

FINANCIAL AND PORTFOLIO REVIEW Q4 2021

PURO's SURGE BREAKING THROUGH BORDERS

PURO
FINANCE

31 January 2022

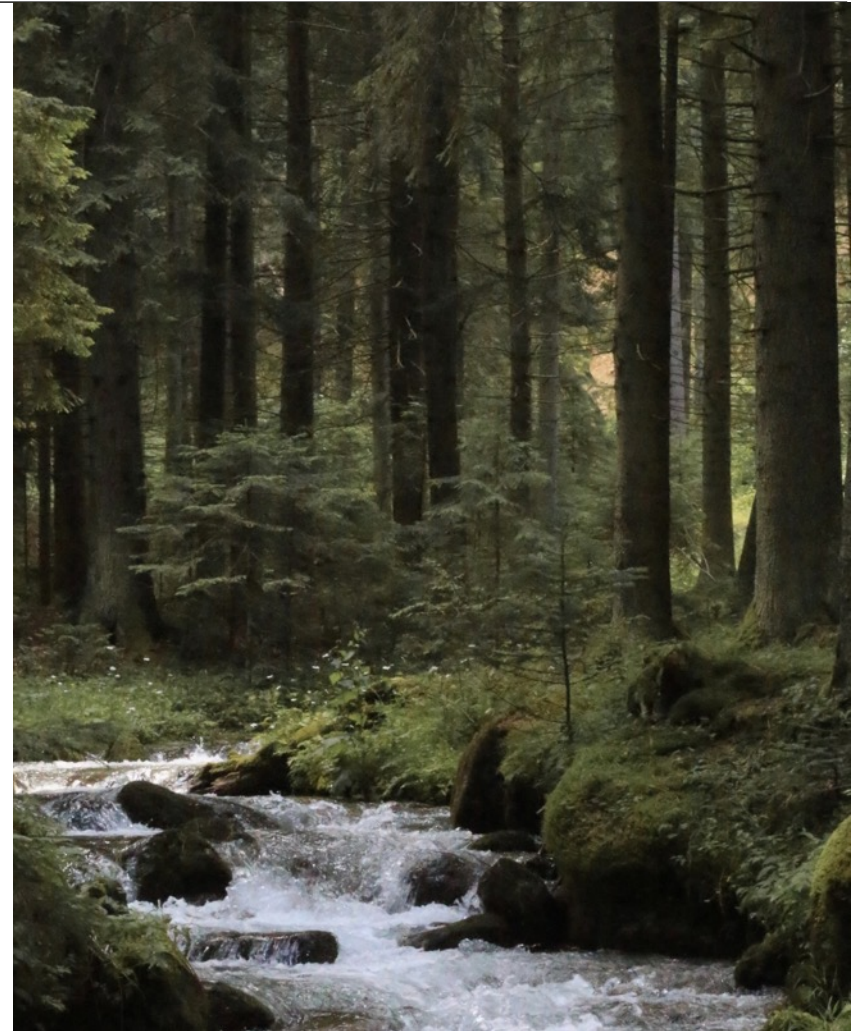
PURO's surge breaking through borders

Highlights Q4 and 2021

- 100 new customers, raising the 2021 total number of new customers to 330 more than doubling the customer base.
- Quarterly turnover 879 t eur up 23% from previous quarter. Total turnover for 2021 increased by 40% from previous year.
- Monthly recurring revenue (MRR) peaking at 299 t eur in December with 58% YoY increase.
- 77 m eur financed invoicing in Q4. Financed receivables peaking in 19 m eur up 75% growth YoY.
- No new loss provisions during 2021.
- Registration process was commenced to establish a branch in Sweden.

2021 ended on a high note for PURO. Customer activity in November and December was surging and pushed us to meet most KPI targets for the year. Both the number of customers and top-line increased by 23% from previous quarter with especially the latter peaking in quarterly growth.

