

Q4 interim report | 1 January – 31 December 2025

Highlights fourth quarter 2025

- **AUM** at the end of December was 506.7 MEUR (415.0 on December 31, 2024)
- **NPL ERC** at the end of December 2025 was 231.1 MEUR (130.9 at December 31 2024)
- **NPL Book Value** at the end of December 2025 was 129.2 MEUR (80.6 on December 31, 2024)
- **Adjusted Gross collections** amounted to 12.4 MEUR (16.7)*
- **Adjusted Net collections** amounted to 10.6 MEUR (12.1)*
- **Adjusted Cash EBITDA** amounted to 1.8 MEUR (7.4)*

Highlights full year 2025

- **Adjusted Gross collections** amounted to 48.7 MEUR (56.1)*
- **Adjusted Net collections** amounted to 41.6 MEUR (44.6)*
- **Adjusted Cash EBITDA** amounted to 19.6 MEUR (27.4)*

Significant events after the end of the quarter

- Collections from the Onyx portfolio during the two first months of the year is according the plan, which supports the uplift in ERC of 98 MEUR as reported on the 24th of September 2025. The projected gross collection from the Onyx Portfolio and other portfolios are detailed on page 28.

* 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 27.

IFRS Consolidated Amounts in EUR '000s (unless specified otherwise)	1 Oct - 31 Dec 2025**	1 Oct - 31 Dec 2024	Full Year 2025**	Full Year 2024
Gross collections	7 197	11 829	32 742	43 102
Collection and commission expenses	-1 031	-3 423	-5 702	-9 178
Net collections	6 166	8 406	27 040	33 924
Revenue from mgt fees & other services	-328	734	1 516	2 662
Operating expenses	-10 033	-5 472	-25 337	-19 945
Cash EBITDA	-2 650	3 668	5 101	16 641
Interest income	-429	921	2 494	3 787
Dividend income from invested assets	-	-	-	-
Amortization, revaluation and impairment of invested assets	10 738	-5 085	56 668	-13 336
Share of net (losses) / profits of associate and joint venture	-820	-87	43 048	-2 300
Operating profit	1 923	-10 681	94 299	-4 374
Net profit / (loss) for the period	6 645	5 513	82 089	-7 572
Selected key figures				
Total assets	425 093	247 101	425 093	247 101
Net debt	192 801	165 425	192 801	165 425
Equity ratio***	37.1%	15.6%	37.1%	15.6%
Cash flow from operating activities before working capital changes	-9 680	-3 294	-8 523	6 124
AUM (MEUR)	506.7	415.0	506.7	415.0
Investments book value	224.6	220.1	224.6	220.1

** Unaudited

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

The information in this report requires Achilles Capital 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 27 February 2026 at 19:00 CET

A Transformational Year for Achilles Capital

Dear Stakeholders,

2025 has been a transformational year for our Group.

Throughout the year, we strengthened our platform, consolidated strategic ownership positions, and intensified our active ownership model - all while continuing to build value across our Assets Under Management.

We began the year as DDM Debt AB and conclude it as Achilles Capital AB - a diversified European financial investor combining Non-Performing Loans (NPLs), integrated NPL servicing, and Tactical Equity. This reflects a deliberate evolution from a pure-play debt investor into a broader, technology-enabled financial group positioned to generate long-term value across multiple asset classes.

Strong and Resilient Debt Performance

Our core distressed debt investment platform delivered solid performance during the year.

Collections remained robust, book value development was stable, and our Estimated Remaining Collections (ERC) profile continues to provide forward visibility into cash generation. In an environment shaped by geopolitical uncertainty and shifting macro conditions, disciplined underwriting and active portfolio management have proven resilient.

Secured asset values within our key markets remained broadly stable, with selective improvements, supporting secured portfolio valuations and reinforcing long-term recovery assumptions.

We remain selective in new deployments and disciplined in capital allocation as the credit cycle evolves.

Capital Discipline and Near-Term Collections

During 2025, our capital position - combined with the upcoming bond maturities in April 2026 - required a conservative and disciplined approach to new portfolio deployment.

As a result, investments into new NPL portfolios during the year were intentionally extremely limited. Preserving liquidity and maintaining flexibility ahead of refinancing has been a clear priority.

This disciplined positioning has placed additional pressure on our near-term collections profile, as lower investments into newer portfolio vintages naturally reduce short-term cash inflows. We view this as a timing effect rather than a structural change in performance, in combination with our near-term refinancing priority settings.

Once refinancing has been completed and our capital structure optimized, we are well positioned to re-accelerate deployment. Our pipeline of attractive investment opportunities within Central and Eastern Europe is robust, supported by long-standing banking relationships, AxFina proximity, and nearly two decades of regional investment experience.

AxFina – Integrated Platform and Entrenched CEE Position

A defining strategic milestone was the completion of the acquisition of EBRD's remaining 24% stake in AxFinia, giving Achilles full ownership of the platform.

This consolidation has enabled full integration of investment strategy, underwriting, and servicing execution into one aligned operating model.

As a result of this complete integration, we have already begun unlocking value within our existing portfolio back book. Enhanced servicing oversight, improved recovery tactics, and tighter alignment between underwriting assumptions and operational execution have strengthened portfolio performance and improved asset value visibility.

Through AxFinia, Achilles has further entrenched its position in Central and Eastern Europe. We combine deep local servicing proximity with nearly two decades of regional investment experience. This creates a structural competitive advantage in sourcing, underwriting, and executing complex transactions.

Subject to market and corporate conditions, this integrated platform is positioned to service significant capital across CEE. AxFinia is not simply a servicing arm - it is a core value engine within the Achilles Capital model.

Omnio – Strengthened Balance Sheet and Broader Investor Base

Another defining milestone was the successful restructuring and equity round at Omnio.

In August, Omnio completed a major balance sheet strengthening, converting more than €30 million of debt into equity and raising €7.2 million of new capital. Importantly, the transaction introduced new external international investors, broadening the shareholder base and reinforcing confidence in the company's long-term strategy.

This materially reduced leverage, enhanced financial flexibility, and positioned Omnio for accelerated growth across embedded finance, payments, and loyalty services.

