

A hand in a blue suit sleeve points towards a glowing digital interface. The background is a complex network of white and light blue circuit lines and data points on a dark blue background. The text is overlaid on this digital scene.

PLUSPLUS CAPITAL Interim Report Q4 2018

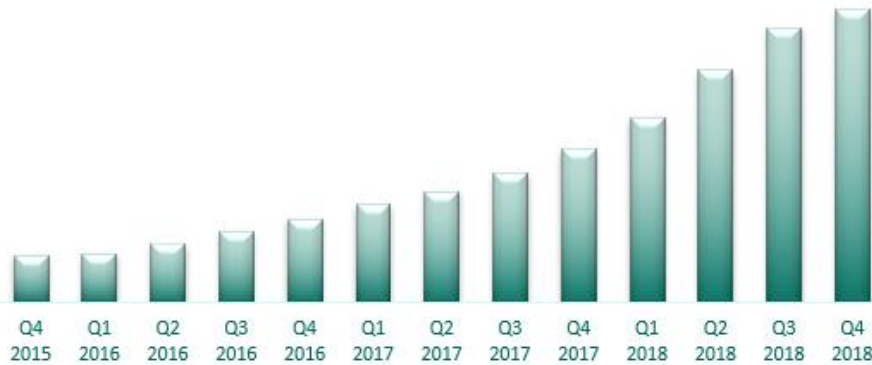
31.01.2019

Q4 2018

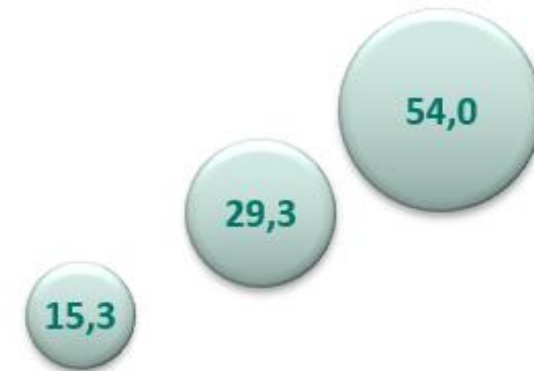
PlusPlus Capital key numbers

ERC as of end Q4 2018 was EUR 73.9 million

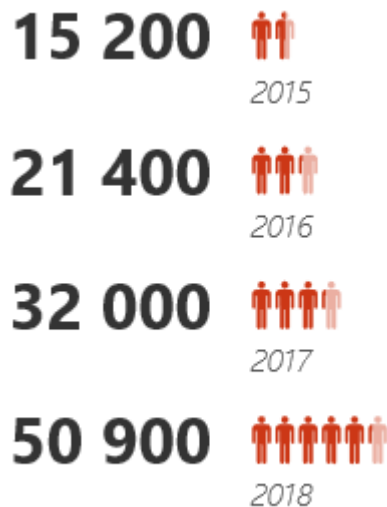
Quarter-end ERC 2015-2018



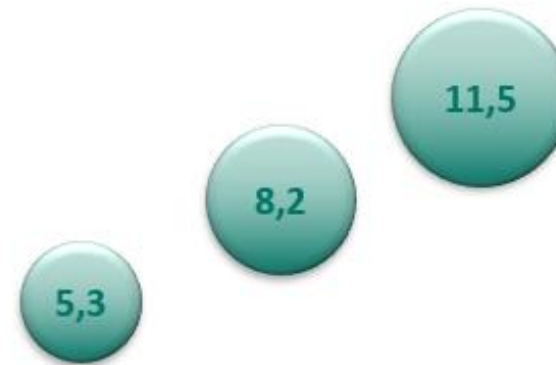
