

# PLUSPLUS CAPITAL Interim Report Q1 2019

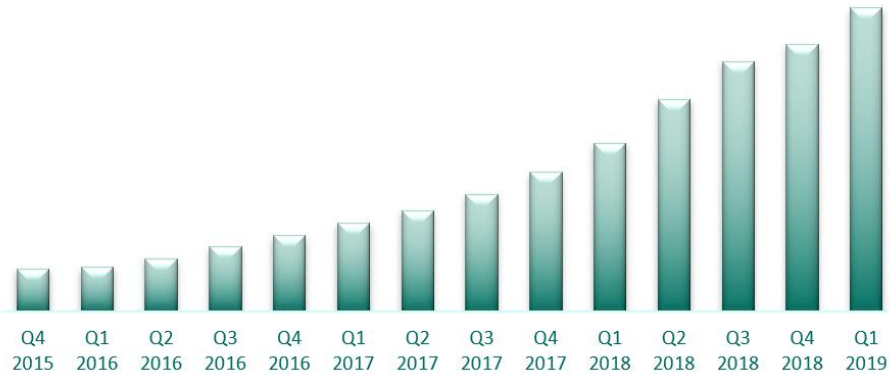
30.04.2019

Q1 2019

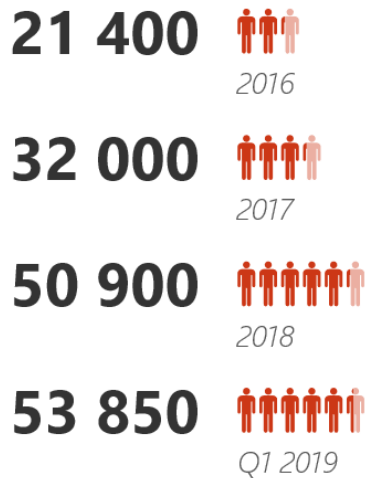


# PlusPlus Capital key numbers

ERC as of end Q1 2019 was 84.1 mEUR  
Quarter-end ERC 2015-2019



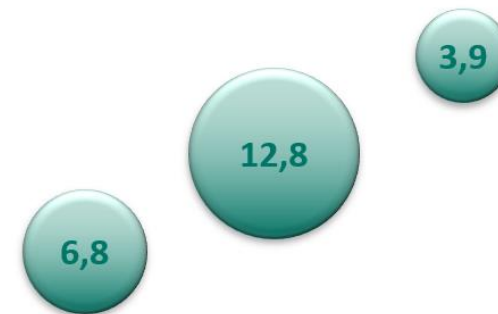
53.9 thousand claims as of end Q1 2019



Total assets 2017, 2018, Q1 2019, mEUR



Total revenue 2017, 2018, Q1 2019, mEUR

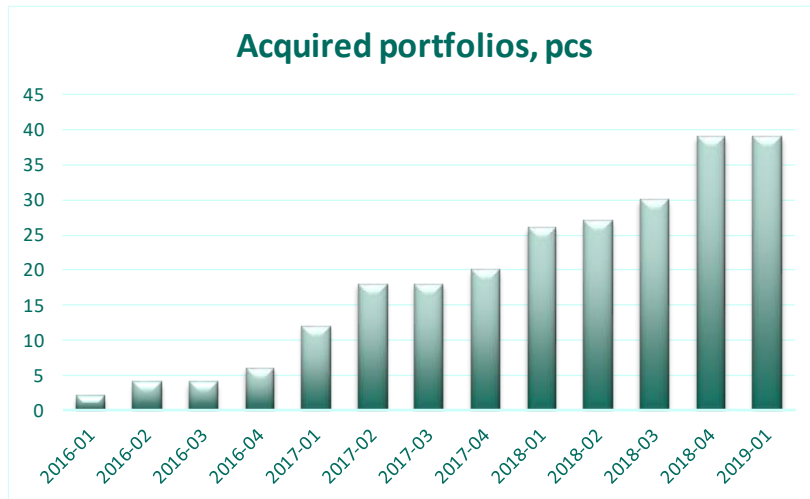