Achilles played a central role in structuring and supporting the transaction. The combination of new capital and new investors strengthens both strategic credibility and long-term value potential.

Tactical Equity – Active Ownership and Operational Inflection Points

2025 has required extensive hands-on work across our Tactical Equity portfolio. We approach Tactical Equity as an active value creation discipline - not passive exposure. During the year, we strengthened governance, refined strategic positioning, supported capital restructuring, and worked closely with management teams to drive measurable operational progress.

Several portfolio companies reached important inflection points with selective highlights being:

AI Producer (AIP) delivered the world's largest and longest AI-assisted hybrid event hosted in Microsoft Teams and launched AI Producer Studio on Hewlett-Packard (HP) AI Computers. These milestones demonstrate breakout scalability, enterprise readiness, and accelerating ecosystem momentum.

Furthermore, In July 2025, **Single Technologies** secured €12.5 million in blended funding from the European Innovation Council (EIC) Accelerator, including a €2.5 million non-dilutive grant and a €10 million equity investment to support scaling and commercialisation efforts. The company was selected from approximately 1,000 initial applicants, with only 150 companies advancing to the final evaluation stage and 40 companies funded overall. Notably, just three companies were selected within the biotech and life sciences sector, underscoring both the exceptional competitiveness of the programme and the strength of Single Technologies' 3D sequencing platform and long-term growth strategy.

Leadership Strengthening

At the end of the first quarter, Achilles also changed its executive leadership.

In April, I was appointed Chief Executive Officer, bringing nearly 20 years of experience across European NPL markets, AI, and technology-enabled credit asset management.

Jesper Bernström joined as Chief Financial Officer, contributing more than a decade of financial leadership experience, including scaling listed financial services platforms and leading complex capital markets processes.

These appointments strengthen execution capability, financial discipline, and strategic governance as Achilles Capital enters its next phase.

Looking Ahead to 2026

Our priorities remain clear:

- Complete refinancing and optimize the capital structure
- Further enhance AxFina's integrated servicing platform
- Support Omnio's commercial expansion
- Re-accelerate disciplined capital deployment in CEE
- Strengthen recurring cash generation and balance sheet resilience, for further details please see page 28
- Support value-creation events in our Tactical Equity portfolio

2025 was a year of consolidation, structural strengthening, and focused execution. The platform is stronger. The regional position is entrenched. The leadership team is reinforced. The embedded value across the Group has increased. And the strategy is more transparent.

We enter 2026 with discipline, clarity, and confidence.

Thank you for your continued trust and support.

Stockholm, February 2026

Matthew Doerner

Chief Executive Officer

Achilles Capital AB (publ)

Financial calendar

Achilles Capital AB (publ) intends to publish financial information on the following dates:

Q1 report for January-March 2026: May 29, 2026

Annual Report 2025: April 30, 2026

Other financial information from Achilles Capital is available on Achilles' website, www.achillescap.com

Publication of the report

The report is available at www.achillescap.com on February 27, 2026, at 19:00 CET.

Financial results

2025 was a year of balance sheet strengthening and asset value expansion. While collections and cash EBITDA declined compared to 2024 due to a reduced investment pace during the refinancing-focused period, the Group materially improved its capital structure, expanded its asset base and significantly increased shareholder equity.

At year-end, AUM amounted to 506.7 MEUR (415.0). NPL ERC increased to 231.1 MEUR (130.9) and NPL book value to 129.2 MEUR (80.6). The equity ratio strengthened to 37.1% (15.6%), reflecting a substantial improvement in financial resilience.

Q4 2025 Performance

Adjusted gross collections amounted to 12.4 MEUR (16.7) and adjusted net collections totalled 10.6 MEUR (12.1). The decrease year-on-year reflects a lower average invested asset base and disciplined capital allocation during 2025. IFRS net collections amounted to 6.2 MEUR (8.4), while management fees and other service revenues declined to -0.3 MEUR (0.7).

Operating expenses increased to 9.6 MEUR (5.5), primarily driven by platform investments and servicing capacity build-out aligned with the Group's long-term growth strategy.

Adjusted Cash EBITDA for the quarter was 1.8 MEUR (7.4). Operating profit improved to 1.9 MEUR (-10.7), supported by positive valuation effects on invested assets. Net result for the quarter amounted to 6.6 MEUR (5.5).

Full Year 2025 Results

Adjusted gross collections amounted to 48.7 MEUR (56.1), with adjusted net collections of 41.6 MEUR (44.6). The lower collection level reflects a transition year with reduced portfolio acquisitions and a lower deployed capital base.

Adjusted Cash EBITDA amounted to 19.6 MEUR (27.4), impacted by lower collections and a temporarily elevated cost base during the strategic repositioning.

Operating profit increased significantly to 94.3 MEUR (-4.4), driven primarily by:

- 56.7 MEUR positive amortization and revaluation of invested assets
- 43.0 MEUR share of profits from associates and joint ventures

Net profit for the year amounted to 82.1 MEUR (-7.6), materially strengthening the Group's equity base.

Balance Sheet Strength and Capital Structure

The most significant financial development during 2025 was the strengthening of the balance sheet. Total assets increased to 425.1 MEUR (247.1), reflecting asset revaluations and expanded associate exposure. Net debt amounted to 192.8 MEUR (165.4). Despite the increase in absolute debt, leverage metrics improved materially due to equity growth. The equity ratio strengthened to 37.1% (15.6%), significantly enhancing covenant headroom and financial flexibility ahead of refinancing.

This capital strengthening provides a robust foundation entering 2026.

Alignment With Strategic Milestones

The financial profile of 2025 closely mirrors the strategic milestones achieved:

- Full consolidation of AxFina strengthens earnings visibility and value extraction from the back book
- The Omnio restructuring materially reduced leverage at portfolio level while broadening the external investor base
- Active Tactical Equity management contributed meaningfully to associate profitability

These developments are reflected in the improved operating result and strengthened equity base.