100 new customers in the final quarter brings the 2021 total to 330 – more than doubling our total customer base to 536. Accountor Group remained as our major channel with 75% share of new customer influx while the partnership with POP Bank advanced to become our second largest inbound channel - a notable feat with sales through the Bank only starting in autumn. In December, a new partnership with Oscar Software was formed, which is expected to kick off fully during Q1 2022.



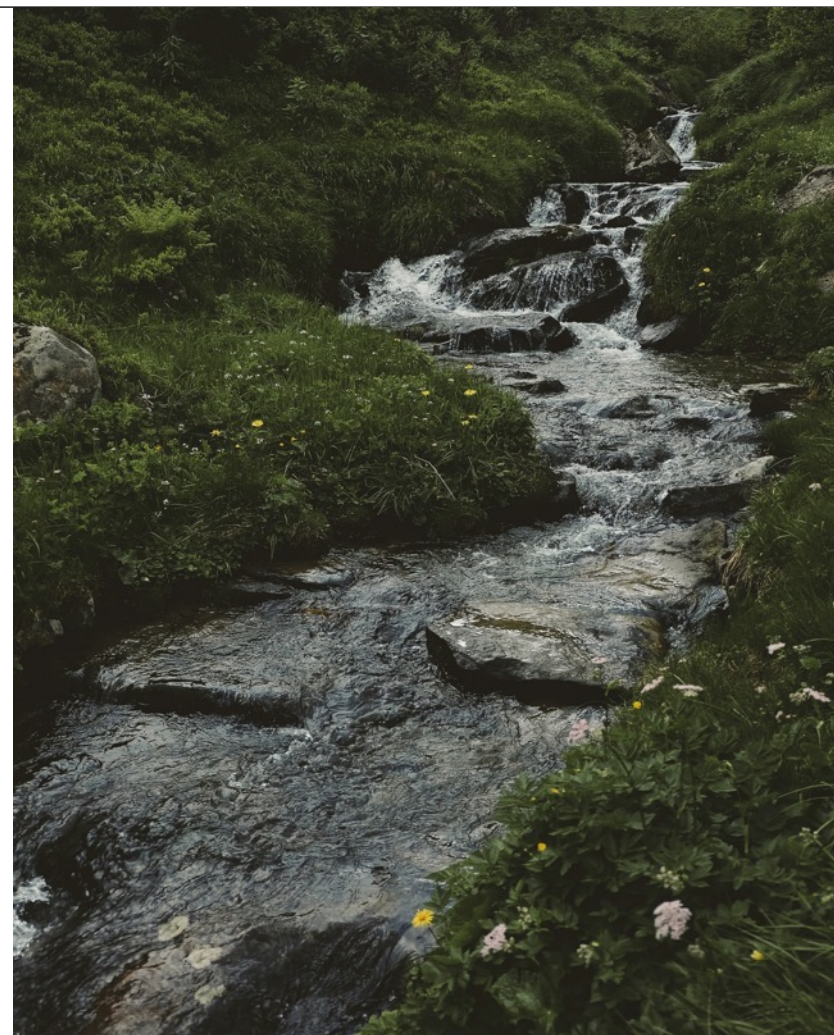
THE FLOW IN FINANCE

PURO
FINANCE

In total, the promise shown in our customer base in September with blooming segments under Manufacturing and Wholesale truly delivered the goods in Q4. The growth in loan receivables, which until August had remained rather stale in 2.5 m eur net increase (in 2021), was vast from then on growing by 5.6 m eur from August through end-of-year to a land-mark level of close to 20 m eur.

