



ddm

Q2 and half year 2023 report

29 August 2023

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 2022 © DDM Holding AG

AGENDA

1. Business Overview

2. Financials January – June 2023

3. Summary



New CEO – Razvan Munteanu

- Appointed as of 1 August
- Romanian and Belgian citizen
- Extensive experience from banking, consumer lending and payments
 - Various senior management roles within leading European and global financial institutions
 - Including Raiffeisen, Citi and Mastercard
 - Previously Group CEO of the listed Addiko Bank AG, led transformation and IPO of the bank in 2019
- Looking forward to contributing to DDM's success
 - Maximizing the value in DDM's portfolio companies
 - Growing DDM's NPL portfolios
- Member of the Investment Committee

A Pan-European Investment Company with Four Key Investment Lines

Well diversified platform across financial assets / services

Consumer Finance & Embedded Finance

Addiko Bank OMNIO

- In January and February 2023, as part of a wider fund raising of Omnione S.A., DDM converted a total amount of EUR 33m of convertible bonds and existing investments into shares of Omnione S.A, a global BaaS technology partner for institutions, banks, building societies, credit unions and organisations with existing customer bases which are looking to offer financial services
- Secure/scalable BaaS platform, white label app solutions that allows clients to rapidly deploy to market
- DDM is also a significant shareholder in Addiko Bank at 30 June, a consumer and SME specialist bank serving 800,000 customers in Austria and Central South-Eastern Europe. DDM received a dividend of EUR 1.21/share in May.

Assets & Loans Investments



- Acquisition of under performing, non-core and non-performing loan portfolios in SEE/CEE markets of around EUR 5bn in nominal value
- Around EUR 500m capital deployed since inception
- Long and successful track record across different asset classes and jurisdictions
- Expertise also in complex and non-standard transactions,

Servicing & Digitalization



- AxFina offers captive and 3rd party loan portfolio servicing, business process outsourcing (“BPO”), and digital banking solutions to financial institutions and sponsors; EBRD is a key shareholder
- Currently, AxFina has more than EUR 1.5bn notional amount under management, over 100 employees and operates in six countries
- Digital First collection approach brings value-add to its business customers
- Opportunity to bring enhanced product offering (including lending) to the large number of collection clients

Special Situations

BORGOSIESIA 1873

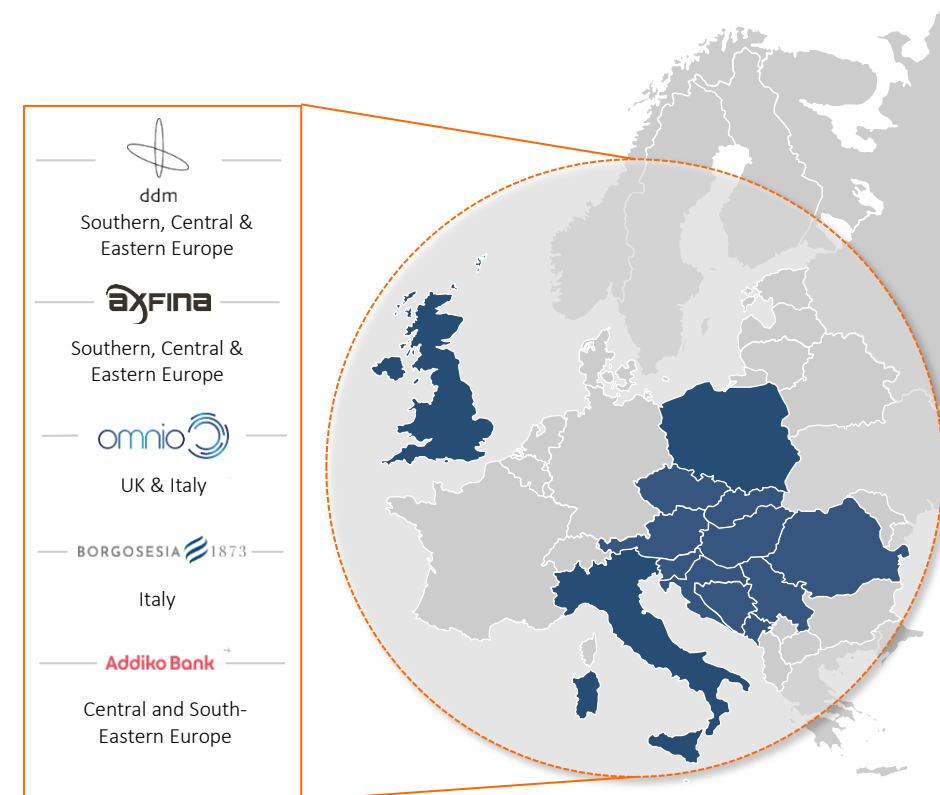
- Stake in Borgosesia sold pending regulatory approval
- Other opportunistic investments

