



OPR-Finance

Q4

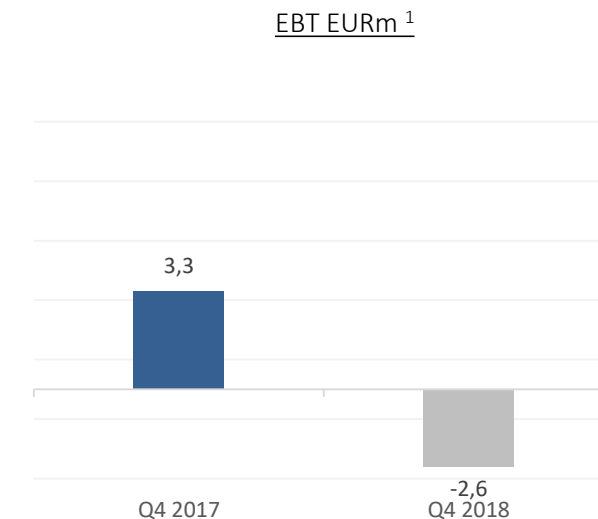
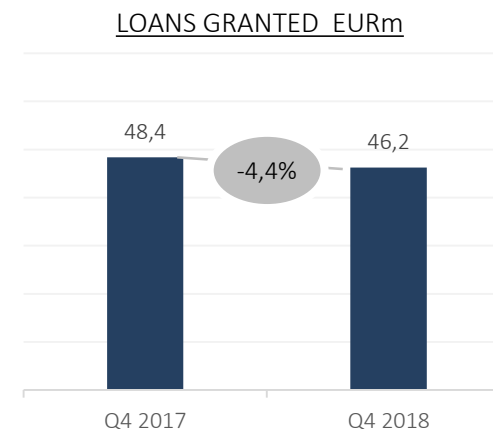
Annual report 1.1.-31.12.2018

# Annual report 1.1. – 31.12.2018 [FAS, unaudited]

## OPR-Finance Group

- ▶ Loans granted of the fourth quarter decreased 4.4% from the previous year amounting to EUR 46.2m (EUR 48.4m Q4/2017)
- ▶ Revenues (sales + interest income) of the fourth quarter rose 2.4% from the previous year amounting to EUR 19.6m (EUR 19.2m)
- ▶ EBT of the fourth quarter amounted to EUR -2.6m (EUR 3.3m). EBT-margin was respectively -13.3% (17.2%) <sup>1</sup>
- ▶ A new board has been appointed to the company in December 2018. It consists of Martin Backman (CoB), Nermin Hairedin, Marko Hyvärinen, Richard Rosenius, Jari Ruuska and Sirpa-Helena Sormunen
  - ▶ The company has an Audit and Risk Committee (Chairman Hyvärinen) and a Remuneration Committee (Chairman Backman)
- ▶ During the review period we have learned that the company's calculation system has recorded too much interest income in Czech worth EUR 1.7m. The noticed error has been fixed during Q4/18 by reducing respectively interest income and receivables. The error is accounting specific and does not have cash impact to the company
- ▶ The company adopts the international IFRS reporting standard. Annual report for 2018 will be drawn according to the IFRS standard
- ▶ The company has adopted an updated credit loss provision model in its FAS reporting. The adaptation inflicted a credit loss provision worth EUR 7.4m for the review period which had a substantial impact to the quarter's FAS-reported profitability
  - ▶ Operative earnings before tax (EBT) without the mentioned one-off is respectively EUR 4.8m <sup>1</sup>
- ▶ Operations of Consumer Financing segment in Finland and Sweden were restrained by the somewhat tight liquidity situation during the review period. It has not affected the Everyday credit limits

KEY FINANCIALS, EURm	2015	2016	2017	2018	Q4 2017	Q4 2018
Loans granted	115.7	161.4	205.0	218.5	48.4	46.2
Revenues	35.5	47.8	69.7	84.1	19.2	19.6
EBT	13.5	15.2	21.0	21.9	3.3	-2.6
EBT-margin %	38.1 %	31.9 %	30.2 %	26.1 %	17.2 %	-13.3 %
Loan receivables	76.9	117.9	178.2	222.7	178.2	222.7
Equity ratio	58.4 %	50.8 %	44.8 %	40.1 %	44.8 %	40.1 %
Equity ratio "Hard Equity"	24.5 %	22.8 %	19.7 %	20.4 %	19.7 %	20.4 %
Equity total	49.0	64.5	94.9	97.5	94.9	97.5

