



**PLUSPLUS CAPITAL**  
**Earnings Call Presentation**  
**Q4/12M 2022**

17 February 2023



# Disclaimer

The information contained in this presentation has been prepared by Aalto Capital AG, a registered corporate finance boutique located in Munich, Germany, based among others on materials provided to us by PlusPlus Capital AS.

The information in this presentation has not been independently verified and is subject to updating, completion, revision, and further amendment. The presentation does not purport to contain all information that a prospective lender may require. While the information contained herein has been prepared in good faith, neither the Borrower nor its shareholders, directors, officers, agents, employees, or advisors, give, has given, or has authority to give, any representations or warranties (expressed or implied) as to, or about, the accuracy, reliability or completeness of the information on this presentation or any revision thereof, or of any other written or oral information made or to be made available to any interested party or its advisors (all such information is referred to as information) and liability, therefore, is expressly disclaimed save by each person in respect of their fraud. Accordingly, the Borrower and its shareholders, directors, officers, agents, employees, or advisors do not take any responsibility for, and will not accept any liability whether direct or indirect, expressed or implied, contractual, statutory or otherwise, in respect of the accuracy or completeness of the information or for any of the opinions contained herein or for any errors, omissions or misstatements or any loss, how so ever arising from the use of this presentation on.

Information contained in this presentation is confidential information and the property of the Borrower. It is made available strictly for the purposes referred to above. The presentation and any further confidential information made available to any recipient must be held in complete confidence and documents containing such information may not be reproduced, used, or disclosed without the prior written consent of the Borrower. This presentation shall not be copied, published, reproduced, or distributed in whole or in part at any time without the prior written consent of the Borrower. By accepting delivery of this presentation, the recipient agrees to return it to the Borrower at the request of the Borrower.

This presentation should not be considered as the giving of investment advice by the Borrower or any of its shareholders, directors, officers, agents, employees, or advisors. Each party to whom this presentation is made available must make its independent assessment of the Borrower after making such investigations and taking such advice as may be deemed necessary. In particular, any estimate or projection, or opinion contained herein necessarily involves significant elements of subjective judgment, analysis, and assumption. Each recipient should satisfy itself with such matters. Neither the issue of this presentation nor any part of its contents has to be taken as any form of commitment on the part of the Borrower to proceed with any transaction nor is the right reserved to terminate any discussions or negotiations with any prospective lenders. In no circumstances will the Borrower be responsible for any costs, losses, or expenses incurred in connection with any appraisal or investigation of the Borrower.

This presentation does not constitute, or form part of, any offer or invitation to sell or issue, or any solicitation of any offer to subscribe for or purchase any securities in the Borrower, nor shall it, or the fact of its distribution, form the basis of, or be relied upon in connection with, or act as an inducement to enter into, any contract or commitment whatsoever concerning such securities. The Borrower assumes that the recipient has professional experience and is a high-net-worth individual or Borrower this presentation has not been approved by any governmental agency.

By accepting this presentation, the recipient represents and warrants that it is a person to whom this presentation may be delivered or distributed without a violation of the laws of any relevant jurisdiction. This presentation is not to be disclosed to any other person or used for any other purpose and any other person who receives this presentation should not rely on or act upon it. Neither the Borrower nor its directors make any recommendation as to the matters set out in the presentation. Prospective lenders interested in investing in the Borrower are recommended to seek their independent legal, tax, and/or financial investment advice from a competent financial advisor. The whole of the presentation should be read. Reliance on this presentation to engage in any investment in the Borrower may expose an individual to a significant risk of losing the entire investment and may not be suitable for all recipients.

## Krõõt Kilvet

### CEO

**Krõõt** as one of the most distinguished managers in banking in the Baltics has a strong track record including top managerial positions in retail lending, factoring, and corporate banking, among others from Hansapank, Swedbank, DNB Bank, and Luminor Group. Mrs. Kilvet has also outstanding public sector experience at the Estonian Central Bank, the Estonian Business and Innovation Agency and the Ministry of Economic Affairs and Communications of the Republic of Estonia.

## Rasmus Noormägi

### CFO

**Rasmus**, before joining PlusPlus as Group CFO Rasmus was Head of Investor Relations and Treasury at Eesti Energia, international energy company fully owned by the State of Estonia, responsible for the management of its EUR 1 billion debt portfolio, liquidity management, communication with credit agencies. He has also served as cashflow manager at an international currency and gold exchange group Tavid AS, one of the most successful retail trade companies in the Baltics.

# EARNINGS CALL SET UP

- Overview of Q4'22 and 12M'2022
- Financials overview
- Recent developments, including the status of negotiations of converting to Eurobond
- Strategy going forward
- Q&A:
  - Listen only mode
  - Questions can be submitted via:
    - 1) special Q&A panel of the Teams app (not available for Guest attendees)
    - 2) email [finance@plusplus.ee](mailto:finance@plusplus.ee)
  - We would like to keep the discussion structured on the relevant topics: 2022 12M and Q4 financials, recent developments and strategy going forward. All other questions will be answered individually
- In case of Teams related technical difficulties please write to us at [finance@plusplus.ee](mailto:finance@plusplus.ee)

## Business model

- PlusPlus Capital, established in 2010, is a **leading pan-Baltic** receivables acquisition, restructuring, and management company active in **Estonia, Latvia, Lithuania** and **Finland** with more than 100 employees.
- PlusPlus Capital purchases **private individual overdue receivables** from **banks, telecoms**, and **consumer finance** companies.
- PlusPlus Capital aims to assist people by **upgrading NPL debtors** from **credit rejected life** to **normal** financial market clients and finance consumer loans to the credit good customers via Fresh Finance.
- PlusPlus Capital realized its vision through **proprietary technology, data, and algorithms**. Along with their **automated client service process**, PlusPlus provides **best-in-class** client reach and behavior change.
- PlusPlus Capital's **data and technology-driven** approach, and **unbeaten customer response**, have helped to become a leading platform with the ability to offer the best service to its customers.

