HALF YEAR REPORT AND FINANCIAL STATEMENT 30 JUNE 2020

ferratum capital germany GmbH

ferratum

Preliminary note

This "Interim Management Report" has been prepared taking into account the minimum information for interim management reports in the sense of § 115 (2) no. 2 in connection with (4) sentence 1 WpHG and in compliance with the "IFRS Practice Statement on Management Commentary" of 8 December 2010.

Business activity of the company

Ferratum Capital Germany GmbH is a finance company that finances the operative business of the Ferratum Group. The company raises outside capital through the issue of bearer bonds and grants the proceeds of the issue as a loan to its parent company, Ferratum Oyj, based in Helsinki, Finland. The loans will finance investments to expand the Ferratum Group. The company charges the parent company interest at the rate of interest payable to the holders of the bearer bonds, plus a margin of at least 1.0 per cent. The interest is settled monthly with the parent company. The parent company must redeem the loans at the latest at the end of the term of the issued bearer bonds.

The ability of the company to service the creditors' claims arising out of the issued bearer bonds primarily depends on the economic success of Ferratum Oyj and its affiliates. Their business purpose is to provide unsecured, short-term microloans to individuals and companies in various, primarily European countries, in part using a banking license and operating the mobile banking business. In contrast to traditional banks, the Group does not use any branches or outbound call centres, but processes the business exclusively via mobile devices or alternatively websites. In addition, borrowers with acceptable credit history are also offered instalment loan-like "Plus Loans" and revolving, overdraft-credit-like credit limits. The distribution channel is exclusively the internet, including mobile applications on mobile phones.

Financial position

During the first six month of 2020 there was no need to place further bonds. In the past Ferratum Capital Germany GmbH successfully placed two bearer bonds listed on the stock exchanges in Stockholm and Frankfurt in the nominal amount of 100,000 TEUR (ISIN: SE0011167972) to be repaid in May 2022 and of 80,000 TEUR (ISIN: SE0012453835) to be repaid in May 2023. The bearer bonds bear interest in the amount of the 3-month Euribor plus 5.5 percent p.a. Proceeds from the issue of the bearer bonds were used as scheduled to repay preceding bearer bonds plus accrued interest. Additional proceeds of the two bearer bonds were provided by Ferratum Capital Germany GmbH to the parent company Ferratum Oyj in the form of loans to finance further business growth. The loan bears interest at 7.0 percent p.a. and is due for repayment in May 2022.

As of 30 June 2020, the loans granted to the parent company, including accrued interest, totalled 175,135 TEUR (31 December 2019: 171,320 TEUR) and cash and cash equivalents 833 TEUR (31 December 2019: 154 TEUR). On the other hand, liabilities from bearer bonds issued, including accrued interest, totalled 176,669 TEUR (31 December 2019: 171,910 TEUR).

Total equity of the company is negative and amounts to -724 TEUR as at 30 June 2020 (31 December 2019: -357 TEUR). The capital reserves were increased by additional paid-in capital of 250 TEUR to strengthen the equity. As a precaution Ferratum Oyj issued an irrevocable Letter of Comfort limited to an amount of 500 TEUR until 31 December 2020. In case of substantial solvency problems of the company, the shareholder will provide the company with further funds, so that the company will be in the position to meet all their liabilities within this limit.

Cash flow position

Significant cash flow results from investing activities in the form of interest received amounting to 5,557 TEUR (1.01.-30.06.2019: 4,498 TEUR) and from reselling own bonds to the amount of 4,147 (1.01.-30.06.2019: issuing bonds of 44,120 TEUR). Capital outflow mainly relates to interest payments of 5,026 TEUR (1.01.-30.06.2019: 4,206 TEUR) and granting loans to the shareholder of 4,065 TEUR (1.01.-30.06.2019: 43,020 TEUR). Considering the cash flow from regular operating activities of -183 TEUR (1.01.-30.06.2019: -950 TEUR) the company's cash and cash equivalents increased to 833 TEUR (31 December 2019: 154 TEUR).

Earnings position

In the first half of 2020, the financial result, the balance of interest income from the shareholder loans granted and interest expense on the bearer bonds issued, was negative at -82 TEUR (1.01.-30.06.2019: positive at 292 TEUR). Other income on securities transactions in the amount of 209 TEUR (1.01.-30.06.2019: 0 TEUR) is not sufficient to cover the entire costs of the company. Considering other operating expenses of 480 TEUR (1.01.-30.06.2019: 181 TEUR) and income tax of 233 TEUR (1.01.-30.06.2019: 158 TEUR), the company realised a shortfall of 617 TEUR (1.01.-30.06.2018: 102 TEUR).

Outlook

The expected development of the company in the second half of 2020 will be characterised in particular by the current interest payments, which will be issued quarterly on 25 August 2020 and 25 November 2020 to the holders of the bonds issued in May 2018 with a nominal value of 100,000 TEUR and on 24 July 2020 and 24 October 2020, to the holders of the bonds issued in April 2019 with a nominal value of 80,000 TEUR. These interest payments are financed as planned by interest payments from the parent company, which has to pay them for the loan granted to it.

In the course of the Covid-19 pandemic the Ferratum Group announced on 18 March 2020 that the Board of Ferratum Oyj expects the Covid-19 pandemic to have a material impact on the Groups performance in 2020. Revenue and EBIT are expected to materially decrease compared to 2019. Nevertheless, the management of the company believes that the company will be in the position to meet all their liabilities. The expected development of the company in the 2020 financial year in terms of its financial and asset situation will, above all, be influenced by economic consolidation. Against the background of the global economic crisis situation caused by the Coronavirus pandemic, the company currently does not plan any further issuances of bearer bonds in the 2020 financial year, which may change in the course of the year ¬depending on the market situation and the development of the business activities of the Ferratum group. In the 2020 financial year, neither loan receivables from the parent company nor bond liabilities vis-à-vis investors are due to be repaid.

