

# PLUSPLUS CAPITAL Interim Report Q4 2021

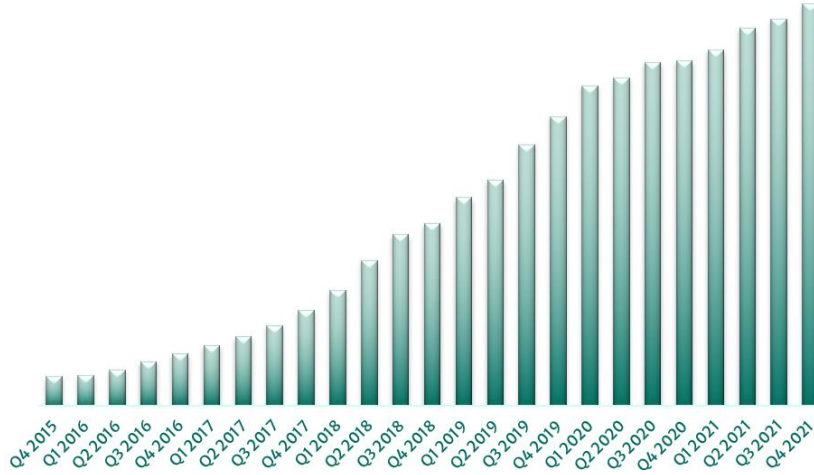
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Q4 2021

