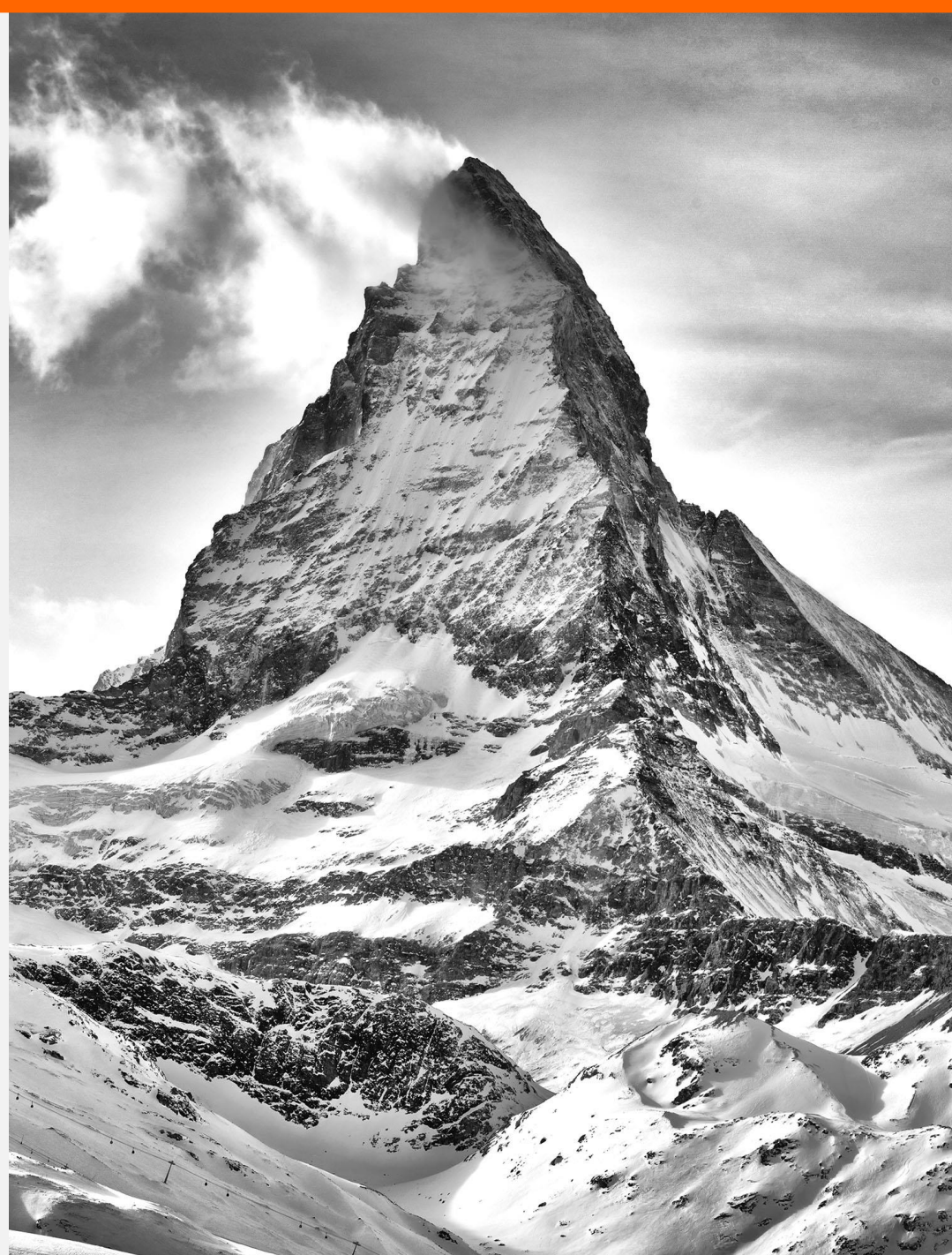




Q2 and half year 2022 report

28 July 2022

Presenters: Florian Nowotny, CEO, and
Fredrik Olsson, CFO



AGENDA

1. Key Developments

2. Financials H1 2022

3. Summary



DDM is a well diversified platform

A specialized multinational investor in situations arising out of the general strategic challenges in the European banking markets

DDM Group

1

DDM Core European Debt Purchaser



Loans & Assets Investments

- Acquisition of under performing, non-core and non-performing loan portfolios in SEE/CEE markets
- Since inception DDM has acquired 2.3 million receivables with a nominal value of over **EUR 4 billion**

