



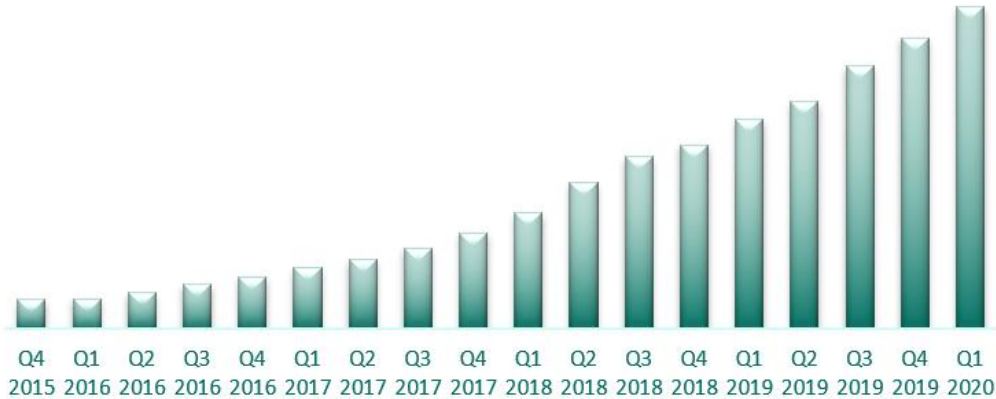
# PLUSPLUS CAPITAL Interim Report Q1 2020

30.04.2020

Q1 2020

# PlusPlus Capital key numbers

ERC as at end Q1 2020 was 129.2 mEUR



Total assets 2018, 2019, Q1 2020, mEUR



88.2 thousand claims as at end Q1 2020

32 000   
2017

50 900   
2018

84 500   
2019

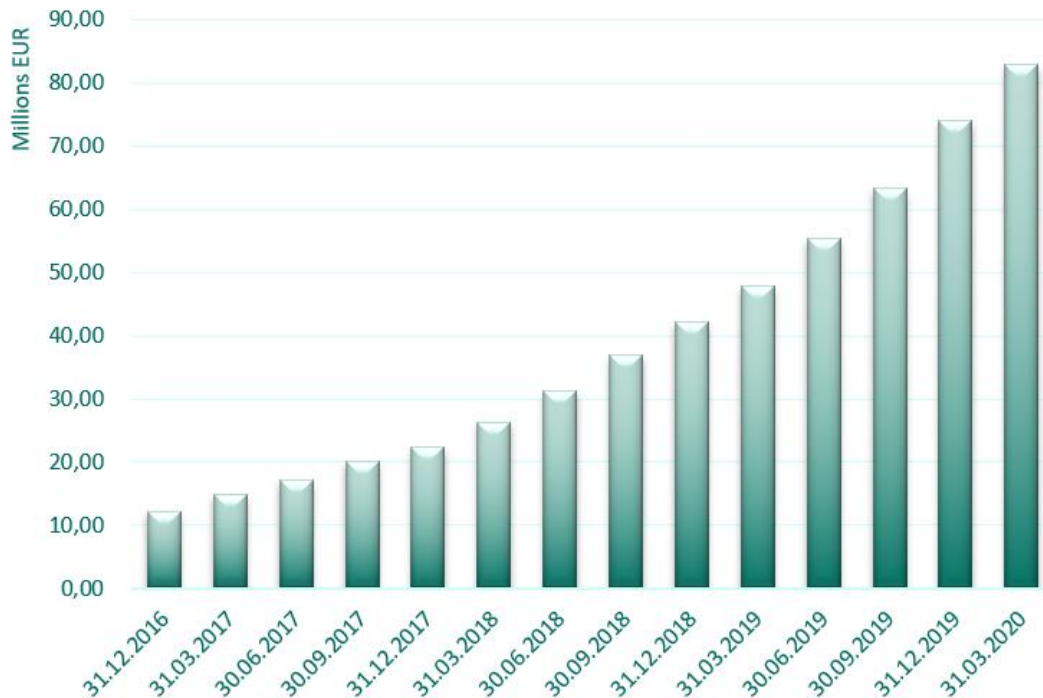
88 200   
Q1 2020

Total revenue 2018, 2019, Q1 2020, mEUR



# Investments remain strong

**Book value of portfolios**



In Q1 2020 NPL markets in the Baltics witnessed continually strong supply.

