



Q3

Interim Report 1.1.-30.9.2019



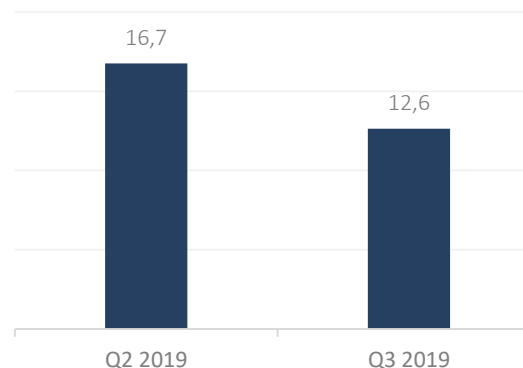
Interim report 1.1. – 30.9.2019 [FAS, unaudited]

OPR-Finance Group

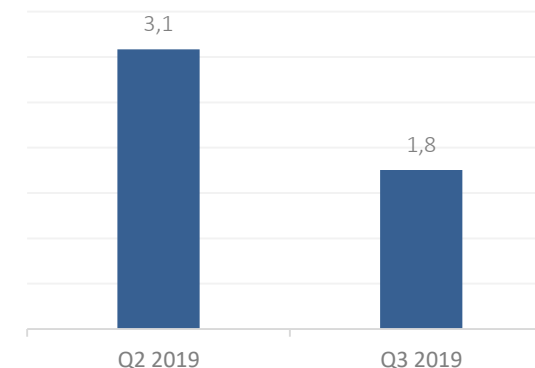
- ▶ Loans granted of the third quarter decreased as expected according to the updated strategy 50.8% from the previous year amounting to EUR 24.9m (EUR 50.6m Q3/2018)
- ▶ Revenues (sales + interest income) of the third quarter decreased 40.4% from the previous year amounting to EUR 12.6m (EUR 21.2m Q3/2018)
- ▶ EBT of the third quarter amounted to EUR -9.6m (EUR 7.7m Q3/2018)
 - ▶ Operative EBT¹ of the company was EUR 1.8m in Q3/2019 (EUR 7.7m Q3/2018)
 - ▶ Negative EBT resulted from one-off items
- ▶ During the third quarter the company has continued to adapt to the new operating environment under the legislation concerning Finnish Consumer financing, which entered into force in September
 - ▶ The company continued to sell due receivables accumulated during the lifespan of the products that will be affected by the change. Funds acquired from the sale were further used to reduce debt and strengthen the cash position. Typical to the industry, the sale was executed at a lower price than the receivables' book value. This caused a one-off negative result impact, but a positive cash flow effect. By amortizing debt liabilities prematurely, the company will save approximately EUR 15m in interest costs during the next three years
 - ▶ After the review period, the company paid back prematurely a EUR 40m bond with the proceeds acquired from the sales of receivables
- ▶ In accordance with the new strategy, revenues have increased in relation to loans granted. This was achieved by concentrating loans granted to products with more earnings power
- ▶ During 2020 the company's operations are expected to become stronger. After finalizing the transformation work, the company reverts to a normal situation where the focus can be again directed towards operative actions
- ▶ New E-series share class was opened during November by the company. A separate release has been published about the new share issue and changes in financing, that you are able to get familiar with [here](#) (available only in Finnish)

KEY FINANCIALS, EURm	2015	2016	2017	2018	Q3 2018	Q3 2019
Loans granted	115.7	161.4	205.0	218.5	50.6	24.9
Revenues	35.5	47.8	69.7	84.0	21.2	12.6
EBT	13.5	15.2	21.0	19.6	7.7	-9.6
EBT-margin %	38.1 %	31.9 %	30.2 %	23.3 %	36.5 %	-76.4 %
Operative EBT ¹	13.5	15.2	21.0	19.6	7.7	1.8
Loan receivables	76.9	117.9	178.2	221.4	225.0	175.2
Equity ratio	58.4 %	50.8 %	44.8 %	39.5 %	42.0 %	34.8 %
Equity ratio "Hard Equity"	24.5 %	22.8 %	19.7 %	19.6 %	22.5 %	15.4 %
Equity total	49.0	64.5	94.9	95.4	99.0	84.5

