



A Year of Growth

27 February 2015

Year-end Report (1 January – 31 December 2014)

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DDM Holding AG (Nasdaq First North Stockholm: DDM) and
DDM Treasury Sweden AB (publ) (NGM: DDM1)



Company overview

Financial Recap January – December 2014

Supporting slides

- + 140%** Net collections, up q-o-q
- 4.8** EUR M. cash EBITDA, increase 200% q-o-q
- + 147%** Operating cash flow, increase q-o-q
- + 7%** 120-month ERC, increase q-o-q

Continued growth

- Continued growth in investments with ERC increase of 7% vs Q3 2014 (+14% adjusted for FX)
- Strong operational performance with net collections up 140% vs Q3 2014
- Rapidly expanding pipeline

FX volatility

- Significant impact on results from FX losses, mainly unrealised
- Revaluations down of Russian portfolios in anticipation of lower collectability
- Russia is a declining share of our business in favor of other markets
- Hedging policy approved

Increased market penetration

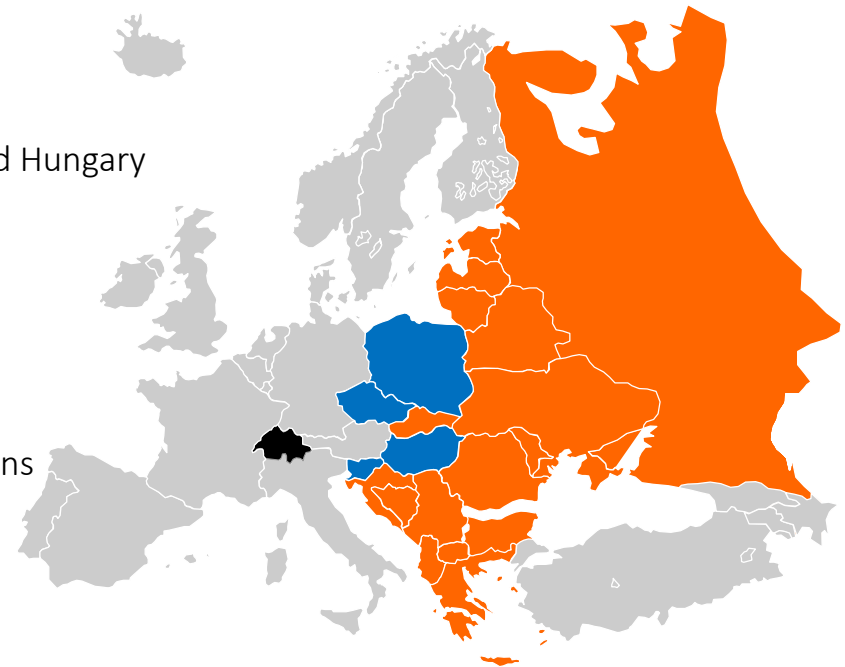
- Deepening partnerships with co-investors and collection agencies
- Confirming DDMs position as a trusted buyer
- DDM scalability visible in new market entry

Summarising the year

- IPO for growth and improved capital structure
- Geographical expansion to Slovenia, Czech Republic, Poland and Hungary
 - Diversification and expansion of pipeline
 - Romania – largest market by book value & net collections
- Strong pipeline of investment opportunities
 - Continued focus on growth
- Strengthening the organization; new CFO and Head of Collections

After the period

- Entering the Hungarian market
 - In partnership with one of worlds largest banks
- Preparations for further growth and funding



- Company headquarters in Switzerland
- Geographical focus (Eastern Europe)
- Markets entered & re-entered in 2014/2015





Deal sourcing: Opportunistic approach the key value driver, both for profitability and growth

Relations: Strong relationships across the region and a credible buyer.

Processes: DDM has its proprietary IT system, outsources the collection to the optimal partner and manages the collection process.

