



Q2 2020 Earnings Presentation

August 2020



Safe Harbour Statement

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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 and at 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.

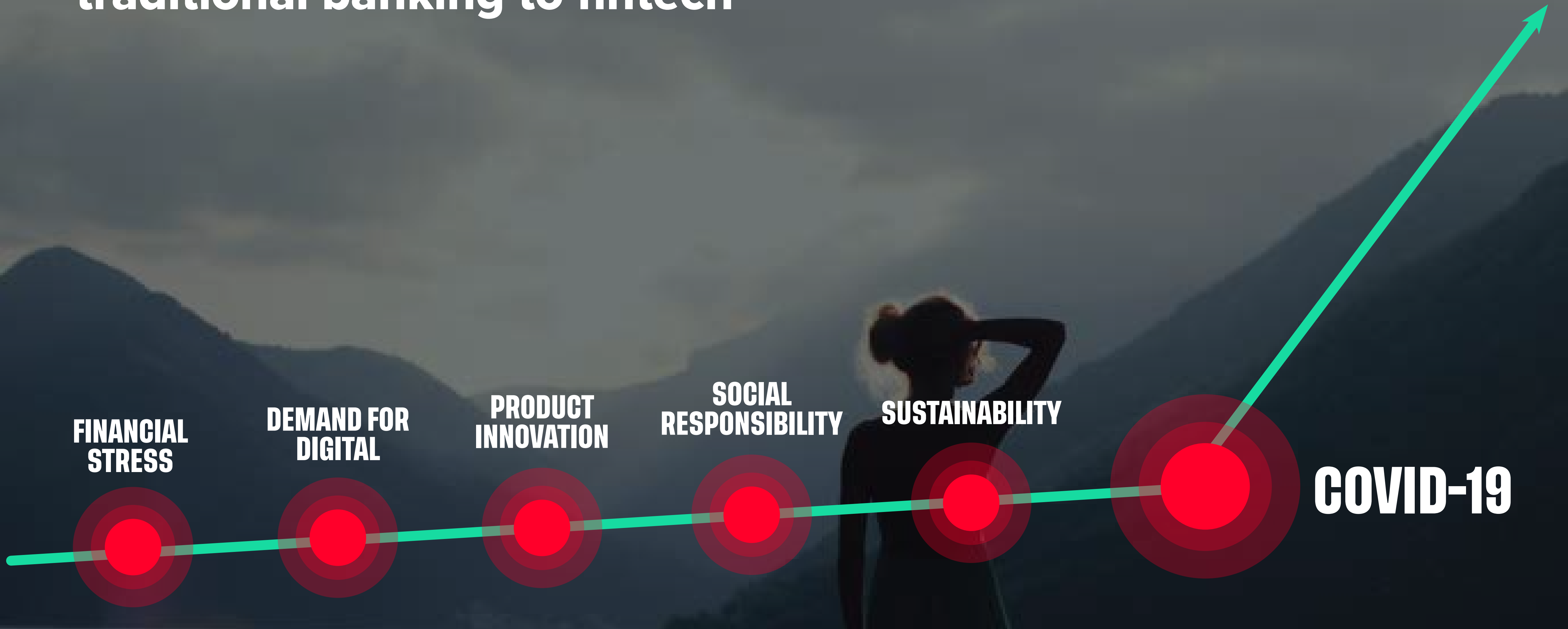
This presentation may contain Future Oriented Financial Information (“FOFI”) within the meaning of applicable securities laws. The FOFI has been prepared by our management to provide an outlook of our activities and results and may not be appropriate for other purposes. The FOFI has been prepared based 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 and www.sec.gov.

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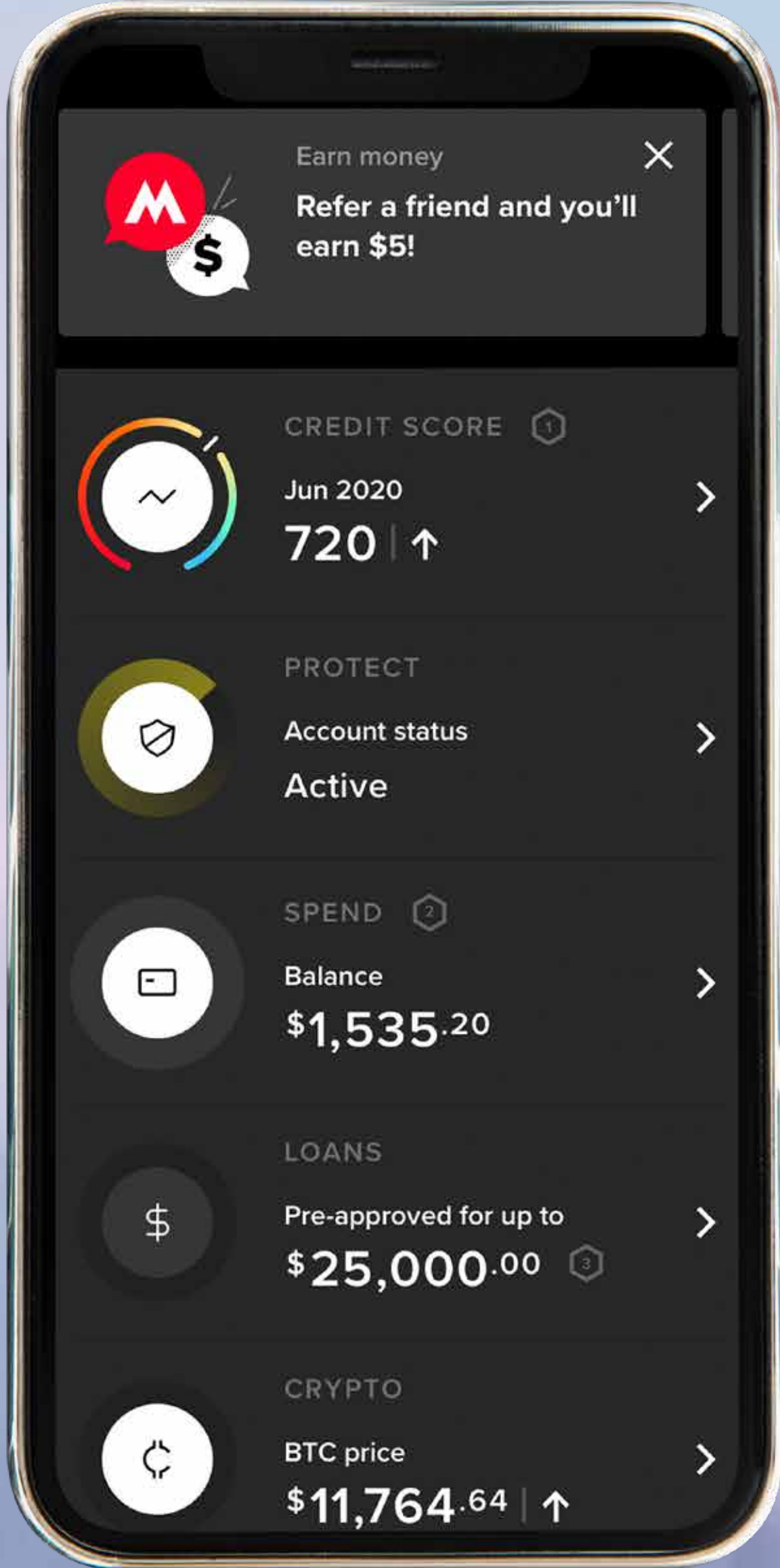
All figures are expressed in Canadian \$'s.

