



Strategic Progress and Strong Operational Performance

Highlights first quarter 2025

- **Gross ERC** at the end of March 2025 was 309 MEUR (311 at December 31, 2024)
- **Cash** at the end of March 2025 was 5.3 MEUR (6.8 at December 31, 2024)
- **Adjusted gross collections** amounted to 12.7 MEUR (11.4)*
- **Adjusted net collections** amounted to 10 MEUR (9.5)*
- **Adjusted cash EBITDA** amounted to 5,7 MEUR (5.3)*
- **Jesper Bernström** appointed as CFO on March 1.

* Key financial highlights above include non-IFRS alternative performance measures that represent underlying business performance. Further details including a reconciliation to IFRS can be found on page 25.

IFRS Consolidated Amounts in EUR '000s (unless specified otherwise)	1 Jan - 31 Mar 2025**	1 Jan - 31 Mar 2024**	Full Year 2024
Gross collections	8 972	9 259	43 102
Collection and commission expenses	-1 831	-1 391	-9 178
Net collections	7 141	7 868	33 924
Revenue from mgt fees & other services	544	673	2 662
Operating expenses	-4 803	-4 845	-20 666
Other operating income	10	0	721
Cash EBITDA	2 892	3 696	27 365
Interest income	1 058	880	3 787
Dividend income from invested assets	-	-	1 689
Amortization, revaluation and impairment of invested assets	-2 490	-2 311	-13 336
Share of net profits of associate and joint venture	-726	-605	-2 300
Operating profit	484	1 392	-4 374
Net result for the period	2 022	-2 534	-7 578
Selected key figures			
Total assets	250 560	262 106	247 101
Net debt	167 045	157 867	165 425
Equity ratio***	16.0%	15.8%	15.6%
Cash flow from operating activities before working capital changes	2 887	4 864	6 124
Gross ERC 120 months (MEUR)	309	295	311
Investments book value	218 128	198 514	211 710

** Unaudited

*** Equity ratio calculated according to the terms and conditions of the senior secured bonds

The information in this report requires DDM Debt AB (publ) to publish the information in accordance with the EU Market Abuse Regulation and the Securities Market Act. The information was submitted for publication on 30 May 2025 at 17:45 CEST.

Comment by the CEO

I took on the role of CEO in April 2025 with a clear focus: to build on the company's entrepreneurial roots while evolving into a broader, more institutional asset management platform. As we shift toward this model, our core remains unchanged – distressed assets continue to anchor our investment strategy.

In Q1 2025, we demonstrated solid momentum. We deployed 3.4 MEUR in new investments, primarily follow-ons in our growth equity portfolio. Gross collections reached 12.7 MEUR, and adjusted cash EBITDA rose to 5.7 MEUR (up from 5.3 MEUR in Q1 2024). Profit before tax was 3.3 MEUR, driven by operational performance and disciplined portfolio oversight, despite fair value adjustments and equity-accounted items.

Liquidity remains strong, with 5.3 MEUR in cash at quarter-end. ERC stood at 309 MEUR. As we transition to an institutional model, we will shift our focus from ERC to Assets Under Management (AUM) to reflect the broader scope of managed capital – across balance sheet assets, JVs, and strategic partnerships.

To align with this strategic evolution, we will rebrand from DDM Debt AB to Achilles Capital AB in Q2 2025. This marks a step forward in our ambition to become a leading asset management platform. Further details on the rebrand will follow.

Outlook

While the macroeconomic outlook remains uncertain, we see continued opportunities from market dislocation and regulatory-driven asset disposals across Europe. With a focused team and strong sourcing and servicing capabilities, we are well positioned to deploy capital selectively and scale recurring earnings. Our objective remains clear: grow AUM and deliver long-term value through disciplined execution.

Stockholm, 30 May 2025

DDM Debt AB (publ),
Matt Doerner, CEO

Financial calendar

DDM Debt AB (publ) intends to publish financial information on the following dates:

Q2 report for January – June 2025:	29 August 2025
Q3 report for January – September 2025:	28 November 2025
Q4 report for January – December 2025:	27 February 2026
Annual Report 2025:	30 April 2026

Other financial information from DDM is available on DDM's website, www.ddm-group.ch.

Publication of the report

The report is available at www.ddm-group.ch on 30 May 2025, at 17:45 CEST.

The executive leadership of DDM are continuing to focus on the day-to-day management of the group, as well as carrying out a customary operational and strategic review. A communication process with investors will therefore be carried out in due course.

Financial results

Adjusted gross collections (which include the incremental gross distribution from associates and joint ventures) amounted to 12.7 MEUR in the first quarter of 2025, 1.3 MEUR above the corresponding period last year. After deducting commission and collection fees to third parties this resulted in 10 MEUR of adjusted net collections being received for the first quarter of 2025.

Operating expenses were 4.8 MEUR in Q1 2025, equal to Q1 2024. Management and servicing fees of 0.5 MEUR were received in the quarter, and as a result, adjusted cash EBITDA totaled 5.7 MEUR in the first quarter of 2025, compared to 5.3 MEUR for the same quarter in the prior year.

The operating profit for the quarter includes 0.7 MEUR share of net losses of associate and joint venture under the equity method of accounting.

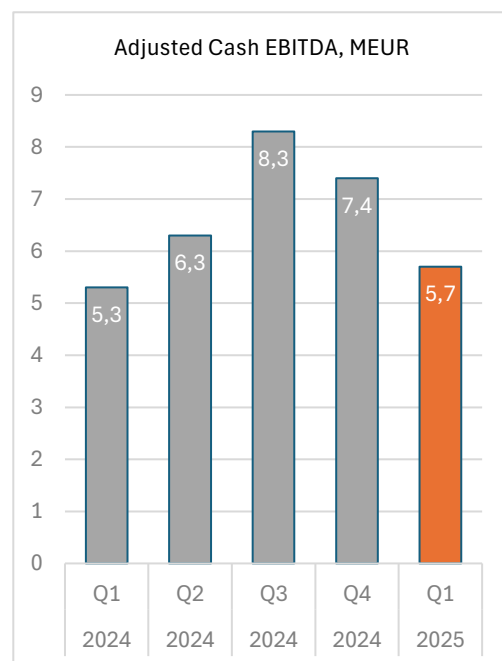
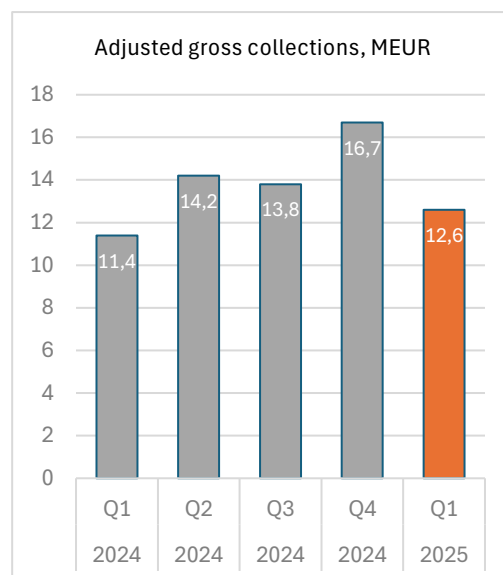
The result for the quarter was a profit before tax of 3.3 MEUR, compared to a loss before tax of 2.1 MEUR for Q1 2024.

Cash flow and financing

For the first quarter of 2025, cash flow from operating activities before working capital changes was 2.9 MEUR compared to 4.9 MEUR in Q1 2025 and 6.1 MEUR in Q4 2024. We continue to have a solid cash position of 5.3 MEUR at 31 March 2025.

Estimated Remaining Collections

ERC in relation to invested assets at 31 March stands at 309 MEUR. About >80% of the collections are expected to be received within the next three years.



