Eleving Group S.A. (formerly Mogo Finance S.A.)
Société anonyme

Annual report for the financial year ended 31 December 2021
(with the report of the Réviseur d'Entreprises agréé thereon)

Registered office:
8-10 Avenue de la Gare
L-1610, Luxembourg
Luxembourg Trade and Companies Register number: B 174.457

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Management report

6 May 2022

The Directors of the Company present the report on the annual accounts for the year ended 2021. All the figures are presented in EUR (euro).

General information

Eleving Group S.A. (hereinafter referred to as – the Company, formerly known as Mogo Finance S.A. As part of the major rebranding of the whole group the Company's name was changed in 2021 from Mogo Finance S.A. to Eleving Group S.A.) and its subsidiaries (hereinafter together referred to as – the Group) is an international and fast-growing Financial Technology company with a vast reach across the globe. Operating in 3 continents, the Group`s companies recognize the niche underserved by conventional lenders and provide financial inclusion by disruptively changing the used car and consumer financing industry. Founded in 2012 in Latvia, the Group revolutionized the way people acquire used cars. Having expanded to all the Baltic region within a year after its launch, the Group continued its further expansion, operating in a total of 14 active markets as of the end of 2021. Eleving Group has disrupted the used vehicle market as well as the way how a person's social mobility can be elevated through the access to a convenient and responsible lending. Group's main car financing products are financial leasing, where the Group's services are used by customers to acquire the vehicles, and leaseback financing, where the customer sells his/her vehicle and leases it back to Eleving. The Group`s consumer finance business offers flexible financial products starting with a credit line and ending with an instalment loan with a focus to provide an accessibility to a substantial amount of money in a most convenient way. Innovative financial solutions, transparency provided by the presence in the international capital markets and a talented team of more than 2 600 people makes the Group one of the top fastest growing companies in the industry. In 2021 the Company performed a rebranding and changed its name to Eleving Group S.A.

Operations and Financial Results

2021 was the best year in Eleving Group's history since inception in 2012, the Company continued investments in its subsidiaries as well as supporting them with the necessary financing. The Company’s financial performance mainly depends on the performance of the Group as majority of the Company’s assets relate to affiliated undertakings and the Company’s financial performance should be considered in the context of the Group’s financial performance. The Company’s financial standing as it relates to going concern is largely dependent from the dividends to be distributed by its subsidiaries, which has been a consistent practice also during 2021.
The same will be undertaken also in 2022 with the expected dividend payments from its subsidiaries.

Total assets of the Company grew up to 198.2 million euro (28.5% increase, compared to 154.3 million EUR in 2020).

In 2021 we managed to reach important business and corporate milestones. Experience and knowledge of the industry have allowed us to react quickly to the effects of the global pandemic on the used car market and offer to our customers most fitting mobility products and a best-in-class customer experience. Introduction of longer maturity, higher ticket consumer finance products allowed us to better address existing needs of our customers and grow new customer base.

During 2021 we have significantly increased our flexible lease and subscription-based products contribution to groups revenue by constant growth in motorcycle-taxi financing in Kenya and Uganda, and a successful rollout of rental and subscription products in the Baltics. We bounced back from slowdown caused by covid in 2020 and got back to growth trajectory in our main product group of lease and leaseback. We have recorded all-time best results in our consumer lending products because of the substantial portfolio growth throughout the year.

Throughout the year we maintained our focus and investment in digital IT solutions. We have launched a WEB/CRM platform designed to enable release of new targeted products within one day. We further continued investing in scoring automation and data collection tools to increase speed and accuracy of client underwriting process. Eleving group maintained its digital first mindset providing customers with all available tools in the market, such as digital contract signing or instant car evaluation which in majority of the markets allows to complete a full customer journey online.

In 2021 the Group continued to cooperate with continental Europe’s leading peer-to-peer lending marketplace Mintos (www.mintos.com). Currently the Group is the company with one of the largest loan portfolio listed in the platform and it offers investors to invest in Group’s loans originated in twelve operational entities.

During 2021 the Group managed to sustain its B- issuer as well as senior secured bond rating by Fitch.

On 1 March 2021, through public offering of the Group's company AS “mogo” successfully issued a corporate bond (LV0000802452) in the amount of EUR 30 million, which from 31 March 2021 is listed on the regulated market – the Baltic Bond List of “Nasdaq Riga” stock exchange. The notes, with a minimum subscription amount of EUR 1,000 were issued at par, having a maturity of 3 years and carrying a fixed coupon of 11% per annum, paid monthly in arrears. The bonds were offered to existing bondholders and other retail and institutional investors from the Baltic region.

On 20 October 2021, Eleving Group successfully issued a 5-year corporate bond (XS2393240887), listed on the Open Market of the Frankfurt Stock Exchange, at par with an annual interest rate of 9.5% and total amount of EUR 150 million. The bond will mature in October 2026. The previous corporate bond (XS1831877755) with an annual interest rate of 9.5% was fully repaid on 20 October 2021 following the issuance of the new corporate bond (XS2393240887).

On 29 December 2021, Eleving Group successfully issued a 10-year subordinated convertible bond (XS2427362491), at par with an annual interest rate of 12% + 6 month Euribor and total amount of EUR 25 million. The bond will mature in December 2031. The subordinated bond enjoys full equity credit from Fitch rating agency’s perspective.

See Note 28 to the annual accounts for details on events after the balance sheet date.

In 2021 the Company had no research and development activities and did not acquire any of its own shares.

The Company does not have any branches and does not intend to establish any in the nearest future.

Financial risks

The Company’s activities expose it to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The Company’s overall risk management focuses on financial markets and seeks to minimize potential adverse effects on the Company’s financial performance. The Company uses derivative financial instruments to hedge certain risk exposures which are carried out by the central treasury department (Company’s treasury).

Liquidity risk

The Company controls its liquidity by managing the amount of funding it attracts through peer-to-peer platforms, which provides management greater flexibility to manage the level of borrowings and available cash balances. Also, the Company manages its longer-term liquidity need by issuing bonds.

Credit risks

The Company is exposed to credit risk through its finance lease receivables, loans, and advances, as well as cash and cash equivalents. The key areas of credit risk policy cover lease and loan granting process (including solvency check of the lessee or borrower), monitoring methods, as well as decision making principles. The Company uses financed vehicles as collaterals to significantly reduce the credit risk.

The Company operates by applying a clear set of finance lease and loan granting criteria. These criteria include assessing the credit history of the customer, means of lease and loan repayment and understanding the lease object. The Company takes into consideration both quantitative and qualitative factors when assessing the creditworthiness of the customer. Based on this analysis, the Company sets the credit limit for each and every customer. When the lease agreement has been signed, the Company monitors the lease object and customer’s solvency. The Company has developed a lease monitoring process that helps to quickly spot any possible non-compliance with the provisions of the agreement. The receivable balances are monitored on an ongoing basis to ensure that the Company’s exposure to bad debts is minimized, and, where appropriate, sufficient provisions are being made. The Company does not have a significant credit risk exposure to any single counterparty, but instead is exposed to risks towards counterparties having similar characteristics.

Market risk

The Company takes on exposure to market risks, which are the risks that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks arise from open positions in interest rate and currency products, all of which are exposed to general and specific market movements and changes in the level of volatility or market rates or prices such as interest rates and foreign exchange rates.

Currency risk

The currency risk is defined as the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is exposed to the effects of fluctuations in the prevailing foreign currency exchange rates on its financial position and cash flows. The most significant foreign currency exposure comes from Georgia, Kazakhstan, and Belarus, where the Company has evaluated potential hedging options, but due to the costs associated with it, has decided not to pursue hedging strategy for now and assume potential short to mid-term currency fluctuations with retaining potential upside from strengthening of the mentioned currencies. However the Company is making substantial progress in issuing as much as possible of loans in EUR and USD currencies. The USD loan issuances are linked to Belarus, Kenya and Uganda. Having now a significant amount of USD loan and lease portfolio, the Company has started to proactively manage to the foreign currency exposure risk towards USD. The proactive management of USD exposure can be observed by forward contract purchases that have started already in 2020 and continued to do so in 2021.

It is expected that the Company’s exposure to volatile foreign currencies will be continuing to decrease in the future with the Company’s divestment of several of its subsidiaries.

Interest rate risk

The Company is not exposed to interest rate risk because all of its liabilities are interest bearing borrowings with a fixed interest rate.

Future outlook

In the light of events related to the war in Ukraine, the Group's management has assessed the impacts on the Group’s ability to continue as a going concern by analyzing the potential effect on the Company and its subsidiaries since the Company's future operations depend on the performance of its subsidiaries. For further information and details on stress test performed please refer to the Note 2 “Going concern” to the annual accounts.

While the geopolitical environment remains challenging, the Company and its subsidiaries enter 2022 with improved operations and a strong funding position, and our employees, partners and customers have proven resilient to the challenges posed previously by the pandemic and now the war in Ukraine. The business model is highly relevant to the lives of many thousands of customers and plays an important role in enhancing the lives of people of modest means. We are confident that we will continue to serve our customers well and maintain high profitability and long-term growth.

Going into 2022 the Company and its subsidiaries intend to:

- Continue to develop its current set of 14 active markets with particular focus on productive lending in the fastest growing markets and possibly enter into new markets.
- Exit from Poland and Balkan region markets with its vehicle finance business.
- Develop premium car financing solution by engaging in mutually beneficial strategic partnerships with local banks.
- Continue further digitalization across the key business areas.
- Maintain stricter underwriting policies in place.
- Launch of several of ESG friendly products.
- Continue simplifying its balance sheet.

