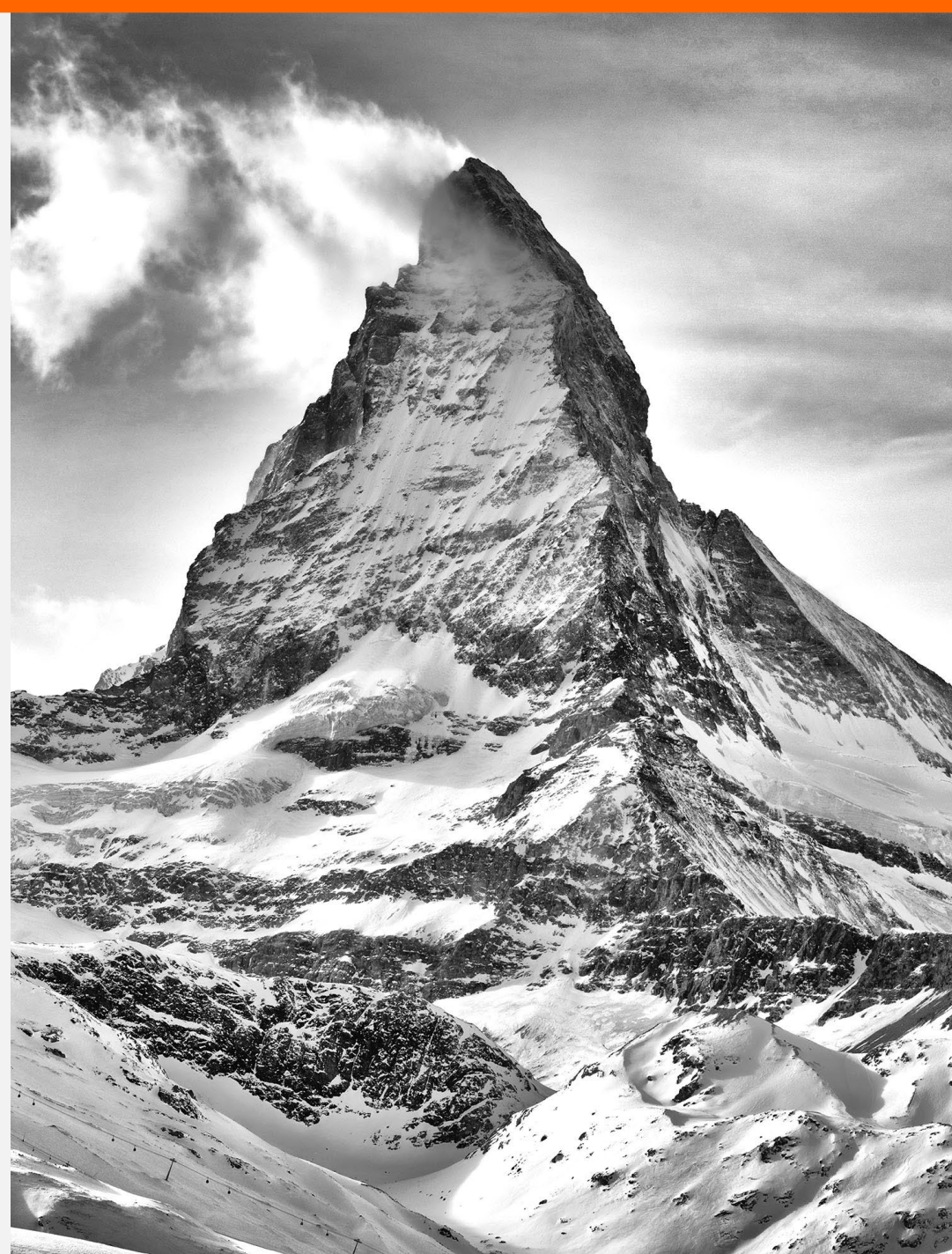




## Q3 and YTD September 2020 report

6 November 2020

Presenters: Henrik Wennerholm, CEO, and  
Fredrik Olsson, CFO



This presentation contains forward-looking statements. Such statements are based on our current expectations and are subject to certain risks and uncertainties that could negatively affect our business.

Please refer to our website for a better understanding of these risks and uncertainties. Unless otherwise stated, figures in parentheses relate to the preceding comparable period in 2019 © DDM Holding AG 2020

# AGENDA

1. Key developments

2. Financials January - September 2020

3. Summary



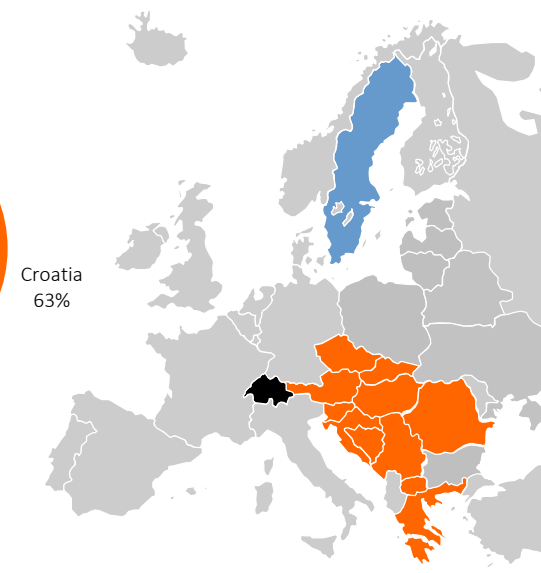
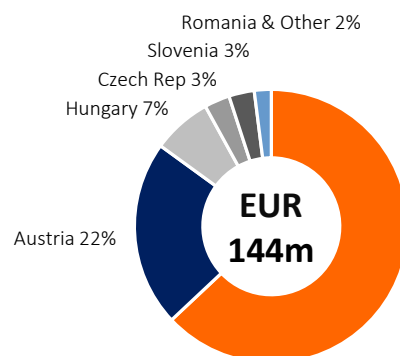
# Key highlights: Q3 2020