Consolidated Income Statement

Amounts in EUR '000s	Notes	1 Jan – 31 Mar 2025*	1 Jan – 31 Mar 2024*	Full Year 2024
Interest income on invested assets	5	5 780	5 939	21 852
Dividend income from invested assets		-	-	1 689
Revaluation and impairment of invested assets		-71	498	2 523
Revenue on invested assets	5	5 709	6 437	26 064
Share of net (losses) / profits of associate and joint venture	5,9,10	-726	-605	-2 300
Revenue from mgt fees and other services		544	673	2 662
Impairment of goodwill		-	-	-9 667
Personnel expenses		-1 954	-2 444	-9 526
Consulting expenses		-1 780	-1 319	-7 543
Other operating expenses		-1 069	-1 082	-3 597
Other operating income		10	-	721
Depreciation of tangible assets		-250	-268	-1 188
Operating result		484	1 392	-4 374
Financial income		9 318	2 747	23 422
Financial expenses		-6 016	-6 274	-24 417
Unrealized exchange profit / (loss)		-314	40	420
Realized exchange (loss) / profit		-128	-19	-300
Net financial expenses		2 860	-3 506	-875
Result before income tax		3 344	-2 114	-5 249
Tax expense		-1 322	-420	-2 329
Net result for the period		2 022	-2 534	-7 578
Net loss for the period attributable to:				
Owners of the Parent Company		2 154	-2 456	-7 308
Non-controlling interest		-132	-78	-270

* Unaudited

Consolidated Statement of Comprehensive Income

Amounts in EUR '000s	1 Jan – 31 Mar 2025*	1 Jan – 31 Mar 2024*	Full Year 2024
Net result for the period	2 022	-2 534	-7 578
<i>Other comprehensive income / (loss) for the period</i>			
Currency translation differences	-5	-36	34
Actuarial loss on post-employment benefit commitments	-	-	603
Deferred tax on post-employment benefit commitments	-	-	-65
Share of net income in associates	-695	-	269
Other items	287	702	-112
Other comprehensive income / (loss) for the period, net of tax	-413	666	729
Total comprehensive result for the period	1 609	-1 868	-6 849
Total comprehensive result for the period attributable to:			
Owners of the Parent Company	1 672	-2 125	-6 560
Non-controlling interest	-63	257	-289

* Unaudited

Consolidated Balance Sheet

Amounts in EUR '000s	Notes	31 March 2025*	31 Dec 2024
ASSETS			
<i>Non-current assets</i>			
Goodwill	7	11 022	11 022
Intangible assets		2 039	2 126
Tangible assets	6	351	93
Right-of-use assets		876	930
Interests in associate	10	38 660	40 870
Distressed asset portfolios	8	63 033	65 266
Financial assets at fair value	11	101 463	89 666
Other long-term receivables from investments		627	601
Investment in joint venture	9	14 345	15 307
Loans to other group companies		-	-
Receivables from other group companies		-	-
Accrued interest from other group companies		-	-
Deferred tax assets	4	2 885	2 988
Other non-current assets		2 606	4 192
Total non-current assets		237 907	233 061
<i>Current assets</i>			
Accounts receivable		1 160	1 171
Receivables from other group companies		258	258
Tax assets		24	206
Other receivables		3 406	2 960
Prepaid expenses and accrued income		2 463	2 658
Cash and cash equivalents		5 342	6 787
Total current assets		12 653	14 040
TOTAL ASSETS		250 560	247 101
SHAREHOLDERS' EQUITY AND LIABILITIES			
Share capital		54	54
Other reserves		-6 222	-5 527
Shareholder contribution		47 681	47 681
Retained earnings including net result for the period		-2 699	-5 066
Total shareholders' equity to Parent Company's shareholders		38 814	37 142
Non-controlling interest		1 261	1 324
Total shareholders' equity		40 075	38 466
LIABILITIES			
<i>Non-current liabilities</i>			
Loans and borrowings	12	171 160	170 497
Lease liabilities		714	783
Post-employment benefit commitments		911	880
Payables to other group companies		8	8
Deferred tax liabilities		2 095	1 003
Total non-current liabilities		174 888	173 171
<i>Current liabilities</i>			
Other current liabilities		20 005	20 585
Accounts payable		2 382	3 278
Tax liabilities		1 073	2 182
Accrued interest		5 804	2 654
Accrued expenses and deferred income		4 767	4 727
Lease liabilities		339	323
Current loans	12	1 227	1 715
Total current liabilities		35 597	35 464
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		250 560	247 101

* Unaudited

Consolidated Cash Flow Statement

Amounts in EUR '000s	1 Jan - 31 Mar 2025*	1 Jan - 31 Mar 2024*	Full year 2024
Cash flow from operating activities			
Net loss for the period	2 022	-2 534	-7 578
Cash distribution from associate and joint venture	1 850	1 196	5 235
<i>Adjustments for non-cash items:</i>			
<i>Amortization of invested assets</i>	2 419	2 809	15 859
<i>Revaluation and impairment of invested assets</i>	71	-498	-2 523
<i>Interest income</i>	-1 058	-880	-3 787
<i>Other operating income</i>	-10	-	-721
<i>Dividend income</i>	-	-	-1 689
<i>Share of net losses / (profits) of associate and joint venture</i>	726	605	2 300
<i>Impairment of goodwill</i>	-	-	-
<i>Impairment of assets</i>	-	-	9 667
<i>Depreciation and amortization of tangible and intangible assets</i>	250	268	1 188
<i>Financial income</i>	-9 318	-2 747	-23 422
<i>Financial expenses</i>	6 016	6 274	24 417
<i>Unrealized exchange (profit) / loss</i>	314	-40	-420
<i>Tax expense</i>	1 322	420	2 329
<i>Other items not affecting cash</i>	85	72	-67
Interest paid	-772	-89	-16 109
Interest received	-	41	166
Dividends received	-	-	1 689
Tax paid	-1 030	-33	-410
Tax received	-	-	-
Cash flow from operating activities before working capital changes	2 887	4 864	6 124
Working capital adjustments			
(Increase) / decrease in accounts receivable	-89	-904	112
(Increase) / decrease in other receivables	-251	-945	-1 957
Increase / (decrease) in accounts payable	-896	-421	-2 378
Increase / (decrease) in other current liabilities	345	19 917	20 292
Net cash flow from operating activities	1 996	22 511	22 193
Cash flow from investing activities			
Purchases of distressed asset portfolios and other long-term receivables from	-	-	-1 039
Purchase of investments in joint venture and associate	-	-	-211
Purchases of financial assets at fair value	-3 387	-22 837	-36 597
Proceeds from divestment of financial assets at fair value	754	325	325
Acquisition of subsidiary, net of cash acquired	-	-	-
Purchases of tangible and intangible assets	-369	-	-6
Net cash flow received / (used) in investing activities	-3 002	-22 512	-37 528
Cash flow from financing activities			
Proceeds from issuance of loans	-	-	24 447
Repayment of loans	-240	-206	-22 210
Principal element of lease payments	-96	-186	-363
Net cash flow received / (used) in financing activities	-336	-392	1 874
Cash flow for the period	-1 342	-393	-13 461
Cash and cash equivalents less bank overdrafts at beginning of the period	6 787	20 715	20 715
Foreign exchange gains / (losses) on cash and cash equivalents	-103	-38	-467
Cash and cash equivalents less bank overdrafts at end of the period	5 342	20 284	6 787