Range of Services



Acquisition of Non-core and Distressed Assets

Income Source



ERCs – Cash Returns on Investments

2

Consumer Banking

SWISS BANKERS Addiko Bank

Consumer Banking

- Swiss Bankers acquisition of a **highly scalable platform** for payments with attractive opportunity to **extend product offering** into alternative banking / embedded finance solutions.
- Addiko Group is a consumer and SME specialist banking group, serving **0.8 million customers** in C&SEE countries with **EUR 6 billion total assets**

Range of Services



Consumer & SME lending
Payment Services

Income Source



Interest Income &
Commission Income

3

Real Estate & Special Situation Assets

BORGOSIA 1873

SEE REO-Platform

- Well established Southern European loan-to-built investment platform
- Investments in distressed banking loans **secured by real estate**
- In-house expertise to develop, promote and sell the finished projects into the market
- Access to proprietary deal flow with target investment volume amounts to up to **EUR 100 million over a three-year horizon**.

Range of Services



Asset Management, Capital
Appreciation

Income Source



Management Fees, Return on
Investment

4

Loan & Asset Servicing

axFina



Loan & Asset Servicing

- Servicing outsourced to AxFina, which is held by the parent company of DDM and EBRD
- AxFina offers captive and 3rd party portfolio servicing, business process outsourcing ("BPO"), and digital banking solutions to financial institutions and sponsors
- Currently, AxFina has more than **EUR 2.5 billion assets under management**, 120 employees and operates in 7 countries

Range of Services



Asset & Loan Servicing (incl 3rd
party) & BPO Digital Banking

Income Source



Servicing Fees and
Subscription Fees

Key highlights: Q2 2022

Key highlights

- Gross collections of EUR 15.8m broadly in line with prior year (Q2 2021: EUR 14.7m)
- Market volatility impacted earnings:
 - EUR 2.4m m-t-m loss on the investment in Addiko Bank
 - Partially offset by FX gains of EUR 0.8m
- Regulatory approval process for acquisition of Swiss Bankers ongoing
- Acquired 50.2% of the share capital of AxFina Holding S.A, a pan European debt servicing provider and business outsourcing company on 6 July
- Well-positioned with c. EUR 55m of cash to invest

Gross collections Q2 2022 LTM¹⁾

EUR 63m

Cash EBITDA Q2 2022 LTM²⁾

EUR 41m

Cash Q2 2022

EUR 55m

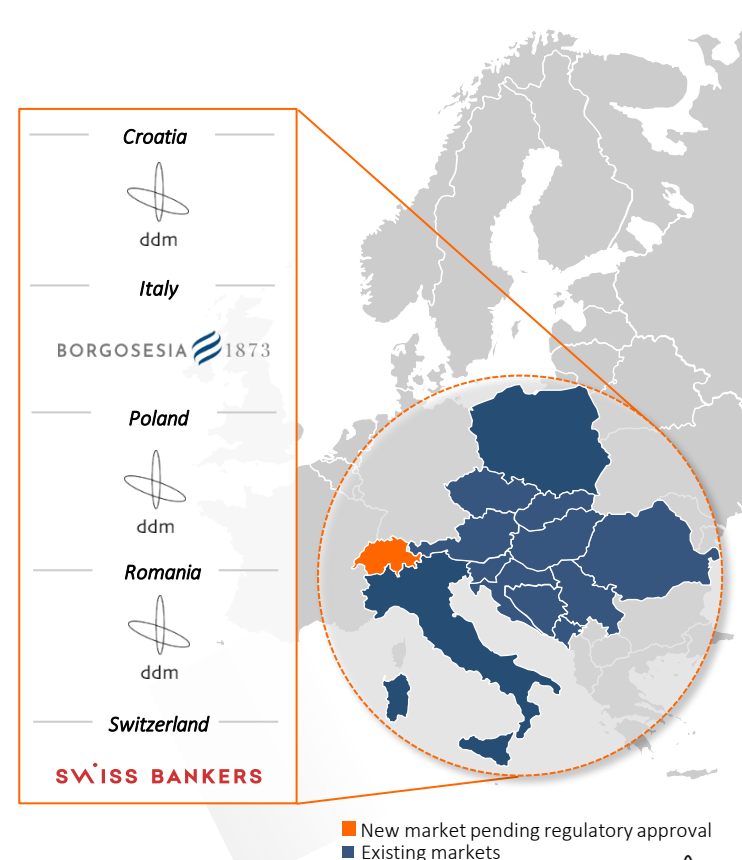
120-month ERC Q2 2022

EUR 285m

1) Includes incremental gross distribution from associate and joint venture and distributions from financial assets at fair value

2) Includes incremental net distribution from associate and joint venture and distributions from financial assets at fair value

