



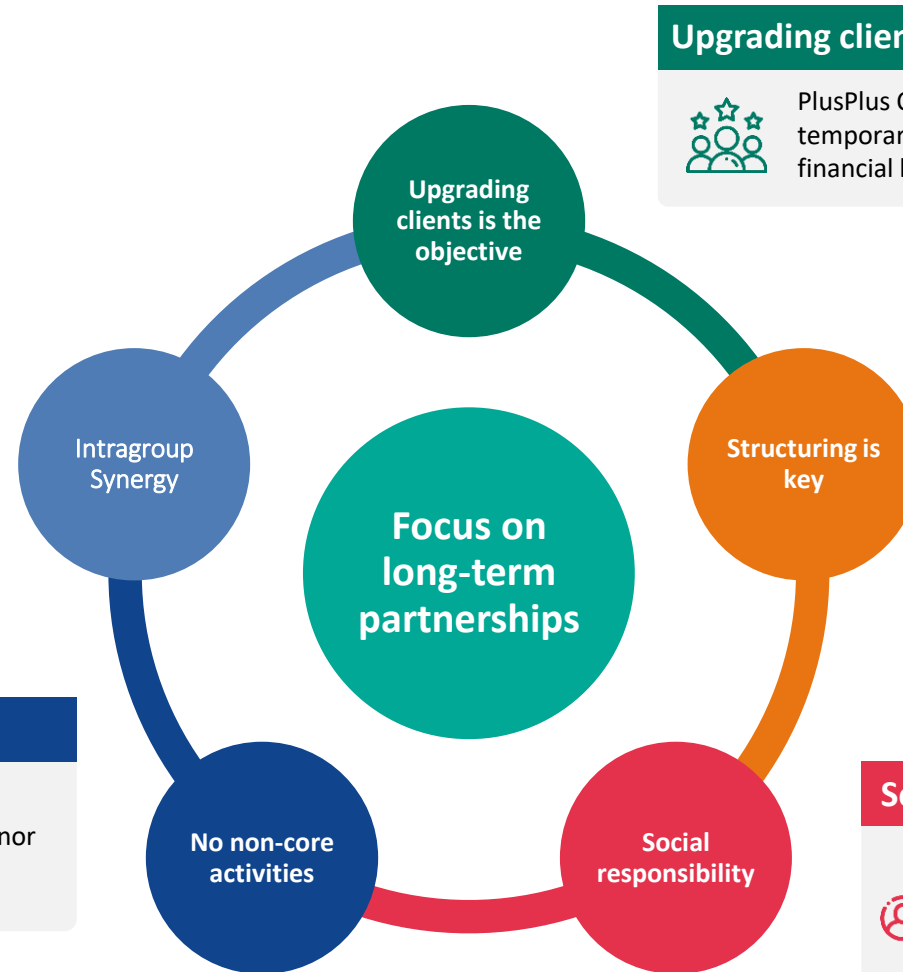
PLUSPLUS CAPITAL
Interim Report
Q2 2022

15 / 08 / 2022



PlusPlus Group **Mission and vision**

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



Upgrading clients is the objective



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

Intragroup Synergy



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

Structuring is key



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

No non-core activities



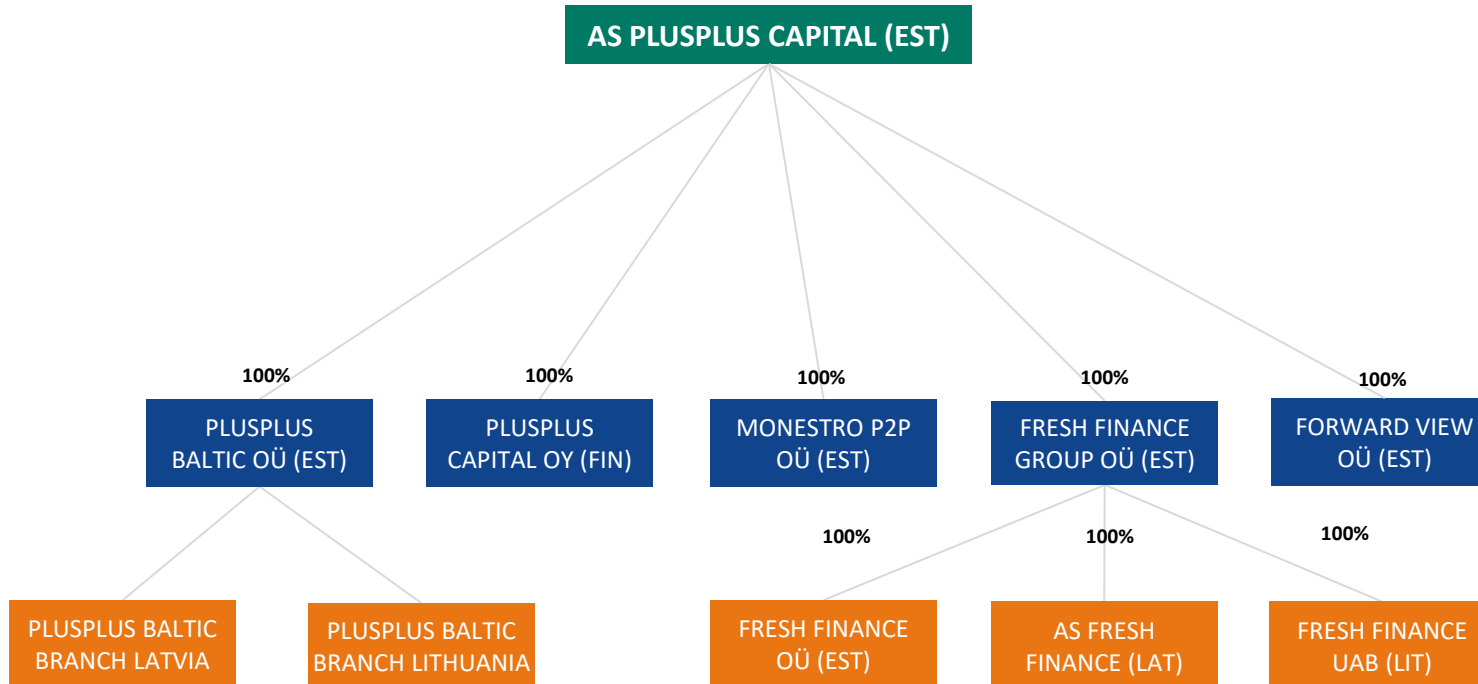
We focus solely on managing our own portfolios. We neither offer any services nor buy portfolio related services from third parties.