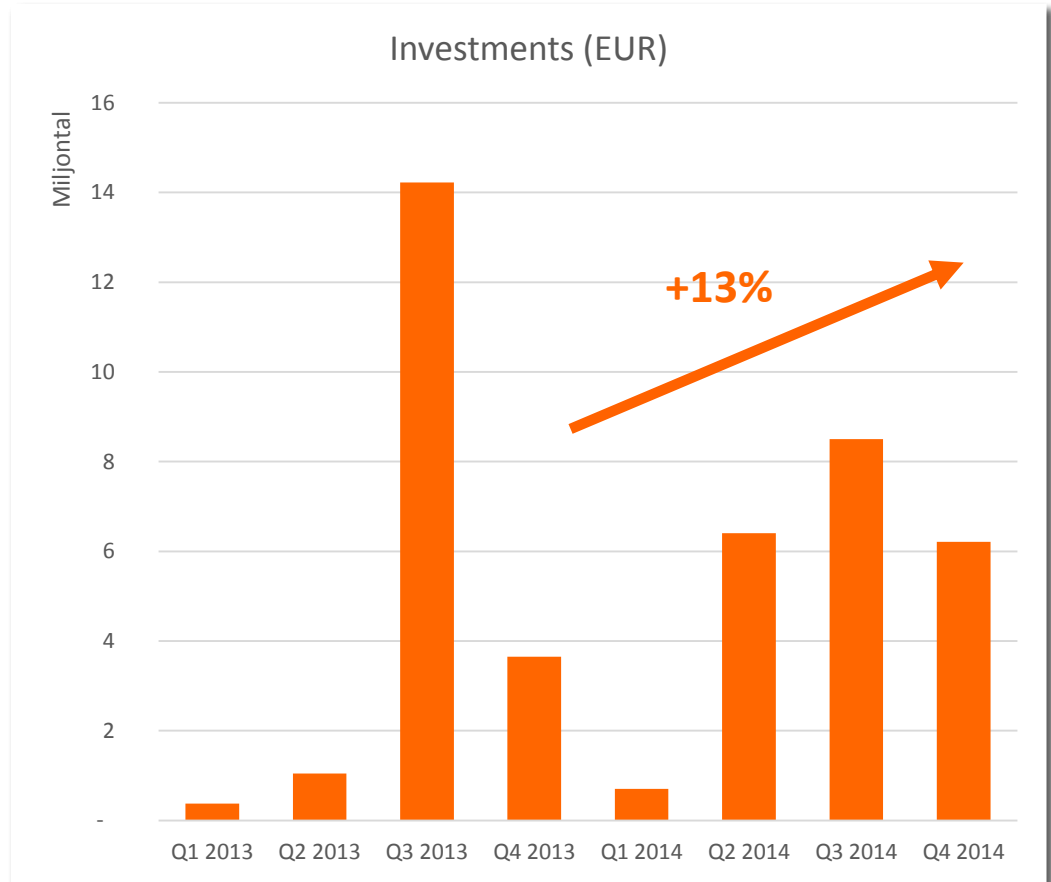


- **Favoured partner:** Favoured partner as source of know-how and best practice.
- **Managing the process:** Strong controls via Fusion for performance and compliance
- **Outsourcing:** Focus on core activity of investing and managing distressed assets
- **Scalability:** Cross regional relationships for quick market entry and flexibility

* NPL = Non-Performing Loans



- 13% increase 2014 vs 2013
- Strongest year in DDM history
- Increased access to opportunities with expansion to new countries.
- Growing pipeline

