

Société Anonyme Eleving Group
(UNIFIED REGISTRATION NUMBER B 174.457)

Unaudited interim condensed consolidated financial statements
for the period ended 30 June 2021

PREPARED IN ACCORDANCE WITH IAS34

Luxembourg, 2021

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General information

Name of the Parent Company	Eleving Group														
Legal status of the Parent Company	Société Anonyme														
Unified registration number, place and date of registration	Luxembourg, 18 December 2012														
Registered office	8-10 Avenue de la Gare, L-1610														
Major shareholders	<table style="width: 100%;"><tr><td></td><td style="text-align: right;">30.06.2021.</td></tr><tr><td>SIA AK Family Investments (Latvia)</td><td style="text-align: right;">45.59%</td></tr><tr><td>AS Novo Holdings (Latvia)</td><td style="text-align: right;">15.23%</td></tr><tr><td>LVS Limited (Malta)</td><td style="text-align: right;">15.23%</td></tr><tr><td>AS Obelo Capital (Latvia)</td><td style="text-align: right;">15.23%</td></tr><tr><td>Other shareholders</td><td style="text-align: right;">8.73%</td></tr><tr><td>TOTAL</td><td style="text-align: right;">100.00%</td></tr></table>		30.06.2021.	SIA AK Family Investments (Latvia)	45.59%	AS Novo Holdings (Latvia)	15.23%	LVS Limited (Malta)	15.23%	AS Obelo Capital (Latvia)	15.23%	Other shareholders	8.73%	TOTAL	100.00%
	30.06.2021.														
SIA AK Family Investments (Latvia)	45.59%														
AS Novo Holdings (Latvia)	15.23%														
LVS Limited (Malta)	15.23%														
AS Obelo Capital (Latvia)	15.23%														
Other shareholders	8.73%														
TOTAL	100.00%														
Directors	Modestas Sudnius (type A), from 09.03.2019 Māris Kreics (type A), from 25.07.2018 Delphine Glessinger (type B), from 14.09.2018 Attila Senig (type B), from 29.04.2020														
Financial period	1 January - 30 June 2021														

DIRECTORS' REPORT

Record profitability driven by the historically highest loan issuances and consistent financial performance

OPERATIONAL AND STRATEGIC HIGHLIGHTS

- Record-breaking performance in H1 2021 driven by significant loan issuance volume (EUR 77 million in H1 2021) and strong q-o-q portfolio growth by 5.8% to EUR 211.9 million.
- Strong demand for personal mobility was observed in all the vehicle finance active markets resulting in an average loan ticket for a car increasing by 4% q-o-q. Also, the number of car loan applications increased by 12.6% q-o-q.
- Historically the highest consolidated vehicle finance issuances with record-high numbers of disbursed loans in Romania, Uganda, and Kenya, where motorcycle financing continued its successful run focusing on productive lending, for example, financing taxi drivers, thus creating jobs.
- Premium car financing solution Primero showed strong growth and development in Latvia. Also, as product brand, Primero was launched in Moldova focusing on premium car segment.
- Sale of share agreements were signed for on-hold markets of Albania and Bulgaria with regulatory approvals still pending.
- Stabilized sales have been achieved following the Covid-19 related slowdown in the Group's consumer finance markets with historically highest issuances in the North Macedonia. Also, continued strengthening of both - online and offline - sales channels to foster financial inclusion and client service quality.
- Being a responsible citizen of the international business community, Eleving Group continued to implement its corpo-rate strategy, including:
 - implementation of vaccination motivation program and hybrid work model in the group's HQ;
 - launch of a new corporate website;
 - first group-wide non-financial statements for 2020 and several social initiatives, focusing on helping vulnerable societies.

FINANCIAL HIGHLIGHTS AND PROGRESS

- Record profitability characterized by:
 - record-high six months EBITDA of EUR 27.3 million (6M 2020: EUR 14.6 million) and normalized* EBITDA of EUR 30.1 million;
 - Net Profit before forex effect of EUR 7.3 million (6M 2020: EUR 0.6 million loss) and normalized* – EUR 10.1 million;
 - Net Profit after forex effect of EUR 7.4 million (6M 2020: EUR 3.9 million loss) and normalized* – EUR 10.2 million.
- Record-high product portfolio of EUR 211.9 million; an EUR 11.7 million increase q-o-q, of which vehicle finance accounted for EUR 8.2 million and consumer finance - EUR 3.5 million.
- Strongest-ever capitalization ratio (23.8%) driven by the equity (incl. subordinated loans) growth of 8.0% or EUR 3.5 million q-o-q.
- Receivable from the sale of Longo Group further decreased by EUR 5 million and now stands at EUR 2.9 million (Q1 2021: EUR 7.9 million).
- Based on strong financial results and general resilience of capital markets, the Group is considering a range of Eurobond refinance opportunities during the second half of 2021.

* - Financial indicator adjusted by eliminating non-recurring one-off transactions with a purpose to better illustrate the performance of a recurring business activities.

Modestas Sudnius, CEO of Eleving Group, commented:

"Eleving Group has produced sturdy performance in the first half of 2021, boosted by the Group's strategic focus on its existing markets and leaner organizational structure. The strong performance of the Group was driven by a record-high consolidated loan issuance volume, in particular, by record-high numbers of disbursed vehicle loans in Romania, Uganda, and Kenya and consumer loans in North-Macedonia. The used car market became increasingly active during the pandemic, and our industry know-how allowed us to react swiftly to the growing demand for safer, more cost-efficient personal mobility. The growing demand for personal vehicles across all of the Group's markets increased both the average size of a Mogo loan (up by 4% q-o-q) and the number of applications for car loans (up by nearly 13% q-o-q).

During the first six months of 2021, we also focused on our corporate identity and took steps to boost the Group's new brand awareness across the international business community — we launched our new website and strengthened our ESG approach.

To pursue our ESG goals, we published the first group-wide non-financial statements and launched several social initiatives, for example, an e-signature solution in Romania and a motor-cycle riding school for women in Kenya. In the coming months, we are going to roll out a strategy to neutralize the Group's carbon footprint.

To encourage strong employee engagement in building business resilience and innovation culture, we have launched a vaccination motivation program and hybrid work model in the Group's headquarters, including flexible working mode and engagement culture.

While headed towards the best financial year in the Group's history, Eleving Group will pursue gradual growth in the next quarters, maintain-ing a keen focus on sustainable business development.

Our funding position has remained strong, with continuously decreasing costs of capital on the Mintos peer-to-peer marketplace (weighted average funding rate for the whole portfolio funded through Mintos is below 10%) and our Eurobond and Latvian bond secondary market prices are trading comfortably above par.

The Group's bonds listed in Frankfurt stock exchange market will mature in the second half of 2022, and we are evaluating a range of refinancing options during the second half of 2021."

Maris Kreics, CFO of Eleving Group, commented:

"The record profitability achieved in the first half of 2021 provides conclusive proof that the revised strategy has largely been implemented as intended and is bearing fruit. The core profitability evidenced by the highest ever quarterly EBITDA with more than a 50% year-over-year increase and record-high portfolio of EUR 211.9 million, contribution to which was made by both of our business lines — vehicle and consumer financing.

The Group's consistent financial performance is reflected in the strongest equity position in the Group's history — total equity (including subordinated loans) in the first six months of 2021 grew by 37.5%, reaching total equity of EUR 47.3 million at the end of the first half of 2021.

Also, our funding position has remained strong, with continuously decreasing costs of capital on the Mintos peer-to-peer marketplace (weighted average funding rate for the whole portfolio funded through Mintos is below 10%) and our Eurobond and Latvian bond secondary market prices are trading comfortably above par.

To the best of our knowledge, the unaudited interim condensed set of financial statements which have been prepared in all material respects in accordance with the IAS34.

Signed on behalf of the Group on 30 September 2021 by:



Māris Kreics
Type A director



Delphine Glessinger
Type B director

Unaudited Condensed Consolidated Interim Financial Statements
Condensed Consolidated Statement of Comprehensive Income

		01.01.2021. - 30.06.2021.	01.01.2020. - 30.06.2020.
		EUR	EUR
Interest revenue	3	62 489 907	36 016 418
Interest expense	4	(14 837 279)	(12 506 566)
Net interest income		47 652 628	23 509 852
Fee and commission income related to finance lease activities	5	3 665 262	1 627 710
Impairment expense	6	(12 504 014)	(15 581 927)
Net gain/(loss) from de-recognition of financial assets measured at amortized cost	7	(3 267 934)	3 369 972
Expenses related to peer-to-peer platform services	8	(573 887)	(453 377)
Revenue from leases	9	3 428 337	2 975 365
Revenue from car sales	10	14 550	16 263
Expenses from car sales	10	(14 128)	(17 146)
Selling expense	11	(2 925 023)	(1 110 501)
Administrative expense	12	(24 468 583)	(14 374 561)
Other operating income	13	581 224	482 487
Other operating expense	14	(2 716 393)	(899 205)
Net foreign exchange result	15	97 835	(3 248 081)
Profit/(loss) before tax		8 969 874	(3 703 149)
Corporate income tax	16	(2 974 391)	(547 877)
Deferred corporate income tax	16	744 432	967 822
Profit/(loss) from continuing operations		6 739 915	(3 283 204)
Discontinued operations			
Profit/(loss) from discontinued operation, net of tax		702 686	(598 603)
Profit/(loss) for the period		7 442 601	(3 881 807)
Other comprehensive income/(loss):			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Translation of financial information of foreign operations to presentation currency		374 671	320 851
Other comprehensive income		374 671	320 851
Total comprehensive income for the period		7 817 272	(3 560 956)
Profit/(loss) is attributable to:			
Equity holders of the Parent Company		7 022 773	(3 943 853)
Non-controlling interests		419 828	62 046
Net profit/(loss) for the period		7 442 601	(3 881 807)
Other comprehensive income is attributable to:			
Equity holders of the Parent Company		359 383	303 731
Non-controlling interests		15 288	17 120
Other comprehensive income for the period		374 671	320 851

The accompanying notes are an integral part of these unaudited condensed consolidated interim financial statements.