	Q4/21	Q3/21	Q4/20	2021	2020	Chg 21/20
# of active customers	536	437	243	536	243	121%
Facility limits, m eur	66	54	35	66	35	89%
Loan receivables, m eur	19	16	11	19	11	72%
Customer invoicing, m eur	77	60	49	227	146	55%
Turnover, t eur	879	717	620	2 785	1 992	40%
Operating profit, t eur	371	295	322	1 158	1 002	16%
Profit before taxes, t eur	113	84	121	288	202	42%

Total turnover drew near 900 t eur in Q4 with year-on-year quarterly growth +42%. This brought the total turnover for the year to 2.8 m eur, up 40% from 2020. Monthly Recurring Revenue (MRR) increased from 191 to 299 m eur i.e. by 57%



While some significant expenses occurred in relation to strategic initiatives and growth investments, the operating profit margin both for the final quarter and full year improved to 42%. Continued track record in risk management with no new loss provisions for the whole year was a notable boost to profitability. Excluding the 2020 injection from Business Finland the operating profit increased 39% from 2020 to 2021. Profit before taxes was 288 t eur for the full year, up 42% from previous year, with finance cost increasing a mere 9%.

PURO's financially successful year ended on an exciting note. We started a registration process in order to establish a PURO branch in Sweden. The plan for Sweden is to rely on 'the PURO way'; step-by-step building our capability and expanding through the best partners in the market. We fully believe this is the winning recipe also abroad while we also continue to broaden our foothold in our homeland and make the service to our customers better and better.

All the indicators promise our current growth to continue in the first half of 2022 and we will do our utmost aiming even higher.

