



# PURO continues on a steady path of growth

Financial and Portfolio review Q3 2021

PURO Finance Ltd

15 September 2021



# Disclaimer

While great care has been given to the contents of this document, no guarantee, warranty or representation, express or implied, is given to their accuracy or completeness, up-to-dateness and fairness. Many of the statements in this document about future events are management opinions which may not materialize as envisaged. The information in this document is subject to change without notice. The delivery of this document shall not, under any circumstances, create an implication that the information contained herein is correct at any time after the date hereof or that there has been no change in the affairs of PURO Finance Ltd (the Company) since the date hereof.

Nothing in this document shall be treated as a representation or warranty as to the profitability of the investments into the Company. Nothing contained herein is or may be relied upon as, a promise, representation or guarantee as to the future performance or policies of the Company or as to any other circumstances that may or may not occur in the future. Nothing in this document constitutes an offer or invitation by or on behalf of the Company to invest into the Company.

By receiving this document, you accept and acknowledge that no special relationship of trust or duty whatsoever exists that would require updating the information herein and confirm that you are not relying upon any such special relationship of trust or duty.

The information set forth in this document is confidential and may include trade secrets. This information is intended only for Company's creditors, potential creditors, shareholders, management, advisors, auditors and lawyers. Forwarding this presentation to third parties can only be done with Company's approval and is otherwise prohibited.

# Content



# PURO continues on a steady path of growth

## Highlights Q3

- 80 new customers, raising the 2021 total number of new customers to 230. Total financing limits raised to 54 m eur.
- In September 22 m eur in financed invoicing. YTD invoicing growth 53%.
- Quarterly turnover reaching a new milestone with 717 t eur.
- No new loss provisions during 2021. New agreement with credit insurance provider Atradius will further diminish these risks in the future.
- Significant step in product development as B2C invoice financing enabled as one of the few players in the Finnish market for customers with both business and consumer invoicing.

In Q3 PURO continued in previous quarter's path of growth. Both the number of customers (+20%) and top-line (+13%) equaled the quarterly growth numbers from Q2. The development is increasingly promising as a heavy chunk of the quarter was passed during a traditionally quiet holiday period.

80 new customers in the quarter brings the 2021 total to 230 with total customer portfolio leaning towards 500. 75% of new customers came through Accountor Group while the cooperation with both new partners POP Bank and Visma Financial Services also picked up steam.

After falling somewhat flat in terms of invoicing levels in some customer segments during H1, our big tickets especially in Manufacturing, and also Wholesale, are now blooming. Still there is way to go to reach the pre-pandemic means and there is significant growth potential in our customer facility pool.

Both the customer inflow as well as financing utilization will further be expanded after a success product launch for B2C Invoice factoring. PURO is one of the few providers in Finland to finance both business and consumer invoicing of their business customers.

	Q3/21	Q2/21	Q3/20	1-9/21	1-9/20	Chg 21/20
# of active customers	437	363	212	437	212	106%
Facility limits, m eur	54	47	30	54	30	77%
Loan receivables, m eur	16	14	11	16	11	47%
Customer invoicing, m eur	60	52	38	150	98	53%
Turnover, t eur	717	634	489	1 906	1 371	39%
Operating profit, t eur	295	295	184	787	680	16%
Profit before taxes, t eur	84	78	12	175	81	115%

Total turnover passed 700 t eur in Q3 with each of the past two quarters increasing year-on-year by 47%. This brings the total turnover growth for 2021 to 39%. Our clean track record in terms of credit risks continues as new credit loss provisions are yet to be realized in 2021. In order to secure this going forward, we have made an agreement with credit insurance provider Atradius during September.

Operating profit margin both for the quarter and year-to-date was 41% as we continue investing to growth which also shows in our operating expenses. Excluding the 2020 injection from Business Finland the operating profit has increased 42% year-to-date. Finance cost decreased in Q3 despite the growing loan receivables due to more balance funding structure.

