

PURO customer base stacking up as pandemic restrictions ease

PURO Finance Ltd

15 July 2021
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Content



PURO stacking up on new business growth

Highlights H1

- 150 new customers, doubling the customer base YoY. 12 mEUR increase in financing limits.
- In June 19 mEUR in financed invoicing. YTD invoicing growth 53%.
- Credit risks have been minimized, no new loss provisions during H1.
- New commercial partnerships with POP Bank, Visma Financial Solutions and Fundu.
- Customer satisfaction improving with 91% of customers happy with the service and Net Promoter Score improving to 62.

The first half of 2021 was extremely positive for PURO in terms of new business growth. The number of new customers was 150, matching 2020 Full year number during the half. Main driver for the growth was our cooperation with Accountor Group where we continue our common efforts in further developing the market-leading invoice financing service 'Procourt Kassaturva'.

Our business channel strategy also gained significant milestones as commercial agreements were signed with POP Bank, Visma Financial Services and Fundu. We expect these partnerships to ramp up during H2. We also broadened our offering for Investment Credits adding OP Group as a provider for leasing and hire purchase agreements.

We embrace our commitment to provide the best service to our customers and were rewarded with admirable results in customer satisfaction survey. 63 % of PURO customers are extremely happy and 91% happy with our service as a whole, with Net Promoter Score at 62. The easiness and speed of the solution, as well as friendly and timely personal service received raving reviews. Within Procourt Kassaturva clients the NPS score was an astonishing 70.

	Q2	Q1	Q2'20	Jan-Jun	Jul-Dec	Jan-Jun'20
# of active customers	363	298	168	363	243	
Facility limits, m eur	47	39	26	47	35	
Loan receivables, m eur	14	12	9	14	11	
Customer invoicing, m eur	52	39	31	90	87	59
Turnover, t eur	634	555	430	1 189	1 109	883
Operating profit, t eur	295	197	304	492	507	495
Profit before taxes, t eur	78	12	144	91	133	69

Despite the gradual easing of the Covid-restrictions and continuous recovery in the market, we can still see the effects especially in some customer segments where average invoicing levels are underperforming to pre-pandemic means. 53% increase in customer invoicing and 35% increase in Turnover are slightly below our targets but still on a level to build on for a successful second half of the year.

Our efforts in risk management and portfolio monitoring continue to bear fruit as no new credit loss provisions were booked in H1 2021. Additionally, despite the increased strategic efforts e.g. in product development we are also meeting our profitability targets.

PURO is well stocked in terms of customers, commercial partnerships and funding facilities for the second half of 2021. In the coming period we continue to build up on our target as the most desired invoice finance provider in the Nordic market.

15 July 2021
Junno Roine, CEO

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Financial Highlights H1 2020