* Unaudited

Consolidated Statement of Changes in Equity

Amounts in EUR '000s	Share capital	Shareholder contribution	Other reserves	Retained earnings incl. net result for the period	Total equity attributable to the owners of the parent company	Non-controlling interest	Total equity
Balance at 1 January 2024	54	0	-5 762	1 729	-3 979	1 613	-2 366
Net loss for the period	-	-	-	-2 629	-2 629	95	-2 534
Other comprehensive income							
Currency translation differences	-	-	-24	-	-24	-12	-36
Other items	-	-	-	528	528	174	702
Total comprehensive income	0	0	-24	-2 125	-2 125	257	-1 868
<i>Transactions with owners</i>	-	-	-	-	-	-	0
Total transactions with owners	0	0	0	0	0	0	0
Balance at 31 March 2024*	54	0	-5 786	-372	-6 104	1 870	-4 234
Balance at 1 January 2025	54	47 681	-5 527	-5 066	37 142	1 324	38 466
Net result for the period	-	-	-	2 154	2 022	-132	2 022
Other comprehensive income							
Currency translation differences	-	-	-	-3	-3	-2	-5
Share of net income in associates	-	-	-695	-	-695	-	-695
Other items	-	-	-	216	216	71	287
Total comprehensive income	0	0	-695	2 367	1 672	-63	1 609
<i>Transactions with owners</i>	-	-	-	-	-	-	0
Total transactions with owners	0	0	0	0	0	0	0
Balance at 31 March 2025*	54	47 681	-6 222	-2 699	38 814	1 261	40 075

* Unaudited

Parent Company – Income Statement

Amounts in EUR '000s	1 Jan - 31 Mar 2025*	1 Jan - 31 Mar 2024*	Full Year 2024
Revenue	1 412	0	0
Personnel expenses	-304	-91	-1 104
Consulting expenses	-103	-67	-595
Other operating expenses	-119	-54	-466
Other operating income	11		444
Depreciation on tangible assets	0		-1
impairment of assets	0		-9 667
Operating loss	897	-212	-11 389
Financial income	4 224	4 398	26 968
Financial expenses	-5 230	-5 547	-22 089
Unrealized exchange profit / (loss)	-339	65	515
Realized exchange profit	-56	0	–
Net financial (expense) / income	-1 401	-1 084	5 394
Loss before income tax	-504	-1 296	-5 995
Tax expense	0	0	-1 158
Loss for the period	-504	-1 296	-7 153

* Unaudited

Parent Company – Statement of Comprehensive Income

Amounts in EUR '000s	1 Jan - 31 Mar 2025*	1 Jan - 31 Mar 2024*	Full Year 2024
Net loss for the period	-504	-1 296	-7 153
Other comprehensive income for the period, net of tax			
<i>Items that will not be reclassified to profit or loss</i>	-	-	-
<i>Items that may subsequently be reclassified to profit or loss</i>	-	-	-
Total other comprehensive income for the period, net of tax	0	0	0
Total comprehensive loss for the period	-504	-1 296	-7 153

* Unaudited

Parent Company – Balance Sheet

Amounts in EUR '000s	Notes	31 Mar 2025*	31 Dec 2024
ASSETS			
<i>Current assets</i>			
Receivables from subsidiaries		1 412	-
Cash and cash equivalents		1 385	2 527
Prepaid expenses		54	54
Other receivables		88	2
Accrued interest from other group companies		5 408	4 323
Total current assets		8 347	6 906
<i>Non-current assets</i>			
Tangible assets		5	5
Shares in other group companies		30 531	30 531
Financial assets at fair value	12	35 208	33 659
Receivables from other group companies		-	-
Non-current loan to other group companies		119 613	120 920
Non-current loan to other group companies, subordinated		7 000	7 000
Interest in associates		14 811	14 811
Accrued interest from other group companies		-	-
Participations in other group companies	14	-	-
Other non-current assets		1 859	2 325
Total non-current assets		209 027	209 251
TOTAL ASSETS		217 374	216 157
SHAREHOLDERS' EQUITY AND LIABILITIES			
<i>Shareholders' equity</i>			
Share capital		54	54
Shareholder Contribution		47 681	47 681
Retained earnings including net loss for the period		-3 479	-2 975
Total shareholders' equity		44 256	44 760
<i>Current liabilities</i>			
Accounts payable		188	1 099
Accrued expenses and deferred income		446	459
Tax liabilities		878	1 801
Accrued interest		5 797	2 654
Total current liabilities		7 309	6 013
<i>Non-current liabilities</i>			
Loans and borrowings	13	165 809	165 384
Loans from other group companies, subordinated		-	-
Total non-current liabilities		165 809	165 384
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		217 374	216 157

* Unaudited

Parent Company – Cash Flow Statement

Amounts in EUR '000s	1 Jan - 31 Mar 2025*	1 Jan - 31 Mar 2024*	Full Year 2024
Cash flow from operating activities			
Loss for the period	-504	-1 296	-6 526
<i>Adjustments for non-cash items:</i>			
<i>Impairment of loans and receivables</i>	-	-	9 667
<i>Other operating income</i>	-11	-	-444
<i>Depreciation of tangible assets</i>	-	-	1
<i>Financial income</i>	-4 224	-4 398	-27 809
<i>Financial expenses</i>	5 230	5 547	22 260
<i>Unrealized exchange (profit) / loss</i>	339	-65	-472
<i>Tax expense</i>	-	-	1 158
<i>Other items not affecting cash</i>	38	-67	-116
Interest paid	-594	-89	-15 439
Interest received	2 450	27	12 411
Tax paid	-921	-	-
Cash flow from operating activities before working capital changes	1 803	-341	-5 309
Working capital adjustments			
Increase / (decrease) in other receivables	-1 498	22	21
Increase / (decrease) in accounts payable	-26	-80	341
Increase / (decrease) in other current liabilities	-13	10	-614
Net cash flow from operating activities	266	-389	-5 561
Cash flow from investing activities			
Purchase of shares in group companies	-	-	-
Purchases of financial assets at fair value	-2 663	-21 447	-31 622
Purchases of investment in associates	-	-	-209
Purchases of tangible assets	-	-	-6
Net cash flow received / (used) in investing activities	-2 663	-21 447	-31 837
Cash flow from financing activities			
Proceeds from issuance of loans	-	-	24 447
Loans to group companies	-	-	-
Repayment of loans to group companies	1 307	22 100	35 881
Repayment of loans	-	-	-20 550
Net cash flow received / (used) in financing activities	1307	22 100	39 778
Cash flow for the period	-1 090	264	2 380
Cash and cash equivalents less bank overdrafts at beginning of the	2 527	319	319
Foreign exchange gains / (losses) on cash and cash equivalents	-52	-49	-172
Cash and cash equivalents less bank overdrafts at end of the period	1 385	534	2 527

* Unaudited

Parent Company – Statement of Changes in Equity

Amounts in EUR '000s	Share capital	Shareholder contribution	Retained earnings incl. net loss for the period	Total equity
Balance at 1 January 2024	54	-	4 178	4 232
Net loss for the period	-	-	-1 296	-1 296
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	-1 296	-1 296
<i>Transactions with owners</i>				
Total transactions with owners	-	-	-	-
Balance at 31 March 2024*	54	-	2 882	2 936
Balance at 1 January 2025	54	47 681	-2975	4,232
Net loss for the period	-	-	-504	-504
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	-504	-504
<i>Transactions with owners</i>				
Total transactions with owners	-	-	-	-
Balance at 31 March 2025*	54	47 681	-3 479	44 256

* Unaudited

Notes

Note 1. General information

DDM Debt AB (publ) ("DDM Debt" or "the Company") and its subsidiaries (together "the DDM Debt Group" or "the Group") is a specialized multinational investor in situations arising out of the general strategic challenges in the European banking markets. This includes investments into assets and companies previously held by financial institutions, including performing and non-performing loans and special situations. The DDM Debt Group also engages in businesses that are related, complimentary, incidental, ancillary or similar to any of the foregoing. The DDM Debt Group strives to create value for its stakeholders by combining significant expertise in financial services, credit underwriting and technology with a focus on operational excellence.