Key highlights: Q2 2023

Key highlights

- Strong cash position of over EUR 32m
 - Providing flexibility and optionality in the market
- Turbulence is creating interesting investment opportunities
- Active asset management
 - Sale of DDM’s 5% stake in Borgosesia S.p.A (pending regulatory approval) and associated NPL portfolio
 - Agreement signed in July for acquisition of a NPL portfolio in Romania
 - GCV of over EUR 1 billion
 - Closing expected late Q3 2023
- Strengthened Board and Management team
 - Jürgen Durban appointed a Chairman on 29 June
 - Razvan Munteanu appointed as CEO effective 1 August
- Delisting of DDM Holding AG
 - Simplifying operational set-up
 - Last day of trading 15 September

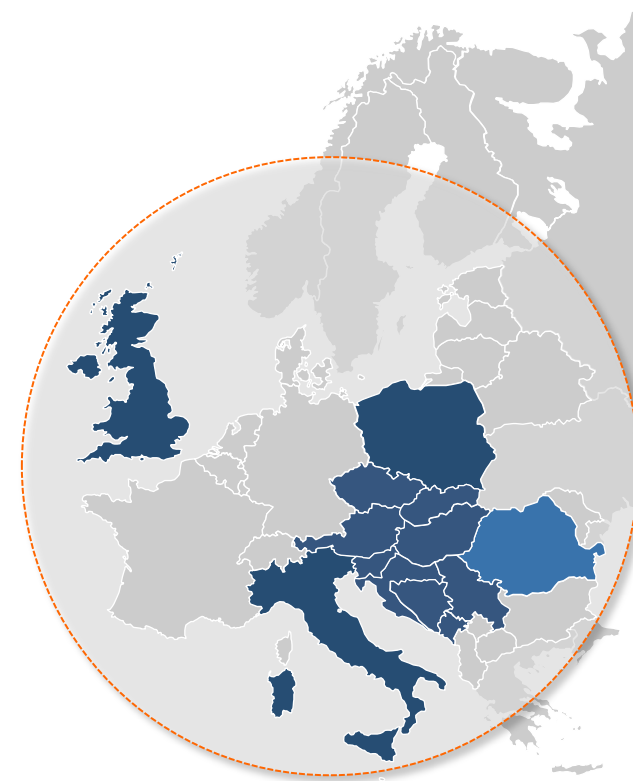
Diversified Geographic Footprint



Notes: NPL, assets and loans focus remains on emerging/Eastern Europe, Omnio’s key markets are the UK and Italy, AxFina’s key markets are Poland and Romania

Acquisition in Romania

- Agreement signed early July
 - NPL portfolio in Romania
 - Unsecured consumer receivables
- Gross collection value over EUR 1 billion
 - Financed by cash on hand
- Closing expected late Q3
 - Following clearance from the competition authorities
- Servicing will be performed by AxFina
 - Part of the DDM Group



