



Pareto Securities Nordic Corporate Bond Conference 2016

Gustav Hultgren, CEO

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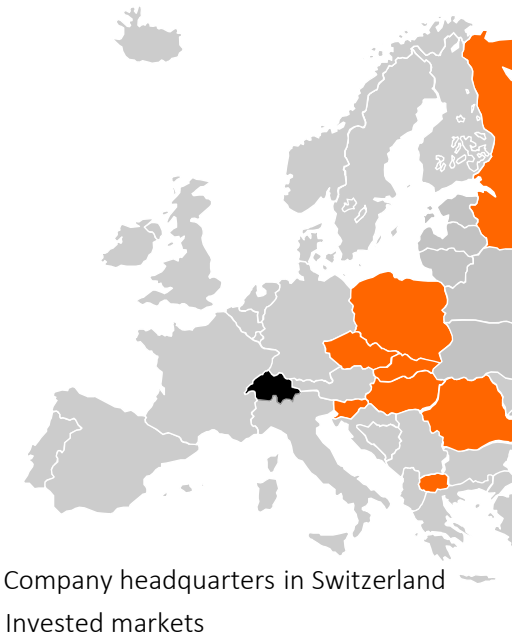
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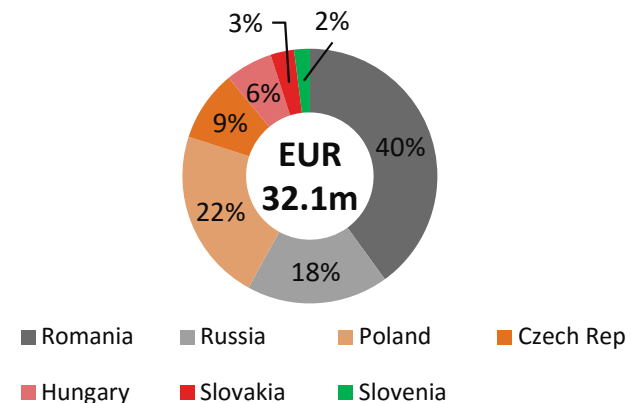
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- Founded in 2007, listed in Stockholm (Nasdaq First North)
  - 22 employees, headquartered in Baar, Switzerland
  - SEK 325m (€35m) bonds outstanding
  
- Specialist acquirer and manager of distressed asset portfolios with focus on Eastern Europe
  - Debt collection operations fully outsourced via local agencies
  
- Custom-built and unique “FUSION” IT system
  - Bespoke activity-level based analytics (e.g. based on each payment, each phone call, each letter, etc.) enhances portfolio valuations, improves collections and improves risk monitoring
  - Sophisticated collection management through targeted activities and strategies, allocated amongst agencies
  
- Currently managing assets with face value of €1.8bn\*
  - Invested over €100m in 84 portfolio acquisitions since 2007\*
  - 2.4m individual debts\*
  - Recently trusted by a leading US bank to acquire and manage a business running a loan portfolio in Hungary
  - Positive spin-off effects leading to significant new investments

\* Data as per end 3Q2015  
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Book value by country, 30 Sept 2015



## Multinational investor and manager of distressed assets



**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 has its proprietary IT system, outsources the collection to the optimal partner and manages the collection process.

- Favoured partner: Favoured partner as source of know-how and best practice.
- Managing the process: Strong controls via Fusion for performance and compliance
- Outsourcing: Focus on core activity of investing and managing distressed assets
- Scalability: Cross regional relationships for quick market entry and flexibility