REVENUES EURm



OPERATIVE EBT¹ EURm



(1) EBT excluding one-off items of the period. One-off items consists of net effect of the receivables sale executed in the end of June and beginning of July along with credit loss receivables sale executed in March

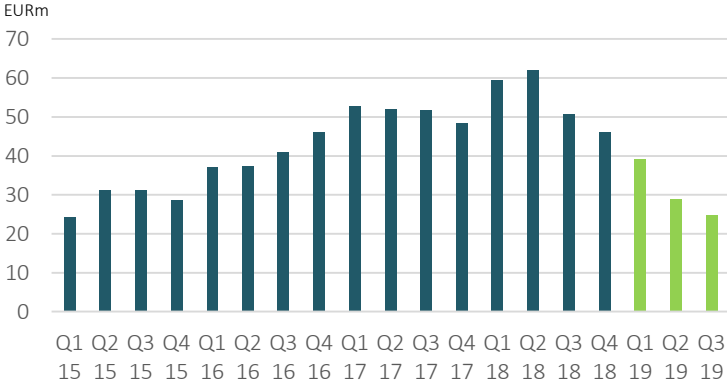


Business review

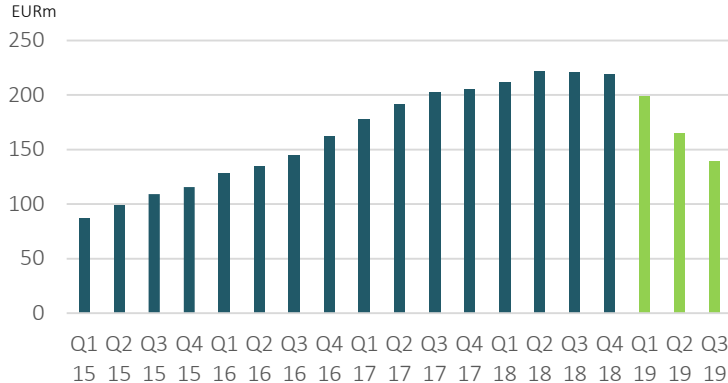
Essential business indicators

OPR-Finance Group

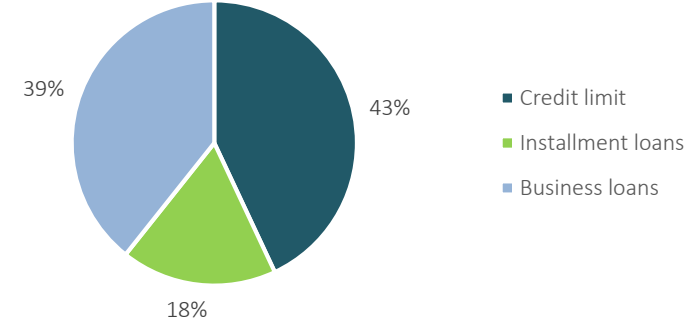
QUARTERLY LOANS GRANTED



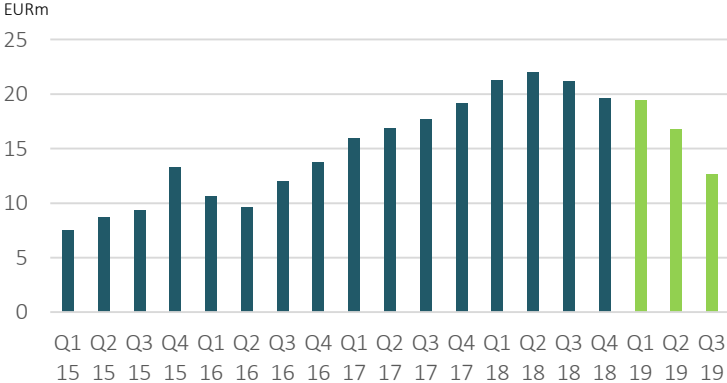
QUARTERLY LOANS GRANTED – ROLLING 12 MONTHS



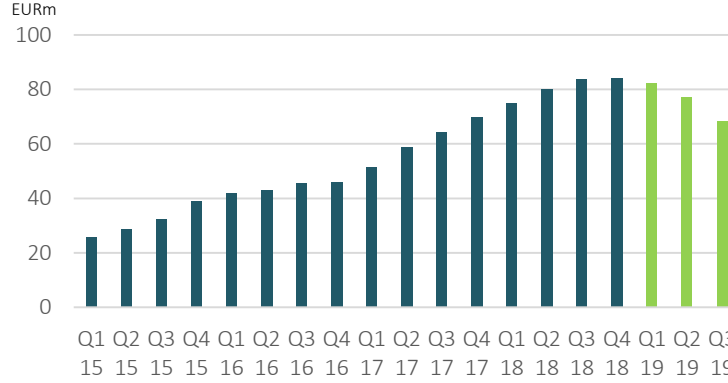
LOANS GRANTED DISTRIBUTION Q3/2019



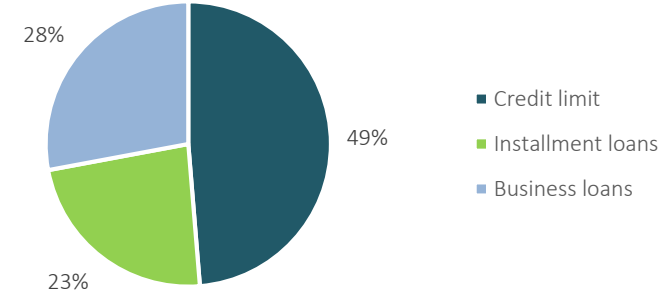
QUARTERLY REVENUES



QUARTERLY REVENUES – ROLLING 12 MONTHS



REVENUES DISTRIBUTION Q3/2019