Consolidated Income Statement

Amounts in EUR '000s	Notes	1 Oct – 31 Dec 2025*	1 Oct – 31 Dec 2024*	Full Year 2025*	Full Year 2024
Interest income on invested assets	5	4 218	3 299	21 566	21 852
Dividend income from invested assets		-	-	-	1 689
Revaluation and impairment of invested assets		10 738	943	56 668	2 523
Revenue on invested assets	5	14 956	4 242	78 234	26 064
Share of net (losses) / profits of associate and joint venture	5,9,10	-820	-87	43 048	-2 300
Revenue from mgt fees and other services		-328	734	1 516	2 662
Impairment of goodwill		-	-	-	-
Impairment of loans and receivables		-	-9 667	-	-9 667
Personnel expenses		-2 133	-3 418	-8 293	-9 526
Consulting expenses		-3 444	-2 090	-9 045	-7 543
Other operating expenses		-4 456	-685	-7 999	-3 597
Other operating income		1 545	721	1 882	721
Depreciation of tangible assets		-3 397	-431	-5 044	-1 188
Operating result		1 923	-10 681	94 299	-4 374
Financial income		1 251	24 817	13 103	23 422
Financial expenses		-1 435	-6 622	-23 279	-24 417
Exchange (loss) / profit		-211	498	-1 568	120
Net financial expenses		-395	18 693	-11 744	-875
Result before income tax		1 528	8 012	82 555	-5 249
Tax expense		5 117	-2 499	-466	-2 329
Net result for the period		6 645	5 513	82 089	-7 578
Net result for the period attributable to:					
Owners of the Parent Company		7 284	5 870	82 959	-7 308
Non-controlling interest		-639	-357	-870	-270

* Unaudited

Consolidated Statement of Comprehensive Income

	1 Oct – 31 Dec 2025*	1 Oct – 31 Dec 2024*	Full Year 2025*	Full Year 2024
Amounts in EUR '000s				
Net result for the period	6 645	5 513	82 089	-7 578
Other comprehensive income / (loss) for the period				
Currency translation differences	483	6	450	34
Actuarial gain or loss on post-employment benefit commitments	-31	603	419	603
Deferred tax on post-employment benefit commitments	3	-65	-50	-65
Share of net income in associates	1 082	652	-	269
Other items	-1 623	-769	-1 279	-112
Other comprehensive income / (loss) for the period, net of tax	-86	427	-460	729
Total comprehensive result for the period	6 559	5 940	81 629	-6 849
Total comprehensive loss for the period attributable to:				
Owners of the Parent Company	7 366	6 436	82 499	-6 560
Non-controlling interest	-807	-496	-870	-289

* Unaudited

Consolidated Balance Sheet

Amounts in EUR '000s	Notes	31 December 2025*	31 December 2024
ASSETS			
<i>Non-current assets</i>			
Goodwill	8	47 724	11 022
Intangible assets		122 840	2 126
Tangible assets	7	228	93
Right-of-use assets		1 116	930
Interests in associate	11	-	40 870
Distressed asset portfolios	9	112 438	65 266
Financial assets at fair value	12	95 453	89 666
Other long-term receivables from investments		-	601
Investment in joint venture	10	16 735	15 307
Deferred tax assets	4	2 969	2 988
Other non-current assets		5 898	4 192
Total non-current assets		405 401	233 061
<i>Current assets</i>			
Accounts receivable		2 474	1 171
Receivables from other group companies		280	258
Tax assets		-1 048	206
Other receivables		9 216	2 960
Prepaid expenses and accrued income		4 207	2 658
Cash and cash equivalents		4 563	6 787
Total current assets		19 692	14 040
TOTAL ASSETS		425 093	247 101
SHAREHOLDERS' EQUITY AND LIABILITIES			
Share capital		54	54
Other reserves		-4 709	-5 527
Shareholder contribution		-	47 681
Retained earnings including net loss for the period		162 295	-5 066
Total shareholders' equity to Parent Company's shareholders		120 483	37 142
Non-controlling interest		37 157	1 324
Total shareholders' equity		157 640	38 466
LIABILITIES			
<i>Non-current liabilities</i>			
Loans and borrowings	13	26 526	170 497
Lease liabilities		736	783
Post-employment benefit commitments		461	880
Payables to other group companies		23	8
Other long-term liabilities		771	-
Deferred tax liabilities		32 162	1 003
Total non-current liabilities		60 679	173 171
<i>Current liabilities</i>			
Other current liabilities		27 860	20 585
Accounts payable		4 820	3 278
Tax liabilities		60	2 182
Accrued interest		789	2 654
Accrued expenses and deferred income		5 449	4 727
Lease liabilities		509	323
Current loans	13	167 287	1 715
Total current liabilities		206 774	35 464
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		425 093	247 101