As a reaction on the Covid-19 pandemic, Ferratum Group introduced and executed a four-stage action plan which includes managing liquidity, controlling risk, reducing cost base and going for business opportunities. As suitable actions were implemented at a very early stage of the pandemic, the Group has not seen a significant impact on materialized credit losses, to date. The clients' payment behaviour has remained robust. The Group successfully strengthened its liquidity position and has excess cash at hand driven by high inflows of deposits during the first six month of 2020.

Opportunity and risk report

For the financing company Ferratum Capital Germany GmbH, opportunities mainly result from the ongoing process of group rating and the resulting financing conditions. Fitch Ratings has assigned Ferratum Oyj in the context of an initial rating a Long-Term Issuer Default Rating of BB- with stable outlook in March 2019. In March 2020, Fitch Ratings confirmed the Long-Term Issuer Default Rating as well as the rating BB- of the bonds issued by the company. In April 2020, Fitch Ratings has downgraded Ferratum Oyj's Long-Term Issuer Default Rating and the Long-Term Rating of senior unsecured notes issued by the company from BB- to B+/RR4 on increasing coronavirus-related risks. The outlook on Ferratum's Long-Term Issuer Default Rating is negative. In May 2020 Creditreform Rating AG has downgraded Ferratum Oyj's solicited SME issuer rating from 'BBB-' outlook stable to 'BB'. The Outlook on Ferratum's solicited SME issuer rating is negative. Creditreform Rating states in their rating letter that the current rating assessment is particularly characterized by the serious global disruption as a consequence of the upcoming global financial and economic crisis.

Risks to the company's business activities result especially from its dependency on its parent company. The company's ability to satisfy creditor claims from the bearer bonds issued in the form of interest and redemption claims depends solely on the economic success of Ferratum Oyj. In addition, the group's parent company issued an independent guarantee with a negative obligation in favour of the bondholders, with the guarantor unconditionally and irrevocably guaranteeing the proper and punctual payment of all amounts payable by the issuer or the successor debtor for the bonds as specified in the terms and conditions of the bonds. In detail, credit default and liquidity risks will result from the aforementioned dependency on the parent company if planned interest payments and redemptions are not, or not in due time, effected by Ferratum Oyj. Also, the economic success and the credit rating of Ferratum Oyj are crucial for the company's ability to successfully place follow-up financing in the form of bonds on the capital market.

Report on the related-party transactions

Related parties are the parent company, which holds 100 percent of the shares in the company, as well as the managing directors of the company, Mr. Stephan Schuller (since 10 April 2019) and Mr. Bernd Egger (since 4 March 2020).

The company has granted its shareholder loans totalling 175,135 TEUR in recent years, which have now been combined into one loan. The company charges the parent interest that it has to pay itself on the issued bearer bonds plus a planned interest margin of 1.5 percent. The parent company is required to redeem the combined loan by 25 May 2022 at the latest. In addition, the parent company has provided the unconditional and irrevocable guarantee for the due and punctual payment to be made by the company in accordance with the relevant terms and conditions of the issued bearer bonds.

The respective managing directors received an appropriate compensation from the shareholder of the company, which in particular meets the complex tasks and responsibilities of the managing directors.

Berlin, 24 August 2020

Stephan Schuller	Bernd Egger
Managing Director	Managing Director

Statement by the legal representatives

To the best of our knowledge and in accordance with the applicable accounting principles, the interim financial statements for the half-year ended 30 June 2020 of Ferratum Capital Germany GmbH give a true and fair view of the company's net assets, financial position and result of operations and the company's interim management report includes a fair review of the business development including the business results and the position of the company and describes the main risks and opportunities of the company's expected development.

Berlin, 24 August 2020

Stephan Schuller	Bernd Egger
Managing Director	Managing Director

Interim financial statements as of 30 June 2020

Statement of financial position as at 30 June 2020

ASSETS	Notes	30 June 2020	31 December 2019
		EUR	EUR
Non-current assets			
Property, plant and equipment	(1)	1	124
Loans to shareholder	(2)	175,135,257	171,320,447
Total non-current assets Current assets		**175,135,258**	**171,320,571**
Current assets			
Receivables to shareholder	(3)	250,000	0
Other receivables	(4)	80,010	266,018
Cash and cash equivalents	(5)	833,410	154,056
Total current assets		**1,163,420**	**420,074**
Deferred tax assets	(6)	**168,747**	**189,668**
Total assets		**176,467,425**	**171,930,313**

EQUITY AND LIABILITIES	Notes	30 June 2020	31 December 2019
		EUR	EUR
Equity			
Subscribed capital	(7)	50,000	50,000
Capital reserve	(8)	1,175,000	925,000
Retained earnings		(1,949,270)	(1,331,920)
Total equity		**(724,270)**	**(356,920)**
Non-current liabilities			
Bonds	(9)	173,864,808	169,760,808
Total non-current liabilities		**173,864,808**	**169,760,808**
Current liabilities			
Bonds	(9)	2,804,263	2,149,081
Other payables and accrued expenses	(10)	522,624	377,344
Total current liabilities		**3,326,887**	**2,526,425**
Total equity and liabilities		**176,467,425**	**171,930,313**

Statements of profit or loss and other comprehensive income for the period from 1 January to 30 June 2020

EQUITY AND LIABILITIES	Notes	01.01.2020 - 30.06.2020	01.01.2019 - 30.06.2019
		EUR	EUR
Other income	(11)	209,266	0
Cost of purchased services		(1,482)	(1,893)
Personnel expenses	(12)	(29,570)	(52,497)
Depreciations and amortization	(12	(123)	(317)
Other operating expenses	(13)	(479,854)	(181,022)
Financial income	(14)	5,556,727	4,498,445
Financial expense	(15)	(5,638,888)	(4,206,183)
Financial result		**(82,160)**	**292,262**
Profit/(loss) before tax		**(383,923)**	**56,533**
Income taxes	(16)	(233,426)	(158,420)
Net income/(loss) for the year		**(617,350)**	**(101,887)**
Other comprehensive income		0	0
Items that may be classified subsequently to		0	0
Change of fair value-bonds measured in FVTOCI		0	0
Total comprehensive profit/(loss)		**(617,350)**	**(101,887)**

FERRATUM CAPITAL GERMANY GMBH Notes to the interim financial statements 30 June 2020

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A. General information

Ferratum Capital Germany GmbH, hereafter called the “company”, was incorporated on 24 September 2013 under German Law. The registered office (Satzungssitz) of the company is in Berlin, Germany, and the company is registered with the commercial register of the local court (Amtsgericht) of Charlottenburg under the registration number HRB 152968. The registered office of the company is at Helmholtzstraße 2-9, 10587 Berlin.