## Key highlights

- Record adjusted net collections of EUR 63.1m (Q3 2019: 16.5M)
  - Successful restructuring in Greece resulted in accelerated net collections of approximately EUR 55m
- Net profit of EUR 5.2m in Q3 (loss of EUR 1.5m in Q3 2019)
- Resilient portfolio
  - Downward adjustment of portfolio in 9M 2020 of less than 1% of opening book value at the start of the year

## Geographic locations

Invested assets, book value by country, Q3 2020



- Company headquarters in Switzerland
- Listed on Nasdaq First North (Stockholm)
- Invested markets

Adjusted net collections Q3 2020 LTM<sup>1)</sup>  
**EUR 112m**

Adjusted cash EBITDA Q3 2020 LTM<sup>2)</sup>  
**EUR 99m**

Cash Q3 2020  
**EUR 52m**

120-month ERC Q3 2020  
**EUR 239m**

1) Include net collections on sale of invested assets and incremental net distribution from joint venture 2) Include revenue from management fees



# Key highlights: Q3 2020

## Summarizing the quarter

- Successfully restructured the Greek transaction we first entered into in August 2017
  - Accelerated net collections of approximately EUR 55m
  - Achieved a net multiple of over 1.7x and an IRR of above 30%
- Successfully completed a written procedure in August to make certain amendments to DDM Debt up to EUR 160m bonds including
- COVID-19 pandemic
  - Closely monitoring developments across our core markets with strong focus on collections, liquidity management and cost saving initiatives
    - Possible further restrictions across the SCEE region means we expect the coming quarters to continue to be challenging with increased volatility and limited visibility over future collections and investments

## Since the end of the quarter

- Strategic investment in Addiko Bank AG (“Addiko”)
  - Call option exercised on 30 March to acquire an additional 10.1% stake in Addiko lapsed
  - DDM continues to be committed to its investment in Addiko and confirms its intention to increase its shareholding

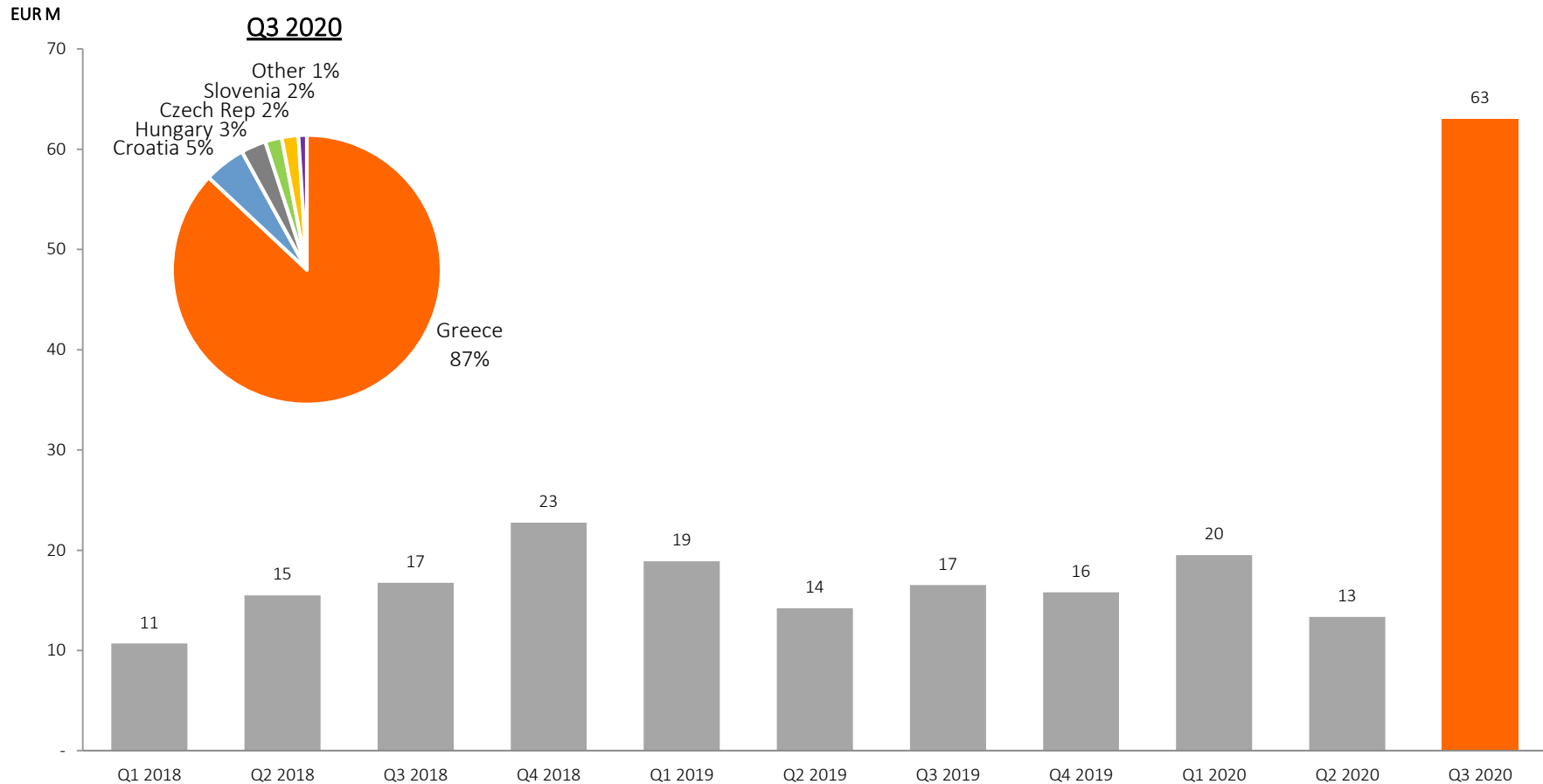


- Company headquarters in Switzerland
- Listed on Nasdaq First North (Stockholm)
- Invested markets