* Unaudited

Consolidated Cash Flow Statement

Amounts in EUR '000s	1 Oct – 31 Dec 2025*	1 Oct – 31 Dec 2024*	Full Year 2025*	Full year 2024
Cash flow from operating activities				
Net result for the period	6 645	5 513	82 089	-7 578
Cash distribution from associate and joint venture	-	1 830	7 870	5 235
<i>Adjustments for non-cash items:</i>				
<i>Amortization of invested assets</i>	1 519	6 028	7 968	15 859
<i>Revaluation and impairment of invested assets</i>	-10 738	-943	-56 668	-2 523
<i>Interest income</i>	429	-921	-491	-3 787
<i>Other operating income</i>	-1 545	-721	-1 882	-721
<i>Dividend income</i>	-	-	-	-1 689
<i>Share of net losses / (profits) of associate and joint venture</i>	1 280	87	-43 048	2 300
<i>Impairment of assets</i>	-	9 667	-	9 667
<i>Depreciation and amortization of tangible and intangible assets</i>	3 397	431	5 044	1 188
<i>Financial income</i>	-1 251	-24 817	-15 106	-23 422
<i>Financial expenses</i>	1 435	6 622	23 279	24 417
<i>Unrealized exchange (profit) / loss</i>	-141	-604	869	-420
<i>Tax expense</i>	-5 117	2 499	466	2 329
<i>Other items not affecting cash</i>	-	-131	-172	-67
Interest paid	-5 593	-7 812	-17 517	-16 109
Interest received	-	-	-	166
Dividends received	-	-	-	1 689
Tax paid	-	-22	-1 224	-410
Cash flow from operating activities before working capital	-9 680	-3 294	-8 523	6 124
Working capital adjustments				
(Increase) / decrease in accounts receivable	-915	4 619	-1 303	112
(Increase) / decrease in other receivables	-5 960	-1 129	-7 805	-1 957
Increase / (decrease) in accounts payable	2 667	-1 216	2 313	-2 378
Increase / (decrease) in other current liabilities	11 446	752	9 155	20 292
Net cash flow from operating activities	-2 442	-268	-6 163	22 193
Cash flow from investing activities				
Purchases of distressed asset portfolios and other long-term	-	-1 039	-	-1 039
Purchase of investments in joint venture and associate	-	-161	-	-211
Purchases of financial assets at fair value	-	-3 898	-5 332	-36 597
Proceeds from divestment of financial assets at fair value	-	-	754	325
Acquisition of subsidiary, net of cash acquired	-2 943	-	-4 050	-
Purchases of tangible and intangible assets	-	-1	-369	-6
Net cash flow received / (used) in investing activities	-2 943	-5 099	-8 997	-37 528
Cash flow from financing activities				
Proceeds from issuance of loans	-	24 447	3 056	24 447
Proceeds from sales of owned bonds	-	-	12 262	-
Repayment of loans	-	-21 173	-2 191	-22 210
Principal element of lease payments	-	5	-191	-363
Net cash flow received / (used) in financing activities	-	3 279	12 936	1 874
Cash flow for the period	-5 385	-2 088	-2 224	-13 461
Cash and cash equivalents less bank overdrafts at beginning of	9 948	9 044	6 787	20 715
Foreign exchange gains / (losses) on cash and cash equivalents	-	-169	-	-467
Cash and cash equivalents less bank overdrafts at end of the	4 563	6 787	4 563	6 787

* Unaudited

Consolidated Statement of Changes in Equity

Amounts in EUR '000s	Share capital	Shareholder contribution	Other reserves	Retained earnings incl. net loss for the period	Total equity attributable to 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	-	-	-	-7 308	-7 308	-270	-7 578
Other comprehensive loss							
Currency translation differences	-	-	31		31	3	34
Actuarial gain on post-employment benefit commitment				603	603		603
Deferred Tax Asset on post-employment benefit commitments			-65		-65		-65
Share of net income in associates	-	-	269		269		269
Other items	-	-	-	-90	-90	-22	-112
Total comprehensive loss	0	0	235	-6 795	-6 560	-289	-6 849
<i>Transactions with owners</i>		47 681			47 681		47 681
Total transactions with owners		47 681	0	0	47 681	0	47 681
Balance at 31 December 2024	54	47 681	-5 527	-5 066	37 142	1 324	38 466
Balance at 1 January 2025	54	47 681	-5 527	-5 066	37 142	1 324	38 466
Net result for the period	-	-	-	82 959	82 959	-870	82 089
Other comprehensive income							
Currency translation differences	-	-	450	-	450	-	450
Actuarial gain on defined benefit commitment	-	-	-	418	418	-	418
Deferred Tax Asset on post-employment benefit commitments	-	-	-	-50	-50	-	-50
Other items (AxFina differences in opening balance 2025)	-	-	-	-	0	-	0
Share of net income in associates	-	-	-	-	0	-	0
Other items	-	-	0	-1 279	-1 279	-	-1 279
Total comprehensive income	0	0	450	82 048	82 498	-870	81 628
<i>Transactions with owners</i>							
Reclassification		-47 681	-	47 681	-	-	-
Acquisition of Non-Controlling Interests (49.94%) in OmniOne					-	41 922	41 922
Acquisition of Non-Controlling Interests in AxFina in Q3 2025				-2 051	-2 051	-1 324	-3 375
Acquisition of Non-Controlling Interests in OmniOne				2 895	2 895	-3 895	-1 000
Total transactions with owners	0	-47 681	0	48 525	844	36 702	37 547
Balance at 31 December 2025*	54	0	-5 077	125 507	120 484	37 157	157 641

* Unaudited

Parent Company – Income Statement

Amounts in EUR '000s	1 Oct – 31 Dec 2025*	1 Oct – 31 Dec 2024*	Full Year 2025*	Full Year 2024
Revenue	446	-	2 283	-
Share of net losses of associate	-	923	-	-
Personnel expenses	-1 140	-559	-1 956	-1 104
Consulting expenses	-802	-67	-1 082	-595
Other operating expenses	-59	-128	-303	-466
Other operating income	650	444	661	444
Depreciation on tangible assets	1	-1	-	-1
Impairment of assets	-	-9 667	-	-9 667
Operating loss	-904	-9 055	-397	-11 389
Financial income	12 865	12 980	22 144	26 968
Financial expenses	-23 204	-6 350	-35 123	-22 089
Exchange profit / (loss)	1 213	637	109	515
Net financial (expense) / income	-9 126	7 267	-12 870	5 394
Result before income tax	-10 030	-1 788	-13 267	-5 995
Tax expense	-	-1 158	-	-1 158
Loss for the period	-10 030	-2 946	-13 267	-7 153

* Unaudited

Parent Company – Statement of Comprehensive Income

Amounts in EUR '000s	1 Oct – 31 Dec 2025*	1 Oct – 31 Dec 2024	Full Year 2025*	Full Year 2024
Net loss for the period	-10 030	-2 946	-13 267	-7 153
Other comprehensive income for the period, net of tax	-	-	-	-
Share of net income in associate	-	383	-	-
Total other comprehensive income for the period, net of tax	-	383	-	0
Total comprehensive loss for the period	-10 030	-2 563	-13 267	-7 153