Signed on behalf of the Group on 30 September 2021 by:



Māris Kreics
Type A director



Delphine Glessinger
Type B director

Condensed Consolidated Statement of Financial Position

ASSETS		30.06.2021.	31.12.2020.
		EUR	EUR
NON-CURRENT ASSETS			
Intangible assets			
		6 603 307	6 603 307
		7 252 012	5 868 613
		2 248 133	2 338 498
	17	16 103 452	14 810 418
Tangible assets			
		7 533 524	7 500 117
		13 529 512	14 549 784
		2 106 710	2 138 603
		503 881	443 330
		2 046	2 046
	18	23 675 673	24 633 880
Non-current financial assets			
	19	56 928 577	60 433 229
	20	37 354 175	37 935 401
	21, 29	8 789 903	8 251 405
		132 745	91 585
		789 023	187 315
		2 677 351	2 874 180
		106 671 774	109 773 115
		146 450 899	149 217 413
CURRENT ASSETS			
Inventories			
	22	2 872 845	1 600 343
		2 872 845	1 600 343
Receivables and other current assets			
	19	41 129 427	34 025 363
	20	62 924 988	54 496 491
	21, 29	2 529 063	7 577 108
		5 713 447	2 681 817
		2 316 213	1 932 932
		3 512 304	3 333 549
	23	6 355 145	4 076 535
	24	7 948 018	9 315 430
		132 428 605	117 439 225
	25	8 863 085	9 416 927
	26	960 148	2 094 204
		9 823 233	11 511 131
		145 124 683	130 550 699
		291 575 582	279 768 112

The accompanying notes are an integral part of these unaudited condensed consolidated interim financial statements.

Signed on behalf of the Group on 30 September 2021 by:



Māris Kreics
Type A director



Delphine Glessinger
Type B director

Condensed Consolidated Statement of Financial Position

		30.06.2021.	31.12.2020.
		EUR	EUR
EQUITY			
Share capital	27	1 000 000	1 000 000
Share premium		-	-
Reserve		613 997	317 347
Foreign currency translation reserve		(1 932 415)	(2 291 798)
Retained earnings/(losses)		29 600 358	22 874 235
brought forward		22 577 585	20 828 734
for the period		7 022 773	2 045 501
Total equity attributable to equity holders of the Parent Company		29 281 940	21 899 784
Non-controlling interests		685 717	338 439
TOTAL EQUITY		29 967 657	22 238 223
LIABILITIES			
Non-current liabilities			
Borrowings	28	186 857 192	160 825 463
Other non-current financial liabilities		-	66 508
Total non-current liabilities		186 857 192	160 891 971
Provisions		416 836	432 922
Total provisions for liabilities and charges		416 836	432 922
Current liabilities			
Borrowings	28	57 208 741	82 408 465
Liabilities of subsidiary held for sale	25	4 222 799	3 936 318
Prepayments and other payments received from customers		295 676	533 346
Trade payable		2 008 588	1 282 953
Corporate income tax payable		1 817 433	784 197
Taxes payable		2 554 647	1 977 669
Other liabilities		2 174 852	1 877 198
Accrued liabilities		3 933 973	3 305 901
Other current financial liabilities		117 188	98 949
Total current liabilities		74 333 897	96 204 996
Provisions		-	-
Total provisions for liabilities and charges		-	-
TOTAL LIABILITIES		261 607 925	257 529 889
TOTAL EQUITY AND LIABILITIES		291 575 582	279 768 112

The accompanying notes are an integral part of these unaudited condensed consolidated interim financial statements.

Signed on behalf of the Group on 30 September 2021 by:



Māris Kreics
Type A director



Delphine Glessinger
Type B director

Condensed Consolidated Statement of Changes in Equity

	Share capital	Share premium	Foreign currency translation reserve	Retained earnings/ (Accumulated loss)	Reserve	Total equity attributable to Equity holders of the Parent Company	Non controlling interest	Total
Balance at 01.01.2020.	1 000 000	-	(793 752)	21 383 446	253 088	21 842 782	462 969	22 305 751
Loss for the period	-	-	-	(3 943 853)	-	(3 943 853)	62 046	(3 881 807)
Purchase of minority interest shares	-	-	-	(281 473)	-	(281 473)	(182 357)	(463 830)
Other comprehensive income	-	-	303 731	-	-	303 731	17 120	320 851
Total comprehensive income	-	-	303 731	(4 225 326)	-	(3 921 595)	(103 191)	(4 024 786)
Balance at 30.06.2020.	1 000 000	-	(490 021)	17 158 120	253 088	17 921 187	359 778	18 280 965
Balance at 01.01.2021.	1 000 000	-	(2 291 798)	22 874 235	317 347	21 899 784	338 439	22 238 223
Profit for the reporting period	-	-	-	7 022 773	-	7 022 773	419 828	7 442 601
Purchase of minority interest shares	-	-	-	-	-	-	-	-
Reserve	-	-	-	(296 650)	296 650	-	-	-
Dividends distribution	-	-	-	-	-	-	(87 838)	(87 838)
Other comprehensive income	-	-	359 383	-	-	359 383	15 288	374 671
Total comprehensive income	-	-	359 383	6 726 123	296 650	7 382 156	347 278	7 729 434
Balance at 30.06.2021.	1 000 000	-	(1 932 415)	29 600 358	613 997	29 281 940	685 717	29 967 657

The accompanying notes are an integral part of these unaudited condensed consolidated interim financial statements.

Signed on behalf of the Group on 30 September 2021 by:



Māris Kreics
Type A director



Delphine Glessinger
Type B director

Condensed Consolidated Statement of Cash Flows

	01.01.2021. - 30.06.2021.	01.01.2020. - 30.06.2020.
	EUR	EUR
Cash flows to/from operating activities		
Profit/(loss) before tax	9 672 560	(4 590 470)
Adjustments for:		
Amortization and depreciation	3 558 182	4 467 606
Interest expense	14 837 279	12 781 334
Interest income	(62 489 907)	(39 059 858)
Loss on disposal of property, plant and equipment	2 040 200	719 534
Impairment expense	15 732 420	13 685 682
Loss from fluctuations of currency exchange rates	276 836	3 827 558
Operating profit before working capital changes	(16 372 430)	(8 168 614)
Decrease/(increase) in inventories	(1 272 502)	346 842
Increase in finance lease receivables, loans and advances to customers and other current assets	(32 457 619)	(660 039)
Increase in accrued liabilities	611 986	(313 008)
Increase/(decrease) in trade payable, taxes payable and other liabilities	1 604 872	(2 659 144)
Cash generated to/from operations	(47 885 693)	(11 453 963)
Interest received	64 148 896	38 852 087
Interest paid	(16 826 499)	(10 915 140)
Corporate income tax paid	(2 042 276)	(74 794)
Net cash flows to/from operating activities	(2 605 572)	16 408 190
Cash flows to/from investing activities		
Purchase of property, plant and equipment and intangible assets	(4 014 992)	(1 359 436)
Purchase of rental fleet	(2 442 267)	(4 357 453)
Acquisition of a subsidiary, net of cash acquired	-	-
Advance payments for acquisition of subsidiaries	-	-
Loan repayments received	8 528 230	4 809 426
Loans issued	(1 038 087)	(5 351 925)
Net cash flows to/from investing activities	1 032 884	(6 259 388)
Cash flows to/from financing activities		
Proceeds from borrowings	149 749 552	106 515 814
Repayments for borrowings	(148 003 885)	(103 656 047)
Repayment of liabilities for right-of-use assets	(1 452 552)	(1 345 521)
Dividends paid to non-controlling shareholders	(87 839)	-
Net cash flows to/from financing activities	205 276	1 514 246
Change in cash	(1 367 412)	11 663 048
Cash at the beginning of the period	9 315 430	8 656 530
Cash at the end of the period	7 948 018	20 319 578

The accompanying notes are an integral part of these unaudited condensed consolidated interim financial statements.

Signed on behalf of the Group on 30 September 2021 by:



Māris Kreics
Type A director



Delphine Glessinger
Type B director

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

1. Corporate information

Eleving Group S.A. - formerly Mogo Finance S.A. (hereinafter "the Parent Company") is a Luxembourg company incorporated on December 18, 2012 as a Société Anonyme for an unlimited duration, subject to general company law.

The unaudited condensed consolidated interim financial statements of the Group include:

Subsidiary name	Country of incorporation	Registration number	Principal activities	% equity interest	
				30.06.2021.	31.12.2020.
Mogo LT UAB	Lithuania	302943102	Financing	100%	100%
Mogo Sp. z o.o.	Poland	7010514253	Financing	100%	100%
Mogo Bulgaria EOOD	Bulgaria	204009205	Financing	100%	100%
Mogo Iberia	Spain	B87587754	Financing	100%	100%
Mogo Albania SHA	Albania	NUIS L71528013A	Financing	100%	100%
Mogo Balkans and Central Asia AS	Latvia	40203150045	Management services	100%	100%
Mogo Consumer Finance AS	Latvia	40203150030	Management services	100%	100%
Mogo Leasing d.o.o.	Bosnia	4202540500009	Financing	100%	100%
Kredo Finance SHPK	Albania	L71610009A	Financing	100%	100%
TIGO Finance DOOEL Skopje	North Macedonia	7229712	Financing	100%	100%
Insta Finance LLC	Ukraine	43449827	Financing	100%	100%
Next Fin LLC	Ukraine	42273138	Financing	100%	100%
Hima UCO LLC	Armenia	53	Financing	100%	100%
Hima Finance	Armenia	286.110.1121811	Management services	100%	100%
Funderly Group AS	Latvia	54103145421	Management services	100%	100%
NF Capital, AS	Latvia	40203249386	Management services	100%	100%
YC Group AS	Latvia	50203247781	Management services	100%	100%
Zen Group AS	Latvia	40203249333	Management services	100%	100%
For sale Five Sp. z o.o.	Poland	0000830343	Management services	100%	100%
Mogo Vehicle Finance AS	Latvia	42103088260	Management services	99%	99%
Mogo OU	Estonia	12401448	Financing	99%	99%
Mogo LLC	Georgia	404468688	Financing	99%	99%
Mogo UCO LLC	Armenia	42	Financing	99%	99%
Mogo Baltics and Caucasus AS	Latvia	40203145805	Management services	99%	99%
Longo Georgia LLC	Georgia	402095166	Retail of motor vehicles	99%	99%
Longo LLC	Armenia	286.110.1015848	Retail of motor vehicles	99%	99%
Renti AS	Latvia	40203174147	Rent services	97%	97%
Mogo AS	Latvia	50103541751	Financing	97%	97%
OCN Sebo Credit SRL	Moldova	1017600000371	Financing	96,2563%	96,2563%
OCN SE Finance SRL	Moldova	1020600028773	Financing	96%	96%
Mogo IFN SA	Romania	35917970	Financing	91%	91%
Mogo Eastern Europe AS	Latvia	40103964830	Management services	91%	91%
Mogo Eastern Europe LT UAB	Lithuania	305018069	Management services	91%	91%
Renti UAB	Lithuania	305653232	Financing	91%	91%
Mogo Loans SRL	Moldova	10086000260223	Financing	91%	91%
MOGO Kredit LLC	Belarus	192981714	Financing	91%	91%
Mogo Africa AS	Latvia	40203182962	Management services	88%	88%
Mogo Africa UAB	Lithuania	304991028	Management services	88%	88%
MOGO LOANS SMC LIMITED	Uganda	80020001522601	Financing	88%	88%
Mogo Auto Ltd	Kenya	PVT-AJUR7BX	Financing	88%	88%
Mogo Kenya Ltd	Kenya	PVT-BEU3ZKD	Financing	88%	88%
Mogo Lend LTD	Uzbekistan	305723654	Financing	87%	87%
Mogo Kazakhstan TOO	Kazakhstan	180940010094	Financing	0%	100%
FD Mogo krediti DOOEL	North Macedonia	7342683	Financing	0%	100%
Mogo DOOEL	North Macedonia	7273614	Financing	0%	100%
Avtopark-Slezheniye LLP	Kazakhstan	200740017269	Other services	0%	88%

2. Summary of significant accounting policies

Reporting entity

Eleving Group S.A. (the 'Company') is a company domiciled in Luxembourg. These unaudited condensed consolidated interim financial statements ('interim financial statements') as at and for the six months ended 30 June 2021 comprise the Company and its subsidiaries (together referred to as 'the Group'). The Group is primarily involved in providing financing services to private customers.