# ACTIVITY REPORT FOR 1st QUARTER 2019

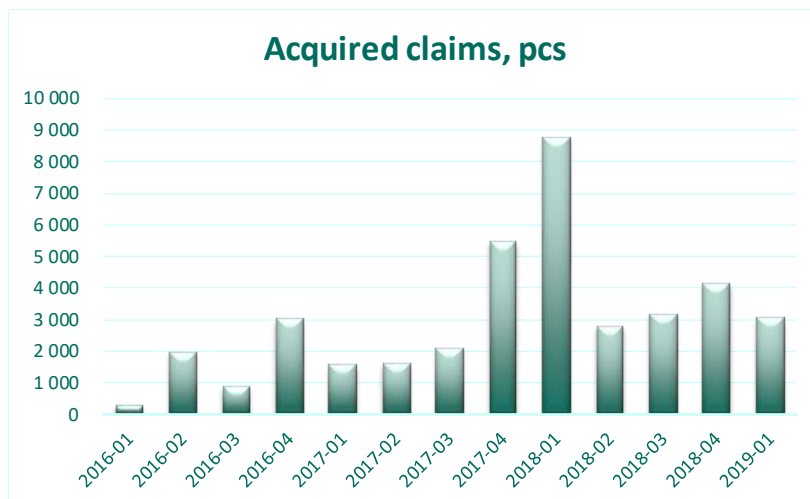


# Acquisition of new portfolios in Q1 2019

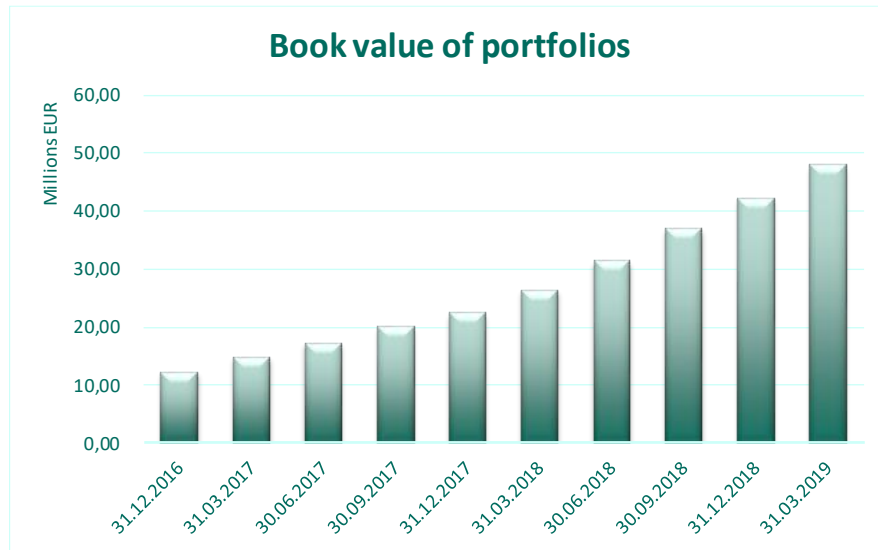
Continuing the increased activity in Baltic NPL markets since year-end 2018, PlusPlus purchased during Q1 2019 in total 39 portfolios, same number of portfolios was acquired during the three-month period from October to December 2018.



The number of single claims in portfolios acquired by PlusPlus was over 3 thousand during Q1 2019.