With October well on the way we can already see that the end of 2021 will continue with the positive momentum of past months. There are also promising signs in terms of new business channels and other ventures in the horizon and we are anxious to announce them once all the i's are dotted and the t's are crossed.

15 September 2021  
Junno Roine, CEO

PURO  
FINANCE



# Financial Highlights

September YTD 2021

**500**

CUSTOMER PORTFOLIO

**150M**

FINANCED INVOICING  
EUR

**1,9M**

TURNOVER  
EUR

**39%**

GROWTH

**0.8M**

EBIT  
EUR

**41%**

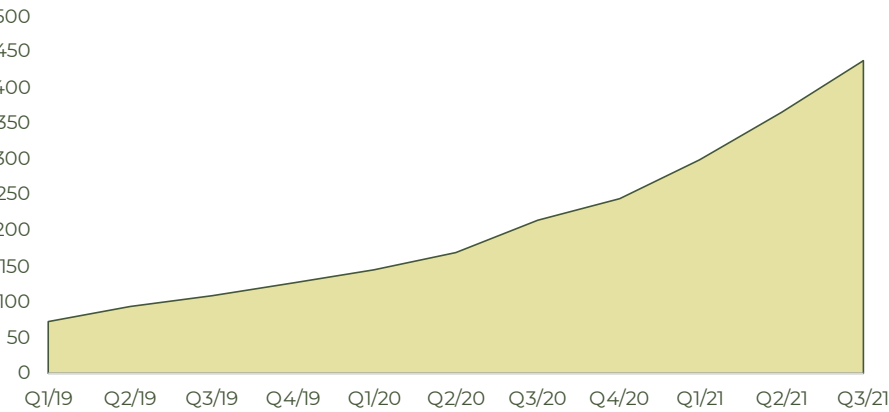
EBIT %



# Track Record

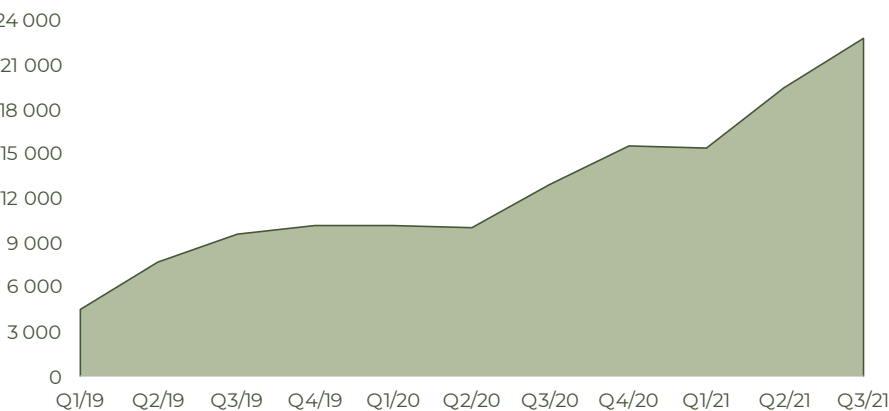
## Customers

Total number of active customers



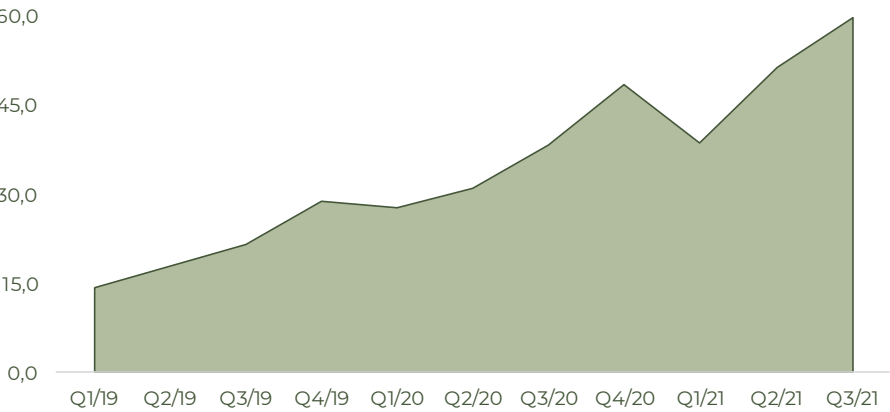
## Customer invoicing

Number of invoices



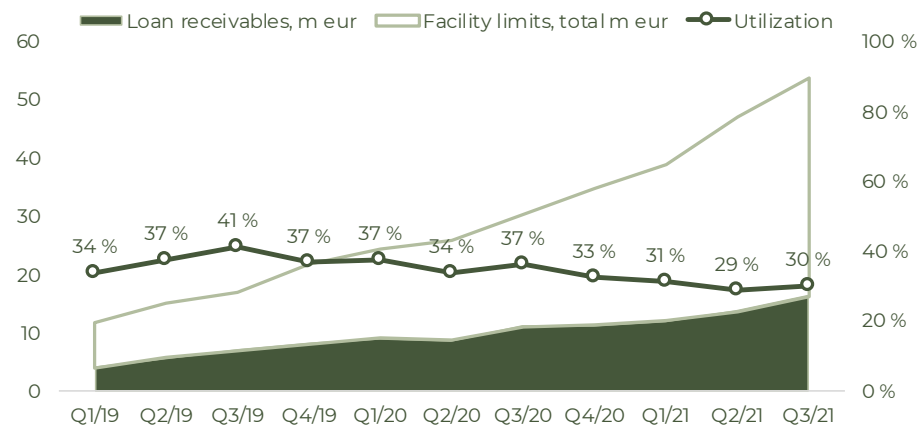
## Customer invoicing

Financed invoicing, m EUR



## Total credit facilities and utilization

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



# Financial Overview

## INCOME STATEMENT\*

t eur	Jan-Sep 2021	Jan-Sep 2020
<b>Net revenue</b>	<b>1 906</b>	<b>1 371</b>