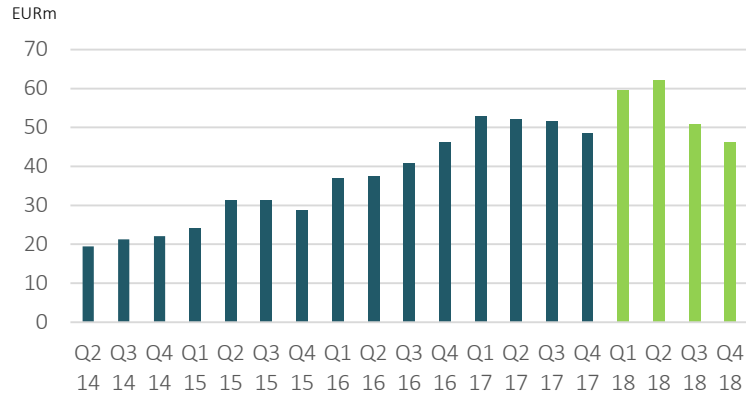


1) Includes the noted EUR 1.7m one-off item in Czech Republic which lowers profitability

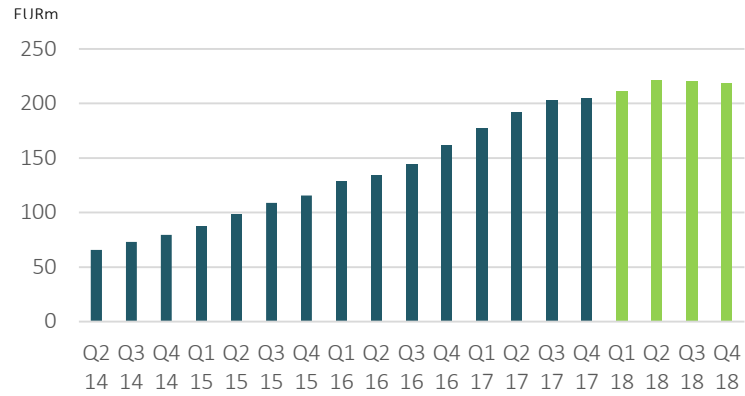
# Essential business indicators

## OPR-Finance Group

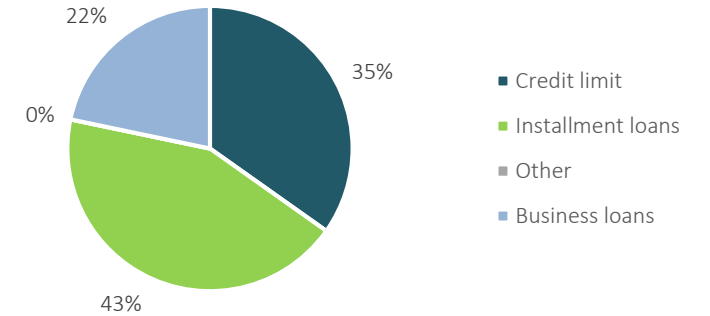
QUARTERLY LOANS GRANTED



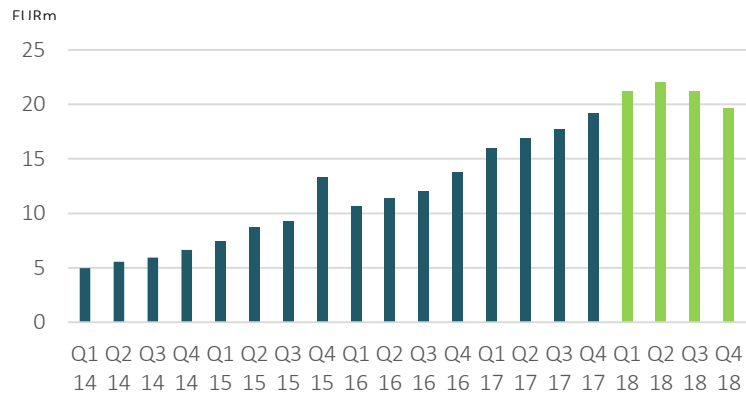
QUARTERLY LOANS GRANTED – ROLLING 12 MONTHS