Geographies



AGENDA

1. Key Developments

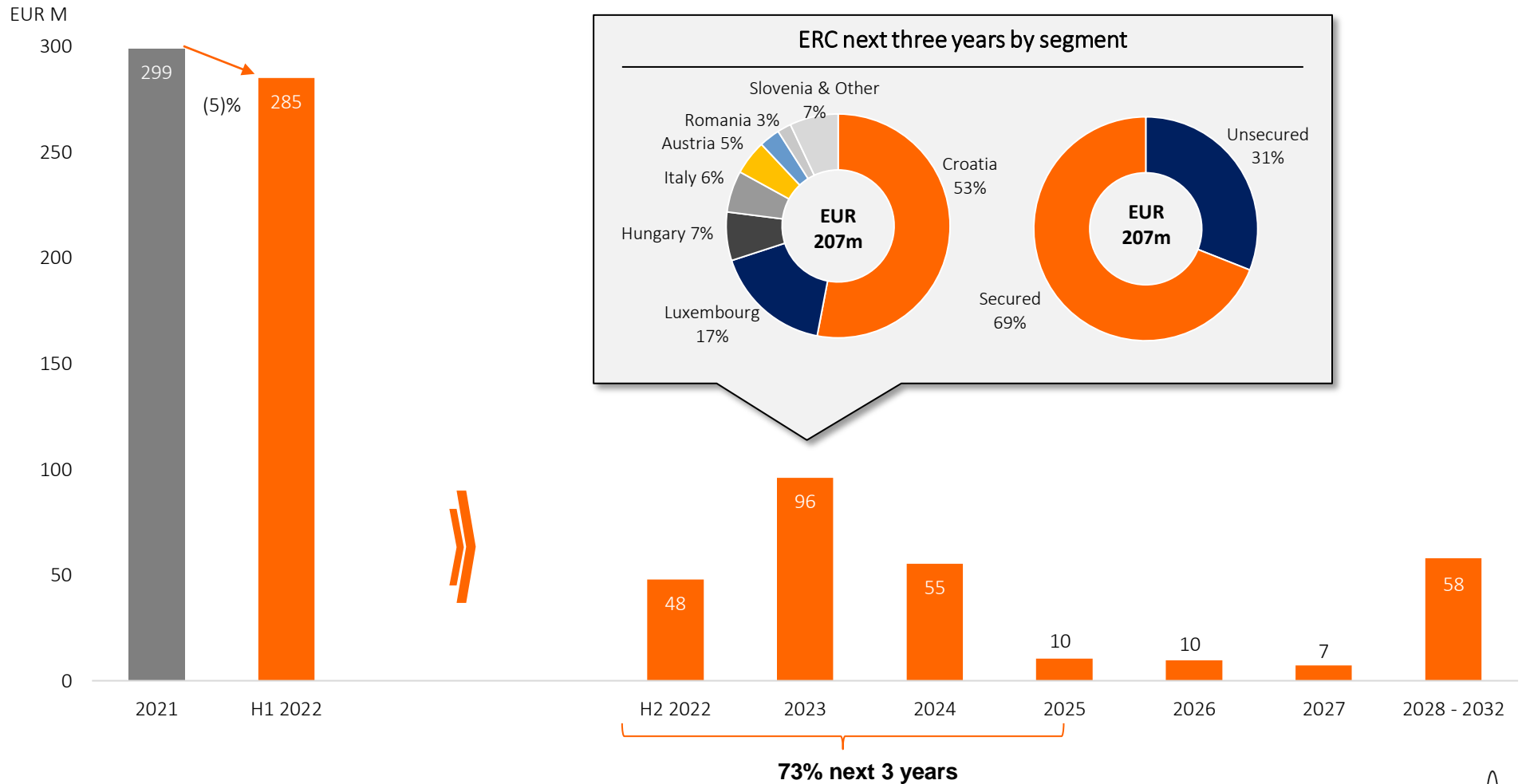
2. Financials H1 2022

3. Summary



Majority of ERC is secured and expected to be received in the next 3 years

Historic 120-months gross ERC and projected future collections on existing portfolios, 30 June 2022*

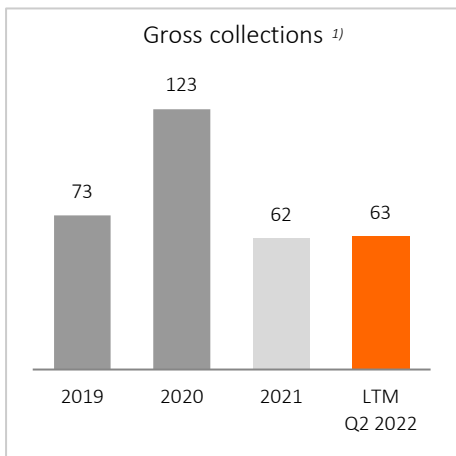


* ERC at 30 June includes the investment in Addiko Bank AG at DDM's 9.9% share of equity attributable to shareholders as of 31 March 2022.

