

The Mogo logo, consisting of the word "MOGO" in white, bold, sans-serif capital letters, set against a red parallelogram background.

# Q3 2020 Earnings Presentation

November 2020





# Safe Harbour Statement

Forward-Looking Statements: This presentation contains forward-looking statements or forward looking information that relate to the Company’s current expectations and views of future events. In some cases, these forward-looking statements or forward-looking information can be identified by words or phrases such as “may”, “might”, “will”, “expect”, “anticipate”, “estimate”, “intend”, “plan”, “indicate”, “seek”, “believe”, “predict” or “likely”, or the negative of these terms, or other similar expressions intended to identify forward-looking statements. The Company has based these forward-looking statements on its current expectations and projections about future events and financial trends that it believes might affect its financial condition, results of operations, business strategy and financial needs. These forward-looking statements include, among other things, statements relating to the Company’s expectations regarding its revenue (including loan interest), expenses and operations, key performance indicators, provision for loan losses (net of recoveries), delinquencies ratios, anticipated cash needs and the need for additional financing, funding costs, ability to extend or refinance any outstanding amounts under the Company’s credit facilities, ability to protect, maintain and enforce its intellectual property, plans for and timing of expansion of its products and services, future growth plans, ability to attract new members and develop and maintain existing members, ability to attract and retain personnel, expectations with respect to advancement of its product offering, competitive position and the regulatory environment in which the Company operates, anticipated trends and challenges in the Company’s business and the markets in which it operates, third-party claims of infringement or violation of, or other conflicts with, intellectual property rights, the resolution of any legal matters, and the acceptance by consumers and the marketplace of new technologies and solutions.

Forward-looking statements are based on certain assumptions and analyses made by the Company in light of the experience and perception of historical trends, current conditions and expected future developments and other factors it believes are appropriate, and are subject to risks and uncertainties. Although we believe that the assumptions underlying these statements are reasonable, they may prove to be incorrect, and we cannot assure that actual results will be consistent with these forward-looking statements. Given these risks, uncertainties and assumptions, any investors or users of this document should not place undue reliance on these forward-looking statements.

Whether actual results, performance or achievements will conform to the Company’s expectations and predictions is subject to a number of known and unknown risks, uncertainties, assumptions and other factors that are discussed in greater detail in the “Risk Factors” section of the Company’s current annual information form for the year ended December 31, 2019, available at [www.sedar.com](http://www.sedar.com) and at [www.sec.gov](http://www.sec.gov), which risk factors are incorporated herein by reference, including but not limited to risks related to: our history of losses and our recent, rapid growth; our negative operating cash flow; disruptions in the credit markets may affect our ability to access additional capital through issuances of equity and debt securities; our new products and platform enhances do not achieve sufficient market acceptance; changes in the regulatory environment or in the way regulations are interpreted; security breaches of members’ confidential information; changes in economic conditions may increase member default rates; material changes to the interest rate charged to our members and paid to our lenders; the concentration of our debt funding sources and our ability to access additional capital from those sources; the early payment triggers and covenants under our credit facilities; factors affecting the development, acceptance and widespread use of cryptocurrency; the loss of banking and/or insurance services as a result of our cryptocurrency-related services; the price of our publicly traded securities becoming subject to wide price swings since the value of cryptocurrencies may be subject to pricing risk and wide swings in value; collection, processing, storage, use and disclosure of personal data and its related privacy considerations; protecting our intellectual property rights; claims by third parties for alleged infringement of their intellectual property rights; the use of open source software and any failure to comply with the terms of open source licenses; serious errors or defects in our software and cybersecurity risks; the adequacy of our allowance for loan losses; the reliability of our credit scoring model; access to reliable third party data; our risk management efforts; our operating risk and insurance coverage; our levels of indebtedness; our efforts to expand our market reach and product portfolio; our marketing efforts and ability to increase brand awareness; member complaints and negative publicity; misconduct and/or errors by our employees and third party service providers; our ability to collect payment and service the products we make available to our members; our reliance on data centers to deliver our services and any disruption thereof; competition in our industry; the reliability of information provided by members; our reliance on key personnel; competition for employees; preserving our corporate culture; risks related to litigation; earthquakes, fire, power outages, flood, and other catastrophic events, and interruption by man-made problems such as terrorism; volatility in the market price for our publicly traded securities; future sales of our securities by existing shareholders causing the market price for our publicly traded securities to fall; no cash dividends for the foreseeable future; our trading price and volume declining if analysts publish inaccurate or unfavourable research about us or our business; risks related to operating in the cryptocurrency industry. Although the forward-looking statements contained in this presentation are based upon what our management believes are reasonable assumptions, these risks, uncertainties, assumptions and other factors could cause our actual results, performance, achievements and experience to differ materially from our expectations, future results, performances or achievements expressed or implied by the forward-looking statements.

The forward-looking statements made in this presentation relate only to events or information as of the date of this presentation and are expressly qualified in their entirety by this cautionary statement. Except as required by law, we do not assume any obligation to update or revise any of these forward-looking statements to reflect events or circumstances after the date of this presentation, including the occurrence of unanticipated events.

An investor should read this presentation with the understanding that our actual future results may be materially different from what we expect.

This presentation may contain Future Oriented Financial Information (“FOFI”) within the meaning of applicable securities laws. The FOFI has been prepared by our management to provide an outlook of our activities and results and may not be appropriate for other purposes. The FOFI has been prepared based on a number of assumptions including the assumptions discussed under the heading “Forward-Looking Statements”. The actual results of our operations and the resulting financial results may vary from the amounts set forth herein, and such variation may be material. Our management believes that the FOFI has been prepared on a reasonable basis, reflecting management’s best estimates and judgments.

This presentation should be read together with our financial statements for the financial quarter ended June 30, 2020 and the notes thereto as well as our management’s discussion and analysis for the financial quarter ended June 30, 2020, all of which are available at [www.SEDAR.com](http://www.SEDAR.com) and [www.sec.gov](http://www.sec.gov).

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All figures are expressed in Canadian \$'s.



# ATM

## LEVEL UP YOUR MONEY GAME WITH MOGO



### Awesome app

★★★★★

Oct 29

grayhammy

Working the Mogo way has been the best thing for me in many years I'm getting ahold of my finances and am ver close now to 0 debt . Can't thank you enough for your no nonsense down to earth advice ... and here is the best part .. it's free thank you so much the Mogo team rocks

