



Strong net collections from recent acquisitions

12 May 2016

Q1 Interim report (1 January – 31 March 2016)

Presenters: Gustav Hultgren, CEO, and Fredrik Olsson, CFO

DDM Holding AG (Nasdaq First North Stockholm: DDM) and
DDM Treasury Sweden AB (publ) (NGM: DDM1)



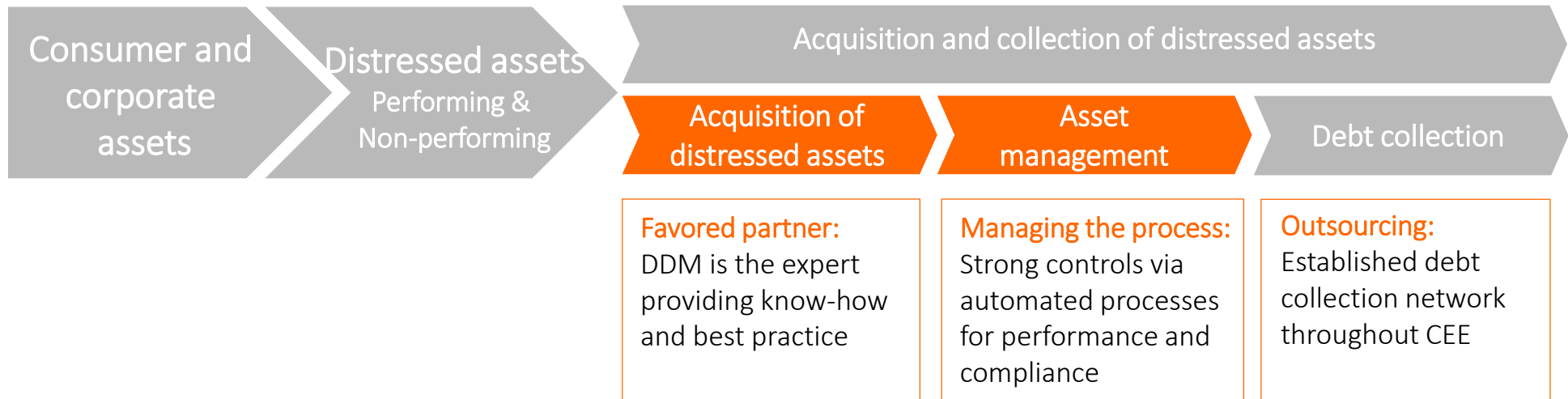


Agenda

Company overview

Key developments

Financial recap January – March 2016



Deal sourcing: Opportunistic approach the key value driver, both for profitability and growth

Relations: Strong relationships across the region and a credible buyer

Processes: DDM manages the collection process through its proprietary IT system and outsources collections to the optimal partner

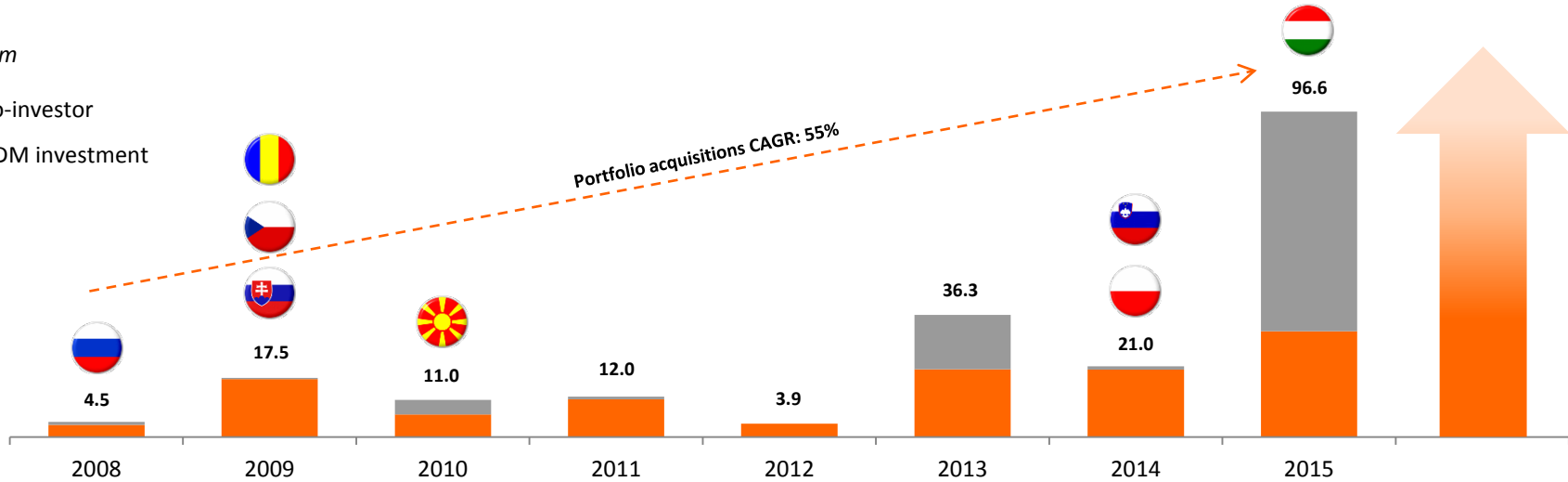
Scalability: Cross regional relationships for quick market entry and flexibility