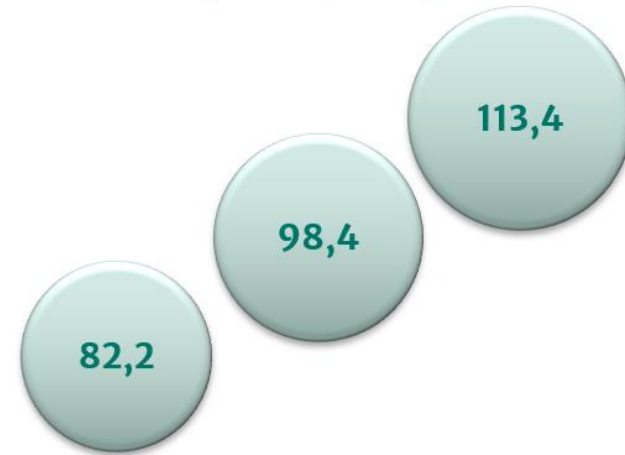


# PlusPlus Capital key numbers

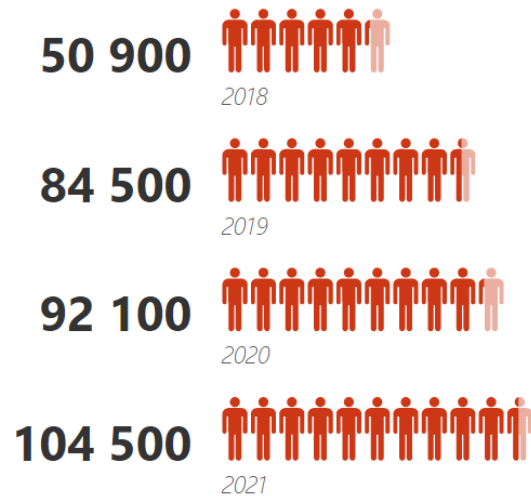
ERC as at end Q4 2021 was 162.4 mEUR



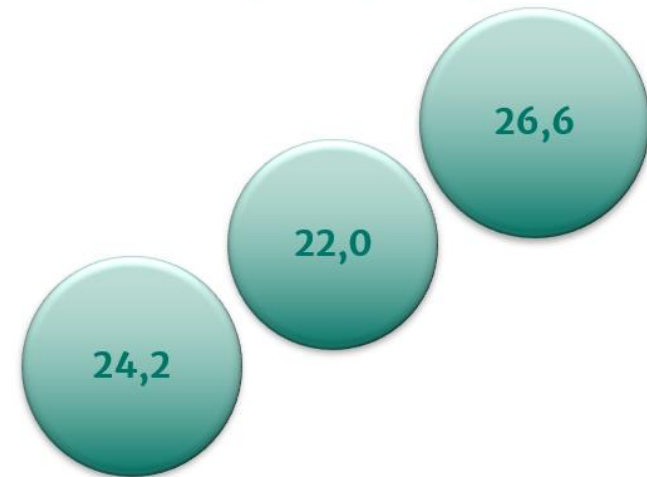
Total assets 2019, 2020, 2021, mEUR



Claims amounted to 104.5 thousand in Q4 2021



Total revenue 2019, 2020, 2021, mEUR



# ACTIVITY REPORT FOR 4th QUARTER 2021



# Asset allocation

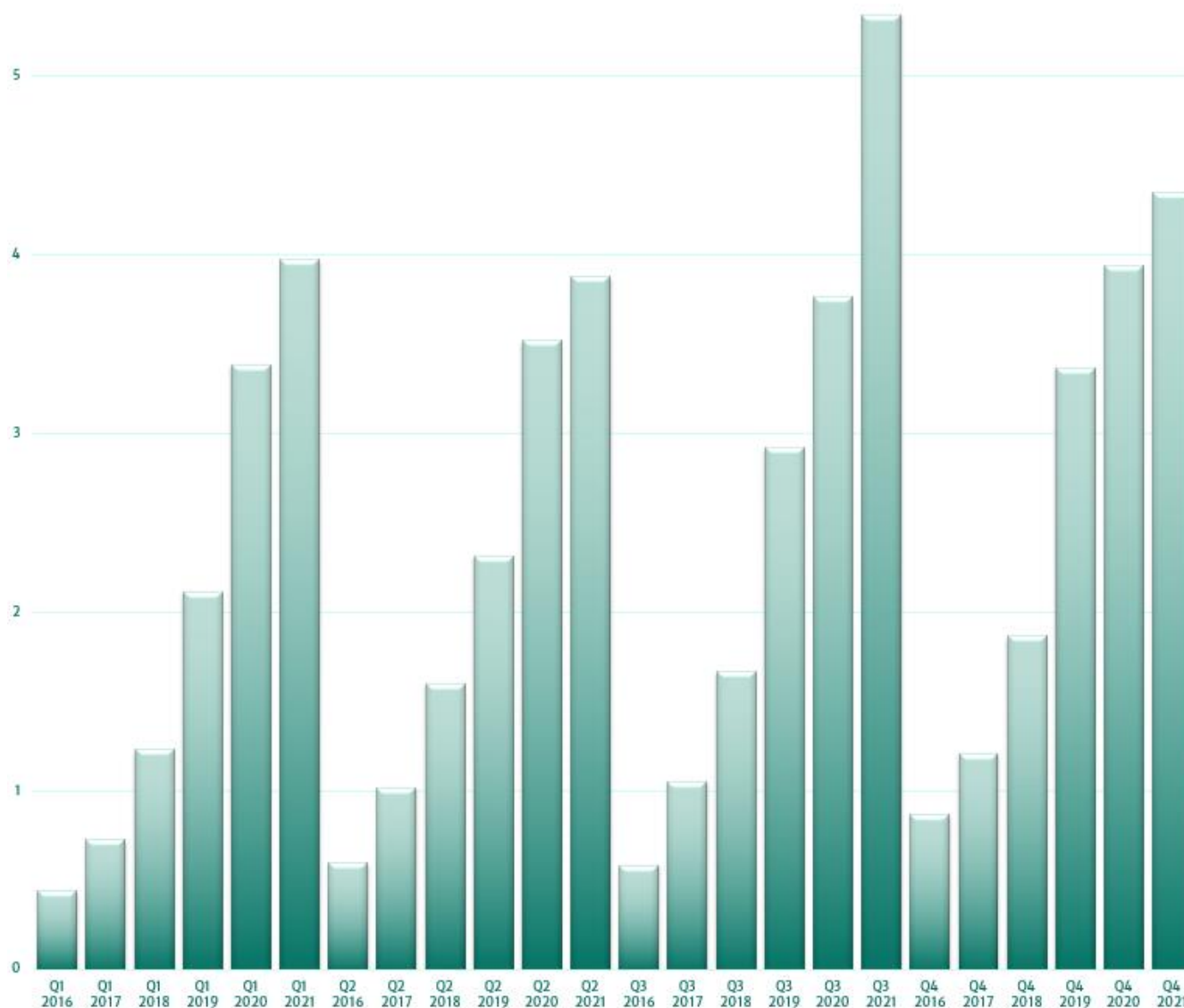
Expected remaining collections (ERC) as at end of Q4 2021 comprised EUR 162.4 million, including 7.0 million in Finland, 58.6 million in Estonia, 45.6 million in Latvia, and 51.2 million in Lithuania.

Over the three months from October to December 2021 in total 44 new portfolios were acquired including 19 in Estonia, 11 in Latvia, and 14 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.