### Apps We Love


APPLE



# BUY & SELL BITCOIN

 **237% YR/YR**  
ACTIVE BITCOIN ACCOUNTS

 **Best Cryptocurrency App**  
SAVVYNEWCANADIANS 

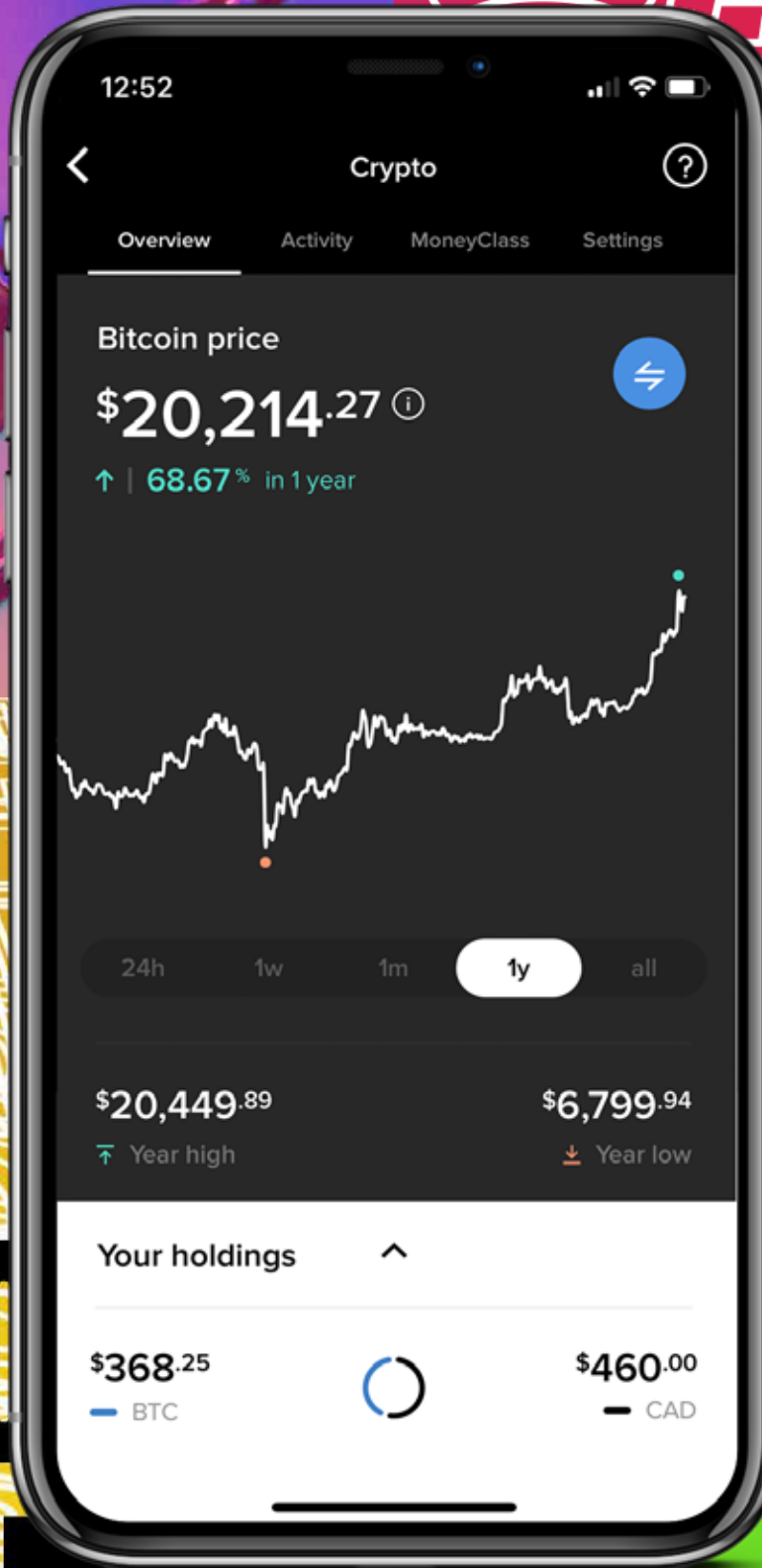
 Gavin Low

★★★★★ 2020-06-05

Easy to find, buy and keep track of your BITCOIN investment! Rock on!

# YOUR FIRST TIME

# START STACKING



# 0.007550 BITCOIN

# GET \$5 FREE



# NEW BITCOIN REWARD PROGRAM



Tap here to refer!

Each referral gives you  
100k satoshis & an entry  
in our 100k contest



MOGO

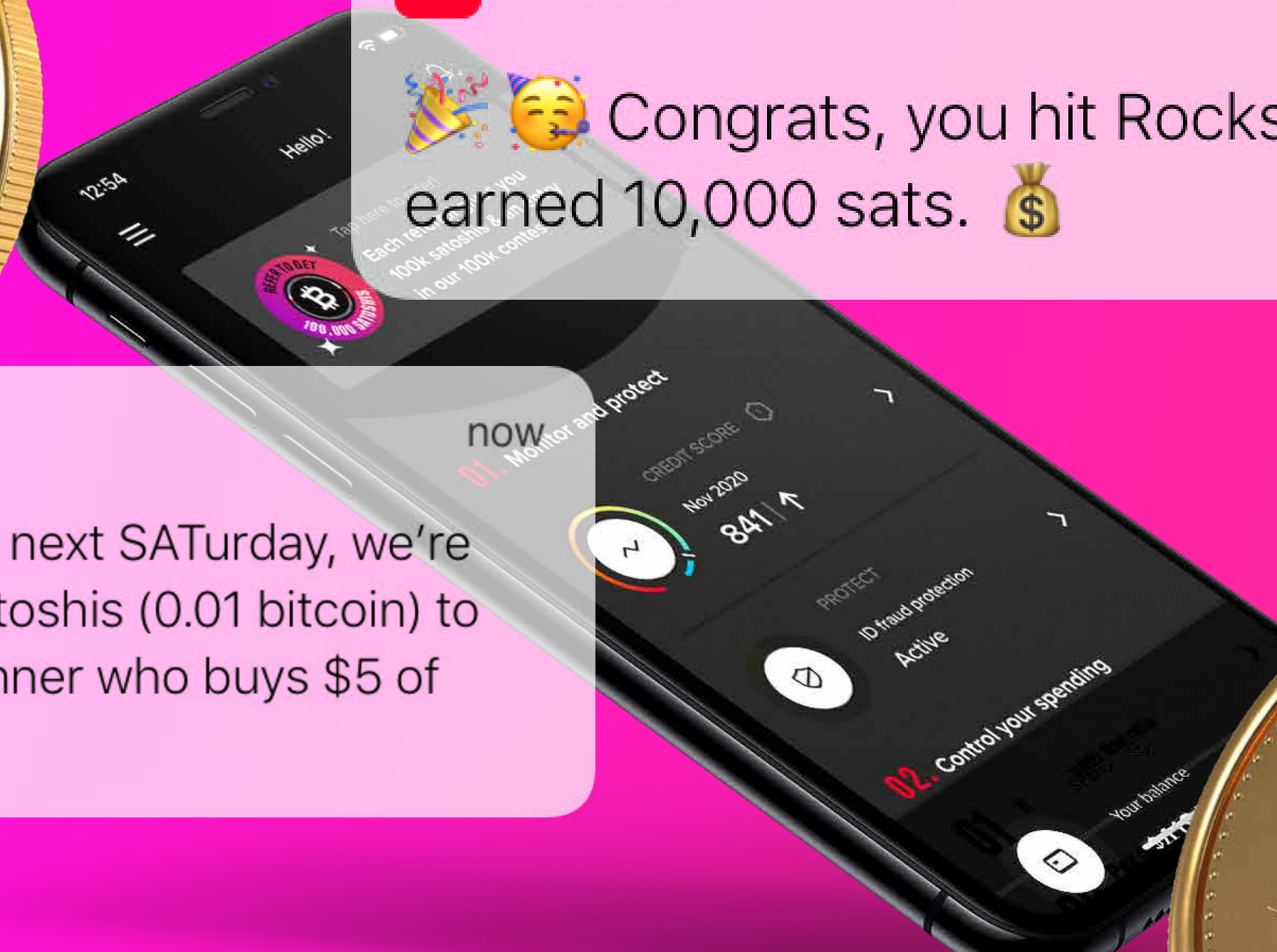
now

🎉🥳 Congrats, you hit Rockstar status! You just  
earned 10,000 sats. 💰



MOGO

SATS on a Sat! Beginning next SATurday, we're  
giving away 1,000,000 satoshis (0.01 bitcoin) to  
one lucky, sat stackin' winner who buys \$5 of  
bitcoin or more. 💰





# IMPROVE YOUR CREDIT SCORE & WIN

Really love it

★★★★★

Nov 1

Jj7712377

Easy to use and accurate results. I love checking my credit score every month and don't get dinged for it!!

Thanks guy!!



MOGO

now

Pro tip: Did you know that if you pay off a loan early, it can actually hurt your credit score? The longer your account is actively reporting, the better your score. 💪



MOGO

now

🎉🥳 Congrats, you hit Rockstar status! You just earned 10,000 sats. 💰

885<sup>↑</sup>  
Rockstar

877  
Aug

Sep  
2020

+8  
Change

● Credit score monitoring is active. ⓘ



# SUSTAINABLE SPENDING

 **66% YR/YR**  
AVERAGE SPEND

Cool update with the card

★★★★★

Oct 21  
MisoSwag

I just wanna say, the rainforest sounds are awesome! Love it. It actually makes me wanna use the card more.