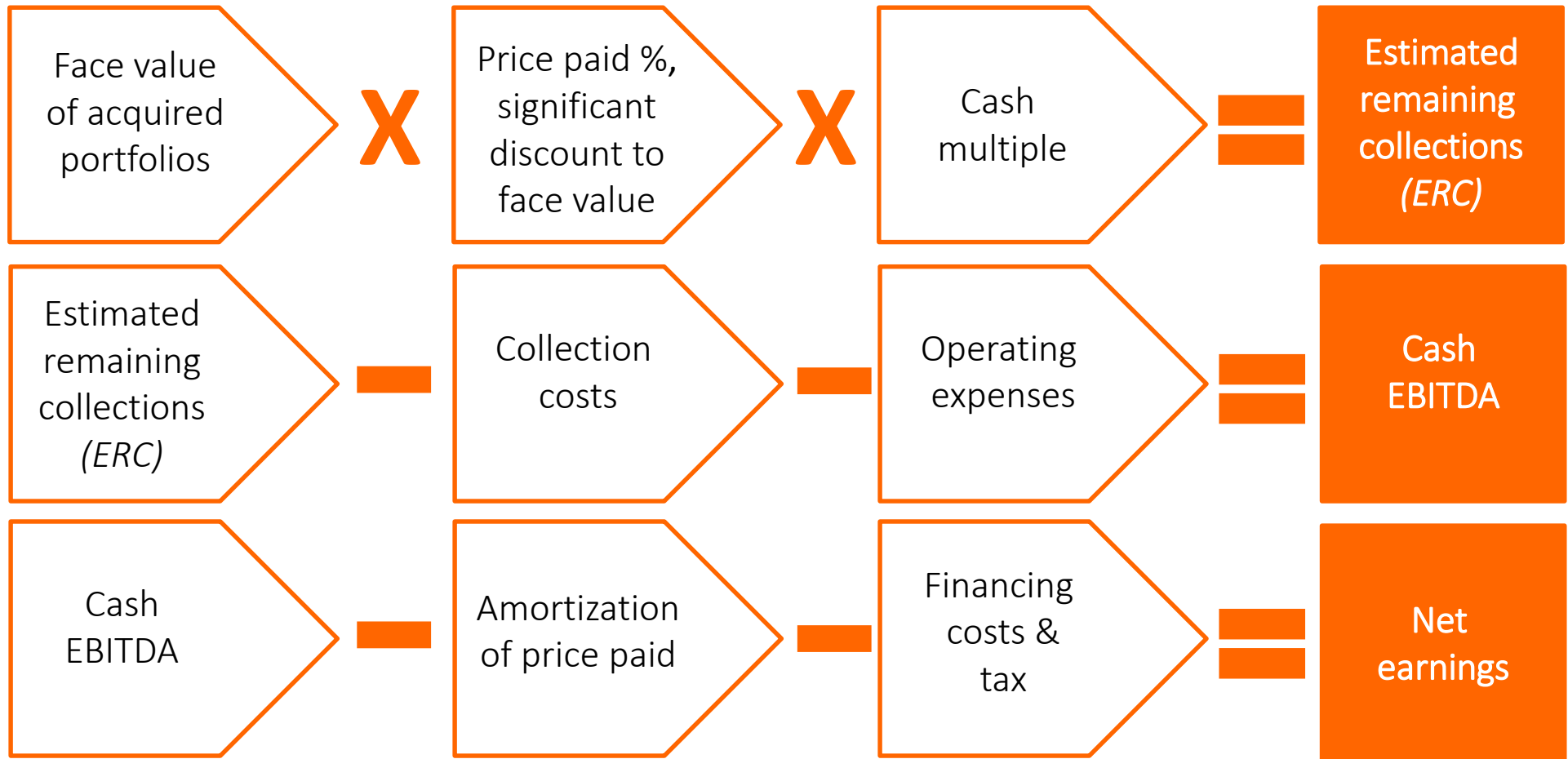


Figures including co-investors share

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Topline | DDM Income Statement build-up