Basis of preparation

These unaudited condensed consolidated interim financial statements for the six months ended 30 June 2021 have been prepared in accordance with IAS 34 Interim Financial Reporting, and should be read in conjunction with the Group's last annual consolidated financial statements as at and for the year ended 31 December 2020 ('last annual financial statements'). They do not include all of the information required for a complete set of financial statements prepared in accordance with IFRS Standards. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements.

Use of judgements and estimates

In preparing these unaudited condensed consolidated interim financial statements, management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements.

Measurement of fair values

A number of the Group's accounting policies require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the chief financial officer.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments.

If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of the Standards, including the level in the fair value hierarchy in which the valuations should be classified.

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability are categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in Note 31.

Change in accounting policy

The accounting policies applied in these unaudited condensed consolidated interim financial statements are the same as those applied in the Group's consolidated financial statements as at and for the year ended 31 December 2020. The policy for recognising and measuring income taxes in the interim period is consistent with that applied in the previous interim period.

Specific policies applicable from 1 January 2021 for interest rate benchmark reform

The Group has no effect on its policies from the Interest Rate Benchmark Reform Phase 2 – Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 (the Phase 2 amendments) which became effective from 1 January 2021.

2. Summary of significant accounting policies

Going concern

The Group decided, in the early stages of the COVID-19 pandemic, to limit lending activities to higher risk customers across all product segments. After having revised its loan policies and scoring algorithms in Q2 2020, to improve underwriting in times of high volatility and general uncertainty, the Group found itself in Q3 2020 in a healthy position to actively target customers that were in a stable financial situation despite the ongoing pandemic. The adjusted algorithms and scoring policies helped the Group to improve the payment behaviour during Q2 2020, and this healthy payment behaviour has been maintained during following quarters up to now, while disbursement rates have increased as demand has returned in most of the markets. The Group continues to tightly monitor its underwriting performance for any early indications of deteriorating payment behaviour and properly judge the impact of governmental measures. Due to this combination of tighter monitoring and a better understanding of the economic impacts of COVID-19-related lockdowns, The Group has maintained a healthy portfolio quality through the pandemic and has not seen any significant impact on materialised credit losses. The Group manages its risk provisioning in accordance with IFRS 9, that relies on a forward oriented methodology. Based on future macroeconomic indicators and previously recorded correlations, the reserving model is adjusted in accordance with the macroeconomic outlook.

The Group does not foresee any difficulties related with the liquidity during the second quarter of 2021 as the main liquidity sources - positive cash flow before investments into loan portfolios and funding from P2P platform Mintos - remain solid. The Group has posted its highest ever net profit for the first six month period since inception, and is currently borrowing at historically lowest overall funding rate in P2P marketplace Mintos - approximately 9.5%. Additionally the Group's Eurobond is trading above par during the Q2 of 2021 and also after the balance sheet date. All of which are indicators of the Group's ability to raising both internal and external funds on as needed basis. Moreover on 16th of August 2021 the Group's credit rating by Fitch was improved from negative to stable outlook as well as rating watch was removed, this can be considered as additional external validation of the Group's resilience through pandemic and recognition of improved financial performance.

3. Interest revenue

	01.01.2021. - 30.06.2021.	01.01.2020. - 30.06.2020.
	EUR	EUR
Interest income from finance lease receivables	44 936 795	33 437 310
Interest income from loans and advances to customers according to effective interest rate method	16 967 638	1 807 606
Other interest income according to effective interest rate method	585 474	771 502
Total interest income calculated using effective interest method for financial assets that are measured at amortised cost	17 553 112	2 579 108
TOTAL:	62 489 907	36 016 418

4. Interest expense

	01.01.2021. - 30.06.2021.	01.01.2020. - 30.06.2020.
	EUR	EUR
<i>Interest expenses on financial liabilities measured at amortised cost:</i>		
Interest expense on issued bonds	8 383 557	7 816 239
Interest expenses for loans from P2P platform investors	4 811 458	3 541 795
Interest expenses for bank liabilities and related parties	1 478 846	998 215
Interest expenses for lease liabilities	163 418	150 317
TOTAL:	14 837 279	12 506 566

5. Fee and commission income related to finance lease activities

	01.01.2021. - 30.06.2021.	01.01.2020. - 30.06.2020.
	EUR	EUR
<i>Revenue from contracts with customers recognized point in time:</i>		
Income from penalties received	3 494 539	1 447 885
Income from commissions	879 437	296 262
Income from providing registration services	-	2 022
TOTAL:	4 373 976	1 746 169

Revenue from contracts with customers recognized point in time related to debt collection activities:

	01.01.2021. - 30.06.2021.	01.01.2020. - 30.06.2020.
	EUR	EUR
Gross income from debt collection activities	783 673	884 157
Gross expenses from debt collection activities	(1 492 387)	(1 002 616)
TOTAL:	(708 714)	(118 459)
Total fees and commissions income:	3 665 262	1 627 710

6. Impairment expense

	01.01.2021. - 30.06.2021.	01.01.2020. - 30.06.2020.
	EUR	EUR
Change in impairment in finance lease	(1 234 638)	5 892 546
Change in impairment in loans and advances to customers	832 633	(450 716)
Change in impairment in rental fleet	55 890	-
Written off debts	12 850 129	10 140 097
TOTAL:	12 504 014	15 581 927

7. Net gain/(loss) from de-recognition of financial assets measured at amortized cost

	01.01.2021. - 30.06.2021.	01.01.2020. - 30.06.2020.
	EUR	EUR
Financial lease		
Income arising from cession of financial lease receivables to non related parties	(5 795 540)	(7 143 308)
Loss arising from cession of financial lease receivables to non related parties	5 391 744	3 719 194
TOTAL:	(403 796)	(3 424 114)

Loans and advances to customers

Income arising from cession of loans and advances to customers receivables to non related parties	(1 876 096)	(158 942)
Loss arising from cession of loans and advances to customers receivables to non related parties	5 547 826	213 084
TOTAL:	3 671 730	54 142

Receivables from rent contracts

Income arising from cession of customers receivables to non related parties	-	-
Loss arising from cession of customers receivables to non related parties	-	-
TOTAL:	-	-

8. Expenses related to peer-to-peer platform services

	01.01.2021. - 30.06.2021.	01.01.2020. - 30.06.2020.
	EUR	EUR
Service fee for using P2P platform	573 887	453 377
TOTAL:	573 887	453 377

9. Revenue from leases

	01.01.2021. - 30.06.2021.	01.01.2020. - 30.06.2020.
	EUR	EUR
Revenue from operating lease	3 428 337	2 975 365
TOTAL:	3 428 337	2 975 365

10. Revenue from car sales

	01.01.2021. - 30.06.2021.	01.01.2020. - 30.06.2020.
	EUR	EUR
Revenue from contracts with customers recognized point in time:		
Income from sale of vehicles	14 550	16 263
TOTAL:	14 550	16 263

	01.01.2021. - 30.06.2021.	01.01.2020. - 30.06.2020.
	EUR	EUR
Expenses from contracts with customers recognized point in time:		
Expenses from sale of vehicles	(14 128)	(17 146)
TOTAL:	(14 128)	(17 146)
Total Net revenue from contracts with customers recognized point in time	422	(883)

11. Selling expense

	01.01.2021. - 30.06.2021.	01.01.2020. - 30.06.2020.
	EUR	EUR
Online marketing expenses	851 979	339 071
TV advertising	355 038	27 145
Radio advertising	75 274	46 182
Other marketing expenses	914 940	586 746
Total marketing expenses	2 197 231	999 144
Other selling expenses	727 792	111 357
TOTAL:	2 925 023	1 110 501

12. Administrative expense

	01.01.2021. - 30.06.2021.	01.01.2020. - 30.06.2020.
	EUR	EUR
Employees' salaries	13 127 442	8 196 424
Amortization and depreciation	3 558 182	2 506 375
Professional services	1 524 907	762 917
Office and branches' maintenance expenses	948 083	595 716
Expenses from disposal of rental fleet and other fixed assets	784 763	90 090
IT services	755 790	521 298
GPS equipment expenses	619 715	199 254
Bank commissions	577 130	172 881
Credit database expenses	570 423	204 553
Communication expenses	435 116	216 830
Withholding tax expenses	394 823	83 750
Business trip expenses	157 966	120 205
Low value equipment expenses	119 161	30 830
Other personnel expenses	102 005	69 305
Transportation expenses	84 566	42 698
Insurance expenses	41 206	40 332
Employee recruitment expenses	38 007	8 368
Donations	8 867	-
Real estate tax	4 138	132 499
Other administration expenses	616 293	380 236
TOTAL:	24 468 583	14 374 561

13. Other operating income

	01.01.2021. - 30.06.2021.	01.01.2020. - 30.06.2020.
	EUR	EUR
Income from management services	255 000	93 160
Income from providing GPS tracking services	-	-
Income from refunded nature resource tax	-	76 505
Revenue from sold lease vehicles	-	22 215
Other operating income	326 224	290 607
TOTAL:	581 224	482 487

14. Other operating expense

	01.01.2021. - 30.06.2021.	01.01.2020. - 30.06.2020.
	EUR	EUR
Non-deductible VAT from management services	1 091 243	474 060
Credit default swap expenses*	503 965	-
Provision expenses for possible withholding tax liabilities	405 141	175 107
Loss from sale of subsidiaries**	352 171	-
Other operating expenses	363 873	250 038
TOTAL:	2 716 393	899 205

* - the Group has signed a credit default swap agreement with third party to insure its finance lease receivables and loans and advances to customers issued by the Group's subsidiary in Lithuania. This agreement ensures that the Group does not incur losses due to default of the customer in Lithuanian entity Mogo LT UAB. Instead the Group incurs expenses arising from credit default swap premiums.