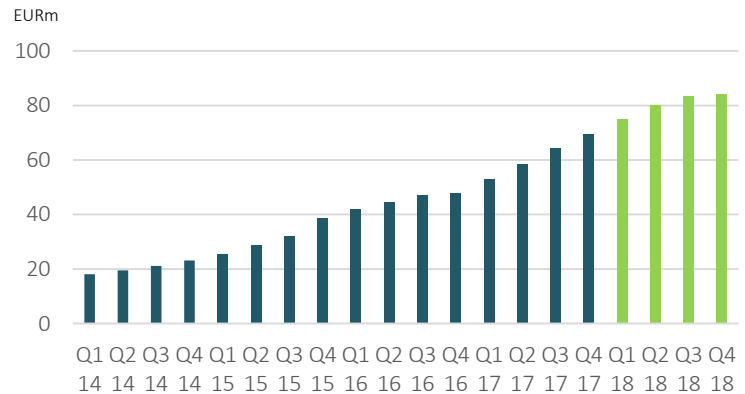
LOANS GRANTED DISTRIBUTION Q4/2018



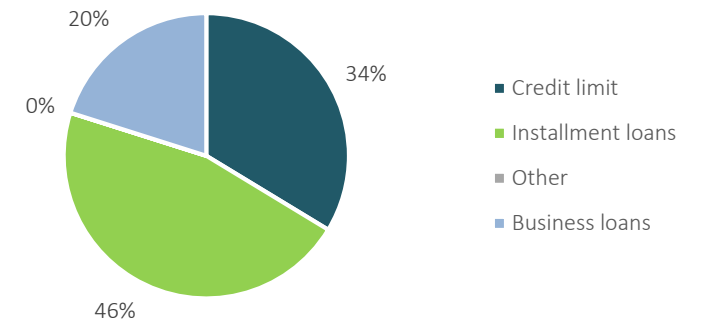
QUARTERLY REVENUES <sup>1</sup>



QUARTERLY REVENUES – ROLLING 12 MONTHS <sup>1</sup>



REVENUES DISTRIBUTION Q4/2018

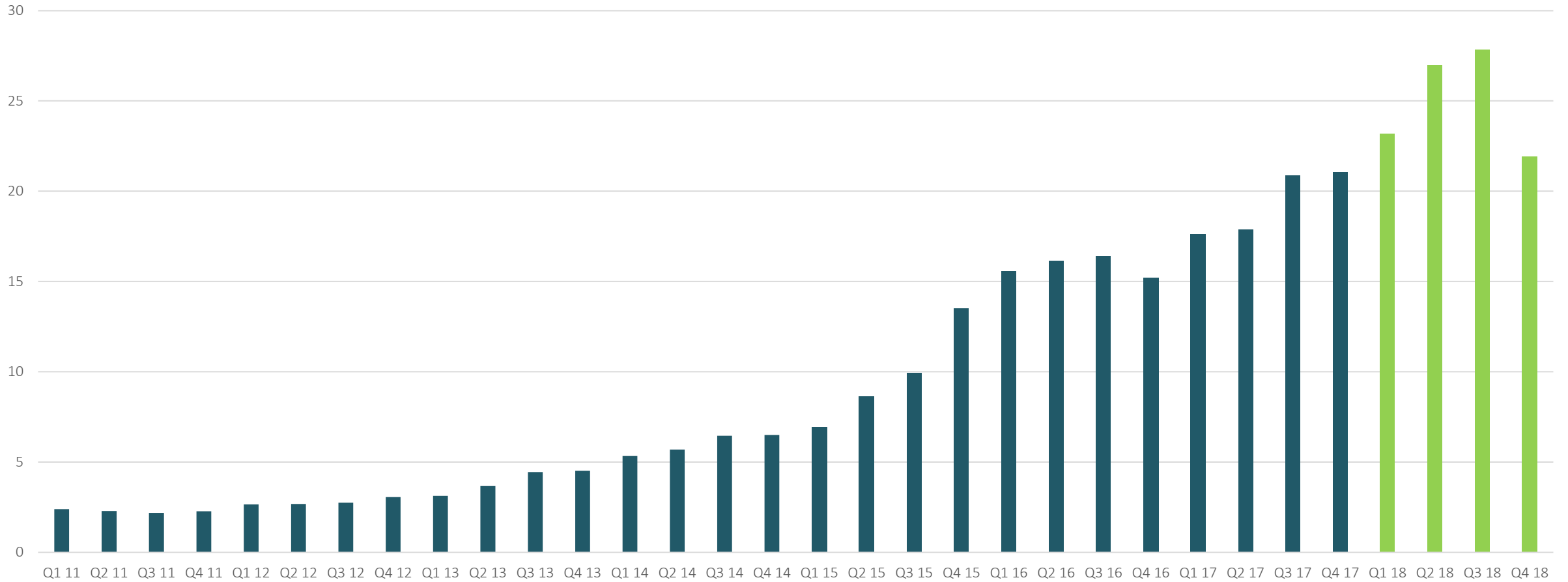


1) Q4/2015 includes non-recurring revenues associated with a sale of receivables portfolio worth EUR 3.1m total

# Profit development

## OPR-Finance Group

QUARTERLY EARNINGS BEFORE TAXES (EBT) – ROLLING 12 MONTHS (EURm)





Consumer financing

# Consumer financing

## OPR-Finance Group

### COMMENTS

- ▶ OPR-Finance Group grants consumer loans to its customers in Finland, Sweden and Czech
- ▶ During the review period Consumer financing was behind the previous year and the previous quarter in loans granted. Revenues were ahead of the previous year but behind the previous quarter