### GROUP FINANCIALS

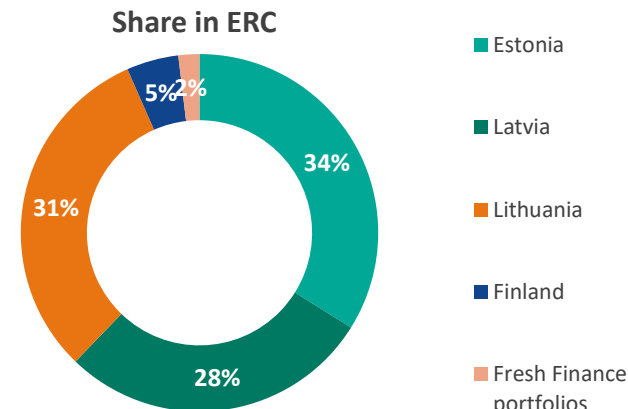
	AC	FVTPL	AC	FVPTL
in EUR million	Q4 '22*	Q4 '21	12M '22*	FY '21
Incoming payments from clients (cash collection)**	5.6	4.3	21.5	17.5
Cash EBITDA	3.8	2.3	14.9	10.1
Operating revenue***	5.4	5.7	20.3	26.6
Operating expenses (incl. salaries)***	1.9	2.2	7.1	9.7
Interest coverage ratio (ICR)	1.2	0.9	1.3	0.9
Net profit***	0.5	0.6	1.3	5.3
Expected remaining collections (ERC)	210.0	162.4	210.0	162.4
Total assets	133.7	113.5	133.7	113.5
Equity	43.5	39.9	43.5	39.9
Equity ratio	32.6%	35.2%	32.6%	35.2%
Net debt/Cash EBITDA (Net leverage)	5.6	7.0	5.6	7.0
Net debt/ERC (Net LTV)	39.7%	43.8%	39.7%	43.8%

\* preliminary data (unaudited)

\*\* including portfolios in Fresh Finance since '22

\*\*\* Change in accounting as of 1 Jan. '22 from Fair Value Through Profit and Loss (FVTPL) to Amortized Cost (AC) without effect on incoming payments from clients (collections) but on revenue and expenses recognition.

## Geographical presence



## Q4/12M '22 financial highlights

- Incoming payments** in Q4 '22 **up approx. 18% y-o-y** to **EUR 5.1 million**. Considering incoming payments from Fresh Finance portfolios, incoming payments amounted to EUR 5.6 million in Q4 '22.
- Cash EBITDA** in Q4 '22 **increased approx. 62% y-o-y** to **EUR 3.8**.
- Net profit** in Q4 '22 amounted to **EUR 0.5 million** (Q4 '21: EUR 0.6 million)
- As of 31 Dec. '22 **ERC increased by approx. 29% to EUR 210.0 million** compared to 31 Dec. '21 of EUR 162.4 million and 14% compared to 30 Sep. '22 of EUR 183.5 million.
- Incoming payments** in 12M '22 **up approx. 12% y-o-y** to **EUR 19.6 million**. Considering incoming payments from Fresh Finance portfolios, incoming payments amounted to EUR 21.5 million in 12M '22.
- Cash EBITDA** in 12M '22 **raised approx. 47% y-o-y** to **EUR 14.9 million**.
- Net profit** in 12M '22 amounted to **EUR 1.3 million** (12M '21: EUR 5.4 million)

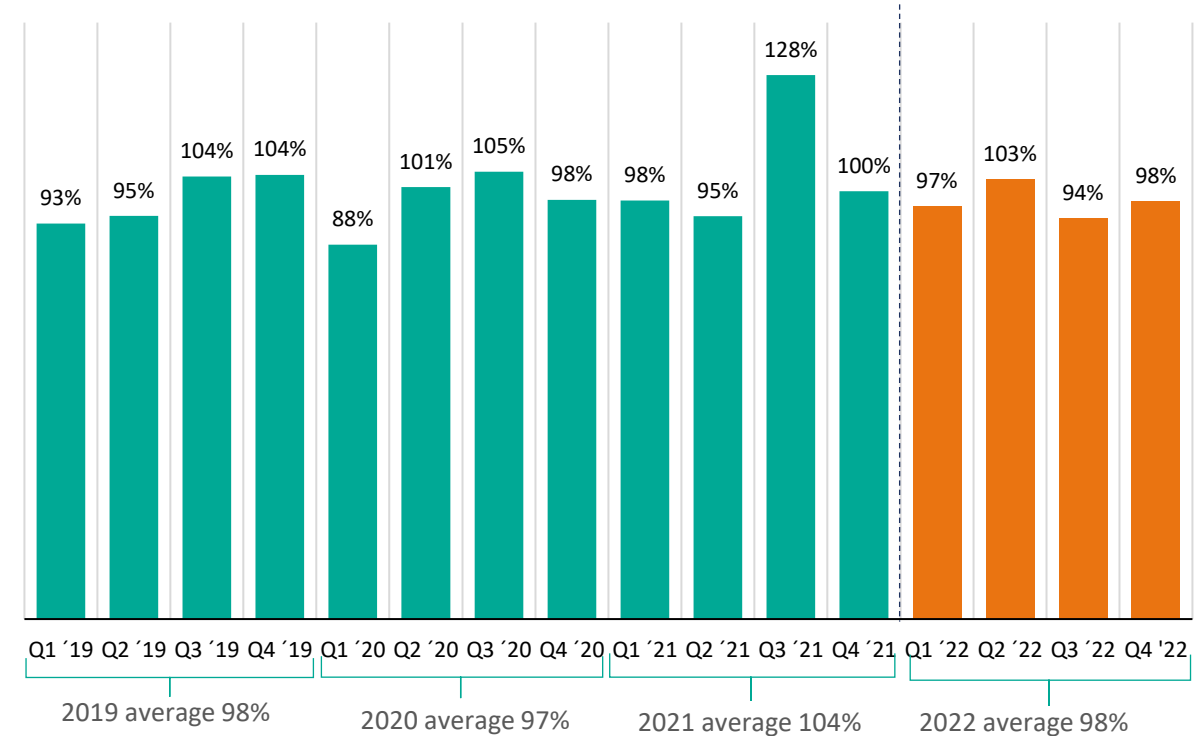
# INCOMING PAYMENT DYNAMICS

## Incoming payments from clients by quarters (mEUR)



↑ Since Q1 2022 also Fresh Finance portfolio collections are included.