The company belongs to the Ferratum Group (“Group”), which is an international provider of mobile banking and digital consumer and small business loans, distributed and managed by mobile devices. The parent company, Ferratum Oyj, founded in 2005 is headquartered in Helsinki, Finland. The company is a 100% subsidiary of the Ferratum Oyj. The purpose of the company is the borrowing of capital through issuing bearer bonds on active market and granting loans to Ferratum Oyj, subsidiaries and affiliated companies within the Group.

The company has issued EUR 100,000,000 bonds with denomination EUR 1,000 per bond on 25 May 2018. The bonds have a coupon of 3 months Euribor plus 5.50% p.a. and a tenor of four years. The issued EUR 100,000,000 bonds are listed on Nasdaq Stockholm, Frankfurt Stock Exchange Open Market and Prime Standard of the Frankfurt Stock Exchange with ISIN: SE0011167972. The issuance of the bonds was authorised by resolutions taken by the board of directors of the issuer on 14 May 2018. According to the prospectus dated 13 July 2018 bonds are offered up to EUR 150,000,000. At 30 June 2020 the bond had a rating of B+/RR4 from Fitch Ratings.

The company has issued 80,000,000 bonds with denomination EUR 1.000 at an issue price of 97% per bond on 24 April 2019. The bonds have a coupon of 3 months Euribor plus 5.50% p.a. and a tenor of four years. The issued EUR 80,000,000 bonds are listed on Nasdaq Stockholm and Frankfurt Stock Exchange Open Market with ISIN: SE0012453835. The issuance of the bonds was authorised by resolutions taken by the board of directors of the issuer on 22 March 2019. According to the prospectus dated 23 May 2019 the bonds are offered up to EUR 150,000,000. At 30 June 2020 the bond had a rating of B+/RR4 from Fitch Ratings.

The financial year of the company begins on 1 January and ends on 31 December each year.

The company presents its interim financial statements as of 30 June 2020 in compliance with IAS 34 (IAS 34.9: “complete set of financial statements”). The presentation currency of the company is EUR which is the same as the functional currency of the company.

These interim financial statements were not subject to a limited review and have not been audited.

These interim financial statements have been approved by the managing directors on 24 August 2020.

New and revised Standards applied in 2019 and 2020

Amendments to IFRS 9, IAS 39 and IFRS 7 “Interest Rate Benchmark Reform”

In September 2019 there were amendments to IFRS 9 “Financial Instruments”, IAS 39 “Financial instruments: Recognition and measurement” and IFRS 7 “Financial instruments: disclosures” published by the IASB. In the context of the Interbank Offered Rates Reform (IBOR-Reform) the IBOR reference interest rates and the EONIA are determined by the Euro Short Term Rate. The redemption has to be applied by the end of 2021 at latest and also depends on the acceptance and establishment of the new reference interest rates. The amendments are effective for annual periods beginning on or after 1 January 2020. The amendments had no material effects on the company.

The amendments led to changes to three standards:

- IFRS 3 Business Combinations and IFRS 11 Joint Arrangements — The amendments to IFRS 3 clarify that when an entity obtains control of a business that is a joint operation, it remeasures previously held interests in that business. The amendments to IFRS 11 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not remeasure previously held interests in that business.

- IAS 12 Income Taxes — The amendments clarify that the requirements in the former paragraph 52B (to recognise the income tax consequences of dividends where the transactions or events that generated distributable profits are recognised) apply to all income tax consequences of dividends by moving the paragraph away from paragraph 52A that only deals with situations where there are different tax rates for distributed and undistributed profits.

- IAS 23 Borrowing Costs — The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings.

Published and endorsed Standards which are not yet mandatory

At the date of authorisation of the financial statements, amendments to the standards IAS 1 (issued 18 May 2020) and IFRS 16 (issued 28 May 2020) have been published by the International Accounting Standard Board ("IASB") but are not yet endorsed by the EU.

B. Accounting policies

The principal accounting policies applied in the preparation of these interim financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

General principles

The interim financial statements of the company as at 30 June 2020 have been prepared in accordance with IFRS as adopted in the European Union as issued by the International Accounting Standards Board (IASB) and interpretations issued by the IFRS Interpretations Committee (IFRIC). In accordance with IAS 34.9 a complete set of financial statements has been prepared.

Preparation of the financial statements

The interim financial statements have been prepared on a going concern basis, applying a historical cost convention, except for financial assets and liabilities measured at fair value through profit or loss, financial assets classified as measured at fair value through other comprehensive income and derivative financial instruments that have been measured at fair value.

Current and non-current distinction

The company presents current and non-current assets and current and non-current liabilities as separate classifications in its statement of financial position.

Current assets include assets when it is expected to realise the assets or it is intended to sell or consume the assets in the operating cycle, when assets are hold primely for the purpose of trading, when it is expected to realise the assets within 12 month after the reporting period or the assets are cash or cash equivalent.

Critical judgements and key sources of measurement uncertainty

In the application of the accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant and are disclosed in the notes and policies where applicable. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Functional and presentation currency

The primary activity of the company is to borrow capital through issuing bearer bonds and granting loan to Ferratum Oyj, subsidiaries and affiliated companies within the Group. The performance of the company is measured in EUR. The presentation currency of the company is the same as the functional currency of the company. The numbers in the financial statements under IFRS are rounded to full EUR.

