

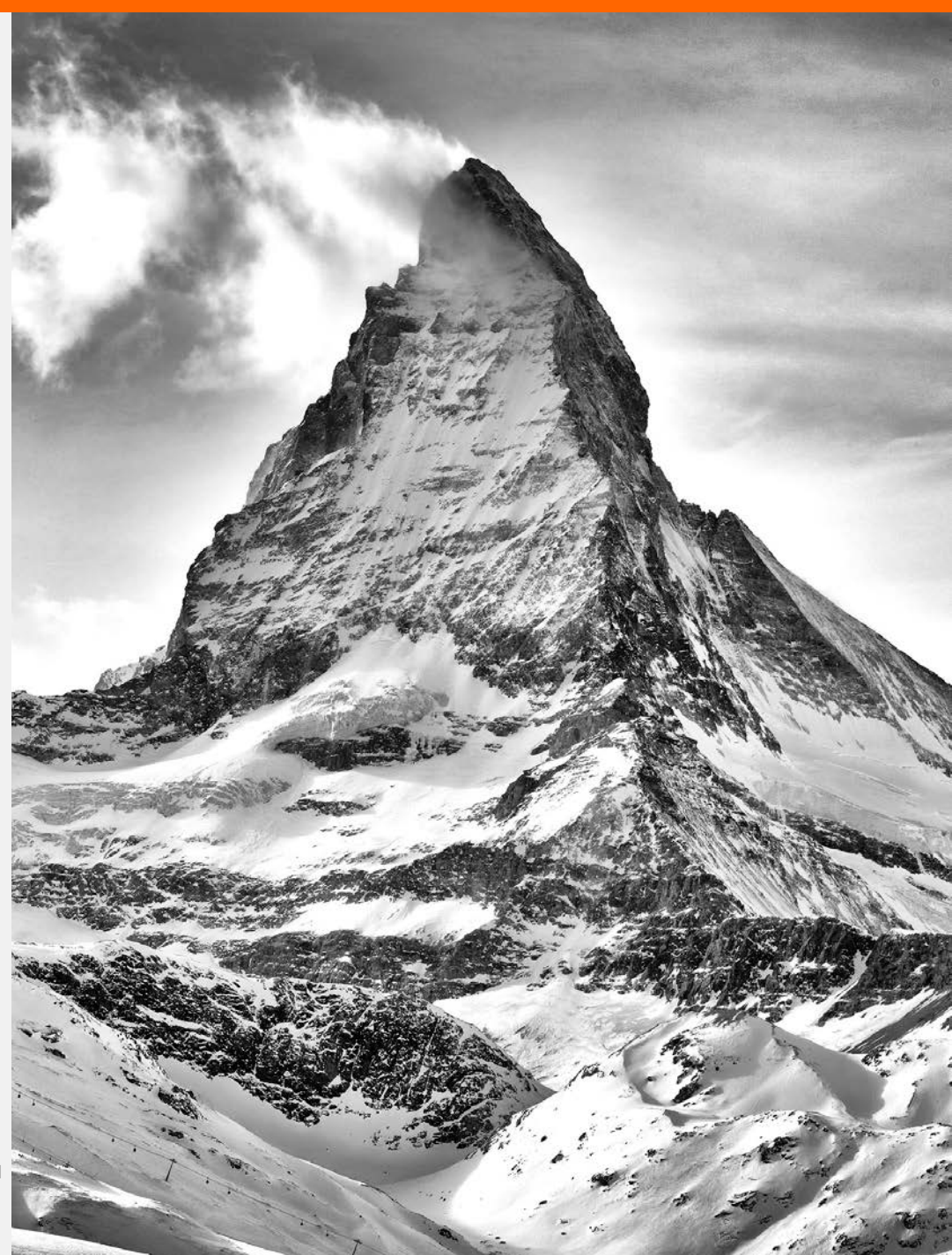


ddm

Q1 2018 report

3 May 2018

Presenters: Kent Hansson, acting CEO, and
Fredrik Olsson, CFO

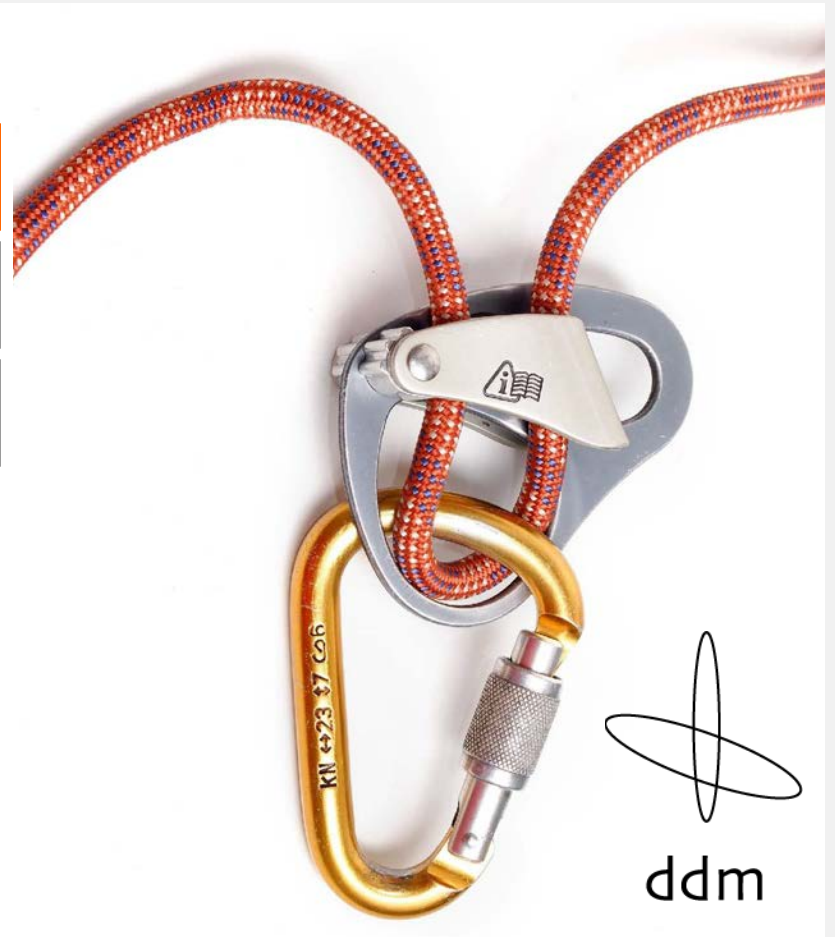


AGENDA

1. Key developments

2. Financials Q1 2018

3. Summary



Key developments: Q1 2018

Summarizing the quarter

- Kent Hansson, founder and Chairman of the Board of Directors, became acting CEO from 5 February
- New Chief Investment Officer, Alessandro Pappalardo, appointed as a member of the Executive Management Committee on 22 February
 - Extensive industry experience
- EUR 17M super senior revolving credit facility extended for six months until 28 September
- Presented at Pareto Securities' Nordic Corporate Bond Conference and at Carnegie Investment Bank's Debt Purchase Seminar in March
- Significant investment in the Balkans in March
 - Investment of about EUR 30M closed
 - Secured corporate receivables
 - About 90% of the portfolio value located in Slovenia and Croatia
 - Receivables in several additional markets including Bosnia & Herzegovina and Montenegro
 - Additional investment of about EUR 10M pending regulatory approval
- Significant increase in ERC
 - Increase of 240% since 31 March 2017