The Company was registered on 3 March 2016, and changed from a private limited liability company to a public limited liability company on 26 May 2016. The Company has registered offices in Stockholm, Sweden and its Swedish Corporate ID No. is 559053-6230. The address of the main office and postal address is Strandvägen 7A, 114 56 Stockholm, Sweden. DDM Debt is a wholly owned subsidiary of DDM Finance AB ("DDM Finance"), Stockholm, Sweden. The indirect parent company is Chronos Investments S.à r.l., a Luxembourg registered company owning 100% of the shares in DDM Finance AB since 1 November 2023. Prior to 1 November 2023 DDM Finance AB was a wholly owned subsidiary of DDM Group AG, Zug, Switzerland and the indirect ultimate parent company was DDM Group Finance S.A, a Luxembourg registered company.

DDM Debt acts to directly or indirectly manage, acquire or invest in credits and/or loan portfolios, to on-lend or invest funds in group companies who directly or indirectly manage, acquire or invest in credits and/or loan portfolios and conduct related activities, to incur financing for its business and to conduct related activities.

Note 2. Basis of preparation

This interim report has been prepared in compliance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The consolidated financial statements have been prepared in compliance with International Financial Reporting Standards (IFRS) as endorsed by the EU, the Swedish Annual Accounts Act and RFR 1 Supplementary Accounting Rules for Groups issued by RFR, the Swedish Financial Reporting Board. The Parent Company's financial statements have been prepared in compliance with the Annual Accounts Act (ÅRL 1995:1554) and RFR 2 Accounting for Legal Entities and applicable statements. The instances in which the Parent Company applies accounting principles differing from those of the Group are provided separately at the end of this section on accounting principles.

The accounting policies that are most critical to the Group and Parent Company are stated in DDM Debt AB's Annual Report for 2023, which also contains a description of the material risks and uncertainties facing the Parent Company and the Group.

In addition to the financial measures defined in IFRS, certain key figures, which qualify as alternative performance measures (APMs) are presented to reflect the underlying business performance and enhance comparability from period to period. These APMs should not be considered as a substitute for measures defined under IFRS. Please refer to page 25 for a reconciliation of alternative performance measures including adjusted gross collections, adjusted net collections and adjusted cash EBITDA for the period.

All amounts are reported in thousands of Euros (KEUR), unless stated otherwise. Rounding differences may occur. Figures in tables and comments may be rounded.

Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which DDM Debt has control. DDM Debt controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the group and are de-consolidated from the date on which control ceases. Intercompany transactions, balances, and unrealized gains on transactions between group companies are eliminated.

Subsidiaries	Consolidation method	Domicile	31 March 2025	31 December 2024
DDM Invest III AG	Fully consolidated	Switzerland	100%	100%
DDM Mergeco AG in liquidation	Fully consolidated	Switzerland	100%	100%
DDM Invest V d.o.o.	Fully consolidated	Slovenia	100%	100%
DDM Invest VII d.o.o.	Fully consolidated	Slovenia	100%	100%
DDM Debt Management d.o.o Beograd	Fully consolidated	Serbia	100%	100%
DDM Debt Romania S.R.L	Fully consolidated	Romania	100%	100%
DDM REO Adria d.o.o.	Fully consolidated	Croatia	100%	100%
Finalp Zrt.	Fully consolidated	Hungary	100%	100%
AxFina Holding S.A	Fully consolidated	Luxembourg	75.2%	75.2%
AxFina Hungary Zrt.	Fully consolidated	Hungary	75.5%	75.5%
AxFina Servicing Kft.	Fully consolidated	Hungary	75.5%	75.5%
Lombard Ingatlan Zrt.	Fully consolidated	Hungary	75.5%	75.5%
AxFina Romania S.R.L	Fully consolidated	Romania	75.2%	75.2%
AxFina Austria GmbH	Fully consolidated	Austria	75.2%	75.2%
AxFina Croatia d.o.o.	Fully consolidated	Croatia	75.2%	75.2%
AxFina d.o.o.	Fully consolidated	Slovenia	75.2%	75.2%
AxFina Polska S.A. (previously Raport S.A.)	Fully consolidated	Poland	75.2%	75.2%
E-Kancelaria Grupa Prawno-Finansowa sp. z o.o.	Fully consolidated	Poland	75.2%	75.2%
Dial Tone sp. z o.o.	Fully consolidated	Poland	75.2%	75.2%
E-Kancelaria Rosiński i Wspólnicy Kancelaria Prawna sp. k.	Fully consolidated	Poland	75.1%	75.1%

Joint ventures

The Company applies IFRS 11 Joint Arrangements, where the DDM Debt Group, together with one or several parties have joint control over an arrangement in accordance with a shareholder agreement. The DDM Debt Group's joint arrangement with B2Holding where each party holds 50% of the share capital and voting rights of CE Partner S.à r.l. and CE Holding Invest S.C.S (the "Joint Venture") is classified as a joint venture, as the DDM Debt Group is entitled to 50% of the net assets of the Joint Venture rather than having a direct entitlement to assets and responsibility for liabilities. The equity method is applied when accounting for the joint venture. Under the equity method of accounting the investment is recognized at cost and subsequently adjusted to the DDM Debt Group's 50% share of the change in the net assets of the Joint Venture since the acquisition date.

The consolidated income statement includes the DDM Debt Group's share of earnings, and this is reported under Share of net profits / (losses) of joint venture. Dividends received from the joint venture are not recognized in the income statement and instead reduce the carrying value of the investment. The equity method is applied from the date joint control arises until the time it ceases, or if the joint venture becomes a subsidiary. Upon loss of joint control over the joint venture, and as such the equity method ceases, the Company measures and recognizes any difference between the carrying amount of the investment in the joint venture with the fair value of the remaining investment and/or proceeds from disposal which is recognized as gain or loss directly in the income statement. The financial statements of the Joint Venture are prepared for the same reporting period as the Company.

Joint Ventures	Consolidation method	Domicile	31 March 2024	31 December 2023
CE Partner S.à r.l.	Equity method	Luxembourg	50%	50%
CE Holding Invest S.C.S	Equity method	Luxembourg	50%	50%

Associates

Associates are all entities over which DDM Debt has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Interests in associates are accounted for using the equity method. The carrying amount (including goodwill) of equity accounted investments is tested annually for impairment.

Financial assets at fair value

Equity-traded instruments and other investments that do not meet the criteria under IFRS 9 of cash flows consisting solely of payments of principle and interest (SPPI) and Held to collect for being measured at amortised cost nor elected at FVTOCI are measured at fair value through profit or loss (FVTPL).

Financial assets held at FVTPL are initially recognised and subsequently measured at fair value at the end of each reporting period, with any fair value gains or losses recognised through financial income or expenses respectively in the consolidated income statement. Dividends or any interest earned on the financial assets are included within interest income.

Post-employment benefit commitment

The post-employment benefit commitment is calculated on an annual basis. This relates to the employees that were transferred to DDM Invest III AG in November 2023. From 2024 one quarter of the estimated annual post-employment benefit commitment is recorded in the consolidated interim financial statements of DDM Debt AB per quarter, with an adjustment in the fourth quarter for the final actuarial valuation.

Note 3. Currency translation

All entities prepare their financial statements in their functional currency. At 31 March 2025 all fully consolidated group entities have EUR as their functional currency, except for DDM Debt Management d.o.o Beograd, which has Serbian Dinar (RSD) as its functional currency, DDM Debt Romania S.R.L and AxFina Romania S.R.L which have Romanian leu (RON) as their functional currency, AxFina Polska S.A. (previously Raport S.A.), E-Kancelaria Grupa Prawno-Finansowa sp. z o.o., Dial Tone sp. z o.o. and E-Kancelaria Rosiński i Wspólnicy Kancelaria Prawna sp. k. which have Polish Zloty (PLN) as their functional currency and Finalp Zrt., AxFina Hungary Zrt., AxFina Servicing kft. and Lombard Ingatlan Zrt. which have Hungarian Forint (HUF) as their functional currency.

