

MOGO FINANCE REPORTS UNAUDITED RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2020

Successful transition through Covid-19 – Strong signs of recovery towards the end of H1 2020

OPERATIONAL AND STRATEGIC HIGHLIGHTS

- Measures implemented in response to Covid-19 prove to be effective – Operating countries nearly back to normal
- Declining issuances in H1 2020 recovering since May from troughs in April, but still below pre-Covid-19 levels and H1 2019
- Debt collection close to pre-Covid-19 level at end of H1 2020 – gradually increasing since April
- Strict underwriting and focus on debt collection resulted in cash accumulation
- Admin expenses decreased quarter on quarter – reductions in headcount effective in profit or loss from Q3 and onwards
- Covid-19 triggering proactive portfolio optimization - clear focus on the most profitable markets

FINANCIAL HIGHLIGHTS AND PROGRESS

- Interest and similar income including income from used car rent up strongly by 19.9% to EUR 42.1 million (6M 2019: EUR 35.1 million)
- EBITDA on previous year's level at EUR 14.9 million (6M 2019: EUR 15.0 million) showing remarkable resilience against Covid-19-related headwinds
- Net profit before FX decreased to EUR 0.2 million (6M 2019: EUR 4.6 million) due to net impairment losses on loans and receivables
- Growth in total equity by 4.2% to EUR 30.0 million (31.12.2019: EUR 28.8 million) following capital injection by shareholders
- Eurobond covenants with sufficient headroom with increased capitalisation and despite corona-related cost burdens on profitability
- Fitch Affirms Mogo at B-, while Outlook remains negative due to Covid-19

Modestas Sudnius, CEO of Mogo Finance, commented:

As expected after the first quarter of 2020, the development of the business activities of Mogo Finance in the first half of the year was dominated by the Covid-19 pandemic. It is noteworthy, that we have successfully made it through the first wave. After reaching the low point in April as a result of the containment measures, we have been seeing signs that our operations are returning to normal levels since the measures were eased in May. We are recording an upward trend in relevant financial figures. Most encouraging is the fact that our debt collection has already reached the pre-Covid level again.

The measures we have implemented to mitigate the crisis showed the intended result in cash flow. We have also significantly reduced our cost base and strengthened our equity. The impact of our high cash position on the interest coverage ratio is temporary and is partially offset by the repayment of most expensive P2P loans. The effects of our cost-cutting measures are particularly noticeable compared with the first quarter and will further materialize in the following quarters. We expect our achieved efficiency improvements and operational optimizations transformed Mogo Finance into a leaner organization.

With the increasing stabilization of the economy in our markets as a result of the easing measures, we feel more comfortable looking forward to the future. Overall, we are rapidly recovering from the initial damage caused by the pandemic and we are a cash-surplus generating company. However, the Covid-related impairments will have a negative impact on EBITDA for the full year. As a secured lender, our portfolio is covered by assets, so money not yet collected is not lost.

Based on the current situation and for the further recovery, we also see attractive opportunities for inorganic growth to expand our position as the leading international used car finance and rental company. Given the high cash surplus, capturing these opportunities is the only way of immediate EBITDA growth recovery and return on the path of consistent profitability. The acquisition of Sebo Credit SRL after the end of the reporting period, which significantly strengthens the Mogo Finance portfolio with its profitable operations, provides this proof.

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Mogo Finance

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CONFERENCE CALL:

A conference call in English with the Group's management team to discuss these results is scheduled for 29 July 2020, at 16:00 CET.

Please register: <http://emea.directeventreg.com/registration/2298313>

ABOUT MOGO FINANCE:

Mogo Finance is one of the largest and fastest-growing secured used car financing companies in Europe. Recognizing the niche in used car financing underserved by traditional lenders, Mogo Finance has expanded its operations to 17 countries issuing over EUR 560 million up to date and running a net loan and used car rent portfolio over EUR 176 million. Mogo offers secured loans up to EUR 15,000 with maximum tenor of 84 months making used car financing process convenient, both for its customers and partners. Wide geographical presence makes Mogo unique over its rivals and diversifies revenue streams.