Company | Proven track record and roadmap

EURm

■ Co-investor

■ DDM investment



Start up phase	Build up phase	Scale up phase	Growth (target pipeline)
<p>2007: DDM founded</p> <p>2008: First external funding and initial investments made in Russia</p>	<p>2009-2012: Build up of team, processes and IT system FUSION. DDM headcount from 3 to 10+ people, acquired 50 portfolios</p> <p>2009: Enters Romania, Czech Republic and Slovakia</p> <p>2010: Enters Macedonia</p>	<p>2013: First bond issue of SEK 300m</p> <p>Starts co-investment discussions with a leading global financial institution</p> <p>2014: IPO on Nasdaq OMX First North</p> <p>Ruble crisis</p> <p>Enters Poland and Slovenia</p>	<p>2015: Enters Hungary with two landmark transactions</p> <p>2016 roadmap, financial and operational target:</p> <ul style="list-style-type: none"> Capitalize on strong market opportunities in CEE reflected in current pipeline Continued focus on growth and lowering cost of capital



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Summarizing the quarter

- Strengthened presence in the Czech Republic through the acquisition of a new portfolio
- Additional loan financing was secured to fund the portfolio acquisition
- Net collections were strong in the quarter, due to the recent Hungarian acquisition as well as the new Czech portfolio
- Future investments
 - Opportunistic deal focus on the Central and Eastern European region
 - Positive momentum across the region on the back of recent transactions
 - Significant pipeline growth, paving way for future investments