# MogoSpend has a large market opportunity in Canada: \$900 billion spent annually

**\$92<sub>B</sub>**

**SPENT IN  
CASH**

**\$250<sub>B</sub>**

**SPENT ON  
DEBIT CARDS**

**\$550<sub>B</sub>**

**SPENT ON  
CREDIT CARDS**

[www.payments.ca/sites/default/files/canadianpaymentmethodsandtrendsreport\\_2019.pdf](http://www.payments.ca/sites/default/files/canadianpaymentmethodsandtrendsreport_2019.pdf)



# PROTECT YOURSELF AGAINST IDENTITY FRAUD

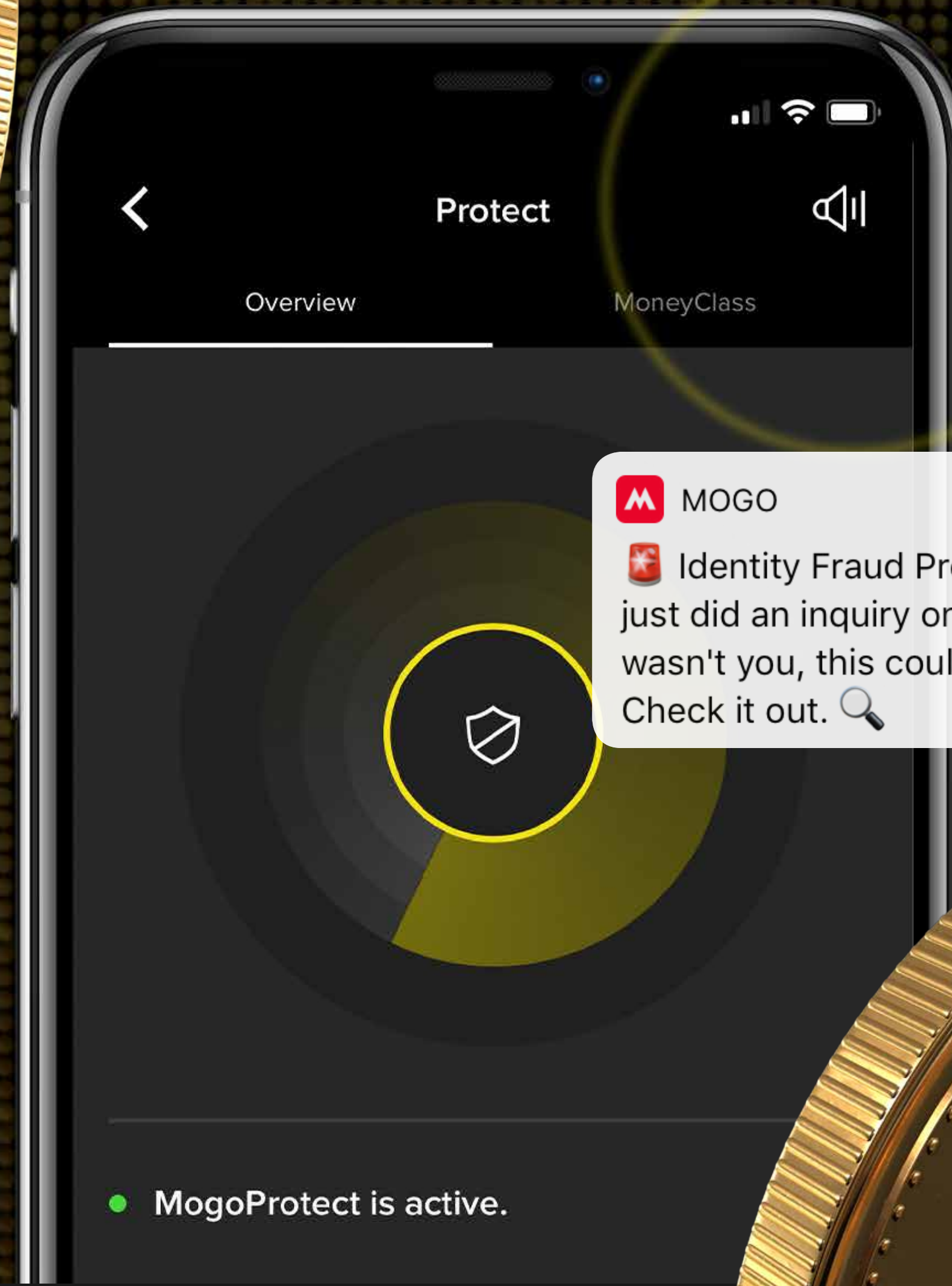
Diggin It!

★★★★★

Oct 28

SteveC404

Pure gold, free identity fraud protection, are you kidding me? Why wouldn't anyone want this! Having experienced fraud myself this is truly a necessary app that everyone must have.



MOGO

now

Identity Fraud Protection – Frank Auto Inc. just did an inquiry on your Equifax bureau. If it wasn't you, this could be a sign of identity fraud. Check it out.

MogoProtect is active.



# PERSONAL LOANS WITH RATES FOR EVERYONE

 **63% Q3 VS Q2**  
GOEASY LOANS

goeasy

 LENDFUL

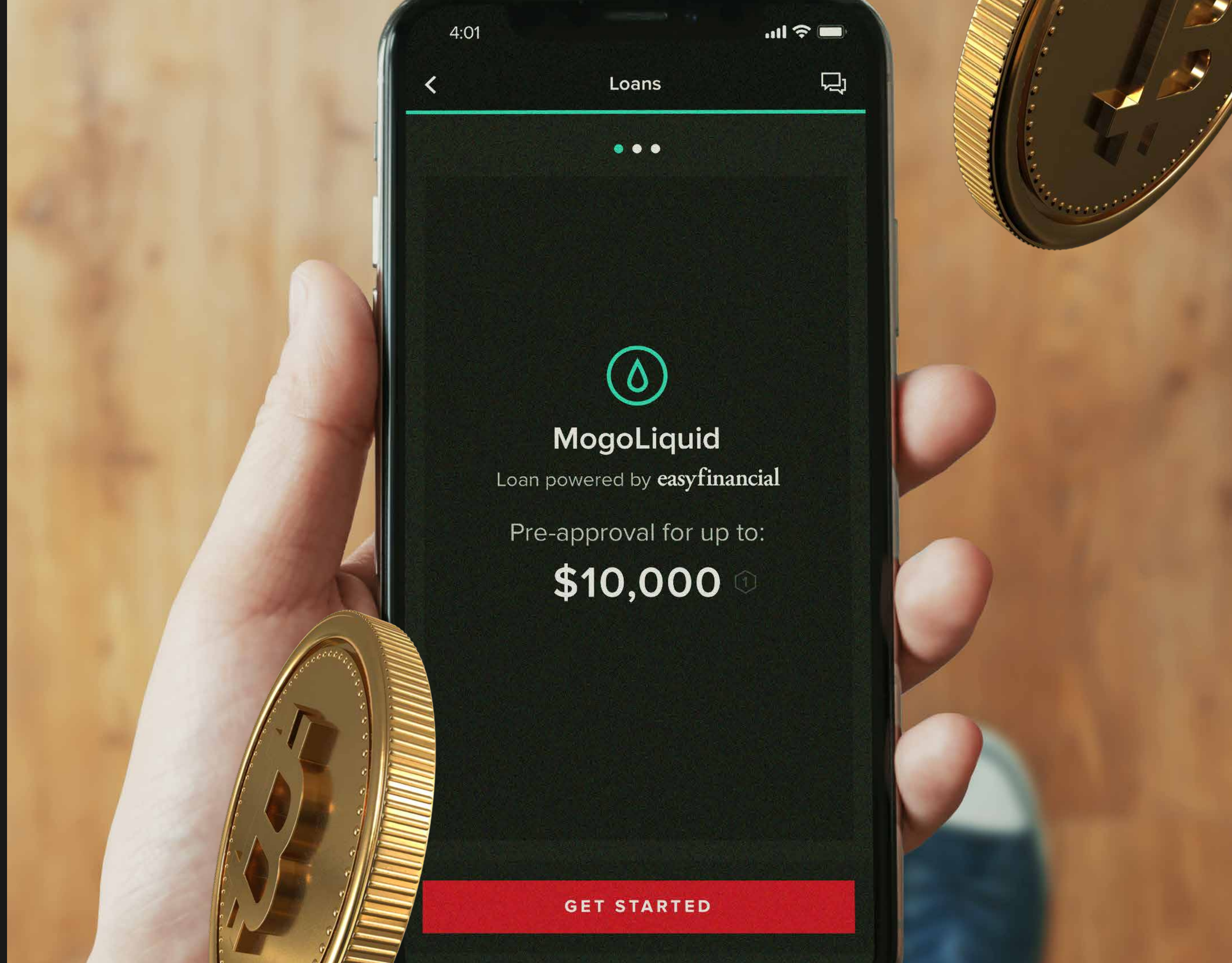
There's no better app then this.

Jun 20

★★★★★

irkc10

Simple and intuitive.  
I understood everything.  
Couldn't be better.





# BEST IN CLASS PRODUCT REFERRALS: HIGH INTEREST SAVINGS ACCOUNT

This is used for illustrative purposes only and may not reflect the final product offering

NEW

4:01 AM

<

Wealth

Recommendation

MoneyClass

EQ

Bank

High interest savings account

Everyday interest

1.50%

Grow your money with the best savings account in Canada – 30X the interest from a typical high interest savings account!

SIGN UP WITH EQ BANK

MOGO

now


Looking for a savings account where you can earn up to 30X more than other banks?