Financial instruments

Financial assets

With respect to the classification and measurement, the number of categories of financial assets under IFRS 9 has been reduced compared to IAS 39. All recognised financial assets are measured at either amortised cost or fair value. Specifically:

- a debt instrument that (i) is held within a business model whose objective is to collect the contractual cash flows and (ii) has contractual cash flows that are solely payments of principal and interest on the principal amount outstanding must be measured at amortised cost (net of any write down for impairment), unless the asset is designated at fair value through profit or loss (FVTPL) under the fair value option;

- a debt instrument that (i) is held within a business model whose objective is achieved both by collecting the contractual cash flows and selling financial assets and (ii) has contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, must be measured at FVTOCI, unless the asset is designated at FVTPL under the fair value option;

- all other debt instruments must be measured at FVTPL;

- all equity investments are to be measured in the statement of financial position at fair value, with gains and losses recognised in profit or loss except that if an equity investment is not held for trading, nor contingent consideration recognised by an acquirer in a business combination to which IFRS 3 applies, an irrevocable election can be made at initial recognition to measure the investment at FVTOCI, with dividend income recognised in profit or loss.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Financial liabilities included in trade payables and other payables are recognised initially at fair value and subsequently at amortised cost. The fair value of a non-interest bearing liability is its discounted repayment amount. If the due date of the liability is less than one year, discounting is omitted.

Under IFRS 9, changes in the fair value of a financial liability designated as at FVTPL are presented in other comprehensive income, unless the presentation of the effect of the change in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. The accounting policy per category of financial assets and liabilities is presented below.

Measurement of Financial Instruments

Initial Measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Subsequent measurement

Financial assets at amortised cost

The financial assets are measured at the amount recognised at initial recognition minus principal repayments, plus or minus the cumulative amortisation of any difference between that initial amount and the maturity amount, and any loss allowance. Interest income is calculated using the effective interest method and is recognised in profit and loss. Changes in fair value are recognised in profit and loss when the asset is derecognised or reclassified.

Financial assets at fair value through the statement of other comprehensive income (FVOCI)

The financial assets are measured at fair value where the objective of the company's business model for realising these assets is both collecting contractual cash flows and selling these assets. Interest revenue as well as impairment gains and losses are recognised in profit and loss on the same basis as for amortised cost assets. Changes in fair value are recognised initially in other comprehensive income (OCI). When the asset is derecognised or reclassified, changes in fair value previously recognised in OCI and accumulated in equity are reclassified to profit and loss on a basis that always results in an asset measured at FVOCI having the same effect on profit and loss as if it were measured at amortised cost.

Financial assets at fair value through profit and loss (FVTPL)

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss. All other loans and receivables are measured at fair value. Changes in fair value are recognised in profit and loss as they arise.

Financial liabilities measured at amortised cost

The company classifies non-derivative financial liabilities as financial liabilities measured at amortised cost, except for financial liabilities measured at FVTPL (i.e., those held for trading, designated at FVTPL or contingent consideration recognised by an acquirer in a business combination) or loan commitments and financial guarantee contracts for which specific measurement guidance exists.

After the initial recognition, the financial liability is classified as financial liability at fair value through profit or loss or other financial liabilities measured at amortised cost using the effective interest method.

A financial liability is derecognised when the obligation under the liability is extinguished, discharged, cancelled or expired, or through amortisation process. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability and the difference in the respective carrying amount is recognised in profit or loss.

Financial liabilities are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Cash and cash equivalents
Cash and cash equivalents include solely demand deposits.

Share capital
Share capital represents the nominal value of shares that have been issued.

Bonds
After the initial recognition, bonds are measured at amortised cost using the effective interest method.

Other payables
Other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Income realisation

Interest income

Interest income is recognised when it is probable that the economic benefit will accrue, and the amount of the income can be reliably determined. The interest income is accrued on a time basis, by reference to the principal outstanding nominal amount and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount upon first-time recognition. Interest income is recognised by applying the effective interest rate, except for short-term receivables where the recognition of interest would be immaterial. Interest income is recognised using the effective interest method. When a receivable is impaired, the company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument and continues unwinding the discount as interest income.

Effective interest method

The effective interest method is the method of calculating the amortised cost of a financial instrument and of allocating the interest income to the corresponding period. The effective interest rate is the interest rate with which the expected future outflows are discounted over the expected term of the financial instrument or a shorter period, where applicable, to arrive at the net carrying amount derived from initial measurement.

Taxation

Income tax comprises the total current tax expenses and deferred taxes. The current tax is determined based on the taxable income for the relevant year.

Current tax

Current tax is recorded as expense or income through the income statements unless it is incurred in connection with the items not reported either in other comprehensive income or directly in equity.

Deferred tax

Deferred tax is recognised on temporary difference between the carrying amounts of assets and liabilities in the interim financial statements and the corresponding tax bases used in computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

C. Discretionary decisions and assessments

The preparation of the financial statements under IFRS requires assumptions for several items that have a corresponding impact on recognition and measurement in the statements of financial position, in the income statement of the financial statements and regarding the disclosure of contingent liabilities. The actual results may deviate from these estimates.

Impairments of financial assets

The company assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or company of financial assets that can be reliably estimated.

Recognition of expected credit loss

For financial instruments measured at amortised cost an expected credit loss will be recognised in accordance with the impairment rules of IFRS 9. The objective of the impairment rules is to recognise lifetime expected credit losses for all financial instruments for which there have been significant increases in credit risk since implementation. In the absence of a significant increase in credit risk, the impairment loss on financial instruments are measured at the amount of the 12 month expected credit loss.