- Company headquarters in Switzerland
- Invested markets



Key developments since the end of the quarter

Since the end of the quarter

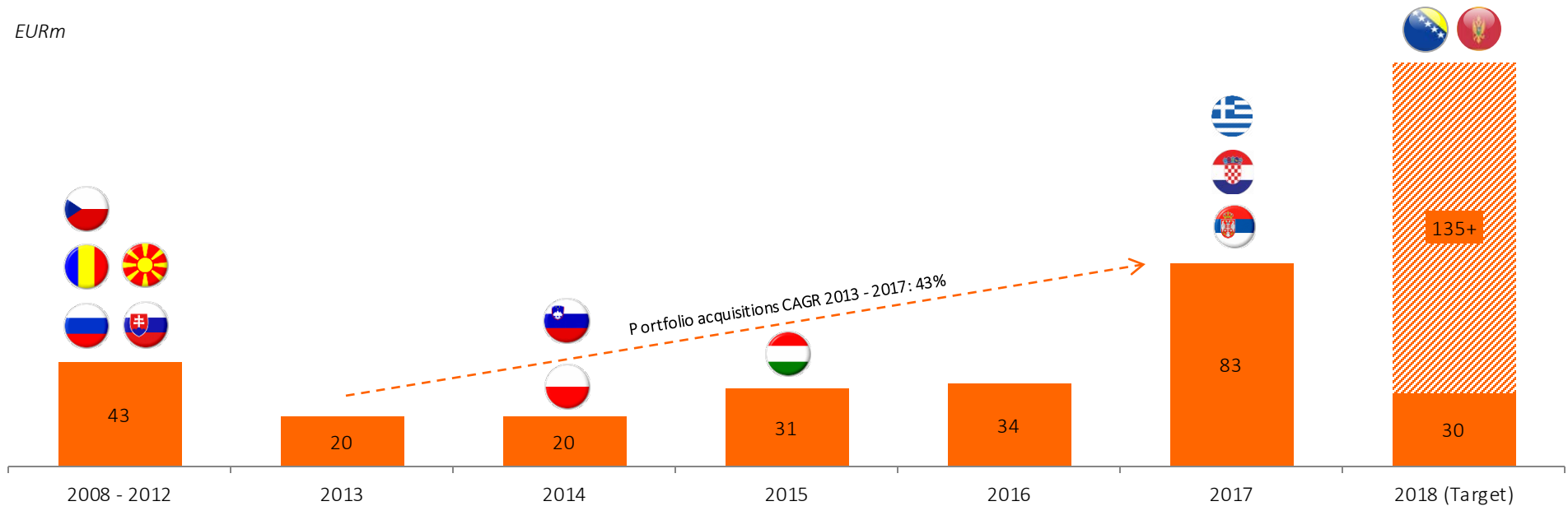
- Torgny Hellström nominated as Chairman of the Board of DDM Holding AG
- New Head of Business Development, Henrik Wennerholm, appointed as a member of the Executive Management Committee on 2 May
 - Extensive industry experience from companies including Hoist, Aktiv Kapital (PRA Group), and B2Holding ASA



- Company headquarters in Switzerland
- Invested markets

Achievements in 2017 a platform for significant growth in 2018

EURm



Start up and build up phases

- 2007:** DDM founded
- 2008:** First external funding and initial investments made in Russia
- 2009-2012:** Build up of team, processes and IT system FUSION
DDM headcount from 3 to 10+ people, acquired 50 portfolios
- 2009:** Entered Romania, Czech Republic and Slovakia
- 2010:** Entered Macedonia

Scale up phase

- 2013:** First bond issue of SEK 300m
Starts co-investment discussions with a leading global financial institution
- 2014:** IPO on Nasdaq OMX First North
Entered Poland and Slovenia

Growth (target pipeline)

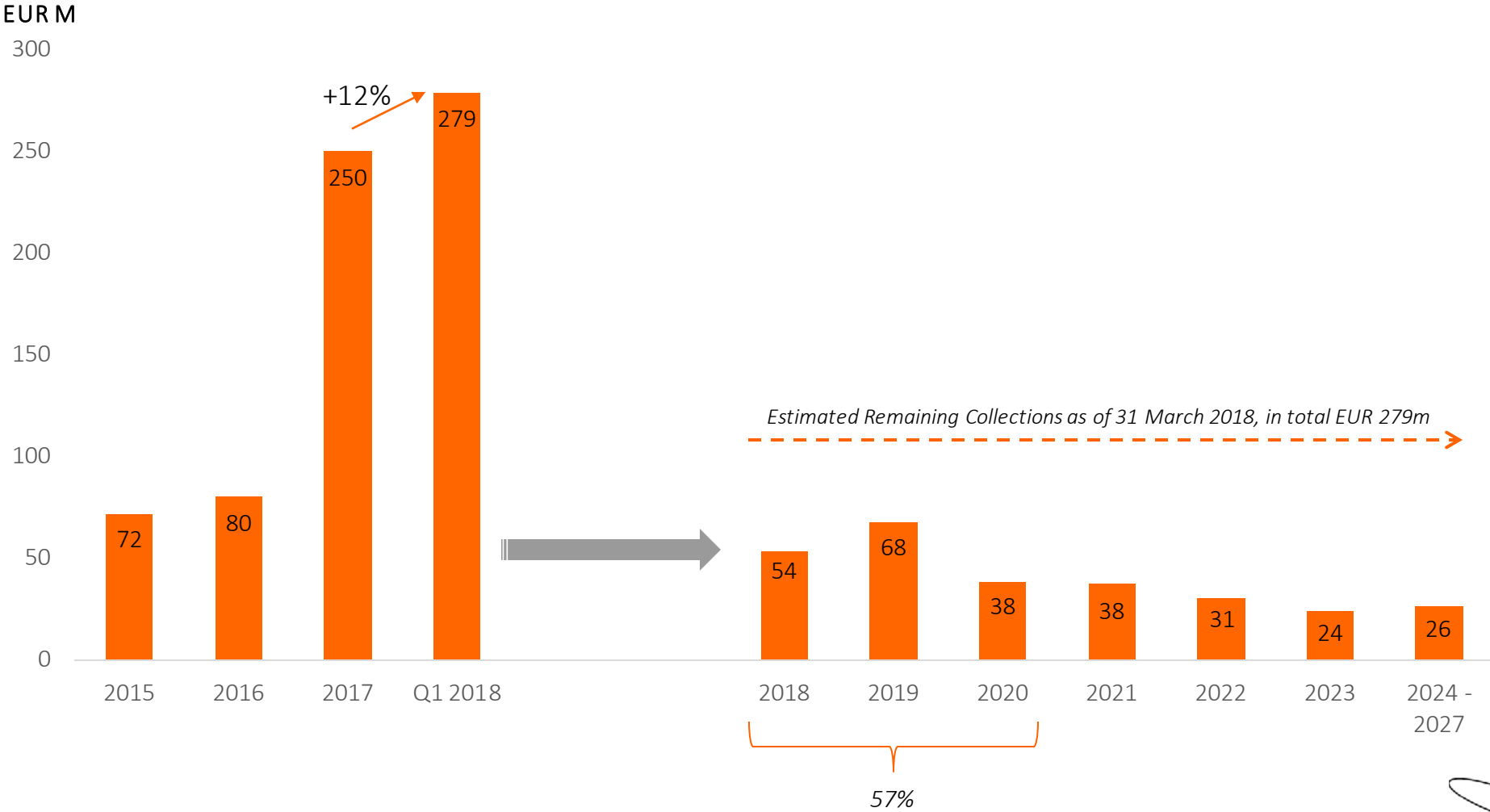
- 2015:** Entered Hungary with two landmark transactions
- 2016 July:** Share capital increase of EUR ~ 7m and first EUR bond of EUR 11m issued. Landmark transaction in Slovenia
- 2017 Financing activities:** Refinanced existing debt with EUR 50m bond at 9.5% in January, completed share issue of EUR ~ 11m in March, completed EUR 35m tap issue of outstanding bond at 101.50 corresponding to a yield of ~ 9% in April. EUR 17m RCF signed in September, EUR 10m bridge financing completed in November and EUR 50m of senior secured bonds at 8% issued in December, within a total framework of EUR 160m
- 2017 Investing activities:** Acquired two portfolios in Croatia in June, transaction in Greece in July, acquired portfolios in the Czech Republic from a repetitive seller in January and September. Transaction with a partner in Greece in November. Entered Serbia in December
- 2018 Financing activities:** Extended EUR 17m RCF for six months in March
- 2018 Investing activities:** Significant investment in the Balkans in March. Entered Bosnia & Herzegovina and Montenegro
- Roadmap:** Capitalize on strong market opportunities in SCEE and continued focus on funding growth and lowering cost of capital