# P2P LAUNCH IN 2021

This is used for illustrative purposes only and may not reflect the final product offering

4:01 AM



\$100

1234567890.

REQUESTPAY

152.23 ~ [shield icon] [Bitcoin icon] [Dollar icon]

4:01 AM

Request \$100

To

Jason Oliver

For (add a note)

IC

Ian Chan

JO

Jason Oliver ✓

J

Jamie

K

Kelly

RC

Robin Carter

REQUEST







# Unique and compelling value prop with multiple free products and multiple ways to monetize

## ACQUISITION & ENGAGEMENT

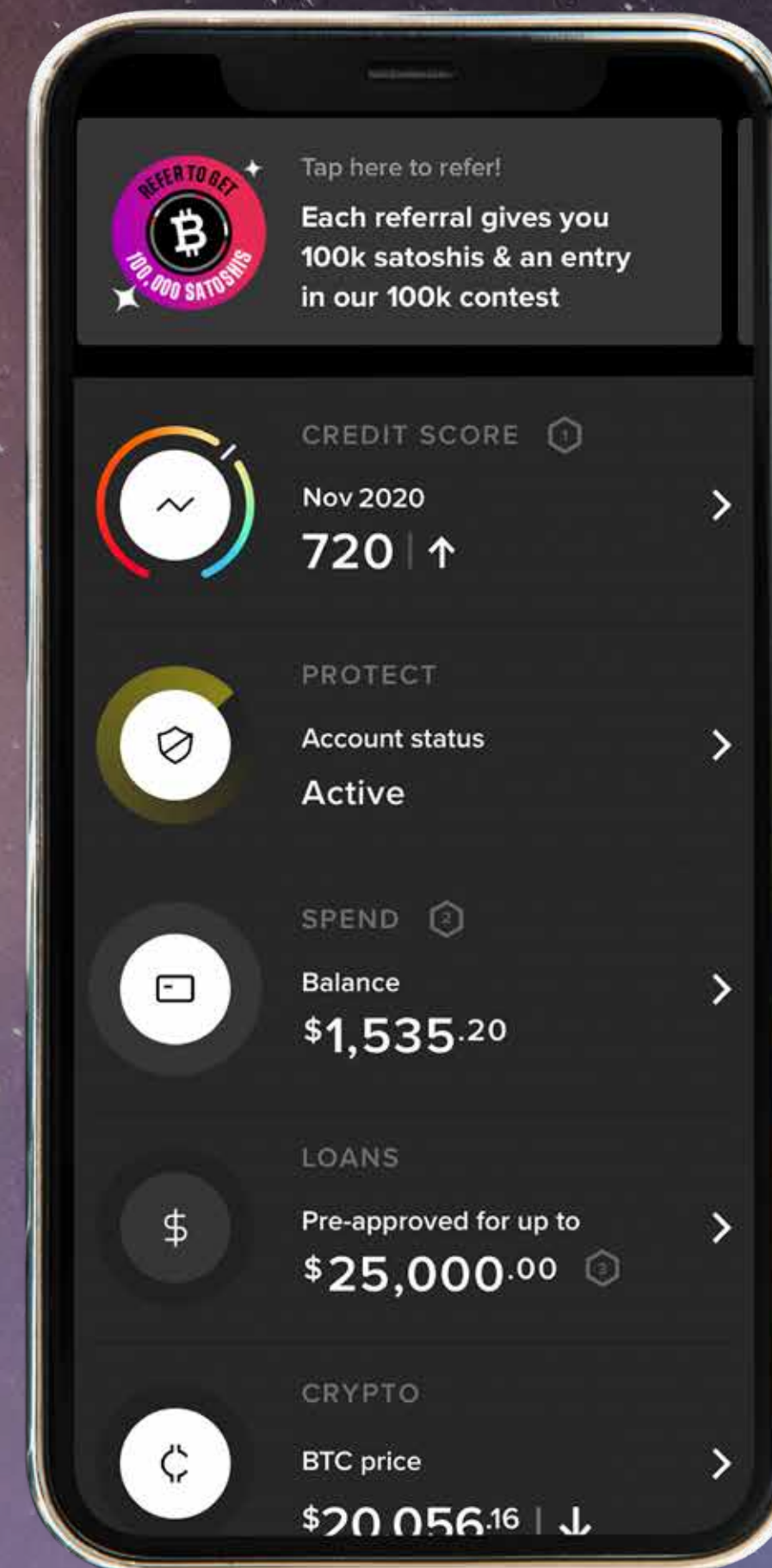
Free ID Fraud Protection

Free Credit Score

Bitcoin

Free MogoCard with CO<sub>2</sub> offsetting

Loans



## REVENUE DRIVERS

Interchange revenue

Broker fees


Interest revenue

Loan partner revenue

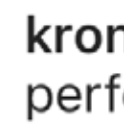
Referral revenue

Bitcoin related revenue

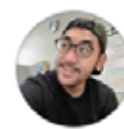


 **dannylive4** Free credit monitoring and credit alerts! No brainer for me. Plus you can buy Bitcoin. 😊

1w 2 likes Reply

 **kronikbc** Love the new mogo protect, its perfect having a alert almost immediately when a credit check or account is opened in your name, especially how it walks you thru all the appropriate steps and provides all resources right there to combat identity fraud. As someone who had my identity used without my permission in the past it is nice knowing I can stop I.D theft in its tracks & even prevent it VS. only finding out once the damage is already done and credit is ruined! Thanks Mogo 😊


1w 1 like Reply

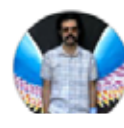
 **erwinhernandez** Love the credit alerts and definitely helps give me peace of mind ❤️


1w 3 likes Reply

**Cool update with the card** Oct 21  
★★★★★ MisoSwag

I just wanna say, the rainforest sounds are awesome! Love it. It actually makes me wanna use the card more.

 **rain71284** It's great to know my credit score and the \$5 for Bitcoin is a nice way to get started!

 **rohamaher** I know, and Mogo helped me keep my credit score getting better and

 Debbie S.

★★★★★ 2020-11-01

I LOVE using Mogo! It allows me to continuously monitor my credit score, gives me free identity fraud protection, helps me actively reduce my CO2 footprint AND other helpful tips!! GREAT value!! Thanks Mogo!! ❤️

**Great product offering peace of mind!** Oct 25  
★★★★★ Mishy C

This year I lost my credit card and didn't realize until my credit card company called me to verify multiple purchases that were not made by me. I had a million questions and I was so stressed. Seeing how Mogo offered a product like their Free Identity Fraud Protection, I signed up immediately. It has brought me so much assurance, and I would recommend this for everyone.

**Loving my new Mogo spend card** Jul 25  
★★★★★ earthhelper


Helping me control my spending and budget and at the same time I'm doing more to help the environment by offsetting carbon with each use of my card. Highly highly recommend to everyone. Very easy to use app with some cool features as well like spending analysis.

**Awesome app** Oct 29  
★★★★★ grayhammy

Working the Mogo way has been the best thing for me in many years I'm getting ahold of my finances and am ver close now to 0 debt . Can't thank you enough for your no nonsense down to earth advice ... and here is the best part .. it's free thank you so much the Mogo team rocks

**Really love it** Nov 1  
★★★★★ Jj7712377

Thanks guy!!


 **garymichaelr** Mogo Protect helps me sleep better at night. Love knowing that I have them in my corner keeping me safe.

1w Reply

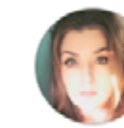
 Nate Nixon

★★★★★ 2020-10-30

Love the app. Its canadian and it helps protect your credit score and they have a awesome "credit card"

 **kris.h1982 @mogomoney** I love Mogo Protect. it makes me sleep easy knowing you guys are watching for my credit in the background.

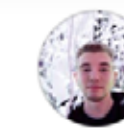
1w 3 likes Reply

 **lindsaykatetrueman @mogomoney** Mogo protect makes it so I have one less thing to worry about and you don't even have to pay for it which is especially great when you're a student 😊

1w 2 likes Reply

**Diggin It!** Oct 28  
★★★★★ SteveC404

Pure gold, free identity fraud protection, are you kidding me? Why wouldn't anyone want this! Having experienced fraud myself this is truly a necessary app that everyone must have.