400

CUSTOMER PORTFOLIO

92M

FINANCED INVOICING
EUR

1.2M

TURNOVER
EUR

35%

GROWTH

0.5M

EBIT
EUR

41%

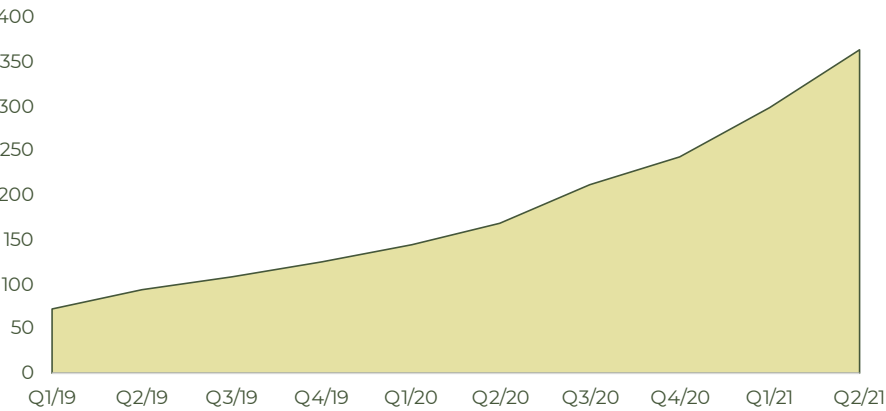
EBIT %

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Track Record

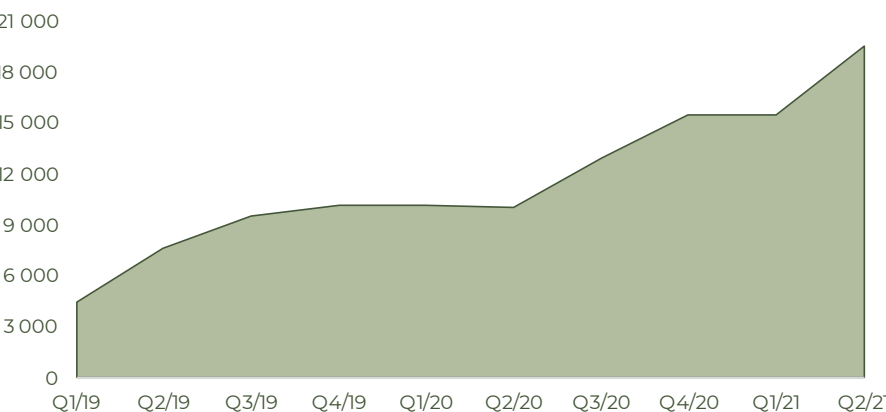
Customers

Total number of active customers



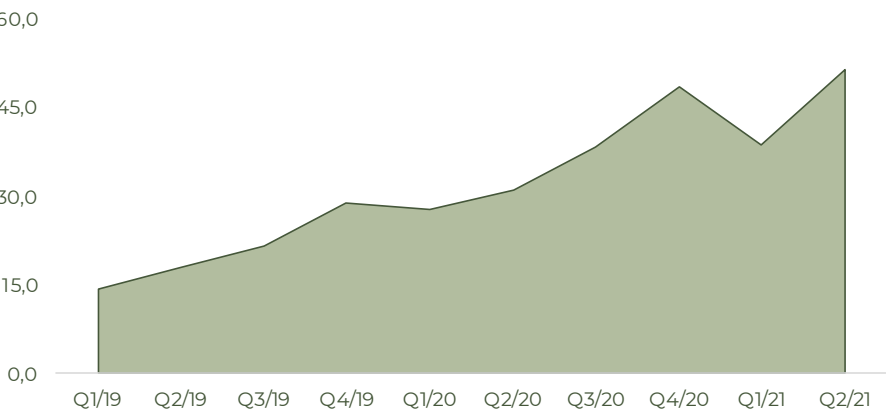
Customer invoicing

Number of invoices



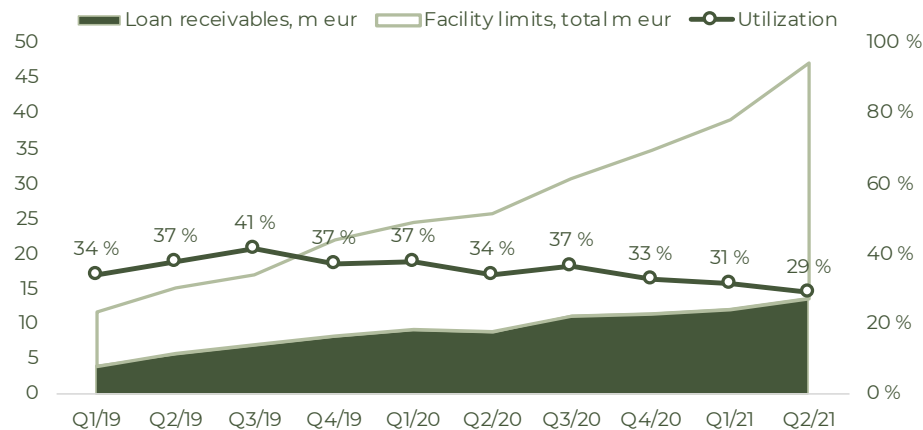
Customer invoicing

Customer invoicing, m EUR



Total credit facilities and utilization

Total (active) facility limits, m eur, and utilization, %



Financial Overview

INCOME STATEMENT*

Amounts in EURt	Jan-Jun 2021	Jan-Jun 2020
Net revenue	1 189	883
Other operating income	0	127
External services	-146	-63
Personnel expenses	-400	-279
Depreciation	-24	-19
Other operating expenses	-127	-153
Operating profit	492	495
Financial income and expenses	-402	-426
Profit before taxes	91	69
Income taxes	-19	11
Profit for the period	72	80