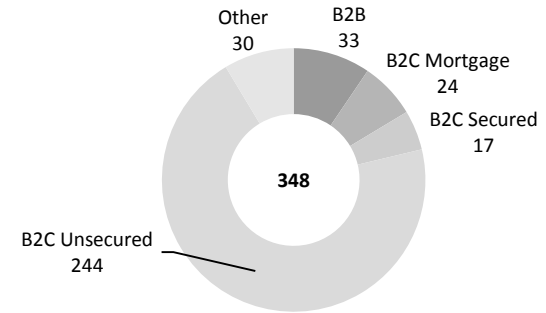


■ Company headquarters in Switzerland

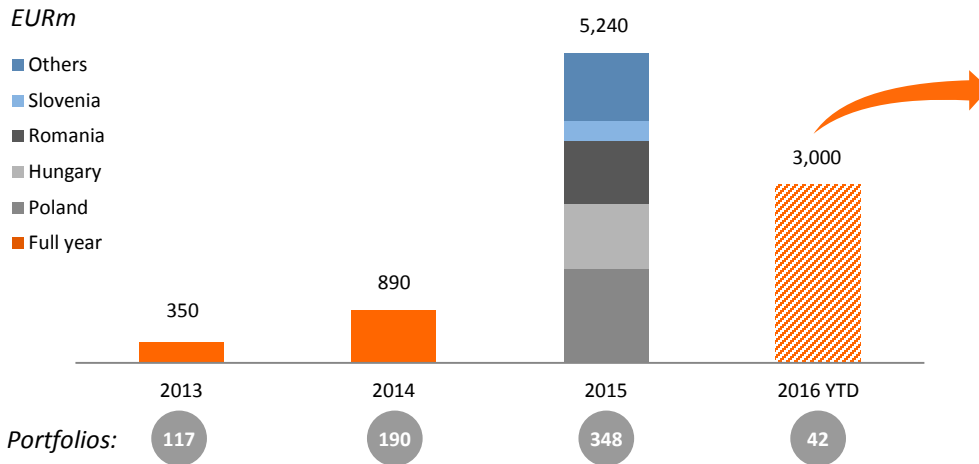
■ Invested markets

- In 2015, after being present in the CEE region for many years the visible flow of investment opportunities surged to over EUR 5.2bn divided over 348 portfolios
 - The majority of portfolios analysed involved unsecured as well as secured consumer loans
- Currently, DDM is involved in several negotiations of primarily consumer loans, either in exclusivity or in cooperation with a co-investor

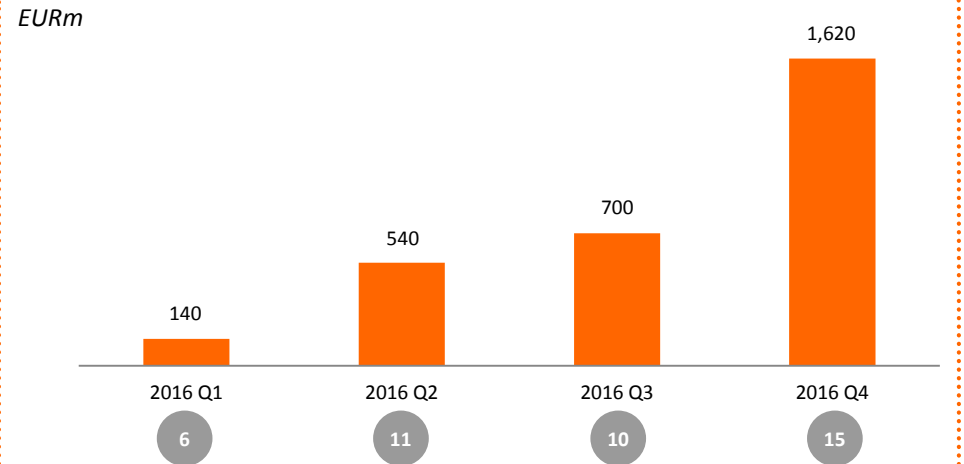
Number of portfolios analysed by type 2015



Portfolios analysed (investment value and number of portfolios)

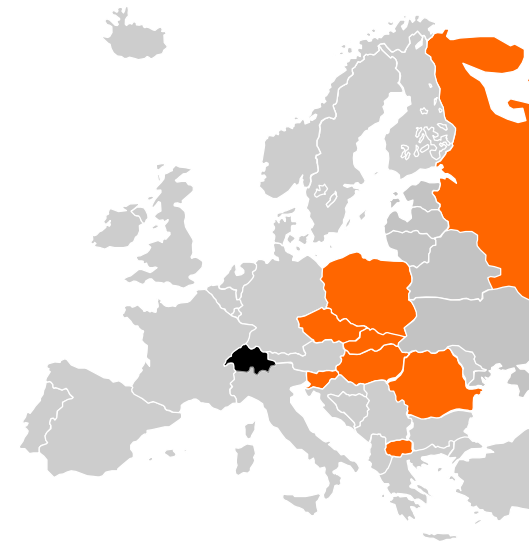


2016 investment opportunities*



Since the end of the quarter

- The recent Hungarian transaction closed at the end of April
 - In early May DDM received the first cash flows from collections
 - Will contribute to stronger operational cash flows in 2016
- The Annual General Meeting was postponed to 28 June 2016 due to an administrative error in the invitation process handled by Euroclear Sweden and SIX SAG
- Future investments
 - Funding is a key focus to sustain growth