Differentiating cash & non-cash items

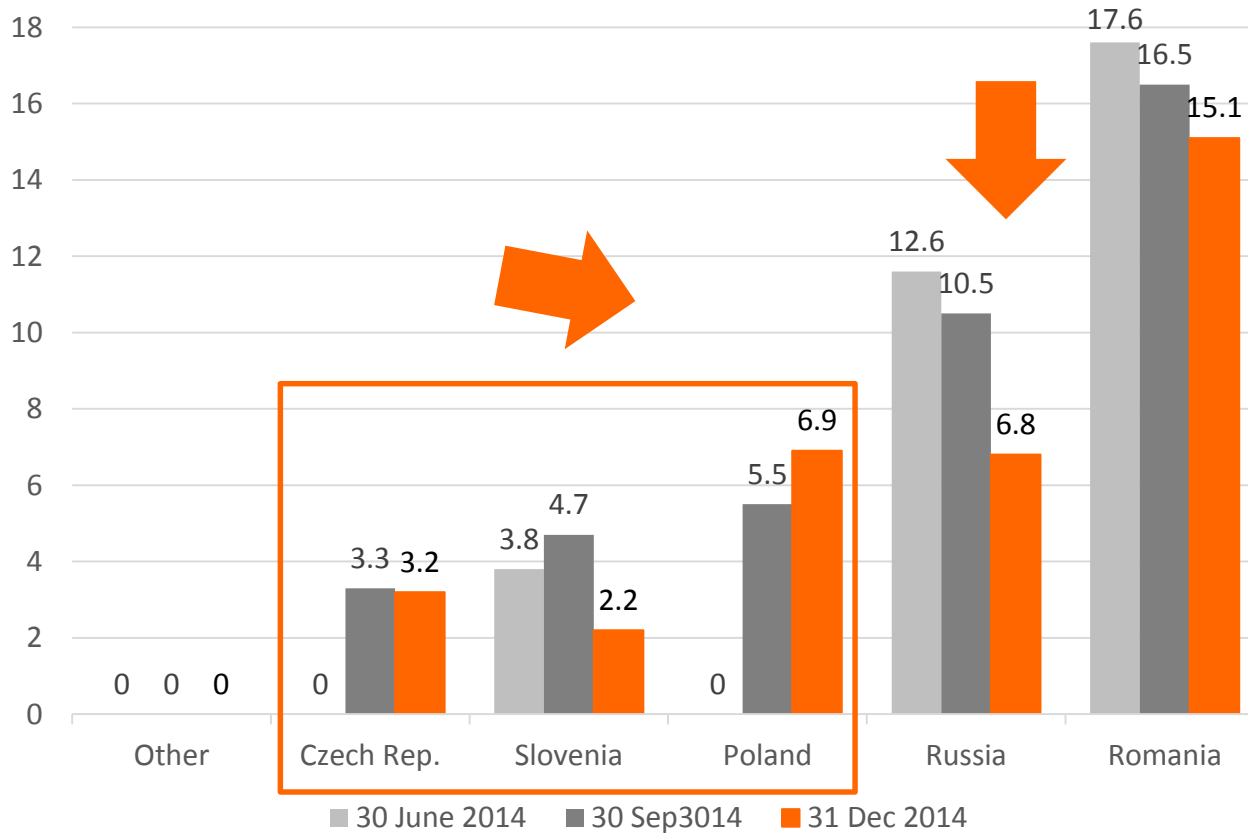
EUR	Cash	Non-Cash
Gross collections	√	
Commission & fees	√	
Net collections	√	
Operating expenses (<i>incl personnel, SG&A etc</i>)	√	
Cash EBITDA	√	
Amortization portfolios		√
Revaluation of portfolios		√
Depreciation & Amortization		√
Operating earnings /(loss), EBIT		
Financial income	√	
Financial expense	√	
Foreign Exchange gain/(loss) unrealized		√
Foreign Exchange gain/(loss) realized	√	
Earnings before tax		
Taxes	√	
Net earnings for the period		

EUR M	Q4 2014	Q4 2013	Change, %	Full-year 2014	Full-year 2013	Change, %
Net collections	6.3	3.2	97	14.7	9.6	53
Cash EBITDA	4.8	2.2	118	9.9	6.0	65
Operating profit / (loss) (EBIT)	(1.6)	0.3	n.a.	(0.1)	(1.8)	n.a.
Net result for the period	(5.2)	(0.8)	n.a.	(7.3)	(6.1)	n.a.
Operating cash flow	3.7	1.1	236	5.7	2.2	259
Portfolio acquisitions *	(0.1)	3.1	n.a.	15.5	16.1	(4)

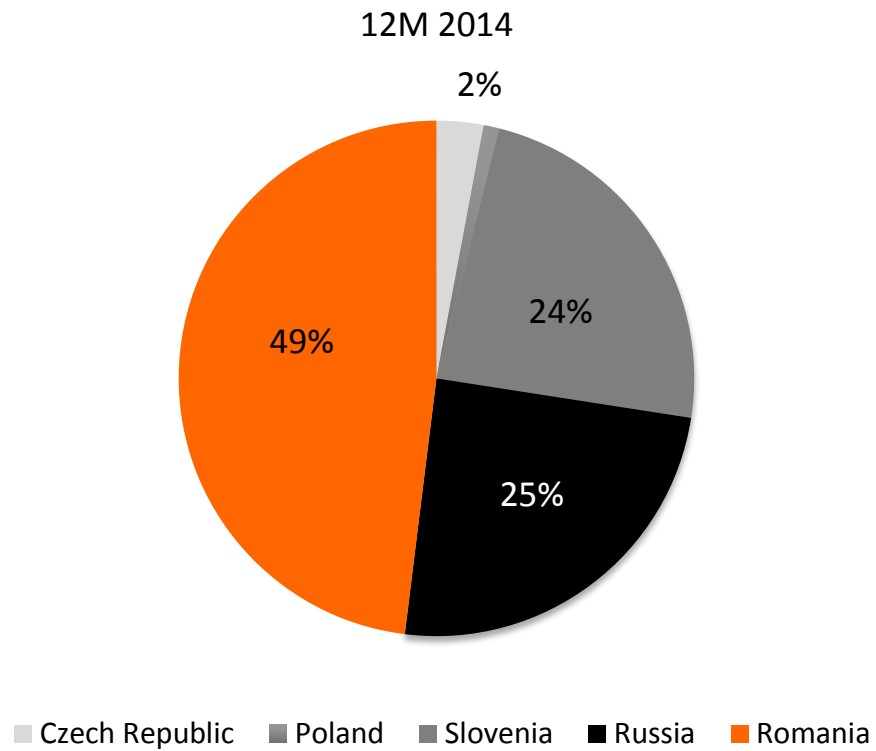
* EUR 3M of portfolio acquisitions closed during Q4 2014.

