

# Q1 interim report January – March 2023

Press release issued by DDM Holding AG

30 May 2023

## Strong cash position providing optionality

### Highlights first quarter 2023

- **Gross collections** amounted to EUR 10.2m (16.1)\*
- **Net collections** amounted to EUR 8.2m (13.1)\*
- **Cash EBITDA** amounted to EUR 3.9m (11.6)\*
- **Net loss for the period** of EUR 1.6m (loss of 1.7)
- **Gross ERC** at the end of March 2023 was EUR 272m (284 at December 2022)
- **Cash** at the end of March 2023 was EUR 57.8m (52.6 at December 2022)

### Significant events after the end of the quarter

- **Acquisition** of a further 25% of AxFin Holding S.A., a pan European debt servicing provider and business outsourcing company, taking DDM's total holding to about 75%
- **Andreas Tuczka** appointed as Executive Chairman on an interim basis, replacing Florian Nowotny as CEO
- **Nordiska** terminated the planned acquisition of Swiss Bankers and the combination with Omnio

### Comment by the CEO

We ended the quarter with a strong cash position of EUR 57.8m which provides flexibility in a market where we see an increasing amount of interesting investment opportunities in assets, loans and financial services businesses. This provides optionality, particularly in combination with adjusted gross collections ahead of expectations in the first quarter of 2023 despite the challenging macroeconomic environment and geopolitical uncertainties, which shows the resilience of our underlying NPL portfolio, especially in Croatia and Slovenia. However, if the NPL markets continue to remain challenging (from supply and pricing levels) in our core markets, it will allow us to focus on our other investments in financial services.

In January and February 2023, as part of a wider fund raising of Omnio S.A., DDM converted a total amount of EUR 33m of convertible bonds and existing investments into shares of Omnio S.A. "Omnio", a global BaaS technology partner for companies looking to offer its customers financial services.

In February 2023 we entered into a super senior lending facility of EUR 4.5m with a Swedish bank, which further strengthened our liquidity profile. Further optimizing our financing structure will be a key focus area for DDM in 2023.

We have continued to work on further improvements to the DDM platform and set-up in 2023. At the beginning of April we acquired an additional 25% of the debt servicing and business outsourcing company AxFin, bringing our total holding to about 75%. DDM expects to profit from the intended growth of the service revenues of AxFin, both in (third party) debt servicing as well as in digital solutions, which complement the asset intensive business of DDM.

In April Nordiska Kreditmarknadsaktiebolaget (publ) ("Nordiska") informed us that they were aborting the process regarding a combination of Nordiska with Swiss Bankers and Omnio. We worked on these transactions jointly with Nordiska for eight months and, after having obtained legal advice, the board of DDM considers Nordiska's unilateral decision to abandon the transactions and related actions by Nordiska as a violation of Nordiska's obligations under the agreements between the parties. DDM therefore reserves all contractual, legal, and other rights, including its right to claim damages that may result from Nordiska's actions.

### Outlook

As borrowers across Europe are faced with the challenges from rising interest rates and an increasingly uncertain macroeconomic environment, banks and other holders of credit exposures will again take a more pro-active approach to managing their NPL portfolios. We therefore expect the NPL investment market to become more

attractive again in the course of 2023. We will continue to be disciplined in the sourcing of new business and monitor investment opportunities across our region on an opportunistic basis.

#### Financial calendar

DDM intends to publish financial information on the following dates:

Q2 report for January – June 2023:	29 August 2023
Q3 report for January – September 2023:	29 November 2023
Q4 report for January – December 2023:	29 February 2024

Other financial information from DDM is available on DDM's website: [www.ddm-group.ch](http://www.ddm-group.ch).

#### Presentation of the report

The report and presentation material are available at [www.ddm-group.ch](http://www.ddm-group.ch) on 30 May 2023, at 08:00 CEST.

Acting CEO and Chairman of the Board of Directors Andreas Tuczka and CFO Fredrik Olsson will comment on the DDM Group's results during a conference call on 30 May 2023, starting at 10:00 CEST.

The presentation can be followed live via the webcast at [www.ddm-group.ch](http://www.ddm-group.ch), or via teleconference with prior registration at <https://conference.financialhearings.com/teleconference/?id=2001223>.

The information in this report requires DDM Holding AG to publish the information in accordance with the EU Market Abuse Regulation and the Securities Market Act. The information was submitted for publication on 30 May 2023 at 08:00 CEST.

#### For more information, please visit DDM's website at [www.ddm-group.ch](http://www.ddm-group.ch) or contact:

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**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](mailto:certifiedadviser@arctic.com), tel: +46 8 44686100.