Multiple factors accelerating shift from traditional banking to fintech

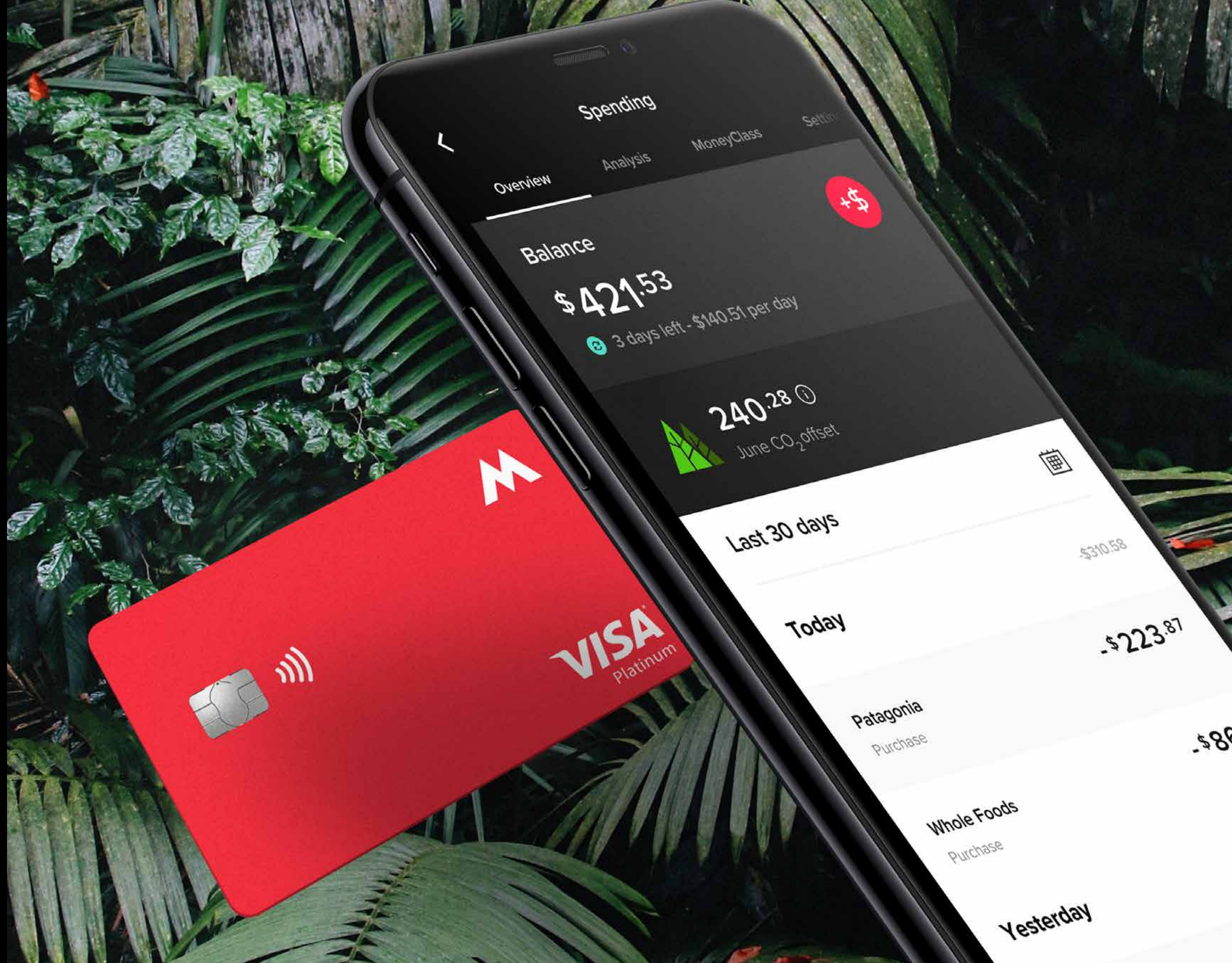




SUSTAINABLE FINANCES FOR EVERYONE



SUSTAINABLE SPENDING: ZERO DEBT + ZERO CO2



BUDGETING MADE EASY: ZERO DEBT



CLIMATE ACTION
WITH EVERY
PURCHASE:
ZERO CO₂



MOGO

now



You spent \$250 at Patagonia and offset
250lbs of CO₂ 🌳. Your balance is \$529.23 ⚖️.