# Investments in portfolios

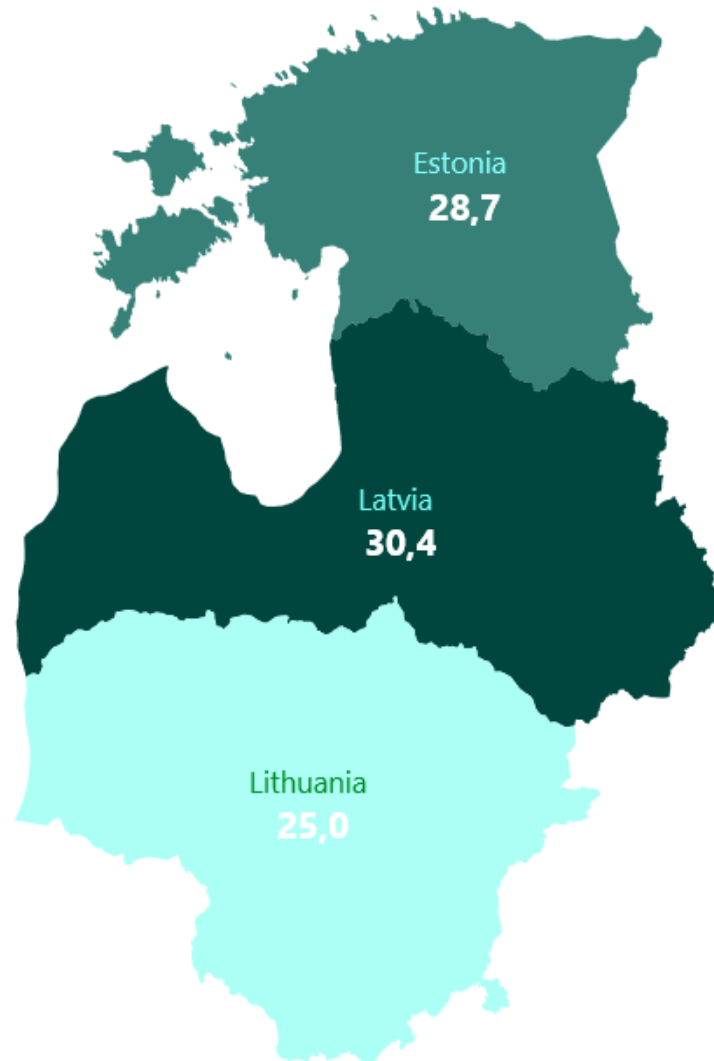


By the end of Q1 2019 PlusPlus has acquired 135 portfolios over 12-months period (LTM). Over full year 2018 PlusPlus has purchased 122 portfolios.

Portfolios acquired in Q1 2019 by markets were as follows: 16 in Estonia, 6 in Latvia, and 16 in Lithuania.

Total book value of portfolios amounted to 47.9 mEUR at end Q1 2019.

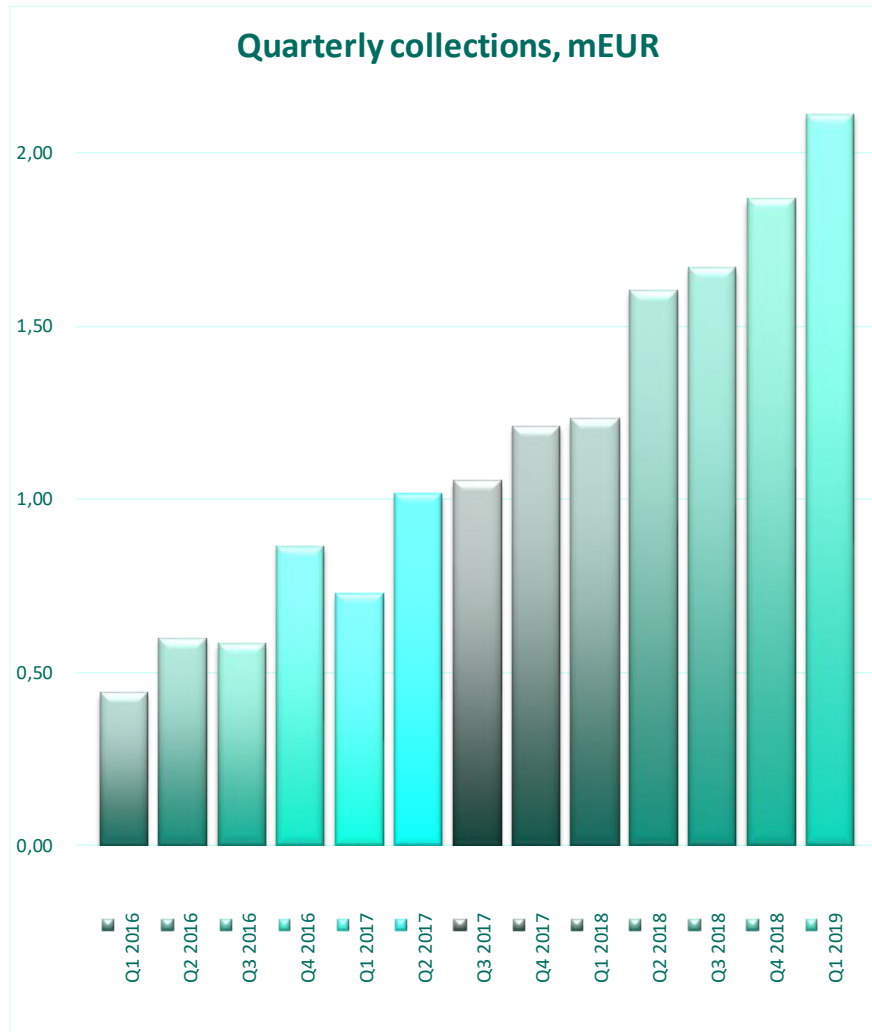
## ERC at end of 1st quarter 2019



Expected remaining collections (ERC) target as at end of Q1 2019 amounted to EUR 84.1 million including 28.7 in Estonia, 30.4 in Latvia and 25.0 in Lithuania.

PPC holds equally strong market positions in all three countries.