** - during the reporting period The Group has successfully finished the sale of its North Macedonian entities - FD Mogo krediti DOOEL and Mogo DOOEL as well as sold its two subsidiaries in Kazakhstan - Mogo Kazakhstan TOO and Avtopark-Slezheniye LLP.

15. Net foreign exchange result

	01.01.2021. - 30.06.2021.	01.01.2020. - 30.06.2020.
	EUR	EUR
Currency exchange gain	(2 500 579)	(1 709 693)
Currency exchange loss	2 402 744	4 957 774
TOTAL:	(97 835)	3 248 081

16. Corporate income tax

	01.01.2021. - 30.06.2021.	01.01.2020. - 30.06.2020.
	EUR	EUR
Current corporate income tax charge for the reporting period	2 974 391	547 877
Deferred corporate income tax due to changes in temporary differences	(744 432)	(967 822)
Corporate income tax charged to the income statement:	2 229 959	(419 945)

17. Intangible assets

	Goodwill	Internally generated intangible assets	Trademarks	Other intangible assets	TOTAL
Cost	4 091 729	5 051 312	-	310 180	9 453 221
Accumulated amortization	-	(1 475 306)	-	(129 977)	(1 605 283)
As at 1 January 2020	4 091 729	3 576 006	-	180 203	7 847 938
2020					
Additions	-	2 439 478	-	183 340	2 622 818
Acquisition of a subsidiary through business combination	3 071 166	1 674 085	2 151 085	112 707	7 009 043
Reclassified to assets held for sale (cost)	-	(6 660)	-	(585)	(7 245)
Disposals and reclass to disposal groups held for sale (cost)	(559 588)	(317 978)	-	(257 458)	(1 135 024)
Exchange difference, net	-	(186 162)	-	(21 646)	(207 808)
Amortization charge	-	(714 921)	-	(12 763)	(727 684)
Disposals and reclass to disposal groups held for sale (amortization)	-	169 897	-	98 091	267 988
Reclassified to assets held for sale (amortization)	-	964	-	29	993
Acquisition of a subsidiary through business combination (amortization)	-	(865 361)	-	(102 533)	(967 894)
Exchange difference, net	-	99 265	-	8 028	107 293
Cost	6 603 307	8 654 075	2 151 085	326 538	17 735 005
Accumulated amortization	-	(2 785 462)	-	(139 125)	(2 924 587)
As at 31 December 2020	6 603 307	5 868 613	2 151 085	187 413	14 810 418
2021					
Additions	-	3 340 080	-	37 607	3 377 687
Acquisition of a subsidiary	-	-	-	-	-
Disposals (cost)	-	(1 230 764)	-	(132 459)	(1 363 223)
Exchange difference, net	-	16 434	-	3 501	19 935
Amortization charge	-	(601 456)	-	(15 257)	(616 713)
Acquisition of a subsidiary	-	-	-	-	-
Disposals (amortization)	-	(108 974)	-	17 728	(91 246)
Exchange difference, net	-	(31 921)	-	(1 485)	(33 406)
Cost	6 603 307	10 779 825	2 151 085	235 187	19 769 404
Accumulated amortization	-	(3 527 813)	-	(138 139)	(3 665 952)
As at 30 June 2021	6 603 307	7 252 012	2 151 085	97 048	16 103 452

17. Intangible assets (continued)

Split of goodwill per cash generating unit: Name	30.06.2021. EUR	31.12.2020. EUR
TIGO Finance DOOEL Skopje (North Macedonia)	3 000 276	3 000 276
Mogo Leasing d.o.o. Sarajevo (Bosnia and Herzegovina)	1 873 368	1 873 368
UAB mogo (Lithuania)	646 063	646 063
OU mogo (Estonia)	451 894	451 894
AS mogo (Latvia)	298 738	298 738
Mogo UCO (Armenia)	182 028	182 028
Hima UCO LLC (Armenia)	70 890	70 890
Mogo LLC (Georgia)	80 050	80 050
	6 603 307	6 603 307

Each cash generating unit represents a subsidiary of the Group.

Goodwill impairment test

As at 30 June 2021, no goodwill impairment has been recognized and as there are no significant indicators that impairment recognition would be needed which was supported by impairment tests conducted at 2020 year-end the impairment tests have not been re-performed.

18. Property, plant and equipment and Right-of-use assets

	Right-of-use premises	Right-of-use motor vehicles	Total Right-of- use assets	Rental fleet	Other property, plant and equipment	TOTAL
Cost	9 342 775	301 344	9 644 119	15 041 434	3 341 235	28 026 788
Accumulated depreciation	(1 605 077)	(144 582)	(1 749 659)	(1 549 386)	(1 361 930)	(4 660 975)
As at 1 January 2020	7 737 698	156 762	7 894 460	13 492 048	1 979 305	23 365 813
2020						
Additions	6 431 632	92 583	6 524 215	9 045 289	1 296 289	16 865 793
Acquisition of a subsidiary	2 141 860	-	2 141 860	-	1 966 961	4 108 821
Reclassification	1 896	-	1 896	-	(1 896)	-
Disposals (cost)	(6 420 214)	(199 361)	(6 619 575)	(6 505 249)	(1 191 940)	(14 316 764)
Reclassified to assets held for sale (cost)	(521 172)	(23 440)	(544 612)	-	(217 155)	(761 767)
Exchange difference, net	(657 257)	(8 182)	(665 439)	-	(336 172)	(1 001 611)
Depreciation charge	(2 031 517)	(69 053)	(2 100 570)	(2 202 559)	(839 386)	(5 142 515)
Acquisition of a subsidiary (depreciation)	(532 434)	-	(532 434)	-	(957 303)	(1 489 737)
Disposals (depreciation)	809 405	126 873	936 278	815 784	585 281	2 337 343
Reclassified to assets held for sale (depreciation)	215 220	16 958	232 178	-	150 047	382 225
Impairment	-	-	-	(95 529)	-	(95 529)
Exchange difference, net	228 947	2 913	231 860	-	149 948	381 808
Cost	10 319 520	162 944	10 482 464	17 581 474	4 857 322	32 921 260
Accumulated depreciation	(2 915 456)	(66 891)	(2 982 347)	(3 031 690)	(2 273 343)	(8 287 380)
As at 31 December 2020	7 404 064	96 053	7 500 117	14 549 784	2 583 979	24 633 880
6 months 2021						
Additions	2 570 114	8 021	2 578 135	2 442 267	791 890	5 812 292
Acquisition of a subsidiary	-	-	-	-	-	-
Disposals (cost)	(1 889 099)	(22 307)	(1 911 406)	(2 842 518)	(416 693)	(5 170 617)
Reclassified to assets held for sale (cost)	(102 239)	-	(102 239)	-	(50 435)	(152 674)
Exchange difference, net	110 993	(457)	110 536	-	93 037	203 573
Depreciation charge	(1 161 825)	(27 169)	(1 188 994)	(1 199 072)	(603 728)	(2 991 794)
Acquisition of a subsidiary	-	-	-	-	-	-
Disposals (depreciation)	567 506	11 398	578 904	523 161	230 900	1 332 965
Reclassified to assets held for sale (depreciation)	13 679	-	13 679	-	30 840	44 519
Impairment	-	-	-	55 890	-	55 890
Exchange difference, net	(45 547)	339	(45 208)	-	(47 153)	(92 361)
Cost	11 009 289	148 201	11 157 490	17 181 223	5 275 121	33 613 834
Accumulated depreciation	(3 541 643)	(82 323)	(3 623 966)	(3 651 711)	(2 662 484)	(9 938 161)
As at 30 June 2021	7 467 646	65 878	7 533 524	13 529 512	2 612 637	23 675 673

19. Finance Lease Receivables

	Non-Current	Current	Non-Current	Current
	30.06.2021.	30.06.2021.	31.12.2020.	31.12.2020.
	EUR	EUR	EUR	EUR
Finance lease receivables, net				
Finance lease receivables	61 202 955	51 068 929	64 069 755	44 804 312
Accrued interest and handling fee	-	4 870 865	-	4 465 564
Fees paid and received upon lease disbursement	(1 473 117)	(1 030 157)	(626 686)	(438 244)
Impairment allowance	(2 801 261)	(13 780 210)	(3 009 840)	(14 806 269)
	56 928 577	41 129 427	60 433 229	34 025 363

	30.06.2021.				31.12.2020.
	Stage 1	Stage 2	Stage 3	TOTAL	TOTAL
Not past due	78 354 860	3 610 224	153 290	82 118 374	74 511 180
Days past due up to 30 days	11 082 225	3 675 815	68 185	14 826 224	16 641 109
Days past due up to 60 days	-	1 190 940	1 678 468	2 869 408	3 149 122
Days past due over 60 days	-	-	17 328 742	17 328 742	19 038 220
	TOTAL, GROSS:	89 437 085	8 476 979	19 228 685	117 142 749
				117 142 749	113 339 631

From year 2016 Group started placing lease agreement receivables on peer-to-peer lending platform. Agreements were offered with buy back guarantee, which means that all risks of such agreements remain with the Group and in case of client default the Group has the liability to repay the whole remaining principal and accrued interest to P2P investor. By using the same platform Group also offered loans without buy back guarantee, which means that all risks related to client default were transferred to P2P investor. Portions of agreements purchased by investors therefore are considered as financial assets eligible for derecognition from Group statement of financial position.

Total gross portfolio and associated liabilities for the portfolio derecognized from Group financial assets were:

	30.06.2021.	31.12.2020.
	EUR	EUR
Non-current		
Finance lease receivable	119 226	351 784
Associated liabilities	(119 226)	(351 784)
	NET POSITION:	-
Current		
Finance lease receivable	99 485	270 523
Associated liabilities	(99 485)	(270 523)
	NET POSITION:	-
Total gross portfolio derecognized from Group's financial assets	218 711	622 307
Total associated liabilities	(218 711)	(622 307)
	TOTAL NET POSITION:	-

20. Loans and advances to customers

	Non-Current	Current	Non-Current	Current
	30.06.2021.	30.06.2021.	31.12.2020.	31.12.2020.
	EUR	EUR	EUR	EUR
Loans and advances to customers, net				
Loans and advances to customers	42 140 740	87 167 823	42 744 711	81 808 489
Accrued interest	-	11 303 583	-	7 709 616
Fees paid and received upon loan disbursement	(575 681)	(1 101 787)	(689 129)	(1 318 913)
Impairment allowance	(4 210 884)	(34 444 631)	(4 120 181)	(33 702 701)
	37 354 175	62 924 988	37 935 401	54 496 491

	30.06.2021.				31.12.2020.
	Stage 1	Stage 2	Stage 3	TOTAL	TOTAL
Not past due	85 005 444	1 353 813	149 975	86 509 232	80 677 159
Days past due up to 30 days	8 869 511	1 744 063	20 917	10 634 491	14 408 898
Days past due up to 60 days	-	1 399 918	867 984	2 267 901	5 099 222
Days past due over 60 days	-	-	41 200 522	41 200 522	32 077 537
	TOTAL, GROSS:	93 874 955	4 497 794	42 239 397	140 612 146
				140 612 146	132 262 816

21. Loans to related parties

	<i>Interest rate per annum (%)</i>	<i>Maturity</i>	30.06.2021. EUR	31.12.2020. EUR
Non current				
Loans to related parties	3-12,5%	2021-2023	8 157 653	7 289 265
Loans to related parties recognized at fair value*		2023	677 022	1 006 912
Impairment allowance			(44 772)	(44 772)
		TOTAL:	8 789 903	8 251 405
Current				
Loans to related parties recognized at fair value*			2 407 076	460 908
Loans to related parties			-	7 116 200
Accrued interest			121 987	-
		TOTAL:	2 529 063	7 577 108

* - loans to related parties recognized at fair value qualify for Level 3 in fair value calculation hierarchy. Fair value determination used is consistent with the principles and policies applied in consolidated financial statements of 2020. No impact on income statement has been identified in these unaudited condensed consolidated interim financial statements as at 30.06.2021.

