



NEO  
Finance

# NEO FINANCE, AB

Financial report 2021 Q3

Vilnius | 2021-10-29



# Company Structure

NEO Finance, AB is currently conducting its activities under 3 different brands: Paskolų klubas, Neopay and FinoMark.

NEO Finance, AB was established in 2014, and in 2016 the company was the first of the platforms included by the Bank of Lithuania in the list of P2P lending platforms. The brand Paskolų klubas administered by NEO Finance, AB provides P2P lending services in Lithuania, while citizens of the European Union, the Free Trade Association and the European Economic Area, for whom the services are provided under the platform brand NEO Finance, may also invest in loans.

In 2015, a limited e-money institution license has been issued for the company and in 2017 – an unlimited e-money institution license which allows operations in the European Union has been issued by the Bank of Lithuania. In 2018, NEO Finance, AB became the first Lithuanian capital company to start providing a payment initiation service.

In 2020, NEO Finance, AB acquired the crowdfunding platform FinoMark, UAB, which started operations in February 2021, when the Bank of Lithuania included it in the list of crowdfunding platform operators.

Out of 40 250 000 pcs. registered shares NEO Finance owns 35 863 750 ordinary registered shares of FinoMark which is 89.1 percent from all ordinary registered shares.

## Current Structure of NEO Finance Companies' Activities:





## P2P lending platform

### Services:

**Investing for natural people and legal entities:**

- High return for investors 8-16%.
- No hidden commissions fees.
- Fast, convenient and online service.

**Consumer loans for natural people:**

- Loan's interest from 5%.
- No upfront fees.
- Fast, convenient and online service.



## Open banking

### Services:

**Payment initiation service.**

**Account information service.**

**Other payment services:**

- Fast contract signing process and easy integration.
- Collection of payments from the banks.
- Application for customers business needs.
- Instant payments.
- Good price guarantee.



## Crowdfunding platform

### Services:

**Investing for natural people.**

**And legal entities:**

- Investments of more than 500 EUR per loan are possible.
- Average interest 9%.
- Personal consulting.

**Loans for legal entities:**

- SME loans up to 500 K EUR.
- Loans for more 12 months operating companies.
- Evaluation of applications within 24 hours.

# **„NEO Finance“, AB**

## **Confirmation of company’s responsible persons**

29 October 2021

Vilnius

Hereby we confirm, that by our knowledge financial statements for the Q3 of 2021 prepared in accordance with accounting standards are true and fairly present assets, liabilities, financial position, profit or loss. As well we confirm that by our knowledge interim report for the Q3 of 2021 includes a fair view of the development and performance of the business.

**NEO Finance, AB Head of the administration**

**Aleksėjus Loskutovas**



**NEO Finance, AB Financial Analyst**

**Aivaras Bielskis**





# Content

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Comment from the Head of Administration	page 6
Overview of Company's performance	page 8
Overview of Company's financial and operating results of 2021 Q3	page 20



## Aleksėjus Loskutovas,

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### Head of Administration

The most significant event of the third quarter was the signing of an agreement with the institutional investor. Hamburg-based asset management company nordIX has committed to invest at least EUR 3 M to NEO Finance's loan portfolio through securities issued by Chartered Opus. In the Lithuanian consumer credit market, we see fierce competition from financial institutions. In order to remain active market players and be able to compete with the high street banks, we had to make decisions and we are happy to have signed an agreement with the first institutional investor. Along with its arrival, a change in the interest avoidance policy was adopted, which will allow faster completion of transactions – NEO Finance now has the right to invest loans without a queue. It is important to note that the practice of NEO Finance not investing more than 50 percent in a specific loan will continue to be implemented.

The third quarter was the best in terms of all the company's activities. The P2P lending platform Paskolų klubas has issued loans for more than EUR 7,71 M, of which as much as EUR 2,79 M were refinancing loans. We are pleased with the increase in refinanced consumer credits, which more than

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doubled compared to the same period last year. These figures prove that the company is doing well in achieving its strategic objective of becoming an attractive financial intermediary in the market. Two all-time highs were also achieved during the quarter, with the highest number of issues per month and the highest amount funded per day. The influx of the already mentioned institutional investor undoubtedly contributed to these results. Compared to the same quarter of 2020, the volume of loans issued by the company grew by as much as 64 percent.

In the third quarter of 2021, 3,99 M transactions were initiated through Neopay. The number of initiated payments in the third quarter of this year, compared to last year, increased by as much as 144 percent. Neopay has already successfully established itself in all the Baltic countries, therefore, further development steps are aimed at the markets of Poland, Scandinavia, the Netherlands and other countries. In the third quarter of this year, Neopay was integrated with all banks in Poland, which meet Neopay's criteria for the planned number of transactions, as well, a sales and partnership manager in Poland started working. Also, in order to improve the user experience, a Neopay self-service for small e-merchants was programmed in the third quarter, which will provide the possibility to quickly and smoothly go through the testing process and commence the usage of Neopay services. Along with the Paskolų klubas, the introduction of installment purchase through the Neopay service has started.

The crowdfunding platform FinoMark issued EUR 181 K of loans to businesses during the third quarter. The platform has undergone a financial audit, improved and automated functionality to provide information on overdue loans, and expanded access to information for investors on the debt collection process.

At the end of the third quarter of 2021, the company's capital was increased to EUR 1,78 M, taking into account the mandatory capital requirements and in order to invest in the growth of Neopay and FinoMark.

The revenue of NEO Finance in the third quarter of 2021 compared to the third quarter of 2020, grew by 34 percent and amounted to EUR 913 531. Comparing the same periods, EBITDA decreased by 29 percent and amounted to EUR 117 139 this year, up from EUR 164 265 last year. Profit before tax also decreased by 44 percent and stood at EUR 69 035 this quarter. The biggest impact on the profit decrease was made by the fact that in the third quarter of 2020, intangible assets were capitalized for EUR 284 K, while in the third quarter of 2021, it was capitalized for EUR 165 K.