31 January 2022
Junno Roine, CEO



330

NEW CUSTOMERS

550

CUSTOMER PORTFOLIO

230_M

FINANCED INVOICING
EUR

42%

EBIT %

299_k

MRR
EUR

57%

GROWTH

2.8_M

TURNOVER
EUR

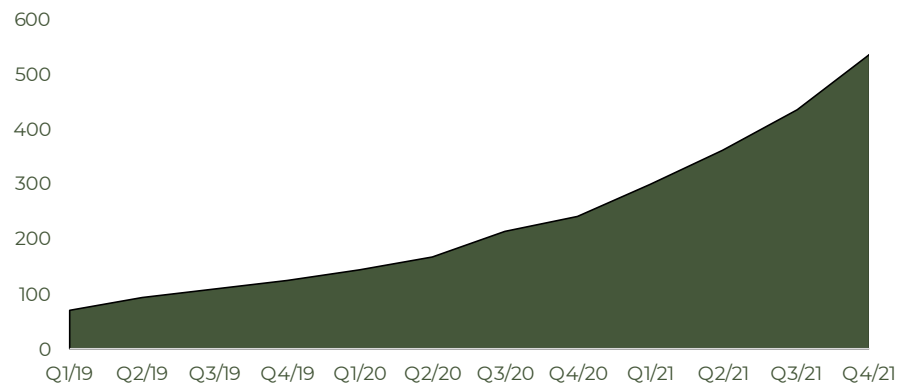
40%

GROWTH

THE FLOW IN FINANCE

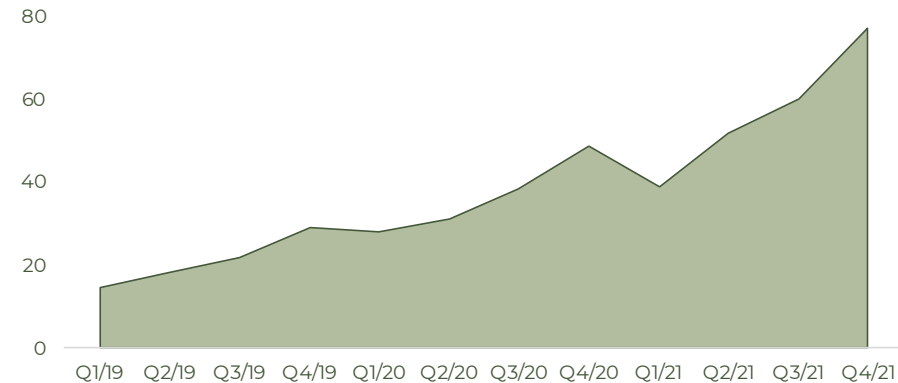
CUSTOMERS

Total number of active customers



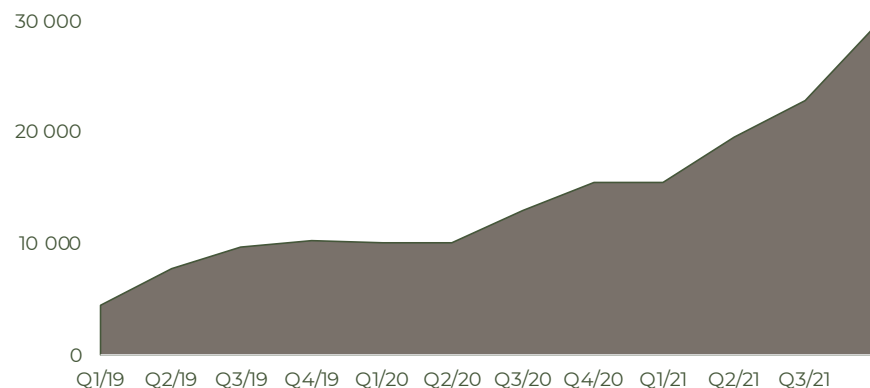
CUSTOMER INVOICING

Financed invoicing, m EUR



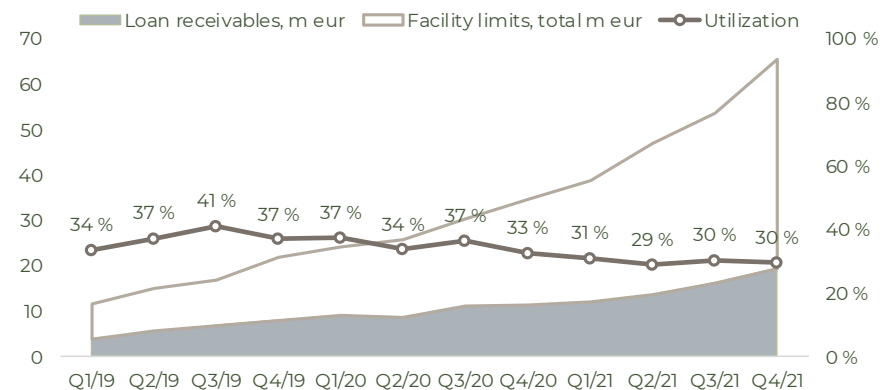
CUSTOMER INVOICING

Number of invoices



TOTAL CREDIT FACILITIES AND UTILIZATION

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



TRACK RECORD

PURO
FINANCE

FINANCIAL OVERVIEW

INCOME STATEMENT *

t eur	Jan-Dec 2021	Jan-Dec 2020
Net revenue	2 785	1 992
Other operating income	0	172
Purchased services	-379	-149
Personnel expenses	-873	-605
Depreciation	-54	-42