BALANCE SHEET*

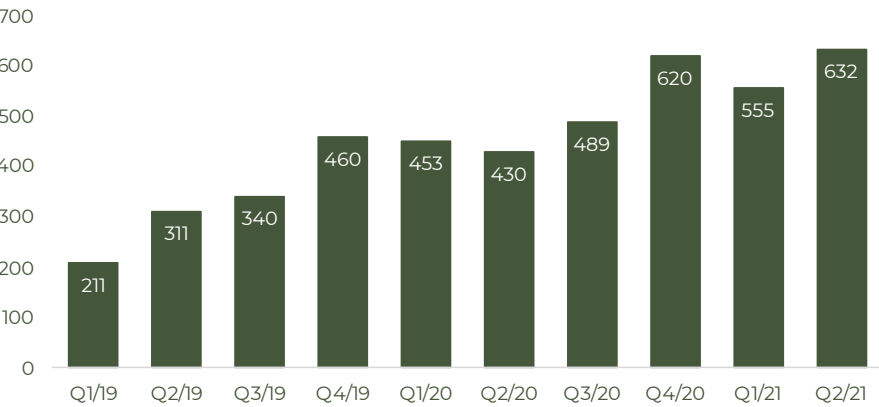
Amounts in EURt	Jun-21	Jun-20
Intangible assets	361	302
Tangible assets	1	2
Non-current assets	362	304
Long-term receivables	168	0
Short-term receivables	13 652	8 580
Total receivables	13 821	8 580
Cash in hand and at banks	539	549
Current assets	14 360	9 128
Total assets	14 722	9 432
Share capital	3	3
Reserve for invested unrestricted capital	3 100	700
Retained earnings	-17	-201
Profit for the financial year	72	80
Total equity	3 158	582
Long-term liabilities	1 241	1 131
Short-term liabilities	10 323	7 719
Creditors in total	11 564	8 851
Total equity and liabilities	14 722	9 432