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 behind of the previous year and the previous quarter

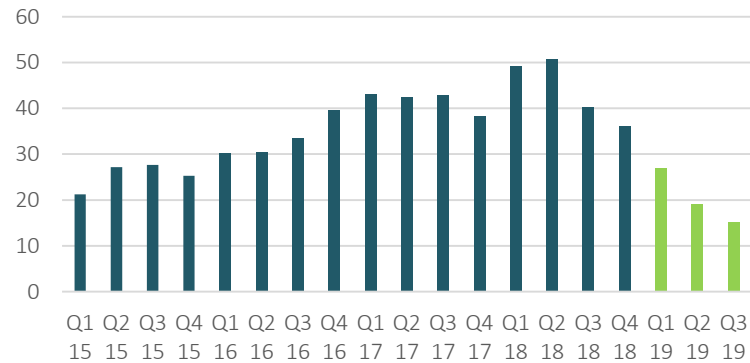
Loans granted

- ▶ Q3/2019 loans granted EUR 15.1m (Q3/2018 EUR 40.3m, change -62%)
- ▶ Q1-Q3/2019 loans granted EUR 61.4m (Q1-Q3/2018 EUR 140.2m, change -56%)

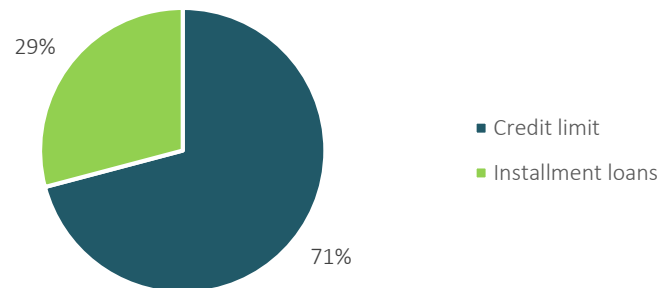
Revenues

- ▶ Q3/2019 revenues EUR 9.0m (Q3/2018 EUR 17.4m, change -48%)
- ▶ Q1-Q3/2019 revenues EUR 37.2m (Q1-Q3/2018 EUR 53.0m, change -30%)
- ▶ Within consumer financing the focus has been heavily shifted towards more profitable credit limits. This is visible compared to the previous quarter by lower loans granted and revenues. The decrease is not as high in revenues as in loans granted due to credit limits' better capability in generating revenues

