaudited)
Loan amounts issued (in million EUR)	9.1	11.5
Average ticket (in thousand EUR)	4.6	4.4
Moldova		
Number of registered customers	3 549	3 458
Loan amounts issued (in million EUR)	6.7	14.4
Average ticket (in thousand EUR)	5.3	5.4
Belarus		
Number of registered customers	6 735	4 205
Loan amounts issued (in million EUR)	9.8	13.4
Average ticket (in thousand EUR)	2.9	3.6
Uzbekistan		
Number of registered customers	1 536	775
Loan amounts issued (in million EUR)	3.4	3.5
Average ticket (in thousand EUR)	4.4	4.1
Kenya		
Number of registered customers	11 320	370
Loan amounts issued (in million EUR)	16.3	3.1
Average ticket (in thousand EUR)	1.4	4.1
Uganda		
Number of registered customers	3 418	730
Loan amounts issued (in million EUR)	5.5	3.0
Average ticket (in thousand EUR)	2.0	3.4
Albania (consumer finance)		
Number of registered customers	33 609	-
Loan amounts issued (in million EUR)	5.0	-
Average ticket (in thousand EUR)	0.3	-
North Macedonia (consumer finance)		
Number of registered customers	26 697	-
Loan amounts issued (in million EUR)	3.3	-
Average ticket (in thousand EUR)	0.3	-

	As of and for the year ended 31 December 2020	As of and for the year ended 31 December 2019
	(Unaudited)	(Unaudited)
Moldova (consumer finance)		
Number of registered customers	74 592	-
Loan amounts issued (in million EUR)	17.1	-
Average ticket (in thousand EUR)	0.3	-
Ukraine (consumer finance)		
Number of registered customers	32 926	-
Loan amounts issued (in million EUR)	13.9	-
Average ticket (in thousand EUR)	0.1	-

As of 31 December 2020 (compared to 31 December 2019), the number of registered customers increased significantly, particularly in the newly established developing markets such as Kenya, Uganda, Uzbekistan, and Belarus, where the increase of the number of customers was higher than in the established markets.

The table below provides further key metrics for our operative companies for the periods indicated. The information with respect to Latvia has been derived from AS "mogo"s consolidated annual report for the financial year ended 31 December 2020, and with respect to other countries from the consolidation file of the Issuer's integrated annual report for the financial year ended 2020.

	As of and for the year ended 31 December 2020	As of and for the year ended 31 December 2019
	(Unaudited)	(Unaudited)
	(in million EUR, except percentages)	
Latvia		
Profit before tax	5.6	4.9
Net loan portfolio and rental fleet	25.5	35.2
Average monthly interest rate on loans to customers	3.2%	3.2%
Net margin ratio ¹²	33%	25%
Cost to income ratio ¹³	34%	26%
Lithuania		

¹² Net Margin Ratio: Net profit for the period/ sum of Interest revenue calculated using the effective interest method, Fee and commission income and Revenue from leases.

¹³ Cost to Income Ratio: Sum of Selling expense and Administrative expense/ sum of Interest revenue calculated using the effective interest method, Fee and commission income and Revenue from leases.

	As of and for the year ended 31 December 2020	As of and for the year ended 31 December 2019
	(Unaudited)	(Unaudited)
	(in million EUR, except percentages)	
Profit before tax	5.3	5.0
Net loan portfolio	27.0	28.6
Average monthly interest rate on loans to customers	3.8%	3.7%
Net margin ratio	44%	36%
Cost to income ratio	17%	24%
Estonia		
Profit before tax	2.0	3.5
Net loan portfolio	12.9	17.9
Average monthly interest rate on loans to customers	2.8%	2.8%
Net margin ratio	31%	47%
Cost to income ratio	14%	23%
Georgia		
Profit before tax	(0.2)	3.1
Net loan portfolio	11.9	16.8
Average monthly interest rate on loans to customers	3.7%	3.8%
Net margin ratio	-4%	35%
Cost to income ratio	26%	30%
Armenia		
Profit before tax	(3.3)	1.0
Net loan portfolio	10.0	19.6
Average monthly interest rate on loans to customers	1.7%	1.8%
Net margin	-43%	8%
Cost to income ratio	26%	32%
Romania		
Profit before tax	0.5	0.1
Net loan portfolio	16.8	14.0
Average monthly interest rate on loans to customers	3.1%	3.3%

	As of and for the year ended 31 December 2020	As of and for the year ended 31 December 2019
	(Unaudited)	(Unaudited)
	(in million EUR, except percentages)	
Net margin	6%	3%
Cost to income ratio	27%	56%
Moldova		
Profit before tax	0.6	0.8
Net loan portfolio	11.2	13.1
Average monthly interest rate on loans to customers	2.3%	2.5%
Net margin ratio	8%	14%
Cost to income ratio	18%	32%
Belarus		
Profit before tax	(1.2)	0.1
Net loan portfolio	15.3	13.0
Average monthly interest rate on loans to customers	3.7%	3.7%
Net margin ratio	-14%	4%
Cost to income ratio	21%	59%
Uzbekistan		
Profit before tax	(1.5)	(0.9)
Net loan portfolio	4.3	3.5
Average monthly interest rate on loans to customers	4.4%	4.2%
Net margin ratio	-55%	-101%
Cost to income ratio	25%	117%
Kenya		
Profit before tax	(1.2)	(0.5)
Net loan portfolio	12.7	2.5
Average monthly interest rate on loans to customers	5.3%	5.0%
Net margin ratio	-18%	-62%
Cost to income ratio	48%	114%
Uganda		

	As of and for the year ended 31 December 2020	As of and for the year ended 31 December 2019
	(Unaudited)	(Unaudited)
	(in million EUR, except percentages)	
Profit before tax	(1.2)	(0.4)
Net loan portfolio	5.1	2.6
Average monthly interest rate on loans to customers	5.1%	5.5%
Net margin ratio	-27%	-59%
Cost to income ratio	41%	110%
Albania (consumer finance)		
Profit before tax	0.8	-
Net loan portfolio	8.4	-
Average monthly interest rate on loans to customers	6.9%	-
Net margin ratio	13%	-
Cost to income ratio	24%	-
North Macedonia (consumer finance)		
Profit before tax	0.6	-
Net loan portfolio	4.1	-
Average monthly interest rate on loans to customers	1.9%	-
Net margin ratio	41%	-
Cost to income ratio	28%	-
Moldova (consumer finance)		
Profit before tax	3.3	-
Net loan portfolio	18.4	-
Average monthly interest rate on loans to customers	7.5%	-
Net margin ratio	34%	-
Cost to income ratio	22%	-
Ukraine (consumer finance)		
Profit before tax	0.2	-
Net loan portfolio	4.5	-
Average monthly interest rate on loans to customers	17.8%	-

	As of and for the year ended 31 December 2020	As of and for the year ended 31 December 2019
	(Unaudited)	(Unaudited)
	(in million EUR, except percentages)	
Net margin ratio	4%	-
Cost to income ratio	14%	-

7. Independent Auditors

The statutory auditor (*réviseur d'entreprises agréé*) of the audited consolidated financial statements of the Issuer and its consolidated subsidiaries for the financial years ended 31 December 2020 and 31 December 2019 was KPMG Luxembourg (*société coopérative*), incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 39, avenue John F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg and registered with the Luxembourg trade and companies register (*Registre de Commerce et des Sociétés, Luxembourg*) under number B.149133.

KPMG Luxembourg is a member of the Luxembourg Institute of Statutory Auditors (*Institut des réviseurs d'entreprises*).

8. Significant Changes in the Financial Position or Financial Performance

There has been no significant change in the financial position or financial performance of the Issuer or the Group after the date of the unaudited interim consolidated financial information as of and for the six-month period ended 30 June 2021.

VII. SELECTED PORTFOLIO INFORMATION

The following tables present certain selected information on our operating data and our loan portfolios and ratios for the periods indicated. The following information should be read in conjunction with the Issuer's Consolidated Financial Statements included by reference in this Offering Memorandum, as well as the Section "Selected Financial Information and Operating Data". The information in the following section is of statistical nature and based on the Issuer's internal reporting system.

Certain amounts and percentages included in this Offering Memorandum have been subject to rounding adjustments; accordingly figures shown for the same category presented in different contexts may vary slightly and figures in certain other contexts may not be an exact arithmetic result of the figures shown here.

Furthermore, certain data in this Section "Selected Portfolio Information" do not agree with the consolidated statement of financial position data as the portfolio amount per consolidated statement is net of impairment, non-current assets held for sale (repossessed vehicles) and deferred fees paid and received upon loan disbursement.

The Group acquired three consumer lending companies during 2020 – OCN Sebo Credit SRL (Moldova), Kredo Finance SHPK (Albania), TIGO Finance DOOEL Skopje (North Macedonia) – and started consumer lending operations Ukraine. There are no comparable data as of and for the financial year ended 31 December 2019 for these entities.

The Group started operations in Kenya and Uganda in 2019.

The tables below present key selected consolidated financial information for the Group as of and for the financial years ended 31 December 2020 and 31 December 2019.

1. Loan Portfolio

	Gross receivables 31.12.2020	Allowance for doubtful debts 31.12.2020	Net receivables 31.12.2020	Gross receivables 31.12.2019	Allowance for doubtful debts 31.12.2019	Net receivables 31.12.2019
	(Unaudited)					
	(in million EUR)					
Albania	4.9	(2.4)	2.5	6.0	(1.5)	4.5
Armenia	17.7	(7.5)	10.2	24.3	(4.3)	20.0
Bosnia and Herzegovina	2.2	(1.1)	1.1	3.0	(1.0)	2.0
Belarus	17.5	(1.8)	15.7	14.1	(0.5)	13.5
Estonia	14.9	(1.7)	13.2	19.3	(0.8)	18.5
Georgia	18.8	(6.8)	11.9	25.0	(7.9)	17.1
Kenya	15.5	(1.2)	14.2	2.8	(0.2)	2.6
Kazakhstan	5.4	(1.4)	4.0	5.9	(0.9)	5.0
Lithuania	29.2	(2.5)	26.6	29.7	(2.1)	27.6
Latvia	15.6	(3.0)	12.6	26.7	(3.8)	22.9
Moldova	14.5	(2.9)	11.6	15.6	(1.9)	13.7

	Gross receivables 31.12.2020	Allowance for doubtful debts 31.12.2020	Net receivables 31.12.2020	Gross receivables 31.12.2019	Allowance for doubtful debts 31.12.2019	Net receivables 31.12.2019
	(Unaudited)					
	(in million EUR)					
North Macedonia	2.0	(0.5)	1.5	2.1	(0.1)	2.1
Poland	4.4	(2.6)	1.8	6.0	(3.0)	3.0
Romania	20.8	(3.9)	16.9	16.7	(2.2)	14.5
Uganda	6.8	(1.4)	5.3	2.8	(0.2)	2.7
Uzbekistan	5.5	(0.8)	4.7	3.9	(0.2)	3.7
Albania (consumer finance)	13.3	(4.9)	8.4	-	-	-
Moldova (consumer finance)	26.5	(7.9)	18.5	-	-	-
North Macedonia (consumer finance)	7.5	(3.4)	4.1	-	-	-
Ukraine (consumer finance)	8.3	(3.3)	5.0	-	-	-
TOTAL	251.1	(61.0)	190.0	203.9	(30.4)	173.6

2. Total Loan Portfolio by Loan Balance

	As of 31 December 2020		As of 31 December 2019	
	(Unaudited)		(Unaudited)	
	Loan amount (in million EUR)	% of portfolio	Loan amount (in million EUR)	% of portfolio
Outstanding Debt Amount Borrowed				
Less than EUR 2 500	80.0	42.1%	45.5	26.2%
Between EUR 2 500 - 5 000	57.8	30.4%	65.2	37.5%
Between EUR 5 000 - 7 500	34.6	18.2%	39.4	22.7%
Between EUR 7 500 - 10 000	12.3	6.5%	16.6	9.6%
Between EUR 10 000 - 12 500	4.5	2.4%	5.4	3.1%
Over EUR 12 500	0.8	0.4%	1.5	0.9%
Total loan portfolio	190.0	100%	173.6	100%

3. Total Loan Portfolio by Stages for which the Repayment of Loans are Delayed¹⁴

	As of 31 December 2020	As of 31 December 2019
	(Unaudited)	
	Loan amount (in million EUR)	
STAGE 1	157.6	150.2
STAGE 2	14.9	10.7
STAGE 3 (NPL)	17.4	12.6

4. Sale of Repossessed Vehicle from Agreement Termination Date

	As of 30 June 2021	As of 31 December 2020
	(Unaudited)	
	(Unaudited)	
Sale of repossessed vehicle from agreement termination date (in days)	103	98

¹⁴ Loans are classified in one of the Stages depending from the days past due. Depending on the product type, a loan is considered non-performing if it is more than 35-90 days overdue. For more information, please refer to Section – XI. "Portfolio Management – Debt collection".

5. Classification of our Loan Portfolio

	As of 31 December 2020		As of 31 December 2019	
	(Unaudited)		(Unaudited)	
	Loan amount (in million EUR)	% of portfolio	Loan amount (in million EUR)	% of portfolio
Performing loan portfolio	172.6	90.8%	160.9	92.7%
Non-performing loan portfolio ¹⁵	17.4	9.2%	12.6	7.3%
Total loan portfolio	190.0	100%	173.6	100%

6. Performing Loan Portfolio by Product

	As of 31 December 2020	As of 31 December 2019
	(Unaudited)	
	Loan amount (in million EUR)	
Vehicle loans	134.6	149.6
Consumer loans	38.0	11.4
Total loan portfolio	172.6	160.9

7. Non-performing Loan Portfolio by Product

	As of 31 December 2020	As of 31 December 2019
	(Unaudited)	
	Loan amount (in million EUR)	
Vehicle loans ¹⁶	14.3	12.1
Consumer loans ¹⁷	3.2	0.5
Total non-performing loan portfolio	17.4	12.6
Total value of loans issued	509.1	284.3
Non-performing loans as a share of value of loans issued	3%	4%

¹⁵ A loan is classified as non-performing if it is more than 35-90 days overdue, depending on the product type. For more information, please refer to Section – XI. “Portfolio Management – Debt collection”.

¹⁶ A vehicle loan is classified as non-performing if it is more than 35 days overdue. For more information, please refer to Section – XI. “Portfolio Management – Debt collection”.

¹⁷ A consumer loan is classified as non-performing if it is more than 90 days overdue. For more information, please refer to Section – XI. “Portfolio Management – Debt collection”.

8. Allowance for Loan Losses

	As of 31 December 2020		As of 31 December 2019	
	(Unaudited)		(Unaudited)	
	Loan amount	Allowances for loan losses	Loan amount	Allowances for loan losses
	(in million EUR)			
Non-performing loan by product:				
Vehicle loans	14.3	30.4	12.1	22.5
Consumer loans	3.2	14.6	0.5	2.0
Total non-performing loan portfolio and allowances	17.4	44.9	12.6	24.5

VIII. BUSINESS

1. Overview

Eleving Group, formerly known as Mogo Finance, is the holding company of a group comprised of a number of fast-growing financial technology companies with a global presence. The Group operates on 3 continents (Europe, Africa and Asia), disrupting financial services industries in its countries of operation by providing under-served customers with vehicle and consumer financing options. Since its inception, the Group has issued over EUR 650 million loans, with a current net loan portfolio of over EUR 200 million.

Founded in 2012 as Mogo in Latvia with a focus on motor vehicles purchase financing and financial leasing, the Group expanded all across the Baltics within its first year in business and continued expansion in the following years, servicing a total of 14 active markets as of the end of 2020.

With its headquarters in Latvia, the Group operates in the Baltics, Central, Eastern, and South-Eastern Europe, Caucasus, Central Asia and Eastern Africa. For two consecutive years, the Group has appeared on the list of Europe's 1000 fastest growing companies published by the Financial Times, in 2020 and 2021.

Since its formation in 2012, the Group has evolved from a Latvia-based start-up into an international group offering a wide range of financial solutions around the world. In May 2021, Mogo Finance announced its corporate brand change, becoming Eleving Group. A corporate brand change was a logical step for the Group, showing the evolution from a one-brand company focused on car finance to a multi-brand group with several lines of business and multiple brands across its vehicle and consumer financing products. The new brand captured the Group's revised goal of elevating customers' financing choices by giving access to innovative and sustainable financial solutions to different communities around the world. This change of corporate brand, paired with a focus on sustainability and ESG, was a necessary step to continue the Group's international growth. The Group's leading brand Mogo remains the main brand represented in the Group's vehicle finance products.

During 2020, Eleving acquired consumer lending businesses in Moldova, North Macedonia and Albania. The key factor for these acquisitions was the attractive growth potential due to their strong market position in the markets where Eleving had its vehicle financing business, thus providing immediate operational synergies. The acquired companies focus on long-term financing and have a similar mix of sales channels comprised of online platforms and physical presence. The experience of the Group with unsecured vehicle loans in the Baltics facilitated the integration of the new companies into Eleving's structure.

In the second half of 2020, following the above-mentioned acquisitions, Eleving has established two business lines: vehicle and consumer finance.

Eleving Vehicle Finance

Eleving Vehicle Finance provides financing products through a wide range of sales channels, which include: an online platform managed by Eleving, third party online car sales portals, physical branches and physical used car dealers. The financing products are offered up to EUR 25 thousand in size and in terms up to 84 months. Eleving Vehicle Finance fills a funding gap by providing alternative ways of car financing and creates new opportunities for people who previously did not have access to private means of transportation.

Mogo is a leading brand in vehicle financing and its core products are finance leases and leasebacks, which are provided to customers via websites, mobile channels and our broad dealer/broker and branch network. In addition, Mogo has recently established “productive lending” in developing countries. Productive lending means primarily financing vehicles for customers as a means to earn a living, or alternatively, to increase their income from existing businesses. This is achieved mainly by financing motorcycle taxis (Boda-Boda) in Africa.

In various markets through different brands (Renti, Primero), the Group also provides rent-to-buy services, motorcycle financing and finance for more expensive vehicles through strategic collaboration with local banks. The proven business model of Eleving Vehicle Financing is built around high demand for quality used vehicles in Central and Eastern Europe and it is realized through an innovative, data-driven and fast process. This process is led by IT investments together with strong controls, an efficient debt collection process, and direct partnerships with used car dealer networks. With a focus on secured lending against a used vehicle’s title, Eleving has unlocked a niche market for financial services and is a first mover in this sector benefitting from economies of scale and competitive advantage. Before establishing Mogo in 2012, there was no convenient alternative to finance used vehicles older than 5 years in the Baltics.

Eleving Consumer Finance

Eleving Consumer Finance business entities focus on markets where there is a need for financial inclusion and communities that are under-served by the conventional finance industry. In most cases, there is no “middle ground” between difficult-to-access bank financing and very limited, expensive short-term loans. Eleving Consumer Finance companies are, therefore, often the only ones which offer both online and offline customer service experiences for diverse customer groups. With more than 100 branches across Moldova, North Macedonia, Albania and Ukraine, Eleving Consumer Finance companies offer flexible financial products, from credit lines to installment loans, with a focus on providing access to substantial amounts of money to customers that meet the Group’s credit assessment benchmarks. The main product of Eleving Consumer Finance is an unsecured loan of up to EUR 2,550 with a term up to 48 months through both online and brick and mortar sales channels.

Geographical Markets

With the Group’s headquarter located in Riga (Latvia), Eleving currently operates through local entities in fourteen countries – with the vehicle finance business line present in eleven of them (Latvia, Lithuania, Estonia, Georgia, Romania, Moldova, Belarus, Armenia, Uganda, Kenya, and Uzbekistan) and consumer financing in four (Albania, Moldova, North Macedonia, and Ukraine).

Marketing Channels and Underwriting

Eleving uses diversified marketing channels to reach potential customers. The Group’s marketing strategies are tailor made and specific to the country where the loans will be originated, stretching from traditional mass media (including television and radio) to digital channels, search engine optimization and affiliates marketing. Eleving has established a large network of partnerships and brokers (car dealerships, non-banking financial intermediaries) which are key to the Group’s success and further growth.

Once customers apply for financing, their creditworthiness is determined through a sophisticated underwriting process, which relies on data-driven statistical analysis as captured in Eleving’s proprietary scoring models for vehicle and consumer finance. In addition, Eleving has developed automated instant car valuation models. These models are flexible and can be adjusted to changes in the macroeconomic

environment in a particular jurisdiction, allowing Eleving to adapt quickly and to maximize existing opportunities. IT investments and the Group's underwriting process enable Eleving to issue instant preliminary offers based on a car value and a customer's creditworthiness scoring, ensuring an efficient and expedited process for each customer. Eleving can change a car's title in a short period of time and physically inspects all vehicles that are funded. Eleving's customer service is provided in local languages and expedited through a network of call centers in all operating countries and branches in 13 of its 14 countries of operation. Eleving has established an efficient debt collection process to maximize the recovery rate from the loans including the sale of the financed cars.

Sustainability and ESG

As a financial institution with operations and clients around the world, Eleving promotes sustainable business practices and helps clients capitalize on opportunities that achieve positive environmental and social impacts.

One of the Group's priority is to measure its non-financial performance according to internationally recognized metrics by the global investors' community. At the end of 2020, Eleving launched its non-financial reporting practice in the framework of Environmental, Social and Governance ("ESG") reporting. ESG reporting aims to provide disclosure and data transparency on environmental, social, and corporate governance aspects, thus ensuring that key stakeholders have the relevant information that is needed to make informed decisions about the Group's ability to make a positive impact and create value through its ESG initiatives in the short, medium and longer term.

2. Strategy

Eleving's management emphasizes sustainable growth in its existing markets in the Group's development plans.

Eleving's strategy in vehicle financing is to enable social mobility, focusing on two kinds of markets - developed and emerging markets. In the developed markets (Europe) the strategic goal is to become the leading mobility platform offering a wide range of products in used vehicle financing, premium car financing and subscription-based products for greater flexibility, like rent-to-buy, rent-to-own and flexible rent solutions. In the emerging markets (Africa and Central Asia) the strategy is to drive organic growth in core segments by focusing on productive lending that supports local entrepreneurs and taxi drivers, introducing subscription-based products, launching multiple social impact products targeted at decreasing unemployment and building a strong vehicle fleet management infrastructure.

The consumer financing business strategy includes expanding the product range by utilizing existing databases and shifting the portfolio to longer maturities and higher-ticket loans to secure long-term income streams. The strategy also emphasizes an increase in brick and mortar presence through partnerships with local retailers.

The core strategy for developing both business lines – vehicle and consumer financing – is to maintain similar product mix with $\frac{3}{4}$ of portfolio secured and up to $\frac{1}{4}$ of portfolio unsecured.

The Group has also a strategic focus on continuous digitalization of processes across the organization, including automation of loan issuance and underwriting processes for efficient resource allocation, and further development of sales channels, like launch

of the latest version of car portal across all vehicle finance markets and upgrading partners` (POS / Dealerships) sales tools.

Financial Strategy

In developing and maintaining strategic capital management, the Group is focused on continuous improvement in financial covenants, in particular on ICR, leverage ratio, and the capitalization ratio as well as on exploring routes for attracting outside equity.

The backbone of Eleving's growth is to have access to diversified and efficient funding sources, including issuance of senior secured bonds. Such funding source provides benefits of having a very stable investor base as well as achieving immediate cost optimization by refinancing more expensive debt like marketplace and peer to peer loans.

ESG Strategy

Eleving's mission statement is to empower diverse communities around the world by providing them with financial inclusion, thus enabling upward social mobility. The revised mission statement closely intertwines with the recently established non-financial reporting practice as well as the launch of several social and ESG initiatives (such as women motorcycle school in Kenya and paperless office) that will be reflected in Eleving's product performance going forward. Eleving has defined social impact contribution as crucial for sustainable business development. Eleving has committed to setting the long term ESG targets during 2021 and to launch several projects to help vulnerable and under-served groups across different markets.

3. Key Strengths

Proven and Sustainable Business Model

Eleving has two main business lines: secured lending via finance leasing and leaseback against the title of the vehicle and unsecured consumer lending. The Group's core focus stays in secured lending, which comprises more than 79% of the consolidated net loan portfolio as of 30 June 2021.

The vehicles funded by Eleving are high quality used vehicles (top three car brands financed by Eleving are BMW, Toyota and Volkswagen) that are known for their reliability and robust aftermarket value. Therefore, the loan-to-value of the issued loans decrease constantly throughout the entire term. Moreover, by keeping a vehicle's title, Eleving can always sell the vehicle should a customer default on a loan.

While consumer loans issued by Eleving are primarily used for everyday spending or purchasing consumer goods and electronics, Eleving provides easy access to consumers, since it has both brick and mortar and online presence.

Across all of its products, Eleving analyses customers' creditworthiness via public and private databases (car register information, government institution databases, debt collection agency databases, industry / peer company blacklists and bank statement providers) and allocates a scoring band to each customer. The automated scoring models are developed in-house and, depending on the relevant country, are either integrated in the customer relationship management systems or run on third party cloud solutions. This allows Eleving an efficient assessment of a counterparty risk. The approval rate is extremely rigorous: in the 12 month-period from 1 July 2020 to 30 June 2021, out of approximately one million new client applications received for the Group's

products, Eleving has kept an approval rate of 8.6% for vehicle financing products and 17.6% for consumer finance products.

Additionally, for vehicle financing business Eleving has created a sophisticated automated car evaluation program. The underlying data is regularly updated through an automated process from leading local online car sale webpages and takes into account a large number of parameters, including car model, maker, year, transmission, mileage, engine type and engine size. Eleving automatically and instantly assesses a car's value by integrating relevant databases such as state authority databases, manufacturer records, stolen vehicles and accident databases, while requesting detailed technical information about a car and comparable screening criteria by reviewing main virtual car marketplaces in each relevant country.

Rigorous credit assessment, fast decision output, online and physical presence and the secured nature of the majority of the loans ensure that the risk profile of Eleving's products remains lower compared to traditional online unsecured lending products.

Eleving is a leading player in the European used car lending segment with a unique reach across a large number of European markets as well as operations in two Eastern African and one Central Asian markets. In its consumer finance business, Eleving is one of the leading non-bank lenders measured by the number of registered clients in each market where it operates.

Eleving's presence is solidified by a large network of branches in these countries as well as a widespread network of brokers and used car dealers. Eleving uses traditional and digital marketing channels. While Eleving is using a data-driven marketing strategy as well as the dealer's and broker's network to attract potential customers, their acceptance as customers is ultimately determined by the scoring model based underwriting process.

Eleving has a proven track record and has developed a strong know how that allows its flexible business model to be implemented into new markets in an efficient way by leveraging on its knowledge and technology resources. Before entering a new market, Eleving conducts a detailed market analysis which includes an analysis of the legal framework, competition, country risk, data availability and other market conditions. Furthermore, Eleving performs an onsite visit to the country to meet potential partners and suppliers, and interviews potential local management candidates. Once a final decision to enter a new market is made, Eleving typically adapts existing models and business processes of existing markets to its new markets. This approach, together with an experienced hands-on regional management team, allows to quickly enter new markets and to maintain processes and credit risk assessments at a high level.

Simple and Transparent Product Offering

The Group's products are designed to offer simplicity, convenience and transparency to its customers. The convenient online and offline products aim to protect customer privacy, provide easy access to funding and offer transparent fee and interest structures. Financial leasing and leaseback are long-term loans (up to 84 months), while consumer loans are both short-term and long term with maturities ranging from 7 days to up to 48 months. For all products, customers are charged with a nominal interest and fees, payable monthly on the outstanding principal amount. While penalty interests are charged for delayed loan payments, this is a minimal proportion of the Group's income and shows the resilience of its customer base.

Eleving's websites' design aims to be as simple and convenient as possible to use, providing clear terms and conditions. Typically, customers can expect a decision on whether a financing product, subject to a customer's jurisdiction and product type, is

approved within a range of 5 minutes to 1 business day after submitting an application. Customers value Eleving's services because of the convenience and transparency offered compared to other available alternatives.

Large Physical Footprint Serving Customers in their Local Markets

A significant part of used car sales takes place at physical locations, where potential customers can see and test a car while interacting with a seller directly. Because of this trend, Eleving introduced dedicated partner account managers and specific partner programs in order to establish close business relationships with used car sellers. The Mogo brand is then promoted when a potential customer approaches a car seller with an inquiry about available financing options. As of 30 June 2021, Eleving had entered into cooperation contracts with more than 1,100 car dealerships.

In its consumer finance business, as of 30 June 2021, Eleving had 100 branches across three markets, allowing the Group to serve wider population and adapt to different clients' needs.

As of 30 June 2021, Eleving had 159 total branches in 13 of its 14 countries of operation, strategically located to address its customers' needs across its both business lines.

Innovative, Data-driven Business Processes

Eleving is constantly investing in digitalization, data processing and risk solutions. Such investments, together with Eleving's experience and expertise in providing innovative and data-driven financial services, strengthen the Group's position to stay ahead of its competitors in terms of ease of use, customer convenience and product offering. In addition, the Group's IT systems have demonstrated a track record for reliability and uninterrupted performance with no instances of significant system downtime in the last 3 years. Eleving believes that its in-house IT team will be able to maintain the current service level and further develop and strengthen the performance of its IT systems.

Eleving uses a data-driven analysis and a data-driven decision-making process in all aspects of its business. The use of data improves the assessment of existing and potential customers, helps optimize marketing expenditures, enhances credit risk management, and facilitates efficient new product development. Predictive data from alternative sources, in addition to traditional data sources such as credit bureaus, is used for a customer's valid credit scoring.

Sophisticated Marketing Technology

Eleving's marketing technology is increasingly sophisticated and allows for a dynamically adjusted investment in different marketing channels to optimize the amount and type of traffic directed to the Eleving websites by analysing traffic quality and conversion rate of attracted leads in real time. This targeted data-driven approach attracts potential customers who are more likely to apply for the Group's loans, and reduces costs per acquisition of new customers, an important component of the operating costs.

Dynamic Customer Scoring

Eleving's in-house expertise with proprietary credit scoring models containing anonymous information from over 5.0 million loan applications (as of 30 June 2021), including both traditional and alternative data points, provides valuable insight into customer trends in existing markets. Since its inception to 30 June 2021, Eleving has issued EUR 710 million in aggregate loans and reached more than 250 thousand

registered customers. Eleving continuously learns and analyzes anonymously customer behavior patterns in all the markets where it operates, and applies and tests this experience when entering into new countries.

The dynamic credit scoring model aims to ensure that Eleving captures the highest quality and potentially most profitable customer base in the existing and prospective markets. Eleving aims at setting acceptance thresholds that both minimize risks and maximize profitability. The rate of non-performing loans as a percentage of net loan portfolio has been stable and was 7% as of 30 June 2021, compared to 8% as of 31 December 2020 for vehicle loans and 5% and 8% for consumer loans respectively. Such ratio takes into account the rate of non-performing loans as of a specific date (for example, 30 June 2021) as a percentage of net loan portfolio of Eleving at that point in time.

Real Time Car Valuation

For the purpose of evaluating used cars, Eleving has internally developed an assessment program with multiple integrations with different databases, such as state transport authority databases, stolen vehicle databases, accident databases, manufacturer records and others. This approach allows Eleving to obtain detailed technical information about a vehicle and its legal status. Eleving has also developed integrations with main virtual car marketplaces in each country. While using these marketplaces Eleving is able to obtain comparable car screening data in each respective country and prepare an instant car valuation.

Customer Service Focused on High Customer Satisfaction

Customer satisfaction and operational excellence is the key for Eleving in order to serve its customers at the core of their needs once they have made a choice of buying a new car or applying for a consumer loan.

Eleving has developed a customer service division with 921 full-time specialized employees as of 30 June 2021, delivering increasingly convenient customer support in local languages across all markets. Eleving continuously works to improve customer satisfaction by creating personal contact with its customers through telephone calls, e-mails and chats, among others, to discuss product options, address customers' questions, inform customers of their payment due dates and encourage on time payment, discuss options of late payments and help customers with their applications. In addition, Eleving carefully monitors different customer service quality ratios, such as call waiting minutes and abandoned calls. Customer service quality is one of the reasons why customers return to Eleving for more credit.

Established and Efficient Debt Collection Procedures

Eleving has developed policies and procedures for internal debt collection with proven cost and recovery efficiencies.

Eleving primarily handles all debt collection and car repossession activities in-house. Eleving has gained substantial expertise in debt collection strategies over the years. In certain countries, Eleving outsources parts of the debt collection activities to test and compare the efficiency of internal versus external debt collection. Eleving monitors the results of debt collection procedures and aims to implement the most appropriate and efficient procedure in each jurisdiction, thereby increasing the effectiveness of the debt collection process.

Eleving does not employ controversial payment collection practices, such as the use of continuous payment authority or the siphoning of money from customers' bank accounts. Such practices are controversial and will or may become illegal in certain

jurisdictions. Due to this fact, and also from a customer relations and loyalty perspective, Eleving strongly believes that its business model is more sustainable than those of other competitors that do engage in that type of debt collection practices.

The repossessed car sales process is handled primarily in-house. In certain newly established countries, parts of the repossessed car sales activities are outsourced to establish the most efficient repossessed car sales models and not to lose any collateral value at the very beginning of such a newly established country's operational phase. Eleving monitors the results of repossessed car sales procedures and implements the most appropriate and efficient procedure in each jurisdiction, thereby increasing the effectiveness of the repossessed car sales process.

Strong Financial Position and Controlled Foreign Currency Exposure

Eleving has demonstrated strong cash flow and profitability characteristics. In the first six months of 2021, a high net profit after tax margin and return on average assets of 16.3% and 5.5%, respectively has been reached. Eleving employs a conservative strategy regarding the maturity profile of the balance sheet by trying to match the duration of assets versus liabilities. Eleving operates with a highly efficient cost base and infrastructure. The cost to income ratio of the Group is at 39.4% as of 30 June 2021. Eleving believes that this has supported the stable historic growth profile.

Eleving issues loans denominated in euro currency in markets where local regulations allow it. Where this is not possible Eleving chooses one of the following options – i) the relevant company issues loans in local currency linked to either EUR or USD; ii) the relevant company uses a natural hedge by obtaining debt in a local currency to the extent possible; iii) loans provide for upwards adjusting of their effective interest rate to price in any potential adverse foreign exchange currency movement. Eleving proactively hedges its USD linked exposure by entering into non deliverable forward contracts.

Experienced Management with Proven Track Record

The executive team and country managers of Eleving consist of experienced professionals who have worked in different segments of the international financial market and the banking sector for more than 7 years each. Their knowledge, experience and support have proven to be significant assets to Eleving both on the strategic front and in the development of new products. Their knowledge, experience and support are an asset for Eleving and provide Eleving with a significant competitive advantage.

4. Products

The Group's two business lines – Vehicle Finance and Consumer Finance – provide a variety of products and services, thus, filling the funding gap and creating new opportunities for people who previously did not have access to required financing or to private means of transportation.

- a. Financial Leasing** – a product provided under the MOGO brand in all the vehicle financing markets and premium car leasing under the PRIMERO brand in certain markets, e.g. Latvia and Moldova

Eleving offers financial leasing products (the “**Financial Leasing**”) to customers in all the countries of operation. In the Financial Leasing, Eleving purchases a vehicle that a customer (lessee) has selected, the lessee then can use the vehicle during the lease period and pay a series of installments. The purchased vehicles are pre-owned, 3 to

20 years old. After the full principal repayment of the loan, the lessee becomes the legal owner of the vehicle. Eleving provides loans in amounts up to EUR 15 000 for a term of up to 84 months. Eleving pays a car or motorcycle seller only once it has inspected the vehicle and received an official record confirming that the vehicle has been registered under Eleving's name. At that point the lessee becomes the holder of the vehicle while Eleving retains the legal ownership of it. Customers have the option to repay the loan before the end of the term. In each of the markets where Eleving operates, the nominal interest and fees levied ranges from 0.5% to 6.0% per month with lower pricing applied for longer term loans. Eleving applies an average 3.4% issuance commission, which is normally added to the principal amount.

The table below describes key terms for customers of the Financial Leasing in the countries of operation, ordered in accordance with the launch date of operations in the respective countries. For the relevant websites used for the products, see "*Business—Intellectual property*".

Country	Launch Date	Product Name	Approx Minimum Amount (EUR) ¹⁸	Approx Maximum Amount (EUR) ¹⁹	Term (months)	Application
Latvia	September 2012	Leasing	500	15,000	3 - 84	Online, offline (by phone or own branches), partners
Lithuania	July 2013	Leasing	500	10,000	3 - 84	Online, offline (by phone or own branches), partners
Estonia	August 2013	Leasing	500	10,000	6 - 72	Online, offline (by phone or own branches), partners
Georgia	June 2014	Leasing	350 (GEL 1,316)	9,000 (GEL 33,847)	3 - 84	Online, offline (by phone or own branches), partners
Romania	January 2017	Leasing	1,100 (RON 5,444)	9,700 (RON 48,006)	6 - 60	Online, offline (by phone or own branches), partners
Moldova	September 2017	Leasing	500 (MDL 10,425)	10,000 (MDL 208,513)	12 - 84	Online, offline (by phone or own branches), partners

¹² In brackets in local currency, where applicable.

¹³ In brackets in local currency, where applicable.

Belarus	April 2018	Leasing	410 (BYN 1,220)	10,000 (BYN 29,766)	12 - 84	Online, offline (by phone or own branches), partners
Armenia	August 2017	Leasing	600 (AMD 348,930)	9,000 (AMD 5,233,256)	6 - 84	Online, offline (by phone or own branches), partners
Uganda	May 2019	Leasing	976 (UGX 4,071,638)	9,031 (UGX 37,681,420)	6-60	Online, offline (by phone or own branches), partners
Kenya	April 2019	Leasing	875 (KES 113,793)	8,750 (KES 1,137,939)	6-60	Online, offline (by phone or own branches), partners
Uzbekistan	December 2018	Leasing	2,000 (UZS 25,243,16 8)	9,800 (UZS 123,764,347)	13-60	Online, offline (by phone or own branches), partners

In all of the countries of operation, Eleving offers the Financial Leasing via its online platform, phone, branch or broker/dealer network.

b. *Leaseback* – a product provided under the MOGO brand in all the vehicle financing markets

Eleving offers leaseback products (the “**Leaseback**”) in all of the countries of operation. In the Leaseback Eleving typically purchases the vehicle directly from the customer, the customer then continues to use the vehicle and pays monthly installments while Eleving becomes the legal owner of the vehicle. After the full principal repayment of the loan, the customer becomes the legal owner of the vehicle. Eleving provides loans in amounts up to EUR 15 000 for a term of up to 84 months. Eleving typically disburses the loan to the customer only once it has inspected the vehicle and received an official record about vehicle being registered under Eleving’s name. At that point the previous owner becomes the holder of the vehicle while Eleving retains the legal ownership of it. Customers have the option to repay the loan before the end of the term. In each of the markets where Eleving operates, the nominal interest and fees levied ranges from 0.5% to 7.5% per month with lower pricing applied to longer term loans. Eleving applies an average 2.9% issuance commission since inception, which is normally added to the principal amount.

The table below describes key terms for customers of the Leaseback in the countries of operation, ordered in accordance with the launch date of operations in the respective countries. For the relevant websites used for the products, see “*Business— Intellectual property*”.

Country	Launch Date	Product Name	Approx Minimum Amount (EUR)²⁰	Approx Maximum Amount (EUR)²¹	Term (months)	Application
Latvia	July 2012	Leaseback	500	10,000	3 - 84	Online, offline (by phone or own branches), partners
Lithuania	May 2013	Leaseback	500	10,000	3 - 84	Online, offline (by phone or own branches), partners
Estonia	September 2013	Leaseback	500	10,000	6 - 84	Online, offline (by phone or own branches), partners
Georgia	June 2014	Leaseback	300 (GEL 1,102)	10,000 (GEL 36,749)	3 - 84	Online, offline (by phone or own branches), partners
Romania	April 2017	Leaseback	1,100 (RON 5,443)	9,700 (RON 48,005)	6 - 60	Online, offline (by phone or own branches), partners
Moldova	September 2017	Leaseback	500 (MDL 10,412)	10,000 (MDL 208,244)	12 - 84	Online, offline (by phone or own branches), partners
Belarus	April 2018	Leaseback	410 (BYN 1,221)	10,000 (BYN 29,784)	12 - 84	Online, offline (by phone or own branches), partners
Armenia	August 2017	Leaseback	600 (AMD 349,122)	9,000 (AMD 5,236,842)	6 - 84	Online, offline (by phone or own

¹⁴ In brackets in local currency, where applicable.

¹⁵ In brackets in local currency, where applicable.

						branches), partners
Uganda	May 2019	Leaseback	610 (UGX 2,544,747)	9,031 (UGX 37,684,626)	6-60	Online, offline (by phone or own branches), partners
Kenya	April 2019	Leaseback	875 (KES 113,849)	8,750 (KES 1,138,493)	6-60	Online, offline (by phone or own branches), partners
Uzbekistan	February 2019	Leaseback	1,800 (UZS 22,735,23 4)	9,800 (UZS 123,780,71 8)	13-60	Online, offline (by phone or own branches), partners

In all of the countries of operation, Eleving offers the Leaseback via its online platform, phone or branch or broker/dealer network.

Both the Financial Leasing and the Leaseback are Eleving's core products and currently represent 73% of the total net loan portfolio as of 30 June 2021.

c. *Used Car Rent* – a product provided under the *RENTI* brand in the Latvian market

Eleving offers a rent product (the “**Used Car Rent**”) in Latvia only. A rent-to-buy product is designed with ultimate flexibility in mind so that customers can choose the vehicles they want, with a peace of mind that they are not locked into a contract for the same vehicle forever. Eleving provides loans in amounts up to EUR 8,000 for a term of up to 84 months. The table below describes key terms for customers of the Used Car Rent in the countries of operation, ordered in accordance with launch date of operations in the respective countries. For the relevant websites used for the products, see “*Business— Intellectual property*”.

Country	Launch Date	Product Name	Approx Minimum Amount (EUR)	Approx Maximum Amount (EUR)	Term (months)	Application
Latvia	November 2018	Rent	500	8,000	3 - 84	Online, offline (by phone or own branches), partners

d. Consumer Loans – a product provided under KREDO, TIGO, SEBO and INSTA FINANCE brands in Albania, North Macedonia, Moldova and Ukraine respectively

Currently, Eleving offers uncollateralized loan products (the “**Consumer Loans**” to customers in Albania, North Macedonia, Moldova and Ukraine. The Consumer Loans are unsecured loans with amounts of up to EUR 1,600 and for a term of up to 48 months. The Consumer Loans are typically amortized in monthly installments. The main consumer financing product is a short-term unsecured loan designed to help customers solve their urgent needs, connected mainly with household issues. This short-term financial solution is designed to be paid in full at the end of the loan term, which ranges from 7 to 30 days. Eleving also offers an option to choose a long-term unsecured loan where the repayment of the principal and interest is split into small monthly installments. For customers with greater needs for financial input, Eleving offers a long-term unsecured loan, with regular scheduled monthly fee payments and repayment of the principal at the end of the loan term. As of 30 June 2021, Eleving charges an average nominal monthly interest rate of 10.4%. Interest rate differs based on a product, amount of a loan and a loan’s term, with decreasing pricing for longer maturities. A customer may repay the outstanding loan balance in full at any time or make required minimum payments in accordance with the terms of the loan agreement.

The table below describes key terms for customers of the Consumer Loans in the countries in which Eleving operates.

Country	Launch Date	Product Name	Approx Minimum Amount (EUR) ²²	Approx Maximum Amount (EUR) ²³	Term (days)	Application
Albania	September 2020	Consumer	33 (ALL 4,009)	1,390 (ALL 168,886)	7-730	Online and offline
Moldova	July 2020	Consumer	15 (MDL 312)	1,430 (MDL 29,814)	7-1460	Online and offline
North Macedonia	September 2020	Consumer	33 (MKD 2,023)	1,626 (MKD 99,696)	7-730	Online and offline
Ukraine	September 2020	Consumer	10 (UAH 316)	720 (UAH 22,771)	7-30	Online

As of 30 June 2021, the average amount for the Consumer Loan at issue was EUR 150.

Prospective customers may apply for Consumer Loans either through Eleving’s online platform or at its branches.

¹⁶ In brackets in local currency, where applicable.

¹⁷ In brackets in local currency, where applicable.

5. Geographic Markets

Eleving's revenues are principally derived from operations in Latvia, Lithuania, Romania and Kenya which together accounted for 44% and 41% of its net loan portfolio and rental fleet as of 30 June 2021 and 31 December 2020, respectively.

Revenues are also derived from the other markets where Eleving operates, including:

- Estonia (since 2013);
- Georgia (since 2014);
- Moldova (since September 2017 with respect to vehicle finance and, since acquisition in summer 2020, with respect to consumer finance business);
- Belarus (since April 2018);
- Armenia (since August 2017);
- Uzbekistan (since December 2018);
- Uganda (since May 2019);
- Albania (since December 2018 with respect to vehicle finance and, since acquisition in summer 2020, with respect to consumer finance business);
- North Macedonia (since acquisition in summer 2020 with respect to consumer finance); and
- Ukraine (since the end of 2020 in respect of consumer finance).

Eleving's management expects that the proportion of these markets in the loan portfolio will increase in 2021 and beyond, while existing core markets will continue to grow.

Before entering new markets, Eleving carefully considers local regulatory and tax issues, typically hiring international or local legal and/or tax advisors for advice on such matters. Eleving then also obtains general market research from its advisors on the new country's market environment. Before starting operations, Eleving also typically collects statistical data on the industry as a whole, such as availability of credit bureaus, and other data, such as the size of the used car market, competitive factors, potential partnerships, the environment and potential customer base in the new markets. Once a country is selected for expansion, Eleving starts to test the market and adapts its scoring and decision-making systems to the new country.

Geographically Diversified Loan Portfolio

Eleving has a geographically diverse portfolio, with over 70% of loans concentrated in the European region with resilient economies and strong currencies. At the beginning of the Covid-19 pandemic in 2020, the Group proactively optimized its portfolio by focusing entirely on the markets with the greatest potential for profitable growth and currently continues to follow that approach.

The share of the geographical markets currently on hold has been significantly reduced, accounting for less than 1% of the Group's net loan and used vehicle rent portfolio as of 30 June 2021.

Net Loan and Used Vehicle Rent Portfolio by Region**As of 30 June 2021****(Unaudited)****Loan amount (in million EUR)**

Baltics (Latvia, Lithuania, Estonia)	57.8
Eastern Europe (Romania, Belarus, Moldova)	48.6
Consumer Finance (Albania, North Macedonia, Moldova, Ukraine)	44.9
Africa and Asia (Kenya, Uganda, Uzbekistan)	37.1
Caucasus (Georgia, Armenia)	21.6
Markets on hold (Bosnia and Herzegovina, Poland)	1.9
Total portfolio	211.9

Physical Footprint – Branches

As of 30 June 2021, Eleving had 159 branches in 13 of its 14 operational countries, which are strategically located to address the needs of all Eleving's customers.

For its vehicle finance business, Eleving has established branches in strategic locations, such as close to the largest local car markets, near (or within) car registries, or areas with high population density. The branch employees are responsible for formalization of a customer contract, visual inspection of a vehicle and any other customer service related tasks including processing of payments. Eleving's extensive branch network ensures a customer's journey to be as smooth as possible with only a few stops: first a used car seller, then an Eleving branch and, finally, a car registry office.

For its consumer finance business, Eleving has established branches across areas with high population density which is key to reaching and serving its customers. These branches are located conveniently to enable a customer to easily contact Eleving's customer service representatives. This enables Eleving to reach clients who prefer face to face customer service in the loan issuance process and/or payment in cash.

Active branches per country

	Six-month period ended 30 June 2021	Year ended 31 December 2020	Year ended 31 December 2019
Latvia (vehicle finance)	2	2	8
Lithuania (vehicle finance)	7	6	7
Estonia (vehicle finance)	4	4	4
Georgia (vehicle finance)	8	7	12
Romania (vehicle finance)	4	3	9
Moldova (vehicle finance)	5	5	7
Armenia (vehicle finance)	5	4	6
Belarus (vehicle finance)	7	7	7
Kenya (vehicle finance)	7	6	2
Uganda (vehicle finance)	6	4	2
Uzbekistan (vehicle finance)	4	3	2
Albania (consumer finance)	40	36	-
Moldova (consumer finance)	43	41	-

	Six-month period ended 30 June 2021	Year ended 31 December 2020	Year ended 31 December 2019
North Macedonia (consumer finance)	17	9	-
Ukraine (consumer finance)	-	-	-
TOTAL	159	137	66

Physical Footprint – Car Dealers

A significant part of used car sales takes place in physical car sales markets. These are the places where potential customers can see and test a car and interact with a seller directly. Having recognized this opportunity, Eleving has put in place dedicated partner account managers and specific partner programs in order to establish a business relationship with used car sellers. The Eleving brand is then promoted when a potential customer approaches the car seller with an inquiry about available financing options. Such partnerships are beneficial for both – Eleving and the used car seller – as they help to reach Eleving's customers at the core of the sales activity and they also help to drive the cars sales volumes of the car seller. As of 30 June 2021, Eleving entered into cooperation contracts with more than 1,000 car dealerships. In some countries, the number of Eleving's partnerships with local car dealers has decreased mainly due to changes in the competitive landscape of the relevant car dealership market, as smaller dealers are acquired or discontinue their business, while larger car dealers strengthen their market position.

Active car dealers per country

	Six-month period ended 30 June 2021	Year ended 31 December 2020	Year ended 31 December 2019
Latvia	210	214	260
Lithuania	23	26	26
Estonia	72	63	59
Georgia	60	38	66
Romania	70	54	54
Moldova	43	45	25
Armenia	80	114	153
Belarus	114	107	93
Kenya	394	264	23
Uganda	42	70	9

	Six-month period ended 30 June 2021	Year ended 31 December 2020	Year ended 31 December 2019
Uzbekistan	18	25	26
TOTAL	1,126	1,020	794

IX. MARKETING

Eleving has invested in data-driven marketing analysis, allowing the deployment of an efficient marketing mix in each country and attracting potential customers in a targeted and performance based manner. Eleving's marketing spending for the year ended on 31 December 2020 was EUR 2.4 million, which constitutes 2% of total loans issued in 2020. Eleving follows a different marketing approach based on the peculiarities and competitive set of the relevant market, however, companies across the whole Group use all range of online/digital and offline marketing channels, like TV, radio, advertising on billboards and public transportation, and sponsorships.

Eleving's key marketing strategies include online marketing channels such as search display and social networks using a cost per click (CPC, also referred to as pay per click, PPC) model, which is a model of online marketing where advertisers pay a fee each time one of their ads is clicked. An increasing focus of Eleving's marketing strategy has been Search Engine Optimization (SEO), i.e., enhancing the visibility of a website in a search engine's unpaid search results. Affiliate marketing, where a commission is paid for each successful loan transaction, and other online marketing tools, such as website display advertising drive additional volume and coverage across the target audience.

Eleving's marketing strategies were developed and are constantly upgraded and updated based on its customer information, such as lifestyle, needs, financial and social position, as well as specific market conditions that are unique in every market where Eleving operates: i.e., Latvia, Lithuania, Estonia, Georgia, Romania, Moldova, Armenia, Belarus, Kenya, Uganda, Ukraine, North Macedonia, Albania and Uzbekistan. In addition, the marketing strategy depends on the phase of development of Eleving's products in each country. When entering a new market, Eleving primarily employs performance-based marketing channels to build initial interest and drive customers to the relevant products while the risk profile and the website conversion is optimized and the partnership, branch and broker network are built. As Eleving realizes favorable unit economics, different brand building marketing activities are also considered in order to establish a top of mind brand in the segment.

1. Marketing Organization and Development

As of 2021, Eleving employs a matrix structure for its marketing operations. For each of the regions where Eleving operates, there is a dedicated marketing team in charge of designing a general marketing strategy, creating campaign structures and managing performance of each country. Further, each of the countries has its own marketing team, which is a mix of in-house and outsourced experts. This structure helps to optimize marketing costs and to ensure a high quality of marketing materials. Best practices are shared between the countries, a significant part of marketing materials are created centrally and similar campaign management structures are used.

Local marketing teams are split into several sub-divisions, with each working on a specific goal. The acquisition division works on optimizing channel mix to acquire customers. The conversion division works on converting acquired leads to customers by both ensuring efficient user experience and embracing sales tactics through direct sales channels (email, SMS, calls). The retention division leverages a mix of direct sales channels, discount strategy and loyalty programs to ensure repeated sales to high-performing customer segments. The brand and PR division increases brand awareness and positive view towards the brand which makes it easier for other divisions to reach their goals as customers are more likely to use services from a brand they know and trust.

In addition, Eleving collaborates with third parties - top local marketing agencies that are familiar with the current marketing situation in each local market. This allows Eleving to deploy the most efficient marketing tools tailored to each specific geographic and customer segment.

2. Potential Customers

Eleving's potential customers are working class people receiving regular income but having limited savings. Typically, these are customers underserved by traditional banks due to the low ticket size, inefficient underwriting process, complicated and inefficient loan application process, and long turnaround times for such loans.

Potential customers of Eleving's Vehicle Finance are people who prefer to drive used premium class vehicles instead of new or few years old economy class vehicles, since such vehicles perform better, depreciate less and have cheaper maintenance cost due to a well-developed spare parts aftermarket. For most customers a car is not a nice to have item, but rather a necessity needed to travel to their workplace or to earn income. Eleving also serves small and medium enterprises who need quick financial solutions to solve mobility issues in their businesses. The majority of Eleving's Vehicle Finance customers are males within an age range from 21 to 59.

Potential customers of Eleving's Consumer Finance are often trying to address urgent cash flow needs, mostly related with unexpected expenses as well as financing consumer electronics purchases. Eleving's Consumer Finance customers are equally divided between both sexes within an age range from 21 to 59.

All Eleving's customers value the convenience and the fast and easy process offered by Eleving.

3. Below the Line (BTL) Marketing Channels

a. Search Engine Marketing

Eleving utilizes Google, Yahoo, Bing, Yandex and other local specific search engine paid ads or organic search tactics in order to reach potential customers who are looking for financing products. It is important for Eleving to reach top positions within search results, while being effective and profitable.

A lot of effort is put in Search Engine Optimization (SEO) on each of the Group companies' websites. Eleving enhances organic search results by increasing the depth of information and interaction with its websites. As a result, content marketing has become an important part of the Group companies' marketing mix.

b. Paid Social Media Ads

Facebook, as one of the leading social networks in the world, holds a lot of information about its users which are monetized through selling ads on its social networks – Facebook and Instagram. Facebook ads are targeted to users based on their location, demographic, and profile information. Eleving uses Facebook ads to attract potential customers by showing them tailored offers. With Instagram ads Eleving drives awareness and increases its customer base through visuals.

To reach potential customers in Georgia, Moldova and Belarus, Eleving also uses social media networks that are popular and widely used in these countries – Telegram and V Kontakte among others.

c. *Display Ads*

Eleving's potential customers can find information about financial solutions in different global and local online media sources, such as car portals, blogs and news websites. Eleving works with these global and local media channels to offer their visitors what they might be looking for, by strategically showing Eleving's image format messages (banner ads) to potential customers at the right place and the right time.

Eleving uses also Google Display Network and other display networks for all the stages of the sales funnel - prospecting, lead generating and converting. These networks provide a wide set of targeting options such as geography, interests and customer behavior. YouTube is a part of Google Display Network where Eleving places not only banner ads, but also video ads.

Along with display ads on different media, Eleving also uses Google Remarketing tools that help reconnecting with customers who have visited Eleving's website by showing relevant ads across their different devices.

d. *E-mail and SMS Marketing*

To retain or upsell customers Eleving also uses e-mail and SMS marketing with segmented custom messages. This year Eleving plans to enhance e-mail and SMS marketing with automation features which will allow delivery of even more customized messages at the right time to the right users. By using automated communication workflows, Eleving has managed to significantly reduce manual labor resources as well as eliminate human errors. Automated workflows are being constantly optimized by executing A/B or multivariate testing. This way Eleving can identify what type of messages at what time and through which communication channels best reach its customers. Such tests give incremental improvement for conversion rate or cost optimization.

e. *Affiliate Marketing*

Instead of buying ad impressions or clicks, Eleving's affiliate partners and networks generate leads and online sales for its purposes. Affiliate publishers include a range of companies from financial comparison websites to content and e-mail marketing companies or individuals that create financial information and guidance with a link for customers to apply for related products. The affiliate/publisher gets rewarded on fixed commission models such as CPL (cost per lead) – website application and CPS (cost per sale) – issued loans. Affiliate marketing is one of the most accountable and essential digital marketing channels because publishers are responsible for driving traffic to their own assets using their own investments and digital marketing strategies. In this case, Eleving as a lender company must provide additional marketing awareness and educational support in above the line (ATL) and other digital channels such as social media, brand awareness etc., to make the affiliate program more successful.

As affiliates are investing resources to deliver traffic to Eleving, the commissions paid to them must be competitive as well as profitable for them so that the affiliates are motivated to continue to work as Eleving's affiliate partners and promote its financial services. Eleving has its own affiliate marketing engine that is a first-party platform allowing the retention of direct relations with the most valuable and competitive affiliate partners and saves the cost of an intermediary network. As a result, Eleving's affiliate program is more effective, builds strong long-term relationships and a good reputation for the affiliate program in general.

4. Above the Line (ATL) Marketing Channels

Eleving also conducts effective ATL advertising campaigns to increase awareness, drive trust, provide messages of reassurance, and simply to be right next to its customers. The media approach and investment varies by market and competitive set in that market.

Television and radio are the most used channels where Eleving gets a good coverage of the target audience. In addition, different offline marketing channels are used, such as outdoor advertising (print and digital billboards, transit advertising on buses, taxis etc.), and print materials like booklets, flyers, and others.

As an additional layer for measuring marketing performance, Eleving conducts regular in-depth market research to measure brand awareness, understand customer needs, and evaluate whether marketing activities are addressing the key issues customers want to solve.

5. User Experience (UX)

Eleving constantly improves UX by updating design and texts of its online portals in order to increase visitor conversion rate and to streamline overall website usability, making it more convenient for a customer and which increases success of an eventual customer acquisition and reduced cost per sale. The ultimate goal is to have an automatically tailored experience for each customer which will ensure a smooth application process with the highest likelihood of conversion.

X. UNDERWRITING AND REVIEW

1. Overview of the Underwriting and Review Process

The steps in the Financial Leasing, the Leaseback and the Consumer Loans underwriting process include, in order: (i) customer application for a financing product, (ii) customer registration and identification, (iii) risk assessment and scoring with respect to the customer and, for the Financial Leasing and the Leaseback, the collateral, and (iv) agreement on and issuance of the financing product.

Eleving customers are private individuals and small and medium enterprises that apply for financing products online, in Eleving's branches or through its partners. Loan issuance is based on data driven underwriting and the key processes are automatized based on a scalable and efficient proprietary IT platform.

Eleving is proud of its internally developed programs for client scoring and automated car valuation. The car valuation tool has integrations with state authority databases, manufacturer records, stolen vehicles and accident databases as well as main online car marketplaces to make a valuation based on all comparable screening criteria available in the market.

Country-focused client scoring tools take into account parameters from potential customers such as payment discipline (assessed on credit databases and internal and external blacklists), customer profile, income and liabilities, customer personality and, in case of the Financial Leasing and the Leaseback products, vehicle and seller information.

A customer's identity can be checked either online or at Eleving's or its partner's branches. Customers are identified either through physical identification and document check, through third parties - bank authentication and bank transfer from customer account - or, through electronic identification, where a customer is requested to log in to their existing online third party bank account and the third party bank provides customer identity information to Eleving which is then used in order to check against the registration information provided by a customer. Each vehicle is typically physically inspected by Eleving's customer service team or authorized partners before the loan issuance.

The underwriting process is mostly performed automatically using Eleving's proprietary IT systems.

Typically, with some country-specific exceptions, the review process of each application consists of the following steps:

1. Loan application processing and preliminary assessment
2. Risk evaluation and scoring
3. Vehicle inspection (in case of the Financial Leasing and the Leaseback products) and finalizing loan terms
4. Final loan approval and loan issuance

2. Loan Application Processing

In every country where Eleving operates, the underwriting process is automated to the greatest possible extent. The issuance policy in each country sets a detailed process overview including business "hard" rules (e.g. age limits, eligible customers, revenues, vehicles, indebtedness levels), fraud rules and scoring models for decision making.

During a loan application process, the preliminary data in each application is cross-checked and supplemented. If needed, a customer is asked to provide further information, preliminary fraud and blacklists checks are performed and, in case of secured loans, vehicles are automatically valuated. During a loan application processing, the most important steps are the verification of a customer's eligibility for Eleving's financing, based on the information related to a customer's financial, economic and reputational information, applicable legislation and also based on the financing terms applied (advance payment, length, exposure, type of vehicle being financed). After such steps are successfully completed, a customer receives a preliminary offer.

3. Risk Evaluation and Scoring

During the risk assessment and scoring evaluation stages, credit history databases are checked, a customer's income information analyzed, a customer's indebtedness calculated and evaluated. The internally developed scoring tool, while taking into account parameters designed for each local market and being in compliance with local regulatory requirements, gives a clear score that enables an informed granting decision. With the increase of the loan portfolio, the scoring models are updated with newly available data.

4. Vehicle Inspection (in case of the Financial Leasing and the Leaseback)

With respect to the Financial Lease and the Leaseback, vehicles are typically physically checked by Eleving's customer service team or authorized partners before a decision on a loan application is taken. Final adjustments on a loan amount and other terms are made and documents to be signed are automatically generated.

5. Final Loan Approval and Loan Issuance

Eleving's loan agreements' terms are adapted to each jurisdiction's specific requirements in order to comply with local laws and regulatory guidance. Such adjustments may cover interest rates, handling fees, commission fees, penalty fees, personal information disclosure, customer withdrawal rights, loan amendments (early repayments, term changes, takeover) and other terms. The loan documentation is signed physically or with electronic authentication/digital signature depending on the country of operations and the loan product, i.e., for each jurisdiction Eleving uses the most efficient method that allows entering into a legally binding loan agreement.

The loan disbursement process depends on the product. In case of the Consumer Loans or the Leaseback products, Eleving mainly uses bank transfers, which are usually performed automatically by way of batch payments. For the Financial Leasing products, after a customer has made a down-payment, Eleving makes a bank payment directly to the seller of the vehicle.

XI. PORTFOLIO MANAGEMENT

Customer Service

Eleving has developed a customer service division with 921 full-time specialized employees as of 30 June 2021.

Eleving has established a dedicated customer service organization in each market where it has operations. This allows the provision of customer-focused service in line with local specifics and market practice. To ensure consistent quality of customer service operations across the Group, group-wide customer service principles have been developed, which include (i) customer service and quality principles, (ii) best practices and requirements for managing customer service departments and (iii) internal procedures for each country operations to ensure effective knowledge sharing and continuous improvement of operations. On a daily basis, the customer service organization is improved through regular benchmarking, experience sharing and targeted projects supervised by the Group's operations team to roll-out best practices across the Group.

Eleving's customer service is based on the following six core pillars to ensure convenience and high-quality customer experience:

- 1) *Single point of contact*: The customer service model works on a premise to never redirect a customer to other colleagues. This approach minimizes customer drop-off and maximizes conversion. Eleving's customer service employees are highly trained specialists who are able to serve the Group's customers without any hand-offs by leveraging Eleving's sophisticated IT platform and deep expertise in Eleving's products.
- 2) *Speed*: Critical success factor to Eleving's business is being able to provide a binding loan offer to a customer within a short period of time. Typically the application processing takes from two minutes to one day, depending on the specific country and application channel. Eleving closely monitors key performance indicators on its response times; the channels where speed is most critical (e.g. sales through partner network) are prioritized in order to reduce time-to-loan. Moreover, Eleving constantly seeks improvement and process automation by utilizing modern IT solutions and integrations with third party service providers, such as digital identification and credit information services.
- 3) *Strategic locations*: Eleving has established branches in strategic locations for its both lines of business. For its consumer loan business, a widespread branch network across areas with high population density is key to reaching and serving customers. For Eleving's vehicle loans business, a locations next to the largest local car markets or near (within) car registries are preferred. Given that the process requires to visually inspect a vehicle prior to a loan issuance, convenient locations greatly improve customer experience and convenience. Furthermore, Eleving's branch network offers high visibility to most important areas where used vehicle sales happen.
- 4) *Ease of access*: Eleving is accessible by phone, web, e-mail, chat, social networks, at its branches and its partner's branches. This setup gives Eleving's customers a wide range of convenient contact options and allows Eleving to drive customer conversion rates.
- 5) *Local Call Center*: Eleving has a dedicated and fully-staffed customer service center in each market where it operates. Various call center solutions, such as

robocalls, autodialers and queue management tools are used to efficiently use team capacity, maximize reach rates and customer service level. Eleving strives to answer most of the calls within 20 seconds, while remaining unanswered calls are saved and processed separately. To ensure efficient management of peak periods and high employee utilization, the branch employees of Eleving serve as virtual call center specialists when there are no customers to serve in person at the branch.