Note 4. Deferred taxes

Income tax expense reported for the business year includes the income tax expense of consolidated subsidiaries (calculated from their taxable income with the tax rate applicable in the relevant country). Income tax expense also includes deferred taxes, which have been recognized on the temporary differences arising from the invested assets (difference between the reported book values for tax and accounting purposes). Deferred income tax assets on temporary differences and tax losses carried forward are reported to the extent that it is probable that future profit will be available, against which the temporary differences can be utilized.

The amount of deferred tax assets is reduced when they are utilized or when it is no longer deemed likely that they will be utilized. The Company does not have group taxation, hence each legal entity is taxed separately. Under Swiss law, net operating losses can be carried forward for a period of up to seven years.

Note 5. Revenue on invested assets

Revenue on invested assets is the net amount of the cash collections (net of direct collection costs), amortization, revaluation and impairment of invested assets. Revenue from management fees related to revenue received from third parties where the DDM Debt Group managed the operations of these assets but did not own 100% of the portfolio.

Gross collections are comprised of cash collections from the distressed asset portfolios held by the DDM Debt Group, before commission and fees to third parties. The gross amount of cash collected is recorded as "Gross collections" within the line "Interest income on invested assets" in the consolidated income statement. The DDM Debt Group discloses the alternative performance measure "Gross collections" in the notes separately, as it is a common measure to monitor the performance of portfolios in the debt purchasing industry.

Net collections is comprised of gross collections from the distressed asset portfolios held by the DDM Debt Group, minus commission and fees to third parties. The net amount of cash collected is recorded as "Net collections" within the line "Interest income on invested assets" in the consolidated income statement. The DDM Debt Group discloses the alternative performance measure "Net collections" in the notes separately, as it is an important measurement for the DDM Debt Group to monitor the performance of the portfolios and measure the cash available for operating expenses and to service its debt. The DDM Debt Group believes that disclosing net collections as a separate performance measure in the notes improves the transparency and understanding of the DDM Debt Group's financial statements and performance, meeting the expectations of its investors.

EUR'000s	1 Jan - 31 Mar 2025	1 Jan - 31 Mar 2024	Full Year 2024
Gross collections	8 972	9 259	43 102
Collection and commission expenses	-1 831	-1 391	-9 178
Net collections	7 141	7 868	33 924
Interest income	1 058	880	3 787
Amortization of invested assets	-2 419	-2 809	-15 859
Interest income on invested assets before revaluation and impairment	5 780	5 939	21 852
Dividend income from invested assets	0	–	1 689
Revaluation of invested assets	-71	498	3 215
Impairment of invested assets	–	–	-692
Revenue on invested assets	5 709	6 437	26 064
Share of net (losses) / profits of associate and joint venture	-726	-605	-2 300
Revenue from mgt fees and other services	544	673	2 662

The chief operating decision maker of DDM Debt reviews the financial outcome as a whole. Analysis is performed on a portfolio-by-portfolio basis, but the chief operating decision maker reviews the outcome of the group as a whole. Each portfolio is not considered to be an identifiable segment and the Group reports segment on an entity basis, i.e. one operating segment.

Interest income

Interest income from Omnio to the DDM Debt Group for the first quarter of 2025 amounted to 1 MEUR (Q1 2024: 0.9 MEUR), which has been recognized in interest income.

Share of net profits / (losses) of associate and joint venture

The results for Q1 2025 include 0.8 MEUR (Q1 2024: 0.3 MEUR) from share of net profits of joint venture accounted for using the equity method in accordance with IFRS.

The results for Q1 2025 include 1.5 MEUR (Q1 2024: 0.9 MEUR) from share of net losses of associates accounted for using the equity method in accordance with IFRS.

Revenue from management fees and other services

Revenue from management fees and other services relate to revenue received from co-investors where the DDM Debt Group managed the operations of the assets but did not own 100% of the portfolio and service revenues from third parties.

Acquisition of AxFina

The DDM Debt Group acquired 50.16% of AxFina in July 2022, and 25.05% of AxFina in April 2023. The acquired business contributed net collections of 1.4 MEUR and service fees of 0.5 MEUR to the DDM Debt group for the period from 1 January to 31 March 2024, compared to net collections of 1.9 MEUR and service fees of 0.7 MEUR for Q1 2024.

Note 6. Tangible assets

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset as appropriate only when it is probable that future economic benefits associated with the item will flow to the DDM Debt Group and the cost can be measured reliably. Repairs and maintenance costs are charged to the income statement during the period in which they are incurred.

The major categories of tangible assets are depreciated on a straight-line basis as follows:

Furniture	5 years
Computer hardware	5 years

The DDM Debt Group distributes the amount initially recognized for a tangible asset between its significant components and depreciates each component separately. The carrying amount of a replaced component is derecognized when replaced. The residual value method of amortization and the useful lives of the assets are reviewed annually and adjusted if appropriate. Impairment and gains and losses on disposals of tangible assets are included in other operating expenses.

Note 7. Intangible assets

(i) Identifiable intangible assets

The Company's identifiable intangible assets are stated at cost less accumulated amortization and include computer software that have finite useful lives and customer relationships. The assets are capitalized and amortized on a straight-line basis in the income statement over their expected useful lives of 5 years.

(ii) Goodwill

On the date of acquisition the assets and liabilities of acquired subsidiaries or businesses are valued at fair value and in accordance with uniform group policies. The excess of the acquisition price over the revalued net assets of the acquired company or the acquired parts of the business is recognized as goodwill in the balance sheet. Goodwill is tested annually for impairment or at any time if an indication of impairment exists.

(iii) Customer-related servicing contracts

Intangible assets also include customer-related servicing contracts which the Company may directly acquire or with the acquisition of servicing entities. These are accounted for in line with IFRS 3 and IAS 38. Contracts that satisfy the contractual-legal criterion are valued by applying the Comparative Income Differential Method (CIDM). The fair value of these intangible assets is assessed based on i) profit margin, ii) remaining duration of the contracts and iii) the possibility of renewal, amendment or cancellation of contracts. The intangible asset is amortized based on the assumed cash flow profile of the servicing contract.

Note 8. Distressed asset portfolios

The DDM Debt Group invests in distressed asset portfolios, where the receivables are directly against the debtor. The recognition of the acquisition of distressed asset portfolios is based on the DDM Debt Group's own forecast of future cash flows from acquired portfolios. Distressed asset portfolios consist mainly of portfolios of non-performing debts purchased at prices significantly below their principal value. Such assets are classified as non-current assets. Reporting follows the effective interest method, where the carrying value of each portfolio corresponds to the present value of all projected future cash flows discounted by an initial effective interest rate determined on the date the portfolio was acquired, based on the relation between purchase price and the projected future cash flows on the acquisition date. Changes in the carrying value of the portfolios are reported as amortization, revaluation and impairment for the period.

If the fair value of the investment at the acquisition date exceeds the purchase price, the difference results in a "gain on bargain purchase" in the income statement within the line "interest income on invested assets". The gain on bargain purchase relates to the fair value measurement of the investment (purchase price allocation).

The acquisition method of accounting is used to account for all business combinations, the excess of the consideration transferred for the acquisition over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognized directly in profit or loss as a bargain purchase within the line "other operating income".