Social responsibility



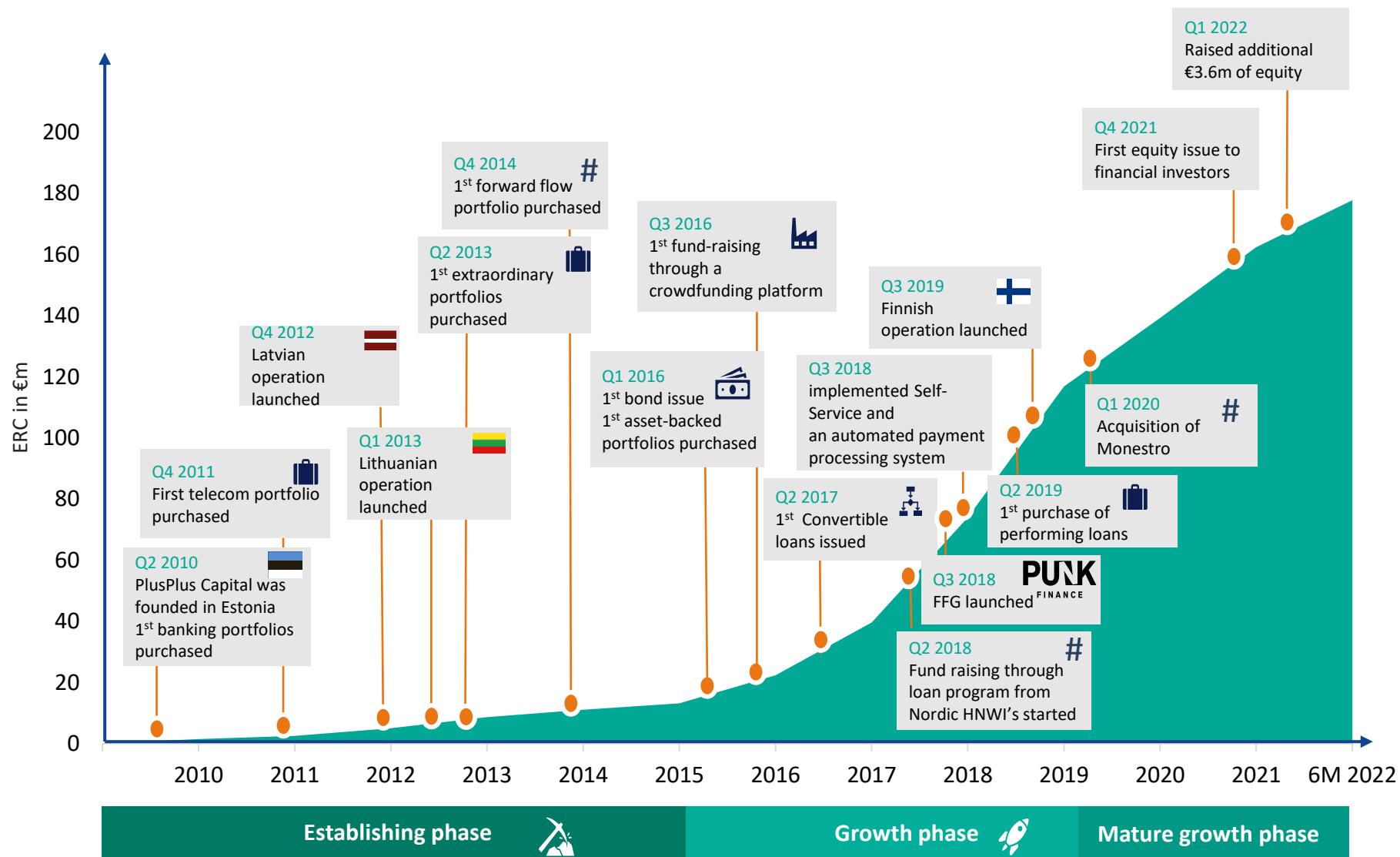
PlusPlus Capital's solutions are affordable, and we treat clients in a dignified and discreet manner.