# Quarterly collection dynamics 2016 – 2021



In fourth quarter 2021, PPC collected 4.3 million euro representing a 10% growth compared with Q4 in 2020.

As at end of December 2021, LTM collection in 2021 comprised 17.5 million euro, representing a 20% gain compared with 14.6 million euro collected during previous 12 months in 2020.

# Operations and activities in Q4 2021

In fourth quarter 2021, NPL market in Baltic countries extended momentum that has been observed since late summer. Trading volumes have been highest since end of 2019 while purchasing conditions remained attractive for portfolio managers.

In terms of financing PlusPlus focused on strengthening its capital structure. In December 2021, the company completed share issue for Nordic investors. As a result, PlusPlus increased its equity capital by 12 million euro subscribed by more than 100 investors and reached the shareholders' equity in the amount of more than 39 million.

Year 2021 also marks breakthrough in digitalisation of PlusPlus Capital's business. Currently most of restructuring solutions are already agreed over electronic channels that makes operations more effective and reduces cost base of the production. Further development of IT solutions will remain a top priority for the company.

Supported by favourable market conditions and better capitalisation, PlusPlus will set its focus on growth strategy by actively purchasing portfolios in all three Baltic countries and Finland.

On group level, both Fresh Finance, a licenced credit provider in three Baltic countries, and Monestro P2P, a loan financing platform were joined by experienced CEOs and continue growingly contributing to execution of PlusPlus Capital's group strategy.

# FINANCIAL INFORMATION FOR 4th QUARTER 2021



# Balance sheet statement for Q4 2021 and comparable info

PlusPlus Capital Group consolidated financial statements (EUR): Balance sheet	31.12.2021*	30.09.2021*	31.12.2020	30.09.2020
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	1 714 683	1 784 930	2 002 909	1 791 459
Intangible assets	2 046 091	1 532 083	1 578 069	1 514 973
Acquired debt receivable portfolios	87 932 549	85 563 586	74 485 970	72 102 514
Trade and other receivables	1 480 437	1 694 690	1 952 657	2 667 163
<b>Total non-current assets</b>	<b>93 173 760</b>	<b>90 575 289</b>	<b>80 019 605</b>	<b>78 076 109</b>
<b>Current assets</b>				
Acquired debt receivable portfolios	18 350 205	16 892 990	16 278 586	16 612 665
Trade and other receivables	1 331 594	1 409 041	1 359 942	1 464 539
Cash and cash equivalents	571 681	1 801 421	740 240	953 477
<b>Total current assets</b>	<b>20 253 480</b>	<b>20 103 452</b>	<b>18 378 768</b>	<b>19 030 681</b>
<b>TOTAL ASSETS</b>	<b>113 427 240</b>	<b>110 678 741</b>	<b>98 398 373</b>	<b>97 106 790</b>
<b>EQUITY AND LIABILITIES</b>				
Share capital	15 666 399	5 000 000	5 000 000	5 000 000
Share premium	6 216 399	0	0	0
Statutory legal reserve	500 000	500 000	500 000	500 000
Subordinated convertible loans	0	436 281	436 281	1 342 318
Retained earnings	17 443 041	22 341 525	18 617 198	18 155 666
<b>TOTAL EQUITY</b>	<b>39 825 839</b>	<b>28 277 806</b>	<b>24 553 479</b>	<b>24 997 984</b>
<b>Non-current liabilities</b>				
Subordinated convertible loans	1 486 107	4 180 397	5 354 966	5 764 817
Interest-bearing loans and borrowings	43 192 236	54 044 046	32 021 495	28 293 530
<b>Total non-current liabilities</b>	<b>44 678 343</b>	<b>58 224 443</b>	<b>37 376 461</b>	<b>34 058 347</b>
<b>Current liabilities</b>				
Trade and other payables	2 012 605	2 060 710	1 758 979	1 669 154
Subordinated convertible loans	2 000 000	2 000 000	500 000	0
Interest-bearing loans and borrowings	24 910 453	20 115 782	34 209 454	36 381 305
<b>Total current liabilities</b>	<b>28 923 058</b>	<b>24 176 492</b>	<b>36 468 433</b>	<b>38 050 459</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>113 427 240</b>	<b>110 678 741</b>	<b>98 398 373</b>	<b>97 106 790</b>

\*Preliminary data as at 31.12.2021 (unaudited)