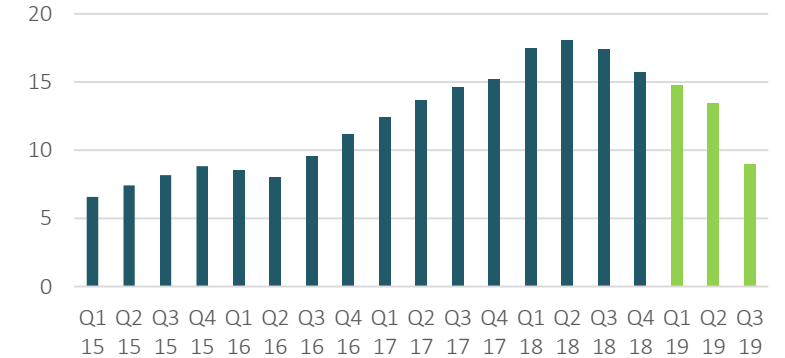
QUARTERLY LOANS GRANTED (EURm)



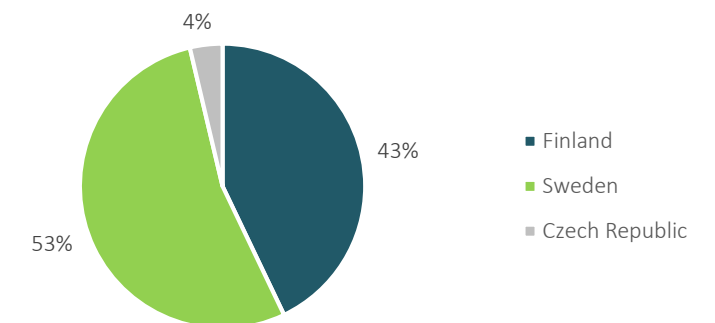
LOANS GRANTED DISTRIBUTION Q3/2019



QUARTERLY REVENUES (EURm)



LOANS GRANTED DISTRIBUTION Q3/2019



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 at a similar level with the previous year and the previous quarter in both loans granted and revenues

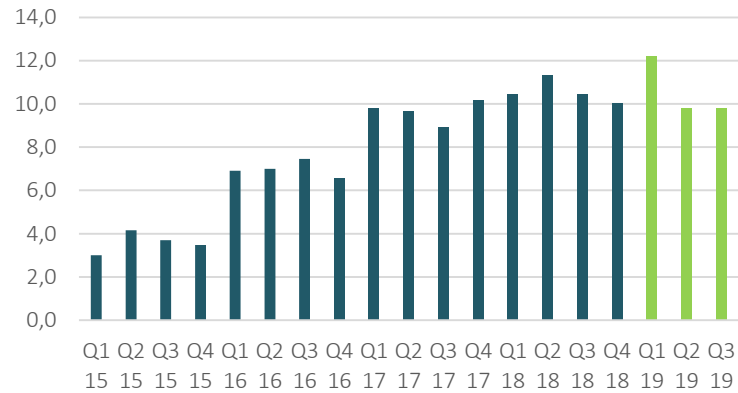
Loans granted

- ▶ Q3/2019 loans granted EUR 9.8m (Q3/2018 EUR 10.4m, change -6%)
- ▶ Q1-Q3/2019 loans granted EUR 31.8m (Q1-Q3/2018 EUR 32.2m, change -1%)

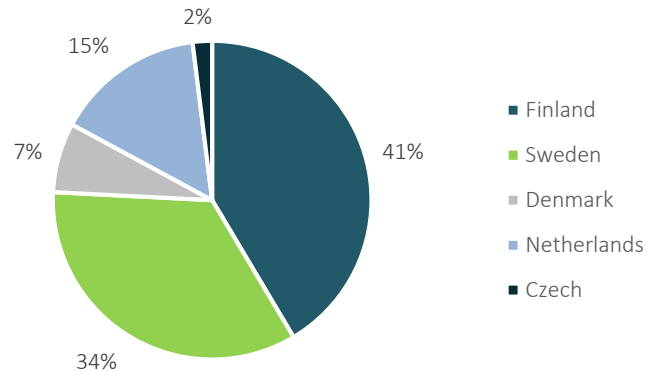
Revenues

- ▶ Q3/2019 revenues EUR 3.5m (Q3/2018 EUR 3.8m, change -8%)
- ▶ Q1-Q3/2019 revenues EUR 11.7m (Q1-Q3/2018 EUR 11.4m, change +3%)
- ▶ During the review period volume and country distribution of business financing remained similar to the previous quarter. Revenues of Swedish operations have settled to hold the largest share within the business segment during the year