 **mackenziebransford** It's just nice to have something that is monitoring my credit so conveniently on my phone

**Slick App**  
★★★★★ ADavi

Singed up about 2 months ago. Loving it so far. The app is sweet. Free bitcoin storage. Small fee to purchase. Free credit and fraud monitoring. You can offset my



# Q3 2020 Financial highlights

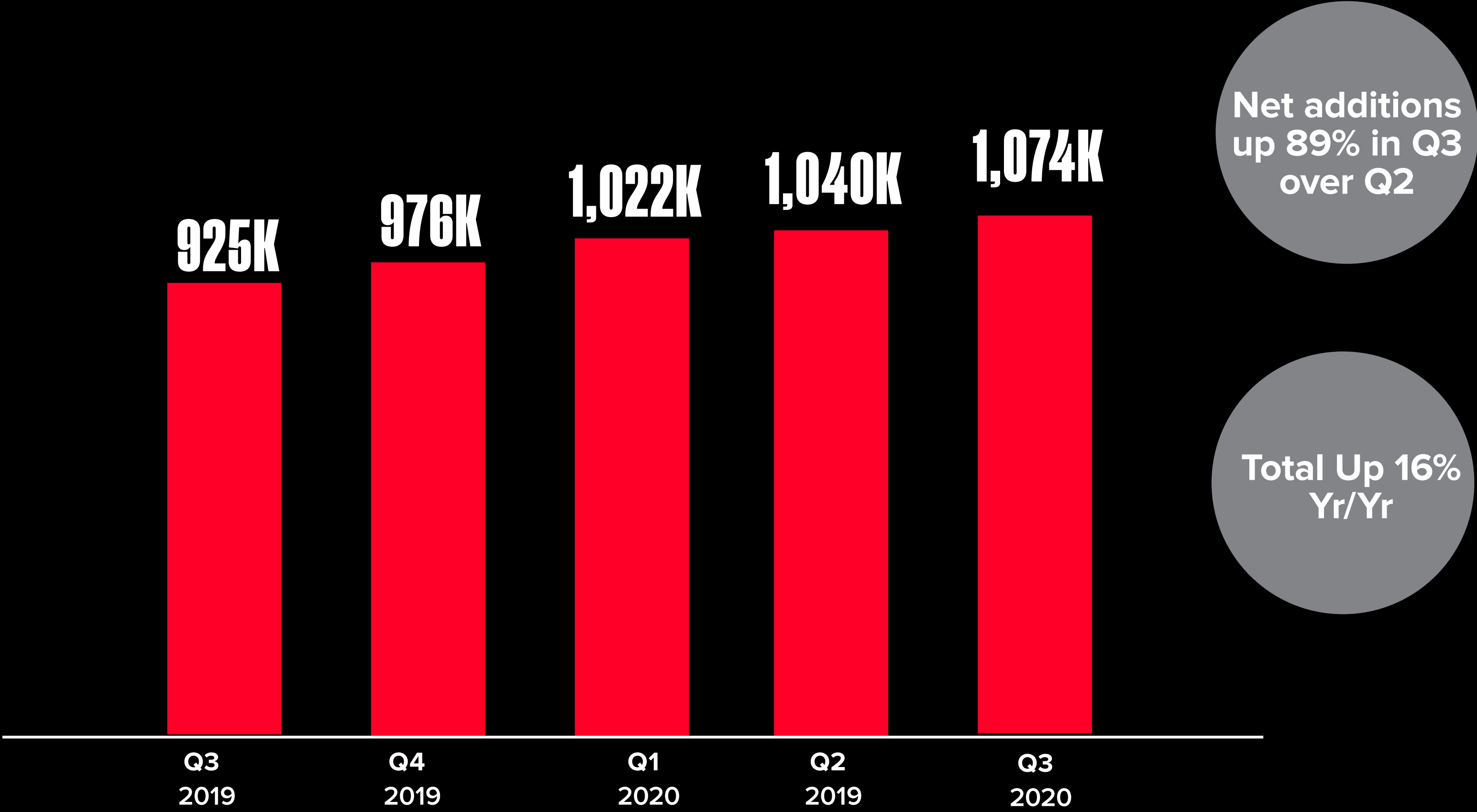
- Net member additions accelerated by 89% in Q3 2020 over Q2 2020 with total members reaching 1,074,000 (up 16% year over year)
- Q3 2020 highlights strong underlying profitability of Mogo's financial model
  - Q3 Revenue of \$9.8MM (above our guidance of \$9.5MM - \$9.7MM)
  - Generated 93% Gross Margin and 49% Adjusted EBITDA margin
  - Generated \$4.8MM Adjusted EBITDA in Q3 (up 346% year over year)
  - Net income of \$1.0 million, a significant improvement compared with a net loss of \$(6.0) million in Q3 2019
  - Positive cash flow from operations net of investing<sup>1</sup> of \$4.4MM driven by \$3.3MM of positive cash flow excluding cash generated from the loan book
- Ended Q3 with over \$26MM in cash and investments

<sup>1</sup>Excluding \$31.6 million of proceeds from sale of Liquid loan book in Q1 2020