PlusPlus Group 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.

PlusPlus Group Timeline



ACTIVITY REPORT FOR

2nd QUARTER 2022

PlusPlus Group activity report **Key numbers**

KEY NUMBERS in thousand euros	6M 2022*	2021	2020	2019	2018	2017
Portfolios (book value)**	117 639	106 283	90 765	74 033	42 178	22 382
Total assets	125 101	113 509	98 398	82 233	52 286	26 371
Owners' equity***	46 292	43 414	30 408	25 459	15 737	9 759
Operating revenue	10 197	26 548	22 034	24 195	12 760	6 785
EBITDA	7 306	17 421	14 535	16 633	8 148	3 677
ERC	177 829	162 402	139 245	116 805	73 885	39 587
Net profit	1 487	5 378	6 031	9 236	3 845	911

* preliminary data (unaudited)

** including portfolios in Fresh Finance since 2022 (mEUR 3.3 at 30.06.2022)

*** with subordinated convertible loans

ERC as at end of Q2 2022 was 178 mEUR



of claims handled since inception

50 900

2018



84 500

2019



92 100

2020



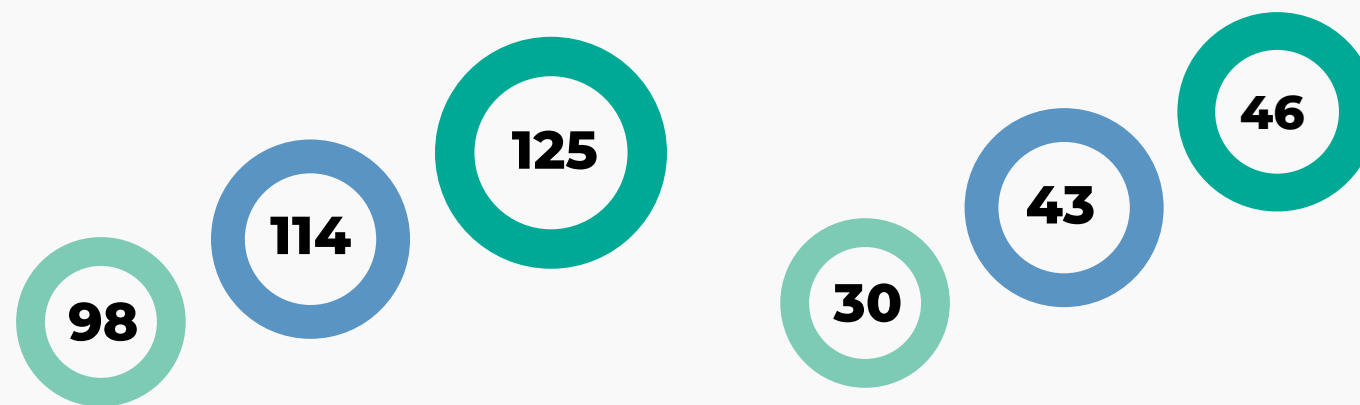
104 500

2021



112 300

6M 2022



Total assets 2020, 2021 & 6M 2022
(mEUR)

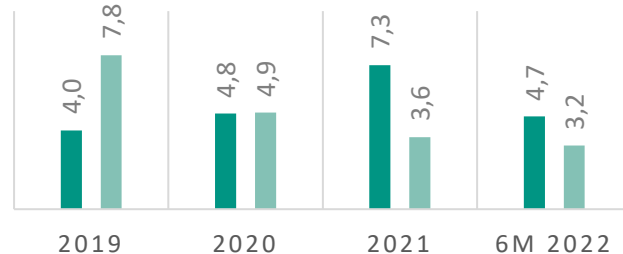
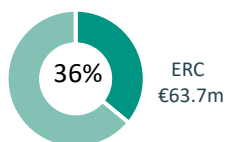
Total owners equity*** 2020, 2021 & 6M 2022
(mEUR)

PlusPlus Group activity report **Geographical focus**



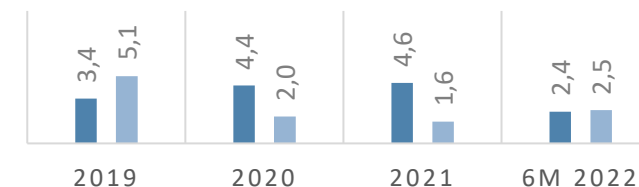
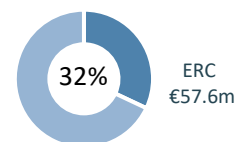
ESTONIA

Launched Q2 2010
mEUR



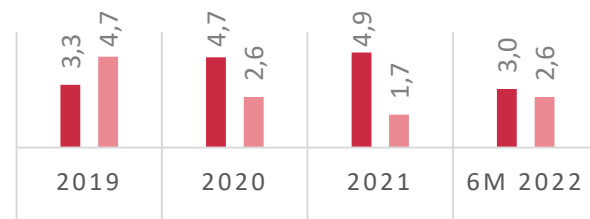
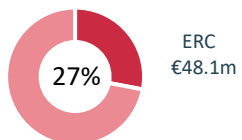
LITHUANIA