An analysis of Loans to related parties staging and the corresponding ECL allowances at the year end are as follows:

30.06.2021.	Stage 1	Stage 2	Stage 3	Total
Loans to related parties	11 241 751	-	-	11 241 751
Accrued interest	121 987	-	-	121 987
Total	11 363 738	-	-	11 363 738
Total ECL calculated	(44 772)	-	-	(44 772)

31.12.2020.	Stage 1	Stage 2	Stage 3	Total
Loans to related parties	8 757 085	7 116 200	-	15 873 285
Accrued interest	-	-	-	-
Total	8 757 085	7 116 200	-	15 873 285
Total ECL calculated	-	(44 772)	-	(44 772)

<i>Changes in Level 3 receivables</i>	2021	2020
Balance at period start	1 467 820	-
Transfer of loans to fair value Level 3 receivables	1 616 278	1 467 820
Revaluation	-	-
Balance at period end	3 084 098	1 467 820

22. Finished goods and goods for resale

	30.06.2021. EUR	31.12.2020. EUR
Advance payments to vehicle dealerships	2 667 311	1 282 707
Acquired vehicles for purpose of selling them to customers	187 124	170 863
Other inventory	18 410	146 773
	TOTAL:	1 600 343

This non-financial asset is not impaired as of 30.06.2021. (31.12.2020.: 0 EUR).

23. Other receivables

	30.06.2021. EUR	31.12.2020. EUR
<i>Other receivables</i>		
Overpaid VAT from subsidiary in Latvia	258 877	353 005
Impairment allowance for overpaid VAT	(258 877)	(353 005)
Net overpaid VAT	-	-
Overpaid VAT in other subsidiaries	2 021 104	501 013
CIT paid in advance	1 055 610	610 802
Security deposit paid for currency transactions	714 773	787 521
Security deposit for office lease	261 358	190 110
Receivables for payments received from customers through online payment systems	240 688	162 781
Disputed tax audit measurement in Georgia	-	510 421
Accrued income from currency transactions	-	704 111
Advances to employees	-	80 656
Other debtors	2 206 563	685 879
Impairment allowance for 'Other debtors'	(144 951)	(156 759)
TOTAL:	6 355 145	4 076 535

All receivables are expected to be paid within the following year, except VAT overpayment where uncertainty of date of settlement is unclear due to ongoing litigation process in Latvia. This resulted in full settlement of payable VAT and recognition of VAT overpayment. Considering the uncertainty the Group has decided to recognize the impairment provision in full amount for VAT receivable in the statement of financial position and additional provisions in amount of VAT payable settled by VAT return adjustment and related penalties.

24. Cash and cash equivalents

	30.06.2021. EUR	31.12.2020. EUR
Cash at bank	7 294 364	8 839 293
Cash on hand	653 654	476 137
TOTAL:	7 948 018	9 315 430

The Group has not created an ECL allowances for cash and cash equivalents on the basis that placements with banks are of short term nature and the lifetime of these assets under IFRS 9 is so short that the low probability of default would result in immaterial ECL amounts (2020: EUR 0).

25. Disposal groups held for sale

In the second part of 2020, management committed to a plan to sell parts of its business operations in Balkan countries. Accordingly, entities in Bulgaria and North Macedonia were presented as a disposal group held for sale. In 2021 the Group decided to sell also one of the Albanian subsidiaries, therefore it is also added to disposal groups held for sale.

As at 31 December 2020 three companies were classified as held for sale:

- Mogo Bulgaria EOOD, Bulgaria
- FD Mogo krediti DOOEL, North Macedonia
- Mogo DOOEL, North Macedonia

As at 30 June 2021 two companies were classified as held for sale:

- Mogo Bulgaria EOOD, Bulgaria
- Mogo Albania SH.A., Albania

Two subsidiaries in North Macedonia were successfully sold and disposed from the Group in first quarter of 2021.

25. Disposal groups held for sale (continued)

Assets and liabilities of disposal groups held for sale

	30.06.2021.	31.12.2020.
	EUR	EUR
ASSETS		
Mogo Bulgaria EOOD, Bulgaria	7 480 217	7 804 376
Mogo Albania SH.A., Albania	2 728 908	-
FD Mogo krediti DOOEL, North Macedonia	-	1 178 794
Mogo DOOEL, North Macedonia	-	711 826
TOTAL	10 209 125	9 694 996
Goodwill arising from FD Mogo krediti DOOEL, North Macedonia	-	559 588
Impairment of disposal group of Mogo Albania SH.A., Albania	(1 047 108)	-
Impairment of disposal group of Mogo Bulgaria EOOD, Bulgaria	(298 932)	(298 932)
Impairment of disposal group of FD Mogo krediti DOOEL, North Macedonia**	-	(538 725)
TOTAL ASSETS OF SUBSIDIARIES HELD FOR SALE	8 863 085	9 416 927
LIABILITIES		
Mogo Bulgaria EOOD, Bulgaria	3 890 999	3 712 662
Mogo Albania SH.A., Albania	331 800	-
FD Mogo krediti DOOEL, North Macedonia	-	94 124
Mogo DOOEL, North Macedonia	-	129 532
TOTAL LIABILITIES DIRECTLY ASSOCIATED WITH THE ASSETS HELD FOR SALE	4 222 799	3 936 318

The sales agreements of both entities in Albania and Bulgaria have been signed with third party buyers. Both transactions will be fully completed once local regulator approvals will be received. This is expected to happen by year end of 2021.

26. Assets held for sale

	30.06.2021.	31.12.2020.
	EUR	EUR
Other non-current assets held for sale		
Repossessed collateral	960 148	2 094 204
	960 148	2 094 204

Repossessed collaterals are vehicles taken over by the Group in case of default by the Group's clients on the related lease agreements. After the default of the client, the Group has the right to repossess the vehicle and sell it to third party. The Group does not have the right to repossess, sell or pledge the vehicle in the absence of default by Group's clients. The Group usually sells the repossessed vehicles within 90 days after repossession.

27. Share capital

The subscribed share capital of the Group amounts to EUR 1 000 000 and is divided into 3 103 600 shares fully paid up.

The movements on the Share capital caption during the period are as follows:

	Share capital EUR	Number of class A Shares	Number of class B Shares	Total number of Shares
Opening balance as at 1 January 2020	1 000 000	3 103 600	-	3 103 600
Subscriptions	-	-	-	-
Redemptions	-	-	-	-
Closing balance as at 31 December 2020	1 000 000	3 103 600	-	3 103 600
Opening balance as at 1 January 2021	1 000 000	3 103 600	-	3 103 600
Subscriptions	-	-	-	-
Redemptions	-	-	-	-
Closing balance as at 30 June 2021	1 000 000	3 103 600	-	3 103 600

28. Borrowings

Non-current	<i>Interest rate per annum (%)</i>	<i>Maturity</i>	EUR	EUR
<i>Subordinated loans</i>				
Loan from related parties	3%	11.07.2022	30.06.2021. 17 282 823	31.12.2020. 12 126 467
TOTAL:			17 282 823	12 126 467

Subordinated loans comprise a loan received by the Parent company from its shareholders. The subordinated loan was acquired as one of the conditions to obtain financing from Eurobonds described further below. The loans are denominated in EUR with an interest rate of 3-10% and maturing on July 2022.

<i>Bonds</i>				
Eleving Group S.A. bonds nominal value	9.5%	July 2022	97 645 504	96 245 840
Mogo AS 30m bonds nominal value	11%	31.03.2024	29 554 000	-
Mogo AS 10m bonds nominal value	10%	31.03.2021	-	(5 871 000)
Bond interest accrual	10%	31.03.2021	14 567	-
Bonds acquisition costs			(3 632 667)	(3 129 846)
TOTAL:			123 581 404	87 244 994

<i>Other borrowings</i>				
Long term loans from banks		February 2024	4 842 473	6 481 610
Lease liabilities for rent of premises	2%-12%	up to 10 years	5 467 672	5 682 880
Lease liabilities for rent of vehicles	2%-12%	up to 3 years	28 012	42 135
Long term loans from non related parties			195 600	-
Financing received from P2P investors	8% - 14%	up to 30.12.2025.	35 553 673	49 368 618
Loan acquisition costs			(94 465)	(121 241)
TOTAL:			45 992 965	61 454 002

TOTAL NON CURRENT BORROWINGS: 186 857 192 160 825 463

Current

<i>Other borrowings</i>	<i>Interest rate per annum (%)</i>	<i>Maturity</i>	30.06.2021. EUR	31.12.2020. EUR
Financing received from P2P investors	8% - 14%	up to 30.12.2025.	43 983 293	37 356 308
Mogo AS 20m bonds nominal value	10%	31.03.2021	-	20 000 000
Mogo AS 10m bonds nominal value	10%	31.03.2021	-	10 000 000
Accrued interest for bonds			(236 188)	4 486 220
Bond additional interest accrual	10%	31.03.2021	-	367 626
Lease liabilities for rent of premises	2%-12%	up to 10 years	2 230 672	2 013 871
Accrued interest for financing received from P2P investors			434 093	528 275
Short term loans from non related parties			1 709 920	1 420 011
Accrued interest for loan from bank			73 441	57 235
Lease liabilities for rent of vehicles	2%-12%	up to 3 years	34 118	56 425
Accrued interest for loans from non related parties			-	25 988
Short term loans from banks			8 959 481	6 096 506
Accrued interest for loans from related parties			19 911	-
TOTAL:			57 208 741	82 408 465

29. Related party disclosures

The income and expense items with related parties for 2021 were as follows:

Related party	Shareholder controlled companies	Other related parties
	EUR	EUR
Interest income	525 858	-
Interest expenses	(679 220)	-
Sale of finance lease receivables to associated entities	-	5 652 517
Management services provided to associated entities	-	430 529

The income and expense items with related parties for 2020 were as follows:

Related party	Shareholder controlled companies	Other related parties
	EUR	EUR
Interest income	607 395	-
Interest expenses	(184 249)	-

The receivables and liabilities with related parties as at 30.06.2021. and 31.12.2020. were as follows:

	30.06.2021.	31.12.2020.
	EUR	EUR
Amounts owed by related parties		
Loans to related parties	11 318 966	15 828 513
Trade receivables	48 506	133 795
Amounts owed to related parties		
Subordinated loans from shareholders of the Parent Company	17 282 823	12 126 467
Payables to related parties	304 161	315 566

Movement in amounts owed by related parties

	Amounts owed by related parties
Amounts owed by related parties as of 01 January 2020	22 328 834
Receivables covered in period	(6 366 526)
Amounts owed by related parties as of 31 December 2020	15 962 308
Amounts owed by related parties as of 01 January 2021	15 962 308
Receivables covered in period	(4 594 836)
Amounts owed by related parties as of 30 June 2021	11 367 472

Movement in amounts owed to related parties

	Amounts owed to related parties
Amounts owed to related parties as of 01 January 2020	6 782 061
Loans received in period	6 551 786
Loans repaid/settled in period	(1 576 029)
Interest calculated in period	368 649
Interest repaid/settled in period	-
Change in other payables	315 566
Dividends calculated for minority shareholders	65 192
Dividends paid to minority shareholders	(65 192)
Amounts owed to related parties as of 31 December 2020	12 442 033
Amounts owed to related parties as of 01 January 2021	12 442 033
Loans received in period	9 179 220
Loans repaid/settled in period	(4 022 864)
Interest calculated in period	679 220
Interest repaid/settled in period	(679 220)
Change in other payables	(11 405)
Dividends calculated for minority shareholders	87 838
Dividends paid to minority shareholders	(87 838)
Amounts owed to related parties as of 30 June 2021	17 586 983

30. Commitments and contingencies

Externally imposed regulatory capital requirements

The Group considers both equity capital as well as borrowings a part of its overall capital risk management strategy.

The Group is subject to externally imposed capital requirements in several countries. The main requirements are listed below:

Albania

The acquired license on performing financing activities requires to maintain amount of equity at all times not lower than 10% of the total assets of the entity. Management of the Group monitors and increases the share capital if needed to satisfy this requirement.

Armenia

The acquired license on performing financing activities requires:

- 1) To maintain minimum amount of statutory capital of 150mln AMD;
- 2) To maintain minimum amount of total capital of 150mln AMD;
- 3) To maintain minimum ratio of amounts of total capital and risk-weighted assets at 10%.

Management of the Group monitors and increases the share capital if needed to satisfy this requirement.

Bulgaria

The acquired license on performing financing activities requires to maintain amount of equity at all times not lower than 1 000 000 BGN. Management of the Group monitors and increases the share capital if needed to satisfy this requirement.

Romania

The acquired license on performing financing activities requires to ensure the level of equity is not less than company's finance receivables portfolio divided 15 times. Management of the Group monitors and increases the share capital or issues subordinated loans if needed to satisfy this requirement.

North Macedonia

A loan portfolio limit is set as Share capital multiplied with 10.

Bosnia&Herzegovina

The acquired license on performing financing activities requires to maintain amount of equity at all times not lower than 250 000 BAM. Management of the Group monitors and increases the share capital if needed to satisfy this requirement. Loan portfolio limit is set as Share capital multiplied with 10.

Moldova

The non-bank credit organization is required to hold and maintain its own capital in relation to the value of the assets at any date in the amount of at least 5%.

Cooperation agreement with P2P platforms

Cooperation agreements with P2P platforms require to maintain positive amount of equity at all times in Latvia, Estonia, Georgia, Lithuania, Moldova, Poland, Romania, Belarus, Albania, Bulgaria, North Macedonia, Kazakhstan and Kenya. Management of the Group monitors and increases the share capital if needed to satisfy this requirement.

The Group is subject to additional financial covenants relating to its attracted funding through P2P platform. Group is regularly monitoring respective indicators and ensures that covenants are satisfied. The Group is in compliance with these covenants at 30 June 2021 and 31 December 2020.

Eleving Group S.A. bonds

There are restrictions in the prospectus for the bonds issued on the Frankfurt Stock exchange (ISIN (XS1831877755)). These financial covenants are the following:

- (a) the Interest Coverage Ratio for the Relevant Period is at least 1.25; and
- (b) the Capitalization Ratio for the Relevant Period is at least:
 - (i) 8.00 per cent until the end of the financial year ending on 31 December 2018;
 - (ii) 10.00 per cent until the end of the financial year ending on 31 December 2019; and
 - (iii) 15.00 per cent until the end of the financial year ending on 31 December 2020 and until full repayment of the Bonds; or
- (c) should the Interest Coverage Ratio and the Capitalization Ratio be lower than the thresholds set out under Conditions (a) and (b) above
 - (i) the Cash and Cash Equivalents of the Group are at least EUR 5,000,000 and shall remain at least EUR 5,000,000 for as long as the Interest Coverage Ratio and the Capitalization Ratio are lower than the thresholds set out under Conditions (a) and (b) above;
 - (ii) the Interest Coverage Ratio is at least 1.25, starting as of 31 March 2021 and calculated on a relevant period of
 - (A) three (3) consecutive calendar months until the end of the interim quarter ending on 31 March 2021;
 - (B) six (6) consecutive calendar months until the end of the interim quarter ending on 30 June 2021;
 - (C) nine (9) consecutive calendar months until the end of the interim quarter ending on 30 September 2021; and
 - (D) twelve (12) consecutive calendar months until the end of the financial year ending on 31 December 2021; and
 - (iii) the Capitalization Ratio for the Relevant Period is at least
 - (A) 11.50 per cent as from the Relevant Period ending on 31 December 2020;
 - (B) 12.50 per cent as from the Relevant Period ending on 31 March 2021;
 - (C) 13.50 per cent as from the Relevant Period ending on 30 June 2021; and
 - (D) 15.00 per cent as from the Relevant Period ending on 30 September 2021 and until full repayment of the Bonds.

There are other limitations regarding additional and permitted debt, restricted and permitted payments, permitted loans and securities. The Group is in compliance with all covenants during the entire reporting period.

30. Commitments and contingencies (continued)

Mogo AS bonds

There are restrictions in the prospectus for the bonds issued on the Nasdaq Baltic (ISIN: LV0000802452):

From the Issue Date of Bonds to the date of repayment thereof, Eleving Group S.A. shall undertake to maintain following financial covenants:

(a) The Capitalization Ratio shall in any case be at least:

(i) 8.00 per cent until 31 March 2021;

(ii) 10.00 per cent until 30 June 2021; and

(iii) 15.00 per cent until 30 September 2021 and until full repayment of the Bonds

(b) Starting as of 31 March 2021, the Interest Coverage Ratio shall be at least 1.25, calculated on:

(i) three (3) consecutive calendar months until the end of the interim quarter ending on 31 March 2021;

(ii) six (6) consecutive calendar months until the end of the interim quarter ending on 30 June 2021;

(iii) nine (9) consecutive calendar months until end of the interim quarter ending on 30 September 2021;

(iv) twelve (12) consecutive calendar months until end of the financial year ending on 31 December 2021 and until full repayment of the Bonds.

During the reporting period the Group complied with all externally imposed capital requirements to which it was subjected to.

Other contingent liabilities and commitments

- 1) On 29 September 2017 the subsidiary in Armenia - Mogo UCO LLC entered into a pledge agreement over deposit and right of claim with Ardshinbank CJSC, establishing a pledge over the funds in the bank accounts of Mogo UCO LLC in favour of Ardshinbank CJSC, in order to secure Mogo UCO LLC obligations towards Ardshinbank CJSC deriving from credit contract dated 29 September 2017.
- 2) On 2 November 2017 the subsidiary in Armenia Mogo UCO LLC entered into a pledge agreement over deposit and right of claim with Ardshinbank CJSC, establishing a pledge over the funds in the bank accounts of Mogo UCO LLC in favour of Ardshinbank CJSC, in order to secure Mogo UCO LLC obligations towards Ardshinbank CJSC deriving from credit contract dated 2 November 2017.
- 3) On 5 December 2017 the subsidiary in Latvia - mogo AS entered into a commercial pledge agreement with Mintos OU, in order to secure mogo AS obligations towards Mintos OU deriving from Cooperation agreement on issuance of loans No. 36/2017-L, dated 5 December 2017.
- 4) On 26 February 2018 the subsidiary in Latvia mogo AS entered into a surety agreement with Ardshinbank CJSC and Mogo LLC, in order to secure Mogo LLC obligations towards Ardshinbank CJSC deriving from loan agreement concluded between Ardshinbank CJSC and Mogo LLC on 26 February 2018. The principal amount of the loan agreement is EUR 1 000 000.
- 5) On 26 February 2018 the subsidiary in Georgia - Mogo LLC entered into an agreement on pledge of right of claim and funds with Ardshinbank CJSC, in order to secure Mogo LLC obligations towards Ardshinbank CJSC deriving from the loan agreement concluded between Ardshinbank CJSC and Mogo LLC on 26 February 2018.
- 6) Starting from 9 July 2018 Eleving Group S.A. and its subsidiaries entered into several pledge agreements with Greenmarck Restructuring Solutions GmbH, establishing pledge over shares of the subsidiaries, pledge over present and future loan receivables of the subsidiaries, pledge over trademarks of the subsidiaries, general business pledge over the subsidiaries, pledge over primary bank accounts if feasible, in order to secure Eleving Group S.A. obligations towards bondholders deriving from Eleving Group S.A. bonds. Subsequently additional pledgors were added who became material (subsidiaries with net portfolio of more than EUR 7 500 000) according to terms and conditions of the bonds.
- 7) On November 13, 2018 the Group as Issuer and its subsidiaries as Guarantors signed a guarantee agreement dated 9 July 2018 as amended and restated on 13 November 2018 according to which the guarantors unconditionally and irrevocably guaranteed by way of an independent payment obligation to each holder of the Eleving Group S.A. bonds the due and punctual payment of principal of, and interest on, and any other amounts payable under the Eleving Group S.A. bonds prospectus.
- 8) On 27 November 2018 the subsidiary in Armenia Mogo UCO LLC entered into an agreement on pledge of right of claim and funds with Ardshinbank CJSC, pledging Mogo UCO LLC right of claim and funds, in order to secure Mogo UCO LLC obligations towards Ardshinbank CJSC deriving from credit contract dated 27 November 2017.
- 9) On 11 December 2018 the subsidiary in Latvia - mogo AS issued a payment guarantee No.2018.12.05 for the benefit of third party with a maximum liability not exceeding EUR 200 000, where the liability of mogo AS is limited to the performance of other subsidiary's AS Mogo Baltics and Caucasus obligations from the secured agreement with this party.
- 10) On 12 December 2018 the subsidiary in Latvia - mogo AS issued guarantee letters for the benefit of AS Skanstes City to secure Mogo Car Finance AS and Longo Group AS obligations from the secured office space lease agreements concluded on 12 December 2018. According to the guarantee letters mogo AS undertook to fulfil AS Mogo Car Finance and Longo Group AS obligations towards AS Skanstes City if they are overdue on liabilities under the agreements terms. The guarantees expire if the lease agreements are amended, renewed without prior written approval by mogo AS and is effective for the entire duration of the respective lease agreements. At the beginning of Y2020 both lease agreements were amended and mogo AS provided the new guarantee to secure only obligations of Mogo Group AS. The guarantee for Longo Group AS is deemed to be expired.
- 11) On 25 January 2019 the subsidiary in Latvia - Renti AS entered into a commercial pledge agreement with Mintos Finance Estonia OU, in order to secure Renti AS obligations towards Mintos Finance Estonia OU deriving from Cooperation agreement on issuance of loans No. 49/2018-L, dated 25 January 2019.
- 12) On 15 April 2019 Eleving Group S.A. as the guarantor and the subsidiary in Armenia - Mogo UCO LLC entered into a surety agreement with Ardshinbank CJSC, in order to secure Mogo UCO LLC obligations towards Ardshinbank CJSC deriving from credit contract dated 2 November 2017.