# Accelerated collections following successful Greek restructuring

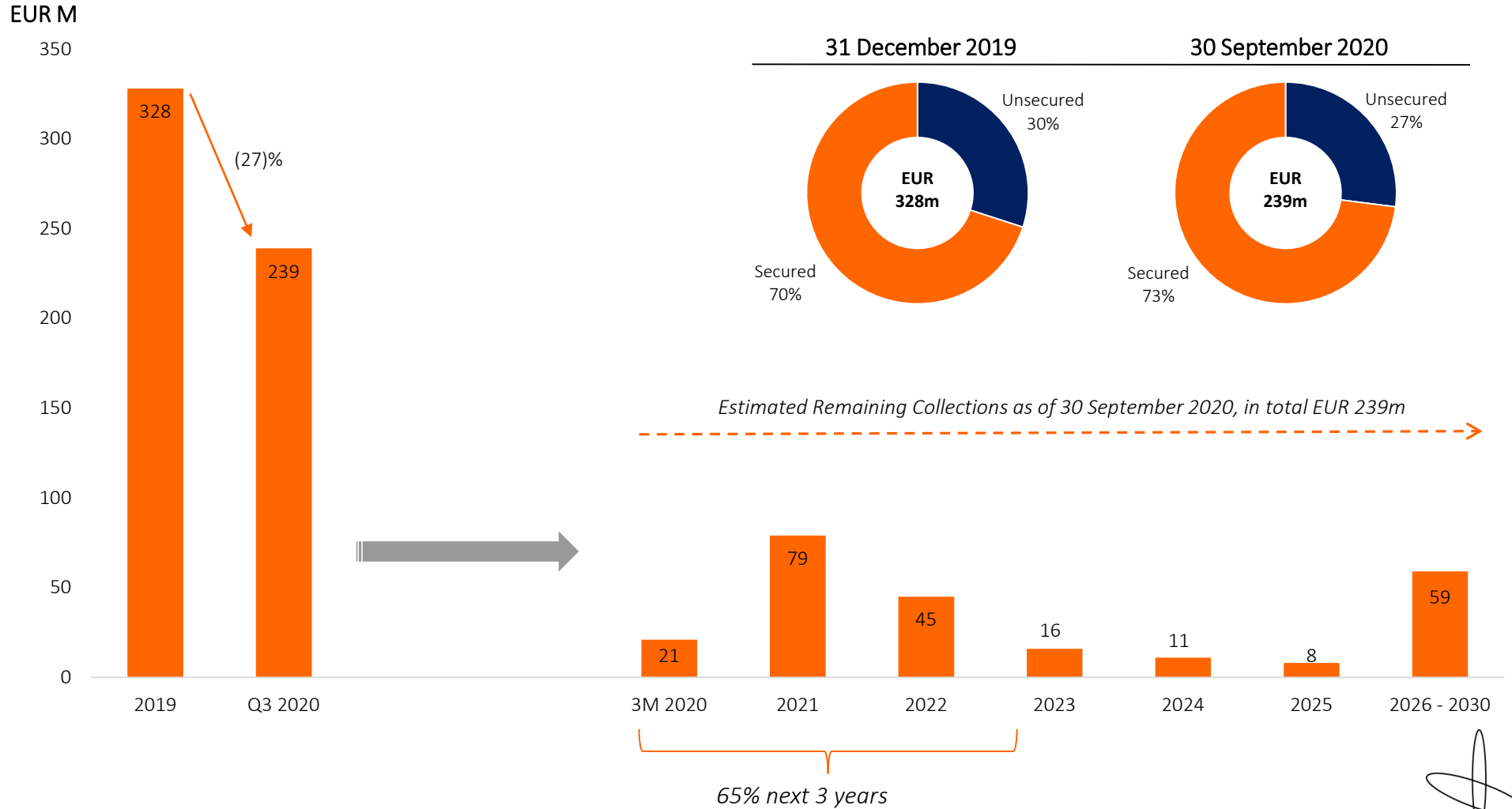
## Adjusted net collections by quarter



Adjusted net collections include net collections on sale of invested assets and incremental net distribution from joint venture.

# 65% of ERC is expected to be received in the next three years

Historic 120-months gross ERC and projected future collections on existing portfolios\*, 30 September 2020



\* ERC at 30 September 2020 includes the investment in Addiko Bank AG at DDM's 9.9% share of equity attributable to shareholders as of 30 June 2020. Secured ERC includes DDM's share of underlying assets.



# AGENDA

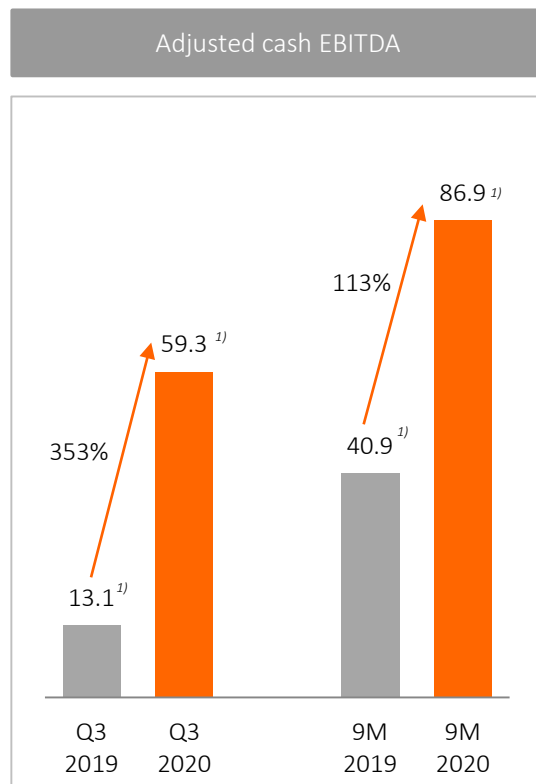
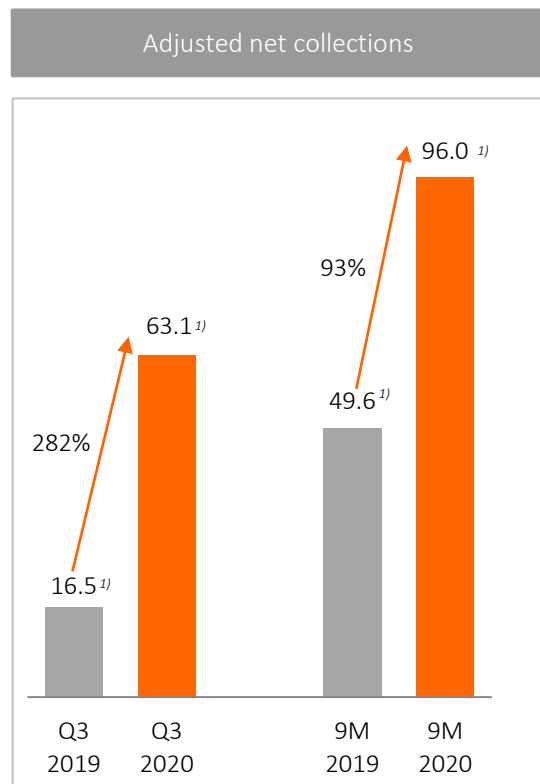
1. Key developments