EUR M	31 Dec, 2014	31 Dec, 2013	Change, %
Total assets	53.7	50.4	6
Cash	9.0	14.2	(21)
Distressed asset portfolios	34.2	28.0	22
Total liabilities and shareholders equity	53.7	50.4	6
Total liabilities	46.7	49.5	(6)
Total shareholder's equity	7.0	0.9	7x
Net debt	28.3	31.0	(9)
	31 Dec, 2014	30 Sep, 2014	Change, %
Gross ERC 120 month	60.4	56.5	7

Carrying value by country, EUR M



Net collections by country, %



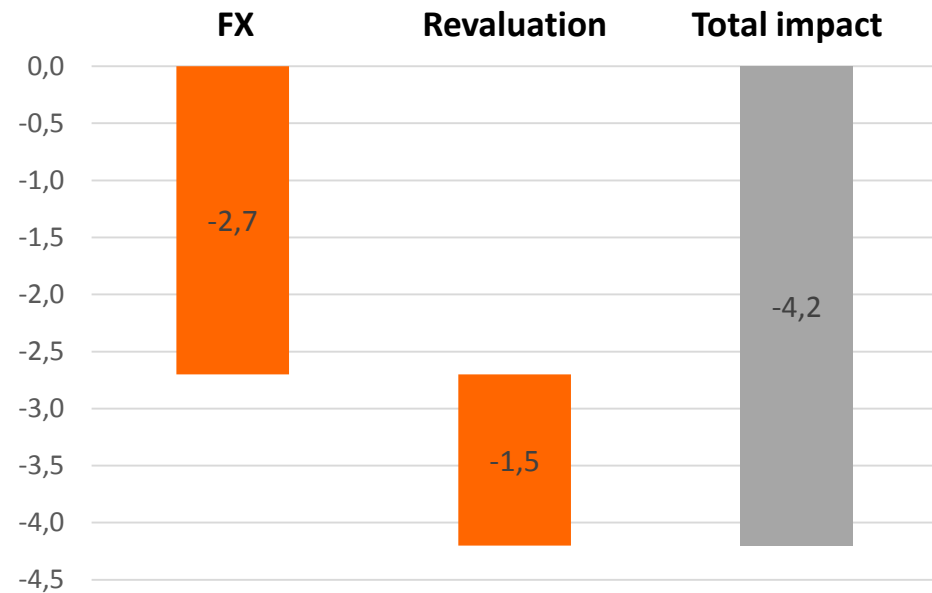
FX Impact = EUR 2.7M (primarily unrealized)

The weak RUB has negatively impacted the value of DDM's assets held in RUB in EUR terms.

Revaluation of portfolios = EUR 1.5M

in anticipation of longer-term effects on collectability we have made downwards revaluations of several Russian portfolios of approximately EUR 1.5M