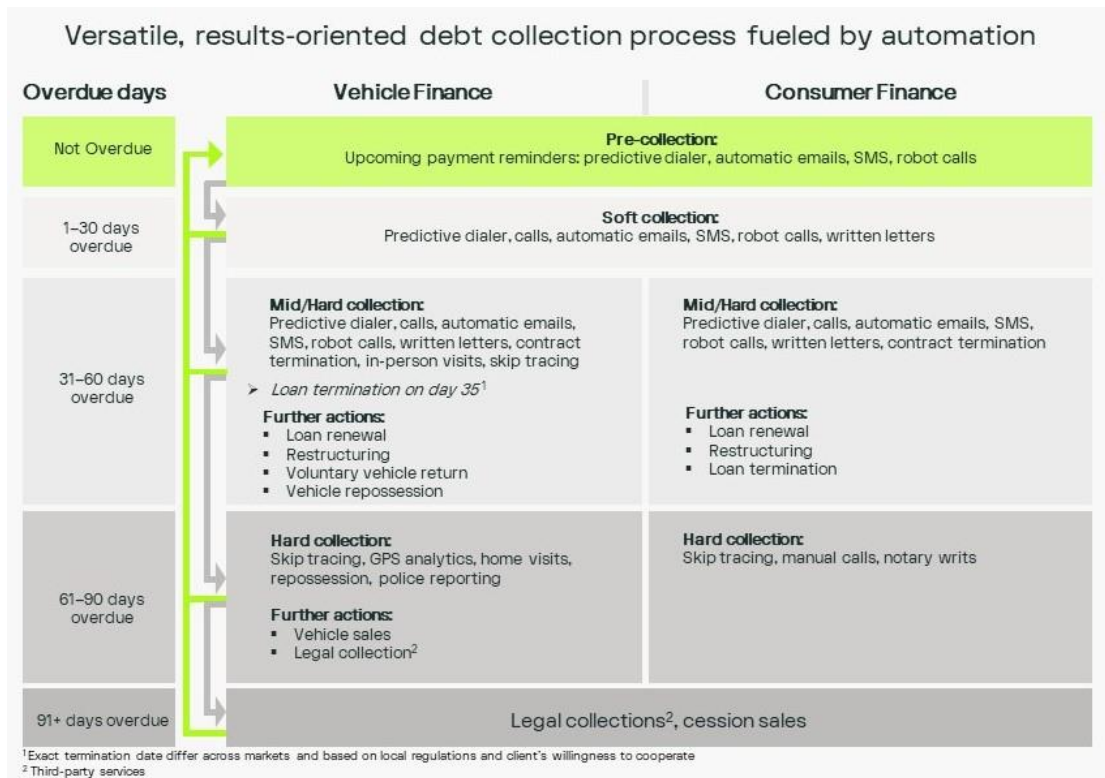
- 6) *Procedures*: Eleving has rolled-out detailed client service procedures in all of its markets. Procedures are tailored to local regulatory requirements and customer specifics. They are overlaid by the Group's customer service standards to ensure consistent service quality across all countries. A dedicated central operations team drives the consistency of customer service standards, serves as the source for best practices and works with local country management to continuously improve the effectiveness and efficiency of local customer service organizations.

Eleving motivates its employees through a tailored performance based motivation system. Eleving's customer service employees are rewarded based on sales performance, efficiency and quality. Eleving monitors key performance indicators at all levels of organization, and the performance is benchmarked against peers, other teams and other markets.

Eleving uses several brick and mortar channel partners for the loan issuance process, and cooperates with partners who, depending on the country of operations, may facilitate part of its customer identification and underwriting process. Internal processes of risk evaluation, vehicle assessment, fraud detection, scoring and loan approval are kept in all the markets where Eleving operates. Partners may be involved in the process of application and documentation submission, vehicle inspection and loan document signing. The typical partners for the Financial Leasing and the Leaseback products are broker firms and used car dealers.

Debt Collection

Eleving has established an efficient and effective debt collection process in each country where it operates. Eleving has a dedicated team in each country and follows debt collection practices which are fully compliant with local regulations. Eleving's strategy is focused on maximizing the dialogue with customers. When Eleving assesses that a customer can repay its loan, it offers various options and tailors the offers to such customer. When Eleving assesses that the customer will not be able to continue a successful relationship, a quick and efficient repossession of the collateral and subsequent sale of it is strived, while maintaining full transparency with the customer about the process. In case of unsecured loans, legal collection or debt sale processes are initiated.



In all the jurisdictions where it operates, Eleving adjusts its approach based on the stage of the overdue loan (Eleving classifies a secured loan as non-performing if it is more than 35 days overdue, and a consumer loan as non-performing if it is more than 90 days overdue). Each collection stage is shaped to achieve maximum efficiency, by using different tools and focus.

Before the loan becomes overdue, Eleving has an automated reminder process that ensures that the client is aware of upcoming payment and payment details.

As of the first day when the payment is overdue, it enters the early debt collection process, where Eleving launches its automated reminder system (auto-calls, texts, e-mails) informing the customer about the overdue amounts, further actions if payment will not be made and Eleving's contacts to discuss potential options. Eleving constantly monitors the effectiveness of the automated system. In addition, Eleving involves its in-house debt collection specialists that call all debtors from a certain day (as early as day 1 in some countries) with the aim to recover the delayed amount, identify reason for the delay and if necessary offer restructuring possibilities, where possible and economically viable. Prior to pursuing further debt collection activities, Eleving first aims to reach an agreement with a customer in order to find a solution for loan repayment. If the case is not resolved until day 30, it is passed on to the next debt collection stage.

In the course of the next stage of debt collection process, the overdue loan is terminated (the exact moment of termination depends on the relevant country's legislation and payment discipline specifics), upon which the debt specialists of Eleving offer the customer to renew the agreement, repay the loan or voluntarily return the vehicle, where applicable. In more than 50% of the cases in Vehicle Finance and in more than 24% of the cases in Consumer Finance, overdue loans are recovered in the mid-collection stage before a client returns to a regular payment schedule. In most cases, vehicle loan agreements are terminated when they are 35 to 60 days overdue in order to physically repossess a vehicle and preserve its value.

When this approach is not successful, Eleving's in-house vehicle repossession experts work with customers to recover the collateral. Approximately 80% of the vehicles set for repossession are successfully repossessed at this stage of the debt collection. This stage does not apply to products without collateral (vehicle). In case of Consumer Loans, the loan is terminated and passed on to litigation / cessation processes.

After vehicle repossession, the vehicle is put up for sale in Eleving's car lot. Sale of a repossessed vehicle takes 70 days on average from the moment such vehicle is repossessed. Outstanding debt (if any) is then recovered through an unsecured recovery process of Eleving, which includes amicable settlements, court execution process and / or debt portfolio sale (depending on the country). The result is that, since its inception, Eleving typically recovers approximately 79% of non-performing loans in the vehicle financing segment through either repossessing a car, settlement with a customer, legal collection process or debt sale.

To ensure consistent quality of debt collection operations across the Group, Eleving has developed group-wide debt collection service standards that include (i) debt collection principles, (ii) best practices and requirements for the debt collection department and (iii) internal procedures for each country in order to ensure effective knowledge sharing and continuous improvement of operations. On a daily basis, the debt collection organization is improved through regular benchmarking, experience sharing, and targeted projects supervised by the Group's operations team to develop best practices across the Group.

XII. INFORMATION TECHNOLOGY

Eleving's IT department supports the full lifecycle of product development and optimization. Eleving embraces effective design principles and applies value driven prioritization principles to maximize return on the time invested by the IT department. This approach aims at building solutions based on validated business needs, with a focus on running secure and stable systems minimizing maintenance costs but maximizing customer conversion rates and streamlining portfolio administration.

Credit Management Systems

Eleving has two regional systems for processing credit applications and managing the credit lifecycle. Each system is tailored to support the best business processes in the particular region where it is deployed. Eleving relies on technology diversity and benefits from having two systems available to run business independently without building redundant cross dependencies. In each country where it operates Eleving deploys one of its two systems and aligns the IT processes to obtain business process similarities across countries of operation. This approach ensures that Eleving's business processes are unified where possible across all system installations (countries) – this significantly simplifies user support, system maintenance and updates provided by IT departments. Furthermore, Eleving ensures a unified business control function and that the key performance indicators (KPI), such as conversion rate, delay rates, SLA etc., are gathered in a qualitative and comparable way. All the factors outlined above have historically allowed Eleving to launch business operations in a new country in a few months' time, and to launch businesses in several countries in parallel.

IT Practices

Eleving has to retain a certain degree of flexibility in order to secure leading market positions in the countries where it operates. Eleving's IT systems are easy customizable without breaking business processes. Eleving does not distribute business processes across multiple systems and platforms but rather focuses on building systems relying on loosely coupled processing modules. Similarly, Eleving avoids expensive batch processing, instead it makes calculations just in time and splits work into smaller parcels.

The IT engineering team of Eleving is a mix of product owners, system analysts, experienced developers and testing engineers, all focused on delivering stable solutions. Eleving has embedded proven test practices in the area of test automation. Comprehensive regression test suite is fully automated and is continuously extended and maintained by the IT engineering team.

IT Infrastructure

Eleving's core IT infrastructure is centrally managed by the Group's IT team, which is responsible for all network, server, service and mission critical production system operations and business application support.

Local IT support is provided by local IT teams or outsourced to local IT support service providers to ensure fast service deliveries and communication in local languages that is convenient for the end users.

Eleving has concluded the transition to cloud computing service providers and all mission critical production systems utilize the advantages of high availability, fast scalability and business continuity offered by the leading service providers - Microsoft Azure or AWS.

Data Backup Strategy

Eleving relies on the high availability of Microsoft Azure and AWS platforms and the available backup services. Eleving works on automation of the infrastructure in order to support business continuity, implementing principles of “Infrastructure as Code” - allowing to deploy new instances of systems in short timeframe in alternative locations if this would be required.

Monitoring

There are comprehensive monitoring systems implemented and running 24/7, continuously inspecting system performance, harvesting statistics and analyzing system/user activities. Data is aggregated to ensure a 3 layer monitoring: IT Infrastructure Monitoring, System Health Check and Business Process Monitoring. Should any warning or fault be detected, an alert is raised automatically.

Reporting Platform

Data warehouse (DWH) solution, together with the reporting platform, gather data from all databases into one unified source , providing a comprehensive set of dashboards and reports for decision making and business steering in an effective way.

Microsoft Power BI (the leading BI tool according to Gartner Magic Quadrant for Analytics and Business Intelligence Platforms in 2021) is selected as the reporting platform for management and KPI operations reports on all levels (country, region, group). Pre-processed data is available for immediate analysis and is used for various purposes, including customer scoring algorithm adjustments and target customer segmentation for new marketing campaigns.

IT Cost Control

Eleving keeps a low cost base by utilizing cloud computing services that can be scaled up rapidly as needed without major investments. IT running costs and investments are monitored continuously and revised regularly, with a focus on reassessing costs, revising investments and identifying opportunities for further optimization.

IT Security

Eleving employs a multi-layered security strategy. IT security management program utilizes risk-based architecture for consistent IT security practice. Eleving deploys and maintains a stack of security infrastructure technologies. Security testing, threat modeling and risk assessment processes are implemented. The information security team continuously mitigates and monitors vulnerabilities and threats. In face of new and changing threats Eleving adapts its defenses accordingly.

XIII. CREDIT AND RISK MANAGEMENT

1. Risk Management

Risk management at Eleving is defined as a process of identifying, monitoring and managing potential risks in order to minimize the negative impact they may have on an organization. To ensure efficient process of significant risk management at all stages, Eleving describes the general framework and duties in internal policies and guidelines.

Internal policies and guidelines pursue the following objectives, for each operational company of the Group:

- to establish the framework required for the identification of significant risks;
- to assess the exposure to significant risks;
- to establish the techniques and indicators to be used for the management of significant risks, including with reference to the adequacy of the limits system;
- to allocate the risk management duties within the entity;
- to establish the framework required for risk reporting (reporting typology– indicators, content; frequency, users);
- to establish the entity's risk profile in line with the entity's business strategy; and
- to establish the measures required for addressing the conflicts of interests at the level of the risk management function and the conditions required for the independent exercise of the risk management function.

2. Risk Management Process

The Risk Management process consists of 4 main parts:

- Risk identification
- Risk management
- Risk monitoring
- Risk control

Eleving has defined the following significant risks: (i) financial risk, (ii) legal risk, (iii) operational risk and (iv) reputational risk.

a. Financial Risk

The Group's activities are exposed to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management focuses on financial markets and seeks to minimize potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain risk exposures which are carried out by the central treasury department (the Group's treasury).

Liquidity Risk

The Group controls its liquidity by managing the amount of funding it attracts through peer-to-peer platforms, which provides the management greater flexibility to manage the level of borrowings and available cash balances. Also, the Group manages its

longer-term liquidity needs by obtaining funding from international capital markets, in particular by issuing the Bonds and the AS mogo Notes.

Credit Risk

The Group is exposed to credit risk through its finance lease receivables, loans, and advances, as well as cash and cash equivalents. The key areas of credit risk policy cover lease and loan granting process (including solvency check of the lessee or the borrower), monitoring methods, as well as decision making principles. The Group uses financed vehicles as collateral to significantly reduce the credit risk. The Group operates by applying a clear set of finance lease and loan granting criteria. These criteria include assessing the credit history of the customer, means of lease and loan repayment and understanding the lease object. The Group takes into consideration both quantitative and qualitative factors when assessing the creditworthiness of the customer. Based on this analysis, the Group sets the credit limit for each and every customer. When the lease agreement has been signed, the Group monitors the lease object and the customer's solvency. The Group has developed a lease monitoring process that helps quickly spot any possible non-compliance with the provisions of the agreement. The receivable balances are monitored on an ongoing basis to ensure that the Group's exposure to bad debts is minimized, and, where appropriate, sufficient provisions are being made. The Group does not have a significant credit risk exposure to any single counterparty but is exposed to risks to group of counterparties having similar characteristics.

Market Risk

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

Currency Risk

Currency risk is defined as the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Group is exposed to the effects of fluctuations in the prevailing foreign currency exchange rates on its financial position and cash flows. The most significant foreign currency exposure comes from Georgia, Armenia, Uzbekistan, Ukraine and Moldova, where the Group has evaluated potential hedging options, but due to the costs associated with it, has decided not to pursue hedging strategy for now and assume potential short to mid-term currency fluctuations with retaining potential upside from strengthening of the mentioned currencies. Nevertheless, the Group has a practice of pricing in the currency risk within the cost of its products in the most volatile markets from a foreign currency perspective.

In addition, the Group is making substantial progress in issuing as many loans as possible in EUR and USD currencies. Having now a significant portfolio of USD loans and leases, mainly linked to Belarus, Kenya and Uganda, the Group has started to proactively manage the foreign currency exposure risk towards USD. The proactive management of USD exposure can be observed by forward contract purchases that have started already in 2020 and will continue in 2021.

The Group has decreased its exposure to volatile foreign currencies from 32% of its net loan portfolio (as of 30 June 2020) to 13% of its net loan portfolio (as of 30 June 2021). In addition to the measures outlined above, this has been achieved by successful divestments from markets that previously operated in a volatile foreign exchange environment.

Interest Rate Risk

Cash flow interest rate risk means the risk that future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates, in particular that the Group's income or the value of its portfolios of financial assets might be affected as a result. The management of Eleving believes that for the Group, interest rate risk is not material since all loans are issued and received at fixed rates and most of the borrowings as well as loans issued to customers are long term.

b. Legal Risk

Legal risks are mainly derived from regulatory changes which the Group successfully manages with the help of in-house legal department and external legal advisors that closely follow latest developments and the legal environment. While the majority of our operating entities are financial institutions, we are not regulated as a bank, payment institution or e-money institution in any of our operating jurisdictions. The regulatory framework applicable to our operating entities varies depending on the jurisdiction in which we are operating. The relevant regulations relate to, *inter alia*, lending and leasing activities, consumer rights protection, the processing of personal data, debt collection and the prevention of money laundering and financing of terrorism.

c. Operational Risk

The Group's operational risks are managed by successful underwriting procedures in the loan issuance process as well as efficient debt collection procedures.

d. Reputational Risk

Reputational risk is concerned with the exposure of Eleving to events that could adversely affect customers' trust in its products, could decrease its customer portfolio or could lead to: (i) an increased difficulty in attracting new customers; (ii) difficulty in raising financing sources; (iii) difficulty in retaining the employees; (iv) non-compliance with the requirements set forth by local authorities. Eleving reputational risk monitoring is performed e.g. by monitoring of the local and central media, monitoring Eleving's activity with focus on the events that could expose the company to a reputational risk (specifically those related to customer relations and to the relationships with the supervisory authority) and monitoring the amount of complaints received from customers.

XIV. COMPETITION

Eleving's vehicle finance business line has very limited competition in the markets where it operates due to the lack of companies specializing in purely used motor-vehicle lending. Furthermore, used motor-vehicle lending is not the immediate market segment at which a typical unsecured lending company would target, mainly due to the essential physical presence (branch network) which requires capital expenditure in infrastructure and due to the necessity of establishing close relationships with used motor-vehicle dealers.

In certain markets, Eleving also competes with financial institutions, such as banks, credit unions and other consumer lenders offering unsecured loans that can be used for motor-vehicle purchase.

Eleving's consumer finance business line competes with non-bank lenders which usually have only online operations. Eleving has a unique mix of a vast network of physical branches and a well established online lending platform. This way Eleving addresses a wider population of potential customers and is able to offer fast loan issuance process both online and offline.

The table below describes Eleving's key competitors, apart from commercial banks, in the countries of operation and a brief overview of the relevant market.

Country	Main Competitors	Description of the Market
Latvia (vehicle finance)	Money Express Credit	Customer mobility is enhanced by offering used cars through 3 main product types: leasing, car loan and used-car long-term rent. Eleving is one of the leading companies in used-car leasing and long-term rent services and the only one offering both of those services since all other competitors offer either financing or short-term rent services. Commercial banks have the biggest share of the unsecured-installment loan market.
	Nord Auto Līzings	
	BigBank AS	
	Aizdevums.lv (Marginalen AB)	
	IncCredit Group	
(car rent)	Primero finance (associated entity to Eleving)	AS Renti was the first company in 2018 to introduce used-car long-term rent in the Latvian market with the possibility for customers to select a car on their own (as opposed to choosing a car offered by a car rental company) from any registered car dealers in Latvia. The continuously growing popularity of long-term rent services and the used-car financing solutions result in increased demand for Eleving's services in Latvia.
	Current Watu auto	
Estonia (vehicle finance)	InBank	Eleving has a significant market presence in Estonia. According to market research conducted by KOG Institutas during Q2, 2021, the recognition of the Mogo brand is around
	Holm Bank AS	
	TF Bank	

		8%, which is better than that of its biggest competitors.
Lithuania (vehicle finance)	General Financing Bigbank Inbank	The used-vehicle financing market in Lithuania is gradually growing, offering car leasing and car loans as primary financing instruments. The market is highly regulated by local authorities, protecting consumer rights in both used-car leasing and other financing areas. Among major market players, Eleving stands out for its product offering and operational flexibility. In 2017, the Group expanded its market base by introducing long-term rent for used vehicles. Eleving is also considered one of the leaders in this market segment. As of now, Eleving offers a full range of financial and non-financial solutions to customers who are looking to obtain a vehicle.
Georgia (vehicle finance)	Eurocredit Swisscapital Starto Liberty Bank	Eleving has operated in the market for 7 years, developing into one of the market leaders in used-vehicle financing, having more than 200,000 unique customers. Eleving has financed acquisition/rental of more than 60,000 vehicles in Georgia, which is roughly 5% of the total number of vehicles (except for minibuses and buses) in the country in 2019, according to National Statistics Office of Georgia. With further market expansion, this share is expected to grow larger.
Romania (vehicle finance)	TBI Bank Credius ICredit	Eleving's competitors offer mainly secured lending products, which are similar to Eleving's products. Nevertheless, Eleving's products are specially designed to serve the individual needs of retail consumers, and while other financial institutions offer similar services, like credit lines secured by cars or leaseback assimilated loans or other car acquisition products, their services are targeted to a different segment of the consumer market.
Bulgaria (vehicle finance)	Amigo Credissimo TBI Bank Viva credit	In the beginning of 2017, Eleving was the first non-banking financial institution providing leasing for used cars, on a nationwide scale in Bulgaria. To date, Eleving has established itself as one of the market leaders in the non-banking used-vehicle financing space.

	Unicredit (unicreditbulbank.bg)	
Armenia (vehicle finance)	Global Credit	Eleving has been operating in Armenia for 5 years and established itself as one of the market leaders for used-vehicle financing. To date, Eleving has financed more than 16,000 vehicles, while, according to Armenia Motor Insurers Bureau, there are about 500,000 registered and operational cars in Armenia. According to publicly available financial statements, Eleving's net portfolio at the end of 2020 was 30% larger than that of Global Credit, which is Eleving's main competitor in Armenia.
Belarus (vehicle finance)	Micro-leasing Aktiv leasing Alfa leasing	Banks used to be dominant players until 2014, when government regulation allowed private leasing operations. According to the data from National Leasing Association reports, after the new legislation applicable to leasing was released, the amount of leasing contracts provided by non-banking institutions grew rapidly from 2015 until 2020 by 30-50% per year. Today, both banks and leasing companies have strong product offerings and are actively competing in the market for car financing for individuals.
Uzbekistan (vehicle finance)	Yengil Kredit Mikro Leasing Garant Invest	Eleving has a competitive edge in terms of offering longer-term loans (up to 5 years vs. 3 years, which is typical among competitors) and being more flexible in regards to a car's age. In addition, Eleving's competitive advantages in the market are the provision of fast and convenient services and the fact that it allows a customer to obtain a loan approval online.
Uganda (vehicle finance)	WATU Tugende	Since the beginning of 2021, Eleving shifted its focus to financing primarily motorcycles in Uganda due to greater than expected profitability associated with this segment. The majority of vehicles in this part of the market are income-generating assets used as taxis. A limited but growing number of typically specialized motorcycle financing entities operate in this segment. Banks generally shy away from financing

Kenya
(vehicle finance)

WATU
NGAO Credit
Platinum Credit

motorcycles, given that the customers are not salaried employees.

In the car financing sector, Eleving's competitors offer leaseback products related to used cars. They are domestic companies without strong financial support and most of them have small-scale operations, with only a small portion of them having large-scale operations. Financial leasing services are mainly offered by banking institutions, which target customers with very low risk profile and thus they do not seek to participate in the market segment in which Eleving is primarily active. Used cars are also financed by dealers, but they are not competitive since they provide quite expensive and short-term services.

According to Eleving's internal market research, Eleving is a strong runner-up to WATU in the motorcycle financing market based on financing volumes and asset base. The majority of vehicles in this segment are income-generating assets used as taxis. Banks generally shy away from financing motorcycles, given that customers are not salaried employees.

The car financing industry in Kenya is quite competitive and it seems that the competition will keep increasing. Eleving's competitors are domestic companies without strong financial support and most of them have small-scale operations, with only a small portion of them having large-scale operations. Financial leasing services are mainly offered by banking institutions, which target customers with very low risk profile and thus they do not seek to participate in the market segment in which Eleving is primarily active. Used cars are also financed by dealers, but they are not competitive since they provide quite expensive and short-term services.

Moldova (vehicle and consumer finance)	Microinvest	All of the main competitors of Eleving offer consumer financing, and some companies direct their funds mostly toward small businesses and provide consumer loans which can be used to purchase a car. Recently, Eleving's competitors also engaged in car financing, through secured car loans products.
	luteCredit	
	Credit Rapid and Express-Leasing	
	Easy Credit	
North Macedonia (consumer finance)	luteCredit	Primary competitors who offer similar products and have a comparable business model are luteCredit (the leading non-banking company in the country), Digital Finance (the company has two brands – Forza and Kreddy), M-cash and SN Finansii. There are also many relatively small companies that provide non-banking services in the market who directly compete with Eleving.
	Forza	
	Kreddy	
	M-cash	
Ukraine (consumer finance)	SN Finansii	Since the recession in the late 2000s, the consumer lending market has changed significantly. Several banks that had a substantial share of the consumer lending market failed. Tougher regulatory requirements by the National Bank of Ukraine caused many banks to reduce their appetite for risks and introduced stricter requirements for borrowers. Accordingly, several non-banking lending companies have entered the market since.
	Moneyveo	
	CreditKasa	
	Alex Credit	
Albania (consumer finance)	Sgroshi	The main competitors who offer similar products and have a comparable business model are luteCredit (the leading non-banking company in the country), Forza, NOA and Besa. There are also several relatively small companies that provide non-banking services in the market who are competing with Eleving.
	MyCredit	
	luteCredit	
	Forza	
	NOA	
	Besa	

XV. INTELLECTUAL PROPERTY

Eleving's principal operating activity is the advance of Financial Leasing, Leaseback and Consumer Loans, predominantly via our internet platform, phone, branches and broker/dealer network. The table below sets forth the websites currently used by the Group to provide its services through the internet platform. The content of these websites is not part of this Offering Memorandum.

Country	Website
Global	www.eleving.com
Latvia	www.mogo.lv www.renti.lv www.autotev.lv
Estonia	www.mogo.ee
Lithuania	www.mogo.lt www.renti.lt www.toplizingas.lt
Georgia	www.mogo.ge www.autosale.ge
Poland	www.mogo.pl auto.mogo.pl
Romania	www.mogo.ro auto.mogo.ro
Bulgaria	www.mogo.bg auto.mogo.bg
Moldova	www.mogo.md auto.mogo.md www.sebo.md
Albania	www.mogo.al auto.mogo.al www.kredo.al
Armenia	www.mogo.am www.avto1.am
Belarus	www.mogo.by auto.mogo.by

Uzbekistan	www.mogo.uz
Uganda	www.mogo.co.ug
Kenya	www.mogo.co.ke
North Macedonia	www.tigo.mk
Ukraine	www.instacash.com.ua

Besides the websites listed above, we own other domains that we plan to use for business footprint expansion to other countries, launching new products and implementing other business ideas.

To further facilitate the connection between its customers and car dealers, Eleving Vehicle Finance has also developed proprietary car sales portals in various regions. The Group has currently 10 proprietary car sales portals, with currently more than 100 cars listed on across 10 markets in Europe, Asia and Africa. The online platform serves as the main channel through which Eleving sells repossessed vehicles.

Registered Trademarks

The Group company AS "mogo" (Latvia) has figurative and word trademarks "Mogo Finance" and "mogo" registered in the Europe Union in respect of financial services under Class 36 of the Nice Classification. Based on the registration of figurative trademark 'Mogo Finance' in the Europe Union, AS "mogo" (Latvia) has registered international trademark via WIPO in respect of Albania, Armenia, Bosnia and Herzegovina, Belarus, Kenya, Kazakhstan, Moldova, North Macedonia, and Uzbekistan. In part of above-mentioned and in other countries (in Georgia, North Macedonia, Lithuania, Latvia, Estonia, Ukraine, Moldova and Kosovo), trademarks containing verbal element 'mogo' has been registered by Group companies as well.

The Issuer has a figurative trademark "Eleving" registered in the Europe Union in respect of services under Classes 35, 36 and 39 of the Nice Classification. In addition, the Issuer has filed for registration of a word trademark "Eleving" in the Europe Union in respect of services under Classes 35, 36 and 39 of the Nice Classification. The opposition period ended on 8 September 2021, and due to an opposition of the application, the registration process is still ongoing as of the date of this Offering Memorandum.

XVI. REGULATORY FRAMEWORK

While the majority of our operating entities are financial institutions, we are not regulated as a bank, payment institution or e-money institution in any of our operating jurisdictions. The regulatory framework applicable to our operating entities varies depending on the jurisdiction in which we are operating. The relevant regulations relate to, *inter alia*, lending and leasing activities, consumer rights protection, the processing of personal data, debt collection and the prevention of money laundering and financing of terrorism.

The table below sets forth the relevant local regulator in the countries in which Eleving operates.

Country	Regulator
Latvia	Consumer Rights Protection Centre
Estonia	Estonian Financial Supervision and Resolution Authority
Lithuania	Central Bank of Lithuania
Georgia	Not applicable
Romania	National Bank of Romania
Bulgaria	Bulgarian National Bank
Armenia	Central Bank of the Republic of Armenia
Belarus	National Bank of Republic of Belarus
Uzbekistan	Not applicable
Uganda	Uganda Microfinance Regulatory Authority
Kenya	Not applicable
Moldova (both lines of business have the same regulator)	National Commission of Financial Market
North Macedonia (consumer finance)	Ministry of Finance
Ukraine (consumer finance)	National Bank of Ukraine
Albania (consumer finance)	Bank of Albania

In the following, we give an overview over the most relevant major regulations in the jurisdictions of our principal operating entities of the Group as of the date of this Offering Memorandum:

Latvia

AS “mogo” (Latvia) is a licensed leasing (consumer lending) non-banking company and is required to comply with rules on consumer lending and consumer rights protection, prohibition against unfair commercial practices, personal data processing requirements, debt collection legislation, money laundering and terrorism financing prevention requirements and civil law.

A license is required for consumer lending in Latvia. Except for the credit institutions and other companies that fall under the exceptions provided under the Consumer Rights Protection Law of the Republic of Latvia, only companies having received a special license may provide credit services to consumers in Latvia. All activities regarding consumers and licenses, including compliance with anti-money laundering provisions, are supervised by the Consumer Rights Protection Center of Latvia.

Legislation sets forth requirements in respect of the relationship between lending companies and their customers as they relate to marketing and remote selling of leases, consumer loans, the terms of consumer loan agreements and information that must be disclosed to prospective customers prior to entering into a lease or loan agreement, calculation of annual interest rates and limitations of penalties and interest, assessment of consumer solvency, right of withdrawal, as well as personal data processing, client identification and due diligence under anti-money laundering procedures and debt collection.

The Latvian Consumer Rights Protection Law sets forth Latvia’s general rules on consumer credit. On the basis of the Latvian Consumer Rights Protection Law, numerous important regulations of the Cabinet of Ministers of Latvia have been adopted, including: Regulations Regarding Consumer Credit and Regulations Regarding Distance Contracts for the Provision of Financial Services. In addition, based on the applicable laws and regulations the Consumer Rights Protection Center of Latvia has adopted several non-binding guidelines for the provision on consumer lending services containing recommendations of the Consumer Rights Protection Center to the consumer crediting service providers.

According to the latest version of Law on Consumer Rights Protection, the total cost of a consumer’s credit cannot exceed 0.07% per day. This law also prohibits the promotion of lending services, except at the premises of the lender or its intermediary, or on their website or mobile application, as well as personally addressing potential clients on-site or by telephone.

The Latvian Law on the Prevention of Money Laundering and Terrorism Financing sets forth Latvia’s general rules on prevention of money laundering and terrorism financing, including, identification and due diligence of the customers of non-banking credit institutions.

The enforcement of the claims arising from consumer-credit contracts are to a great extent set forth in or affected by other legal acts, most importantly in the Latvian Law On Extrajudicial Recovery of Debt and the Civil Procedure Law.

Estonia

Mogo OÜ (Estonia) is a licensed lending (consumer lending) non-banking company in Estonia regulated and supervised by the Estonian Financial Supervision Authority. As of 2016, all consumer credit providers and intermediaries have to be licensed by the Estonian Financial Supervision Authority.

The most important laws regulating the business of mogo OÜ are the following: the Creditors and Credit Intermediaries Act in relation to capital requirements, internal

procedures and requirements for providing services; the Consumer Protection Act in relation to general consumer protection obligations; the Law of Obligations Act in relation to contractual aspects of credit transactions, including consumer credit specific requirements (*inter alia*, provision of information, assessment of creditworthiness and limitations of the terms and conditions of the credit agreements), the Money Laundering and Terrorist Financing Prevention Act and the Advertising Act prescribing restrictions on advertising. In addition, the company must comply with the guidelines on the Estonian Financial Supervision Authority in respect to, *inter alia*, responsible lending, outsourcing and IT-systems.

The enforcement of the claims arising from consumer-credit contracts are to a great extent set forth in, or affected by, other legal acts, most importantly in the General Part of the Civil Code Act and the Code of Civil Procedure.

Lithuania

UAB “mogo LT” (Lithuania) is a leasing (consumer lending) non-banking company, approved and included in a Public List of Consumer Credit Providers handled by the Bank of Lithuania. Companies are able to provide consumer credit services in Lithuania only after inclusion in the Public list.

The company must comply with rules on consumer lending and consumer rights protection, stated in a consumer credit law and in the Central Bank guidelines on consumer lending, such as limitations on debt-to-income rate, average income amount, penalties and percentage, obtaining client data from specific registers, and criteria for termination of consumer agreements. Anti-money laundering requires all new clients to be identified physically or through approved technological solutions.

The major laws and regulations concerning the business of Mogo are: Law on Consumer Credit; Anti-Money Laundering law; Personal data protection law; Regulations on the Assessment of the Creditworthiness of Consumer Credit Borrowers and Responsible Lending; Regulations on the Assessment of the Solvency of Consumer Credit Borrowers; Consumer Credit Provision Guidelines.

Georgia

Mogo LLC (Georgia) is a leasing non-banking company in Georgia, not requiring any license for leasing operations. There is no specific regulatory and or supervising body for such leasing activities in Georgia. It should be noted, however, that leasing companies (i.e. a company, which issues a lease in the amount of 30,000 GEL or more) are subjected to anti-money laundering (AML) requirements by being included into the statutorily defined list of monitoring entities (entities that are required to monitor and relevantly report transactions executed with involvement of their customers) and are therefore required to submit regular reporting to Financial Monitoring Service, an independent governmental agency in charge of AML compliance by relevant monitoring entities.

The existing legislative framework in the field of leasing is lessor-friendly. Georgian law since February 2019 sets a maximum annual percentage rate (APR) of 50%, but does not impose any mandatory requirements for co-financing of the leased property by the lessee or lessor. The major law for leasing and recovery of debts is the Civil Code of Georgia (Chapter Four) which is mainly used in relation to consumers. Georgian Consumer protection law mainly regulate consumer lending, but leasing is excluded from its scope.

In the sphere of consumers and protection of their rights, Georgia has implemented a law which is fully constructed and based on the EU directive on consumer protection

in the indication of prices of products offered to consumers, the EU directive on unfair terms in consumer contracts, the EU directive concerning misleading and comparative advertising, as well as the EU directive on unfair commercial practices. The implementation of the EU directive on the protection of consumers with regards to distance contracts is also expected.

Romania

Mogo IFN SA (Romania) is a consumer lending non-banking company, with strict supervision from the National Bank of Romania. Mogo IFN SA is registered in the “Special Registry” and has to comply with some conditions similar to the ones applicable to banks (e.g., Mogo IFN SA needs to have an audit committee and a risk committee, and it needs to submit financial statements audited by top-tier auditors or at least by auditors acceptable to the National Bank of Romania).

The company must comply with the rules on consumer lending and consumer rights protection stated in the consumer credit law and Central Bank guidelines on consumer lending. Among the limitations: debt-to-income ratio has to be reasonable; Mogo IFN SA may not grant credit without client proven fiscal income, and fees and penalties are strongly regulated.

Armenia

Mogo LLC (Armenia) is a licensed non-banking credit institution. Its license allows Mogo LLC to issue any type of loans. The financial sector of Armenia is regulated by the Central Bank of Armenia, and companies are able to provide any type of loan after receiving the license from the Central Bank of Armenia.

A cap on the annual interest rate is applied to non-banking credit organizations and to credit institutions. The Central Bank of Armenia also applies a cap on penalties for overdue payments.

The main Armenian laws and regulations applicable to the business of Mogo LLC are the Law on Credit Institutions, the Law on Consumer lending, the Law on Combating Money Laundering and Terrorism Financing, the Procedure on reporting to the Central Bank of Armenia, the Terms, forms and procedures of communication between financial organizations and consumers and the Law on Financial System Mediator.

According to Armenian law, depending on the report, credit institutions, including Mogo LLC have to present reports to Central Bank with weekly, monthly, quarterly and annually frequency.

North Macedonia

FINANCIAL COMPANY TIGO FINANCE DOOEL SKOPJE is a financial company, registered at the Central Registry of North Macedonia upon prior License no. 13-6093/4 of 25.08.2017, issued by the Ministry of Finance of North Macedonia, in accordance with the Law on Financial Companies. The issued license entitles FINANCIAL COMPANY TIGO FINANCE DOOEL SKOPJE to issue loans in accordance with the Law on Consumer Protection during Consumer Loans.

During its day-to-day operations, the company must comply and adhere to, among others, the following legislation:

- Law on Financial Companies - contains provisions regarding the founding and operation of financial companies, as well as the conditions and terms that must be met by the company in order to obtain a license and other types of approval from the Ministry of Finance as the supervisory body;

- Law on Consumer Protection during Consumer Loans – contains provisions which regulate the statutory elements of the loan agreement which is concluded between the company and the consumer, and other aspects of the lending process such as the obligation to check the creditworthiness of the client, the pre-contractual information and form and content of the notifications that need to be delivered to the Ministry of Finance. The relevant supervisory body is the Ministry of Finance;
- Law on Anti Money Laundering and Terrorism Financing– contains provisions which regulate the statutory obligation to draft and implement an AML risk assessment and a program for reducing the risk from money laundering and terrorism financing, as well as the obligation to obtain a statement during transactions with publicly exposed persons (PEP). The relevant supervisory body is the Financial Intelligence Unit;
- Law on Personal Data Protection – contains provisions that regulate the collecting and processing of personal data of Tigo's clients, applicants, employees and job candidates. The Macedonian Law on Personal Data Protection is fully harmonized with the EU General Data Protection Regulation. The relevant supervisory body is the Data Protection Agency;
- Labour Law;
- Law on Trade Companies;
- Law on Safety and Protection at work;
- Law on Electronic Documents, Electronic Identifications and Confidential Services; and
- Law on Archive Material.

Albania

Mogo Albania SH.A. (Albania) is a non-bank financial institution, registered with the Central Bank of Albania and operates under the law no 9396 dated 12 May 2005 on "Financial Leasing". As commercial company it is registered as well at National Business Register (QKB) and has a NUIS L71528013A. As such we comply with Central Bank Regulation and Tax Legislation for car trading (financial leasing).

KREDO FINANCE SHPK is a non-bank financial institution, registered with the Central Bank of Albania and operates under the law no 9662 dated 18 December 2006, as amended, titled "For Banks in the Republic of Albania". As a commercial company, it is registered as well at the National Business Register (QKB) and has a registration No. L71610009A, in compliance with the Albanian Law on Entrepreneurs and Companies. As such we comply with the Central Bank Regulations and tax legislation for lending activity.

The main Albanian laws and regulations applicable to the business of Mogo Albania:

- Central Bank of Albania regulatory which includes: licensing of the activity as financial leasing, reporting on portfolio growth (lending practices) and quality (delinquency ratios), capital adequacy, management profiles and corporate governance structure; and
- Regulations of Road Directory in reference of being in compliance with rules and requirements about the cars conditions in the ownership of Mogo Albania.

The main Albanian laws and regulations applicable to the business of KREDO FINANCE SHPK:

- Central Bank of Albania regulations which includes: licensing of the lending, reporting on portfolio growth (lending practices) and quality (delinquency ratios), capital adequacy, management profiles and corporate governance structure:
 - The Regulation no. 1 dated 17.01.2013 "On licensing and activity of non-bank financial Institutions" and supervised by the Bank of Albania (BoA);
 - Regulation 48/2015 "On consumer credit and mortgage credit";
 - Regulation 59/2008 "On the transparency for banking and financial products and services", integrated version;
 - Regulation 2/2013 "On risk management in the activity of non-bank financial institutions", integrated version; and
 - Regulation 72/2020 "On the functioning of the Credit Registry in the Bank of Albania, as well as the conditions and procedures for the recognition, use and review of the data administered in it.

The main Albanian laws and regulations applicable to the business of both Mogo Albania and KREDO FINANCE SHPK:

- Tax law and regulation in reference of VAT applied for every lease transaction and double taxation;
- Consumer protection law in reference of transparency and all law requirements about the terms and conditions;
- Anti-money laundry law in reference of the identifying the company's customers and reporting on a regular basis to local authorities of suspicious transactions and/or sources of funds for the business; and
- Labour inspectorate; to be in compliance with labour code and work conditions mandatory to be fulfilled as an employer and to provide periodic reporting on the number of staff, salaries, insurance paid etc.

Moldova

O.C.N. "MOGO LOANS" S.R.L. (Moldova) carries out (leasing services) non-banking credit activities in Moldova. O.C.N. "MOGO LOANS" S.R.L. has been registered, by 1 April 2019, with the Registry of National Commission for Financial Markets of Moldova in order to comply with all the requirements set by the Law on Non-Bank Credit Organizations No. 1/2018 in Moldova as regards to non-banking credit organization which entered into force on 1 October 2018.

OCN SEBO CREDIT SRL in its decision making and administration applies Law No. 845 dated 3 January 1992 on Business and Enterprises, Law No. 135 dated 14 June 2007 on Limited Liability Companies, Law No. 1 dated 16 March 2018 on Non-Banking Credit Organizations, the Civil Code of the Republic of Moldova.

Belarus

MOGO Credit LLC (Belarus) is a non-credit financial institution engaged in leasing activities in accordance with the Decree of the President of the Republic of Belarus under the strict supervision of the National Bank of the Republic of Belarus. MOGO Credit LLC (Belarus) is included in the register of leasing organizations of the National

Bank of the Republic of Belarus and is obliged to regularly provide the National Bank of the Republic of Belarus and publish in the public domain reports on its activities, as well as on its financial condition. In accordance with the requirements of the National Bank of the Republic of Belarus, the company has established a procedure for assessing financial stability and the business reputation of the lessee, the liquidity of the leased asset, and risk management.

XVII. INFORMATION ABOUT THE ISSUER

1. General Information about the Issuer

Legal and Commercial Name, Business Address and Website

The legal and commercial name of the Issuer is Eleving Group.

The registered office of the Issuer is at 8-10 Avenue de la Gare, L-1610 Luxembourg, Grand Duchy of Luxembourg, its telephone number is +352 26 18 61 and its fax number is +352 26 84 54 10. The Issuer's legal identifier (LEI) is 894500N14T2GUDX0FL66.

The website of the Issuer is <https://eleving.com/>. The information on the website of the Issuer does not form part of this Offering Memorandum unless that information is incorporated by reference into this Offering Memorandum.

History and Development of the Issuer, Commercial Register

The Issuer was incorporated on 18 December 2012, and operates, under the laws of Luxembourg, as a public limited liability company (*société anonyme*) with unlimited duration under the legal name of "Twelve Purslane S.A.". The legal name of the Issuer has been changed from "Twelve Purslane S.A." to "Mogo Finance", pursuant to the decision of an extraordinary general meeting of the then shareholders of the Issuer, recorded through a notarial deed dated 28 May 2014 and later from "Mogo Finance" to "Eleving Group" pursuant to the decision of an extraordinary general meeting of the then shareholders of the Issuer, recorded through a notarial deed dated 15 July 2021.

The Issuer is registered with Luxembourg trade and companies register (*Registre de Commerce et des Sociétés, Luxembourg*) under number B.174457.

Business Purpose and Objectives of the Issuer

Pursuant to Article 3 of the restated articles of association (*statuts coordonnés*) of the Issuer dated 6 June 2016 as amended pursuant to shareholder resolutions dated 12 October 2018, 29 October 2019 and 15 July 2021, the Issuer's purpose is to invest, acquire and take participations and interests, in any form whatsoever, in Luxembourg or foreign companies or entities having a purpose similar to the purpose of the Issuer and to acquire through participations, contributions, purchases, options or in any other way any securities, rights, interests, patents, trademarks and licenses or other property as the Issuer shall deem fit, and generally to hold, manage, develop, encumber, sell or dispose of the same, in whole or in part, for such consideration that is in the corporate interest of the Issuer.

The Issuer may also enter into any financial, commercial or other transactions and grant to any company or entity that forms part of the same group of companies as the Issuer or is affiliated in any way with the Issuer, including companies or entities in which the Issuer has a direct or indirect financial or other kind of interest, any assistance, loan, advance or grant in favor of third parties any security or guarantee to secure the obligations of the same, as well as borrow and raise money in any manner and secure by any means the repayment of any money borrowed.

Finally the Issuer may take any action and perform any operation which is, directly related to its purpose in order to facilitate the accomplishment of such purpose.

The articles of association of the Issuer have been amended several times since its incorporation, and for the last time, pursuant to a notarial deed dated 15 July 2021 and

published in the Luxembourg *Recueil Electronique des Sociétés et Associations*, under number RESA_2021_156.807.

Business Overview

The Issuer's business operations consist of providing financing to the Group companies. The Issuer is financed through its share capital, external debt and cash from the activities of the Group's operating companies. The Issuer's ability to pay principal, interest and premium, if any, on the Bonds is therefore dependent on financing and cash transferred to it from the operating companies of the Group.

Material Adverse Change in the Prospects of the Issuer

There has been no material adverse change in the prospects of the Issuer since 31 December 2020.

Material Changes in the Borrowing and Funding Structure of the Issuer

There has been no material changes in the borrowing and funding structure of the Issuer since 31 December 2020.

Investments

For a description of the investments made by the Group, including the Issuer, please refer to Section "*Information about the Group - Recent Events and Trends*".

Corporate Governance

In its decision making and administration, the Issuer applies the Luxembourg Company Law and the Issuer's articles of association.

The Issuer complies with its country's of incorporation corporate governance regime.

Financial Year of the Issuer

The financial year of the Issuer commences on January 1 and ends on December 31 of each calendar year.

Independent Auditor

The statutory auditor (*réviseur d'entreprises agréé*) of the Issuer is KPMG Luxembourg (*société coopérative*), incorporated under the laws of Luxembourg, having its registered office at 39, avenue John F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg and registered with the Luxembourg trade and companies register (*Registre de Commerce et des Sociétés, Luxembourg*) under number B.149133.

KPMG Luxembourg (*société coopérative*) is a member of the Luxembourg Institute of Statutory Auditors (*Instituts des réviseurs d'entreprises*).

2. Share Capital and Shareholders of the Issuer

The Issuer has a fully paid-up share capital of EUR 1,000,000 (one million euro) divided into 100,000,000 (one hundred million) ordinary shares each having a par value of EUR 0.01 (one euro cent).

The following table sets out the shareholding of the Issuer as at the date of this Offering Memorandum:

	Details of the shareholder	Number of shares	Percentage	UBO
1	SIA “AK Family Investments” , a limited liability company registered in the Republic of Latvia, company registration number under the Latvian Commercial Register 52103097551, having its registered office at Jūras iela 12, Liepāja, LV-3401, Latvia	43,591,654	43.59%	Aigars Kesenfelds
2	AS Novo Holdings , a joint-stock company registered in the Republic of Latvia, registration number under the Latvian Commercial Register 40103806598, having its registered office at Skanstes iela 52, Rīga, LV-1013, Latvia	14,563,759	14.56%	Alberts Pole
3	AS Obelo Capital , a joint-stock company registered in the Republic of Latvia, registration number under the Latvian Commercial Register 40103806155, having its registered office at Skanstes iela 52, Rīga, LV-1013, Latvia	14,563,960	14.56%	Māris Keišs
4	LVS Limited , a limited liability company registered in the Republic of Malta, registration number under the Malta Register C51156, having its registered office at 40, Villa Fairholme, Sir Augustus Bartolo Street, Ta' Xbiex XBX 1095, Malta	14,563,960	14.56%	Kristaps Ozols
5	Other Shareholders , controlled by current and former employees of the Issuer	12,716,667	12.72%	N/A
	Sum	100,000,000	100%	

The shareholders of the Issuer have granted subordinated shareholder loans to the Issuer to rebalance the Issuer's Capitalization Ratio (as defined in the Terms and

Conditions). Such shareholder loans are and will be subordinated to the obligations of the Issuer and the Guarantors under the Finance Documents, and, according to its terms, have a final redemption date which occur after the Maturity Date and provide for payments of principal and interest only to the extent that any such payment can only be made in accordance with Condition 11.2 (*Distributions*) of the Terms and Conditions. For the outstanding amounts as of the date of this Offering Memorandum, see Section - XVIII. "*Information about the Group and the Guarantors*", 9 "*Related Party Transactions*".

XVIII. INFORMATION ABOUT THE GROUP AND THE GUARANTORS

1. History of the Group

AS “mogo” was founded in May 2012 by a group of individuals and companies and commenced operations offering leaseback products in Latvia in July 2012 and financial leasing products in August 2012.

Back in 2012 the founders of AS “mogo” realized that people willing to drive quality second hand used cars lacked financing availability. At the same time the value of those cars over the course of three to four years of utilization was stable and depreciated significantly slower than the value of the new cars. On top of that, the demand for used cars and actual sales volumes were much higher compared to those for new cars. The idea of Mogo was born. Financing any car people want to drive irrespective of age or other constraints. Mogo fulfils dreams and needs for mobility and freedom.

As the company was growing, it realized that people around Europe shared the same dreams in line with the AS “mogo” offering. Hence the Group successfully expanded its operations.

From 2013 to 2014, the Group initiated operations in Lithuania, Estonia and Georgia. From 2016 to 2019, the Group initiated additional operations in Poland, Romania, Bulgaria, Moldova, Albania, Ukraine, North Macedonia, Uganda, Kenya, Kazakhstan and Uzbekistan through the establishment of new start-up entities, and in Armenia, North Macedonia, Belgium, the Netherlands and Germany by purchasing an operating entity. See “—Group Structure—Legal Structure” below.

In 2017, the Group launched installment loans in Latvia.

As part of the post-pandemic near term strategy and focus on smart capital allocation, the Group made three strategic acquisitions in Moldova, North Macedonia, and Albania, all profitable and mature companies operating in the field of consumer financing. Simultaneously the Group was engaged in divestment of several of its start up Mogo markets resulting in the sale of following – North Macedonia, Bulgaria, Albania, and Kazakhstan, as well as the sale of Risk Management Services OÜ, with Bulgaria and Albania transactions still to be approved by local authorities.

Currently operating in 14 countries – Latvia, Lithuania, Estonia, Georgia, Romania, Moldova, Belarus, Albania, Armenia, Ukraine, North Macedonia, Uganda, Kenya, and Uzbekistan – Eleving is still growing.

2. Beneficial ownership

As of the date of this Offering Memorandum, the beneficial owners of the Issuer are:

- a. Aigars Kesenfelds, holding indirectly 43.69% of the voting share capital of the Issuer;
- b. Alberts Pole, holding indirectly 14.56% of the voting share capital of the Issuer;
- c. Kristaps Ozols, holding indirectly 14.56% of the voting share capital of the Issuer; and
- d. Māris Keišs, holding indirectly 14.56% of the voting share capital of the Issuer.

(together, the “**Founders**”)

The remaining voting share capital of the Issuer is controlled by current and former employees of the Issuer.

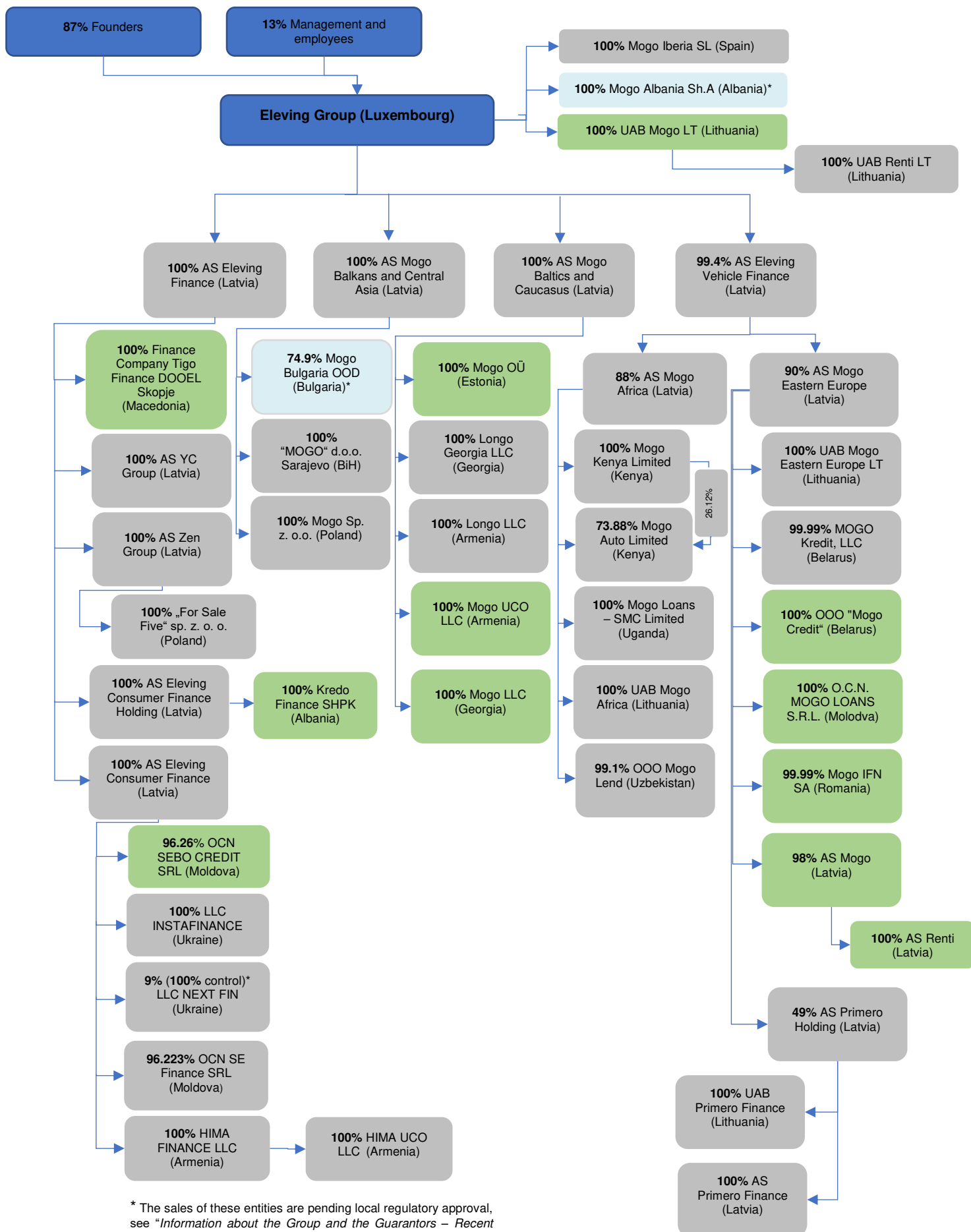
There are no particular measures to prevent abusive exercise of control on the Issuer. The Issuer's board of directors believes that the Issuer's corporate governance structure, together with the provisions of Luxembourg corporate law, provides sufficient safeguards against the abuse of controlling interests by shareholders.

3. Issuer and Subsidiaries

The table below sets forth the list of Guarantors as of the date of this Offering Memorandum.

	Legal entity (Country)	Direct Shareholder	Ownership	LEI
1.	AS "mogo" (<i>Latvia</i>)	AS Mogo Eastern Europe	98%	213800DOKX626GYVOI32
2.	mogo OÜ (<i>Estonia</i>)	AS Mogo Baltics and Caucasus	100%	894500O6EC87XECNSH80
3.	UAB "mogo LT" (<i>Lithuania</i>)	Eleving Group	100%	39120022FMEDWPAHAI87
4.	Mogo LLC (<i>Georgia</i>)	AS Mogo Baltics and Caucasus	100%	894500O761Z24B022906
5.	Mogo IFN SA (<i>Romania</i>)	AS Mogo Eastern Europe	99.99%	894500QW65WQAKW0A937
6.	O.C.N. "MOGO LOANS" S.R.L. (<i>Moldova</i>)	AS Mogo Eastern Europe	100%	894500VY0OPZ52J91R45
7.	OOO "Mogo Credit" (<i>Belarus</i>)	AS Mogo Eastern Europe	99.99%	894500VXPLMFV3VHQN64
8.	MOGO Universal Credit Organization LLC (<i>Armenia</i>)	AS Mogo Baltics and Caucasus	100%	894500Q63TANX0C5R15
9.	AS Renti (<i>Latvia</i>)	AS "mogo"	100%	894500SMOY1FAOF1IQ54
10.	OCN SEBO CREDIT SRL (<i>Moldova</i>)	AS Eleving Consumer Finance	96.26%	894500BZQ8TY7F8KMR30
11.	Kredo Finance Shpk (<i>Albania</i>)	AS Eleving Consumer Finance Holding	100%	894500BZVSDPUEKGAB39
12.	Finance Company TIGO FINANCE DOOEL Skopje (<i>North Macedonia</i>)	AS Eleving Finance	100%	894500C01BXHHDWBXV82

The chart below sets forth the legal structure and ownership of the Group and the Guarantors as of the date of this Offering Memorandum.



4. Information about the Guarantors

(1) AS “mogo” (Latvia)

Legal and commercial name	AS “mogo”
Registration number	50103541751
Date and place of incorporation	3 May 2012, Riga, the Republic of Latvia
Registered office address	Skanstes street 52, LV-1013 Riga, Latvia
Principal business activities	Vehicle financial leasing and leaseback services
License:	The company carries a license for the provision of consumer credits issued by the Consumer Rights Protection Center of Latvia. License issuance date: 18 July 2016. License No. NK-2016-008
Website:	www.mogo.lv The information on the website does not form part of this Offering Memorandum unless that information is incorporated by reference into this Offering Memorandum.

General Information about AS “mogo”

History and Development; Commercial Register

AS “mogo” was incorporated on 3 May 2012, and operates, under the laws of Latvia as a joint stock company with unlimited duration.

AS “mogo” is registered with Register of enterprises of the Republic of Latvia under No. 50103541751.

Legal and Commercial Name, Financial Year and Business address

The company’s legal name is AS “mogo” and it operates under the commercial name “AS “mogo””.

The registered office of AS “mogo” is at Skanstes street 52, LV-1013 Riga, Latvia, and its telephone number is +371 66 900 900.

The financial year of AS “mogo” commences on 1 January and ends on 31 December each calendar year.

Business Overview

Vehicle financial leasing and leaseback services.

According to the company’s articles of association (Art. 3), the purpose of AS “mogo” is to provide financial leasing, other credit granting, other financial service activities, except insurance and pension funding not elsewhere classified, other activities auxiliary to financial services, except insurance and pension funding, sale of cars and light motor vehicles, sale of motor vehicles, activities of insurance agents and brokers.

For a more detailed description of the business activities, including key strengths, strategy, products, marketing, competition, intellectual property as well as a description of operations, processes, IT technology and credit and risk management, please refer to the Sections “Business”, “Physical Footprint”, “Marketing”, “Underwriting and Review”, “Portfolio Management”, “Information Technology”, “Credit and Risk

Management", "Competition and Intellectual Property". Further, the regulatory framework of business operations is described in more detail – and also for the jurisdiction of Latvia – under Section "Regulatory Framework".

Administrative, Management and Supervisory Parties of AS "mogo"

Management

As of the date of this Offering Memorandum, AS "mogo" is managed by the management board, consisting of a chairman of the board and a member of the management board. Both members have rights to represent the company vis-à-vis third parties.

As at the date of this Offering Memorandum, members of the management board of the company are:

- Chairman of the management board - Krišjānis Znotiņš

Krišjānis has several years of experience in the financial sector from leading companies such as SIA "DNB līzings" as well as Luminor Bank AS Latvia branch's business client services in Latvia. Krišjānis Znotiņš is a graduate of BA School of Business and Finance and has obtained MBA degree from SBS Swiss business school in Switzerland.

Krišjānis Znotiņš has no principal activities outside the Group.

- Member of the management board – Aivis Lonskis

Aivis Lonskis has graduated from BA School of Business and Finance and obtained a Master's degree. Since September 2019 Aivis Lonskis has been the deputy head of AS "mogo". Aivis has previously gained financial/leasing experience by working at Nordea Bank AB Latvia Branch and "Swedbank" AS. In addition, Aivis Lonskis has gained experience from the car industry by working at Moller Baltic Import AS (Volkswagen importer in Baltics, Audi Importer in Latvia and Lithuania) and leading Volkswagen and Audi Leasing product and used car brands Das WeltAuto and Audi: Approved Plus.

Aivis Lonskis has no principal activities outside the Group.

Supervisory board

AS "mogo" is supervised by a supervisory board consisting of 3 supervisory board members, which has the right to supervise the management board.

As of the date of this Offering Memorandum, the supervisory board of the company consists of:

- Chairman of the supervisory board – Valerij Petrov, with business address at Vivulskio street 7, Vilnius, Lithuania

Valerij Petrov acted as country manager in Lithuania from January 2018 until January 2019, has acted as a COO in Lithuania since July 2014 and is currently the regional CEO. Valerij holds a BA in Economics from Vilnius University and MA in Law and International business from International Business School in Lithuania (TVM). He has experience in business development having been the head of business development at Energijos Tiekimas – a leading retail electricity supply company (part of Lietuvos Energija group), where he was responsible for new product development and expansion to new markets.

- Deputy chairman of the supervisory board – Vladislavs Mejertāls, with business address at Skanstes street 52, Riga, Latvia, LV-1013

Vladislavs Mejertāls has graduated from the Stockholm School of Economics and obtained a Master's degree (MBA) and since 2019 Vladislavs is the regional COO of AS "Mogo Eastern Europe" which currently oversees the Mogo markets in Latvia, Lithuania, Romania, Moldova and Belarus. Before joining the Group, Vladislav has gained significant experience in the non-bank lending and debt collection industries, managing the non-bank lending company Wandoo Spain, and also worked for more than six years at ASA B2Holding group companies in the Baltics.

- Member of the supervisory board – Neringa Plauškiene

Neringa Plauškiene holds a B.Sc degree in Finance from Vilnius University. Since June 2019, she joined the Group as the regional CFO at AS "Mogo Eastern Europe" which currently oversees mogo markets in Latvia, Lithuania, Romania, Moldova and Belarus. Before joining the Group, Neringa has gained extensive experience in the finance field by working more than five years at the energy and utility sector as well as almost six years at the audit department at EY Lithuania.

Valerij Petrov, Vladislavs Mejertāls, Neringa Plauškiene have no principal activities outside the Group.

Conflicts of Interest

There are no potential conflicts of interest between any duties arising to the company of its management and the supervisory board and their private interests or their other duties.

Organizational Structure and Shareholders

98% of AS "mogo" issued shares are held by AS Mogo Eastern Europe. There are no particular measures to prevent abusive exercise of control on AS "mogo". Its corporate governance structure, together with the provisions of Latvian corporate law, provides sufficient safeguards against the abuse of controlling interests by shareholders.

Share Capital of AS "mogo"

The share capital of AS "mogo" is EUR 5,000,000 and is divided into 5,000,000 ordinary, fully paid-up shares with the nominal value of EUR 1.00 each.

Auditors

The auditor of AS "mogo" for the financial years ended 31 December 2020 and 31 December 2019 is KPMG Baltics AS, incorporated under laws of Latvia with its registered office at Vesetas iela 7, Rīga, LV-1013, Latvia and registered with the Register of Enterprises of the Republic of Latvia under number 40003235171. KPMG Baltics AS is a member of the Latvian Association of Certified Auditors.

Audit Committee

The audit committee oversees AS "mogo"'s financial reporting process to ensure the transparency and integrity of published financial information, the effectiveness of AS "mogo"'s internal control and risk management system, the effectiveness of the internal audit function, the effectiveness of the independent audit process of AS "mogo"'s, including recommending the appointment and assessing the performance of the external auditor, and the effectiveness of the process for monitoring compliance with laws and regulations affecting financial reporting and code of business conduct (where applicable).

The audit committee is set up and its members are appointed by the shareholders' meeting of AS "mogo". The audit committee consist of three members, being currently

Neringa Plauškiene, Vladislavs Mejertāls and Māriete Šnepe. Each member of the audit committee has been appointed for undefined period of time.

Corporate Governance

In its decision making and administration, AS “mogo” applies Latvian Commercial law (*Komerclikums*) and its articles of association.

AS “mogo” complies with its country’s of incorporation corporate governance regime.

Financial Statements

AS “mogo” is required by law to publish audited stand-alone and consolidated annual financial statements and interim semi-annual unaudited consolidated reports. AS “mogo” is in compliance with such requirements.

Material Contracts of AS “mogo”

For a description of the material contracts to which AS “mogo” is a party to, please refer to Section “– *Material Agreements*” below.