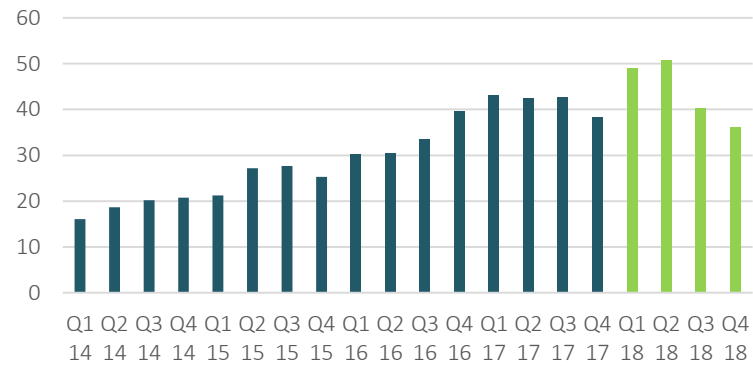
#### Loans granted

- ▶ Q4/2018 loans granted EUR 36.2m (Q4/2017 EUR 38.2m, change -5%)
- ▶ Q1-Q4/2018 loans granted EUR 176.4m (Q1-Q4/2017 EUR 166.4m, change +6%)

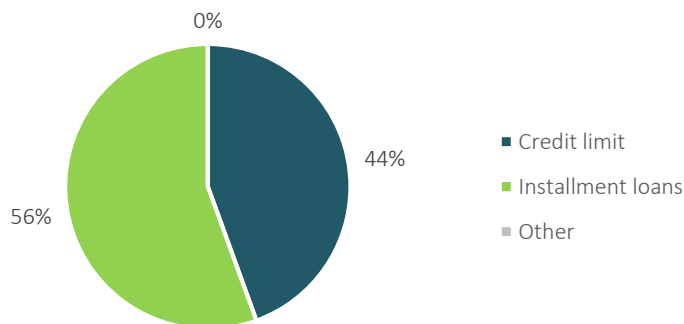
#### Revenues

- ▶ Q4/2018 revenues EUR 15.7m (Q4/2017 EUR 15.3m, change +3%)
- ▶ Q1-Q4/2018 revenues EUR 68.7m (Q1-Q4/2017 EUR 56.1m, change +22%)
- ▶ We have continued to restrict the granting of selected consumer loans in Finland and Sweden due to the group's liquidity situation

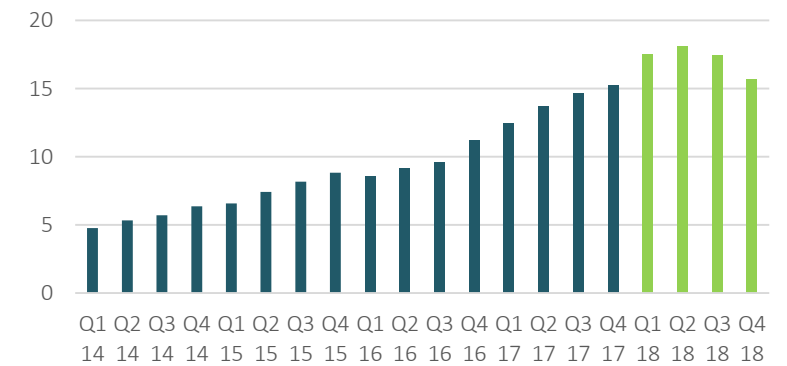
### QUARTERLY LOANS GRANTED (EURm)



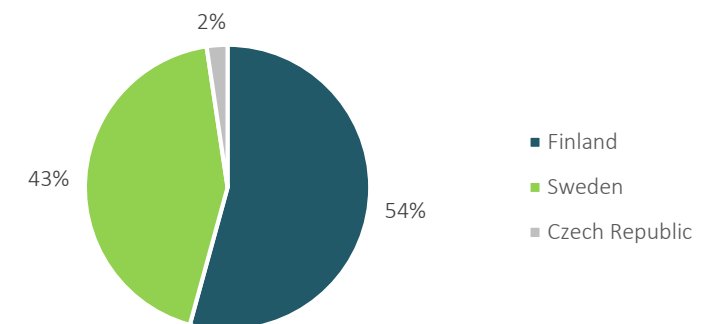
### LOANS GRANTED DISTRIBUTION Q4/2018



### QUARTERLY REVENUES (EURm)



### LOANS GRANTED DISTRIBUTION Q4/2018





**B2B**



# Business financing

## OPR-Finance Group

### COMMENTS

- ▶ OPR-Finance Group grants working capital loans to its corporate customers in Finland, Sweden, Denmark, the Netherlands and Czech
- ▶ During the review period Business Financing was slightly behind the previous year in loans granted but slightly ahead in revenues. Loans granted and revenues fell somewhat short of the previous quarter