Total assets 2016, 2017, 2018, mEUR



50.9 thousand claims as of end Q4 2018



Total revenue 2016, 2017, 2018, mEUR

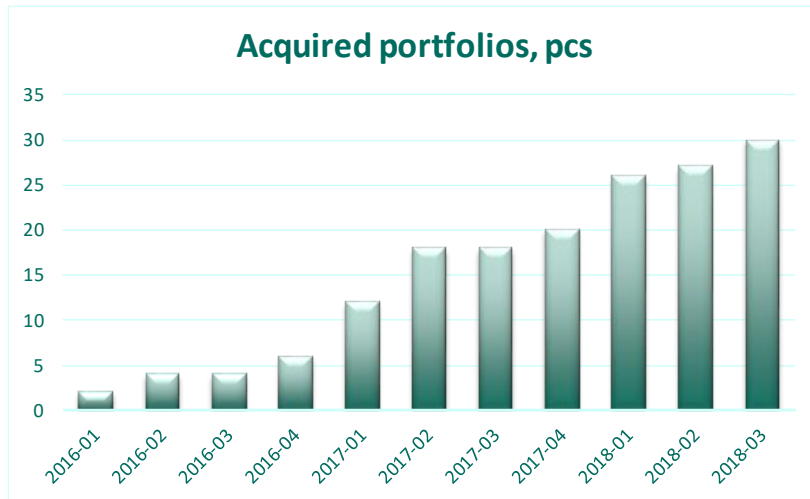


ACTIVITY REPORT FOR 4th QUARTER 2018

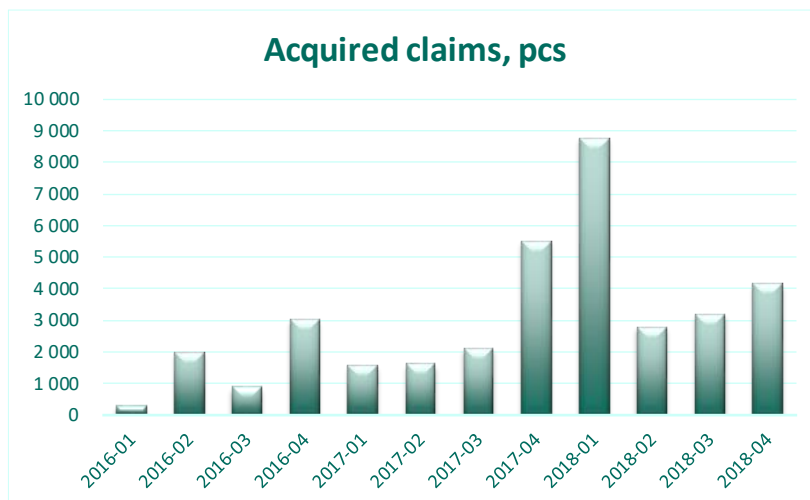


Acquisition of new portfolios in Q4 2018

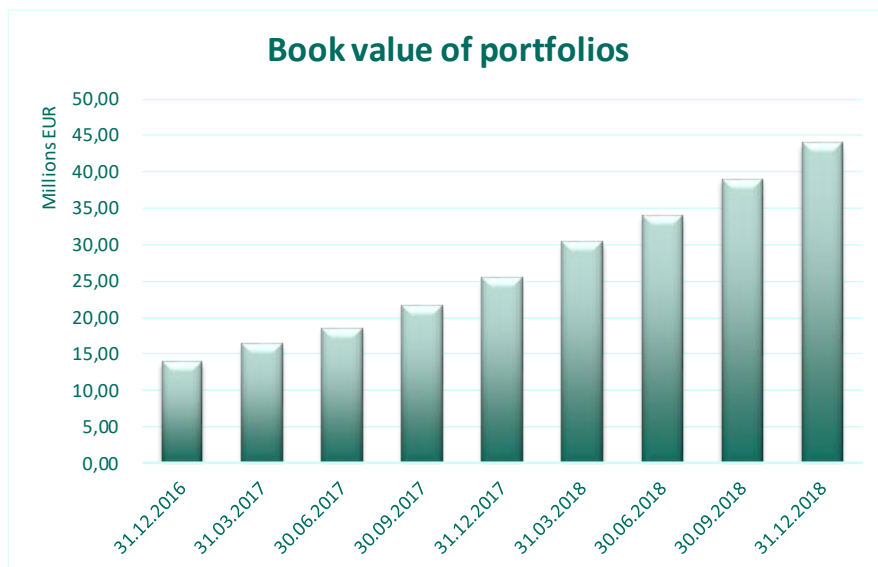
As usually, year-end was busy in Baltic NPL markets. PlusPlus Capital purchased record breaking 39 portfolios over the three-month period from October to December 2018.



The number of single claims acquired in portfolios was over 4 thousand during Q4 2018.