Mogo Finance operates through its own branch network, more than 2,000 partner locations and strong online presence. Physical footprint makes Mogo Finance top of mind brand in used car financing. Established in 2012, headquartered in Riga, Latvia Mogo Finance operates in: Latvia, Estonia, Lithuania, Georgia, Poland, Romania, Bulgaria, Moldova, Albania, Belarus, Armenia, Uzbekistan, Kazakhstan, North Macedonia, Bosnia and Herzegovina, Kenya and Uganda.

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FINANCIAL REVIEW

Condensed consolidated income statement

The table below sets out the condensed consolidated statement of profit and loss for the six month period ended 30 June 2020 and 30 June 2019.

(in EUR million)	6M 2019	6M 2020	% change
Interest and similar income	33.8	39.1	15.7%
Interest expense and similar expenses	(9.2)	(12.8)	39.1%
Net interest income	24.6	26.3	6.9%
Income from used car rent	1.3	3.0	131%
Impairment expense	(7.3)	(13.8)	89.0%
Operating expense	(14.4)	(16.1)	11.8%
Net foreign exchange result	(0.9)	(4.1)	355.6%
Profit before tax	3.3	(4.7)	-242.4%
Corporate income tax	0.4	0.8	100.0%
Net profit for the period	3.7	(3.9)	-205.4%
Net profit for the period without FX	4.6	0.2	-95.7%

Interest, similar income and income from car rental

(in EUR million)	6M 2019	6M 2020	% change
Interest, similar income and income from used car rent	35.1	42.1	19.9%
Average net loan and used car rent portfolio	164.8	182.9	11.0%
Average Income yield on net loan and used car rent	42.6%	46.0%	3.4 p.p.

Interest, similar income and income from used car rent for the period increased by 19.9% to EUR 42.1 million (6M 2019: EUR 35.1 million) reflecting the growth in the average net loan and used car rent portfolio by 11.0% to EUR 182.9 million (6M 2019: EUR 164.8 million).

Interest expense and similar expense

Interest expense and similar expense grew by 39.1% to EUR 12.8 million (6M 2019: EUR 9.2 million) related to the increase in total borrowings to EUR 210.5 million (30 June 2019: EUR 184.8 million).

Income from used car rent

Income from used car rent more than doubled to EUR 3.0 million (6M 2019: EUR 1.3 million). The total used car rental fleet in Latvia grew by 33.7% to 13.9 EUR (30 June 2019: 10.4 EUR million).

Impairment expense

Net impairment losses on loans and receivables increased by 89.0% to EUR 13.8 million (6M 2019: 7.3 million). The NPL ratio (Net NPL / Total net portfolio) amounted 11% (35+DPD, Days past due) of the net portfolio (31 December 2019: 6%), the provision coverage ratio was 77% (31 December 2019: 78%).

Operating expense

The table below sets out a breakdown of the Group's total operating expenses.

(in EUR million)	6M 2019	6M 2020	% change
Employees' salaries	8.2	8.9	8.5%
Marketing expenses	1.8	1.3	-27.8%
Office and branch maintenance expenses	0.7	0.7	0.0%
Professional services	1.1	0.8	-27.3%
Amortization and depreciation	1.6	2.7	68.8%
Other operating expenses	1.0	1.7	70.0%
Total operating expense	14.4	16.1	11.8%

Total operating expenses increased by 11.8% to EUR 16.1 million (H1 2019: EUR 14.4 million), decreasing by 21.0% in Q2 over Q1.

Salaries at the level of the prior-year period comprised of 55.3% of total operating expenses (H1 2019: 56.9%).

Marketing efficiency is still high with effective costs per loan issued of EUR 27, accounting for 8.1% of total operating expenses (H1 2019: 12.5%).

Profit before tax

As a result of significant devaluations of local currencies, particularly in Georgia, Kazakhstan, Uzbekistan and Belarus, the Group recorded a currency loss of EUR 4.0 million in the 6-month period 2020. Consequently, the consolidated loss before taxes amounted to EUR 4.7 million (6M 2019: profit EUR 3.3 million).

Corporate income tax

The following table sets out a breakdown of the Group's corporate income tax.