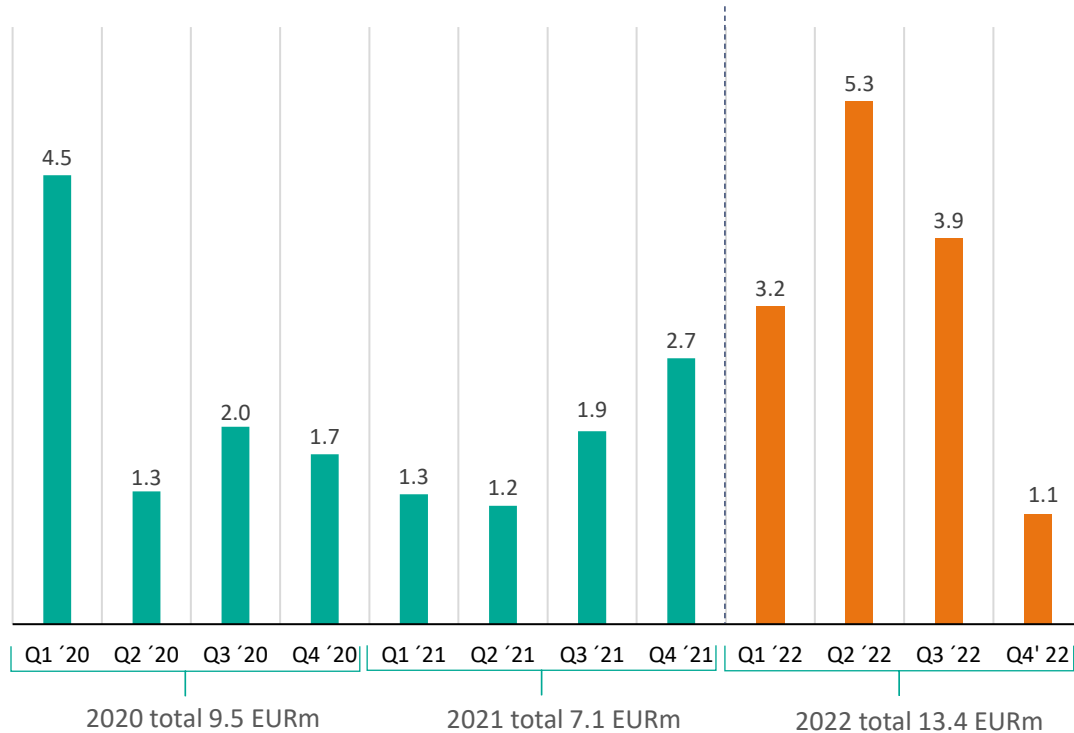
## Actual incoming payments vs forecast (%)



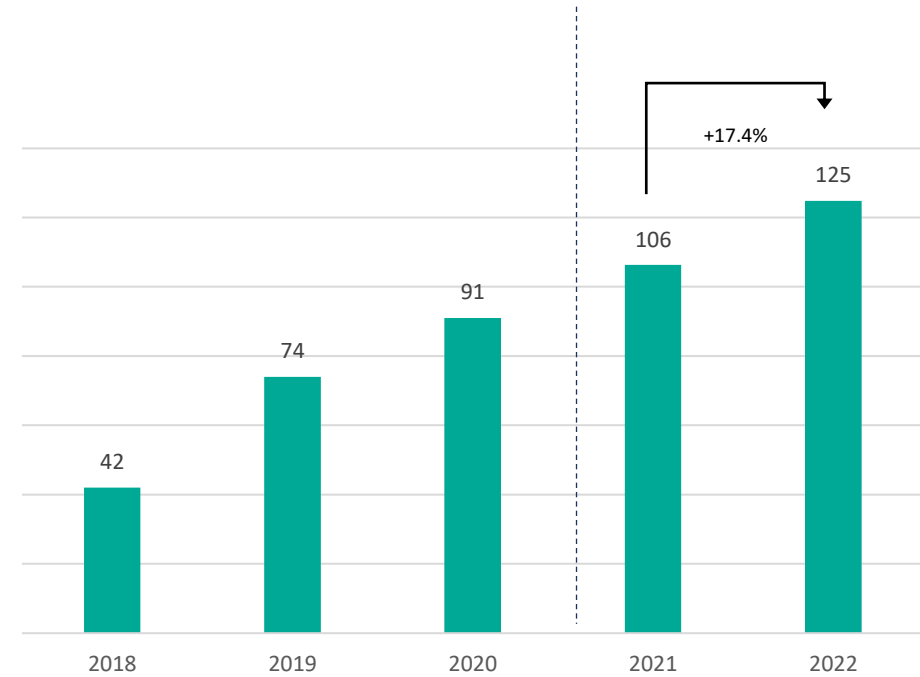
- **Q4 '22** incoming payments **increased by approx. 18% y-o-y to EUR 5.1 million**. Considering incoming payments from Fresh Finance portfolios, incoming payments rose to EUR 5.6 million.
- **12M '22 monthly** incoming **payments ranging from EUR 1.4-2.0 million**, compared to EUR 1.2-1.5 million in previous year's period (excluding EUR 2.7 million in September 2021).
- **12M '22** incoming payments **increased by approx. 12% y-o-y to EUR 19.6 million**. Considering incoming payments from Fresh Finance portfolios, incoming payments rose to EUR 21.5 million.

# PORTFOLIO INVESTMENTS

## Quarterly portfolio acquisitions (in EURm)



## Book value of portfolios (in EURm)



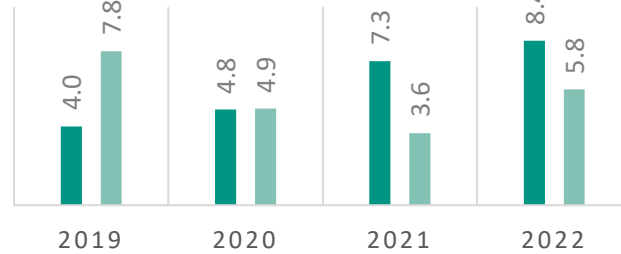
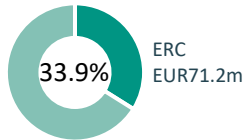
- **NPL market** in operating countries **remains active**
- Despite **Q4 '22 portfolio acquisitions** amounting to just **EUR 1.1 million** related to fulfilment of existing agreements. **12M '22 acquisitions** were at **EUR 13.4 million**.
- **In 2022** new portfolios acquired: **152** (72 in Estonia, 17 in Latvia, 63 in Lithuania).

# GEOGRAPHICAL PRESENCE



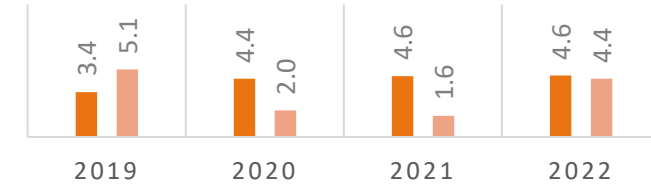
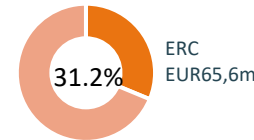
## ESTONIA

Launched Q2 2010  
mEUR



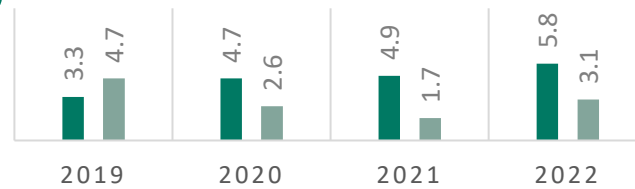
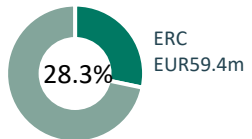
## LITHUANIA