Delisting of DDM Holding AG

- Delisting of the shares of DDM Holding AG from Nasdaq First North Growth Market, Stockholm
 - Application submitted to Nasdaq on 31 July
 - Approved by Nasdaq on 10 August
 - Last day of trading to be 15 September
- Not meeting listing requirements
 - Less than 10% free float
 - DDM Group Finance S.A. owns 95.2% of the shares
 - Limited liquidity in the shares
 - Despite DDM engaging a liquidity provider since 2019
- No significant changes are expected in the shareholder structure after delisting
- DDM Debt AB senior secured bonds will continue to be listed
 - Listing requirements will continue to be met
 - Financial reporting and disclosures will continue to be provided
 - Board composition expected to be unchanged

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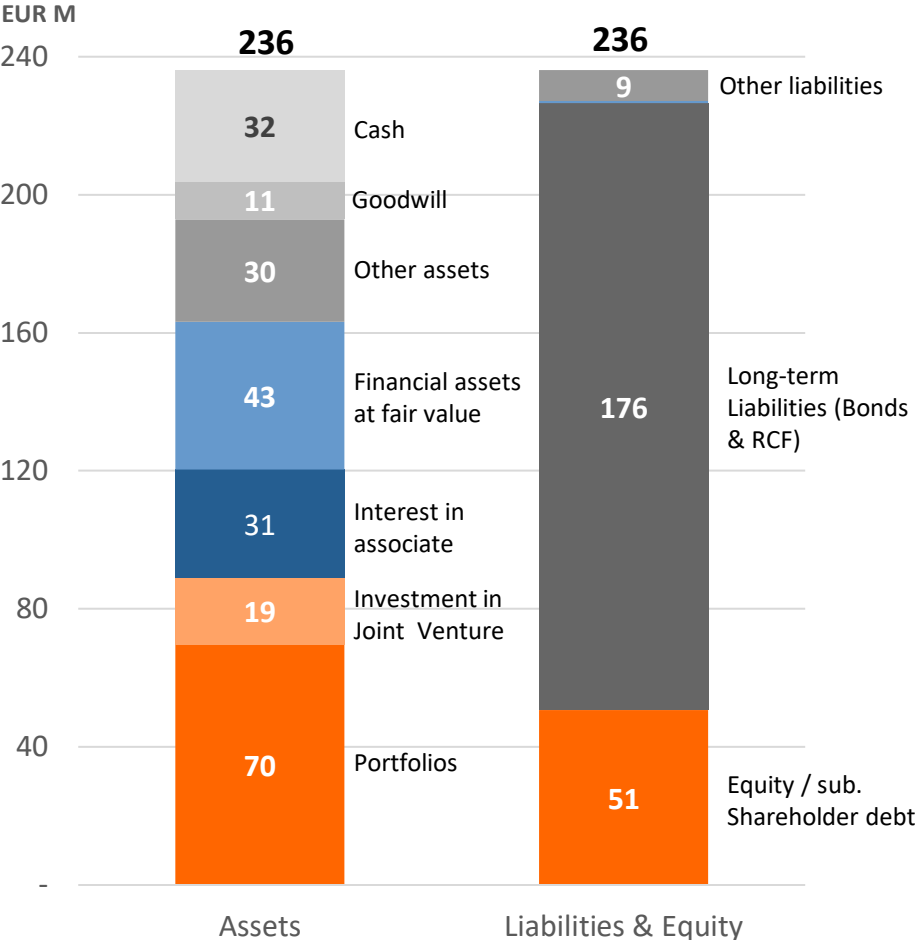
Income statement: Debt AB Q2 and H1 2023