(in EUR million)	6M 2019	6M 2020	% change
Corporate income tax	(0.2)	(0.5)	150.0%
Deferred tax	0.6	1.3	116.7%
Total corporate income tax	0.4	0.8	100.0%

Profit for the period

For the reasons stated above, the Group's loss for the period was EUR 3.9 million (6M 2019: profit EUR 3.7 million).

Non-IFRS figures – EBITDA

(in EUR million)	6M 2019	6M 2020	% change
Profit/ (loss) for the period	3.7	(3.9)	-205.4%
Provisions for taxes	(0.4)	(0.8)	100.0%
Interest expense	9.2	12.8	39.1%
Depreciation and amortization	1.6	2.7	68.8%
Currency exchange loss	0.9	4.1	355.6%
EBITDA	15.0	14.9	-0.7%

Condensed consolidated balance sheet

The table below sets out the Group's condensed consolidated statement of its financial position.

Assets (in EUR million)	31 Dec. 2019	30 Jun. 2020
Intangible assets	7.6	8.3
Tangible assets	9.8	7.0
Loans and lease receivables and rental fleet	189.7	176.0
Deferred tax asset	1.7	2.7
Inventories	1.0	0.3
Non-current assets held for sale	3.9	2.5
Other receivables	12.7	14.0
Receivables as a result of sale of subsidiaries	16.1	16.1
Cash and cash equivalents	8.6	21.5
Total assets	251.1	248.4

Equity and liabilities (in EUR million)	31 Dec. 2019	30 Jun. 2020
Share capital and reserves	1.2	1.2
Foreign currency translation reserve	(0.8)	(0.7)
Retained earnings	21.1	17.4
Non-controlling interests	0.5	0.2
Subordinated debt	6.8	11.9
Total equity	28.8	30.0
Borrowings	214.4	210.5
Other liabilities	7.9	7.9
Total liabilities	222.3	218.4
Total equity and liabilities	251.1	248.4

Assets

Total assets of the Group decreased slightly by 1.1% to EUR 248.4 million (December 31, 2019: EUR 251.1 million), reflecting mainly the decline in net loan and used car rent portfolio and depreciation.

Tangible assets

Tangible assets decreased by 28.6% to EUR 7.0 million (31 December 2019: EUR 9.8 million) primarily due to reduced rights of use assets following the partial closure of the HQ office.

Net loan and used car rent portfolio

The net loan and used car rental portfolio decreased by 7.2% to EUR 176.0 million (December 31, 2019: EUR 189.7 million) in relation to Covid-19, with the Group selectively adopting a quality approach while at the same time retaining pricing.

(in EUR million)				
Net loan and used car rent portfolio				
	31 Dec. 2019	Total share (in %)	30 Jun. 2020	Total share (in %)
Mature countries*	114.7	60.5%	98.0	55.7%
Mid-tier countries**	58.4	30.8%	57.3	32.6%
Start-up countries***	16.6	8.8%	20.7	11.8%
Total net loan and used car	189.7	100.0%	176.0	100.0%

* Mature countries are Latvia (including used car rent portfolio), Lithuania, Estonia, Georgia and Armenia

** Mid-tier countries are Bulgaria, Romania, Poland, Moldova, Belarus and Albania

*** Start-up countries are North Macedonia, Kazakhstan, Uzbekistan, Bosnia and Herzegovina, Kenya and Uganda

In its efforts to counter the Covid-19 pandemic by providing Mogo Finance with a sustainably leaner organization, the management decided on a proactive portfolio optimization with a clear focus on the most profitable markets. Consequently, Albania, Bosnia and Herzegovina as well as Bulgaria and North Macedonia had their issuances suspended; the focus will be on debt collection. The best start-up markets showed significant upside potential, with full-fledged operations in Kazakhstan, Uzbekistan, Kenya and Uganda maintained.

The following table sets out the classification of the Group's net loan and used car rent portfolio in terms of overdue buckets as well as the total impairment coverage ratio.