Legal Proceedings of AS “mogo”

AS “mogo” is currently not party to any legal proceedings which are material for the company and/or the Group. For a description of the legal proceedings relating to the entire Group, please refer to Section “– *Legal Proceedings*” below.

Material Adverse Change in the Prospects of AS “mogo”

There has been no material adverse change in the prospects of AS “mogo” since 31 December 2020.

Material Changes in the Borrowing and Funding Structure of AS “mogo”

There has been no material changes in the borrowing and funding structure of AS “mogo” since 31 December 2020.

Outlook for AS “mogo”

For a description of the prospects of the Group, including AS “mogo”, please refer to Section “– *Recent Events and Trends*” below.

(2) mogo OÜ (Estonia)

Legal and commercial name	mogo OÜ
Registration number	12401448
Date and place of incorporation	8 January 2013, Tallin, the Republic of Estonia
Registered office address	Harju maakond, Tallinn, Kesklinna linnaosa, Pärnu mnt 102b, 11312, Republic of Estonia
Principal business activities	Vehicle financial leasing services
License:	The company carries a license for the provision of consumer credits issued by the Estonian Financial Supervision Authority. License issuance date: 8 February 2016. Decision No. 4.1-1/11
Website:	www.mogo.ee The information on the website does not form part of this Offering Memorandum unless that information is incorporated by reference into this Offering Memorandum.

General Information about mogo OÜ

History and Development; Commercial Register

Mogo OÜ was incorporated on 8 January 2013, and operates, under the laws of Estonia as a private limited liability company with unlimited duration.

Mogo OÜ is registered with Register of enterprises of Estonia under No. 12401448.

Legal and Commercial Name, Financial Year and Business address

The company's legal name is mogo OÜ and it operates under the commercial name "mogo OÜ".

The registered office of mogo OÜ is at Harju maakond, Tallinn, Kesklinna linnaosa, Pärnu mnt 102b, 11312, Republic of Estonia, and its telephone number is+372 6888200.

The financial year of mogo OÜ commences on 1 January and ends on 31 December each calendar year.

Business Overview

Vehicle financial leasing services and consumer lending.

According to the company's articles of association (Art. 3), the purpose of mogo OÜ is to provide financial leasing, other lending services, financial service activities not classified elsewhere, except of insurance and pension funding, other activities complementary to financial services, except of insurance and pension funding, sale of cars and other passenger vehicles, sale of other automobiles, activities of insurance agent and brokers provided that company has obtained the required registration.

For a more detailed description of the business activities, including key strengths, strategy, products, marketing, competition, intellectual property as well as a description of operations, processes, IT technology and credit and risk management, please refer to the Sections "*Business*", "*Physical Footprint*", "*Marketing*", "*Underwriting and Review*", "*Portfolio Management*", "*Information Technology*", "*Credit and Risk*".

Management", "*Competition and Intellectual Property*". Further, the regulatory framework of business operations is described in more detail – and also for the jurisdiction of Estonia – under Section "*Regulatory Framework*".

Administrative, Management and Supervisory Parties of mogo OÜ

Management

mogo OÜ is managed by two board members. Both members have the right to represent the company vis-à-vis third parties solely.

As at the date of this Offering Memorandum, board members of the company are:

- Marti Küttis, with business address at Pärnu mnt 102b, 11312, Tallinn, Republic of Estonia

Marti has acted as country manager and board member in Estonia since September 2020. Marti holds an entrepreneurship and business management degree from Tallinn University and has completed the SWC Manager's Edge program by Southwestern Consulting. Before joining mogo OÜ, Marti worked as manager at Eesti Maavara OÜ and as sales consultant at LHV Asset Management / Lindomare OÜ.

Marti Küttis has no principal activities outside the Group.

- Helen Rookäär, with business address at Pärnu mnt 102b, 11312, Tallinn, Republic of Estonia

Helen Rookäär has acted as head of debt collection in Estonia since September 2020 and since June 2021 as head of risks and board member. Helen holds a Bachelor of Science degree from Tallinn University of International Relations. She has more than 10-years of experience in working for several Estonian financial companies and has acted as the team leader at Transcop and as the head of customer relations in Cash On Go Ltd.

Helen Rookäär has no principal activities outside the Group.

Conflicts of Interest

There are no potential conflicts of interest between any duties arising to the company of its management and their private interests or their other duties.

Organizational Structure and Shareholders

The sole shareholder of mogo OÜ is AS Mogo Baltics and Caucasus. There are no particular measures to prevent abusive exercise of control on mogo OÜ. Its corporate governance structure, together with the provisions of Estonian corporate law, provides sufficient safe guards against the abuse of controlling interests by shareholders.

Share Capital of mogo OÜ

The share capital of mogo OÜ is EUR 60,000, consisting of one (1) ordinary fully paid-up share with nominal value of EUR 60,000, of which each EUR 1.00 grants one (1) vote.

Auditors

The auditor of mogo OÜ for the financial years ended 31 December 2020 and 31 December 2019 is KPMG Baltics OÜ, incorporated under laws of Estonia with its registered office at Narva mnt 5, 10117 Tallinn, Estonia. KPMG Baltics OÜ is a member of the Estonian Auditors' Association.

Audit Committee

As of the date of this Offering Memorandum mogo OÜ has no internal audit committee.

Corporate Governance

In its decision making and administration, mogo OÜ applies Estonian Commercial Code and its articles of association.

mogo OÜ complies with its country's of incorporation corporate governance regime.

Financial Statements

mogo OÜ is required by law to prepare annual audited stand-alone financial statements. mogo OÜ is in compliance with such requirements.

mogo OÜ is not required to prepare and has not prepared interim financial statements.

Material Contracts of mogo OÜ

For a description of the material contracts to which mogo OÜ is a party to, please refer to Section “– *Material Agreements*” below.

Legal Proceedings of mogo OÜ

mogo OÜ is currently not party to any legal proceedings which are material for the company and/or the Group. For a description of the legal proceedings relating to the entire Group, please refer to Section “– *Legal Proceedings*” below.

Material Adverse Change in the Prospects of mogo OÜ

There has been no material adverse change in the prospects of mogo OÜ since 31 December 2020.

Material Changes in the Borrowing and Funding Structure of mogo OÜ

There has been no material changes in the borrowing and funding structure of mogo OÜ since 31 December 2020.

Outlook for mogo OÜ

For a description of the prospects of the Group, including mogo OÜ, please refer to Section “– *Recent Events and Trends*” below.

(3) UAB mogo LT (Lithuania)

Legal and commercial name	UAB mogo LT
Registration number	302943102
Date and place of incorporation	31 December 2012, Vilnius, the Republic of Lithuania
Registered office address	Perkūnkiemio g. 6, Vilnius, Lithuania
Principal business activities	Vehicle financial leasing, consumer loan and long-term vehicle rental services
License:	The company is included in the Public List of Consumer Credit Providers handled by the Bank of Lithuania allowing to provide credit services for consumers.
Website:	www.mogo.lt The information on the website does not form part of this Offering Memorandum unless that information is incorporated by reference into this Offering Memorandum.

General Information about UAB mogo LT

History and Development; Commercial Register

UAB mogo LT was incorporated on 31 December 2012, and operates, under the laws of Lithuania as a private limited liability company with unlimited duration.

UAB mogo LT is registered with Register of enterprises of Lithuania under No. 302943102.

Legal and Commercial Name, Financial Year and Business address

The company's legal name is UAB mogo LT and it operates under the commercial name "UAB mogo LT".

The registered office of UAB mogo LT is at Perkūnkiemio g. 6, Vilnius, LT-12130 Lithuania, and its telephone number is +370 700 80099.

The financial year of UAB mogo LT commences on 1 January and ends on 31 December each calendar year.

Business Overview

Vehicle financial leasing, consumer loan and long-term vehicle rental services.

According to the company's articles of association (Art. 3), the purpose of UAB mogo LT is to provide financial leasing, other lending services, financial service activities, not classified elsewhere (except of insurance and pension funding), other activities complementary to financial services (except of insurance and pension funding), sale of cars and other passenger vehicles, sale of other automobiles, activities of insurance agents and brokers.

For a more detailed description of the business activities, including key strengths, strategy, products, marketing, competition, intellectual property as well as a description of operations, processes, IT technology and credit and risk management, please refer to the Sections "*Business*", "*Physical Footprint*", "*Marketing*", "*Underwriting and Review*", "*Portfolio Management*", "*Information Technology*", "*Credit and Risk Management*", "*Competition and Intellectual Property*". Further, the regulatory

framework of business operations is described in more detail – and also for the jurisdiction of Lithuania – under Section “*Regulatory Framework*”.

Administrative, Management and Supervisory Parties of UAB mogo LT

Management

UAB mogo LT is managed by a sole director, who has the right to represent the company vis-à-vis third parties.

As at the date of this Offering Memorandum, sole director of the company is:

- Laurynas Dzindzelėta, with business address at Perkūnkiemio g. 6, Vilnius, LT-12130, Lithuania

Laurynas has joined Mogo on June 2019 as a country manager in Lithuania and possesses experience in product/project management, as well as leadership experience from his previous roles at Nasdaq Vilnius Services and several Swedbank subsidiaries in Lithuania. Laurynas holds a MA in Economics from Vilnius University.

Laurynas Dzindzelėta has no principal activities outside the Group

Conflicts of Interest

There are no potential conflicts of interest between any duties arising to the company of its management and their private interests or their other duties.

Organizational Structure and Shareholders

100% of UAB mogo LT issued shares are held by Eleving Group. There are no particular measures to prevent abusive exercise of control on UAB mogo LT. Its corporate governance structure, together with the provisions of Lithuanian corporate law, provides sufficient safeguards against the abuse of controlling interests by shareholders.

Share Capital of UAB mogo LT

The share capital of UAB mogo LT is EUR [2,499,827.20] and is divided into [86,320] ordinary, fully paid-up shares with the nominal value of EUR [28.96] each.

Auditors

The auditor of UAB mogo LT for the financial years ended 31 December 2020 and 31 December 2019 is “KPMG Baltics”, UAB, incorporated under laws of Lithuania with its registered office at Lvovo g. 101, Vilnius, LT-08104 and registered with the Register of enterprises of Lithuania under number 111494971. “KPMG Baltics”, UAB is a member of the Lithuanian Chamber of Auditors.

Audit Committee

As of the date of this Offering Memorandum UAB mogo LT has no internal audit committee.

Corporate Governance

In its decision making and administration, UAB mogo LT applies Lithuanian Law on Companies and its articles of association.

UAB mogo LT complies with its country's of incorporation corporate governance regime.

Financial Statements

UAB mogo LT is required by law to prepare annual audited stand-alone financial statements. UAB mogo LT is in compliance with such requirements.

UAB mogo LT is not required to prepare and has not prepared interim financial statements.

Material Contracts of UAB mogo LT

For a description of the material contracts to which UAB mogo LT is a party to, please refer to Section “– *Material Agreements*” below.

Legal Proceedings of UAB mogo LT

UAB mogo LT is currently not party to any legal proceedings which are material for the company and/or the Group. For a description of the legal proceedings relating to the entire Group, please refer to Section “– *Legal Proceedings*” below.

Material Adverse Change in the Prospects of UAB mogo LT

There has been no material adverse change in the prospects of UAB mogo LT since 31 December 2020.

Material Changes in the Borrowing and Funding Structure of UAB mogo LT

There has been no material changes in the borrowing and funding structure of UAB mogo LT since 31 December 2020.

Outlook for UAB mogo LT

For a description of the prospects of the Group, including UAB mogo LT, please refer to Section “– *Recent Events and Trends*” below.

(4) Mogo LLC (Georgia)

Legal and commercial name	Mogo LLC
Registration number	404468688
Date and place of incorporation	18 March 2014, Tbilisi, Georgia
Registered office address	42a Al. Kazbegi Street, Vake-Saburtalo District, 0160, Tbilisi, Georgia
Principal business activities	Vehicle financial leasing services
License:	No license required to provide leasing services in Georgia.
Website:	www.mogo.ge

The information on the website does not form part of this Offering Memorandum unless that information is incorporated by reference into this Offering Memorandum.

General Information about Mogo LLC

History and Development; Commercial Register

Mogo LLC was incorporated on 18 March 2014, and operates, under the laws of Georgia as a limited liability company with unlimited duration.

Mogo LLC is registered with Register of enterprises of Georgia under No. 404468688

Legal and Commercial Name, Financial Year and Business address

The company's legal name is Mogo LLC and it operates under the commercial name "Mogo LLC".

The registered office of Mogo LLC is at 42a Al. Kazbegi Street, Vake-Saburtalo District, 0160, Tbilisi, Georgia, and its telephone number is +995 32 2244600.

The financial year of Mogo LLC commences on 1 January and ends on 31 December each calendar year.

Business Overview

Vehicle financial leasing services.

According to the company's articles of association (Art. 3), the purpose of Mogo LLC is to provide financial leasing, other lending services, financial service activities not classified elsewhere, except for insurance and pension funding, other activities complementary to financial services, except of insurance and pension funding, sale of cars and other passenger vehicles, sale of automobiles.

For a more detailed description of the business activities, including key strengths, strategy, products, marketing, competition, intellectual property as well as a description of operations, processes, IT technology and credit and risk management, please refer to the Sections "Business", "Physical Footprint", "Marketing", "Underwriting and Review", "Portfolio Management", "Information Technology", "Credit and Risk Management", "Competition and Intellectual Property". Further, the regulatory framework of business operations is described in more detail – and also for the jurisdiction of Georgia – under Section "Regulatory Framework".

Administrative, Management and Supervisory Parties of Mogo LLC

Management

Mogo LLC is managed by a sole director, who has the right to represent the company vis-à-vis third parties.

As at the date of this Offering Memorandum, sole director of the company is:

- Shota Kekelia, with business address at Tbilisi Vakhtang Bochorishvili st. N 37, app:114a (formerly Physical Education St.)

Shota Kekelia joined the Group as a country manager from a regional alternative online lending company, where he was the CEO for the previous 4 years. Prior to that Shota has been working for various banks in Georgia in loan issuance, credit card and back office operations. With 17 years of expertise from the financial sector and a hands on approach to business, Shota helps to significantly grow the Group's business in Georgia.

Shota Kekelia has no principal activities outside the Group

Supervisory board

Mogo LLC is supervised by a supervisory board, consisting of 3 supervisory board members, which has the right to supervise the sole director.

As of the date of this Offering Memorandum, supervisory board of the company consists of:

- Modestas Sudnius, with business address at Skanstes street 52, Riga, Latvia, LV-1013

See “.XIX – Management” below.

- Kārlis Bērziņš, with business address at Skanstes street 52, Riga, Latvia, LV-1013

Since February 2018, Mr. Berzinš has been the Group's chief information officer in the Latvia, Lithuania, Estonia, Georgia and Armenia region. He has previous work experience as an IT manager in the RB Rail joint venture – a company responsible for the international Rail Baltica project implementation coordination, and, before that, Karlis has worked as the head of IT division and Baltic management team member in the insurance company Gjensidige Baltic. He holds a bachelor's degree in E-commerce from RSEBAA.

- Edgars Kokins, with business address at Skanstes street 52, Riga, Latvia, LV-1013

Edgars Kokins joined Eleving in 2019 in the role of regional COO, being promoted to the position of regional CEO within a year from joining the Group. Edgars has directly worked with 11 markets in which Eleving operates and currently holds a regional CEO position covering the Armenia, Estonia, Georgia, Poland, and Balkan markets. Having a degree from Stockholm School of Economics, Edgars has demonstrated a history of multi-dimensional experience in product launch, new market entry (both greenfield and re-launch), large scale operations optimization, and building of new teams across Asia, Europe, and Africa, mostly focusing on fintech, telecommunications and banking industries.

Modestas Sudnius, Kārlis Bērziņš and Edgars Kokins have principal activities outside the Group

Conflicts of Interest

There are no potential conflicts of interest between any duties arising to the company of its management and the supervisory board and their private interests or their other duties.

Organizational Structure and Participation Holders

100% of Mogo LLC issued participation rights are held by AS Mogo Baltics and Caucasus. There are no particular measures to prevent abusive exercise of control on Mogo LLC. Its corporate governance structure, together with the provisions of Georgian corporate law, provides sufficient safeguards against the abuse of controlling interests by participation holders.

Capital of Mogo LLC

The capital of Mogo LLC is GEL 200,000 and is divided into participations instead of shares with 1 voting right per percentage of participation. The capital is fully paid-up and all participations grant the same rights to the participation holders of Mogo LLC.

Auditors

The auditor of Mogo LLC for the financial years ended 31 December 2020 and 31 December 2019 is LLC KPMG Georgia, incorporated under laws of Georgia with its registered office at 4, Liberty square, Tbilisi, 0105, , Georgia and registered under number 404437695, SARAS-A-471283 - Transaction Partner Registration Number - Karen Safaryan. LLC KPMG Georgia is a member of the Georgian Federation of Professional Accountants and Auditors.

Audit Committee

As of the date of this Offering Memorandum Mogo LLC has no internal audit committee.

Corporate Governance

In its decision making and administration, Mogo LLC applies the Law on Entrepreneurs of Georgia and its articles of association.

Mogo LLC complies with its country's of incorporation corporate governance regime.

Financial Statements

Mogo LLC is required by law to prepare annual audited stand-alone financial statements. Mogo LLC is in compliance with such requirements.

Mogo LLC is not required to prepare and has not prepared interim financial statements.

Material Contracts of Mogo LLC

For a description of the material contracts to which Mogo LLC is a party to, please refer to Section “– *Material Agreements*” below.

Legal Proceedings of Mogo LLC

Mogo LLC is currently not party to any legal proceedings which are material for the company and/or the Group. For a description of the legal proceedings relating to the entire Group, please refer to Section “– *Legal Proceedings*” below.

Material Adverse Change in the Prospects of Mogo LLC

There has been no material adverse change in the prospects of Mogo LLC since 31 December 2020.

Material Changes in the Borrowing and Funding Structure of Mogo LLC

There has been no material changes in the borrowing and funding structure of Mogo LLC since 31 December 2020.

Outlook for Mogo LLC

For a description of the prospects of the Group, including Mogo LLC, please refer to Section “– *Recent Events and Trends*” below.

(5) Mogo IFN SA (Romania)

Legal and commercial name	Mogo IFN SA
Registration number	35917970
Date and place of incorporation	6 April 2016, Bucharest, Romania
Registered office address	Calea Mosilor, number 51, floor 2, Sector 3, Bucharest
Principal business activities	Secured credit services
License:	License for other credit services issued by the National Bank of Romania on 9 November 2016.
Website:	www.mogo.ro

The information on the website does not form part of this Offering Memorandum unless that information is incorporated by reference into this Offering Memorandum.

General Information about Mogo IFN SA

History and Development; Commercial Register

Mogo IFN SA was incorporated on 6 April 2016, and operates, under the laws of Romania as a joint stock company with unlimited duration.

Mogo IFN SA is registered with Register of enterprises of Romania under No. 35917970.

Legal and Commercial Name, Financial Year and Business address

Company's legal name is Mogo IFN SA and it operates under the commercial name "Mogo IFN SA".

The registered office of Mogo IFN SA is at Calea Mosilor, number 51, floor 2, sector 3, Bucharest, and its telephone number is +40 031 630 2621.

The financial year of Mogo IFN SA commences on 1 January and ends on 31 December each calendar year.

Business Overview

Vehicle financing through secured loans.

According to the company's articles of association (Art. 5), the purpose of Mogo IFN SA is to provide other financial service activities, except insurance and pension funding, other credit granting – business deal funding.

For a more detailed description of the business activities, including key strengths, strategy, products, marketing, competition, intellectual property as well as a description of operations, processes, IT technology and credit and risk management, please refer to the Sections "*Business*", "*Physical Footprint*", "*Marketing*", "*Underwriting and Review*", "*Portfolio Management*", "*Information Technology*", "*Credit and Risk Management*", "*Competition and Intellectual Property*". Further, the regulatory framework of business operations is described in more detail – and also for the jurisdiction of Romania – under Section "*Regulatory Framework*".

Administrative, Management and Supervisory Parties of Mogo IFN SA

Management

Mogo IFN SA is managed by a general manager, who has the right to represent the company vis-à-vis third parties.

As at the date of this Offering Memorandum, general manager of the company is:

- Andrei Dragu, with business address at Calea Mosilor, number 51, floor 2, sector 3, Bucharest

Andrei Dragu is 40 years old and has 15-year experience in the financial and banking sector in Romania, including over 7 years in restructuring and managing non-banking financial institutions as general manager of fintech and online lending businesses – Mozipo IFN and GM Simplu Credit IFN – lending to retail and companies. In addition, Andrei Dragu has 8 years of experience in the Romanian banking sector as regional director at Credit Agricole Bank, in SMS business development at Piraeus Bank and relationship manager at Unicredit Bank in Romania. He holds a master's degree in finance and banking

Andrei Dragu has no principal activities outside the Group.

Supervisory board

Mogo IFN SA is supervised by a supervisory board, consisting of 3 supervisory board members, which has the right to supervise the general manager.

As of the date of this Offering Memorandum, the supervisory board of the company consists of:

- Valerij Petrov, chairman of the council, with business address at Vivulskio street 7, Vilnius, Lithuania

Valerij Petrov acted as country manager in Lithuania from January 2018 until January 2019, has acted as a COO in Lithuania since July 2014 and is currently the regional CEO. Valerij holds a BA in Economics from Vilnius University and MA in Law and International business from International Business School. He has experience in business development having been the head of business development at Energijos Tiekimas – a leading retail electricity supply company (part of Lietuvos Energija group), where he was responsible for new product development and expansion to new markets.

- Vladislavs Mejertāls, member of the council, with business address at Skanstes Street 52, Riga, Latvia

Vladislavs Mejertāls has graduated from the Stockholm School of Economics and obtained a Master's degree (MBA) and since 2019 Vladislavs is the regional COO of AS "Mogo Eastern Europe" which currently oversees the Mogo markets in Latvia, Lithuania, Romania, Moldova and Belarus. Before joining the Group, Vladislav has gained significant experience in the non-bank lending and debt collection industries, managing the non-bank lending company Wandoo Spain, and also worked for more than six years at ASA B2Holding group companies in the Baltics.

- Neringa Plauškiene, member of the council, with business address at Vivulskio street 7, Vilnius, Lithuania

Neringa Plauškiene holds a B.Sc degree in Finance from Vilnius University. Since June 2019, she joined the Group as the regional CFO at AS "Mogo Eastern Europe" which currently oversees mogo markets in Latvia, Lithuania, Romania, Moldova and Belarus. Before joining the Group, Neringa has gained extensive experience in the finance field by working more than five years at the energy and utility sector as well as almost six years at the audit department at EY Lithuania.

Valerij Petrov, Vladislavs Mejertāls and Neringa Plauškiene have no principal activities outside the Group.

Conflicts of Interest

There are no potential conflicts of interest between any duties arising to the company of its management and the supervisory board and their private interests or their other duties.

Organizational Structure and Shareholders

99.99% of Mogo IFN SA issued shares are held by AS Mogo Eastern Europe (Latvia). 0.01% of Mogo IFN SA issued shares are held by AS “mogo” (Latvia). There are no particular measures to prevent abusive exercise of control on Mogo IFN SA. Its corporate governance structure, together with the provisions of Romanian corporate law, provides sufficient safeguards against the abuse of controlling interests by shareholders.

Share Capital of Mogo IFN SA

The share capital of Mogo IFN SA is RON 924,000 and is divided into 10,500 ordinary, fully paid-up shares with the nominal value of RON 88 each.

Auditors

The auditor of Mogo IFN SA for the financial years ended 31 December 2020 and 31 December 2019 is KPMG Audit SRL, incorporated under laws of Romania with its registered office at Sos. Bucuresti- Ploiesti, nr. 69-71, Parter, cam. Nr. 02, Sector 1, Bucharest and registered with the Trade Registry under number J40/4439/2000. KPMG Audit SRL is a member of Chamber of Financial Auditors of Romania.

Audit Committee

Audit Committee

The Audit Committee of Mogo IFN SA consists of two members, being Valerij Petrov and Neringa Plauškiene.

Summary of the terms of reference of the Audit Committee: The Audit Committee is a standing committee, which operates independently from the management, directly subordinated to the Supervisory Board and having an advisory function. The Audit Committee assists the Supervisory Board to carry out its responsibilities. The committee is responsible for, among other things, the planning and reviewing of the company's financial statements and the supervision of its auditors in the review of such financial statements. The audit committee focuses particularly on the company's compliance with legal requirements, accounting standards, financial and regulatory reporting requirements and ensuring that effective systems for internal financial control.

Corporate Governance

In its decision making and administration, Mogo IFN SA applies Romanian Civil Code and its articles of association.

As consumer lending non-banking company, Mogo IFN SA needs also to have an audit committee and a risk committee, and it needs to submit financial statements audited by top-tier auditors or at least by auditors acceptable to the National Bank of Romania.

Mogo IFN SA complies with its country's of incorporation corporate governance regime.

Financial Statements

Mogo IFN SA is required by law to prepare annual audited stand-alone financial statements. Mogo IFN SA is in compliance with such requirements.

Mogo IFN SA is not required to prepare and has not prepared interim financial statements.

Material Contracts of Mogo IFN SA

For a description of the material contracts to which Mogo IFN SA is a party to, please refer to Section “– *Material Agreements*” below.

Legal Proceedings of Mogo IFN SA

Mogo IFN SA is currently not party to any legal proceedings which are material for the company and/or the Group. For a description of the legal proceedings relating to the entire Group, please refer to Section “– *Legal Proceedings*” below.

Material Adverse Change in the Prospects of Mogo IFN SA

There has been no material adverse change in the prospects of Mogo IFN SA since 31 December 2020.

Material Changes in the Borrowing and Funding Structure of Mogo IFN SA

There has been no material changes in the borrowing and funding structure of Mogo IFN SA since 31 December 2020.

Outlook for Mogo IFN SA

For a description of the prospects of the Group, including Mogo IFN SA, please refer to Section “– *Recent Events and Trends*” below.

(6) O.C.N. “MOGO LOANS” S.R.L. (Moldova)

Legal and commercial name	O.C.N. MOGO LOANS” S.R.L.
Registration number	1017600033216
Date and place of incorporation	4 August 2017, Chisinau
Registered office address	MD-2060, Cuza-Voda 20/A, Chisinau, Moldova
Principal business activities	Vehicle financial leasing services and non-banking loans provision
License:	No license required to provide leasing services and granting non-banking loans in Moldova.
Website:	www.mogo.md The information on the website does not form part of this Offering Memorandum unless that information is incorporated by reference into this Offering Memorandum.

General Information about O.C.N. “MOGO LOANS” S.R.L.

History and Development; Commercial Register

O.C.N. “MOGO LOANS” S.R.L. was incorporated on 4 August 2017, and operates, under the laws of Moldova as a limited liability company with unlimited duration.

O.C.N. “MOGO LOANS” S.R.L. is registered with Register of enterprises of Moldova under No. 1017600033216.

Legal and Commercial Name, Financial Year and Business address

Company’s legal name is O.C.N. “MOGO LOANS” S.R.L. and it operates under the commercial name “O.C.N. “MOGO LOANS” S.R.L.” (previously “Mogo Loans S.R.L.”).

The registered office of O.C.N. “MOGO LOANS” S.R.L. is at MD-2060, Cuza-Voda 20/A, Chisinau, Moldova, and its telephone number is +37322802828.

The financial year of O.C.N. “MOGO LOANS” S.R.L. commences on 1 January and ends on 31 December each calendar year.

Business Overview

Vehicle financial leasing services and non-banking loans provision.

According to the company’s articles of association (Art. 2.1), the purpose of O.C.N. “MOGO LOANS” S.R.L. is financial leasing, other lending services, financial service activities not classified elsewhere, except for insurance and pension funding, other activities complementary to financial services, except of insurance and pension funding, sale of cars and other passenger vehicles, sale of other automobiles.

For a more detailed description of the business activities, including key strengths, strategy, products, marketing, competition, intellectual property as well as a description of operations, processes, IT technology and credit and risk management, please refer to the Sections “*Business*”, “*Physical Footprint*”, “*Marketing*”, “*Underwriting and Review*”, “*Portfolio Management*”, “*Information Technology*”, “*Credit and Risk Management*”, “*Competition and Intellectual Property*”. Further, the regulatory framework of business operations is described in more detail – and also for the jurisdiction of Moldova – under Section “*Regulatory Framework*”.

Administrative, Management and Supervisory Parties of O.C.N. "MOGO LOANS" S.R.L.

Management

O.C.N. "MOGO LOANS" S.R.L. is managed by a sole administrator, who has the right to represent the company vis-à-vis third parties.

As at the date of this Offering Memorandum, sole administrator of the company is:

- Veaceslav Luchianenco, with business address at MD-2060, Cuza-Voda 20/A, Chisinau, Moldova

Since March 2019, Veaceslav Luchianenco is the country manager for Moldova. Veaceslav Luchianenco has 20 years of experience in the financial and banking sector. He has a proven record of successful managerial and project management activities in solid international banks and companies, including Procredit Bank, Total Leasing & Finance and Prime Capital in Moldova.

Veaceslav Luchianenco has no principal activities outside the Group.

Conflicts of Interest

There are no potential conflicts of interest between any duties arising to the company of its management and their private interests or their other duties.

Organizational Structure and Shareholders

The sole shareholder of O.C.N. "MOGO LOANS" S.R.L. is AS Mogo Eastern Europe. There are no particular measures to prevent abusive exercise of control on O.C.N. "MOGO LOANS" S.R.L.. Its corporate governance structure, together with the provisions of Moldavian corporate law, provides sufficient safeguards against the abuse of controlling interests by shareholders.

Share Capital of O.C.N. "MOGO LOANS" S.R.L.

The share capital of O.C.N. "MOGO LOANS" S.R.L. is MDL 22,465,342 constituting 100% of share capital.

Auditors

The auditor of O.C.N. "MOGO LOANS" S.R.L. for the financial years ended 31 December 2020 and 31 December 2019 is ICS KPMG Moldova SRL, incorporated under laws of Moldova with its registered office at MD_2004, Stefan cel Mare 171/1 av. 4th floor, Chisinau city, Republic of Moldova and registered with the Public Service Agency under number 1002600046371 and registered in the electronic public register of audit companies under the number of 1903038.

Audit Committee

As of the date of this Offering Memorandum O.C.N. "MOGO LOANS" S.R.L. has no internal audit committee.

Corporate Governance

In its decision making and administration, O.C.N. "MOGO LOANS" S.R.L. applies "Law N.845-XII on Business and Enterprises" of Moldova, Law No. 135 from 14 June 2007 regarding Limited Liabilities Companies, Law No.1 from 16 March 2018 regarding non-bank lending organizations and its articles of association.

O.C.N. "MOGO LOANS" S.R.L. complies with its country's of incorporation corporate governance regime.

Financial Statements

O.C.N. “MOGO LOANS” S.R.L. is required by law to prepare annual audited stand-alone financial statements. O.C.N. “MOGO LOANS” S.R.L. is in compliance with such requirements.

O.C.N. “MOGO LOANS” S.R.L. is not required to prepare and has not prepared interim financial statements.

Material Contracts of O.C.N. “MOGO LOANS” S.R.L.

For a description of the material contracts to which O.C.N. “MOGO LOANS” S.R.L. is a party to, please refer to Section “– *Material Agreements*” below.

Legal Proceedings of O.C.N. “MOGO LOANS” S.R.L.

O.C.N. “MOGO LOANS” S.R.L. is currently not party to any legal proceedings which are material for the company and/or the Group. For a description of the legal proceedings relating to the entire Group, please refer to Section “– *Legal Proceedings*” below.

Material Adverse Change in the Prospects of O.C.N. “MOGO LOANS” S.R.L.

There has been no material adverse change in the prospects of O.C.N. “MOGO LOANS” S.R.L. since 31 December 2020.

Material Changes in the Borrowing and Funding Structure of O.C.N. “MOGO LOANS” S.R.L.

There has been no material changes in the borrowing and funding structure of O.C.N. “MOGO LOANS” S.R.L. since 31 December 2020.

Outlook for Mogo Loans S.R.L.

For a description of the prospects of the Group, including O.C.N. “MOGO LOANS” S.R.L., please refer to Section “– *Recent Events and Trends*” below.

(7) ООО “Мого Кредит” (“ООО “Mogo Credit””) (Belarus)

Mogo Belarus

Legal and commercial name	ООО “Мого Кредит” (“ООО “Mogo Credit””)
Registration number	192981714
Date and place of incorporation	11 October 2017, Minsk
Registered office address	Petra Mstislavtsa street 24, office No. 172, 220076, Minsk, Belarus
Principal business activities	Vehicle financial leasing services
License:	License No. 133 (identification No.10132) issued by the National Bank of Belarus on 29 November 2017. The license has no expiration date.
Website:	www.mogo.by The information on the website does not form part of this Offering Memorandum unless that information is incorporated by reference into this Offering Memorandum.

General Information about ООО “Mogo Credit”

History and Development; Commercial Register

ООО “Mogo Credit” was incorporated on 11 October 2017, and operates, under the laws of Belarus as a limited liability company with unlimited duration.

ООО “Mogo Credit” is registered with Register of enterprises of Belarus under No. 192981714.

Legal and Commercial Name, Financial Year and Business address

Company’s legal name is ООО “Mogo Credit” and it operates under the commercial name “ООО “Mogo Credit””.

The registered office of ООО “Mogo Credit” is at Petra Mstislavtsa street 24, office No. 172, 220076, Minsk, Belarus, and its telephone number is +375 17 388 28 66.

The financial year of ООО “Mogo Credit” commences on 1 January and ends on 31 December each calendar year.

Business Overview

Vehicle financial leasing services.

According to the company’s articles of association (Art. 2.1.), the purpose of ООО “Mogo Credit” is to generate profit to meet the social and business interests of the Company’s participants by conducting the business activity.

For a more detailed description of the business activities, including key strengths, strategy, products, marketing, competition, intellectual property as well as a description of operations, processes, IT technology and credit and risk management, please refer to the Sections “*Business*”, “*Physical Footprint*”, “*Marketing*”, “*Underwriting and Review*”, “*Portfolio Management*”, “*Information Technology*”, “*Credit and Risk Management*”, “*Competition and Intellectual Property*”. Further, the regulatory framework of business operations is described in more detail – and also for the jurisdiction of Belarus – under Section “*Regulatory Framework*”.

Administrative, Management and Supervisory Parties of OOO “Mogo Credit”

Management

OOO “Mogo Credit” is managed by a sole director, who has the right to represent the company vis-à-vis third parties.

As at the date of this Offering Memorandum, the sole director of the company is:

- Ivan Lagutin, with business address at Petra Mstislavtsa street 24, office No. 172, 220076, Minsk, Belarus

Country manager in Belarus since January 2018, Ivan holds an Executive MBA in management from Kozminski University – “triple crown” business school in Warsaw with accreditations from EQUIS, AMBA, and AACSB. He has an extensive experience in financial industry with over 7 years spent in various positions in corporate banking. Most recently Ivan held the position of the Head of corporate sales department at one of the most fast-growing and innovative banks in Belarus.

Ivan Lagutin has no principal activities outside the Group.

Conflicts of Interest

There are no potential conflicts of interest between any duties arising to the company of its management and their private interests or their other duties.

Organizational Structure and Shareholders

100% of OOO “Mogo Credit” issued shares are held by AS Mogo Eastern Europe. There are no particular measures to prevent abusive exercise of control on OOO “Mogo Credit”. Its corporate governance structure, together with the provisions of Belarusian corporate law, provides sufficient safeguards against the abuse of controlling interests by shareholders.

Share Capital of OOO “Mogo Credit”

The share capital of OOO “Mogo Credit” is BYN 125,000 and is represented by 1 ordinary, fully paid-up share with the nominal value of BYN 125,000.

Auditors

The auditor of OOO “Mogo Credit” for the financial years ended 31 December 2020 and 31 December 2019 is OOO KPMG. OOO KPMG is incorporated under laws of Belarus with its registered office at Platonova street 49, office No. 26-7, Minsk, Belarus and registered with the Minsk City Executive Committee under number 191434140. OOO KPMG is a member of Audit Chamber, self-regulatory organization in Belarus.

Audit Committee

As of the date of this Offering Memorandum OOO “Mogo Credit” has no internal audit committee.

Corporate Governance

In its decision making and administration, OOO “Mogo Credit” applies Belarusian law “On Public-Private Partnerships” and its articles of association.

OOO “Mogo Credit” complies with its country’s of incorporation corporate governance regime.

Financial Statements

OOO “Mogo Credit” is required by law to prepare annual unaudited stand-alone financial statements. OOO “Mogo Credit” is in compliance with such requirements. OOO “Mogo Credit” will be required by law to prepare annual audited financial statements if its annual sales revenue exceeds 14.5 million BYN.

OOO “Mogo Credit” is not required to prepare and has not prepared interim financial statements.

Material Contracts of OOO “Mogo Credit”

For a description of the material contracts to which OOO “Mogo Credit” is a party to, please refer to Section “– *Material Agreements*” below.

Legal Proceedings of OOO “Mogo Credit”

OOO “Mogo Credit” is currently not party to any legal proceedings which are material for the company and/or the Group. For a description of the legal proceedings relating to the entire Group, please refer to Section “– *Legal Proceedings*” below.

Material Adverse Change in the Prospects of OOO “Mogo Credit”

There has been no material adverse change in the prospects of OOO “Mogo Credit” since 31 December 2020.

Material Changes in the Borrowing and Funding Structure of OOO “Mogo Credit”

There has been no material changes in the borrowing and funding structure of OOO “Mogo Credit” since 31 December 2020.

Outlook for OOO “Mogo Credit”

For a description of the prospects of the Group, including OOO “Mogo Credit”, please refer to Section “– *Recent Events and Trends*” below.

(8) MOGO Universal Credit Organization LLC (Armenia)

Legal and commercial name	MOGO Universal Credit Organization LLC
Registration number	42, registration certificate No.266
Date and place of incorporation	23 June 2017, Yerevan
Registered office address	18/2, Vardanants Street, Offices 4,5,6, 0010 Yerevan, Armenia
Principal business activities	Vehicle financial leasing services
License:	License for issuing any type of loan No.42 issued by the Central Bank of Armenia on 23.06.2017. The license has no expiration date.
Website:	www.mogo.am The information on the website does not form part of this Offering Memorandum unless that information is incorporated by reference into this Offering Memorandum.

General Information about MOGO Universal Credit Organization LLC

History and Development; Commercial Register

MOGO Universal Credit Organization LLC was incorporated on 23 June 2017, and operates, under the laws of Armenia as a limited liability company with unlimited duration.

MOGO Universal Credit Organization LLC is registered with Register of CBA of Armenia under No. 42, registration certificate No.266.

Legal and Commercial Name, Financial Year and Business address

Company's legal name is MOGO Universal Credit Organization LLC and it operates under the commercial name "MOGO Universal Credit Organization LLC".

The registered office of MOGO Universal Credit Organization LLC is at 18/2, Vardanants Street, Offices 4,5,6, 0010 Yerevan, Armenia, and its telephone number is+374 12 700 700.

The financial year of MOGO Universal Credit Organization LLC commences on 1 January and ends on 31 December each calendar year.

Business Overview

Vehicle financial leasing services.

According to the company's articles of association (Art. 2), the purpose of MOGO Universal Credit Organization LLC is to provide financial operations defined by the law, including to provide credits, loans, to implement financing of the debts and other commercial transactions, factoring, to implement financial leasing.

For a more detailed description of the business activities, including key strengths, strategy, products, marketing, competition, intellectual property as well as a description of operations, processes, IT technology and credit and risk management, please refer to the Sections "*Business*", "*Physical Footprint*", "*Marketing*", "*Underwriting and Review*", "*Portfolio Management*", "*Information Technology*", "*Credit and Risk Management*", "*Competition and Intellectual Property*". Further, the regulatory framework of business operations is described in more detail – and also for the jurisdiction of Armenia – under Section "*Regulatory Framework*".

Administrative, Management and Supervisory Parties of MOGO Universal Credit Organization LLC

Management

MOGO Universal Credit Organization LLC is managed by a sole general director, who has the right to represent the company vis-à-vis third parties.

As at the date of this Offering Memorandum, sole general director of the company is

- Hakob Manukyan, with business address at 18/2, Vardanants Street, Offices 4,5,6, 0010 Yerevan, Armenia

Hakob has been working at Mogo Armenia Since 2017. He started as head of the customer services division, and afterwards was promoted to COO, and in 2019 to deputy CEO. From December 2020, Hakob is the CEO of Mogo Armenia. Hakob has more than 11 years of experience in the financial and banking sector in Armenia. Most recently he spent approximately 4 years in one of the biggest banks of Armenia as the head of the monitoring division. Hakob holds a PhD degree in economics.

Hakob Manukyan has no principal activities outside the Group.

Supervisory board

MOGO Universal Credit Organization LLC is supervised by a supervisory board consisting of 3 supervisory board members, which has the right to supervise the sole general director.

As of the date of this Offering Memorandum, supervisory board of the company consists of:

- Modestas Sudnius, with business address at Skanstes street 52, Riga, Latvia, LV-1013

See “0 – Management” below.

- Edgars Kokins, with business address at Skanstes street 52, Riga, Latvia, LV-1013

Edgars Kokins joined Eleving in 2019 in the role of regional COO, being promoted to the position of regional CEO within a year from joining the Group. Edgars has directly worked with 11 markets in which Eleving operates and currently holds a regional CEO position covering the Armenia, Estonia, Georgia, Poland, and Balkan markets. Having a degree from Stockholm School of Economics, Edgars has demonstrated a history of multi-dimensional experience in product launch, new market entry (both greenfield and re-launch), large scale operations optimization, and building of new teams across Asia, Europe, and Africa, mostly focusing on fintech, telecommunications and banking industries.

- Kārlis Bērziņš, with business address at Skanstes street 52, Riga, Latvia, LV-1013

Since February 2018, Mr. Berzinš has been Chief Information Officer in the Latvia, Lithuania, Estonia, Georgia and Armenia region. He has previous work experience as IT Manager in joint venture RB Rail – company responsible for international project Rail Baltica implementation coordination, and, before that, Karlis has worked as Head of IT division and Baltic Management Team member in insurance company Gjensidige Baltic. He has a bachelor's degree in E-commerce from RSEBAA.

Modestas Sudnius, Edgars Kokins and Kārlis Bērziņš have no principal activities outside the Group.

Conflicts of Interest

There are no potential conflicts of interest between any duties arising to the company of its management and the supervisory board and their private interests or their other duties.

Organizational Structure and Shareholders

The sole shareholder of MOGO Universal Credit Organization LLC is AS Mogo Baltics and Caucasus. There are no particular measures to prevent abusive exercise of control on MOGO Universal Credit Organization LLC. Its corporate governance structure, together with the provisions of Armenian corporate law, provides sufficient safeguards against the abuse of controlling interests by shareholders.

Share Capital of MOGO Universal Credit Organization LLC

The share capital of MOGO Universal Credit Organization LLC is AMD 1,750,000,000 and is divided into 175,000,000 ordinary, fully paid-up shares with the nominal value of AMD 10.00 each.

Auditors

The auditor of MOGO Universal Credit Organization LLC for the financial years ended 31 December 2020 and 31 December 2019 is KPMG Armenia LLC, incorporated under laws of Armenia with its registered office at Yerevan, Vazgen Sargsyan st. 26/1 and registered with the Register of enterprises of Armenia under number 286.110.1037029. KPMG Armenia LLC is a member of the Association of Accountants and Auditors of Armenia.

Audit Committee

As of the date of this Offering Memorandum MOGO Universal Credit Organization LLC has no internal audit committee.

Corporate Governance

In its decision making and administration, MOGO Universal Credit Organization LLC applies Civil Code of the Republic of Armenia and its articles of association.

MOGO Universal Credit Organization LLC complies with its country's of incorporation corporate governance regime.

Financial Statements

MOGO Universal Credit Organization LLC is required by law to prepare annual audited stand-alone financial statements. MOGO Universal Credit Organization LLC is in compliance with such requirements.

MOGO Universal Credit Organization LLC is required by law to prepare quarterly non-audited reports.

Material Contracts of MOGO Universal Credit Organization LLC

For a description of the material contracts to which MOGO Universal Credit Organization LLC is a party to, please refer to Section “– *Material Agreements*” below.

Legal Proceedings of MOGO Universal Credit Organization LLC

MOGO Universal Credit Organization LLC is currently not party to any legal proceedings which are material for the company and/or the Group. For a description of the legal proceedings relating to the entire Group, please refer to Section “– *Legal Proceedings*” below.

Material Adverse Change in the Prospects of MOGO Universal Credit Organization LLC

There has been no material adverse change in the prospects of MOGO Universal Credit Organization LLC since 31 December 2020.

Material Changes in the Borrowing and Funding Structure of MOGO Universal Credit Organization LLC

There has been no material changes in the borrowing and funding structure of MOGO Universal Credit Organization LLC since 31 December 2020.

Outlook for MOGO Universal Credit Organization LLC

For a description of the prospects of the Group, including MOGO Universal Credit Organization LLC, please refer to Section “– *Recent Events and Trends*” below.

(9) AS Renti (Latvia)

Legal and commercial name	AS Renti
Registration number	40203174147
Date and place of incorporation	10 October 2018, Latvia
Registered office address	52 Skanstes Street, Riga, LV-1013, Latvia
Principal business activities	Renting and leasing of cars and light motor vehicles, renting and leasing of trucks, sale of cars and light motor vehicles, sale of other motor vehicles
License:	No license required.
Website:	www.renti.lv The information on the website does not form part of this Offering Memorandum unless that information is incorporated by reference into this Offering Memorandum.

General Information about AS Renti (Latvia)

History and Development; Commercial Register

AS Renti was incorporated on 10 October 2018, and operates, under the laws of Latvia as a joint stock company with unlimited duration.

AS Renti is registered with Register of enterprises of Latvia under No. 40203174147.

Legal and Commercial Name, Financial Year and Business address

Company's legal name is AS Renti and it operates under the commercial name "AS Renti".

The registered office of AS Renti is at 52 Skanstes Street, Riga, LV-1013, Latvia, and its telephone number is +371 25 202 222.

The financial year of AS Renti commences on 1 January and ends on 31 December each calendar year.

Business Overview

Vehicle rental services.

According to the company's articles of association (Art. 3), the purpose of AS Renti is to provide renting and leasing of cars and other light weight motor vehicles, renting and leasing of trucks, sale of cars and light motor vehicles and sale of other motor vehicles.

For a more detailed description of the business activities, including key strengths, strategy, products, marketing, competition, intellectual property as well as a description of operations, processes, IT technology and credit and risk management, please refer to the Sections "*Business*", "*Physical Footprint*", "*Marketing*", "*Underwriting and Review*", "*Portfolio Management*", "*Information Technology*", "*Credit and Risk Management*", "*Competition and Intellectual Property*". Further, the regulatory framework of business operations is described in more detail – and also for the jurisdiction of Latvia – under Section "*Regulatory Framework*".

Administrative, Management and Supervisory Parties of AS Renti

Management

As at the date of this Offering Memorandum, AS Renti is managed by the management board, consisting of the chairman of the board and a member of the board. Both members have the right to represent the company vis-à-vis third parties.

As at the date of this Offering Memorandum, members of the board of the company are:

- Chairman of the management board - Krišjānis Znotiņš

Krišjānis has several years of experience in the financial sector from leading companies such as SIA “DNB līzings” as well as Luminor Bank AS Latvia branch’s business client services in Latvia. Krišjānis Znotiņš is a graduate of BA School of Business and Finance and has obtained MBA degree from SBS Swiss business school in Switzerland.

Krišjānis Znotiņš has no principal activities outside the Group.

- Member of the management board – Aivis Lonskis

Aivis Lonskis has graduated from BA School of Business and Finance and obtained a Master’s degree. Since September 2019 Aivis Lonskis has been the deputy head of AS “mogo”. Aivis has previously gained financial/leasing experience by working at Nordea Bank AB Latvia Branch and “Swedbank” AS. In addition, Aivis Lonskis has gained experience from the car industry by working at Moller Baltic Import AS (Volkswagen importer in Baltics, Audi Importer in Latvia and Lithuania) and leading Volkswagen and Audi Leasing product and used car brands Das WeltAuto and Audi: Approved Plus.

Aivis Lonskis has no principal activities outside the Group.

Supervisory board

AS Renti is supervised by a supervisory board, consisting of 3 supervisory board members, which has the right to supervise the management board.

As of the date of this Offering Memorandum, the supervisory board of the company consists of:

- Chairman of Supervisory board – Māris Kreics, with business address at Skanstes street 52, Riga, Latvia, LV-1013

Māris Kreics was appointed as CFO of the Eleving Group in 2015. Mr. Kreics had spent the previous 2 years in a corporate finance role working for the biggest telecommunications service company in Latvia – Lattelecom. Before that, Mr. Kreics had spent 7 years at PwC, 2 years of which he spent in New York working exclusively on one of the largest (top 5 by market capitalization) S&P 500 Tech company’s lead audit team. Mr. Kreics is a CFA charterholder and a member of the global body for professional accountants ACCA. Mr. Kreics holds a bachelor’s and master’s degree in finance.

- Deputy chairman of Supervisory board - Vladislavs Mejertāls, with business address at Skanstes street 52, Riga, Latvia, LV-1013

Vladislavs Mejertāls has graduated from the Stockholm School of Economics and obtained a Masters degree (MBA) and since 2019 Vladislavs is the regional COO of AS “Mogo Eastern Europe” which currently oversees the Mogo markets in Latvia, Lithuania, Romania, Moldova and Belarus. Before joining the Group, Vladislav has gained significant experience in the non-bank lending and debt collection industries,

managing the non-bank lending company Wandoo Spain, and also worked for more than six years at ASA B2Holding group companies in the Baltics.

- Kārlis Bērziņš, with business address at 52 Skanstes Street, Riga, LV-1013, Latvia

Since February 2018, Mr. Berzinš has been the Group's chief information officer in the Latvia, Lithuania, Estonia, Georgia and Armenia region. He has previous work experience as an IT manager in the RB Rail joint venture – a company responsible for the international Rail Baltica project implementation coordination, and, before that, Karlis has worked as the head of IT division and Baltic management team member in the insurance company Gjensidige Baltic. He holds a bachelor's degree in E-commerce from RSEBAA.

Māris Kreics, Vladislavs Mejertāls and Kārlis Bērziņš have no principal activities outside the Group.

Conflicts of Interest

There are no potential conflicts of interest between any duties arising to the company of its management and the supervisory board and their private interests or their other duties.

Organizational Structure and Shareholders

The sole shareholder of AS Renti is AS "mogo". There are no particular measures to prevent abusive exercise of control on AS Renti. Its corporate governance structure, together with the provisions of Latvian corporate law, provides sufficient safeguards against the abuse of controlling interests by shareholders.

Share Capital of AS Renti

The share capital of AS Renti is EUR 500,000 and is divided in into 500,000 ordinary, fully paid-up shares with nominal value of EUR 1.00 each.

Auditors

The auditor of AS Renti for the financial years ended 31 December 2020 and 31 December 2019 is KPMG Baltics AS, incorporated under laws of Latvia with its registered office at Vesetas iela 7, Rīga, LV-1013, Latvia and registered with the Register of Enterprises of the Republic of Latvia under number 40003235171. KPMG Baltics AS is a member of the Latvian Association of Certified Auditors.

Audit Committee

As of the date of this Offering Memorandum AS Renti has no internal audit committee.

Corporate Governance

In its decision making and administration, AS Renti applies Commercial law of Latvia and its articles of association.

AS Renti complies with its country's of incorporation corporate governance regime.

Financial Statements

AS Renti is required by law to prepare annual audited stand-alone financial statements. AS Renti is in compliance with such requirements.

AS Renti is not required to prepare and has not prepared interim financial statements.

Material Contracts of AS Renti

For a description of the material contracts to which AS Renti is a party to, please refer to Section “– *Material Agreements*” below.

Legal Proceedings of AS Renti

AS Renti is currently not party to any legal proceedings which are material for the company and/or the Group. For a description of the legal proceedings relating to the entire Group, please refer to Section “– *Legal Proceedings*” below.

Material Adverse Change in the Prospects of AS Renti

There has been no material adverse change in the prospects of AS Renti since 31 December 2020.

Material Changes in the Borrowing and Funding Structure of AS Renti

There has been no material changes in the borrowing and funding structure of AS Renti since 31 December 2020.

Outlook for AS Renti

For a description of the prospects of the Group, including AS Renti, please refer to Section “– *Recent Events and Trends*” below.

(10) OCN SEBO CREDIT SRL (Moldova)

Legal and commercial name	OCN SEBO CREDIT SRL
Registration number	1017600000371
Date and place of incorporation	6 January 2017, Chişinău, Republic of Moldova
Registered office address	42 Albisoara Street, 4th Floor, Chişinău, Republic of Moldova
Principal business activities	Non-Banking Financial Institution
License:	No license required.
Website:	www.sebo.md

The information on the website does not form part of this Offering Memorandum unless that information is incorporated by reference into this Offering Memorandum.

General Information about OCN SEBO CREDIT SRL

History and Development; Commercial Register

OCN SEBO CREDIT SRL was incorporated on 6 January 2017, and operates, under the laws of Moldova as a limited liability company with unlimited duration.

OCN SEBO CREDIT SRL is registered with Moldovan Public Services Agency under No. 1017600000371.

Legal and Commercial Name, Financial Year and Business address

The company's legal name is OCN SEBO CREDIT SRL and it operates under the commercial name "OCN SEBO CREDIT SRL".

The registered office of OCN SEBO CREDIT SRL is at 42 Albisoara Street, 4th Floor, Chişinău, Republic of Moldova and its telephone number is +37322896897.

The financial year of OCN SEBO CREDIT SRL commences on 1 January and ends on 31 December each calendar year.

Business Overview

Non-Banking Financial Institution.

According to the company's articles of association (Art. 2.2), the purpose of OCN SEBO CREDIT SRL is to provide non-banking lending.

For a more detailed description of the business activities, including key strengths, strategy, products, marketing, competition, intellectual property as well as a description of operations, processes, IT technology and credit and risk management, please refer to the Sections "Business", "Physical Footprint", "Marketing", "Underwriting and Review", "Portfolio Management", "Information Technology", "Credit and Risk Management", "Competition and Intellectual Property". Further, the regulatory framework of business operations is described in more detail – and also for the jurisdiction of Moldova – under Section "Regulatory Framework".

Administrative, Management and Supervisory Parties of OCN SEBO CREDIT SRL

Management

OCN SEBO CREDIT SRL is managed by a sole director (CEO), who has the right to represent the company vis-à-vis third parties.

As at the date of this Offering Memorandum, CEO of the company is:

- Sergiu Sobuleac, with business address at 42 Albisoara street, Chisinau, Republic of Moldova

Sergiu Sobuleac is the co-founder and CEO of OCN SEBO CREDIT SRL and has more than 18 years of extensive experience acquired in international companies operating in the areas of finance, audit and non-banking financial industry. Sergiu Sobuleac is a graduate of the Academy of Economic Studies of Moldova with a strong financial background as former CFO at Microinvest which is the largest NBF in Moldova.

Sergiu Sobuleac has no principal activities outside the Group.

Conflicts of Interest

There are no potential conflicts of interest between any duties arising to the company of its management and their private interests or their other duties.

Organizational Structure and Shareholders

96.26% of OCN SEBO CREDIT SRL issued shares are held by AS Eleving Consumer Finance. There are no particular measures to prevent abusive exercise of control on OCN SEBO CREDIT SRL. Its corporate governance structure, together with the provisions of Moldovan corporate law, provides sufficient safeguards against the abuse of controlling interests by shareholders.

Share Capital of OCN SEBO CREDIT SRL

The share capital of OCN SEBO CREDIT SRL is MLD 54,550,000 and is divided into seven shares with nominal value of each share proportional to the respective shareholders shareholding in OCN SEBO CREDIT SRL.

Auditors

The auditor of OCN SEBO CREDIT SRL for the financial years ended 31 December 2020 and 31 December 2019 is KPMG, incorporated under laws of Moldova with its registered office at 171/1 Stefan cel Mare blv, 8th floor, Chisinau, Republic of Moldova and registered with the Public Services Agency under number 1002600046371. KPMG is a member of the Association of Professional Accountants and Auditors of the Republic of Moldova.

Audit Committee

As of the date of this Offering Memorandum OCN SEBO CREDIT SRL has no internal audit committee.

Corporate Governance

In its decision making and administration, OCN SEBO CREDIT SRL applies Law No. 845- dated 3 January 1992 on Business and Enterprises, Law No.135 dated 14 June 2007 on Limited Liability Companies, Law No. 1 dated 16 March 2018 on Non-Banking Credit Organizations, the Civil Code of the Republic of Moldova and its articles of association.

OCN SEBO CREDIT SRL complies with its country's of incorporation corporate governance regime.

Financial Statements

OCN SEBO CREDIT SRL is required by law to prepare annual audited stand-alone financial statements. OCN SEBO CREDIT SRL is in compliance with such requirements.

OCN SEBO CREDIT SRL is not required to prepare and has not prepared interim financial statements.

Material Contracts of OCN SEBO CREDIT SRL

For a description of the material contracts to which OCN SEBO CREDIT SRL is a party to, please refer to Section “– *Material Agreements*” below.

Legal Proceedings of OCN SEBO CREDIT SRL

OCN SEBO CREDIT SRL is currently not party to any legal proceedings which are material for the company and/or the Group. For a description of the legal proceedings relating to the entire Group, please refer to Section “– *Legal Proceedings*” below.

Material Adverse Change in the Prospects of OCN SEBO CREDIT SRL

There has been no material adverse change in the prospects of OCN SEBO CREDIT SRL since 31 December 2020.

Material Changes in the Borrowing and Funding Structure of OCN SEBO CREDIT SRL

There has been no material changes in the borrowing and funding structure of OCN SEBO CREDIT SRL since 31 December 2020.

Outlook for OCN SEBO CREDIT SRL

For a description of the prospects of the Group, including OCN SEBO CREDIT SRL, please refer to Section “– *Recent Events and Trends*” below.

(11) Kredo Finance Shpk (Albania)

Legal and commercial name	Kredo Finance Shpk
Registration number	L71610009A
Date and place of incorporation	28 March 2017, Republic of Albania
Registered office address	Pruga Muhamet Gjolllesha, Ndërtesa Tirana Ring Center, Nr 8, Kati 9-te, Tirana, Albania
Principal business activities	Consumer individual loans
License:	Nr 42 dated 22.11.2017, Licensed by Central Bank of Albania
Website:	www.kredo.al

The information on the website does not form part of this Offering Memorandum unless that information is incorporated by reference into this Offering Memorandum.

General Information about Kredo Finance Shpk

History and Development; Commercial Register

Kredo Finance Shpk was incorporated on 28 March 2017 and operates, under the laws of Albania as a private limited liability company with unlimited duration.

Kredo Finance Shpk is registered with Register of enterprises of Albania under No. L71610009A.

Legal and Commercial Name, Financial Year and Business address

The company's legal name is Kredo Finance Shpk and it operates under the commercial name "Kredo Finance Shpk".

The registered office of Kredo Finance Shpk is at Pruga Muhamet Gjolllesha, Ndërtesa Tirana Ring Center, Nr 8, Kati 9-te, Tirana, Albania, and its telephone number is +355 44 500 600.

The financial year of Kredo Finance Shpk commences on 1 January and ends on 31 December each calendar year.

Business Overview

Consumer individual loans.

According to the company's articles of association, last amended as of September 2020 (Art. 2), the purpose of Kredo Finance Shpk is the performance of the activity of a microfinance credit institution pursuant to the applicable legislation and the licenses obtained by the competent authorities prescribed by law. The purpose of Kredo Finance Shpk shall include the rendering of counselling and other ancillary services to the main activity, as prescribed by law.

For a more detailed description of the business activities, including key strengths, strategy, products, marketing, competition, intellectual property as well as a description of operations, processes, IT technology and credit and risk management, please refer to the Sections "*Business*", "*Physical Footprint*", "*Marketing*", "*Underwriting and Review*", "*Portfolio Management*", "*Information Technology*", "*Credit and Risk Management*", "*Competition and Intellectual Property*". Further, the regulatory framework of business operations is described in more detail – and also for the jurisdiction of Albania – under Section "*Regulatory Framework*".

Administrative, Management and Supervisory Parties of Kredo Finance Shpk

Management

Kredo Finance Shpk is managed by a sole director (CEO), who has the right to represent the company vis-à-vis third parties.

As at the date of this Offering Memorandum, sole director of the company is:

- Arlinda Muja, Chief Executive Officer, with business address at Rruga Muhamet Gjollështa, Ndërtesa Tirana Ring Center, Nr 8, Kati 9-te, Tirana, Albania

Arlinda Muja has more than 20 years of experience in senior executive positions in the financial service industry in Albania. She is committed to cost-effective management of resources, people development and high-quality customer service. She graduated in 2001 in Computer Science from the University of Tirana.

Arlinda Muja has no principal activities outside the Group.

Supervisory board

Kredo Finance Shpk does not have a supervisory board in accordance with applicable legislation, but is supervised by a shareholder's council. The shareholder's council consists of 3 members, that are also board members of Kredo's sole shareholder, AS NF Capital, which has the right to supervise the sole director.

As of the date of this Offering Memorandum, the shareholder's council of the company consists of:

- Martins Ozolins, with business address at Skanstes 52, Riga, Latvia

Martins Ozolins has been the chief executive officer of Funderly Group since October 2020, supervising the group's operations in Ukraine, Moldova, Albania, North Macedonia and Armenia. Prior to that, since May 2018, Martins served as COO and CRO in one of the hubs of Finko Group managing the Ukrainian and Russian markets. In total, Martins has more than 10 years of experience in banking and consumer lending industries in different roles in risk, finance and operations.

- Oskars Dzalbs, with business address at Skanstes 52, Riga, Latvia

Oskars Dzalbs has been the chief financial officer of Funderly Group since May 2020. Before joining Funderly Group, Oskars was the chief financial officer of AS Mogo Balkans and Central Asia since May 2019. Prior to that, Oskars held the role of finance director at Riga Freeport Fleet, a seaport services company, as well as a senior role at the audit department of KPMG. Oskars Dzalbs is a member of ACCA (Association of Chartered Certified Accountants).

- Valentina Marhilevica, with business address at Skanstes 52, Riga, Latvia

Valentina Marhilevica has been the chief operating officer of Funderly Group since October 2020. Valentina has 10 years of experience in managerial roles such as CRM, CCO and regional COO in different industries – telecommunications, IT and consumer lending.

Martins Ozolins, Oskars Dzalbs and Valentina Marhilevica have no principal activities outside the Group.

Conflicts of Interest

There are no potential conflicts of interest between any duties arising to the company of its management and the shareholder's council and their private interests or their other duties.

Organizational Structure and Shareholders

100% of Kredo Finance Shpk issued shares are held by AS Eleving Consumer Finance Holding. There are no particular measures to prevent abusive exercise of control on Kredo Finance Shpk. Its corporate governance structure, together with the provisions of Albanian corporate law, provides sufficient safeguards against the abuse of controlling interests by shareholders.

Share Capital of Kredo Finance Shpk

The share capital of Kredo Finance Shpk is ALL 508,936,362.00 and is divided into one ordinary, fully paid-up share with the nominal value of ALL 508,936,362.00.

Auditors

The auditor of Kredo Finance Shpk for the financial year ended 31 December 2020 is Grant Thornton shpk, incorporated under laws of Albania with its registered office at Rr. Sami Frasheri, Kompleksi TID, Floor 1, 10 000 Tirana, Albania and registered with the NUIS under number K91923007M. Grant Thornton shpk is a member of the ACCA.

The auditor of Kredo Finance Shpk for the financial year ended 31 December 2019 is PriceWaterhouseCoopers Albania, incorporated under laws of Albania with its registered office at Str. Ibrahim Rugova, Sky Tower, 9/1 floor, Tirana, Albania and registered with the NUIS under number K91915023A. PriceWaterhouseCoopers Albania is a member of the ACCA.

Audit Committee

In 2019 the Kredo Finance Shpk established an audit committee by the decision of the shareholder's assembly and as set provided in the articles of association. The audit committee consists of 3 members, Mr. Oskars Dzalbs (the Chairman), Mr. Martins Puke and Mr. Kristaps Vinkelis. The Chairman is approved by the Central Bank of Albania as per regulatory requirements.

The purpose of the audit committee is to provide a structured, systematic oversight of Kredo Finance's governance, risk management and internal control practices. The committee assists the shareholder's assembly and management by providing advice and guidance on the adequacy of Kredo Finance's initiative on:

- Values and ethics;
- Governance structures;
- Risk management;
- Internal control framework;
- Oversight of the internal audit activity, external auditors, and other providers of assurance; and
- Financial statements and public accountability reporting.