In Q1 2020, 13 portfolios were purchased in Estonia, 6 in Latvia and 9 in Lithuania.

In 2019 PlusPlus acquired 153 fresh portfolios as opposed to 122 portfolios in 2018.

Total book value of portfolios amounted to 82.9 mEUR as at March 31<sup>st</sup>, 2020.

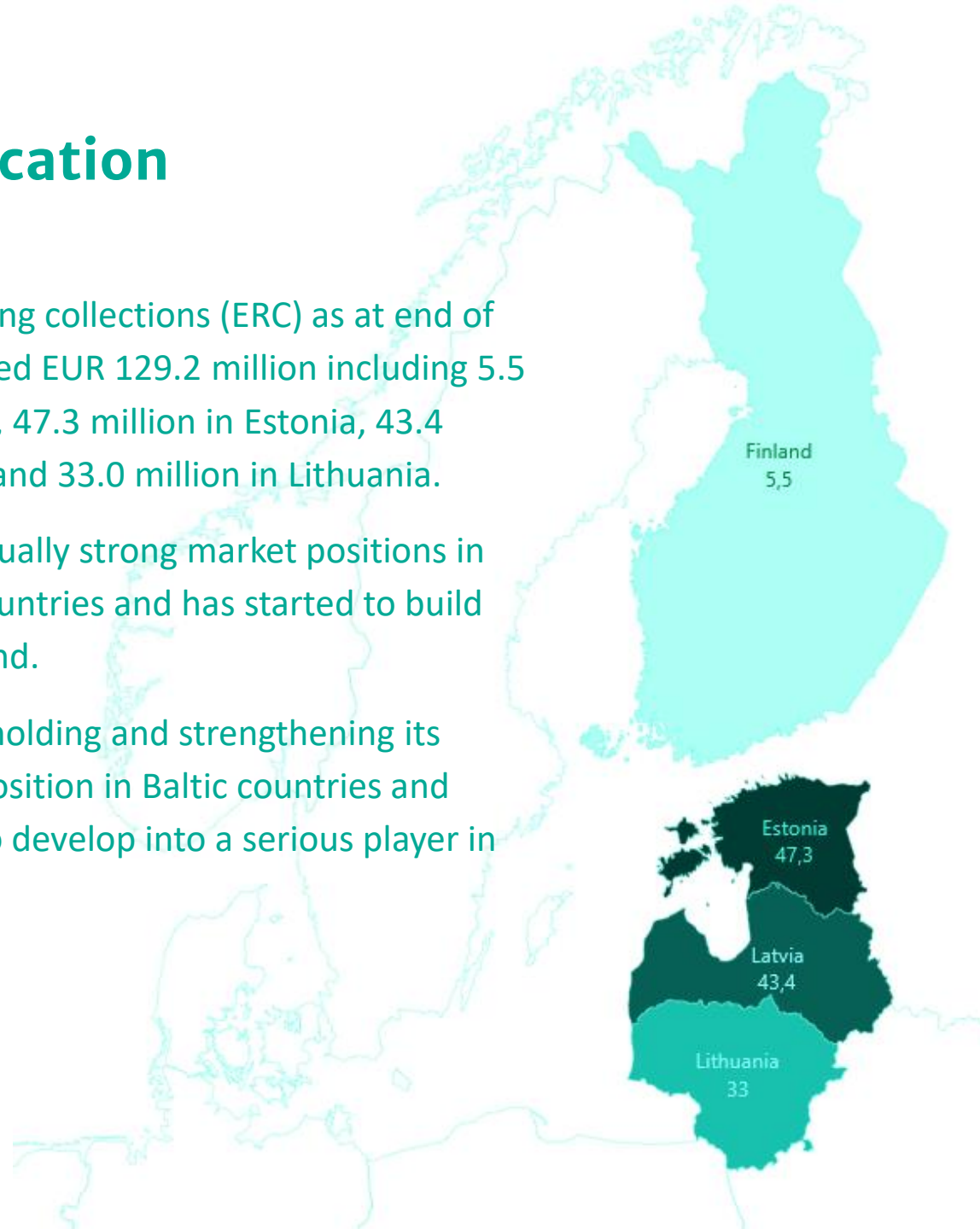


