



Webinar on the audited consolidated financial results of 2022



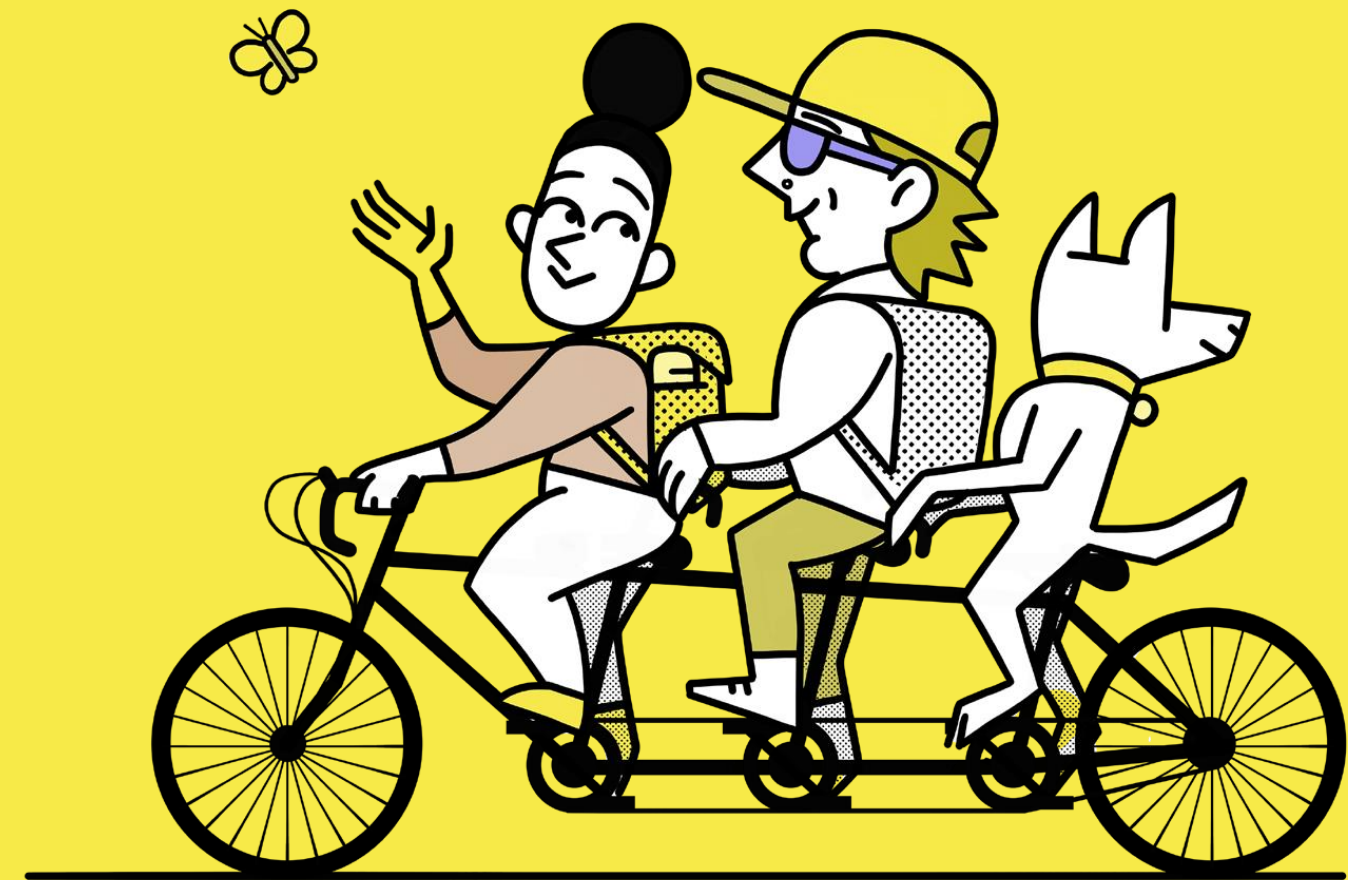
Valdis Siksnis
Chairman of the Board



Henrik Karmo
Board Member

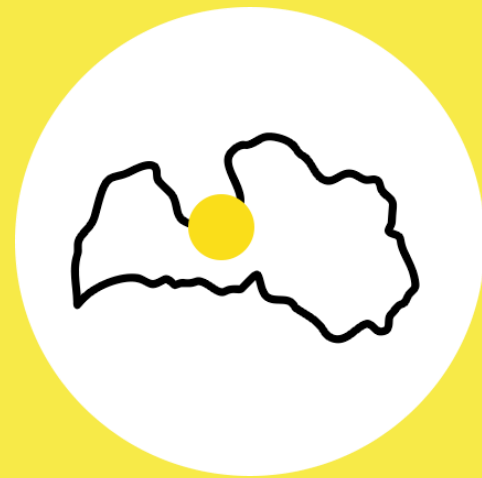
March 1, 2023

**40% annual
growth in the last 5
years**

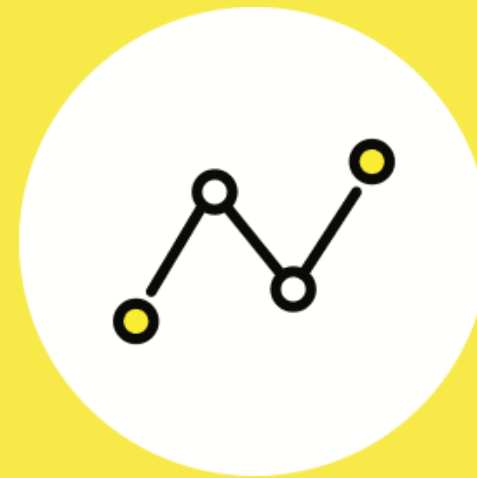


INDEXO Story

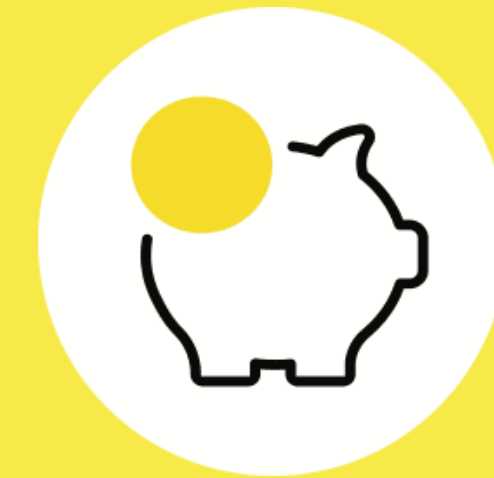
INDEXO¹



*Launched in 2017
as a **challenger brand**
and the **first passive
pension manager in
Latvia***



*In April 2021 launched the
**first 3rd Pillar
robo-advisory product**
with **automated investment
decisions in index funds***



*In July 2022 held a
**successful IPO by raising
7.49 million EUR for Bank
business development***

Passive asset management delivers results



Decreasing OCF to improve customer long-term performance

All-in cost for our 2nd pillar pension clients	Jan-23	Dec-21	OCF improvement for clients
<i>State-funded pension scheme investment plan “INDEXO Izaugsme 47-57”</i>	0.576%	0.651%	7.5 bps
<i>State-funded pension scheme investment plan “INDEXO Jauda 16-50”</i>	0.600%	0.648%	4.8 bps
<i>State-funded pension scheme investment plan “INDEXO Konservatīvais 55+”</i>	0.523%	0.557%	3.4 bps

OCF = ongoing cost figure, which represents all costs related to INDEXO and third-party fund manager costs