Launched Q1 2013  
mEUR



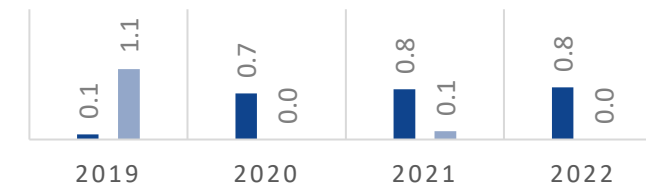
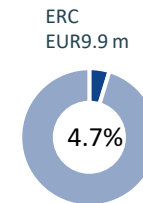
## LATVIA

Launched Q4 2012  
mEUR



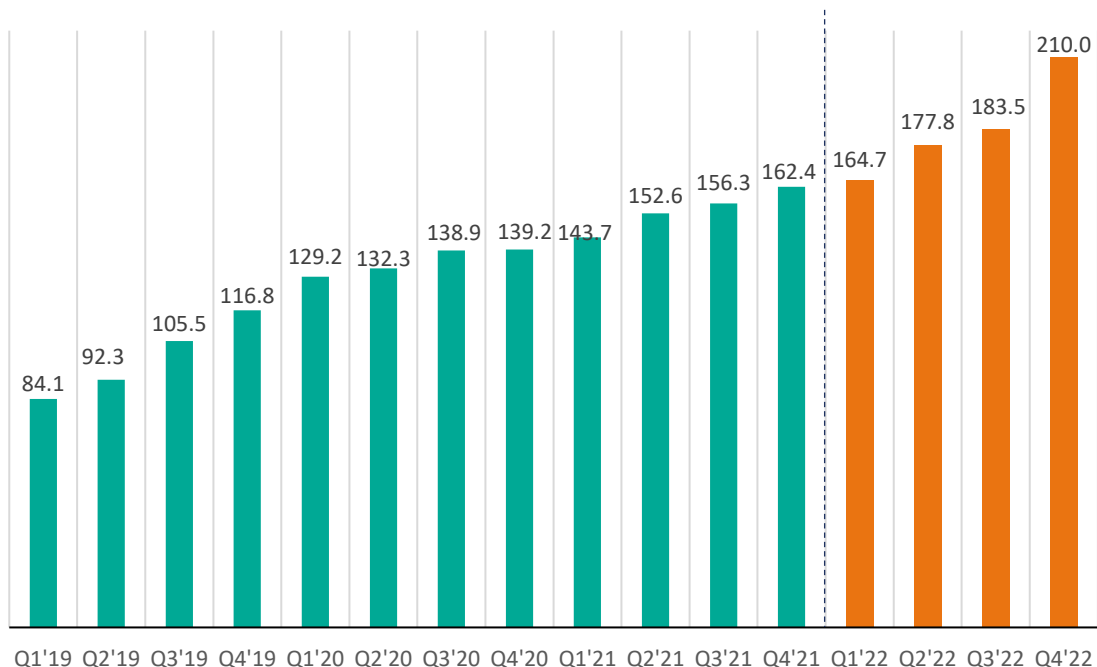
## FINLAND

Launched Q3 2019  
mEUR





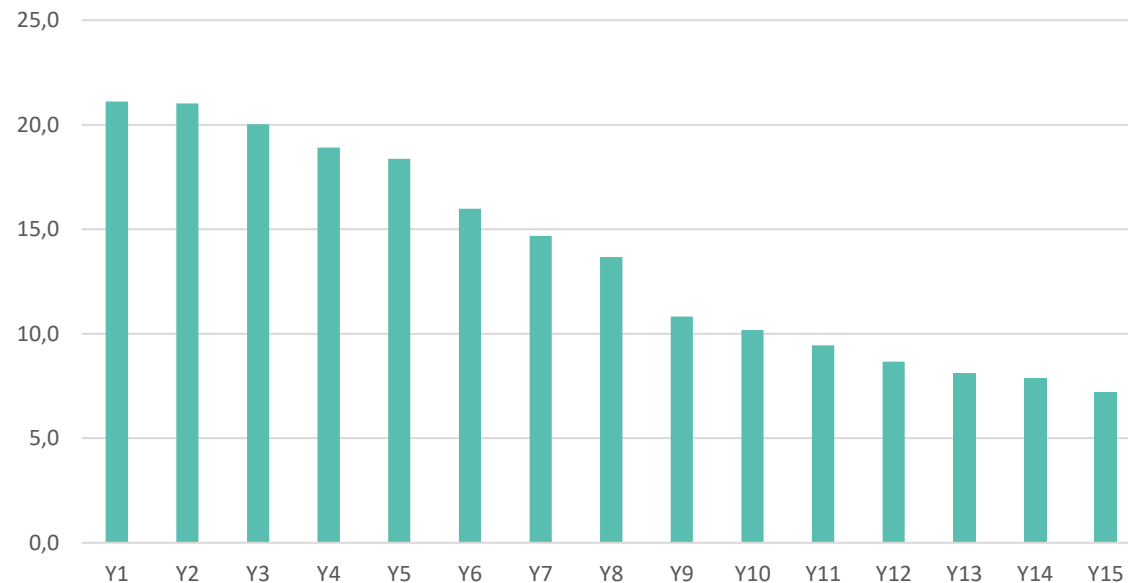
## Quarterly ERC development (EURm)



■ **ERC end of Dec. '22 amounted to EUR 210.0 million, thereof**

- Estonia EUR 71.2 million (33.9%)
- Lithuania EUR 65.6 million (31.2%)
- Latvia EUR 59.4 million (28.3%)
- Finland EUR 9.9 million (4.7%)
- Fresh Finance portfolios EUR 3.9 million (1.9%)

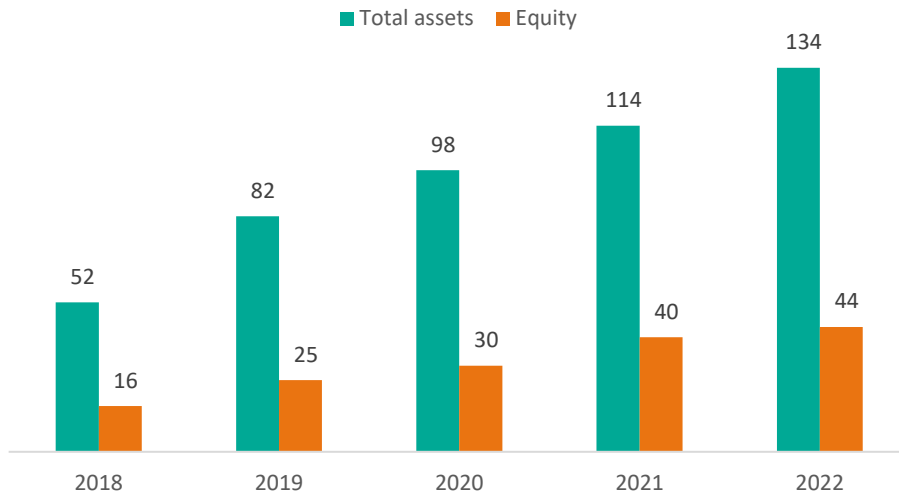
## Expected annual incoming payments according to ERC (in EURm)