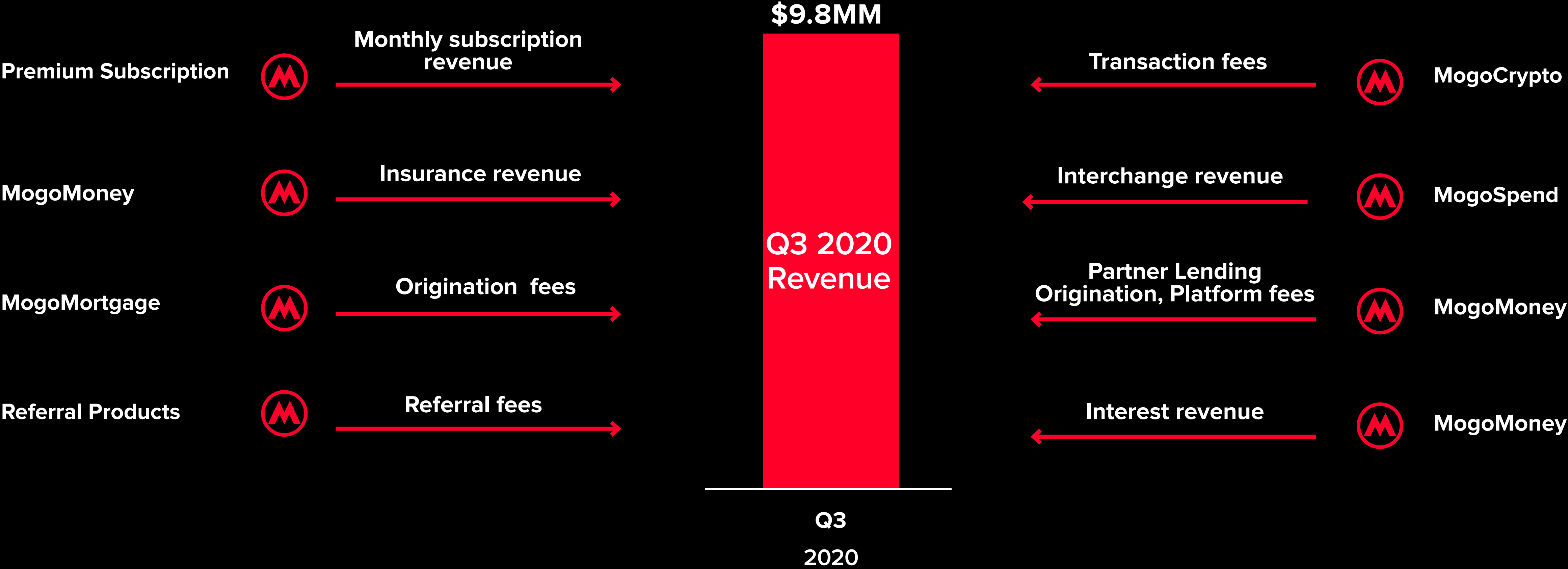


# Accelerating member additions in Q3





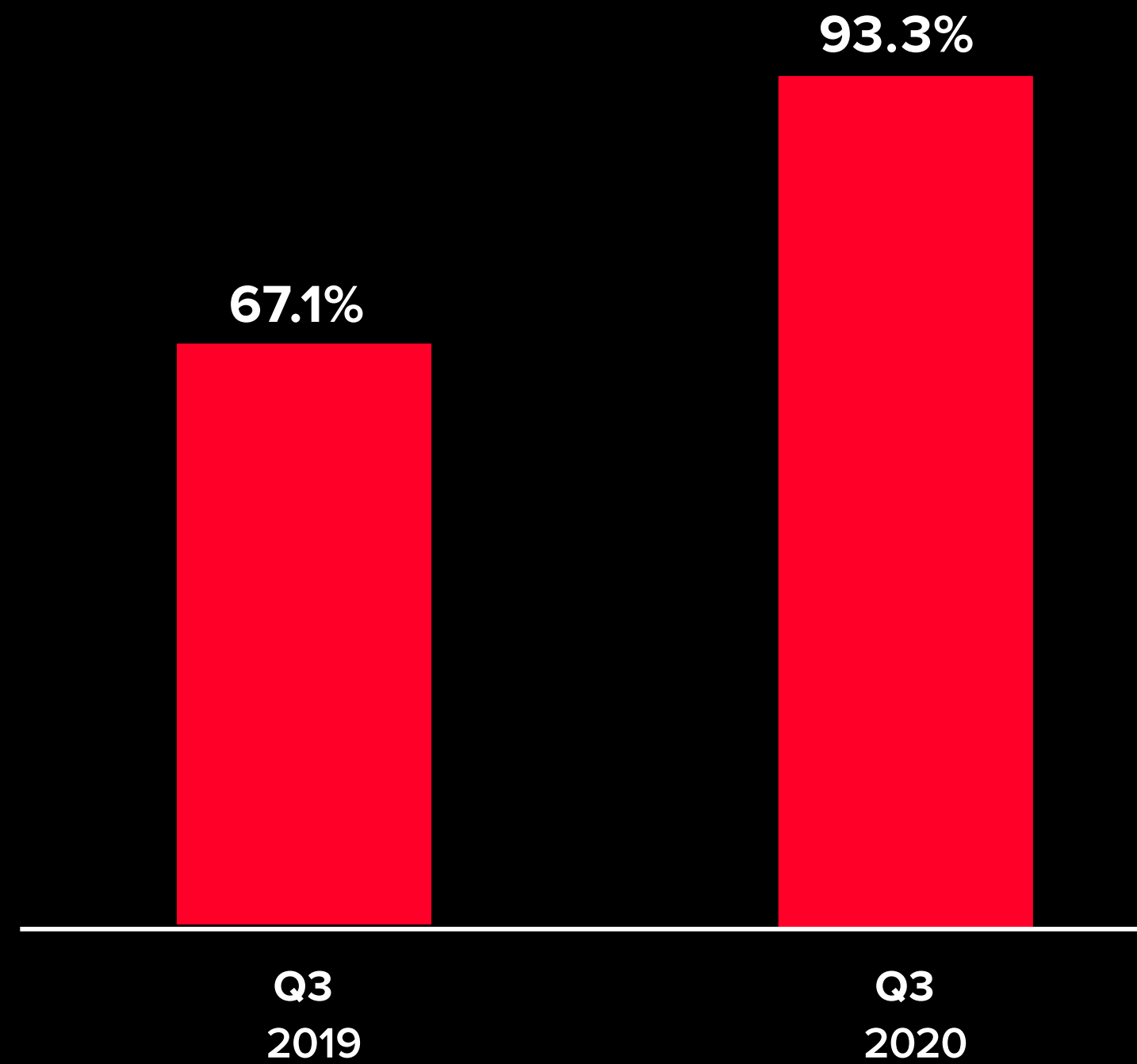
# Best-in-class monetization model





# Q3 highlights underlying profitability of model

% Gross Margin

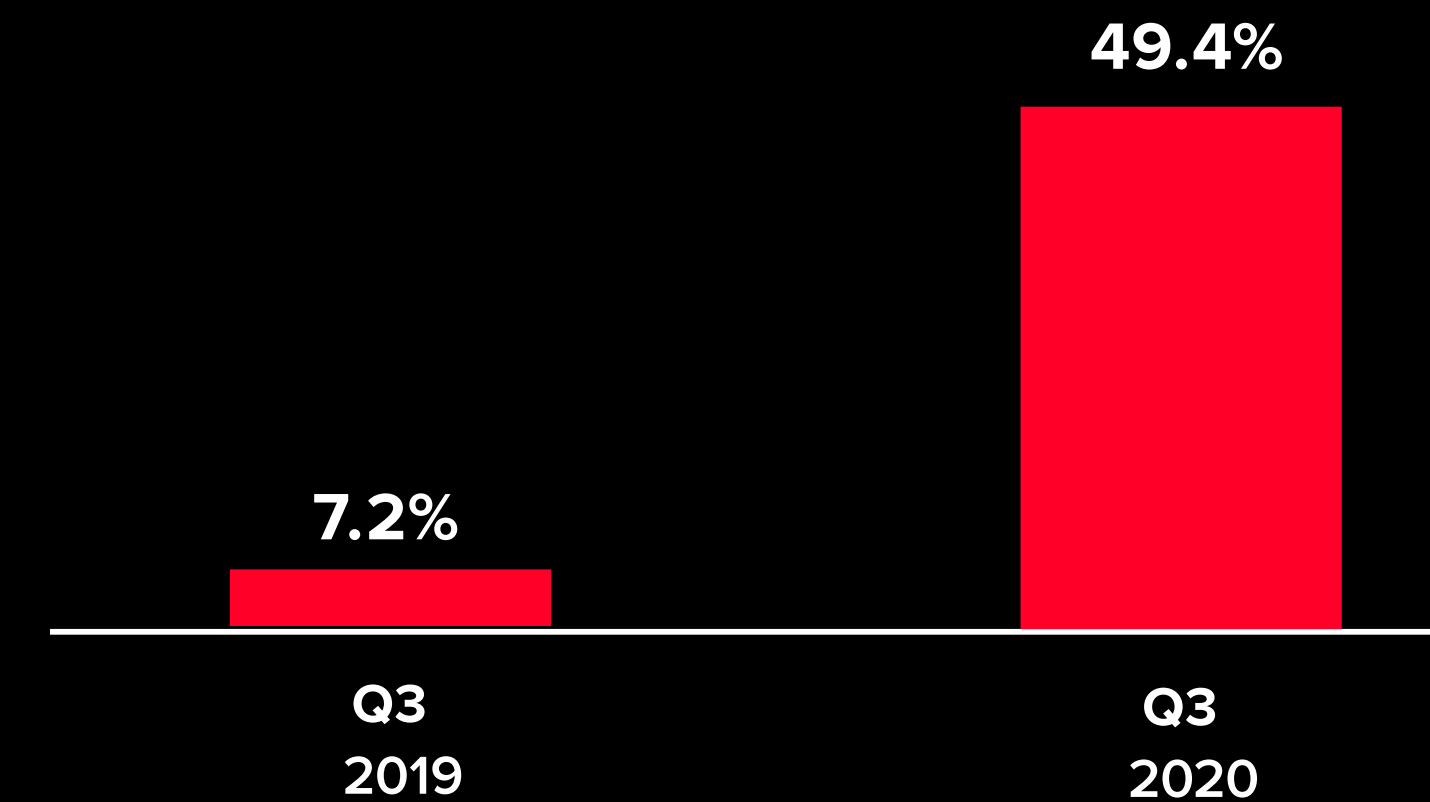


Gross Profit

\$10.1MM

\$9.1MM

% Adjusted EBITDA Margin



Adjusted EBITDA

\$1.1MM

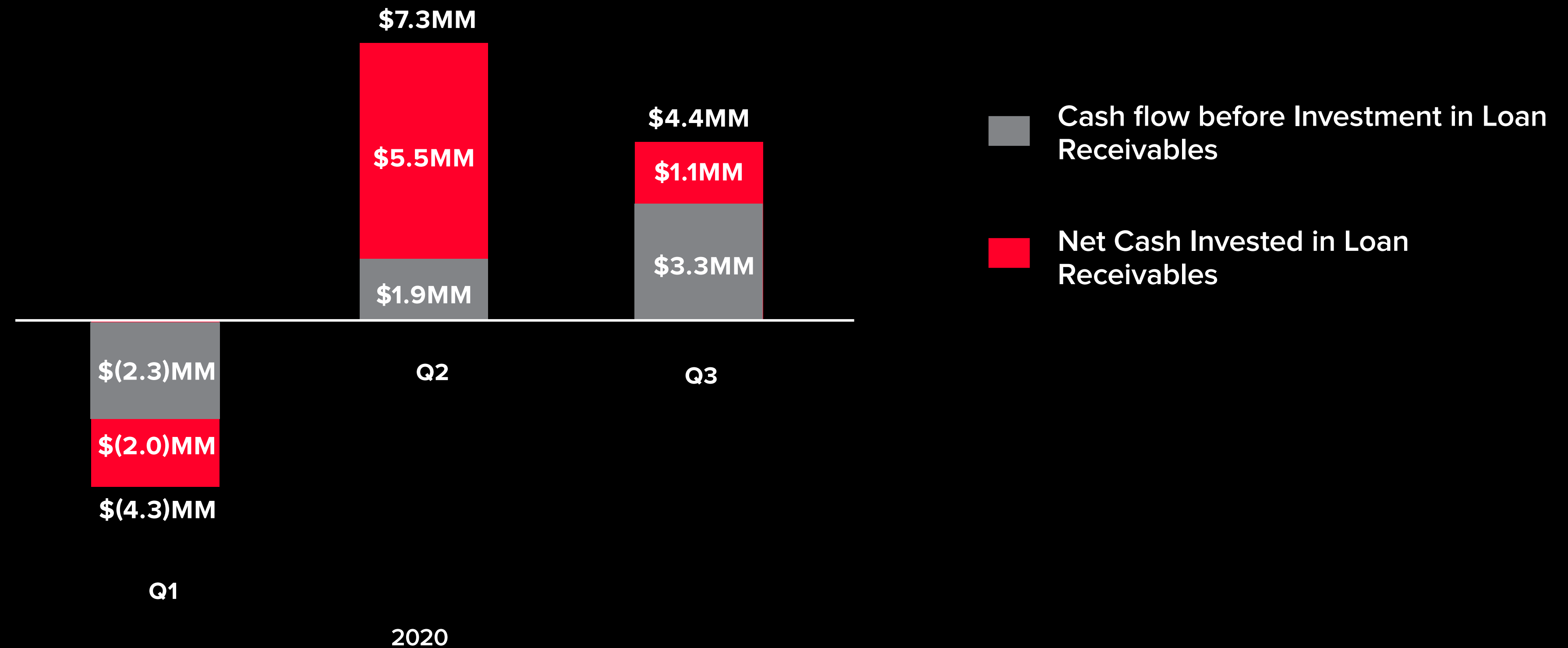
\$4.8MM

Q3 2019 includes revenue from Liquid Loan book that was divested in Q1 2020



# And strong cash flow generation capability

Cash Flow from Operations (net of investing activities)



Q1 2020 Excludes the sale of the Liquid Loan Book. Cash flow includes cash flow from operations, net of investing activities but before cash flow related to financing activities