CARBON FOOTPRINT



66

lbs CO₂

OFFSET



250

lbs CO₂



184

lbs CO₂



CLIMATE POSITIVE

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

\$92_B

**SPENT IN
CASH**

\$250_B

**SPENT ON
DEBIT CARDS**

\$550_B

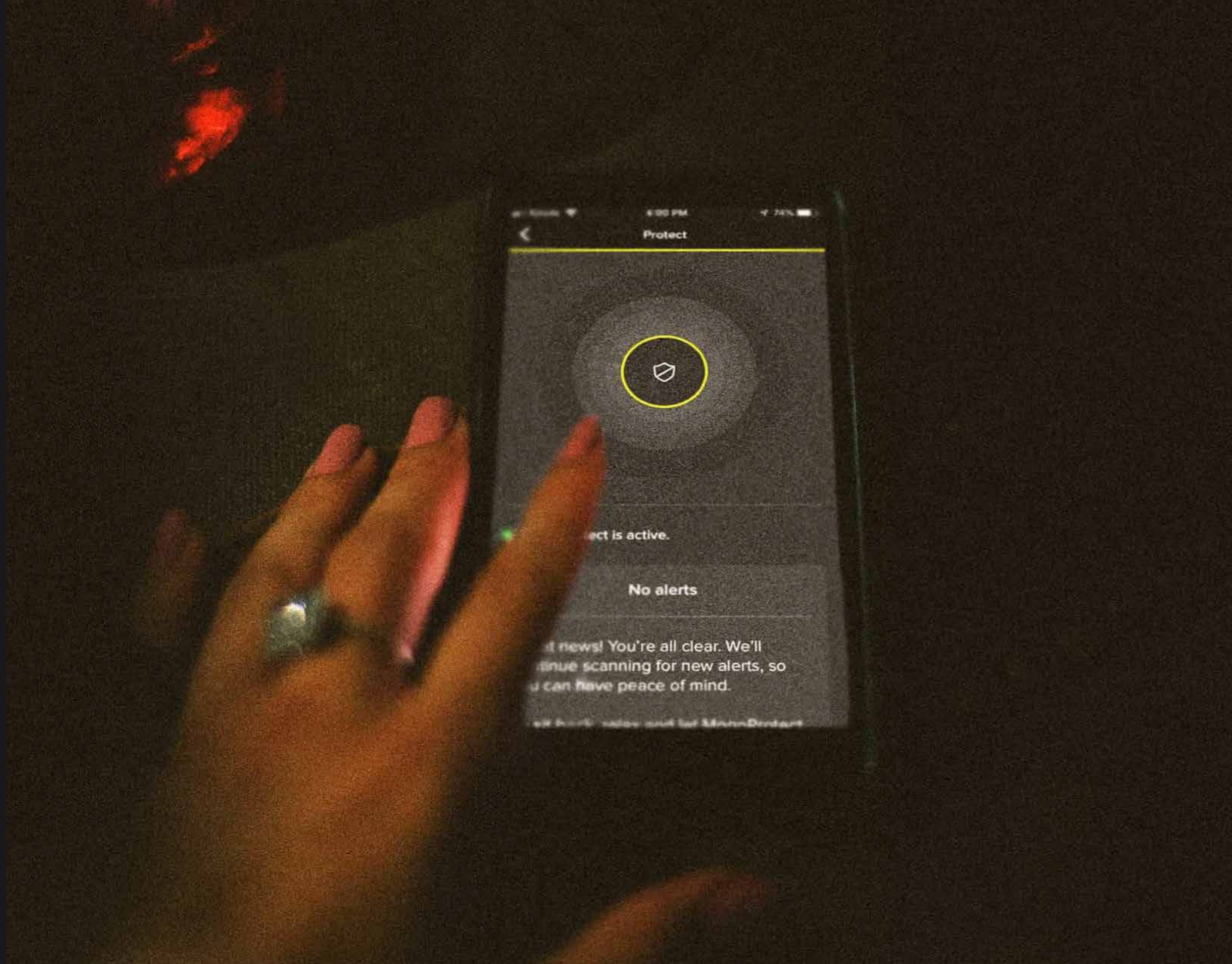
**SPENT ON
CREDIT CARDS**

www.payments.ca/sites/default/files/canadianpaymentmethodsandtrendsreport_2019.pdf