- **ERC of EUR 210.0 million expected to be received in next 180 months**
- **Next 8 year incoming payments anticipated at 70% of ERC equaling to EUR 144 million**
- **By comparison, the total claim balance as of 31 Dec. '22 was around EUR 250.0 million**
- **ERC related only to existing portfolio without taking into account additional portfolio acquisition**
- **ERC growth from internal effort and work with unresolved cases in H2 2022 together with stronger performance of earlier vintage portfolios.**

# ASSETS AND LIABILITIES

## Total assets and equity (mEUR)



## Borrowings

- As of 31 Dec. '22 interest bearing loans and borrowings amounted to EUR 88.5 million in nominal value, including:
  - Eurobond of EUR 22.5 million with maturity in 2026
  - Privately placed local Baltic notes of EUR 43.7 million (ongoing exchange negotiations to convert to Eurobond)
  - Other debt instruments of EUR 21.8 million (ongoing exchange negotiations to convert to Eurobond)
  - Commercial bank loan of EUR 0.5 million (head office premises of the Group)
- At amortised cost interest bearing loans and borrowings amounted to EUR 83.9 million as of 31 Dec. '22, with financing related capitalised costs amounted to EUR 4.7 million

- As of 31 Dec. '22, **total assets** increased by **17.8% to EUR 133.7 million** (31 Dec. '21: EUR 113.5 million)
- Assets growth** mainly attributable to **acquired portfolios, additional funding** received both through **equity** and interest bearings **loans and borrowings until Q3 2022**. No changes in loans and borrowings in Q4 2022.
- 93.4% or EUR 124.8 million of assets attributable to portfolios of receivables and cash** compared to total **assets of EUR 133.7 million** (31 Dec. '21: 94.1% or EUR 106.9 million compared to total assets of EUR 113.5 million).
- As of 31 Dec. '22, **equity increased by 9.7% to EUR 43.5 million** (31 Dec. '21: EUR 39.9 million, corresponding **equity ratio of 32.6%** (31 Dec. '21: 35.2%))

## Eurobond covenant ratios

As of	31 Dec. '22	31 Dec. '21	Δ
<b>Capitalization</b>			
Equity ratio (Equity/total assets less cash)	32.6%	35.2%	-2.6ppt
Financial covenant at least	20.0%		
Net loan to value (LTV) (Net debt/expected remaining collections (ERC))	39.7%	43.7%	+4.0ppt
Financial covenant not exceeding	65.0%		
Trailing 12-month period ending on	31 Dec. '22	31 Dec. '21	Δ
Net leverage ratio, times (Net debt to cash EBITDA)	5.6	7.0	-20.1%
Financial covenant not exceeding	6.0		
<b>Profitability</b>			
Interest service coverage ratio (ISCR), times (Cash EBITDA/interest expenses)	1.3	0.9	+39.1%
Financial covenant at least	1.5		

- In H2 2022, the fundraising environment in the high-yield bond segment was **challenging** for issuers due to geopolitical and macroeconomic turmoil. As a result, PlusPlus was not able to service its obligations according to agreed-upon terms.
- To facilitate full repayment of principal and accrued interest, **PlusPlus offered investors to exchange their existing notes to Eurobonds** with maturity in 2026. Alternatively, investors had the option to exit their positions at a discounted price.
- As the total amount of the overdue obligations, including the redemption of the notes and interest payments, exceeded the amount of EUR 10 million PlusPlus Capital declared cross-default on the 2026 EUR bond (ISIN XS2502401552)

## RECENT DEVELOPMENTS

- **Since Nov 2022 active negotiations** with all its debt investors outside of Eurobond. **Structure of the transaction is agreed**, the company is looking forward to **completing the process in the coming weeks**.
- **The agreed conditions** of the exchange offer to Eurobond (or buyout at discount as the alternative) will remain the same as in the initial proposal **from 14 Nov 2022. No changes nor exemptions considered**.
- **Majority of investors have made their decision**, currently in closing phase.
- **Special gratitude to investors who have been co-operative and supportive!**

# STRATEGIC PRIORITIES GOING FORWARD

- We build a better tomorrow for our clients by helping them to resolve temporary financial problems and regain access to a comprehensive range of financial services
- **Strategic priority** of the company is growing market share, improving efficiency, and maximum utilisation of internal capacities by actively purchasing NPL portfolios benefitting from favourable market conditions.
- In 2023 PlusPlus will **focus on raising additional funding** for purchasing portfolios and **reducing cost of financing**.
- **Future growth** supported by **knowledge** and **data based decisions** through usage of machine learning and automation of processes.
- Several IT developments completed in 2022, other significant impact developments scheduled for 2023 that result in operational efficiencies **reducing the cost of claim handling** and **accelerating the claim handling processes**.

The background of the slide is a photograph of a modern architectural interior. It features a wide, light-colored staircase with a glass railing on the right side. The walls and ceiling are composed of large, light-colored panels, creating a clean and minimalist aesthetic. A teal-colored horizontal bar is positioned across the middle of the image, containing the text 'FINANCIAL STATEMENTS' in white, bold, uppercase letters. A thin red vertical line is visible at the bottom center of the slide.

# **FINANCIAL STATEMENTS**

# Balance sheet statement 31 December 2022

in EUR thousand	31 Dec. '22	31 Dec. '21
<b>ASSETS</b>		
Non-current assets		
Property, plant and equipment	1 424	1 707
Intangible assets	2 964	2 133
Acquired debt receivable portfolios	101 048	87 933
Trade and other receivables	3 332	1 480
<b>Total non-current assets</b>	<b>108 767</b>	<b>93 253</b>
Current assets		
Acquired debt receivable portfolios	23 015	18 350
Trade and other receivables	1 112	1 339
Cash and cash equivalents	779	566
<b>Total non-current assets</b>	<b>24 905</b>	<b>20 256</b>
<b>TOTAL ASSETS</b>	<b>133 673</b>	<b>113 509</b>
<b>EQUITY AND LIABILITIES</b>		
Equity		
Share capital	17 109	15 666
Share premium	8 409	6 216
Legal reserve	1 100	500
Subordinated convertible loans	0	0
Retained earnings	16 192	17 545
<b>Total equity</b>	<b>43 530</b>	<b>39 928</b>
Non-current liabilities		
Subordinated convertible loans	0	1 486
Interest-bearing loans and liabilities	20 290	42 582
<b>Total non-current liabilities</b>	<b>57 521</b>	<b>44 068</b>
Current liabilities		
Trade and other receivables	5 972	1 969
Subordinated convertible loans	2 151	2 000
Interest-bearing liabilities	61 730	25 543
<b>Total current liabilities</b>	<b>69 853</b>	<b>29 513</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>133 673</b>	<b>113 509</b>