# Asset allocation

Expected remaining collections (ERC) as at end of Q1 2020 comprised EUR 129.2 million including 5.5 million in Finland, 47.3 million in Estonia, 43.4 million in Latvia and 33.0 million in Lithuania.

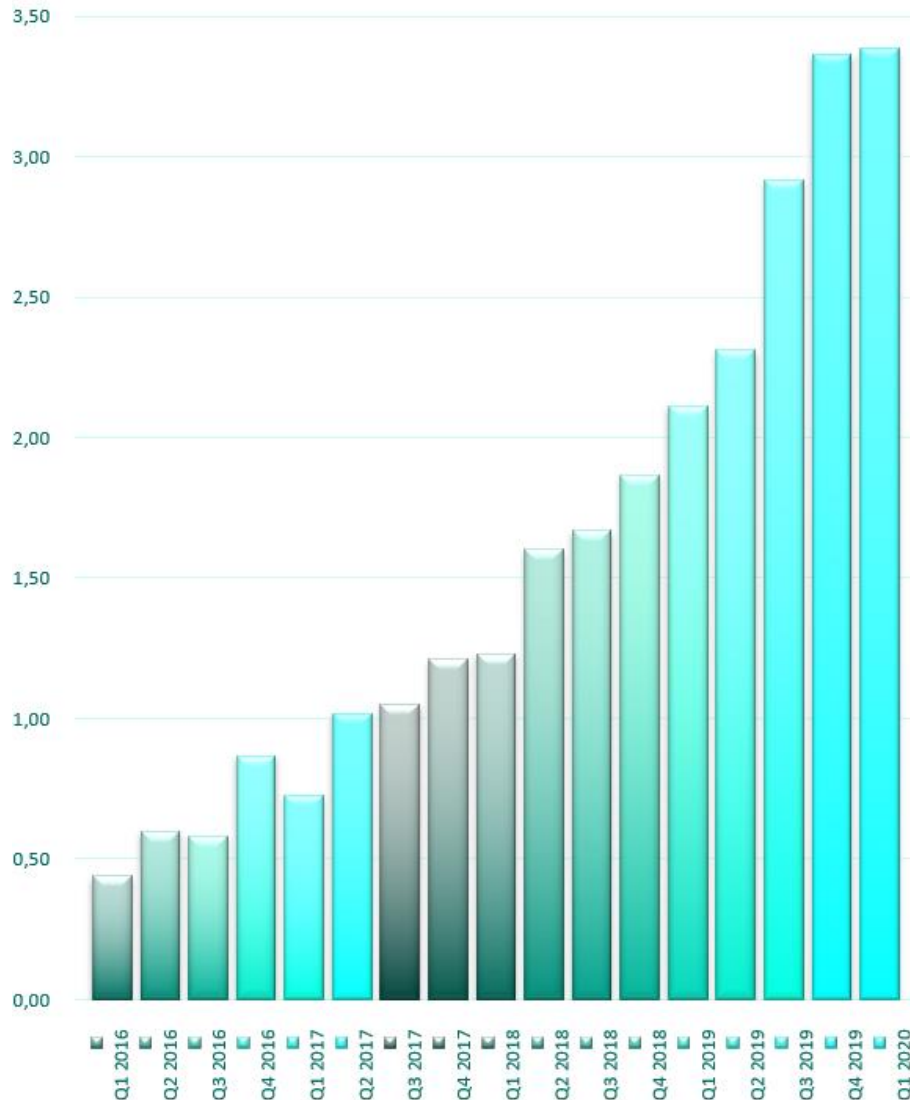
PlusPlus holds equally strong market positions in all three Baltic countries and has started to build presence in Finland.