Other operating expenses	-321	-365
Operating profit	1 158	1 002
Financial income and expenses	-870	-800
Profit before taxes	288	202
Income taxes	-51	-18
Profit for the period	237	184

* Unaudited figures

BALANCE SHEET *

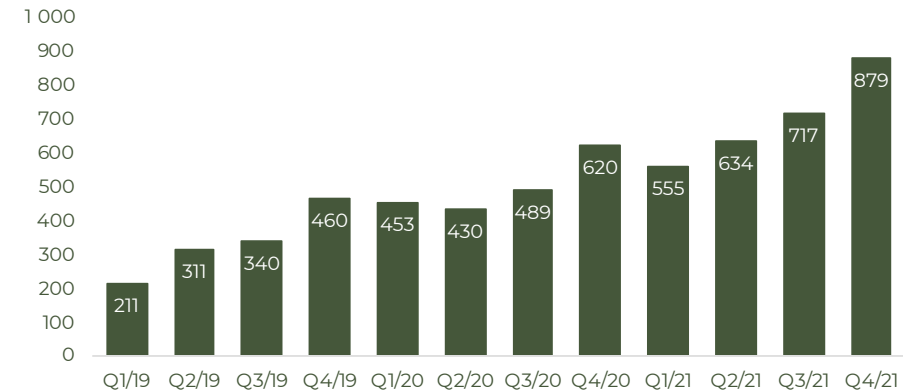
t eur	Dec-21	Dec-20
Intangible assets	390	325
Tangible assets	1	2
Non-current assets	391	327
Long-term receivables	168	200
Short-term receivables	19 356	11 196
Total receivables	19 524	11 396
Cash in hand and at banks	50	385
Current assets	19 574	11 781
Total assets	19 965	12 108
Share capital	3	3
Reserve for invested unrestricted capital	3 100	3 100
Retained earnings	-17	-201
Profit for the financial year	237	184
Total equity	3 322	3 086
Long-term liabilities	2 325	1 241
Short-term liabilities	14 318	7 781
Creditors in total	16 643	9 022
Total equity and liabilities	19 965	12 108