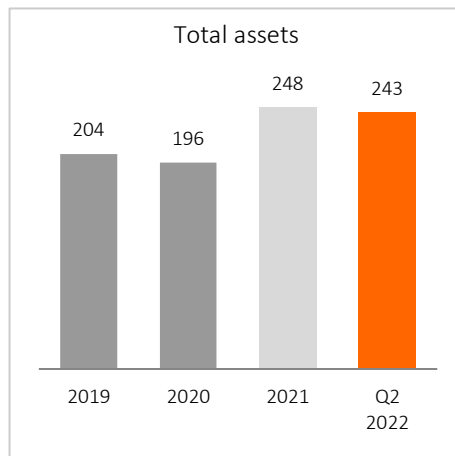
Secured ERC includes DDM's share of underlying assets

Our Financial KPIs

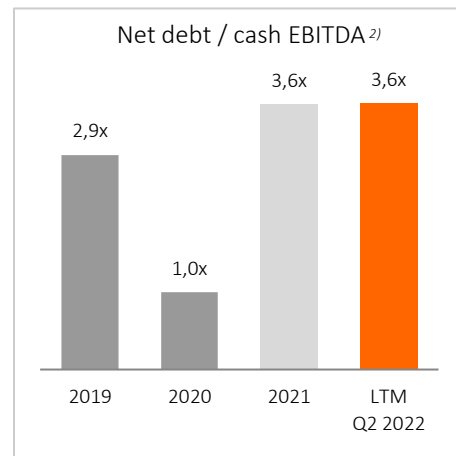
Income statement



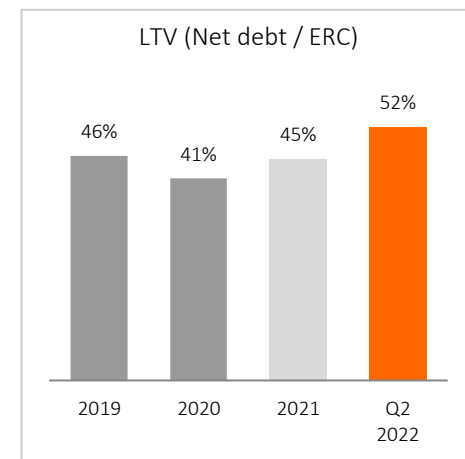
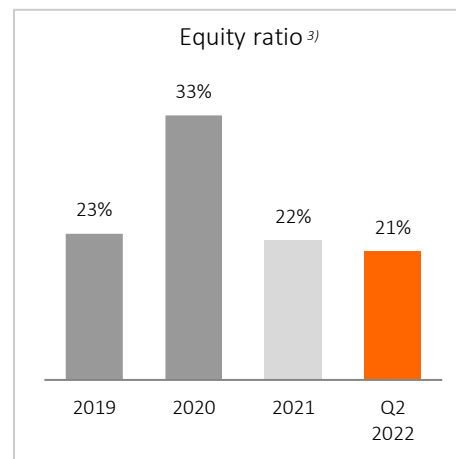
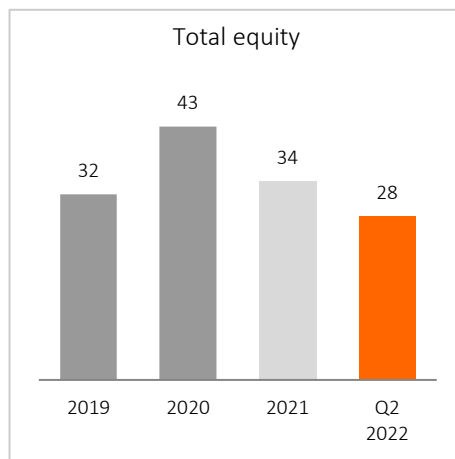
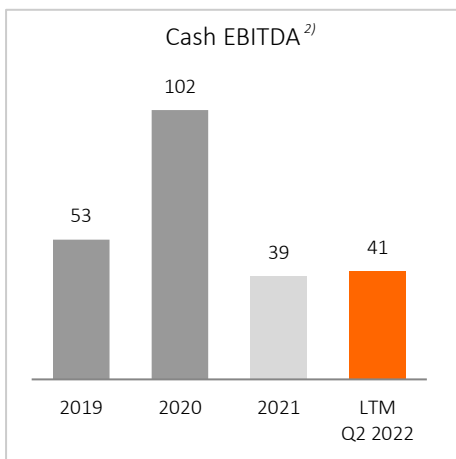
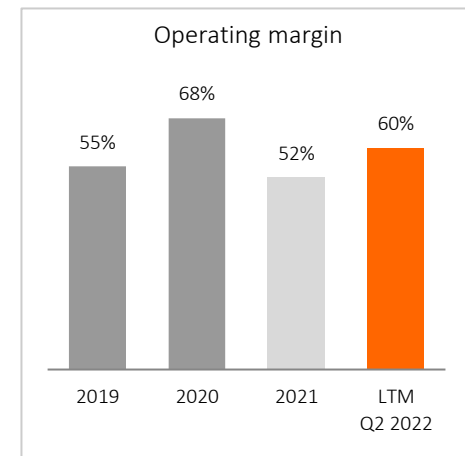
Balance sheet