PROTECT YOURSELF AGAINST IDENTITY FRAUD

~~\$20 / MONTH~~

FREE



BUY & SELL BITCOIN

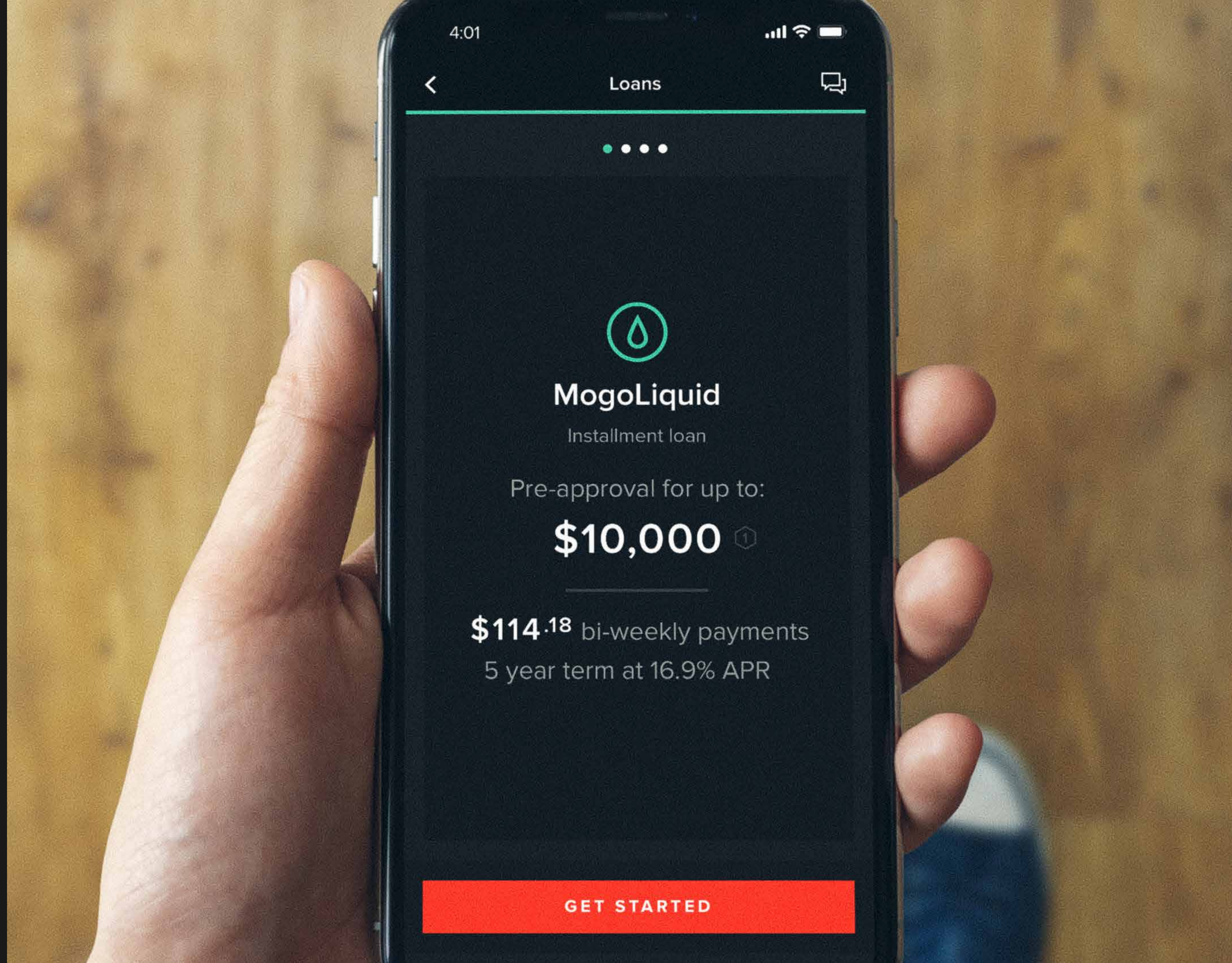
NO FUNDING OR WITHDRAWAL FEES



FREE CREDIT SCORE MONITORING



PERSONAL LOANS WITH RATES FOR EVERYONE



Leveraging innovative marketing partnership to reach ~20mm Canadians monthly



BUY THESE



CARBON FOOTPRINT

?