Key 2022 Highlights

INDEXO¹



584,9 million EUR
Total value of AUM

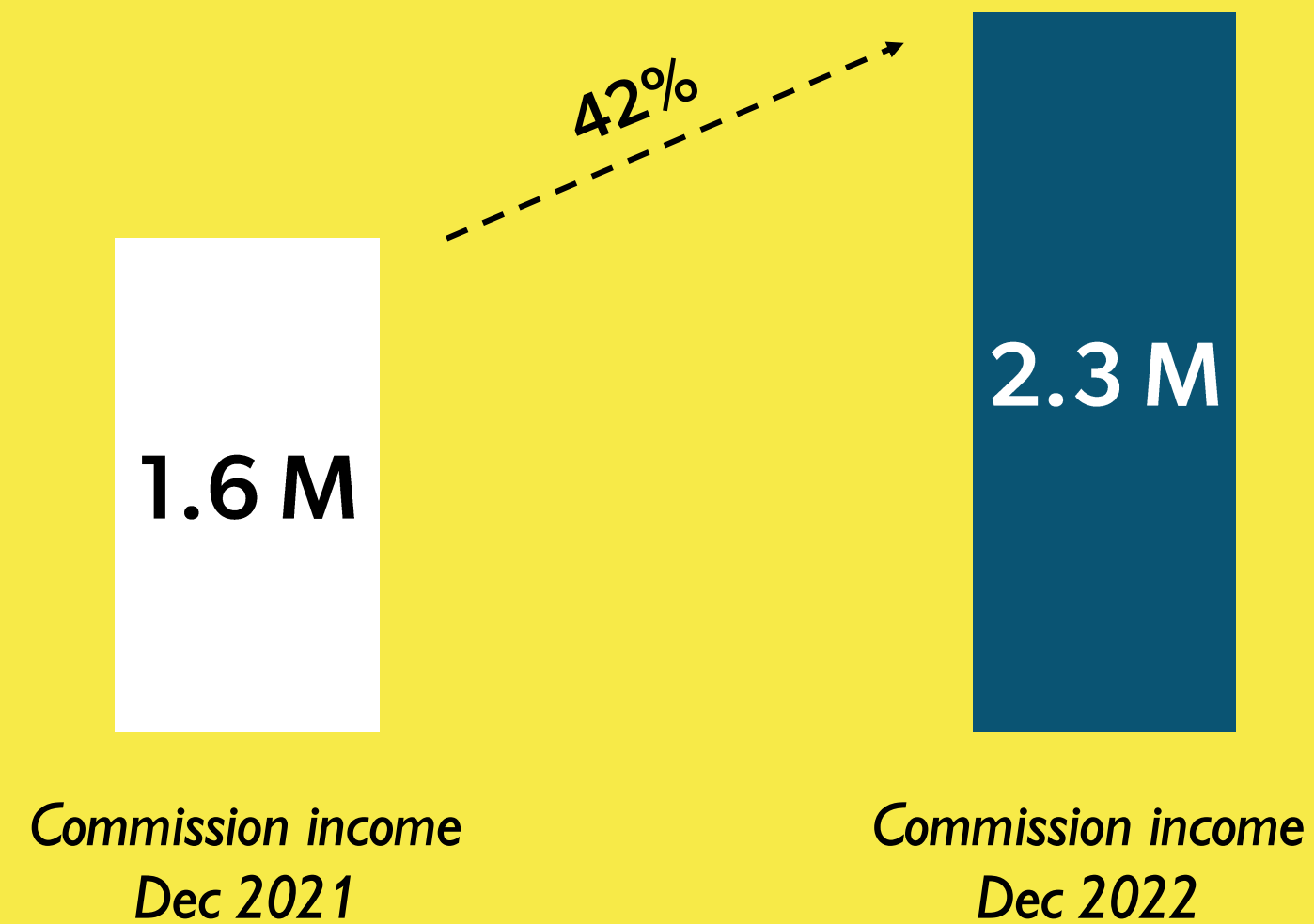
99,7 k
Total number of customers

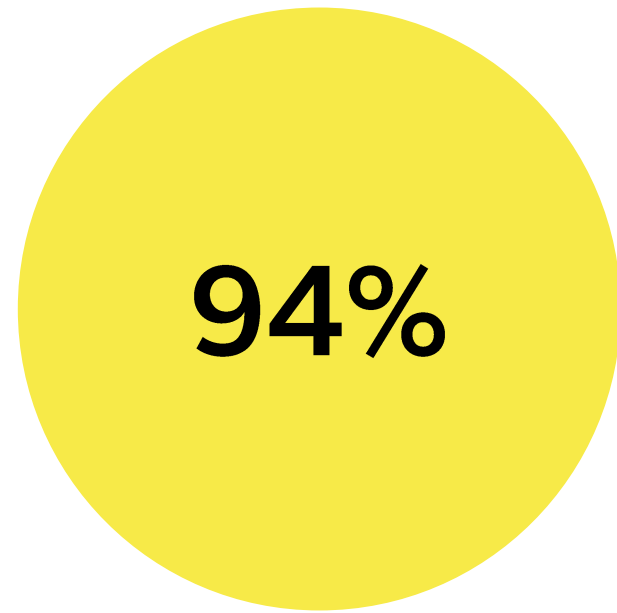
Up to 7.5 bps
OCF decrease

2,3 million EUR
Commission income generated

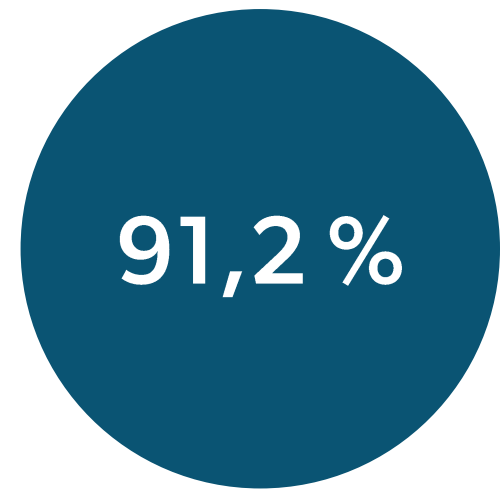
32,2 k
Number of new customers

Our revenues also keep growing quickly





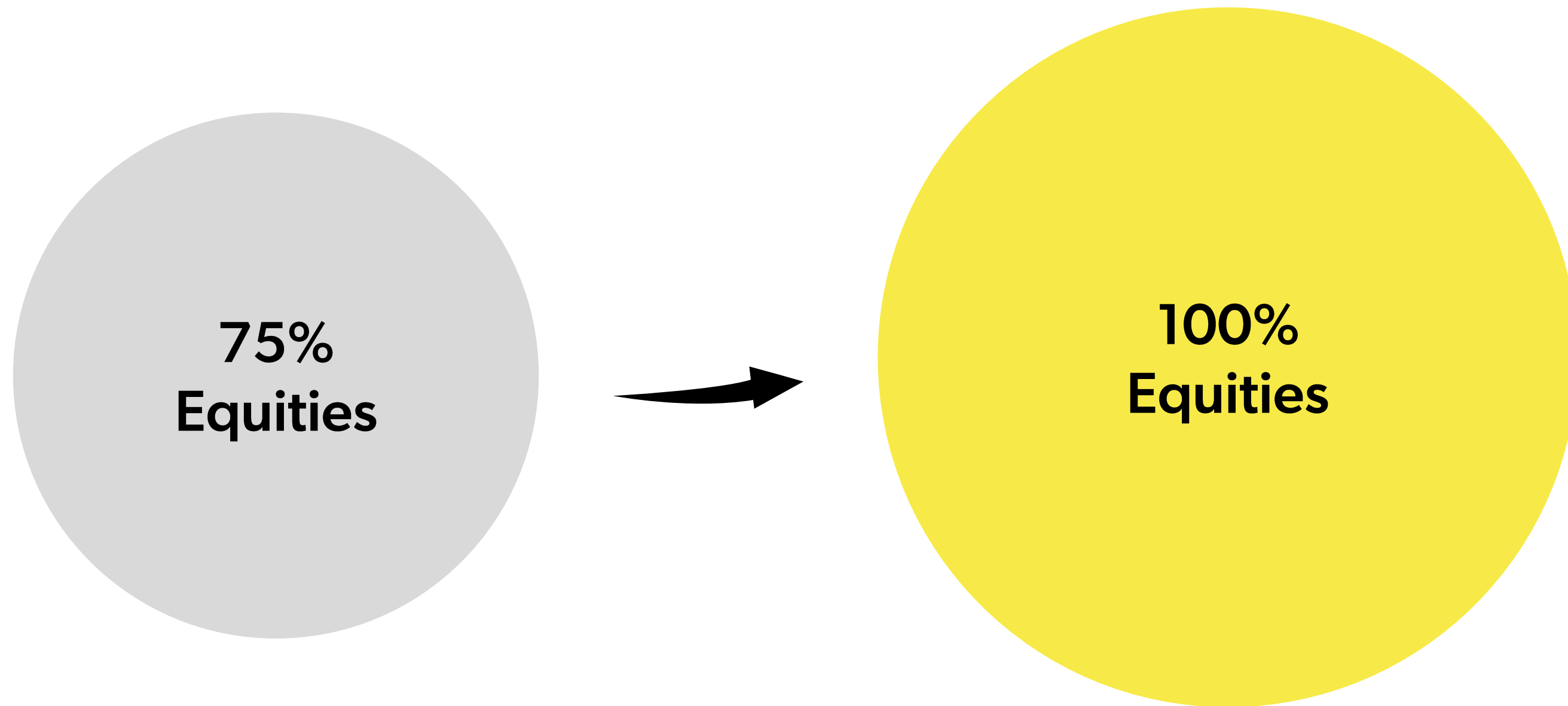