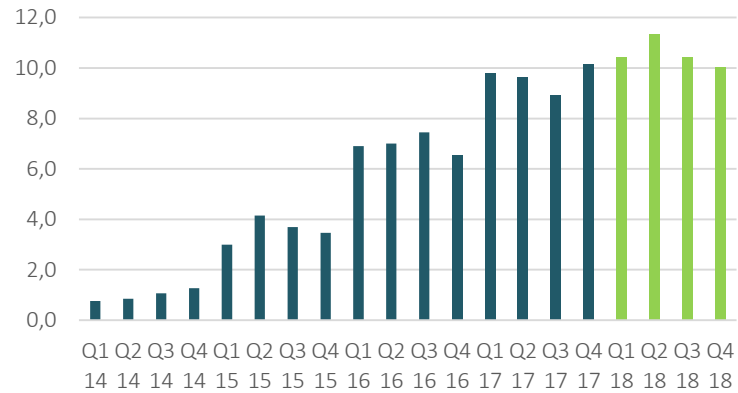
#### Loans granted

- ▶ Q4/2018 loans granted EUR 10.0m (Q4/2017 EUR 10.2m, change -1%)
- ▶ Q1-Q4/2018 loans granted EUR 42.2m (Q1-Q4/2017 EUR 38.5m, change +10%)

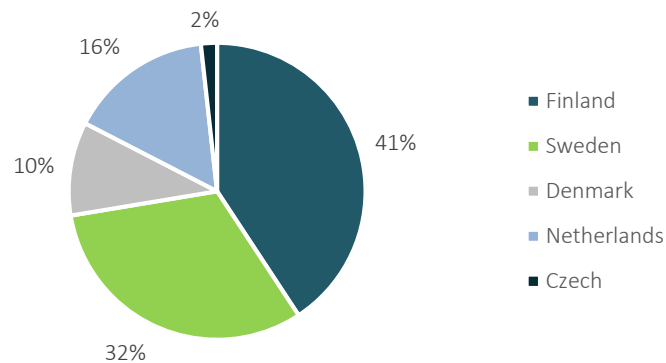
#### Revenues

- ▶ Q4/2018 revenues EUR 3.7m (Q4/2017 EUR 3.6m, change +3%)
- ▶ Q1-Q4/2018 revenues EUR 15.1m (Q1-Q4/2017 EUR 13.2m, change +14%)
- ▶ The relative share of business operations outside Finland continued to grow during the review period

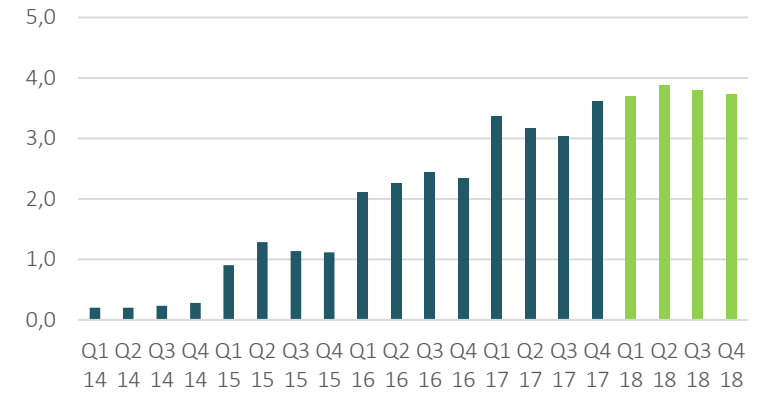
### QUARTERLY LOANS GRANTED (EURm)