(in EUR million)				
Net loan and used car rent portfolio				
	31 Dec. 2019	Total share (in %)	30 Jun. 2020	Total share (in %)
STAGE 1*	153.1	86.8%	120.0	74.0%
STAGE 2**	12.1	6.9%	23.6	14.6%
STAGE 3***	11.1	6.3%	18.5	11.4%
Total net loan portfolio	176.3	100%	162.1	100%
Used car rent	13.4	7.1%	13.9	7.9%
Total net loan and used car rent portfolio	189.7		176.0	
Net NPL ratio****	6%		11%	
Impairment coverage	78%		77%	

* Allowances are recognized based on 12m ECLs by first recognition of loans/leases. Leases current or with up to 30 DPD are considered as Stage 1 for mature countries (Latvia, Lithuania, Estonia, Armenia and Georgia). For other countries, 25 DPD is used. Loans up to 30 DPD are considered Stage 1.

** Allowances are recorded for LTECLs by loans/leases showing a significant increase in credit risk since origination. Leases with 31-60 DPD (or 26-34 DPD for immature countries) are considered to be Stage 2 loans. Loans with 30 to 60 DPD are considered Stage 2.

*** Leases and loans are considered credit-impaired and at default. Allowances are recorded for the LTECLs. Finance lease agreements are considered defaulted and therefore Stage 3 with 60 DPD on contractual payments or terminated lease agreement. For immature a 35 DPD backstop is applied. Loans with 60 DPD are considered defaulted and therefore Stage 3.

A healing period of 3 months for mature countries and 2 months for immature countries is applied before an exposure previously classified as Stage 3 can be transferred to Stage 1. In case of mature countries, it is determined to have two healing periods – one month period to Stage 2 and further two month period to Stage 1. This is considered appropriate in context of a prudent default definition of

**** Net NPL (35+ days overdue) / Total net portfolio

***** Total impairment / Gross NPL (35+ days overdue)

NPLs in the net loan portfolio increased to 11.4% of the total net portfolio (31 December 2019: 6.3%), primarily driven by customer delays on payments as a result of Covid-19 curfew restrictions and moratoriums.

Equity

Total equity increased noticeably by 4.2% to EUR 30.0 million (December 31, 2019: EUR 28.8 million). The capitalization ratio consequently rose to 18.5% (31 December 2019: 16.3%), providing excellent headroom for Eurobond covenants.

Liabilities

Total liabilities decreased by 1.8% to EUR 218.4 million (31 December 2019: EUR 222.3 million), primarily driven by the decrease in borrowings.

Loans and borrowings

The following table sets out loans and borrowings by type.

(in EUR million)	31 Dec. 2019	30 Jun. 2020
Liabilities for the rights to use assets	7.7	5.6
Loans from banks	16.3	13.6
Latvian Bonds	23.9	25.1
Eurobonds (excl. accrued interest)	96.8	96.4
Bonds acquisition costs and accrued interest	(0.6)	0.7
Financing received from P2P investors	70.2	68.9
Loans from related and non-related parties	0.1	0.2
Total loans and borrowings	214.4	210.5

Loans from banks comprise loans received by:

- Mogo Armenia from a local bank. The loans are denominated in local currency, thus eliminating forex risk for the Group in Armenia, with an interest rate of 12.0% and maturing on November 2020.
- Mogo Georgia from Armenian bank in the amount of EUR 1.0 million with an interest rate of 7.8%, maturing on March 2021.
- Mogo Latvia, Mogo Lithuania and Mogo Estonia from Latvian bank in the amount up to EUR 10.0 million with an interest rate of 8% and is maturing on April 2021.
- Mogo Belarus from local bank in the amount of USD 1.0 million with an interest rate of 10% and is maturing on September 2021.

On 17 March 2014, the Latvian entity (AS "mogo") registered with the Latvian Central Depository a bond facility through which it could raise up to EUR 20 million. This bond issue is unsecured. The notes issued at par, carry a fixed coupon of 10.0% per annum, paid monthly in arrears, and are maturing on March 2021. On 11 November 2014, the note type was changed to "publicly issued notes" and the notes were listed on the regulated market of NASDAQ OMX Baltic.

On 1 December 2017, the Latvian entity (AS "mogo") registered with the Latvian Central Depository a bond facility through which it could raise up to EUR 10 million. This bond issue is unsecured. The notes issued at par, carry a fixed coupon of 10.0% per annum, paid monthly in arrears, and are maturing on March 2021. The Bonds are listed on First North of NASDAQ OMX Baltic and are "privately issued notes".