Launched Q1 2013
mEUR



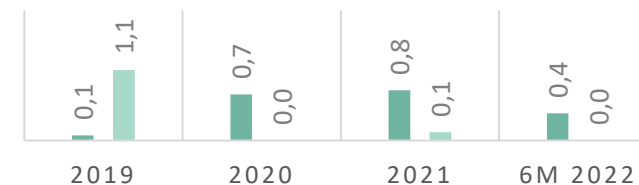
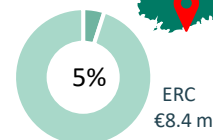
LATVIA

Launched Q4 2012
mEUR



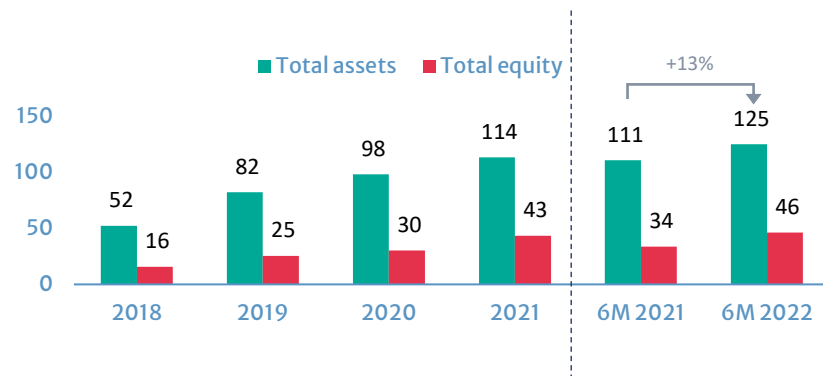
FINLAND

Launched Q3 2019
mEUR

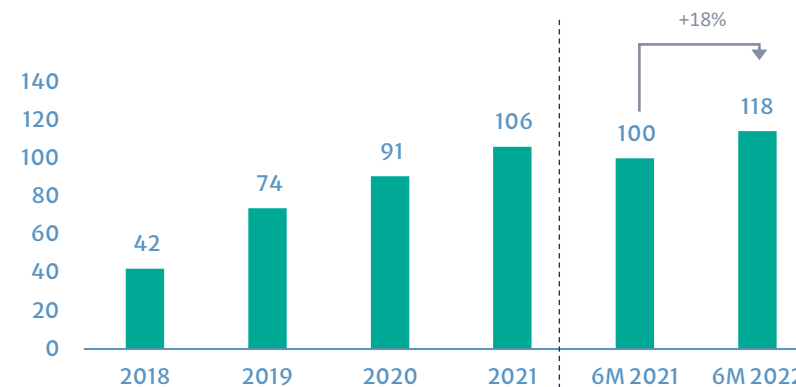


PlusPlus Group activity report **Financial highlights**

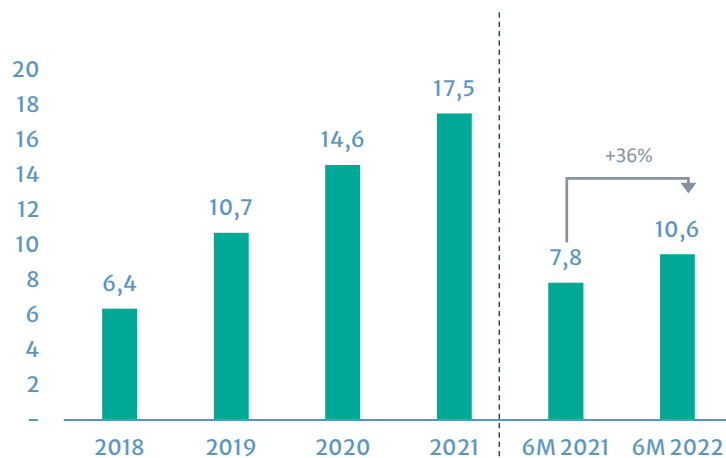
- Total assets and owners' equity¹ (mEUR)



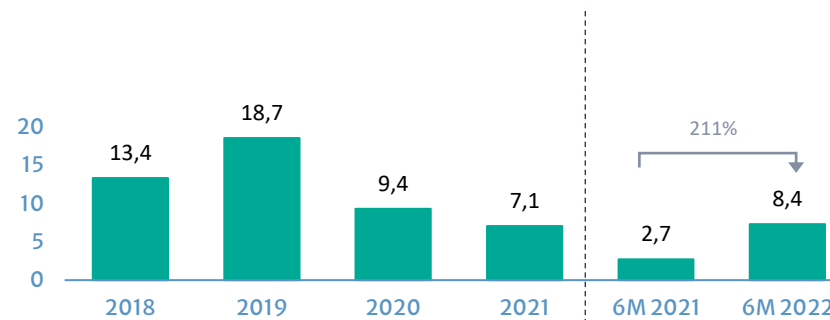
- Book value of portfolios (mEUR)



- Total cash collections² (mEUR)



- Acquired portfolios (mEUR)



¹ Equity includes junior financing (subordinated convertible loans) since 2017

² Starting from 2022 Fresh Finance portfolio collections are included

Expected remaining collections (ERC) as at end of Q2 2022 comprised EUR 177.8 million including **EUR 8.4 million in Finland, EUR 63.7 million in Estonia, EUR 48.1 million in Latvia** and **EUR 57.6 million in Lithuania**.