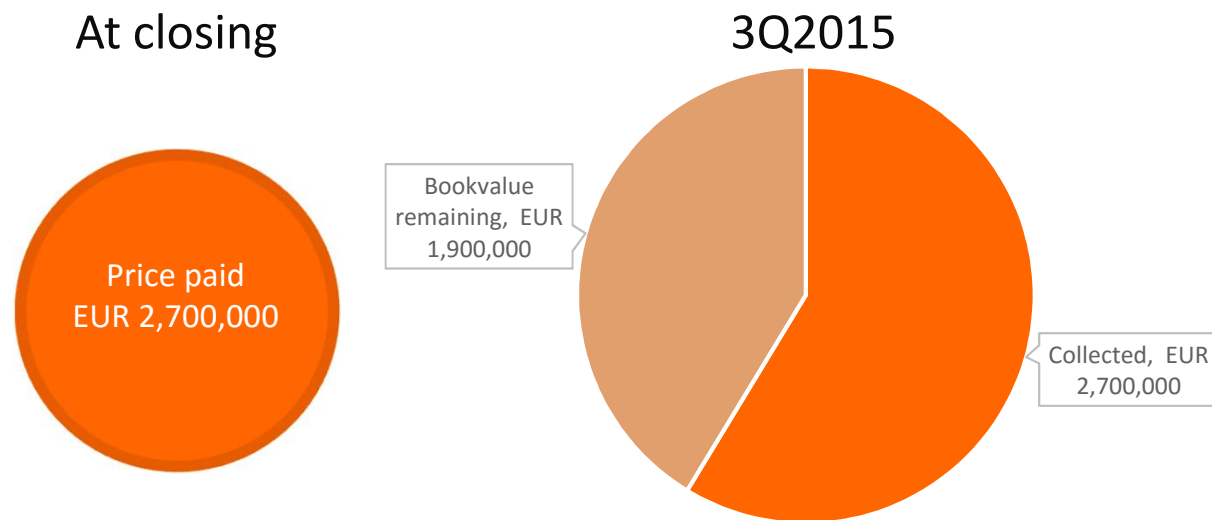
EUR M	9M 2015	9M 2014	Change, %
Net Collections	11.6	8.4	+ 38
Cash EBITDA	7.5	5.1	+ 47
Net Result	- 2.9	- 2.1	n/a

### Focus highlights

- H1 2015: Senior Secured Bond refinancing
- H2 2015: New and existing investments
- H1 2016: Further funding and more investments



- In February 2015, following 18 months of negotiations, DDM concluded the acquisition of FinAlp Zrt, a car finance portfolio in Hungary
- Deal was 80% funded by one of the US's largest banks but is crucially 100% operationally managed by DDM
- DDM receives a management fee from the co-investor, based on a percentage of the collections