Corporate Governance

In its decision making and administration, Kredo Finance Shpk applies Albanian Law on Entrepreneurs and Companies and its articles of association.

Kredo Finance Shpk complies with its country's of incorporation corporate governance regime.

Financial Statements

Kredo Finance Shpk is required by law to prepare annual audited stand-alone financial statements. Kredo Finance Shpk is in compliance with such requirements.

Kredo Finance Shpk is not required to prepare and has not prepared interim financial statements.

Material Contracts of Kredo Finance Shpk

For a description of the material contracts to which Kredo Finance Shpk is a party to, please refer to Section “– *Material Agreements*” below.

Legal Proceedings of Kredo Finance Shpk

Kredo Finance Shpk is currently not party to any legal proceedings which are material for the company and/or the Group. For a description of the legal proceedings relating to the entire Group, please refer to Section “– *Legal Proceedings*” below.

Material Adverse Change in the Prospects of Kredo Finance Shpk

There has been no material adverse change in the prospects of Kredo Finance Shpk since 31 December 2020.

Material Changes in the Borrowing and Funding Structure of Kredo Finance Shpk

There has been no material changes in the borrowing and funding structure of of Kredo Finance Shpk since 31 December 2020.

Outlook for Kredo Finance Shpk

For a description of the prospects of the Group, including Kredo Finance Shpk, please refer to Section “– *Recent Events and Trends*” below.

(12) Finance Company TIGO FINANCE DOOEL Skopje (North Macedonia)

Legal and commercial name	Finance Company TIGO FINANCE DOOEL Skopje
Registration number	7229712
Date and place of incorporation	11 September 2017, Skopje, Republic of Macedonia
Registered office address	St. Aminta Treti no.37/1/floor 1 – dp 002 and 001, Skopje
Principal business activities	Other credit intermediation
License:	Decision for issuing a license for founding and operation no.13-6093/4 of 25.08.2017, issued by the Ministry of Finance of Republic of Macedonia
Website:	www.tigo.mk The information on the website does not form part of this Offering Memorandum unless that information is incorporated by reference into this Offering Memorandum.

General Information about Finance Company TIGO FINANCE DOOEL Skopje

History and Development; Commercial Register

Finance Company TIGO FINANCE DOOEL Skopje was incorporated on 11 September 2017, and operates, under the laws of North Macedonia as a limited liability company with unlimited duration.

Finance Company TIGO FINANCE DOOEL Skopje is registered with the Commercial Register of North Macedonia under No. 7229712.

Legal and Commercial Name, Financial Year and Business address

The company's legal name is Finance Company TIGO FINANCE DOOEL Skopje and it operates under the commercial name "Finance Company TIGO FINANCE DOOEL Skopje".

The registered office of Finance Company TIGO FINANCE DOOEL Skopje is at St. Aminta Treti no.37/1/floor 1 – dp 002 and 001, Skopje, 1000 Skopje, the Republic of North Macedonia, and its telephone number is 13 700.

The financial year of Finance Company TIGO FINANCE DOOEL Skopje commences on 1 January and ends on 31 December each calendar year.

Business Overview

Other credit intermediation.

According to the company's articles of association (Art. 7), the purpose of Finance Company TIGO FINANCE DOOEL Skopje is to perform finance activities in accordance with the Law on Finance Companies (Official Gazette of Republic of Macedonia 158/2010, as amended from time to time) upon prior license of the Ministry of finance of Republic of North Macedonia. The products offered by TIGO FINANCE are unsecured consumer loans, offered offline in branches where physical presence is required or via an online acquisition process through the website.

For a more detailed description of the business activities, including key strengths, strategy, products, marketing, competition, intellectual property as well as a description of operations, processes, IT technology and credit and risk management, please refer

to the Sections “Business”, “Physical Footprint”, “Marketing”, “Underwriting and Review”, “Portfolio Management”, “Information Technology”, “Credit and Risk Management”, “Competition and Intellectual Property”. Further, the regulatory framework of business operations is described in more detail – and also for the jurisdiction of North Macedonia – under Section “Regulatory Framework”.

Administrative, Management and Supervisory Parties of Finance Company TIGO FINANCE DOOEL Skopje

Management

Finance Company TIGO FINANCE DOOEL Skopje is managed by a sole director (CEO), who has the right to represent the company vis-à-vis third parties.

As at the date of this Offering Memorandum, sole director of the company is:

- Filip Dimitrovski, with business address at st. Blagoj Davkov no. 21-17, Skopje, Republic of North Macedonia

Filip is the co-founder and CEO, since the founding of the company in 2017. Filip holds a bachelor's degree in business administration, management and operations. He has more than 8 years of working experience and more than 5 years specifically in the financial industry. He is a co-founder and president of the association of financial institutions (AFD), the sole purpose of which is to promote the inclusion of financial companies on the Macedonian market.

Filip Dimitrovski has no principal activities outside the Group.

Conflicts of Interest

There are no potential conflicts of interest between any duties arising to the company of its management and their private interests or their other duties.

Organizational Structure and Shareholders

100% of Finance Company TIGO FINANCE DOOEL Skopje issued shares are held by AS Eleving Finance. There are no particular measures to prevent abusive exercise of control on Finance Company TIGO FINANCE DOOEL Skopje. Its corporate governance structure, together with the provisions of North Macedonian corporate law, provides sufficient safeguards against the abuse of controlling interests by shareholders.

Share Capital of Finance Company TIGO FINANCE DOOEL Skopje

EUR 1,650,000.00 and is divided into one ordinary, fully paid-up share with the nominal value of EUR 1,650,000.00.

Auditors

The auditor of Finance Company TIGO FINANCE DOOEL Skopje for the financial year ended 31 December 2020 is Grant Thornton DOO, incorporated under laws of North Macedonia with its registered office at Sv. Kiril i Metodij 52 b - 1/20, 1000 Skopje, North Macedonia and registered with the Commercial Register of North Macedonia under number 5753368. Grant Thornton DOO is a member of the Institute of Certified Auditors of the Republic of North Macedonia (ICARM).

The auditor of Finance Company TIGO FINANCE DOOEL Skopje for the financial year ended 31 December 2019 is PriceWaterhouseCoopers Revizija DOO Skopje, incorporated under laws of North Macedonia with its registered office at 16, 8 Septemvri Blvd. Hyperium Business Center, II floor 1000 Skopje, North Macedonia and registered with the Commercial Register of North Macedonia under number 6333370.

PriceWaterhouseCoopers Revizija DOO Skopje is a member of the Institute of Certified Auditors of the Republic of North Macedonia (ICARM).

Audit Committee

As of the date of this Offering Memorandum Finance Company TIGO FINANCE DOOEL Skopje has no internal audit committee.

Corporate Governance

In its decision making and administration, Finance Company TIGO FINANCE DOOEL Skopje applies Law on Trade Companies of North Macedonia and its articles of association.

Finance Company TIGO FINANCE DOOEL Skopje complies with its country's of incorporation corporate governance regime.

Financial Statements

Finance Company TIGO FINANCE DOOEL Skopje is required by law to prepare annual audited stand-alone financial statements. Finance Company TIGO FINANCE DOOEL Skopje is in compliance with such requirements.

Finance Company TIGO FINANCE DOOEL Skopje is not required to prepare and has not prepared interim financial statements.

Material Contracts of Finance Company TIGO FINANCE DOOEL Skopje

For a description of the material contracts to which Finance Company TIGO FINANCE DOOEL Skopje is a party to, please refer to Section “– *Material Agreements*” below.

Legal Proceedings of Finance Company TIGO FINANCE DOOEL Skopje

Finance Company TIGO FINANCE DOOEL Skopje is currently not party to any legal proceedings which are material for the company and/or the Group. For a description of the legal proceedings relating to the entire Group, please refer to Section “– *Legal Proceedings*” below.

Material Adverse Change in the Prospects of Finance Company TIGO FINANCE DOOEL Skopje

There has been no material adverse change in the prospects of Finance Company TIGO FINANCE DOOEL Skopje since 31 December 2020.

Material Changes in the Borrowing and Funding Structure of Finance Company TIGO FINANCE DOOEL Skopje

There has been no material changes in the borrowing and funding structure of Finance Company TIGO FINANCE DOOEL Skopje since 31 December 2020.

Outlook for Finance Company TIGO FINANCE DOOEL Skopje

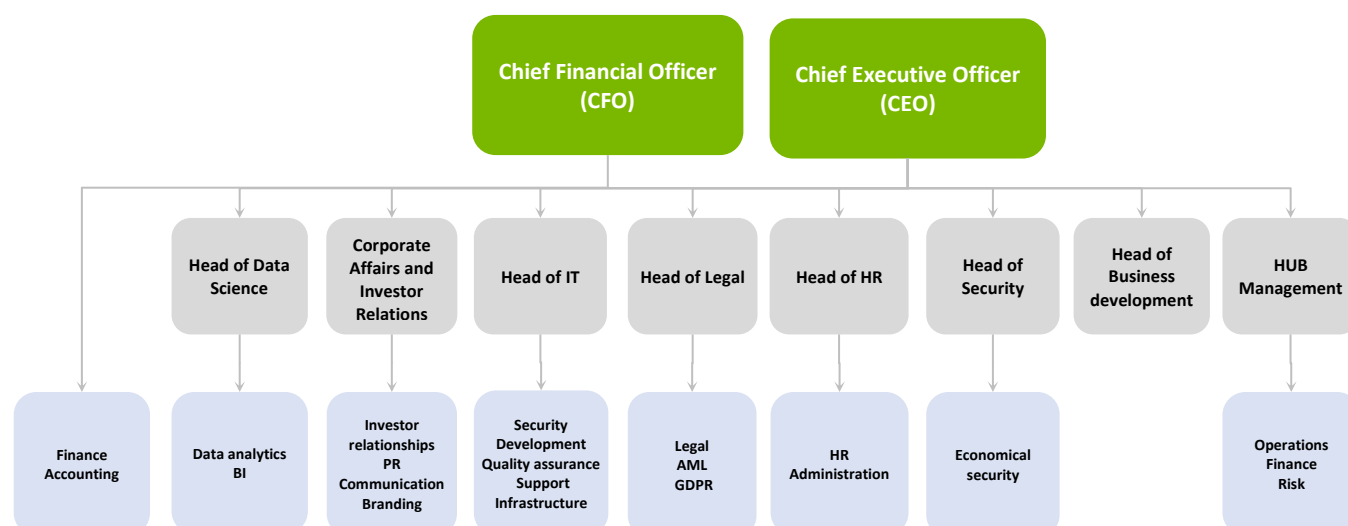
For a description of the prospects of the Group, including Finance Company TIGO FINANCE DOOEL Skopje, please refer to Section “– *Recent Events and Trends*” below.

5. Organization Structure

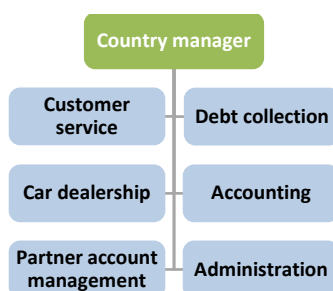
Overview

The Group is directed by the board of directors (*conseil d'administration*) of the Issuer and the management team of Eleving. The management team is formed by the Chief Executive Officer, the Chief Financial Officer, the Chief Operating Officer and the Chief Information Officer (See “*Management*”). In addition, the Group has a Head of Data Science, Head of Marketing, Head of Legal and country managers.

The Group’s organization structure is set out in the chart below.



The organization structure for the typical local operation unit in each jurisdiction is set out in the chart below.



6. Properties of the Group

We do not own any land or buildings. We lease a number of our premises and certain equipment under operating leases. The leases typically run for an initial period of up to five years, with an option to renew the lease after that date. Lease payments are usually increased annually to reflect market rentals.

7. Employees

As of 30 June 2021, we had 1,994 employees. 215 employees were based in Latvia; 150 of these employees were engaged in Group-level functions. The table below sets

forth the number of employees based in each of our countries of operation as of the respective dates.

Country	30 June 2021	31 December 2020
Latvia (group functions)	150	127
Latvia (operations)	65	72
Lithuania (group functions)	24	16
Lithuania (operations)	46	51
Estonia	23	22
Georgia	85	85
Poland	11	11
Romania	49	48
Bulgaria	31	34
Moldova	247	240
Albania	200	173
Belarus	75	70
Armenia	79	98
Ukraine	95	65
North Macedonia	120	65
Uganda	106	82
Kenya	539	253
Kazakhstan	-	64
Uzbekistan	36	37
Bosnia	13	15
Total	1,994	1,628

We expect that the number of employees in our countries of operation as well as the total number of our employees will grow going forward. The most significant increases in the number of employees in 2021 were in Kenya, North Macedonia and Ukraine.

Social Policy and Employee Benefits

We believe that our current compensation package is generally competitive compared to the packages offered by our competitors or employers in other industries which engage professionals with similar education and experience records.

Our personnel management policy is aimed at developing a skilled and highly-productive staff that is successful in performing its responsibilities. We have developed a comprehensive training program which provides for both internal and external professional training of employees at all levels.

We have not been party to any major labor dispute with our employees.

8. Material Agreements

The following section provides a summary of material agreements to which any member of the Group is a party.

a. AS mogo Notes due 31 March 2024

On 1 March 2021, AS “mogo” issued the EUR 30 million 11% notes due 31 March 2024, ISIN LV0000802452 (the “**AS mogo Notes**”). The AS mogo Notes are traded on the regulated market Baltic Bond List of the Nasdaq Riga Stock Exchange. The AS mogo Notes will mature on 31 March 2024.

The AS mogo Notes are unsecured and equivalent to other unsecured loans of AS “mogo”. The AS mogo Notes rank *pari passu* in right of payment to all of AS “mogo”'s existing and future senior unsecured indebtedness. The AS mogo Notes are unconditionally and irrevocably guaranteed by Eleving Group.

As of 30 June 2021, the principal outstanding amount under the AS mogo Notes was EUR 30 million.

b. Existing Bonds due 10 July 2022

Eleving Group issued 9.50% senior secured bonds due 10 July 2022 for an aggregate principal amount of EUR 100,000,000.00 (the “**Existing Bonds**”) in three consolidated tranches forming a single series with ISIN XS1831877755.

As of 30 June 2021, the principal outstanding amount under the Existing Bonds was EUR 100 million.

With the proceeds of the Bonds the Issuer shall repay the Existing Bonds in full before the maturity date of 10 July 2022.

The proceeds received from the issue of the Bonds will be held in the Escrow Account, controlled by TMF Services (UK) Limited, incorporated and existing under the laws of England and Wales, registered with the Companies House under Company number 05720159, with registered address at 8th Floor, 20 Farringdon St, London EC4A 4AB, United Kingdom, acting as Escrow Agent.

The Escrow Account will be pledged in favour of the Security Agent for the benefit of the holders of the Bonds and the funds will be released to the Issuer only after repayment of the Existing Bonds and perfection of certain Transaction Securities in accordance with the Initial Transaction Security Documents, as further set out in the Escrow Agreement.

The Existing Bonds are secured with local security documents, which will be released upon repayment of the Existing Bonds.

c. Mintos

All the Guarantors have financed their operations through the Mintos marketplace. The Mintos marketplace is operated by Mintos OÜ (Estonia) (registration No. 12807141) and SIA Mintos Finance (registration No 40203022549) (Latvia) acting as loan

originators and AS Mintos Marketplace (registration No. 40103903643) maintaining and managing the Mintos platform and servicing the claims of the investors.

The Mintos platform typically works as follows: (i) borrowers (i.e., Eleving's customers) apply for a loan with the loan originator (i.e., Eleving), (ii) the loan originator evaluates the application, sets an interest rate and lends money from its own funds and (iii) loans are then listed on the Mintos marketplace, where investors can select loans to invest in, thereafter receiving part of monthly payments and interest. By investing in a loan, investors are buying claim rights against a borrower based on an assignment agreement or equivalent arrangement. In the case that a borrower is unable to repay the loan, investors may lose some or all of their invested capital. The loan originator may guarantee the performance of the borrower, by undertaking to buy back the assigned claims if they remain unpaid for 60 days after they are due. In certain cases, however, Mintos as a loan originator grants a loan, or a series of loans, to Eleving, which then repays from loans to its customers serving as the source of repayment and Mintos as the loan originator further lists such loans on the Mintos marketplace, where investors can select loans to invest in, thereafter receiving part of monthly payments and interest received by Mintos from Eleving. The loans are secured by security agreements entered between Mintos OÜ (Estonia), AS Mintos Marketplace (Latvia) and the relevant Eleving entity.

Below a brief description of the contractual arrangement with the Mintos marketplace for each jurisdiction where we operate:

1. Latvia

1.1. AS “mogo”

Mintos Finance Estonia OÜ (Estonia) issues several small loans to AS “mogo” (Latvia) and Mintos Finance Estonia OÜ (Estonia) assigns claims arising out of these loans to investors in its platform. The assignment is secured with pledge over receivables arising from the loan agreement serving as the source of repayment to Mintos Finance Estonia OÜ (Estonia) loans to AS “mogo” (Latvia) (pledge is registered in favor of Mintos Finance Estonia OÜ (Estonia) as the fiduciary agent for investors in accordance with the assignment agreement and the pledge over the receivables).

The claim shall be transferred from Mintos Finance Estonia OÜ (Estonia) to the investor in the Mintos platform at the moment when the investor has fully paid the claim price to Mintos Finance Estonia OÜ (Estonia).

Security agreements in place:

- receivables pledge agreement
Pledgor: AS mogo (Latvia)
Pledgee: Mintos Finance Estonia OÜ (Estonia)
Maximum amount of receivables to be pledged: EUR 20 million
- Guarantee Agreement No.36/2017-G
Creditor: AS Mintos Marketplace (Latvia) and assignees
Loan Originator: Mintos Finance Estonia OU (Estonia)
Partner: AS “mogo” (Latvia)

Guarantor: Eleving Group (Luxembourg)

In accordance with this agreement, in order to secure the Creditor's monetary claims towards the Partner and the Loan Originator arising (or that may arise) from the principal agreements, the Guarantor guarantees to the Creditor the performance of Partner's obligations that may be incurred and arising from the principal agreements.

During the effectiveness of this agreement, the Guarantor undertakes to ensure to provide consolidated financial ratios of Guarantor's group:

Capitalization ratio – no less than 8% (eight per cent), starting from 1 January 2019 no less than 10% (ten per cent) and from 1 January 2020 no less than 15% (fifteen per cent).

ICR for the Guarantor's group of not less than 1.25 (one point twenty five).

Cash buffer as for the Guarantor's group – at least 5% (five per cent) from the total amount of the remaining principal amount of all (i) claims assigned by the Loan Originator or any of its affiliates arising from the loan agreements concluded by the Loan Originator or any of its affiliates with the Partner or any of its affiliates as the borrower; (ii) claims initially assigned by the Partner or any of its affiliates to the Loan Originator or any of its affiliates and further assigned by the Loan Originator or any of its affiliates to the assignees that arise from the loan agreements concluded by the Partner or any of its affiliates as the lender with the borrower and (iii) outstanding loans assigned by the Partner or its affiliates arising from the loan agreements concluded by the Partner or any of its affiliates as the lender and the borrower, to assignees through Portal.

1.2. AS Renti

Mintos Finance Estonia OÜ (Estonia) issues several small loans to AS Renti (Latvia) and Mintos Finance Estonia OÜ (Estonia) assigns claims arising out of these loans to investors in its platform. The assignment is secured with pledge over receivables arising from the rent agreement serving as the source of repayment to Mintos Finance Estonia OÜ (Estonia) loans to AS Renti (Latvia) (pledge is registered in favor of Mintos Finance Estonia OÜ (Estonia) as the fiduciary agent for investors in accordance with the assignment agreement and the pledge over the receivables).

The claim shall be transferred from Mintos Finance Estonia OÜ (Estonia) to the investor in the Mintos platform at the moment when the investor has fully paid the claim price to Mintos Finance Estonia OÜ (Estonia).

Security agreements in place:

- receivables pledge agreement

Pledgor: AS Renti (Latvia)

Pledgee: Mintos Finance Estonia OÜ (Estonia)

Maximum amount of receivables to be pledged: EUR 10 million

2. Estonia

Standard assignment agreement whereby mogo OÜ (Estonia) originates claims from its customers and assigns further to investors through the Mintos platform. AS Mintos Marketplace (Latvia) maintain and manages the Mintos platform and services claims of the investors.

Security agreements in place:

- Guarantee Agreement No.1/2015-G

Creditor: AS Mintos Marketplace (Latvia) and assignees

Loan Originator: mogo OÜ (Estonia)

Guarantor: Eleving Group (Luxembourg)

In accordance with this agreement, in order to secure the Creditor's monetary claims towards the Loan Originator arising (or that may arise) from the principal agreements, the Guarantor guarantees to the Creditor the performance of Loan Originator's obligations that may be incurred and arising from the principal agreements.

During the effectiveness of this agreement, the Guarantor undertakes to ensure to provide consolidated financial ratios of Guarantor's group:

Capitalization ratio – no less than 8% (eight per cent), starting from 1 January 2019 no less than 10% (ten per cent) and from 1 January 2020 no less than 15% (fifteen per cent).

ICR for the Guarantor's group of not less than 1.25 (one point twenty five).

Cash buffer as for the Guarantor's group – at least 5% (five per cent) from the total amount of the remaining principal amount of all (i) claims assigned by any of Mintos' affiliates arising from the loan agreements concluded by any of Mintos' affiliates with the Loan Originator or any of its affiliates as the borrower; (ii) claims initially assigned by the Loan Originator or any of its affiliates to any affiliate of Mintos or Loan Originator and further assigned by such affiliate of Mintos or Loan Originator to the assignees that arise from the loan agreements concluded by Loan Originator or any of its affiliate as the lender with the borrower and (iii) outstanding loans assigned by the Loan Originator or its affiliates arising from the loan agreements concluded by the Loan Originator or any of its affiliates as the lender and the borrower, to assignees through portal.

3. Lithuania

Standard assignment agreement whereby UAB "mogo LT" (Lithuania) originates claims from its customers and assigns further to investors through the Mintos platform. AS Mintos Marketplace (Latvia) maintain and manages the Mintos platform and services claims of the investors.

Security agreements in place:

- Guarantee Agreement No.2/2015-G

Creditor: AS Mintos Marketplace (Latvia) and assignees

Loan Originator: UAB mogo LT (Lithuania)

In accordance with this agreement, in order to secure the Creditor's monetary claims towards the Loan Originator arising (or that may arise) from the principal agreements, the Guarantor guarantees to the Creditor the performance of Loan Originator's obligations that may be incurred and arising from the principal agreements.

During the effectiveness of this agreement, the Guarantor undertakes to ensure to provide consolidated financial ratios of Guarantor's group:

Capitalization ratio – no less than 8% (eight per cent), starting from 1 January 2019 no less than 10% (ten per cent) and from 1 January 2020 no less than 15% (fifteen per cent).

ICR for the Guarantor's group of not less than 1.25 (one point twenty five).

Cash buffer as for the Guarantor's group – at least 5% (five per cent) from the total amount of the remaining principal amount of all (i) claims assigned by any of Mintos' affiliates arising from the loan agreements concluded by any of Mintos' affiliates with the Loan Originator or any of its affiliates as the borrower; (ii) claims initially assigned by the Loan Originator or any of its affiliates to any affiliate of Mintos or Loan Originator and further assigned by such affiliate of Mintos or Loan Originator to the assignees that arise from the loan agreements concluded by Loan Originator or any of its affiliate as the lender with the borrower and (iii) outstanding loans assigned by the Loan Originator or its affiliates arising from the loan agreements concluded by the Loan Originator or any of its affiliates as the lender and the borrower, to assignees through portal.,

- Bank account pledge agreement

Pledgor: UAB mogo LT (Lithuania)

Pledgee: AS Mintos Marketplace (Latvia)

Maximum amount of funds to be pledged: EUR 16,8 million

4. Romania

SIA Mintos Finance (Latvia) issues several small loans to Mogo IFN SA (Romania) and SIA Mintos Finance (Latvia) assigns claims arising out of these loans to investors in its platform. The assignment is secured with mortgage over receivables (mortgage is registered in favor of SIA Mintos Finance (Latvia) as the fiduciary agent for investors in accordance with the assignment agreement and the mortgage over the receivables).

The claim shall be transferred from SIA Mintos Finance (Latvia) to the investor in the Mintos platform at the moment when the investor has fully paid the claim price to SIA Mintos Finance (Latvia).

Security agreements in place:

- movable mortgage agreement over receivables

Pledgor: Mogo IFN SA (Romania)

Pledgee: SIA Mintos Finance (Latvia)

Maximum amount of receivables to be mortgaged: EUR 12 million

- Guarantee Agreement No.37/2017-G

Creditor: AS Mintos Marketplace (Latvia)

Loan Originator: Mintos Finance Estonia OU (Estonia)

Partner: Mogo IFN SA (Romania)

Guarantor: Eleving Group S.A. (Luxembourg)

In accordance with this agreement, in order to secure Creditor's monetary claims towards the Partner and the Loan Originator arising (or that may arise) from the principal agreements, the Guarantor guarantees to the Creditor the performance of Partner's obligations that may be incurred and arising from the Principal Agreements.

During the effectiveness of this agreement, the Guarantor undertakes to ensure to provide consolidated financial ratios of Guarantor's group:

Capitalization ratio – no less than 8% (eight per cent), starting from 1 January 2019 no less than 10% (ten per cent) and from 1 January 2020 no less than 15% (fifteen per cent).

ICR for the Guarantor's group of not less than 1.25 (one point twenty five).

Non-performing loans ratio. Outstanding principal amount of defaulted loans (loans provided by the Partner with days past due above 60 (sixty) days) is less than 15% (fifteen per cent) from the outstanding principal amount of all loans provided by the Partner during vintage period (each 3 (three) month period starting December 2018) within 5 (five) months after the leases are provided.

Cash buffer as for the Guarantor's group – at least 5% (five per cent) from the total amount of the remaining principal amount of all (i) claims assigned by any of Mintos' Affiliates arising from the loan agreements concluded by any of Mintos' Affiliates with the Loan Originator or any of its Affiliates as the borrower; (ii) claims initially assigned by the Loan Originator or any of its Affiliates to any Affiliate of Mintos or Loan Originator and further assigned by such Affiliate of Mintos or Loan Originator to the Assignees that arise from the loan agreements concluded by Loan Originator or any of its Affiliate as the lender with the borrower and (iii) outstanding loans assigned by the Loan Originator or its Affiliates arising from the loan agreements concluded by the Loan Originator or any of its Affiliates as the lender and the borrower, to assignees through the portal.

5. Bulgaria

Standard assignment agreement whereby Mogo Bulgaria OOD (Bulgaria) originates claims from its customers and assigns further to investors through the Mintos platform. AS Mintos Marketplace (Latvia) maintain and manages the Mintos platform and services claims of the investors.

Security Agreement in place:

- Guarantee Agreement No.15/2017-G

Mintos: AS Mintos Marketplace (Latvia)

Creditors: AS Mintos Marketplace (Latvia) and assignees

Guarantor: Eleving Group S.A. (Luxembourg)

Loan Originator: Mogo Bulgaria OOD (Bulgaria)

Assignees: the users, who has acquired the claims from Loan Originator pursuant to the assignment agreements

In accordance with this guarantee agreement, in order to secure Creditors' monetary claims towards the Loan Originator arising from the principal agreements, the Guarantor hereby guarantees to the Creditors the performance of Loan Originator's obligations that may be incurred and arising from all principal agreements. The Guarantor undertakes to the Creditors that Guarantor shall fund the Loan Originator by transferring necessary amounts to the Creditors, if the Loan Originator fails to perform its own obligations under the principal agreements.

During the effectiveness of the guarantee agreement, the Guarantor undertakes to ensure the following consolidated financial ratios of the Guarantor's group (the Guarantor and its Affiliates as a group):

1. Capitalization ratio – not less than 8% (eight per cent), starting from 1 January 2019 no less than 10% (ten per cent) and from 1 January 2020 no less than 15% (fifteen per cent).
2. ICR for the Guarantor's group of not less than 1.25 (one point twenty five).
3. Cash buffer as for the Guarantor's group – at least 5% (five per cent) from the total amount of the remaining principal amount of all (i) claims assigned by any Mintos' affiliates arising from the loan agreements concluded by any of Mintos' affiliates with the Loan Originator or any of its affiliates as the borrower; (ii) claims initially assigned by the Loan Originator or any of its affiliates to any affiliate of Mintos or Loan Originator and further assigned by such affiliate of Mintos or Loan Originator to the assignees that arise from the loan agreements concluded by the Loan Originator or any of its affiliate as the lender with the borrower; (iii) outstanding loans assigned by the Loan Originator or its affiliates arising from the loan agreements concluded by the Loan Originator or any of its affiliates as the lender and the borrower, to assignees through the portal.

6. Georgia

Cooperation agreement whereby Mogo LLC (Georgia) originates claims from its customers and assigns further to investors through the Mintos platform. AS Mintos Marketplace (Latvia) maintain and manages the Mintos platform and services claims of the investors.

Security agreement in place:

- Guarantee Agreement No. 22/2018-G
Creditor: AS Mintos Marketplace (Latvia) and assignees
Loan Originator: Mogo LLC (Georgia)
Guarantor: Eleving Group (Luxembourg)

In accordance with this agreement, in order to secure the Creditor's monetary claims towards the Loan Originator arising (or that may arise) from the principal agreements, the Guarantor guarantees to the Creditor the performance of Loan Originator's obligations that may be incurred and arising from the principal agreements.

During the effectiveness of this agreement, the Guarantor undertakes to ensure to provide consolidated financial ratios of Guarantor's group:

Capitalization ratio – no less than 8% (eight per cent), starting from 1 January 2019 no less than 10% (ten per cent) and from 1 January 2020 no less than 15% (fifteen per cent).

ICR for the Guarantor's group of not less than 1.25 (one point twenty five).

Cash buffer as for the Guarantor's group – at least 5% (five per cent) from the total amount of the remaining principal amount of all (i) claims assigned by any of Mintos' Affiliates arising from the loan agreements concluded by any of Mintos' Affiliates with the Loan Originator or any of its Affiliates as the borrower; (ii) claims initially assigned by the Loan Originator or any of its Affiliates to any Affiliate of Mintos or Loan Originator and further assigned by such Affiliate of Mintos or Loan Originator to the Assignees that arise from the loan agreements concluded by Loan Originator or any of its Affiliate as the lender with the borrower and (iii) outstanding loans assigned by the Loan Originator or its Affiliates arising from the loan agreements concluded by the Loan Originator or any of its Affiliates as the lender and the borrower, to Assignees through Portal.

7. Moldova

7.1 O.C.N. "MOGO LOANS" S.R.L.

Mintos OÜ (Estonia) issues several small loans to Mogo Loans LTD (Moldova) and Mintos OÜ (Estonia) assigns claims arising out of these loans to investors in its platform. The assignment is secured with pledge over receivables arising from the loan agreement serving as the source of repayment to Mintos OÜ (Estonia) loans to Mogo Loans LTD (Moldova) (pledge is registered in favor of Mintos OÜ (Estonia) as the fiduciary agent for investors in accordance with the assignment agreement and the pledge over the receivables).

The claim shall be transferred from Mintos OÜ (Estonia) to the investor in the Mintos platform at the moment when the investor has fully paid the claim price to Mintos OÜ (Estonia).

Security agreements in place:

- receivables pledge agreement
Pledgor: Mogo Loans LTD (Moldova)
Pledgee: Mintos OÜ (Estonia)
Maximum amount of receivables to be pledged: EUR 10 million
- Guarantee Agreement No.25/2018-G

Creditor: AS Mintos Marketplace (Latvia)

Loan Originator: Mintos Finance Estonia OU (Estonia)

Partner: Mogo Loans LTD (Moldova)

Guarantor: Eleving Group S.A. (Luxembourg)

In accordance with this agreement, in order to secure Creditor's monetary claims towards the Partner and the Loan Originator arising (or that may arise) from the principal agreements, the Guarantor guarantees to the Creditor the performance of Partner's obligations that may be incurred and arising from the principal agreements.

During the effectiveness of this agreement, the Guarantor undertakes to ensure to provide consolidated financial ratios of Guarantor's group:

Capitalization ratio – no less than 8% (eight per cent), starting from 1 January 2019 no less than 10% (ten per cent) and from 1 January 2020 no less than 15% (fifteen per cent).

ICR for the Guarantor's group of not less than 1.25 (one point twenty five).

Non-performing loans ratio. Outstanding principal amount of defaulted loans (loans provided by the Partner with days past due above 60 (sixty) days) is less than 15% (fifteen per cent) from the outstanding principal amount of all loans provided by the Partner during vintage period (each 3 (three) month period starting December 2018) within 5 (five) months after the leases are provided.

Cash buffer as for the Guarantor's group – at least 5% (five per cent) from the total amount of the remaining principal amount of all (i) claims assigned by any of Mintos' Affiliates arising from the loan agreements concluded by any of Mintos' Affiliates with the Loan Originator or any of its Affiliates as the borrower; (ii) claims initially assigned by the Loan Originator or any of its Affiliates to any Affiliate of Mintos or Loan Originator and further assigned by such Affiliate of Mintos or Loan Originator to the assignees that arise from the loan agreements concluded by Loan Originator or any of its Affiliate as the lender with the borrower and (iii) outstanding loans assigned by the Loan Originator or its Affiliates arising from the loan agreements concluded by the Loan Originator or any of its Affiliates as the lender and the borrower, to assignees through the Portal.

7.2 OCN SEBO CREDIT SRL

Mintos Finance Estonia OÜ (Estonia) issues several small loans to OCN SEBO CREDIT SRL (Moldova) and Mintos Finance Estonia OÜ (Estonia) assigns claims arising out of these loans to investors in its platform. The assignment is secured with a pledge over receivables arising from the loan agreement serving as the source of repayment to Mintos Finance Estonia OÜ (Estonia) loans to OCN SEBO CREDIT SRL (Moldova) (pledge is registered in favour of Mintos Finance Estonia OÜ (Estonia) as the fiduciary agent for investors in accordance with the assignment agreement and the pledge over the receivables). The claim shall be transferred from Mintos Finance Estonia OÜ (Estonia) to the investor in the Mintos platform at the moment when the investor has fully paid the claim price to Mintos Finance Estonia OÜ (Estonia).

Security agreements in place:

- receivables pledge agreement No.1/2018-P

Pledgor: OCN SEBO CREDIT SRL (Moldova)

Pledgee: Mintos Finance Estonia OÜ (Estonia)

Maximum amount of receivables to be pledged: EUR 15 million

- guarantee agreement No.LVMM/26-06-2020-58

Creditor: AS Mintos Marketplace (Latvia) and assignees

Loan Originator: Mintos Finance Estonia OÜ (Estonia)

Partner: OCN SEBO CREDIT SRL (Moldova)

Guarantor: Eleving Group S.A. (Luxembourg)

In accordance with this agreement, in order to secure the Creditor's monetary claims towards the Partner and the Loan Originator arising (or that may arise) from the principal agreements, the Guarantor guarantees to the Creditor the performance of Partner's obligations that may be incurred and arising from the principal agreements.

During the effectiveness of this agreement, the Guarantor undertakes to ensure to provide consolidated financial ratios of Guarantor's group:

Capitalization ratio – no less than 8% (eight per cent) until 30 December 2019, until 30 December 2020 no less than 10% (ten percent), and no less than 15% (fifteen per cent) from 31 December 2020 and until full repayment of the [Bonds];

ICR for the Guarantor's group of not less than 1.25 (one point twenty five);

Cash buffer as for the Guarantor's group – at least 5% (five per cent) from the total amount of the remaining principal amount of all (i) claims assigned by the Loan Originator or any of its affiliates arising from the loan agreements concluded by the Loan Originator or any of its affiliates with the Partner or any of its affiliates as the borrower; (ii) claims initially assigned by the Partner or any of its affiliates to the Loan Originator or any of its affiliates and further assigned by the Loan Originator or any of its affiliates to the assignees that arise from the loan agreements concluded by the Partner or any of its affiliates as the lender with the borrower and (iii) outstanding loans assigned by the Partner or its affiliates arising from the loan agreements concluded by the Partner or any of its affiliates as the lender and the borrower, to assignees through the Portal.

8. Albania

Standard assignment agreement whereby KREDO FINANCE SHPK (Albania) originates claims from its customers and assigns further to investors through the Mintos platform. AS Mintos Marketplace (Latvia) maintains and manages the Mintos platform and services claims of the investors.

Security agreements in place:

- Guarantee Agreement No.LVMM/06-07-2020-66

Creditor: AS Mintos Marketplace (Latvia) and assignees

Loan Originator: KREDO FINANCE SHPK (Albania)

Guarantor: Eleving Group S.A. (Luxembourg)

In accordance with this agreement, in order to secure the Creditor's monetary claims towards the Partner and the Loan Originator arising (or that may arise) from the principal agreements, the Guarantor guarantees to the Creditor the performance of Partner's obligations that may be incurred and arising from the principal agreements.

During the effectiveness of this agreement, the Guarantor undertakes to ensure to provide consolidated financial ratios of Guarantor's group:

Capitalization ratio – no less than 8% (eight per cent) until 31 March 2021, until 30 June 2021 no less than 10% (ten percent), and no less than 15% (fifteen per cent) from 30 June 2021 and until full repayment of the [Bonds];

ICR for the Guarantor's group of not less than 1.25 (one point twenty five) starting as of Q1 2021.

9. North Macedonia

Standard assignment agreement whereby FINANCIAL COMPANY TIGO DOOEL SKOPJE (Republic of North Macedonia) originates claims from its customers and assigns further to investors through the Mintos platform. AS Mintos Marketplace (Latvia) maintain and manages the Mintos platform and services claims of the investors.

Security agreements in place:

- Guarantee Agreement No.LVMM/06-07-2020-67

Creditor: AS Mintos Marketplace (Latvia) and assignees

Loan Originator: FINANCIAL COMPANY TIGO DOOEL SKOPJE (Republic of North Macedonia)

Guarantor: Eleving Group S.A. (Luxembourg)

In accordance with this agreement, in order to secure the Creditor's monetary claims towards the Partner and the Loan Originator arising (or that may arise) from the principal agreements, the Guarantor guarantees to the Creditor the performance of Partner's obligations that may be incurred and arising from the principal agreements.

During the effectiveness of this agreement, the Guarantor undertakes to ensure to provide consolidated financial ratios of Guarantor's group:

Capitalization ratio – no less than 8% (eight per cent) until 31 March 2021, until 30 June 2021 no less than 10% (ten percent), and no less than 15% (fifteen per cent) from 30 June 2021 and until full repayment of the [Bonds];

ICR for the Guarantor's group of not less than 1.25 (one point twenty five) starting as of Q1 2021.

10. Belarus

Mintos Finance Estonia OÜ (Estonia) issues several small loans to OOO Mogo Credit (Belarus) and Mintos Finance Estonia OÜ (Estonia) assigns claims arising out of these loans to investors in its platform. The assignment is secured with pledge over receivables arising from the loan agreement serving as the source of repayment to Mintos Finance Estonia OÜ (Estonia) loans to OOO Mogo Credit (Belarus) (pledge is registered in favor of Mintos Finance Estonia OÜ (Estonia) as the fiduciary agent for investors in accordance with the assignment agreement and the pledge over the receivables).

The claim shall be transferred from Mintos Finance Estonia OÜ (Estonia) to the investor in the Mintos platform at the moment when the investor has fully paid the claim price to Mintos Finance Estonia OÜ (Estonia).

Security agreements in place:

- receivables pledge agreement
Pledgor: OOO Mogo Credit (Belarus)
Pledgee: Mintos Finance Estonia OÜ (Estonia)
Maximum amount of receivables to be pledged: fluctuating as per list of underlying agreements
- Guarantee Agreement No.36/2019-G
Creditor: AS Mintos Marketplace (Latvia)
Loan Originator: Mintos Finance OU (Estonia)
Partner: Mogo Credit (Belarus)
Guarantor: Eleveling Group S.A. (Luxembourg)

In accordance with this agreement, in order to secure Creditor's monetary claims towards the Partner and the Loan Originator arising (or that may arise) from the principal agreements, the Guarantor guarantees to the Creditor the performance of Partner's obligations that may be incurred and arising from the principal agreements.

During the effectiveness of this agreement, the Guarantor undertakes to ensure to provide consolidated financial ratios of Guarantor's group:

Capitalization ratio – no less than 8% (eight per cent), starting from 1 January 2019 no less than 10% (ten per cent) and from 1 January 2020 no less than 15% (fifteen per cent).

ICR for the Guarantor's group of not less than 1.25 (one point twenty five).

Non-performing loans ratio – Outstanding principal amount of defaulted loans (loans provided by the Partner with days past due above 60 (sixty) days) is less than 15% (fifteen per cent) from the outstanding principal amount of all loans provided by the Partner during vintage period (each 3 (three) month period starting December 2018) within 5 (five) months after the leases are provided.

Cash buffer as for the Guarantor's group – at least 5% (five per cent) from the total amount of the remaining principal amount of all (i) claims assigned by any of Mintos' Affiliates arising from the loan agreements concluded by any of Mintos' Affiliates with the Loan Originator or any of its Affiliates as the borrower; (ii) claims initially assigned by the Loan Originator or any of its Affiliates to any Affiliate of Mintos or Loan Originator and further assigned by such Affiliate of Mintos or Loan Originator to the assignees that arise from the loan agreements concluded by Loan Originator or any of its Affiliate as the lender with the borrower and (iii) outstanding loans assigned by the Loan Originator or its Affiliates arising from the loan agreements concluded by the Loan Originator or any of its Affiliates as the lender and the borrower, to assignees through the Portal.

11. Armenia

Standard assignment agreement whereby MOGO Universal Credit Organization LLC (Armenia) originates claims from its customers and assigns further to investors through the Mintos platform. AS Mintos Marketplace (Latvia) maintain and manages the Mintos platform and services claims of the investors.

Security agreement in place:

- Guarantee Agreement No.12/2019-G

Creditor: AS Mintos Marketplace (Latvia) and assignees

Loan Originator: MOGO Universal Credit Organization LLC (Armenia)

Guarantor: Eleving Group (Luxembourg)

In accordance with this agreement, in order to secure the Creditor's monetary claims towards the Loan Originator arising (or that may arise) from the principal agreements, the Guarantor guarantees to the Creditor the performance of Loan Originator's obligations that may be incurred and arising from the principal agreements.

During the effectiveness of this agreement, the Guarantor undertakes to ensure to provide consolidated financial ratios of Guarantor's group:

Capitalization ratio – no less than 8% (eight per cent), starting from 1 January 2019 no less than 10% (ten per cent) and from 1 January 2020 no less than 15% (fifteen per cent).

ICR for the Guarantor's group of not less than 1.25 (one point twenty five).

Cash buffer as for the Guarantor's group – at least 5% (five per cent) from the total amount of the remaining principal amount of all (i) claims assigned by any of Mintos' affiliates arising from the loan agreements concluded by any of Mintos' affiliates with the Loan Originator or any of its affiliates as the borrower; (ii) claims initially assigned by the Loan Originator or any of its affiliates to any affiliate of Mintos or Loan Originator and further assigned by such affiliate of Mintos or Loan Originator to the assignees that arise from the loan agreements concluded by Loan Originator or any of its affiliate as the lender with the borrower and (iii) outstanding loans assigned by the Loan Originator or its affiliates arising from the loan agreements concluded by the Loan Originator or any of its affiliates as the lender and the borrower, to assignees through the portal.

With the proceeds of the Existing Bonds the Issuer partially refinanced the financing received through the Mintos marketplace platform (the "**Mintos Debt**"). With the proceeds of the Bonds the Issuer intends to partially refinance the Mintos Debt. As of 30 June 2021, the outstanding Mintos Debt was EUR 79.9 million.

d. Ardshinbank (Armenian Bank)

As of the date of this Offering Memorandum, Ardshinbank has made available loan facilities to two Guarantors, Mogo LLC (Georgia) and MOGO Universal Credit Organization LLC (Armenia).

Georgia

On 26 February 2018 Ardshinbank, a company incorporated in Armenia, with registration certificate number 0394 and registration number 83 ("**Ardshinbank**"), has made a facility available to Mogo LLC (Georgia) in the amount of EUR 1,000,000.00 (the "**Ardshinbank Georgian Facility Agreement**"). The Ardshinbank Georgian Facility Agreement provides for an interest rate of 7.8% and maturity date of 2 March 2021.

On 2 March 2021, the aforementioned Ardshinbank facility of EUR 1,000,000.00 with an interest rate of 7.8% was replaced by a USD 1,205,500.00 short-term loan facility with an annual interest rate of 10% and a maturity date of 2 March 2022

The Ardshinbank Georgian Facility Agreement is secured with the following security instruments:

1. Latvia

A surety (suretyship agreement dated 18 June 2021) for the whole principal amount granted by AS "mogo" (Latvia).

2. Armenia

A surety (suretyship agreement dated 18 June 2021) for the whole principal amount granted by "MOGO" UCO LLC (Armenia).

3. Luxembourg

A surety (suretyship agreement dated 18 June 2021) for the whole principal amount granted by Eleving Group (Luxembourg).

Armenia

On 2 November 2017 Ardshinbank, has made a facility available to MOGO Universal Credit Organization LLC (Armenia) in the amount of up to AMD 3,800,000,000.00, and on 2 November 2020, a new amendment was signed according to which the loan was restructured to a revolving credit line with quarterly limit decreases (the "**Ardshinbank Armenian Facility Agreement**"). The Ardshinbank Armenian Facility Agreement provides for an interest rate of 12.75% and maturity date of 2 November 2024.

The Ardshinbank Armenian November 2017 Facility Agreement is secured with an account pledge agreement over the funds in the bank accounts of MOGO Universal Credit Organization LLC (Armenia) in favor of Ardshinbank, a guarantee granted by Eleving Group (Luxembourg) and a receivables pledge agreement on certain receivables of MOGO Universal Credit Organization LLC (Armenia), in compliance with the Terms and Conditions.

e. AS "Citadele banka" (Latvian Bank)

On 8 July 2019, (1) AS "mogo" (Latvia), (2) mogo OÜ (Estonia) and (3) UAB "mogo LT" (Lithuania) have concluded a credit line agreement with AS "Citadele banka" under which AS "Citadele banka" has made available facilities to (1) AS "mogo" (Latvia), (2) mogo OÜ (Estonia) and (3) UAB "mogo LT" (Lithuania) for a total amount of up to EUR 10,000,000.00 for refinancing of existing indebtedness (the "**Citadele 2019 Facility Agreement**"). The Citadele 2019 Facility Agreement provides for an interest rate of 8% and a maturity date of 31 July 2021. The agreement has been amended in 2021, setting the facility amount to EUR 8,000,000.00 and extending the maturity to 30 September 2021 (the "**Amended Citadele 2019 Facility Agreement**").

The Amended Citadele 2019 Facility Agreement is secured with receivables pledge agreements on certain receivables of AS "mogo", mogo OÜ and UAB "mogo LT" in favor of AS "Citadele banka", in compliance with the Terms and Conditions.

f. AS "Citadele banka" hedge facility (Latvia)

On 14 April 2021 AS Mogo Eastern Europe (AS MEE) has concluded foreign currency fluctuation hedge contract with AS "Citadele banka" according to which the AS MEE can execute forwards, swaps and spots with bank approved risk limit of EUR 2,000,000. The limit is approved and valid until 30 September 2021.

g. Bank Reshenie (Belarus Bank)

On 17 September 2019 OOO "Mogo Credit" has concluded credit facility agreement with the Belarusian bank "Bank Reshenie" under which OOO "Mogo Credit" has a credit facility in the amount of USD 1,000,000 available until 30 September 2021 for an annual interest rate of 10%.

On 17 September 2019 OOO "Mogo Credit" has concluded a credit facility agreement with the Belarusian bank "Bank Reshenie" under which OOO "Mogo Credit" has a credit facility in amount of USD 250,000 available until 16 September 2021 for an annual interest rate of 10%.

Both credit facilities are secured with receivables pledge agreements on certain receivables of OOO "Mogo Credit" in compliance with the Terms and Conditions.

On 19 March 2021, in order to hedge against the currency drop impact on the assets of OOO "Mogo Credit", denominated in BYN, OOO "Mogo Credit" obtained a BYN 4,420,000 loan from the Belarusian bank "Bank Reshenie", holding a 12.9 % borrowing rate and maturing on 16 September 2021. The loan is secured by a USD 1.9 million cash deposit.

h. Risk Management Services OÜ (Credit Derivative Transaction (Credit Default Swap))

On 31 December 2016, UAB Mogo LT (Lithuania) as buyer and Risk Management Services OÜ (Estonia) as seller concluded an ISDA (International Swap and Derivatives Association, Inc) 2002 Master Agreement. This credit derivative transaction constitutes a credit default swap transaction that transfers the credit risk associated with a third party (loans issued to customers of UAB Mogo LT) from the buyer to the seller for a fixed payment to the seller in exchange for protection related to the occurrence of credit events related to obligations (loans) of that third party. Upon the occurrence of a credit event, the buyer acquires the right to deliver deliverable obligations to the seller and to receive from the Seller the floating payment.

On 31 May 2021, a similar agreement has been signed between UAB Renti LT (Lithuania) as buyer and Risk Management Services OÜ (Estonia) as seller. This credit derivative transaction constitutes a credit default swap transaction that transfers the credit risk associated with a third party (loans issued to customers of UAB Mogo LT) from the buyer to the seller for a fixed payment to the seller in exchange for protection related to the occurrence of credit events related to obligations (loans) of that third party. Upon occurrence of a credit event, the buyer acquires the right to deliver deliverable obligations to the seller and to receive from the seller the floating payment.

Both contracts have no defined maturity term and cover the entire portfolios of UAB Mogo LT and UAB Renti LT as at 30 June 2021.

i. Shareholders' Agreement between AS Mogo Eastern Europe and AS Signet Bank

On 13 April 2021 Mogo Eastern Europe AS (Latvia) has signed a shareholders' agreement with Signet bank AS (Latvia), designed to establish a successful business cooperation and to agree on the procedures applicable to the operation of Primero Holding AS (Latvia) and/or its subsidiaries and the business, on the decision-making on operational, financial and organisational issues and other issues relating to Primero Holding AS (Latvia) and/or its subsidiaries; as well as the regulation of mutual relations of the shareholders of Primero Holding AS (Latvia).

9. Related Party Transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party, in making financial or operational decisions, as defined in IAS 24 "*Related Party Disclosure*". In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely its legal form. We are and have been party to various agreements and other arrangements with certain related parties and interested parties, the most significant of which are described below. To the best of our knowledge, all agreements with related parties have been entered into on arm's length terms and on market terms and conditions.

a. Loans with Related Parties

The list below summarizes the intra-group financing as of 30 June 2021.

1. Eleving Group S.A. (Luxembourg) as lender has entered into several credit line agreements with the following Group companies:
 - a. Bulgaria - Mogo Bulgaria OOD as borrower made on 1 June 2016 - outstanding loan amount EUR 2,440,651.10 on 30 June 2021;
 - b. Moldova - Mogo Loans SRL as borrower made on 14 August 2017 - outstanding loan amount EUR 5,229,000.00 on 30 June 2021;
 - c. Poland - Mogo sp. z o.o. as borrower made on 1 April 2016 - outstanding loan amount EUR 7,263,285.13 on 30 June 2021;
 - d. Lithuania - UAB mogo LT as borrower made on 27 April 2015 - outstanding loan amount EUR 11,12,202.04 on 30 June 2021;
 - e. Belarus – Mogo Credit as borrower made on 19.03.2018 – outstanding loan amount EUR 8,067,542.36 on 30 June 2021;
 - f. Latvia – AS Mogo Baltics and Caucasus as borrower made on 27 July 2018 – outstanding loan amount EUR 2,215,759.11 on 30 June 2021;
 - g. Uzbekistan – OOO Mogo Lend as borrower made on 5 September 2018 – outstanding loan amount EUR 4,843,438.47 on 30 June 2021;
 - h. Armenia – Mogo Universal Credit Organization LLC as borrower made on 22 November 2018 – outstanding loan amount EUR 3,139,738.53 on 30 June 2021;
 - i. Latvia – Mogo Balkans and Central Asia AS as borrower made on 1 April 2020 – outstanding loan amount EUR 2 983 468,07 on 30 June 2021;

- j. Latvia – Mogo Africa AS as borrower made on 29 January 2019 – outstanding loan amount EUR 7 248 962,11 on 30 June 2021;
 - k. Lithuania – Mogo Africa UAB as borrower made on 15 February 2019 – outstanding loan amount EUR 10,445,566.68 on 30 June 2021;
 - l. Kenya – Mogo Auto Limited as borrower made on 15 February 2019 – outstanding loan amount EUR 20,426,078.53 on 30 June 2021;
 - m. Kenya – Mogo Kenya LTD as borrower made on 29 March 2019 – outstanding loan amount EUR 2,619,805.69 on 30 June 2021;
 - n. Latvia – Funderly Group AS as borrower made on 9 June 2020 – outstanding loan amount EUR 1,030,453.33 on 30 June 2021;
 - o. Ukraine – Instafinance LLC as borrower made on 29 July 2020 – outstanding loan amount EUR 3,664,418.40 on 30 June 2021;
 - p. other Group Companies with amount below 1 million EUR to whom outstanding loan amount total EUR 312,062.00 on 30 June 2021;
2. Eleving Group S.A. (Luxembourg) as borrower has entered into several credit line agreements with the following Group companies:
- a. Latvia – Mogo AS as a lender made on 11 August 2017 – outstanding loan amount EUR 20,190,802.29 on 30 June 2021;
 - b. Estonia – Mogo OÜ as a lender made on 11 September 2017 – outstanding loan amount EUR 12,144,400.57 on 30 June 2021;
 - c. Latvia – YC Group as a lender made on 9 July 2020 – outstanding loan amount EUR 2,046,905.00 on 30 June 2021;
 - d. Latvia – Eleving Finance AS as a lender made on 26 May 2021 – outstanding loan amount EUR 3,959,545.83 on 30 June 2021;
 - e. other Group Companies with amount below 1 million EUR to whom outstanding loan amount total EUR 236,074.83 on 30 June 2021;
3. Mogo AS (Latvia) as lender has entered into several credit line agreements with the following Group companies:
- a. Luxembourg - Eleving Group S.A. as borrower made on 11 August 2017 – outstanding loan amount EUR 20,190,802.29 on 30 June 2021;
 - b. Latvia – AS Renti as borrower made on 3 January 2019 - outstanding loan amount EUR 5,487,724.63 on 30 June 2021;
 - c. Latvia – Eleving Vehicle Finance AS as borrower made on 9 April 2020 - outstanding loan amount EUR 5,868,938.23 on 30 June 2021;
 - d. Latvia – Mogo Eastern Europe AS as borrower made on 21 June 2021 - outstanding loan amount EUR 11,384,959.87 on 30 June 2021.

In addition, the following financing agreement with a related party was entered into :

- 1. Eleving Group S.A. (Luxembourg) as lender has entered into a loan agreement with SIA DCE Invest, registration number 40103759679, legal address Alberta iela 1-15, Riga, Latvia, LV-1010 as borrower on

- a. 16 February 2017 - with outstanding loan amount EUR 3,249,127.48 on 30 June 2021.
- b. 7 June 2018 - with outstanding loan amount EUR 2,045,821.71 on 30 June 2021.

(claims under this loan agreement have been assigned on 24 April 2020 to AK Family Treasury SIA, a company incorporated in the Republic of Latvia with registration number 44103135741, having its registered office at Juras iela 12, Liepaja, LV-3401, Latvia).

2. Eleving Group S.A. (Luxembourg) as lender has entered into several loan consolidation agreements with following companies:

- a. SIA AK Family Treasury – with outstanding loan amount EUR 1,469,755.78 on 30 June 2021
- b. AS Novo Holdings - with outstanding loan amount EUR 509,380.17 on 30 June 2021
- c. AS Avole Holdings - with outstanding loan amount EUR 509,902.85 on 30 June 2021
- d. AS KM Invest - with outstanding loan amount EUR 509,669.68 on 30 June 2021

3. Eleving Group S.A. (Luxembourg) as the subordinated borrower has entered into subordinated loan agreements with:

- a. SIA “AK Family Investments”, a company incorporated in the Republic of Latvia with registration number 52103097551, having its registered office at Jūras iela 12, Liepaja, LV-3401, Latvia, on 24 September 2019 with outstanding principal loan amount EUR 500,001 on 30 June 2021 (claims under this subordinated loan agreement have been assigned on 16 December 2019 to AK Family Treasury SIA, a company incorporated in the Republic of Latvia with registration number 44103135741, having its registered office at Juras iela 12, Liepaja, LV-3401, Latvia)
- b. AK Family Treasury SIA, a company incorporated in the Republic of Latvia with registration number 44103135741, having its registered office at Juras iela 12, Liepaja, LV-3401, Latvia, on 23 December 2019 with outstanding principal loan amount EUR 8,847,235.11 on 30 June 2021
- c. AS Novo Holdings, a company incorporated in the Republic of Latvia with registration number 40103806598, having its registered office at Skanstes iela 52, Rīga, LV-1013, Latvia, on 24 September 2019 with outstanding principal loan amount EUR 1,812,609.11 on 30 June 2021
- d. AS Obelo Capital, a company incorporated in the Republic of Latvia with registration number 40103806155, having its registered office at Skanstes iela 52, Rīga, LV-1013, Latvia, on 24 September 2019 with outstanding principal loan amount EUR 166,666 on 22 October 2019 (claims under this subordinated loan agreement on 15 October 2019 have been assigned to AS Avole Holdings, a company incorporated in the Republic of Latvia with registration number 40103806348, having its registered office at Skanstes iela 52, Rīga, LV-1013, Latvia)

- e. AS ZS Invest Holdings, a company incorporated in the Republic of Latvia with registration number 40103893129, having its registered office at Antonijas iela 8-4, Riga, LV-1010, Latvia, on 24 September 2019 with outstanding principal loan amount EUR 1,810,403.57 on 30 June 2021
- f. AS Avole Holdings, a company incorporated in the Republic of Latvia with registration number 40103806348, having its registered office at Skanstes iela 52, Riga, LV-1013, Latvia, on 15 October 2019 with outstanding principal loan amount EUR 1,645,908.20 on 30 June 2021
- g. TIO INVESTMENTS LIMITED, a company incorporated and existing under the laws of the Republic of Malta with registration number C78391, having its registered office at 40, Villa Fairholme, Sir Augustus Bartolo Street, TA XBIEX XBX 1095, Malta, on 22 August 2018 with outstanding principal loan amount EUR 2,500,000 on 30 June 2021 (claims under this subordinated loan agreement have been assigned on 13 October 2019 to SIA "AK Family Investments", a company incorporated in the Republic of Latvia with registration number 52103097551, having its registered office at Jūras iela 12, Liepāja, LV-3401, Latvia). (claims under this subordinated loan agreement have been further assigned on 16 December 2019 to AK Family Treasury SIA, a company incorporated in the Republic of Latvia with registration number 44103135741, having its registered office at Juras iela 12, Liepāja, LV-3401, Latvia).

10. Legal Proceedings

No member of the Group is engaged in or, to our knowledge, has currently threatened against it, any governmental, legal or arbitration proceedings which may have, or have had during the 12 months preceding the date of this Offering Memorandum, a significant effect on our financial position or profitability.

11. Expected Financing of the Group's Activities

The Issuer and each of the Guarantors expect to finance their activities with funds generated from their business activities as well as debt issues, marketplace platforms and bank facilities.

12. Credit Rating

On [●] 2021, Fitch Deutschland GmbH ("**Fitch**") has assigned (i) a Long-Term Issuer Default Rating (IDR) of 'B-' with Stable Outlook to the Issuer, (ii) a Short-Term Issuer Default Rating (IDR) of ['B'] to the Issuer and (iii) a Senior Secured Debt Rating of ['B-/RR4'] for the Bonds.

For the purposes of Fitch ratings:

- a "B" rating indicates that material default risk is present, but a limited margin of safety remains. Financial commitments are currently being met; however, capacity for continued payment is vulnerable to deterioration in the business and economic environment. The rating scales ranges from "AAA" for issuers with lowest expectations of default risk to "D" for issuers that in Fitch's opinion has entered into bankruptcy filings, administration, receivership, liquidation or other formal winding-up procedure or that have otherwise ceased business;
- an "Outlook" indicates the direction a rating is likely to move over a one- to two-year period. They reflect financial or other trends that have not yet reached or

been sustained the level that would cause a rating action, but which may do so if such trends continue. A positive rating outlook indicates an upward trend on the rating scale. Conversely, a negative rating outlook signals a negative trend on the rating scale. Positive or negative rating outlooks do not imply that a rating change is inevitable, and similarly, ratings with stable outlooks can be raised or lowered without a prior revision to the outlook. Occasionally, where the fundamental trend has strong, conflicting elements of both positive and negative, the rating outlook may be described as “Evolving”;

- a “RR4” rating indicates that the securities have characteristics consistent with securities historically recovering 31%–50% of current principal and related interest; and
- the modifiers “+” or “-” may be appended to a rating by Fitch to denote relative status within major rating categories.

Credit ratings included or referred to in this Offering Memorandum have been issued by Fitch which is established in the EU and registered under Regulation (EC) No 1060/2009, as amended (the “**CRA Regulation**”). As such, Fitch is included in the list of credit rating agencies published by the European Securities and Markets Authority (the “**ESMA**”) on its website in accordance with the CRA Regulation. A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating agency. The significance of the rating should be analyzed independently from any other rating. Ratings of the Issuer and the Bonds by Fitch is not necessarily indicative of the ratings that may in the future be issued in respect of the Issuer and/ or the Bonds by Fitch or by any other rating agency.

The ratings take into account Eleving’s nominal franchise in a competitive niche, increasing exposure to volatile markets, elevated risk appetite and high leverage.

The ratings also reflect sound profitability, a track record in placing public bonds and adequate experience of the management team.

13. Recent Events and Trends

a. General

Our business has grown substantially in recent years, and we continue to monitor business development opportunities in new countries as well as existing markets. As we have made use of organic growth as well as strategic acquisitions, we aim further to leverage our existing expertise to expand into countries which we believe have an attractive customer base and growth potential.

During the first quarter of 2021, the Group has revised its corporate strategy together with the brand update from Mogo Finance to Eleving Group, to better reflect its updated mission statement and its diverse product and brand portfolio. The Group will keep offering products with the 'Mogo' brand name across its vehicle finance subsidiaries.

b. Sale of Subsidiaries

Following its smart capital allocation strategy, the Group has entered into several subsidiary sales agreements during the first half of 2021.

The Group has already successfully closed its vehicle finance business sales transactions in Kazakhstan and North Macedonia, while the transaction in respect of the Group’s vehicle finance business in Albania and Bulgaria are pending local regulatory approvals which are expected to be received by the end of 2021.

c. Covid-19 Developments

In order to cope with the ongoing pandemic and mitigate the impact of Covid-19, the following measures were implemented, some of which are not currently applicable but are kept as possible measures to be re-implement if there is a further need for it:

- Formation of a crisis management team, to ensure an instant reaction to the situation, dedicated resources reviewing public health requirements and other related government announcements and ensuring that the Group stays informed;
- Reconsidered debt collection strategy for the existing portfolios to address the increased credit risk;
- Strengthening the underwriting policy;
- Implemented set of cash preserving activities to manage liquidity risk;
- Developed alternative ways of accepting payments such as integration with paybox companies, online payment providers, remittance services;
- Successfully implemented a work from home policy ensuring continuity of the core processes;
- Employees have been required to adhere to very strict precautionary standards including social distancing and other health and safety best practices followed by published government guidelines;
- Reviewing and renegotiating payment terms with suppliers; and
- Monitoring and applying for any reliefs and support mechanisms provided by the governments in operating markets, to which the Group could qualify, including discussions with the tax authorities to renegotiate the tax payment schedules. For instance, in agreement with the State Revenue Service certain taxes due for the period March-May 2020 were postponed in Latvia and transferred to June 2021 for payment.

The Covid-19 pandemic also offered growth opportunities for the Group, as during the pandemic more people prefer a personal vehicle instead of using public transportation due to personal health and safety reasons, and traditional lenders became more cautious. The Group recorded a strong demand for personal mobility in all vehicle finance markets: car loan applications increased 12% during the second quarter of 2021 in comparison with the first quarter of 2021, and average car loan tickets increased 4% during the second quarter of 2021 in comparison with the first quarter of 2021. As of the date of this Offering Memorandum, demand for vehicle financing products has reached the pre-Covid-19 level. The Group has also started to gradually ease its underwriting policies as adjusted to each local market's macroeconomic situation, while still retaining a more conservative approach compared to the pre-Covid-19 policies.

As of the date of this Offering Memorandum there are no more Covid-19 restrictions in the countries where Eleving operates, which may have a material impact on its business.

