

B2 Impact ASA: S&P Global Ratings upgrades B2 Impact's credit rating to BB- from B+

Oslo, 27 February 2024: B2 Impact ASA is pleased to share that S&P Global Ratings (S&P) today upgraded its credit rating (corporate family rating) to BB- (stable outlook) from previously B+ (positive outlook). The Senior Unsecured Bond (B2H06) was also upgraded to BB- from B+ given a better Corporate Family Rating and unchanged recovery rating.

According to S&P the upgrade is a reflection of B2 Impact's steady competitive position, solid investment performance, and reduced refinancing risk improving B2 Impact's credit quality. The solid performance that B2 Impact had both in its secured and unsecured portfolio through 2023 resulted in higher-than-expected revenue. The company managed to increase revenue by 15%, excluding income from joint ventures. The company's conservative pricing policy partly explains this surge in income as B2 Impact managed to sell its largest secured claim, a hotel in Croatia, above the value it had initially registered the asset for. The increase in the company's top line also resulted in cash-adjusted EBITDA levels 22% higher than the previous year. Even if S&P expect that recoveries from its secured portfolio will continue, S&P forecast they will be lower than this year's, given the recovery volume obtained with the sale of the Croatian hotel.

S&P consider that B2 Impact will focus its growth efforts on its unsecured portfolio for the next 12 months as it takes advantage of the current market dynamics within the distressed debt purchaser (DDP) industry and B2 Impact's present light balance sheet. The latter, coupled with lower refinancing risk after prepaying its May 2024 maturity for €200 million, leaves the company in a better financial position to increase its investment volumes with higher internal rates of return (IRR) compared with many of its peers with higher leverage.

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About B2 Impact ASA

B2 Impact ASA is one of the leading pan-European debt management companies. B2 Impact offers solutions to the challenges created by defaulted loans, and provide liquidity to financial institutions, contributing to a healthier financial system. B2 Impact promote lasting financial improvement

through transparent and ethical debt management. The Company was founded in 2011 and employs around 1,600 people. B2 Impact ASA is headquartered in Oslo, Norway and the B2 Impact share is listed on the Oslo Stock Exchange under the ticker "B2I". For further information, visit www.b2-impact.com

Attachments

[B2 Impact ASA S&P Research Update 27 Feb 2024](#)