

DDM provides business update in connection to the contemplated issue of a senior secured bond

Press release issued by DDM Holding AG

16 January 2017

DDM Holding AG (First North: DDM), a specialist investor in and manager of non-performing loans and distressed assets is publishing the following business update for the DDM Holding Group in connection to DDM Debt AB's contemplated issue of a senior secured EUR bond and upcoming pre-marketing meetings.

Net collections during Q4 2016 were in line with the previous quarter.

Cash EBITDA for Q4 2016 decreased slightly compared to the previous quarter, due to a slight increase of non-recurring operating expenses.

EBIT margin continues to be well above the guided financial target of exceeding 50%.

Net debt has decreased significantly from EUR ~37m in Q3 2016 to EUR ~29m at the end of Q4 2016, on the back of further loan repayments driven by strong collections.

The 120-month Estimated Remaining Collections decreased in Q4 2016 compared to the previous quarter following stronger than expected collections.

The company is expecting to announce the closing of a portfolio acquisition in the near future financed by available cash.

There is a continued favourable outlook for supply of debt portfolios in existing markets, as well as plenty of opportunities in potential new markets.

This is information which DDM Holding AG is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out below, at 08:00 a.m. CET on 16 January 2017.

For more information, please visit DDM's website at www.ddm-group.ch or contact:

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DDM Holding AG (Nasdaq First North Stockholm: DDM) is a multinational investor in and manager of distressed assets. Since 2007, the DDM Group has built a successful platform in Eastern Europe, currently managing 2.3 million receivables with a nominal value of over EUR 2.1 billion. **DDM Treasury Sweden AB** (publ) (NGM: DDM1) is a wholly owned subsidiary of DDM Holding AG. Erik Penser Bank is DDM Holding AG's Certified Adviser.