# Income statement for Q4/12M 2022

	AC	FVTPL	AC	FVTPL
in EUR thousand	4Q '22	4Q '21	12M '22	12M '21
Operating revenue	5 402	5 700	20 336	26 542
Interest income				
Net fee and commission income				
Other income			10	6
Net charge for expected credit loss				
<b>Total operating revenue</b>	<b>5 402</b>	<b>5 700</b>	<b>20 345</b>	<b>26 548</b>
Operating expenses	833	790	3 014	4 260
Personnel expenses	978	1 232	3 533	4 860
Depreciation and amortization	118	144	549	573
Other expenses	1	3	14	7
<b>Total operating expense</b>	<b>1 929</b>	<b>2 168</b>	<b>7 111</b>	<b>9 700</b>
<b>Operating profit</b>	<b>3 473</b>	<b>3 532</b>	<b>13 235</b>	<b>16 848</b>
Financial income	0	0	0	3
Financial expenses	3 009	2 722	11 658	10 990
<b>Profit before tax</b>	<b>463</b>	<b>810</b>	<b>1 577</b>	<b>5 860</b>
Income tax	0	250	262	483
<b>Net profit for the period</b>	<b>463</b>	<b>560</b>	<b>1 315</b>	<b>5 378</b>



# Equity changes for 12M 2022

in EUR thousand	Share capital	Share premium	Legal reserve	Subor-dinated convertible loan	Retained earnings	Total
<b>As of 1 Jan. '21</b>	5 000	0	500	436	18 617	24 553
Subordinated convertible loans	0	0	0	-436	2	-435
Dividend	0	0	0	0	-2 000	-2 000
Non-monetary contribution	6 216	6 216	0	0	0	12 433
Bonus issue	4 450	0	0	0	-4 450	0
<b>Total transactions with owners</b>	<b>10 666</b>	<b>6 216</b>	<b>0</b>	<b>-436</b>	<b>-6 450</b>	<b>9 997</b>
Net profit for the period	0	0	0	0	5 378	5 378
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5 378</b>	<b>5 378</b>
<b>As of 31 Dec. '21</b>	<b>15 666</b>	<b>6 216</b>	<b>500</b>	<b>0</b>	<b>17 545</b>	<b>39 928</b>
<b>As of 1 Jan. '22</b>	<b>15 666</b>	<b>6 216</b>	<b>500</b>	<b>0</b>	<b>17 545</b>	<b>39 928</b>
Paid-in equity contribution	1 442	2 193	0	0	0	3 635
Dividend	0	0	0	0	-1 350	-1 350
Increase of legal reserve	0	0	600	0	-600	0
<b>Total transactions with owners</b>	<b>1 442</b>	<b>2 193</b>	<b>600</b>	<b>0</b>	<b>-1 950</b>	<b>2 285</b>
Net profit for the period	0	0	0	0	1 315	1 315
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1 315</b>	<b>1 315</b>
<b>As of 31 Dec. '22</b>	<b>17 109</b>	<b>8 409</b>	<b>1 100</b>	<b>0</b>	<b>16 910</b>	<b>43 530</b>

# Cash flow statement for Q3/9M 2022

in EUR thousand	Q4 '22	Q4 '21	12M '22	12M '21
<b>Cash flow from operating activities</b>				
Profit before income tax	463	810	1 577	5 860
<b>Adjustments for non-cash items:</b>				
Depreciation and amortization	118	144	549	573
Other adjustments		642		
<b>Changes in working capital:</b>				
Change in trade and other receivables	-5	33	18	91
Change in trade and other payables	-1 258	-2070	-6 426	-3 355
Change in acquired debt receivable portfolios	-2 753	-3 832	-15 189	-15 518
Change in loans and advances to customers	-30	258	-276	339
<b>Other adjustments:</b>				
Interest expenses	3 009	2 722	11 658	10 990
Other financial income and expenses	0	0	0	-3
<b>Net cash flow from operating activities</b>	<b>-455</b>	<b>-1 293</b>	<b>-8 089</b>	<b>-1022</b>
<b>Cash flow from investing activities</b>				
Acquisition of tangible and intangible assets	-262	-124	-1145	-880
Business loans issued	-	-	-	-
Repayments received for business loans issued	-	-	-	1
Interests received	-	1	-	65
<b>Net cash flow from investing activities</b>	<b>-262</b>	<b>-123</b>	<b>-1 145</b>	<b>-815</b>
<b>Cash flow from financing activities</b>				
Loans received and bonds issued	0	5 479	23 195	22 961
Repayments of loans and bonds issued	0	-1 567	-9 420	-10 334
Repayments of financial lease liabilities	-5	-9	-35	-42
Proceeds from subordinated loans	-	-	-	-
Paid-in equity contribution	-	-	3 635	-
Paid dividend	0	-1 000	-1 350	-2 000
Income tax paid	0	-250	-262	-483
Interests paid on loans and borrowings	-1	-2 472	-6 315	-8 439
Interest paid on financial lease liabilities	-	-	-	-
Other financing activities	-	-	-	-
<b>Net cash flow from financing activities</b>	<b>-6</b>	<b>181</b>	<b>9 448</b>	<b>1 663</b>
<b>Cash and cash equivalent at beginning of period</b>	<b>1 501</b>	<b>1 801</b>	<b>566</b>	<b>740</b>
Change in cash and cash equivalents	-722	-1 235	214	-174
<b>Cash and cash equivalent at end of period</b>	<b>779</b>	<b>566</b>	<b>779</b>	<b>566</b>



**PLUS & PLUS**  
CAPITAL

### **PlusPlus Capital AS**

Tartu mnt 83  
10115 Tallinn, Estonia  
[www.pluspluscapital.eu](http://www.pluspluscapital.eu)

### **Contact person:**

Rasmus Noormägi, CFO  
Phone: +372 555 44891  
[rasmus.noormagi@plusplus.ee](mailto:rasmus.noormagi@plusplus.ee)

### **Aalto Capital Group (Financial Advisor)**

Bahnhofstr. 98  
D-82166 Graefelfing / Munich, Germany  
[www.aaltocapital.com](http://www.aaltocapital.com)

### **Contact person:**

Manfred Steinbeisser, Managing Partner  
Phone: +49 89 89 86 777 0  
[manfred.steinbeisser@aaltocapital.com](mailto:manfred.steinbeisser@aaltocapital.com)


The background of the slide features a series of light gray, wavy, horizontal lines that create a sense of movement and depth. A solid teal-colored horizontal bar is positioned in the upper-middle section of the slide.