THE FLOW IN FINANCE

PORTFOLIO PERFORMANCE

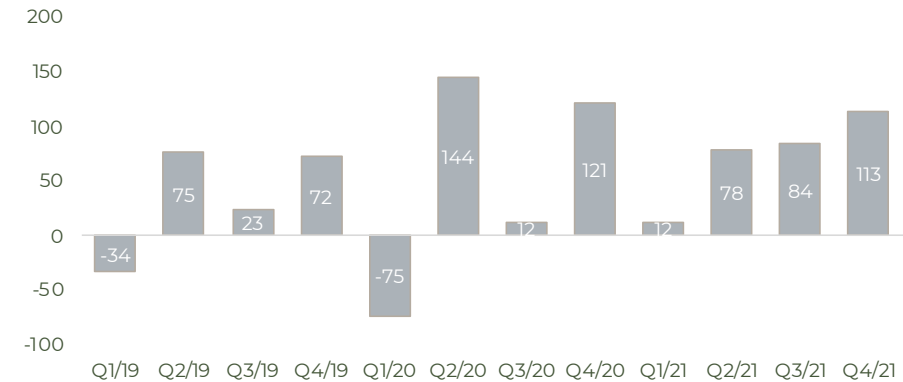
REVENUE

Turnover, t eur



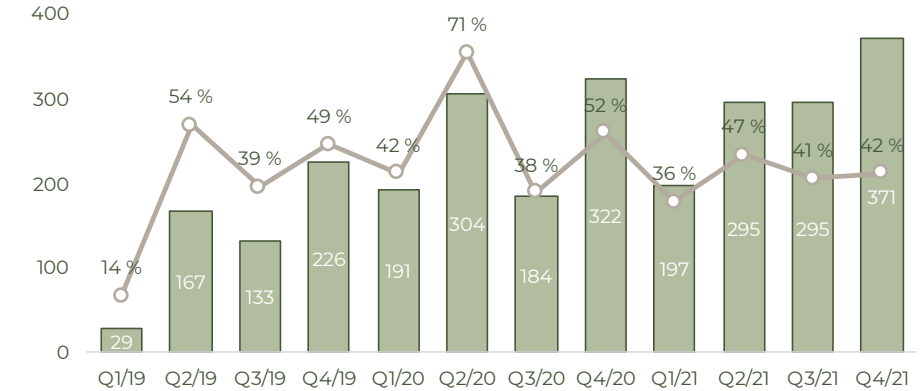
PROFITABILITY

Profit before taxes, t eur



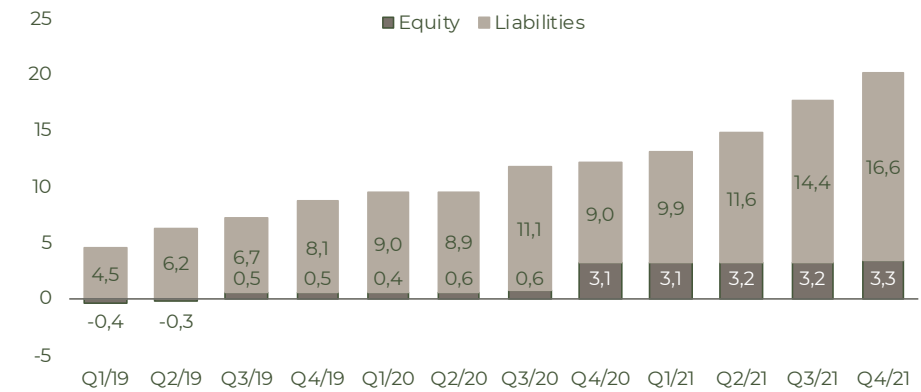
PROFITABILITY

Operating profit, t eur & Operating profit margin %



BALANCE SHEET

Balance sheet totals, m eur



THE FLOW IN FINANCE

FINANCED RECEIVABLES OUTSTANDING, EOP

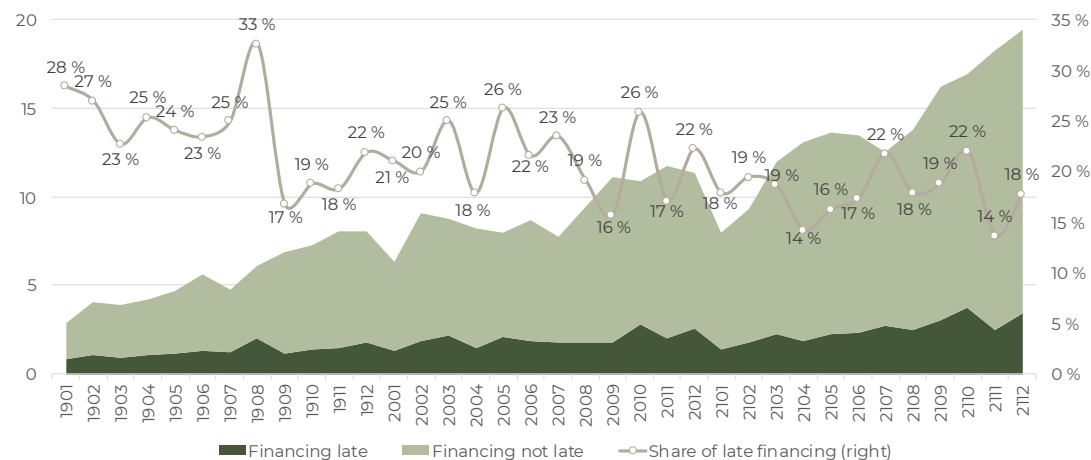
t eur	2018	2019	2020	2021
Total Financing	3 253	8 092	11 392	19 430
Financing not late	2 278	6 322	8 861	15 975
Financing late	975	1 770	2 531	3 455
1-7 days	344	828	1 402	1 582
8-14 days	148	236	404	630
15-30 days	194	242	165	563
31-45 days	14	107	87	45
46-60 days	118	45	13	75
61-90 days	150	51	55	116
91- days	6	262	405	444
1-30 days	686	1 306	1 971	2 775
30+ days	288	464	560	680

Share of financing

Financing not late	70 %	78 %	78 %	82 %
Financing late	30 %	22 %	22 %	18 %
1-7 days	11 %	10 %	12 %	8 %
8-30 days	11 %	6 %	5 %	6 %
31-90 days	9 %	2 %	1 %	1 %
91- days	0 %	3 %	4 %	2 %
1-30 days	21 %	16 %	17 %	14 %
30+ days	9 %	6 %	5 %	3 %
Bad debt ratio	2,9 %	2,2 %	1,5 %	0,5 %

SHARE OF LATE FINANCED RECEIVABLES, 2019-21

Historical Financed receivables, m eur, and share of late financing



CREDIT LOSS PROVISIONS

Credit loss provisions amounting to 107 t eur had been booked per financed receivables end-2021. Bad debt ratio was thus 0.5%. 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. Final credit losses 114 t eur had been booked per end-2021.

PORTFOLIO CREDIT RISK

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POWER

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