lbs CO₂





ZERO CARBON FOOTPRINT





ZERO CARBON FOOTPRINT

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30

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Referral partners

4:01 AM


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Loans

Overview

Offers

MoneyClass



Personal loan

Borrow up to

\$35,000

Rates starting from

9.9% APR

CHECK YOUR RATE


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Wealth

Overview

MoneyClass



High interest savings account

Everyday interest

1.50%

30X the interest of a

typical savings account

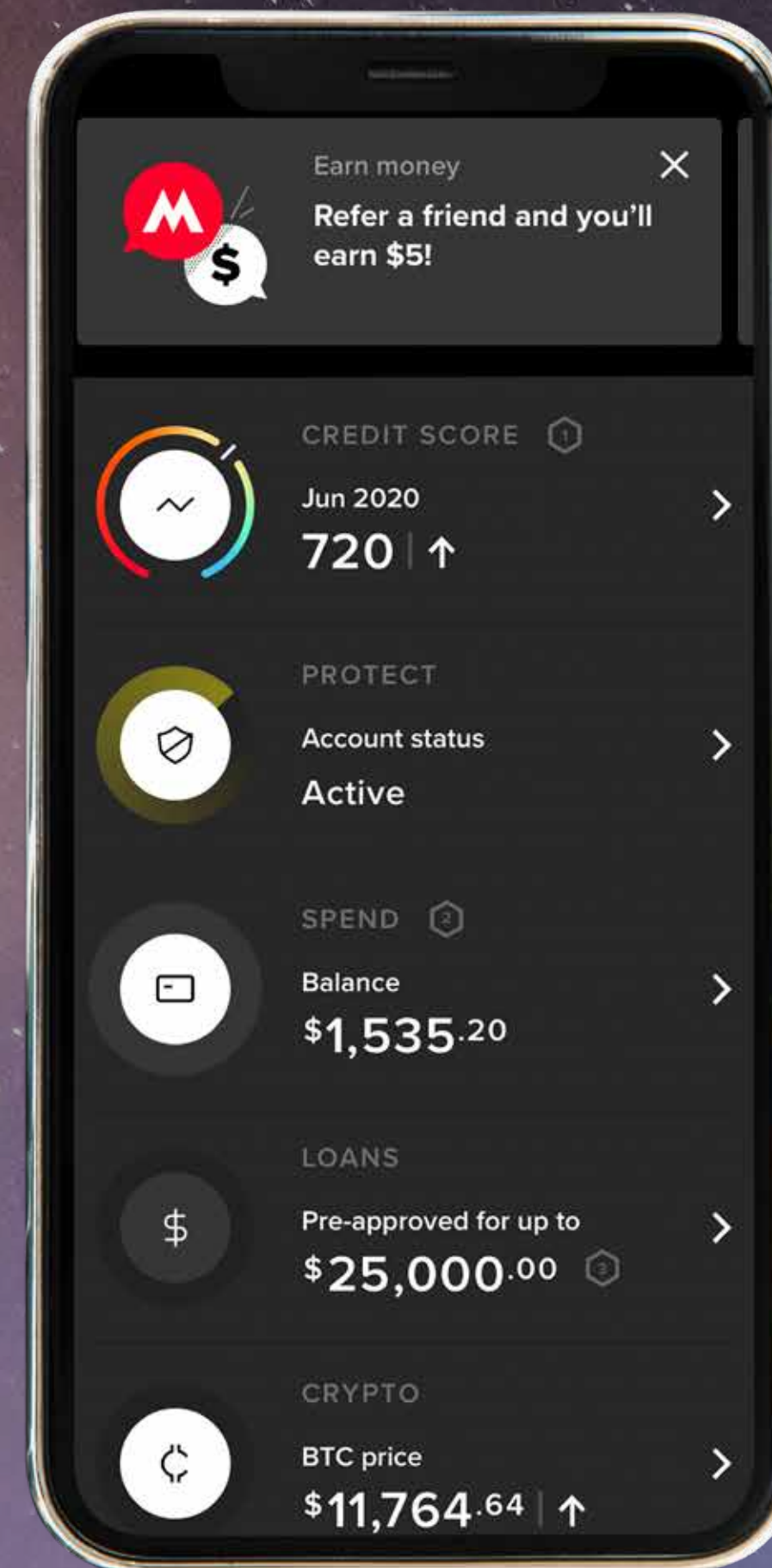
GET STARTED

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

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

ACQUISITION & ENGAGEMENT

- Free Credit Score
- Free Spending
- Free ID Fraud Protection
- Personal Loans
- Bitcoin trading
- CO₂ offsetting



REVENUE DRIVERS

- Interchange revenue
- Broker fees
- Interest revenue
- Loan partner revenue
- Referral revenue
- Trading revenue

FINANCIALS

Q2 2020 Financial highlights

- Ended Q2 with over 1MM members (up 20% year over year)
- Q2 2020 highlights strong underlying profitability of Mogo's financial model
 - Q2 Revenue of \$10.6MM (above our guidance of \$10.3MM - \$10.5MM)
 - Highly flexible model enables quick reduction of expenses and cash use with Q2 cash expenses down 46% from Q1 2020
 - Generated 91% Gross Margin and 49% Adjusted EBITDA margin
 - Generated \$5.2MM Adjusted EBITDA in Q2 (up 855% from Q1 2020)
 - Positive cash flow from operations net of investing¹ of \$7.3MM (an improvement of \$11.6MM over Q1 2020)
- Increasing monetization opportunities with recent card launch and upcoming referral programs
- Ended Q2 with over \$25MM in cash and investments

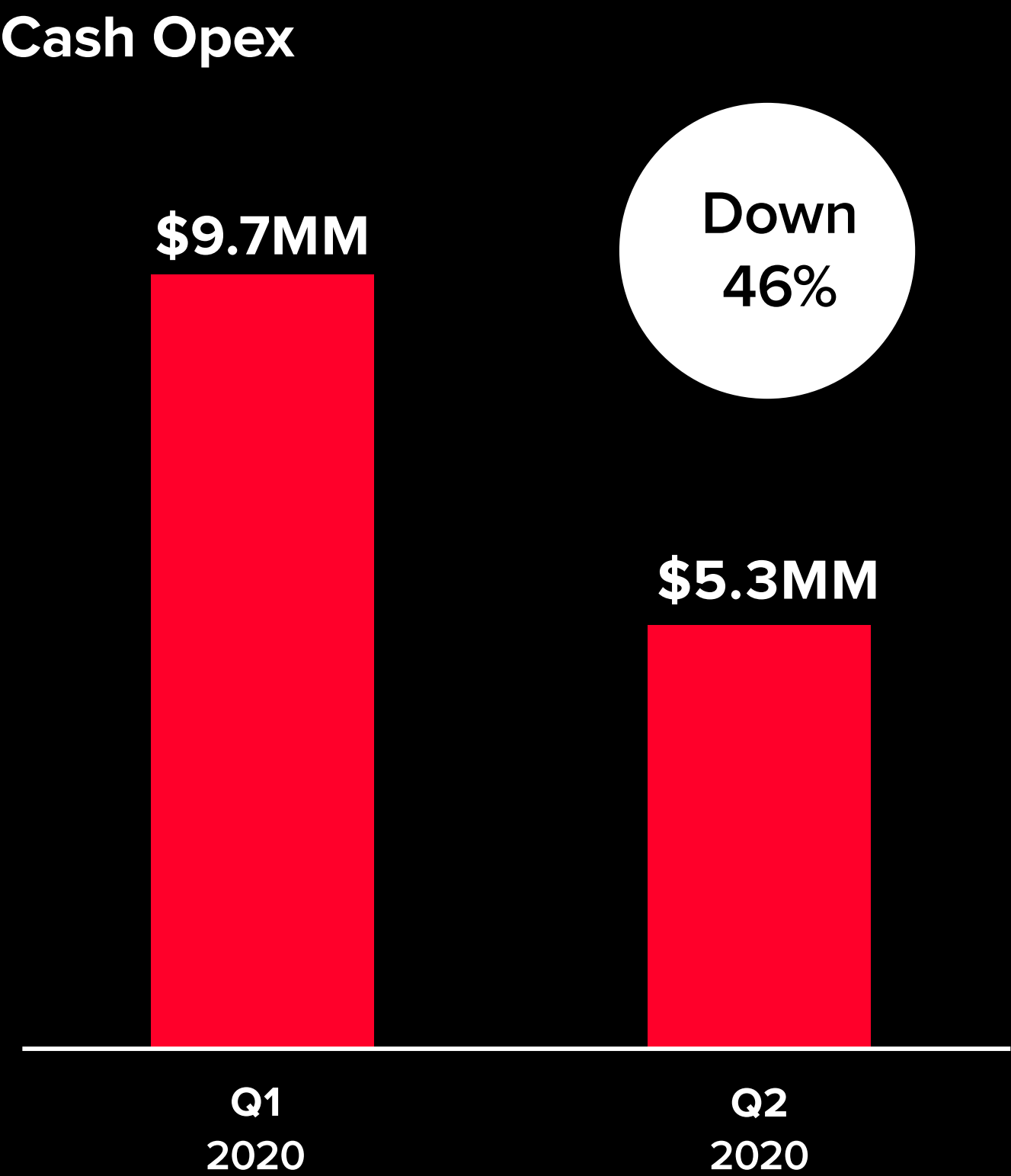
¹Excluding \$31.6 million of proceeds from sale of Liquid loan book in Q1 2020