Distressed asset portfolios are reported at amortized cost using the effective interest method. The initial effective interest rate is calculated for each portfolio based on its purchase price including transaction costs and estimated cash flows that, based on a probability assessment, are expected to be received from the debtors of the corresponding portfolio net of collection costs. Current cash flow projections are monitored over the course of the year and updated based on, among other things, achieved collection results and macroeconomic information. These scenarios are probability weighted according to their likely occurrence. The scenarios include a central scenario, based on the current economic environment, and upside and downside scenarios. The estimation and application of this forward-looking information requires significant judgement and is subject to appropriate internal governance and scrutiny. If the cash flow projections are revised, the carrying amount is adjusted to reflect actual and revised estimated cash flows. The DDM Debt Group recalculates the carrying amount by computing the present value of estimated future cash flows using the original effective interest rate. Changes in cash flow forecasts are treated symmetrically i.e. both increases and decreases in forecast cash flows affect the portfolios' book value and as a result "Revenue on invested assets". If there is objective evidence that one or more events have taken place that will have a positive impact on the timing or amount of future cash flows, or a negative impact on the timing of future cash flows then this is recorded within the line "Revaluation of invested assets".

The DDM Debt Group assesses at each reporting date whether there is objective evidence that a portfolio is impaired. A portfolio is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the portfolio that can be reliably estimated. This is recorded within the line "Impairment of invested assets".

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the reversal of the previously recognized impairment loss is recognized in the consolidated income statement (within the line "Impairment of invested assets").

If the DDM Debt Group sells a portfolio for a higher or lower amount than its carrying value, the resulting gain or loss on disposal is recognized in the consolidated income statement within the line "Interest income on invested assets".

The carrying values of distressed asset portfolios owned by the DDM Debt Group are distributed by currency as follows:

EUR '000s	31 March 2025	31 December 2024
EUR	38 079	38 430
RON	10 891	11 720
PLN	10 080	10 835
HUF	2 488	2 714
RSD	1 420	1 476
CZK	75	91
Total	63 033	65 266

The DDM Debt Group considers there to be no material differences between the financial asset values in the consolidated balance sheet and their fair value.

Note 9. Investment in joint venture

The investment is accounted for using the equity method in accordance with IFRS 11 Joint Arrangements and has changed as follows during the period:

Investment in joint venture EUR '000s	31 March 2025	31 December 2024
Balance at beginning of the period	15 307	18 183
Additions	-	-
Share of net profits of joint venture	788	2 372
Incremental net distribution from the joint venture	-1 750	-5 248
Balance at end of the period	14 345	15 307

Note 10. Investment in associates

The investment is accounted for using the equity method in accordance with IAS 28 Associates and has changed as follows during the period:

Investment in associates EUR '000s	31 March 2025	31 December 2024
Balance at beginning of the period	40 870	29 834
Additions	-	211
Reclassification from financial assets at fair value	-	15 228
Share of net losses in the income statement	-1 515	4 672
Share of other comprehensive income of associates accounted for using the equity method	-695	269
Dividends received & other	-	-
Balance at end of the period	38 660	40 870

Note 11. Financial assets at fair value

Equity-traded instruments and other investments that do not meet the criteria under IFRS 9 of cash flows consisting solely of payments of principle and interest (SPPI) and Hold to collect for being measured at amortised cost nor elected at FVTOCI are measured at fair value through profit or loss (FVTPL).

Financial assets held at FVTPL are initially recognised and subsequently measured at fair value at the end of each reporting period, with any fair value gains or losses recognised through financial income or expenses respectively in the consolidated income statement. Dividends are included within financial income and interest earned on the financial assets is included within interest income on invested assets.

In Q1 2025 0.8 MEUR was invested in Omnio and interest of 2.6 MEUR was capitalised, resulting in an outstanding balance of 28.5 MEUR at 31 March 2025 in financial assets at fair value relating to the investment in Omnio.

In Q1 2025 the DDM Debt Group also made other investments of approximately 1.7 MEUR in businesses primarily located in Sweden. These investments are classified as financial assets at fair value.

Financial assets at fair value EUR '000s	31 March 2025	31 December 2024
Balance at beginning of the period	89 666	53 198
Additions	2 502	46 881
Conversion	-	289
Borrowings	-52	
Disposals	-743	-5 128
Fair value gains / (losses)	7 791	7 287
Capitalized interest	2 639	1 950
Reclassification to investment in associates	-	-15 228
Foreign exchange differences	-340	417
Balance at end of the period	101 463	89 666

The main contribution to the gains in fair value is 7.7 MEUR related to ITB Med. See annual report for 2024 for further details.

Note 12. Loans and borrowings

The DDM Debt Group had the following borrowings at the balance sheet dates of 31 March 2025 and 31 December 2024.

Super Senior Bond loan EUR 25 MEUR

On 4 December 2024 DDM Debt issued 25 MEUR of super senior secured fixed rate bonds at 9.5%, with a final maturity date of 30 March 2027. The proceeds from the super senior bond issue were mainly employed towards acquiring 25 MEUR in nominal value of the existing 200 MEUR bonds issued by DDM Debt AB with ISIN number SE0015797683, at a purchase price of 62.90%, and to repay the 4.5 MEUR RCF with a Swedish bank. The remaining proceeds were for transaction costs and general corporate purposes.

Bond loan 200 MEUR

On 19 April 2021, DDM Debt issued 150 MEUR of senior secured fixed rate bonds at 9% within a total framework amount of 300 MEUR. The bonds with ISIN number SE0015797683 have a final maturity date of 19 April 2026 and are listed on the Corporate Bond list at Nasdaq Stockholm. The proceeds from the new bond issue were mainly employed towards refinancing the existing 100 MEUR and 33.5 MEUR bonds (of which 23 MEUR of the 100 MEUR bonds were already held by DDM Debt) and for investments and acquisitions.

On 21 September 2021, DDM Debt successfully completed a 50 MEUR tap issue under the 300 MEUR senior secured bond framework. The bond tap issue was placed at a price of 102.0%. Following the tap issue the total outstanding amount of the company's bond loan is 200 MEUR. 31.8 MEUR of own bonds were held in total prior to the repurchase of 25 MEUR in nominal value at a purchase price of 62.90% in December 2024 following the super senior bond issuance, resulting in 56.8 MEUR of own bonds held at 31 December 2024.

Covenants for bond loan 200 MEUR and super senior bond loan 25 MEUR

DDM Debt's financial instruments contain a number of financial covenants, including limits on certain financial indicators. The financial covenants according to the terms and conditions of the senior secured bonds are: an equity ratio of at least 20.00% and net interest bearing debt to ERC below 75.00%. The financial covenants must be complied with on an incurrence test basis. The terms and conditions of the super senior secured bonds also include an incurrence test covenant where the net interest bearing debt as a percentage of the market value of the total assets must not exceed 80.00%, and a maintenance test covenant where DDM Debt AB must at all times hold cash and cash equivalents of at least 2 MEUR. DDM's management carefully monitors these key financial indicators. At 31 March 2025 and at 31 December 2024 the equity ratio was 16.0% and 15.6% respectively, and therefore the incurrence test covenant was not met. Therefore, whilst the incurrence test covenant is not met the DDM Debt Group cannot incur new Financial Indebtedness, make Restricted Payments or make any Financial Institution Investments other than in Existing Financial Institution Investments, according to the terms and conditions, however it can operate its business as usual without any other restrictions.

DDM Debt has pledged the shares in its material wholly-owned subsidiaries and the shares in Omnione SA as security under the terms and conditions. DDM Finance AB is a guarantor of the bonds. In addition, the investors receive a first ranking share pledge over the shares of DDM Debt. The terms and conditions of DDM Debt's senior secured bonds contain a number of restrictions, including relating to distributions, the nature of the business, financial indebtedness, disposals of assets, dealings with related parties, negative pledges, new market loans, mergers and demergers and local credits. The terms and conditions of the senior secured bonds are available in their entirety on our website.

Bond loan AxFina Polska

The bond loan of 3 695 KEUR is a non interest-bearing loan which was taken on as part of the acquisition of AxFina, which in its turn took over the financial liability when acquiring its Polish subsidiary, AxFina Polska S.A. (previously called Raport S.A.). The bond loan is measured at amortized cost using the effective interest method. Since the bond as per the restructuring agreement does not have an interest component a reference interest rate was applied.