Leverage



Efficiency



Note: All figures are in EURm.

1) Gross collections are adjusted to include incremental gross distributions from associate and joint venture of EUR 7.2m in FY 2019, EUR 10.1m in FY 2020, EUR 15.6m in FY 2021 and EUR 15.7m in LTM Q2 2022 and include gross collections on sale of invested assets of EUR 4.5M in FY 2019 and distributions from financial assets at fair value of EUR 1.0m in FY 2021 and EUR 2.4m in LTM Q2 2022.

2) Cash EBITDA is adjusted to include incremental net distributions from associate and joint venture of EUR 3.8m in FY 2019, EUR 5.3m in FY 2020, EUR 10.2m in FY 2021 and EUR 10.6m in LTM Q2 2022 and includes net collections on sale of invested assets of EUR 4.5M in FY 2019 and distributions from financial assets at fair value of EUR 1.0m in FY 2021 and EUR 2.4m in LTM Q2 2022.

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

AGENDA

1. Key Developments

2. Financials H1 2022

3. Summary



Key takeaways

1 Stable collections largely in line with the prior year

2 Market volatility impacted earnings:

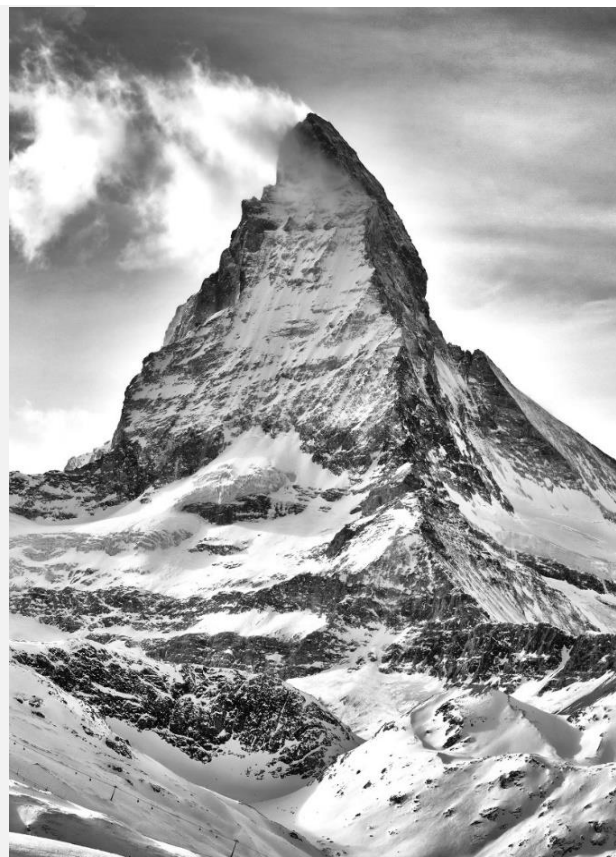
- EUR 2.4m m-t-m loss on the investment in Addiko Bank
- Partially offset by FX gains of EUR 0.8m

3 Acquisition of Swiss Bankers pending regulatory approval

4 Well-positioned with approximately EUR 55m of cash available to invest at 30 June

5 Majority of ERC of EUR 285m is secured by real estate and is expected to be received in the next three years

6 Acquired 50.2% of the share capital of AxFina Holding SA shortly after the end of the quarter



Q&A

Upcoming IR events

Interim report January – September 2022:

Q4 and full year report 2022:

Annual report 2022:

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30 November 2022

23 February 2023

31 March 2023



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