Note: Country flags represent when DDM first entered the respective market



Significant ERC balance shows the growth potential

Historic 120-months gross ERC and projected future collection on existing portfolios, 31 March 2018

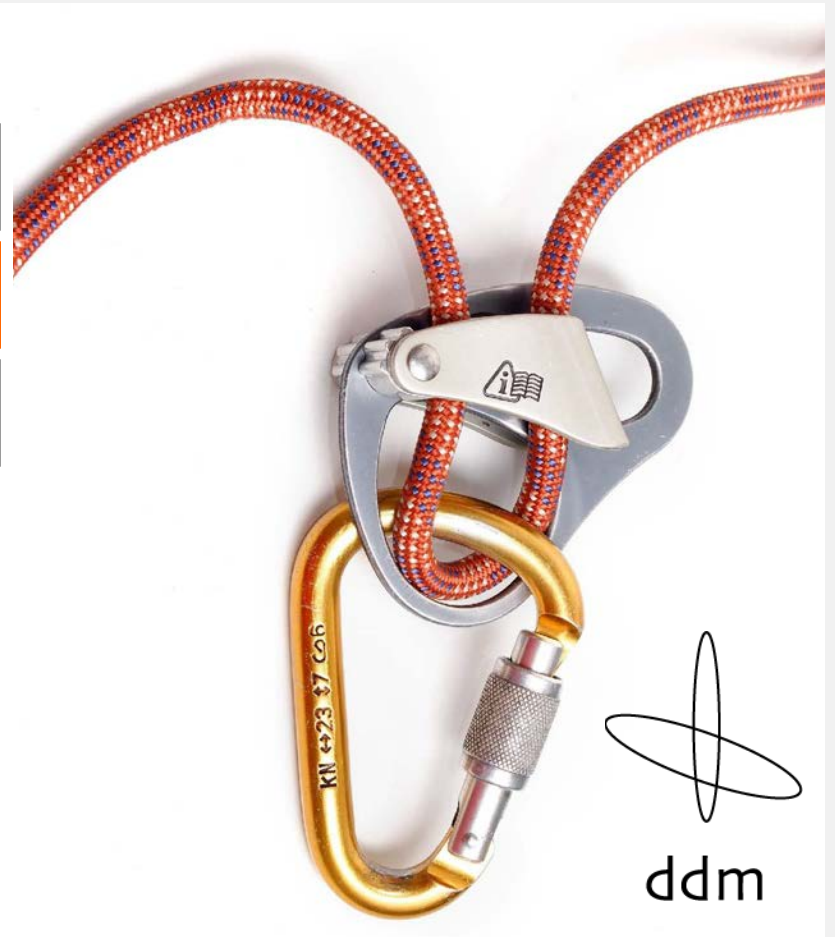


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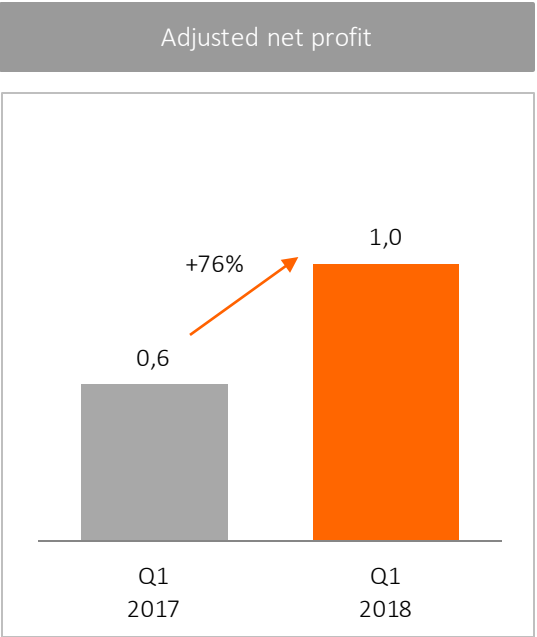
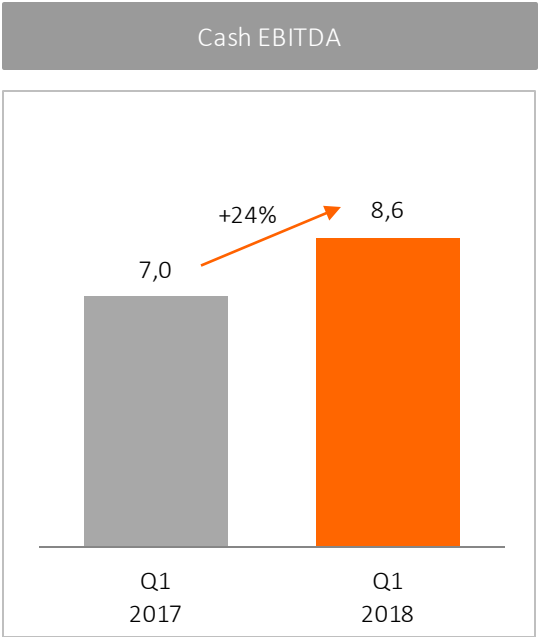
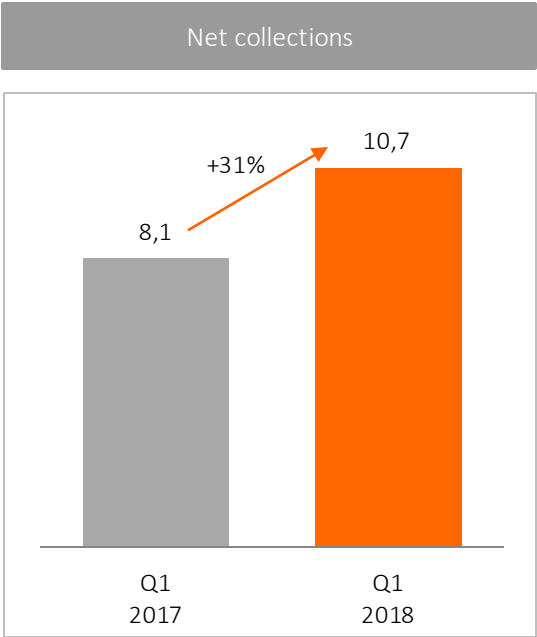