The growth rates of the third quarter of 2021 prove that the company's efforts to invest in the development of new products and improvement of existing ones do not go unnoticed – people are increasingly turning to alternative financing opportunities and choosing them more and more often. Throughout the quarter, processes were actively improved for borrowers and their service managers, who will contribute to ever-increasing loan volumes and amounts in the future. Also, a great deal of attention was paid to the area of money laundering prevention and regulatory compliance processes, internal audits were performed, and technological tools were improved.

Assessing the company's results achieved so far, the Company's Board and executives believe that the time has passed for the successfully established Lithuanian Paskolų klubas brand to enter new markets, therefore, the development of a platform business model in another country is currently being actively considered.





## Company Performance Overview

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- In January 2014, NEO Finance, AB was established in Lithuania.
- In October 2015, the company was issued a limited electronic money institution license.
- In April 2016, the company was the first of the platforms to be included in the list of P2P lending platforms administered by the Bank of Lithuania.
- In January 2017, the company was granted an electronic money institution license, which allows it to provide services throughout the European Union.
- In 2018, NEO Finance, AB became the first Lithuanian capital company to start providing a payment initiation service.
- In March 2019, a subsidiary NEO Finance B.V. was established in the Netherlands.
- In June 2019, the company publicly issued a share issue and became a listed company on the Nasdaq Baltic First North Market.
- In May 2020, the Company's EMI license was supplemented with the Account Information Service.
- In June 2020, it acquired 100 % of the shares of the company FinoMark.
- In February 2021, the Paskolų klubas provided an opportunity to invest in loans for individuals to legal entities.
- • After the Bank of Lithuania added FinoMark to the list of operators of crowdfunding platforms in February 2021, the platform started its operations.
- In February 2021, Aleksėjus Loskutovas took over the position of the Head of Administration of NEO Finance.
- In May 2021, the SEPA Instant Credit Transfer service was launched for NEO Finance customers.
- In August 2021, the first institutional investor to start investing in NEO Finance – the Hamburg-based asset management company nordIX – has committed to invest at least EUR 3 M to NEO Finance's loan portfolio. In the first months, nordIX invested EUR 719 K. In addition, NEO Finance sold its own loan portfolio to institutional investors for EUR 950 K.
- In September, FinoMark has started cooperating with the debt collection company Legal Balance, which manages the platform Eskolos.lt.





## Main financial ratios of NEO Finance, AB

Based on non-audited accounting data, income has grown significantly up to EUR 914 K. Compared to 2020 Q3, it increased by 34 %.

- Marketing costs increased 5 % from EUR 158 K to EUR 166 K.
- Debt recovery costs decreased by 45 % from EUR 133 K to EUR 63 K.
- Salary expenses rose by 99 % from EUR 111 K to EUR 220 K.
- Number of registered users grew by 20 %, up to almost 125 K users.
- EUR 7,7 M of financed loans were granted.
- In 2021 Q3, the development of the Paskolų klubas and Neopay platforms generated intangible assets for EUR 165 007, which were capitalized in that period.
- In 2020 Q3, intangible assets were capitalized for EUR 284 228. Most of these costs are previously uncapitalized IT costs for the development of the Neopay, as well as, IT costs incurred in that quarter for the improvement of the Paskolų klubas platform.
- Due to the higher capitalization of IT costs, in 2020 Q3 lower costs incurred. The difference in capitalization between the mentioned quarters resulted in the fact that in 2020 Q3 the profit was higher than in 2021 Q3.
- Pre-tax profit in 2021 Q3 was 69 035 EUR, while in 2020 Q3 it was 122 372 EUR.

	2021 Q3	2020 Q3	Δ, %
<b>Granted loans, EUR</b>	<b>7 718 577</b>	<b>4 718 978</b>	<b>64%</b>
Income, EUR	913 531	680 987	34%
Cost of Sales, EUR	(466 044)	(330 481)	41%
Gross profit (loss), EUR	447 487	350 506	28%
General and administrative expenses, EUR	(330 349)	(186 241)	77%
<b>EBITDA, EUR</b>	<b>117 139</b>	<b>164 265</b>	<b>-29%</b>
Pre-tax profit, EUR	69 035	122 372	-44%
<b>EBITDA Margin, %</b>	<b>13%</b>	<b>24%</b>	
Return on Equity (ROE), %	3%	9%	

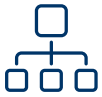


## Management accounts

Majority of the revenues from P2P lending activities are distributed throughout the loan period, and these revenues are received only when the borrower actually makes the instalment. For management purposes, future intermediary fee is presented in a year it is generated.

	2021 Q3	2020 Q3	Δ, %
<b>Granted loans, EUR</b>	<b>7 718 577</b>	<b>4 718 978</b>	<b>64%</b>
Intermediary fee income*, EUR	776 685	459 125	69%
Intermediary fee / Granted loans ratio, %	10%	10%	
Other income, EUR	537 867	534 697	1%
Cost of sales, EUR	-466 044	-330 481	41%
General and administrative expenses, EUR	-330 349	-186 241	77%
<b>EBITDA, EUR</b>	<b>518 159</b>	<b>477 100</b>	<b>9%</b>

In the end of 2021 Q3, outstanding intermediary fee amounted to EUR 6,68 M. In the table, intermediary fee income encompasses all future intermediary fee proceeds generated by the issue result of corresponding period.



## Company's management

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In compliance with legal requirements and in aspiration to make the governance modern and effective, a three-fold management system has been implemented: the management consists of annual general meeting, board and CEO. Company's Board consists of 4 members: Evaldas Remeikis (chairman), Deividas Tumas, Marius Navickas, Aiva Remeikienė.