■ Company headquarters in Switzerland

■ Invested markets



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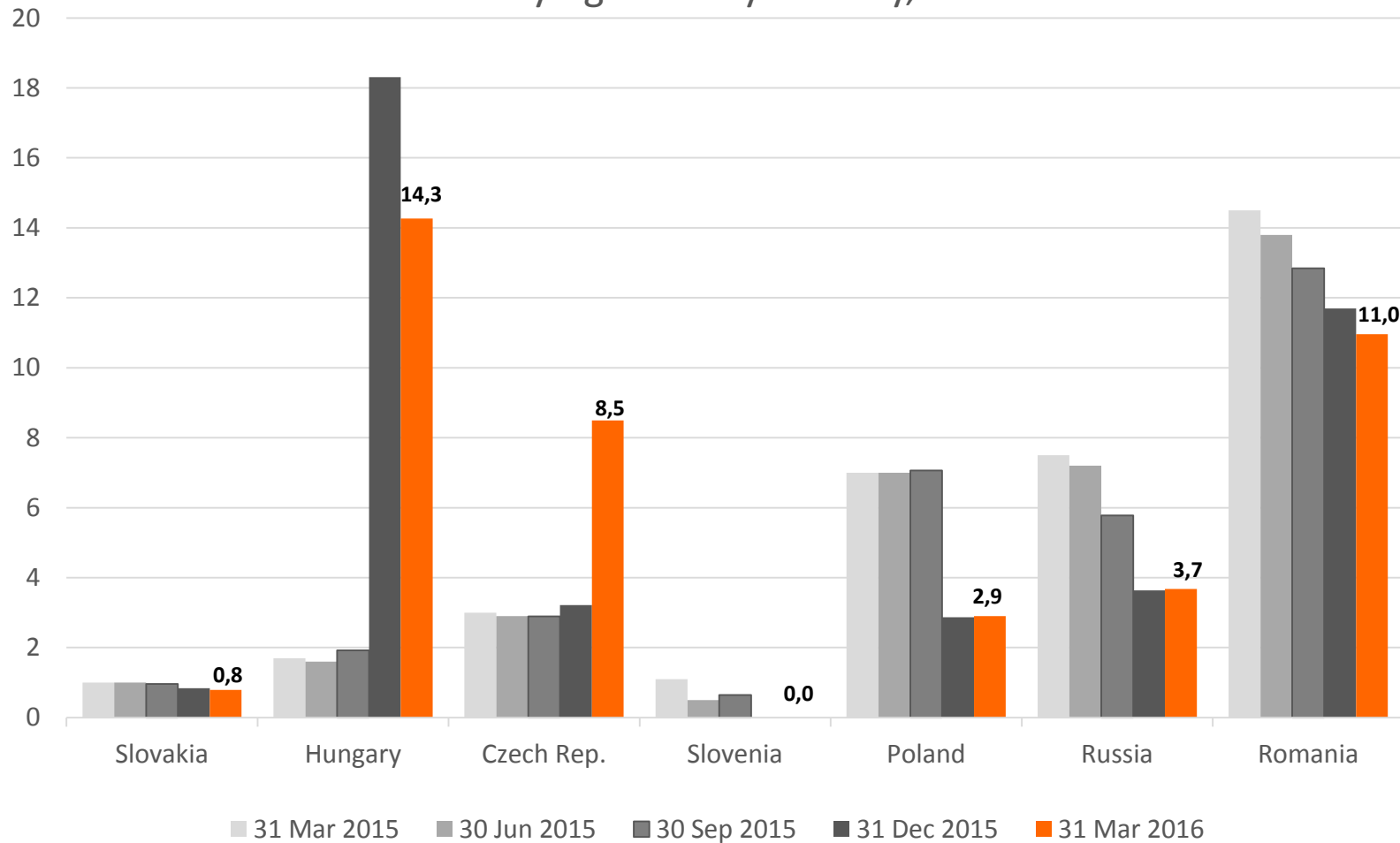
EUR M	Q1 2016	Q1 2015	Change, %	Full-year 2015
Net collections	7.9	5.7	+39	27.5
Cash EBITDA	6.6	4.2	+60	21.7
Operating profit	1.4	0.8	+65	10.0
Profit for the period	0.1	0.2	-66	1.8
Cash flow from operating activities before working capital changes	4.4	2.3	+92	(2.5)

EUR M	31 March 2016	31 December 2015	Change, %
Total assets	58.0	55.2	+5
Cash and cash equivalents	3.0	3.4	-10
Distressed asset portfolios and other long-term receivables from investments	41.1	40.6	+1
Total shareholders' equity and liabilities	58.0	55.2	+5
Total liabilities	49.6	46.9	+6
Total shareholders' equity	8.4	8.3	+1
Net Debt*	37.8	33.4	+13
	31 March 2016	31 December 2015	Change, %
Gross ERC 120 months	70.9	72.2	-2
Interest coverage ratio **	5.1x	4.3x	+18