Investments in portfolios



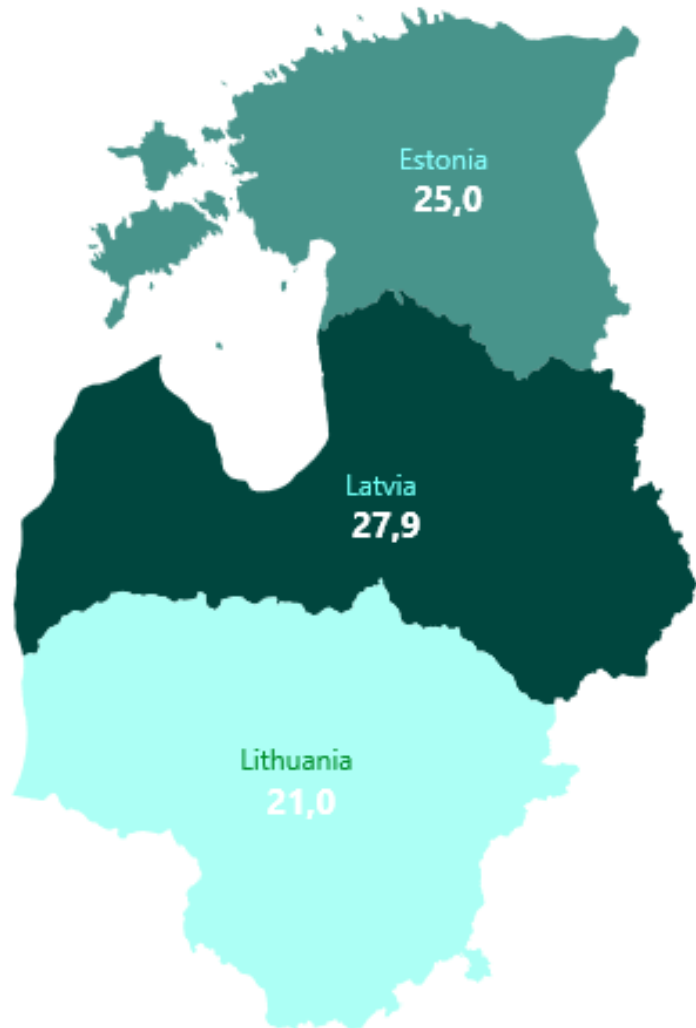
In 2018 vs. 2017 PPC almost doubled its investment activities.

In Q4 2018, the company acquired 39 portfolios including 14 in Estonia, 13 in Latvia and 12 in Lithuania. The equal breakdown between countries is in line with company's strategy to hold exposures to each of the markets similar.

Over full year 2018 PlusPlus purchased 122 portfolios, 42, 37, and 43 in Estonia, Latvia and Lithuania respectively: a remarkable growth compared with 68 portfolios in 2017.