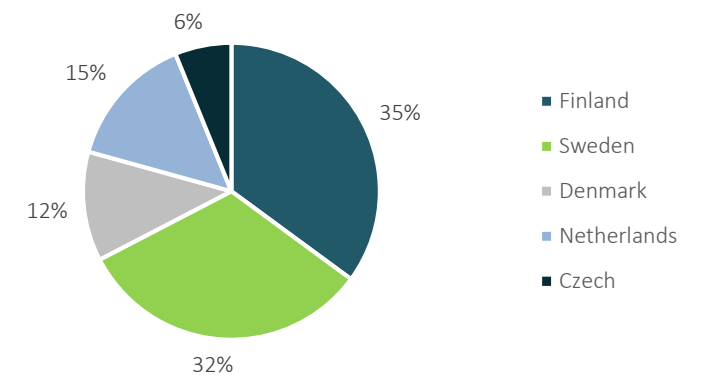
### LOANS GRANTED DISTRIBUTION Q4/2018



### QUARTERLY REVENUES (EURm)



### REVENUES DISTRIBUTION Q4/2018







Place Price Product  
Communication Contact

Business

Financial review

# Group income statement

Q4/2018

EURk, unaudited	Q4/2018	Q1-Q4/2018	Q4/2017	Q1-Q4/2017
<b>Revenues</b>				
Sales	8 488	39 966	8 797	36 353
Interest income	11 156	44 089	10 377	33 326
Other operating income	7	13	-4	0
<b>Revenues total</b>	<b>19 650</b>	<b>84 068</b>	<b>19 170</b>	<b>69 680</b>
Operating expenses	-18 824	-49 982	-11 808	-37 906
Depreciation and amortization	-5	-22	-7	-28
<b>EBIT</b>	<b>822</b>	<b>34 064</b>	<b>7 354</b>	<b>31 745</b>
Interest and other financial expenses	-3 437	-12 159	-4 061	-10 746
<b>EBT</b>	<b>-2 615</b>	<b>21 905</b>	<b>3 294</b>	<b>21 000</b>
Income taxes	-882	-6 338	-1 073	-4 900
<b>Profit for the period</b>	<b>-3 496</b>	<b>15 568</b>	<b>2 221</b>	<b>16 100</b>

# Group balance sheet

Q4/2018

## LIQUIDITY

- ▶ In the end of Q4/2018 the group's liquid Cash and cash equivalents were EUR 12.4m
- ▶ As a part of the collateralized bond issue OPR-Finance group has agreed with bond investors and Nordea Bank AB, Finnish Branch about a collateral pool arrangement. In the arrangement the company pledges its loan receivables as collateral for the financing raised from the bond and Nordea's financing limit
  - ▶ Amount of pledged assets in the end of Q4/2018 was EUR 72.6m
  - ▶ Under the terms of the financing agreements 100% of the pledged receivables fulfilled the terms' definition of Prime Receivables in the end of Q4/2018

EURk, unaudited	31.12.2018	30.9.2018	31.12.2017
<b>Non-current assets</b>	<b>94</b>	<b>74</b>	<b>86</b>
<b>Current assets</b>			
Long term receivables			
Loan receivables	98 020	103 032	90 876
Other receivables	5 140	4 523	5 215
Short term receivables			
Loan receivables	124 636	121 999	87 354
Other receivables	2 483	1 777	2 739
<b>Total short term receivables</b>	<b>127 119</b>	<b>123 776</b>	<b>90 093</b>
Cash and cash equivalents	12 413	15 691	25 620
<b>Total current assets</b>	<b>242 693</b>	<b>247 021</b>	<b>211 804</b>
<b>Total assets</b>	<b>242 787</b>	<b>247 095</b>	<b>211 890</b>
<b>Equity</b>			
Share capital	15	15	15
Invested non-restricted equity	47 276	48 583	55 036
Translation difference	-486	-611	20
Retained earnings	35 083	36 782	23 774
Profit for the period	15 568	19 064	16 100
<b>Total equity</b>	<b>97 456</b>	<b>103 832</b>	<b>94 945</b>
<b>Liabilities</b>			
Long term liabilities			
Interest bearing debt	80 000	80 000	80 000
Short term liabilities			
Interest bearing debt	56 727	55 801	29 253
Other liabilities	8 604	7 462	7 692
<b>Total short term liabilities</b>	<b>65 331</b>	<b>63 263</b>	<b>36 945</b>
<b>Total liabilities</b>	<b>145 331</b>	<b>143 263</b>	<b>116 945</b>
<b>Total equity and liabilities</b>	<b>242 787</b>	<b>247 095</b>	<b>211 890</b>

# Group cash flow statement

Q4/2018

EURk, unaudited	Q4/2018	2018	2017
Cash receipts from customers	8 483	39 388	35 376
Change in loan receivables	-5 211	-53 061	-61 662
Cash receipts from other operating income	0	0	28
Cash paid to suppliers and employees	-10 369	-42 939	-40 000
Interest and expenses paid from operations' financing	-2 962	-11 059	-9 937
Interest received from operations	9 918	42 959	33 083
Received dividends from operations	0	0	0
Income tax paid	-1 096	-4 103	-5 537
<b>Cash flows from operating activities</b>	<b>-1 238</b>	<b>-28 815</b>	<b>-48 649</b>
		0	
Capital expenditure	-25	-30	-46
Other loans issued	200	250	-2 000
<b>Cash flows from investing activities:</b>	<b>175</b>	<b>221</b>	<b>-2 012</b>
		0	
Redemption of own shares	-1 307	-8 401	-6 544
Issue of shares	0	501	24 833
Withdrawals of short-term loans	5 567	33 325	17 337
Repayments of short-term loans	-4 769	-5 331	-40 831
Withdrawals of long-term loans	0	0	80 000
Repayments of long-term loans	0	0	0
Paid out dividends and other profit distribution	-1 713	-4 707	-3 840
<b>Cash flows from financing activities:</b>	<b>-2 222</b>	<b>15 387</b>	<b>70 955</b>
		0	
<b>Change in Cash and Cash Equivalents</b>	<b>-3 285</b>	<b>-13 207</b>	<b>20 294</b>