### **Aleksėjus Loskutovas**

#### Head of Administration

Aleksėjus, who has more than 15 years of experience in the financial sector, previously held various managerial positions at a bank, leasing company and credit union. He also gained professional experience in start-up and business consulting. He joined NEO Finance, AB in 2018 to work on the development of the payment initiation service Neopay. After two years of actively leading the development of the service A. Loskutovas approved as the head of administration of NEO Finance, AB in 2021 February 19.

### Other managerial positions of Board members and Head of Administration:



### **Evaldas Remeikis**

#### Chairman of the board

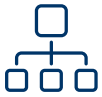
With a wealth of business experience, he is board member at various companies. Among his most interesting and most significant career achievements is his participation in the creation of successful companies that operate in the technology and finance industry, and investments in startup companies.

Main occupation:

ERA Capital, UAB (code 300638657, address Ulonų st. 5, Vilnius, Lithuania), CEO

Other positions:

- NEO Finance, AB (code 303225546, address A. Vivulskio st. 7, Vilnius, Lithuania), chairman of the board
- UCS Baltic, UAB (code 110825653, address Ulonų st. 5, Vilnius, Lithuania), chairman of the board
- Legal Balance, UAB (code 302528679, address Žalgirio st. 90, Vilnius, Lithuania), chairman of the board
- BnP Finance, UAB (code 302447985, address Žalgirio st. 90, Vilnius, Lithuania), member of the board
- UCS, SIA (code 40003753650, address Lokomotīves iela 34, Rīga, Latvia), chairman of the board
- LITBAN, Lithuanian Business Angel Network (code 304811409, address L. Stuokos-Gucevičiaus str. 9-10, Vilnius) member of the board



## Company's management

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### **Deividas Tumas**

#### Member of the board

An experienced business consultant, Deividas holds an M.B.A. from INSEAD business school (France/Singapore), and has worked in the international management consulting company McKinsey & Company. He is the founder of Strategy Labs management consultancy. Currently, Deividas is investing in and developing a number of businesses and serves as Board member in several companies.

Main occupation:

Value Capital, UAB (code 303170249, address Raugyklos st. 21-19, Vilnius, Lithuania), CEO

Other positions:

- NEO Finance, AB (code 303225546, address A. Vivulskio st. 7, Vilnius, Lithuania), member of the board
- Robolabs, UAB (code 304222026, address Raugyklos st. 21A-20, LT-01140 Vilnius, Lithuania) member of the board
- Vienas Fabrikas, UAB (code 305766664, address Raugyklos st. 21-19, LT-01140 Vilnius, Lithuania) CEO



### **Aiva Remeikienė**

#### Member of the board

Aiva has a sound experience in the management of successful financial service companies. The list of her most significant occupational achievements includes managing a company providing financial services which, after six years of its activity, became known, well rated, achieved great results and continues to grow.

Other positions:

- NEO Finance, AB (code 303225546, address A. Vivulskio st. 7, Vilnius, Lithuania), member of the board
- UCS Baltic, UAB (code 110825653, address Ulonų st. 5, Vilnius, Lithuania), member of the board



### **Marius Navickas**

#### Member of the board

Marius, who has a masters in Economics, previously worked at a bank, where he held managerial positions of different departments in the field of risk management. He also gained professional experience while working in an external audit company. After passing the qualification exams of the CFA Institute, Marius is a member of the international association of financial analysts.

Other positions:

- NEO Finance, AB (code 303225546, address A. Vivulskio st. 7, Vilnius, Lithuania), member of the board



## Capital of NEO Finance, AB

- Until 2021 Q3, EUR 4,7 M has been invested in the company via capital increase and share premiums.
- During 2021 Q3 capital increases were done. Company's capital was increased by **EUR 445 K** in September.
- In the end of 2021 Q3, company's authorized capital was EUR 1,84 M.

As an e-money institution, since 2017, NEO Finance, AB, must comply with the requirement of minimum private capital of EUR 350 K and, if the capital decreases below that, shareholders shall make certain decisions so that it is brought back to EUR 350 K. Based on this ruling, sufficiency of the capital of e-money institution is calculated by subtracting intangible assets and deferred tax asset from the equity capital. At 2021 Q3 end, equity capital in company's balance sheet was equal to EUR 2,19 M. According to the requirements approved by the Bank of Lithuania the supervisory capital was equal to EUR 494 K - more than the minimum requirement.

## Income and costs

**Based on different activities of the company, 3 categories of income are in place:**

- P2P lending related income.
- E-money issuance and management related income.
- Investment activity income.

The fact worth mentioning is that the majority of NEO Finance's, AB P2P lending related income is distributed throughout the loan period, and these revenues are received only when the borrower actually makes the monthly installment. The company has chosen such income collection method due to requirements of Law on Consumer Credit, as well as aspiration to be as much motivated to mediate and return the necessary interest to investors as possible. As the company collects its intermediary fee the way described above, company's income is moved towards future periods, therefore, the method of counting company's income is very different from that of competitors and is not comparable. In June 2018, changes in Law on Consumer Credit allowing P2P platform operators to charge borrowers with 50% of the platform fee right away, have come into force. Despite that, NEO Finance, AB will keep on collecting only the intermediary fee from actual monthly installments, which will ensure staying the most attractive P2P platform for borrowers, as well as keeping investors' trust.