PlusPlus aims at holding and strengthening its leading market position in Baltic countries and building a base to develop into a serious player in Finland.



# Quarterly collections 2016 – 2020

Quarterly collections, mEUR



In Q1 2020, PlusPlus collected another all-time high of 3.4 million euro that represents 60% increase compared with Q1 2019.

LTM incoming cash flow from portfolios comprised 11.9 million representing a 65% growth compared to 7.3 million euro over the twelve months from April 2018 through March 2019.

2019 collection exceeded budgeted amount by 3% which, alongside with cash-flow based KPI-s signals that PlusPlus has entered mature phase of its lifecycle characterized by balanced focus on further expansion and routine portfolio administration.

Meanwhile, MOIC and IRR dynamics have remained consistent over the last four years that also signals maturing of the market and consolidation of PlusPlus’s seasoned player position.

## Operations and activities in Q1 2020 (1 of 2)

Year 2020 began with strong NPL portfolio supply and solid portfolio management performance. PlusPlus continued investing into purchasing new portfolios according to the budget and carried out routine portfolio management activities in line with corporate strategy focusing on creation of assets combined with growing and preserving client base.

During the quarter, PlusPlus finalized the acquisition of a credit intermediary company active in Estonia and Finland in order to support group's long-term strategy to upgrade clients' credit status and offer them wider range of financial services.

Since mid-March global economy has been suffering from the outbreak of coronavirus and measures taken by authorities to limit its spreading. Portfolio management industry is integral part of economy and open to risks that affect private individuals' wellbeing, notably their regular income.

PlusPlus has remained fully operational across of the crisis. Company prioritizes personnel's safety and since outbreak of the virus employees have been encouraged to work out of their home offices. As PlusPlus applies IT-driven digital operating model, working from distance has had no negative effect on operations. Instead, several KPI-s addressing individual performance have improved since mid-March.

## Operations and activities in Q1 2020 (2 of 2)

In short term collection amounts are expected to decline. To date, as at end of April PlusPlus portfolios have sustained turmoil well and in April COVID19 has effectively had nearly no impact on collection results. It demonstrates strength of company's principle to structure affordable payment schedules that endure both upward and downward trends in economy.

PlusPlus stays committed to its' strategy and will offer flexible restructuring options for clients who need relief. As a result, the temporary contraction in collection will be more than offset by longer schedules and better returns over the rest of the life of existing agreements.

Even though consensual view sees that the pandemic has started decline and countries have cautiously begun to lift restrictions and open economies, the visibility is still low, new setbacks are not impossible and it is too early to estimate total impact of COVID19 on portfolio management industry. PlusPlus believes that over the next three to six months collection figures may decline before recovery after opening of economies.