ERC at end of 4th quarter 2018

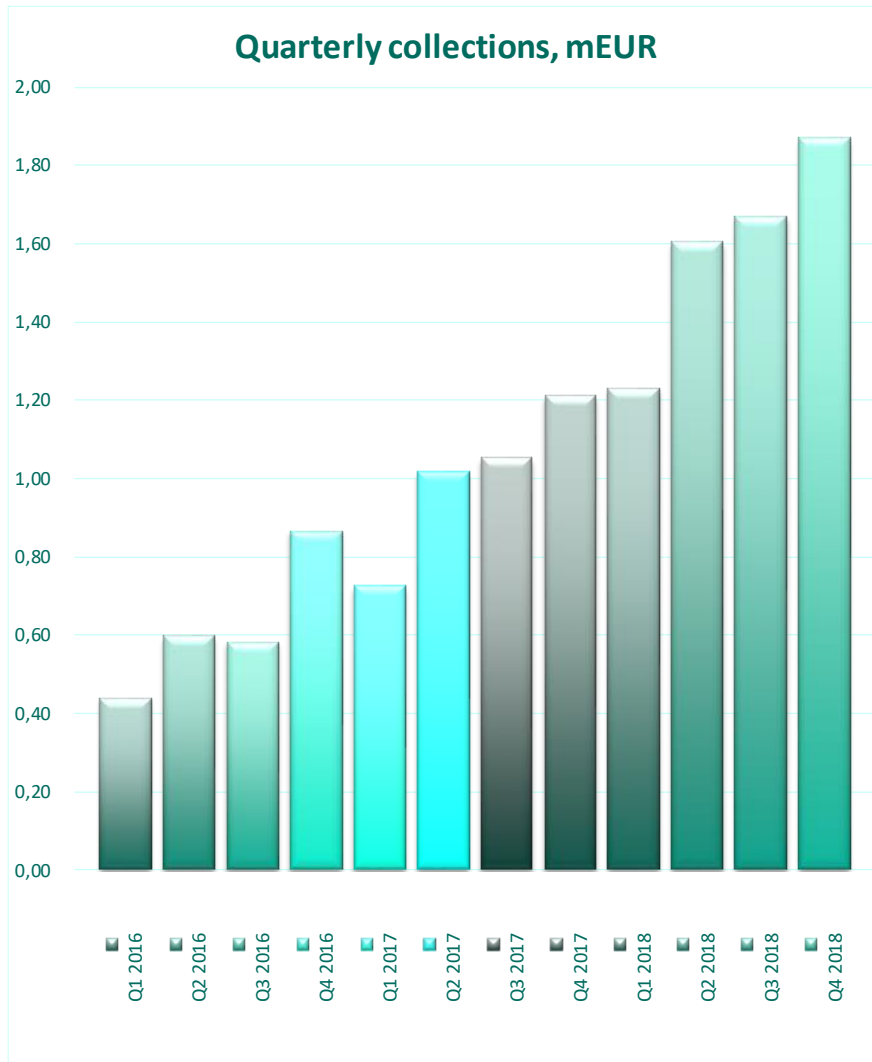
ERC 31.12.2018, mEUR



Expected remaining collections (ERC) as at end of Q4 2018 amounted to EUR 73.9 million including 25.0 in Estonia, 27.9 in Latvia and 21.0 in Lithuania.

PPC holds equally strong market positions in all three countries.

Quarterly collections 2016 – 2018



In Q4 2018, PlusPlus collected 1.9 million euro from clients. That’s the best result in company’s history and represents a 54% increase compared to Q4 2017.

LTM (last twelve months) collections by end of Q4 2018 comprised 6.4 million euro compared with 4.0 million by end of Q4 2017 (increase 59% year on year). Money-multiple dynamics is consistent over vintages.

Operations and activities in Q4 2018

PlusPlus remained focused on developing core business and continuously strengthening group structure.

During Q4 2018 PlusPlus set new records both in the number of portfolios acquired and also in cash inflow from the portfolios.

By the end of Q4 2018 PlusPlus has strong financial position and remarkable market share on all home markets in Baltics – Estonia, Latvia and Lithuania. Investments made in development of technologies and professional team are focused on efficiency and continuous growth.

Supply side of the market remained strong. PlusPlus expects active trading on NPL-market in the Baltics to continue.

In Q4 2018 PPC acquired limited liability company Forward View aiming at developing business concept.

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

FINANCIAL INFORMATION FOR 4th QUARTER 2018



Balance sheet statement for Q4 2018

PlusPlus Capital Group consolidated financial statements (EUR): Balance sheet	31.12.2018*	31.12.2017	31.12.2016
Cash and bank accounts	6 503 582	1 356 865	643 483
Current claims and prepayments	9 260 610	6 525 833	3 665 385
Total current assets	15 764 192	7 882 698	4 308 868
Non-current claims and prepayments	35 848 409	19 645 772	10 700 729
Financial investments	240 000	0	0
Tangible assets	1 908 007	1 617 202	273 658
Intangible assets	284 222	127 597	29 911
Total non-current assets	38 280 638	21 390 571	11 004 298
Total assets	54 044 830	29 273 268	15 313 166
Current interest bearing debentures	8 580 405	3 156 308	3 844 350
Trade payables and prepayments	821 159	613 467	431 688
Total current liabilities	9 401 564	3 769 775	4 276 038
Non-current interest bearing debentures	27 099 552	12 716 162	4 712 724
Total non-current liabilities	27 099 552	12 716 162	4 712 724
Total liabilities	36 501 116	16 485 937	8 988 762
Share capital	1 050 000	1 000 000	63 912
Reserve capital	100 000	100 000	0
Subordinated debenture	6 000 000	4 000 000	0
Retained earnings	7 687 332	5 187 058	3 915 336
Profit (loss) for the current year	2 706 382	2 500 274	2 345 156
Total owners' equity	17 543 714	12 787 332	6 324 404
Total liabilities and equity	54 044 830	29 273 268	15 313 166