Over the three months from April to June 2022 in total 45 new portfolios were acquired including 21 in Estonia, 7 in Latvia and 17 in Lithuania.

Asset allocation is in line with strategic target to hold comparable exposures in Estonia, Latvia and Lithuania while gradually strengthening positions in Finland. We also look forward to increase our exposure in Finland in wake of good results demonstrated during the start-up period since autumn 2019.



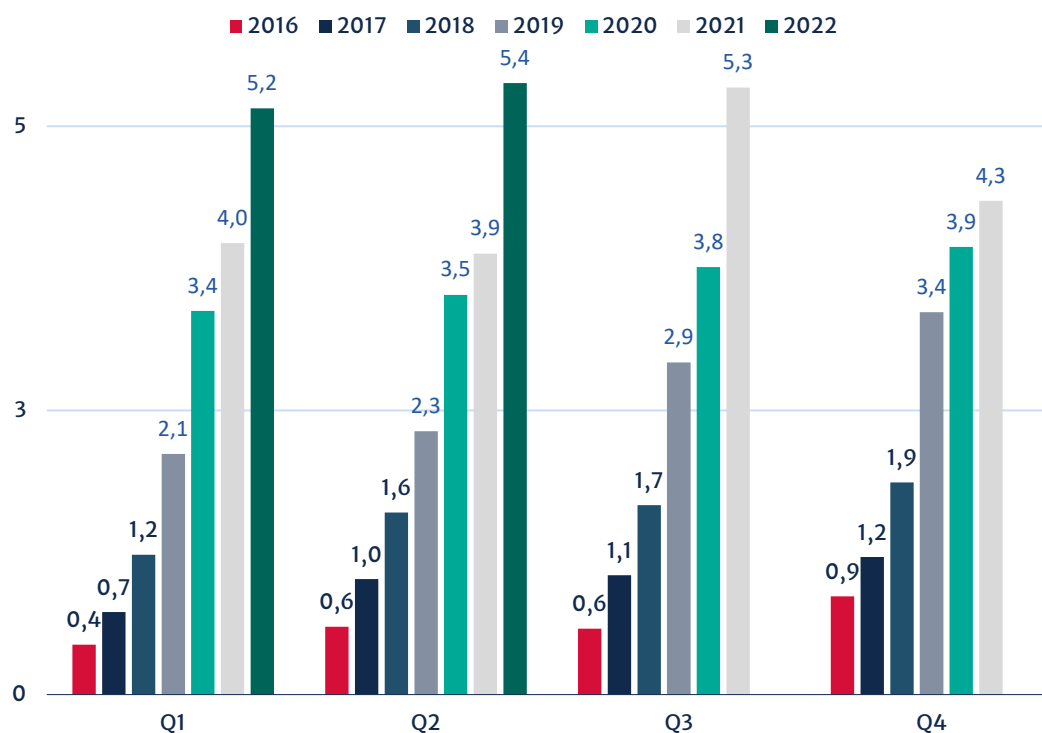
PlusPlus Group activity report **Collection dynamics**

In Q2 2022 PlusPlus Group collected EUR 5.4 million, including EUR 4.9 million from PlusPlus Capital, PlusPlus Baltic and PlusPlus Finland which was a 26% increase compared to Q2 in 2021. Additional EUR 0.5 million was collected from Fresh Finance portfolios.

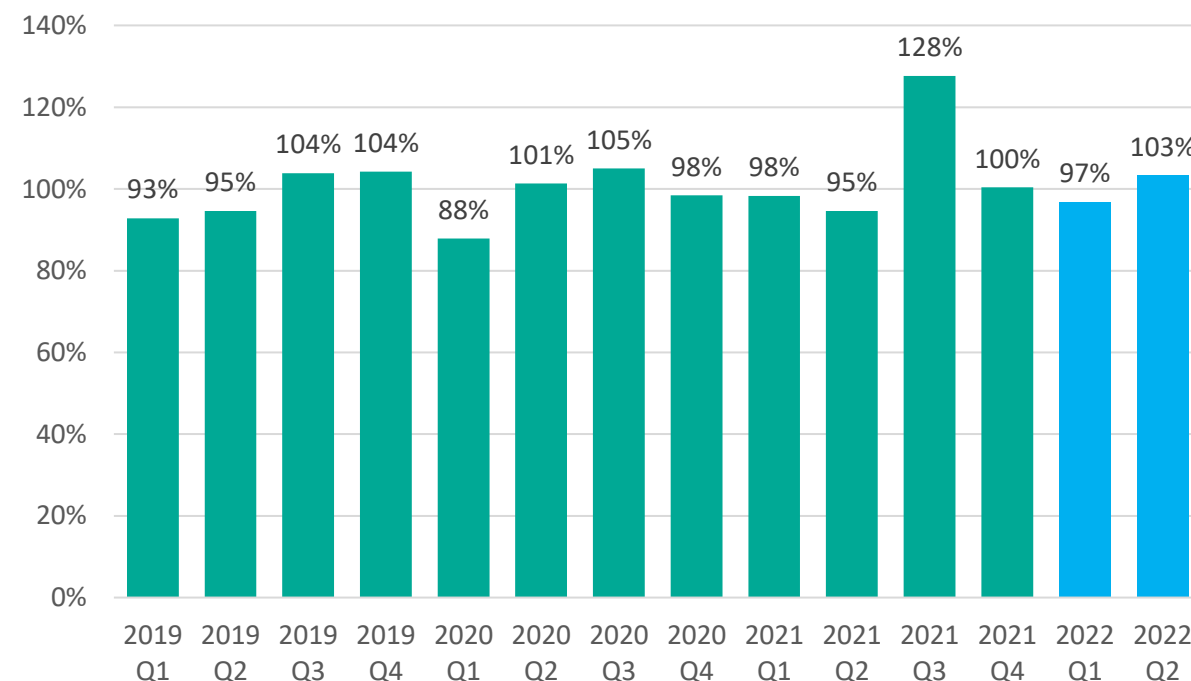
In first half of 2022, PlusPlus received EUR 9.5 million from managed portfolios which is 22% year-on-year growth compared to first half of 2021. In addition, EUR 1.1 million was collected from portfolios managed by Fresh Finance that brings the total collection of the group to EUR 10.6 million.