## ANNEX

# Mission and Vision


PlusPlus Capital seeks long term client relationships to maximize client satisfaction and improve return for company's shareholders

**Intragroup Synergy**

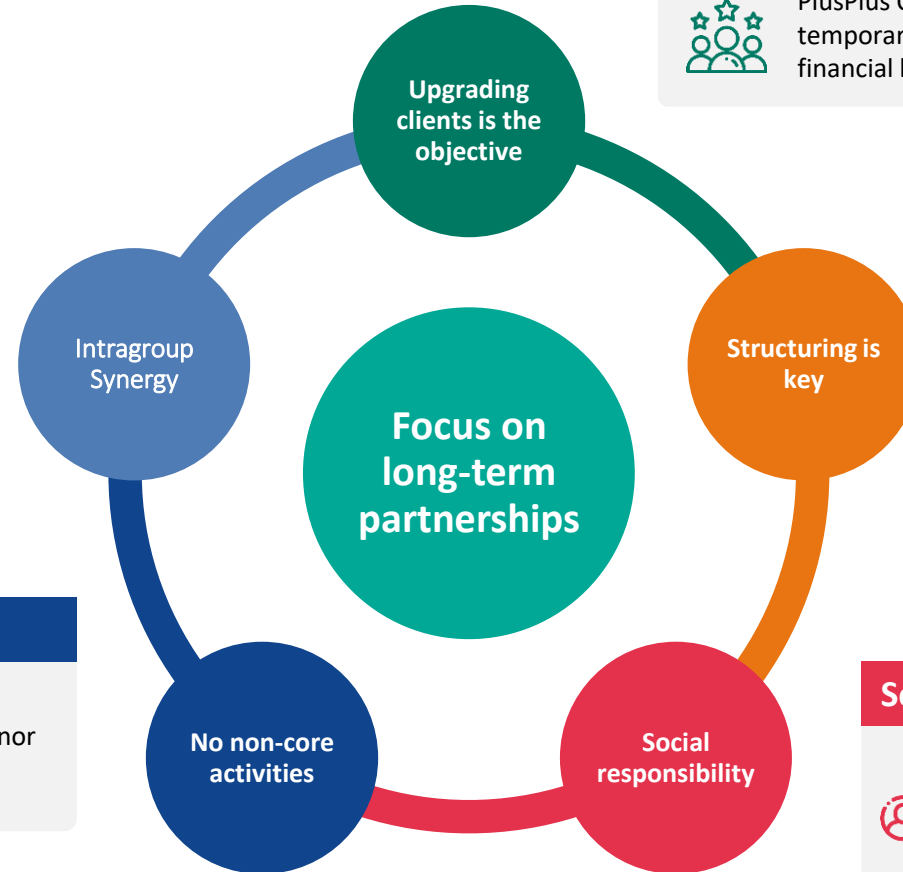


Activities of Group members complement each other. Product and IT development is done in a centralized way.


**No non-core activities**



We focus solely on managing our own portfolios. We neither offer any services nor buy portfolio related services from third parties.




**Upgrading clients is the objective**




PlusPlus Capital helps people to resolve their temporary difficulties and return to normal financial life.

**Structuring is key**



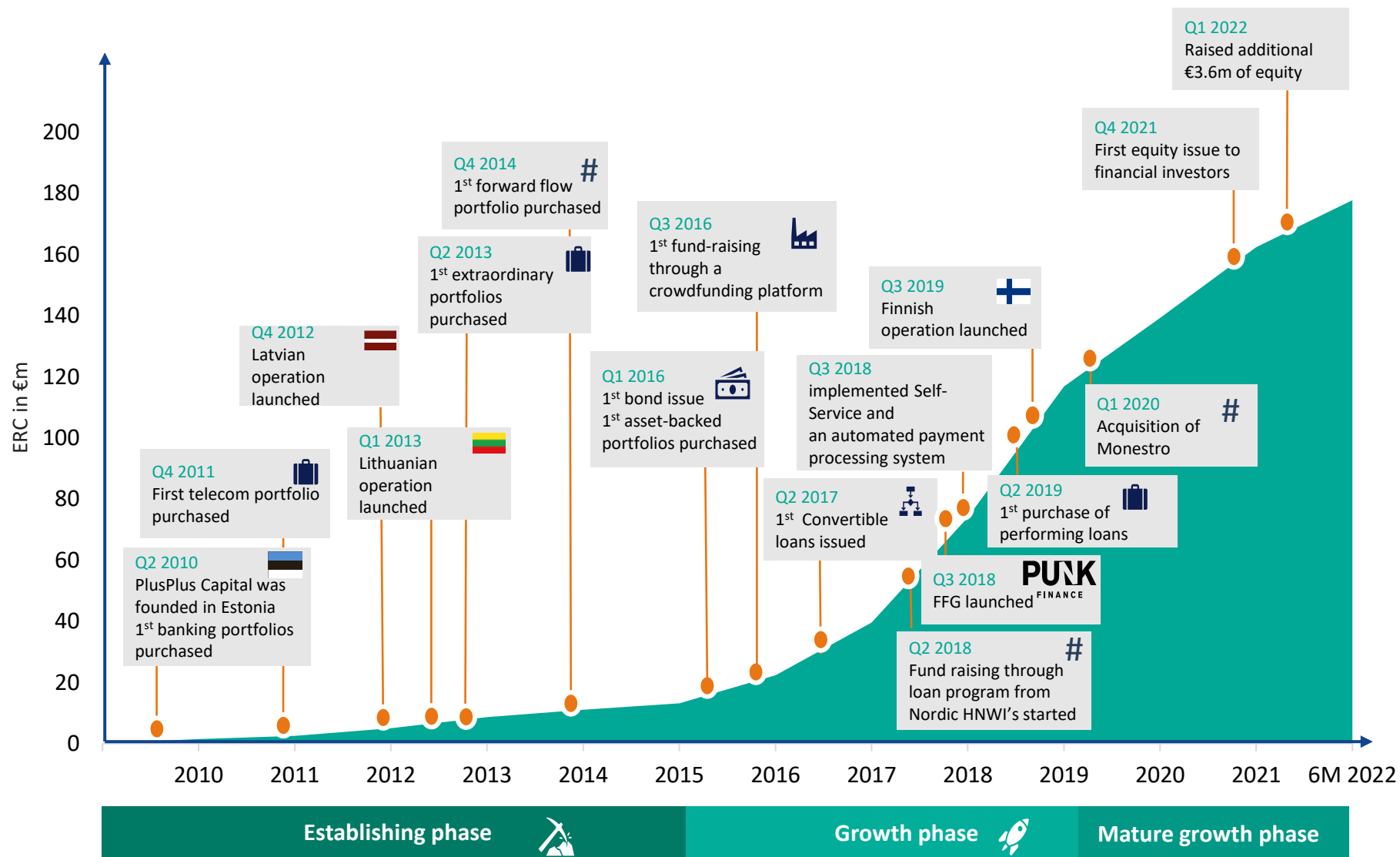
We add value through restructuring non-performing receivables into working financial products.