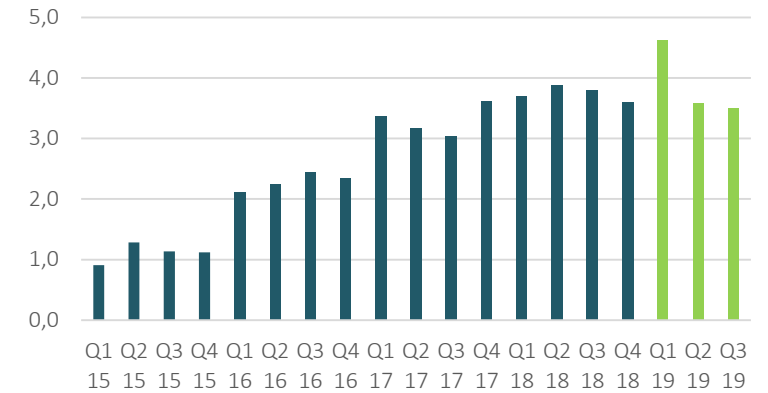
QUARTERLY LOANS GRANTED (EURm)



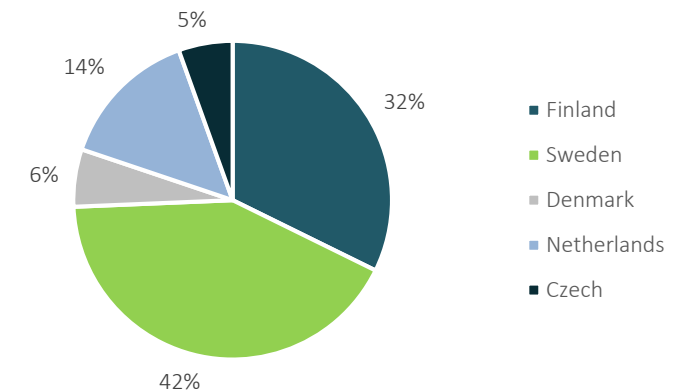
LOANS GRANTED DISTRIBUTION Q3/2019



QUARTERLY REVENUES (EURm)



REVENUES DISTRIBUTION Q3/2019





Place Price Product
Communication Contact

Business

Financial review

Group income statement

Q3/2019

EURk, unaudited	Q3/2019	Q1-Q3/2019	Q3/2018	Q1-Q3/2018
Revenues				
Sales	5 455	20 070	9 173	31 478
Interest income	7 179	28 735	12 031	32 933
Other operating income	0	1 686	6	6
Revenues total	12 633	50 491	21 209	64 417
Operating expenses	-19 015	-50 236	-10 373	-31 158
Depreciation and amortization	-7	-23	-7	-17
EBIT	-6 389	233	10 829	33 242
Interest and other financial expenses	-3 257	-10 183	-3 096	-8 722
EBT	-9 646	-9 950	7 734	24 520
Income taxes	-670	-2 880	-1 941	-5 456
Profit for the period	-10 316	-12 830	5 793	19 064
Non-recurring items ¹	11 389	19 424	0	0
Operative EBT	1 743	9 474	7 734	24 520

(1) EBT excluding one-off items of the period. One-off items consists of net effect of the receivables sale executed in the end of June and beginning of July along with credit loss receivables sale executed in March

Group balance sheet

Q3/2019

LIQUIDITY

- ▶ In the end of Q3/2019 the group's liquid Cash and cash equivalents were EUR 17.5m
- ▶ 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 Q3/2019 was EUR 66.8m
 - ▶ Under the terms of the financing agreements 100% of the pledged receivables fulfilled the terms' definition of Prime Receivables in the end of Q3/2019
- ▶ Liabilities under the financing solution described above were paid back in full during October 2019