D. Notes to statement of financial positions

(1) Property, plant and equipment

	Office equipment EUR		Office equipment EUR
Cost		**Cost**	
At 1 January 2020	7,604	At 1 January 2019	7,604
Additions	0	Additions	0
Disposals	0	Disposals	0
At 30 June 2020	7,604	At 31 December 2019	7,604
Accumulated depreciation		**Accumulated depreciation**	
At 1 January 2019	6,903	At 1 January 2019	6,903
Charge for the interim financial year	700	Charge for the financial year	578
Disposals	0	Disposals	0
At 30 June 2020	7,603	At 31 December 2019	7,481
Net carrying amount 30 June 2020	**1**	**Net carrying amount 31 December 2019**	**124**

This item concerns solely the office equipment.

(2) Loans to shareholder

Loans to shareholder (Ferratum Oyj) consist of the following loans:

	Loan 4
Date of loan agreement	24.05.2018
Loan amount in EUR millions	159
Interest rate	7.0%
Term of repayment	by 25.05.2022

By the agreements of parties, the company is entitled to demand the loan amount and accrued interest earlier than Maturity date, by giving such verbal notice to the shareholder at least 3 days in advance. The shareholder has the right to pay back the loan at any time before the maturity date.

Loans to shareholder are valued at amortised costs because the objective of the company's business model for realising these assets is collecting contractual cash flows. Interest revenue as well as impairment gains and losses are recognised in profit and loss.

In addition, the company assesses at the end of each reporting period whether there is a risk that a loan will default. In such case the loan is impaired and impairment losses are incurred (a 'loss allowance'). The company needs to determine whether the loss allowance at an amount equal to possible defaults only for the next 12 months ("12-month ECLs") or for the entire remaining life of the asset ("Lifetime ECLs"). The company needs to measure that loss allowance at an amount equal to the lifetime expected credit losses if the credit risk on that loan has increased significantly since initial recognition, or if the loan is a purchased or originated credit-impaired loan. In all cases, the allowance and any changes to it are recognised by recognizing impairment gains and losses in profit and loss.

The impairments (expected credit losses) are calculated with input parameters exposure at default (EAD), probability of default (PD) and loss given default (LGD) (ECL = EAD * PD * LGD").

The company has minimised credit risk by lending to its shareholder. During the reporting period Ferratum Groups credit ratings were downgraded by Fitch Ratings from BB- to B+ (source: Fitch Ratings, April 2020) and by Creditreform Ratings from BBB- to BB (source: Creditreform Rating AG, April 2020). According to the established ECL model this would have resulted in an increase of EUR 267,444 in the ECL provision for the following 12 months (based on stage 1 according to IFRS 9). In accordance with guidance given by European Securities and Markets Authority (ESMA) at 25 March 2020 on effects of COVID-19 pandemic, the company decided to exercise managerial judgement and not consider estimated credit loss purely according to the model.

Ferratum Oyj decrease in ratings was mainly caused by (i) the rating companies generally dropping the ratings of companies due to increased future uncertainty and (ii) due to the unprofitable Q1 reported by Ferratum Oyj due to the decreased sales and increased ECL-provisions on its own receivables caused by COVID-19 pandemic.

As Ferratum Oyj has reported a strong positive Q2 result with an even stronger liquidity position than during year end 2019, it was deemed by management that the risks Fitch Ratings and Creditreform Ratings took into consideration when dropping Ferratum Oyj rating are unlikely to occur during the next 12 months and thus decided not to change ECL-provision from that booked during year end 2019.

Based on this the summary of the loan is as follow:

	Maturity	Nominal	Present value - beginning of the year	Additions/ Disposal	Accrued Interest receivable in FY	Transfer** From/ to	Impairment based on expected credit loss model	Present value - end of the year
Loan 4	May 22	159,648,207	171,320,447	(1,182,967)	5,265,221	-	(267,444)	175,135,257
			171,320,447	**(1,182,967)**	**5,265,221**	**-**	**(267,444)**	**175,135,257**

The maturity of the loan is presented in the following table:

	30.06.2020		31.12.2019	
	short - term	long - term	short - term	long - term
Loan 4	-	175,135,257	-	171,320,447
	-	**175,135,257**	**-**	**171,320,447**

The interest income for interim fiscal year 2020 on the loans amounts to EUR 5,556,727 (1.1.-30.06.2019: EUR 4,498,445). The interest income was recognised in profit or loss using the effective interest method within the scope of IFRS 9.

(3) Receivables to shareholder

Due to an increase in the capital reserve, a receivable from the shareholder in the amount of EUR 250,000 was accounted because the payment is expected to be made in 2020. In this case the expected credit loss is not applied due to the short term period (less than 1 year).

(4) Other receivables

The other receivables amounting to EUR 80,010 (31.12.2019: EUR 266,018) mainly include other accrued expenses in the amount of EUR 66,184 (31.12.2019: EUR 252,192).

(5) Cash and cash equivalents

The bank current accounts amount to EUR 833,410 (31.12.2019: EUR 154,056). Regarding to the development of cash, we refer to the cash flow statement.

(6) Deferred tax assets

Deferred tax assets stand at EUR 168,747 (31.12.2019: EUR 189,668) as of 30 June 2020. Calculation of deferred tax assets resulting from expected credit loss is based on an income tax rate of 30.175%. The deferred tax assets resulting from the corporate tax loss carried forward are calculated with a corporate tax rate of 15.825%. The total reduction by EUR -20,921 is divided between the valuation differences due to the expected credit loss in amount of EUR 80,701 and the corporate tax loss carried forward in amount of EUR -101,622.

(7) Subscribed capital

The subscribed capital is hold 100% by the Ferratum Oyj.

(8) Capital reserve

According to the shareholder resolution on 29 June 2020 it was decided to make a payment of EUR 250,000 by way of money transfer. Therefore, the capital reserve increased up to EUR 1,175,000 in 2020. The money was not transferred on the reporting date, thus a receivable was booked.