	2021 Q3	2020 Q3
<b>Income, EUR</b>	<b>913 531</b>	<b>680 987</b>
P2P lending related income, EUR	526 844	466 205
E-money issuance and management related income, EUR	229 521	154 028
Investment activity income, EUR	157 166	60 754

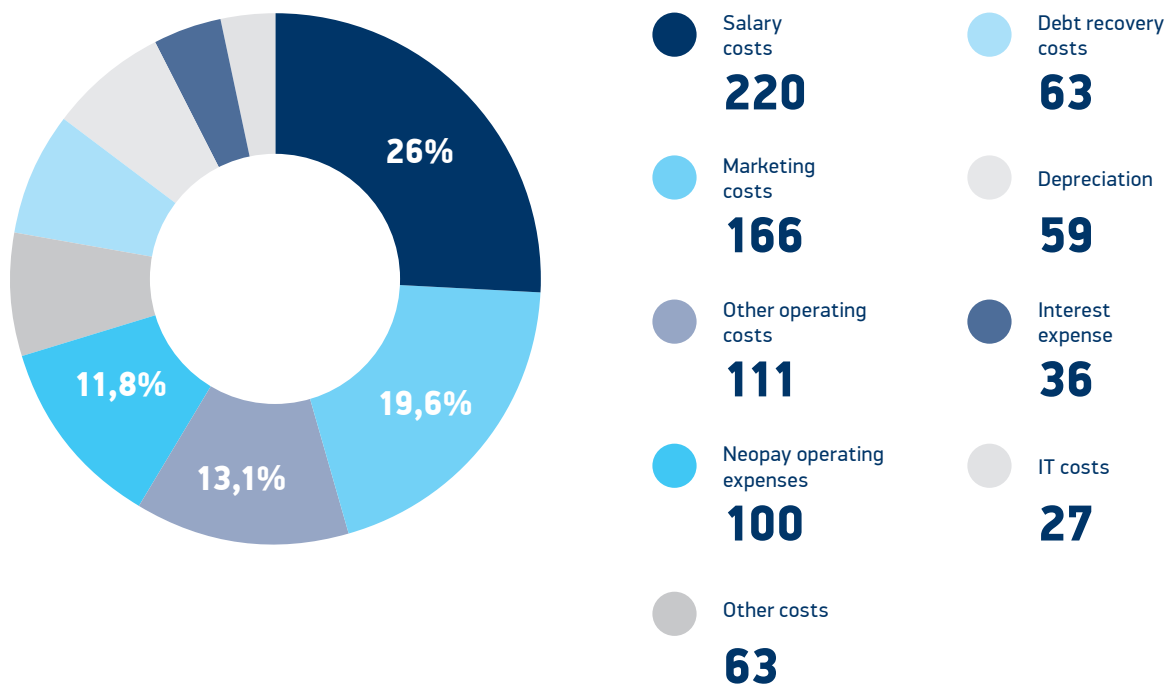


## Capital of NEO Finance, AB

### Income and costs

In 2021 Q3, total costs of the company, including sales and marketing expenses, summed up to EUR 845 K. The company is further developing its IT platform, based on customer needs, everchanging regulations, and P2P lending trends. During 2021 Q3, EUR 27 K have been allocated to research of new functions, programming, deployment and testing. Every month until July of 2021 and after that every quarter, according to the costs incurred while creating the new version of the platform, the company creates the intangible assets card, and the costs incurred are moved to intangible assets, which is depreciated during 4 years. In 2021 Q3, this sum amounted to EUR 59 K. In 2021 Q3, the company had 36 employees on average. The company pays competitive salaries with an effective motivation system. During 2021 Q3, EUR 220 K was allocated for salaries.

#### 2021 Q3 costs, K EUR



Other costs include expenses for databases, messages for borrowers and investors, provision costs.

Other operating costs include all other expenses related to the company and personnel. This includes: rent, utilities, transportation, mobile and fixed data, internal and external audit, stationery, parcel delivery, depreciation and Provision fund provisions.

Neopay operating expenses include costs related to Neopay sales and administrative expenses.

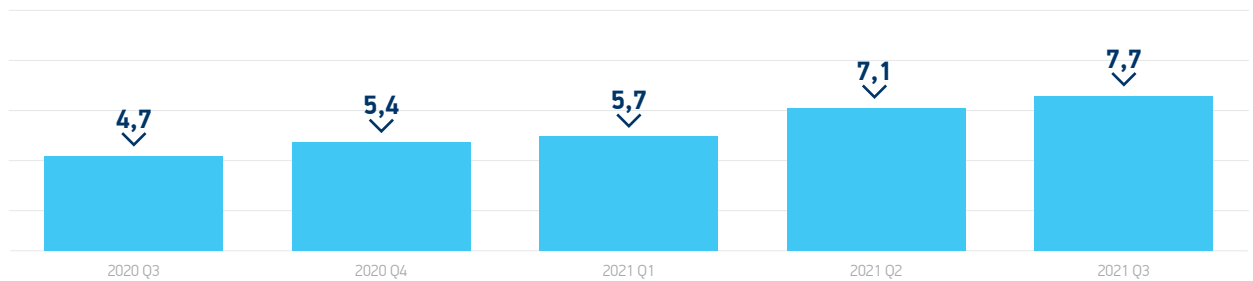


## Paskolų klubas

Paskolų klubas is the largest P2P lending platform in Lithuania administered by NEO Finance. The platform unites customers who want to borrow with those who can lend and want to invest in consumer credits and thus earn a return on investment.

During 2021 Q3, due to increasing affiliate network and established brand awareness, the number of registered users has grown by 20 %. The growth of borrowers was 20 %, while that of investors was equal to 19 %. The overall growth of users during 2021 Q3 equaled to 20 385. At the same time the number of active users grew by 15 %. Active investors grew by 14%, active borrowers grew by 19 %. During 2021 Q3, the company has mediated in issuing EUR 7,719 M worth of consumer credits. In comparison, in 2020 Q3, the investors financed EUR 4,718 M worth of loans.