# Quarterly collections 2016 – 2019



In Q1 2019, PlusPlus collected 2.1 million euro from clients. That's the best result in company's history and represents a 72% increase compared to Q1 2018.

LTM (last twelve months) collections by end of Q1 2019 comprised 7.2 million euro compared with 4.5 million by end of Q1 2018 (increase 61% year on year). Money-multiple dynamics is consistent over vintages.

## Operations and activities in Q1 2019

In beginning of 2019 PlusPlus is efficient and well prepared for actively increasing market, benefiting from strategical activities performed during previous quarters to develop core business, implement new tools, and strengthen the group structure.

Focusing on quality and favoured by the continuing strong supply on the market, during Q1 2019 PlusPlus set new record in cash inflow from the portfolios – the quarterly collections are exceeding 2 mEUR since Q1 2019.

During Q1 2019 PlusPlus had strong financial position and increased its remarkable market share on all home markets in Baltics – Estonia, Latvia and Lithuania. Continuously investments are made in development of technologies and professional team to support efficiency and growth-strategy.

Considering the increases in financial sector in Baltics, both by volumes and new creditors entering the market, PlusPlus expects active trading on NPL-market in the Baltics to continue.

PlusPlus looks forward to grow purchasing volume, improve efficiency and secure its market position in order to increase equity value and generate agreed upon returns for the investors.



# FINANCIAL INFORMATION FOR 1st QUARTER 2019



# Balance sheet statement for Q1 2019

PlusPlus Capital Group consolidated financial statements (EUR): Balance sheet	31.03.2019*	31.12.2018	31.03.2018	31.12.2017
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	2 096 581	2 048 120	1 865 123	1 874 442
Intangible assets	385 773	284 222	142 587	127 597
Investments	540 000	540 000	0	0
Acquired debt receivable portfolios	39 032 040	34 360 227	20 401 837	17 455 838
Trade and other receivables	194 538	45 000	45 000	45 000
<b>Total non-current assets</b>	<b>42 248 932</b>	<b>37 277 569</b>	<b>22 454 547</b>	<b>19 502 877</b>
<b>Current assets</b>				
Acquired debt receivable portfolios	8 848 510	7 817 303	5 944 204	4 926 617
Trade and other receivables	1 452 150	1 040 089	595 707	715 981
Cash and cash equivalents	1 655 837	6 503 465	1 231 441	1 356 865
<b>Total current assets</b>	<b>11 956 497</b>	<b>15 360 857</b>	<b>7 771 352</b>	<b>6 999 463</b>
<b>TOTAL ASSETS</b>	<b>54 205 429</b>	<b>52 638 426</b>	<b>30 225 899</b>	<b>26 502 340</b>
<b>EQUITY AND LIABILITIES</b>				
Share capital	1 000 000	1 000 000	1 000 000	1 000 000
Statutory legal reserve	100 000	100 000	100 000	100 000
Subordinated convertible loans	1 284 589	1 284 589	906 037	906 037
Retained earnings	9 483 931	8 350 220	4 544 472	4 505 413
<b>TOTAL EQUITY</b>	<b>11 868 520</b>	<b>10 734 809</b>	<b>6 550 509</b>	<b>6 511 450</b>
<b>Non-current liabilities</b>				
Subordinated convertible loans	5 064 319	5 002 597	3 277 915	3 247 665
Interest-bearing loans and borrowings	27 939 444	26 527 789	17 207 131	12 893 481
<b>Total non-current liabilities</b>	<b>33 003 763</b>	<b>31 530 386</b>	<b>20 485 046</b>	<b>16 141 146</b>
<b>Current liabilities</b>				
Trade and other payables	969 490	781 897	670 615	613 515
Interest-bearing loans and borrowings	8 363 656	9 591 334	2 519 729	3 236 229
<b>Total current liabilities</b>	<b>9 333 146</b>	<b>10 373 231</b>	<b>3 190 344</b>	<b>3 849 744</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>54 205 429</b>	<b>52 638 426</b>	<b>30 225 899</b>	<b>26 502 340</b>

\*Preliminary data as at 31.03.2019 (unaudited)