PlusPlus consistently delivers collection performance in line with set targets.

Collection by quarters (mEUR)*



Rolling quarterly ERC forecast vs actual of NPL (%)



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



Operations and activities in Q2 2022

- In 6M 2022, PlusPlus received EUR 9.5 million from managed portfolios representing a 22% year-on-year growth compared with 6M 2021 and Q2 2022 showing 26% growth compared with Q2 2021. In addition, EUR 1.1 million was collected from portfolios managed by Fresh Finance that brings total collection of the group in 1st half 2022 to EUR 10.6 million including EUR 5.2 million in Q1 and EUR 5.4 million in Q2.
- Having completed 12 private bond placements in the Baltics, PlusPlus concentrated on preparing company's first eurobond issue. The bonds were issued on 29 July 2022 and are listed in the Open Market of the Frankfurt Stock Exchange.
- From macroeconomic perspective, Baltic countries high inflationary environment has continued. In June, three Baltic countries had the highest inflation figures in EU with 19.2%, 20.5% and 22.0% in LV, LT and EE respectively according to Eurostat. This continues to provide PlusPlus with growth opportunities as it is expected to have a positive impact to the pipeline and potential portfolio acquisitions.
- NPL market in the region continues to be active. During 6M 2022, PlusPlus has acquired portfolios in the amount of EUR 8.4 million. This is 3.1 times the amount purchased during the same period last year and we have already surpassed the total volume of 2021. Due to seasonality, market activity is expected to be lower during summer, but to return to higher levels of activity in autumn.
- PlusPlus continued strengthening its' management team as Peeter Torim joined the company as COO in May 2022. Peeter has 20+ years of experience in various leadership roles and managing operations across various industries.

A modern architectural interior featuring white walls, a staircase, and a large white pillar. The scene is brightly lit, creating a clean and minimalist aesthetic. The text is overlaid on the central part of the image.

FINANCIAL INFORMATION FOR

2nd QUARTER 2022

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Balance sheet statement as at 30.06.2022 and comparable info

BALANCE SHEET STATEMENT in thousand euros		30.06.2022*	31.03.2022*	31.12.2021	30.06.2021	31.03.2021	31.12.2020
ASSETS							
Non-current assets							
Property, plant and equipment		1 526	1 645	1 707	1 860	1 930	2 003
Intangible assets		2 501	2 291	2 133	1 536	1 557	1 578
Acquired debt receivable portfolios		94 800	90 457	87 933	84 520	76 877	74 486
Trade and other receivables		3 490	1 834	1 480	1 793	1 774	1 953
Total non-current assets		102 318	96 225	93 253	89 710	82 138	80 020
Current assets							
Acquired debt receivable portfolios		19 557	19 979	18 350	15 562	16 779	16 279
Trade and other receivables		2 668	1 824	1 339	1 201	1 329	1 360
Cash and cash equivalents		559	1 041	566	4 565	2 329	740
Total current assets		22 784	22 844	20 256	21 328	20 437	18 379
TOTAL ASSETS		125 101	119 070	113 509	111 038	102 575	98 398
EQUITY AND LIABILITIES							
Share capital		17 109	17 109	15 666	5 000	5 000	5 000
Share premium		8 409	8 409	6 216	0	0	0
Statutory legal reserve		1 100	500	500	500	500	500
Subordinated convertible loans		0	0	0	436	436	436
Retained earnings		17 082	18 340	17 545	21 780	19 315	18 617
TOTAL EQUITY		43 700	44 358	39 928	27 716	25 252	24 553
LIABILITIES							
Non-current liabilities							
Subordinated convertible loans		592	1 041	1 486	4 632	5 031	5 355
Interest-bearing loans and borrowings		48 004	45 249	42 582	48 497	39 936	32 021
Total non-current liabilities		48 595	46 291	44 068	53 129	44 967	37 376
Current liabilities							
Trade and other payables		3 530	2 121	1 969	2 006	1 808	1 759
Subordinated convertible loans		2 000	2 000	2 000	1 500	1 000	500
Interest-bearing loans and borrowings		27 276	24 300	25 543	26 686	29 548	34 209
Total current liabilities		32 806	28 421	29 513	30 192	32 356	36 468
TOTAL EQUITY AND LIABILITIES		125 101	119 070	113 509	111 038	102 575	98 398

