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## **AS “mogo” attracts EUR 19 million in investments by issuing notes**

Provider of vehicle finance lease and leaseback services AS “mogo” has issued notes to attract EUR 19 million as financing for its leasing portfolio.

A total of 19,062 notes with an initial nominal value of EUR 1,000 were issued. The annual coupon rate is 10% over a 7-year term with gradual repayment of the principal during the final two years. In accordance with the issue prospectus, AS “mogo” may issue another 938 notes (total nominal value of 938,000 EUR) by 31 December 2015. The notes were assigned securities identification number (ISIN) LV0000801363 and the issue prospectus was registered by the FCMC on 23 October 2014.

AS “mogo” notes are on the Nasdaq OMX Baltic Bond List, where they will be available for free market trading.

„We are happy about AS “mogo” decision to attract financing for their future development in the capital market by issuing bonds,” said Daiga Auziņa-Melalksne, Head of Exchange Services at Nasdaq Baltic Market. „We are also excited to see development of the Baltic fixed income market as these corporate bonds will provide broader investment opportunities for retail and institutional investors in the Baltic region.”

Company management cite refinancing of current loans under more attractive conditions as one of the primary goals of this issue, along with improvement of cash flow, liquidity, and attraction of additional capital for the issuer’s leasing portfolio.

‘Although the company was only founded in 2012, AS “mogo” has already established itself as a market leader in finance lease and leaseback services in Latvia. With its clear-cut offering, quick procedure for evaluating lease applications, extensive cooperation with vehicle dealerships, and a targeted marketing campaigns, the company has been able to offer clients loans with attractive provisions. As a result, the number and total volume of lease agreements concluded has increased dramatically within the past year,’ explained Jekabs Endzins, AS “mogo” Chairman of the Board.

‘AS “mogo” is one of the few financial businesses in Latvia to offer finance lease for purchase of used vehicles without restrictions on vehicle age and with loan terms of up to 6 years. The company’s services have been selected by more than 10 thousand clients in Latvia alone. Today, mogo group companies also operate in Estonia, Lithuania, and Georgia, with plans to expand business to other countries as well,’ Endzins added.

The issue of notes was organised by Baltikums Bank AS.

AS “mogo” is a company that offers classical finance lease and lends against vehicles already owned by clients (a type of service known as leaseback), which is available by filling out an application on the company website, mobile website, over the phone, enquiring with one of more than 200 affiliated car dealerships, or at one of its client service centres in major cities throughout Latvia.

Based on audited financial statements for the first half of 2014, the turnover of AS "mogo" reached EUR 2.2 million, with a corresponding profit of 176 thousand euros.

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