### Granted loans, M EUR



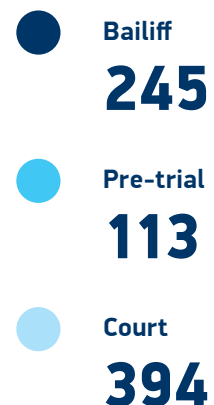
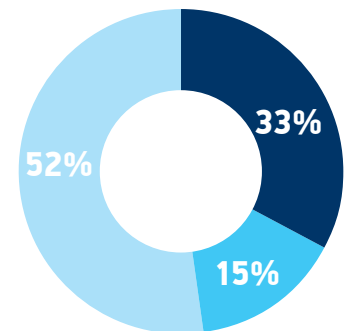
## Debt recovery

When the borrower is late to pay at least 1 payment, they are notified via e-mail and SMS messages. After 32 overdue days, the debt is registered in Creditinfo Lietuva, UAB database, and on the 41st day, recovery is transferred to debt recovery agency.

During 2021 Q3, recovered amount summed up to EUR 752 K. 15 % of the debts have been recovered via pre-trial method. Bailiffs have recovered 33 %, and trial – 52 % of the debts.

Debt recovery is performed by Legal Balance, UAB. We are satisfied with cooperation results, and hope that further on, we will considerably exceed the Lithuanian rates of recovering delinquent consumer credits. The company therefore offers buy-back service, where the investor has an option to receive 50-100 % of face value of the investment without waiting for the recovery process. During 2021 Q3, amount paid to investors for claim rights was equal to EUR 19 K. During the same period last year, the company paid EUR 54 K to investors for claim rights.