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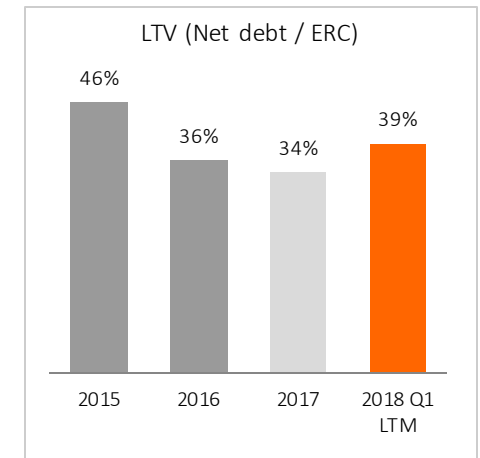
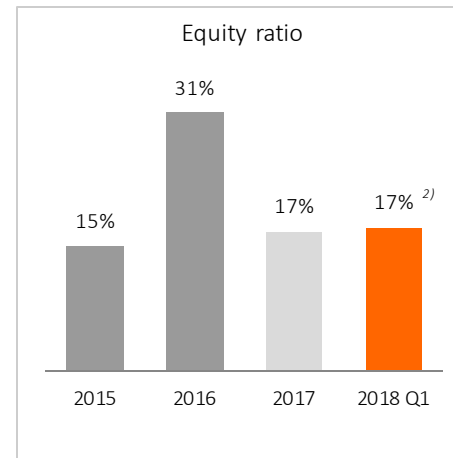
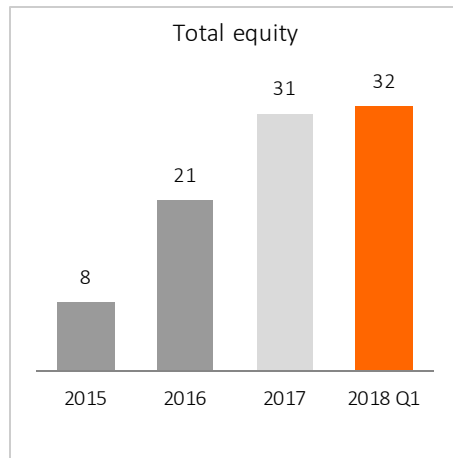
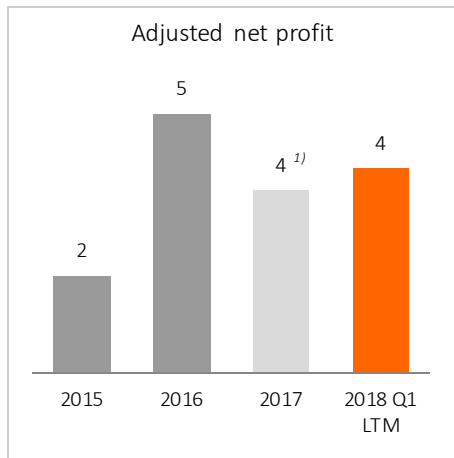
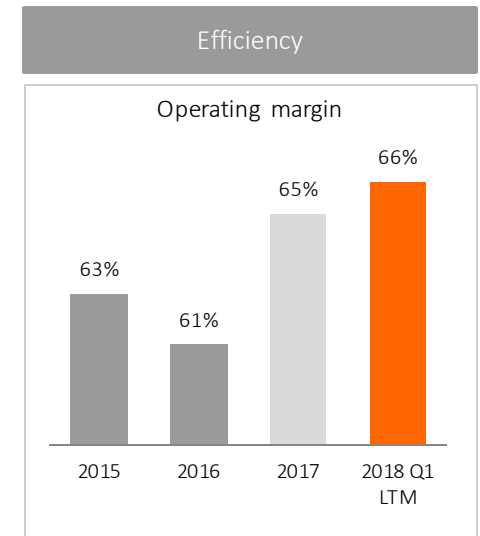
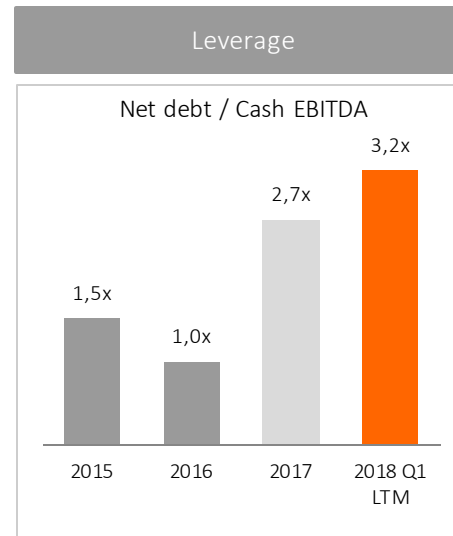
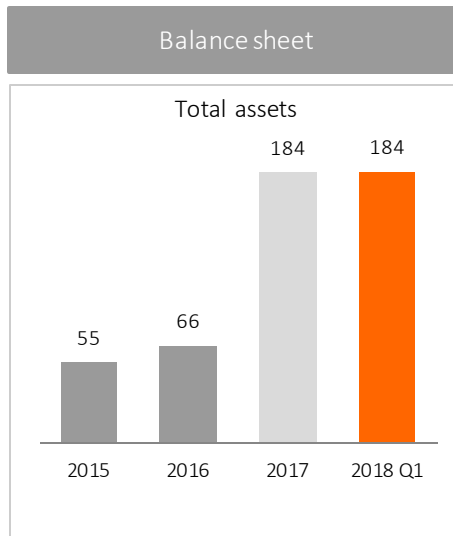
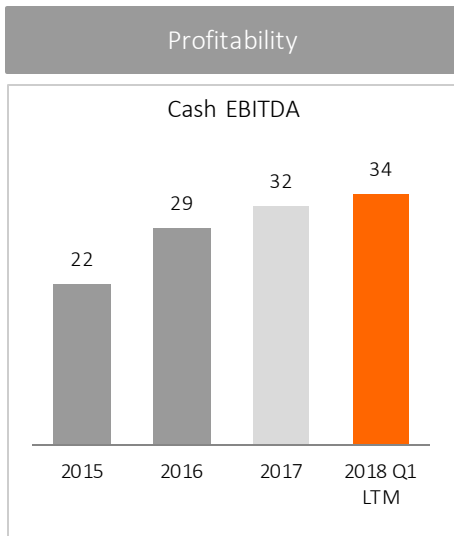
Continued profitable growth



Note: All figures are in EURm.