Dec 2022 customer retention



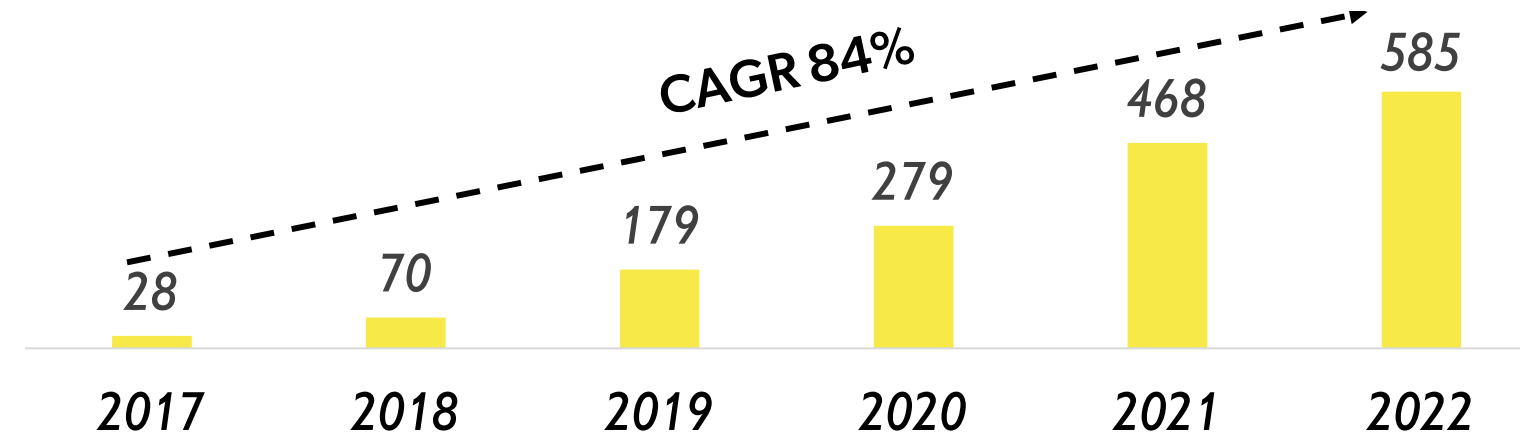
Dec 2021 customer retention

Less clients chose to leave INDEXO than in the previous year

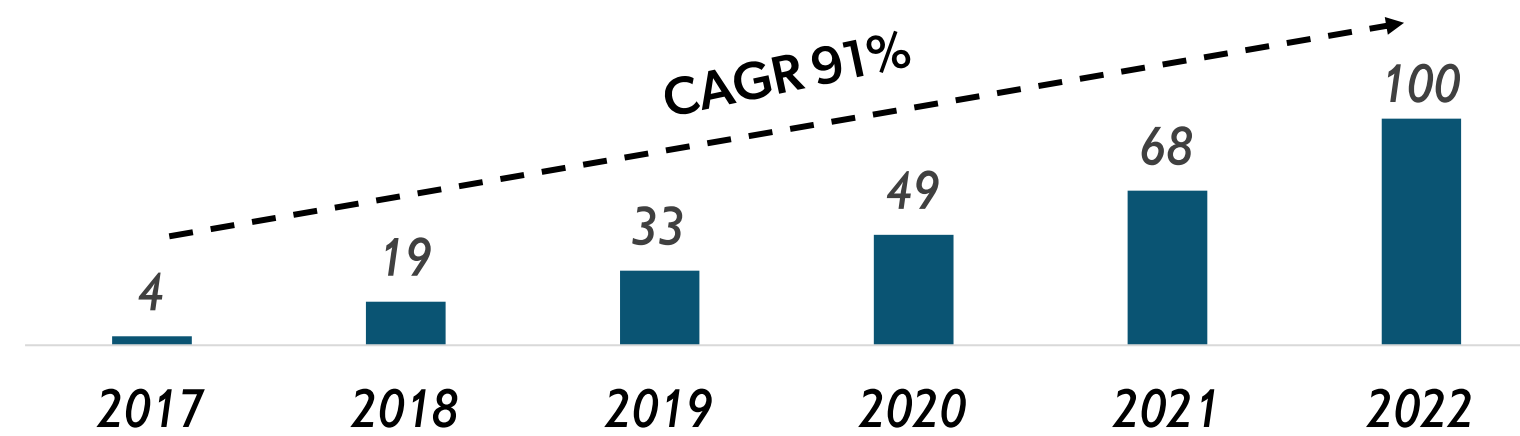
Jauda pension plan switch to 100% equities was completed



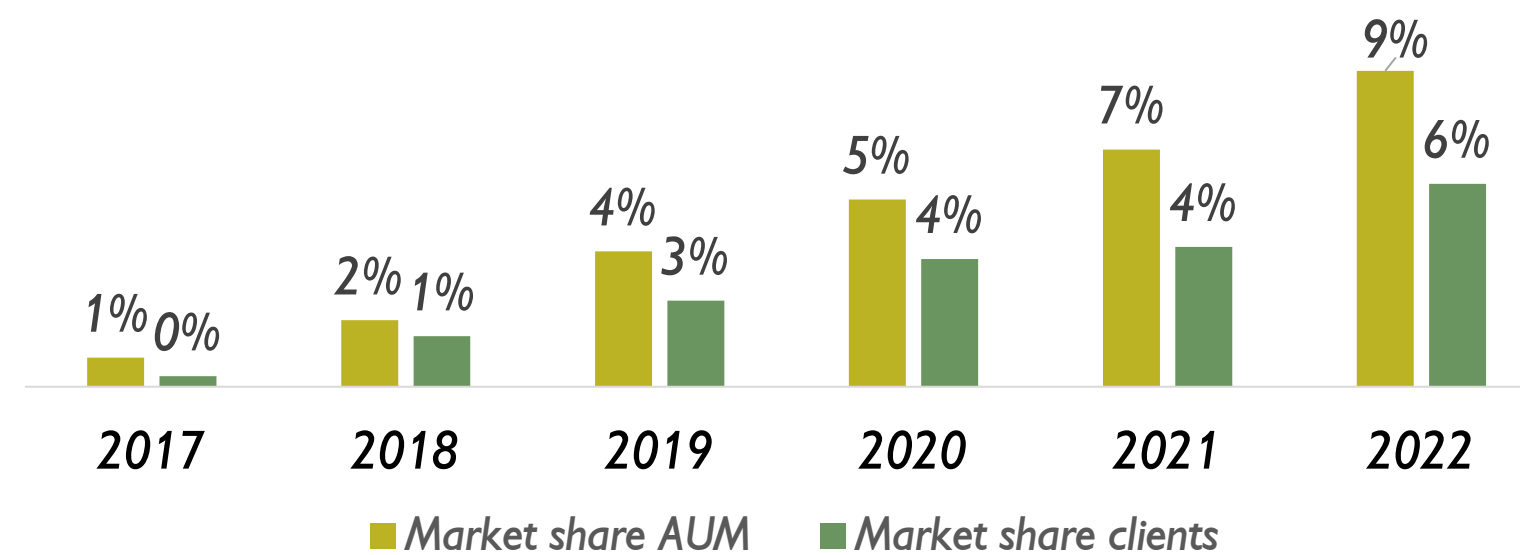
Total asset management growth since inception has been excellent despite market turmoil