XIX. MANAGEMENT

Below we describe the management of the Issuer.

In accordance with the Issuer's articles of association and the relevant provisions of the Luxembourg law of 10 August 1915 on commercial companies, as amended from time to time (the "**Luxembourg Company Law**") governing public limited liability companies (*sociétés anonymes*), the management of the Issuer is divided between the board of directors (*conseil d'administration*) and the sole shareholder (*actionnaire unique*), or, in the instance of there being more than one shareholder, the shareholders' general meeting (*assemblée générale des actionnaires*).

The board of directors of the Issuer is supported by the management team of Eleving, which is responsible for providing high-level advice on decisions and business matters ranging from strategic planning, policy formulation, investment planning and risk assessment.

A brief description (which is not intended to be exhaustive) of the composition, roles and functioning of each of these bodies is set forth below.

1. Management

The share capital of the Issuer is entirely held by its shareholders as further described under "*Information About the Issuer – Share Capital and Shareholders*" above. The shareholders' general meeting exercises the power granted by the Luxembourg Company Law including (i) appointing and removing the directors and the statutory or independent auditor of the Issuer as well as setting their remuneration, (ii) approving the annual financial statements of the Issuer, (iii) amending the articles of association of the Issuer, (iv) deciding on the dissolution and liquidation of the Issuer, and (v) changing the nationality of the Issuer.

The Issuer is managed by a board of directors whose members have been appointed as type A directors and type B directors by the shareholders' general meeting of the Issuer. In accordance with Luxembourg Company Law, each type A director and type B director may be removed at any time without cause (*révocation ad nutum*).

Meetings of the board of directors are convened upon request of the chairman of the board of directors or any two directors of the Issuer as often as the interest of the Issuer so requires. The meetings of the board of directors are validly held if at the commencement of the meeting at least one type A director and one type B director is present or represented and decisions are validly taken by the majority of the directors present or represented (including at least one type A director and at least one type B director). Any director may represent one or more other directors at a board of directors' meeting.

The board of directors of the Issuer may, from time to time, delegate its power to conduct the daily management (*gestion journalière*) of the Issuer to one or more directors, i.e., the managing director(s) (*administrateur(s) délégué(s)*), commit the management of the affairs of the Issuer to one or more directors or give special powers for determined matters to one or more proxy holders.

Pursuant to its articles of association, where the Issuer is administrated by the board of directors comprising several categories of directors, it shall be bound by the joint signatures of a type A director and a type B director.

The Issuer is currently managed by a board of directors composed of two directors of type A and two directors of type B as set out below, elected pursuant to resolutions of the shareholders of the Issuer, for a term as set out below. The directors may be

removed before the expiration of the term. Based on the articles of association of the Issuer, directors of each category are vested with the same individual powers and duties. The two directors of type B are Luxembourg residents, whereas the two directors of type A are not Luxembourg residents and at the same time hold, respectively, the positions of CEO and CFO within the Group. The board of directors has not appointed a chairman among its members so far.

Name	Year of Birth	Term until	Position
Modestas Sudnius ..	1986	the annual general meeting of the Issuer to be held in 2022	Category A director
Maris Kreics	1985	the annual general meeting of the Issuer to be held in 2022	Category A director
Delphine Glessinger	1981	the annual general meeting of the Issuer to be held in 2022	Category B director
Attila Senig.....	1980	the annual general meeting of the Issuer to be held in 2022	Category B director

Modestas Sudnius, with business address at Skanstes street 52, LV-1013 Riga, Latvia, was appointed as CEO of the Group in January 2019 and as director of the Issuer in March 2019. A graduate of Stockholm School of Economics, Modestas Sudnius was the country manager in Lithuania, then holding Regional CEO position in Eleving Group, covering Baltic countries, Georgia and Armenia, then being Co-CEO of the Group together with Edgars Egle. Modestas has several years' experience in financial assurance and project management in companies such as Ernst & Young and EPS LT.

Maris Kreics, with business address at Skanstes street 52, LV-1013 Riga, Latvia, was appointed as director of the Issuer in 2018 and as CFO of the Group in 2015. Mr. Kreics has spent previous 2 years in a corporate finance role working for the biggest telecommunications service company in Latvia – Tet (previously Lattelecom). Before that Mr. Kreics has spent 7 years in PwC, whereas 2 years were spent in New York working exclusively on one of the largest (top 5 by market capitalization) S&P 500 Tech company's lead audit team. Mr. Kreics is a CFA charterholder and a member of the global body for professional accountants ACCA. Mr. Kreics has a bachelor's and master's degree in finance from the BA school of Business and Finance in Riga.

Delphine Glessinger, with business address at 8-10 Avenue de la Gare, L-1610 Luxembourg, Grand Duchy of Luxembourg, was appointed as director of the Issuer in 2018. Ms. Glessinger is currently also a senior legal administrator at Centralis S.A. and previously she has held legal trust officer position in Citco Corporate and Trust for more than 8 years. Ms. Glessinger holds Université de Haute-Alsace Mulhouse-Colmar degree in law, University of Lincoln Bachelor degree of administrative and Legal studies and Université Nancy 2 Bachelor's degree in International business.

Attila Senig, with business address at 8-10 Avenue de la Gare, L-1610 Luxembourg, Grand Duchy of Luxembourg, was appointed as director of the Issuer in 2020. Since 2011, Mr. Senig is has worked at Centralis S.A. where he currently acts as a client

services director. He is a qualified tax advisor and chartered accountant with extensive experience in accounting and outsourced corporate services in Hungary and Luxembourg. Mr. Senig's academic credentials include a degree in finance (specialising in taxation) and an affiliation to the Chamber of Hungarian Auditors. He is also accredited with a Luxembourg Tax Diploma.

Modestas Sudnius and Maris Kreics have no principal activities outside of Eleving. The principal outside activities of Delphine Glessinger and Attila Senig comprise their activity as employees of Centralis S.A. in Luxembourg. In such capacity, they are also directors of other companies in Luxembourg. The directors of the Issuer confirm that, otherwise, there is no conflict of interest between their duties as a director of the Issuer and their principal and/or other outside activities.

2. Corporate Governance

Each country's Group company is entitled to take operational decisions regarding its business activities. Countries located in a certain region are combined in clusters ("**Hubs**"). Each Hub is entitled to take decisions regarding the activities of the countries included in the Hub as well as Hub common frame activities.

In order to have efficient management of the Group's activities in each jurisdiction the Group has established in Latvia the following management companies representing the different Hubs:

- 1) AS Mogo Baltics and Caucasus;
- 2) AS Mogo Balkans and Central Asia;
- 3) AS Mogo Eastern Europe;
- 4) AS Eleving Finance; and
- 5) AS Mogo Africa.

Strategic decisions related to the countries where the Group operates and/or the Hubs are taken by the management team of Eleving, which is responsible for the governance of the Group in general (see "*Information about the Group and the Guarantors - Organization Structure*" above).

The current management team of Eleving is set forth in the table below:

Name	Year of Birth	Position
Modestas Sudnius	1986	CEO of the board of directors of the Issuer, and CEO of the Group
Maris Kreics	1985	Chief Financial Officer (CFO) of the Group

Modestas Sudnius see "*– Management of the Issuer*" above.

Māris Kreics see "*– Management of the Issuer*" above.

Modestas Sudnius and Māris Kreics have no principal activities outside of Eleving.

3. Audit Committee

In 2019 the Issuer established audit committee.

The audit committee oversees the Group's financial reporting process to ensure the transparency and integrity of published financial information, the effectiveness of the Group's internal control and risk management system, the effectiveness of the internal audit function, the effectiveness of the independent audit process of the Group, including recommending the appointment and assessing the performance of the external auditor, and the effectiveness of the process for monitoring compliance with laws and regulations affecting financial reporting and code of business conduct (where applicable).

The audit committee is set up and its members are appointed by the board of directors of the Issuer. The members of the audit committee consist of three members being Mārtiņš Muižnieks, Paul Ryan and Franck-Oliviera Cera and each of them is appointed for a period of three years. The audit committee reports to the board of directors of the Issuer.

4. Interest of Directors and Officers

As of the date of this Offering Memorandum, none of the members of the board of directors of the Issuer, other than Modestas Sudnius (holding indirect interest in the Issuer equal to [1.1875%] of the share capital of the Issuer) and Maris Kreics (holding indirect interest in the Issuer equal to [0.8125%] of the share capital of the Issuer), has an ownership interest in the share capital of the Issuer and there are no other potential conflicts of interest between any duties of the board of directors of the Issuer and their private interests and/or other duties.

5. Litigation Statement about Directors and Officers

As of the date of this Offering Memorandum, none of the members of the board of directors of the Issuer:

- has had any convictions in relation to fraudulent offences; nor
- has held an executive function in the form of a senior manager or a member of the administrative management or supervisory bodies, of any company, or a partner in any partnership, at the time of or preceding any bankruptcy, receivership or forced liquidation; nor
- has been subject to any official public incrimination and/or sanction by any statutory or regulatory authority (including any designated professional body) nor has ever been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company.

6. Change of Control over the Group

We are not aware of any arrangements in existence as of the date of this Offering Memorandum which could reasonably be expected to result in a change of control over the Group.

XX. TERMS AND CONDITIONS OF THE BONDS

1. DEFINITIONS AND CONSTRUCTION

1.1 Definitions

In these terms and conditions (these “**Terms and Conditions**”):

“**Accounting Principles**” means the international financial reporting standards (IFRS) within the meaning of Regulation 1606/2002/EC (or as otherwise adopted or amended from time to time).

“**Additional Amounts**” means any deduction or withholding for, or on account of, any Taxes imposed or levied by or on behalf of any Relevant Taxing Jurisdiction on any payment by the Obligor of principal or interest or any other payment in relation to the Bonds under the Finance Documents.

“**Additional Company**” has the meaning set forth in Condition 11.11 (*Additional Transaction Securities*).

“**Additional Guarantor**” has the meaning set forth in Condition 11.10 (*Additional Guarantee*).

“**Additional Pledgor**” has the meaning set forth in Condition 11.11 (*Additional Transaction Securities*).

“**Additional Receivables Pledgor**” has the meaning set forth in Condition 11.11 (*Additional Transaction Securities*).

“**Advance Purchase Agreements**” means (a) an advance or deferred purchase agreement if the agreement is in respect of the supply of assets or services and payment is due not more than ninety (90) calendar days after the date of supply or (b) any other trade credit incurred in the ordinary course of business.

“**Affiliate**” means any other Person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified Person and/or any Person that is related in a straight line of descent with such specified Person or a brother or a sister of such specified Person (each a “**Related Person**”) and/or any Person, directly or indirectly, controlled by such Related Person. For the purpose of this definition, “**control**” when used with respect to any Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms “**controlling**” and “**controlled**” have meanings correlative to the foregoing.

“**Agent**” means the Holders’ agent under these Terms and Conditions and, if relevant, the other Finance Documents, from time to time, which shall be on the Issue Date TMF Trustee Services GmbH.

“**Agent Agreement**” means the agency agreement entered into on [●] October 2021 between the Issuer and the Agent, or any replacement agent agreement entered into thereafter between the Issuer and the applicable Agent.

“Bonds” has the meaning set forth in Condition 2.1 (*Principal Amount, Currency and Denomination*).

“Bond Issue” means the issuance of the Bonds.

“Business Day” means any day on which banking institutions are open for business in Luxembourg, Riga and Frankfurt am Main and payments in Euro may be settled via the Trans-European Automated Real-time Gross settlement Express Transfer system 2 (TARGET 2).

“Business Day Convention” means the first following day that is a Business Day.

“Calculation Agent” has the meaning set forth in Condition 14.2 (*Calculation Agent*).

“Call Option Amount” means:

- (a) the Make Whole Amount if the Call Option is exercised before [*Issue Date + 24 Months*] or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention (the **“First Call Date”**);
- (b) [●] % of the Nominal Amount if the call option is exercised after the First Call Date up to [*36 months after Issue Date*] (the **“Second Call Date”**);
- (c) [●] % of the Nominal Amount if the call option is exercised after the Second Call Date up to [*48 months after Issue Date*] (the **“Third Call Date”**);
- (d) 100% of the Nominal Amount if the call option is exercised after the Third Call Date up to (but excluding) the Maturity Date.

“Capital Lease Obligations” means, at the time any determination is to be made, the amount of the liability in respect of a capital lease that would at that time be required to be capitalized on a balance sheet prepared in accordance with the Accounting Principles, and the scheduled maturity date thereof shall be the date of the last payment of rent or any other amount due under such lease prior to the first date upon which such lease may be prepaid by the lessee without payment of a penalty.

“Capital Stock” means:

- (a) in the case of a corporation, corporate stock, including shares (*actions*) in case of a Luxembourg company;
- (b) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;
- (c) in the case of a partnership or limited liability company, partnership interests (whether general or limited) or membership interests; and

- (d) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person, but excluding from all of the foregoing any debt securities convertible into Capital Stock, whether or not such debt securities include any right of participation with Capital Stock.

“Capitalization Ratio” means, for the Issuer as of any date of determination, the result (expressed as a percentage) obtained by dividing (x) Consolidated Net Worth of the Issuer (calculated as of the end of the Relevant Period ending on the last day of the period covered by the most recent Financial Report prior to the date of the transaction giving rise to the need to calculate Consolidated Net Worth) by (y) Net Loan Portfolio as of such date of determination.

“Cash and Cash Equivalents” means cash and cash equivalents in accordance with the Accounting Principles.

“Change in Tax Law” means (a) any change in, or amendment to, the law or treaties (or any regulations or rulings promulgated thereunder) of a Relevant Taxing Jurisdiction affecting taxation or (b) any change in, or amendment to, or the introduction of, an official position regarding the application, administration or interpretation of such laws, treaties, regulations or rulings (including a holding, judgment or order by a court of competent jurisdiction) of a Relevant Taxing Jurisdiction.

“Change of Control Event” means (a) the direct or indirect sale or other disposal, in one or a series of related transactions, of all or substantially all of the properties or assets of the Obligors taken as a whole to any Person other than the Issuer or a Restricted Subsidiary and (b) the occurrence of an event or series of events whereby one or more Persons, not being a Current Shareholder or a Group Company, acting together, acquire control over the Issuer and where **“control”** means (i) acquiring or controlling, directly or indirectly, more than 50% of the shares or voting rights in the Issuer or (ii) the right to, directly or indirectly, appoint or remove the whole or a majority of the directors of the board of directors of the Issuer, the Issuer or any of the Guarantors that such Current Shareholder has to appoint directors of the Issuer, the Issuer or any of the Guarantors shall be disregarded).

“Clearing System” has the meaning set forth in Condition 2.3 (*Global Bond and Custody*).

“Code” has the meaning set forth in Condition 8.1 (*Withholding Tax*).

“Companies Law” has the meaning set forth in Condition 16.1 (*General*).

“Compliance Certificate” means a certificate, in form and substance reasonably satisfactory to the Agent, signed by the Issuer certifying (a) that so far as it is aware no Event of Default is continuing or, if it is aware that such event is continuing, specifying the event and steps, if any, being taken to remedy it, (b) compliance with the provisions of Condition 11.17 (*Pledges over receivables*) below and including calculation showing, among others, the amount of receivables pledged under the Transaction Securities in relation to the amount of receivables arising from the Net Loan Portfolio, (c) if provided in connection with an application of the Incurrence Test, that the Incurrence Test is met and including calculations and figures in respect of the Interest Coverage

Ratio, Consolidated Net Leverage Ratio and, if applicable, the Capitalization Ratio and (d) if provided in connection with testing of the financial covenants that the financial covenants set out in Condition 12.1 (*Financial Conditions*) are met.

“Consolidated Net Debt” means, as of any date of determination, the sum of the total amount of Financial Indebtedness less the amount of Cash and Cash Equivalents of the Issuer and the Restricted Subsidiaries on a consolidated basis.

“Consolidated Net Leverage Ratio” means the ratio of (a) the Consolidated Net Debt (excluding any indebtedness incurred under the Permitted Basket) as of the date of determination to (b) the EBITDA for the Relevant Period ending on the last day of the period covered by the most recent Financial Report prior to such testing date (adjusted, where applicable, to take into consideration a relevant event, as described in these Terms and Conditions).

“Consolidated Net Worth” means, for the Issuer at any time, the sum of paid in capital, retained earnings, reserves and subordinated debt of the Group as set forth on the consolidated balance sheet as of the Relevant Period ending on the last day of the period covered by the most recent Financial Report prepared in accordance with the Accounting Principles, less (without duplication) amounts attributable to Disqualified Stock of the Issuer.

“Consolidated Total Assets” means the total assets of the Issuer and the Restricted Subsidiaries as of the Relevant Period ending on the last day of the period covered by the most recent Financial Report, calculated on a consolidated basis in accordance with the Accounting Principles.

“Corresponding Debt” has the meaning set forth in Condition 10.4 (*Parallel Debt*).

“CSD” means the Issuer’s central securities depository in respect of the Bonds from time to time; initially Clearstream Banking S.A., Luxembourg.

“Cure Receivables Pledgor” has the meaning set forth in Condition 11.11 (*Additional Transaction Securities*).

“Current Shareholders” means the direct and indirect shareholders and beneficial owners of the Issuer as of the Issue Date and their Affiliates.

“Due Date” has the meaning set forth in Condition 7.3 (*Payment Day/Due Date*).

“Derivative Transaction” has the meaning set forth in item (e) of the definition “Permitted Debt” below.

“Disqualified Stock” means any Capital Stock that, by its terms (or by the terms of any security into which it is convertible, or for which it is exchangeable, in each case, at the option of the holder of the Capital Stock), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or redeemable at the option of the holder of the Capital Stock, in whole or in part, on or prior to the date that is ninety-one (91) days after the date on which the Bonds mature. Notwithstanding the

preceding sentence, any Capital Stock that would constitute Disqualified Stock solely because the holders of the Capital Stock have the right to require the Issuer to repurchase such Capital Stock upon the occurrence of a change of control or an asset sale will not constitute Disqualified Stock if the terms of such Capital Stock provide that the Issuer may not repurchase or redeem any such Capital Stock pursuant to such provisions unless such repurchase or redemption complies with the restrictions set out in Condition 11.2 (*Distributions*). The amount of Disqualified Stock deemed to be outstanding at any time for purposes of these Terms and Conditions will be the maximum amount that the Issuer and the Restricted Subsidiaries may become obligated to pay upon the maturity of, or pursuant to any mandatory redemption provisions of, such Disqualified Stock, exclusive of accrued dividends.

“EBITDA” means, in respect of the Relevant Period, the consolidated net profit of the Group from ordinary activities according to the latest Financial Report:

- (a) before deducting any amount of tax on profits, gains or income paid or payable by any Group Company;
- (b) before deducting any Net Finance Charges;
- (c) before taking into account any exceptional items which are not in line with the ordinary course of business;
- (d) before taking into account any Transaction Costs;
- (e) not including any accrued interest owing to any Group Company;
- (f) before taking into account any unrealized gains or losses on any derivative instrument (other than any derivative instruments which is accounted for on a hedge account basis);
- (g) before taking into account any gains or losses on any foreign exchange gains or losses;
- (h) before deducting any expense in relation to employee non-cash stock option based compensation plans;
- (i) after adding back or deducting, as the case may be, the amount of any loss or gain against book value arising on a disposal of any asset (other than in the ordinary course of trading) and any loss or gain arising from an upward or downward revaluation of any asset;
- (j) after deducting the amount of any profit (or adding back the amount of any loss) of any Group Company which is attributable to minority interests;
- (k) after adding back or deducting, as the case may be, the Group's share of the profits or losses of entities which are not part of the Group; and
- (l) after adding back any amount attributable to the amortization, depreciation or depletion of assets of Group Companies.

“Economic Sanctions Law” means any economic or financial sanctions administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. State Department, any other authority, department or agency of the U.S. government, the United Nations, Her Majesty’s Treasury of the United Kingdom, the European Union or any member state thereof.

“Equity Cure” has the meaning set forth in Condition 12.3 (*Covenant Cure*).

“Equity Interest” means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

“Equity Listing Event” means an initial public offering of Capital Stock in the Issuer or a Restricted Subsidiary, or any direct or indirect parent company of the Issuer (the **“Listed Entity”**), from time to time, resulting in that such shares are quoted, listed, traded or otherwise admitted to trading on a Regulated Market or a recognized unregulated marketplace.

“Equity Listing Market Capitalization” means an amount equal to (x) the total number of issued and outstanding shares of common stock or common equity interests of the Listed Entity at the time of closing of the Equity Listing Event multiplied by (y) the price per share at which such shares of common stock or common equity interests are sold in such Equity Listing Event.

“Escrow Account” means the escrow account opened by the Escrow Agent in the name of the Issuer, held with Citibank, NL and into which the net proceeds of the Bonds will be deposited on or before the Issue Date, to be controlled by the Escrow Agent and to be pledged in favor of the Security Agent for the benefit of the holders of the Bonds.

“Escrow Account Pledge” means the security interest created on or before the Issue Date over the Escrow Account in favor of the Security Agent and for the benefit of the holders of the Bonds to secure the Secured Obligations.

“Escrow Agent” means TMF Services (UK) Limited.

“EUR” means the currency used by the institutions of the European Union and is the official currency of the Eurozone.

“Event of Default” means an event, circumstance or situation specified in Condition 13.1.

“Existing Bonds” means the EUR100,000,000 9.50% Senior Secured Bonds 2018/2022 issued by the Issuer.

“Existing Debt” means all Financial Indebtedness of the Issuer and the Restricted Subsidiaries in existence on the Issue Date.

“Existing Security” means all Security provided by the Issuer and the Restricted Subsidiaries in relation to the Existing Debt. For the sake of clarity, any Security to be released on or about the Settlement Date shall not be deemed an “Existing Security”.

“Extraordinary Resolution” has the meaning set forth in Condition 16.3 (*Quorum and majority*).

“FATCA” has the meaning set forth in Condition 8.1 (*Withholding Tax*).

“Finance Charges” means, for the Relevant Period, the aggregate amount of the accrued interest, commission, fees, discounts, payment fees, premiums or charges and other finance payments in respect of Financial Indebtedness whether paid, payable or capitalized by any Group Company according to the latest Financial Report (calculated on a consolidated basis) without taking into account any (a) Transaction Costs, (b) unrealized gains or losses on any derivative instruments other than any derivative instruments which are accounted for on a hedge accounting basis, (c) losses arising on foreign currency revaluations of intercompany balances or (d) charges on pension balances.

“Finance Documents” means:

- (a) these Terms and Conditions;
- (b) the Guarantees;
- (c) the Transaction Security Documents;
- (d) the Security Agent Agreement;
- (e) the Agent Agreement; and
- (f) any other document designated by the Issuer and the Agent as a Finance Document.

“Financial Indebtedness” means any indebtedness in respect of:

- (a) monies borrowed or raised, including Market Loans, Shareholder Loans, Subordinated Loans, and shareholders’ loans granted on arm lengths terms and conditions;
- (b) any Capital Lease Obligation (for the avoidance of doubt, any leases treated as operating leases under the Accounting Principles as applicable on the Issue Date shall not, regardless of any subsequent changes or amendments of the Accounting Principles, be considered as Capital Lease Obligation);
- (c) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (d) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing and treated as a borrowing under the Accounting Principles;
- (e) any Derivative Transaction (and, when calculating the value of any derivative transaction, only the mark to market value shall be taken into account);

- (f) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
- (g) (without double counting) any guarantee or other assurance against financial loss in respect of a type referred to in the above items (a)–(f).

“Financial Report” means the annual audited consolidated financial statements of the Issuer and the quarterly interim unaudited consolidated reports of the Issuer, which shall be prepared and made available according to Condition 11.14 (*Financial reporting and information*).

“German Government Bond Rate” means the yield to maturity at the time of computation of direct obligations of Germany, acting through the Federal German Finance Agency (Ger. *Bundesrepublik Deutschland – Finanzagentur GmbH*) with a constant maturity (such yield to be the weekly average yield as officially compiled and published in the most recent financial statistics that has become publicly available at least two (2) Business Days (but not more than five (5) Business Days) prior to the relevant Redemption Date (or, if such financial statistics are not so published or available, any publicly available source of similar market data selected by the Issuer in good faith)) most nearly equal to the period from the relevant Redemption Date to the First Call Date; provided, however, that if the period from the relevant Redemption Date to the First Call Date is not equal to the constant maturity of a direct obligation of Sweden, acting through the Federal German Finance Agency for which a weekly average yield is given, the German Government Bond Rate shall be obtained by linear interpolation (calculated to the nearest one-twelfth (1/12) of a year) from the weekly average yields of direct obligations of Germany, acting through the Federal German Finance Agency, for which such yields are given, except that if the period from such Redemption Date to the First Call Date is less than one year, the weekly average yield on actually traded direct obligations of Germany, acting through the Federal German Finance Agency, adjusted to a constant maturity of one year shall be used.

“Global Bond” has the meaning set forth in Condition 2.3 (*Global Bond and Custody*).

“Governmental Authority” means any nation, sovereign or government, any state, province, territory or other political subdivision thereof, and any entity or authority exercising executive, legislative, judicial, regulatory, self-regulatory or administrative functions of or pertaining to government, including a central bank or stock exchange.

“Group” means the Issuer and all its Subsidiaries from time to time. **“Group Company”** means the Issuer or any of its Subsidiaries.

“Guaranteed Obligations” means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of each Obligor to the Secured Creditors (or any of them) under each Finance Document, together with all costs, charges and expenses incurred by any Secured Creditor in connection with the protection, preservation or enforcement of its respective rights under the Finance Documents, or any other document evidencing such liabilities.

“Guarantee” has the meaning set forth in Condition 4 (*Guarantee*).

“Guarantors” means all the Material Group Companies and any Additional Guarantor, except (i) Mogo Auto Limited (Kenya), (ii) Mogo Kenya Limited (Kenya), (iii) Mogo Loans SMC Ltd (Uganda), (iv) OOO Mogo Lend (Uzbekistan) and (v) any Material Group Company incorporated in sub-Saharan Africa (except for any Material Group Company incorporated in the Republic of South Africa).

“Holder” means any holder of the Bonds, including, for the avoidance of doubt, any person shown for the time being in the records of the relevant clearing systems as the holder of a particular nominal amount of Bonds, collectively **“Holders”**.

“Holders’ Meeting” means a bondholders’ meeting among the Holders held in accordance with Condition 16 (*Meeting of Holders*).

“Incurrence Test” is met if:

- (a) the Interest Coverage Ratio for the Relevant Period ending on the last day of the period covered by the most recent Financial Report (immediately preceding the date on which such additional Financial Indebtedness is incurred, such Disqualified Stock or such preferred stock is issued or such distribution, payment or merger is made, as the case may be) would have been at least 1.75x, determined on a *pro forma* basis (including a *pro forma* application of any net proceeds therefrom), as if the additional Financial Indebtedness had been incurred, the Disqualified Stock or the preferred stock had been issued or the distribution, payment or merger had been made, as the case may be, at the beginning of such Relevant Period; and, unless otherwise stated in these Terms and Conditions,
- (b) the Capitalization Ratio of the Issuer on a consolidated basis is at least 20%, determined on a *pro forma* basis (including a *pro forma* application of the net proceeds therefrom), at the time of and immediately after giving *pro forma* effect to such incurrence;
- (c) the Consolidated Net Leverage Ratio does not exceed 5.00x, determined on a *pro forma* basis (including a *pro forma* application of any net proceeds therefrom), at the time of and immediately after giving *pro forma* effect to such incurrence;

provided that the figures for calculating the Interest Coverage Ratio (including the figures for EBITDA, Finance Charges and Net Finance Charges) and Consolidated Net Leverage Ratio *pro forma* in accordance with the above shall (as applicable) be adjusted so that:

- (i) any Financial Indebtedness that has been repaid, repurchased and cancelled by any Group Company during the Relevant Period, or after the end of the Relevant Period but before the relevant testing date, shall be excluded, *pro forma*, for the entire Relevant Period;

- (ii) any Financial Indebtedness that is to be refinanced in connection with the incurrence of such additional Financial Indebtedness shall be excluded, *pro forma*, for the entire Relevant Period;
- (iii) entities acquired or disposed of by the Group during the Relevant Period, or after the end of the Relevant Period but before the relevant testing date, shall be included or excluded (as applicable), *pro forma*, for the entire Relevant Period; and
- (iv) any entity to be acquired with the proceeds from new Financial Indebtedness shall be included, *pro forma*, for the entire Relevant Period.

“Initial Nominal Amount” has the meaning set forth in Condition 2.1 (*Nominal Amount, Currency and Denomination*).

“Insolvency Proceedings” means, with respect to any person, the winding-up, liquidation, dissolution, bankruptcy, receivership, insolvency or administration of such person or any equivalent or analogous proceedings under the law of the jurisdiction in which such person is incorporated (or, if not a company or corporation, domiciled) or of any jurisdiction in which such person carries on business or has any assets including the seeking of an arrangement, adjustment, protection or relief of creditors.

“Interest” means the interest on the Bonds calculated in accordance with Conditions 5.1 (*Interest Rate and Interest Payment Dates*) to 5.3 (*Day Count Fraction*).

“Interest Coverage Ratio” means the ratio of EBITDA to Net Finance Charges.

“Interest Payment Date” means [●] October and [●] April of each year or, to the extent such day is not a Business Day, the Business Day following from an application of the Business Day Convention (with the first Interest Payment Date of the Bonds being [●] April 2022 and the last Interest Payment Date being the Final Redemption Date).

“Interest Period” means each period beginning on (and including) the Issue Date and, thereafter, any Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date (or a shorter period if relevant), in no case adjusted due to an application of the Business Day Convention.

“Interest Rate” means a fixed interest rate of [●]% per annum.

“Issue Date” means [●] October 2021.

“Issuer” means Eleving Group, a public limited liability company (*société anonyme*) incorporated under the laws of Luxembourg, having its registered address at 8-10 Avenue de la Gare, L-1610 Luxembourg, Grand Duchy of Luxembourg, and registered with the Luxembourg Trade and Companies Register under number B174457.

“Lead Manager” means Oppenheimer & Co. Inc.

“Listed Entity” has the meaning set forth in the definition “Equity Listing Event” above.

“Luxembourg” means the Grand Duchy of Luxembourg and, when used in a geographical sense, means the territory of the Grand Duchy of Luxembourg.

“Luxembourg Insolvency Event” means in relation to any company incorporated, domiciled or resident in Luxembourg, such person in Luxembourg:

- (a) enters into a voluntary arrangement with its creditors (*concordat préventif de la faillite*) pursuant to the law of 14 April 1886 on arrangements to prevent insolvency, as amended; or
- (b) is granted a suspension of payments within the meaning of Articles 593 et seq. of the Luxembourg Commercial Code; or
- (c) is subject to controlled management (*gestion contrôlée*) within the meaning of the grand ducal regulation 24 May 1935 on controlled management; or
- (d) is itself or any of its assets the subject of any Insolvency Proceedings commenced pursuant to Articles 437 et seq. of the Luxembourg Commercial Code or any other Insolvency Proceedings pursuant to the Regulation (EU) No 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings, as amended, unless the application for such proceedings is dismissed within twenty (20) days from and excluding the day it is filed (unless dismissed on the ground that the costs of the Insolvency Proceedings were likely to exceed the assets of such person (*clôture pour insuffisance d’actifs*)); or
- (e) takes any corporate action or is the subject of any legal proceedings commenced against it for its dissolution or liquidation; or
- (f) is in a situation of illiquidity (*cessation de paiements*), or without access to credit (*crédit ébranlé*) within the meaning of Article 437 of the Luxembourg Commercial Code.

“Make Whole Amount” means an amount equal to the sum of:

- (a) the present value on the relevant Record Date of [●], as if such payment originally should have taken place on the First Call Date; and
- (b) the present value on the relevant Record Date of the remaining Interest payments (excluding accrued but unpaid Interest up to the relevant Redemption Date) up to and including the First Call Date;

both calculated by using a discount rate of fifty (50) basis points over the comparable German Government Bond Rate (*i.e.* comparable to the remaining duration of the Bonds until the First Call Date).

“Management Repurchase” means the repurchase, redemption or other acquisition or retirement for value of any Equity Interest of the Issuer or any

Restricted Subsidiary held by any future, current or former officer, director or employee, or by any entity controlled by any such individual, of the Issuer or any Restricted Subsidiary (or any permitted transferee of such current or former officers, directors or employees) pursuant to any equity subscription agreement, stock option agreement, share purchase agreement, shareholders' agreement or similar agreement; provided that the aggregate price paid for all such repurchased redeemed, acquired or retired Equity Interest may not exceed EUR 2,500,000 in any fiscal year or EUR 5,000,000 in the aggregate; provided, further, that such amount in any fiscal year may be increased by (x) the cash proceeds of any key-man life insurance policies received by the Issuer and the Restricted Subsidiaries and (y) an amount not to exceed the cash proceeds from the sale of Equity Interests of the Issuer to members of management or directors of the Issuer, any of the Restricted Subsidiaries or any of its direct or indirect parent companies to the extent the cash proceeds from the sale of Equity Interests have not otherwise been applied to the making of Restricted Payments.

"Market Capitalization" means an amount equal to the total number of issued and outstanding shares of common stock or common equity interests of the Listed Entity on the date of the declaration of the contemplated Permitted Payment multiplied by the arithmetic mean of the closing prices per share of such common stock or common equity interests for the thirty (30) consecutive Business Days immediately preceding the date of declaration of such contemplated Permitted Payment.

"Market Loan" means any loan or other indebtedness where an entity issues commercial paper, certificates, convertibles, debentures, bonds or any other debt securities (including, for the avoidance of doubt, medium term note programmes and other market funding programmes), provided in each case that such instruments and securities are or can be subject to trade on a Regulated Market or unregulated recognized market place.

"Material Adverse Effect" means a material adverse effect on (a) the business, financial condition or operations of the Group taken as a whole, (b) the Obligors' ability to perform and comply with their payment and other undertakings under the Finance Documents or (c) the validity or enforceability of the Finance Documents.

"Material Group Company" means each Group Company whose loan portfolio is at least EUR7,500,000 and represents at least 3% of the Net Loan Portfolio. Once the relevant Group Company no longer meets either of the aforementioned criteria, such Group Company shall no longer be deemed a Material Group Company.

"Maturity Date" means [●] 2026.

"Net Finance Charges" means, for the Relevant Period, the Finance Charges according to the latest consolidated Financial Report, after deducting any interest payable for the Relevant Period to any Group Company, any New Shareholder Injection for the Relevant Period and any interest income relating to Cash and Cash Equivalents of the Group (and excluding any (a) payment-in-kind interest capitalized on Shareholder Loans, (b) gains arising on foreign currency revaluations of intercompany balances or (c) income on pension balances).

“Net Loan Portfolio” means, as of any date of determination, the sum of loans, securities, investments, receivables and reserves minus allowances for loss of the Group as set forth on the consolidated balance sheet as of the Relevant Period ending on the last day of the period covered by the most recent Financial Report, prepared in accordance with the Accounting Principles.

“Net Proceeds” means the proceeds from the Bond Issue, after deduction has been made for the transaction costs payable by the Issuer to the Lead Manager for the services provided in relation to the placement and issuance of the Bonds.

“New Shareholder Injections” means the aggregate amount subscribed for by any person (other than a member of the Group) for ordinary shares in the Issuer or for any Shareholder Loan or Subordinated Loan on terms acceptable to the Agent.

“Nominal Amount” means the Initial Nominal Amount, or, if the principal amount of the Bonds have been partially repaid, the reduced nominal amount of the Bonds.

“Obligors” means the Issuer and the Restricted Subsidiaries.

“Ordinary Resolution” has the meaning set forth in Condition 16.3 (*Quorum and majority*).

“Payment Day” has the meaning set forth in Condition 7.3 (*Payment Day/Due Date*).

“Parallel Debt” has the meaning set forth in Condition 10.4(a) (*Parallel Debt*).

“Paying Agent” has the meaning set forth in Condition 14.1 (*Paying Agent*).

“Paying Agency Agreement” means the agency agreement entered into on [●] October 2021 between the Issuer and the Paying Agent, or any replacement paying agency agreement entered into thereafter between the Issuer and the applicable Paying Agent.

“Permitted Basket” has the meaning set forth in item (I) of the definition “Permitted Debt” below.

“Permitted Business” means any businesses, services or activities that are the same as, or reasonably related, ancillary or complementary to, any of the businesses, services or activities in which the Issuer and its Restricted Subsidiaries are engaged on the Issue Date, including for the avoidance of doubt investments in connection with the Group’s loan portfolio, and reasonable future extensions, developments or expansions of such businesses, services or activities, so long as such future business is approved by a resolution of the board of directors of the Issuer.

“Permitted Debt” means any Financial Indebtedness:

- (a) incurred by the Issuer or any of the Restricted Subsidiaries under the Finance Documents;

- (b) incurred by the Issuer or any of the Restricted Subsidiaries under any Existing Debt;
- (c) the incurrence by the Issuer or any of the Restricted Subsidiaries of Financial Indebtedness represented by Capital Lease Obligations, mortgage financings or purchase money obligations or other financings, in each case, incurred for the purpose of financing or refinancing all or any part of the purchase price or cost of design, development, construction, lease, installation or improvement of property, plant or equipment used in the business of the Issuer or any of the Restricted Subsidiaries and including any reasonable related fees or expenses incurred in connection with such acquisition or development, in an aggregate principal amount not to exceed the greater of (i) EUR 2,500,000 and (ii) 2.00 % of Consolidated Total Assets at any time outstanding;
- (d) incurred by the Issuer or any of the Restricted Subsidiaries as intercompany Financial Indebtedness provided by the Issuer or a Restricted Subsidiary, provided, however, that: (i) if (A) the Issuer or any Guarantor is the obligor of any such Financial Indebtedness and (B) the payee is not the Issuer or a Guarantor, then such Financial Indebtedness must qualify as Shareholder Loan or Subordinated Loan; and (ii) (A) any subsequent issuance or transfer of Equity Interests that results in any Financial Indebtedness incurred under this Condition being held by a Person other than the Issuer or a Restricted Subsidiary; and (B) any sale or other transfer of any Financial Indebtedness incurred under this Condition to a Person that is not either the Issuer or a Restricted Subsidiary will be deemed, in each case, to constitute an incurrence of such Financial Indebtedness by the Issuer or such Restricted Subsidiary, as the case may be, that was not permitted by this Condition;
- (e) arising under a derivative transaction entered into by the Issuer or a Restricted Subsidiary in connection with protection against or benefit from fluctuation in any rate or price ("**Derivative Transaction**") where such exposure arises in the ordinary course of business or in respect of payments to be made under these Terms and Conditions (excluding for the avoidance of doubt any derivative transaction which in itself is entered into for investment or speculative purposes);
- (f) the guarantee by the Issuer or any Guarantor of Financial Indebtedness of the Issuer or a Guarantor, to the extent that the guaranteed Financial Indebtedness was permitted to be incurred by another provision of these Terms and Conditions; provided that, if the Financial Indebtedness being guaranteed is subordinated to or *pari passu* with the Bonds, then the Guarantee must be subordinated or *pari passu*, as applicable, to the same extent as the Financial Indebtedness guaranteed;
- (g) incurred by the Issuer or any of the Restricted Subsidiaries as a result from the honoring by a bank or other financial institution of a check, draft or similar instrument inadvertently drawn against insufficient funds, so long as such Financial Indebtedness is covered within five (5) Business Days;

- (h) incurred as a result of the Issuer or a Guarantor acquiring or merging with another entity and which is due to the fact that such entity holds Financial Indebtedness, provided that: either (i) the Issuer would be permitted to incur at least EUR 1.00 of additional Financial Indebtedness pursuant to the Incurrence Test (calculated on a *pro forma* basis including the acquired or merged entity, as the case may be, as if acquired or merged, as the case may be, at the beginning of the relevant Period ending on the last day of the period covered by the most recent Financial Report); or (ii) each of the Interest Coverage Ratio, Capitalization Ratio and Consolidated Net Leverage Ratio of the Issuer and its Restricted Subsidiaries would not be lower than it was immediately prior to giving effect to such acquisition or merger (in each case calculated on a *pro forma* basis including the acquired or merged entity, as the case may be);
- (i) incurred by the Issuer or a Restricted Subsidiary under a Shareholder Loan or a Subordinated Loan;
- (j) incurred by the Issuer or any of the Restricted Subsidiaries in the ordinary course of business under the Advance Purchase Agreements, under any pension and tax liabilities and related to any agreements under which the Issuer or a Restricted Subsidiary leases office space or other premises;
- (k) Financial Indebtedness owed on a short-term basis of no longer than thirty (30) Business Days to banks and other financial institutions incurred in the ordinary course of business of the Issuer or the Guarantors with such banks or financial institutions that arises in connection with ordinary banking arrangements to manage cash balances of the Issuer or the Guarantors, in an aggregate principal amount not to exceed EUR 1,000,000;
- (l) Financial Indebtedness incurred by a Guarantor in an aggregate principal amount (or accreted value, as applicable) which, when taken together with the principal amount of any other outstanding Financial Indebtedness incurred by any Guarantor under this item (l) will not exceed 17.5% of the Group's Net Loan Portfolio (all the Financial Indebtedness incurred under paragraph (k) above and this paragraph (l) shall together be referred to as the "**Permitted Basket**") provided that at least 75% of the Financial Indebtedness incurred under this item (l) shall be incurred in relation with Permitted Business.

"Permitted Loans" means:

- (a) any loan granted by the Issuer or any of the Restricted Subsidiaries as intercompany Financial Indebtedness to the Issuer or a Restricted Subsidiary;
- (b) any guarantee of Financial Indebtedness permitted to be incurred under Condition 11.4 (*Financial Indebtedness and Disqualified Stock*) and the definition "Permitted Debt" above;
- (c) any loan arising under a Derivative Transaction;

- (d) any loan existing on the Issue Date; provided that the amount of any such loan may be increased (i) as required by the terms of such loan (as in existence on the Issue Date) and (ii) as otherwise permitted under these Terms and Conditions;
- (e) any loan acquired after the Issue Date as a result of the acquisition by the Issuer or any Restricted Subsidiary or another Person (including by way of a merger, amalgamation or consolidation with or into the Issuer or any Restricted Subsidiary) in a transaction that is permitted under these Terms and Conditions;
- (f) any loan granted in the ordinary course of business (including lease, leaseback, consumer loans or participations therein arising in the ordinary course of business);
- (g) loans or advances to employees, or any entity controlled by employees, made in the ordinary course of business of the Issuer or any Guarantor in an aggregate principal amount not to exceed EUR 2,000,000 at any time outstanding; and
- (h) loans, advances or guarantees to directors, officers and employees of the Issuer or any Guarantor to cover, travel, entertainment or moving-related expenses enacted in the ordinary course of business.

“Permitted Payments” means:

- (a) any Management Repurchase;
- (b) so long as no Event of Default has occurred and is continuing (or would result therefrom), the declaration and payment of regularly scheduled or accrued dividends to holders of any class or series of Disqualified Stock of the Issuer or any preferred stock of any Restricted Subsidiary issued on or after the Issue Date in accordance with these Terms and Conditions;
- (c) so long as no Event of Default has occurred and is continuing (or would result therefrom), any declaration of payment by the Issuer or a Restricted Subsidiary of dividends or distributions to any future, current or former employee, or any entity controlled by any such employee, of a Group Company in the context of employee incentive schemes, in an amount not to exceed EUR 2,500,000 per financial year; and
- (d) any principal repayment under any Shareholder Loans provided that such Shareholder Loans are replaced with Subordinated Loans or other equity or debt instruments of the Issuer that are qualified as equity by the Rating Agency.

“Permitted Security” means any Security:

- (a) provided in accordance with the Finance Documents;
- (b) which is an Existing Security;

- (c) provided in relation to any agreement under which the Issuer or a Restricted Subsidiary leases office space or other premises provided such lease constitutes Permitted Debt;
- (d) arising by operation of law or in the ordinary course of business (including collateral or retention of title arrangements in connection with but, for the avoidance of doubt, not including guarantees or security in respect of any monies borrowed or raised);
- (e) provided in relation to a Derivative Transaction;
- (f) incurred as a result of the Issuer or a Restricted Subsidiary acquiring another entity and which is due to that such acquired entity has provided security, provided that the debt secured with such security constitutes Permitted Debt in accordance with item (h) of the definition “Permitted Debt” above;
- (g) provided to secure Financial Indebtedness permitted by item (c) of the definition “Permitted Debt” above, covering only the assets acquired with or financed by such Financial Indebtedness;
- (h) over assets or property of a Restricted Subsidiary that is not a Guarantor securing Financial Indebtedness of any Restricted Subsidiary that is not a Guarantor;
- (i) over assets or property of the Issuer or any Restricted Subsidiary securing Financial Indebtedness or other obligations of the Issuer or such Restricted Subsidiary owing to the Issuer or another Restricted Subsidiary, or Security in favor of the Issuer or any Restricted Subsidiary; and
- (j) provided in relation to the Permitted Basket.

“Person” means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization, government, or any agency or political subdivision thereof, or any other entity, whether or not having a separate legal personality.

“Pledgors” means the Issuer, AS Mogo Eastern Europe (Latvia), AS “mogo” (Latvia), AS Renti (Latvia), AS Mogo Baltics and Caucasus (Latvia), mogo OÜ (Estonia), UAB “mogo LT” (Lithuania), Mogo LLC (Georgia), MOGO Universal Credit Organization LLC (Armenia), Mogo IFN SA (Romania), O.C.N. “MOGO LOANS” S.R.L. (Moldova), AS Eleving Consumer Finance (Latvia), OCN SEBO CREDIT SRL (Moldova), AS Eleving Finance (Latvia), Finance Company TIGO FINANCE DOOEL Skopje (North Macedonia), AS Eleving Consumer Finance Holding (Latvia), Kredo Finance Shpk (Albania) and any Additional Pledgor, except (i) Mogo Auto Limited (Kenya), (ii) Mogo Kenya Limited (Kenya), (iii) Mogo Loans SMC Ltd (Uganda) and, (iv) OOO Mogo Lend (Uzbekistan) and (v) any Material Group Company incorporated in sub-Saharan Africa (except for any Material Group Company incorporated in the Republic of South Africa).

“Put Option Trigger Event” means any of the following events, circumstance or situation:

- (a) a Change of Control Event;
- (b) any requirement of Condition 12.1 (*Financial Conditions*) is not satisfied (unless remedied in accordance with the provisions of Condition 12.3 (*Covenant Cure*)); and
- (c) any ultimate beneficial owner of the Issuer is or becomes a Sanctioned Person.

“Rating Agency” means Fitch Deutschland GmbH or any other rating agency of international standing.

“Record Date” means the Business Day prior to (a) an Interest Payment Date, (b) a Redemption Date, (c) a date on which a payment to the Holders is to be made, (d) the date of a Holders’ Meeting or (e) another relevant date, or in each case such other Business Day falling prior to a relevant date if generally applicable on the German bond market.

“Redemption Date” means the date on which the relevant Bonds are to be redeemed or repurchased in accordance with Condition 6 (*Maturity, Redemption, Early Redemption, Repurchase*).

“Regulated Market” means any regulated market (as defined in Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments (recast)).

“Related Party” shall have the same meaning as ‘related party’ under IAS 24 – Related Party Disclosures, noting that each reference to ‘reporting entity’ in the IAS 24 – Related Party Disclosures definition of ‘related party’ shall be construed to be a reference to the Issuer and its Subsidiaries. In addition, an entity shall also fall under the definition of Related Party for the purposes of these Terms and Conditions if 30% or more of the outstanding shares or other equity instruments of that entity are held by shareholders who are also shareholders (directly or indirectly) of the Issuer or its Subsidiaries.

“Relevant Period” means each period of twelve (12) consecutive calendar months.

“Restricted Payment” has the meaning set forth in Condition 11.2 (*Distributions*).

“Relevant Taxing Jurisdiction” means (a) Latvia, Luxembourg or any political subdivision or Governmental Authority thereof or therein having power to tax, (b) any jurisdiction from or through which payment on any Bond or Guarantee is made by the Issuer, any Guarantor or their agents, or any political subdivision or Governmental Authority thereof or therein having the power to tax or (c) any other jurisdiction in which the Issuer or Guarantors are incorporated or organized, resident for tax purposes.

“Restricted Subsidiaries” means any Subsidiary of the Issuer, including the Guarantors, that is not an Unrestricted Subsidiary.

“Sanctioned Person” means any person, organization or vessel:

- (a) designated on the OFAC list of Specially Designated Nationals and Blocked Persons or on the Consolidated List of Persons, Groups and Entities Subject to EU Financial Sanctions, or on the Consolidated List of Financial Sanctions Targets maintained by the UK Treasury, or on any list of blocked persons issued under the Economic Sanctions Law of any other country;
- (b) that is, or is part of, a government of a Sanctioned Territory;
- (c) owned or controlled by, or acting on behalf of, any of the foregoing; or
- (d) located within or operating from a Sanctioned Territory,

except that “Sanctioned Person” does not include a person listed on the US Sectoral Sanctions Identifications List or Annex III of Regulation (EU) No 833/2014 of 31 July 2014, or any successor thereto.

“Sanctioned Territory” means any country or other territory subject to a general export, import, financial or investment embargo under Economic Sanctions Law.

“Secured Creditors” means the Holders.

“Secured Obligations” subject to any limitation under the relevant Transaction Security Documents, means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of the Obligors towards the Secured Creditors under or in connection with these Terms and Conditions and the other Finance Documents.

“Security” has the meaning set forth in Condition 11.5 (*Negative pledge*).

“Security Agent” means, initially TMF Trustee Services GmbH, or subsequently any other security agent, appointed by the Secured Creditors from time to time pursuant, to the Security Agent Agreement, holding the Transaction Securities on behalf of the Secured Creditors.

“Security Agent Agreement” means the security agent agreement entered into on or about the Issue Date between the Issuer and the Security Agent, or any replacement security agent agreement entered into after the Issue Date between the Issuer and the applicable Security Agent.

“Settlement Date” means on or about [●] October 2021.

“Shareholder Loan” means any loan raised by an Obligor from its current or previous direct or indirect shareholder, if such shareholder loan (a) according to its terms, is subordinated to the obligations of the Issuer under the Finance Documents, (b) according to its terms, has a final redemption date or, when applicable, early redemption dates or instalment dates which occur only after the Maturity Date and according to its terms yield only payment-in-kind interest or where payment of principal and interest can only be made under Condition 11.2 (*Distributions*) and (c) is qualified as equity by the Rating Agency.

“Subordinated Loan” means any loan raised by an Obligor, if such loan (a) according to its terms, is subordinated to the obligations of the Issuer under the Finance Documents, (b) according to its terms, has a final redemption date or, when applicable, early redemption dates or instalment dates which occur only after the Maturity Date and according to its terms yield payment-in-kind or payment in cash interest and (c) is qualified as equity by the Rating Agency.

“Subsequent Bond” means any issue of Bonds in accordance with Condition 15 (*Further Issues*).

“Subsidiary” means, in relation to any person, any legal entity (whether incorporated or not), in respect of which such person, directly or indirectly, (a) owns shares or ownership rights representing more than 50.00 % of the total number of votes held by the owners, (b) otherwise controls more than 50.00 % of the total number of votes held by the owners or (c) has the power to appoint and remove all, or the majority of, the members of the board of directors or other governing body.

“Taxes” means all present and future taxes, levies, imposts, deductions, charges, duties and withholdings and any charges of a similar nature (including, without limitation, interest, penalties and other liabilities with respect thereto) that are imposed by any government or other taxing authority.

“Third Party” means any Person other than the Issuer or the Restricted Subsidiaries.

“Transaction Costs” means all fees, costs and expenses incurred by a Group Company in connection with (a) the Bond Issue or a Subsequent Bond issue and (b) the listing of the Bonds on the Frankfurt Stock Exchange.

“Transaction Security Documents” means the agreement relating to the Escrow Account Pledge and each security agreement, entered into or to be entered into between the Pledgors and the Security Agent (on behalf of the Secured Creditors), purporting to create a Security in favor of the Secured Creditors, in particular:

- (a) Latvian law governed security documents (the **“Latvian Transaction Security Documents”**), including:
 - (i) a Latvian law governed share pledge agreement creating a first ranking pledge over all the shares directly and indirectly held by AS Mogo Eastern Europe in AS “mogo” (Latvia) (the **“Latvian Share Pledge Agreement 1”**);
 - (ii) a Latvian law governed receivables pledge agreement creating a first ranking pledge over present and future loan receivables which are not secured by Existing Securities granted by AS “mogo” (Latvia) (the **“Latvian Receivables Pledge Agreement 1”**);
 - (iii) a Latvian law governed trademark pledge agreement creating a first ranking pledge over all trademarks owned by AS “mogo” (Latvia) and registered in Latvia (the **“Latvian Trademark Pledge Agreement 1”**);

- (iv) a Latvian law governed share pledge agreement creating a first ranking pledge over all the shares directly and indirectly held by AS “mogo” in AS Renti (Latvia) (the **“Latvian Share Pledge Agreement 2”**);
 - (v) a Latvian law governed receivables pledge agreement creating a first ranking pledge over present and future receivables which are not secured by Existing Securities granted by AS Renti (Latvia) (the **“Latvian Receivables Pledge Agreement 2”**);
 - (vi) a Latvian law governed trademark pledge agreement creating a first ranking pledge over all trademarks owned by AS Renti (Latvia) and registered in Latvia (the **“Latvian Trademark Pledge Agreement 2”**);
- (b) Estonian law governed security documents (the **“Estonian Transaction Security Documents”**), including:
- (i) an Estonian law governed share pledge agreement creating a first ranking pledge over all the shares directly and indirectly held by AS Mogo Baltics and Caucasus in mogo OÜ (Estonia) (the **“Estonian Share Pledge Agreement”**);
 - (ii) an Estonian law governed receivables pledge agreement creating a first ranking pledge over present and future loan receivables which are not secured by Existing Securities granted by mogo OÜ (Estonia) (the **“Estonian Receivables Pledge Agreement”**);
 - (iii) an Estonian law governed trademark pledge agreement creating a first ranking pledge over all trademarks owned by mogo OÜ (Estonia) and registered in Estonia (the **“Estonian Trademark Pledge Agreement”**);
 - (iv) an Estonian law governed bank account pledge agreement creating a first ranking pledge over primary bank accounts owned by mogo OÜ (Estonia) (the **“Estonian Account Pledge Agreement”**);
- (c) Lithuanian law governed security documents (the **“Lithuanian Transaction Security Documents”**), including:
- (i) a Lithuanian law governed share pledge agreement creating a first ranking pledge over all the shares directly and indirectly held by the Issuer in UAB “mogo LT” (Lithuania) (the **“Lithuanian Share Pledge Agreement”**);
 - (ii) a Lithuanian law governed receivables pledge agreement creating a first ranking pledge over present and future loan receivables which are not secured by Existing Securities granted by UAB “mogo LT” (Lithuania) (the **“Lithuanian Receivables Pledge Agreement”**);

- (iii) a Lithuanian law governed trademark pledge agreement creating a first ranking pledge over all trademarks owned by UAB “mogo LT” (Lithuania) and registered in Lithuania (the **“Lithuanian Trademark Pledge Agreement”**);
 - (iv) a Lithuanian law governed bank account pledge agreement creating a first ranking pledge over primary bank accounts owned by UAB “mogo LT” (Lithuania) (the **“Lithuanian Account Pledge Agreement”**);
- (d) Georgian law governed security documents (the **“Georgian Transaction Security Documents”**), including:
 - (i) a Georgian law governed share pledge agreement creating a first ranking pledge over all the ownership interests directly and indirectly held by AS Mogo Baltics and Caucasus in Mogo LLC (Georgia) (the **“Georgian Share Pledge Agreement”**);
 - (ii) a Georgian law governed trademark pledge agreement creating a first ranking pledge over all trademarks owned by Mogo LLC (Georgia) and registered in Georgia (the **“Georgian Trademark Pledge Agreement”**);
 - (iii) a Georgian law governed bank account pledge agreement creating a first ranking pledge over primary bank accounts owned by Mogo LLC (Georgia) (the **“Georgian Account Pledge Agreement”**);
- (e) Armenian law governed security document (the **“Armenian Transaction Security Document”**):
 - (i) an Armenian law governed share pledge agreement creating a first ranking pledge over all the shares directly and indirectly held by AS Mogo Baltics and Caucasus in MOGO Universal Credit Organization LLC (Armenia) (the **“Armenian Share Pledge Agreement”**);
- (f) Romanian law governed security documents (the **“Romanian Transaction Security Documents”**), including:
 - (i) a Romanian law governed movable hypothec agreement creating a first ranking general pledge over (i) any and all present and future primary bank accounts of Mogo IFN SA (Romania), and cash held therein, (ii) present and future loan receivables granted by Mogo IFN SA (Romania) which are not secured by Existing Securities granted by Mogo IFN SA (Romania), and (iii) any and all current and future intellectual property held by Mogo IFN SA (Romania) (the **“Romanian General Pledge Agreement”**);
 - (ii) a Romanian law governed movable hypothec agreement over shares creating a first ranking pledge over all the shares directly and indirectly held by AS Mogo Eastern Europe in Mogo IFN SA (Romania) (the **“Romanian Share Pledge Agreement”**);

- (g) Moldovan law governed security documents (the “**Moldovan Transaction Security Documents**”), including:
 - (i) a Moldovan law governed share pledge agreement creating a first ranking pledge over all the shares directly and indirectly held by AS Mogo Eastern Europe in O.C.N. “MOGO LOANS” S.R.L. (Moldova) (the “**Moldovan Share Pledge Agreement 1**”);
 - (ii) a Moldovan law governed trademark pledge agreement creating a first ranking pledge over all trademarks owned by O.C.N. “MOGO LOANS” S.R.L. (Moldova) and registered in Moldova (the “**Moldovan Trademark Pledge Agreement 1**”);
 - (iii) a Moldovan law governed bank account pledge agreement creating a first ranking pledge over primary bank accounts owned by O.C.N. “MOGO LOANS” S.R.L. (Moldova) (the “**Moldovan Account Pledge Agreement 1**”);
 - (iv) a Moldovan law governed share pledge agreement creating a first ranking pledge over all the shares directly and indirectly held by AS Eleving Consumer Finance in OCN SEBO CREDIT SRL (Moldova) (the “**Moldovan Share Pledge Agreement 2**”);
 - (v) a Moldovan law governed trademark pledge agreement creating a first ranking pledge over all trademarks owned by OCN SEBO CREDIT SRL (Moldova) and registered in Moldova (the “**Moldovan Trademark Pledge Agreement 2**”);
 - (vi) a Moldovan law governed bank account pledge agreement creating a first ranking pledge over primary bank accounts owned by OCN SEBO CREDIT SRL (Moldova) (the “**Moldovan Account Pledge Agreement 2**”);
- (h) Belarus law governed security document (the “**Belarus Transaction Security Document**”):
 - (i) a Belarus law governed share pledge agreement creating first ranking pledge over all the shares directly and indirectly held by AS Mogo Eastern Europe in OOO “Mogo Credit” (Belarus) (the “**Belarus Share Pledge Agreement**”);
- (i) North Macedonian law governed security documents (the “**North Macedonian Transaction Security Documents**”), including:
 - (i) a North Macedonian law governed share pledge agreement creating first ranking pledge over all the shares directly and indirectly held by AS Eleving Finance in Finance Company TIGO FINANCE DOOEL Skopje (North Macedonia) (the “**North Macedonian Share Pledge Agreement**”);
 - (ii) a North Macedonian law governed trademark pledge agreement creating a first ranking pledge over all trademarks owned by Finance Company TIGO FINANCE DOOEL Skopje (North

Macedonia) and registered in North Macedonia (the “**North Macedonian Trademark Pledge Agreement**”);

- (j) Albanian law governed security documents (the “**Albanian Transaction Security Documents**”), including:
 - (i) an Albanian law governed share pledge agreement creating first ranking pledge over all the shares directly and indirectly held by AS Eleving Consumer Finance Holding in Kredo Finance Shpk (Albania) (the “**Albanian Share Pledge Agreement**”);
 - (ii) an Albanian law governed trademark pledge agreement creating a first ranking pledge over all trademarks owned by Kredo Finance Shpk (Albania) and registered in Albania (the “**Albanian Trademark Pledge Agreement**”);
 - (iii) an Albanian law governed bank account pledge agreement creating a first ranking pledge over primary bank accounts owned by Kredo Finance Shpk (Albania) (the “**Albanian Account Pledge Agreement**”);
- (k) Luxembourg law governed receivables pledge agreement creating a first ranking pledge over loan receivables with respect to certain loans made by the Issuer in accordance with Condition 11.6 (*Loans out*) (the “**Luxembourg Receivables Pledge Agreement**”),

the Transaction Security Documents listed in paragraphs (a) to (k) above shall be referred to as the “**Initial Transaction Security Documents**”.

“**Transaction Securities**” means the Securities granted to secure the Secured Obligations pursuant to the Transaction Security Documents.

“**Unrestricted Subsidiary**” means any Subsidiary of the Issuer other than the Guarantors that is designated by the board of directors of the Issuer as an Unrestricted Subsidiary pursuant to a resolution of the board of directors, but only to the extent that such Subsidiary:

- (a) has no Financial Indebtedness other than Financial Indebtedness (i) as to which neither the Issuer nor any of the Restricted Subsidiaries (A) provides credit support of any kind (including any undertaking, agreement or instrument that would constitute Financial Indebtedness) or (B) is directly or indirectly liable as a guarantor or otherwise and (ii) as to which the lenders have been notified in writing that they will not have any recourse to the stock or assets of the Issuer or any of the Restricted Subsidiaries (other than the Equity Interests of an Unrestricted Subsidiary); except to the extent that the Issuer or the relevant Restricted Subsidiary would be permitted to provide credit support, or be directly or indirectly liable as a guarantor or otherwise, pursuant to Condition 11.4 (*Financial Indebtedness and Disqualified Stock*);
- (b) except as permitted under these Terms and Conditions, is not party to any agreement, contract, arrangement or understanding with the Issuer

or any Restricted Subsidiary unless the terms of any such agreement, contract, arrangement or understanding are no less favourable to the Issuer or such Restricted Subsidiary than those that might be obtained at the time from Persons who are not Affiliates of the Issuer;

- (c) is a Person with respect to which neither the Issuer nor any of the Restricted Subsidiaries has any direct or indirect obligation (i) to subscribe or additional Equity Interests or (ii) to maintain or preserve such Person's financial condition or to cause such Person to achieve any specified levels of operating results; and
- (d) has not guaranteed or otherwise directly or indirectly provided credit support for any Financial Indebtedness of the Issuer or any of the Restricted Subsidiaries.

"Vote without Meeting" has the meaning set forth in Condition 16.13 (*Resolution in writing*).

1.2 Construction

- (a) Unless a contrary indication appears, any reference in these Terms and Conditions to:
 - a ratio or figures being calculated on a *pro forma* basis, means that such ratio or figures shall be calculated on a *pro forma* basis after giving effect to any acquisition or sale or any other transactions entered into (including any incurrence of Indebtedness and the use of proceeds thereof) as if these occurred at the beginning of the applicable reference period for purposes of determining the relevant ratio or figures.
 - **"assets"** includes present and future properties, revenues and rights of every description;
 - any agreement or instrument is a reference to that agreement or instrument as supplemented, amended, novated, extended, restated or replaced from time to time;
 - a **"regulation"** includes any regulation, rule or official directive (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency or department;
 - an Event of Default is continuing if it has not been remedied or waived;
 - an **"enforcement"** of a Guarantee means making a demand for payment under a Guarantee;
 - a provision of law is a reference to that provision as amended or re-enacted; and
 - a time of day is a reference to Frankfurt/Main time.

- (b) When ascertaining whether a limit or threshold specified in EUR has been attained or broken, an amount in another currency shall be counted on the basis of the rate of exchange for such currency against EUR for the previous Business Day, as published by the German Central Bank (Ger: Deutsche Bundesbank) on its website (www.bundesbank.de). If no such rate is available, the most recently published rate shall be used instead.
- (c) No delay or omission of the Agent or of any Holder to exercise any right or remedy under these Terms and Conditions shall impair or operate as a waiver of any such right or remedy.

2. NOMINAL AMOUNT, FORM, GLOBAL BOND, TITLE

2.1 Nominal Amount, Currency and Denomination

This issue of the Issuer, in the aggregate amount of EUR [175,000,000.00] (in words: [one hundred seventy five] million Euros (the “**Issuer Currency**”)) [●]% Senior Secured Bonds 2021/2026 with a term from [●] 2021 until [●] 2026 (the “**Bonds**”), payable to the bearer and ranking *pari passu* among themselves in the denomination of EUR 1,000.00 (the “**Initial Nominal Amount**”) each.

2.2 Form

The Bonds are in bearer form.