Subscription & Services represents 43% of revenue



Flexible cost structure de-risks model & drives operating leverage

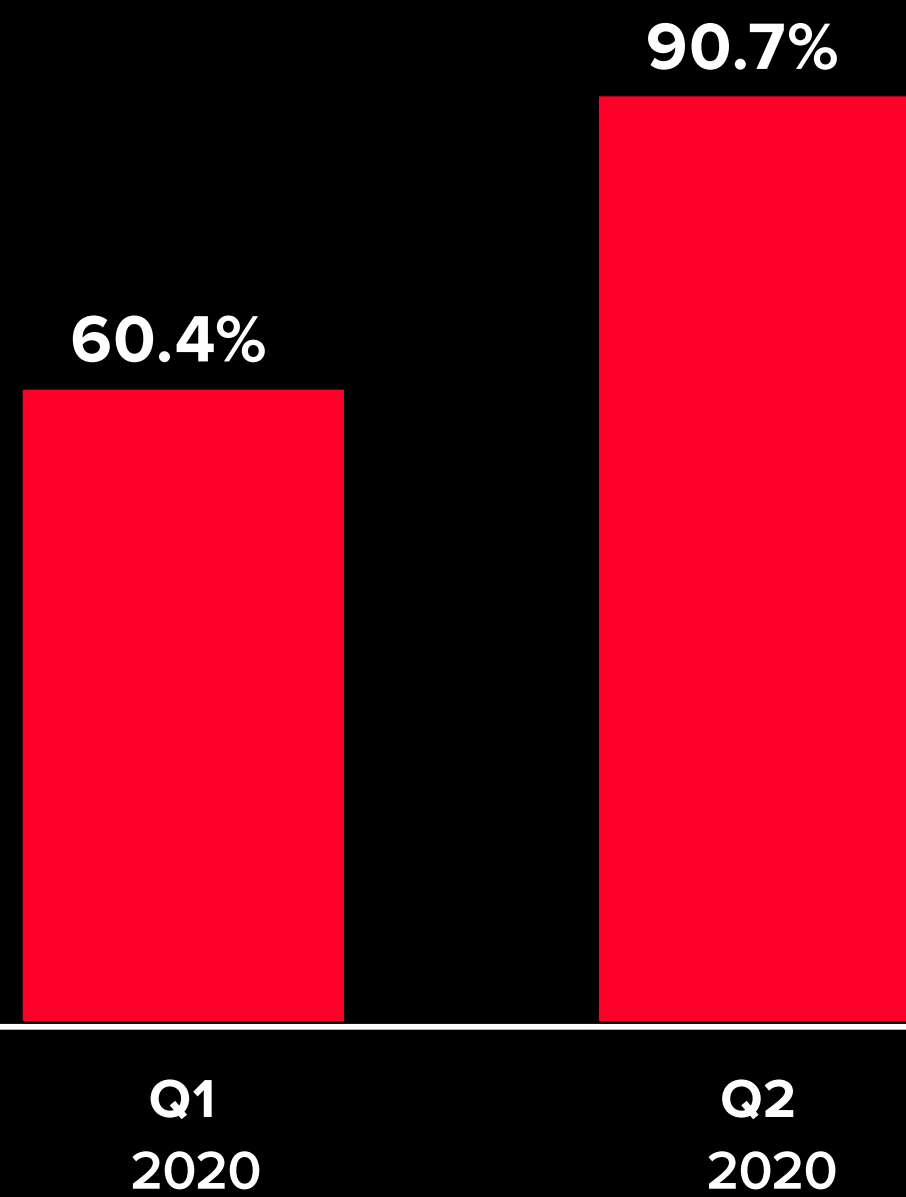


FIXED COSTS	
Growth investments	Product Engineering
	Data Science
	BI
Infrastructure investments	Credit Risk
	IT
	Legal & Compliance
	Corporate Operations