PlusPlus continues to carefully monitor developments and remains prepared to swiftly react to both positive and negative developments in the market

# FINANCIAL INFORMATION FOR 1th QUARTER 2020





# Balance sheet statement for Q1 2020 and comparable info

PlusPlus Capital Group consolidated financial statements (EUR): Balance sheet	31.03.2020*	31.12.2019	31.03.2019	31.12.2018	31.12.2017
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	1 851 009	1 897 444	2 096 581	1 695 225	1 742 734
Intangible assets	1 396 701	895 161	385 773	284 222	127 597
Investments	0	213 093	540 000	540 000	0
Acquired debt receivable portfolios	68 341 139	58 478 967	39 032 040	34 360 227	17 455 838
Trade and other receivables	2 953 870	2 718 539	194 538	45 000	45 000
<b>Total non-current assets</b>	<b>74 542 719</b>	<b>64 203 204</b>	<b>42 248 932</b>	<b>36 924 674</b>	<b>19 371 169</b>
<b>Current assets</b>					
Acquired debt receivable portfolios	14 541 338	15 554 488	8 848 510	7 817 303	4 926 617
Trade and other receivables	2 612 746	1 941 293	1 452 150	1 040 089	715 981
Cash and cash equivalents	913 492	706 899	1 655 837	6 503 465	1 356 865
<b>Total current assets</b>	<b>18 067 576</b>	<b>18 202 680</b>	<b>11 956 497</b>	<b>15 360 857</b>	<b>6 999 463</b>
<b>TOTAL ASSETS</b>	<b>92 610 295</b>	<b>82 405 884</b>	<b>54 205 429</b>	<b>52 285 531</b>	<b>26 370 632</b>
<b>EQUITY AND LIABILITIES</b>					
Share capital	1 000 000	1 000 000	1 000 000	1 000 000	1 000 000
Statutory legal reserve	100 000	100 000	100 000	100 000	100 000
Subordinated convertible loans	1 342 318	1 342 318	1 284 589	1 284 589	906 037
Retained earnings	21 607 510	17 659 216	9 483 931	8 350 220	4 505 413
<b>TOTAL EQUITY</b>	<b>24 049 828</b>	<b>20 101 534</b>	<b>11 868 520</b>	<b>10 734 809</b>	<b>6 511 450</b>
<b>Non-current liabilities</b>					
Subordinated convertible loans	5 607 535	5 530 337	5 064 319	5 002 597	3 247 665
Interest-bearing loans and borrowings	34 180 962	28 187 685	27 939 444	26 251 090	12 797 229
<b>Total non-current liabilities</b>	<b>39 788 497</b>	<b>33 718 022</b>	<b>33 003 763</b>	<b>31 253 687</b>	<b>16 044 894</b>
<b>Current liabilities</b>					
Trade and other payables	2 198 725	1 263 015	969 490	781 897	613 515
Interest-bearing loans and borrowings	26 573 245	27 323 313	8 363 656	9 515 138	3 200 773
<b>Total current liabilities</b>	<b>28 771 970</b>	<b>28 586 328</b>	<b>9 333 146</b>	<b>10 297 035</b>	<b>3 814 288</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>92 610 295</b>	<b>82 405 884</b>	<b>54 205 429</b>	<b>52 285 531</b>	<b>26 370 632</b>

\*Preliminary data as at 31.03.2020 (unaudited)

# Profit&loss statement for Q1 2020 and comparable info

PlusPlus Capital Group consolidated financial statements (EUR): Profit & loss	Q1 2020	2019	Q1 2019	2018	2017
Operating revenue	8 076 079	24 191 893	3 950 526	12 750 716	6 782 750
Other revenue	0	3 337	0	9 405	2 045
Operating expenses	970 172	3 834 241	799 273	2 380 326	1 699 574
Salary expense	941 728	3 725 340	738 467	2 230 701	1 406 764
Depreciation and amortisation	134 508	408 485	85 469	238 057	184 048
Other expenses	0	2 329	1 694	1 265	1 433
<b>Operating profit</b>	<b>6 029 671</b>	<b>16 224 835</b>	<b>2 325 623</b>	<b>7 909 772</b>	<b>3 492 976</b>
Finance income	3 812	773	145 569	24 303	10 164
Finance expense	2 196 309	6 790 700	1 337 481	4 089 268	2 592 121
<b>Profit before income tax</b>	<b>3 837 174</b>	<b>9 434 908</b>	<b>1 133 711</b>	<b>3 844 807</b>	<b>911 019</b>
Income tax	0	25 912	0	0	0
<b>Net profit</b>	<b>3 837 174</b>	<b>9 408 996</b>	<b>1 133 711</b>	<b>3 844 807</b>	<b>911 019</b>
<b>Total comprehensive income</b>	<b>3 837 174</b>	<b>9 408 996</b>	<b>1 133 711</b>	<b>3 844 807</b>	<b>911 019</b>