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3. Summary



# Restructuring of Greek transaction resulted in accelerated collections and confirms credit quality in challenging market



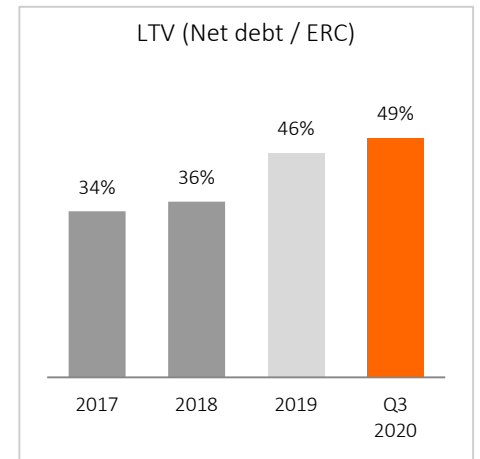
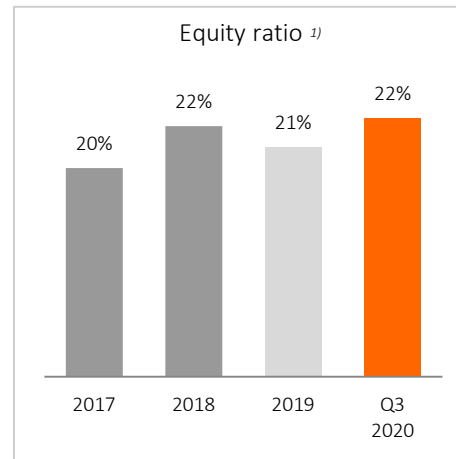
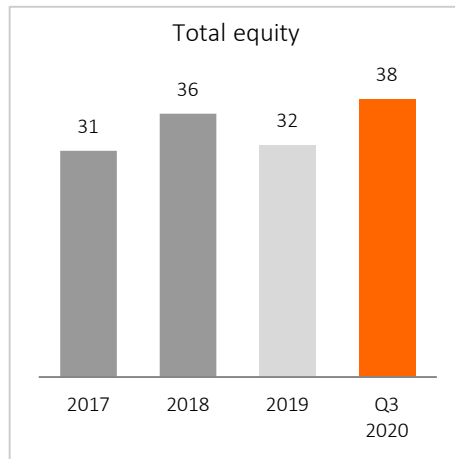
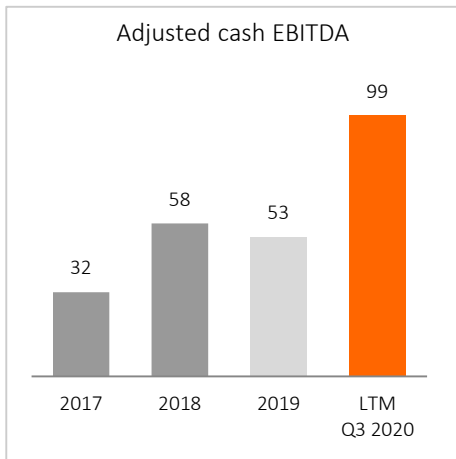
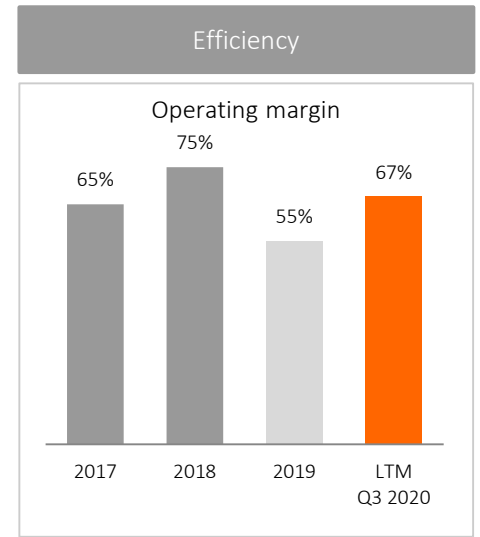
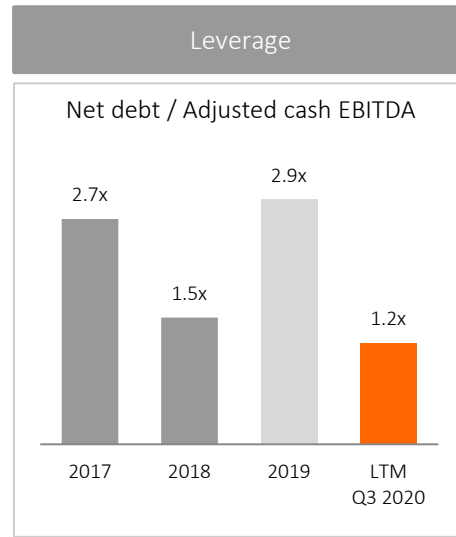
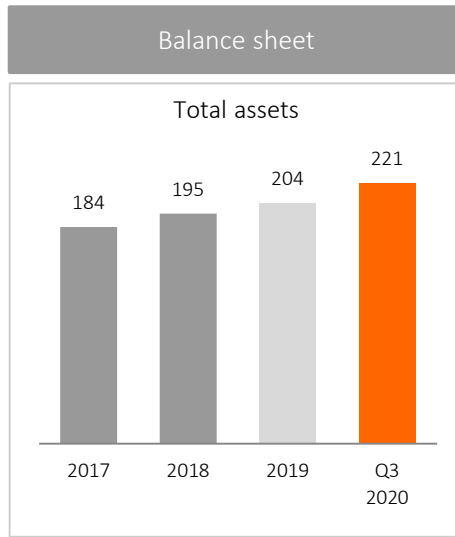
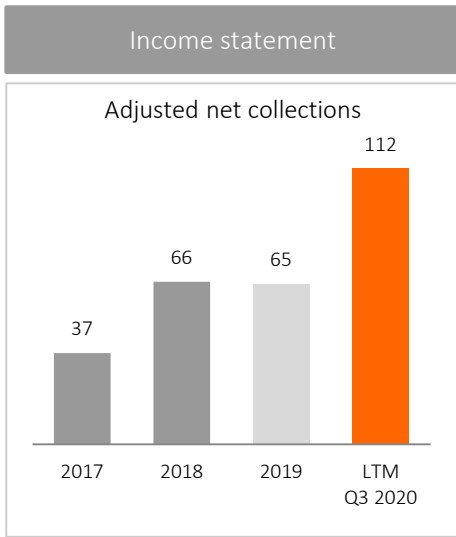
Note: All figures are in EURm.