As result of the voting procedure initiated on 6 March 2019, the noteholders have accepted the amendments to the Notes Prospectus (ISIN: LV0000801363) and Terms of the Notes Issue (ISIN: LV0000880029). According to the amendments, the principal amount of the notes shall be fully repaid in one instalment on 31 March 2021, replacing quarterly instalments of the principal amount of the notes. The approved amendments are effective from 29 March 2019.

On 11 July 2018, Mogo Finance successfully issued a 4-year corporate bond (XS1831877755), listed on the Open Market of the Frankfurt Stock Exchange, oversubscribed 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 a EUR 25 million tap at a price of 95 per cent. After the tap issue, the total amount outstanding of Mogo Finance'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. The bond will mature in July 2022.

At the height of the Covid-19 pandemic, investor representatives and Mogo Finance agreed in April 2020 on a technical waiver to temporarily increase the headroom of the covenants in exchange for a liquidity undertaking. This was a purely precautionary measure; the original covenants of the Eurobond were complied with at all times.

Off-balance sheet arrangements

The Group does not have significant off-balance sheet arrangements.

Condensed consolidated statement of cash flow

(in EUR million)	30 Jun. 2019	30 Jun. 2020
Profit before tax	3.3	(4.7)
Net cash flows to operating activities	(16.0)	16.6
Net cash flows to investing activities	(17.3)	(6.3)
Net cash flows from financing activities	32.1	2.6
Change in cash	1.3	(2.9)
Cash at the beginning of the year	6.5	8.6
Cash at the end of the year	5.3	21.5

Net cash inflow from operating activities amounted to EUR 16.6 million (6M 2019: cash outflow EUR 16.0 million) as a result of the significant reduction in lending due to Covid-19-related curfews and restrictions while at the same time customers' ability to repay was less affected. The Group's net cash flow from investing activities totalled EUR (6.3) million (6M 2019: EUR (17.3) million) with the purchase of a rental fleet - Latvian used car rental - being the main driver, as in the previous year.

Eurobond covenant ratios

Capitalization	31 Dec. 2019	30 Jun. 2020	Change (in % p.)
Equity/Net loan portfolio	16.3%	18.5%	2.2

Profitability	31 Dec. 2019	30 Jun. 2020	Change (in %)
Interest coverage ratio (ICR)	1.6	1.4	-13.5%

(in EUR million)

	Mintos loans			Net loan and used car rent portfolio			
	31 Dec. 2019	30 Jun. 2020	Change (in %)	31 Dec. 2019	Total share (in %)	30 Jun. 2020	Total share (in %)
Armenia*	7.5	5.9	-21%	18.4	9.7%	16.2	9.2%
Bulgaria**	5.6	3.6	-36%	10.0	5.3%	7.5	4.3%
Estonia*	8.1	6.7	-17%	16.5	8.7%	14.2	8.1%
Georgia*	6.6	5.6	-15%	16.7	8.8%	13.1	7.4%
Latvia*	14.3	12.9	-10%	35.4	18.7%	28.3	16.1%
Lithuania*	12.9	11.4	-12%	27.7	14.6%	26.2	14.9%
Albania**	0.0	0.8	0%	4.4	2.3%	3.4	1.9%
Belarus**	3.4	7.0	106%	13.0	6.9%	16.5	9.4%
Moldova**	5.2	7.0	35%	13.2	7.0%	12.0	6.8%
Poland**	0.8	0.4	-50%	3.7	2.0%	2.8	1.6%
Romania**	5.8	7.3	26%	14.1	7.4%	15.1	8.6%
Start-up countries***	0.0	0.3	0%	16.6	8.8%	20.7	11.8%
Total	70.2	68.9	-2%	189.7	100%	176.0	100%

* Mature countries are Latvia (including used car rent portfolio), Lithuania, Estonia, Georgia and Armenia

** Mid-tier countries are Bulgaria, Romania, Poland, Moldova, Belarus and Albania

*** Start-up countries are North Macedonia, Kazakhstan, Uzbekistan, Bosnia and Herzegovina, Kenya and Uganda

RECENT DEVELOPMENTS

No Regulatory Changes

There are no regulatory changes taken place since 30 June 2020.