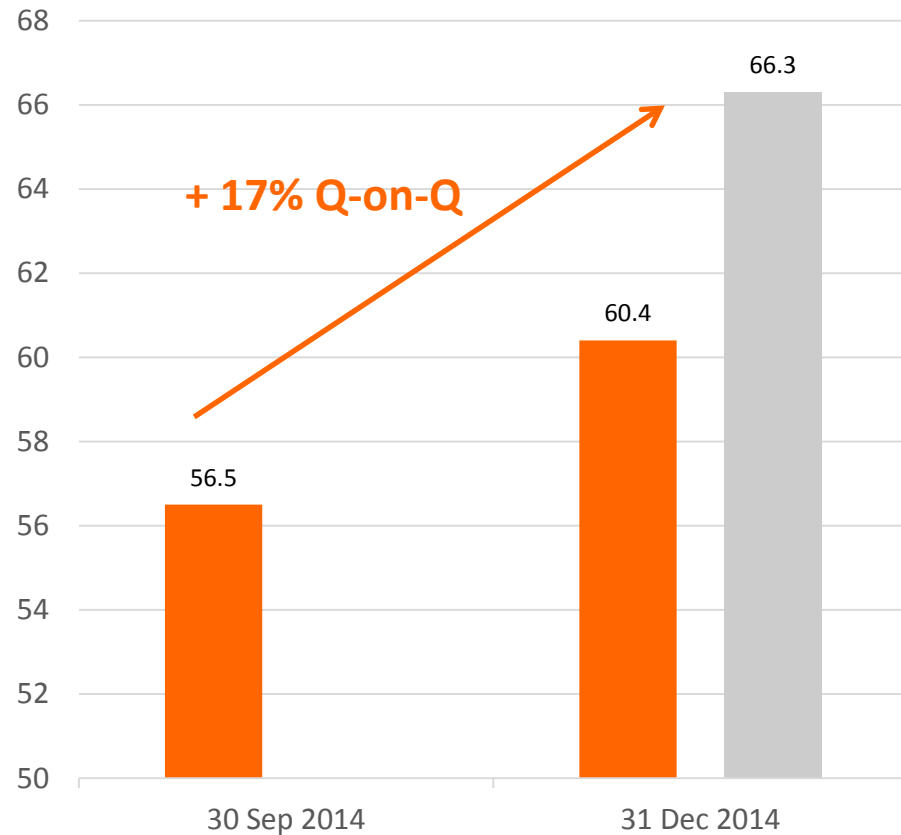
Total impact Q4 2014 = EUR 4.2M



Estimated Remaining Collections (ERC)

Estimated Remaining Collections refers to the sum of all future projected cash collections from acquired portfolios. ERC is not a balance sheet item, however it is provided for informational purposes.

- KPI for growth
- 17% increase, adjusted for FX





Investment curve

Illustrative example

	Y1	Y2	Y3	Y4	Y5	Y6-Y10
Gross Collections (cumulative)	61	105	140	163	178	206
Gross cash multiple (120 months)			Gross break-even (months)			
2.06x			23			

- Increasing transparency for investors
- Market-driven illustration
- Composite curve
- Shows attractiveness to peers

High growth opportunities

Unique, competitive business model

Strong financial track record

Experienced and committed management

Strategy going forward

Internal development

Continuous development of internal resources, processes and systems, aiming for Nasdaq Stockholm, main market, H2 2015

Strengthened relationships

Further strengthening of existing relationships with sellers, debt collection agencies and business partners in current markets

Opportunistic deal search

Opportunistic deal search in new markets where DDM can utilize its strengths, always based on availability of trustworthy data to forecast future cash flows

Opportunistic broadening of investment scope

Opportunistic broadening of the investment scope, in situations where the established DDM model can create competitive advantages

Pipeline

Strong Q3 growing into Q4

New markets adding to an already strong pipeline

Interim Report expected to be published on 26 May 2015
Annual General Meeting to be held on 27 May 2015



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Company overview

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Supporting slides



Unique, competitive
business model

allowing for opportunistic deal sourcing and optimized returns

Competitive advantages

Opportunistic deal
sourcing

Key value driver in target markets

Scalability and
flexibility

Outsourcing to multiple collection agencies allows scale and flexibility compared to collection in-house

Tailored collector selection

Selection of the local collector best suited to collect on a particular portfolio – rather than applying the one-size-fits-all collection approach of larger competitors with in-house collection agencies

Best-practice
implementation

DDM improves agency performance through best-practice implementation and management of its selected agencies through its state-of-the-art FUSION IT system

Proprietary IT system

Tailor made for DDM / supports all DDM activities / Scalable / Language and country indifferent

Credible buyer of
distressed assets

DDM has during 7 years established strong relationships with banks and financial institutions to acquire distressed assets. Recent listing on Nasdaq further strengthens credibility.

Strong team and track
record

Highly experienced and committed team (50+ years); invested over EUR 95M since 2007