### Debt recovery, K EUR

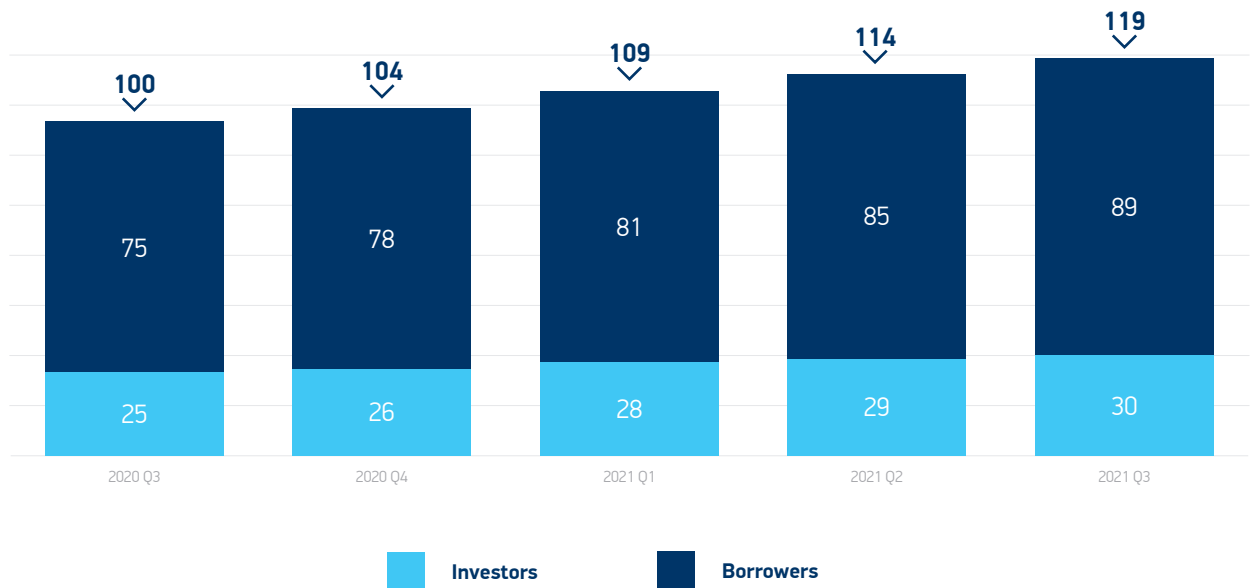




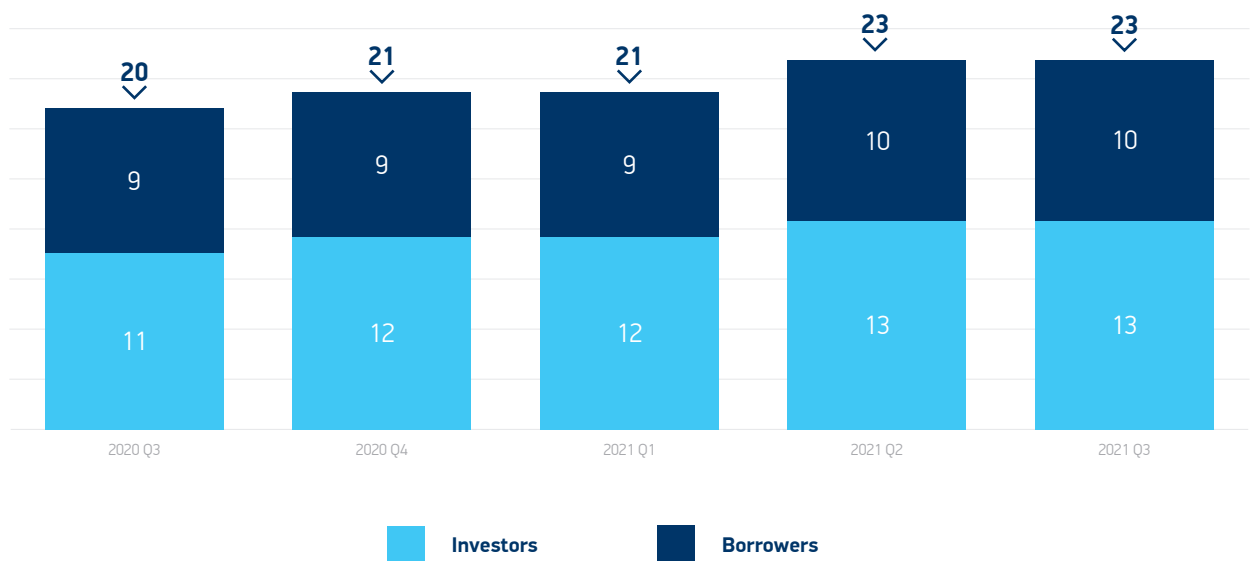


# Paskolų klubas

## Registered users, K



## Active users, K





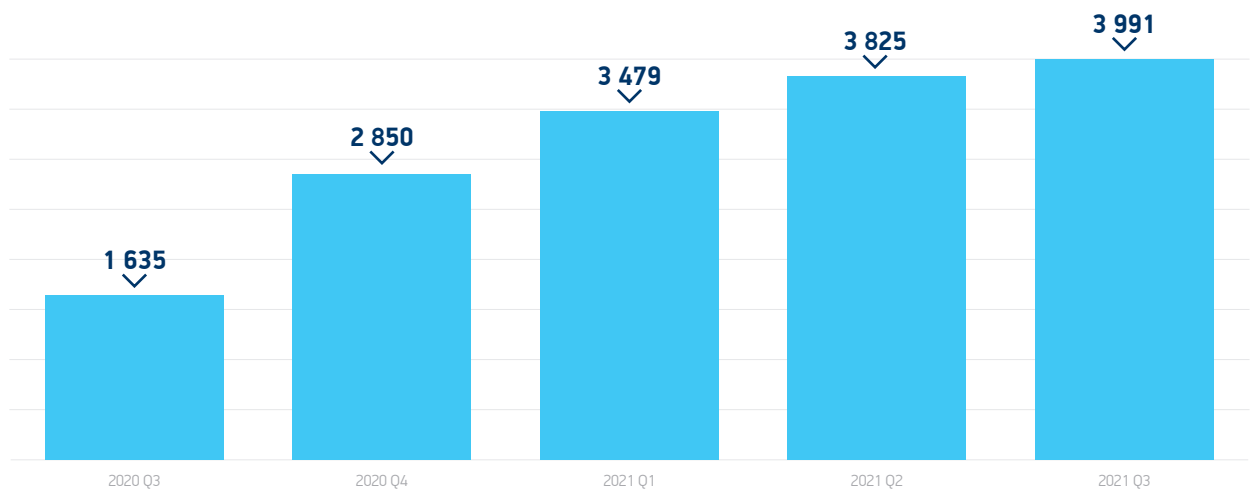
## Neopay

NEO Finance is a licensed payment initiation, account information and other payment services provider operating under the Neopay brand.

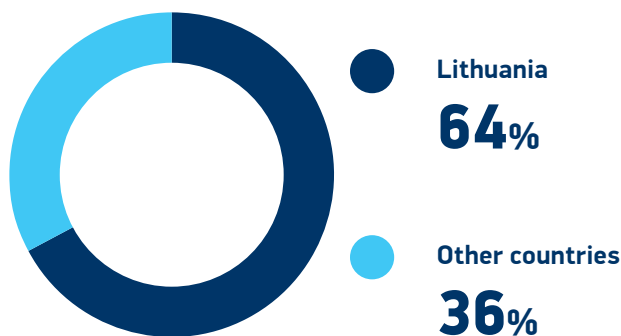
Open banking department provides payment initiation and account information services through APIs with banks and other financial institutions, as required by the Law on Payments of the Republic of Lithuania and the second Payment Services Directive (PSD2). The total number of connected financial institutions is 130. The full list by country [is here](#).

In the 2021 Q3, 3.99 million transactions were initiated through Neopay. The number of initiated payments increased by 4% in the 2021 Q3 compared to the 2021 Q2.

### PIS transactions, units, K



### PIS transactions distribution by countries



In addition to payment initiation and account information services, Neopay provides periodic payment, deposit collection and distribution services, active payment links, personal identification number verification, and 1-click payment functionalities, can offer a custom payment window or a white-label solution tailored to the customer's brand design, offers an open banking interface testing service to financial institutions



### **Commencement of the Activities of the Platform**

In February 2021, after a thorough evaluation of FinoMark's business model, the Bank of Lithuania granted the platform permission to carry out crowdfunding activities.

FinoMark, upon commencement of its operations first of all provided an opportunity to get acquainted with and invest in the projects announced on the platform, exclusively for investors with the NEO Finance VIP status and who have invested more than EUR 15 K. In June 2021, the crowdfunding platform was introduced to the public and became available to all investors.

### **Future Vision of the Platform**

The initial plan of the developers of FinoMark, UAB pooled financing platform to establish itself in the Lithuanian market in 2021 and offer consumers solutions that will create significant added value for both investors and borrowers.