Events after the balance sheet date

On 3 July 2020, Mogo Finance S.A. received affirmation of its Long-Term Issuer Default Rating (IDR) at 'B-' with a Negative Outlook from Fitch Ratings. The Negative Outlook reflects according to Fitch risks in the credit profile due to the adverse economic effect of the coronavirus pandemic. Fitch values that while rating headroom has improved by a recent shareholder loan injection and management actions, Mogo's financial metrics, notably capitalization and leverage, remain sensitive to further asset quality and earnings deterioration in the current environment.

On 16 July 2020, Mogo Group acquired the 5th largest non-banking credit organizations by total assets in Moldova – Sebo Credit SRL. The targeted acquisition will significantly strengthen the Mogo Group with profitable operations from day one. With an attractive purchase price close to the book value of the equity, Mogo Finance achieved favourable transaction conditions. Mogo Finance expects positive synergy effects from the acquisition on administrative, operating and financing costs as well as cross- and up-selling potential through the large customer base of Sebo + 200 000 customers.

Directors' Statement

The consolidated six-month report of the Company is, to the best of the Directors' knowledge, prepared in accordance with the applicable set of accounting standards and gives a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole.

The six-month management report of the Company includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as whole, together with a description of the principal risks and uncertainties that they face.

Consolidated Statements of: Financial Position – Assets, Financial Position - Equity and liabilities, Income
Statement and Statement of cash flow

Consolidated Statement of Financial Position – Assets

(in EUR million)	31 Dec. 2019	30 Jun. 2020
Goodwill	4.0	4.1
Internally generated intangible assets	3.6	4.0
Other intangible assets	-	0.2
Loans and lease receivables and rental fleet	189.7	176.0
Right-of-use assets	7.6	5.6
Leasehold improvements	0.3	0.4
Advance payments for assets	-	-
Receivables as a result of sale of subsidiaries	16.1	16.1
Loans to related parties	6.9	6.9
Other financial assets	1.6	2.7
Deferred tax asset	1.7	2.7
Inventories	1.0	0.3
Prepaid expense	1.2	1.2
Trade receivables	0.3	0.3
CIT paid in advance	0.1	0.1
Other receivables	2.6	2.8
Assets held for sale	3.9	2.5
Cash and cash equivalents	8.6	21.5
TOTAL ASSETS	251.1	248.4

Consolidated Statement of Financial Position – Equity and liabilities

(in EUR million)	31 Dec. 2019	30 Jun. 2020
EQUITY		
Share capital	1.0	1.0
Retained earnings	21.1	17.4
Foreign currency translation reserve	(0.8)	(0.7)
Reserve	0.2	0.2
Total equity attributable to owners of the Company	21.5	17.9
Non-controlling interests	0.5	0.2
Subordinated debt	6.8	11.9
Total equity	28.8	30.0
LIABILITIES		
Borrowings	214.4	210.5
Provisions	1.1	0.8
Prepayments and other payments received from customers	0.3	0.2
Trade payables	1.3	1.1
Corporate income tax payable	-	0.4
Taxes payable	0.9	2.5
Other liabilities	1.5	0.5
Accrued liabilities	2.7	2.2
Other financial liabilities	0.1	0.2
Total liabilities	222.3	218.4
Total equity and liabilities	251.1	248.4

Consolidated Income Statement

(in EUR million)	6M 2019	6M 2020
Interest revenue calculated using the effective interest method	33.8	39.1
Interest expense calculated using the effective interest method	(9.2)	(12.8)
Net interest income	24.6	26.3
Fee and commission income	1.7	1.5
Revenue from rent	1.3	3.0
Total net revenue	27.6	30.8
Impairment expense	(7.3)	(13.8)
Expenses related to peer-to-peer platform services	(0.3)	(0.5)
Selling expense	(1.8)	(1.3)
Administrative expense	(15.0)	(15.6)
Other operating (expense) / income	1.0	(0.2)
Net foreign exchange result	(0.9)	(4.1)
Profit before tax	3.3	(4.7)
Corporate income tax	(0.2)	(0.5)
Deferred corporate income tax	0.6	1.3
Net profit for the period	3.7	(3.9)
Translation of financial information of foreign operations to presentation currency	(0.6)	0.1
Total comprehensive income for the period	3.1	(3.8)
Total comprehensive income for the period without FX	4.6	0.2