1) Adjusted net collections and cash EBITDA include incremental net distributions from joint venture of EUR 1.2m in Q3 2019, EUR 0.5m in Q3 2020, EUR 2.6m in 9M 2019 and EUR 3.3m in 9M 2020. Net collections on sale of invested assets of EUR 1.9m are also included in 9M 2019.

1) Adjusted net profit / (loss) for 9M 2019 includes EUR 2.6m of non-recurring items relating to the bond refinancing in 2019.



# Our Financial KPIs

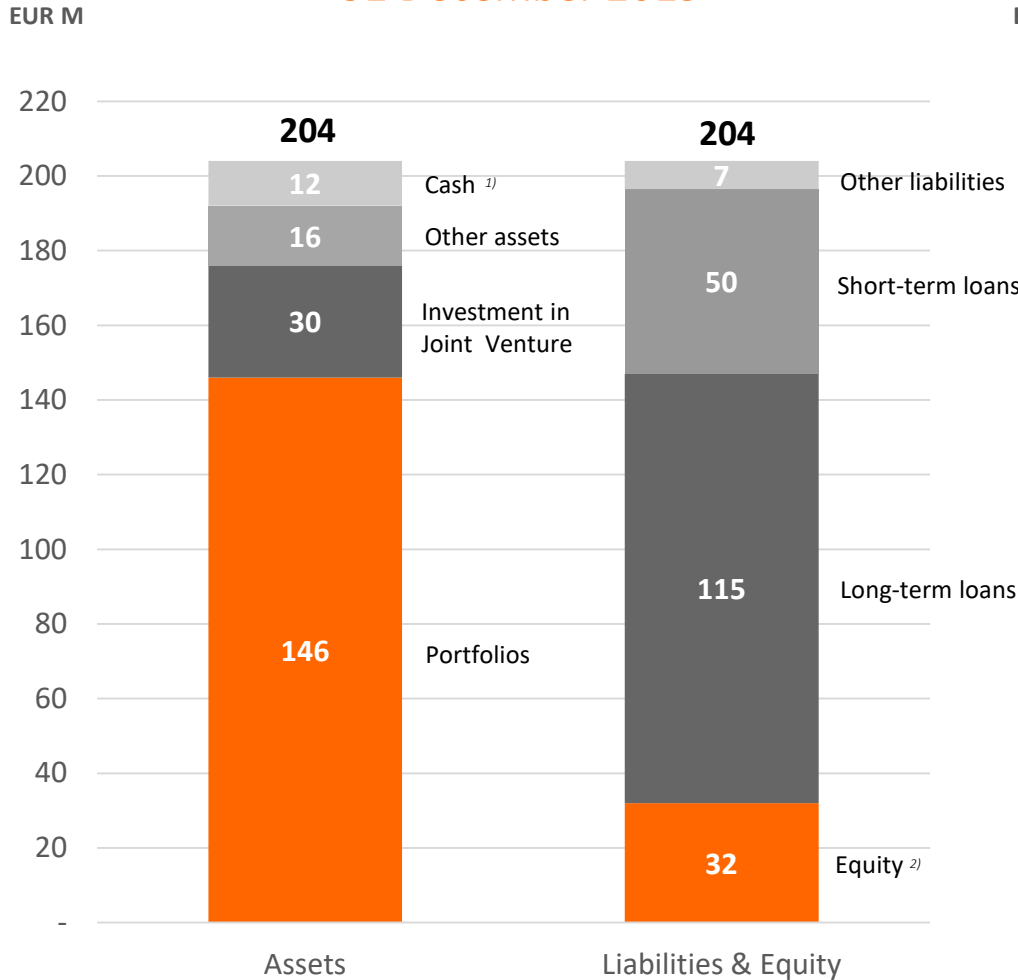


Note: All figures are in EURm.