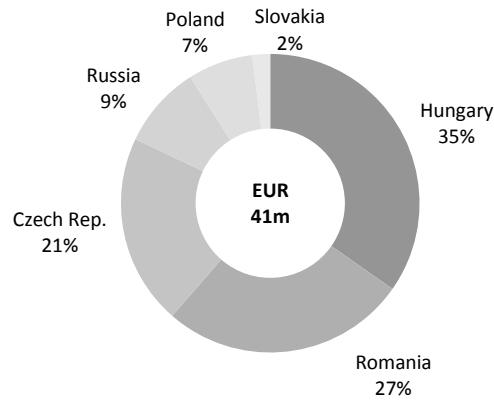
* Long-term and short-term loans, liabilities to credit institutions (bank overdrafts) minus cash and cash equivalents

** EBITDA to interest expense ratio (includes non-cash collections)

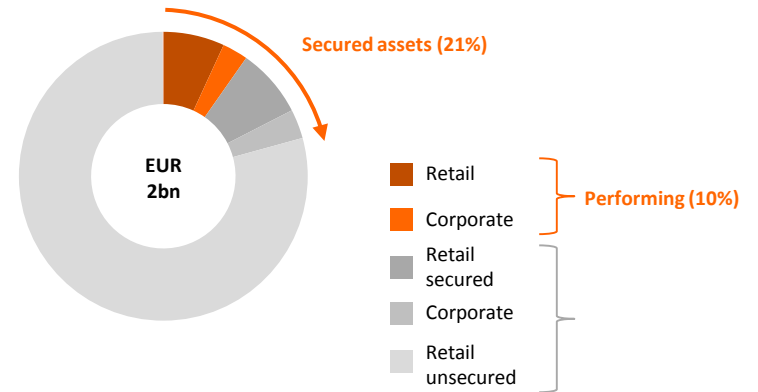
Carrying value by country, EUR M



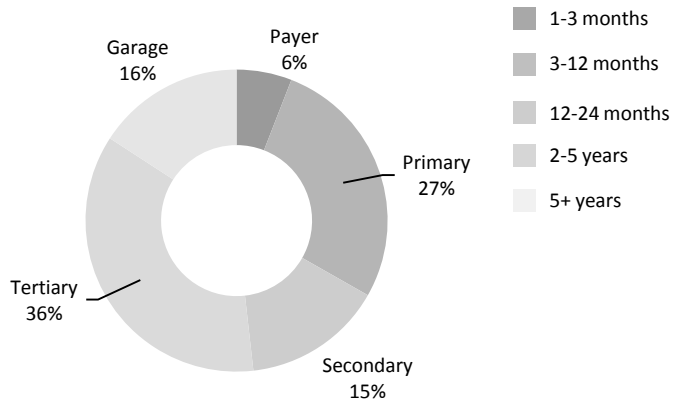
NPL assets by country, Q1 2016



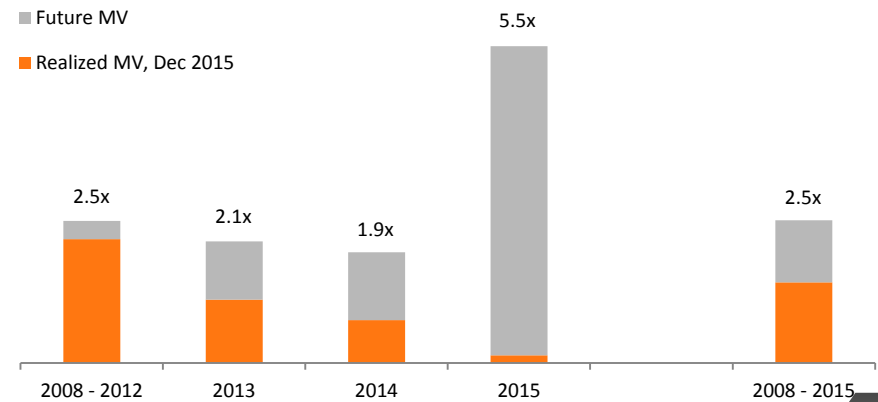
Gross collection value by category, YE 2015