EURk, unaudited	30.9.2019	30.6.2019	31.12.2018	30.9.2018
Non-current assets	134	139	92	74
Current assets				
Long term receivables				
Loan receivables	60 190	76 833	98 020	103 032
Other receivables	2 603	2 603	5 140	4 523
Short term receivables				
Loan receivables	114 969	123 292	123 330	121 999
Other receivables	6 333	18 165	2 176	1 777
Total short term receivables	121 302	141 457	125 506	123 776
Cash and cash equivalents	17 532	11 380	12 391	15 691
Total current assets	201 627	232 273	241 057	247 021
Total assets	201 762	232 412	241 150	247 095
Equity				
Share capital	15	15	15	15
Invested non-restricted equity	39 841	41 747	47 276	48 583
Translation difference	-54	46	51	-611
Retained earnings	43 311	45 203	35 083	36 782
Profit for the period	-12 830	-2 514	12 935	19 064
Total equity	70 282	84 497	95 361	103 832
Liabilities				
Long term liabilities				
Interest bearing debt	80 000	80 000	80 000	80 000
Short term liabilities				
Interest bearing debt	42 445	45 323	56 727	55 801
Other liabilities	9 034	22 592	9 062	7 462
Total short term liabilities	51 480	67 915	65 789	63 263
Total liabilities	131 480	147 915	145 789	143 263
Total equity and liabilities	201 762	232 412	241 150	247 095

Group cash flow statement

Q3/2019

EURk, unaudited	Q3/2019	Q2/2019	Q1/2019	2018
Cash receipts from customers	5 016	6 247	8 339	39 402
Change in loan receivables	24 076	20 568	-529	-52 641
Cash receipts from other operating income	0	0	0	0
Cash paid to suppliers and employees	-20 249	-18 616	-11 013	-43 395
Interest and expenses paid from operations' financing	-3 530	-3 394	-3 776	-11 059
Interest received from operations	7 280	10 655	11 339	42 959
Received dividends from operations	0	0	0	0
Income tax paid	-597	-1 712	-1 047	-4 103
Cash flows from operating activities	11 996	13 748	3 313	-28 837
Capital expenditure	-2	-49	-13	-30
Other loans issued	0	2 218	-167	250
Cash flows from investing activities:	-2	2 168	-180	221
Redemption of own shares	-1 906	-2 805	-2 724	-8 401
Issue of shares	0	0	0	501
Withdrawals of short-term loans	0	0	2 162	33 325
Repayments of short-term loans	-2 525	-11 030	-1 700	-5 331
Withdrawals of long-term loans	0	0	0	0
Repayments of long-term loans	0	0	0	0
Paid out dividends and other profit distribution	-1 410	-3 121	-844	-4 707
Cash flows from financing activities:	-5 842	-16 955	-3 105	15 387
Change in Cash and Cash Equivalents	6 153	-1 039	28	-13 229