Consolidated statement of cash flow

(in EUR million)	30 Jun. 2019	30 Jun. 2020
Cash flows to/from operating activities		
Profit/(loss) before tax	3.3	(4.7)
Adjustments for:		
Amortisation and depreciation	1.6	4.4
Interest expense	9.5	12.8
Interest income	(34.3)	(39.1)
Loss on disposal of property, plant and equipment	0.4	0.7
Impairment expense	7.3	13.8
Loss from fluctuations of currency exchange rates	1.5	4.0
Operating profit before working capital changes	(10.7)	(8.1)
(Increase)/decrease in inventories	(3.3)	0.7
(Increase)/decrease in receivables	(29.3)	(1.2)
Increase/(decrease) in trade payable, taxes payable and other liabilities	3.1	(2.8)
Cash generated to/from operating activities	(40.2)	(11.4)
Interest received	33.7	38.9
Interest paid	(8.9)	(10.9)
Corporate income tax paid	(0.6)	-
Net cash flows to/from operating activities	(16.0)	16.6
Cash flows to/from investing activities		
Purchase of property, plant and equipment and intangible assets	(3.4)	(1.3)
Purchase of rental fleet	(10.2)	(4.4)
Loan repayments received	1.1	4.8
Investments in subsidiaries	(0.1)	-
Loans issued	(4.7)	(5.4)
Net cash flows to/from investing activities	(17.3)	(6.3)
Cash flows to/from financing activities		
Proceeds from borrowings	93.7	107.6
Repayments for borrowings	(60.1)	(103.7)
Repayment of liabilities for right-of-use assets	(1.5)	(1.3)
Net cash flows to/from financing activities	32.1	2.6
Change in cash	(1.2)	12.9
Cash at the beginning of the year	6.5	8.6
Cash at the end of the year	5.3	21.5

LATVIAN OPERATIONS ONLY

INTERIM CONDENSED FINANCIAL INFORMATION OF AS "MOGO" (consolidated)

Statement of Profit or Loss and Other Comprehensive Income (AS "mogo" (consolidated))

(in EUR million)	6M 2019	6M 2020
Interest revenue calculated using the effective interest method	8.1	5.8
Interest expense calculated using the effective interest method	(2.7)	(2.5)
Net interest income	5.4	3.3
Fee and commission income	0.4	0.3
Revenue from rent	1.3	3.0
Total net revenue	7.1	6.6
Impairment expense	(1.9)	(2.3)
Expenses related to peer-to-peer platforms services	-	(0.1)
Selling expense	(0.2)	(0.1)
Administrative expense	(2.0)	(2.7)
Other operating (expense) / income	0.1	0.4
Profit before tax	3.1	1.8
Corporate income tax	-	-
Deferred corporate income tax	-	-
Net profit for the period	3.1	1.8

Consolidated Statement of Financial Position – Assets, Equity and liabilities (AS "mogo" (consolidated))

(in EUR million)	31 Dec. 2019	30 Jun. 2020
ASSETS		
Loans and lease receivables and rental fleet	35.3	27.6
Loans to Mogo Finance S.A.	24.3	20.9
Property, plant and equipment	1.6	1.4
Receivables from group companies	-	0.2
Non-current assets held for sale	0.2	0.1
Other receivables	1.1	0.5
Cash and cash equivalents	0.4	5.0
TOTAL ASSETS	62.9	55.7

(in EUR million)	31 Dec. 2019	30 Jun. 2020
EQUITY		
Share capital	5.0	5.0
Other reserves	(4.8)	(4.7)
Retained earnings		
brought forward	2.9	7.4
for the period	4.9	1.8
TOTAL EQUITY	8.0	9.5
LIABILITIES		
Borrowings	48.4	40.3
Other provisions	4.8	4.8
Trade payables	0.1	0.2
Payables to related companies	0.2	0.2
Taxes payable	0.1	0.2
Accrued liabilities	1.3	0.5
TOTAL LIABILITIES	54.9	46.2
TOTAL EQUITY AND LIABILITIES	62.9	55.7

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