**Social responsibility**

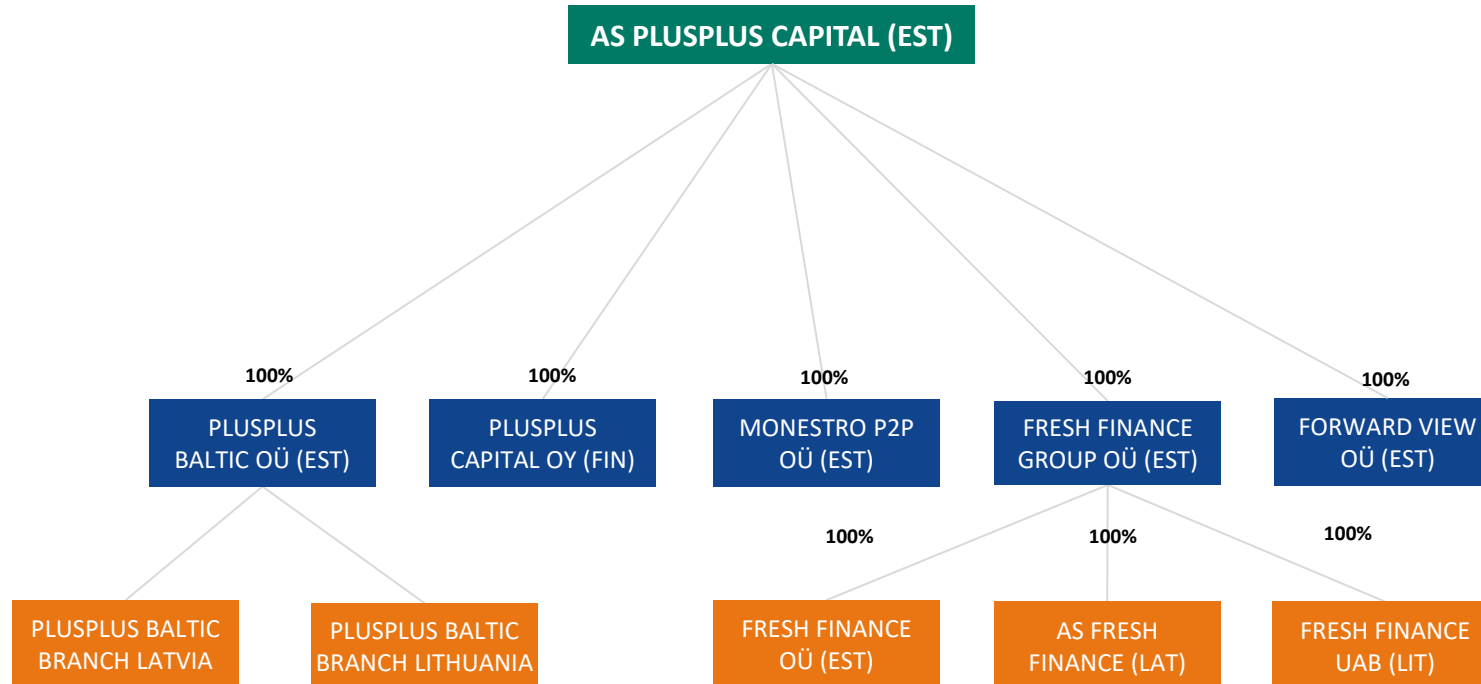


PlusPlus Capital's solutions are affordable, and we treat clients in a dignified and discreet manner.

# Timeline



# Legal structure



- PlusPlus Capital is a receivables management company focusing on acquiring, restructuring and managing receivables' portfolios.
- PlusPlus Baltic is an operating company for part of the receivables' portfolios.
- Fresh Finance Group's subsidiaries are licensed credit providers.
- Monestro is a P2P platform active in European Economic Area.
- Forward View provides IT services for group companies.

# Glossary

<b>Amortized cost</b>	Accounting methodology, where financial assets are recognized at their acquisition cost adjusted by discounts or premiums minus their principal repayments	<b>IRR</b>	Internal rate of return
<b>Cash EBITDA</b>	Cash and cash equivalents generated within the relevant period minus the consolidated operating expenses for the Group.	<b>ISCR</b>	Interest service coverage ratio, which is the ratio of Cash EBITDA to net finance charges.
<b>Claim</b>	Legal right to receive payments from debtor based on agreed-upon contractual relationship	<b>MOIC</b>	Multiple of invested capital, which is calculated as gross return divided by investment (see also GMM)
<b>CRM</b>	Client relationship system	<b>Net debt</b>	Interest bearing debts less cash
<b>EBITDA</b>	Operating profit plus depreciation and amortization, non-recurring costs and exceptional items, and portfolio fair value adjustments (where applicable)	<b>LTV</b>	Loan to value, calculated as outstanding loan balance divided by value of relevant assets
<b>ERC</b>	Estimated remaining collections	<b>NPL</b>	Non-performing loans
<b>ESG</b>	Environmental, social and governance framework	<b>One-off (portfolio)</b>	Single commitment for acquisition of a debt receivable portfolio
<b>Forward-flow (portfolio)</b>	Commitment for periodical acquisition of receivables portfolios with pre-agreed specific terms	<b>OPEX</b>	Operating expenses (direct, administrative and payroll expense)
<b>GMM</b>	Gross money multiple, which is calculated as total collections divided by purchase price of a portfolio (see also MOIC)	<b>Portfolio</b>	A set of claims acquired in one transaction
<b>IFRS</b>	International financial reporting standards	<b>Replacement cost</b>	Investment amount needed to maintain ERC at the level of the beginning of the period
<b>Invested Capital</b>	Purchase cost of an acquired debt portfolio	<b>Self-service</b>	Receivables management IT solution, where clients can manage their relations with the company
		<b>Special (portfolio)</b>	A one-off commitment for acquisition of a receivable portfolio originating from irregular circumstances
		<b>Standard (portfolio)</b>	Forward-flow and regular one-off portfolios
		<b>Tender</b>	Sales process of portfolios, usually arranged as an auction





**PLUS & PLUS**  
CAPITAL

Address: Tartu mnt 83, 10115 Tallinn

Estonia Phone: (+372) 622 4020

E-mail: [info@pluspluscapital.eu](mailto:info@pluspluscapital.eu)

Web: [www.PlusPlusCapital.eu](http://www.PlusPlusCapital.eu)