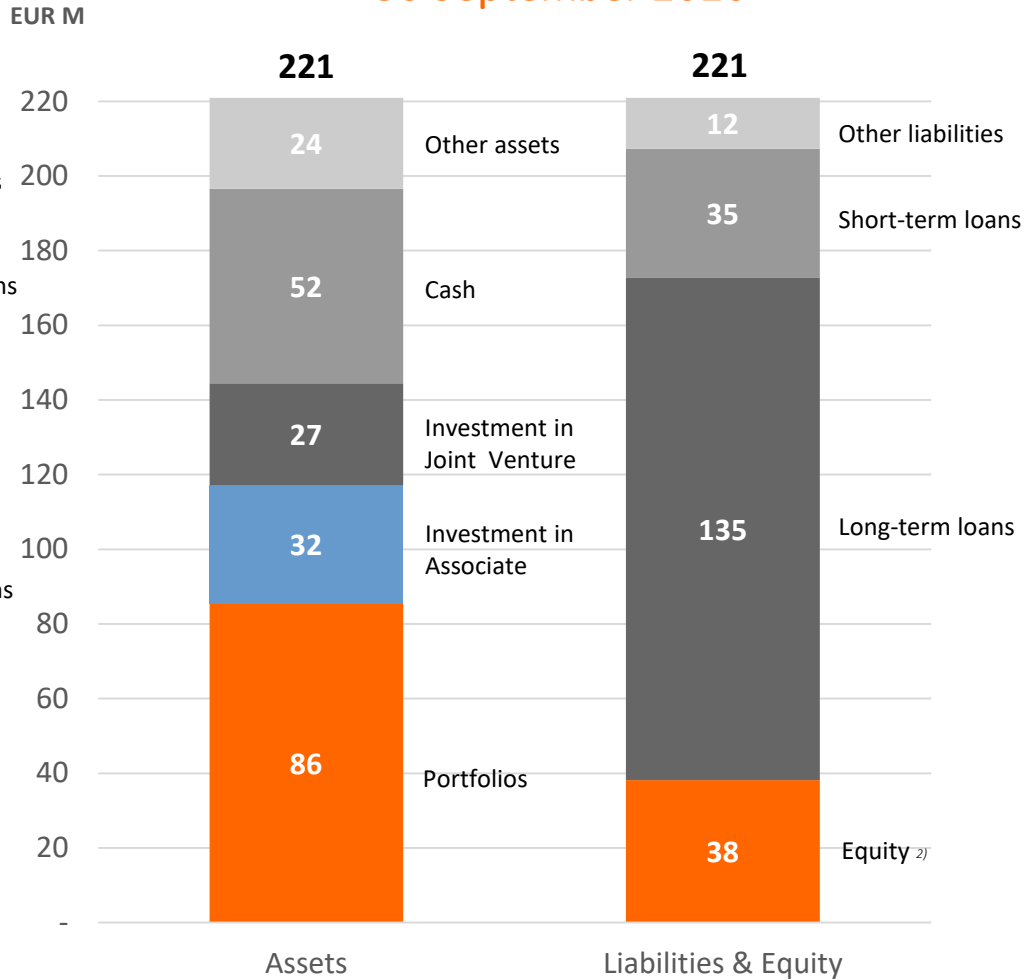
1) The equity ratio of the DDM Debt Group according to the senior secured bond terms