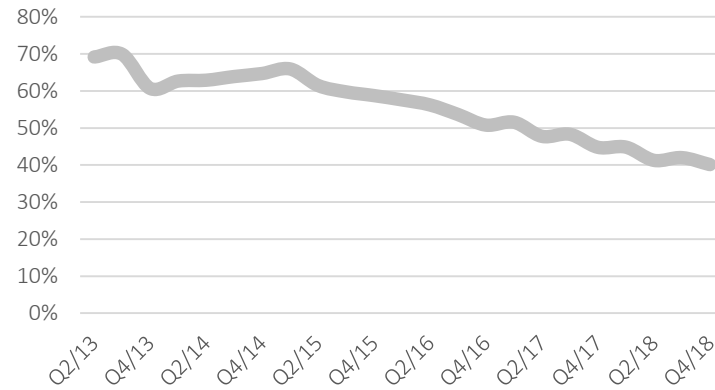
# Equity

## OPR-Finance Group

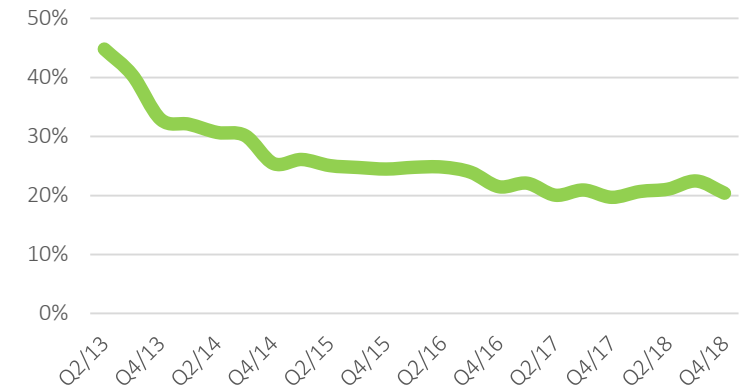
### SUMMARY

- ▶ Equity ratio is assessed through both the total amount of equity and “hard equity”
  - ▶ “Hard equity” consists of the group’s equity subtracted by the share of preferred B- and C-series stocks
- ▶ Key figures for Q4/2018 were
  - ▶ Q4/2018 equity “hard equity” EUR 50.2m (Q4/2017 EUR 39.9m, change +25.7%)
  - ▶ Q4/2018 equity ratio 40.1% (Q4/2017 44.8%)
  - ▶ Q4/2018 equity ratio “hard equity” 20.4% (Q4/2017 19.7%)

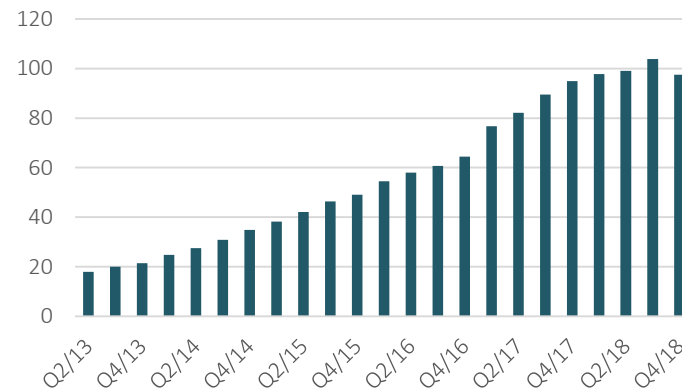
### EQUITY RATIO



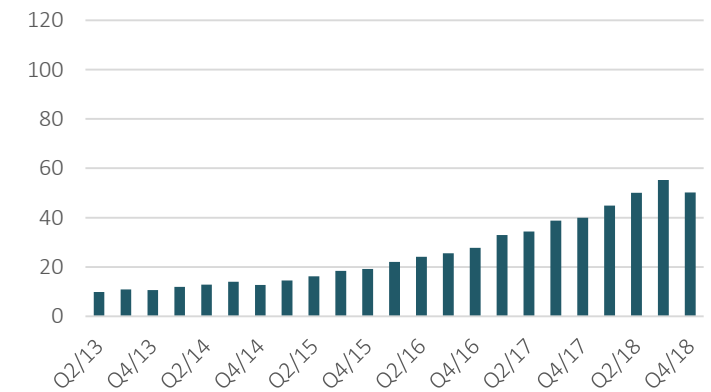
### EQUITY RATIO “HARD EQUITY”<sup>1</sup>



### EQUITY (EURm)



### EQUITY (“HARD EQUITY”) <sup>1</sup> (EURm)



1) “Hard equity” refers to the accounting method in which B- and C-series stock investments are regarded as liabilities. When calculating “hard equity” equity ratio the balance sheet item Cash and cash equivalents is subtracted from Total assets. In addition, shareholder loans granted for the company’s A-share holders are also subtracted from Equity and Total assets in the calculation