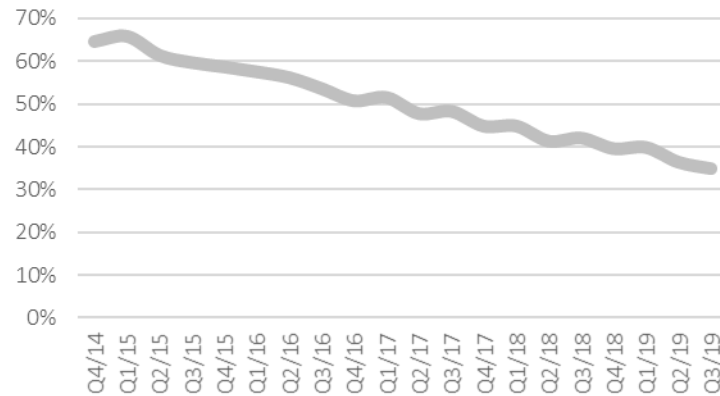
Equity

OPR-Finance Group

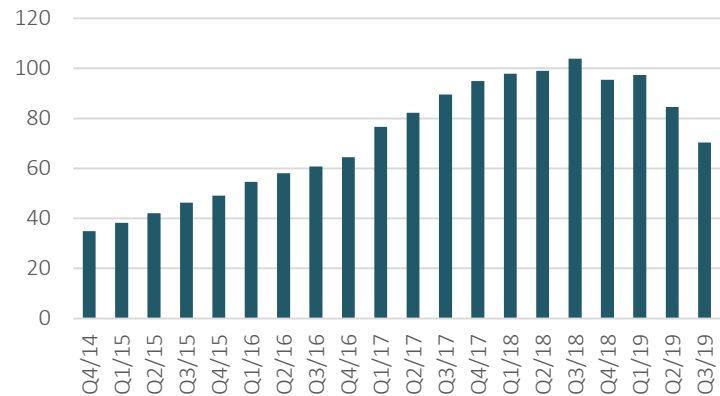
SUMMARY

- ▶ 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 Q3/2019 were
 - ▶ Q3/2019 equity “hard equity” EUR 30.4m (Q3/2018 EUR 55.2m, change -81.5%)
 - ▶ Q3/2019 equity ratio 34.8% (Q3/2018 42.0%)
 - ▶ Q3/2019 equity ratio “hard equity” 15.4% (Q3/2018 22.5%)

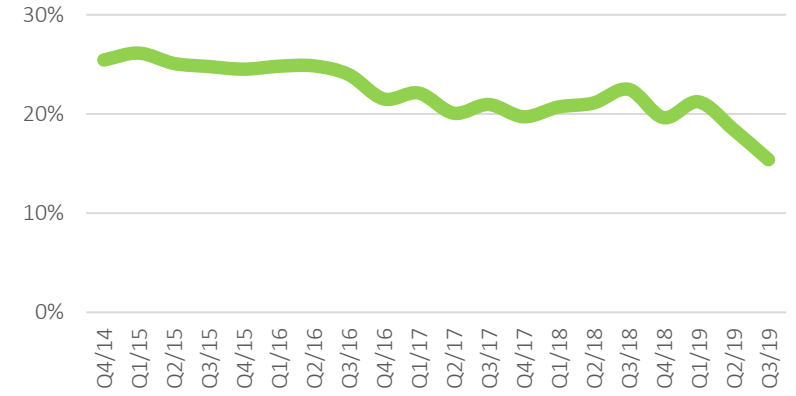
EQUITY RATIO



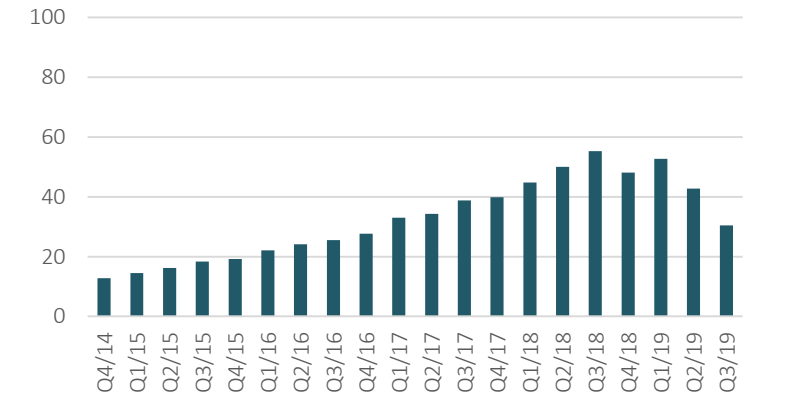
EQUITY (EURm)