Other operating income	0	127
External services	-237	-111
Personnel expenses	-638	-452
Depreciation	-38	-30
Other operating expenses	-206	-227
<b>Operating profit</b>	<b>787</b>	<b>680</b>
Financial income and expenses	-612	-598
<b>Profit before taxes</b>	<b>175</b>	<b>81</b>
Income taxes	-36	11
<b>Profit for the period</b>	<b>139</b>	<b>93</b>

## BALANCE SHEET\*

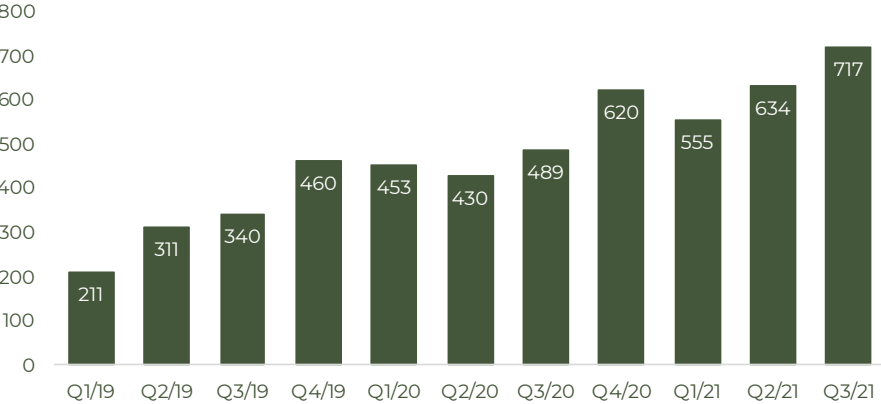
t eur	Sep-21	Sep-20
Intangible assets	376	314
Tangible assets	1	2
<b>Non-current assets</b>	<b>377</b>	<b>316</b>
Long-term receivables	168	0
Short-term receivables	16 222	11 026
<b>Total receivables</b>	<b>16 390</b>	<b>11 026</b>
Cash in hand and at banks	858	346
<b>Current assets</b>	<b>17 248</b>	<b>11 372</b>
<b>Total assets</b>	<b>17 625</b>	<b>11 687</b>
Share capital	3	3
Reserve for invested unrestricted capital	3 100	700
Retained earnings	-17	-201
Profit for the financial year	139	123
<b>Total equity</b>	<b>3 225</b>	<b>624</b>
Long-term liabilities	1 241	1 131
Short-term liabilities	13 159	9 932
<b>Creditors in total</b>	<b>14 400</b>	<b>11 063</b>
<b>Total equity and liabilities</b>	<b>17 625</b>	<b>11 687</b>