Corporate Governance Statement

Eleving Group S.A. Corporate Governance Statement has been included in the Management report included in the Eleving Group S.A. consolidated annual report for the year ended 31 December 2021, and it is also available to the public electronically on the Eleving Group S.A. webpage www.eleving.com.

Signed on behalf of the Company on 6 May 2022 by:

Māris Kreics	Attila Senig
Type A director	Type B director

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To the Shareholders of
Eleving Group S.A.
8-10, Avenue de la Gare
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Luxembourg

REPORT OF THE REVISEUR D'ENTREPRISES AGREE

Report on the audit of the annual accounts

Opinion

We have audited the annual accounts of Eleving Group S.A. (the "Company"), which comprise the balance sheet as at 31 December 2021, and the profit and loss account for the year then ended, and notes to the annual accounts, including a summary of significant accounting policies.

In our opinion, the accompanying annual accounts give a true and fair view of the financial position of the Company as at 31 December 2021 and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts.

Basis for opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession ("Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the Commission de Surveillance du Secteur Financier ("CSSF"). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the « Responsibilities of "réviseur d'entreprises agréé" for the audit of the annual accounts » section of our report. We are also independent of the Company in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants ("IESBA Code") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the annual accounts, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts of the current period. These matters were addressed in the context of the audit of the annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of the Shares in affiliated undertakings and loans to affiliated undertakings

a) Why the matter was considered to be one of most significance in our audit of the Company's annual accounts for the year ended 31 December 2021

Being the ultimate parent entity of Eleving Group S.A., the Company's assets mainly consist of shares in affiliated undertakings and loans to affiliated undertakings

The carrying amount of the shares in affiliated undertakings and loans to affiliated undertakings as at 31 December 2021 amount to EUR 12 468 thousand and EUR 117 545 thousand. Shares in affiliated undertakings represent 6.3% and loans to affiliated undertakings represent 59.3% of Company's total assets as at 31 December 2021; The Company has recognized value adjustments amounting to EUR 14 868 thousand in relation to these assets.

We refer to the annual accounts: Note 2 and Note 3 (accounting policy), Notes 4, 5 and 21 (financial disclosures).

At the end of each reporting period, management is required to assess whether there is no permanent reduction in value of financial assets measured at cost. The assessment requires the Board of Directors to apply judgement, including in respect of the affiliates' future operating cash flows, growth rates and discount rates, and is therefore associated with significant estimation uncertainty.

Due to the above, we have associated the impairment assessment in respect of the shares in affiliated undertakings and loans to affiliated undertakings with a significant risk of material misstatement and as such, this area is considered to be a key audit matter.

b) How the matter was addressed in our audit

Our procedures over valuation of the Shares in affiliated undertakings and loans to affiliated undertakings, included but were not limited to:

— testing the design and implementation of selected key controls in the impairment testing process, including those over the review and approval of the key assumptions applied in the impairment testing and of the test outcomes;

— with the assistance of our valuation specialists, assessing the appropriateness of impairment testing methods applied against the requirements of the relevant financial reporting standards and current market practice;

— with the assistance of our valuation specialists, evaluating the reasonableness of the Board of Director's judgment as to the existence of impairment indicators. This included, but was not limited to, discussing all of the subsidiaries' performance with the Company's finance function officers, and assessing their strategy and historical profitability;

— challenging the key assumptions applied in the impairment test, as follows:

  - terminal growth rate - by reference to historical financial performance of other related companies, assessed quality of budgeting process, past and expected future market developments;

  - discount rates - by assessing whether the cost of debt and cost of equity used are within the reasonable range, given Eleving's industry, risk profile and financial position;

- other key inputs, such as estimates of free cash flows in the first five years of operation by inquires of the Board of Directors and inspection of supporting documentation (including approved budgets) and considering historical financial performance of the respective company;

— performing a sensitivity analysis of impairment test's results to changes in key assumptions, such as, primarily, terminal growth and discount rates;

— considering the adequacy of the Company's disclosures related to the assumptions and significant judgements used in estimating the recoverable amounts of the investment in subsidiary and the loan issued thereto.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information stated in the annual report including the management report but does not include the annual accounts and our report of the "réviseur d'entreprises agréé" thereon.

Our opinion on the annual accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the annual accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and Those Charged with Governance for the annual accounts

The Board of Directors is responsible for the preparation and fair presentation of the annual accounts in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts, and for such internal control as the Board of Directors determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Responsibilities of the réviseur d'entreprises agréé for the audit of the annual accounts

The objectives of our audit are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the “réviseur d'entreprises agréé” that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

— Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

— Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control.

— Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

— Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the “réviseur d'entreprises agréé” to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the “réviseur d'entreprises agréé”. However, future events or conditions may cause the Company to cease to continue as a going concern.

— Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual accounts of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

The management report is consistent with the annual accounts and has been prepared in accordance with applicable legal requirements.

Luxembourg, 7 May 2022

KPMG Luxembourg
Société anonyme
Cabinet de révision agréé

M. Jahke
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RCSL Nr. : B174457	Matricule : 2012 2226 019
	eCDF entry date :

BALANCE SHEET

Financial year from 01 01/01/2021 **to** 02 31/12/2021 *(in* 03 EUR)

Eleving Group

8-10, Avenue de la Gare
L-1610 Luxembourg

ASSETS

		Reference(s)		Current year		Previous year
A. Subscribed capital unpaid	1101		101		102	
I. Subscribed capital not called	1103		103		104	
II. Subscribed capital called but unpaid	1105		105		106	
B. Formation expenses	1107		107		108	
C. Fixed assets	1109		109	133.118.034,00	110	134.187.174,00
I. Intangible assets	1111		111		112	
1. Costs of development	1113		113		114	
2. Concessions, patents, licences, trade marks and similar rights and assets, if they were	1115		115		116	
a) acquired for valuable consideration and need not be shown under C.I.3	1117		117		118	
b) created by the undertaking itself	1119		119		120	
3. Goodwill, to the extent that it was acquired for valuable consideration	1121		121		122	
4. Payments on account and intangible assets under development	1123		123		124	
II. Tangible assets	1125		125		126	
1. Land and buildings	1127		127		128	
2. Plant and machinery	1129		129		130	

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		Reference(s)		Current year		Previous year
3. Other fixtures and fittings, tools and equipment	1131		131		132	
4. Payments on account and tangible assets in the course of construction	1133		133		134	
III. Financial assets	1135		135	133.118.034,00	136	134.187.174,00
1. Shares in affiliated undertakings	1137	4	137	12.468.662,00	138	53.595.268,00
2. Loans to affiliated undertakings	1139	5	139	117.545.088,00	140	72.293.627,00
3. Participating interests	1141		141		142	
4. Loans to undertakings with which the undertaking is linked by virtue of participating interests	1143		143		144	
5. Investments held as fixed assets	1145		145		146	
6. Other loans	1147	6	147	3.104.284,00	148	8.298.279,00
D. Current assets	1151		151	60.360.262,00	152	16.945.223,00
I. Stocks	1153		153		154	
1. Raw materials and consumables	1155		155		156	
2. Work in progress	1157		157		158	
3. Finished goods and goods for resale	1159		159		160	
4. Payments on account	1161		161		162	
II. Debtors	1163		163	60.037.062,00	164	14.934.536,00
1. Trade debtors	1165		165		166	
a) becoming due and payable within one year	1167		167		168	
b) becoming due and payable after more than one year	1169		169		170	
2. Amounts owed by affiliated undertakings	1171	7	171	56.079.142,00	172	6.223.545,00
a) becoming due and payable within one year	1173		173	6.079.142,00	174	6.223.545,00
b) becoming due and payable after more than one year	1175		175	50.000.000,00	176	0,00
3. Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	1177		177		178	
a) becoming due and payable within one year	1179		179		180	
b) becoming due and payable after more than one year	1181		181		182	
4. Other debtors	1183	8	183	3.957.920,00	184	8.710.991,00
a) becoming due and payable within one year	1185		185	3.957.920,00	186	8.710.991,00
b) becoming due and payable after more than one year	1187		187		188	

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		Reference(s)		Current year		Previous year
III. Investments	1189		189		190	
1. Shares in affiliated undertakings	1191		191		192	
2. Own shares	1209		209		210	
3. Other investments	1195		195		196	
IV. Cash at bank and in hand	1197		197	323.200,00	198	2.010.687,00
E. Prepayments	1199	9	199	4.743.743,00	200	3.120.442,00
TOTAL (ASSETS)			201	198.222.039,00	202	154.252.839,00

CAPITAL, RESERVES AND LIABILITIES

		Reference(s)		Current year		Previous year
A. Capital and reserves	1301		301	11.065.090,00	302	1.141.026,00
I. Subscribed capital	1303	10	303	1.000.000,00	304	1.000.000,00
II. Share premium account	1305		305		306	
III. Revaluation reserve	1307		307		308	
IV. Reserves	1309		309	25.290,00	310	3.104,00
1. Legal reserve	1311		311	25.290,00	312	3.104,00
2. Reserve for own shares	1313		313		314	
3. Reserves provided for by the articles of association	1315		315		316	
4. Other reserves, including the fair value reserve	1429		429		430	
a) other available reserves	1431		431		432	
b) other non available reserves	1433		433		434	
V. Profit or loss brought forward	1319		319	115.736,00	320	-305.779,00
VI. Profit or loss for the financial year	1321		321	9.924.064,00	322	443.701,00
VII. Interim dividends	1323		323		324	
VIII. Capital investment subsidies	1325		325		326	
B. Provisions	1331	11	331	144.513,00	332	197.531,00
1. Provisions for pensions and similar obligations	1333		333		334	
2. Provisions for taxation	1335		335	0,00	336	17.765,00
3. Other provisions	1337		337	144.513,00	338	179.766,00
C. Creditors	1435		435	187.012.436,00	436	152.914.282,00
1. Debenture loans	1437		437	144.988.127,00	438	103.403.912,00
a) Convertible loans	1439		439		440	
i) becoming due and payable within one year	1441		441		442	
ii) becoming due and payable after more than one year	1443		443		444	
b) Non convertible loans	1445	12	445	144.988.127,00	446	103.403.912,00
i) becoming due and payable within one year	1447		447	2.747.127,00	448	4.440.863,00
ii) becoming due and payable after more than one year	1449		449	142.241.000,00	450	98.963.049,00
2. Amounts owed to credit institutions	1355		355		356	
a) becoming due and payable within one year	1357		357		358	
b) becoming due and payable after more than one year	1359		359		360	