Our Financial KPIs show our solid development



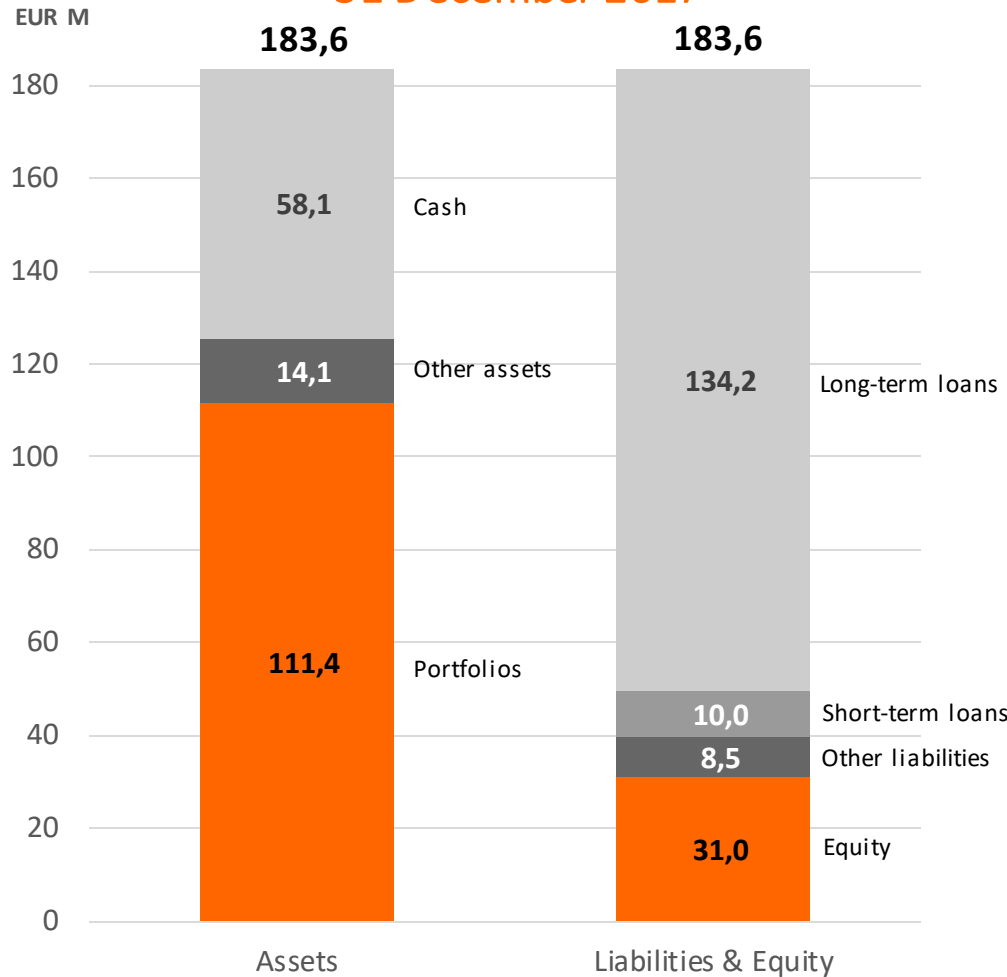
Note: All figures are in EURm.

1) Adjusted net profit is adjusted for EUR ~ 3.1m of non-recurring items due to the bond refinancing in Q1 2017

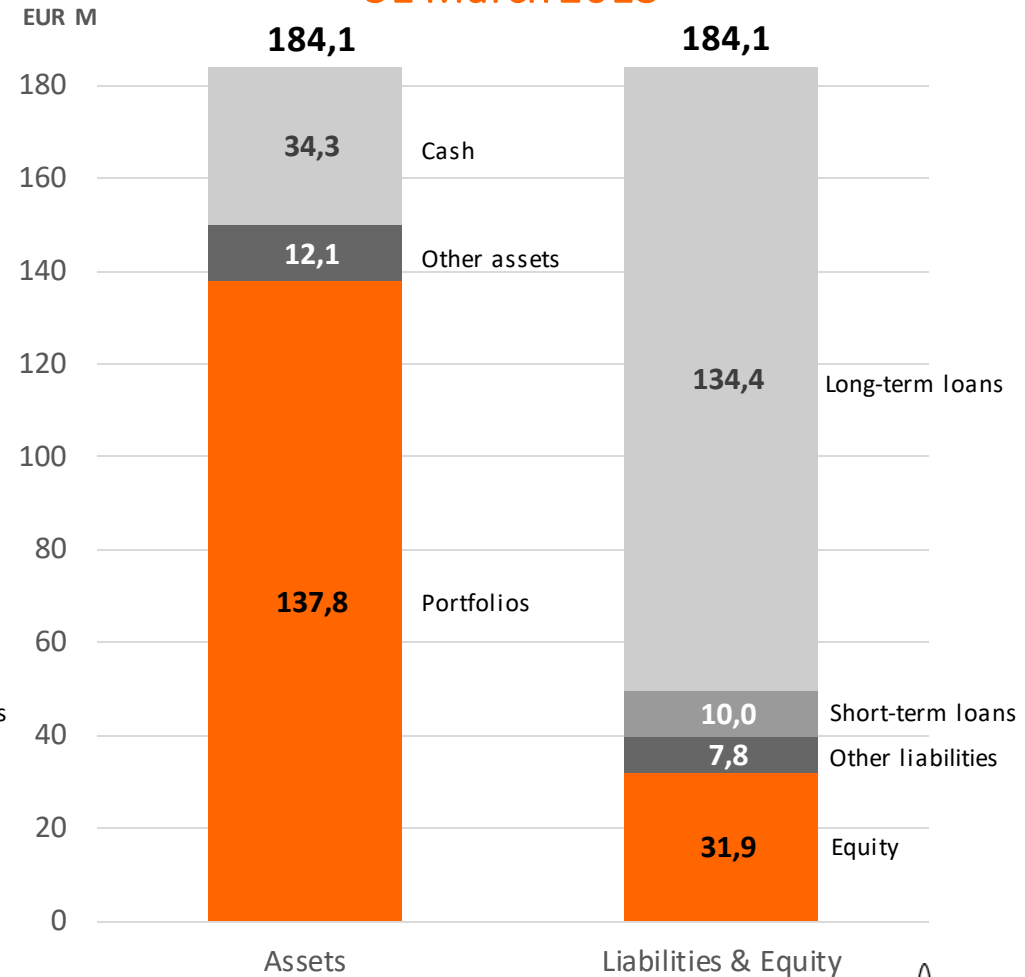
2) The equity ratio of the DDM Debt Group according to the senior secured bond terms is 20.2%