Total AUM
In millions EUR



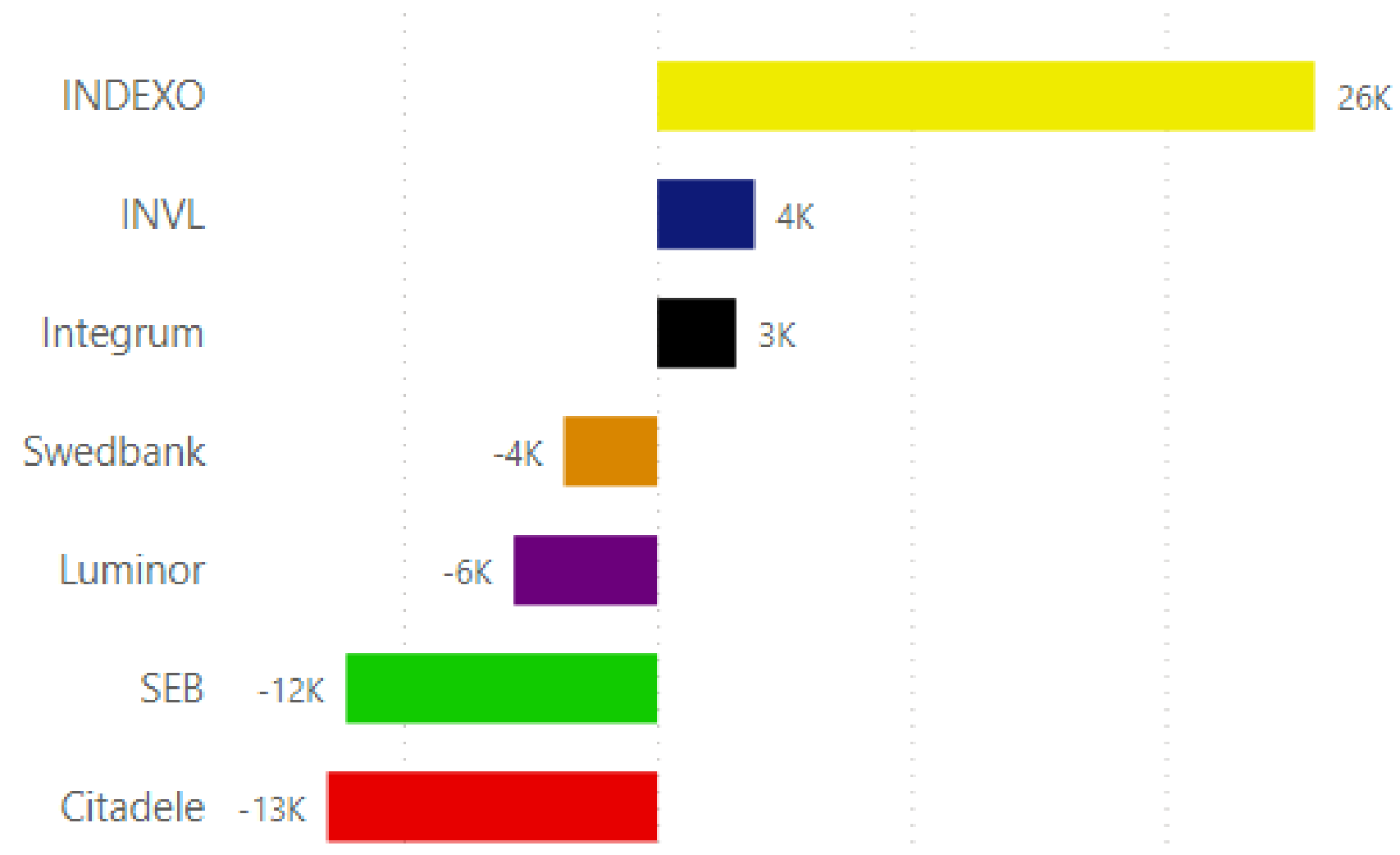
Total Clients
thousands



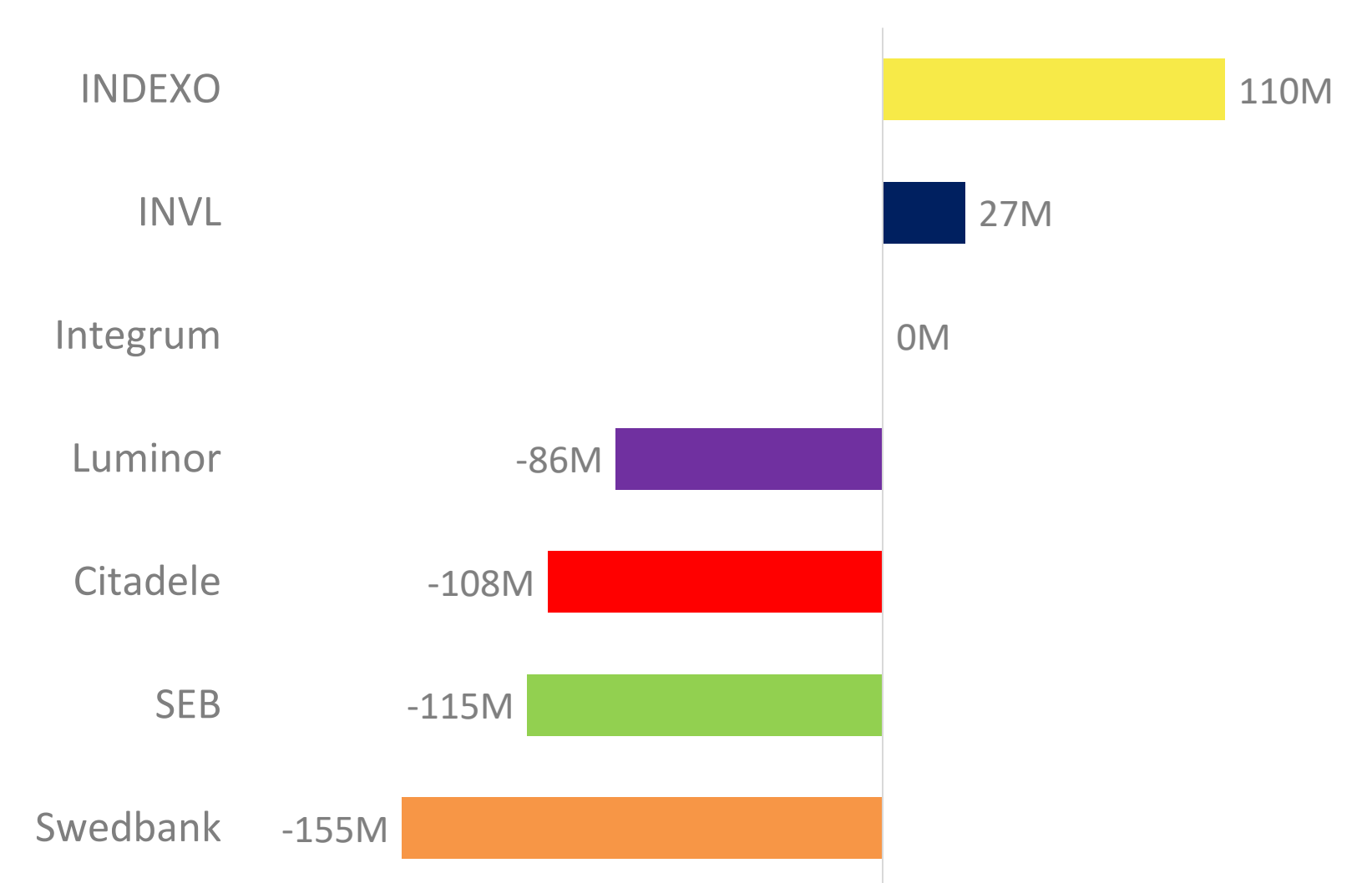
Total Market shares

INDEXO: The fastest growing 2nd Pillar Pension Manager in Latvia

Change in number of 2nd Pillar clients during 2022

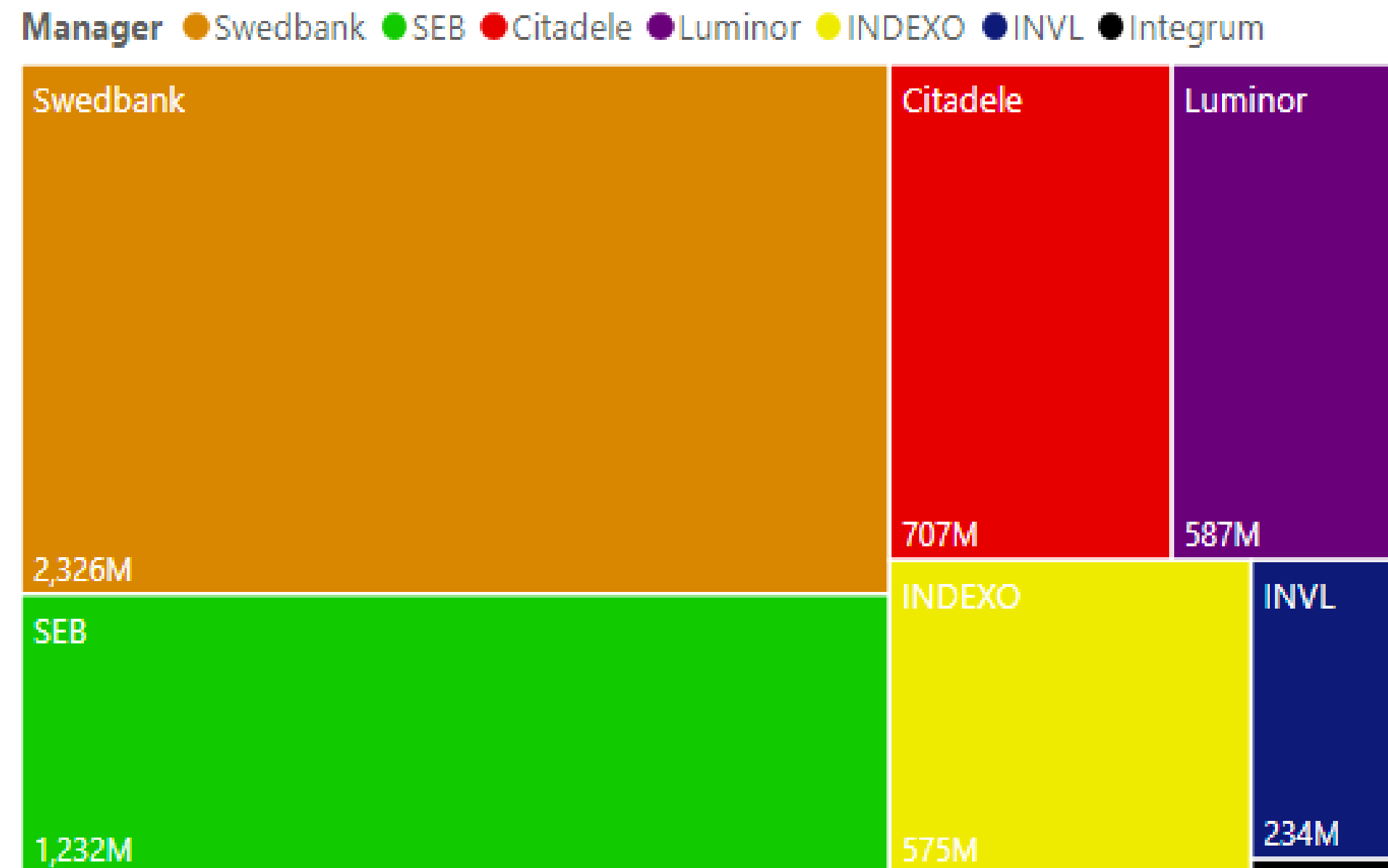
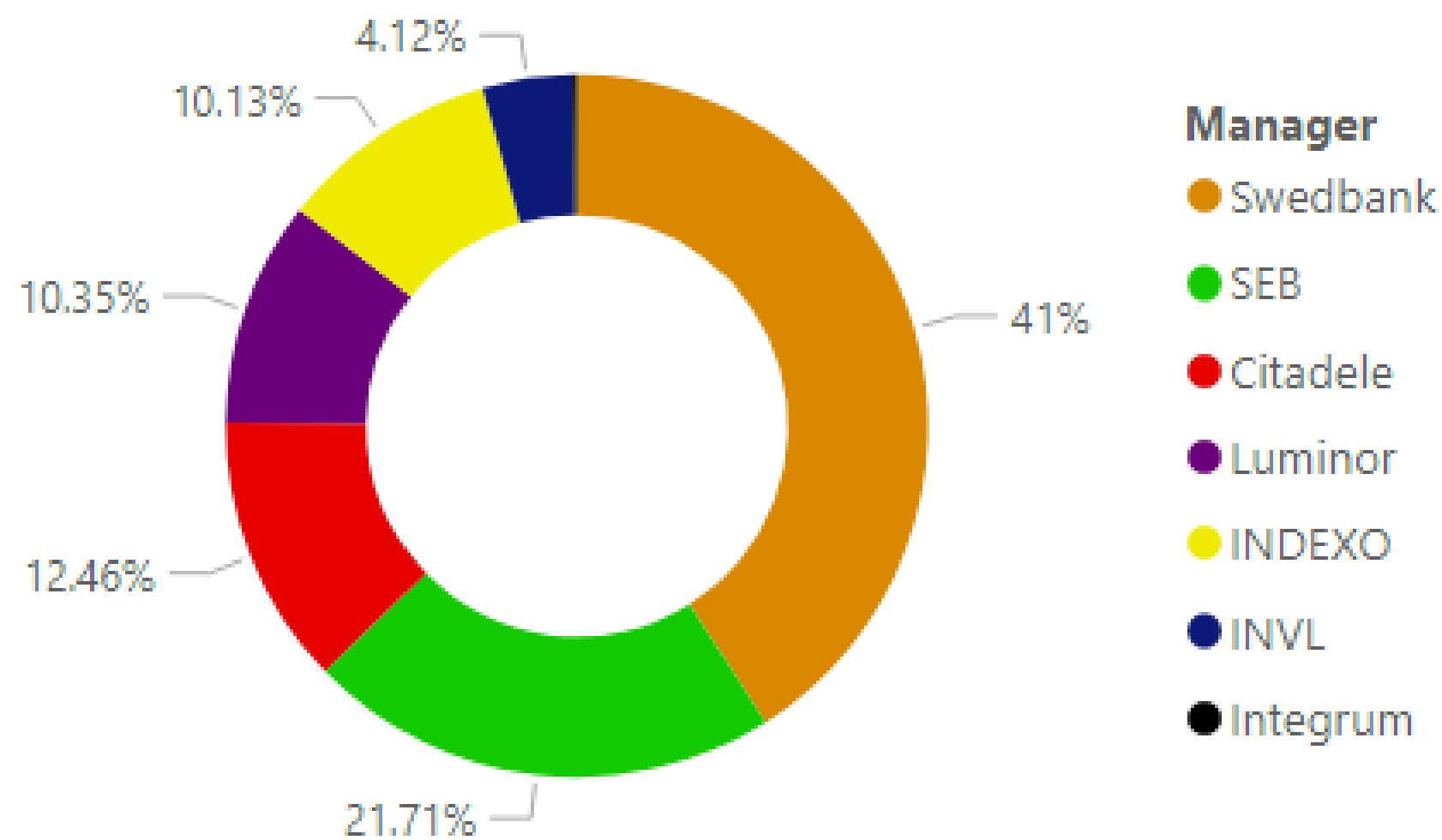