(9) Bonds

On 25 May 2018 the company issued EUR 100,000,000 with 3 months Euribor plus 5.50% bonds due in 2022 ("bond 4") under an unconditional and irrevocable guarantee of Ferratum Oyj. Unless previously redeemed, the bonds will be redeemed at par on 25May 2022 ("Maturity Date"). The bonds beared interest from (and including) 25 May 2018 to (but excluding) the Maturity Date at a rate of 5.50% per annum, payable quarterly in arrears on 25 February, 25 May, 25 August and 25 November of each year, commenced on 25 August 2018.

On 24 April 2019 the company issued EUR 80,000,000 (nominal amount) at an issue price of 97% (EUR 77,600,000) with 3 months plus 5.50% bonds due in 2023 ("bond 5") under an unconditional and irrevocable guarantee of Ferratum Oyj. Unless previously redeemed, the bonds will be redeemed at par on 24 May 2023 ("Maturity Date"). The bonds beared interest from (and including) 24 April 2019 to (but excluding) the Maturity Date at a rate of 5.50% per annum, payable quarterly in arrears on 24 July, 24 October, 24 January and 24 April of each year, commenced on 24 July 2019.

In the first quarter of interim financial year 2020 Ferratum Capital Germany GmbH sold own Bonds in amount of EUR 5,304,000. In June 2020 the company purchased own bonds in amount of EUR 1,200,000.

The cash flows resulting from issuing the above 2 bonds mainly were granted as loan to the shareholder Ferratum Oyj in the corresponding years.

The valuation of the bonds is determined at its amortised cost with the application of an effective interest rate p.a. The development of the bonds is depicted as follows:

	30.06.2020	31.12.2019
	EUR	EUR
Bonds – beginning of the year	171,909,889	126,175,818
Additions during the year	0	80,000,000
Discount/Premium of bonds	0	(4,935,192)
Redemptions during the year	0	(25,032,835)
Offsetting of holding own bonds	4,104,000	(5,304,000)
Paid interest	(4,859,990)	(8,929,496)
Accrued fixed interest	5,515,172	9,935,596
Bonds – end of the year	**176,669,071**	**171,909,889**

	30.06.2020	31.12.2019
	EUR	EUR
Bonds – beginning of the year	2,804,263	2,149,081
Additions during the year	173,864,808	169,760,808
Bonds – end of the year	**176,669,071**	**171,909,889**

The interest expense for the interim fiscal year 2020 on the bonds amounts to EUR 5,638,888 (1.1.-30.06.2019: EUR 4,206,183).

(10) Other payables and accrued expenses

The other payables and accrued expenses mainly include accrued expenses for consulting fees in the amount of EUR 19,000 (31.12.2019: EUR 52,610) and VAT- Payables of EUR 50,954 (31.12.2019: EUR 48,932). Current tax liabilities in the amount of EUR 318,265 (31.12.2019: EUR 193,802) relate to trade tax.

E. Notes to income statement

(11) Other income

Other income mainly includes income of bond transactions for the first half of 2020 in the amount of EUR 207,568.

(12) Personnel expenses

Personnel expenses includes mainly wages and salaries amounting to EUR 24,700 (1.1.-30.06.2019: EUR 44,000) and social benefit amounting to EUR 4,870 (1.1.-30.06.2019: EUR 8,497).

	30.06.2020	30.06.2019
Management	0	0
Administration and finance	1	1
Total	**1**	**1**

(13) Other operating expenses

Other operating expenses includes mainly the fee for admission to trading on a regulated market of securities amounting to EUR 84,133 (1.1.-30.06.2019: EUR 79,984), expected credit loss amounting to EUR 267,444 (1.1.-30.06.2019: EUR 43,063) as well as accounting and consulting fees amounting to EUR 50,151 (1.1.-30.06.2019: EUR 38,696).

(14) Financial income

Interest income includes exclusively the interest income from loans to shareholder for an amount of EUR 5,556,727 (1.1.-30.06.2019: EUR 4,498,445).

(15) Financial expenses

Interest expenses resulted solely from issuing bonds amounting to EUR 5,638,888 (1.1.- 30.06.2019: EUR 4,206,183). The effective interest expense is also allocated to this position.

(16) Income taxes

Income taxes results from trade taxes in the amount of EUR 212,505 (1.1.-30.06.2019: EUR 155,562), corporate taxes in the amount of EUR 0 (1.1.-30.06.2019: EUR 6,906) and deferred tax income amounting to EUR -20,921 (1.1.-30.06.2019: EUR 4,048).

Reconciliation between the statutory and effective tax expenses is as follows:

	1.1.-30.06.2020	1.1.-30.06.2019
	EUR	EUR
Profit before tax	**(383,923)**	**56,533**
Income tax on rate of 30.175%	-	17,115
Tax expense on respect of:		
- corporate tax losses carried forward	(20,387)	(8,480)
- tax income/(expense) prior years	13,812	6,906
- expenses non deductible for tax purposes	193,001	147,449
- under provisions in prior years	-	(522)
- Other adjustments	26,079	
- adjustment deferred tax	20,921	(4,048)
Income tax expenses recognised in profit or loss statement	**233,426**	**158,420**

F. Additional statements

(17) Summary of financial assets and liabilities by categories

The carrying amounts of the company's financial assets and liabilities as recognised at the reporting date are also analysed into the following categories:

	30.06.2020	31.12.2019
	EUR	EUR
Financial assets		
Financial assets measured at amortised cost		
Loans to shareholder	175,385,257	171,320,447
Other receivables	80,010	266,018
Financial assets measured at FVTOCI		
Other financial assets		
Cash and cash equivalents	833,410	154,056
	176,298,677	**171,740,521**
Financial liabilities		
Financial liabilities measured at amortised cost		
Bonds	176,669,071	171,909,889
Other payables and accrued expenses	522,624	377,344
	177,191,695	**172,287,233**

(18) Financial instruments at fair value

Accounting for financial assets and liabilities – fair values

The company applies IFRS 9. Under IFRS 9 all financial instruments are initially measured at fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs. This requirement is consistent with IAS 39. The fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Valuation

IFRS 13 Fair Value Measurement requires an entity to classify its assets and liabilities according to a hierarchy that reflects the observability of significant market inputs. The three levels of the fair value hierarchy are defined below.