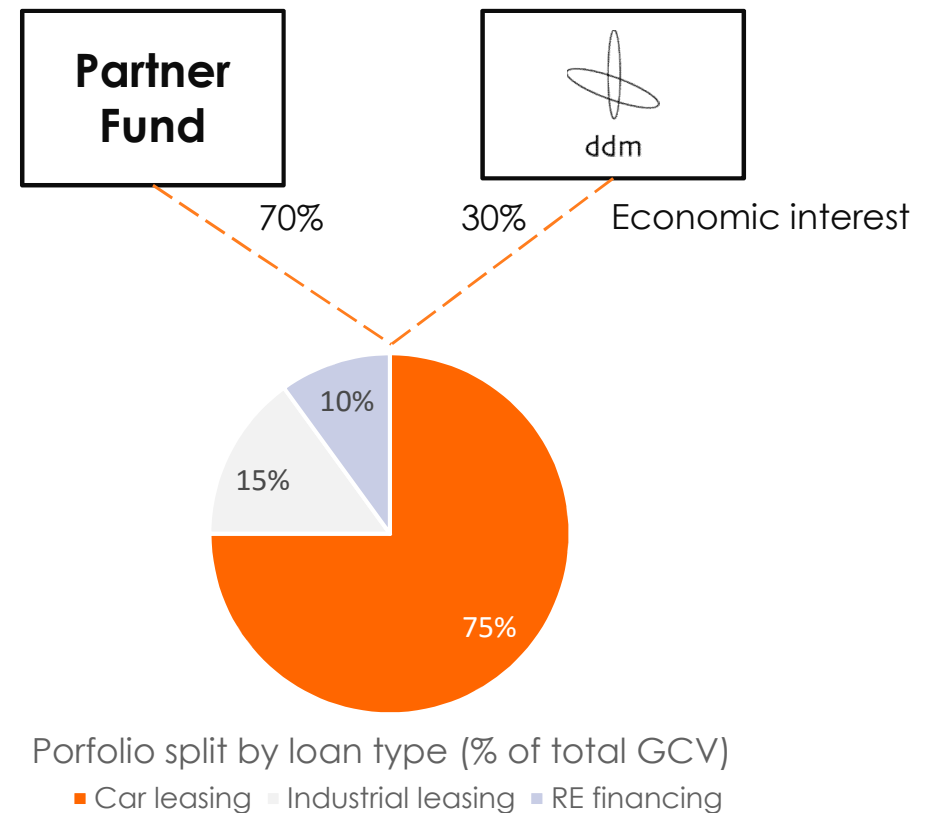


- Mixture of Performing and Non Performing loans in a distressed asset is an ideal match.

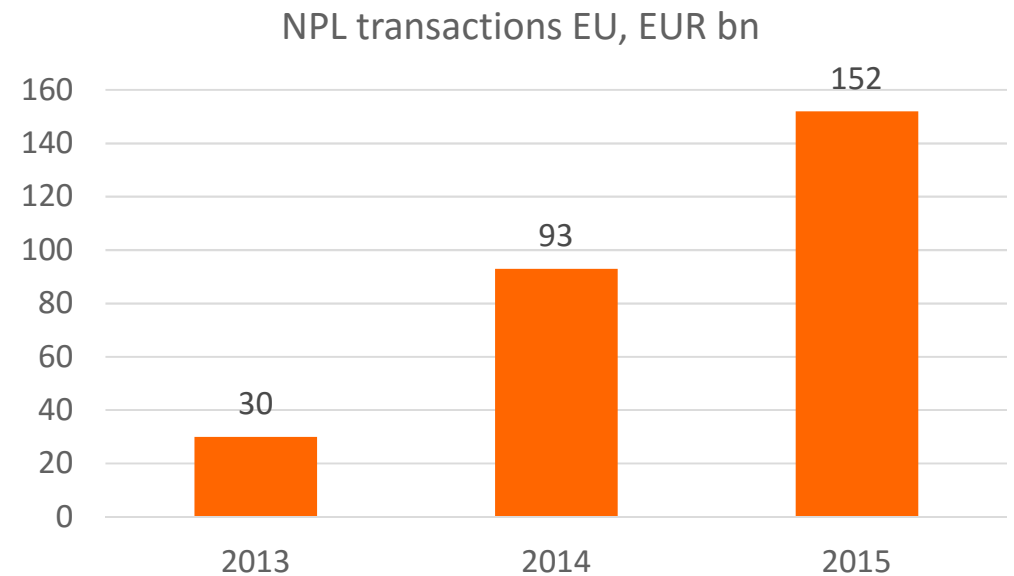
# Investment highlight | 2<sup>nd</sup> Hungarian portfolio



- Similar to FinAlp, DDM has been working for 12 months on the acquisition of Hungarian leasing portfolio alongside a global investment manager
  - Portfolio of performing loans as well as NPLs
  - European bank exiting the market
- Similar but larger situation than FinAlp
  - Management of collections and portfolio
- Extensive financial and legal due diligence carried out by a Big 4 firm and a top international law firm
  - Extensive benefit from previous transaction
- DDM will manage the investment and receive a management fee from the co-investor
- The acquisition is estimated to grow DDM's portfolio of investments in excess of EUR 15m or more than 50% compared to Q3 numbers.



- EU 5x increase since 2013\*
  - Asset Quality Review by banks
  - Volumes driven by western EU
  
- Substantially stronger CEE/Austria growth\*
  - 8.4bn 1H2015 vs 2bn 2014
  - Estimate over 5x growth year-on-year
  - CEE expected to be key market for loan-sale and non-core divestiture 2016
  
- DDM pipeline is outperforming market growth
  - Strategy implementation
  - Strengthened brand
  - Seller focus is turning towards CEE portfolios\*



Source \*: Deloitte, 2015



Interim report expected to be published on 29 February 2016



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