2.3 Global Bond and Custody

The Bonds will initially be represented by a temporary global note (the “**Temporary Global Bonds**” and each a “**Temporary Global Bond**”) deposited with, or on behalf of, a specified common depositary (the “**Common Depositary**”) for Clearstream Banking S.A. (“**Clearstream, Luxembourg**”) and Euroclear Bank S.A/N.V. (“**Euroclear**” and together with Clearstream, Luxembourg, the “**Clearing Systems**”). Interests in each Temporary Global Bond are exchangeable on and after the date which is 40 days after the Issue Date, upon certification of non-U.S. beneficial ownership by the relevant Holders, for interests recorded in the records of the Clearing Systems in a permanent global bond (each, a “**Permanent Global Bond**”) (the expressions “**Global Bonds**” and “**Global Bond**” meaning, respectively, (i) all the Temporary Global Bonds and the Permanent Global Bonds or (ii) any of the Temporary Global Bonds or Permanent Global Bonds, as the context may require). The Permanent Global Bonds will also be deposited with the Common Depositary for the Clearing Systems. Title to the Global Bonds will pass by delivery.

The Global Bond will only be exchangeable for definitive Bonds if either Clearstream, Luxembourg or Euroclear is closed for business for a continuous period of fourteen (14) days (other than by reason of holiday, statutory or otherwise) or announces an intention to permanently cease business or does in fact do so (other than in the case of a merger or consolidation of Clearstream, Luxembourg and Euroclear).

2.4 Transfer and Title

A transfer of Bonds will be effected without charge by or on behalf of the Issuer, but upon payment by the relevant Holder of any tax or other governmental charges which may be imposed in relation to it. For the avoidance of doubt, any depositary bank used by a Holder for the safe custody of the Bonds (including without limitation the Clearing System) may charge fees for a transfer of the Bonds.

3. STATUS OF THE BONDS

The Bonds constitute direct, unconditional, unsubordinated and secured obligations of the Issuer and shall at all times rank *pari passu* with all general, direct, unconditional, unsubordinated and unsecured obligations of the Issuer and without any preference among themselves and at least *pari passu* with any present or future obligation which (i) is issued by the Issuer and the obligations under which rank or are expressed to rank *pari passu* with the Issuer's obligations under the Bonds, or (ii) benefits from a guarantee or support agreement expressed to rank *pari passu* with its obligations under the Bonds, save for certain mandatory exceptions provided by statutory law.

4. GUARANTEE

4.1 Guarantee

The Guarantors have given an unconditional and irrevocable guarantee (the “**Guarantee**”) for the due and punctual payment of principal of, and interest on, and any other amounts payable by the Issuer under the Bonds.

4.2 Status of the Guarantee

The Guarantee will rank *pari passu* with all of the Guarantors' existing and future senior unsecured debt and senior to all of their existing and future subordinated debt, notwithstanding certain limitation under the laws of the relevant Guarantor's jurisdiction.

4.3 Limitations by statutory law

The obligations and liabilities of and the guarantee issued by each Guarantor under the Guarantee shall be limited if required (but only if and to the extent required) under any applicable law or regulation in the respective jurisdiction in which each of the Guarantors are incorporated.

4.4 In accordance with the Guarantee, and in addition to the payment guarantees described in Condition 4.1:

- (a) the Issuer shall procure that, to the extent applicable to the Group Companies not being Guarantors, each of such Group Company complies with Conditions 11.2 (*Distributions*), 11.4 (*Financial Indebtedness and Disqualified Stock*), 11.5 (*Negative pledge*), 11.6 (*Loans out*), 11.7 (*Disposals of assets*), 11.8 (*Mergers*), 11.9 (*Dividend and other payment restrictions*), 11.10 (*Additional Guarantee*), 11.11 (*Additional Transaction Securities*), 11.12 (*Dealings with related parties*), 11.13 (*Compliance with law*) and 11.14 (*Financial reporting and information*); and

- (b) the Guarantors shall undertake to comply with Conditions 11.2 (*Distributions*), 11.4 (*Financial Indebtedness and Disqualified Stock*), 11.5 (*Negative pledge*), 11.6 (*Loans out*), 11.7 (*Disposals of assets*), 11.8 (*Mergers*), 11.9 (*Dividend and other payment restrictions*), 11.10 (*Additional Guarantee*), 11.11 (*Additional Transaction Securities*), 11.12 (*Dealings with related parties*), 11.13 (*Compliance with law*) and 11.14 (*Financial reporting and information*).
- 4.5 Pursuant to the Guarantee the Issuer shall procure that the Guarantees and all documents relating thereto are duly executed by the relevant Guarantor in favour of the Holders and that such documents are legally valid, enforceable and in full force and effect according to their terms. The Issuer shall procure the execution of such further documentation by the Guarantors as the Agent may reasonably require in order for the Holders to at all times maintain the guarantee position envisaged under these Terms and Conditions and the Guarantees.
- 4.6 If a Holders' Meeting (Condition 16.2) has been convened, or a Vote without Meeting (Condition 16.13) instigated, to decide on the termination of the Bonds and/or the enforcement of all or any of the Guarantees, the Agent is obligated, to take actions in accordance with the Holders' decision regarding the Guarantees. However, if the Bonds are not terminated in case where the cause for termination has ceased or due to any other circumstance mentioned in these Terms and Conditions, the Agent shall not enforce any of the Guarantees. If the Holders, without any prior initiative from the Agent or the Issuer, have made a decision regarding termination of the Bonds and enforcement of any of the Guarantees in accordance with the procedures set out in Conditions 16.2 (Convening of physical meeting) and 16.13 (Resolution in writing), the Agent shall promptly declare the Bonds terminated and enforce the Guarantees. The Agent is however not liable to take action if the Agent considers cause for termination and/or acceleration not to be at hand, unless the instructing Holders in writing commit to holding the Agent indemnified and, at the Agent's own discretion, grant sufficient security for the obligation.
- 4.7 For the purpose of exercising the rights of the Holders and the Agent under these Terms and Conditions and for the purpose of distributing any funds originating from the enforcement of any Guarantees, the Issuer irrevocably authorizes and empowers the Agent to act in the name of the Issuer, and on behalf of the Issuer, to instruct the CSD to arrange for payment to the Holders and, for the same purpose, grant the Agent with the widest power to perform any action, enter into any agreement and execute any document. To the extent permissible by law, the powers set out in this Condition 4.7 are irrevocable and shall be valid for as long as any Bonds remain outstanding. The Issuer shall, and shall procure that the Guarantors, immediately upon request by the Agent provide the Agent with any such documents, including a written power of attorney (in form and substance to the Agent's satisfaction), which the Agent deems necessary for the purpose of carrying out its duties.
- 4.8 The Agent shall, upon the Issuer's written request and expense, promptly release a Guarantor from its obligations under a Guarantee:
 - (a) in connection with (i) any sale or other disposal of Equity Interests whether by direct sale or sale of a holding company of that Guarantor or by way of merger, consolidation or otherwise or (ii) any sale or other

disposal of all or substantially all of the assets of that Guarantor; to a Person that is not (either before or after giving effect to such transaction) the Issuer or a Restricted Subsidiary, provided however, that such sale or other disposal does not violate Condition 11.7 (*Disposals of assets*) or Condition 11.8 (*Mergers*);

- (b) Guarantor ceases to be a Restricted Subsidiary as a result of the sale or other disposition; and
- (c) when all the Guaranteed Obligations have been duly and irrevocably paid and discharged in full.

5. INTEREST

5.1 Interest Rate and Interest Payment Dates

The Bonds shall bear interest at the Interest Rate per annum on their Nominal Amount from [●] 2021 (the “**Interest Commencement Date**”). Interest shall be payable semi-annually in arrears on each Interest Payment Date, commencing to accrue on the Interest Commencement Date. Interest shall cease to accrue with the expiration of the day preceding the day of repayment.

5.2 Default Interest

If the Issuer fails to redeem the Bonds on the day on which they become due for redemption within five Business Days, default interest shall accrue on the overdue amount from, but excluding the due date up to and including the date of actual payment at a rate, which is 2 %. higher than the Interest Rate.

5.3 Day Count Fraction

Where interest is to be calculated in respect of a period which is shorter than or equal to a full Interest Period, the interest will be calculated on the basis of Rule 251 ICMA (ACT/ACT).

6. MATURITY, REDEMPTION, EARLY REDEMPTION, REPURCHASE

6.1 Redemption at maturity

The Issuer shall redeem the Bonds in full on the Maturity Date (or, to the extent such day is not a Business Day, on the Business Day following from an application of the Business Day Convention) with an amount per Bond equal to the Nominal Amount together with accrued but unpaid Interest.

6.2 The Group Companies' purchase of Bonds

Any Group Company may, subject to applicable law, at any time and at any price purchase Bonds. Bonds held by a Group Company may at such Group Company's discretion be retained, sold or, if held by the Issuer, cancelled.

6.3 Early voluntary redemption by the Issuer (call option)

- (a) The Issuer may redeem all, but not only some, of the outstanding Bonds in full on any Business Day before the Maturity Date at the applicable Call Option Amount together with accrued but unpaid Interest.

- (b) Redemption in accordance with this Condition 6.3 shall be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Holders and the Agent. Any such notice shall state the Redemption Date and the relevant Record Date and is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent. Upon expiry of such notice and the fulfilment of the conditions precedent (if any), the Issuer is bound to redeem the Bonds in full at the applicable amounts.

6.4 Mandatory repurchase due to a Put Option Trigger Event (put option)

- (a) Upon a Put Option Trigger Event occurring, each Holder shall have the right to request that all, or only some, of its Bonds are repurchased (whereby the Issuer shall have the obligation to repurchase such Bonds) at a price per Bond equal to [●]% of the Nominal Amount together with accrued but unpaid Interest; during a period of thirty (30) calendar days following the earlier of (i) a notice from the Issuer of the Put Option Trigger Event pursuant to Condition 11.14 (*Financial reporting and information*) and (ii) such Holder becoming otherwise aware of the occurrence of the Put Option Trigger Event. The thirty (30) calendar days' period may not start earlier than upon the occurrence of the Put Option Trigger Event.
- (b) The notice from the Issuer pursuant to Condition 11.14 (*Financial reporting and information*) shall specify the repurchase date and include instructions about the actions that a Holder needs to take if it wants Bonds held by it to be repurchased. If a Holder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer, or a Person designated by the Issuer, shall repurchase the relevant Bonds and the repurchase amount shall fall due on the repurchase date specified in the notice given by the Issuer pursuant to Condition 11.14 (*Financial reporting and information*). The repurchase date must fall no later than twenty (20) Business Days after the end of the period referred to in Condition 6.4(a).
- (c) The Issuer shall, and shall procure that each Guarantor shall, comply with the requirements of any applicable securities laws or regulations in connection with the repurchase of Bonds. To the extent that the provisions of such laws and regulations conflict with the provisions in this Condition 6.4, the Issuer shall comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Condition 6.4 by virtue of the conflict.
- (d) Any Bonds repurchased by the Issuer pursuant to this Condition 6.4 may at the Issuer's discretion be retained, sold or cancelled in accordance with Condition 6.2 (*The Group Companies' purchase of Bonds*).

6.5 Optional redemption for taxation reasons

- (a) If the Issuer or any Guarantor determines in good faith that, as a result of a Change in Tax Law, the Issuer or any Guarantor is, or on the next Interest Payment Date would be, required to pay any Additional Amounts, and such obligation cannot be avoided by taking reasonable

measures available to the Issuer or the relevant Guarantor, the Issuer may, in its absolute discretion, decide to redeem all, but not only some, of the outstanding Bonds in full on any Business Day before the Maturity Date. The Issuer shall give not less than twenty (20) and not more than forty (40) Business Days' notice of the redemption to the Agent and the Holders and the repayment per Bond shall be made at 100% of the Nominal Amount (together with accrued but unpaid Interest).

- (b) The notice from the Issuer pursuant to Condition 6.5(a) shall not be given (a) earlier than ninety (90) calendar days prior to the earliest date on which the Issuer or the Guarantor, as the case may be, would be obliged to make the relevant payment of Additional Amounts if a payment in respect of the Bonds were then due and (b) unless at the time such notice is given, such obligation to pay the relevant Additional Amounts remains in effect. Prior to giving any notice of redemption pursuant to the foregoing, the Issuer shall deliver to the Agent (i) a declaration in writing stating that it is entitled to effect such redemption and setting forth a statement of facts showing that a Change in Tax Law is at hand and that it would not be able to avoid the obligation to pay Additional Amounts by taking reasonable measures available to it and (ii) a written opinion of an independent tax counsel of recognized standing who is qualified to provide tax advice under the laws of the Relevant Taxing Jurisdiction to the effect that the Issuer or Guarantor has or have been or will become obligated to pay the relevant Additional Amounts as a result of a Change in Tax Law. The Agent shall accept such declaration and opinion as sufficient evidence that a Change in Tax Law is at hand without further inquiry, in which event it shall be conclusive and binding on the Holders.
- (c) In the case of redemption due to withholding as a result of a Change in Tax Law such Change in Tax Law must become effective on or after the Issue Date.

6.6 Equity claw back

Upon an Equity Listing Event, the Issuer may on one occasion repay up to 35% of the total Nominal Amount (provided at least 65% of the total Nominal Amount remains outstanding after such repayment), in which case all outstanding Bonds shall be partially repaid by way of reducing the Nominal Amount of each Bond *pro rata*. The repayment must occur on an Interest Payment Date within one hundred eighty (180) calendar days after such Equity Listing Event and be made with funds in an aggregate amount not exceeding the cash proceeds received by the Issuer or the Restricted Subsidiaries as a result of such Equity Listing Event (net of fees, charges and commissions actually incurred in connection with such offering and net of taxes paid or payable as a result of such offering). The Issuer shall give not less than twenty (20) Business Days' notice of the repayment to the Agent and the Holders and the repayment per Bond shall be made at [●]% of the Nominal Amount or at the relevant Call Option Amount (both multiplied by the percentage redeemed), if such amount is lower (rounded down to the nearest EUR 1.00)

7. PAYMENTS

7.1 Currency

All payments on the Bonds shall be made by the Issuer in Euro.

7.2 Payments

Payments of principal, interest and all other cash payments payable on the Bonds shall be made by the Issuer on the relevant due date to the Paying Agent (Condition 14.1), for on-payment to the Clearing System for credit to the accounts of the respective accountholders in the Clearing System. All payments made to the Clearing System or to its order shall discharge the liability of the Issuer under the Bonds to the extent of the amounts so paid.

7.3 Payment Date/Due Date

For the purposes of these Terms and Conditions, “**payment date**” means the day on which the payment is actually to be made, and “**due date**” means the payment date provided for herein, without taking account of such adjustment.

8. TAXES

8.1 Withholding Tax

All payments under Conditions 4 (*Guarantee*), 5 (*Interest*) and 6 (*Maturity, Redemption, Early Redemption, Repurchase*) in respect of the Bonds will be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed (i) by the relevant tax authority or any political subdivision or any authority therein that has power to tax or (ii) pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the “**Code**”) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code and any regulations or agreements thereunder or official interpretations thereof (“**FATCA**”) or any law implementing an intergovernmental approach to FATCA, unless that withholding or deduction is required by law (including pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to FATCA or any law implementing an intergovernmental approach to FATCA). In that event, the Issuer will pay such additional amounts (the “**Additional Amounts**”) as the Holders would have received if no such withholding or deduction had been required, except if such Additional Amounts:

- (a) are payable by any person acting as custodian bank or collecting agent on behalf of a Holder, or otherwise in any manner which does not constitute a deduction or withholding by the Issuer from payments of principal or interest made by it under the Bond; or
- (b) are payable by reason of a change in law that becomes effective more than 30 (thirty) days after the relevant payment becomes due, or is duly provided for and notice thereof is published in accordance with Condition 18 (Notices), whichever occurs later; or
- (c) are required by reason of an agreement described in Section 1471(b) of the Code or otherwise required by FATCA or any law implementing an intergovernmental approach to FATCA.

8.2 Prepayment

If, as a result of any change in, or amendment to, the laws or regulations prevailing in the relevant tax jurisdiction, which change or amendment becomes effective on or after the Issue Date or as a result of any application or official interpretation of such laws or regulations not generally known before that date, taxes or duties are or will be leviable on payments of principal or interest under the Bonds and, by reason of the obligation to pay Additional Amounts as provided in the provision above or otherwise such taxes or duties are to be borne by the Issuer, Condition 6.5 (*Optional Redemption for Taxation Reasons*) applies.

9. AGENT

9.1 Role and Duties of the Agent

- (a) By subscribing for Bonds, each initial Holder appoints the Agent to act as its agent in all matters relating to the Bonds and the Finance Documents, and authorizes the Agent to act on its behalf (without first having to obtain its consent, unless such consent is specifically required by these Terms and Conditions) in any legal or arbitration proceedings as well as certain legal acts as stipulated under these Terms and Conditions (*inter alia* information rights pursuant to Condition 11.14 (*Financial reporting and information*), termination rights pursuant to Condition 13 (*Termination of the Bonds*)) relating to the Bonds held by such Holder. By acquiring Bonds, each subsequent Holder confirms such appointment and authorization for the Agent to act on its behalf. The Agent shall represent the Holders in accordance with the Finance Documents. However, the Agent is not responsible for the execution or enforceability of the Finance Documents. The Agent shall keep the latest version of these Terms and Conditions (including any document amending these Terms and Conditions) available upon request of any Holder.
- (b) The Issuer shall promptly upon request provide the Agent with any documents and other assistance (in form and substance satisfactory to the Agent), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents.
- (c) The Agent is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents and the Agent's obligations as agent under the Finance Documents are conditioned upon the due payment of such fees and indemnifications.
- (d) The Agent may act as agent and/or security trustee for several issues of securities issued by or relating to the Issuer and other Group Companies notwithstanding potential conflicts of interest.
- (e) The Issuer appoints the Agent also as bondholders' representative for the Holders.
- (f) The Agent is entitled to engage external experts when carrying out its duties under the Finance Documents. The Issuer shall on demand by the Agent pay all costs for external experts engaged (a) after the occurrence of an Event of Default, (b) for the purpose of investigating

or considering an event which the Agent reasonably believes is or may lead to an Event of Default or a matter relating to the Issuer which the Agent reasonably believes may be detrimental to the interests of the Holders under the Finance Documents or (c) when the Agent is to make a determination under the Finance Documents.

9.2 Limited liability for the Agent

- (a) The Agent will only be liable to the Holders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document and such liability being limited to an amount which corresponds to the tenfold amount of its annual fees, unless any damages are directly caused by gross negligence (*faute lourde*) or wilful misconduct (*faute intentionnelle / dol*).
- (b) The Agent shall not be considered to have acted negligently if it has acted in accordance with advice from or opinions of reputable external experts engaged by the Agent or if the Agent has acted with reasonable care in a situation when the Agent considers that it is detrimental to the interests of the Holders to delay the action in order to first obtain instructions from the Holders.
- (c) The Agent shall not be liable for any delay (or any related consequences) in crediting an account with an amount required pursuant to the Finance Documents to be paid by the Agent to the Holders, provided that the Agent has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognized clearing or settlement system used by the Agent for that purpose.
- (d) The Agent shall have no liability to the Holders for damage caused by the Agent acting in accordance with instructions of the Holders given in accordance with Condition 16 (*Meetings of Holders*).

9.3 Replacement of the Agent

- (a) The Agent may resign by giving notice to the Issuer and the Holders, in which case the Holders shall appoint a successor Agent at a Holders' Meeting convened by the retiring Agent or the Issuer or by way of Written Procedure initiated by the retiring Agent or the Issuer.
- (b) For the replacement of the Agent by appointment of a successor Agent pursuant to Condition 9.3(a), the provisions under Condition 16 (*Meetings of Holders*) and Condition 17 (*Appointment of Holders' Representative*) apply.

10. TRANSACTION SECURITIES

10.1 Granting of the Transaction Securities

- (a) As continuing Security for the due and punctual fulfilment of the Secured Obligations, the Issuer represents and, as applicable, covenants and undertakes that: (i) a security interest has been created over the Escrow Account at the latest on the Issue Date pursuant to the

Escrow Account Pledge, (ii) the relevant Pledgors shall have entered into the Initial Transaction Security Documents and the relevant Transaction Security to be created thereunder shall have been granted and perfected upon release of the existing Security relating to the Existing Bonds and at the latest within (1) 20 Business Days following the Settlement Date with respect to Transaction Securities creating security interests over assets located in Latvia, Lithuania and Romania, (2) 6 months following the Settlement Date with respect to Transaction Securities creating security interests over assets located in Moldova and (3) 30 Business Days following the Settlement Date with respect to the Transaction Securities not listed in items (1) and (2) above, and (iii) the Pledgors have granted and will grant any Transaction Securities (in addition to the Transaction Securities to be granted pursuant to point (i) and (ii) above) to the Secured Creditors as represented by the Security Agent on the terms set out in the Transaction Security Documents.

- (b) The Security Agent shall hold the Transaction Security, acting for itself as independent and separate creditor in accordance with Condition 10.4 below on behalf and for the benefit of the Holders, and shall have all the claim rights necessary for establishment, perfection, maintenance and enforcement of the Transaction Security in accordance with the terms of the Transaction Security Documents and the Security Agent Agreement.
- (c) Unless and until the Security Agent has received instructions from the Holders in accordance with Condition 16 (*Meeting of Holders*), the Security Agent shall (without first having to obtain the Holders' consent) be entitled to enter into agreements with the Pledgors or a third party or take any other actions, if it is, in the Security Agent's opinion, necessary for the purpose of maintaining, releasing or enforcing the Transaction Securities or for the purpose of settling the Holders' or the Issuer's rights to the Transaction Securities, in each case in accordance with the terms of the Transaction Security Documents, the Security Agent Agreement and the terms of the Finance Documents, and provided that such agreements or actions are not detrimental to the interests of the Holders.
- (d) The Agent shall be entitled to give instructions relating to the Transaction Securities to the Security Agent in accordance with the Security Agent Agreement.

10.2 Release of Transaction Securities

The Security Agent may at any time, acting on instructions of the Secured Creditors, release any Transaction Securities (other than the Escrow Account Pledge) in accordance with the terms of such Transaction Security Documents and the Security Agent Agreement. For the avoidance of doubt, any Transaction Security will always be released pro rata between the Secured Creditors and the remaining Transaction Security will continue to rank *pari passu* between the Secured Creditors as set forth in the Transaction Security Documents and the Security Agent Agreement. The Security Agent shall release the Escrow Account Pledge in accordance with the terms of the agreement relating to such Escrow Account Pledge.

The Security Agent shall, upon the Issuer's written request and expense, promptly release a Transaction Security in connection with (i) any sale or other disposal of Equity Interests whether by direct sale or sale of a Group Company party to that Transaction Security or by way of merger, consolidation or otherwise or (ii) any sale or other disposal of all or substantially all of the assets of a Group Company party to that Transaction Security, provided however, that such sale or other disposal does not violate Condition 11.7 (*Disposals of assets*) or Condition 11.8 (*Mergers*).

10.3 Enforcement of Transaction Securities

- (a) The Security Agent may only take action to accelerate or enforce any Transaction Security in accordance with the terms of the Security Agent Agreement and the Transaction Security Documents.
- (b) Upon an enforcement of the Transaction Securities or following receipt of any recovery after the occurrence of an insolvency event of the Issuer, the enforcement proceeds and any amount of recoveries will, pursuant to the Security Agent Agreement, be distributed towards discharge of the liabilities under these Terms and Conditions and the Bonds.
- (c) All Transaction Securities or arrangement having similar effects may be released by the Security Agent, without the need for any further referral to or authority from anyone, upon any enforcement.

10.4 Parallel Debt

- (a) To the extent that any debt of the Issuer or any of its Subsidiaries (including any debt under the Bonds) is secured by any Transaction Security, Guarantee or indemnity that also secures the Bonds in accordance with these Terms and Conditions (together, the "**Corresponding Debt**"), the Issuer and its relevant Subsidiaries shall pay to the Security Agent an amount equal to the amount of the Corresponding Debt provided that any amounts are outstanding under the Corresponding Debt (the "**Parallel Debt**"). The Security Agent is a joint creditor (together with the other Secured Creditors) of the Corresponding Debt and, accordingly, the Security Agent shall have its own independent right to demand performance by the Issuer or any of its Subsidiaries thereunder.
- (b) The Parallel Debt is a separate debt independent from the Corresponding Debt, except that in case of a payment under the Corresponding Debt or the Parallel Debt, as applicable, the Parallel Debt or the Corresponding Debt will decrease for the same amount (so that at any time the amount under the Corresponding Debt and the Parallel Debt will be equal).
- (c) In case the Security Agent receives any payment under the Parallel Debt or as a consequence of the enforcement of any Transaction Security, Guarantee or indemnity, such amount (after deduction of any costs or taxes) shall be applied in accordance with the provisions of the relevant Transaction Security Document (it being understood that the amount that is due to the Holders in accordance with the Conditions will

only be reduced with the amount the Security Agent would pay to the Holders under the Parallel Debt or the enforcement of any Transaction Security, Guarantee or indemnity).

11. SPECIAL UNDERTAKINGS

11.1 General

So long as any Bond remains outstanding, the Issuer undertakes to comply with the special undertakings set forth in this Condition 11.

11.2 Distributions

- (a) The Issuer shall not, and the Guarantors have undertaken in the Guarantee not to (a) pay any dividend or make any other payment or distribution on its respective Equity Interests or make any other similar distribution or transfers of value to the Issuer's or the Guarantors' direct or indirect shareholders or the Affiliates of such direct and indirect shareholders (other than dividend or distributions payable in Equity Interests (other than Disqualified Stock) of the Issuer), (b) repurchase or redeem any of its respective Equity Interest or the Equity Interest of the Issuer or any direct or indirect parent of the Issuer (including repurchase and redemption with payment to shareholders) or (c) repay principal or pay cash interest under any Shareholder Loans, (items (a)–(c) above are together and individually referred to as a “**Restricted Payment**”); provided, however, that, if such Restricted Payment is permitted by law and no Event of Default is continuing or would result from such Restricted Payment, any such Restricted Payment can be made (i) by any Guarantor if such Restricted Payment is made to the Issuer or another Guarantor and, if made by any Guarantor which is not directly or indirectly wholly-owned by the Issuer, to other Persons on a *pro rata* basis and (ii) by the Issuer or any Guarantor, provided that (A) the Issuer would, at the time of such Restricted Payment, have been permitted to incur at least EUR 1.00 of additional Financial Indebtedness pursuant to the Incurrence Test (calculated on a *pro forma* basis including the relevant Restricted Payment as if the Restricted Payment had been made at the beginning of the Relevant Period ending on the last day of the period covered by the most recent Financial Report); and (B) the aggregate amount of all Restricted Payments (including the Restricted Payment in question but excluding any Restricted Payment made in accordance with item (i) above and any Permitted Payment) of the Group made in a financial year does not exceed 60 % of the Group's aggregate consolidated net profit accrued in the last 24 months as of the date of determination of the relevant Restricted Payment as set out in the most recent Financial Report.
- (b) As long as no Event of Default has occurred and is continuing (or would result therefrom), the restrictions under Condition 11.2(a) shall not prohibit Permitted Payments.

11.3 Listing of Bonds

The Issuer shall ensure (a) upon the Issue Date, that the Bonds are listed (included to trading) on the corporate bond list of Frankfurt Stock Exchange

(Open Market - Quotation Board) and continue being listed thereon, (b) within 4 months after the Issue Date, that the Bonds are admitted to trading on a Regulated Market at the Frankfurt Stock Exchange or another comparable trading segment within the EU and continue being listed thereon (however, taking into account the rules and regulations of the relevant Regulated Market and the CSD (as amended from time to time) preventing trading in the Bond in close connection to the redemption of the Bonds) and (c) upon any further issues of bonds which are fungible and to be consolidated with the Bonds pursuant to Condition 15 (*Further Issues*) and in any event not later than ten (10) Business Days after the relevant issue date, that such further issued Bonds are listed and admitted to trading on the same market where the Bonds issued on the Issue Date are currently listed and admitted to trading.

11.4 Financial Indebtedness and Disqualified Stock

The Issuer shall not, and the Guarantors have undertaken in the Guarantee not to, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable, contingently or otherwise, with respect to (collectively for the purpose of this Condition 11.4 “**incur**”) any Financial Indebtedness or issue any Disqualified Stock or preferred stock, provided, however, that the Issuer may incur Financial Indebtedness or issue Disqualified Stock and the Guarantors may incur Financial Indebtedness and issue preferred stock if: (a) the Incurrence Test is met (calculated on a *pro forma* basis as if the additional Financial Indebtedness had been incurred or the Disqualified Stock or the preferred stock had been issued, as the case may be, at the beginning of the Relevant Period ending on the last day of the period covered by the most recent Financial Report); and, if a Financial Indebtedness is to be incurred, (b) such Financial Indebtedness ranks *pari passu* with or is unsecured or is subordinated to the obligations of the Issuer or the Guarantors under the Finance Documents. The foregoing shall not prohibit the incurrence of any debt under the Permitted Basket.

11.5 Negative pledge

The Issuer shall not, and the Guarantors have undertaken in the Guarantee not to, create or allow to subsist, retain, provide, prolong or renew any security of any kind (including any mortgage, lien, pledge, charge, security interest or encumbrance) (“**Security**”) over any of their assets (present or future) to secure any Financial Indebtedness, provided, however, that the Obligors have a right to create or allow to subsist, retain, provide, prolong and renew any Permitted Security, subject at all times to the provisions of Condition 11.17 (*Pledges over receivables*) below.

11.6 Loans out

The Issuer shall not, and the Guarantors have undertaken in the Guarantee not to, except for Permitted Loans, be the creditor or guarantor of any Financial Indebtedness.

11.7 Disposals of assets

- (a) The Issuer shall not, and the Guarantors have undertaken in the Guarantee not to, sell or otherwise dispose of Equity Interest in any Restricted Subsidiary or of all or substantially all of the Issuer’s or any

Guarantor's assets or operations to any Person (including the Issuer and the Guarantors). The above shall not prevent the following transactions:

- (i) the sale or other disposal of Equity Interest in any Restricted Subsidiary, other than the Guarantors, (i) to the Issuer or the Restricted Subsidiaries and (ii) to a Person other than the Issuer and the Restricted Subsidiaries provided that the transaction is carried out at fair market value and on terms and conditions customary for such transaction and provided that it does not have a Material Adverse Effect;
 - (ii) the sale or other disposal of Equity Interest in any Restricted Subsidiary, to directors, officers and employees of the Issuer or any Restricted Subsidiary, provided that (A) the transaction is carried out at the higher of the fair market value or book value or any higher amount and on terms and conditions customary for such transaction, (B) the percentage of Equity Interest held by directors, officers and employees of the Issuer or of the Restricted Subsidiary in such Restricted Subsidiary does not exceed 15% and (C) it does not have a Material Adverse Effect;
 - (iii) the sale or other disposal of Equity Interest in the Issuer or in any of the Guarantors or of all or substantially all of the assets or operations of the Issuer or any Guarantor to the Issuer or a Guarantor;
 - (iv) the sale or other disposal of Equity Interest in any Guarantor to a Person other than the Issuer and the Guarantors provided that: (i) the seller of the Equity Interest in the Guarantor is the Issuer or a Guarantor and that the proceeds from the sale are paid to the Issuer or a Guarantor, as applicable; (ii) the transaction is carried out at fair market value and on terms and conditions customary for such transactions; and (iii) such transaction does not have a Material Adverse Effect; and
 - (v) the sale or other disposal of all or substantially all of the assets or operations of any Guarantor, to a Person other than the Issuer or a Guarantor provided that: (i) the proceeds from the sale or other disposal are paid to the Issuer or a Guarantor, as applicable; (ii) the transaction is carried out at fair market value and on terms and conditions customary for such transactions; and (iii) such transaction does not have a Material Adverse Effect.
- (b) For the avoidance of doubt, the sale or disposal of all or substantially all of the assets or operations in the Issuer and the Restricted Subsidiaries taken as a whole shall be governed by Condition 6.4 (*Mandatory repurchase due to a Put Option Trigger Event (put option)*).

11.8 Mergers

The Issuer shall not, and the Guarantors have undertaken in the Guarantee not to, directly or indirectly, consolidate or merge with or into another Person. The

above shall not prevent the following mergers, provided that they do not have a Material Adverse Effect:

- (a) mergers between or among Restricted Subsidiaries;
- (b) mergers of the Restricted Subsidiaries into the Issuer;
- (c) mergers between or among the Issuer or a Guarantor and other Guarantors;
- (d) mergers between or among the Restricted Subsidiaries (including the Obligors), provided, in the case of a merger of the Issuer or a Guarantor, that the Person formed by or surviving any such merger (if other than the Issuer or a Guarantor, as the case may be) assumes all the obligations of the Issuer or the Guarantor, as the case may be, under these Terms and Conditions and the Guarantee (as applicable) pursuant to accession agreements reasonably satisfactory to the Agent;
- (e) mergers of the Issuer or a Restricted Subsidiary on the one side and a Third Party on the other side, provided that: (i) the Issuer or the Restricted Subsidiary, as applicable, is the surviving Person; and (ii) the Issuer would, on the date of the merger, have been permitted to incur at least EUR 1.00 of additional Financial Indebtedness pursuant to the Incurrence Test (calculated on a *pro forma* basis as if the merger had been made at the beginning of the Relevant Period ending on the last day of the period covered by the most recent Financial Report) or have, an Interest Coverage Ratio, Capitalization Ratio and Consolidated Net Leverage Ratio not lower than it was immediately prior to giving effect to such transaction;
- (f) mergers of a Restricted Subsidiary, other than the Issuer or the Guarantors, on the one side and a Third Party on the other side, where the Person formed by or surviving such merger is the Third Party, provided that: (i) the shares in the surviving entity received as consideration and any other consideration will be held by the Group Company that held the shares of the Restricted Subsidiary previous to the merger; and (ii) the merger is carried out at fair market value and on terms and conditions customary for such mergers; and
- (g) mergers of a Guarantor on one side and a Third Party on the other side, where the Person formed by or surviving such merger is the Third Party, provided that: (i) the shares in the surviving entity received as consideration and any other consideration are held by the Issuer or a Guarantor, as applicable, post the merger; and (ii) the merger is carried out at fair market value and on terms and conditions customary for such mergers.

11.9 Dividend and other payment restrictions

The Issuer shall not, and the Guarantors have undertaken in the Guarantee not to create or permit to exist or become effective any consensual encumbrance or restriction on the ability of any Restricted Subsidiary to: (a) pay dividends or make any other distributions on its Capital Stock to the Issuer or any of the Restricted Subsidiaries, or with respect to any other interest or participation in,

or measured by, its profits, or pay any Financial Indebtedness owed to the Issuer or any of the Restricted Subsidiaries; (b) make loans or advances to the Issuer or any of the Restricted Subsidiaries; or (c) sell, lease or transfer any of its properties or assets to the Issuer or any of the Restricted Subsidiaries; in each case, only if such encumbrance or restriction result in a Material Adverse Effect and unless such encumbrance or restriction is contained in or related to Financial Indebtedness constituting a Permitted Debt, Permitted Security or Permitted Loan or is otherwise permitted to be incurred under these Terms and Conditions.

11.10 Additional Guarantee

The Issuer shall procure that any Material Group Company (except (i) Mogo Auto Limited (Kenya), (ii) Mogo Kenya Limited (Kenya), (iii) Mogo Loans SMC Ltd (Uganda), (iv) OOO Mogo Lend (Uzbekistan) and (v) any Material Group Company incorporated in sub-Saharan Africa (except for any Group Company incorporated in the Republic of South Africa)) which is not a Guarantor as of the Issue Date shall become a guarantor of the Bonds within three (3) months after becoming a Material Group Company (an “**Additional Guarantor**”). Such Additional Guarantor shall be a “Guarantor” and such new Guarantee shall be a “Guarantee” for the purpose of these Terms and Conditions. Notwithstanding the foregoing, the Issuer shall not be obligated to cause such Material Group Company to guarantee the Bonds to the extent that such new Guarantee by such Material Group Company would reasonably be expected to give rise to or result in a violation of applicable law which, in any case, cannot be prevented or otherwise avoided through measures reasonably available to the Issuer or the Material Group Company or any liability for the officers, directors or shareholders of such Material Group Company.

11.11 Additional Transaction Securities

The Issuer shall procure that:

- (a) any Restricted Subsidiary of the Issuer whose shares have not been pledged as of the relevant date listed in Condition 10.1(a) above shall, within ninety (90) calendar days after such Restricted Subsidiary becomes or has become a Material Group Company, (a) enter into a transaction security document with the Security Agent substantially equivalent to the Initial Transaction Security Documents, excluding any receivables pledge agreement (an “**Additional Company**”) and (b) the relevant shareholder of such Additional Company shall grant a pledge over the shares of such Additional Company to the Security Agent;
- (b) any Restricted Subsidiary of the Issuer incorporated in the European Union whose receivables have not been pledged as of the relevant date listed in Condition 10.1(a) above shall, within ninety (90) calendar days after such Restricted Subsidiary becomes or has become a Material Group Company, (a) enter into a transaction security document with the Security Agent substantially equivalent to the Initial Transaction Security Documents (an “**Additional Receivables Pledgor**”) and (b) shall grant a pledge over the receivables of such Additional Receivables Pledgor to the Security Agent; and

- (c) in order to prevent a breach of the thresholds referred to in Condition 11.17 (*Pledges over receivables*) below (following a disposal in accordance with Condition 11.7 (*Disposals of assets*) above or for any other reason), the Issuer may cause a Restricted Subsidiary (a) to enter into a transaction security document with the Security Agent substantially equivalent to the Initial Transaction Security Documents (a “**Cure Receivables Pledgor**”) and (b) shall grant a pledge over the receivables of such Cure Receivables Pledgor to the Security Agent,

the shareholder of such Additional Company, Additional Receivables Pledgor and Cure Receivables Pledgor shall be a “Pledgor” (an “**Additional Pledgor**”) and such new transaction security documents referred to in (a), (b) and (c) above shall be a “Transaction Security Document” for the purpose of these Terms and Conditions. Notwithstanding the foregoing, the Issuer shall not be obligated to cause such Restricted Subsidiary to grant the Transaction Securities to the extent that such new Transaction Securities by such Restricted Subsidiary would reasonably be expected to give rise to or result in a violation of applicable law which, in any case, cannot be prevented or otherwise avoided through measures reasonably available to the Issuer or the Restricted Subsidiary or any liability for the officers, directors or shareholders of such Restricted Subsidiary.

11.12 Dealings with related parties

The Issuer shall, and the Guarantors have undertaken in the Guarantee to conduct all dealings with the direct and indirect shareholders of the Group Companies (excluding other Group Companies) and/or any Related Parties of such direct and indirect shareholders at arm’s length terms.

11.13 Compliance with laws

The Issuer shall, and the Guarantors have undertaken in the Guarantee to (a) comply in all material respects with all laws and regulations applicable from time to time and (b) obtain, maintain, and in all material respects comply with, the terms and conditions of any authorization, approval, licence or other permit required for the business carried out by a Group Company.

11.14 Financial reporting and information

- (a) The Issuer shall:
- (i) prepare and make available the annual audited unconsolidated and consolidated financial statements of the Issuer, including a profit and loss account, a balance sheet, a cash flow statement and management commentary or report from the Issuer’s board of directors, to the Agent and on its website not later than four (4) months after the expiry of each financial year;
 - (ii) prepare and make available the quarterly interim unaudited consolidated reports of the Issuer, including a profit and loss account, a balance sheet, a cash flow statement and management commentary or report from the Issuer’s board of directors, to the Agent and on its website not later than forty-

five (45) calendar days after the expiry of each relevant interim period;

- (iii) hold quarterly earning calls with investors in the Bonds;
 - (iv) issue a Compliance Certificate to the Agent and make it available on its website (A) in connection with the incurrence of Financial Indebtedness, the issuance of Disqualified Stock or preferred stock, the payment or distribution of any Restricted Payment and a merger under Condition 11.8 (*Mergers*) which requires that the Incurrence Test is met, (B) in connection with the Financial Reports being made available and (C) at the Agent's request, within twenty (20) calendar days from such request;
 - (v) keep the latest version of these Terms and Conditions (including documents amending these Terms and Conditions) available on its website; and
 - (vi) promptly notify the Agent (and, as regards a Put Option Trigger Event, the Holders) upon becoming aware of the occurrence of (i) a Put Option Trigger Event or an Equity Listing Event or (ii) an Event of Default, and shall provide the Agent with such further information as the Agent may request (acting reasonably) following receipt of such notice.
- (b) The Issuer shall notify the Agent of any transaction referred to in Condition 11.7 (*Disposals of assets*) and shall, upon request by the Agent, provide the Agent with (a) any information relating to the transaction which the Agent deems necessary (acting reasonably) and, if applicable, (b) a determination from the Issuer which states whether the transaction is carried out at fair market value and on terms and conditions customary for such transaction and whether it has a Material Adverse Effect or not. The Agent may assume that any information provided by the Issuer is correct, and the Agent shall not be responsible or liable for the adequacy, accuracy or completeness of such information. The Agent is not responsible for assessing if the transaction is carried out at fair market value and on terms and conditions customary for such transaction and whether it has a Material Adverse Effect, but is not bound by the Issuer's determination under item (b) above.
- (c) The Issuer shall notify the Agent of any merger referred to in Condition 11.8 (*Mergers*) and shall, upon request by the Agent, provide the Agent with (a) any information relating to the merger which the Agent deems necessary (acting reasonably), including, in case of a merger where the Issuer or a Guarantor is not the surviving entity pursuant to Condition 11.8 an opinion by legal counsel, that the accession agreement executed in connection therewith, these Terms and Conditions and/or the Guarantee are legally valid and binding obligations of the successor Person in accordance with their terms.

11.15 Agent Agreement

- (a) The Issuer shall, in accordance with the Agent Agreement:
 - (i) pay fees to the Agent;
 - (ii) indemnify the Agent for costs, losses and liabilities;
 - (iii) furnish to the Agent all information reasonably requested by or otherwise required to be delivered to the Agent; and
 - (iv) not act in a way which would give the Agent a legal or contractual right to terminate the Agent Agreement.
- (b) The Issuer and the Agent shall not agree to amend any provisions of the Agent Agreement without the prior consent of the Holders if the amendment would be detrimental to the interests of the Holders.

11.16 Related Party acquisitions

The Issuer shall not, and procures that no member of the Group, acquire any Related Party other than through the integration of such Related Party by increasing the Group's equity, or combining the equity of the target Related Party with the Group's equity.

11.17 Pledges over receivables

The Issuer shall ensure that the receivables pledged under the Transaction Securities (including, for the avoidance of doubt, under any additional Transaction Securities granted in accordance with Condition 11.11 (*Additional Transaction Securities*) above) creating security interests over receivables shall, at all times, (i) have a value in principal amount equal to at least EUR50,000,000 and (ii) have a value in principal amount at least equal to [●]% of the principal amount outstanding under the Bonds, including the outstanding principal amount of any further issues of bonds which are fungible and to be consolidated with the Bonds pursuant to Condition 15 (*Further Issues*).

12. FINANCIAL COVENANTS

12.1 Financial Conditions

The Issuer shall ensure that either:

- (a) the Interest Coverage Ratio for the Relevant Period is at least 1.25x;
- (b) the Capitalization Ratio for the Relevant Period is at least 15%; and
- (c) the Consolidated Net Leverage Ratio for the Relevant Period does not exceed 6.00x.

12.2 Financial Testing

The financial covenants set out in Condition 12.1 (*Financial Conditions*) shall be calculated in accordance with the Accounting Principles and tested by reference to each of the Financial Report of the Issuer delivered pursuant to Condition 11.14(a)(i) and 11.14(a)(ii) and/or each Compliance Certificate delivered pursuant to Condition 11.14(a)(iv)(B) and, in case the Group has

acquired or sold/divested another entity during the Relevant Period, by including reference to each of the financial reports of such acquired or sold/divested entity prior to the acquisition or sale on a *pro forma* basis.

12.3 Covenant Cure

- (a) The shareholders of the Issuer may cure or prevent a breach of the financial covenants in Condition 12.1 (*Financial Conditions*) (and any Event of Default arising as a result thereof) if, prior to or within ninety (90) calendar days of the earlier of (i) the date on which the relevant Financial Report and Compliance Certificate are to be delivered and (ii) the date that such Financial Report and Compliance Certificate were in fact delivered to the Agent pursuant to the terms of this Agreement for any Relevant Period in which such failure to comply was (or would have been) first evidenced, the Issuer receives the cash proceeds of New Shareholder Injections from the shareholders of the Issuer (the “**Equity Cure**”), in an amount at least sufficient to ensure that the financial covenants set out above would be complied with if tested again as at the last day of the same Relevant Period on the basis that any Equity Cure so provided shall be included for the Relevant Period as if provided immediately prior to the last day of such Relevant Period (the “**Adjustment**”).
- (b) Any new equity and/or subordinated debt so provided in respect of any Relevant Period shall be deemed to have been provided immediately prior to the last date of such Relevant Period and shall be included (without double counting) in all relevant covenant calculations until the date it was deemed provided falls outside any subsequent Relevant Period.
- (c) In relation to any Equity Cure provided prior to the date of delivery of the relevant Compliance Certificate for the Relevant Period, such Compliance Certificate shall set out the revised financial covenants for the Relevant Period by giving effect to the Adjustment set out above and confirming that such Equity Cure has been provided.
- (d) In relation to any such Equity Cure so provided following the date of delivery of the relevant Compliance Certificate for the Relevant Period, immediately following the proceeds of that Equity Cure being provided to it, the Issuer shall provide a revised Compliance Certificate to the Agent setting out the revised financial covenants for the Relevant Period by giving effect to the Adjustment.
- (e) If, after giving effect to the Adjustment, the requirements of the relevant financial covenants are met, then the requirements thereof shall be deemed to have been satisfied at the relevant original date of determination and any default, Event of Default occasioned thereby shall be deemed to have been remedied for the purposes of the Finance Documents.

13. TERMINATION OF THE BONDS

- 13.1 The Agent is entitled, on behalf of the Holders, to terminate the Bonds and to declare all, but not only some, of the Bonds due for payment immediately or at

such later date as the Agent determines (such later date not falling later than twenty (20) Business Days from the date on which the Agent made such declaration), if:

(a) Non-payment

any Obligor fails to pay an amount on the date it is due in accordance with the Finance Documents unless its failure to pay is due to technical or administrative error and is remedied within ten (10) Business Days of the due date;

(b) Other obligations

the Issuer or any other Group Company does not comply with the Finance Documents in any other way than as set out under item (a) (Non-payment) above, unless the non-compliance (i) is capable of being remedied and (ii) is remedied within fifteen (15) Business Days of the earlier of the Agent giving notice and the Issuer becoming aware of the non-compliance (if the failure or violation is not capable of being remedied, the Agent may declare the Bonds payable without such prior written request);

(c) Cross-default and cross-acceleration

- (i) any Financial Indebtedness of any Material Group Company is not paid when due nor within any originally applicable grace period or is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default howsoever described under any document relating to Financial Indebtedness of any Material Group Company; or
- (ii) any security interest securing Financial Indebtedness over any asset of any Material Group Company is enforced;

provided however that the amount of Financial Indebtedness referred to under item (ii) and/or (iii) above, individually or in the aggregate exceeds an amount corresponding to EUR 10,000,000 (or its equivalent in any other currency) and provided that it does not apply to any Financial Indebtedness owed to a Group Company;

(d) Insolvency

- (i) any Material Group Company is unable or admits inability to pay its debts as they fall due or is declared to be unable to pay its debts under applicable law, suspends making payments on its debts generally or, by reason of actual or anticipated financial difficulties, commences negotiations with its creditors (other than under these Terms and Conditions) with a view to rescheduling its Financial Indebtedness other than the Bonds;
- (ii) a moratorium is declared in respect of the Financial Indebtedness of any Material Group Company; or

- (iii) a Luxembourg Insolvency Event occurs with respect to the Issuer.
- (e) Insolvency proceedings

any corporate action, legal proceedings or other procedures are taken (other than (i) proceedings or petitions which are being disputed in good faith and are discharged, stayed or dismissed within thirty (30) calendar days of commencement or, if earlier, the date on which it is advertised and (ii), in relation to the Group Companies other than the Issuer or the Guarantors, solvent liquidations) in relation to:

 - (i) the suspension of payments, winding-up, dissolution, administration or reorganization (by way of voluntary agreement, scheme of arrangement or otherwise) of any Material Group Company;
 - (ii) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of any Material Group Company or any of its assets; or
 - (iii) any analogous procedure or step is taken in any jurisdiction in respect of any Material Group Company;
- (f) Mergers and demergers

unless allowed under Condition 11.8 (*Mergers*), the Issuer or any Guarantor merges with a Person other than the Issuer or a Guarantor, or is subject to a demerger, with the effect that the Issuer or the Guarantor is not the surviving entity;
- (g) Creditors' process

any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset or assets of any Material Group Company having an aggregate value equal to or exceeding EUR 10,000,000 (or its equivalent in any other currency) and where such process (i) is not discharged within thirty (30) calendar days or (ii) is being made in bad faith by the claimant, as evidenced by the Issuer to the Agent (such evidence to be accepted or dismissed by the Agent in its sole discretion);
- (h) Impossibility or illegality

it is or becomes impossible or unlawful for the Issuer or the Guarantors to fulfil or perform any of the provisions of the Finance Documents or if the obligations under the Finance Documents are not, or cease to be, legal, valid, binding and enforceable;
- (i) Loss of business license

any Guarantor loses its business license and such loss of business license has a Material Adverse Effect;

(j) Continuation of the business

any Guarantor ceases to carry on its business (except if due to a merger or a disposal of assets as permitted under Conditions 11.7 (*Disposals of assets*) and 11.8 (*Mergers*)) and such event has a Material Adverse Effect.

- 13.2 Termination for payment prematurely may only occur if the cause of termination is continuing at the time of the Agent's declaration. However, if a moratorium occurs, the ending of that moratorium will not prevent termination for payment prematurely on the ground mentioned in Condition 13.1(d) (*Insolvency*).
- 13.3 If the right to terminate the Bonds is based upon a decision of a court of law or a government authority, it is not necessary that the decision has become enforceable under law or that the period of appeal has expired in order for cause of termination to be deemed to exist.
- 13.4 The Issuer is obligated to inform the Agent immediately if any circumstance of the type specified in Conditions 13.1 should occur. Should the Agent not receive such information, the Agent is entitled to assume that no such circumstance exists or can be expected to occur, provided that the Agent does not have knowledge of such circumstance. The Agent is under no obligations to make any investigations relating to the circumstances specified in Condition 13.1. The Issuer shall further, at the request of the Agent, provide the Agent with details of any circumstances referred to in Condition 13.1 and provide the Agent with all documents that may be of significance for the application of this Condition 13.
- 13.5 The Issuer is only obligated to inform the Agent according to Condition 13.4 if informing the Agent would not conflict with any statute or the Issuer's registration contract with Frankfurt Stock Exchange (or any other stock exchange, as applicable). If such a conflict would exist pursuant to the listing contract with the relevant stock exchange or otherwise, the Issuer shall however be obligated to either seek the approval from the relevant stock exchange or undertake other reasonable measures, including entering into a non-disclosure agreement with the Agent, in order to be able to timely inform the Agent according to Condition 13.4
- 13.6 If the Agent has been notified by the Issuer or has otherwise determined that there is a default under these Terms and Conditions according to Condition 13.1, the Agent shall decide, within twenty (20) Business Days of the day of notification or determination, if the Bonds shall be declared terminated. If the Agent has decided not to terminate the Bonds, the Agent shall, at the earliest possible date, notify the Holders that there exists a right of termination and obtain instructions from the Holders according to the provisions in Condition 16 (*Meetings of Holders*). If the Holders vote in favor of termination and instruct the Agent to terminate the Bonds, the Agent shall promptly declare the Bonds terminated. However, if the cause for termination according to the Agent's appraisal has ceased before the termination, the Agent shall not terminate the Bonds. The Agent shall in such case, at the earliest possible date, notify the Holders that the cause for termination has ceased. The Agent shall always be entitled to take the time necessary to consider whether an occurred event constitutes an Event of Default and whether such event has a Material Adverse Effect.

- 13.7 If the Holders, without any prior initiative to decision from the Agent or the Issuer, have made a decision regarding termination in accordance with Condition 16 (*Meetings of Holders*), the Agent shall promptly declare the Bonds terminated. The Agent is however not liable to take action if the Agent considers cause for termination not to be at hand, unless the instructing Holders agree in writing to indemnify and hold the Agent harmless from any loss or liability and, if requested by the Agent in its discretion, grant sufficient security for such indemnity.
- 13.8 If the Bonds are declared due and payable in accordance with the provisions in this Condition 13, the Agent shall take every reasonable measure necessary to recover the amounts outstanding under the Bonds.
- 13.9 For the avoidance of doubt, the Bonds cannot be terminated and become due for payment prematurely according to this Condition 13 without relevant decision by the Agent or following instructions from the Holders' pursuant to Condition 16 (*Meetings of Holders*).
- 13.10 If the Bonds are declared due and payable in accordance with the provisions in this Condition 13, the Issuer shall redeem all Bonds with an amount per Bond equal to the applicable Call Option Amount.

14. AGENTS

14.1 Paying Agent

The Issuer has appointed Banque Internationale à Luxembourg, to act as paying agent (the **"Paying Agent"**). Changes of address shall be notified in accordance with Condition 18 (*Notices*). In no event will the specified office of the Paying Agent be within the United States or its possessions.

14.2 Calculation Agent

The Issuer has appointed Banque Internationale à Luxembourg, to act as calculation agent (the **"Calculation Agent"**). Changes of address shall be published in accordance with Condition 18 (*Notices*). In no event will the specified office of the Calculation Agent be within the United States or its possessions.

14.3 Substitution

The Issuer will procure that there will at all times be a paying agent as well as a calculation agent. The Issuer may at any time, by giving not less than 30 days' notice appoint another bank of good reputation as Paying Agent. Furthermore, the Issuer is entitled to terminate the appointment of any bank as Paying Agent. In the event of such termination or any of such bank being unable or unwilling to continue to act as Paying Agent in the relevant capacity, the Issuer will appoint another bank of good reputation as Paying Agent in the relevant capacity. Such appointment or termination will be published without undue delay in accordance with Condition 18 (*Notices*), or, should this not be possible, be published in another appropriate manner.

14.4 Binding Determinations

All determinations, calculations and adjustments made by any Agent will be made in conjunction with the Issuer and will, in the absence of manifest error, be conclusive in all respects and binding upon the Issuer and all Holders.

15. FURTHER ISSUES

The Issuer reserves the right to issue from time to time, without the consent of the Holders, additional bonds with substantially identical terms as the Bonds (as the case may be, except for the issue date, interest, commencement date and/or issue price), including in a manner that the same are fully fungible with the then existing Bonds and can be consolidated to form a single series of bonds and increase the aggregate principal amount of the Bonds. The term “**Bond**” will, in the event of such consolidation, also comprise such additionally issued bonds. The Issuer shall, however, not be limited in issuing additional bonds, which are not fungible and consolidated with the Bonds and which provide for different terms, as well as in issuing any other debt securities, subject to compliance with these Terms and Conditions.

16. MEETINGS OF HOLDERS

16.1 General

Articles 470-3 – 470-19 of the Luxembourg law dated 10 August 1915 on commercial companies, as amended (the “**Companies Law**”) shall be derogated by this Condition 16.

16.2 Convening of physical meetings

The Issuer may, and shall upon the request in writing signed by any one or more of the Holders holding not less than 10 % of the principal amount of all the Bonds for the time being outstanding, convene a meeting of the Holders to be held at such place and by any means as the Issuer shall determine.

At least fourteen (14) clear days’ notice shall be given by the Issuer to the Holder by simple letter or electronic mail, or through the Clearing System in the conditions provided in Condition 18 (*Notices*). The notice shall specify the place, day and hour of the meeting and the general nature of the business to be transacted. The notice shall state that the Holder is entitled to appoint a proxy to attend and vote on such Holder’s behalf for the purposes of Conditions 16.7 (*Poll*) and 16.8 (*Voting*).

Any notice given through the Clearing System shall be deemed to have been given to each Holder on the day after the day on which the said notice was given to the Clearing System.

The accidental failure to give notice to or the non-receipt of notice by the Holder shall not invalidate the proceedings of or any resolution passed at any meeting.

16.3 Quorum and majority

Modification of the Conditions (i) to change the maturity of the Bonds or the date on which interest (if any) is payable in connection with the Bonds, (ii) to reduce the nominal amount of or reduce the interest rate (if any) payable in connection with the Bonds, (iii) to amend the redemption conditions, (iv) to

increase or decrease the total interest and Redemption Amount (v) to change majority required to pass a resolution or (vi) to make any other change or amendment to the Conditions or the Transaction Security Documents (other than any modification, authorization or waiver as described in Condition 16.14 (*Amendments and waivers not requiring a Holders' resolution*) below) may only be made by a resolution approved by two-thirds of votes cast (an "**Extraordinary Resolution**").

Other resolutions concerning, inter alia, (i) the approval of any conservatory measure taken in the common interest of the Holders, (ii) the determination of any other measures aimed at defending the Holders' interests or the exercise by the Holders of their rights will be taken by a resolution approved by a simple majority of votes cast (an "**Ordinary Resolution**").

The quorum at any meeting for passing an Extraordinary Resolution or an Ordinary Resolution will be one or more persons holding or representing not less than 50 % of the nominal amount of the relevant Bonds for the time being outstanding. Any resolution passed at any meeting of the Holders will be binding on all the relevant Holders (whether or not they were present at the meeting at which such resolution was passed).

If no quorum is present within thirty (30) minutes from the time appointed for any meeting of the Holders, the meeting shall be adjourned to such day (not being less than fourteen (14) days nor more than twenty-eight (28) days after the date of the original meeting) and time and place as the chairman directs. At any such adjourned meeting the Holder or Holders or proxies for Holders present, regardless of the number of Bonds held or represented by them, will constitute a quorum for all purposes. At least seven (7) days' notice of any adjourned meeting of the Holders shall be given. Notice of any adjourned meeting shall, so far as possible, be given in the same manner as for the original meeting and such notice shall state that the Holder or Holders or proxies for the Holders present at such meetings, regardless of the number or the Bonds held or represented by them, will constitute a quorum. No business shall be transacted at any adjourned meeting except business, which might lawfully have been transacted at the meeting from which the adjournment took place.

16.4 Chairman

The Issuer may nominate in writing a person to preside as chairman at a meeting but if no such person is nominated or, if at any meeting the person nominated shall not be present within five minutes after the time appointed for holding the meeting the Holders present shall choose one of their number to be pro tempore chairman for this meeting. No chairman is requested for a decision that is taken by way of resolution in writing as set out in Condition 16.13 (*Resolution in writing*) below.

16.5 Attendance of members of the board of directors of the Issuer and advisors

The members of the board of directors and the legal and other professional advisors of the Issuer and any other person authorized in that behalf by the Issuer may attend and speak at any meeting.

16.6 Resolutions taken during a physical meeting

A resolution put to the vote of the meeting shall be decided on a show of hands unless before the declaration of the result on the show of hands a poll is demanded by the chairman or by one or more Holders present in person or by proxy and holding or representing in aggregate not less than 5 % of the relevant Bonds for the time being outstanding. Unless a poll is so demanded, a declaration by the chairman that a resolution has been carried unanimously or by a particular majority or lost or not carried by a particular majority shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favor of or against such resolution.

16.7 Poll

If a poll is duly demanded it shall be taken in such manner and at such time and place as the chairman may direct except that a poll demanded on the election of a chairman or any question of adjournment shall be taken at the meeting without adjournment.

No notice need be given of a poll not taken immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case, at least seven (7) days' notice shall be given.

The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business other than the question on which the poll has been demanded. The demand for a poll may be withdrawn.

The result of a poll shall be deemed to be a resolution of the meeting at which the poll was demanded.

16.8 Voting

On a poll every Holder who is present in person or by proxy or, in the case of a corporation, by its authorized representatives shall have one vote for every Bond held by him. A person entitled to more than one vote on a poll need not use all his votes or cast all the votes he uses in the same way.

No objection shall be raised to the qualification of any person voting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chairman whose decision shall be final and conclusive.

16.9 Equality of votes

In the case of an equality of votes whether on a show of hands or on a poll the chairman of the meeting shall not be entitled to a casting vote.

16.10 Adjournment of meeting

The chairman may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place but no business shall be transacted at any such adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place. No notice of any such adjourned meeting need be given except when the meeting is adjourned for

fourteen (14) days or more, in which event at least seven (7) clear days' notice shall be given.

16.11 Proxies

The instrument appointing a proxy shall be in writing and signed by the appointor or his attorney duly authorized in writing or, if the appointor is a corporation, signed by an attorney or officer so authorized. The Issuer may but shall not be bound to require evidence of the authority of any such attorney or officer.

A person appointed to act as proxy need not be a Holder. The chairman of the meeting may be designated as a proxy in an instrument of proxy without being named. An instrument of proxy shall be valid for any adjournment of the meeting to which it relates unless the contrary is stated on it.

The instrument appointing a proxy and the power of attorney under which it is signed or a notarially certified copy of such power of attorney shall be deposited at the Issuer's registered office or at such place as may be specified in the notice convening the meeting or any document accompanying such notice not less than forty-eight hours before the time appointed for holding the meeting or adjourned meeting or for the taking of the poll to which such instrument relates. Any instrument of proxy not deposited as provided in this Condition 16.11 shall be invalid.

The instrument appointing a proxy shall not have been granted more than twelve (12) months before the meeting at which it is purported to be used.

A vote given in accordance with the terms of an instrument appointing a proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy is given unless notification in writing of the death, insanity or revocation shall have been received at the registered office of the Issuer prior to the commencement of the meeting or adjourned meeting or the taking of the poll at which the proxy is to be used.

16.12 Minutes

The chairman shall procure that minutes of all resolutions and proceedings at every meeting shall be produced and duly entered in books to be provided for that purpose by the Issuer. Any such minutes as aforesaid if purporting to be signed by the chairman of the meeting or by the chairman of the next succeeding meeting of the Holders shall be conclusive evidence of the matters contained in the minutes and until the contrary is proved every such meeting in respect of which minutes have been made and signed as aforesaid shall be deemed to have been duly convened and held and all resolutions passed at such meeting to have been duly passed.

16.13 Resolution in writing

Notwithstanding the above, a resolution in writing signed as described in this Condition 16.13 ("**Vote without Meeting**") shall be valid and effectual as if it had been passed at a meeting of the Holders duly convened and held. Such

resolution in writing may consist of several documents in the like form each signed by or on behalf of one or more such persons.

A resolution in writing signed by or on behalf of the holders of not less than two-thirds in principal amount of the Bonds for the time being outstanding shall for all purposes be as valid and effectual as an Extraordinary Resolution passed at a meeting of Holders.

A resolution in writing signed by or on behalf of the holders of a simple majority in principal amount of the Bonds for the time being outstanding shall for all purposes be as valid and effectual as an Ordinary Resolution passed at a meeting of Holders.

A resolution in writing, for which the Holders will express their approval or disapproval electronically, shall for all purposes be as valid and effectual as an Ordinary Resolution or, as the case may be, an Extraordinary Resolution as if it had been passed at a meeting of the Holders duly convened and held.

16.14 Amendments and waivers not requiring a Holders' resolution

The Issuer and the Agent may determine, without liability to any person therefor, any modification of the Terms and Conditions or the Transaction Security Documents, or waiver of any rights thereof, which is, in the opinion of the Issuer and the Agent, of a formal, minor or technical nature or is made to correct a manifest or proven error or to comply with mandatory provisions of law and which is in the opinion of the Issuer and the Agent not materially prejudicial to the interests of the Holders. Any such modification, authorization or waiver will be binding on the Holders and such modification will be notified to the Holders as soon as practicable in accordance with Condition 18 (*Notices*).

17. APPOINTMENT OF HOLDERS' REPRESENTATIVE

17.1 The Holders may by majority resolution provide for the dismissal of the Agent who acts pursuant to Condition 9.1(e) also as Holders' representative and shall provide by majority resolution for the appointment of another Holders' representative. Such appointment of the Holders' representative may at the same time also include the appointment as agent under Condition 9 (*Agent*). In the event that such Holders' representative/Agent is to be authorized to consent to a material change in the substance of the Terms and Conditions or other material matters, the appointment may only be passed by a Qualified Majority.

17.2 If the Holders' representative is also appointed in its capacity as Agent pursuant to Condition 9 (*Agent*), the provisions of Condition 9 (*Agent*) apply to such appointed Holders' representative and Agent.