Change in 2nd Pillar AUM during 2022



Data source: manapensija.lv

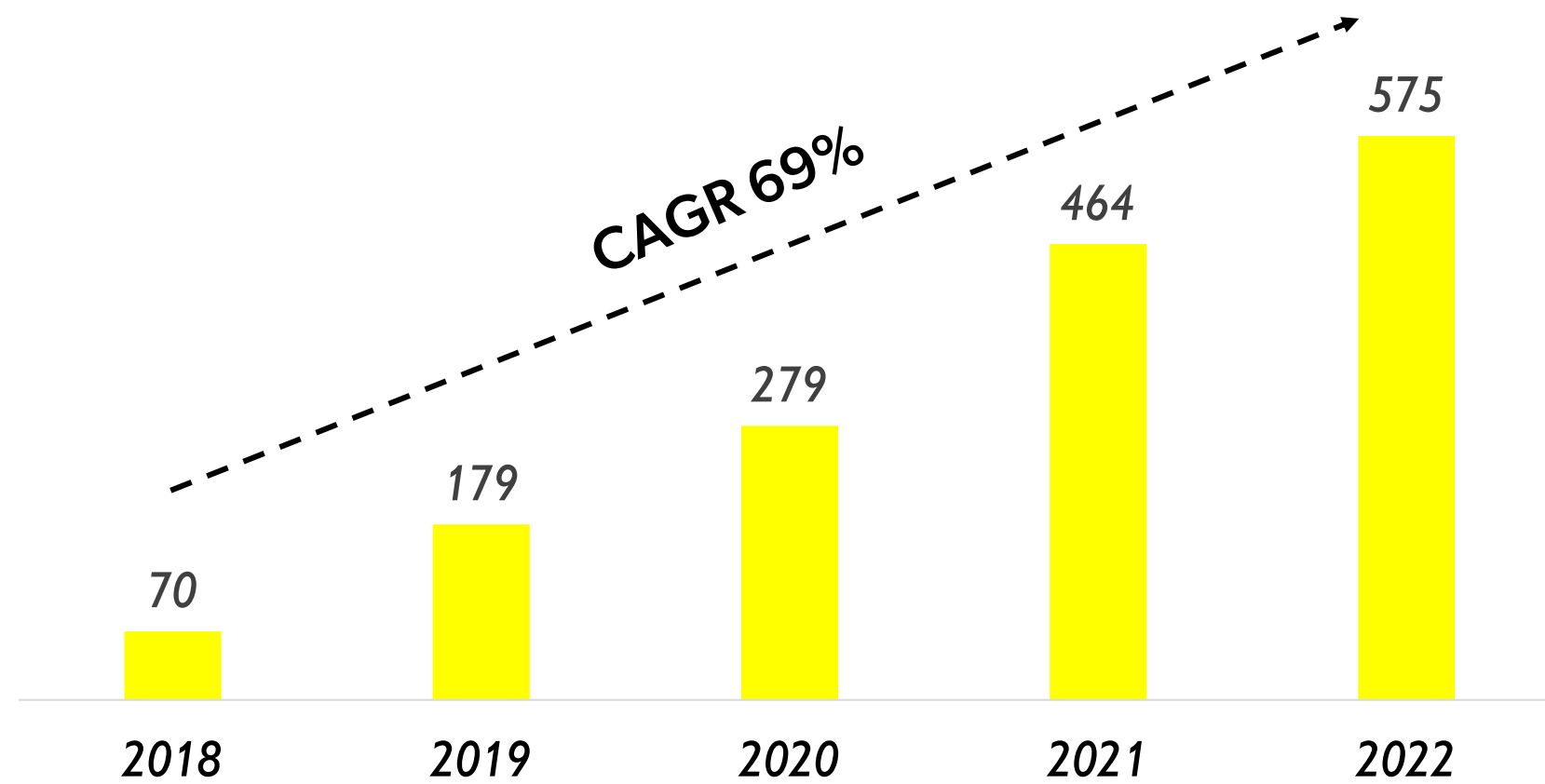
2nd pillar pension market share AUM



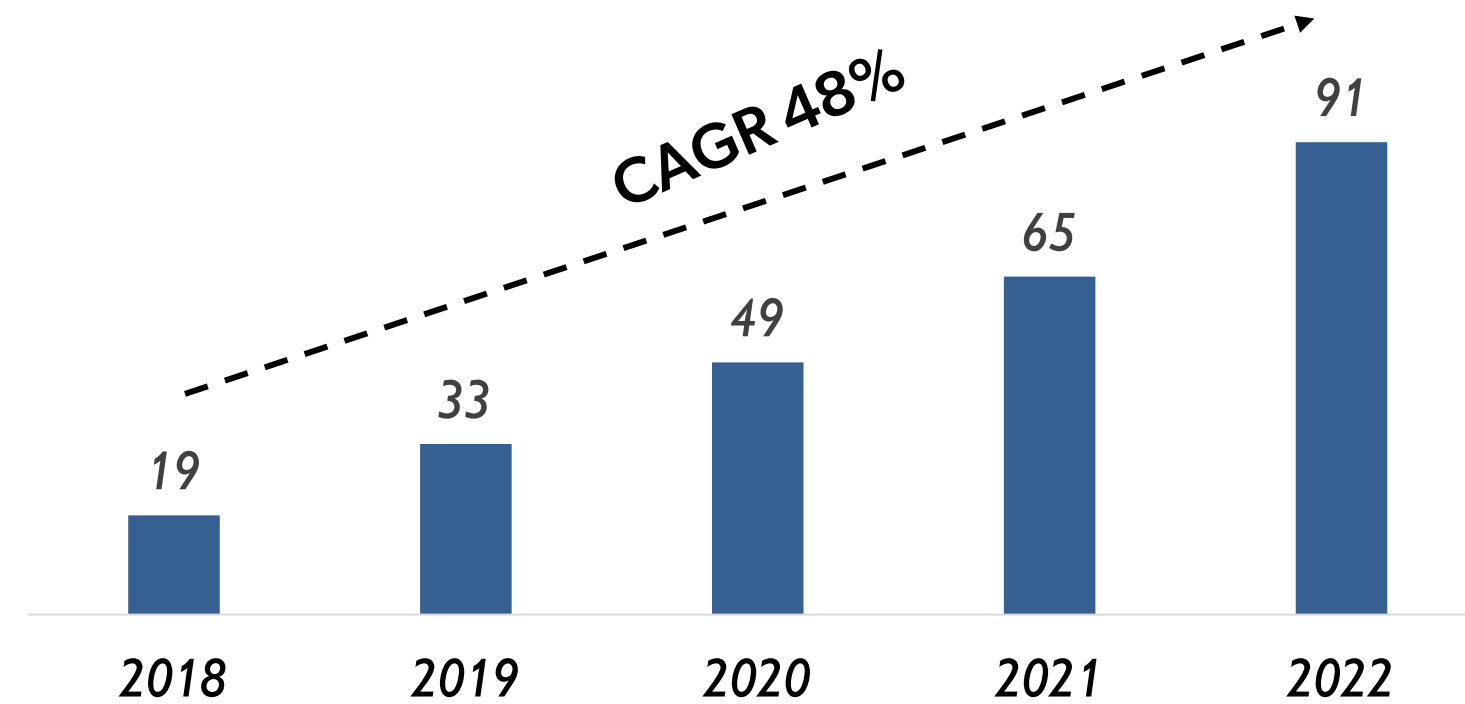
Data source: manapensija.lv

2nd pillar pension asset and client 5-year growth

2nd Pillar pension assets,
millions EUR

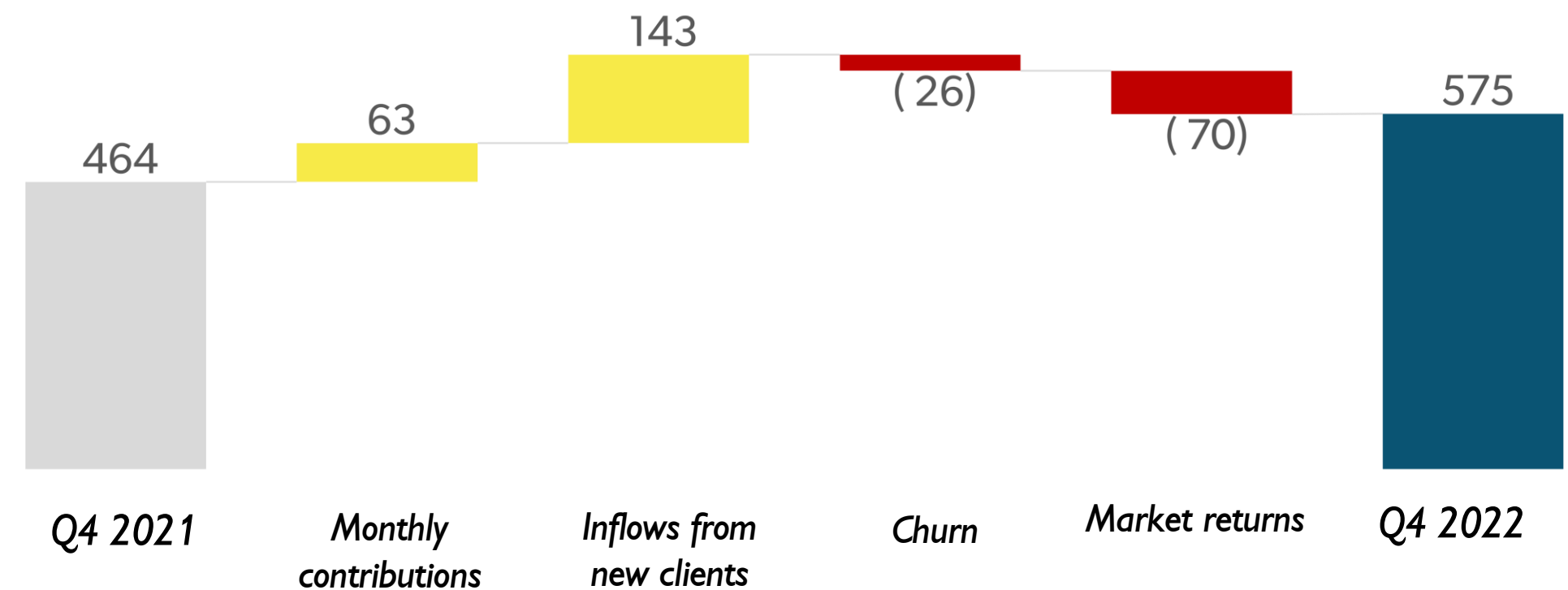


2nd Pillar pension clients,
thousands



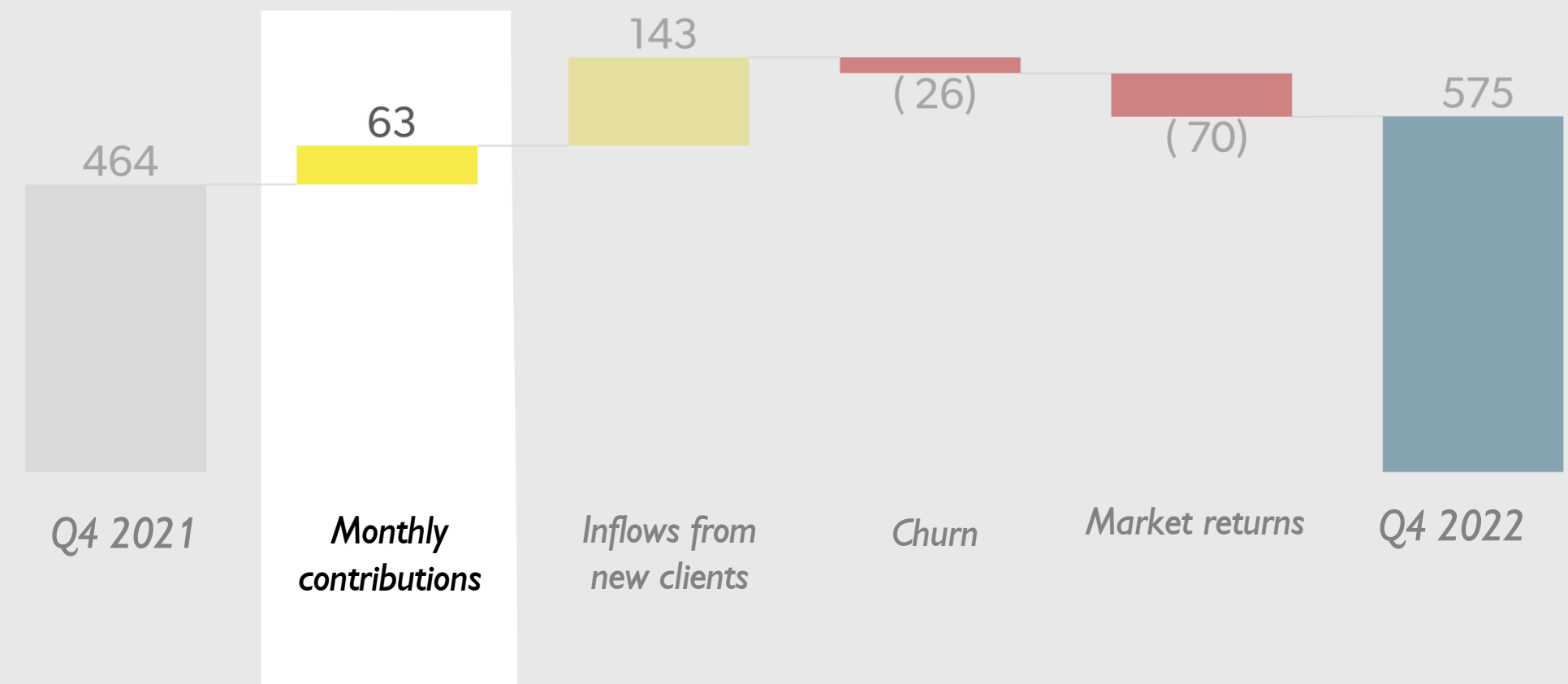
Our business growth in 2nd pillar can be attributed to growing monthly contributions and new customers joining INDEXO