30. Commitments and contingencies (continued)

- 13) On 31 July 2019 the subsidiary in Latvia - mogo AS entered into a commercial pledge agreement with Citadele banka AS, establishing a pledge over rights of claim arising from certain agreements concluded between mogo AS and its clients, to secure mogo AS, mogo OÜ and UAB mogo LT obligations towards Citadele banka AS deriving from the Credit line agreement dated 8 July 2019.
- 14) On 9 August 2019 the subsidiary in Estonia - mogo OÜ entered into a claims pledge agreement with Citadele banka AS, establishing a pledge over all present and future claims arising from certain agreements concluded between mogo OÜ and its clients, to secure mogo AS, mogo OÜ and UAB mogo LT obligations towards Citadele banka AS deriving from the Credit line agreement dated 8 July 2019.
- 15) On 9 September 2019 the subsidiary in Lithuania - UAB mogo LT entered into a contractual pledge agreement with Citadele banka AS, establishing a pledge over rights of claim arising from certain agreements concluded between UAB mogo LT and its clients, to secure mogo AS, mogo OÜ and UAB mogo LT obligations towards Citadele banka AS deriving from the Credit line agreement dated 8 July 2019.
- 16) On 17 September 2019 the subsidiary in Belarus - Mogo Kredit LLC entered into a pledge agreement over right of claim with CJSC Bank Resenje, establishing a pledge over certain receivables of Mogo Kredit LLC in favour of CJSC Bank Resenje, in order to secure Mogo Kredit LLC obligations towards CJSC Bank Resenje deriving from 2 credit contracts dated 17 September 2019.
- 17) On 26 September 2019 the subsidiary in Armenia - Mogo UCO LLC entered into a pledge agreement over right of claim with Ardshinbank CJSC, establishing a pledge over certain receivables of Mogo UCO LLC in favour of Ardshinbank CJSC, in order to secure Mogo UCO LLC obligations towards Ardshinbank CJSC deriving from credit contract dated 2 November 2017.
- 18) On 23 December, 2019 the subsidiary in Albania – Mogo Albania SH.A. entered into a securing charge agreement with Mintos Finance SIA, in order to secure Mogo Albania SH.A. obligations towards Mintos Finance SIA deriving from Cooperation agreement on issuance of loans No.88/2019-L, dated as of 20 December 2019.
- 19) On 21 February 2020 the subsidiary in Kazakhstan - Mogo Kazakhstan LLP entered into pledge agreement No. 07/2020-P over 60% of all rights of claim with Mintos Finance SIA, in order to secure Mogo Kazakhstan LLP obligations towards Mintos Finance SIA deriving from 21 February 2020 cooperation Agreement on Issuance of Loans No. 07/2020-L (as amended from time to time).
- 20) On 20 March, 2020 the shareholder AS Finitera of Kreda Finance (Albania) signed a Master Confirmation Agreement for Non-Deliverable Forward FX Transactions. This agreement covers the currency gap, which benchmark from Bank of Albania limits the currency exposure of less than 30% of capital, for only one currency.
- 21) On 22 July, 2020 O.C.N. Sebo Credit issued guarantee favour of private individual Tamara Paun to secure repayment of the loan issued by Tamara Paun to Rodica Paun. The loan was used to provide a subordinated loan to O.C.N. Sebo Credit.
- 22) On 26 January 2021, Eleving Group S.A. signed a guarantee whereby Eleving Group S.A. undertook to guarantee the fulfilment of AS mogo obligations towards its creditors under AS mogo Bonds (ISIN: LV0000802452) and their Terms and Conditions.
- 23) The Group has signed Covenant Agreements with P2P platform companies AS Mintos Marketplace and Mintos OU according to which the Group secures P2P platform's claims towards the subsidiaries if certain subsidiaries cooperating with P2P platform fail to perform their obligations. The claims are limited by amounts borrowed by each subsidiary.
- 24) According to the non-binding opinion of the Bank of Lithuania, released in third quarter of 2018 regarding the interest charged on a commission fee, the subsidiary in Lithuania - mogo LT UAB at the respective clients' request should compensate interest charged on its commission fee. Since in accordance with the recommendations of the Bank of Lithuania mogo LT UAB has made the necessary amendments and is not adding commission fee to the loan amount starting from the end of 2017, and has not received any requests by affected consumers. However, for the purpose of transparency, the grand total material adverse effect could be up to EUR 552 679.

31. Fair value of financial assets and liabilities

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Instruments within Level 1 include highly liquid assets and standard derivative financial instruments traded on the stock exchange.

Fair value for such financial instruments as Financial assets at fair value through profit and loss is mainly determined based on publicly available quoted prices (bid price, obtainable from Bloomberg system).

Instruments within Level 2 include assets, for which no active market exists, such as over the counter derivative financial instruments that are traded outside the stock exchange, bonds, as well as balances on demand with the central banks, balances due from banks and other financial liabilities. Bonds fair value is observable in Frankfurt Stock Exchange public information. Fair value of bank loans is based on effective interest rate which represents current market rate to similar companies. The management recognizes that cash and cash equivalents' fair value is the same as their carrying value therefore the risk of fair value change is insignificant.

include loans and receivables.

Fair value of finance lease receivables and loans and advances to customers is determined using discounted cash flow model consisting of contractual lease and loan cash flows that are adjusted by expectations about possible variations in the amount and timings of cash flows using methodology consistent with the expected credit loss determination as at 31 December 2019 to determine the cash flows expected to be received net of impairment losses. The pre-tax weighted average cost of capital (WACC) of the entity holding the respective financial assets is used as the basis for the discount rate. The WACC is based on the actual estimated cost of equity and cost of debt that reflect any other risks relevant to the leases and loans that have not been taken into consideration by the impairment loss adjustment described above and also includes compensation for the opportunity cost of establishing a similar lease or loan. An additional 1.5% is added to the discount rate as an adjustment to consider service costs of the portfolio that are not captured by the cash flow adjustments.

The table below summarizes the carrying amounts and fair values of those financial assets and liabilities not presented on the Group's statement of financial position at their fair value:

	Carrying value 30.06.2021.	Fair value 30.06.2021.	Carrying value 31.12.2020.	Fair value 31.12.2020.
	EUR	EUR	EUR	EUR
Assets for which fair value is disclosed				
Loans to related parties	11 318 966	11 318 966	15 828 513	15 828 513
Finance lease receivables	98 058 004	134 403 590	94 458 592	131 979 781
Loans and advances to customers	100 279 163	129 785 216	92 431 892	119 900 934
Other loans and receivables	6 502 470	6 502 470	2 869 132	2 869 132
Trade receivables	3 512 304	3 512 304	3 333 549	3 333 549
Other receivables	6 355 145	6 355 145	4 076 535	4 076 535
Cash and cash equivalents	7 948 018	7 948 018	9 315 430	9 315 430
Total assets for which fair value is disclosed	233 974 070	299 825 709	222 313 643	287 303 874
Liabilities for which fair value is disclosed				
<i>Borrowings</i>				
Loan from related parties	17 282 823	17 282 823	12 126 467	12 126 467
Eleving Group S.A. bonds	93 776 649	99 428 812	97 698 205	95 877 220
Mogo AS bonds	29 568 567	30 619 333	24 129 000	23 566 794
Lease liabilities for right-of-use assets	7 760 474	7 760 474	7 795 311	7 795 311
Long term loan from banks	36 015 778	36 015 778	12 578 116	12 578 116
Financing received from P2P investors	44 492 130	44 492 130	86 603 685	86 603 685
Other borrowings	15 169 512	15 169 512	2 303 144	2 303 144
Trade payables	2 008 588	2 008 588	1 282 953	1 282 953
Other liabilities	2 174 852	2 174 852	1 877 198	1 877 198
Total liabilities for which fair value is disclosed	248 249 373	254 952 302	246 394 079	244 010 888
Liabilities measured at fair value				
Other financial liabilities	117 188	117 188	165 457	165 457
Total liabilities measured at fair value and liabilities for which fair value is disclosed	248 366 561	255 069 490	246 559 536	244 176 345

31. Fair value of financial assets and liabilities (continued)

The table below specified analysis by fair value levels as at 30 June 2021 and 31 December 2020 (based on their fair values):

	Level 1 30.06.2021.	Level 2 30.06.2021.	Level 3 30.06.2021.	Level 1 31.12.2020.	Level 2 31.12.2020.	Level 3 31.12.2020.
	EUR	EUR	EUR	EUR	EUR	EUR
Assets for which fair value is disclosed						
Loans to related parties	-	-	11 318 966	-	-	15 828 513
Finance lease receivables	-	-	134 403 590	-	-	131 979 781
Loans and advances to customers	-	-	129 785 216	-	-	119 900 934
Other loans and receivables	-	-	6 502 470	-	-	2 869 132
Trade receivables	-	-	3 512 304	-	-	3 333 549
Other receivables	-	-	6 355 145	-	-	4 076 535
Cash and cash equivalents	7 948 018	-	-	9 315 430	-	-
Total assets for which fair value is disclosed	7 948 018	-	291 877 691	9 315 430	-	277 988 444
Liabilities for which fair value is disclosed						
Borrowings						
Loan from related parties	-	-	17 282 823	-	-	12 126 467
Eleving Group S.A. bonds	-	99 428 812	-	-	95 877 220	-
Mogo AS bonds	-	-	30 619 333	-	-	23 566 794
Lease liabilities for right-of-use assets	-	-	7 760 474	-	-	7 795 311
Long term loan from banks	-	-	36 015 778	-	-	12 578 116
Financing received from P2P investors	-	-	44 492 130	-	-	86 603 685
Other borrowings	-	-	15 169 512	-	-	2 303 144
Trade payables	-	-	2 008 588	-	-	1 282 953
Other liabilities	-	-	2 174 852	-	-	1 877 198
Total liabilities for which fair value is disclosed	-	99 428 812	155 523 490	-	95 877 220	148 133 668
Liabilities measured at fair value						
Other financial liabilities	-	-	117 188	-	-	165 457
Total liabilities measured at fair value and liabilities for which fair value is disclosed	-	99 428 812	155 640 678	-	95 877 220	148 299 125

Bonds issued by Eleving Group S.A. have been classified as Level 2 fair value measurement given that there are observable market quotations in markets. The market for Mogo AS bonds is not assessed as an active market thus classified as Level 3. Fair value of the bonds has been determined based on observable quotes and management assessment why the quotes are representative of the fair values and are subject to any adjustments.