EQUITY RATIO “HARD EQUITY”¹



EQUITY “HARD EQUITY”¹ (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

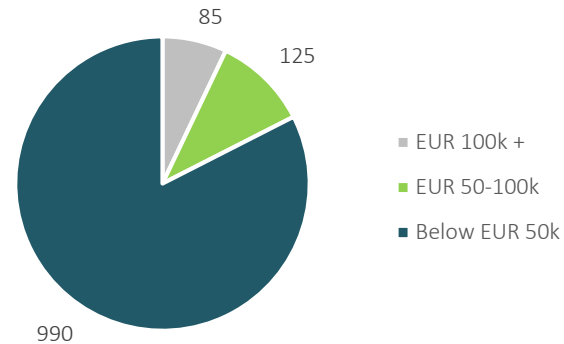
Tuottoa.fi

Investments in OPR-Finance's preferred share program

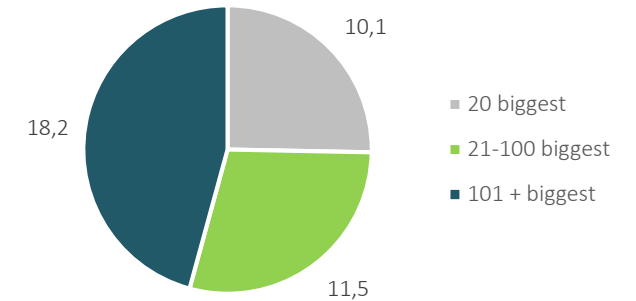
SUMMARY

- ▶ In Tuottoa.fi – program OPR offers investors a possibility to own the company through preferred B-, C- and E-series shares
- ▶ Preferred share program tuottoa.fi offered to the public is opened for new investments in November 2019
 - ▶ E-shares are available for subscription and entitles to a yearly yield of 6 %
 - ▶ C-shares entitling to a 7 % yield were offered to the public during 2015 – 2017
 - ▶ B-shares entitling to an 8 % yield were offered to the public during 2011 – 2014
- ▶ In the end of Q3/2019 the cumulative net amount of investments was EUR 39.8m. These were divided as follows:
 - ▶ B-series EUR 16.8m
 - ▶ C-series EUR 23.1m
- ▶ In the end of Q3/2019 the number of investors was 1200 in total. Average investment was some EUR 33k
- ▶ By the end of Q3/2019 OPR has paid dividends to B- and C-series shareowners in total of EUR 16.3m for the whole duration of the program

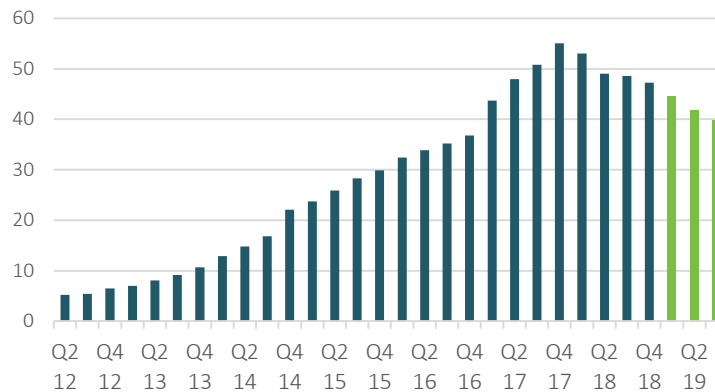
NUMBER OF OWNERS BY INVESTMENT AMOUNT



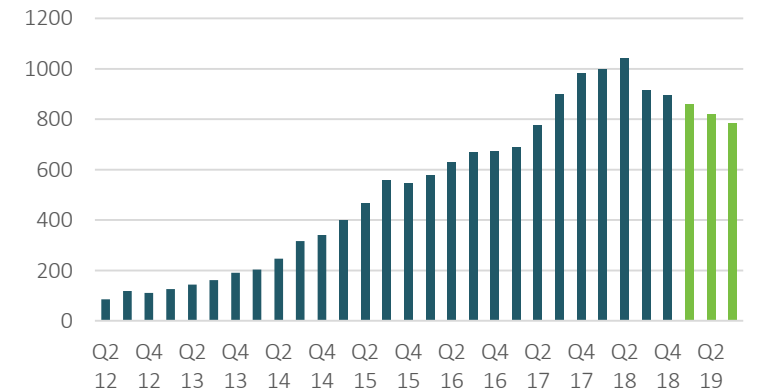
OWNERSHIP STRUCTURE BY INVESTMENT AMOUNT



ACCUMULATED INVESTMENTS (EURm)



DIVIDENDS TO B- AND C-SERIES (EURk)



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