\*Unaudited figures

# Portfolio Performance

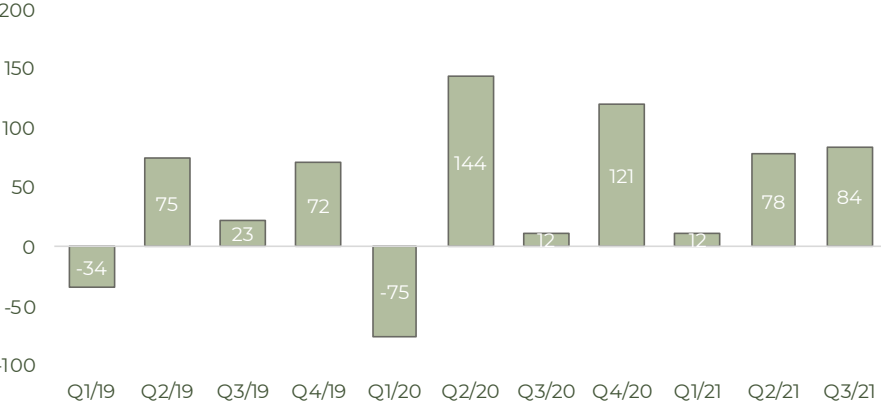
## Revenue

Turnover, t eur



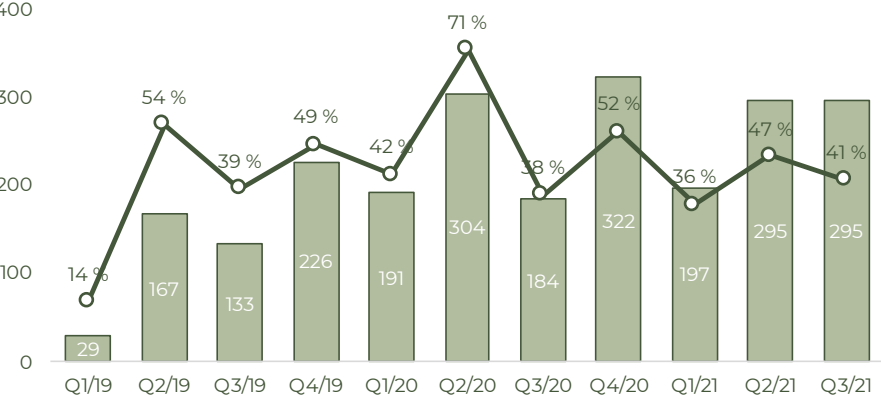
## Profitability

Profit before taxes, t eur



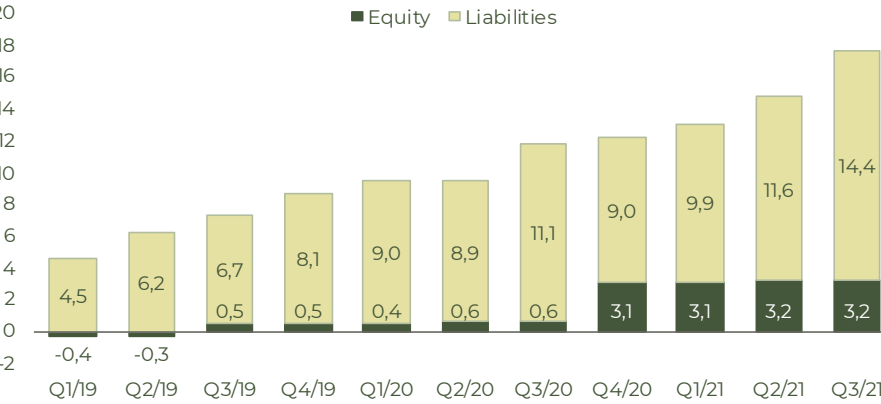
## Profitability

Operating profit, t eur & Operating profit margin %



## Balance sheet

Balance sheet totals, m eur





# Portfolio Credit Risk

## Financed Receivables outstanding, t eur, eop

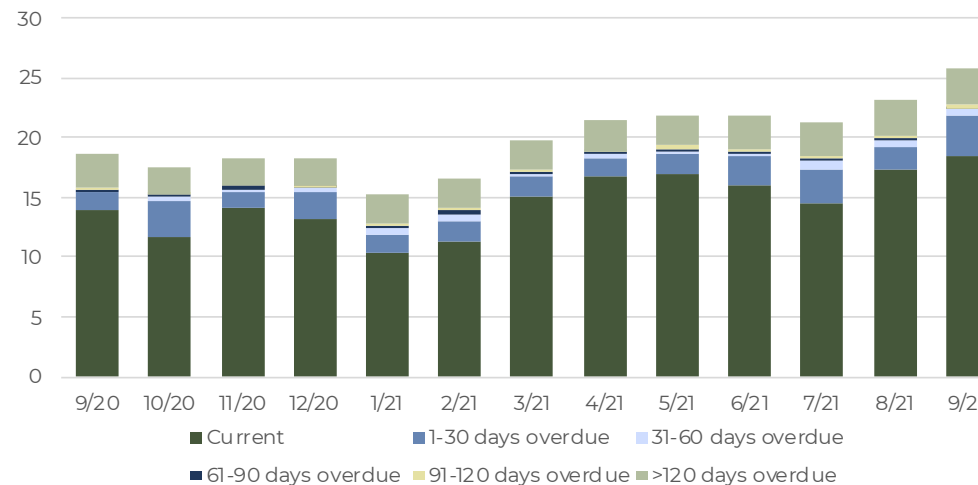
t eur	Sep'20	Sep'21
<b>Total Financing</b>	<b>11 114</b>	<b>16 219</b>
Financing not late	9 370	13 165
Financing late	1 744	3 053
1-7 days	655	1 337
8-14 days	197	430
15-30 days	384	667
31-45 days	24	85
46-60 days	9	27
61-90 days	5	10
91- days	469	496
1-30 days	1 236	2 434
30+ days	508	619

Share of financing

Financing not late	84 %	81 %
Financing late	16 %	19 %
1-7 days	6 %	8 %
8-30 days	5 %	7 %
31-90 days	0 %	1 %
91- days	4 %	3 %
1-30 days	11 %	15 %
30+ days	5 %	4 %
Bad debt ratio	0,9 %	1,1 %

## Receivables outstanding, monthly (invoice face value)

Receivables outstanding, m eur (EOM)



## Credit loss provisions

Credit loss provisions amounting to 175 t eur had been booked per financed receivables end-September 2021. Bad debt ratio was thus 1.1%. 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.



# Contact Info



**Junno Roine**

CEO

[junno@puro.finance](mailto:junno@puro.finance)

+358 50 522 6037



**Juho Väinölä**

CFO

[juho@puro.finance](mailto:juho@puro.finance)

+358 50 573 6427

**PURO**  
FINANCE

**PURO Finance Ltd**

Keilaniementie 1

02150 Espoo, Finland

[www.puro.finance](http://www.puro.finance)