2nd Pillar pension waterfall chart Q4 2021 – Q4 2022
Millions EUR, based on management estimates



Our business growth in 2nd pillar can be attributed to **growing monthly contributions** and new customers joining INDEXO

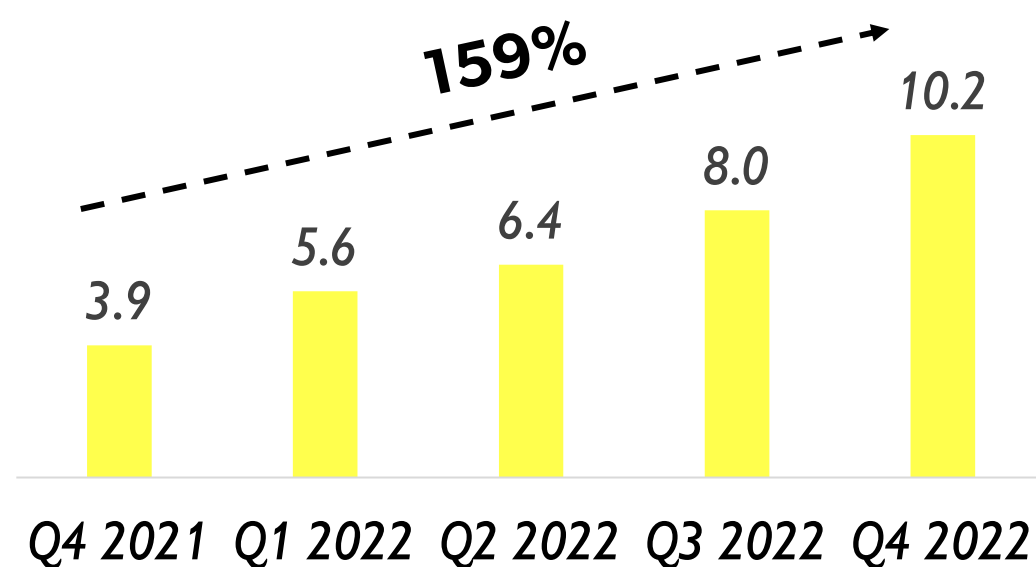
2nd Pillar pension waterfall chart Q4 2021 – Q4 2022
Millions EUR, based on management estimates



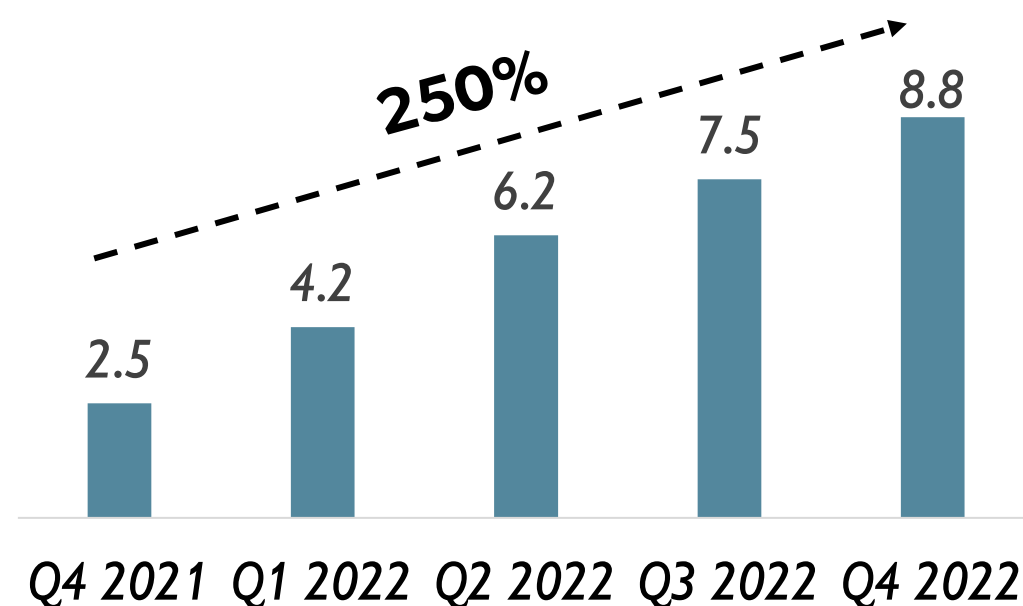
From: 4.2 million euro in Dec 2021
To: 6.5 million euro in Dec 2022
55% increase