Our balance sheet composition is developing favourably

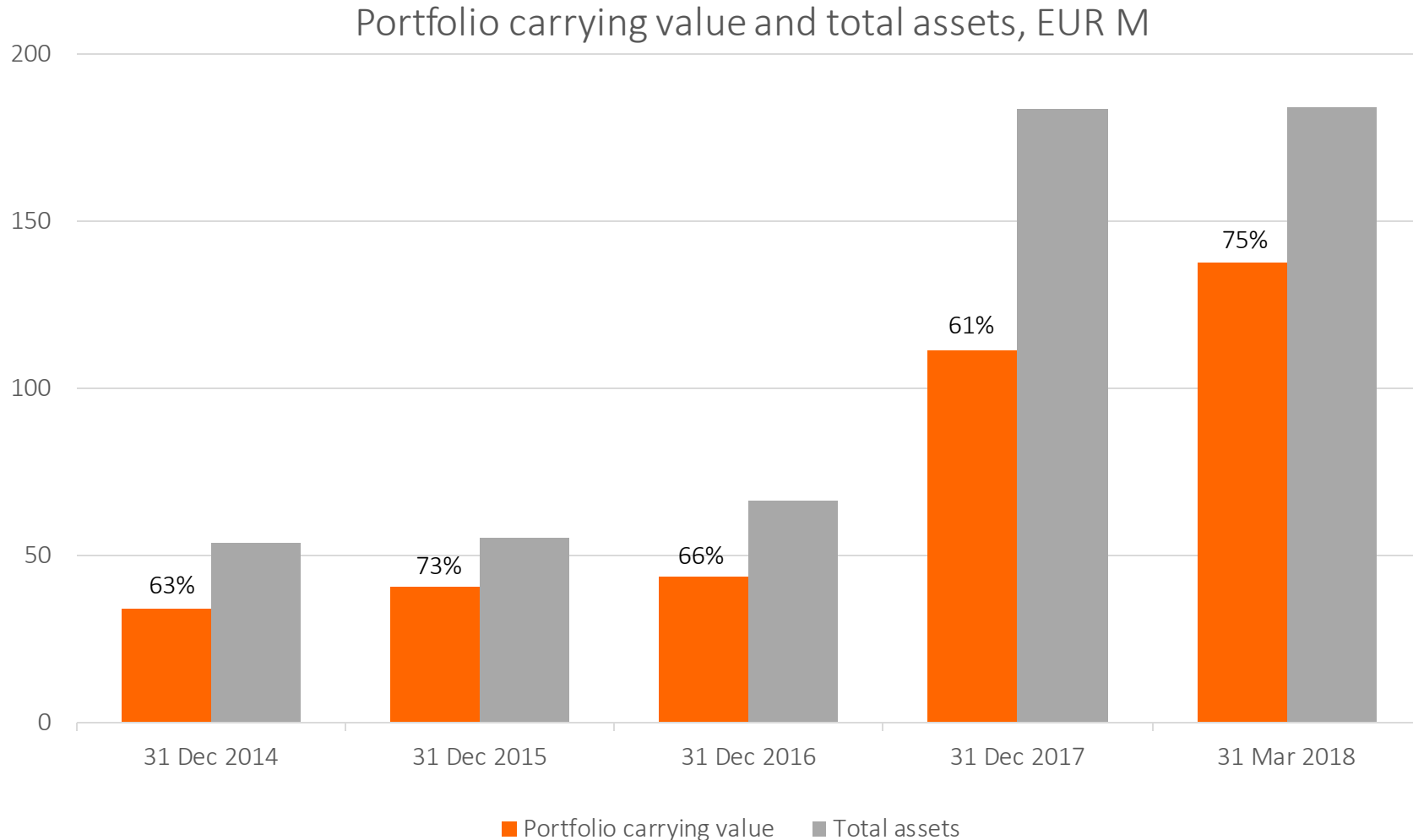
31 December 2017



31 March 2018

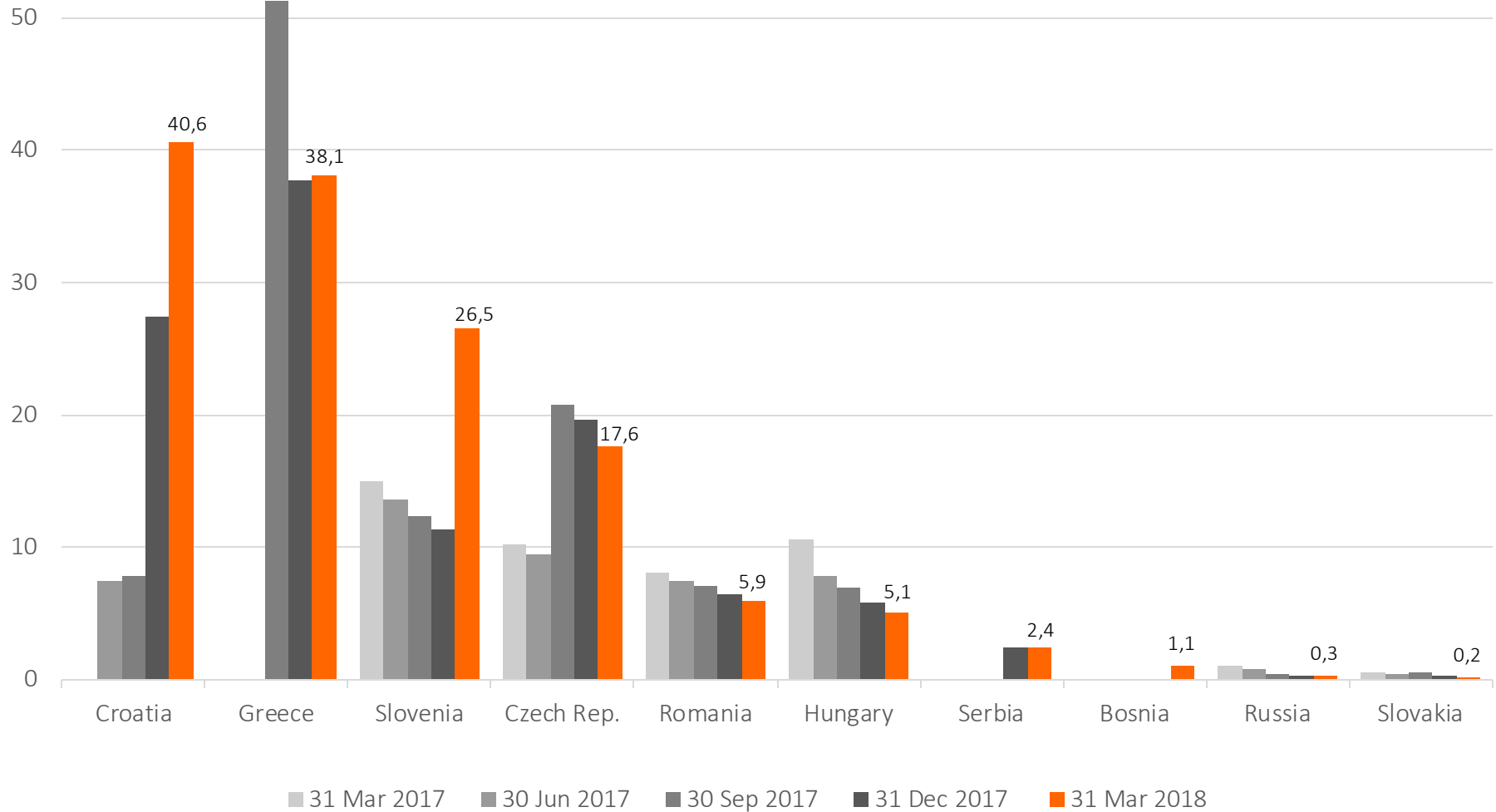


Portfolio value is a significantly higher share of total assets

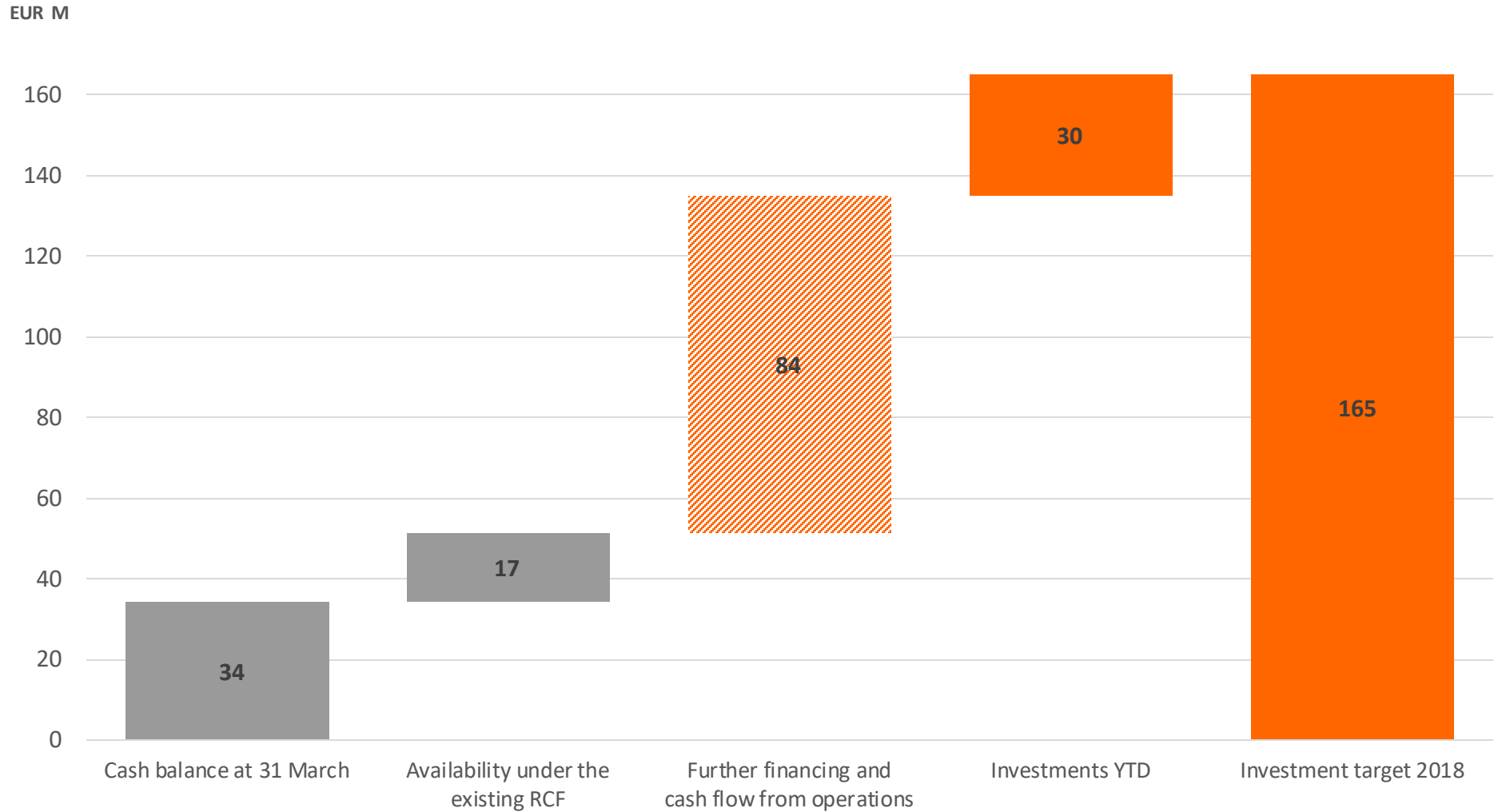


Increasingly diversified portfolio following recent transactions

Carrying value by country, EUR M



Funding remains a key area in 2018 to achieve remaining investment target



2018 Guidance and Targets

Guidance	<i>Portfolio investments of EUR 165M for 2018</i> <i>Operating expenses of EUR 8M for 2018</i>
Q1 2018	<i>Portfolio investments of approximately EUR 30M YTD</i> <i>Operating expenses of EUR 2.3M</i>
Financial targets	<i>Maintain an EBIT margin (LTM EBIT / LTM Revenue on invested assets and Revenue from management fees) above 50%</i> <i>Gross Estimated Remaining Collections (ERC) growth year-on-year above 50%</i>
LTM Q1 2018	<i>EBIT margin of 66%</i> <i>Gross ERC growth year-on-year of 240%</i>

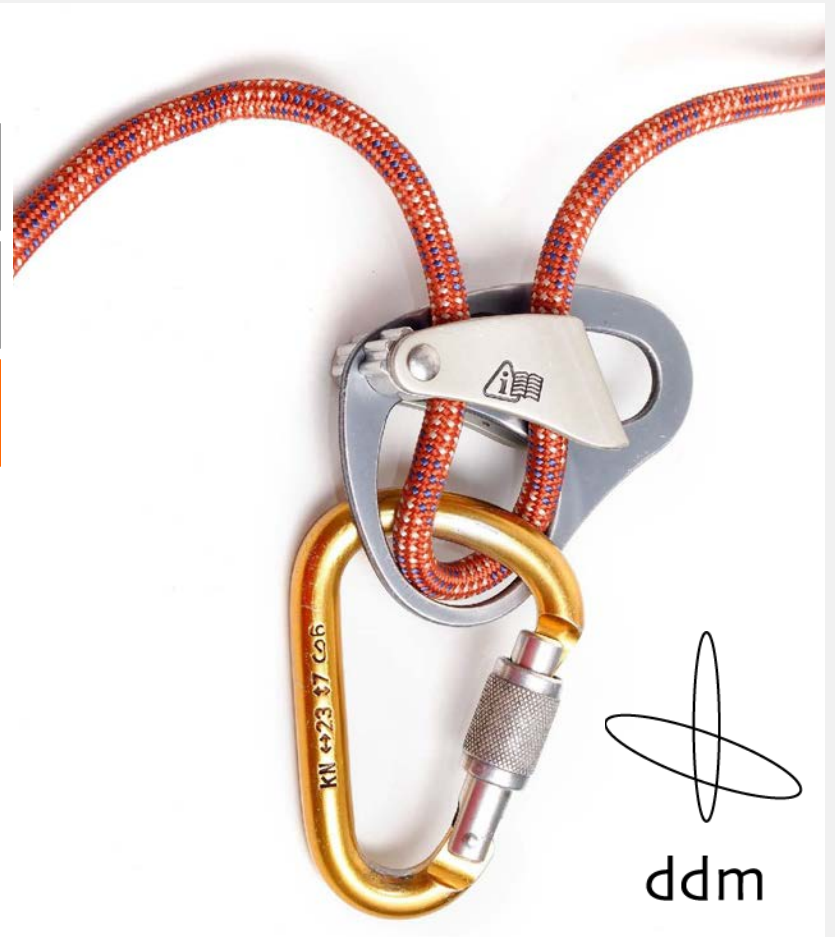
LTM = Last twelve months

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Key takeaways: Positioned for strong growth in 2018

- 1 Continued strong pipeline:
- Targeting investments of EUR 165M in 2018

- 2 Funding will continue to be a focus area:
- Increased funding to finance investments
 - Aim to further improve flexibility
 - Targeting a lower cost of capital

3 Management team to be strengthened

4 Main list

- 5 Financial targets 2018:
- Maintain an EBIT margin (LTM EBIT / LTM Revenue on invested assets and Revenue from management fees) above 50%
 - Gross Estimated Remaining Collections (ERC) growth year-on-year above 50%



Q&A

Upcoming IR events

Annual General Meeting:

23 May 2018

Interim report January – June 2018:

31 July 2018

Interim report January – September 2018:

8 November 2018

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APPENDICES



Knowledge and relations build our success



- Favoured partner:**
 DDM is the expert providing know-how and best practice
- Managing the process:**
 Strong controls via automated processes for performance and compliance
- Outsourcing:**
 Established debt collection network throughout SCEE

Knowledge	Extensive local sector experience across the internal organisation
Deal sourcing	Structured yet opportunistic approach the key value driver, both for profitability and growth
Relations	Strong relationships with reputable sellers of debt portfolios 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