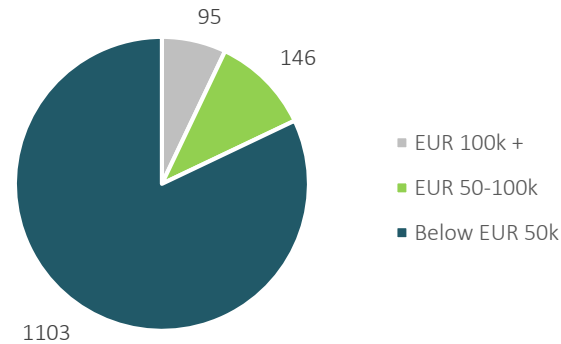
# Tuottoa.fi

## Investments in OPR-Finance's preferred share program

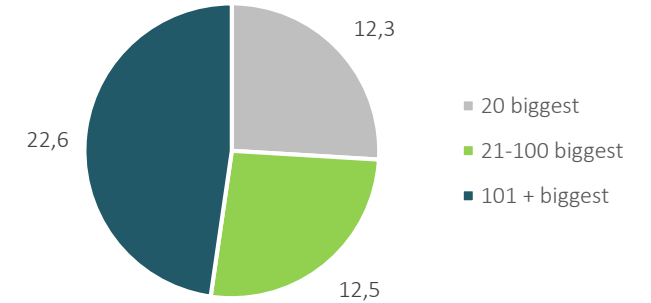
### SUMMARY

- ▶ In Tuottoa.fi – program OPR offers investors a possibility to own the company through preferred B- and C-series shares
- ▶ Preferred share program offered to the public tuottoa.fi was open for new investments during 2011 – 2017
  - ▶ B-shares entitling to an 8 % yield were offered to the public during 2011 – 2014
  - ▶ C-shares entitling to an 7 % yield were offered to the public during 2015 – 2017
  - ▶ B-shares are still offered to the company's employees
- ▶ In the end of Q4/2018 the cumulative net amount of investments was EUR 47.3m. These were divided as follows:
  - ▶ B-series EUR 20.0m
  - ▶ C-series EUR 27.3m
- ▶ In the end of Q4/2018 the number of investors was 1344 in total. Average investment was some EUR 35k
- ▶ By the end of Q4/2018 OPR has paid dividends to B- and C-series shareowners in total of EUR 13.8m for the whole duration of the program

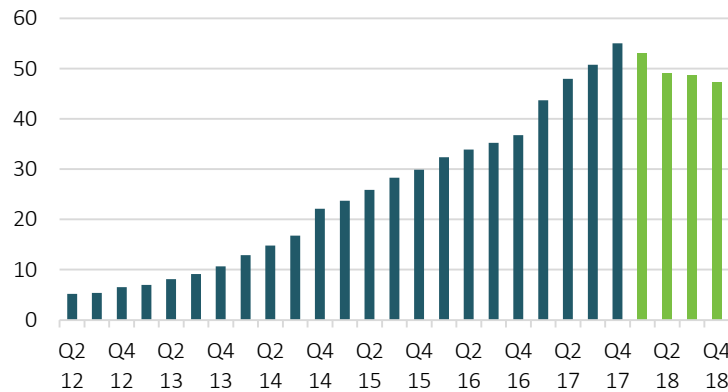
### NUMBER OF OWNERS BY INVESTMENT AMOUNT



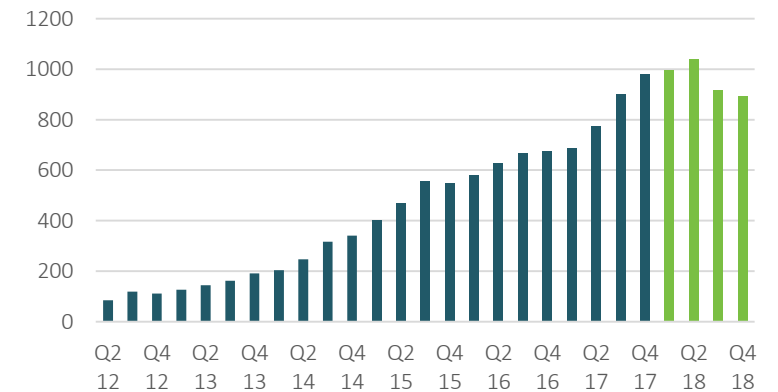
### OWNERSHIP STRUCTURE BY INVESTMENT AMOUNT



### ACCUMULATED INVESTMENTS (EURm)



### DIVIDENDS TO B- AND C-SERIES (EURk)



## Helsinki

OPR-Finance Oy  
OPR-Yritysrahoitus Oy  
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00580 HELSINKI



## Stockholm

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## Prague

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## Amsterdam

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Sarphatistraat 370  
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