# Profit&loss statement for Q1 2019

PlusPlus Capital Group consolidated financial statements (EUR): Profit & loss	Q1 2019*	2018	Q1 2018	2017
Operating revenue	3 950 526	12 750 716	1 790 660	6 782 750
Other revenue	0	9 405	0	2 045
Operating expenses	799 273	2 387 614	451 383	1 639 337
Salary expense	738 467	2 230 701	466 214	1 406 764
Depreciation and amortisation	85 469	255 608	58 055	236 573
Other expenses	1 694	1 265	0	1 433
<b>Operating profit</b>	<b>2 325 623</b>	<b>7 884 933</b>	<b>815 008</b>	<b>3 500 688</b>
Finance income	145 569	24 303	4 986	10 164
Finance expense	1 337 481	4 064 429	780 935	2 599 833
<b>Profit before income tax</b>	<b>1 133 711</b>	<b>3 844 807</b>	<b>39 059</b>	<b>911 019</b>
<b>Net profit for the year</b>	<b>1 133 711</b>	<b>3 844 807</b>	<b>39 059</b>	<b>911 019</b>
<b>Total comprehensive income</b>	<b>1 133 711</b>	<b>3 844 807</b>	<b>39 059</b>	<b>911 019</b>

\*Preliminary data as at 31.03.2019 (unaudited)

# Cash flow statement for Q1 2019

PlusPlus Capital Group consolidated financial statements (EUR): Cash flows	Q1 2019*	2018	Q1 2018	2017
<b>Cash flows from operating activities</b>				
Profit before income tax	1 133 711	3 844 807	39 059	911 019
<b>Adjustments for non-cash items:</b>				
Depreciation and amortisation	85 469	255 608	58 055	236 573
Other adjustments		0	0	-37 346
<b>Changes in working capital:</b>				
Change in trade and other receivables	-500 589	-348 809	-29 717	-275 902
Change in trade and other payables	121 445	-674 914	41 982	85 838
Change in acquired debt receivable portfolios	-5 703 020	-19 795 075	-3 963 586	-10 104 345
<b>Other adjustments:</b>				
Interest expense	1 270 163	4 045 532	771 678	2 588 263
Other financial income and expense	4 895	5 406	4 986	6 306
Interests income	0	398	10	98
<b>Net cash generated from operating activities</b>	<b>-3 587 926</b>	<b>-12 667 047</b>	<b>-3 077 533</b>	<b>-6 589 496</b>
<b>Cash flows from investing activities</b>				
Acquisition of tangible and intangible assets	-235 417	-347 173	-109 728	-1 625 278
Acquisition of other investments	0	-540 000	0	0
<b>Net cash used in investing activities</b>	<b>-235 417</b>	<b>-887 173</b>	<b>-109 728</b>	<b>-1 625 278</b>
<b>Cash flows from financing activities</b>				
Loans received and bonds issued	1 885 000	27 918 987	4 417 800	10 832 000
Repayments of loans received and bonds issued	-1 826 107	-7 652 257	-631 734	-4 202 260
Repayments of financial lease liabilities	-10 437	-63 743	-20 345	-71 941
Proceeds from subordinated loans	0	2 000 000	0	4 000 000
Interests paid	-1 072 741	-3 502 167	-703 884	-1 629 643
<b>Net cash used in financing activities</b>	<b>-1 024 285</b>	<b>18 700 820</b>	<b>3 061 837</b>	<b>8 928 156</b>
<b>Net increase in cash and cash equivalents</b>	<b>-4 847 628</b>	<b>5 146 600</b>	<b>-125 424</b>	<b>713 382</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>6 503 465</b>	<b>1 356 865</b>	<b>1 356 865</b>	<b>643 483</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>1 655 837</b>	<b>6 503 465</b>	<b>1 231 441</b>	<b>1 356 865</b>

\*Preliminary data as at 31.03.2019 (unaudited)

# Declaration of the management board

The financial and other additional information published in the Interim Report of PlusPlus Capital group for the first quarter 2019 is true and complete. The consolidated main financial statements give a true and fair view of the actual financial position, results of operations and cash flows of the group.

PlusPlus Capital group has prepared its annual accounts since financial year 2017 in accordance with the International Financial Reporting Standards as adopted by the EU (IFRS EU). The Interim Report for the first quarter 2019 comprises retrospective adjustments due to implementation of IFRS 16 in force since 1 January 2019. The consolidated annual accounts of PlusPlus Group for 2018 based on the IFRS EU were audited by 10 April 2019 and are published at the same time with the current Interim Report.

The consolidated financial statements accompanying the report for the period from January to March 2019 (and other additional information) are not audited as at interim reporting date. The financial information in Interim Report is prepared based on the International Financial Reporting Standards as adopted by the EU (IFRS EU).



Mirje Trumsi

Aktsiaselts PlusPlus Capital, Member of the Management Board

Tallinn, 30 April 2019

# Aktsiaselts PlusPlus 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)