RCSL Nr. : B174457	Matricule : 2012 2226 019

	Reference(s)		Current year		Previous year
3. Payments received on account of orders in so far as they are not shown separately as deductions from stocks	1361		361		362	
a) becoming due and payable within one year	1363		363		364	
b) becoming due and payable after more than one year	1365		365		366	
4. Trade creditors	1367		367	152.572,00	368	49.601,00
a) becoming due and payable within one year	1369		369	152.572,00	370	49.601,00
b) becoming due and payable after more than one year	1371		371		372	
5. Bills of exchange payable	1373		373		374	
a) becoming due and payable within one year	1375		375		376	
b) becoming due and payable after more than one year	1377		377		378	
6. Amounts owed to affiliated undertakings	1379	13	379	24.028.762,00	380	37.208.947,00
a) becoming due and payable within one year	1381		381	2.365.616,00	382	13.385.912,00
b) becoming due and payable after more than one year	1383		383	21.663.146,00	384	23.823.035,00
7. Amounts owed to undertakings with which the undertaking is linked by virtue of participating interests	1385		385		386	
a) becoming due and payable within one year	1387		387		388	
b) becoming due and payable after more than one year	1389		389		390	
8. Other creditors	1451	14	451	17.842.975,00	452	12.251.822,00
a) Tax authorities	1393		393		394	
b) Social security authorities	1395		395		396	
c) Other creditors	1397		397	17.842.975,00	398	12.251.822,00
i) becoming due and payable within one year	1399		399	542.734,00	400	125.355,00
ii) becoming due and payable after more than one year	1401		401	17.300.241,00	402	12.126.467,00
D. Deferred income	1403		403		404	
TOTAL (CAPITAL, RESERVES AND LIABILITIES)			405	198.222.039,00	406	154.252.839,00

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RCSL Nr. : B174457 | Matricule : 2012 2226 019

eCDF entry date :

PROFIT AND LOSS ACCOUNT

Financial year from 01 01/01/2021 **to** 02 31/12/2021 *(in* 03 EUR)

Eleving Group

8-10, Avenue de la Gare
L-1610 Luxembourg

	Reference(s)	Current year	Previous year
1. Net turnover	1701	701	702
2. Variation in stocks of finished goods and in work in progress	1703	703	704
3. Work performed by the undertaking for its own purposes and capitalised	1705	705	706
4. Other operating income	1713	713	714
5. Raw materials and consumables and other external expenses	1671	671 -2.639.934,00	672 -3.005.006,00
a) Raw materials and consumables	1601	601	602
b) Other external expenses	1603 15	603 -2.639.934,00	604 -3.005.006,00
6. Staff costs	1605	605 -5.555,00	606 -5.500,00
a) Wages and salaries	1607 16	607 -5.555,00	608 -5.500,00
b) Social security costs	1609	609	610
i) relating to pensions	1653	653	654
ii) other social security costs	1655	655	656
c) Other staff costs	1613	613	614
7. Value adjustments	1657	657	658
a) in respect of formation expenses and of tangible and intangible fixed assets	1659	659	660
b) in respect of current assets	1661	661	662
8. Other operating expenses	1621 17	621 -94.910,00	622 -2.546.355,00

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		Reference(s)		Current year		Previous year
9. Income from participating interests	1715	18	715	38.221.571,00	716	18.243.106,00
a) derived from affiliated undertakings	1717		717	38.221.571,00	718	18.243.106,00
b) other income from participating interests	1719		719		720	
10. Income from other investments and loans forming part of the fixed assets	1721	19	721	11.844.529,00	722	8.584.796,00
a) derived from affiliated undertakings	1723		723	11.844.529,00	724	8.584.796,00
b) other income not included under a)	1725		725		726	
11. Other interest receivable and similar income	1727	20	727	1.500.702,00	728	1.417.035,00
a) derived from affiliated undertakings	1729		729		730	
b) other interest and similar income	1731		731	1.500.702,00	732	1.417.035,00
12. Share of profit or loss of undertakings accounted for under the equity method	1663		663		664	
13. Value adjustments in respect of financial assets and of investments held as current assets	1665	21	665	-16.484.461,00	666	-8.340.634,00
14. Interest payable and similar expenses	1627	22	627	-21.769.804,00	628	-13.541.864,00
a) concerning affiliated undertakings	1629		629	-4.843.200,00	630	-3.633.207,00
b) other interest and similar expenses	1631		631	-16.926.604,00	632	-9.908.657,00
15. Tax on profit or loss	1635	23	635	-643.252,00	636	-357.062,00
16. Profit or loss after taxation	1667		667	9.928.886,00	668	448.516,00
17. Other taxes not shown under items 1 to 16	1637		637	-4.822,00	638	-4.815,00
18. Profit or loss for the financial year	1669		669	9.924.064,00	670	443.701,00

Note 1 - General information

Eleving Group S.A., (hereinafter the "Company"), was incorporated on December 18, 2012 as a société anonyme for an unlimited period. The Company is organised under the laws of Luxembourg, in particular the law of 10 August, 1915 on commercial companies, as amended. As part of the major rebranding of the whole group the Company's name was changed in 2021 from Mogo Finance S.A. to Eleving Group S.A.

The registered office of the Company is established in Avenue de la Gare 8-10, Luxembourg 1610 and is registered at the Trade and Companies register in Luxembourg under the number B174457.

The financial year of the Company starts on 1 January and ends on 31 December of each year.

The principal activity of the Company is to invest, acquire and take participations and interests, in any form whatsoever, in Luxembourg or foreign companies or entities having a purpose similar to the purpose of the Company and to acquire through participations, contributions, purchases, options or in any other way any securities, rights, interests, patents, trademarks and licenses or other property as the Company shall deem fit, and generally to hold, manage, develop, encumber, sell or dispose of the same, in whole or in part, for such consideration that is in the corporate interest of the Company.

The Company may also enter into any financial, commercial or other transactions and grant to any company or entity that forms part of the same group of companies as the Company or is affiliated in any way with the Company, including companies or entities in which the Company has a direct or indirect financial or other kind of interest, any assistance, loan, advance or grant in favor of third parties any security or guarantee to secure the obligations of the same, as well as borrow and raise money in any manner and secure by any means the repayment of any money borrowed.

Finally the Company may take any action and perform any operation which is, directly related to its purpose in order to facilitate the accomplishment of such purpose.

In accordance with the legal requirements of title II of the law 19 December 2002 as amended, these annual accounts have been drawn up on a standalone basis and subject to approval of the Company’s Annual General Meeting scheduled for 6 May 2022.

In application of section XVI of the law of 10 August 1915 as amended, the Company represents the ultimate parent of a group of undertakings and also prepares consolidated financial statements which are prepared under IFRS as adopted by the EU and which are lodged with the Luxembourg trade register and are available for inspection on Company’s corporate address. The consolidated financial statements of the Company are available as well on its corporate website.

Comparability of Prior Year figures

The accounting policies adopted are consistent with those of the previous financial year.

Note 2 - Summary of significant accounting policies

Basis of preparation

These annual accounts have been prepared in accordance with Luxembourg legal and regulatory requirements under the historical cost convention. Figures are rounded to whole amounts.

Accounting policies and valuation rules are, besides the ones laid down by the law of 19 December, 2002, determined and applied by the Board of Directors.

The preparation of annual accounts requires the use of certain critical accounting estimates. It also requires the Board of Directors to exercise its judgement in the process of applying the accounting policies. Changes in assumptions may have a significant impact on the annual accounts in the period in which the assumptions changed. Company's Board of Directors believes that the underlying assumptions are appropriate and that the annual accounts therefore present the financial position and results fairly.

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities in the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Going concern

These annual accounts are prepared on a going concern basis.

The Company's standalone financial results directly depend from its investment strategy. Its investments in subsidiaries ensure returns for the company when dividends from subsidiaries are paid out.

In the light of events related to the war in Ukraine, the Company's management has assessed the impacts on the Company's ability to continue as a going concern by analyzing the potential effect on the Company and its subsidiaries (the "Group" or "Eleving") since the Company's future operations depend on the performance of its subsidiaries.

With less than 4% of the total net portfolio and 6% of the Group's EBITDA, Eleving Group has a limited presence in Ukraine . Already in the prewar period, the Company had significantly curtailed new issuances and stopped them completely as of 24 February 2022. Currently, Eleving refrains from strict collection measures and offers all its customers to defer payments without additional fees or interest being calculated. Collections from the portfolio declined significantly, although considerable payments are still being made by customers daily. Given the digital-only business in Ukraine, the scale back of the local portfolio is not exposed to any material risks. The Company is not planning any new loan issues for the foreseeable future and will focus on collection activities while maintaining a lean cost structure. Eleving Group is focused on supporting its employees and their family members in Ukraine.