* Unaudited

Parent Company – Balance Sheet

Amounts in EUR '000s	Notes	31 December 2025*	31 December 2024
ASSETS			
<i>Non-current assets</i>			
Tangible assets	7	4	5
Shares in other group companies	14	43 906	30 531
Financial assets at fair value	12	31 384	33 659
Non-current loan to other group companies		128 043	120 920
Non-current loan to other group companies, subordinated		-	7 000
Interest in associates		-	14 811
Other non-current assets		215	2 325
Total non-current assets		203 552	209 251
<i>Current assets</i>			
Receivables from group companies		19 915	-
Cash and cash equivalents		445	2 527
Current accrued interest income		157	4 323
Prepaid expenses		630	54
Other receivables		92	2
Total current assets		21 239	6 906
TOTAL ASSETS		224 791	216 157
SHAREHOLDERS' EQUITY AND LIABILITIES			
<i>Shareholders' equity</i>			
Share capital		54	54
Shareholder contribution		-	47 681
Retained earnings including net loss for the period		31 438	-2 975
Total shareholders' equity		31 492	44 760
<i>Non-current liabilities</i>			
Loans and borrowings	13	23 074	165 384
Loans from other group companies, subordinated		-	-
Total non-current liabilities		23 074	165 384
<i>Current liabilities</i>			
Accounts payable		284	1 099
Accrued expenses and deferred income		931	459
Tax liabilities		1 060	1 801
Current loans	13	167 636	-
Accrued interest		315	2 654
Total current liabilities		170 226	6 013
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		224 792	216 157

* Unaudited

Parent Company – Cash Flow Statement

Amounts in EUR '000s	1 Oct – 31 Dec 2025*	1 Oct – 31 Dec 2024*	Full Year 2025*	Full Year 2024
Cash flow from operating activities				
Loss for the period	-10 030	-2 946	-13 267	-7 153
<i>Adjustments for non-cash items:</i>				
Impairment of loans and receivables	-	9 667	-	9 667
Share of net losses of associate	-661	-923	-661	-
Other operating income	-	-444	-	-444
Depreciation of tangible assets	-	1	-	1
Financial income	-12 865	-12 980	-22 144	-26 968
Financial expenses	23 204	6 350	35 123	22 089
Unrealized exchange (profit) / loss	-1 092	-637	-109	-515
Tax expense	-	1 158	-	1 158
Other items not affecting cash	1 032	-93	2 014	-117
Dividends received	-	-	-	-
Interest paid	-4 005	-7 608	-10 223	-15 439
Interest received	246	6 772	4 985	12 411
Tax paid	-	-	-921	-
Cash flow from operating activities before working capital changes	-4 171	-1 683	-5 203	-5 310
Working capital adjustments				
Increase / (decrease) in accounts receivable	653	-	-1	-
Increase / (decrease) in other receivables	-1 582	100	-666	21
Increase / (decrease) in accounts payable	-807	277	70	341
Increase / (decrease) in other current liabilities	440	-647	472	-614
Net cash flow from operating activities	-5 467	-1 953	-5 328	-5 561
Cash flow from investing activities				
Purchase of shares in group companies	-	-	-3 300	-
Purchase of financial investments	-	-	-	-
Purchases of financial assets at fair value	-	-3 740	-5 332	-31 622
Purchases of investment in associates	-	-198	-	-209
Purchases of tangible assets	-	-1	-	-6
Net cash flow received / (used) in investing activities	0	-3 900	-8 632	-31 837
Cash flow from financing activities				
Proceeds from issuance of loans	-	24 447	3 056	24 447
Proceeds from sales of owned bonds	-	-	12 262	-
Loans to group companies	-	-	-3 350	-
Repayment of loans to group companies	-	4 470	-29	35 881
Repayment of loans and borrowings	-	-20 550	-	-20 550
Net cash flow received / (used) in financing activities	0	8 367	11 939	39 778
Cash flow for the period	-5 467	2 514	-2 021	2 380
Cash and cash equivalents less bank overdrafts at beginning of the	5 911	25	2 527	319
Foreign exchange gains / (losses) on cash and cash equivalents	-	-12	-61	-172
Cash and cash equivalents less bank overdrafts at end of the period	444	2 527	444	2 527

* Unaudited

Parent Company – Statement of Changes in Equity

Amounts in EUR

	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	-	-	-7 153	-7 153
Other comprehensive income	-	-	-	0
Share of net income in associate				
Total comprehensive income	-	-	-7 153	-7 153
Transactions with owners		47 681		47 681
Total transactions with owners	-	47 681	-	47 681
Balance at 31 December 2024	54	47 681	-2 975	44 760
Balance at 1 January 2025	54	47 681	-2 975	44 760
Net loss for the period	-	-	-13 269	-13 269
Other comprehensive income	-	-	-	-
Share of net income in associate				
Total comprehensive income	0	0	-13 269	-13 269
Transactions with owners				
Reclassification		-47 681	47 681	0
Total transactions with owners	0	-47 681	47 681	0
Balance at 31 December 2025*	54	0	31 437	31 491

* Unaudited

Notes

Note 1. General information

Achilles Capital AB (publ) ("Achilles Capital" or "the Company") and its subsidiaries (together "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 Group also engages in businesses that are related, complementary, incidental, ancillary or similar to any of the foregoing. The 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 Jakobsbergsgatan 24, 111 44 Stockholm, Sweden. Achilles Capital 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.

Achilles Capital 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 Achilles Capital AB's Annual Report for 2024, 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 27 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 (EUR k), 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 Achilles Capital has control. Achilles Capital 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.