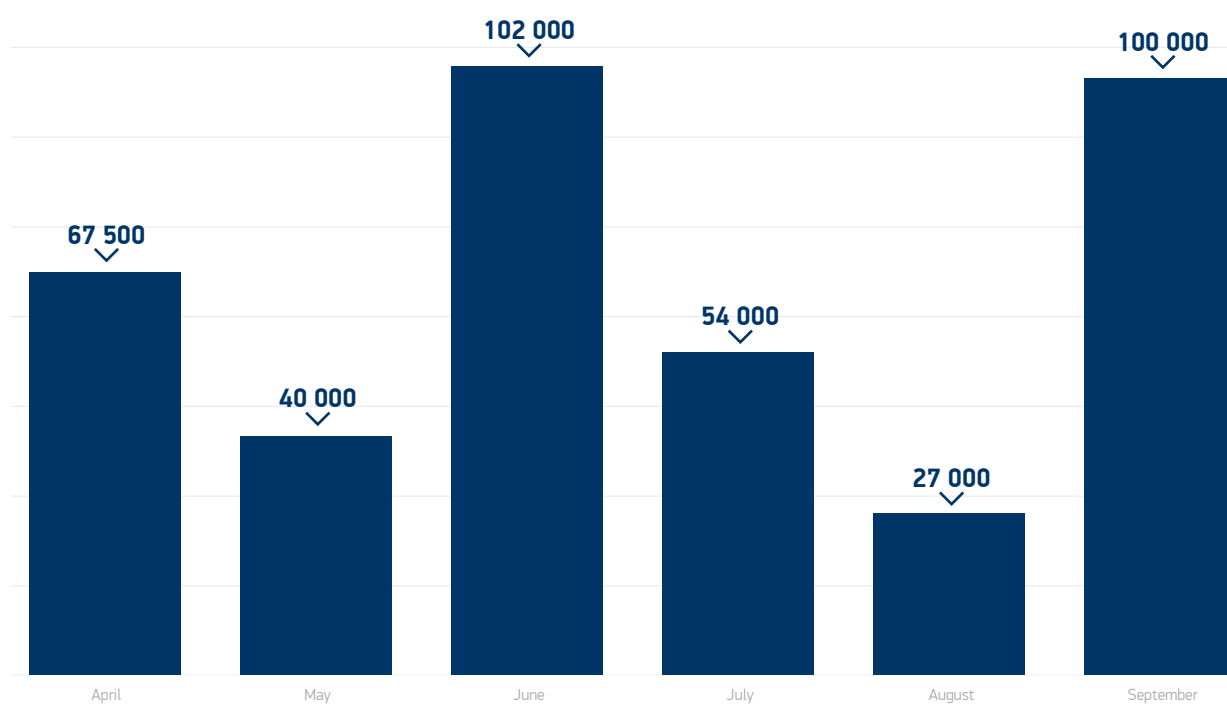
In 2022, it is planned to start expanding into foreign markets and offer more financial solutions to borrowers. The newly implemented financial solutions on the platform will allow investors to choose different types of terms, interest rates and collateral.

The developers of the FinoMark, UAB platform look ambitiously at the financial technology market and are preparing for active development in foreign markets with different business financing products.

FinoMark, UAB is a crowdfunding platform operating according to the fundraising and investment model, which modernizes the financing process and provides a more efficient and more value-added solution for the end user. The main goal of the team is to help each business achieve its intended business goals by providing flexible financial services.

FinoMark, UAB offers investors a safe and convenient platform for growing their investment portfolio. The team of the platform is ready to ensure attention and openness to each client.

## FinoMark granted loans, EUR



There were 1 037 active investors in the FinoMark platform in the end of Q3, 2021, of which 1 032 are individuals and 5 are legal entities. Total amount of EUR 9 472 interest was distributed to investors.

	2021 Q3
Granted loans, EUR	181 000
Income, EUR	59 505
Costs, EUR	(135 046)
<b>Pre-tax profit/loss, EUR</b>	<b>(75 541)</b>



## 2021 Q3 balance sheet, EUR

Item	Note	Group		Company	
		2021-09-30	2020-12-31	2021-09-30	2020-12-31
<b>ASSETS</b>					
<b>NON-CURRENT ASSETS</b>		<b>2 398 208</b>	<b>3 205 868</b>	<b>2 604 186</b>	<b>2 787 952</b>
Intangible Assets		963 290	564 530	796 325	564 530
Tangible Assets		42 041	44 940	38 122	42 328
Financial Assets		1 011 839	2 184 354	1 394 089	1 805 444
Other Assets		381 038	412 044	375 650	375 650
<b>CURRENT ASSETS</b>		<b>9 691 378</b>	<b>7 634 769</b>	<b>9 543 389</b>	<b>8 050 728</b>
Inventories, Prepayments And Contracts In Progress		53 557	46 782	38 229	29 779
Amounts Receivable Within One Year		571 265	272 278	584 763	783 692
Other Currents Assets		-	-	-	-
Cash And Cash Equivalents		9 066 556	7 315 709	8 920 397	7 237 257
<b>DEFERRED CHARGES AND ACCRUED INCOME</b>		<b>9 637</b>	<b>1 202</b>	<b>9 153</b>	<b>939</b>
<b>TOTAL ASSETS</b>		<b>12 099 223</b>	<b>10 841 839</b>	<b>12 156 728</b>	<b>10 839 619</b>
<b>EQUITY AND LIABILITIES</b>	<b>Note</b>	<b>2021-09-30</b>	<b>2020-12-31</b>	<b>2021-09-30</b>	<b>2020-12-31</b>
<b>EQUITY</b>		<b>1 883 801</b>	<b>1 477 181</b>	<b>2 192 233</b>	<b>1 489 497</b>
Capital		1 784 436	1 706 497	1 784 436	1 706 497
Share Premium		1 653 415	1 286 748	1 653 415	1 286 748
Revaluation Reserve (Results)		-	-	-	-
Reserves		-	-	-	-
Retained Earnings (Losses)		(1 560 744)	(1 516 064)	(1 245 618)	(1 503 748)
MINORITY INTEREST		6 694	-	-	-
<b>GRANTS AND SUBSIDIES</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>PROVISIONS</b>		<b>208 029</b>	<b>244 820</b>	<b>208 029</b>	<b>244 820</b>
<b>AMOUNTS PAYABLE AND LIABILITIES</b>		<b>9 995 672</b>	<b>9 108 805</b>	<b>9 748 775</b>	<b>9 086 688</b>
Non-Current Amounts Payable And Liabilities		1 102 228	705 099	1 014 872	912 405
Current Amounts Payable And Liabilities		8 893 444	8 403 706	8 733 903	8 174 283
<b>ACCRUED EXPENSES AND DEFERRED INCOME</b>		<b>11 721</b>	<b>11 033</b>	<b>7 691</b>	<b>18 614</b>
<b>TOTAL EQUITY AND LIABILITIES:</b>		<b>12 099 223</b>	<b>10 841 839</b>	<b>12 156 728</b>	<b>10 839 619</b>