*Preliminary data as at 30.06.2022 (unaudited)

Profit & loss statement for Q2 2022 and comparable info

PROFIT & LOSS STATEMENT <i>in thousand euros</i>				Q2 2022*	6M 2022*	2021	Q2 2021	6M 2021	2020
Operating revenue				5 094	10 197	26 514	9 133	14 883	21 986
Other operating revenue				0	0	34	0	3	48
Total operating revenue				5 094	10 197	26 548	9 133	14 885	22 034
Operating expenses				670	1 404	4 260	1 400	2 573	3 182
Salary expense				792	1 480	4 860	1 214	2 372	4 318
Depreciation and amortisation				146	300	573	143	285	478
Other expenses				3	8	7	0	0	0
Total operating expenses				1 611	3 191	9 700	2 758	5 231	7 977
Net operating profit				3 483	7 006	16 848	6 375	9 655	14 056
Finance income				0	0	3	0	3	153
Finance expense				2 765	5 519	10 990	2 676	5 264	8 056
Profit before income tax				719	1 487	5 860	3 699	4 394	6 153
Income tax				0	0	483	233	233	122
Net profit for the year				719	1 487	5 378	3 467	4 161	6 031
Total comprehensive income				719	1 487	5 378	3 467	4 161	6 031

*Preliminary data for Q2 2022 (unaudited)

Equity changes for Q2 2022 and comparable info

EQUITY CHANGES STATEMENT <i>in thousand euros</i>	<i>Share capital</i>	<i>Share premium</i>	<i>Statutory legal reserve</i>	<i>Subordina- ted conver- tible loans</i>	<i>Retained earnings</i>	<i>TOTAL</i>
As at 1 January 2020	1 000	0	100	1 342	17 486	19 929
Subordinated convertible loan	0	0	0	-906	0	-906
Dividend	0	0	0	0	-500	-500
Bonus issue	4 000	0	400	0	-4 400	0
Total transactions with owners	4 000	0	400	-906	-4 900	-1 406
Net profit for the year	0	0	0	0	6 031	6 031
Total comprehensive income	0	0	0	0	6 031	6 031
As at 31 December 2020	5 000	0	500	436	18 617	24 553
As at 1 January 2021	5 000	0	500	436	18 617	24 553
Subordinated convertible loan	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
Total transactions with owners	10 666	6 216	0	-436	-6 450	9 997
Net profit for the year	0	0	0	0	5 378	5 378
Total comprehensive income	0	0	0	0	5 378	5 378
As at 31 December 2021	15 666	6 216	500	0	17 545	39 928
As at 1 January 2022	15 666	6 216	500	0	17 545	39 928
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
Total transactions with owners	1 442	2 193	600	0	-1 950	2 285
Net profit for the year	0	0	0	0	1 487	1 487
Total comprehensive income	0	0	0	0	1 487	1 487
As at 30 June 2022*	17 109	8 409	1 100	0	17 082	43 700

*Preliminary data as at 30.06.2022 (unaudited)

Cash flow statement for Q2 2022 and comparable info

CASH FLOW STATEMENT <i>in thousand euros</i>	Q2 2022*	6M 2022*	2021	Q2 2021	6M 2021	2020
Cash flows from operating activities						
Profit before income tax	719	1 487	5 860	3 699	4 394	6 153
Adjustments for non-cash items:						
Depreciation and amortisation	146	300	573	143	285	478
Other adjustments:	0	0	0	0	4	0
Changes in working capital:						
Change in trade and other receivables	-454	-2 367	91	245	239	-102
Change in trade and other payables	-115	-253	-3 355	265	-853	-2 992
Change in acquired debt receivable portfolios	-4 502	-8 074	-15 518	-6 561	-9 451	-16 731
Change in loans and advances to customers	-1 493	-972	339	-70	143	1 114
Other adjustments:						
Interest expense	2 249	5 002	10 990	2 675	5 263	8 024
Other financial income and expense	0	-2	-3	0	3	121
Net cash generated from operating activities	-3 450	-4 879	-1 022	397	27	-3 935
Cash flows from investing activities						
Acquisition of tangible and intangible assets	-268	-542	-880	-52	-101	-547
Repayments received for business loans issued	0	0	0	1	1	111
Interests received	0	0	65	65	65	72
Net cash used in investing activities	-268	-542	-815	14	-35	-364
Cash flows from financing activities						
Loans received and bonds issued	7 373	12 730	22 961	5 861	11 775	18 816
Repayments of loans received and bonds issued	-2 042	-6 794	-10 334	-667	-2 674	-7 200
Repayments of financial lease liabilities	-17	-26	-42	-10	-20	-51
Paid-in equity contribution	0	3 635	0	0	0	0
Paid dividend	0	0	-2 000	-1 000	-1 000	-500
Income tax paid from dividend	0	0	-483	-233	-233	-122
Interests paid on loans and borrowings	-2 077	-4 132	-8 439	-2 127	-4 015	-6 610
Interest paid on financial lease liabilities	0	0	0	0	0	0
Net cash used in financing activities	3 236	5 413	1 663	1 825	3 834	4 333
Net change in cash and cash equivalents	-482	-8	-174	2 235	3 825	33
Cash and cash equivalents at the beginning of the year	1 041	566	740	2 330	740	707
Cash and cash equivalents at the end of the year	559	559	566	4 565	4 565	740