The scope and impact of possible sanctions against Belarus as a result of its engagement alongside the Russian Federation is being analyzed, but management cannot fully estimate the impact. The scope and impact of possible sanctions against Belarus as a result of its engagement alongside the Russian Federation cannot yet be assessed. The net loan portfolio in Belarus accounts for 8% of the Group's total net loan portfolio and 10% of the Group's EBITDA as of 31 December 2021. Although the business activity in Belarus historically shows the greatest resilience of the operating countries against crises of various kinds, Eleving Group has decided to stop issuances in Belarus as of 24 February 2022 and focus on reducing the existing exposure. The Company is optimizing its costs structure in Belarus and is putting full focus on collection activities and incentivizing customers to repay their outstanding loans early. At this point, collections are unaffected, and the Company is receiving a significant amount of positive cashflows, with a focus on developing several secure ways to transfer foreign currency out of Belarus. Excess cash is being repatriated to EU countries.

Eleving Group itself is not a sanctions target and does not maintain business relations with Russian banks. The proactively initiated contingency management to ensure business continuity includes, in particular, real-time assessment of the situation in the affected countries of operation, liquidity management, and securing foreign exchange transfers outside the borders of sanctioned countries.

The Group has performed a quantitative analysis with a set of critical scenarios of Group's operations assuming cessation of new loan issuances in Ukraine and Belarus. The key assumptions of this analysis include entirely stopped issuance of new loans and severe cost reduction related with the issuance of new loans in both markets. The analysis includes two scenarios and the key assumptions are as follows:

Ukraine

Baseline scenario:
The baseline scenario considers a full stop on loan issuances starting 24 February 2022.
During the current environment of ongoing warfare in Ukraine the further operations there are deemed to be virtually impossible therefore a full wind-down of the business in Ukraine is assumed.
A prolonged war related disruptions to the eastern parts of Ukraine are expected that would in turn imply very minimal economic activity, while at the same time also more western parts of Ukraine are expected to suffer a continuous pressure on any economic activity, both factors resulting in very low portfolio recoveries to be expected in the future. 25% of the portfolio as of 31 December 2021 is expected to be recovered by the end of December 2022 with the remaining portion impaired.
Additionally, the operations have been substantially optimized in the Ukraine starting already in March 2022, with only critical functions together with debt collection departments largely remaining intact. Until the full stop of all operational activities in December 2022, the company is expected to be cash flow positive for 6 months in the period after February 2022.

Pessimistic scenario:
The pessimistic scenario considers a full stop on loan issuances starting 24 February 2022.
During the current environment of ongoing warfare In Ukraine the further operations there are deemed to be virtually impossible therefore a full wind-down of the business in Ukraine is assumed.
A prolonged war related disruptions to the whole territory of Ukraine are expected that would in turn imply no economic activity, resulting in minimal portfolio recoveries to be expected in the future. 10% of the portfolio as of 31 December 2021 is expected to be recovered by the end of August 2022 with the remaining portion impaired.
Additionally, the operations have been substantially optimized in the Ukraine starting already in March 2022, with only critical functions together with debt collection departments largely remaining intact. Until the full stop of all operational activities in August 2022, the company is expected to be cash flow positive for 3 months In the period after February 2022.

Belarus

Sales were fully stopped In February 2022, and business focus is on debt collection. Resumption of new loan issuances is not planned. Belarus operations are affected mostly by economic sanctions in country and FX fluctuations. Two possible scenarios are expected:

Baseline, with short term difficulties. In this scenario lower repayment rate is expected, mostly related with FX change. In this scenario we expect slower recoveries and higher default rates. More clients will have some difficulties in repayments, but some business tool/ restructurings could be offered from Company side to help clients.

Pessimistic, with longer term difficulties. In this scenario client repayment possibilities are even lower, and “90+” DPD bucket will grow faster.

In both scenarios some interruptions in court decisions and recoveries from bailiffs are expected, as well as lower/ slower car sales. For both scenarios cut in selling and admin costs starting from March 2022 is assumed, including gradual staff decrease to sustain ongoing operations.

Impact of the above assumptions from Ukraine and Belarus scenarios on Group's operations :

Group figures

Baseline scenario:
- Loans issuance volumes by 22% in 2022 less compared to the initial forecast or increase of 4% compared to 2021 actuals;
- Total revenue for 2022 expected to decrease by 15% compared to the initial forecast or increase of 19% compared to 2021 actuals;
- Net impairment losses on loans and receivables including Net gain/(loss) from derecognition of financial assets measured at amortized cost for the twelve-month period ended 31 December 2022 expected to decrease by 20% compared to the initial forecast or increase of 13% compared to 2021 actuals. Provisions are expected to decrease due to suspension of new loan issuances. Provisions for initially planned loan issuances were higher than expected provisions in Ukraine and Belarus due to a deterioration in clients payment discipline caused by the current situation in both markets;
- Selling expense expected to decrease by 46% , administrative expenses by 2% in 2022 compared to the initial forecast or decrease of 23% and increase of 26% compared to 2021 actuals respectively;
- Net profit is expected to decrease by 32% compared to the initial forecast or increase of 120% compared to 2021 actuals.

Pessimistic scenario:
- Loans issuance volumes by 22% in 2022 less compared to the initial forecast or increase of 4% compared to 2021 actuals;
- Total revenue for 2022 expected to decrease by 15% compared to the initial forecast or increase of 19% compared to 2021 actuals. Increase vs 2021 actuals is mainly driven by growth in African markets;
- Net impairment losses on loans and receivables including Net gain/(loss) from derecognition of financial assets measured at amortized cost for the twelve-month period ended 31 December 2022 expected to decrease by 13% compared to the initial forecast or increase of 22% compared to 2021 actuals;
- Selling expense expected to decrease by 46% , administrative expenses by 3% in 2022 compared to the initial forecast or decrease of 23% and increase of 26% compared to 2021 actuals respectively;
- Net profit is expected to decrease by 41% compared to the initial forecast or increase of 90% compared to 2021 actuals. Eleving Group's presence in 14 markets is reducing business continuity risk, it's diversified loan portfolio and focus on most profitable segments will ensure further growth.

In management’s view, and having considered the results of the stress testing under two scenarios outlined, the above factors and measures taken support the assertion that the Group and Company will have sufficient resources to continue for a period of at least 12 months from the approval date of these annual accounts. The Group does not expect a substantial adverse effect form overall economic uncertainty on its markets of operations or the potential effects are too ambiguous to be reliably estimated as the preparation of financial statements. Management concluded that the range of possible outcomes considered at arriving at this judgment does not give rise to material uncertainties related to events or conditions that may cast significant doubt on the Group’s and Company's ability to continue as a going concern.

The Group monitors its liquidity ratios on an ongoing basis. The main liquidity ratios for the Group are capitalization ratio, interest coverage ratio and net leverage. As at 31 December 2021, the Group’s capitalization ratio , interest coverage ratio and net leverage were accordingly 20.7%, 2.4 and 3.9 (31.12.2020: 18.4%, 1.5 and 5.7), indicating stable liquidity situation of the Group. The Group has maintained strong funding and liquidity position with its robust diversified funding base. As at 31 of December 2021 the Group is compliant with all financial covenants. The Group’s management foresees that it will be able to fully satisfy the requirements of financial covenants also in the future assuming both development scenarios as outlined above.

The Group controls its liquidity by managing the amount of funding it attracts through P2P platform Mintos and other sources. P2P platform Mintos provides management greater flexibility to manage the level of borrowings and available cash balances. Despite the current uncertainty in the global economy, the amount of loans funded through Mintos have remained stable as at date of approval of these annual accounts, demonstrating that investors trust in the Group, and they continue to invest in Eleving loans.

Consequently, and based on the analysis provided above, these annual accounts have been prepared on the going concern basis.

Significant accounting policies and valuation rules

The main valuation rules applied by the Company are the following:

Financial assets

Shares in affiliated undertakings and investments held as fixed assets as well as loans to affiliated undertakings and other loans are valued respectively at purchase price / nominal value (loans and claims) including the expenses incidental thereto. In the case of durable depreciation in value according to the opinion of the Board of Directors, value adjustments are made in respect of financial fixed assets, so that they are valued at the lower figure to be attributed to them at the balance sheet date. These value adjustments are not continued if the reasons for which value adjustments were made have ceased to apply.

Currency exchange derivatives are recognized at cost. Liabilities are recognized if the fair value of derivatives decreases below nil.

Debtors

Debtors are valued at their nominal value. They are subject to value adjustments where their recovery is compromised. These value adjustments are not continued if the reasons for which value adjustments were made have ceased to apply.

Foreign currency translation

The Company maintains its books and records in EUR.

Transactions expressed in currencies other than EUR are translated into EUR at the exchange rate effective at the time of the transaction. Formation expenses and long-term assets expressed in currencies other than EUR are translated into EUR at the exchange rate effective at the time of the transaction. At the balance sheet date, these assets remain translated at historical exchange rates. Cash at bank is translated at the exchange rate effective at the balance sheet date. Exchange losses and realized gains are recorded in the profit and loss account of the year.

Other assets and liabilities are translated separately respectively at the lower between the value converted at the historical exchange rate or the value determined on the basis of the exchange rates effective at the balance sheet date. Solely the unrealised exchange losses are recorded in the profit and loss account. The exchange gains are recorded in the profit and loss account at the moment of their realisation.

Prepayments

This asset item includes expenditures incurred during the financial year but relating to subsequent financial years.

Provisions

Provisions are intended to cover losses or debts, the nature of which is clearly defined and which, at the date of the balance sheet are either likely to be incurred or certain to be incurred but uncertain as to their amount or the date on which they will arise.

Provisions may also be created to cover charges that have originated in the financial year under review or in a previous financial year, the nature of which is clearly defined and which at the date of the balance sheet are either likely to be incurred or certain to be incurred but uncertain as to their amount or the date on which they will arise.