Our 3rd pillar pension plans have had 1 full year of operations

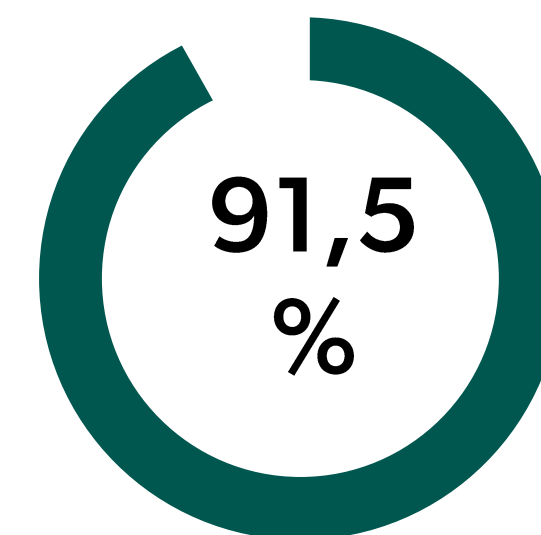
3rd pillar pension assets, millions EUR



3rd pillar pension clients, thousands



Clients with automatic equity/bond allocation

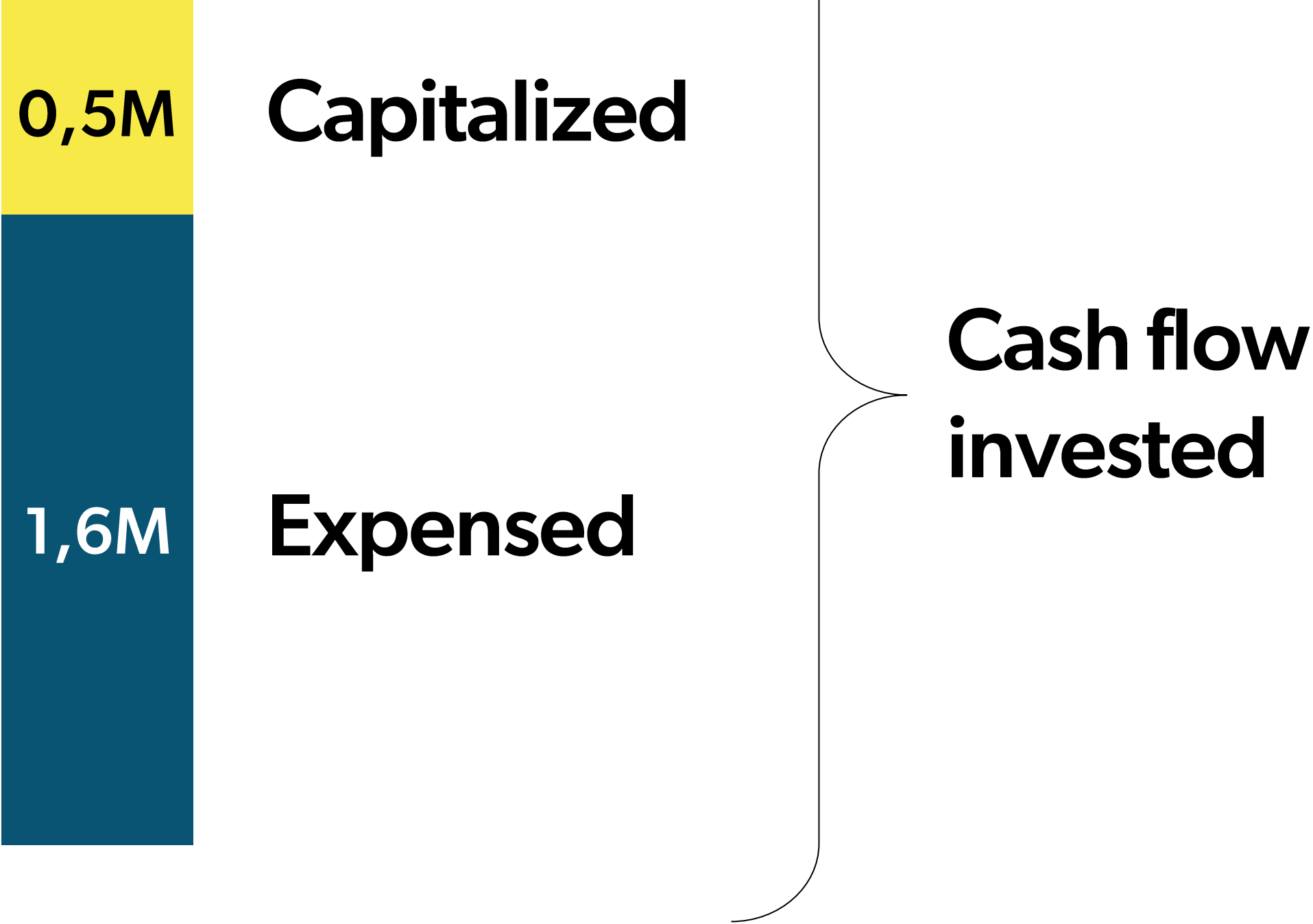


**INDEXO keeps
investing in future
growth by acquiring
new clients**

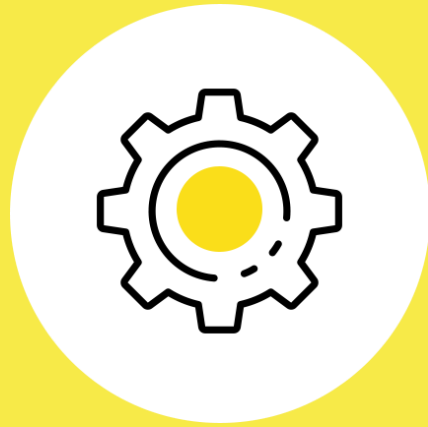
**IPO total expenses
235 thousands in
year 2022**

		<i>Jan – Dec 2022</i>
<i>Commission and other income</i>	<i>EUR</i>	<i>2 277 620</i>
<i>Administrative and other expenses allocation</i>	<i>EUR</i>	<i>(783 893)</i>
Operating income before client acquisition and other business project expenses	EUR	1 493 727
<i>Client acquisition</i>	<i>EUR</i>	<i>(1 579 333)</i>
Pension management operating result	EUR	(85 606)
<i>Bank development expenses</i>	<i>EUR</i>	<i>(1 186 197)</i>
Net income	EUR	(1 271 803)

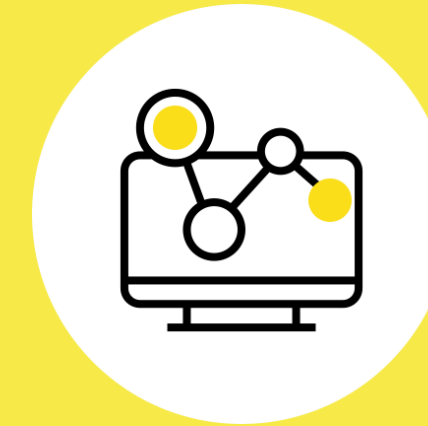
Client acquisition is partially capitalized and should be viewed on a cash flow basis



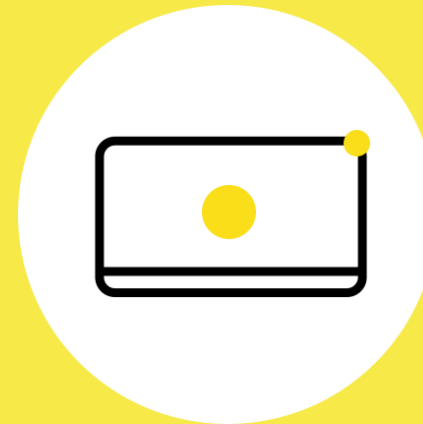
We have invested 1,2 million EUR in bank development



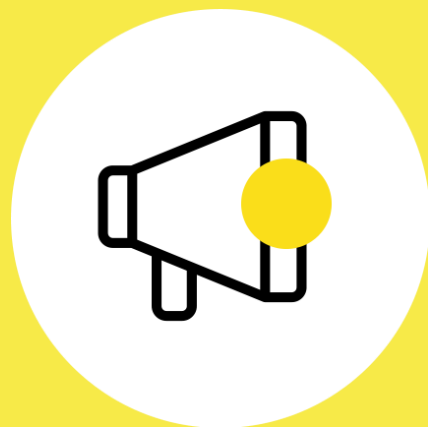
Selected key systems
(Mambu core banking, Nets card Processing,
Microsoft Dynamics CRM and ERP)