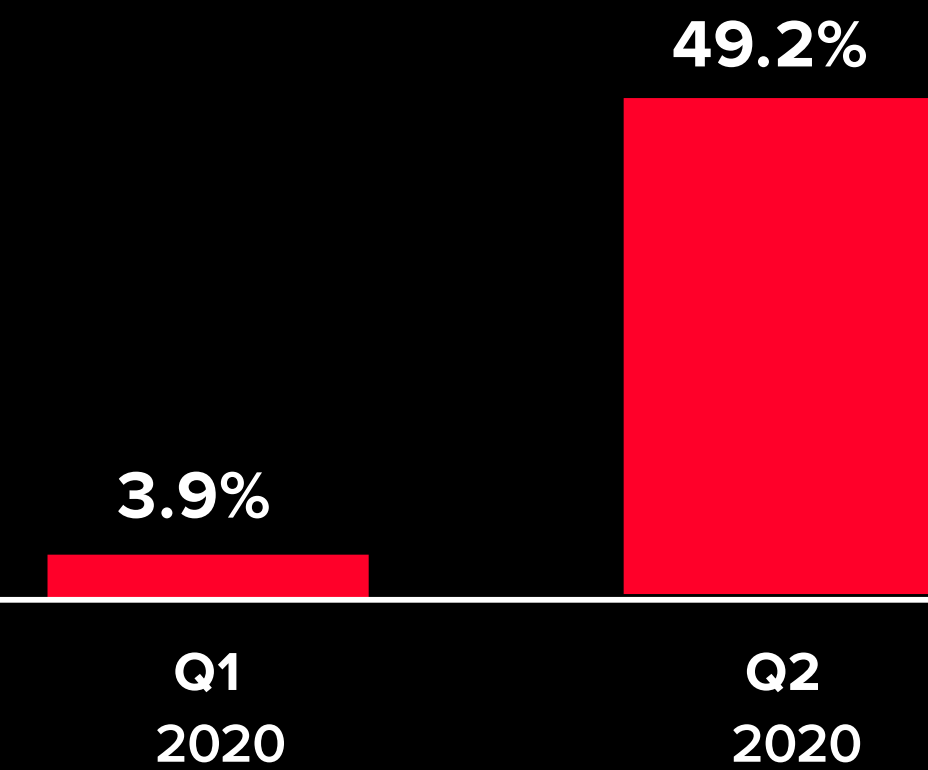
VARIABLE COSTS	
Customer Acquisition	Sales & Marketing
Ongoing Variable	Transaction costs
	Loan losses
	Data Centre & License Fees
	Customer Care