Provisions for pensions and similar obligations

The Company does not offer its employees a defined benefit plan and/or a defined contribution plan.

Current tax provisions

Provisions for taxation corresponding to the tax liability estimated by the Company for the financial years for which the tax return has not yet been filed are recorded under the caption "Other creditors a) Tax authorities". The advance payments are shown in the assets of the balance sheet under the caption "Other debtors", if applicable.

Creditors

Creditors are recorded at their reimbursement value. Where the amount repayable on account is greater than the amount received, the difference is shown as an asset and is written off over the period of the debt based on a linear/actuarial method.

Employee share options

Employees of the Company's subsidiaries have entered share option agreements with the Company or the Company’s shareholders. Under the agreements respective employees obtain rights to acquire Company’s or certain subsidiaries’ shares under several graded vesting scenarios. The respective option would be classified as an equity-settled share-based payment transaction in the Company’s annual accounts.

The Company's Board of Directors has estimated that the value of the options, due to the specifics of the share option agreements, would not be materially different than zero. If it were, the Company would have to record expenses related to this transaction and recognize a respective component of equity.

In estimating the value for the share options the most appropriate valuation model would depend on the terms and conditions of the grant.

The Board of Directors has considered that the particular features mentioned in the option agreements, such as buy-back options, dividend policy of the Company and related pledges posed upon the borrowings effectively indicate that the value of the employee options would not materially different than zero.

Contingencies

Contingent liabilities are recognized in the annual accounts only if the related outflows is deemed probable. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognized in the annual accounts but is disclosed when an inflow of economic benefits is probable.

Related parties

The parties are considered related when one party has a possibility to control the other one or has significant influence over the other party in making financial and operating decisions. Related parties of the Company are shareholders who could control or who have significant influence over the Company in accepting operating business decisions, key management personnel of the Company and close family members of any above-mentioned persons, as well as entities over which those persons have a control or significant influence, including subsidiaries and asscociates.

Note 3 - Significant accounting judgments, estimates and assumptions

The preparation of the annual accounts requires the Board of Directors to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses, and disclosure of contingencies. The significant areas of estimation used in the preparation of the annual accounts relate to fair value of employee share options and measurement of contingent consideration. Although these estimates are based on the Board of Director's best knowledge of current events and actions, the actual results may ultimately differ from those estimates.

In the process of applying the Company's accounting policies, the Board of Directors has made the following judgements, which have the most significant effect on the amounts recognized in the annual accounts:

Valuation of financial assets

The carrying amounts of the Company's financial assets are reviewed at each reporting date by the Company's Board of Directors to determine whether there is a durable depreciation in value and value adjustments need to be made in respect of the financial assets.

Impact assessment from military conflict in Ukraine

The Company has performed a quantitative analysis with a set of critical scenarios of the Group's operations assuming cessation of new loan issuances in Ukraine and Belarus. The key assumptions of this analysis include entirely stopped issuance of new loans and severe cost reduction related with the issuance of new loans in both markets.

For further information and resulting management judgements please refer to Note 2 and Note 28.

Please also note that the economic impact of further military conflict developments in Ukraine may have a negative impact on the estimates of recoverable values of financial and non-financial assets further discussed in Note 2. The magnitude of such impact cannot be presently estimated in a reliable manner.

Note 4 - Shares in affiliated undertakings

a) The movements for the year are as follows:	**Shares in affiliated undertakings / Participating interests**	**Total 2021**
	EUR	**EUR**
Gross book value - opening balance	**53 595 268**	**53 595 268**
Additions for the year*	577 098	577 098
Disposals for the year**	(30 110 072)	(30 110 072)
Gross book value - closing balance	**24 062 294**	**24 062 294**
Value adjustments	**(11 593 632)**	**(11 593 632)**
Net book value - closing balance	**12 468 662**	**12 468 662**
Net book value - opening balance	53 595 268	53 595 268

* Additions for the year consisted of new investments in the following subsidiaries and other affiliated undertakings:

Name of undertaking (legal form)	Percentage of investment in shares	2021
Mogo Balkans and Central Asia AS	100%	559 000
EL Investments OOO	100%	18 098
Total		**577 098**

** Disposals for the year consisted of sale of shares in following subsidiaries:

Name of undertaking (legal form)	Percentage of investment in shares	2021
Eleving Luna AS (Mogo Baltics and Caucasus AS)	98.8%	16 712 860
Eleving Consumer Finance AS (Mogo Consumer Finance AS)	98.7%	10 151 501
Mogo LT UAB	100%	2 470 867
Mogo Bulgaria EOOD	0%	774 844
Total		**30 110 072**

Eleving Luna AS has been sold within the Group and the control within the Group is maintained.

The share capital for Mogo LT UAB and Eleving Consumer Finance AS has been reduced in 2021. Control over the subsidiaries are maintained with it being unchanged at 100% for Mogo LT UAB and it decreasing to 98.7% following minority share disposal for Eleving Consumer Finance AS.

Mogo Bulgaria EOOD has been disposed out of the Group.

b) Undertakings in which the Company holds at least 20% of the share capital or in which it is a general partner are as follows:

Name of undertaking (legal form)	Ownership as at 31 December 2021 %	Last balance sheet date	Net equity at the balance sheet date of the company concerned EUR	Profit or loss for the last financial year EUR	Net book value 2021 (EUR)	Net book value 2020 (EUR)
Mogo Balkans and Central Asia AS	100%	31.12.2021	1 377 113	(6 507 584)	8 363 480	7 804 480
Eleving Vehicle Finance AS (Mogo Car Finance AS)	98.4994%	31.12.2021	8 342 229	269 536	8 131 576	8 131 576
Mogo Albania SHA	100%	31.12.2021	1 798 179	144 206	4 030 153	4 030 153
Eleving Consumer Finance AS (Mogo Consumer Finance AS)	98.7%	31.12.2021	4 514 263	2 099 082	3 487 000	13 638 501
Mogo LT UAB	100%	31.12.2021	3 968 183	3 391 514	28 960	2 499 827
EL Investments OOO	100%	31.12.2021	13 776	- 4 322	18 098	-
Mogo Finance S.L.	100%	31.12.2021	3 000	-	3 000	3 000
OCN SE Finance S.R.L.	0.0333%	31.12.2021	50 222	2 493	22	22
OCN SEBO CREDIT SRL	0.0002%	31.12.2021	9 876 428	5 666 598	5	5
Eleving Luna AS (Mogo Baltics and Caucasus AS)	0.0000%				-	16 712 860
Mogo Bulgaria EOOD	0.0000%				-	774 844
Value adjustments - Mogo Albania SHA*					(3 230 152)	-
Value adjustments - Mogo Balkans and Central Asia AS**					(8 363 480)	-
Total					**12 468 662**	**53 595 268**

The figures of net equity at the balance sheet date and profit or loss for the last financial year are based on the preliminary financial information extracted from the consolidation table that the Company has used to prepare its consolidated financial statements for the year ended 31 December 2021.

* - The Company has signed a share purchase agreement with third party for sale of the subsidiary in Albania - Mogo Albania SHA. The transaction will be completed once approval from local regulatory institutions will be received. The sales price does not recover the investment amount in this subsidiary, therefore these value adjustments have been recognized to recognize the investment amount in recoverable value.

** - subsidiary in Latvia - Mogo Balkans and Central Asia AS has made a decision to stop economic activities of its subsidiaries and the holding company itself. As the subsidiary and its further subsidiaries have historically accumulated large negative retained losses the Company considers that the investment in this subsidiary is fully unrecoverable therefore has recognized value adjustment in full value of the investment.

Value adjustments in previous years were not recognized since the Company was still planing to develop business of these entities and planned to recover accumulated losses. In 2021 the Company made a decision to cancel the future development plans thus recognized value adjustments.

c) Latest approved financial results of the undertakings in which the Company holds at least 20% of the share capital or in which it is a general partner as at 31 December 2021:

Name of undertaking (legal form)	Ownership as at 31 December 2021 %	Last balance sheet date	Net equity at the balance sheet date of the company concerned EUR	Profit or loss for the financial year EUR
Mogo LT UAB	100%	31.12.2020	6 277 399	5 058 485
Mogo Balkans and Central Asia AS	100%	31.12.2020	3 941 999	(4 048 849)
Eleving Consumer Finance AS (Mogo Consumer Finance AS)	99%	31.12.2020	13 737 956	(79 858)
Eleving Vehicle Finance AS (Mogo Car Finance AS)	98.4994%	31.12.2020	8 072 692	(28 781)
Mogo Finance S.L.	100%	31.12.2020	3 000	-
Mogo Albania SHA	100%	31.12.2020	1 644 824	(379 775)
OCN SE Finance S.R.L.	0.0333%	31.12.2020	46 833	(500)
OCN SEBO CREDIT SRL	0.0002%	31.12.2020	5 040 475	(269 138)
EL Investments OOO*	100%	-	-	-

EL Investments OOO has been registered in 2021 therefore it does not have any approved financial results yet.