# Profit&loss statement for Q4 2021 and comparable info

PlusPlus Capital Group consolidated financial statements (EUR): Profit & loss	Q4 2021*	2021*	Q4 2020	2020
Operating revenue	5 699 888	26 550 155	4 274 054	21 986 375
Other revenue	0	2 750	14 700	47 543
Operating expenses	789 720	4 493 188	800 727	3 181 532
Salary expense	1 231 648	4 860 287	1 250 115	4 317 565
Depreciation and amortisation	144 184	573 144	155 224	478 054
Other expenses	2 580	72 399	58	278
<b>Operating profit</b>	<b>3 531 756</b>	<b>16 553 887</b>	<b>2 082 630</b>	<b>14 056 489</b>
Finance income	31	2 912	2 744	152 897
Finance expense	2 722 250	10 800 098	1 597 997	8 056 333
<b>Profit before income tax</b>	<b>809 537</b>	<b>5 756 701</b>	<b>487 377</b>	<b>6 153 053</b>
Income tax	250 000	482 558	62 500	122 093
<b>Net profit</b>	<b>559 537</b>	<b>5 274 143</b>	<b>424 877</b>	<b>6 030 960</b>
<b>Total comprehensive income</b>	<b>559 537</b>	<b>5 274 143</b>	<b>424 877</b>	<b>6 030 960</b>

\*Preliminary data as at 31.12.2021 (unaudited)

# Cash flow statement for Q4 2021 and comparable info

PlusPlus Capital Group consolidated financial statements (EUR): Cash flows	Q4 2021*	2021*	Q4 2020	2020
<b>Cash flows from operating activities</b>				
Profit before income tax	809 537	5 756 701	487 377	6 153 053
<b>Adjustments for non-cash items:</b>				
Depreciation and amortisation	144 184	573 144	155 224	478 054
Repayments of loans received	-11 790 760	-11 790 760	0	0
Proceeds from issues of shares	12 432 798	12 432 798	0	0
<b>Changes in working capital:</b>				
Change in trade and other receivables	33 398	94 069	399 644	-102 343
Change in trade and other payables	-2 069 848	-3 575 024	225 430	-2 992 088
Change in loans and advances to customers	257 577	326 235	0	1 113 646
Change in acquired debt receivable portfolios and loan portfolios	-3 826 178	-15 518 198	-2 049 496	-16 731 101
<b>Other adjustments:</b>				
Interest expense	2 722 250	10 803 172	1 054 588	8 024 417
Other financial income and expense	4	13 333	-2 744	120 929
Interests income	27	128	27	53
<b>Net cash generated from operating activities</b>	<b>-1 287 011</b>	<b>-884 402</b>	<b>270 050</b>	<b>-3 935 380</b>
<b>Cash flows from investing activities</b>				
Acquisition of tangible and intangible assets	-124 029	-288 582	-101 354	-546 827
Repayments received for business loans issued	0	671	0	110 696
Interest received	694	65 691	0	72 336
<b>Net cash used in investing activities</b>	<b>-123 335</b>	<b>-222 220</b>	<b>-101 354</b>	<b>-363 795</b>
<b>Cash flows from financing activities</b>				
Loans received and bonds issued	5 478 816	22 149 129	7 324 200	18 815 600
Repayments of loans received and bonds issued	-1 567 135	-10 256 486	-5 735 845	-7 200 312
Repayments of financial lease liabilities	-9 030	-42 389	-16 453	-51 170
Profit distributions	-1 000 000	-2 000 000	-250 000	-500 000
Income tax paid	-250 000	-482 558	-62 500	-122 093
Interests paid	-2 472 045	-8 429 633	-1 641 335	-6 609 509
<b>Net cash used in financing activities</b>	<b>180 606</b>	<b>938 063</b>	<b>-381 933</b>	<b>4 332 516</b>
<b>Net increase in cash and cash equivalents</b>	<b>-1 229 740</b>	<b>-168 559</b>	<b>-213 237</b>	<b>33 341</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>1 801 421</b>	<b>740 240</b>	<b>953 477</b>	<b>706 899</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>571 681</b>	<b>571 681</b>	<b>740 240</b>	<b>740 240</b>

\*Preliminary data as at 31.12.2021 (unaudited)

# Declaration of the management board

The financial and other additional information published in the Interim Report of PlusPlus Capital group for the fourth quarter 2021 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 2020 based on the IFRS EU were audited by 12 April 2021 and are published at our homepage.

The consolidated financial statements accompanying the report for the period from October to December 2021 (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, 31 January 2022

# 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)