Entities included in the scope of consolidation	Consolidation method	Domicile	31 Dec 2025	31 Dec 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%
Achilles Collateral AG	Fully consolidated	Switzerland	100%	Not consolidated
Finalp Zrt.	Fully consolidated	Hungary	100%	100%
AxFina Holding S.A	Fully consolidated	Luxembourg	100%	75.2%
AxFina Romania S.R.L	Fully consolidated	Romania	99.3%	75.2%
AxFina Austria GmbH	Fully consolidated	Austria	99.3%	75.2%
AxFina Croatia d.o.o.	Fully consolidated	Croatia	99.3%	75.2%
AxFina d.o.o.	Fully consolidated	Slovenia	99.3%	75.2%
AxFina Hungary Zrt.	Fully consolidated	Hungary	99.6%	75.5%
AxFina Servicing Kft.	Fully consolidated	Hungary	99.6%	75.5%
Lombard Ingatlan Zrt.	Fully consolidated	Hungary	99.6%	75.5%
AxFina Polska S.A. (previously Raport S.A)	Fully consolidated	Poland	99.3%	75.2%
E-Kancelaria Grupa Prawno-Finansowa sp. z o.o.	Fully consolidated	Poland	99.3%	75.2%
Dial Tone sp. z o.o.	Fully consolidated	Poland	99.3%	75.2%
E-Kancelaria Rosiński i Wspólnicy Kancelaria Prawna sp. k.	Fully consolidated	Poland	99.2%	75.1%
OmnioOne S.A.	Fully consolidated	Luxembourg	71.0%	Not consolidated
Omnio Europe S.p.A.	Fully consolidated	Italy	71.0%	Not consolidated
Omnio Europe Merchant Services S.r.l.	Fully consolidated	Italy	71.0%	Not consolidated
Omnio Europe Payment Services S.r.l.	Fully consolidated	Italy	71.0%	Not consolidated
Omnio Group Limited	Fully consolidated	UK	71.0%	Not consolidated
Omnio EMI Limited	Fully consolidated	UK	71.0%	Not consolidated
Omnio Serclé Limited	Fully consolidated	UK	71.0%	Not consolidated

Joint ventures

The Company applies IFRS 11 Joint Arrangements, where The Group, together with one or several parties have joint control over an arrangement in accordance with a shareholder agreement. The 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 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 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 Group's share of earnings, and this is reported under Share of net profits of joint venture.

Distributions received from the Joint Venture are not recognised 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 Group measures and recognises 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 recognised 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 Group.

Joint Ventures	Consolidation method	Domicile	31 December 2025	31 December 2024
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 Achilles Capital 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 principal 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 dividend income from invested assets and interest income from financial assets held at FVTPL is included within Interest income on invested assets.

Financial assets held at FVTPL include investments in other entities in which the Company has a significant influence (but not control or joint control), providing that:

- its value is (or will be) a marketable value
- the investee aims to generate growth in a medium term, following an exit strategy of the Company, and
- the object of the investment is not related to the Company core business.

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 Achilles Capital 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 December 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 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 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 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 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 Group discloses the alternative performance measure "Net collections" in the notes separately, as it is an important measurement for The Group to monitor the performance of the portfolios and measure the cash available for operating expenses and to service its debt. The Group believes that disclosing net collections as a separate performance measure in the notes improves the transparency and understanding of The Group's financial statements and performance, meeting the expectations of its investors.

EUR'000s	1 Oct - 31 Dec 2025	1 Oct - 31 Dec 2024	Full year 2025	Full Year 2024
Gross collections	7 197	11 829	32 742	43 102
Collection and commission expenses	-1 031	-3 423	-5 702	-9 178
Net collections	6 166	8 406	27 040	33 924
Interest income	-429	921	2 494	3 787
Amortization of invested assets	-1 519	-6 028	-7 968	-15 859
Interest income on invested assets before revaluation and impairment	4 218	3 299	21 566	21 852
Dividend income from invested assets	-	-	-	1 689
Revaluation of invested assets	10 738	943	56 668	3 215
Impairment of invested assets	-	-	-	-692
Revenue on invested assets	14 956	4 242	78 234	26 064
Share of net (losses) / profits of associate and joint venture	-820	-87	43 048	-2 300
Revenue from mgt fees and other services	-328	734	1 516	2 662

The chief operating decision maker of Achilles Capital 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.

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

The results for Q4 and FY 2025 include 43.0 MEUR (Q4 and FY 2024: 1.3 MEUR and 2.4 MEUR) from share of net profits of joint venture 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 Group managed the operations of the assets but did not own 100% of the portfolio and service revenues from third parties.

Note 6. Revaluation and impairment of invested assets

The impact of the revaluation and impairment of invested assets is mainly driven by a revaluation of the Onyx portfolio, as follows:

Revaluation and impairment of invested assets	1 Oct - 31 Dec 2025	1 Oct - 31 Dec 2024	Full year 2025	Full year 2024
EUR '000s	2025	2024	2025	2024
Revaluation of Onyx portfolio	9 855	-	52 654	-
Net revaluation of other investments	883	943	4 014	2 523
Total	10 738	943	56 668	2 523

Revaluation of Onyx portfolio impact on equity and equity ratio	2025-12-31	2025-12-31
EUR '000s	Total equity	Equity ratio
Total equity and equity ratio including revaluated Onyx portfolio	157 640	37.1%
Revaluation	-52 654	-12.4%
Total equity excluding revaluated Onyx portfolio	104 986	24.7%

Note 7. 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 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 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 8. 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 9. Distressed asset portfolios

The recognition of the acquisition of distressed asset portfolios is based on The Group's forecast of future cash flows from acquired portfolios. Distressed asset portfolios are 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 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, as well as changes to the estimated projected future cash flows, and are recognized in the income statement under "Revenue on invested assets".

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.

Cash flow projections are made at the portfolio level. Assumptions must be made at each reporting date as to the expected timing and amount of future cash flows. Cash flows include the nominal amount, reminder fees, collection fees and late interest that are expected to be received from debtors less forecasted collection costs. These projections are updated at each reporting date based on actual collection information, planned collection actions as well as macroeconomic scenarios and the specific features of the assets concerned. 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 a significant change in the credit risk estimated in relation to the amount of future cash flows of the portfolio and can be estimated reliably. This is recorded within the line "Impairment of 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".

If The 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 income statement (within the line "Interest income on invested assets").

The Group holds certain portfolios of purchased or originated credit-impaired ("POCI") financial assets, acquired at a deep discount. As required by IFRS 9, lifetime expected credit losses were incorporated into the credit-adjusted effective interest rate at initial recognition, and only changes in lifetime ECLs are recognised in profit or loss. During the quarter, updated cash flow expectations reflecting continued outperformance resulted in a net impairment gain, recognised in accordance with IFRS 9.5.14. The Group provides the required IFRS 7 disclosures for credit-impaired assets, including movements in expected credit losses, carrying amounts, and key assumptions used in estimating revised cash flows.