	2023	2022	2023	2022
<i>Amount in EUR Millions</i>	Q2	Q2	H1	H1
Reconciliation of revenue on invested assets:				
<i>Gross Collections</i>	13.7	12.1	21.8	23.9
<i>Collection and commission expenses</i>	(1.3)	(1.3)	(2.5)	(3.1)
<i>Net Collections</i>	12.4	10.8	19.3	20.8
<i>Amortization of invested assets</i>	(8.1)	(7.5)	(10.8)	(13.4)
Interest income	2.7	0.8	3.3	1.4
Interest income on invested assets	7.0	4.1	11.9	8.7
<i>Revaluation & impairment of invested assets</i>	1.9	1.1	1.8	2.8
Revenue on invested assets	8.9	5.2	13.6	11.5
Share of net profits / (losses) of associate and joint venture	0.3	0.3	(0.5)	2.8
Revenue from management fees	0.1	0.0	0.3	0.0
Operating expenses	(4.7)	(2.6)	(8.5)	(3.6)
Amortization & depreciation of tangibles and intangibles	(0.1)	0.0	(0.3)	0.0
Operating profit	4.5	2.9	4.7	10.8
Financial income	5.8	0.1	9.9	0.7
Financial expenses	(9.5)	(7.9)	(14.8)	(16.5)
Exchange profit	0.3	1.0	0.7	0.2
Net financial expenses	(3.4)	(6.8)	(4.2)	(15.7)
Profit / (loss) before income tax	1.1	(4.0)	0.5	(4.9)
Tax (expense) / income	(0.1)	0.3	(0.3)	0.2
Net loss for the period	1.0	(3.6)	0.3	(4.7)

Note: All figures are unaudited and in EURm. Rounding differences may occur.

Balance Sheet and Financing Structure of DDM Debt AB

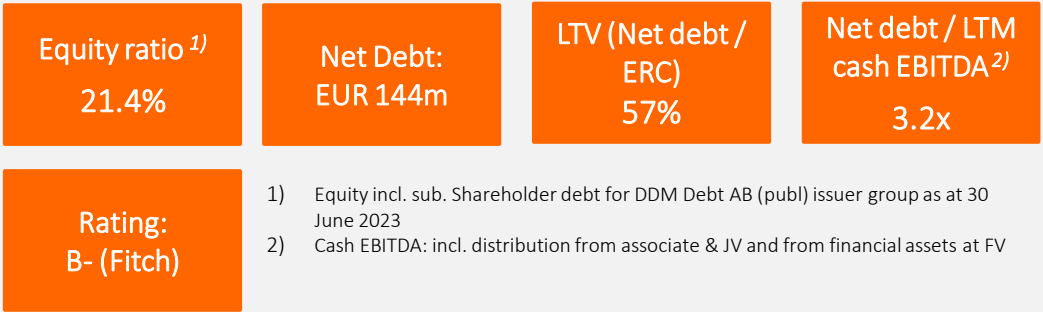
Consolidated Balance Sheet DDM Debt AB 30-06-2023



Bonds

- Senior secured bonds issued by DDM Debt AB mature in April 2026 (ISIN: SE0015797683)
- Coupon: 9% (paid semi-annually in April and October)
- No maintenance covenants