The fair value hierarchy has the following levels:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

- Level 3 inputs are unobservable inputs for the asset or liability.

As of 30 June 2020, cash and cash equivalents, other receivables, receivables to shareholder and financial assets as well as other payables and accrued expenses have short maturities. The carrying amounts of these financial instruments approximately correspond to the fair value. The loans to shareholder are measured at amortised cost and the carrying amounts approximately correspond to their fair value.

The fair values of bonds were calculated with the market value at Frankfurt Stock Exchange as of the balance sheet date. The fair value can be assigned to level 1 of the fair value hierarchy.

30 June 2020	Carrying value	Fair value
Bonds	176,669,071	154,000,000

(19) Financial risk management

Company's activities expose it to following financial risks: market risk (including fair value interest rate risk, cash flow interest rate risk), credit risk and liquidity risk. Company's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance.

A. Market risk

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. The company's market risks arise from open positions in interest-bearing assets and liabilities, to the extent that these are exposed to general and specific market movements. Management sets limits on the exposure to interest rate risk that may be accepted, which are monitored on a periodic basis.

Foreign exchange risk

The company operates mainly in Germany and is not exposed to foreign exchange risk.

Price risk

The company's exposure to securities price risk arises from investments held by the company and classified in the balance sheet as at fair value through profit or loss. In phases of high liquidity and low bond prices the company invested in own bonds as well as the Ferratum Bank bond and saved interest and in phases of improving bond prices and increasing liquidity demand the bonds were sold on the bonds market again. All the investments are short-term.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the company's financial instruments will fluctuate because of change in market interest rates.

The carrying amount of the company's significant interest-bearing financial instruments, as at the reporting date is as follows:

	Duration	fixed interest rate	30.06.2020	31.12.2019
Loan 4	May 18 - May 22	7.000%	175,135,257	171,320,447
			175,135,257	**171,320,447**

	Duration	fixed / variable interest rate	30.06.2020	31.12.2019
Loan 4	May 18 - May 22	3 M Euribor + 5.500%	99,856,735	97,721,276
Loan 5	April 19 - April 23	3 M Euribor + 5.500%	76,812,336	74,188,613
			176,669,071	**171,909,889**

The company's main interest rate risk arises from long-term bonds which are issued at fixed rates and floating rates. These expose the company to interest rate risk which is partially offset by having loans as a main asset in the company. The objectives for the mix between fixed and floating rate bonds are set to reduce the impact of upward changes in interest rates while enabling benefits to be enjoyed if interest rates fall. Besides, the Company's income statement is not exposed to significant fluctuations in interest rates, since both financial instruments are measured at amortised cost.

A change of the interest rate (3 month Euribor + 5.500% for Bond 4 and 5) at the end of the reporting period would have an effect on result for the financial years.

The following shows the effect on result for the financial years with all other variables held constant by 1 / 100 basis points ("bp"):

	1.1.- 30.06.2020	1.1.- 30.06.2019
	EUR	EUR
+1 bp	(18,000)	(17,000)
-1 bp	18,000	17,000

	1.1.- 30.06.2020	1.1.- 30.06.2019
	EUR	EUR
+100 bps	(1,800,000)	(1,700,000)
-100 bps	1,800,000	1,700,000

In interim financial year 2020 there was no significant sensitivity to changes in 3 months Euribor.

B. Credit risk

Ferratum Oyj was rated by Fitch Ratings in April 2019 as part of an initial rating with BB-/outlook Stable. In March 2020 Fitch Rating confirmed the rating and the outlook. In April Fitch Ratings downrated Ferratum Oyj from BB- to B+/outlook negative. The downgrade mainly reflects the impacts of the Corona-crises. The rating includes the fact that Ferratum Oyj acts as the guarantor of the issued bonds by the company.

In April 2019 Creditreform Rating AG evaluated Ferratum Oyj with a follow-up rating of BBB-. Due to the Corona-crises the Creditreform Rating AG adjusted the rating to BB/outlook negative (source: Creditreform Rating, April 2020).

Credit risk is the risk of a financial loss to the company if a counterparty to a financial instrument fails to meet its contractual obligations. The company has minimised credit risk by lending to its shareholder.

The loan was impaired in interim financial year 2020 based on the expected credit loss model amounting to 267,444 (31.12.2019: EUR 171,492). The calculation of expected credit loss refers to the note (2).

C. Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as and when they fall due as a result of shortage of funds. In managing its exposures to liquidity risk arises principally from its various payables, the company maintains a level of cash and cash equivalents deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due. The company aims to maintain a balance of sufficient cash and deposits and flexibility in funding by keeping diverse sources of committed and uncommitted credit facilities.

The bonds were issued under an unconditional and irrevocable guarantee of its shareholder and secured directly over the loans to shareholder. The company expects that its cash in hand and cash flow provided by operations will satisfy its liquidity need with respect to its obligations. As a precaution Ferratum Oyj issued an irrevocable Letter of Comfort limited to an amount of EUR 500,000 until 31 December 2020. In case of substantial solvency problems of the company, the shareholder will provide the company with further funds, so that the company will be in the position to meet all their liabilities within this limit.

Maturity analysis

The following table details the expected maturity for all financial assets and liabilities in order to provide a complete view of the company's contractual commitments and liquidity.