# Strengthened Balance Sheet

## 2020 ACCOMPLISHMENTS

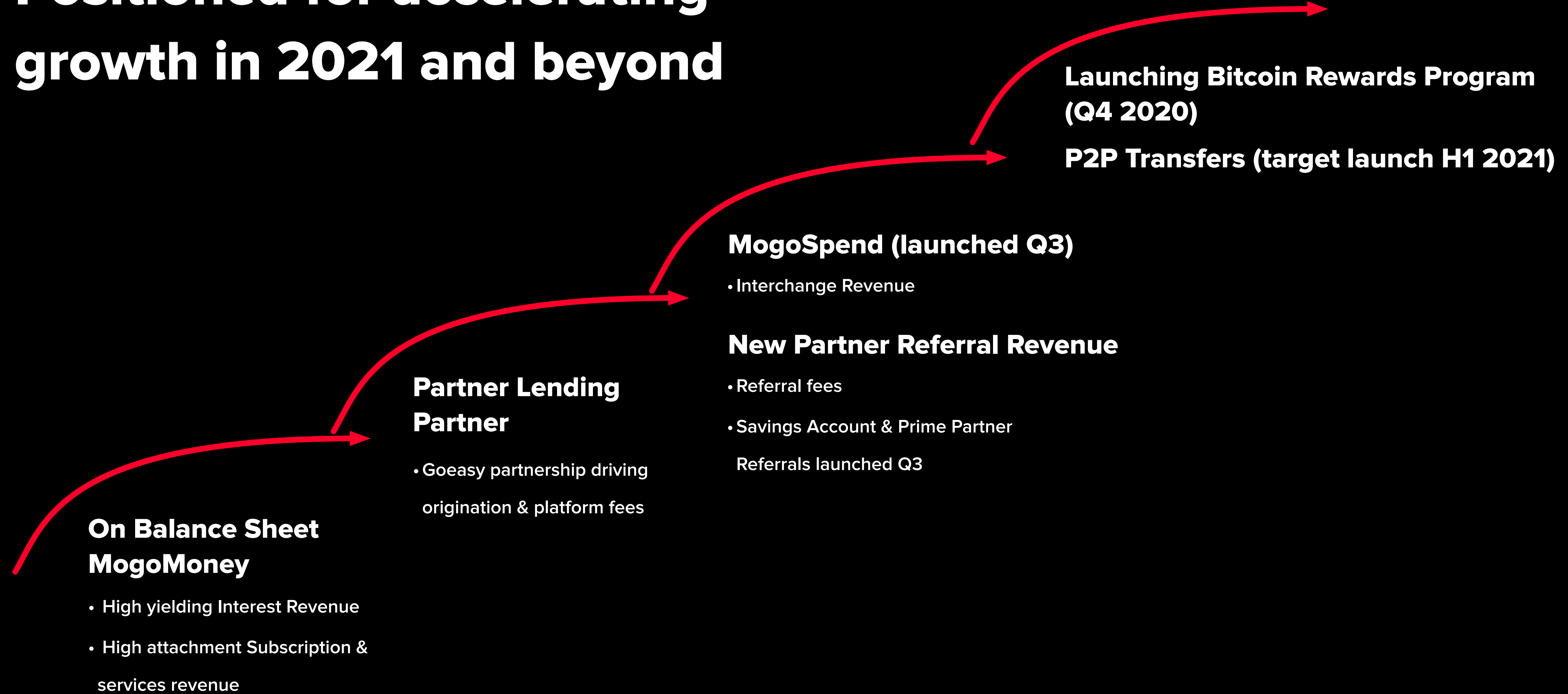
1. \$32 million loan book sale and repayment/  
extinguishment of \$50 million liquid credit  
facility
2. Extension of Corporate credit facility to July  
2022 and reduction of rate by 400 bpts
3. Extension of Convertible Debentures in Q2  
to May 2022
4. Reduction of interest rate of Non-convertible  
Debentures in Q3 from ~14% to ~ 7%

<i>(CAD\$ in millions unless noted)</i>	Q3 2020	Q4 2019
Cash & Investment Portfolio	\$26.8	\$31.2
1. Loans Receivable, Net	\$46.5	\$88.7
Total Assets	\$101.5	\$151.1
1 & 2. Credit Facilities	\$37.2	\$76.5
3. Convertible Debentures <sup>1</sup>	\$11.0	\$12.4
4. Non-convertible Debentures	\$42.2	\$44.0

<sup>1</sup>Convertible debentures have a conversion price of CAD\$2.75.



