

DDM is evaluating options to access equity capital markets and announces that DDM Debt AB signed an agreement to acquire 50.2% in debt servicing and business outsourcing company AxFina

Press release issued by DDM Holding AG

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DDM Holding AG (First North Growth Market: DDM) announces that its indirect subsidiary DDM Debt AB is acquiring 50.2% of the share capital of AxFina Holding SA ("AxFina").

AxFina is a pan European debt servicing provider and a key partner for DDM's loan portfolios. In addition to its core debt servicing solutions, AxFina is also providing business outsourcing services and digital debt management solutions ("Finastic") to multiple industries. AxFina is active in 7 countries and has c. 180 employees.

DDM expects to profit from the intended growth of the service revenues of AxFina, both in (third party) debt servicing as well as in digital solutions, which complement the asset intensive business of DDM. AxFina will also facilitate new market entries for DDM (e.g. in Poland, where AxFina has recently established a presence). By taking a direct stake in its key debt servicing partner, DDM is following a well established industry practice and expects its core NPL business to benefit from a closer collaboration between DDM and AxFina.

The seller of the stake in AxFina is DDM Group Finance S.A. The transaction was done at an implied valuation for 100% of AxFina of EUR 28mn. In addition to the now acquired stake in AxFina, DDM Debt AB entered into a call option agreement giving it the right to acquire the remaining shares in AxFina held by DDM Group Finance S.A. at the same terms until 31 December 2022.

AxFina will remain an independently run company. The acquisition strengthens DDM's equity story to accelerate into a pan-European investment company around NPLs, Servicing, Consumer Finance and FinTech.

DDM also announces that it is evaluating options to access equity or equity linked capital markets by potentially seeking a listing of DDM Finance AB or another Group entity.

This information is of the type that 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 18:15 CET on 6 July 2022.

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

Florian Nowotny, Chief Executive Officer
Mail: investor@ddm-group.ch



DDM Holding AG (Nasdaq First North Growth Market, Stockholm: DDM) 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. DDM strives to create value for its stakeholders by combining significant expertise in financial services, credit underwriting and technology with a focus on operational excellence. DDM Holding AG is domiciled in Switzerland and was founded in 2007. **DDM Debt AB (publ)** (Nasdaq Stockholm: DDM DEBT 2026) is a wholly owned subsidiary of DDM Holding AG. Arctic Securities is DDM Holding AG's Certified Adviser, address: Regeringsgatan 38, 111 56, Stockholm, Sweden, e-mail: certifiedadviser@arctic.com, tel: +46 8 44686100.