*Unaudited figures

Portfolio Performance

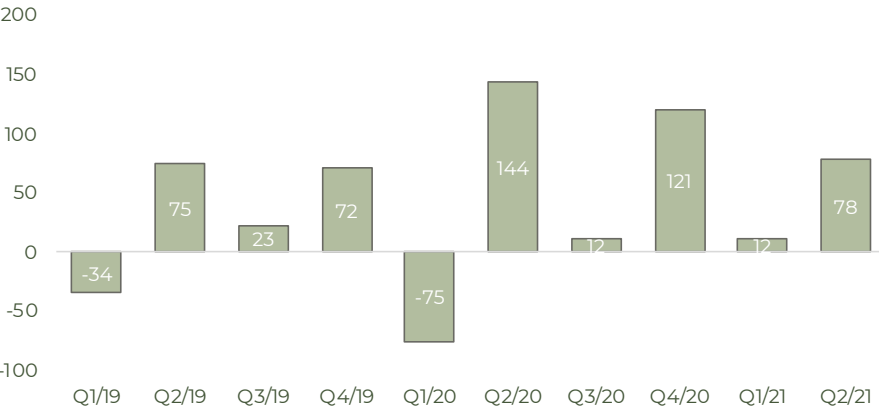
Revenue

Turnover, t eur



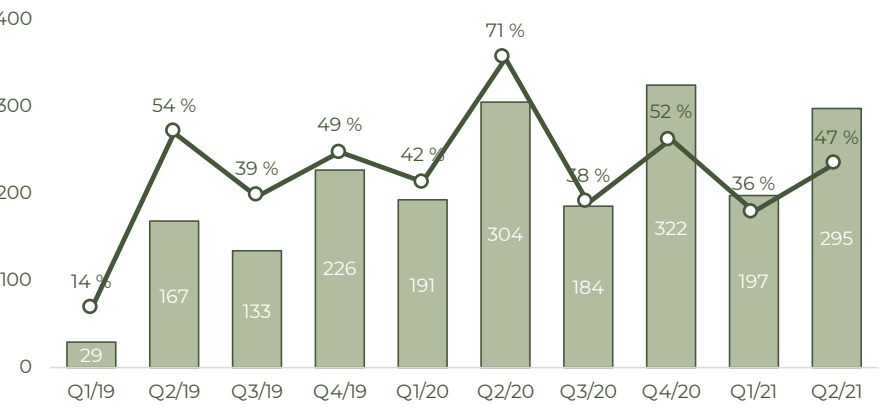
Profitability

Profit before taxes, t eur



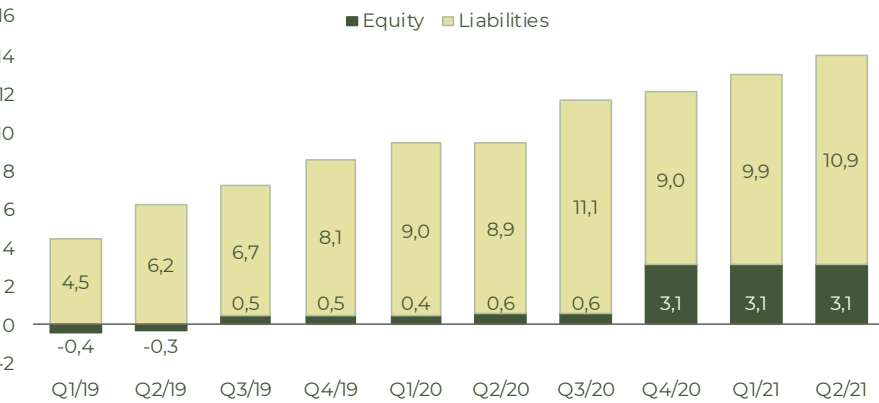
Profitability

Operating profit, t eur & Operating profit margin %



Balance sheet

Balance sheet totals, m eur



Portfolio Credit Risk

1/7/2021 Financed Receivables outstanding, t eur

Total Financing	13 501	
Financing not late	11 158	83 %
Financing late	2 342	17 %
1-7 days	1 114	8 %
8-14 days	304	4 %
15-30 days	201	1 %
31-45 days	96	1 %
46-60 days	52	0 %
61-90 days	44	0 %
91- days	531	4 %
1-30 days	1 619	12 %
30+ days	723	5 %

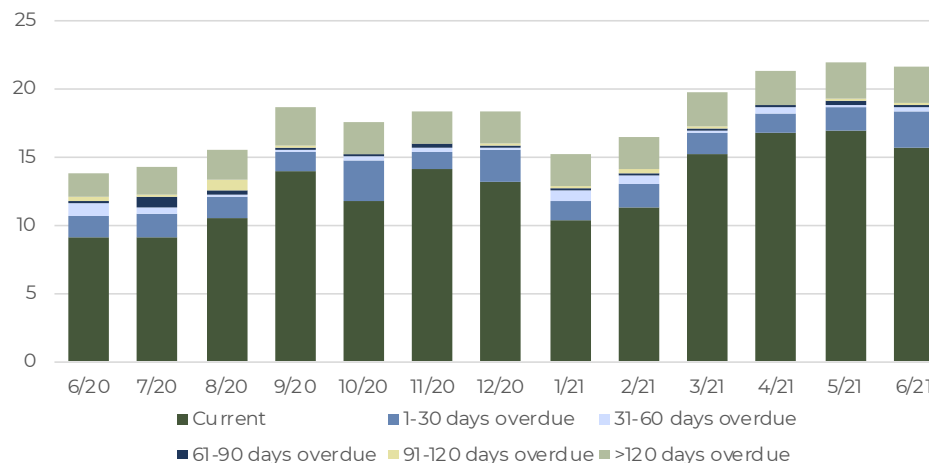
share of financing

Credit loss provisions

Credit loss provisions amounting to 175 tEUR had been booked per financed receivables end-June 2021. Bad debt ratio was thus 1.3%. No new bad debt have emerged since 2019. The provisions are set on customer level after thorough analysis on the past-due items as well as customer financial health.

Receivables outstanding, monthly (invoice face value)

Receivables outstanding, m eur (EOM)



Contact Info



Junno Roine

CEO

junno@puro.finance

+358 50 522 6037



Juho Väinölä

CFO

juho@puro.finance

+358 50 573 6427

PURO
FINANCE

PURO Finance Ltd

Keilaniementie 1

02150 Espoo, Finland

www.puro.finance