There have been no transfers between fair value hierarchy levels during 2021 and 2020.

32. Segment information

For management purposes, the Group is organized into business units based on their geographical locations and on internal management structure, which is the basis for reporting system. During reporting year the Group restructured management structure therefore operating segments have been change. These unaudited condensed consolidated interim financial statements provide information on the following operating segments. Comparative figures reflect segments according to previous years structure.

- HUB 1. This is the major segment of the Group representing entities performing car financing activities in Estonia, Georgia, Armenia, Bulgaria, Bosnia and Herzegovina, North Macedonia and Albania.
- HUB 2. This is the major segment of the Group representing entities performing car financing activities in Latvia, Lithuania, Romania, Moldova and Belarus.
- HUB 3. This is the major segment of the Group representing entities performing car financing activities in Kazakhstan, Uzbekistan, Kenya and Uganda.
- Entities performing consumer loan financing activities. This is the major segment of the Group representing entities performing activities in Moldova, Armenia and Ukraine.
- Other segments. This segment comprises Group's business lines with aggregate unconsolidated revenue below 10% of the total unconsolidated revenue of all operating segments.
- Other. The Group's financing (including finance costs, finance income and other income) and income taxes are managed on a Group basis and are not allocated to operating segments hence these are presented in "Other".

Management monitors mainly the following indicators of operating segments for the purpose of making decisions about resource allocation and performance assessment: net revenue, profit before tax, gross portfolio and impairment. Other segment is not monitored on segment level but on comprising subsidiaries level.

The Group's Chief operating decision maker is Group's CEO.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

No revenue from transactions with a single external customer or counterparty amounted to 10% or more of the Group's total revenue in 2020 or 2021.

Segment information below shows main income and expense items of comprehensive income statement. Other smaller income and expense items are summarized and shown under 'Other income/(expense)' column.

Segment information for the period ended on 30 June 2021 is presented below:

Operating segment	Interest income	Interest expenses	Impairment expense	Other operating income/ (expense)	Corporate income tax	Segment profit/(loss) for the period	Total assets	Total liabilities
HUB 1	8 521 251	(2 358 342)	(1 718 987)	(5 531 160)	424 850	(662 388)	74 638 034	41 069 663
HUB 2	19 918 762	(7 066 315)	119 759	(6 111 939)	(803 477)	6 056 791	168 878 803	136 316 860
HUB 3	13 053 345	(3 391 829)	(2 346 635)	(2 258 668)	(843 730)	4 212 483	63 270 303	65 294 930
Consumer loan financing entities	28 547 915	(1 932 027)	(11 183 986)	(5 311 455)	(879 815)	9 240 632	58 931 631	35 409 954
Other segments	(70 134)	(709 067)	(416 543)	108 741	(3 000)	(1 090 003)	11 577 178	7 682 332
<i>Total segments</i>	69 971 139	(15 457 580)	(15 546 391)	(19 104 481)	(2 105 172)	17 757 515	377 295 949	285 773 739
Other	5 811 669	(9 807 889)	-	3 442 635	(8 273)	(561 858)	101 088 504	151 916 065
Adjustments and eliminations	(13 292 901)	10 428 190	(225 557)	(7 248 960)	(116 514)	(10 455 742)	(186 808 871)	(176 081 879)
Consolidated	62 489 907	(14 837 279)	(15 771 948)	(22 910 806)	(2 229 959)	6 739 915	291 575 582	261 607 925

Inter-segment revenues are eliminated upon consolidation and reflected in the 'adjustments and eliminations' column. All other adjustments and eliminations are part of detailed reconciliations presented further below.

Revenue	2021 EUR
External customers (interest income and other income)	56 678 238
Inter-segment (interest income and other income)	13 292 901
TOTAL:	69 971 139

32. Segment information (continued)

	30.06.2021. EUR
<i>Reconciliation of profit</i>	
Segment profit	17 757 515
<i>Profit from other</i>	(561 858)
<i>Elimination of inter-segment revenue</i>	<u>(20 541 861)</u>
Elimination of intragroup interest income	(10 318 554)
Elimination of intragroup income from dividends	(6 543 746)
Elimination of intragroup other income/(expenses)	(3 949 869)
Elimination of intragroup income from dealership commissions	270 308
<i>Elimination of inter-segment expenses</i>	<u>10 086 119</u>
Elimination of intragroup interest expenses	10 428 190
Elimination of impairment expenses	(225 557)
Elimination of other expenses	(116 514)
Consolidated profit for the period	6 739 915

<i>Reconciliation of assets</i>	
Segment operating assets	377 295 949
Loans to subsidiaries	88 882 122
Loans to non related parties	5 294 949
Other short term receivables	6 911 433
Elimination of intragroup loans	(188 198 556)
Elimination of other intragroup receivables	1 389 685
Total assets	<u>291 575 582</u>

<i>Reconciliation of liabilities</i>	
Segment operating liabilities	285 773 739
Borrowings	94 581 882
Other liabilities	57 334 183
Elimination of intragroup borrowings	(188 000 056)
Elimination of other intragroup accounts payable	11 918 177
Total liabilities	<u>261 607 925</u>

Segment information for the period ended on 30 June 2020 is presented below:

	Interest income	Interest expenses	Impairment expense	Other operating expense	Corporate income tax	Segment profit for the period	Total assets	Total liabilities
HUB 1	21 651 058	(5 924 493)	(6 289 013)	(4 166 161)	(234 363)	5 037 028	161 880 484	117 735 972
HUB 2	3 335 551	(1 036 822)	(2 060 236)	(2 159 180)	198 639	(1 722 048)	23 558 021	20 732 293
HUB 3	10 176 405	(2 881 153)	(2 991 203)	(5 004 817)	(55 646)	(756 414)	62 244 988	48 752 142
HUB 4	2 457 159	(797 536)	(1 217 006)	(2 762 647)	417 231	(1 902 799)	14 400 382	14 163 321
HUB 5	2 470 325	(631 170)	(1 128 477)	(2 309 612)	386 110	(1 212 824)	14 404 096	13 918 072
Other segments	11 207	(103 038)	253	60 784	(900)	(31 694)	5 833 294	3 287 290
<i>Total segments</i>	<u>40 101 705</u>	<u>(11 374 212)</u>	<u>(13 685 682)</u>	<u>(16 341 633)</u>	<u>711 071</u>	<u>(588 751)</u>	<u>282 321 265</u>	<u>218 589 090</u>
Other	5 010 264	(8 101 922)	-	3 554 471	(2 408)	460 405	95 990 097	132 846 654
Adjustments and eliminations	(9 095 551)	6 969 568	1 473 727	(2 213 884)	(288 718)	(3 154 858)	(129 366 491)	(120 771 838)
Consolidated	36 016 418	(12 506 566)	(12 211 955)	(15 001 046)	419 945	(3 283 204)	248 944 871	230 663 906

Inter-segment revenues are eliminated upon consolidation and reflected in the 'adjustments and eliminations' column. All other adjustments and eliminations are part of detailed reconciliations presented further below.

	6 months 2020 EUR
Revenue	
External customers (interest income and other income)	33 220 038
Inter-segment (interest income and other income)	6 881 667
TOTAL:	<u><u>40 101 705</u></u>

32. Segment information (continued)

	30.06.2020.
<i>Reconciliation of profit</i>	
Segment profit	EUR (588 751)
<i>Profit from other</i>	460 405
<i>Elimination of inter-segment revenue</i>	
Elimination of intragroup interest income	(11 309 435)
Elimination of intragroup income from dividends	(6 621 796)
Elimination of intragroup other income/(expenses)	(3 943 217)
Elimination of intragroup income from dealership commissions	(1 314 109)
	569 687
<i>Elimination of inter-segment expenses</i>	
Elimination of intragroup other income/(expenses)	8 154 577
Consolidated profit for the period	8 154 577 (3 283 204)
<i>Reconciliation of assets</i>	
Segment operating assets	282 321 265
Loans to subsidiaries	71 749 364
Loans to non related parties	4 820 756
Other short term receivables	19 419 977
Elimination of intragroup loans	(125 576 696)
Elimination of other intragroup receivables	(3 789 795)
Total assets	248 944 871
<i>Reconciliation of liabilities</i>	
Segment operating liabilities	218 589 090
Borrowings	96 815 512
Other liabilities	36 031 142
Elimination of intragroup borrowings	(100 570 687)
Elimination of other intragroup accounts payable	(20 201 151)
Total liabilities	230 663 906

33. Events after balance sheet date

On 15 July 2021, the Group has finished its parent company's corporate name change from Mogo Finance S.A. to Eleving Group S.A.

On 13 August 2021, Fitch Ratings has affirmed Eleving Group's Long-Term Issuer Default Rating at "B-"; Outlook Stable. The affirmation reflects Eleving Group's lower leverage and progress in refinancing its EUR100 million bond maturing in July 2022.

On 29 September 2021 Eleving Group S.A. announced the process of issuance of new Eurobonds in Frankfurt stock exchange market. The Group expects to refinance its current Eurobonds in amount of 100 million EUR and other borrowings. The process is expected to be completed during October 2021.

As of the last day of the reporting period until the date of signing these unaudited condensed consolidated interim financial statements there have been no other events requiring adjustment of or disclosure in the financial statements or Notes thereto.

Signed on behalf of the Group on 30 September 2021 by:



 Māris Kreics
 Type A director



 Delphine Glessinger
 Type B director