18. NOTICES

18.1 Any notice or other communication to be made under or in connection with these Terms and Conditions:

- (a) if to the Agent, shall be given at the address Wiesenhüttenstraße 11, 60329 Frankfurt am Main, Germany on the Business Day prior to

dispatch or, if sent by email by the Issuer, to such email address as notified by the Agent to the Issuer from time to time;

- (b) if to the Issuer, shall be given at the address 8-10 Avenue de la Gare, L-1610 Luxembourg, Grand Duchy of Luxembourg or such address notified by the Issuer to the Agent from time to time or, if sent by email by the Agent, to such email address as notified by the Issuer to the Agent from time to time;
- (c) if to a Guarantor, shall be given to the address stated in the Guarantee or such address notified by the Guarantor to the Agent from time to time or, if sent by email by the Agent, to such email address as notified by the Guarantor to the Agent from time to time; and
- (d) if to the Holders, shall be published on the Issuer's website and/or otherwise in accordance with the provisions of legal regulations. A notice will be deemed to be made on the day of its publication (in case of more than one publication, on the day of the first publication). As long as the Bonds are cleared, the Issuer shall also make notifications to the clearing system for communication by the clearing system to the Holders or directly to the Holders, provided this complies with the rules of the stock exchange on which the Bonds are listed. Notifications vis-à-vis the clearing system will be deemed to be effected seven (7) days after the notification of the clearing system, direct notifications of the Holders will be deemed to be effected upon their receipt.

18.2 Any notice or other communication made by one Person to another under or in connection with these Terms and Conditions shall be sent by way of courier, personal delivery or letter (and, if between the Agent and the Issuer, by email) and will only be effective, in case of courier or personal delivery, when it has been left at the address specified in Condition 18.1 or, in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Condition 18.1 or, in case of email to the Agent or the Issuer, when received in legible form by the email address specified in Condition 18.1

18.3 Failure to send a notice or other communication to a Holder or any defect in it shall not affect its sufficiency with respect to other Holders.

19. PRESCRIPTION

Claims against the Issuer for payment in respect of the Bonds shall be prescribed and become void unless made within ten (10) years (in the case of payments relating to principal) or five (5) years (in the case of payments relating to interest) as from the date on which payment in respect thereof first becomes due or (if any amount of the money payable is improperly withheld or refused) as from the date on which notice is duly given to the Holders in accordance with Condition 18 (*Notices*) stating that, upon further presentation of the Bond being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation.

20. APPLICABLE LAW AND PLACE OF JURISDICTION

20.1 Governing Law

The Bonds are governed by, and shall be construed in accordance with, Luxembourg law.

20.2 Jurisdiction

The exclusive place of jurisdiction for any action or other legal proceedings arising out of or in connection with the Bonds shall be the courts of Luxembourg, Grand Duchy of Luxembourg. The Issuer and the Holders hereby submit to the jurisdiction of such court.

XXI. GUARANTEE

The Bonds are unconditionally and irrevocably guaranteed and secured on a joint and several basis by the Guarantors under the terms and conditions set forth in a Luxembourg law governed guarantee agreement to be entered into on or about [●] October 2021, substantially in the form set out herein.

GUARANTEE AGREEMENT DATED [●] 2021 AND MADE BETWEEN

- (1) The companies listed in Annex 1; (jointly referred to as the “**Guarantors**” and each a “**Guarantor**”);
- (2) **TMF Trustee Services GmbH**, having its registered office at Wiesenhüttenstraße 11, 60329 Frankfurt am Main, Germany, registered with the lower court of Frankfurt am Main under number HRB 54140, acting on behalf of the Secured Creditors (the “**Security Agent**”);

AND

- (3) **Eleving Group** (formerly known as Mogo Finance), a public limited liability company (*société anonyme*), incorporated under the laws of the Grand-Duchy of Luxembourg, having its registered office at 8-10 Avenue de la Gare, L-1610 Luxembourg, Grand Duchy of Luxembourg and registered with Luxembourg trade and companies register (*Registre de commerce et des sociétés, Luxembourg*) under number B174457 (the “**Issuer**”).

The Guarantors, the Security Agent and the Issuer are collectively referred to as the “**Parties**” and each individually as a “**Party**”.

IT IS AGREED AS FOLLOWS:

1. DEFINITION AND INTERPRETATION

1.1 Definitions

In this first demand guarantee (*garantie autonome à première demande*) (the “**Guarantee**”), the following capitalized terms shall have the meanings set forth below.

“**Effective Date**” means [●].

“**Obligor**” means the Issuer and each Guarantor.

“**Guaranteed Documents**” means the Finance Documents as defined in the Terms and Conditions.

“**Terms and Conditions**” means the terms and conditions for the [●]% Senior Secured Bonds 2021/2026 issued by Eleving Group from time to time with ISIN code XS2393240887.

Terms defined in the Terms and Conditions have the same meaning when used in this Guarantee unless otherwise defined in this Guarantee.

1.2 Interpretation

- (a) Save where the contrary intention appears, a reference in this Guarantee to any of the Guaranteed Documents or any other document shall be construed as a reference to such Guaranteed Document or such other documents as amended, varied, novated assigned, supplemented or restated from time to time, as the case may be, in accordance with its terms.
- (b) Save where the contrary intention appears, a reference in this Guarantee to any person or entity shall include any successor, assignee or transferee of such person or entity.

2. GUARANTEE

- 2.1 The Guarantors hereby unconditionally and irrevocably guarantee by way of an independent payment obligation to each holder of the Bonds (the “**Holders**”) the due and punctual payment of principal of, and interest on, and any other amounts payable under the relevant Bonds (the “**Guaranteed Obligations**”) under the terms of this Guarantee.
- 2.2 This Guarantee shall be separate and independent from the obligations of the Issuer and shall exist irrespective of the validity and enforceability of the obligations of the Issuer under the Bonds.
- 2.3 The Guarantee constitutes an independent payment obligation for the benefit of the Secured Creditors, giving rise to the right of each Secured Creditor to require performance of the Guarantee directly from the Guarantors and to enforce the Guarantee directly against the Guarantors, notwithstanding the possibility to enforce the Guarantee through the Security Agent under the Terms and Conditions and the provisions of this Guarantee. The Parties expressly agree that any reference in this Guarantee to the Guaranteed Documents and to the Terms and Conditions shall under no circumstances be construed as affecting the independent, unconditional and irrevocable nature of the first demand guarantee granted pursuant to this Guarantee.
- 2.4 The Guarantors irrevocably undertake to pay to the Security Agent upon written first demand (a “**Payment Demand**”) of the Security Agent, the amounts payable as principal, interest and other amounts due by the Secured Creditors pursuant to the Terms and Conditions on due dates as provided in the Terms and Conditions.
- 2.5 The intent and purpose of this Guarantee is to ensure that the Secured Creditors under all circumstances, whether factual or legal, and regardless of the validity and enforceability of the obligations of the Issuer or of any other grounds on the basis of which the Issuer may fail to effect payment, shall receive the amounts payable as principal, interest and other amounts to the Secured Creditors pursuant to the Terms and Conditions on due dates as provided in the Terms and Conditions.

- 2.6 The Guarantee will rank *pari passu* with all of the Guarantors' existing and future senior unsecured debt and senior to all of their existing and future subordinated debt, notwithstanding certain limitation under the laws of the relevant Guarantor's jurisdiction.
- 2.7 The Obligations of the Guarantors *vis-à-vis* the Security Agent under this Clause 2 shall not be:
- (a) satisfied, discharged, lessened, impaired or affected by any intermediate payment or settlement of account or any change in the constitution or control of, or the insolvency of, or any liquidation, winding up or analogous proceedings relating to, any of the Guarantors; and
 - (b) discharged, prejudiced, lessened, affected or impaired by any act, event, omission or circumstance whatsoever which but for this provision would or might operate to release or exonerate the Guarantors from all or any part of such obligations or in any way discharge, prejudice, lessen, affect or impair the same.
- 2.8 The Guarantors expressly consent to the Guarantee being independent from any other security granted in connection with the Bonds and waive any right which might result from the release of any such other security.

3. CONDITIONS OF THE GUARANTEE

- 3.1 The Guarantors hereby irrevocably and unconditionally undertake to pay to the Security Agent, upon the Payment Demand, and in accordance with the conditions set out here below, all sums which the Security Agent may claim hereunder up to a maximum amount of principal of [●] euro ([●] Euro), or the equivalent thereof in another currency, plus any interest, taxes or fiscal charges, duties, expenses, fees, rights, levies, indemnities and damages.
- 3.2 Any Payment demand made by the Security Agent to the Guarantors under this Guarantee shall be made by way of a written notification addressed by the Security Agent to the Guarantors, sent in accordance with the provisions set forth in Clause 14 below and having the following content (each a "**Notification**"):
- (a) specifying that the Security Agent is making a Payment Demand under this Guarantee;
 - (b) specifying the amount due and payable by the Guarantors as well as the currency of payment of such sums; and
 - (c) providing details of the relevant bank account into which payment should be made, together with relevant instructions as to how payment should be made (if any),
 - (d) it being understood that:

- (e) the Security Agent shall be under no obligation to provide the Guarantor with any additional document nor to support its claim with any other justification or evidence; and
 - (f) the payment obligation of the Guarantor under this Guarantee is not subject to the accuracy or the merit of any statement, declaration or information contained in any Notification.
- 3.3 The Guarantor shall make the payment requested in the Notification within two (2) Business Days as from the date of receipt (included) of the relevant Notification and in the currency as requested within the Notification. The Security Agent is entitled to request the payment of any amount in one or several instalments.
- 3.4 The Guarantors shall ensure that, so long as any of the Bonds are outstanding, but only up to the time all amounts of principal and interest have been placed at the disposal of the Paying Agent, the Issuer is at all times an Affiliate of the Guarantors.

4. GUARANTEE LIMITATIONS

The obligations and liabilities of and the guarantee issued by each Guarantor under this Guarantee shall be limited if required (but only if and to the extent required) under any applicable law or regulation in the respective jurisdiction in which each of the Guarantors are incorporated, including but not limited to the provisions set forth in Annex 2.

5. PAYMENT

- 5.1 Each Guarantor shall immediately upon receipt of a Payment Demand by the Security Agent make any payment due under this Guarantee to the Security Agent as representative for the Secured Creditors.
- 5.2 All moneys received by the Security Agent, or its designee, in exercise of its rights under this Guarantee shall be applied by the Security Agent in discharge of the Guaranteed Obligations in accordance with the terms of the Terms and Conditions.
- 5.3 All payments by a Guarantor under this Guarantee shall be paid to the account designated by the Security Agent in full, free of any present or future taxes, levies, duties, charges, fees or withholdings and without any deductions, restrictions, conditions, liens, set off or counterclaim whatsoever from the Guarantor.

6. SPECIAL UNDERTAKINGS

Each Guarantor hereby undertakes to comply with the special undertakings set out in the conditions 11.2 (*Distributions*), 11.4 (*Financial Indebtedness and Disqualified Stock*), 11.5 (*Negative pledge*), 11.6 (*Loans out*), 11.7 (*Disposals of assets*), 11.8 (*Mergers*), 11.9 (*Dividend and other payment restrictions*), 11.10 (*Additional Guarantee*), 11.11 (*Additional Transaction Securities*), 11.12

(*Dealings with related parties*), 11.13 (*Compliance with law*), 11.14 (*Financial reporting and information*) and 11.17 (*Pledges over receivables*) of the Terms and Conditions.

7. CONTINUING GUARANTEE

- 7.1 Subject to Clauses 10 and 12, this Guarantee shall be a continuing guarantee and shall not be affected in any way by any variation, extension, waiver, compromise, release or discharge in whole or in part of the Guaranteed Obligations, any Guaranteed Document or of any security or guarantee from time to time therefore. To the extent it can be avoided by any action of the relevant Guarantor or otherwise, this Guarantee shall not be affected by any change in the laws, rules or regulations of any jurisdiction or by any present or future action of any governmental authority or court.
- 7.2 This Guarantee shall be in addition to and independent of any other guarantee, pledge or other security given or held by any other Secured Creditor in respect of the Guaranteed Obligations.

8. IMMEDIATE RECOURSE

- 8.1 Each Guarantor waives any right it may have of first requiring any Secured Creditor (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from the Guarantors under this Guarantee.
- 8.2 This waiver applies irrespective of any law or any provision of a Guaranteed Document to the contrary.

9. WAIVER

- 9.1 Until the Guaranteed Obligations have been irrevocably paid in full, each Guarantor undertakes not to exercise any right:

- (a) of recourse or subrogation;
- (b) to be indemnified by an Obligor; or
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Secured Creditors or of any Secured Creditor,

it may have by reason of performance of its obligations under this Guarantee.

- 9.2 Accordingly, each Guarantor acknowledges that it cannot raise any objection, ground or plea of any kind, in particular based on the Guaranteed Documents, to refuse or delay the performance of its obligations under this Guarantee and/or any payment to be made by it under this Guarantee. In particular, but without limitation, each Guarantor acknowledges that its obligations to make payments hereunder are independent from (i) the validity, regularity and/or enforceability of the Guaranteed Documents and the rights and obligations of

the Issuer thereunder, (ii) any absence of action by the Security Agent against the Issuer to enforce the Security Agent's rights under the Guaranteed Documents, (iii) any waiver or consent given by the Security Agent with respect to any provisions of the Guaranteed Documents, (iv) the occurrence of any event whatsoever which could prevent the Issuer from performing any of its obligations, including its payment obligations, under the Guaranteed Documents, including in relation to the opening of any voluntary or judicial insolvency proceedings in any jurisdiction, (vi) any other circumstances which might otherwise constitute a legal discharge of or a defence for such Guarantor.

10. RELEASE

When all the Guaranteed Obligations have been duly and irrevocably paid and discharged in full the Security Agent shall, upon the Issuer's written request and expense, promptly release each Guarantor from its obligations under this Guarantee. However, if any of the Guaranteed Obligations was only temporarily satisfied or maybe set aside by an insolvency administrator or may otherwise be avoidable, the Guarantee shall continue in full force and effect.

11. COSTS AND EXPENSES

All costs and expenses (including legal fees and other out of pocket expenses and value added tax or other similar tax thereon) reasonably incurred by the Security Agent in connection with (i) the execution, preservation or enforcement of this Guarantee, and (ii) any amendment, consent, suspension or release of rights (or any proposal for the same) requested by a Guarantor relating to this Guarantee shall be borne by the relevant Guarantor and each Guarantor shall upon demand indemnify and hold the Security Agent harmless in respect of such reasonable costs and expenses.

12. ASSIGNMENTS

- 12.1 The Security Agent may assign and transfer all or a part of its rights, claims and obligations under this Guarantee to any assignee or successor appointed in accordance with the Terms and Conditions.
- 12.2 For the avoidance of doubt, any assignment or transfer of all rights, claims and obligations under the Guaranteed Documents made by the Security Agent or any other Secured Creditor in accordance with such Guaranteed Documents shall take effect as an assignment and assumption and transfer of all such Secured Creditor's rights and obligations under this Guarantee.
- 12.3 No Guarantor may assign or transfer any part of its rights, benefits, claims or obligation under this Guarantee.

13. DURATION

- 13.1 The Guarantee takes effect on the Effective Date.
- 13.2 The Guarantee shall expire upon the full and unconditional repayment of the Guaranteed Obligations (the "**Expiry Date**").

- 13.3 After the Expiry Date, the Guarantors shall be discharged from all obligations under this Guarantee.

14. NOTICE

- 14.1 Any notice, communication or demand (including a claim hereunder) to be given to each Party in connection with this Guarantee shall be in writing and delivered by hand, email, registered post or courier in accordance with this Clause.

- 14.2 The address of each Party to this Guarantee in respect of any notice and communications under this Guarantee is the one specified for each Guarantor in Annex 1 and the Issuer and the Security Agent as follows:

(a) Issuer

Address: 8-10 Avenue de la Gare, L-1610 Luxembourg, Grand Duchy of Luxembourg

Attention: Board of Directors

(b) Security Agent

Address: Wiesenhüttenstraße 11, 60329 Frankfurt am Main, Germany

Attention: [●]

- 14.3 Any notice or other communication made by one Party to another Party under or in connection with this Guarantee will only be effective:

- (a) in case of courier personal delivery, when it has been left at the address specified in this Guarantee;
- (b) in case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in this Guarantee; or
- (c) in case of email, when received in legible form by the email address specified in this Guarantee.

15. MISCELLANEOUS

- 15.1 For the avoidance of doubt, the Guarantee shall not, in any manner whatsoever and for whatever reason, be construed as a *cautionnement* under articles 2011 et seq. of the Luxembourg Civil Code or as any other ancillary or similar undertaking.

- 15.2 No delay or omission in exercising any powers or privileges under this Guarantee shall be construed as a waiver thereof. Any exercise of any part of the rights shall not preclude subsequent enforcement of any such rights which have not, or have not fully, been exercised.

15.3 No amendment to this Guarantee shall be effective against any Party unless made in writing and signed by each of the Parties hereto, notwithstanding any decision by the Secured Creditors changing or amending the Terms and Conditions with regard to this Guarantee.

15.4 An original copy of this Guarantee is kept by the Security Agent at all times.

16. COUNTERPARTY

This Agreement may be executed in any number of counterparts each of which when executed and delivered shall be an original, but all counterparts together shall constitute one and the same instrument.

17. SEVERABILITY

Should any provision of this Guarantee be or become invalid, ineffective or unenforceable as a whole or in part, the validity, effectiveness and enforceability of the remaining provisions shall not be affected thereby. Any such invalid, ineffective or unenforceable provision shall be deemed replaced by such valid, effective and enforceable provision as comes closest to the economic intent and purpose of such invalid, ineffective or unenforceable provision as regards subject-matter, amount, time, place and extent. The aforesaid shall apply *mutatis mutandis* to any gap in this Guarantee.

18. GOVERNING LAW

This Guarantee shall be governed by and construed in accordance with the laws of Luxembourg law.

19. JURISDICTION

19.1 Subject to Clause 19.2, all disputes arising in connection with this Guarantee shall be submitted to the competent courts of Luxembourg.

19.2 The submission all disputes arising in connection with this Guarantee to the jurisdiction of Luxembourg shall not limit the right of the Security Agent or any court which may otherwise exercise jurisdiction over the relevant Guarantor or any of its assets.

The Parties have executed this Guarantee in two (2) originals.

[Remainder of page intentionally left blank; signature pages to follow]

Appendix 1 – Guarantors

	Legal entity (Country)	Reg. No.	Notice details
1.	AS “mogo” (<i>Latvia</i>)	50103541751	Skanstes street 50, LV-1013 Riga, Latvia
2.	mogo OÜ (<i>Estonia</i>)	12401448	Harju maakond, Tallinn, Kesklinna linnaosa, Pärnu mnt 102b, 11312, Estonia
3.	UAB “mogo LT” (<i>Lithuania</i>)	302943102	Perkūnkiemio g. 6, Vilnius, Lithuania
4.	Mogo LLC (<i>Georgia</i>)	404468688	42a Al. Kazbegi Street, Vake-Saburtalo District, 0160, Tbilisi, Georgia
5.	Mogo IFN SA (<i>Romania</i>)	J40/5043/2016	Calea Victoriei Avenue, number 155, flat D1, section 6, floor 4, Bucharest, Romania
6.	O.C.N. “MOGO LOANS” S.R.L. (<i>Moldova</i>)	10086000260223	MD-2060, Cuza-Voda 20/A, Chisinau, Moldova
7.	ООО “Mogo Credit” (<i>Belarus</i>)	192981714	Petra Mstislavtsa street 24, office No. 172, 220114, Minsk, Belarus
8.	MOGO Universal Credit Organization LLC (<i>Armenia</i>)	42, registration certificate No.266	18/2, Vardanants Street, Offices 4,5,6, 0010 Yerevan, Armenia
9.	AS Renti (<i>Latvia</i>)	40203174147	50 Skanstes Street, Riga, LV-1013, Latvia
10.	OCN SEBO CREDIT SRL (<i>Moldova</i>)	1017600000371	42 Albisoara Street, 4th Floor, Chişinău, Republic of Moldova
11.	Kredo Finance Shpk (<i>Albania</i>)	L71610009A	Rruga Muhamet Gjollësja, Ndërtesa Tirana Ring Center, Nr 8, Kati 9-te, Tirana, Albania
12.	Finance Company TIGO FINANCE DOOEL Skopje (<i>North Macedonia</i>)	7229712	St. Aminta Treti no.37/1/floor 1 – dp 002 and 001, Skopje

20. LIMITATIONS FOR LATVIAN GUARANTORS

The obligations and liabilities of and the guarantee issued by a Guarantor incorporated in Latvia (each a “**Latvian Guarantor**”) under this Guarantee shall be limited at, any time, if (and only if) required and to the extent that this Guarantee would otherwise be illegal or prejudice any limitations required under applicable mandatory provisions of Latvian law.

21. LIMITATIONS FOR ESTONIAN GUARANTORS

The obligations and liabilities of and the guarantee issued by a Guarantor incorporated in Estonia (each a “**Estonian Guarantor**”) under this Guarantee shall be limited at, any time, if (and only if) required and to the extent that this Guarantee would otherwise be illegal or constitute unlawful provision of security within the meaning of § 159(3) of the Commercial Code of the Republic of Estonia or prejudice any limitations required under applicable mandatory provisions of Estonian law.

22. LIMITATIONS FOR LITHUANIAN GUARANTORS

The obligations and liabilities of and the guarantee issued by a Guarantor incorporated in Lithuania (each a “**Lithuanian Guarantor**”) under this Guarantee shall be limited at, any time, if (and only if) required and to the extent that this Guarantee would otherwise be illegal or constitute unlawful financial assistance within the meaning of Article 45² Paragraph 1 of the Law on Companies of the Republic of Lithuania or prejudice any limitations required under applicable mandatory provisions of Lithuanian law, to an aggregate amount not exceeding EUR [●].

For the purpose of execution and enforcement of this Guarantee, to the extent required to hold this Guarantee valid and enforceable before a Lithuanian court, the terms and conditions of this Guarantee shall be interpreted according to Book IV Chapter V Part III (“*Guarantee*”) of the Civil Code of the Republic of Lithuania.

23. LIMITATION FOR GEORGIAN GUARANTORS

The obligations and liabilities of and the guarantee issued by a Guarantor incorporated in Georgia (each a “**Georgian Guarantor**”) under this Guarantee shall be limited at, any time, if (and only if) required and to the extent that this Guarantee would otherwise be illegal, unenforceable or prejudice any limitations required under applicable mandatory provisions of Georgian law, to an aggregate amount not exceeding EUR [●].

Notwithstanding the generality of the terms and conditions under Clause 2 of this Guarantee, for the purposes of interpretation under Georgian law, to the extent required to hold this Guarantee valid and enforceable before a Georgian

court, this Guarantee is considered as joint liability of the Georgian Guarantor together with the Issuer under the Guaranteed Documents, to which the Georgian Guarantor fully acknowledges and irrevocably consents.

Furthermore, the Georgian Guarantor hereby undertakes to, in the event of enforcement hereunder, fully cooperate with the Security Agent in order to achieve full enforcement of this Guarantee under Georgian jurisdiction and refrain from any actions (or inactions) hindering such recognition and enforcement.

24. LIMITATION FOR ROMANIAN GUARANTORS

The obligations and liabilities of and the guarantee issued by a Guarantor incorporated in Romania (each a “**Romanian Guarantor**”) under this Guarantee shall be limited at, any time, to an aggregate amount not exceeding 9% of the Guarantor's own funds as such as defined by the Section II of the National Bank of Romania's Regulation no. 20/2009.

25. LIMITATION FOR MOLDOVAN GUARANTORS

As per the provisions of Article 1153 of the Civil Code of the Republic of Moldova, the obligations and liabilities of and the guarantee issued by a Guarantor incorporated in the Republic of Moldova (each a “**Moldovan Guarantor**”) under this Guarantee shall be limited at, any time, to an aggregate amount not exceeding EUR [●] and if (and only if) required and to the extent that this Guarantee would otherwise be illegal, unenforceable or prejudice any limitations required under applicable mandatory provisions of Moldovan law.

26. LIMITATION FOR ARMENIAN GUARANTORS

The obligations and liabilities of and the guarantee issued by a Guarantor incorporated in the Republic of Armenia (the “**Armenian Guarantor**”) under this Guarantee shall be limited at, any time, if (and only if) required and to the extent that this Guarantee would otherwise be illegal, unenforceable or prejudice any limitations required under applicable mandatory provisions of laws and other legal acts and regulations of the Republic of Armenia, including but not limited to:

- (a) the provisions of Article 390 of the Civil Code of Armenia,
- (b) the provisions of Armenian law No HO-262 “On Bankruptcy of banks, credit organizations, investment companies, investment fund managers and insurance companies”,
- (c) the provisions of Clause 121 of the Decision of Central Bank No 347-N “On adopting Regulation No 14”.

Without prejudice to any other rights and obligations under this Guarantee, the Armenian Guarantor preserves its rights of subrogation claims against the Issuer in accordance to the provisions of Article 394 of the Civil Code of

Armenia in relation to the funds paid to the Security Agent upon Payment Demand.

27. LIMITATION FOR BELARUSIAN GUARANTORS

The obligations and liabilities of and the guarantee issued by a Guarantor incorporated in Republic of Belarus (the “Belarus Guarantor”) under this Guarantee shall be limited at, any time, if (and only if) required and to the extent that this Guarantee would otherwise be illegal or prejudice any limitations required under applicable mandatory provisions of laws of Republic of Belarus.

Payments under the Guarantee by the Belarus Guarantor to any non-Belarusian creditor require a permission of the National Bank of the Republic of Belarus and cannot be carried out without such permission.

Furthermore, the Belarus Guarantor hereby undertakes to, in the event of enforcement hereunder, request and obtain the permission of the National Bank of the Republic of Belarus and, in any case, to fully cooperate with the Security Agent in order to achieve full enforcement of this Guarantee under Belarus jurisdiction and refrain from any actions (or inactions) hindering such recognition and enforcement.

28. LIMITATION FOR ALBANIAN GUARANTORS

The obligations and liabilities of and the guarantee issued by a Guarantor incorporated in Albania (each an “**Albanian Guarantor**”) under this Guarantee shall be limited at, any time, if (and only if) required and to the extent that this Guarantee would otherwise be illegal or constitute unlawful provision of security or prejudice any limitations or preliminary approvals required under applicable mandatory provisions of Albanian law, including but without being limited to: (i) the provisions of the Albanian law no. 9901/2008 “*On entrepreneurs and commercial companies*”, (ii) the provisions of the Albanian law 9962/2006 “*On banks in the Republic of Albania*” and regulations of the Bank of Albania governing the activity and administration of risks of non-banking financial institutions in Albania and (iii) the Albanian law 110/2016 “*On bankruptcy*”.

29. LIMITATION FOR MACEDONIAN GUARANTORS

The obligations and liabilities of and the guarantee issued by a Guarantor incorporated in Republic of North Macedonia (each a “**Macedonian Guarantor**”) under this Guarantee shall be limited at any time, if (and only if) required and to the extent that this Guarantee would otherwise be illegal, unenforceable or prejudice any limitations required under applicable mandatory provisions of laws of North Macedonia including, but without limitations to (i) bankruptcy law of North Macedonia; (ii) law on obligations and torts of North Macedonia; (iii) international private law of North Macedonia.

XXII. ADDITIONAL INFORMATION ON THE GUARANTEES, THE TRANSACTION SECURITIES AND THE SECURITY AGENT

The following description is partly based on and must be read in conjunction with the Terms and Conditions of the Bonds. To the extent there is any discrepancy between the Terms and Conditions and the following description, the Terms and Conditions will prevail.

Guarantees and Transaction Securities

The following entities have issued Guarantees (together the “**Guarantors**”):

- (1) AS “mogo” (*Latvia*)
- (2) Mogo OÜ (*Estonia*)
- (3) UAB “mogo LT” (*Lithuania*)
- (4) Mogo LLC (*Georgia*)
- (5) Mogo IFN SA (*Romania*)
- (6) O.C.N. “MOGO LOANS” S.R.L. (*Moldova*)
- (7) OOO “Mogo Credit” (*Belarus*)
- (8) MOGO Universal Credit Organization LLC (*Armenia*)
- (9) AS Renti (*Latvia*)
- (10) OCN SEBO CREDIT SRL (*Moldova*)
- (11) Kredo Finance Shpk (*Albania*)
- (12) TIGO FINANCE DOOEL Skopje (*North Macedonia*)

The Issuer and the following entities of the Group (together the “**Pledgors**” and, together with the Guarantors, the “**Security Providers**”) have granted transaction securities for the due and punctual fulfilment of the Secured Obligations (as defined in the Terms and Conditions) (the “**Transaction Securities**”) in accordance with the initial transaction security documents listed below:

- (1) AS Mogo Eastern Europe (*Latvia*)
- (2) AS “mogo” (*Latvia*)
- (3) AS Renti (*Latvia*)
- (4) AS Mogo Baltics and Caucasus (*Latvia*)
- (5) mogo OÜ (*Estonia*)
- (6) UAB “mogo LT” (*Lithuania*)
- (7) Mogo LLC (*Georgia*)
- (8) MOGO Universal Credit Organization LLC (*Armenia*)
- (9) Mogo IFN SA (*Romania*)
- (10) O.C.N. “MOGO LOANS” S.R.L. (*Moldova*)
- (11) AS Eleving Consumer Finance (*Latvia*)

- (12) OCN SEBO CREDIT SRL (*Moldova*)
- (13) AS Eleving Finance (*Latvia*)
- (14) Finance Company TIGO FINANCE DOOEL Skopje (*North Macedonia*)
- (15) AS Eleving Consumer Finance Holding (*Latvia*)
- (16) Kredo Finance Shpk (*Albania*)

The Initial Transaction Security Documents shall consist of:

- (a) Latvian law governed security documents (the “**Latvian Transaction Security Documents**”), including:
 - (i) a Latvian law governed share pledge agreement creating a first ranking pledge over all the shares directly and indirectly held by AS Mogo Eastern Europe in AS “mogo” (Latvia) (the “**Latvian Share Pledge Agreement 1**”);
 - (ii) a Latvian law governed receivables pledge agreement creating a first ranking pledge over present and future loan receivables which are not secured by Existing Securities granted by AS “mogo” (Latvia) (the “**Latvian Receivables Pledge Agreement 1**”);
 - (iii) a Latvian law governed trademark pledge agreement creating a first ranking pledge over all trademarks owned by AS “mogo” (Latvia) and registered in Latvia (the “**Latvian Trademark Pledge Agreement 1**”);
 - (iv) a Latvian law governed share pledge agreement creating a first ranking pledge over all the shares directly and indirectly held by AS “mogo” in AS Renti (Latvia) (the “**Latvian Share Pledge Agreement 2**”);
 - (v) a Latvian law governed receivables pledge agreement creating a first ranking pledge over present and future receivables which are not secured by Existing Securities granted by AS Renti (Latvia) (the “**Latvian Receivables Pledge Agreement 2**”);
 - (vi) a Latvian law governed trademark pledge agreement creating a first ranking pledge over all trademarks owned by AS Renti (Latvia) and registered in Latvia (the “**Latvian Trademark Pledge Agreement 2**”);
- (b) Estonian law governed security documents (the “**Estonian Transaction Security Documents**”), including:
 - (i) an Estonian law governed share pledge agreement creating a first ranking pledge over all the shares directly and indirectly held by AS Mogo Baltics and Caucasus in mogo OÜ (Estonia) (the “**Estonian Share Pledge Agreement**”);

- (ii) an Estonian law governed receivables pledge agreement creating a first ranking pledge over present and future loan receivables which are not secured by Existing Securities granted by mogo OÜ (Estonia) (the “**Estonian Receivables Pledge Agreement**”);
 - (iii) an Estonian law governed trademark pledge agreement creating a first ranking pledge over all trademarks owned by mogo OÜ (Estonia) and registered in Estonia (the “**Estonian Trademark Pledge Agreement**”);
 - (iv) an Estonian law governed bank account pledge agreement creating a first ranking pledge over primary bank accounts owned by mogo OÜ (Estonia) (the “**Estonian Account Pledge Agreement**”);
- (c) Lithuanian law governed security documents (the “**Lithuanian Transaction Security Documents**”), including:
 - (i) a Lithuanian law governed share pledge agreement creating a first ranking pledge over all the shares directly and indirectly held by the Issuer in UAB “mogo LT” (Lithuania) (the “**Lithuanian Share Pledge Agreement**”);
 - (ii) a Lithuanian law governed receivables pledge agreement creating a first ranking pledge over present and future loan receivables which are not secured by Existing Securities granted by UAB “mogo LT” (Lithuania) (the “**Lithuanian Receivables Pledge Agreement**”);
 - (iii) a Lithuanian law governed trademark pledge agreement creating a first ranking pledge over all trademarks owned by UAB “mogo LT” (Lithuania) and registered in Lithuania (the “**Lithuanian Trademark Pledge Agreement**”);
 - (iv) a Lithuanian law governed bank account pledge agreement creating a first ranking pledge over primary bank accounts owned by UAB “mogo LT” (Lithuania) (the “**Lithuanian Account Pledge Agreement**”);
- (d) Georgian law governed security documents (the “**Georgian Transaction Security Documents**”), including:
 - (i) a Georgian law governed share pledge agreement creating a first ranking pledge over all the ownership interests directly and indirectly held by AS Mogo Baltics and Caucasus in Mogo LLC (Georgia) (the “**Georgian Share Pledge Agreement**”);
 - (ii) a Georgian law governed trademark pledge agreement creating a first ranking pledge over all trademarks owned by Mogo LLC (Georgia) and registered in Georgia (the “**Georgian Trademark Pledge Agreement**”);

- (iii) a Georgian law governed bank account pledge agreement creating a first ranking pledge over primary bank accounts owned by Mogo LLC (Georgia) (the **“Georgian Account Pledge Agreement”**);
- (e) Armenian law governed security document (the **“Armenian Transaction Security Document”**):
 - (i) an Armenian law governed share pledge agreement creating a first ranking pledge over all the shares directly and indirectly held by AS Mogo Baltics and Caucasus in MOGO Universal Credit Organization LLC (Armenia) (the **“Armenian Share Pledge Agreement”**);
- (f) Romanian law governed security documents (the **“Romanian Transaction Security Documents”**), including:
 - (i) a Romanian law governed movable hypothec agreement creating a first ranking general pledge over (i) any and all present and future primary bank accounts of Mogo IFN SA (Romania) and cash held therein, (ii) present and future loan receivables granted by Mogo IFN SA (Romania) which are not secured by Existing Securities granted by Mogo IFN SA (Romania) and (iii) any and all current and future intellectual property held by Mogo IFN SA (Romania) (the **“Romanian General Pledge Agreement”**);
 - (ii) a Romanian law governed movable hypothec agreement over shares creating a first ranking pledge over all the shares directly and indirectly held by AS Mogo Eastern Europe in Mogo IFN SA (Romania) (the **“Romanian Share Pledge Agreement”**);
- (g) Moldovan law governed security documents (the **“Moldovan Transaction Security Documents”**), including:
 - (i) a Moldovan law governed share pledge agreement creating a first ranking pledge over all the shares directly and indirectly held by AS Mogo Eastern Europe in O.C.N. “MOGO LOANS” S.R.L. (Moldova) (the **“Moldovan Share Pledge Agreement 1”**);
 - (ii) a Moldovan law governed trademark pledge agreement creating a first ranking pledge over all trademarks owned by O.C.N. “MOGO LOANS” S.R.L. (Moldova) and registered in Moldova (the **“Moldovan Trademark Pledge Agreement 1”**);
 - (iii) a Moldovan law governed bank account pledge agreement creating a first ranking pledge over primary bank accounts owned by O.C.N. “MOGO LOANS” S.R.L. (Moldova) (the **“Moldovan Account Pledge Agreement 1”**);
 - (iv) a Moldovan law governed share pledge agreement creating a first ranking pledge over all the shares directly and indirectly held by AS Eleving Consumer Finance in OCN SEBO CREDIT SRL (Moldova) (the **“Moldovan Share Pledge Agreement 2”**);

- (v) a Moldovan law governed trademark pledge agreement creating a first ranking pledge over all trademarks owned by OCN SEBO CREDIT SRL (Moldova) and registered in Moldova (the **“Moldovan Trademark Pledge Agreement 2”**);
 - (vi) a Moldovan law governed bank account pledge agreement creating a first ranking pledge over primary bank accounts owned by OCN SEBO CREDIT SRL (Moldova) (the **“Moldovan Account Pledge Agreement 2”**);
- (h) Belarus law governed security document (the **“Belarus Transaction Security Document”**):
 - (i) a Belarus law governed share pledge agreement creating first ranking pledge over all the shares directly and indirectly held by AS Mogo Eastern Europe in OOO “Mogo Credit” (Belarus) (the **“Belarus Share Pledge Agreement”**);
- (i) North Macedonian law governed security documents (the **“North Macedonian Transaction Security Documents”**), including:
 - (i) a North Macedonian law governed share pledge agreement creating first ranking pledge over all the shares directly and indirectly held by AS Eleving Finance in Finance Company TIGO FINANCE DOOEL Skopje (North Macedonia) (the **“North Macedonian Share Pledge Agreement”**);
 - (ii) a North Macedonian law governed trademark pledge agreement creating a first ranking pledge over all trademarks owned by Finance Company TIGO FINANCE DOOEL Skopje (North Macedonia) and registered in North Macedonia (the **“North Macedonian Trademark Pledge Agreement”**);
- (j) Albanian law governed security documents (the **“Albanian Transaction Security Documents”**), including:
 - (i) an Albanian law governed share pledge agreement creating first ranking pledge over all the shares directly and indirectly held by AS Eleving Consumer Finance Holding in Kredo Finance Shpk (Albania) (the **“Albanian Share Pledge Agreement”**);
 - (ii) an Albanian law governed trademark pledge agreement creating a first ranking pledge over all trademarks owned by Kredo Finance Shpk (Albania) and registered in Albania (the **“Albanian Trademark Pledge Agreement”**);
 - (iii) an Albanian law governed bank account pledge agreement creating a first ranking pledge over primary bank accounts owned by Kredo Finance Shpk (Albania) (the **“Albanian Account Pledge Agreement”**);
- (k) Luxembourg law governed receivables pledge agreement creating a first ranking pledge over loan receivables with respect to certain loans

made by the Issuer (the “**Luxembourg Receivables Pledge Agreement**”).

In addition, the Issuer shall, subject to local law local law requirements and limitations, procure that:

(A) any Restricted Subsidiary of the Issuer whose shares have not been pledged in accordance with the Initial Transaction Security Documents, shall, within ninety (90) calendar days after such Restricted Subsidiary becomes or has become a Material Group Company, (a) enter into a transaction security document with the Security Agent substantially equivalent to the Initial Transaction Security Documents, excluding any receivables pledge agreement and (b) the relevant shareholder of such Restricted Subsidiary shall grant a pledge over the shares of such company to the Security Agent,

(B) any Restricted Subsidiary of the Issuer incorporated in the European Union whose receivables have not been pledged in accordance with the Initial Transaction Security Documents, shall, within ninety (90) calendar days after such Restricted Subsidiary becomes or has become a Material Group Company, (a) enter into a transaction security document with the Security Agent substantially equivalent to the Initial Transaction Security Documents and (b) grant a pledge over the receivables of such company to the Security Agent, and

(C) in order to prevent a breach of the thresholds of pledges over receivables referred to in the Terms and Conditions, the Issuer may cause a Restricted Subsidiary to (a) enter into a transaction security document with the Security Agent substantially equivalent to the Initial Transaction Security Documents and (b) grant a pledge over the receivables of such Restricted Subsidiary to the Security Agent.

For more information about the Transaction Securities and Guarantee, see “*Terms and Conditions of the Bonds*”.

Agent and Security Agent

TMF Trustee Services GmbH, established in Germany and registered with the lower court of Frankfurt am Main under number HRB 54140, with registered address at Wiesenhüttenstraße 11, 60329 Frankfurt am Main, will act as Agent and Security Agent.

XXIII. TAXATION

The tax legislation in force in the jurisdiction of a potential investor, in the Issuer's country of incorporation (i.e., the Grand Duchy of Luxembourg) and in any other relevant jurisdiction may have an impact on the income which may be received from the Bonds.

The following section is a description of certain tax consequences under the tax laws of Germany and Luxembourg with regard to the acquisition, ownership and sale of the Bonds. The following description of the German and Luxembourg tax situations is not intended to provide exhaustive information that might be necessary for an individual purchase decision regarding the Bonds offered. Only the essential regulations of income taxation are described in an outline. The Issuer points out that the specific tax consequences depend on the personal circumstances of the investors and may be affected by future changes in tax legislation, case law and/or the instructions of the fiscal authority. The description is based on the fiscal law applicable in Germany and Luxembourg at the time this Offering Memorandum is being produced. These laws may change with retroactive effect as well. The specific tax treatment of the purchase, ownership or sale of the Bonds is thus only governed by the tax laws applicable in the individual case at any time in the respective interpretation by the fiscal authority and the fiscal courts. It cannot be ruled out that the interpretation by a tax authority or a fiscal court is different from the explanations shown here. Although the following explanations reflect the assessment by the Issuer, they may not be misinterpreted as tax advice or a guarantee. Tax advice cannot be replaced by these explanations and is therefore strongly recommended.

1. Taxation in the Federal Republic of Germany

Tax Residents

Persons (individuals and corporate entities) who are tax resident in Germany (in particular, persons whose residence, habitual abode, statutory seat or place of management is located in Germany) are subject to unlimited taxation (income tax or corporate income tax, in each case plus solidarity surcharge on the (corporate) income tax plus church tax and/or trade tax, if applicable). The unlimited tax liability applies to the worldwide income, regardless of its source, including interest on capital claims of any kind and, in general, capital gains. However, contrary provisions in German double taxation treaties may allocate a taxation right to another country.

Taxation if the Bonds are held as private assets

Should the Bonds be held as private assets by a domestic tax-resident individual investor, the interest paid on the Bonds and capital gains from the sale or redemption of the Bonds or the separate sale or redemption of interest claims are taxable at a uniform tax rate of 25 % (26,675 % including solidarity surcharge plus church tax, if applicable, the rate of which varies depending on the province). Capital gains/losses realised upon the sale or redemption of the Bonds are computed as the difference between the proceeds from the disposition or redemption (after deduction of actual expenses directly related thereto) and the issue or purchase price of the Bonds. If the respective income is paid through the banking system, which is the case if the Bonds are held in a custodial account which the owner of the Bonds maintains with a domestic branch of a German or non-German bank, a financial services institution, a domestic securities trading business or a domestic securities trading bank, the tax will be withheld at source, generally as a final burden. If the income is paid from elsewhere, e.g., from a foreign bank, and therefore no tax is withheld at source, the taxpayer must

report the respective income in his tax return. The uniform tax rate charge will then be levied by assessment, independently of all other features of the taxpayer's situation. In certain cases, the investor may apply to be assessed on the basis of its actual personal tax rate if such rate is lower than the uniform tax rate of 25 %. However, within the scope of the withholding tax, a deduction of the actual income-related expenses (in excess of a lump-sum amount of 801 EUR or EUR 1,602 for married couples assessed together) is excluded. Losses from the sale of Bonds can only be offset against other capital gains income and, if there is not sufficient other positive capital gains income, carried forward in subsequent assessment periods. Losses, which have been subject to withholding tax as set out above can only be offset or carried forward if the disbursing agent issues a corresponding (loss) certificate pursuant to Sec. 43a para. 3 sentence 4, Sec. 45a para. 2 of the German Income Tax Act (*Einkommensteuergesetz; EStG*).

No German withholding tax will be levied if the investor has filed a withholding tax exemption certificate with the respective German disbursing agent, but only to the extent that the paid interest or the capital gain does not exceed the lump-sum amount as described above. Similarly no withholding tax will be levied, if the relevant investor has submitted a non-assessment certificate issued by the relevant local tax office

Taxation if the Bonds are held as business assets

For German tax resident corporations and domestic commercial investors, holding the Bonds as business assets, interest payments and capital gains will be subject to (corporate) income tax and, if applicable, trade tax. Business expenses related to the Bonds generally are deductible.

The corporate income tax rate including the solidarity surcharge amounts to 15,825 %. Commercial investors not being subject to corporate income tax are taxed at their personal income tax rate which amounts up to 45%. The trade tax rate for businesses being subject to German trade tax, depends on the municipality where the business is located. Furthermore, in the case of individuals, church tax may be levied.

For these investors, only the interest paid on Bonds is generally subject to the provisions regarding German withholding tax as set out above. No withholding tax is levied in the case of the sale or redemption of the Bonds or the separate sale or redemption of interest claims if the investor is a German corporation subject to unlimited taxation or the proceeds from the Bonds qualify as income of a domestic business and the investor notifies this to the German disbursing agent by use of the officially required form. However, levied withholding tax has no settling effect, i.e. any tax withheld is credited as prepayment against the German (corporate) income tax amount.

Non-residents

Persons who are not tax resident in Germany are not subject to tax with regard to income derived from the Bonds. This does not apply, if (i) the Bonds are held as business assets of a German permanent establishment or are attributable to a permanent representative of such person or (ii) the income from the Bonds is subject to German limited taxation for other reasons (e.g. the Bonds are, irrespective of certain exceptions, directly or indirectly secured by German real property or domestic rights subject to the real estate provisions of German civil law).

If a non-resident person is subject to tax with its income from the Bonds, similar rules apply as set out above with regard to German tax resident persons.

Application of the German withholding tax regime on the Issuer

The Issuer is not obliged under German tax law to levy German withholding tax in respect of payments on the Bonds. Therefore, the Issuer assumes no responsibility for the withholding of taxes at the source.

Investors are also advised to seek the reliable advice of their own tax advisor regarding the specific fiscal implications of the investment. Such advice cannot be replaced by the above explanations.

German Inheritance and Gift Tax

Generally German inheritance or gift taxes with respect to the Bonds will arise, if, in the case of inheritance tax, either the decedent or the beneficiary, or, in the case of gift tax, either the donor or the heir, is a resident of Germany or such Bond is attributable to a domestic business for which a permanent establishment is maintained or a permanent representative is appointed. This applies also to certain German citizens who previously maintained a residence in Germany.

2. Taxation Grand Duchy of Luxembourg

Taxation of the Issuer

The Issuer will be considered a fiscal resident of Luxembourg from a Luxembourg tax law perspective and should therefore be able to obtain a residence certificate from the Luxembourg tax authorities.

The Issuer will be liable for Luxembourg corporation taxes. The current standard applicable rate in Luxembourg city, including corporate income tax (*impôt sur le revenu des collectivités*), municipal business tax (*impôt commercial communal*) and solidarity taxes, is currently 24.94%. Liability for such corporation taxes extends to the Issuer's worldwide profits including capital gains, subject to the provisions of any relevant double taxation treaty. The taxable income of the Issuer is computed by application of all rules of the Luxembourg income tax law of 4 December 1967, as amended (*loi concernant l'impôt sur le revenu*), as commented on and currently applied by the Luxembourg tax authorities.

Under certain conditions, dividends received by the Issuer from qualifying participations and capital gains realised by the Issuer on the sale of qualifying participations may be exempt from Luxembourg corporation taxes under the Luxembourg participation exemption regime. The Issuer may further deduct from its taxable profits interest payments made to the holders of the Bonds (i) to the extent that such interest exceeds any exempt income derived from participations financed with the Bonds and qualifying under the Luxembourg participation exemption regime and (ii) subject to the interest limitation rule provided for by the ATAD 1 Law. Furthermore, should the Bonds finance qualifying participations under the Luxembourg participation exemption regime, any interest having reduced the taxable basis of the Issuer may be subject to recapture upon disposal of the qualifying participations by reducing the exempt amount of capital gains.

A fixed registration duty (*droit fixe spécifique d'enregistrement*) of EUR 75 is payable at the moment that the Articles are amended.

It is not compulsory that the Bonds be filed, recorded or enrolled with any court, or other authority in Luxembourg or that registration tax, transfer tax, capital tax, stamp duty or any other similar tax or duty be paid in respect of or in connection with the execution, delivery and/or enforcement by legal proceedings (including any foreign judgment in the courts of Luxembourg) of the Bonds, in accordance therewith, except that, if the Bonds are physically attached (*annexé(s)*) to a public deed or to any other document subject to mandatory registration in Luxembourg registration may be

ordered which results in the application of a fixed registration duty (of EUR 12) or an ad valorem registration duty (of 0.24% calculated on the amounts mentioned in the Bonds).

Under certain conditions, the Issuer could be exempt from wealth tax (*impôt sur la fortune*) on certain assets, such as qualifying participations under the Luxembourg participation exemption regime. However the Issuer will in any case be liable for the minimum wealth tax of EUR 4,815 or a progressive minimum amount between EUR 535 and EUR 32,100, depending on the balance sheet total of the Issuer.

Withholding tax

Non-resident Holders of the Bonds

Under Luxembourg general tax laws currently in force, there is no withholding tax on payments of principal, premium or interest made to non-resident holders of the Bonds, nor on accrued and unpaid interest in respect of the Bonds, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the Bonds held by non-resident holders of the Bonds.

Resident Holders of the Bonds

Under Luxembourg general tax laws currently in force and subject to the law of 23 December 2005, as amended (the “**Law**”), mentioned below, there is no withholding tax on payments of principal, premium or interest made to Luxembourg resident holders of the Bonds, nor on accrued and unpaid interest in respect of Bonds, nor is any Luxembourg withholding tax payable upon redemption or repurchase of Bonds held by Luxembourg resident holders of the Bonds.

Under the Law payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the benefit of an individual beneficial owner who is resident of Luxembourg will be subject to a withholding tax of 20%.

If the individual Holder holds the Bonds in the course of the management of his or her private wealth, the aforementioned 20% withholding tax will operate a full discharge of income tax due on such payments.

Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the Bonds coming within the scope of the Law would be subject to withholding tax of 20%.

Income taxation

Non-resident holders of Bonds

A non-resident holder of Bonds, who does not have a permanent establishment or fixed place of business in Luxembourg or a permanent representative to which/whom the Bonds are attributable, is not subject to Luxembourg income tax on interest paid or accrued on, or any other income derived from, the Bonds. A gain realized by such non-resident holder of Bonds on the sale or disposal of Bonds, in any form whatsoever, is further not subject to Luxembourg income tax.

A non-resident corporate holder of Bonds or an individual holder of Bonds acting in the course of the management of a professional or business undertaking, who has a permanent establishment or permanent representative in Luxembourg to which/whom such Bonds are attributable, is subject to Luxembourg income tax on interest paid or accrued on, or any other income derived from, the Bonds and on any gains realised upon the sale or disposal, in any form whatsoever, of the Bonds.

Resident holders of Bonds

Holders of Bonds who are residents of Luxembourg will not be liable for any Luxembourg income tax on repayment of principal.

Holders of Bonds will not be deemed to be resident, domiciled or carrying on business in Luxembourg solely by reason of holding, execution, performance, delivery, exchange and/or enforcement of the Bonds.

(a) Luxembourg resident individual holders of Bonds

A Luxembourg resident individual holder of Bonds, acting in the course of the management of his/her private wealth, is subject to Luxembourg income tax at progressive rates in respect of the interest paid or accrued on, or any other income derived from, the Bonds, except if (a) withholding tax has been levied on such payments in accordance with the Law; or (b) the individual holder of the Bonds has opted for the application of a 20% tax in full discharge of income tax in accordance with the Law, which applies if a payment of interest has been made or ascribed by a paying agent established in an EU Member State (other than Luxembourg), or in a Member State of the European Economic Area (other than an EU Member State).

Under Luxembourg domestic tax law, gains realised by an individual holder of the Bonds, who acts in the course of the management of his private wealth and who is a resident of Luxembourg for tax purposes, on the sale or disposal, in any form whatsoever, of Bonds are not subject to Luxembourg income tax, provided this sale or disposal took place at least six months after the acquisition of the Bonds. An individual holders of Bonds, who acts in the course of the management of his private wealth and who is a resident of Luxembourg for tax purposes, must however include the portion of the gain corresponding to accrued and unpaid interest in respect of the Bonds in his taxable income, except if (a) the 20% withholding tax has been levied on such payments in accordance with the Law; or (b) the individual holder of the Bonds has opted for the application of a 20% tax in full discharge of income tax in accordance with the Law, which applies if a payment of interest has been made or ascribed by a paying agent established in an EU Member State (other than Luxembourg), or in a Member State of the European Economic Area (other than an EU Member State).

The 20% withholding tax is the final tax liability for the Luxembourg individual resident taxpayers receiving the interest payment in the framework of their private wealth management.

An individual holder of Bonds acting in the course of the management of a professional or business undertaking must include this interest in its taxable basis. If applicable, the tax levied in accordance with the Law will be credited against his/her final tax liability.

(b) Luxembourg resident corporate holders of Bonds

Interest paid or accrued on, or any other income derived from the Bonds as well as gains realised by a corporate holder of the Bonds on the sale or disposal, in any form whatsoever, of the Bonds are subject to Luxembourg income tax and municipal business tax.

A Luxembourg holder of Bonds that is governed by the law of 11 May 2007 on family estate companies, as amended, by the law of 17 December 2010 on undertakings for collective investment, as amended, by the law of 13 February 2007 on specialised investment funds, as amended, or by the law of 23 July 2016 relating to reserved alternative investment funds, as amended (the “**RAIF Law**”), provided it is not foreseen in the incorporation documents that (i) the exclusive object is the investment in risk capital and that (ii) article 48 of the aforementioned RAIF Law applies, will not be

subject to any Luxembourg corporation taxes in respect of interest received or accrued on the Bonds, or on gains realised on the sale or disposal, in any form whatsoever, of Bonds.

Holders of Bonds will not be deemed to be resident, domiciled or carrying on business in Luxembourg solely by reason of holding, execution, performance, delivery, exchange and/or enforcement of the Bonds.

Net Wealth Tax

A corporate holder of the Bonds, whether resident of Luxembourg for tax purposes or maintaining a permanent establishment or a permanent representative in Luxembourg to which/whom the Bonds are attributable, is subject to Luxembourg wealth tax on the Bonds, except if the holder of the Bonds is governed by the law of 11 May 2007 on family estate companies, as amended, by the law of 17 December 2010 on undertakings for collective investment, as amended, by the law of 13 February 2007 on specialized investment funds, as amended, by the RAIF Law, provided it is not foreseen in the incorporation documents that (i) the exclusive object is the investment in risk capital and that (ii) article 48 of the aforementioned RAIF Law applies or is a securitization company governed by the law of 22 March 2004 on securitization, as amended, or a capital company governed by the law of 15 June 2004 on venture capital vehicles, as amended.

Since 1 January 2016, (i) securitization companies governed by the amended law of 22 March 2004 on securitization and (ii) investment companies in risk capital (SICAR) governed by the law of 15 June 2004 are subject to an annual minimum net wealth tax. Furthermore, under certain conditions, reserved alternative investment funds governed by the RAIF Law and which fall under the special tax regime set out under article 48 thereof may be subject to minimum net wealth tax.

An individual holder of the Bonds, whether he/she is resident of Luxembourg or not, is not subject to Luxembourg wealth tax on the Bonds.

Other Taxes

There is no Luxembourg value added tax payable in respect of payments in consideration for the issuance of the Bonds or in respect of the payment of interest or principal under the Bonds or the transfer of the Bonds. Luxembourg value added tax may, however, be payable in respect of fees charged for certain services rendered to the Issuer, if for Luxembourg value added tax purposes such services are rendered or are deemed to be rendered in Luxembourg and an exemption from Luxembourg value added tax does not apply with respect to such services.

Under present Luxembourg tax law, in the case where a holder of the Bonds is a resident for tax purposes of Luxembourg at the time of his death, the Bonds are included in his/her taxable estate, for inheritance tax purposes and gift tax may be due on a gift or donation of the Bonds if embodied in a Luxembourg deed passed in front of a Luxembourg notary or if the gift is recorded in Luxembourg.

3. Foreign Account Tax Compliance Act

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986 the U.S. Foreign Account Tax Compliance Act, commonly known as FATCA, a “foreign financial institution” may be required to withhold a 30% withholding tax on certain payments it makes (“foreign passthru payments”) to persons that fail to meet certain certification, reporting, or related requirements. A number of jurisdictions (including Luxembourg) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (“IGAs”), which modify the way in which FATCA

applies in their jurisdictions. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Bonds, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Bonds, are uncertain and may be subject to change.

Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Bonds, such withholding would not apply prior to 1 January 2019 (intended date) and Bonds issued on or prior to the date that is six months after the date on which final regulations defining “foreign passthru payments” are filed with the U.S. Federal Register generally would be “grandfathered” for purposes of FATCA withholding unless materially modified after such date (including by reason of a substitution of the Issuer). However, if additional bonds (as described under “Terms and Conditions of the Bonds— § 15 Further Issues”) that are not distinguishable from previously issued Bonds are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Bonds, including the Bonds offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. As long as the rules for the implementation and the definition of “foreign passthru payments” are not written, it is impossible to determine what impact, if any, this withholding will have on Holder of the Bonds.

While the Bonds are in global form and held within Euroclear Bank SA/NV or Clearstream Banking S.A.(together the “ICSDs”), it is expected that FATCA will not affect the amount of any payments made under, or in respect of, the Bonds by the Issuer and any paying agent, given that each of the entities in the payment chain between the Issuer and the participants in the ICSDs is a major financial institution whose business is dependent on compliance with FATCA and that any alternative approach introduced under an IGA will be unlikely to affect the Bonds. The documentation expressly contemplates the possibility that the Bonds may go into definitive form and therefore that they may be taken out of the ICSDs. If this were to happen, then a non-FATCA compliant holder could be subject to FATCA Withholding. However, definitive Bonds will only be printed in remote circumstances.

In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Bonds, Holders will not receive any Additional Amount in respect of such withholding, and Holders will therefore receive less than the amount that they would have otherwise have received on such Bonds.

FATCA is particularly complex and its application is uncertain at this time. The above description is based in part on regulations, official guidance and model IGAs, all of which are subject to change or may be implemented in a materially different form. **Prospective investors should consult their tax advisors on how these rules may apply to payments they may receive in connection with the Bonds.**

XXIV. LIMITATIONS ON VALIDITY AND ENFORCEABILITY OF THE GUARANTEES, TRANSACTION SECURITY DOCUMENTS AND THE BONDS AND CERTAIN INSOLVENCY CONSIDERATIONS

Set out below is a summary of certain limitations on the enforceability of the Bonds, Guarantees and the Transaction Security Documents in the jurisdictions in which the Issuer, the Guarantors and the Pledgors are organized or incorporated. It is a summary only, and bankruptcy proceedings, restructuring proceedings, insolvency proceedings or other similar proceedings could be initiated in any of these jurisdictions and in the jurisdiction of organization of a future guarantor of the Bonds. In addition, as further described below, the COMI of the Issuer or a Guarantor may be determined to be different than its jurisdiction of incorporation. See *“Risk Factors—Risk Factors Relating to the Bonds—Relevant insolvency and administrative laws may not be as favorable to creditors, including Holders, as insolvency laws of the jurisdictions in which you are familiar and may limit your ability to enforce your rights under the Bonds and the Guarantees and the Issuer and the Guarantors are subject to risks relating to the location of their center of main interest (“COMI”).* The application of these various laws in multiple jurisdictions could trigger disputes over which jurisdiction’s law should apply and could adversely affect your ability to enforce your rights and to collect payment in full under the Bonds and the Guarantees. Also set forth below is a brief description of certain aspects of insolvency laws in the jurisdictions of incorporation of the Issuer, the Guarantors and the Pledgors.

EUROPEAN UNION

Several of the Guarantors are organized under the laws of EU Member States.

Pursuant to the Regulation (EU) No 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings, as amended (the **“EU Insolvency Regulation”**), the court which shall have jurisdiction to open insolvency proceedings in relation to a company is the court of the EU Member State (other than Denmark) where the company concerned has its “center of main interests” (as that term is used in Article 3(1) of the EU Insolvency Regulation). The determination of where any such company has its “center of main interests” is a question of fact on which the courts of the different EU Member States may have differing and even conflicting views.

The term “center of main interests” is not a static concept and may change from time to time. See *“Risk Factors—Risk Factors Relating to the Bonds—Relevant insolvency and administrative laws may not be as favorable to creditors, including Holders, as insolvency laws of the jurisdictions in which you are familiar and may limit your ability to enforce your rights under the Bonds and the Guarantees and the Issuer and the Guarantors are subject to risks relating to the location of their center of main interest (“COMI”).* Although there is a rebuttable presumption under Article 3(1) of the EU Insolvency Regulation that any such company has its “center of main interests” in the EU Member State in which it has its registered office, Preamble 13 of the EU Insolvency Regulation states that the “center of main interests” of a debtor should correspond to the place where the debtor conducts the administration of its interests on a regular basis and “is therefore ascertainable by third parties”. In that respect, factors such as where board meetings are held, the location where the company conducts the majority of its business and the location where the large majority of the company’s creditors are established may all be relevant in the determination of the place where the company has its “center of main interests”, with the company’s “center of main interests” at the time of initiation of the relevant insolvency proceedings being not only decisive for the international jurisdiction of the courts of a certain Member State, but also for the insolvency laws applicable to these insolvency proceedings as

each court would, subject to certain exemptions, apply its local insolvency laws (*lex fori concursus*).

If the “center of main interests” of a company is and will remain located in the state in which it has its registered office, the main insolvency proceedings in respect of the company under the EU Insolvency Regulation would be commenced in such jurisdiction and accordingly a court in such jurisdiction would be entitled to commence the types of insolvency proceedings referred to in Annex A to the EU Insolvency Regulation. Insolvency proceedings opened in one EU Member State under the EU Insolvency Regulation are to be recognized in the other EU Member States (other than Denmark), although secondary proceedings may be opened in another EU Member State. If the “center of main interests” of a debtor is in one EU Member State (other than Denmark) under Article 3(2) of the EU Insolvency Regulation, the courts of another EU Member State (other than Denmark) have jurisdiction to open “territorial proceedings” only in the event that such debtor has an “establishment” in the territory of such other EU Member State. The effects of those territorial proceedings are restricted to the assets of the debtor situated in the territory of such other EU Member State. If the company does not have an establishment in any other EU Member State, no court of any other EU Member State has jurisdiction to open territorial proceedings in respect of such company under the EU Insolvency Regulation. Irrespective of whether the insolvency proceedings are main or territorial proceedings, such proceedings will always, subject to certain exemptions, be governed by the *lex fori concursus*, i.e., the local insolvency law of the court which has assumed jurisdiction for the insolvency proceedings of the debtor.

In the event that the Issuer or any provider of collateral experiences financial difficulty, it is not possible to predict with certainty in which jurisdiction or jurisdictions insolvency or similar proceedings will be commenced, or the outcome of such proceedings. Applicable insolvency laws may affect the enforceability of the obligations of the Issuer and Guarantors and the collateral provided by the Issuer or any other company. The insolvency, administration and other laws of the jurisdictions in which the respective companies are organized or operate may be materially different from, or conflict with, each other and there is no assurance as to how the insolvency laws of the potentially involved jurisdictions will be applied in relation to one another.

LUXEMBOURG

Insolvency

In the event that the Issuer becomes insolvent, insolvency proceedings (e.g., in particular, bankruptcy proceedings (*faillite*), controlled management proceedings (*gestion contrôlée*) and composition proceedings with creditors (*concordat préventif de la faillite*)) may be opened in Luxembourg to the extent that the Issuer has its center of main interest located in Luxembourg or an establishment in Luxembourg within the meaning the EU Insolvency Regulation (in relation to secondary proceedings assuming in this case that the center of main interests is located in a jurisdiction where the EU Insolvency Regulation is applicable). If a Luxembourg court having jurisdiction commences bankruptcy proceedings against the Issuer, all enforcement measures against such companies will be suspended, except, subject to certain limited exceptions, for enforcement by secured creditors. Holders will thus not be able to enforce the Guarantee once bankruptcy proceedings have commenced.

In addition, the Holders’ ability to receive payment on the Bonds may be affected by a decision of a Luxembourg court to grant a stay on payments (*sursis de paiement*) as provided by articles 593 et seq of the Luxembourg Code of Commerce or to put the Issuer into judicial liquidation (*liquidation judiciaire*) pursuant to article 1200-1 of

Luxembourg Company Law. Judicial liquidation proceedings may be opened at the request of the public prosecutor against companies pursuing an activity violating criminal laws or that are in serious breach or violation of the Luxembourg Code of Commerce or of the laws governing commercial companies, including Luxembourg Company Law and those laws governing authorization to do business.

Liability of the Issuer in respect of the Bonds will, in each case, in the event of a liquidation of the relevant company following bankruptcy or judicial liquidation proceedings, only rank after the cost of liquidation (including any debt incurred for the purpose of such liquidation) and those other debts that are entitled to priority under Luxembourg law.