*Preliminary data for Q2 2022 (unaudited)

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

Declaration of the management board



Kaarel Raik

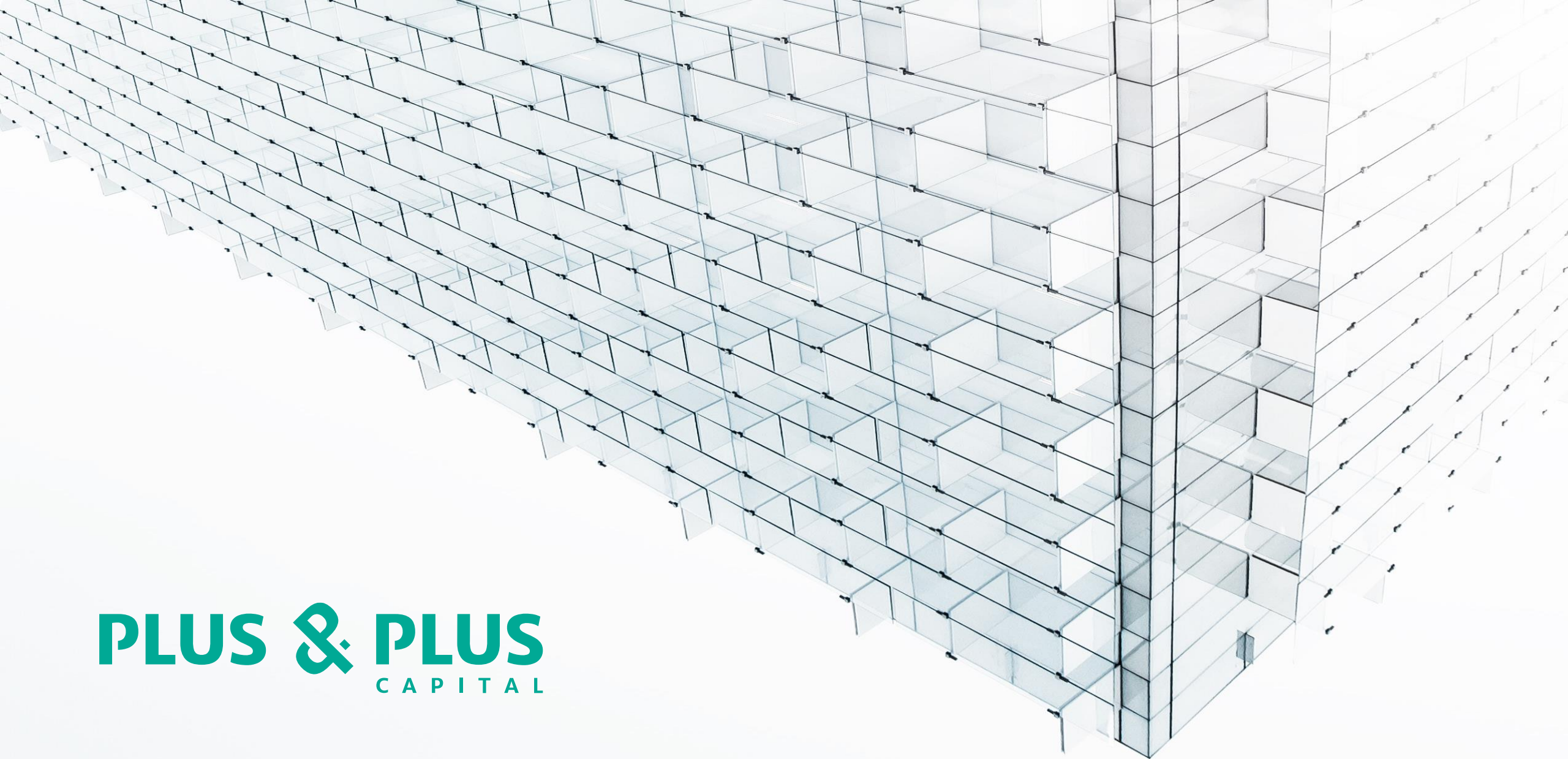
AS PlusPlus Capital,
Member of the Management Board

Tallinn, 15 August 2022

The financial and other additional information published in the Interim Report of PlusPlus Capital group for the second quarter 2022 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 2021 based on the IFRS EU were audited by 12 April 2022 and are published at our homepage.

The consolidated financial statements accompanying the report for the period from April to June 2022 (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).



PLUS & PLUS
CAPITAL

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