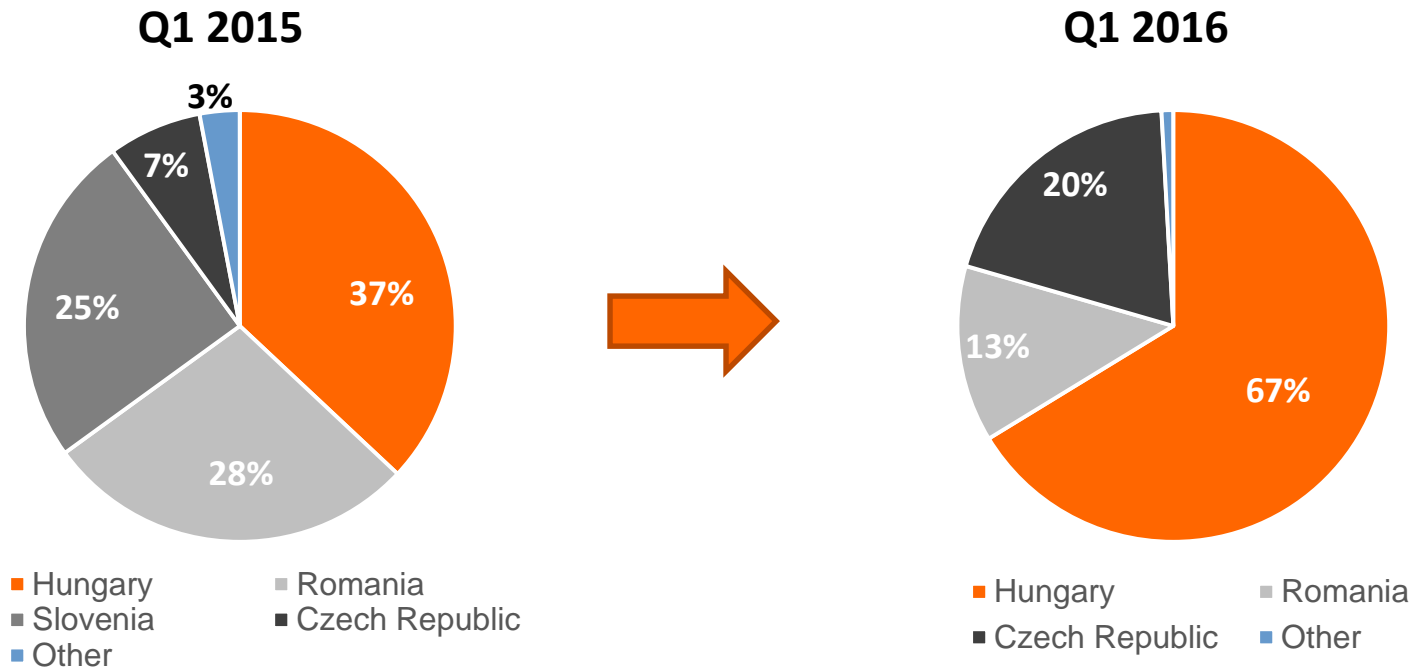
GCV by days past due as of acquisition date, YE 2015