# Significant increase in cash and equity at September 2020

31 December 2019



30 September 2020

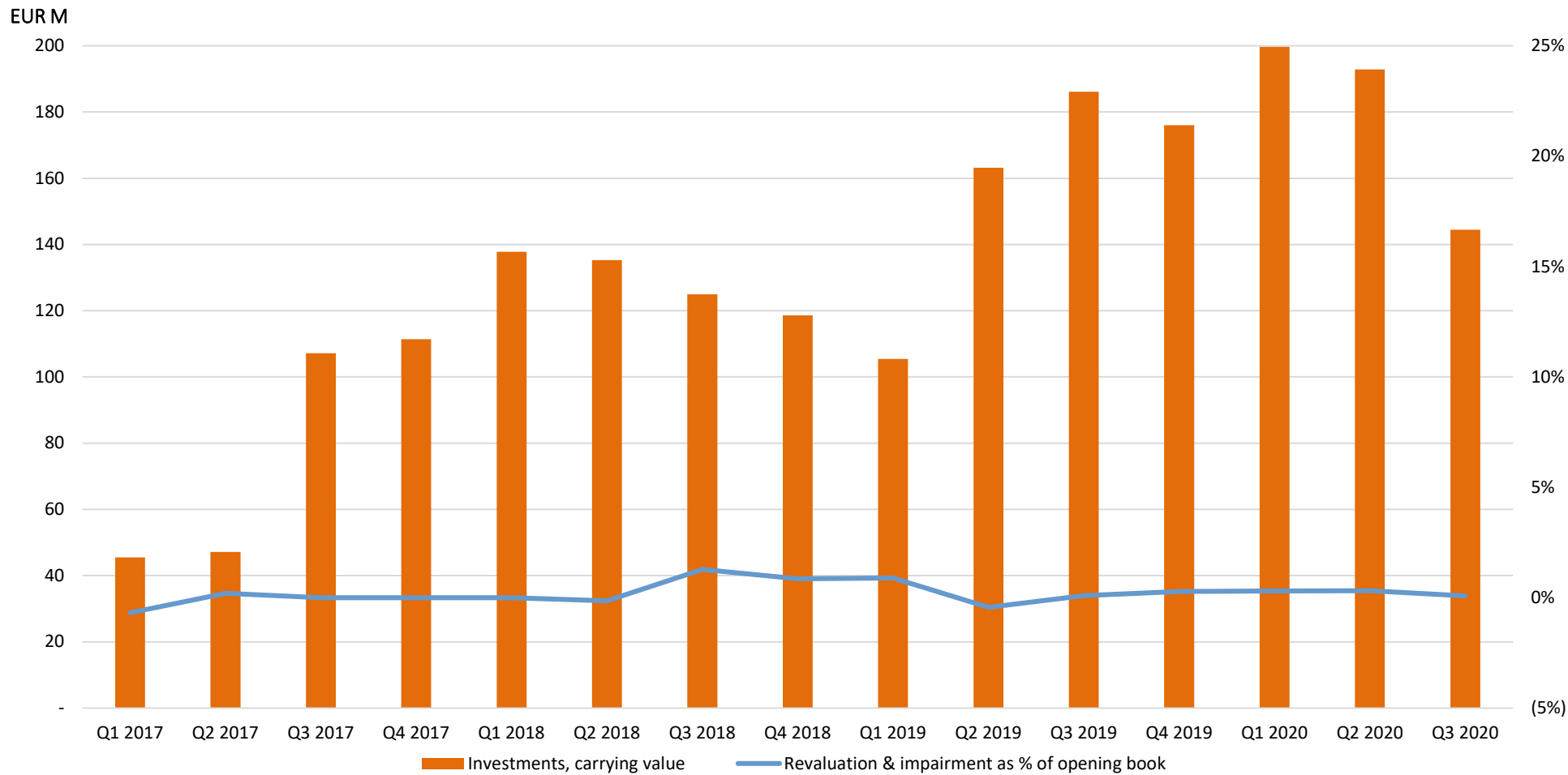


Note: All figures are in EURm.

1) There were no drawdowns under the EUR 27M revolving loan facility ("RCF") at 31 December 2019

2) The equity ratio of the DDM Debt Group according to the senior secured bond terms was 21.1% at 31 December 2019 and 22.4% at 30 September 2020

# Investments resilient in challenging market with adjustment of less than 1% of carrying value



# AGENDA

1. Key developments

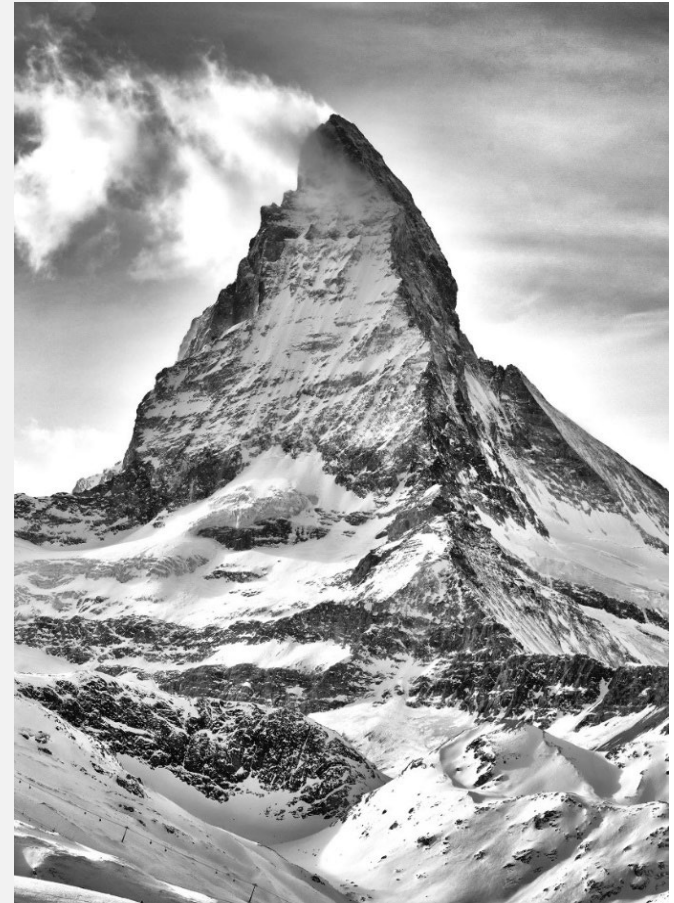
2. Financials January - September 2020

3. Summary



# Key takeaways

- 1 Record adjusted net collections of EUR 63M in the third quarter confirms our credit quality in a challenging market
- 2 Successful restructuring of Greek transaction resulted in approximately EUR 55M of net collections
- 3 Resilient portfolio with downward adjustments in 9M 2020 less than 1% of opening book value at the start of the year
- 4 Successfully completed a written procedure, extending the final maturity date of the up to EUR 160M bonds by 12 months
- 5 Strong cash balance of EUR 52M at the end of Q3, providing flexibility
- 6 Coming quarters expected to be challenging with increased volatility and limited visibility over future collections & investments



# Q&A

## Upcoming IR events

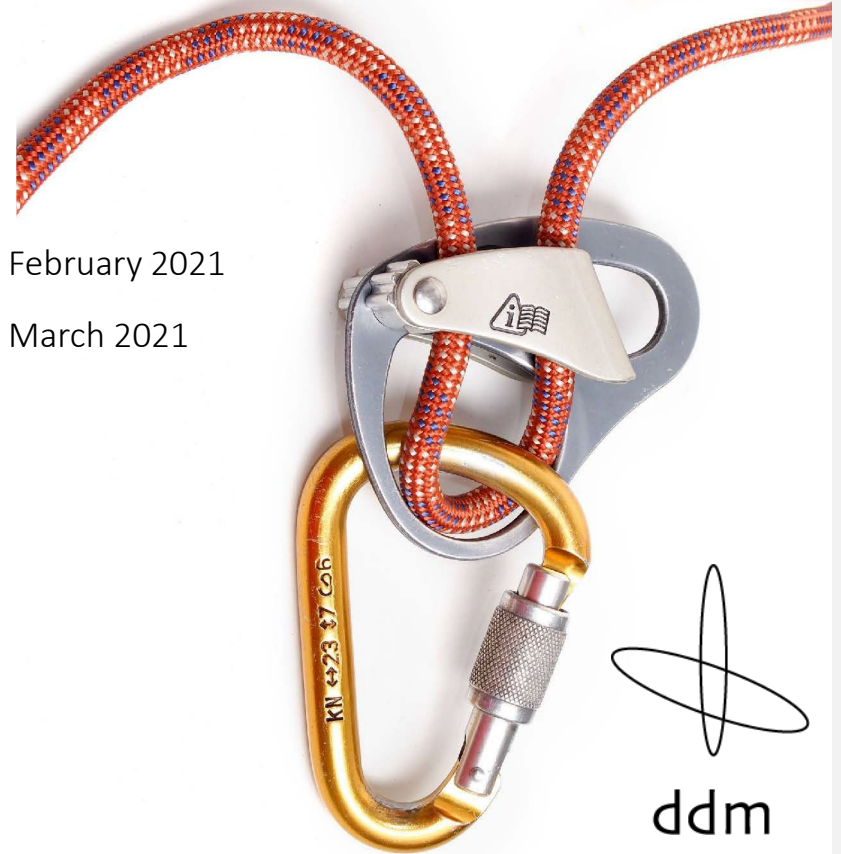
Q4 and full year report 2020:

18 February 2021

Annual report 2020:

26 March 2021

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# APPENDICES





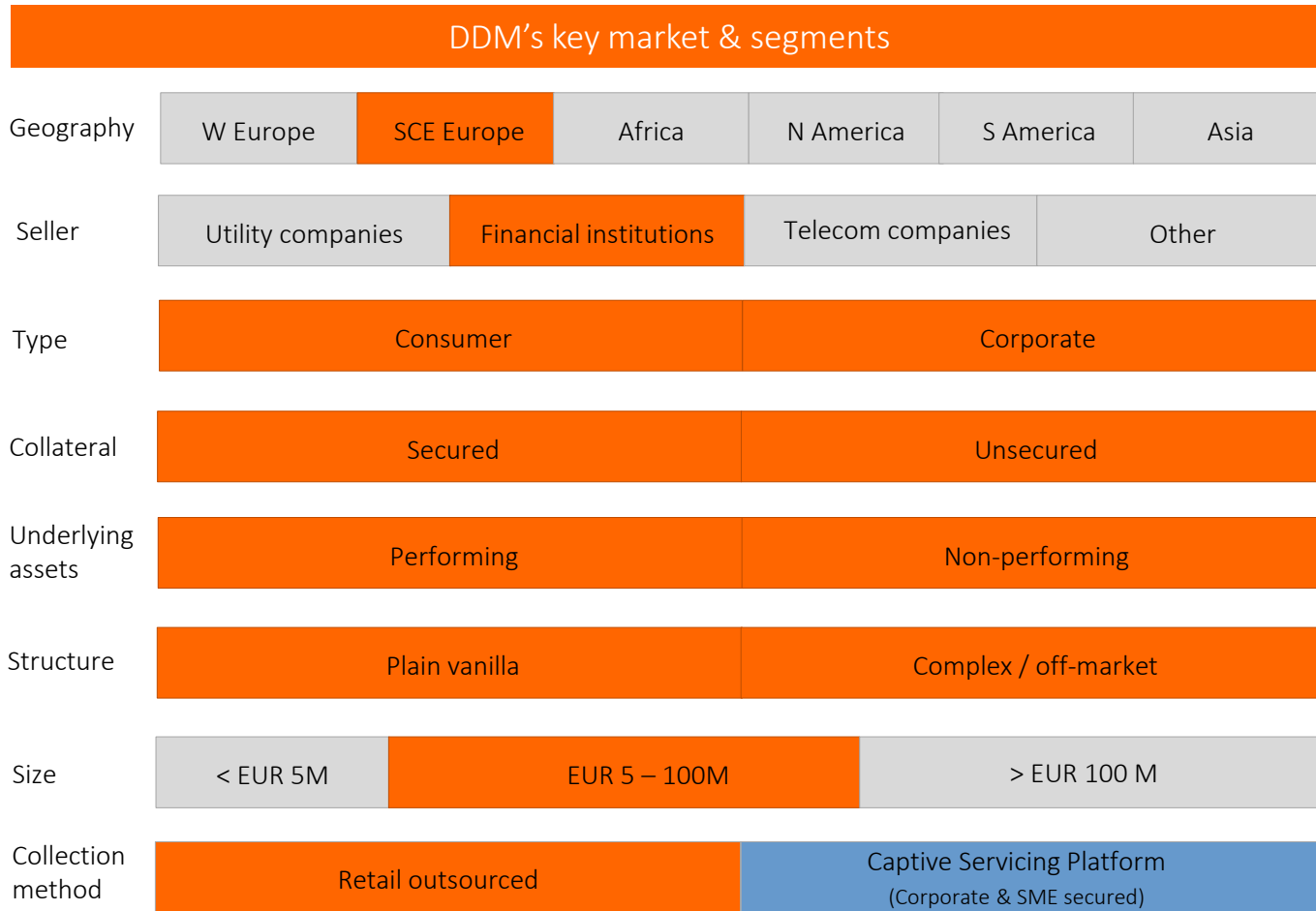
# Knowledge and relations build our success



- Favoured partner:**  
 DDM is the expert providing know-how and best practice
- Managing the process:**  
 Strong controls via automated processes for performance and compliance
- Outsourcing:**  
 Established debt collection network throughout SCEE
- AxFina Servicing platform:**  
 Work out for larger secured portfolios

<b>Knowledge</b>	Extensive local sector experience across the internal organisation
<b>Deal sourcing</b>	Structured yet opportunistic approach the key value driver, both for profitability and growth
<b>Relations</b>	Strong relationships with reputable sellers of debt portfolios across the region and a credible buyer
<b>Processes</b>	DDM manages the collection process through its proprietary IT system and allocates collections to the optimal partner
<b>Scalability</b>	Cross regional relationships for quick market entry and flexibility
<b>Work out</b>	Larger more complex secured portfolios work out managed by the AxFina servicing platform
<b>Debt collection</b>	Traditional consumer non-performing loan portfolios outsourced through network of debt collection network

# Competitive landscape



- DDM's activities
- AxFina's activities