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

EUR '000s	31 December 2025	31 December 2024
EUR	38 549	38 430
RON	63 292	11 720
PLN	1 126	10 835
HUF	9 135	2 714
RSD	303	1 476
CZK	32	91
Total	112 437	65 266

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

Note 10. Investment in joint venture

The investment is accounted for using the equity method in accordance with IFRS 11 Joint Arrangements as the Group has joint control over the arrangement and rights to the net assets of the joint venture and therefore recognises its share of the investee's profit or loss and other comprehensive income in accordance with IAS 28 Investments in Associates and Joint Ventures.

Note 11. Interest in associates

The investments are accounted for using the equity method in accordance with IAS 28 Associates and have changed as follows during the period:

Interest in associates EUR '000s	31 December 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	-	-4 672
Share of other comprehensive income of associates accounted for using the equity method	-	269
Reclassification to Group companies	-40 870	-
Dividends received, FX & other	-	-
Balance at end of the period	-	40 870

Note 12. 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 principal 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 dividend income from invested assets and interest earned on the financial assets is included within interest income on invested assets.

Financial assets at fair value EUR '000s	31 December 2025	31 December 2024
Balance at beginning of the period	89 666	53 198
Additions	7 680	46 881
Conversions	-	289
Loans	-	-
Disposals	-	-5 128
Fair value gains / (losses)	-1 893	7 287
Capitalized interest	-	1 950
Reclassification to investment in associates	-	-15 228
Reclassification to other receivables	-	-
Foreign exchange differences	-	417
Balance at end of the period	95 453	89 666

Note 13. Loans and borrowings

The Group had the following borrowings outstanding during the periods ending 31 December 2025:

Super Senior Bond loan EUR 25m

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

Bond loan EUR 200m

On 19 April 2021, Achilles Capital issued EUR 150m of senior secured fixed rate bonds at 9% within a total framework amount of EUR 300m. 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 EUR 100m and EUR 33.5m bonds (of which EUR 23m of the EUR 100m bonds were already held by Achilles Capital) and for investments and acquisitions.

On 21 September 2021, Achilles Capital successfully completed a EUR 50M tap issue under the EUR 300M senior secured bond framework. The bond tap issue was placed at a price of 102.0%. Following the tap issue the total outstanding nominal amount of the company's bond loan is EUR 200 million.

Achilles Capital has pledged the shares in its material wholly owned subsidiaries 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 Achilles Capital. The terms and conditions of Achilles Capital'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 AxFina acquired its Polish subsidiary, E-Kancelaria in November 2023. The borrowings have an average interest rate of 9%.

Carrying value of borrowings:

Note: Bond loans are initially reported at fair value net of transaction costs incurred and subsequently stated at amortized cost using the effective interest method.

Fair value of borrowings:

Group EUR '000s	IFRS 9 category	Fair value category	Fair value	Carrying value
at 31 December 2025				
Super Senior Bonds, 9.5%	Financial liabilities at amortized cost	Level 2	25 000	23 074
Senior Secured Bonds 9%	Financial liabilities at amortized cost	Level 2	107 629	165 632
Bonds AxFina Polska	Financial liabilities at amortized cost	Level 3	5 402	3 452
Borrowings E-Kancelaria	Financial liabilities at amortized cost	Level 3	99	99
Other borrowings	Financial liabilities at amortized cost	Level 3	2 004	2 004
Total			143 237	193 813
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, AxFina 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			116 528	172 212

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 14. Participations in Group companies

Parent Company EUR '000s	31 December 2025	31 December 2024
Investment	43 906	30 531
Total	43 906	30 531

Parent Company EUR '000s	Investment
At 31 December 2024	30 531
Acquisitions	13 375
At 31 December 2025	43 906

The Parent Company holds shares in the following subsidiaries:

EUR '000s Company	Corporate identity number	Domicile	Proportion of equity 31 December 2025	Proportion of equity 31 December 2024	Net book value 31 December 2025	Net book value 31 December 2024
DDM Invest III AG	CHE 115.238.947	Switzerland	100%	100%	19 364	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%	-	-
Achilles Collateral AG		Switzerland	100%	Not consolidated		
Finalp Zrt.*	06-10-000554	Hungary	100%	100%	-	-
AxFina Holding S.A	B239375	Luxembourg	100%	75.2%	24 428	21 053
AxFina Romania S.R.L***	44897030	Romania	99.3%	75.2%	-	-
AxFina Austria GmbH***	FN513105t	Austria	99.3%	75.2%	-	-
AxFina Croatia d.o.o.***	81136498	Croatia	99.3%	75.2%	-	-
AxFina Hungary Zrt***	06-10-000062	Hungary	99.6%	75.5%	-	-
Lombard Ingatlan Zrt***	06-10-000319	Hungary	99.6%	75.5%	-	-
AxFina Servicing Kft***	06-09-004809	Hungary	99.6%	75.5%	-	-
AxFina d.o.o.***	8458367000	Slovenia	99.3%	75.2%	-	-
AxFina Polska S.A.*** (previously Raport S.A.)	192029	Poland	99.3%	75.2%	-	-
E-Kancelaria Grupa Prawno- Finansowa sp. z o.o.	646101	Poland	99.3%	75.2%	-	-
Dial Tone sp. z o.o.	397334	Poland	99.3%	75.2%	-	-
E-Kancelaria Rosiński i Wspólnicy Kancelaria Prawna sp. k.	1007519	Poland	99.2%	75.1%	-	-
OmniOne S.A.		Luxembourg	71.0%	Not consolidated	-	-
Omnio Europe S.p.A.		Italy	71.0%	Not consolidated	-	-
Omnio Europe Merchant Services S.r.l.		Italy	71.0%	Not consolidated	-	-
Omnio Europe Payment Services S.r.l.		Italy	71.0%	Not consolidated	-	-
Omnio Group Limited		UK	71.0%	Not consolidated	-	-
Omnio EMI Limited		UK	71.0%	Not consolidated	-	-
Omnio Sercl Limited		UK	71.0%	Not consolidated	-	-
Total					43 906	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 30 June 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.

Acquisitions

OmniOne S.A.

In August 2025 DDM Invest III AG purchased additionally 18% of OmniOne S.A. Previously, DDM Invest III AG held 49.94% of the shares in OmniOne S.A. and post the acquisition the total participation is 67.96%. In December 2025, DDM III Invest AG converted 1 000 KEUR to shares, representing 3,04%. The total shareholding at 2025-12-31 is 71%.