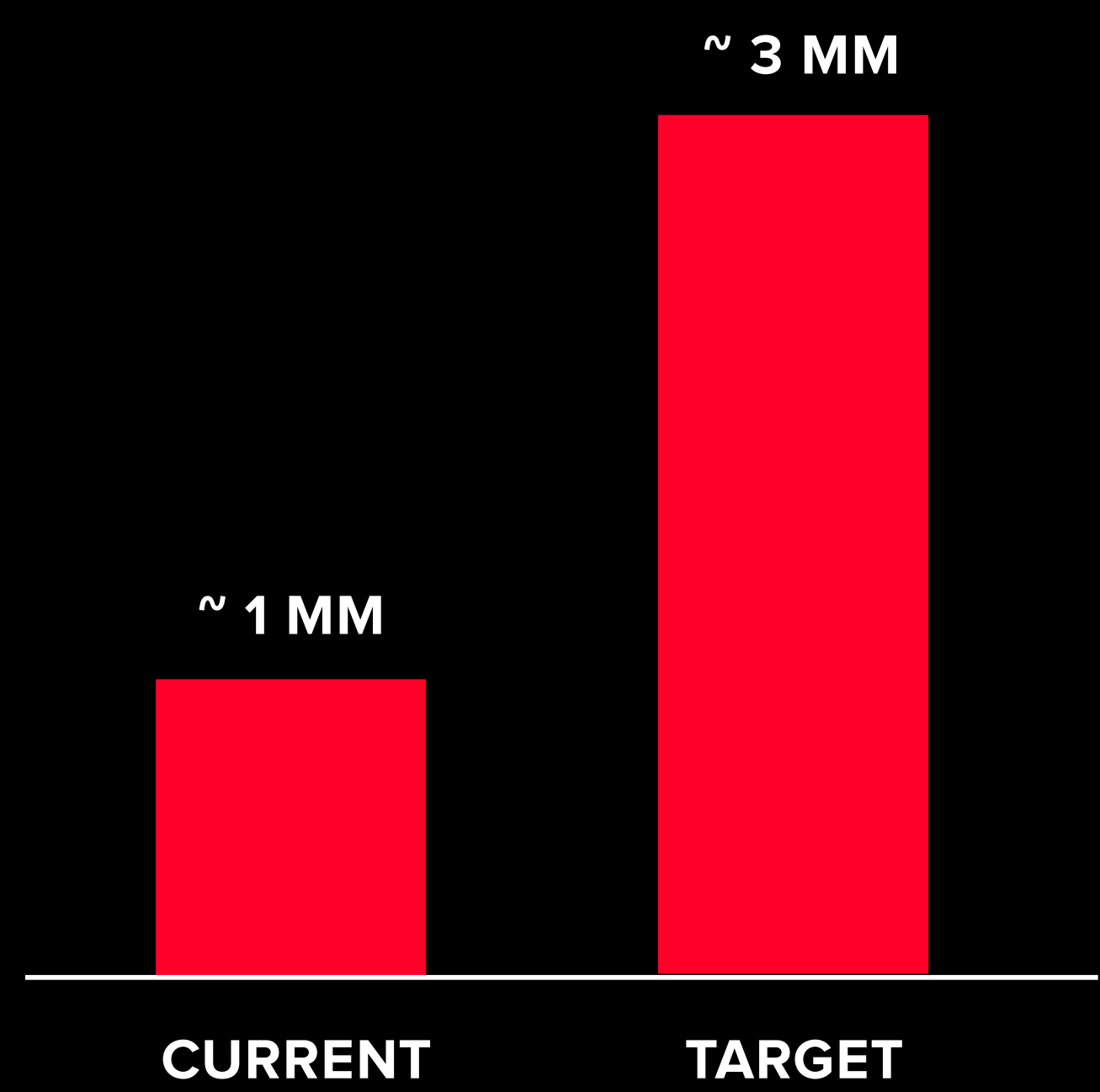
# Positioned for accelerating growth in 2021 and beyond



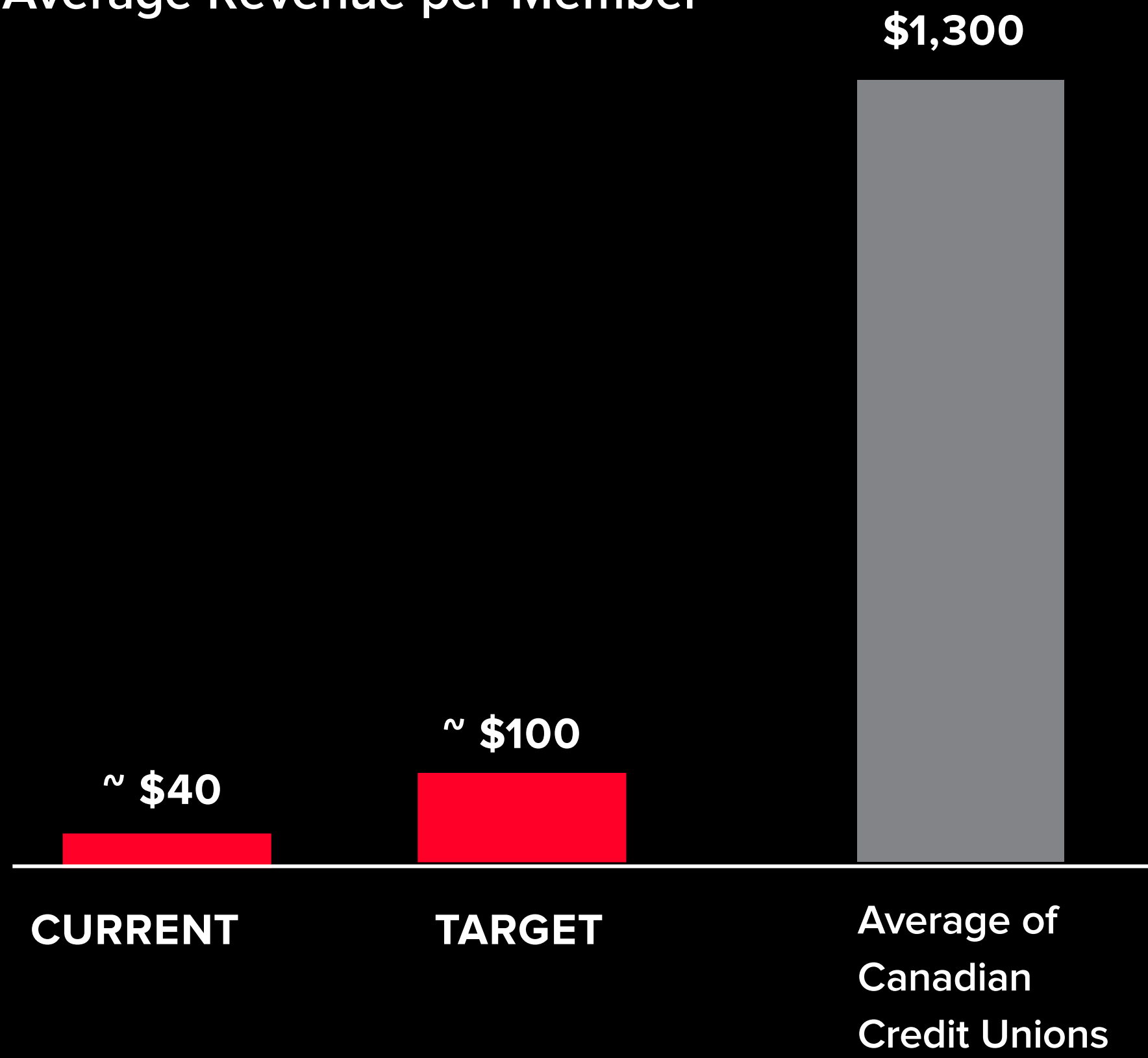


# Mogo's 3-5 year targets

Members



Average Revenue per Member



<sup>1</sup>Canadian Credit Union Association, "National Sector Results, The Largest 100 Credit Unions", Second Quarter 2020, September 2020.





# APPENDIX



# Reconciliation of loss before income taxes to Adjusted EBITDA

(in \$000s)	Q3 2020	Q3 2019
Net income (loss) and comprehensive income (loss)	1,019	(6,033)
Depreciation and amortization	2,288	1,945
Stock-based compensation	384	165
Non-cash warrant expense	291	67
One-time provision for excise tax	(120)	-
Credit facility interest expense	1,039	2,849
Debenture & Other financing expense	1,155	1,851
Accretion related to debentures and convertible debentures	186	194
Revaluation (gains) and losses, net	721	(188)
Other non-operating expenses	(2,138)	231
<b>Adjusted EBITDA</b>	<b>4,825</b>	<b>1,081</b>



# Reconciliation of Cash Operating Expenses to Operating Expenses

(in \$000s)	Q3 2020	Q2 2020	Q3 2020
Operating Expenses	10,045	7,638	7,135
Add: Capitalized cost of intangibles	1,849	882	839
Less:			
Depreciation and amortization	(2,225)	(2,287)	(2,288)
Stock-based compensation	(214)	(460)	(384)
Non-cash warrant expense	245	(516)	(291)
Cash Operating Expenses	9,700	5,257	5,011



# Reconciliation of Core Revenue

(in \$000s)		
	Q3 2020	Q3 2019
Operating Expenses	9,774	15,029
Non-cash warrant expense	-	(2,838)
Cash Operating Expenses	9,774	12,191



# Reconciliation of Adjusted Cash Net Income (Loss)

(in \$000s)	Q3 2020	Q3 2019
Net income (loss) and comprehensive income (loss)	1,019	(6,033)
Depreciation and amortization	2,288	1,945
Deferred financing cost amortization	-	124
Stock based compensation	384	165
Non-cash warrant expense	291	67
One-time provision for excise tax	(120)	-
Convertible debenture non-cash interest	482	508
Debenture non-cash interest and capitalized interest	1,319	-
Capitalized cost of intangible assets	(839)	(1,992)
Revaluation (gains) and losses	721	(188)
Other non-operating (income) expenses	(2,138)	231
<b>Adjusted Cash Net Income (Loss)</b>	<b>3,407</b>	<b>(5,173)</b>