Preferential debts under Luxembourg law include, among others:

- certain amounts owed to the Luxembourg Revenue Office;
- value-added tax and other taxes and duties owed to the Luxembourg Customs and Excise Agency;
- social security contributions; and
- remuneration owed to employees.

Luxembourg insolvency laws may also affect transactions entered into or payments made by the relevant Luxembourg company during the period before bankruptcy, the so-called “hardening period” (*période suspecte*) which is a maximum of six months (and ten days, depending on the transaction in question) preceding the judgment declaring bankruptcy, except that in certain specific situations the court may set the start of the hardening period at an earlier date pursuant to article 613 of the Luxembourg Code of Commerce.

In addition to the above, it should be noted that on 1 February 2013, the Luxembourg government has filed a bill to reorganize the Luxembourg insolvency proceedings. However, it cannot be foreseen when such bill will be passed by the Luxembourg Parliament and become law. As the bill may be substantially amended during the legislative process, the impact of the new law on the liability of the Issuer in respect of the Bonds cannot be foreseen at the present time.

LATVIA

Applicable insolvency law

AS “mogo” is incorporated under the laws of the Republic of Latvia. Its registered office along with its center of management and supervision is in Riga, Latvia. As such, any insolvency proceedings applicable to AS “mogo” would be primarily governed by Latvian law.

Rehabilitation proceedings

Pursuant to Latvian insolvency law, a company experiencing financial distress problems may apply for legal protection proceedings. Once the court has initiated such proceedings, the enforcement of judgments on debt recovery is stayed, the secured creditors are prohibited to request the sale of the pledged assets, except if such prohibition causes a material harm to the interests of the creditor and the court decides to allow to sell pledged assets, the creditors are prohibited to submit insolvency application, the debtor is prohibited from the liquidation, the accrual of any contractual penalty, late payment interest and late charges of tax claims are stayed and the accrual of any contractually agreed creditors’ interest in excess of either: (i) the statutory

interest rate, or (ii) the main refinancing operation rate published by the European Central Bank (whichever is higher) is discontinued. Within two months of the proceedings having commenced, the company is required to draft and approve with a simple majority of non-secured creditors and qualified majority of secured creditors a plan to restore the company to solvency which may provide for, inter alia, postponement of fulfillment of payment obligations or reduction of the company's debt. The term may be prolonged for additional month if the qualified majority of secured creditors and simple majority of non-secured creditors have approved it. The plan has legal effect upon the provision of a written opinion by the person supervising the legal protection proceedings of the company's and approval of such plan by the court. The measures provided in the court approved plan are binding on all the creditors irrespective of whether they have accepted the plan or not. Once approved, the plan will be operational and binding on the creditors for not more than two years with an extension for another two years contingent upon approval by the company's creditors.

Further, Latvian insolvency law provides for so called out of court legal protection proceedings. A plan to restore the company to solvency is drafted by the company and approved by a simple majority of non-secured creditors and qualified majority of secured creditors of the company before the court has initiated any formal proceedings. The plan has no legal effect until the court approves it, which approval is contingent upon the court being provided with a written opinion by the person supervising the legal protection proceedings of the company. Once it has been approved, the legal consequences of out of court legal protection proceedings upon creditors of a company are identical to those in legal protection proceedings initiated by the court.

Bankruptcy proceedings

Generally, if a company is unable to settle its debt that has fallen due for a time period that exceeds two months, it must apply to the court for a declaration of insolvency. An insolvency application may also be filed by any creditor of the company if the amount of the company's overdue debt owing to such creditor is in excess of EUR 4,268 and the creditor has given notice to the company of its intention to apply for a declaration of insolvency against the company and the debt has not been repaid or the company has not provided justified objections to such claim within three weeks since the date of the notice.

Within one month following the publication of a declaration of insolvency of the company in the Latvian Insolvency Registry, the company's creditors are required to file their claims for verification with an administrator appointed by the court. Claims can also be filed after the one month period (although, not later than the earlier of: (i) the date which is six months following the publication of the declaration of insolvency, or (ii) the date on which the insolvency administrator prepares the plan for settlement of creditors' claims), however, such creditors' claims will have no voting rights within insolvency proceedings. To the extent that claims are not filed within this period, creditors will lose their right to receive funds and proceeds from the sale of the company's assets when distributed to the company's creditors.

The proceeds from sale of the company's assets are distributed among creditors according to the ranking of the creditors. If it is not possible to fully satisfy the total amount of claims of all creditors in a particular class, claims are satisfied proportionately on a *pro rata* basis. Proceeds from the sale of any pledged or mortgaged asset are allocated, firstly, for the settlement of the costs connected to the sale of the assets and remuneration of insolvency administrator, and, secondly, for the settlement of the claims of secured creditors in the amount of the pledged property, but not exceeding the amount of the security. Secured creditors are regarded as first

rank creditors with regard to proceeds received from the sale of the pledged assets. If, when selling the pledged property of the company, an amount of money received does not cover the claims of the secured creditors, after taking of the decision by the administrator the relevant creditors shall acquire the status of non-secured creditor for the part of the claim not covered.

Possible limitations on the enforceability of guarantees

Under Latvian law and court practice, a Latvian company may offer collateral or issue a guarantee to secure fulfillment of a third party's liabilities, provided there is a corporate benefit for such Latvian company to do so.

It is prohibited for a Latvian company to provide collateral or issue a guarantee securing the financing granted for the acquisition of shares in such company.

In addition, there is a risk that the insolvency administrator of the guarantor may request the court to declare the guarantee as null and void if insolvency proceedings of the guarantor are initiated. The insolvency administrator is obliged to examine agreements entered into by an insolvent company in order to establish whether these transactions have been detrimental to the interests of the company and its creditors, including 1) to evaluate transactions concluded during past 3 (three) years if the inequality of mutual obligations of parties indicates that the gift has actually been made; 2) to request to declare the following transactions as invalid: (a) transactions concluded 4 (four) months prior to the day of the proclamation of the insolvency proceedings of the guarantor and thereby losses have been caused to the guarantor, (b) transactions concluded within 3 (three) years prior to the day of the proclamation of the insolvency proceedings of the guarantor and thereby losses have been caused to the guarantor, moreover the person with whom or for whose benefit the transaction has been concluded, knew or should have known of the causing of such losses, or the person shall be regarded as interested person. If the administrator finds that the agreement in question has caused loss to the company (e.g., sale of assets under market value or granting certain rights without consideration), the administrator is entitled to dispute such agreement in court. In insolvency proceedings, the Latvian courts have declared guarantees null and void in circumstances where the guarantee secured the private loan of a shareholder (natural person) or a loan that has been used for the purchase of shares in the company which was the guarantor.

There is little practice in Latvian courts in regard to disputing intra-group guarantees. Usually intra-group transactions have a different effect than agreements among non-related parties because they provide indirect benefit to the guarantor. Thus, there is a risk that a guarantee under Latvian law may be declared null and void if the guarantor does not receive at least some benefit as a result of the guarantee.

By pledging the rights to repossess the vehicle (the claim rights) said security interest will provide the pledgee with the right to enforce the pledge rights over the rights to repossess the vehicle (i.e., either by the sale of the claim rights to repossess the vehicle, or by requesting the satisfaction of such claim rights from the debtors of the Subsidiary directly) if both the Subsidiary and the borrower are in default under the respective agreements but will not provide the pledgee with any rights to the title or use of the vehicles and the pledgee will not be entitled to take over the vehicles during the enforcement proceedings of the commercial pledge simply due to the default by the Subsidiary. A commercial pledge does not extend to (i) vessels, (ii) financial instruments booked in the financial instruments account, (iii) claim rights arising from the agreement or other transaction document according to which the credit institution or savings and loan association has provided the loan (credit claims), (iv) financial funds, as well as (v) claims arising from cheques or bills of exchange.

Distinction between a guarantee and a surety

Latvian law does not provide an explicit distinction between a guarantee and a surety, but it is recognized in practice. Based on the doctrine the liability of a guarantor under a guarantee does not depend on the validity of the principal secured obligation (despite that the latter is indicated in the guarantee) and is limited to the amount indicated in the guarantee (if any). The guarantor's obligation to pay under the guarantee arises in accordance with the terms of the guarantee. The guarantor's liability is several. In case the security is qualified as a surety, the liability of the surety provider under the surety is either joint and several (i.e. solidary) (*eksponsorisks galvojums*) or several (*neeksponsorisks galvojums*). In the case of several liability, the enforcement must firstly be sought from the original debtor, and only if the original debtor is not able to settle the debts can the enforcement be sought from the surety provider. In case of joint and several liability, the enforcement may be sought from either the original debtor or the surety provider or both. The obligations under the surety may be enforced only if the principal obligations secured with the surety have matured. If the principal debtor becomes insolvent and due to the insolvency proceedings cease to exist, the surety from the accessory obligations becomes the independent obligations and the creditor may seek for the enforcement from the surety provider.

ESTONIA

The fulfilment of obligations of the Guarantor under the Estonian Transaction Security Documents is subject to applicable laws relating to insolvency, bankruptcy, restructuring (*saneerimine*), force majeure, fundamental change of circumstances (*rebus sic stantibus*) and other laws capable of affecting creditors' rights generally from time to time in effect, as well as the applicable prescription terms under the Estonian law, and the parties to Estonian Transaction Security Documents would be debarred from application of Estonian Transaction Security Documents in contravention to the Estonian law.

Upon institution of bankruptcy or restructuring proceedings against the Guarantor, the courts of Estonia may acquire exclusive jurisdiction over the case involving the Guarantor, regardless of the agreement of the parties to the contrary and refuse to recognize and/or enforce as valid, final and conclusive judgment against the Guarantor in accordance with applicable EU law.

Restructuring proceedings

The ability to receive payments on the Bonds under the Guarantee issued by an Estonian entity may be negatively affected if restructuring proceedings are initiated against the Guarantor. The restructuring proceedings aim to allow companies with financial difficulties, and which have not yet discontinued their economic and commercial activities, to maintain and develop these activities, settle their debts and avoid bankruptcy. The restructuring process may be commenced provided certain conditions under Estonian law are met, including that the sustainable management of the company is likely after the restructuring. After the restructuring is commenced and until the approval of the restructuring plan, among other, most enforcement proceedings executed by a bailiff are suspended, calculation of default interest is suspended, court proceedings against the company for the performance of payment obligations may be suspended and deciding on the commencement of bankruptcy proceedings based on a creditor's application is suspended.

The restructuring plan may include rules for the transformation of claims, including extension of payment terms and reduction of debt amounts. As a general rule, the restructuring plan must be accepted by the creditors (by way of voting) and approved by the court. Under certain conditions, the court may approve the restructuring plan

even if it was not accepted by the creditors (including that less than half of the creditors voted on the restructuring plan).

The restructuring plan may be revoked by the court, should the debtor fail to perform its obligations stipulated in the restructuring plan to a material extent. In that case creditors' claims shall be restored in the initial amount.

Bankruptcy proceedings

In case of institution of bankruptcy proceedings against the Guarantor, the court will appoint a bankruptcy trustee who shall assume control over the assets of the Guarantor. Bankruptcy proceedings may result in the revocation of the Transaction Securities (in case the bankruptcy trustee brings a corresponding action and sufficiently proves to the court that granting of the Transaction Securities harmed the interests of other creditors of the Guarantor) and considering that the costs of bankruptcy proceedings shall be covered prior to satisfaction of any claims of creditors, including those of preferred rank creditors, bankruptcy proceedings may have several negative impacts.

The bankruptcy trustee may choose to dispute the pledges – grounds and arguments for doing so depend on the particular trustee (e.g. the trustee may claim in a particular case that the pledge agreement is invalid, etc.). Such decision of the bankruptcy trustee can be challenged in court by the secured creditors.

The bankruptcy trustee shall organize the sale of the assets of the company. The Guarantor holds the title to the vehicles only as security backing the performance by the borrowers towards the Guarantor under respective loan agreements (therefore the vehicles are not separately pledged to the Security Agent). Security acquisition by the lender is a form of security recognized in case-law and legal theory as well as used in practice, however, it is not specifically regulated under Estonian law and therefore there is no absolute certainty in respect to the actions to be taken by the bankruptcy trustee, the courts or other relevant parties in practice. It cannot be excluded that the bankruptcy trustee would sell the cars separately (i.e. not as security for the pledged loan receivables but as a separate unpledged assets), in which case the secured creditors would not be regarded as preferred creditors and proceeds from the sale would be distributed *pro rata* between all creditors.

Proceeds from the sale of the assets pledged as the Transaction Securities would be allocated (i) firstly, for the settlement of the costs of bankruptcy proceedings (but not more than 15% from the proceeds) and (ii) secondly, for the settlement of the claims of secured creditors, but not exceeding the amount of the Transaction Securities. Accordingly, secured creditors are regarded as first rank creditors with regard to proceeds received from the sale of the pledged assets. In case the funds received from the sale of the pledged property do not cover the claims of the secured creditor, then the creditor shall acquire the status of a non-secured (i.e. second rank) creditor regarding the unsatisfied part of the claim.

The court shall determine the exact amount of the fee payable to the bankruptcy trustee. However, according to Estonian law, in any case the fee shall not be less than 1% of the funds which have been received and included in the bankruptcy estate as a result of the sale and recovery of the bankruptcy estate and other activities of the bankruptcy trustee.

Limitations for granting guarantees and sureties

Under Estonian law, a person engaged in an economic or professional activity (guarantor) may, by a contract, assume an obligation (guarantee), according to which

the person undertakes to perform obligations arising from the guarantee on the demand of the obligee. However, financial assistance restrictions apply. While a subsidiary may guarantee debt obligations of its parent undertaking if this does not harm the financial status of the subsidiary or the interests of creditors. The subsidiary may not guarantee debt obligations for the acquisition of its share. Violation of this restriction does not result in the nullity of the transaction, but the parent undertaking must compensate for the damage caused to the company by the provision of the security. The management of the subsidiary may also be held liable for the damages caused by the breach.

If the Estonian Guarantor goes bankrupt and the Issuer has not yet become obligated to fulfill under the Bonds, enforcement of the Guarantee in respect of that Guarantor may become restricted. Among other, (i) there is a risk that the guarantee may be revoked if insolvency proceedings of the Guarantor are initiated and (ii) even if the Guarantee is not revoked, creditors demanding performance of the guarantee obligations shall not be regarded as preferred creditors (i.e. their claims shall be satisfied *pro rata* with other unsecured creditors). The bankruptcy trustee is obliged to examine agreements entered into by an insolvent company in order to establish, among other, whether these transactions have been detrimental to the interests of the company's creditors. If the bankruptcy trustee finds that the agreement in question has caused loss to the company (e.g., sale of assets under market value or granting certain rights without consideration), the bankruptcy trustee is entitled to bring an action against the other party to the agreement for revocation of such an agreement. Revocation of the agreement is decided by the court.

Moreover, intra-group transactions, including those granting the security to parent companies, subsidiaries or affiliated companies have to be concluded on an arm's length basis.

Distinction between a guarantee and a surety

Estonian law distinguishes between a guarantee and a surety. The liability of a guarantor under a guarantee does not depend on the validity of the principal secured obligation (despite that the latter is indicated in the guarantee) and is limited to the amount indicated in the guarantee (if any). The guarantor's obligation to pay under the guarantee arises in accordance with the terms of the guarantee. The guarantor's liability is several. In case the security is qualified as a surety, the liability of the surety provider under the surety is joint and several (i.e. solidary). If an obligation subject to suretyship is secured by a right of security established with regard to the property of the principal obligor or if the creditor may exercise a right of security with regard to the property of the principal obligor, the surety may, until the principal obligor is declared bankrupt, require the creditor to satisfy the claim thereof out of the pledged property to the extent of the pledge.

LITHUANIA

UAB mogo LT is incorporated under the laws of the Republic of Lithuania. Its registered office is in Vilnius, Lithuania. As such, any bankruptcy and restructuring proceedings applicable to UAB mogo LT would be primarily governed by Lithuanian law.

Lithuanian law does not provide that commencement of insolvency proceedings may render the security void. As a general rule, all transactions entered into prior to the commencement of insolvency proceedings are treated as valid. Nevertheless, the transactions (including Transaction Securities) could be challenged following the general rules on transaction voidability, therefore it is important to note that Transaction Securities shall be perfected strictly in accordance with requirements of mandatory

provisions of laws, such as obtainment of consents, delivery of required notifications, notarization, registration, etc.

Bankruptcy proceedings

Bankruptcy proceedings in the Republic of Lithuania are regulated by the Enterprise Bankruptcy Law of the Republic of Lithuania as of 20 March 2001, No. IX-216 as further amended. The EU Insolvency Regulation is also applicable.

The ability to receive payments on the Bonds under any Guarantee or obtain recovery under Transaction Securities issued by a Lithuanian Guarantor may be negatively affected by the insolvency or bankruptcy of a Lithuanian Guarantor.

Under Lithuanian law, bankruptcy may be initiated against a company that is or will be unable to pay its creditors when due or is declared insolvent. In case of insolvency, the company must be in default of its obligations and the amount defaulted must exceed 50% of the company's balance sheet asset value. Bankruptcy, *inter alia*, may be initiated by a creditor, management or the liquidator. Bankruptcy may be initiated in a judicial or out-of-court manner. If bankruptcy is initiated in the judicial manner, the procedure is supervised by the court. In case there are no judicial disputes or enforcement proceedings, 3/4 of the creditor claim holders may institute an out-of-court bankruptcy process, which is controlled by a creditor meeting. In most cases, bankruptcies are initiated in a judicial manner.

After the decision of the court or creditors' meeting to institute out-of-court bankruptcy proceedings becomes effective, a discharge of financial obligations not discharged prior to the institution of bankruptcy proceedings, including the payment of interest or payment under a Guarantee and recovery under Transaction Securities is in certain circumstances prohibited. In most cases, this usually means that a recovery under the Guarantee and/or recovery under Transaction Securities would be substantially frozen and/or delayed (in some cases for months or even years).

Institution of bankruptcy would lead to transfer of the capacities of the management of the company to a bankruptcy trustee (administrator), who would take control over the company's activities and assets. In case of judicial bankruptcy, a bankruptcy administrator is appointed by the court, which selects the bankruptcy administrator randomly from the public list following established rules. Creditors of the company may not offer, nor influence such appointment. In extra judicial process, a bankruptcy administrator can be suggested by a creditor and is appointed by the decision of a creditor meeting.

The majority creditors, i.e. those having more than 50% of creditor claims control the major decisions in the bankruptcy. The creditor meeting controls the expenses, timelines, manner of disposal of assets and adoption of other strategic bankruptcy related decisions. If claims of holders of Bonds would amount to more than 50% of creditor claims, their representative (i.e. Security Agent) could influence the bankruptcy proceedings substantially.

After the commencement of bankruptcy proceedings, the bankruptcy administrator must examine all transactions entered into not less than 36 months before the initiation of bankruptcy proceedings, and bring actions for declaring the transactions that are contrary to the objectives of the company's activities (and/or which could have led to the disability of the company to settle with creditors) as null and void. If the court establishes that bankruptcy is deliberate, the administrator must review all transactions concluded during the period of five years prior to the initiation of bankruptcy proceedings. The bankruptcy administrator may challenge any transaction that was

contrary to the objectives of the company's activities and/or had an impact on the company's ability to settle with its creditors.

The bankruptcy administrator may also challenge transactions on the basis of *actio Pauliana*, which entitles the creditor to challenge the transactions executed by a debtor where the debtor was not obliged to execute them and where they violate the rights of the creditor, while the debtor knew or should have known that the creditor's rights would be prejudiced. The transaction is deemed as violating the creditor's rights where (i) the debtor becomes insolvent due to such transaction; (ii) the debtor, being insolvent, grants preference to another creditor; and (iii) the creditor's rights are infringed in any other way. It is only possible to make a claim on the basis of *actio Pauliana* where the counterparty to the transaction was acting in bad faith, i.e. they knew that the transaction would violate the rights of the creditors.

Following appointment the bankruptcy administrator assumes control over the assets of the Guarantor. Proceeds from the sale of the assets of the Guarantor would be allocated (i) firstly, for the settlement of the costs of bankruptcy proceedings and (ii) secondly, for the settlement of the claims of creditors.

During the bankruptcy process, secured claims take priority, followed by unsecured claims. Unsecured claims are settled in the following sequence prescribed by the Lithuanian bankruptcy laws:

- (i) employee claims arising from employment, occupational injuries or death and other circumstances;
- (ii) tax claims, charges for compulsory state social insurance and health insurance, and certain other categories; and
- (iii) all other claims of creditors.

Claims of the creditors of the same rank are satisfied *pro rata*. Following satisfaction of a principal claim of a higher rank creditor, lower rank creditors can seek satisfaction. In case principal claims of all creditors are satisfied, interest and default interest/forfeiture accrued is subject to recovery in the same rank-based manner.

In the case of a Lithuanian Guarantor's bankruptcy, the claims under a Guarantee secured by pledge/mortgage would fall into the category of secured creditors, which is satisfied after settlement of the costs of bankruptcy proceedings, and prior to unsecured creditors. One shall be aware that recovery under a Guarantee or Transaction Securities might not always be made in full amount, since disposal of collateral during bankruptcy is usually considered as distressed sale which may be made under price which is lower than market price under normal circumstances.

Restructuring proceedings

The ability to receive payments on the Bonds under the Guarantee issued by or from the Transaction Security granted by a Lithuanian entity may be negatively affected if restructuring proceedings are started against the Guarantor. The restructuring proceedings aim to allow companies with financial difficulties, and which have not yet discontinued their economic and commercial activities, to maintain and develop these activities, settle their debts and avoid bankruptcy. The restructuring process may be commenced provided certain conditions under Lithuanian law are met. The procedure is initiated by the management and shareholders that shall prepare/approve the restructuring guidelines and suggest an administrator. The court must approve drafting of a restructuring plan, to be approved by creditor claim holders.

After the restructuring is commenced and until the approval of the restructuring plan. The company being restructured may not perform any liabilities or obligations that arose before the commencement of the restructuring proceedings, including the transfer of assets, the payment under a guarantee, recovery under Transaction Documents, among others. Payments made after adoption of the restructuring are affected according to the restructuring plan (that is approved by the creditors) which must comply with rules set out in law. The law sets out the same order of sequencing the payments as in bankruptcy proceedings, as discussed above. The restructuring plan must be implemented during the period not longer than four years (with a possibility to extend it by one more year with the court's approval) although the debtor need not fully settle with all the creditors during this period. If successfully completed, restructuring is terminated by the court, whereas in case of failure, the company may be subjected to bankruptcy.

Limitations for granting guarantees and sureties

A Lithuanian company may offer collateral or issue a guarantee or surety to secure the fulfillment of a third person's liabilities provided a corporate benefit exists for that Lithuanian company. Guarantees with no corporate benefit for the guarantor may be declared void by the courts. In the case of a subsidiary granting security instruments for the benefit of the parent, the benefit is construed on an ad hoc basis, i.e., an indirect benefit is possible if the subsidiary indeed receives some advantage from the received funding (e.g., the subsidiary is granted access to the financing of the group). Moreover, intra-group transactions, including those granting the security to parent companies, subsidiaries or affiliated companies have to be concluded on an arm's length basis.

The Law on Companies of the Republic of Lithuania (No. VIII-1835, Akcinio bendroviu istatymas) prohibits limited liability companies incorporated in Lithuania from providing guarantees or granting security or other credit support for obligations of any person where such obligations are being incurred for the purpose of facilitating an acquisition of shares in the company itself (restriction on financial assistance).

Any creditor may also challenge a transaction made by a debtor on the basis of actio Pauliana if the debtor was not obliged to enter into it and such transaction violates the rights of the creditor and the debtor knew or ought to have known of such circumstances. The creditor's rights were considered violated if (a) as a result of such a transaction, the debtor became insolvent, (b) the debtor, being insolvent, granted preference to another creditor, or (c) the rights of the creditor were infringed in any other way.

A an ultra vires transaction entered into by the management bodies of a company may be declared void only if it is proved that the counterparty acted in bad faith, i.e., such party knew or should have known that the management bodies were acting *ultra vires*.

Distinction between a guarantee and a surety

Lithuanian law draws a distinction between a guarantee and a surety. The liability of a guarantor under a guarantee may not depend on the validity of the principal secured obligation (despite that the latter is indicated in the guarantee) and is limited to the amount indicated in the guarantee. The guarantor's obligation to pay under the guarantee arises in accordance with the terms of the guarantee. The guarantor's liability is several, and the guarantor is obligated to pay under the guarantee only if, and to the extent that, the debtor fails to fulfill its obligations. The liability of the surety provider under the surety may be either joint and several or several. In the case of several liability, the enforcement must firstly be sought from the original debtor, and only if the original debtor is not able to settle the debts can the enforcement be sought from the surety provider. In case of joint and several liability, the enforcement may be

sought from either the original debtor or the surety provider or both. The obligations under the Guarantees may be enforced only if the obligations under the Bonds have been triggered due to an Event of Default. Therefore, if the Lithuanian Guarantor goes bankrupt and the Issuer has not yet become obligated to fulfill under the Bonds, enforcement of the Guarantee in respect of that Guarantor becomes limited under Lithuanian law.

Under Lithuanian law if a pledge/mortgage covering the vehicles used by the customers, is perfected in the absence of customer consent and notification, such pledge would violate the mandatory provisions of Law (*Civilinis kodeksas*), requiring to obtain consent of the vehicle user (under leasing agreement prior to pledge over the vehicle) or notify the vehicle user (under lease agreement). Depending on the circumstance of the case, such violation could invalidate the effects sought by the pledge to certain extent, i.e. qualify the transaction as null and void in respect of the vehicles pledged without customer's consent or adjudge losses (if any) to the injured customer.

Under Lithuanian Law, rights and obligations of the lender under consumer credit agreement can only be assigned to the entity enlisted in the Public List of the Consumer Credit Providers. Agreements on leasing/lease/loan with customers could be qualified as consumer credit agreements, therefore recovery from existing and future claim rights of the Guarantor under such agreements with customers by way of in kind take-over of rights and obligations of the Guarantor under such agreements (assignment) could be restricted, unless such assignee would be include in the Public List of the Consumer Credit Providers.

If no consents of the customers were obtained prior to perfection of a pledge or they were not notified thereof properly, enforcement of general business pledge, inter alia encumbering the vehicles used by the customers, could be restricted to the extent required to give effects to contractual rights of the customers under their agreements with the Guarantor (i.e. right to use the car and acquire it into customer's ownership accordingly), provided the customer is not in default under the agreement, granting the right to terminate the agreement to the Guarantor.

GEORGIA

Possible limitations on the enforceability of guarantees

Under Georgian law, parties are free to choose foreign law governing their contractual relation (Article 35.1 of the Georgian Law on Private International Law). That being said, such choice of law can be challenged provided that the law chosen disregards imperative norms of the law most closely connected with the contract in question. Since the Guarantor is under an obligation to perform under the Guarantee in question, it is possible that Georgian law can be argued most closely connected to the Guarantee by Georgian courts upon enforcement of the Guarantee.

Georgian courts as a default rule do recognize foreign court judgements and arbitral awards. However, in exceptional cases the courts may not recognise or enforce a foreign judgment if, among others, the judgment of the foreign court contradicts fundamental legal principles of Georgia. Consequently, determination of whether or not the Guarantee contradicts fundamental legal principles of Georgia can be subject to a degree of discretionary authority of a particular judicial authority.

In consideration of the above, under Georgian law, the validity of any security (collateral), including guarantee, depends on the validity and enforceability of the underlying obligation it secures. Therefore, the Guarantee given by the Georgian Guarantor can be enforced to the extent that the Bonds are valid and enforceable. The

Georgian Guarantee can be enforced up to the maximum amount specified in the Guarantee, as per Article 898 of the Civil Code of Georgia. In certain cases under Georgian law, including inter alia, the release of the Issuer or other Guarantors from their respective obligations under the Bonds and the Guarantees may result in partial or full revocation of the Georgian Guarantee (Article 450 of the Civil Code of Georgia).

Furthermore, under mandatory provision of Georgian law, the Guarantor is authorized to challenge the demand of Secured Creditor(s) under the Guarantee by asserting all defenses to which the principal debtor is entitled, even in the event that the principal debtor waives its respective right of challenge (Article 899 of the Civil Code of Georgia).

Insolvency

Deregulated legal entities, including, for that matter, leasing companies, are mostly subject to general insolvency proceedings set forth in the Law of Georgia on Insolvency Proceedings (with the exception of banks, insurance companies and so on that are subject to special regulatory regime and the insolvency of which is regulated by the applicable regulatory agency).

The test of insolvency applicable to a company would be its inability of the entity to pay its debts when they fall due. Insolvency proceedings may be initiated if the company is insolvent or will or may become insolvent in near future unless adequate measures are taken to prevent its possible insolvency. Insolvency proceedings may be commenced either by company itself or by its creditors, if certain statutorily prescribed preconditions are met.

The possible available scenarios once the relevant proceedings are commenced, based on factual circumstances, are as follows: (a) bankruptcy with ensuing liquidation (deregistration from the entrepreneurial registry); (b) a rehabilitation (equivalent to reorganization/ restructuring in other jurisdictions); or (c) termination of insolvency proceedings. The option indicated in item (c) above shall be available if there are no grounds for insolvency or such grounds have been eradicated after the commencement of the insolvency proceedings or if the debtor is able to pay outstanding debts without undermining the interests of other creditors.

With respect to enforceability of the Guarantee, it should be noted that, due to the fact that, upon commencement of enforcement proceedings under Georgian law, all payment of debts, accrual of interest and any involuntary enforcement against the Guarantor, including enforcement of the Guarantee, will be suspended.

In the case of bankruptcy of the Guarantor, the assets will be sold at an auction organized by the National Bureau of Enforcement and the creditors (including, for that matter, the Secured Creditors) will be satisfied according to the applicable statutory ranking set forth below:

- i. First rank - procedural expenses and the fees payable to the National Bureau of Enforcement;
- ii. Second rank - post insolvency liabilities incurred following the date of receipt of the petition for insolvency by the court, including tax liabilities;
- iii. Third rank - expenses related to the appointment of a custodian of the bankruptcy estate and remuneration of its services;
- iv. Fourth rank - all secured claims, including secured tax claims, including Secured Creditors (as the obligations of the Georgian Guarantor under the Guarantee is secured by Security Agreements);
- v. Fifth rank - tax liabilities, other than secured liabilities which fall under the fourth rank above;

- vi. Sixth rank - all other unsecured claims;
- vii. Seventh rank - late claims, i.e. those submitted after the expiration of the term determined by the law for filing of the claims with the bankruptcy court.

Although it is generally assumed that the Secured Creditors shall rank within Fourth rank, it is one of the practical defects of the Georgian law on Insolvency Proceedings that it in principle allows certain claims to be excluded from the mass of claims in the event that the holder of a security over insolvent company assets does not constitute a direct creditor of the said company, holding a valid monetary claim. The National Bureau of Enforcement, as insolvency administrator, is authorized to dispute security agreements of the insolvent company on the same grounds as the company itself can. However, in practice, the most frequent ground used is “action harmful to creditors”, provided that such has (a) occurred at least one year before the insolvency proceedings commenced (extendable to two years if the counterparty is related); (b) lead to company becoming insolvent or the company was insolvent at the moment of the relevant transaction and such should have been known to the counterparty; and is either (c) preventing equal and proportionate satisfaction of creditors and gives priority to a specific creditor over other creditors of the same order of priority; or (d) results in the depreciation of property to be auctioned (e.g. it was alienated for free or at a price below market).

Proceeds that are not sufficient to fully satisfy all claims of the same rank will be distributed among creditors with equal priority on *pari passu* basis *pro rata* to the outstanding amounts.

And lastly, it is noteworthy that if the company files for the insolvency proceedings and plans for rehabilitation / reorganization procedures, it shall be borne into account that full satisfaction of all existing creditors of the company is a mandatory requirement thereof.

ARMENIA

Possible limitations on the enforceability of guarantees

An Armenian company may offer collateral or issue a guarantee or surety to secure the fulfilment of a third person's liabilities. According to the Civil Code of Armenia, in case for failure to fulfil or improper fulfilment by a debtor of an obligation secured by surety, the guarantor and the debtor shall bear joint liability against the creditor, unless subsidiary liability of the surety is envisaged by law or the surety agreement.

In case the guarantor is declared bankrupt, the bankruptcy administrator shall be entitled to file an application to the court for registering the creditor as a secured creditor, enabling them to receive the proceeds from the bankrupt guarantor on a priority basis compared to other registered creditors.

Applicable Insolvency law

As a credit organization incorporated under the laws of the Republic of Armenia, any insolvency proceedings applicable to MOGO Universal Credit Organization LLC would be primarily governed by Armenian law and primarily by the law of Armenia “On bankruptcy of banks, credit organizations, investment companies, investment fund managers and insurance companies” of 6 November 2001 (the “Bankruptcy law”).

Bankruptcy proceedings

According to the Bankruptcy law a credit organization shall be considered insolvent where: (a) it has consumed 50% or more of its main capital, or (b) it is unable to satisfy

the legitimate claims of its creditors, or (c) the summary assessment of the performance of the organization is lower than the summary assessment of organization performance defined by the Board of Central Bank, or (d) it violated, at regular basis, the mandatory reserve requirements prescribed by law.

In case a company meets one of the insolvency grounds prescribed above, the Central Bank may, within a period of two weeks: (a) appoint an administration, or (b) file an application with the court for the bankruptcy of a company. The administration, if chosen by the Central Bank, operates according to the financial recovery plan. The financial recovery plan shall be approved by the Central Bank.

A company (credit organization) may be declared bankrupt exclusively by the court on the basis of an application filed by the Central Bank of Armenia. The creditors of the company (credit organization) are entitled to apply to the Central Bank with a motion to file an application with the court for the bankruptcy of a company.

The court shall examine the bankruptcy case within three days and decide either granting or rejecting the application of the Central Bank. When taking a decision on the bankruptcy of a company the court shall also appoint a liquidator. The management bodies of the company shall be obliged to hand over to the liquidator the documents, material and other valuables of the company within 15 days after the decision on the bankruptcy of the company and appointing a liquidator has been taken by the court.

The liquidator publishes in a press interim liquidation balance sheet, which shall contain information on: (a) the composition of the property of a company; (b) the list of claims of creditors, including the total amount of claims reflected in the balance sheet of the company or made against the company, the amount due to each depositor, lender or other creditor and the order of satisfaction of claims prescribed by law; (c) the results of consideration of those claims.

After completing settlements with the creditors, the liquidator draws up a liquidation balance sheet and submits it to the court. Within three days upon receiving the decision of the court on approving the liquidation balance sheet, the Central Bank makes a record in the register on revoking the registration of a company being liquidated, after which the company shall be deemed liquidated, and the activities thereof shall be deemed terminated.

ROMANIA

Applicable insolvency law

MOGO IFN S.A. is incorporated under the laws of the Republic of Romania. Its registered office along with its center of management and supervision is in Bucharest, Romania. As such, any insolvency proceedings applicable to MOGO IFN S.A. would be primarily governed by Romanian law.

Possible limitations on the enforceability of guarantees

The obligations and liabilities of and the guarantee issued by a Guarantor incorporated in Romania under Guarantee shall be limited at, any time, to an aggregate amount not exceeding 9% of the Guarantor's own funds as such as defined by the Section II of the National Bank of Romania's Regulation no. 20/2009.

Insolvency

According to the Romanian insolvency law, the creditors which are secured with security interests over specific movable or immovable assets of the insolvent debtor, will be paid with priority out of the proceeds resulting from the sale of such secured

assets (provided that the taxes and costs related to the conservation, the administration and the sale of the secured assets will be paid first). If there are multiple security interests registered on the same asset, the secured creditors will be paid based on a priority given by the ranking of their respective security interest, which is determined by reference to the date of each security registration.

MOLDOVA

Applicable insolvency law

O.C.N. Mogo Loans SRL is incorporated under the laws of the Republic of Moldova. Its registered office along with its center of management and supervision is in Chisnau, Moldova. As such, any insolvency proceedings applicable to O.C.N. Mogo Loans SRL would be primarily governed by Moldovan law.

Possible limitations on the enforceability of guarantees

As per the provisions of Article 1153 of the Civil Code of the Republic of Moldova, the obligations and liabilities of and the guarantee issued by a Guarantor incorporated in the Republic of Moldova under Guarantee shall be limited at, any time, to an aggregate amount not exceeding Bonds issued and if (and only if) required and to the extent that this Guarantee would otherwise be illegal, unenforceable or prejudice any limitations required under applicable mandatory provisions of Moldovan law.

Insolvency

The Moldovan Parliament adopted a new insolvency law, which entered into force on 14 March 2013, is evolutionary rather than revolutionary, as its main goal appears to be the optimization of the existing insolvency procedures.

Following the new act's entry into force, insolvency cases fall under the competence of the court of appeal where the seat of the debtor is located. Also each such court of appeal shall hold a public register of insolvency cases.

Act No. 149 introduces more detailed and rigid rules on timing for fulfilling one or another insolvency procedure.

Generally, the law implements the following terms:

- term for examining whether to initiate the insolvency process - up to 75 business days as of acceptance for examination of the insolvency request;
- duration of the general insolvency procedure – up to 160 days as of the initiation of the insolvency process;
- duration of the bankruptcy procedure (RO procedura falimentului), including sale of debtor's assets – generally up to two years as of the initiation of the bankruptcy procedure;
- duration of the restructuring procedure (RO procedura de restructurare), including execution of the restructuring plan – generally up to three years as of confirmation of the restructuring plan by court. Such duration can be prolonged only once by the assembly of creditors, by an additional two-year term.

The shortened timeframe for fulfilling the formal steps shall likely have a positive effect on the recovery rate.

Expedited Restructuring Procedure Pursuant to Act No. 149, a request for the initiation of the expedited restructuring procedure (RO procedura accelerata de restructurare)

may be filed by a debtor in financial difficulty (RO debtor aflat in dificultate financiara), with the insolvency court obliged to accept such request (Art. 219, 220 of the Act No. 149).

Expedited restructuring procedures allow debtors and creditors to progress from the initial observation procedure (phase) directly into restructuring procedure (i.e. directly to actions relating to the adoption and approval of the restructuring plan).

As a result of introduction of this institute, the duration of formalities preceding the debtor's restructuring plan was decreased to approximately 60 days (in total).

Act No. 149 also allows for the possibility of participants entering into a settlement agreement in connection with the insolvency process.

Under the legislation, a settlement can be concluded at any phase of the insolvency process. The decision on concluding a settlement is taken by the assembly of creditors (on behalf of creditors) and by the debtor's managing body / insolvency administrator / liquidator (on behalf of the debtor).

The Act No. 149 provides for the liability of the founders / members of the managing bodies / other decision-making officials of the debtor jointly with debtor in the event that the debtor's insolvency was caused intentionally or the insolvency was fictive (Art.15 of the Act No. 149).

Furthermore, the new law lists cases in which the debtor's founders / members of its managing bodies / other responsible persons can be jointly liable with the debtor towards creditors for failure to file for insolvency in due time (e.g., Art.138(5) of the Act No.149).

In addition, the court has been granted the right to decide on passing part of the liability on to responsible officials from the debtor, should such a partial attribution be appropriate. Such decisions may be taken only in case of actions / omissions by members of the managing bodies of the debtor that led to damages caused to debtor (Art. 248 of the Act No. 149). Furthermore, the court has been given the right to apply interim measures on persons to share liability with the debtor (Art. 249 of the Act No. 149).

BELARUS

The fulfilment of obligations of OOO "Mogo Credit" under the Belarusian Transaction Security Documents is subject to applicable laws relating to liquidation, insolvency (bankruptcy) and other laws capable of affecting creditors' rights generally from time to time in effect.

Applicable insolvency law

OOO "Mogo Credit" is incorporated under the laws of the Republic of Belarus. Its registered office is in Minsk, Belarus. As such, any insolvency proceedings applicable to OOO "Mogo Credit" would be governed by Belarusian law.

General overview of insolvency proceedings

Insolvency proceedings in the Republic of Belarus are regulated by the Law of the Republic of Belarus of 13 July 2012 No. 415-Z "On Insolvency (Bankruptcy)" as further amended.

Insolvency proceedings against a Belarusian debtor may be initiated upon court decision if the debtor is, or is about to become, persistently unable to pay its creditors. Insolvency proceedings may be commenced upon application of the debtor itself, its

creditors or certain other parties such as a public prosecutor, tax authorities or customs authorities.

Insolvency proceedings include the following procedures: protection period (*защитный период*), insolvency administration procedure (*конкурсное производство*) and amicable settlement (*мировое соглашение*). The insolvency administration procedure may include rehabilitation proceedings (*санация*) and liquidation proceedings (*ликвидационное производство*).

After commencement of insolvency proceedings the court may establish a protection period with the purpose to finalise pre-court rehabilitation of the debtor, as well as to check grounds for commencing insolvency administration procedure and ensure preservation of debtor's assets. As a general rule, the protection period is set for up to 3 months, though in some cases it may be set for up to 3 years. Upon commencement of the protection period, the court appoints a temporary administrator of the debtor, who in some cases may replace the debtor's director. During the protection period, actions of the debtor's management are subject to certain limitations, e.g. all the debtor's transactions shall be performed per consent of the temporary administrator, the debtor may not pay dividends and changes to the debtor's shareholding structure and its legal status is restricted. Upon termination of the protection period the court either closes the insolvency proceedings or commences the insolvency administration procedure.

Upon launch of the insolvency administration procedure all authorities of the debtor's management bodies, including control over debtor's assets, pass to the insolvency administrator appointed by the court. Among other things, commencement of the insolvency administration procedure results into the following: (i) all amounts owed by the debtor automatically become due, but they only become payable upon the filing of the respective claims with, and recognition of such claims by, the insolvency administrator; (ii) interest and penalties applicable to the debtor's transactions stop accruing; (iii) all monetary claims of creditors are settled only in accordance with procedures and subject to rankings set by law; and (iv) set-off against debtor's claims may not be performed.

Settlement of claims in insolvency

Within 2 months after information on commencement of insolvency administration procedure is published in accordance with applicable laws, creditors should file their claims to the debtor with the insolvency administrator. Claims filed upon expiration of that term would be settled only after settlement of claims that were filed timely.

In the course of the insolvency administration procedure claims of the creditors are settled in the following priority:

- (i) insolvency court procedure expenses, remuneration payable to the insolvency administrator, expenses for publication of information required by insolvency law, claims coming into existence after commencement of insolvency administration procedure;
- (ii) claims of individuals to which the company is liable for personal injury;
- (iii) severance payments and wages due to employees and payments due under civil law contracts for performance of works, rendering of services or creation of intellectual property rights, contributions to the social security fund, insurance payments with regard to mandatory insurance against industrial accidents and occupational diseases;

- (iv) claims relating to compulsory payments due (taxes, duties and other compulsory payments to the republican and local budgets, including state special-purpose budget funds) except for economic (financial) sanctions;
- (v) claims secured by pledge (mortgage); and
- (vi) claims of other creditors.

During the course of the insolvency proceedings, the debtor's assets encumbered by a pledge are not separated from the debtor's bankruptcy estate and may be used to settle claims of non-secured creditors, if such claims are higher in ranking than the claims of the secured creditors. At the same time, claims secured by a pledge may be settled out of the debtor's bankruptcy estate generally and not only out of assets secured by pledge.

Suspect periods

The transactions entered into by the Belarusian debtor may be recognised invalid by the court at the request of the insolvency administrator if they:

- (i) interfere with the interests of the state or public interests ;
- (ii) have been entered into within 6 months before commencement of the bankruptcy proceedings or thereafter and led to preferential settlement of the claims of particular creditors compared to the other creditors' claims;
- (iii) have been entered into within 1 year before commencement of the bankruptcy proceedings or thereafter, if the debtor intentionally harmed the interests of creditors and other parties to the transaction knew or should have known about it; or
- (iv) have been entered into within 3 years before commencement of the bankruptcy proceedings or thereafter, if the debtor's inability to pay is due to a criminal offense determined by a court and other parties to the transaction knew or should have known about such criminal offence or if the debtor intentionally harmed the interests of creditors by such transaction and other parties were stakeholders in relation to the debtor and were supposed to be aware of the fact that the debtor intentionally harmed the interests of creditors by this transaction.

Pledge agreements concluded within six month before initiation of insolvency proceedings can be found invalid upon the claim of the insolvency administrator.

Rehabilitation proceedings

Rehabilitation proceedings (*санация*) may be commenced in course of the insolvency administration proceedings by the court upon a decision of the meeting of creditors or at court's discretion and may last for 18 months. This term may be prolonged for up to 12 months or, in limited cases, for up to 5 years.

Rehabilitation proceedings are aimed to ensure stability and effectiveness of debtor's economic activities and recovery of its ability to pay debts. The rehabilitation plan, which includes measures aimed at financial recovery of the debtor, is prepared by insolvency administrator and is adopted by the meeting of creditors. The measures set in the rehabilitation plan may include sale of the debtor's assets, provision of financial aid to the debtor, reprofiling of business activities and other.

Before expiry of the term for the rehabilitation proceedings the insolvency administrator provides the creditors and, after approval by the creditors, the court with a report on

the results of rehabilitation. Upon review of the report, the court may decide to prolong the rehabilitation proceedings, approve amicable settlement, commence liquidation proceedings or terminate the insolvency proceedings.

Possible limitations on the enforceability of guarantees

Belarusian laws do not preclude Belarusian companies from issuing a guarantee in favour of a foreign person. Also, Belarusian laws generally allow Belarusian companies to enter into foreign law-governed guarantee agreements.

Foreign arbitral awards, including those issued in connection with a guarantee provided by a Belarusian company, are subject to recognition and enforcement in the Republic of Belarus without reconsideration of underlying matter on merits by Belarusian courts. Judgments of foreign courts may be recognised and enforced in the Republic of Belarus only if there is a treaty between the Republic of Belarus and respective state on recognition and enforcement of court judgements of such state in the Republic of Belarus or on the basis of reciprocity principle. Foreign court judgements are subject to recognition and enforcement in the Republic of Belarus without reconsideration of the underlying matter on merits. It cannot be precluded that a Belarusian court may refuse recognition and enforcement of a foreign court judgement or arbitral award due to such recognition and enforcement being contradictory to the public policy of the Republic of Belarus. The public policy concept is not clearly defined in Belarusian law and any contradiction is decided on a case-by-case basis.

Under Belarusian law recognition of an obligation as illegal or invalid results in recognition of such an obligation, as well as rights corresponding to such obligation, as non-existent. Pursuant to Belarusian law, guarantee is a secondary obligation in relation to the primary obligation and is deemed to be invalid in case of invalidity of the primary obligation, notwithstanding provisions of the guarantee agreement to the contrary.

Distinction between a guarantee and a surety

Belarusian law distinguishes between a guarantee and a surety. The key differences between a guarantee and a surety include the following: (i) a guarantee may be used to secure existing claims only, while a surety may be used to secure obligations that will arise in the future; (ii) guarantor is subsidiarily responsible for performance of the secured obligation, while surety's liability, depending of the terms of a surety agreement, may be either subsidiary or joint and several (i.e. solidary); (iii) provider of a surety that performs the secured obligations instead of the debtor may recover the paid amounts from the debtor, while the guarantor does not have such right.

ALBANIA

Applicable insolvency law

Kredo Finance Shpk is incorporated under the laws of the Republic of Albania. Its registered office along with its center of management and supervision is in Tirana, Albania. As such, any insolvency proceedings applicable to Kredo Finance Shpk would be primarily governed by Albanian law.

The fulfilment of obligations of the Guarantor under the Albanian Transaction Security Documents is subject to applicable laws relating to bankruptcy, company law, banking regulations applicable to non-bank financial institutions in Albania and other laws capable of affecting creditors' rights generally from time to time in effect, as well as the applicable statute of limitations terms under Albanian law.

Limitations for granting guarantees and sureties

Pursuant to applicable Albanian legal provisions, an Albanian commercial company (a joint stock or a limited liability company) is permitted to enter into agreements and constitute rights and obligations only to the extent such agreements correspond to its corporate purpose, as set out in its articles of association.

The Albanian legal provisions do not contain any specific limitation applicable to the granting of intra-group security interests/guarantees, provided that such creation of security interests/guarantee receives adequate corporate approval based on the corporate acts of the company acknowledging the corporate benefit of the guarantor in giving the Guarantee.

Certain legal provisions applicable to Albanian limited liability companies (SHPK), set out the general principle of corporate assets' preservation. According to this principle, the directors of a limited liability company are obliged to check the company's degree of solvency before issuing the certificate of payment of dividends. Specifically, a limited liability company can pay out dividends in favor of its shareholders only if after such payment the assets of the company still fully cover its obligations and the company has adequate liquidity to pay its financial obligations due within the coming 12 months. This limitation is also extended to any type of distribution rendered by a company in favor of its shareholders, based on an agreement entered into between the company and the shareholder, if such agreement provides for conditions which are less favorable to the company if compared to market conditions.

On the other hand, the Albanian company law on joint stock companies (SHA) prohibits concealed distributions by requiring that the remuneration for any legal transactions undertaken by the company and its shareholder beyond his contribution may not exceed the market value of such transactions. By virtue of the law, shareholders are obliged to return to the company any advantage received contrary to the provisions of this law. This includes dividends received, if shareholders knew or ought to have known that these dividends or other advantages were received contrary to the law.

The above provisions together provide a remote risk that intra-group guarantees may qualify as concealed distributions for shareholders granted in contravention of the law and thus may only be created if the conditions for the distribution of dividends are met, however this risk is not tested by Albanian courts.

The violation of the legal restrictions referred to above does not immediately result in the nullity of the transaction, but the shareholder of the guarantor must compensate for the damage caused to the company by the provision of the security. The management of the subsidiary may also be held liable for the damages caused by the breach. In addition, in respect of joint stock companies, when the company has, during a period of 1 year before the opening of insolvency proceedings, repaid loans to the shareholders or has entered into other transactions that, from an economic perspective are similar to that of a loan (which may include Guarantees), the shareholder to whom the loan has been repaid, must return to the company the loan amounts paid the later.

Insolvency

The fulfilment of obligations of the Guarantor under the Albanian Transaction Security Documents may be limited by applicable legislation on bankruptcy in Albania.

In case of an insolvency of the Albanian Guarantor, the bankruptcy proceedings against the guarantor may be instituted by the debtor or any of the creditors of the Guarantor. Once insolvency proceedings have been opened, secured and unsecured creditors cannot enforce their claims outside such proceedings. All claims against the

insolvent debtor are suspended and writs of execution in respect of securities granted (such as securing charge over receivables or bank accounts) cannot be enforced. All new and pending claims are then submitted to the insolvency administrator appointed by the court.

The insolvency administrator obtains control over any immovable property and/or any movable property in the possession of the debtor at the date the insolvency proceeding is opened. The administrator cannot sell any assets that are used as collateral if the value of such assets is lower or equal to the amount owed to the secured creditor and the enforcement expenses.

In case the insolvency administrator decides not to dispose the assets, or in case the court, upon the request of a secured creditor, decides to remove certain restrictions provided by the insolvency law noted above, the secured creditor may commence or continue to enforce the security outside of the insolvency proceeding (although this procedure is not tested by Albanian courts).

Once the bankruptcy procedure has been initiated, (i) the insolvent company can approve a reorganization plan aiming at the survival of the company or (ii) the company can be liquidated. The ranking of creditors in case of liquidation of the borrower is the following:

- secured creditors up to the value of the collateral;
- preferred creditors (i.e. employees' claims for dismissal, work and health matters, tax obligations, etc.) subject to conditions and restrictions on amounts;
- unsecured creditors' claims;
- other creditors related to for example penalties as per the Civil Code, Criminal Code, penalties for late payments accrued in respect of creditors' claims before initiation of the bankruptcy procedure; and
- shareholders' claims.

The enforcement of the Guarantee/security instruments in bankruptcy proceedings may also be limited by the right of the insolvency administrator to challenge any transaction concluded by the insolvent debtor within 2 years prior to the opening of the bankruptcy proceedings if such transaction has (i) caused economic damage to the debtor or (ii) given unjustified preferential rights to a certain creditor.

An economic damage exists in such cases when the debtor enters into transactions the compensation for which is lower than equivalent benefit given by the counterparty to the contract. Such damage must be generally proved by the insolvency creditor challenging the transaction, within 3 years from the opening of the bankruptcy proceedings. There is a presumption of damage for transactions entered into with "related persons" which include "companies of the same group".

The effects of the aforementioned claw-back provision are, *inter alia*, to remove securities granted to the creditors of the guarantor in financing transactions. The creditor and insolvent debtor have the burden of proof to prove that the transaction did not bring an economic damage to the debtor.

The Albanian insolvency court would also evaluate in a claw back claim (i) the good faith of the debtor in entering the transaction in order to continue its activity and if the debtor has reasonable grounds to believe that it would benefit from the transaction or (ii) the actions undertaken by the debtor within the framework of its normal activity or professional activity, under normal terms and conditions.

NORTH MACEDONIA

Applicable insolvency law

TIGO Finance DOOEL Skopje is incorporated under the laws of the Republic of North Macedonia. Its registered office along with its center of management and supervision is in Skopje, North Macedonia. As such, any insolvency proceedings applicable to TIGO Finance DOOEL Skopje would be primarily governed by North Macedonian law.

Possible limitations on the enforceability of guarantees

The fulfilment of obligations of the Security Provider under the Macedonian Transaction Security Documents may be affected or limited by applicable laws relating to bankruptcy, reorganization, enforcement, account blockade, operations of financial companies and/or other laws capable of affecting creditors' rights generally from time to time in effect, including protective measures imposed by governmental bodies and institutions.

Insolvency

In case of opened bankruptcy proceedings against a Security Provider from North Macedonia, the court will appoint a bankruptcy trustee who shall assume control over the business and assets of such Security Provider. Any enforcement procedure initiated based on a Transaction Security Document shall be stopped with the opening of the bankruptcy proceedings. In order to protect the interests of the creditors before the opening of bankruptcy proceedings, the court may appoint a temporary bankruptcy trustee, ban payments from the bank account, impose a general ban on disposal with the property and/or ban or temporarily postpone the enforcement against the Security Provider.

The opening of bankruptcy proceedings may have several negative impacts, including the annulment of the Transaction Security provided by the local Security Provider. In particular, the bankruptcy trustee and creditors can request the annulment of payments or other legal actions and the return of any object of disposal made by the local Security Provider in a certain period prior to the commencement of the bankruptcy proceeding, up to 10 years backward. Some of these actions include legal transactions taken within 90 days before filing the petition on opening a bankruptcy proceeding, which provide security or settlement to a creditor, if the local Security Provider was insolvent at the time of taking this action and/or the creditor knew that the legal transaction harms the other creditors. Further, a legal transaction entered into or taken with the intent to damage one or more creditors within 10 years before submitting the petition for initiating bankruptcy proceeding or after that may be contested if the counterparty of the local Security Provider knew of such intent. If a challenge in the bankruptcy proceedings is successful, the creditor has to return the entire challenged amount to the insolvency estate, whilst it remains entitled to claim the appropriate indemnification amount in accordance with its ranking in the insolvency estate.

The bankruptcy trustee shall organize the sale of the assets of the bankruptcy debtor for the purpose of creditors' settlement. Proceeds from the sale of assets would be allocated in the following order:

- (i) costs of the bankruptcy procedure, followed by the obligations of the bankruptcy estate;
- (ii) claims of the bankruptcy debtor's employees for wages, mandatory contributions for the last three months prior to the opening of the bankruptcy proceedings, including any compensations for injuries or occupational disease and other employment related claims;

(iii) other claims towards the bankruptcy debtor from its creditors; and

(iv) interest on the claims of the creditors that are due after the date of opening of the bankruptcy proceedings, costs for participation in the bankruptcy proceedings, etc.

Notwithstanding the above, creditors secured with specific assets of the bankruptcy debtor (mortgagees and pledgees), are entitled to separate settlement, out of the proceeds from realization of the secured asset. Accordingly, secured creditors are regarded as first rank creditors with regard to proceeds from the sale of the respective pledged assets. In case the funds received from the sale of the pledged property do not cover the claims of the secured creditor, the creditor shall acquire the status of a non-secured creditor regarding the unsatisfied part of the claim.

The bankruptcy trustee is obliged to examine agreements entered into by the bankruptcy debtor in order to establish, among others, whether these transactions have been detrimental to the interests of the company's creditors. If the bankruptcy trustee finds that the agreement in question has caused loss to the company or to the other company's creditors, the bankruptcy trustee is entitled to bring an action against the other party to the agreement for the annulment of such an agreement. The annulment of the agreement is decided by the court.

Reorganization proceedings

The ability to receive payments under the Macedonian Transaction Security Documents may be negatively affected if reorganization proceedings are initiated against the local Security Provider. The bankruptcy debtor, the creditors or the bankruptcy trustee can submit a reorganization plan before or after the opening of bankruptcy proceedings.

The reorganization plan may include rules for the transformation of claims, including extension of payment terms and reduction of debt amounts. The reorganization plan must be accepted by the creditors (by way of voting) and approved by the court. The reduced claims or extended timeframes for payment under the reorganization plan shall not be binding for the respective creditors, should the debtor fail to perform its obligations stipulated in the reorganization plan to a material extent. In that case, creditors' claims shall be restored in the initial amount.

XXV. SELLING RESTRICTIONS

No action has been or will be taken in any jurisdiction by the Issuer, the Guarantors or the Lead Manager and the Co-Manager that would, or is intended to, permit a public offering of the Bonds, or possession or distribution of this Offering Memorandum or any other offering material, in any country or jurisdiction where action for that purpose is required. Persons into whose hands this Offering Memorandum comes are required by the Issuer, the Guarantors and the Lead Manager and the Co-Manager to comply with all applicable laws and regulations in each country or jurisdiction in which they purchase, offer, sell or deliver Bonds or have in their possession, distribute or publish this Offering Memorandum or any other offering material relating to the Bonds, in all cases at their own expense.

In addition, the Lead Manager and the Co-Manager and their affiliates have performed, and may in the future perform, various financial advisory, investment banking and/or commercial banking services for, and may arrange loans and other non-public market financing for and enter into derivative transactions with, the Issuer, the Guarantors and their respective affiliates, for which they have and may receive customary fees.

United States

The Bonds and the Guarantees have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and the Bonds may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S) except in certain transactions exempt from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.

The Bonds will be issued in accordance with the provisions of United States Treasury Regulation § 1.163-5(c)(2)(i)(D) (the “**TEFRA D Rules**” or “**TEFRA D**”):

(a) the Lead Manager and the Co-Manager will not offer or sell, such Bonds to a person who is within the United States or its possessions or to a United States person, and it has not delivered and agrees that it will not deliver within the United States or its possessions such Bonds that are sold during the restricted period;

(b) throughout the restricted period the Lead Manager and the Co-Manager will have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling such Bonds are aware that such Bonds may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by the TEFRA D Rules;

(c) If it is a United States person, the Lead Manager and the Co-Manager are acquiring such Bonds for purposes of resale in connection with their original issuance and if it retains such Bonds for its own account, it will only do so in accordance with the requirements of U.S. Treasury Regulation 1.163-5(c)(2)(i)(D)(6); and

(d) With respect to each affiliate that acquires such Bonds from the Lead Manager or the Co-Manager for the purpose of offering or selling such Bonds during the restricted period, the Lead Manager and the Co-Manager have repeated and confirmed the representations and agreements contained in paragraphs (a), (b) and (c) above on such affiliate's behalf.

Terms used in this subparagraph have the meanings given to them by the U.S. Internal Revenue Code and regulations thereunder, including the TEFRA D Rules.

The following legend will appear on all Global Bonds (other than Temporary Global Bonds) and Bonds in definitive form and any coupons or talons relating to such Bonds:

“Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code.”

The sections referred to provide that United States Holders, with certain exceptions, will not be entitled to deduct any loss realised on the sale, disposition, redemption or payment of principal of such Bonds, coupons or talons and any gain (which might otherwise be characterised as capital gain) recognised on such sale, disposition, redemption or payment of principal will be treated as ordinary income.

European Economic Area

Prohibition of sales to EEA retail investors

The Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation. In addition, the Bonds provide for debt obligations of the Issuer and the Guarantors with no exposure by investors to reference values or assets other than the assets and business operations of the Issuer and the Guarantors. Consequently, no key information document required by Regulation (EU) No. 1286/2014 (the “**PRIIPs Regulation**”) for offering or selling the Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

United Kingdom

Prohibition of sales to UK retail investors

The Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (“**UK**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (“**FSMA**”) and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the “**UK PRIIPs Regulation**”) for offering or selling the Bonds or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Bonds or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

XXVI. GLOSSARY

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XXVII. DOCUMENTS INCORPORATED BY REFERENCE

The following documents have been incorporated by reference in this Offering Memorandum. They are published on the Issuer's website at <https://eleving.com/>. The information not listed in the cross-reference list is not incorporated by reference as it is either not relevant for investors or covered elsewhere in the Offering Memorandum.

1. Audited consolidated financial statements of the Issuer as of and for the financial year ended 31 December 2019, prepared in accordance with IFRS, and the independent auditor's report thereon contained in the Issuer's 2019 Annual Report.
 - Consolidated statement of profit and loss and other comprehensive income Annual Report 2019 page 9
 - Consolidated statement of financial position Annual Report 2019 pages 10 to 11
 - Consolidated statement of changes in equity Annual Report 2019 page 12
 - Consolidated statement of cash flows Annual Report 2019 page 13
 - Notes to the consolidated financial statements Annual Report 2019 pages 14 to 81
 - Independent auditor's report Annual Report 2019 pages 82 to 89
2. Audited consolidated financial statements of the Issuer as of and for the financial year ended 31 December 2020, prepared in accordance with IFRS, and the independent auditor's report thereon contained in the Issuer's 2020 Annual Report.
 - Consolidated statement of profit and loss and other comprehensive income Annual Report 2020 page 44
 - Consolidated statement of financial position Annual Report 2020 pages 45 to 46
 - Consolidated statement of changes in equity Annual Report 2020 page 47
 - Consolidated statement of cash flows Annual Report 2020 page 48
 - Notes to the consolidated financial statements Annual Report 2020 pages 49 to 136
 - Independent auditor's report Annual Report 2020 pages 137 to 145
3. Interim Report 2021 containing the interim condensed consolidated financial statements of the Issuer as of and for the six-month period ended 30 June 2021. The interim financial statements are unaudited, prepared in accordance with IAS 34, and consists of the consolidated statements of comprehensive income, financial position, changes in equity and cash flows and notes to the consolidated financial statements for the six months ended 30 June 2021.

- Consolidated statement of comprehensive income Interim Report 2021 page [●]
 - Consolidated statement of financial position Interim Report 2021 pages [●] to [●]
 - Consolidated statement of changes in equity Interim Report 2021 page [●]
 - Consolidated statement of cash flows Interim Report 2021 page [●]
 - Notes to the consolidated financial statements Interim Report 2021 pages [●] to [●]
4. Audited consolidated financial statements of AS “mogo” as of and for the financial year ended 31 December 2019, prepared in accordance with IFRS, and the independent auditor’s report thereon contained in AS “mogo”’s 2019 Annual Report.
- Consolidated statement of comprehensive income Annual Report 2019 page 7
 - Consolidated statement of financial position Annual Report 2019 pages 8 to 10
 - Consolidated statement of changes in equity Annual Report 2019 page 10
 - Consolidated statement of cash flows Annual Report 2019 page 11
 - Notes to the consolidated financial statements Annual Report 2019 pages 12 to 54
 - Independent auditor’s report Annual Report 2019 pages 55 to 64
5. Audited consolidated financial statements of AS “mogo” as of and for the financial year ended 31 December 2020, prepared in accordance with IFRS, and the independent auditor’s report thereon contained in AS “mogo”’s 2020 Annual Report.
- Consolidated statement of comprehensive income Annual Report 2020 page 7
 - Consolidated statement of financial position Annual Report 2020 pages 8 to 9
 - Consolidated statement of changes in equity Annual Report 2020 page 10
 - Consolidated statement of cash flows Annual Report 2020 page 11
 - Notes to the consolidated financial statements Annual Report 2020 pages 12 to 57
 - Independent auditor’s report Annual Report 2020

6. Interim Report 2021 containing the interim financial statements of AS “mogo” as of and for the six-month period ended 30 June 2021. The interim financial statements are unaudited, prepared in accordance with IFRS, and consists of the condensed consolidated statement of financial position as at 30 June 2021 and the related consolidated condensed statement of comprehensive income, the consolidated cash flow statement, consolidated statement of changes in equity and notes for the six-month period ended 30 June 2021.

• Consolidated statement of comprehensive income	Interim Report 2021 page 8
• Consolidated statement of financial position	Interim Report 2021 pages 9 to 10
• Consolidated statement of changes in equity	Interim Report 2021 page 11
• Consolidated statement of cash flows	Interim Report 2021 page 12
• Accounting policies and explanatory notes	Interim Report 2021 pages 13 to 32

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