In the Purchase Price Allocation, assets and liabilities have been identified at Fair Values.

Previous participation (49.94%):	23 725
Acquisitions August 2025 (18.02%)	23 578
Acquisition December 2025	1 000
Total participation 2025-09-30 (67.96%)	48 303

Fair value of the Non-Controlling Interest (50.06%)	65 342
Previous participation (49.94%):	-23 726
Realized gain recognized in the P&L	41 616

The assets and liabilities in Omnio Group are based on Fair Values in the Purchase Price Allocation:

Customer Base	62 349
IT Platform	37 409
Brand	24 940
Goodwill	31 175
Other non-current assets	7 260
Current assets	6 207
Cash and cash equivalents	2 943
Non-current liabilities	-849
Current liabilities	-9 440
Deferred Tax Liability	-31 175
Fair value of identified assets and liabilities	130 819

The effect on the Group's net cashflow as follows:

Paid cash	-750
Acquired cash and cash equivalents	2 943
Net cash post-acquisition	2 193

The investment amounts to 23 578 KEUR, of which 23 008 were paid by converted receivables and 750 KEUR by cash.

AxFina Holding S.A.

In July 2025, Achilles Capital AB purchased additionally 24,08%, from 75,2%, of the shares in AxFin Holding S.A. The acquisition has been recognized in accordance with IFRS 10. The acquisition has not affected any of the group's assets or liabilities.

Purchase Price	3 300
Non-Controlling Interest 2025-06-30	-1 097
Residual	2 203

The residual has been recorded within the Group's equity in accordance with IFRS 10.

Note 15. Related parties

Achilles did not make any additional investments with related parties during Q4 2025. The total investments for 2025 consisted of the 0,3m investment in Enersize in Q3 and the investment of 0,7m in Dormy House Flat C Ltd in Q1.

Note 16. Subsequent events

Subsequent events detailed on Page 28.

Signatures

The Board of Directors and Chief Executive Officer declare that the interim report 1 January – 31 December 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, 27 February 2026

Jörgen Durban
Vice Chairman of the board

Keith Halsey
Board member

Erik Fällström
Chairman of the board

Definitions

Achilles

Achilles Capital 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 and revenue from management fees & other services, 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.

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

Achilles 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 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 Group discloses the alternative performance measure "Net collections" in the notes separately, as it is an important measurement for The Group to monitor the performance of the portfolios and measure the cash available for operating expenses and to service its debt. The Group believes that disclosing net collections as a separate performance measure in the notes improves the transparency and understanding of The 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 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 Oct - 31 Dec 2025	1 Oct - 31 Dec 2024	Full year 2025	Full Year 2024
Net collections *	10 582	12 117	41 582	44 648
Revenue from mgt fees and other services	-328	734	1 516	2 662
Other operating income	1 545	721	1 882	721
Personnel expenses	-2 133	-3 418	-8 293	-9 526
Consulting expenses	-3 444	-2 090	-9 045	-7 543
Other operating expenses	-4 456	-685	-7 999	-3 597
Operating expenses	-10 033	-6 193	-25 337	-20 666
Cash EBITDA	1 766	7 379	19 643	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 28 for a reconciliation of alternative performance measures ("APMs") to IFRS

Net debt:

Super Senior bonds, 9.5%	23 074	23 853	23 074	23 853
Bond loan, 9%	165 632	141 531	165 632	141 531
Bonds, AxFina Polska	3 452	3 467	3 452	3 467
Bonds, E-Kancelaria	3 202	3 259	3 202	3 259
Borrowings, E-Kancelaria	-	102	-	102
Other borrowings	2 004	-	2 004	-
Less: Cash and cash equivalents	-4 563	-6 787	-4 563	-6 787
Net debt	192 801	165 425	192 801	165 425

Equity ratio:

Shareholder's equity	157 640	38 466	157 640	38 466
Shareholder debt (subordinated)	-	-	-	-
Accrued interest on shareholder debt	-	-	-	-
Total equity according to the senior secured bond terms	157 640	38 466	157 640	38 466
Total assets	425 093	247 101	425 093	247 101
Equity ratio	37.1%	15.6%	37.1%	15.6%

Alternative performance measures – reconciliation to IFRS:

EUR '000s	1 Oct - 31 Dec 2025	1 Oct - 31 Dec 2024	Full year 2025	Full Year2024
Gross collections	7 197	11 829	32 742	43 102
Incremental gross distribution from associate and joint venture	2 081	3 904	9 951	7 506
Distributions/interest from financial assets at fair value	3 097	921	6 019	5 476
Adjusted gross collections	12 375	16 654	48 712	56 084
Net collections	6 166	8 406	27 040	33 924
Incremental net distribution from associate and joint venture	1 319	2 790	8 523	5 248
Distributions/interest from financial assets at fair value	3 097	921	6 019	5 476
Adjusted net collections	10 582	12 117	41 582	44 648
Cash EBITDA	-2 650	3 668	5 101	16 641
Incremental net distribution from associate and joint venture	1 319	2 790	8 523	5 248
Distributions/interest from financial assets at fair value	3 097	921	6 019	5 476
Adjusted cash EBITDA	1 766	7 379	19 643	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.

Projected estimate guidance for 2026 (including investments in 2026):

Collections from the Onyx portfolio during the two first months of the year is according the plan, which supports the uplift in ERC of 98 MEUR as reported on the 24th of September 2025. The projected gross collection from the Onyx Portfolio and other portfolios are detailed on page 28.

MEUR	Q1 2026	Q2 2026	Q3 2026	Q4 2026
Gross collections	10.2	12.1	19.5	28.5
Collection costs	-2.0	-2.3	-3.6	-5.2
Net collections	8.2	9.8	15.9	23.3

About Achilles Capital

Achilles Capital AB (Nasdaq Stockholm: Achilles Capital 2026) is part of the Achilles Capital AB, 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 Achilles Capital AB also engages in businesses that are related, complementary, incidental, ancillary or similar to any of the foregoing. The Achilles Capital AB 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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