Financials assets at 30 June 2020	**Less than 6 months**	**6 to 12 months**	**1 to 2 years**	**2 to 5 years**	**More than 5 years**	**Total**
	EUR	EUR	EUR	EUR	EUR	EUR
Loans at amortised cost	250,000	-	175,135,257	-	-	175,385,257
Other receivables	80,010	-	-	-	-	80,010
Cash and cash equivalents	833,410	-	-	-	-	833,410
Total financial assets	**1,163,420**	**-**	**175,135,257**	**-**	**-**	**176,298,677**

Financial liabilities as 30 June 2020	**Less than 6 months**	**6 to 12 months**	**1 to 2 years**	**2 to 5 years**	**More than 5 years**	**Total**
	EUR	EUR	EUR	EUR	EUR	EUR
Bonds	2,804,263	-	99,300,000	74,564,808	-	176,669,071
Other payables	522,624	-	-	-	-	522,624
Total financial liabilities	**3,326,887**	**-**	**99,300,000**	**74,564,808**	**-**	**177,191,695**

Financials assets at 31 December 2019	**Less than 6 months**	**6 to 12 months**	**1 to 2 years**	**2 to 5 years**	**More than 5 years**	**Total**
	EUR	EUR	EUR	EUR	EUR	EUR
Loans at amortised cost	-	-	-	171,320,447	-	171,320,447
Other receivables	266,018	-	-	-	-	266,018
Cash and cash equivalents	154,056	-	-	-	-	154,056
Total financial assets	**420,074**	**-**	**-**	**171,320,447**	**-**	**171,740,521**

Financial liabilities as 31 December 2019	Less than 6 months	6 to 12 months	1 to 2 years	2 to 5 years	More than 5 years	Total
	EUR	EUR	EUR	EUR	EUR	EUR
Bonds	2,149,081	-	-	169,760,808	-	171,909,889
Other payables	377,344	-	-	-	-	377,344
Total financial liabilities	**2,526,425**	**-**	**-**	**169,760,808**	**-**	**172,287,233**

D. Capital management

The company's main objective when managing capital is to safeguard the company's ability to continue as a going concern. The company considers total capital under management to be equity and bonds as shown in the statement of financial position. The amount of capital that the company managed as of 30 June 2020 was EUR 175,944,802 (31.12.2019: EUR 171,552,969).

With end of financial statements as of 30 June 2020 the equity of the company is negative in the amount of EUR -724,270 (31.12.2019: EUR -356,920). Based on the financial planning, going concern is secured. For further explanations we refer to our statements made under C. Liquidity risk.

(20) Related party relationships on an entity

Ferratum Oyj owns 100% of the company's shares. Related parties of the company include also the Managing Director Mr. Stephan Schuller (since 10 Aril 2019) and Managing Director Mr. Bernd Egger (since 4 March 2020) and their close family members.

Related party transactions

In accordance with the shareholders' resolution of 29 June 2020, the capital reserve is increased in the amount of EUR 250,000. The corresponding receivable from shareholders is disclosed under the current assets as of 30 June 2020.

Compensation of key management personnel

Management directors were paid fees in the interim financial year 2020 for an amount of EUR 0 (1.1. - 30.06.2019: EUR 0).

(21) Contingent liabilities

There are no contingent liabilities as at 30 June 2020.

(22) Events after the reporting date

On 11 March 2020 the World Health Organisation (WHO) classified COVID-19 (Corona) as a pandemic. The impacts relating out of the Corona-crisis might have huge effects on financial position after reporting date. On that source, we refer to more detailed explanations within the management report under section "risk report" and "forecast report".

There have been no further material events after the reporting date that require adjustment to, or disclosure in the financial statements.

Berlin, 24 August 2020

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Stephan Schuller
Managing Director

Bernd Egger
Managing Director

Statement of cash flow for the period from 1 January to 30 June 2020

	1 January 2020 - 30 June 2020	1 January 2019 - 30 June 2019
	EUR	EUR
Net result before taxes	(383,923)	56,533
+ Depreciation of property, plant and equipment	123	317
+/- Increase/(decrease) in other liabilities	145,279	(64,822)
-/+ Increase/(decrease) in other assets	186,007	(554,481)
+ Interest expense	5,638,888	4,206,183
- Interest income	(5,556,727)	(4,498,445)
- Income tax paid	(212,505)	(94,948)
= Cash flow from regular operating activities	**(182,858)**	**(949,663)**
+ Cash received from disposals of property, plant and equipment	0	0
- Cash paid for the acquisition of property, plant and equipment	0	0
+/- Proceeds from purchasing securities	0	0
+ Interest received	5,556,727	4,498,445
= Cash flow from investing activities	**5,556,727**	**4,498,445**
+ Proceeds from issue of shares	0	0
+ Proceeds fromaddition to the capital reserve	250,000	0
+ Proceeds from issuing bonds	4,146,558	44,119,851
- Proceeds from borrowings	(4,064,810)	(43,020,407)
- Interest paid	(5,026,264)	(4,206,183)
= Cash flow from financing activities	**(4,694,515)**	**(3,106,739)**
Total of the cash flows	**679,354**	**442,043**
+ Cash and equivalents - beginning of the period	154,056	196,537
= Cash and equivalents - end of the period	833,410	638,580

Statement of changes in equity as at 30 June 2020

	Subscribed capital EUR	Capital reserve EUR	Accumulated losses EUR	Accumulated other comprehensive income EUR	Sum EUR
Balance as at 1 January 2019	**50,000**	**925,000**	**(831,663)**	**0**	**143,337**
Share Capital issue	0	0	0	0	0
Capital reserve	0	0	0	0	0
Results brought forward	0	0	0	0	0
Net Income for the period/year	0	0	(101,887)	0	(101,887)
Other comprehensive income	0	0	0	0	0
Balance as at 30 June 2019	**50,000**	**925,000**	**(933,550)**	**0**	**41,450**

	Subscribed capital EUR	Capital reserve EUR	Accumulated losses EUR	Accumulated other comprehensive income EUR	Sum EUR
Balance as at 1 January 2020	**50,000**	**925,000**	**(1,331,920)**	**0**	**(356,920)**
Share Capital issue	0	0	0	0	0
Capital reserve	0	250,000	0	0	250,000
Results brought forward	0	0	0	0	0
Net Income for the period/year	0	0	(617,350)	0	(617,350)
Other comprehensive income	0	0	0	0	0
Balance as at 30 June 2020	**50,000**	**1,175,000**	**(1,949,270)**	**0**	**(724,270)**

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