*Preliminary data as at 31.12.2018 (unaudited)

Profit&loss statement for Q4 2018

PlusPlus Capital Group consolidated financial statements (EUR): Profit & loss	Q4 2018*	2018	Q4 2017	2017
Revenue from acquired debt portfolios	3 242 896	11 462 765	2 796 954	8 218 255
Other revenue	14 922	23 269	0	2 045
Total revenue	3 257 818	11 486 034	2 796 954	8 220 300
Costs for debt portfolio management	-578 268	-1 490 531	-246 202	-784 460
Miscellaneous operating expenses	-412 096	-1 304 561	-106 392	-1 398 312
Personnel expenses	-787 418	-2 230 701	-502 112	-1 406 764
Depreciation and amortisation	-56 651	-198 795	-109 171	-184 048
Other expenses	-670	-1 314	-1 146	-1 433
Operating profit	1 422 715	6 260 132	1 831 931	4 445 283
Interest expense	-973 818	-3 559 072	-638 128	-1 806 769
Other financial income and expenses	8 921	5 369	0	-138 240
Profit before tax	457 818	2 706 429	1 193 803	2 500 274
Income tax expense	0	0	0	0
Net profit for the year	457 818	2 706 429	1 193 803	2 500 274

*Preliminary data for Q4 2018 (unaudited)

Cash flow statement for Q4 2018

PlusPlus Capital Group consolidated financial statements (EUR): Cash flows	Q4 2018*	2018	Q4 2017	2017
Cash flows from operating activities				
Operating profit (loss)	1 422 715	6 260 132	1 831 931	4 445 283
Adjustments for:				
Depreciation and impairment loss (reversal)	56 651	198 795	109 171	184 048
Other adjustments	0	-26 179	2 597	-2 002
Total adjustments	56 651	172 616	111 768	182 046
Changes in receivables and prepayments	-3 230 461	-18 090 844	-4 248 655	-11 785 639
Changes in payables and prepayments	171 982	207 692	31 094	115 548
Interest received	149	398	0	58
Total cash flows from operating activities	-1 578 964	-11 450 006	-2 273 862	-7 042 704
Cash flows from investing activities				
Payments for property, plant and equipment	-358 035	-488 400	-75 062	-1 489 197
Payments for intangibles	-66 585	-202 095	-24 991	-115 413
Payments for acquisition of financial investments	-240 000	-240 000	0	0
Loans given	-300 000	-300 000	0	0
Interest received	592	592	0	0
Total cash flows from investing activities	-964 028	-1 229 903	-100 053	-1 604 610
Cash flows from financing activities				
Proceeds from borrowings	5 349 000	26 938 199	3 420 105	11 685 505
Repayments of borrowings	-4 276 848	-7 658 594	-1 322 594	-4 536 555
Repayments of finance lease	-18 344	-54 418	-27 166	-70 802
Proceeds from other equity investments	2 000 000	2 000 000	0	4 000 000
Interest paid	-1 012 791	-3 398 561	-663 850	-1 723 601
Other cash outflows from financing activities	0	0	0	6 149
Total cash flows from financing activities	2 041 017	17 826 626	1 406 495	9 360 696
Cash at beginning of period	7 005 557	1 356 865	2 324 285	643 483
Change in cash	-501 975	5 146 717	-967 420	713 382
Cash at end of period	6 503 582	6 503 582	1 356 865	1 356 865

*Preliminary data for Q4 2018 (unaudited)

Declaration of the management board

The financial and other additional information published in the Interim Report of Aktsiaselts PlusPlus Capital for the fourth quarter 2018 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 adopted for annual accounts since financial year 2017 first time the International Financial Reporting Standards as adopted by the EU (IFRS EU). The audited consolidated annual accounts for 2017 based on the IFRS EU were published by the end of May 2018.

The consolidated financial statements accompanying the report for the period from July to December 2018 (and comparative 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, 31 January 2019

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