Note 5 - Loans to affiliated undertakings

Loans to affiliated undertakings are detailed as follows:

Name	Interest rate	Maturity	Net book value 2021 EUR	Net book value 2020 EUR
Mogo Auto Limited - loan	15.0%	15.02.2024	29 720 500	10 588 500
Mogo LT UAB - loan	13.0%	27.04.2023	16 348 143	8 488 143
Mogo Africa UAB - loan	10.0%	15.02.2024	1 694 500	1 311 500
Mogo Africa UAB - loan	10.0%	01.07.2028	13 126 500	-
Mogo Africa AS - loan	10.0%	29.01.2024	3 775 331	1 247 831
Mogo Africa AS - loan	10.0%	05.09.2023	2 150 000	2 150 000
Mogo Africa AS - loan	13.0%	15.02.2024	1 300 000	1 300 000
Mogo Africa AS - loan	13.0%	15.02.2024	3 000 000	600 000
Mogo Africa AS - loan	13.0%	29.03.2024	600 000	-
Mogo Poland Sp. z o.o. - loan	8.50%	27.04.2023	7 110 508	7 110 508
Mogo Poland Sp. z o.o. - value adjustment			(7 110 508)	(7 110 508)
Kredo Finance Shpk - loan	13.0%	06.10.2025	7 000 000	-
Mogo loans SRL - loan	11.0%	31.12.2025	6 819 000	3 319 000
Instafinance LLC - loan	11.0%	29.07.2025	6 327 607	4 054 607
Eleving Consumer Finance Holding AS - loan	13.0%	30.09.2026	1 556 000	-
Eleving Consumer Finance Holding AS - loan	13.0%	19.07.2026	4 750 000	-
Mogo Kredit OOO - loan	14.5%	19.03.2023	5 849 000	7 069 000
Mogo Lend OOO - loan	13.0%	05.09.2023	4 635 000	3 785 000
Tigo Finance Dooel - loan	13.0%	06.10.2025	2 250 000	-
Mogo Balkans and Central Asia AS - loan	12.0%	01.04.2025	2 117 700	3 181 700
Mogo Balkans and Central Asia AS - value adjustment			(2 117 700)	-
Eleving Consumer Finance AS - loan	12.0%	08.06.2025	2 053 000	-
Mogo LLC - loan	13.0%	27.04.2023	1 475 000	-
MOGO LOANS SMC LIMITED - loan	13.0%	15.02.2024	1 200 000	-
Mogo Kenya Limited - loan	13.0%	29.03.2024	965 507	2 582 000
Mogo UCO - loan	12.0%	22.11.2023	805 000	472 035
Longo LLC - loan	12.0%	27.11.2023	95 000	95 000
Mogo Albania SHA - loan	0.0%	15.03.2022	50 000	-
Mogo Eastern Europe AS - loan			-	7 418 118
Mogo Africa UAB - loan			-	6 489 500
Mogo Bulgaria EOOD - loan			-	2 946 486
Mogo Kazakhstan - loan			-	2 378 209
Mogo Baltics and Caucasus AS - loan			-	1 947 759
Mogo DOOEL Skopje - loan			-	201 773
Mogo DOOEL Skopje - value adjustment			-	(162 568)
Mogo Loans DOOEL Skopje - loan			-	154 937
Mogo Loans DOOEL Skopje - value adjustment			-	(13 903)
Mogo D.o.o. Sarajevo - loan			-	689 000
Total			**117 545 088**	**72 293 627**

Note 6 - Other loans

Name	**Type**	**Interest rate**	**Maturity**	**Net book value 2021 (EUR)**	**Net book value 2020 (EUR)**
Alppes capital SIA	Loan	10.5%	27.04.2023	3 197 903	-
AK Family Treasury SIA	Loan			-	3 084 162
AK Family Treasury SIA	Loan			-	1 923 063
AK Family Treasury SIA	Loan			-	1 132 331
Mogo SH.P.K	Loan			-	1 053 787
KM Invest AS	Loan			-	367 390
Novo Holding AS	Loan			-	313 375
Avole Holdings AS	Loan			-	313 375
Obelo Capital AS	Loan			-	54 014
Nevia Finance SIA	Loan			-	88 732
BCAP Holding AS	Loan			-	12 823
Value adjustment for loan receivables				(93 619)	(44 773)
Total				**3 104 284**	**8 298 279**

Loans to debtor AK Family Treasury SIA, in 2021 have been novated to Alppes capital SIA. Debt has decreased in 2021 due to partial repayments of the loan.

Note 7 - Amounts owed by affiliated undertakings

Amounts owed by affiliated undertakings are detailed as follows:

Name	Net book value 2021 EUR	Net book value 2020 EUR
Becoming due and payable after more than one year		
Eleving Vehicle Finance*	50 000 000	-
Total	**50 000 000**	**-**

* - On 31 December 2021 the Company sold its subsidiary Eleving Luna AS to its another subsidiary Eleving Vehicle Finance AS. The sales price was agreed to be 50 million EUR, but with a potential adjustment in price if certain finanacial results of subsidiaries of Eleving Luna AS materially change from initial budgets. As a result of the sale a receivable of 50 million EUR has been recognized with 0% interest rate. On 25 February 2022, the receivable has been converted to loan with maturity date of end of 2024 and interest rate of 8.5%. The Company generated a profit of 32.5 million EUR from this sale.

Becoming due and payable within one year		
Mogo Auto Limited - accrued interest	1 528 200	338 348
Mogo Lend OOO - accrued interest	1 455 125	959 404
Mogo Africa UAB - accrued interest	1 149 148	384 279
Mogo Balkans and Central Asia AS - accrued interest	656 207	348 209
Mogo Balkans and Central Asia AS - value adjustment	(656 207)	-
Mogo Kenya Limited - accrued interest	619 043	417 202
Mogo Africa AS - accrued interest	531 145	147 489
Mogo Poland Sp. z o.o. - accrued interest	461 689	52 045
Mogo Poland Sp. z o.o. - value adjustment	(461 689)	(52 045)
Eleving Consumer Finance Holding AS - accrued interest	320 179	-
Mogo LT UAB - accrued interest	177 353	-
Mogo D.o.o. Sarajevo - accrued interest	90 698	150 035
Mogo Balkans and Central Asia AS - value adjustment	(90 698)	-
Kredo Finance Shpk - accrued interest	78 159	-
Mogo Kredit OOO - accrued interest	64 097	80 254
Instafinance LLC - accrued interest	59 811	37 184
Longo LLC - accrued interest	29 010	17 451
Tigo Finance Dooel - accrued interest	26 882	-
Eleving Consumer Finance AS - accrued interest	20 488	-
Mogo LLC - accrued interest	16 385	-
Mogo Loans SMC Limited - accrued interest	4 117	12 174
Mogo Baltics and Caucasus AS - loan	-	260 000
Mogo DOOEL Skopje - loan - payable within one year	-	1 095 349
Mogo DOOEL Skopje - value adjustment	-	(882 519)
Mogo Loans DOOEL Skopje - loan - payable within one year	-	841 093
Mogo Loans DOOEL Skopje - value adjustment	-	(75 472)
Mogo Kazakhstan - accrued interest	-	1 096 809
Mogo DOOEL Skopje - accrued interest	-	314 616
Mogo Baltics and Caucasus AS - accrued interest	-	278 076
Mogo Eastern Europe AS - accrued interest	-	99 611
Mogo Bulgaria EOOD - accrued interest	-	30 398
Mogo UCO - accrued interest	-	29 081
Mogo Loans DOOEL Skopje - accrued interest	-	26 693
Mogo Balkans and Central Asia AS - receivables	-	217 781
Total	**6 079 142**	**6 223 545**

Note 8 - Other debtors

Name	Type	Interest rate	Maturity	Net book value 2021 (EUR)	Net book value 2020 (EUR)
Alppes Capital SIA	Short-term balance of loan	3.0%	31.03.2022	1 129 592	-
AK Family Treasury SIA*	Short-term balance of loan			-	3 522 966
Mogo Kazakhstan TOO	Short-term balance of loan	12.0%	17.03.2022	1 128 533	-
Avole Holdings AS	Short-term balance of loan	3.0%	31.03.2022	376 650	974 989
KM Invest AS	Short-term balance of loan	3.0%	31.03.2022	376 633	1 143 041
Novo Holding AS	Short-term balance of loan	3.0%	31.03.2022	376 429	974 989
Mogo SH.P.K	Short-term balance of loan	0.0%	30.04.2022	267 662	366 213
Other debtors	VAT overpayment			94 170	46 981
FD Mogo krediti DOOEL	Short-term balance of loan	0.0%	30.06.2022	108 090	-
Mogo DOOEL	Short-term balance of loan	0.0%	30.06.2022	70 566	-
Other debtors	Accrued interest on other loans			23 398	220 468
Other debtors	Other debtors			7 350	54 022
Value adjustment for loan receivables				(1 153)	-
Obelo Capital AS	Short-term balance of loan	3.0%	15.01.2021	-	168 051
Nevia Finance SIA	Short-term balance of loan	3.0%	15.01.2021	-	292 268
BCAP Holding AS	Short-term balance of loan	3.0%	15.01.2021	-	39 896
Other debtors	Investment in Mintos platform			-	119 586
Other debtors	Investment in FX platform**			-	787 521
Total				**3 957 920**	**8 710 991**

* - Loan to debtor AK Family Treasury SIA, in 2021 have been novated to Alppes capital SIA. Debt has decreased in 2021 due to partial repayments of the loan.

** - The amount represents the margin account balance (including both initial and variable margin) that needs to be held within FX hedging partner account to ensure deals enrolled in remain open until their maturity.

Note 9 - Prepayments

Name	Type	Net book value 2021 (EUR)	Net book value 2020 (EUR)
Prepaid expenses	Deferred bonds acquisition costs	4 719 554	3 113 336
Prepaid expenses	Prepaid expenses other	24 189	7 106
Total		**4 743 743**	**3 120 442**

Note 10 - Capital and reserves

Subscribed capital and share premium account

The subscribed capital of the Company amounts to EUR 1 000 000 and is divided into 100 000 000 shares fully paid.

The movements on the "Subscribed capital " caption during the year 2021 are as follows:	Share capital EUR	Number of class A Shares	Number of class B Shares	Total number of Shares
Opening balance	**1 000 000**	**100 000 000**	**-**	**100 000 000**
Subscriptions for the year/period	-	-	-	-
Redemptions for the year/period	-	-	-	-
Closing balance	**1 000 000**	**100 000 000**	**-**	**100 000 000**

As of and for the year ended 31 December 2021, the Company does not hold any of its own shares.