\*Preliminary data as at 31.03.2020 (unaudited)

# Cash flow statement for Q1 2020 and comparable info

PlusPlus Capital Group consolidated financial statements (EUR): Cash flows	Q1 2020*	2019	Q1 2019	2018	2017
<b>Cash flows from operating activities</b>					
Profit before income tax	3 837 174	9 434 908	1 133 711	3 844 807	911 019
<b>Adjustments for non-cash items:</b>					
Depreciation and amortisation	134 508	408 485	85 469	238 057	184 048
Other adjustments	0	0	0	0	-37 346
<b>Changes in working capital:</b>					
Change in trade and other receivables	-278 424	-183 676	-500 589	-348 809	-275 902
Change in trade and other payables	-1 113 217	-992 894	121 445	-618 101	138 363
Change in acquired debt receivable portfolios and loan portfolios	-8 849 022	-35 618 626	-5 703 020	-19 795 075	-10 104 345
<b>Other adjustments:</b>					
Interest expense	1 714 644	6 790 523	1 270 163	4 032 357	2 588 263
Other financial income and expense	336 181	-238	4 895	-33 856	6 306
Interests income	8	284	0	398	98
<b>Net cash generated from operating activities</b>	<b>-4 218 148</b>	<b>-20 161 234</b>	<b>-3 587 926</b>	<b>-12 680 222</b>	<b>-6 589 496</b>
<b>Cash flows from investing activities</b>					
Acquisition of tangible and intangible assets	-115 326	-538 212	-235 417	-347 173	-1 625 278
Acquisition of other investments	0	-205 387	0	-540 000	0
<b>Net cash used in investing activities</b>	<b>-115 326</b>	<b>-743 599</b>	<b>-235 417</b>	<b>-887 173</b>	<b>-1 625 278</b>
<b>Cash flows from financing activities</b>					
Loans received and bonds issued	5 831 300	26 763 600	1 885 000	27 918 987	10 832 000
Repayments of loans received and bonds issued	-435 816	-6 977 868	-1 826 107	-7 652 257	-4 202 260
Repayments of financial lease liabilities	-11 387	-43 431	-10 437	-63 743	-71 941
Proceeds from subordinated loans	0	305 000	0	2 000 000	4 000 000
Profit distributions	0	-100 000	0	0	0
Income tax paid	0	-25 912	0	0	0
Interests paid	-844 030	-4 813 122	-1 072 741	-3 488 992	-1 629 643
<b>Net cash used in financing activities</b>	<b>4 540 067</b>	<b>15 108 267</b>	<b>-1 024 285</b>	<b>18 713 995</b>	<b>8 928 156</b>
<b>Net increase in cash and cash equivalents</b>	<b>206 593</b>	<b>-5 796 566</b>	<b>-4 847 628</b>	<b>5 146 600</b>	<b>713 382</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>706 899</b>	<b>6 503 465</b>	<b>6 503 465</b>	<b>1 356 865</b>	<b>643 483</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>913 492</b>	<b>706 899</b>	<b>1 655 837</b>	<b>6 503 465</b>	<b>1 356 865</b>

\*Preliminary data as at 31.03.2020 (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 2020 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 consolidated annual accounts of PlusPlus Capital group for 2019 based on the IFRS EU were audited by 20 April 2020 and are published at our homepage.

The consolidated financial statements accompanying the report for the period from January to March 2020 (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 2020

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