Bond loan E-Kancelaria

The bond loan of 3 272 KEUR is an interest-bearing loan which AxFina took over when acquiring its Polish subsidiary, E-Kancelaria in November 2023. The bond loan is priced at three-month WIBOR plus a margin of 950 basis points.

Borrowings E-Kancelaria

The short-term borrowings of 318 KEUR were taken over when AxFinia acquired its Polish subsidiary, E-Kancelaria in November 2023. The borrowings have an average interest rate of 9%.

RCF EUR 4.5m

On 8 February 2023, DDM Debt agreed a super senior revolving credit facility of 4.5 MEUR with a Swedish bank. The revolving credit facility was available to finance investments and for general corporate purposes. The facility was available until 30 June 2025 and priced at Euribor plus a margin of 375 basis points. The 4.5 MEUR facility was fully repaid in December 2024 following the issuance of the EUR 25m super senior secured bonds (see "Super Senior Bond loan EUR 25m" section above for further details).

Fair value of borrowings:

Group EUR '000s	IFRS 9 category	Fair value category	Fair value	Carrying value
at 31 March 2025				
Super Senior Bonds, 9.5%	Financial liabilities at amortized cost	Level 2	25 000	23 966
Senior Secured Bonds 9%	Financial liabilities at amortized cost	Level 2	81 624	141 843
Bonds AxFinia Polska	Financial liabilities at amortized cost	Level 3	5 402	3 671
Borrowings E-Kancelaria	Financial liabilities at amortized cost	Level 3	2 907	2 907
Total			114 933	172 387
at 31 December 2024				
Super Senior Bonds, 9.5%	Financial liabilities at amortized cost	Level 2	25 000	23 853
Senior Secured Bonds 9%	Financial liabilities at amortized cost	Level 2	82 340	141 531
Bonds, AxFinia Polska	Financial liabilities at amortized cost	Level 3	5 827	3 467
Bonds E-Kancelaria	Financial liabilities at amortized cost	Level 3	3 259	3 259
Borrowings E-Kancelaria	Financial liabilities at amortized cost	Level 3	102	102
Total			113 167	168 851

The levels in the hierarchy are:

- Level 1 – Quoted prices on active markets for identical assets or liabilities.
- Level 2 – Inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly (such as prices) or indirectly (such as derived from prices). The fair value of the bond loans is calculated based on the bid price for a trade occurring close to the balance sheet date.
- Level 3 – Inputs for the asset or liability that are not based on observable market data (that is unobservable inputs).

Note 13. Participations in Group companies

Parent Company EUR '000s	31 March 2025	31 December 2024
Investment	30 531	30 531
Total	30 531	30 531

Parent Company EUR '000s	Investment
At 31 December 2024	30 531
Acquisitions	–
At 31 March 2025	30 531

The Parent Company holds shares in the following subsidiaries:

EUR '000s Company	Corporate identity number	Domicile	Proportion of equity 31 March 2025	Proportion of equity 31 December 2024	Net book value 31 March 2025	Net book value 31 December 2024
DDM Invest III AG	CHE 115.238.947	Switzerland	100%	100%	9 364	9 364
DDM Mergeco AG in liquidation*	CHE 353.292.452	Switzerland	100%	100%	-	-
DDM Invest V d.o.o.*	8297355000	Slovenia	100%	100%	-	-
DDM Invest VII d.o.o.	7109806000	Slovenia	100%	100%	8	8
DDM Debt Management d.o.o Beograd**	21313963	Serbia	100%	100%	-	-
DDM Debt Romania S.R.L	39689815	Romania	100%	100%	106	106
DDM REO Adria d.o.o.* **	05288215	Croatia	100%	100%	-	-
Finalp Zrt.*	06-10-000554	Hungary	100%	100%	-	-
AxFina Holding S.A	B239375	Luxembourg	75,2%	75,2%	21 053	21 053
AxFina Romania S.R.L***	44897030	Romania	75.2%	75.2%	-	-
AxFina Austria GmbH***	FN513105t	Austria	75.2%	75.2%	-	-
AxFina Croatia d.o.o.***	81136498	Croatia	75.2%	75.2%	-	-
AxFina Hungary Zrt***	06-10-000062	Hungary	75.2%	75.5%	-	-
Lombard Ingatlan Zrt***	06-10-000319	Hungary	75.2%	75.5%	-	-
AxFina Servicing Kft***	06-09-004809	Hungary	75.2%	75.5%	-	-
AxFina d.o.o.***	8458367000	Slovenia	75.2%	75.2%	-	-
AxFina Polska S.A.*** (previously Raport S.A.)	192029	Poland	75.2%	75.2%	-	-
E-Kancelaria Grupa Prawno- Finansowa sp. z o.o.	646101	Poland	75.2%	75.2%	-	-
Dial Tone sp. z o.o.	397334	Poland	75.2%	75.2%	-	-
E-Kancelaria Rosiński i Wspólnicy Kancelaria Prawna sp. k.	1007519	Poland	75.1%	75.1%	-	-
Total					30 531	30 531

* DDM Mergeco AG in liquidation, DDM Invest V d.o.o., DDM REO Adria d.o.o. and Finalp Zrt. are subsidiaries 100% indirectly held through DDM Invest III AG.

** The net book value of the investments in DDM Debt Management d.o.o Beograd and DDM REO Adria d.o.o. amount to EUR 1 each as of 31 March 2024 and 31 December 2023.

*** AxFina Romania S.R.L, AxFina Austria GmbH, AxFina Croatia d.o.o., AxFina d.o.o., AxFina Polska S.A. (previously called Raport S.A.), E-Kancelaria Grupa Prawno-Finansowa sp. z o.o., Dial Tone sp. z o.o., E-Kancelaria Rosiński i Wspólnicy Kancelaria Prawna sp. k., AxFina Hungary Zrt, Lombard Ingatlan Zrt and AxFina Servicing Kft are subsidiaries indirectly held through AxFina Holding S.A.

Note 14. Related parties

DDM invested 0.7 MEUR in acquiring Dormy House Flat C Ltd, located within Dormy House on the prestigious Wentworth Estate in Virginia Water, Surrey. The acquisition was executed via a one-off payment in Q1 2025.

Note 15. Subsequent events

After the end of the reporting period, the Board of Directors has appointed Matthew Doerner as CEO. He succeeds Erik Fällström, who will continue in DDM Debt AB as a Board member. The appointment was announced in April 2025. Matthew has worked within the DDM Debt Group since April 2024, focusing on the management of portfolios with due receivables. He is also Chairman of the Board of Omnio.

DDM Debt AB (Publ) has been renamed to Achilles Capital AB (Publ) after the end of the reporting period.

Signatures

The Board of Directors and Chief Executive Officer declare that the interim report 1 January – 31 March 2025 provides a fair overview of the Parent Company's and the Group's operations, their financial positions and result. The material risks and uncertainties facing the Parent Company and the Group are described in the 2024 Annual report.

This report has not been reviewed by the Company's auditors.

Stockholm, 30 May 2025

Jörgen Durban
Chairman of the board

Matthew Doerner
CEO

Keith Halsey
Board member

Erik Fällström
Board Member

Definitions

DDM

DDM Debt AB (Publ.) and its subsidiaries.

Amortization of invested assets

The carrying value of invested assets are amortized over time according to the effective interest rate method.

Cash EBITDA

Net collections less operating expenses.

EBITDA

Earnings before interest, taxes, depreciation of fixed assets and amortization of intangible assets as well as amortization, revaluation and impairment of invested assets.