**Actively engaging customers in bank
product design**



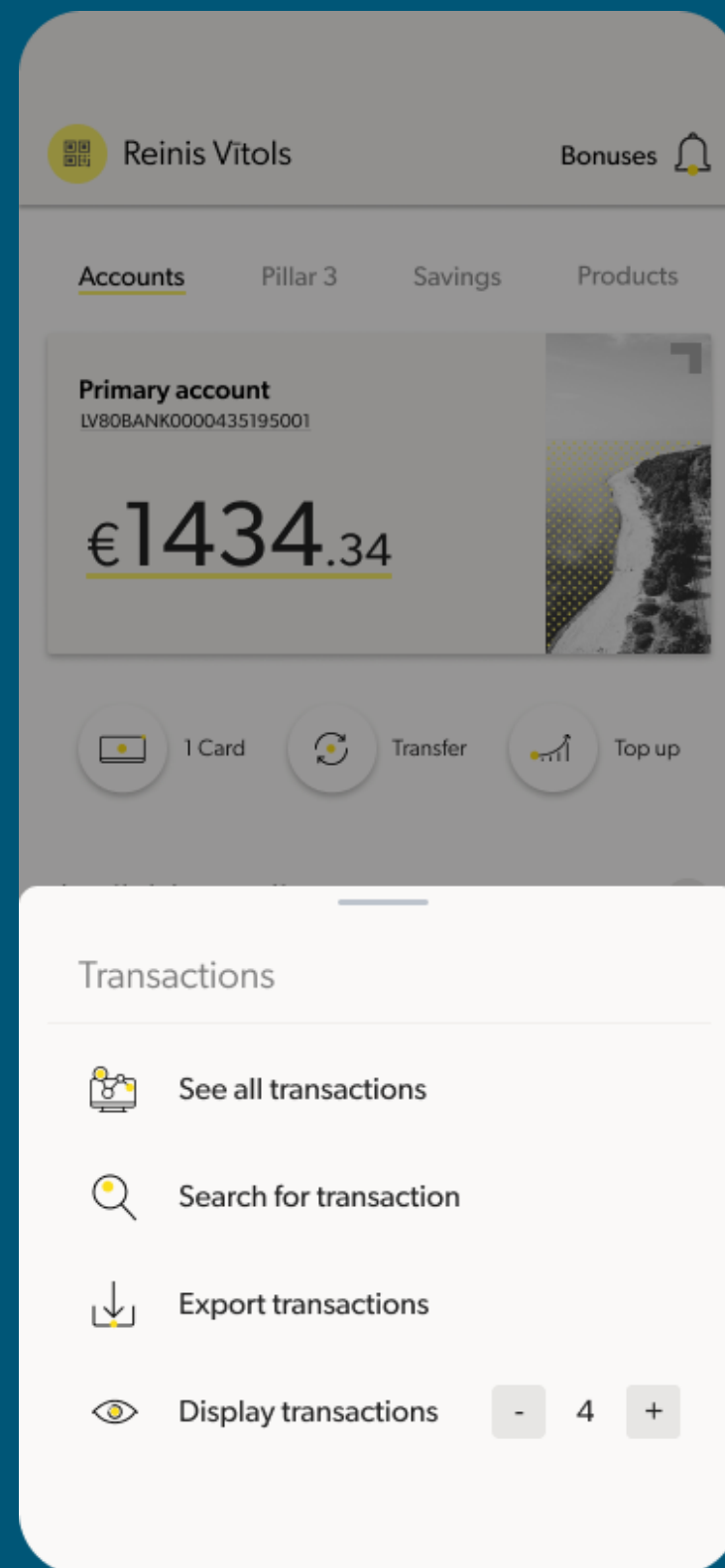
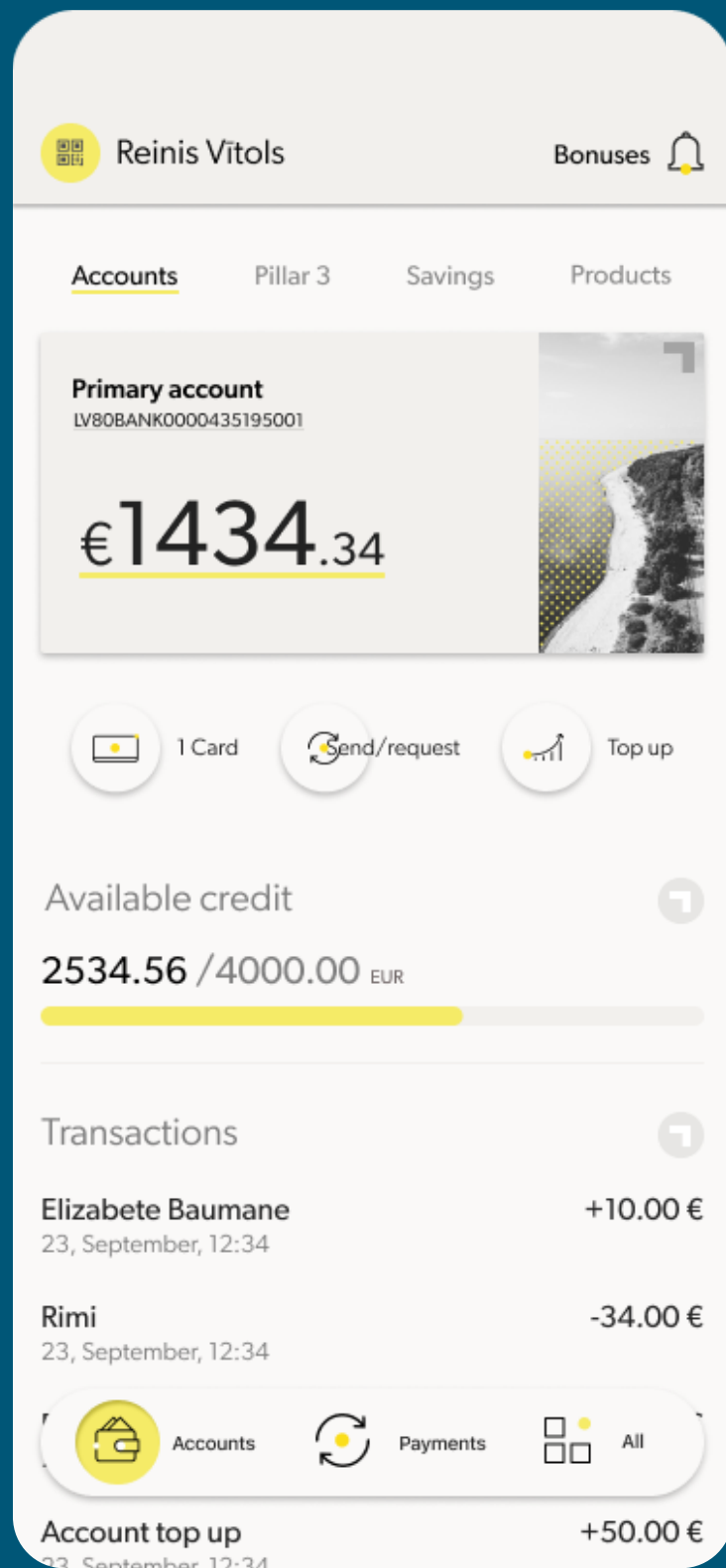
**Mobile app development
in progress**



Key staff members recruited



**Licensing applications submitted to
Bank of Latvia**



Simple for everyday user, customizable for power users

Potential INDEXXO credit card design

Consolidated Statement of Comprehensive Income

	Notes	Jan – Dec 2022	Jan – Dec 2021
		Group	Group
		EUR	EUR
<i>Commission and fee income</i>	2	2 277 620	1 602 021
<i>Administrative expenses</i>	10	(3 514 964)	(1 581 787)
<i>Interest income calculated using the effective interest rate</i>	3	2 495	-
<i>Interest expense</i>	4	(3 147)	(1 386)
<i>Other operating expenses</i>		(32 738)	(9 947)
Profit/(loss) before corporate income tax		(1 270 734)	8 901
<i>Corporate income tax</i>		(1 069)	-
Profit/(loss) for the period		(1 271 803)	8 901
Total comprehensive profit/(loss) for the period, attributable to shareholders for the period		(1 271 803)	8 901
Basic earnings per share	23	(0.36)	(0.00)
Diluted earnings per share	23	(0.33)	(0.00)

Consolidated Statements of Financial Position

	Notes	Dec 2022	Dec 2021
		Group	Group
		EUR	EUR
ASSETS			
Placements with financial institutions	6	7 231 123	1 162 841
Receivables	7	220 190	169 055
Prepayments	8	24 279	3 465
Contract acquisition costs	9	990 417	535 977
Other assets		6 937	2 828
Intangible assets	10	177 177	108 114
Property, plant and equipment and right-of-use of assets	10	81 870	47 713
Investments in subsidiaries	11	-	-
Investments in associates	12	49 000	-
Other securities and investments	13	11 663	11 663
TOTAL ASSETS		8 792 656	2 041 656
EQUITY AND LIABILITIES			
Accrued liabilities	14	193 584	120 962
Trade payables	15	89 072	35 049
Taxes and national social insurance mandatory contributions	16	95 245	48 151
Lease liabilities	10	90 468	39 332
Other liabilities	17	233 046	143 899
Total liabilities:		701 415	387 393
Equity			
Share capital	18	3 568 511	3 016 987
Share options		176 960	5 436
Share premium		7 062 908	77 175
Retained losses		(2 717 138)	(1 445 335)
Total equity		8 091 241	1 654 263
TOTAL EQUITY AND LIABILITIES		8 792 656	2 041 656

Consolidated Statement of Changes in Equity

	Notes	Share capital EUR	Share options EUR	Share premium EUR	Retained losses EUR	Total EUR
At 31.12.2020		3 016 987	5 436	77 175	(1 454 236)	1 645 362
Total comprehensive profit/(loss) for the period		-	-	-	8 901	8 901
At 31.12.2021		3 016 987	5 436	77 175	(1 445 335)	1 654 263
Increase in Share option reserves		-	171 524	-	-	171 524
Increase in Share capital after public listing	18	535 000	-	6 955 000	-	7 490 000
Increase in Share capital after share option exercise	3	16 524	-	30 733	-	47 257
Total comprehensive profit/(loss) for the period		-	-	-	(1 271 803)	(1 271 803)
At 31.12.2022		3 568 511	176 960	7 062 908	(2 717 138)	8 091 241

Consolidated Statement of Cash Flows

Notes	Jan – Dec	Jan – Dec
	2022	2021
	Group	Group
	EUR	EUR
Cash flow from operating activities		
	(1 270 734)	8 901
Profit/(loss) before corporate income tax		
10	69 760	28 662
Depreciation of PPE and amortisation of right-of-use assets		
9	139 277	65 977
Amortisation of contract acquisition costs		
	171 524	-
Amortization of Share option reserves		
	(2 495)	-
Interest income		
10	3 147	1 386
Interest expense		
	(889 521)	104 926
(Decrease)/increase in cash and cash equivalents from operating activities before changes in assets and liabilities		
	(670 111)	(400 266)
Increase in receivables, prepayments, and other assets		
	76 330	60 419
Increase in accrued liabilities		
	192 001	155 934
Increase in trade payables and other liabilities		
	(1 069)	-
Corporate income tax		
	(1 292 370)	(78 987)
Increase/(decrease) in cash and cash equivalents from operating activities		
Cash flow from investing activities		
10	(97 402)	(60 737)
PPE purchases		
11	-	-
Investments in subsidiaries		
12	(49 000)	-
Investments in associated company share capital		
	750	
Interest income received		
13	-	(11 663)
Other securities and investments		
	(145 652)	(72 400)
Decrease in cash and cash equivalents from investing activities		
Cash flow from financing activities		
	7 537 257	-
Share issue		
10	(27 806)	(14 815)
Payment of principal of lease liabilities		
10	(3 147)	(1 386)
Interest paid on lease liabilities		
	7 506 304	(16 201)
(Decrease)/increase in cash and cash equivalents from financing activities		
	6 068 282	(167 588)
(Decrease)/increase in cash and cash equivalents		
	1 162 841	1 330 429
Cash and cash equivalents at the beginning of the reporting period		
6	7 231 123	1 162 841
Cash and cash equivalents at the end of the reporting period		

INDEXO⁷

For a better financial environment in Latvia!

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