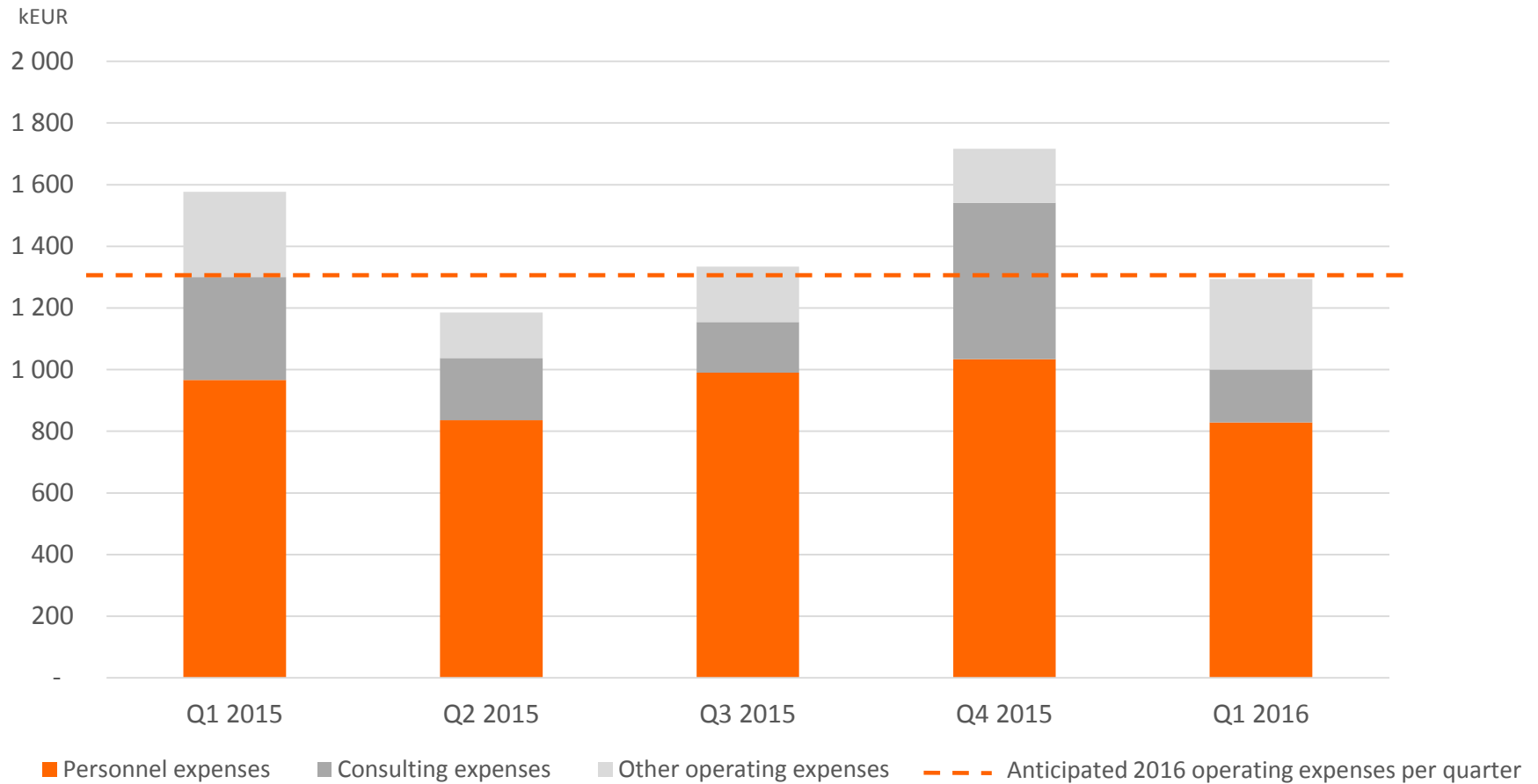
Gross money multiples per vintage*



Net collections by country, %
Q1 2015 vs. Q1 2016



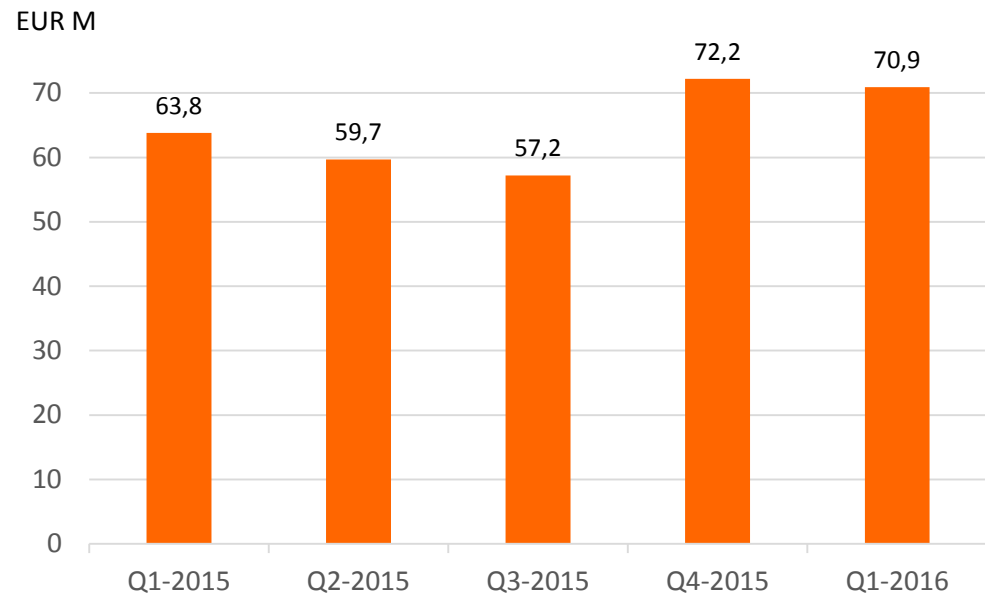
Operating expenses are in line with guidance in Q1



Estimated Remaining Collections (ERC)

Estimated Remaining Collections refers to the sum of all future projected cash collections from acquired portfolios.