Note 10 - Capital and reserves (continued)

The movements on the "Subscribed capital " caption during the year 2020 are as follows:

	Share capital EUR	Number of class A Shares	Number of class B Shares	Total number of Shares
Opening balance	**1 000 000**	**100 000 000**	**-**	**100 000 000**
Subscriptions for the year/period	-	-	-	-
Redemptions for the year/period	-	-	-	-
Closing balance	**1 000 000**	**100 000 000**	**-**	**100 000 000**

Legal reserve

Luxembourg companies are required to allocate to a legal reserve a minimum of 5% of its annual net profit until this reserve equals 10% of the subscribed share capital. This reserve may not be distributed.

The movements on the "Legal reserve" caption during the year 2021 are as follows:

	EUR
Opening balance	**3 104**
Additional reserve recognised	22 186
Closing balance	**25 290**

Note 11 - Other provisions

Name	Type	Net book value as at 31.12.2021 EUR	Net book value as at 31.12.2020 EUR
George Makaridze	Current contingent consideration liability	144 513	179 766
Total		**144 513**	**179 766**

On 16 January 2020, the Group acquired an additional 2% interest in the shares of Mogo LLC (Georgia), increasing its ownership interest to 100%. As part of the purchase agreement with the previous non-controlling interest holder of Mogo LLC (Georgia), a contingent consideration has been agreed. There will be additional cash payments to the previous non-controlling interest holder of:

1) 2% of the net profit earned by Mogo LLC for the years 2019 through 2021;

2) Aditional annual amounts of GEL 82 836 for the years 2019-2021.

Note 12 - Debenture loans

Non-convertible loans Name	Maturity date	Interest rate	**Borrowing/ (reimburse-ment)**	**Net book value as at 31.12.2021 EUR**	**Net book value as at 31.12.2020 EUR**
Becoming due and payable within one year					
Accrued interest			(1 693 736)	2 747 127	4 440 863
Becoming due and payble after more than one year					
Bond holders	October 2026	9.5%	43 277 951	142 241 000	98 963 049

On 11 July 2018, Eleving Group S.A. successfully issued a 4-year corporate bond (XS1831877755), listed on the Open Market of the Frankfurt Stock Exchange for EUR 50 million at par with an annual interest rate of 9.5%, followed on 16 November 2018 by a EUR 25 million tap at par and 13 November 2019 by another EUR 25 million. After both tap issues, the total amount outstanding of Eleving Group's 9.50% corporate bonds 2018/2022 (XS1831877755) amounts to EUR 100 million. On 30 November 2018, the corporate bond 2018/2022 (XS1831877755) was uplisted to the regulated market (General Standard) of the Frankfurt Stock Exchange. On 18 October 2021 the bond was refinanced by issuing a new bond with an increased nominal amount of EUR 150 million (ISIN: XS2393240887). The maturity date of the new bond is October 2026. Consequently the net balance of the new bond liabilities increased by EUR 43 277 951.
The Company is in process of listing the new bonds in Frankfurt Stock Exchange regulated market and expects to finish the process by 30 November 2022.

Starting from 14 October 2021 Eleving Group and certain of its Subsidiaries entered into several pledge agreements with TMF Trustee Services GmbH, establishing pledge over shares of those Subsidiaries, pledge over present and future loan receivables of those Subsidiaries, pledge over trademarks of those Subsidiaries, general business pledge over those Subsidiaries, pledge over primary bank accounts if feasible, in order to secure Eleving Group obligations towards bondholders deriving from Eleving Group bonds (ISIN: XS2393240887). Subsequently additional pledgors were added who became material (subsidiaries with net portfolio of more than EUR 7 500 000 and represents at least 3% of the Net Loan Portfolio) according to terms and conditions of the bonds.

Starting from 14 October 2021 Eleving Group as Issuer and certain of its Subsidiaries (including Mogo JSC) as Guarantors have entered into a guarantee agreement dated 14 October 2021 (as amended and restated from time to time) according to which the guarantors unconditionally and irrevocably guaranteed by way of an independent payment obligation to each holder of the Eleving Group bonds (ISIN: XS2393240887) the due and punctual payment of principal of, and interest on, and any other amounts payable under the Eleving Group bonds (ISIN: XS2393240887) offering memorandum.

Note 13 - Amounts owed to affiliated undertakings

Name	Maturity date	Interest rate	**Borrowing/ (reimburse-ment)**	**Net book value as at 31.12.2021 EUR**	**Net book value as at 31.12.2020 EUR**
Becoming due and payable within one year					
AS Eleving Finance (ex AS Mogo Consumer Finance)	25.05.2022	3.0%	1 791 000	1 791 000	-
Eleving Luna AS - accrued interest			304 170	304 170	-
Eleving Finance AS - accrued interest			192 975	192 975	-
Tigo Finance Dooel Skopje - accrued interest			56 333	56 333	-
Kredo Finance Shpk - accrued interest			21 138	21 138	-
Mogo OU			(11 149 401)	-	11 149 401
AS Eleving Finance (ex AS YC Group)			(1 950 000)	-	1 950 000
Other payables to related parties			(286 511)	-	286 511
			(11 020 296)	**2 365 616**	**13 385 912**
Becoming due and payble after more than one year					
Eleving Luna AS	21.10.2026	12.00%	12 673 746	12 673 746	-
Mogo OU	12.09.2026	12.75%	8 264 400	8 264 400	-
Mogo AS	27.04.2023	12.50%	(22 473 035)	700 000	23 173 035
AS Eleving Finance (ex AS YC Group)	09.07.2024	3.0%	25 000	25 000	-
Kredo Finance Shpk			(320 000)	-	320 000
Tigo Finance Dooel Skopje			(200 000)	-	200 000
Eleving Finance AS			(130 000)	-	130 000
			(2 159 889)	**21 663 146**	**23 823 035**

During 2021 Eleving Group S.A. enterred into new loan agreements with its indirect subsidiary Eleving Luna AS (Latvia).

Note 14 - Other creditors

Name	Maturity date	Interest rate	**Borrowing/ (reimburse-ment)**	**Net book value as at 31.12.2021 EUR**	**Net book value as at 31.12.2020 EUR**
Becoming due and payable within one year					
Advances received for sale of subsidiary in Albania			400 000	400 000	-
Other payables			17 379	142 734	125 355
			417 379	**542 734**	**125 355**
Becoming due and payble after more than one year					
*Subordinated loans**					
Alpes Capital AS	31.12.2026	12%	11 862 846	11 862 846	-
AK Family Treasury SIA			(7 493 556)	-	7 493 556
Novo Holdings AS	31.12.2026	12%	268 180	1 813 212	1 545 032
Avole Holdings AS	31.12.2026	12%	268 179	1 813 177	1 544 998
ZS Invest Holdings AS	31.12.2026	12%	268 125	1 811 006	1 542 881
			5 173 774	**17 300 241**	**12 126 467**

* During 2021 Eleving Group S.A. has attracted 5 173 774 EUR in subordinated loans with the interest rate of 12% yearly and maturity at 31 December 2026.

Note 15 - Other external expenses

	2021 EUR	**2020 EUR**
Brokerage fees	2 156 543	2 123 547
Professional services	385 654	556 173
Bank fees	57 484	100 009
Subsidiary acquisition expenses	-	212 988
Other administrative expenses	40 253	12 289
Total	**2 639 934**	**3 005 006**

Audit fees

Fees paid by the Company in relation to the statutory audit of the consolidated financial statements as at 31 December 2021 as well as the statutory audit of the annual accounts as at 31 December 2021 amount to EUR 87 410 (EUR 77 410 audit fees of KPMG Luxembourg and EUR 10 000 audit fees of KPMG Baltics).

Fees for permitted non-audit-services billed to the Company by KPMG Luxembourg during the year amount to EUR 450 400 relating to review of 6 months financial data and issuance of comfort letter as part of the eurobonds refinancing process.

Amounts are included in 'the Professional services' line.

Note 16 - Staff costs and number of employees

The Company has one administrative employee. All economic activities are performed by outsourced personnel authorized to represent the Company. Board and Council Members did not receive any renumeration for the financial year 2021 and no loans and commitments were granted to the Board and Council Members.

	2021 EUR	**2020 EUR**
Staff expenses	5 555	5 500
Total	**5 555**	**5 500**

Note 17 - Other operating expenses

	2021 EUR	2020 EUR
Share warrant cash settlement expenses*	-	2 546 355
Other operating expenses	94 910	-
Total	**94 910**	**2 546 355**

* - On 5 May 2015 Bonriki Holdings Limited (“Bonriki”) entered into a mezzanine facility agreement with the Company, as amended on 23 May 2016. In accordance with the Bonriki mezzanine facility agreement a facility in amount of EUR 12,000,000 was made available to the Company. The Bonriki mezzanine facility agreement provided for an interest rate of 12.5% and maturity date 31 August 2018. In addition, Bonriki was granted a warrant over the shares of the Company whereby Bonriki may acquire 2.5% shares of the Company by 21 June 2021. The amended and restated warrant agreement signed on 23 May 2016 stipulated that Bonriki has the right to exercise warrant within three year period after full repayment of the Mezzanine loan and other accrued amounts. The warrant agreement provided the opportunity for Bonriki to either purchase the shares or put it against the Company or certain Company's shareholders. During 2019 the respective Company's shareholders had provided documented intent to settle the cash with Bonriki in case it would exercise the put option against the Company. In 2020 with the uncertainties caused by Covid-19 pandemic it became clear that Bonriki would put the warrant back to the Company and the certain Company's shareholders would not be able to compensate the expenses due to impact of Covid-19. On 1 July 2020, Bonriki Holdings Limited served the Company with a Put Option Notice, whereby Bonriki used its right to sell to the Company half of the Warrant Shares owned by Bonriki equal to 1.25% of the Company’s share capital against payment of a purchase price equal to EUR 1,251,678.08, and on 1 October 2020, Bonriki served the Company with the second Put Option Notice, whereby Bonriki used its right to sell to the Company the remaining half of the Warrant Shares owned by Bonriki equal to 1.25% of the Company’s share capital against payment of a purchase price equal to EUR 1,294,674.66. Due to the factors described above which changed the circumstances of the transaction in 2020, the Company recognized the expenses in 2020. Following the sale of the Warrant Shares, the share pledge established in favour of Bonriki over the Company’s shares has been fully removed.