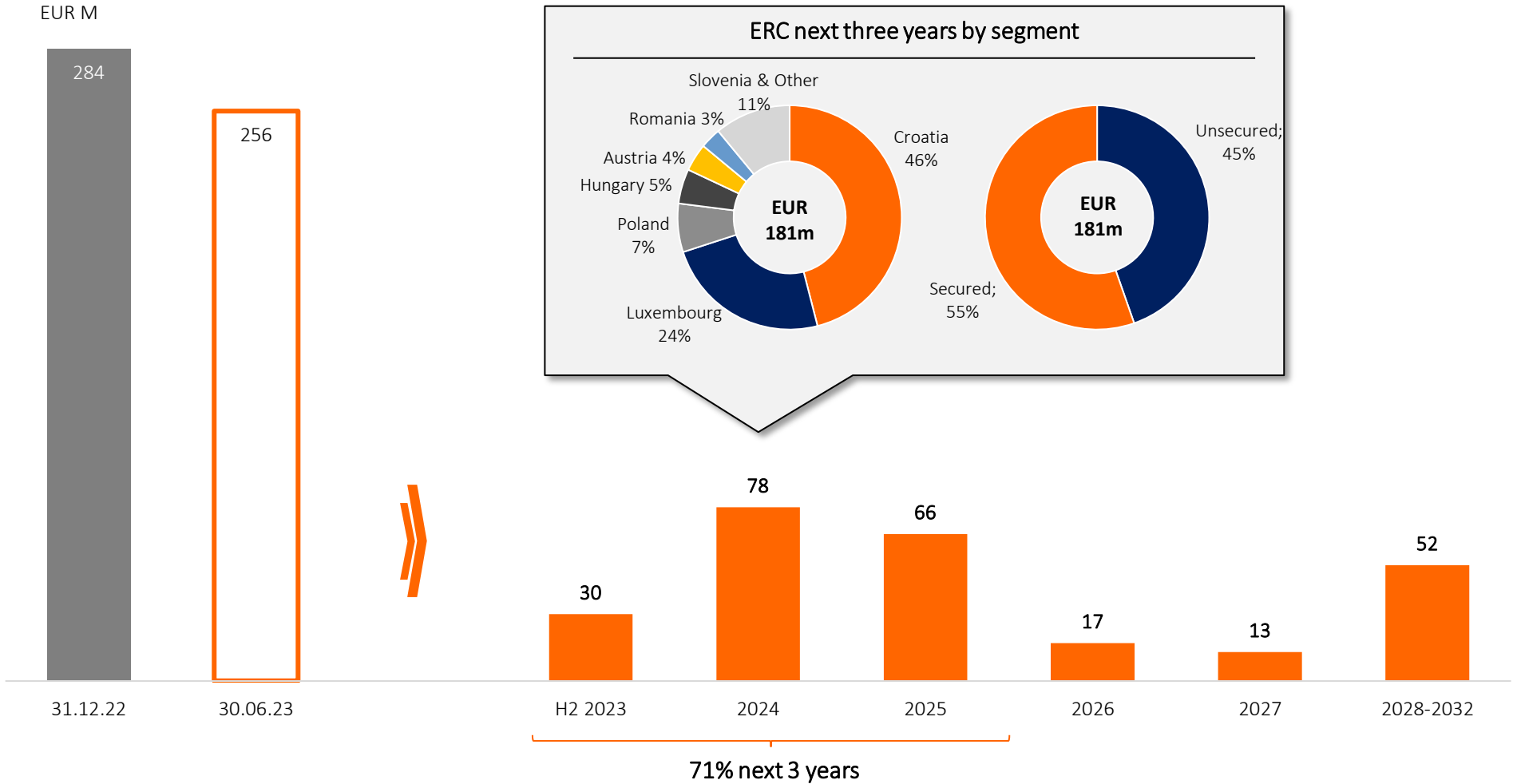
Key Credit Metrics (as of Q2 2023)



- Cash on balance sheet as of 30.06.2023: EUR 32.2m

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

120-months gross ERC and projected future collections on existing portfolios, 30 June 2023*



* ERC: collections before commission and fees from acquired NPL portfolios as well as future reasonably expected dividends, distributions or other payments from investments (such as Addiko, Omnio, etc)

* Of the total Gross ERC of EUR 256m, NPL portfolios held by DDM Debt AB account for EUR 119m, NPL portfolios held by AxFina account for EUR 22m and ERC from other investments for EUR 115m

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Active asset management and strong cash position providing optionality

- 1 Strong cash position providing flexibility and optionality in the NPL markets and in financial services
- 2 Active asset management and opportunistic investment in Romania pending regulatory approval expected in Q3
- 3 AxFina increasing focus on digital collections solutions to increase efficiency and net collections

Upcoming IR events

Interim report January – September 2023:	30 November 2023
Q4 and full year report 2023:	29 February 2024
Annual report 2023:	30 April 2024

Thank you for your attention

DDM Group

Strictly private & confidential

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