\* Group – NEO Finance, AB, FinoMark, UAB, NEO Finance B.V



## 2021 Q3 profit (loss) statement, EUR

Item	Note	Group		Company	
		2021 Jan - Sept	2020	2021 Jan - Sept	2020
Sales revenue		2 552 641	2 482 954	2 496 793	2 483 245
Cost of Sales		(1 171 453)	(1 553 626)	(1 182 532)	(1 561 098)
GROSS PROFIT (LOSS)		1 381 188	929 328	1 314 261	922 147
<b>General and administrative expenses</b>		<b>(1 379 576)</b>	<b>(1 061 257)</b>	<b>(1 050 032)</b>	<b>(926 127)</b>
Other activities		(6 032)	(8 085)	(5 975)	(8 085)
Investment in the parent, subsidiaries and associated companies shares income		-	-	-	-
Other long-term investments and loan income		-	-	-	-
Other loans granted interest income		-	12 390	-	12 390
Financial asset and Short-term investment impairment costs		-	-	-	-
Interest expenses		(17 489)	(4 698)	(124)	(4 691)
PROFIT (LOSS) BEFORE TAX		(21 909)	(132 322)	258 130	(4 366)
Income tax		-	-	-	-
PROFIT (LOSS) BEFORE MINORITY INTEREST SEPARATION		(21 909)	(132 322)	258 130	(4 366)
MINORITY INTEREST		26 006	-	-	-
<b>NET PROFIT (LOSS)</b>		<b>4 097</b>	<b>(132 322)</b>	<b>258 130</b>	<b>(4 366)</b>

\* Group – NEO Finance, AB, FinoMark, UAB, NEO Finance B.V



## 2021 Q3 changes in equity statement, EUR

Item	Note	Paid up authorized or primary capital	Share premium account	Retained profit (loss)	Minority interest	Total
<b>1. Balance at the end of the reporting (yearly) period before previous</b>		<b>1 615 023</b>	<b>856 405</b>	<b>(1 383 742)</b>	-	<b>1 087 686</b>
2. Result of changes in accounting policies		-	-	-	-	-
3. Result of correcting material errors		-	-	-	-	-
4. Recalculated balance at the end of the reporting (yearly) period before previous		1 615 023	856 405	(1 383 742)	-	1 087 686
5. Net profit (loss) of the reporting period		-	-	(132 322)	-	(132 322)
<b>6. Increase (decrease) of other authorised or primary capital</b>		<b>91 474</b>	<b>430 343</b>	-	-	<b>521 817</b>
7. Increase (decrease) of minority interest		-	-	-	-	-
8. Balance at the end of the previous reporting (yearly) period		1 706 497	1 286 748	(1 516 064)	-	1 477 181
9. Net profit (loss) of the reporting period		-	-	(21 909)	26 006	4 097
10. Profit (loss) not recognised in the profit (loss) account		-	-	(42 083)	-	(42 083)
11. Increase (decrease) of other authorised or primary capital		77 939	366 667	-	-	444 606
12. Increase (decrease) of minority interest		-	-	19 312	(19 312)	-
<b>13. Balance at the end of the reporting period</b>		<b>1 784 436</b>	<b>1 653 415</b>	<b>(1 560 744)</b>	<b>6 694</b>	<b>1 883 801</b>





## 2021 Q3 cash flow statement, EUR

Article	Note	2021 Jan - Sept	2020
Cash flows from operating activities			
Net profit (loss)		4 097	(132 322)
Depreciation and amortisation expenses		206 220	181 114
Elimination of results of financing and investing activities		17 489	(7 699)
Elimination of results of other non-cash transactions		-	4 142
Decrease (increase) in other amounts receivable after one year		1 172 515	(16 917)
Decrease (increase) in assets of the deferred tax on profit		31 006	-
Decrease (increase) in stocks, except advance payments		-	-
Decrease (increase) in advance payments		(6 775)	(20 025)
Decrease (increase) in trade debtors		(82 610)	(31 432)
Decrease (increase) in other debtors		(2 163 77)	94 814
Decrease (increase) in prepayments and accrued income		(8 435)	4 281
Increase (decrease) in provisions		(36 791)	(3 850)
Increase (decrease) in trade of long-term creditors and prepayments received on account		(470)	58 515
Increase (decrease) in trade with short-term creditors and prepayments received on account		78 612	62 458
Increase (decrease) in liabilities of tax on profit		-	-
Increase (decrease) in liabilities related to employment relations		(35 290)	132 012
Increase (decrease) in other amounts payable and liabilities		547 357	3 333 444
Increase (decrease) in accruals and deferred income		688	4 609
Net cash flows from operating activities		1 671 236	3 663 144
Acquisition of fixed assets (excluding investments)		(425 541)	(457 319)
Disposal of fixed assets (excluding investments)		2 243	382
Acquisition of long-term investments		(262 000)	(195 500)
Disposal of long-term investments		43 862	-
Other increases in cash flows from investing activities		-	12 380
Net cash flows from investing activities		(641 436)	(640 057)
Cash flows related to entity's owners		444 606	521 816
Issue of shares		444 606	521 816
Cash flows related to other financing sources		276 565	(162 546)
Increase in financial debts		755 000	496 613
Loans received		505 000	496 613
Issue of bonds		250 000	-
Decrease in financial debts		(478 435)	(659 159)
Loans returned		(75 000)	(654 659)
Redemption of bonds		(400 000)	-
Interest paid		(3 435)	(4 500)
Net cash flows from financing activities		721 171	359 270
Adjustments due to exchange rates on the balance of cash and cash equivalents		(124)	(181)
Increase (decrease) of net's cash flows		1 750 847	3 382 176
Cash and cash equivalents at the beginning of the period		7 315 709	3 933 533
Cash and cash equivalents at the end of the period		9 066 556	7 315 709

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