Note 18 - Income from participating interests

	2021 EUR	2020 EUR
Dividends income	5 690 866	8 285 666
Income from sale of shares of subsidiaries	32 530 705	9 957 440
Total	**38 221 571**	**18 243 106**

The Company has generated a significant increase in income from sale of shares of subsidiary as a result of sale of a subsidiary Eleving Luna AS which was sold to another subsidiary of the Company - Eleving Vehicle Finance AS.

Note 19 - Income from other investments and loans forming part of the fixed assets derived from affiliated undertakings

	2021 EUR	2020 EUR
Interest income on loans issued to related parties	11 844 529	8 584 796
Total	**11 844 529**	**8 584 796**

Note 20 - Other interest receivable and similar income

	2021 EUR	2020 EUR
Interest income on loans issued to non related parties	997 762	1 189 746
Income from transactions with bonds	370 921	126 149
Realised forex gain from currency exposure	65 392	7 579
Refundable VAT from previous years	64 722	-
Income from surplus investments	1 905	93 561
Total	**1 500 702**	**1 417 035**

Note 21 - Value adjustment in respect of financial assets and of investment held as current assets

	2021 EUR	2020 EUR
Value adjustment on investments in affiliated undertakings	11 593 632	-
Value adjustment on loans issued and accrued interest to affiliated undertakings	3 274 249	8 297 015
Value adjustment on loans issued to non related parties	1 616 580	43 619
Total	**16 484 461**	**8 340 634**

Note 22 - Interest payable and similar expenses

	2021 EUR	2020 EUR
Interest payable and similar expenses concerning affiliated undertakings		
Interest expenses on loans from related parties	4 843 200	3 633 207
Total	**4 843 200**	**3 633 207**
Other interest and similar expenses		
Interest expenses on bonds	9 538 906	9 159 303
Expenses incurred due to refinancing of Eurobonds	5 667 930	-
Interest expenses on loans from non related parties	1 719 043	363 982
Net gain/loss of foreign currency operations	725	385 372
Total	**16 926 604**	**9 908 657**

During October 2021 the Company performed premature refinancing of 100 million Eurobonds liabilities (ISIN: XS1831877755) by issuing new Eurobonds for 150 million EUR (ISIN: XS2393240887). The original maturity of the refinanced bonds was July of 2022. Due to this process the Company incurred additional expenses. The Company had to use the call option for the premature refinancing with an exercise price of EUR 2 375 000. The remaining part of expenses was caused by the amortization of the initial bond issuance costs. Initially a premature refinancing of these bonds was not planned, but the Company decided to exercise this option due to favourable financial market conditions and the opportunity to ensure long term financial stability.

Note 23 - Taxation

The Company is subject to the taxation pursuant to the Luxembroug law, being Corporate Income Tax, Social Tax, Net Wealth and Municipal Business tax payer.

Note 24 - Related party disclosures

Related parties are all shareholders of the Group. All shareholders have equal rights in making decisions proportional to their share value.

Receivables and payables incurred are not secured with any kind of pledge.

The Board of Directors of the Company considers all transactions with related parties to be according to arm's length principal.

Please refer to to notes 4, 5, 6, 7, 13, 18, 19, 21 and 22 for more details on transactions with related parties.

Note 25 - Share-based payments

The Group may grant share options of Subsidiaries to its employees. Share options are generally awarded on the first day of employment. The share options vest within four years time with front loaded vesting of 25% of the granted shares after one year of employment. The maximum term of options granted is 4 years.

The fair value of share options granted is estimated at the date of the grant. The Company’s Board of Directors has assessed that the fair value of the respective share options, due to reasons described in Note 3 is not material. Accordingly, no expense and liability arising from these equity-settled share-based payment transactions is recognized.

The exercise price of the share options under typical circumstances is equal to the nominal price of the underlying shares. The contractual maximum term of the share options are till 2023. There are cash settlement alternatives. Given absence of an ongoing sale of subsidiaries or Eleving Group S.A. or any listing process initiated and any other relevant cash settlement events, cash settlement is considered not to be probable. The Company does not have a past practice of cash settlement for these awards and does not have a present obligation to settle in cash.

The following table illustrates the number and weighted average exercise prices of General Employee share option plan involving shares of Company's direct and indirect subsidiaries:

		2021		2020
	Number	Weighted average exercise price, EUR	Number	Weighted average exercise price, EUR
Outstanding at 1 January	**79**	**0.1**	**63**	**0.1**
Granted during the year	25	0.1	65	0.1
Fully vested during the year	-9	0.1	-	0.1
Terminated during the year	-10	-	-49	-
Outstanding at 31 December	**85**	**0.1**	**79**	**0.1**
Exercisable at the end of the period	-	-	-	-

There have been no forfeited or expired share options during the year.

The exercise price for options outstanding at the end of the year was 0.1 EUR (2020: 0.1 EUR). The weighted average remaining contractual life for the share options outstanding as at 31 December 2021 is 2 years (2020: 3).

The main purpose of both share option plans is to attract and retain highly experienced employees for extensive period of time and build strong management team.

Note 26 - Off-balance sheet items

Off-balance sheet items comprise notional amounts payable or receivable from transactions with foreign exchange contracts and other derivative financial instruments.

1) On 28 December 2021 the Company issued subordinated bonds in an amount of 25 million EUR. As at 31 December 2021 these bonds were not yet sold therefore no liabilites are recognized in balance sheet.

2) The table below presents the revaluation amount of Company's forex derivative deals, using currency rate at the year end. The notional amounts are the gross amount of a derivative's underlying assets. The notional amounts indicate the volume of transactions outstanding at the year end.

Name	Maturity date		Fair-value assets 2021 (EUR)	Fair-value liabilities 2021 (EUR)	Notional amount 2021 (EUR)	Notional amount 2021 (USD)
Foreign exhange contract - Forward USD/EUR*	31.01.2022	-	168 337	-	4 246 285	5 000 000
Total		**-**	**168 337**	**-**	**4 246 285**	**5 000 000**

Note 27 - Guarantees

The Company has issued guarantees to peer-to-peer lending platform Mintos in respect of the credit facilities of subsidiaries of the Company. As at year end the Company is exposed to EUR 62 million.

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.

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.

On 23 November 2021, Eleving Group S.A., as the garantor entered into a guarantee agreement with AS Citadele Banka in order to secure AS mogo, mogo OU and UAB Mogo LT obligations towards AS Citadele Banka deriving from Credit Line Agreement No.659-08/19-51 dated 8 July 2019.

Note 28 - Subsequent events

Eleving Group S.A. and its subsidiaries as Group conducts operations in the Ukrainian market through its two subsidiaries. Consequently, the Company is exposed to the economic and financial markets of Ukraine. In February 2022, following the recognition of self-proclaimed republics of Donetsk and Lugansk by the Russian Federation and its subsequent invasion of Ukraine, the military conflict escalated and spread to other regions of that country. The current escalation of the military conflict is likely to have a detrimental impact on the political and business environment in Ukraine, including on the ability of many entities to continue business as usual. In view of the above, as at the date these annual accounts were authorized for issue, the situation in Ukraine is extremely volatile and inherently uncertain. In the wake of the ongoing and dynamic nature of the military operations Board of Directors concluded that a reliable estimate of the financial impact cannot be presently made.
The Group also conducts business in Belarus and has an inactive subsidiary also in Russia. Additional information disclosed in Note 2.

Presented below is the Company’s summarized exposure in Belarus as at 28 February 2022 (unaudited):

Balance sheet position	EUR
Loans to affiliated undertakings	8 126 053

Presented below is the Group’s summarized exposure in Ukraine as at 28 February 2022 (unaudited):

Balance sheet position	EUR
Loans to affiliated undertakings	4 360 112

The subsidiary in Russia was established in 2021, but no business activities have been started. Therefore exposure in Russia is not material.

Since the last day of the reporting year several other significant events took place:

1) Until 31 March 2022 the Company has attracted funding of EUR 1 135 000 as borrowings.

2) Until 31 March 2022 the Company has issued loans to related parties EUR 16 684 500 and received loan repayments from related parties EUR 18 420 000.

3) Until 31 March 2022 the Company has sold EUR 11 200 000 of its subordinated bonds and by similar amount decreased subordinated loans.

4) The Company's subsidiaries have established 3 new subsidiaries in Latvia, Estonia and Finland. All entities will work in car rental business. Start of economic activities is planned in second quarter of 2022.

5) In March 2022 the Company has novated EUR 1 000 000 of loan granted to subsidiary Mogo credit OOO (Belarus) to its direct shareholder Eleving Stella AS.

As of the last day of the reporting year until the date of signing these annual accounts there have been no other events requiring adjustment of or disclosure in the annual accounts or Notes thereto.

Māris Kreics
Director type A

Attila Senig
Director type B