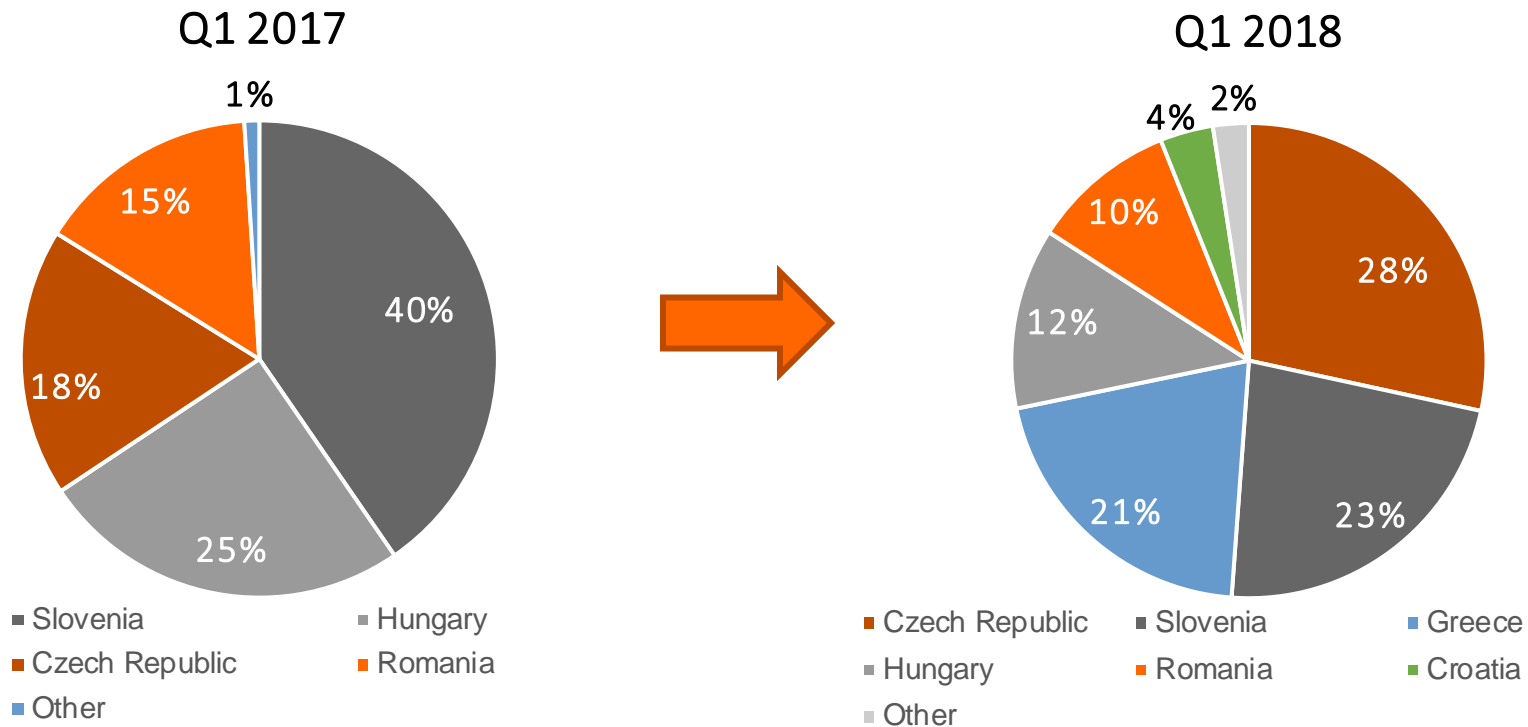
Competitive landscape

DDM's key market & segments						
Geography	W Europe	SCE Europe	Africa	N America	S America	Asia
Seller	Utility companies		Financial institutions	Telecom companies		Other
Type	Consumer			Corporate		
Collateral	Secured			Un-secured		
Underlying assets	Performing			Non-performing		
Structure	Plain vanilla			Complex / off-market		
Size	< EUR 5M	EUR 5 – 50M	EUR 51 – 100 M	EUR 101 - 500 M	> EUR 500 M	
Collection method	In-house			Outsourced		

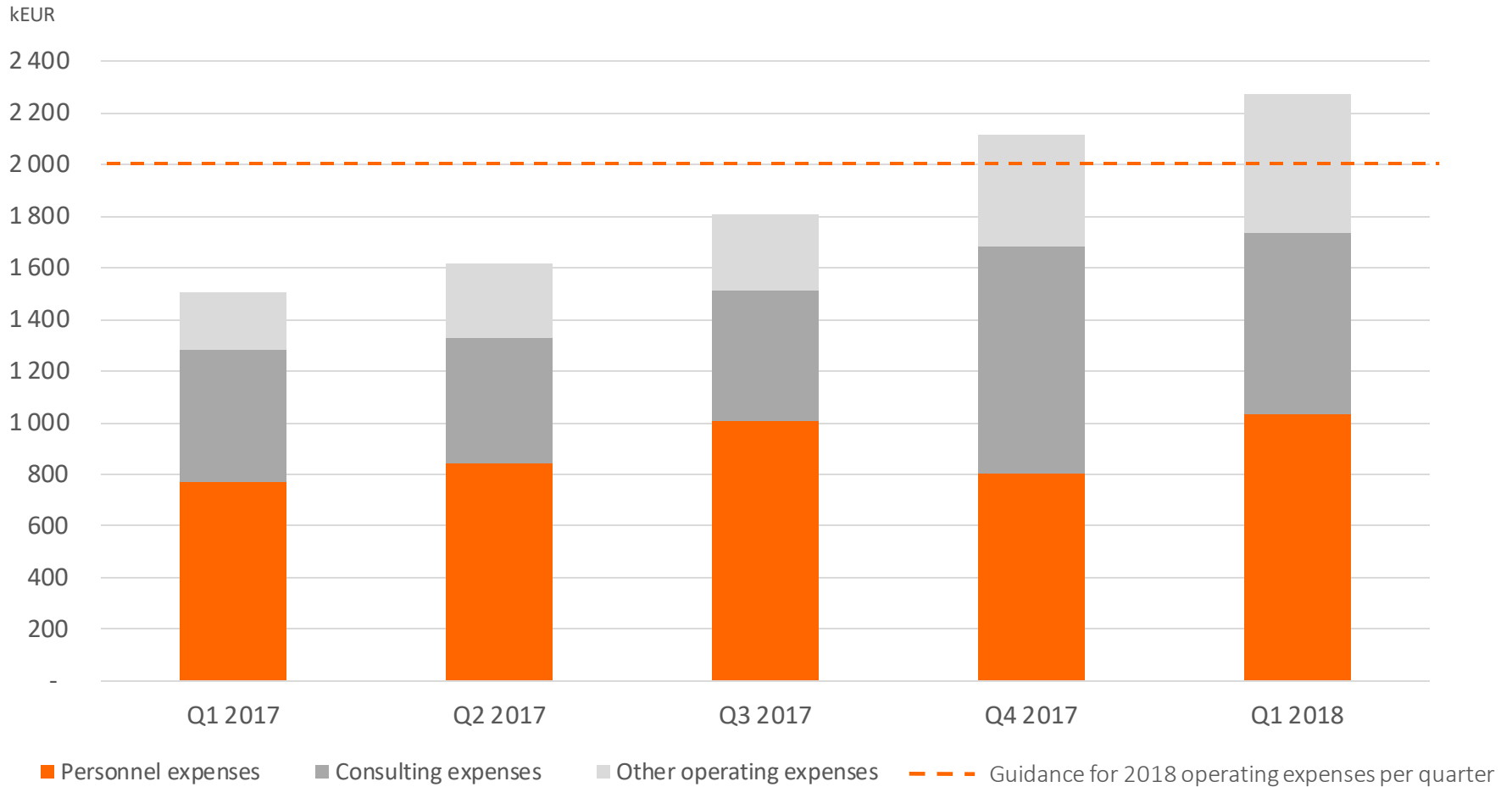
DDM's activities are shown in orange

Opportunistic deal focus on the Southern, Central and Eastern European region changing composition of collections

Net collections by country, %
Q1 2017 vs. Q1 2018



Operating expenses



A significant share of the portfolio is EUR denominated

Carrying value by currency, % of total