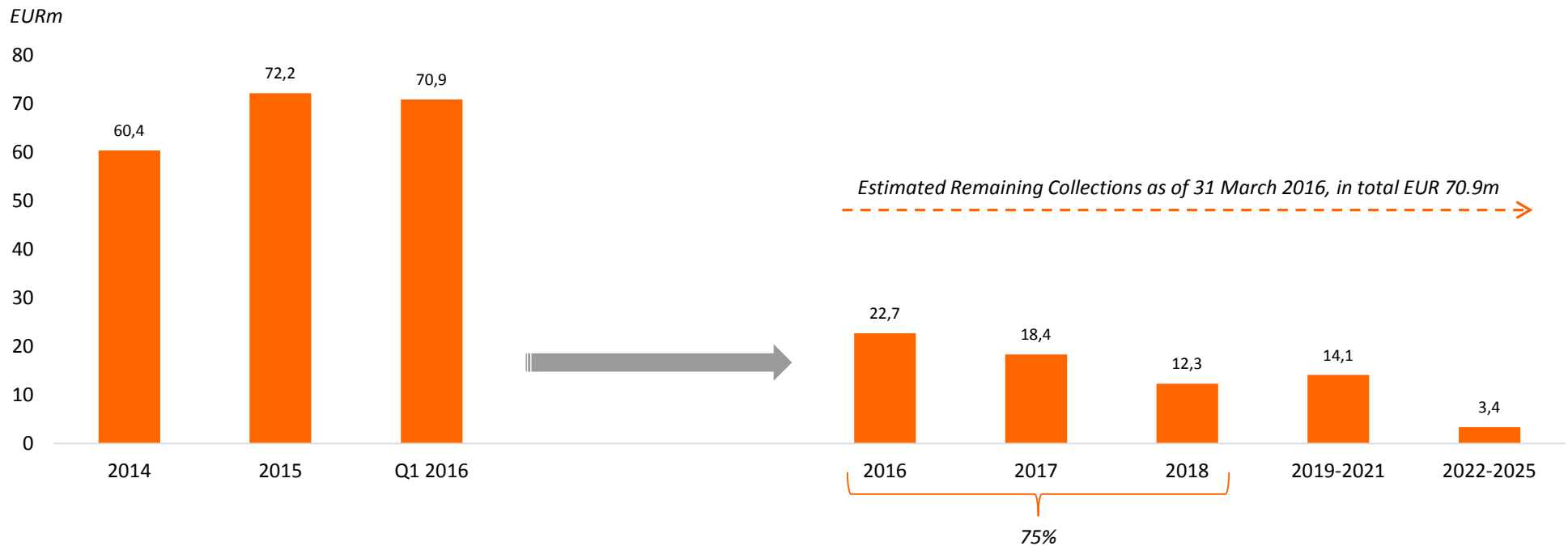
- +11% vs. Q1 2015
- Continued focus on growth
- Primary KPI for portfolio growth
- Industry measure



ERC | 120-months gross Estimated Remaining Collections

Historic 120-months gross ERC and projected future collection on existing portfolios, Q1 2016

- The relatively short tail is primarily due to the fact that a few recently acquired portfolios consist of performing loans



Guidance

Portfolio investments to exceed EUR 30m during financial year 2016

Financial targets

Maintain an EBIT margin (LTM EBIT / LTM Revenue on invested assets) above 50%
Gross Estimated Remaining Collections (ERC) growth year-on-year above 25%

- Strong net collections from recent acquisitions
- New portfolio acquired in the Czech Republic
- The first cash flows from the recent Hungarian acquisition were received in early May
- Funding is a key focus to sustain growth

Annual General Meeting in Zug, Switzerland: 28 June 2016

Interim report January – June 2016 expected to be published on 11 August 2016

Interim report January – September 2016 expected to be published on 10 November 2016



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