Q2 highlights strong underlying profitability

% Gross Margin



% Adjusted EBITDA Margin



Gross Profit

\$8.4MM

\$9.6MM

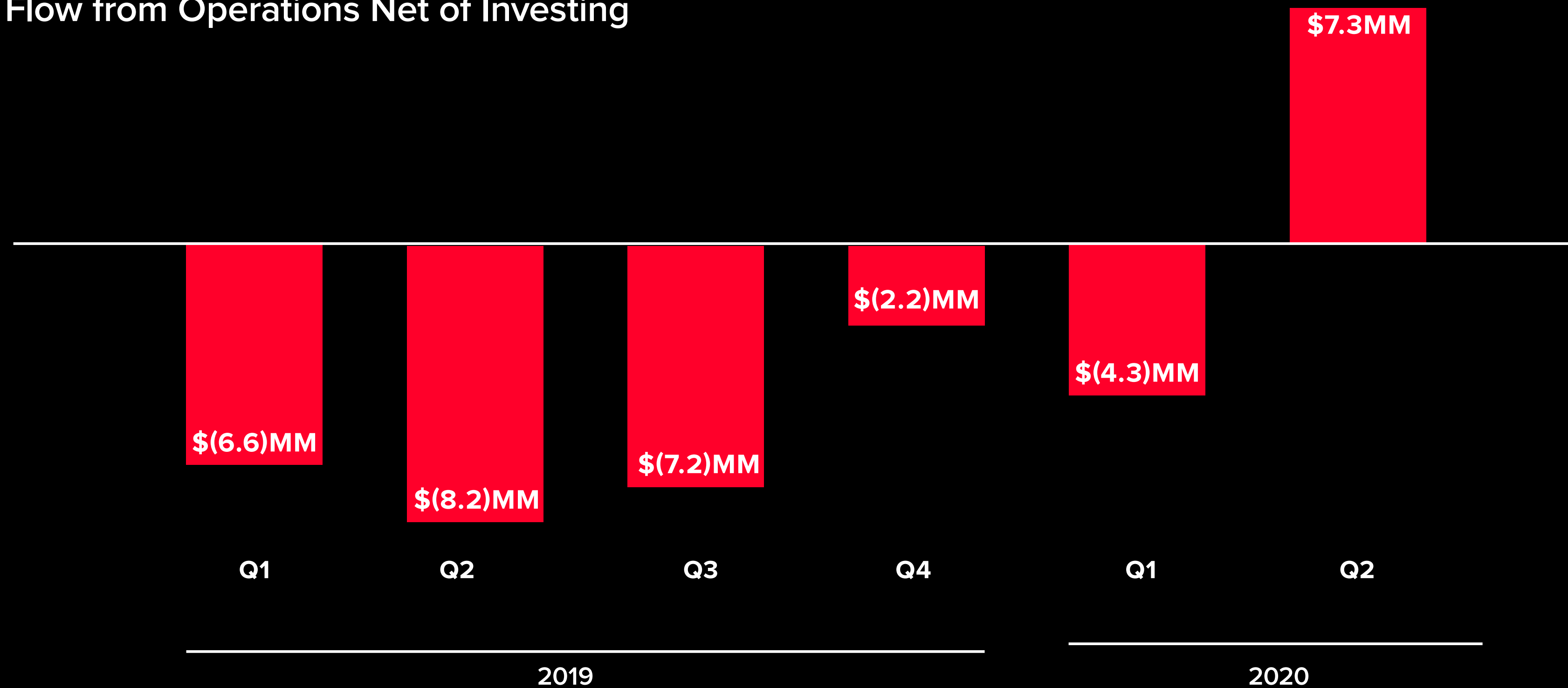
Adjusted EBITDA

\$0.5MM

\$5.2MM

Adjusting growth levers drive immediate positive cash flow results

Cash Flow from Operations Net of Investing



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

High yielding loan portfolio showing resiliency

LOAN BOOK PROFILE

Average payment amount	\$50
Average loan size	\$1,500
% of loan book covered by loan protection insurance	~ 55%

Low \$ affordable loans showing resiliency with ~ 1% of Mogo customers requiring COVID relief at the end of Q2

Deleveraged Balance Sheet

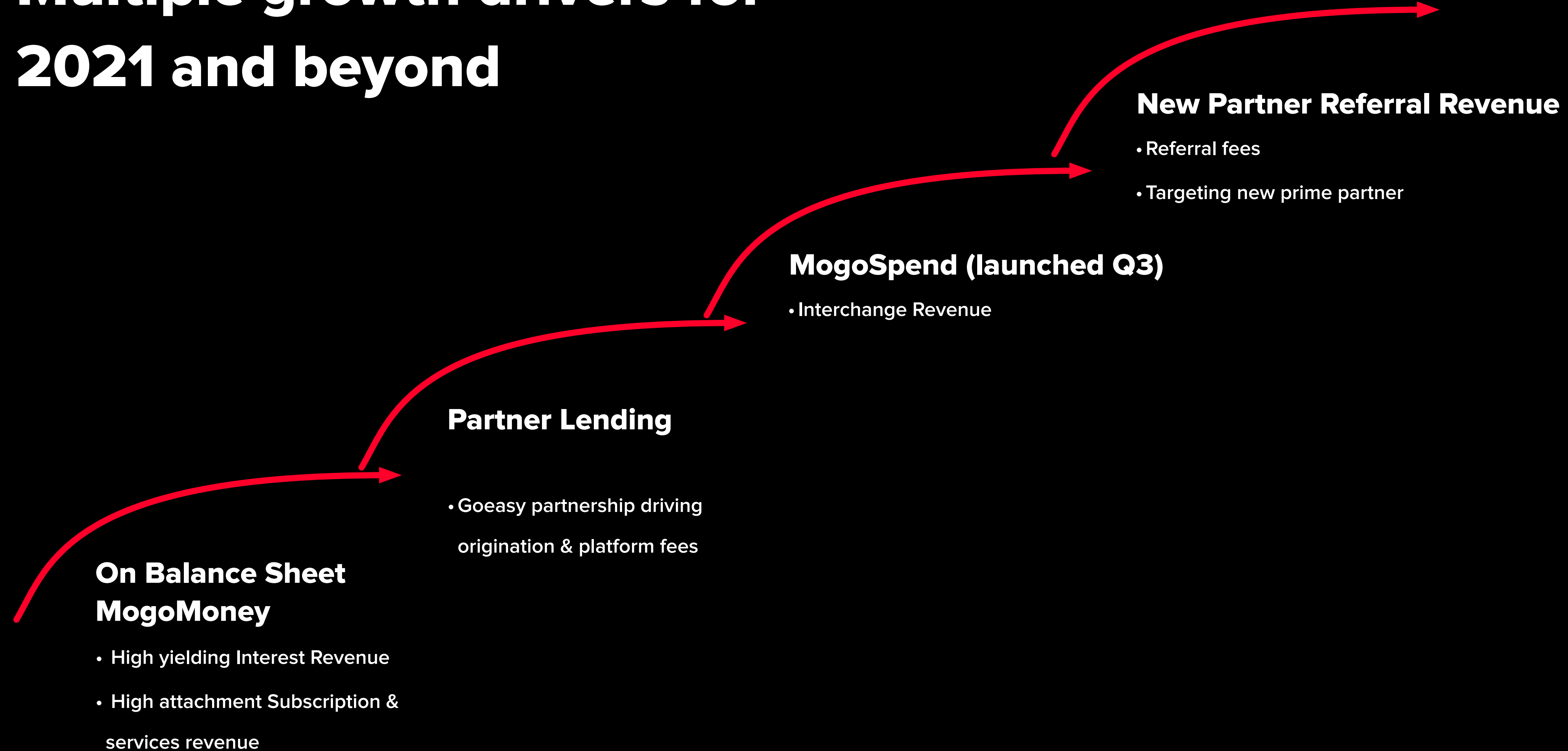
RECENT ACCOMPLISHMENTS

- \$32 million loan book sale
- Repayment & extinguishment of \$50 million liquid credit facility
- Extension of Corporate credit facility to July 2022 and reduction of rate by 400 bpts
- Extension of Convertible Debentures in Q2 to May 2022

<i>(CAD\$ in millions unless noted)</i>	Q2 2020	Q4 2019
Cash & Investment Portfolio	\$25.3	\$31.2
Loans Receivable, Net	\$48.3	\$88.7
Total Assets	\$103.0	\$151.1
Convertible Debentures ¹	\$11.3	\$12.4
Non-convertible Debentures	\$45.8	\$44.0
Credit Facilities	\$39.2	\$76.5

¹Convertible debentures have a conversion price of CAD\$2.75.

Multiple growth drivers for 2021 and beyond





APPENDIX