Estimated Remaining Collections / ERC

ERC means the sum of future, undiscounted projected cash collections before commission and fees from acquired portfolios and future reasonably expected dividends, distributions or other payments from investments, in each case for the next following 120 months, either directly or as a result of any rights to collect or any rights to participate in amounts generated from portfolios or investments.

This includes the Group's share of proceeds on all portfolios purchased or other investments made, however adjusted for any profit-sharing arrangements entered into by any member of the Group and where available the market value of any portfolio acquired or investment made.

ERC is not a balance sheet item, however it is provided for informational purposes as a common measure in the debt purchasing industry. ERC may be calculated differently by other companies and may not be comparable.

Equity

Shareholders' equity at the end of the period.

GCV

Gross collection value is the face (nominal) value of the portfolio.

Impairment of invested assets

Invested assets are reviewed at each reporting date and impaired if there is objective evidence that one or more events have taken place that will have a negative impact on the amount of future cash flows.

Invested assets

DDM's invested assets consist of purchases of distressed asset portfolios, other long-term receivables from investments, investments in joint ventures and associates and financial assets at fair value.

Net collections

Gross collections from Portfolios held by the Group less commission and collection fees to third parties (but if such Portfolios are partly owned, only taking into consideration such Group Company's pro rata share of the gross collections and commission and fees).

Net debt

Long-term and short-term interest-bearing third party loans, interest-bearing intercompany loans (excluding subordinated debt) and liabilities to credit institutions (bank overdrafts) less cash and cash equivalents.

Non-recurring items

One-time costs not affecting the Company's run rate cost level.

Operating expenses

Personnel, consulting and other operating expenses.

Revaluation of invested assets

Invested assets are reviewed at each reporting date and revalued if there is objective evidence that one or more events have taken place that will have a positive impact on the timing or amount of future cash flows, or a negative impact on the timing of future cash flows.

Reconciliation tables, non-IFRS measures

This section includes a reconciliation of certain non-IFRS financial measures to the most directly reconcilable line items in the financial statements. The presentation of non-IFRS financial measures has limitations as analytical tools and should not be considered in isolation or as a substitute for our related financial measures prepared in accordance with IFRS.

Non-IFRS financial measures are presented to enhance an investor's evaluation of ongoing operating results, to aid in forecasting future periods and to facilitate meaningful comparison of results between periods. Management uses these non-IFRS financial measures to, among other things, evaluate ongoing operations in relation to historical results and for internal planning and forecasting purposes.

The non-IFRS financial measures presented in this report may differ from similarly-titled measures used by other companies.

Net collections:

Net collections is comprised of gross collections from the invested assets held and/or sold by the DDM Debt Group, minus commission and fees to third parties. The net amount of cash collected is recorded as "Net collections" within the line "Interest income on invested assets" in the consolidated income statement. The DDM Debt Group discloses the alternative performance measure "Net collections" in the notes separately, as it is an important measurement for the DDM Debt Group to monitor the performance of the portfolios and measure the cash available for operating expenses and to service its debt. The DDM Debt Group believes that disclosing net collections as a separate performance measure in the notes improves the transparency and understanding of the DDM Debt Group's financial statements and performance, meeting the expectations of its investors.

Amortization, revaluation and impairment of invested assets:

The recognition of the acquisition of invested assets is based on the DDM Debt Group's own forecast of future cash flows from acquired portfolios. Reporting follows the effective interest method, where the carrying value of each portfolio corresponds to the present value of all projected future cash flows discounted by an initial effective interest rate determined at the time the portfolio was purchased, based on the relation between cost and the projected future cash flows on the acquisition date. Changes in the carrying value of the portfolios are reported as amortization, revaluation and impairment for the period.

Operating expenses and Cash EBITDA:

Amounts in EUR '000s (unless specified otherwise)	1 Jan - 31 Mar 2025	1 Mar - 31 Mar 2024	Full Year 2024
Net collections *	9 951	9 513	44 648
Revenue from mgt fees and other services	544	673	2 662
Other operating income	10		721
Personnel expenses	-1 954	-2 444	-9 526
Consulting expenses	-1 780	-1 319	-7 543
Other operating expenses	-1 069	-1 082	-3 597
Operating expenses	-4 803	-4 845	-20 666
Cash EBITDA	5 702	5 341	27 365

* Net collections includes the incremental net distribution from associate and joint venture and distributions/interest from financial assets at fair value. Please refer to page 25 for a reconciliation of alternative performance measures ("APMs") to IFRS

Net debt:

Super Senior Bonds, 9.5%	23 966	0	23 853
Senior Secured Bonds 9%	141 843	165 624	141 531
Bonds, AxFina Polska	3 672	3 805	3 467
Bonds, E-Kancelaria	2 906	3 252	3 259
Borrowings, E-Kancelaria	0	1 028	102
RCF	0	4 442	0
Less: Cash and cash equivalents	-5 342	-20 284	-6 787
Net debt	167 045	157 867	165 425

Equity ratio:

Shareholder's equity	40 075	-4 234	38 466
Shareholder debt (subordinated)	0	37 586	0
Accrued interest on shareholder debt	0	8 161	0
Total equity according to the senior secured bond terms	40 075	41 513	38 466
Total assets	250 560	262 106	247 101
Equity ratio	16.0%	15.8%	15.6%

Alternative performance measures – reconciliation to IFRS:

EUR '000s	1 Jan - 31 Mar 2025	1 Jan - 31 Mar 2024	Full Year 2024
Gross collections	8 972	9 259	43 102
Incremental gross distribution from associate and joint venture	2 652	1 282	7 506
Distributions/interest from financial assets at fair value	1 058	880	5 476
Adjusted gross collections	12 682	11 421	56 084
Net collections	7 141	7 868	33 924
Incremental net distribution from associate and joint venture	1 750	765	5 248
Distributions/interest from financial assets at fair value	1 058	880	5 476
Adjusted net collections	9 949	9 513	44 648
Cash EBITDA	2 892	3 696	16 641
Incremental net distribution from associate and joint venture	1 750	765	5 248
Distributions/interest from financial assets at fair value	1 058	880	5 476
Adjusted cash EBITDA	5 700	5 341	27 365

The financial statements of the Group have been prepared in accordance with IAS 34 Interim Financial Reporting. In addition, the Group presents alternative performance measures ("APMs"). Adjusted key figures for gross collections, net collections and cash EBITDA for the period provide a better understanding of the underlying business performance and enhance comparability from period to period, when the effect of items affecting comparability are adjusted for. Items affecting comparability can include one-time costs not affecting the Group's run rate cost level, significant earnings effects from acquisitions and disposals of invested assets, incremental distributions from associates and joint ventures and distributions from financial assets at fair value.

These measures do not have any standardized meaning prescribed by IFRS and therefore are unlikely to be comparable to the calculation of similar measures used by other companies. The APMs are regularly reviewed by Management and their aim is to enhance stakeholders' understanding of the Group's performance and to enhance comparability between financial periods. The APMs are reported in addition to but are not substitutes for the financial statements prepared in accordance with IFRS. The APMs provide a basis to evaluate operating profitability and performance trends, excluding the impact of items which in the opinion of Management distort the evaluation of the performance of our operations.

The APMs also provide measures commonly reported and widely used by investors as an indicator of the Group's operating performance and as a valuation metric of debt purchasing companies. Furthermore, APMs are also relevant when assessing our ability to incur and service debt. APMs are defined consistently over time and are based on the financial data presented in accordance with IFRS.

About DDM

DDM Debt AB (Nasdaq Stockholm: DDM Debt 2026) is part of the DDM Debt Group, a specialized multinational investor in situations arising out of the general strategic challenges in the European banking markets. This includes investments into assets and companies previously held by financial institutions, including performing and non-performing loans and special situations. DDM strives to create value for its stakeholders by combining significant expertise in financial services, credit underwriting and technology with a focus on operational excellence.



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