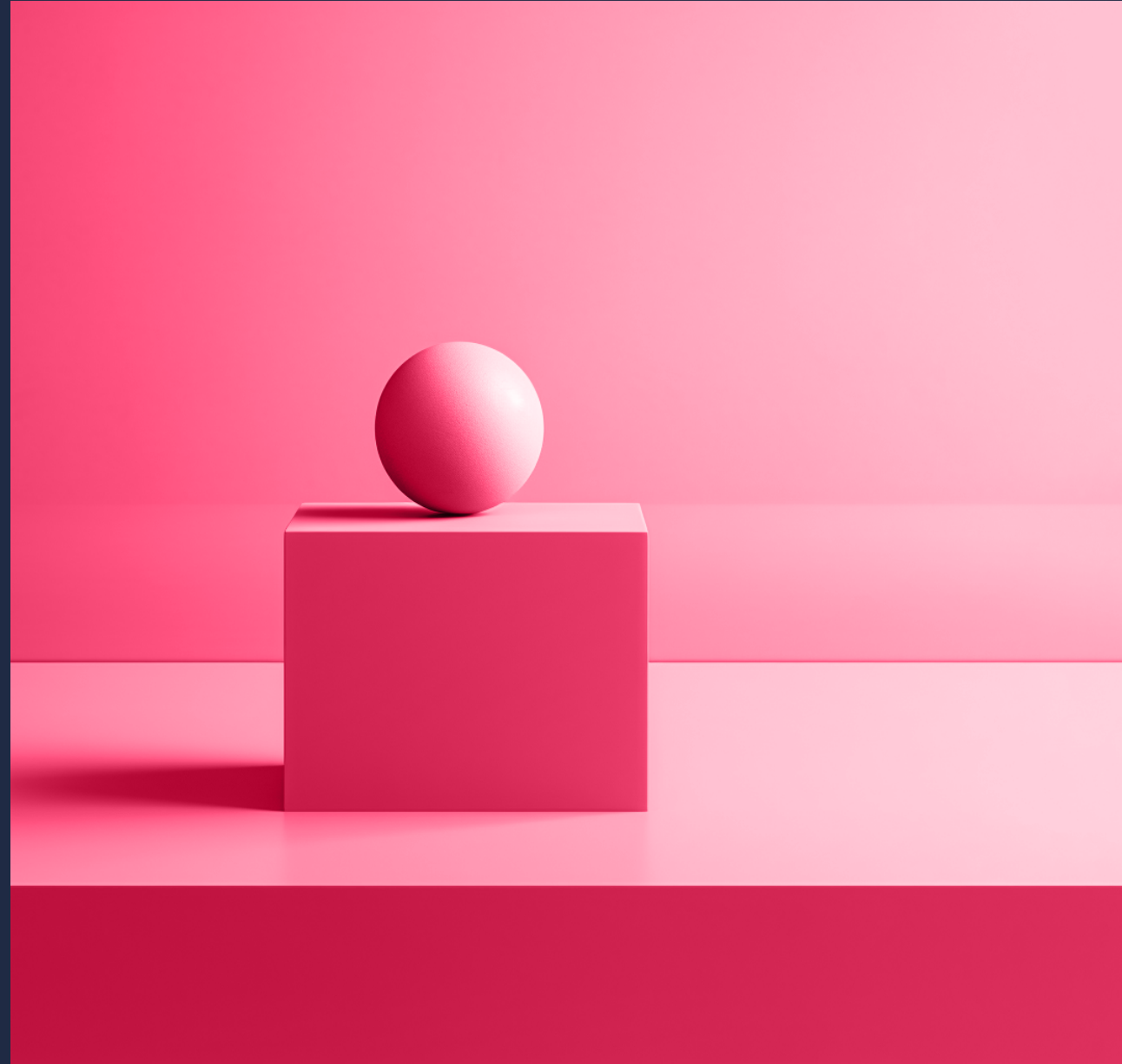


# Q4

## Fourth quarter 2024 Report

13 February 2025



## Key figures Q4 2024 (NOKm)

Cash collections

**1 300**

1 906

Unsecured  
performance

**110%**

104%

Portfolio  
investments<sup>1</sup>

**1 437**

821

Cash EBITDA

**933**

1 540

Adj. Net profit

**108**

105

Leverage ratio

**2.2x**

1.9x

## CEO comment

It has been some exciting months since I stepped down from the board to become the CEO of B2 Impact. In my new role I am closer to the organisation, and I have been impressed with the people and the achievements they have accomplished over the last years. I also see areas which we can develop further through increased use of AI and automation tools. Technology will play an important role to drive efficiency improvements going forward.

Investment activity was high in the fourth quarter, and in December we signed an agreement to acquire all the Nordic assets of Zolva. As part of the transaction, B2 Impact will take over a servicing platform in Norway, which further strengthens our presence as a leading player in the Nordic market. Signed investments at year-end was within our guided investment range for 2024. We have further secured a substantial volume of investments entering the new year and currently NOK 1.2bn is already committed for 2025.

On the financing side, the company is in a strong position. With the latest tap issue in November, which had a margin of 347 bps, we further reduced our cost of debt. Given our solid financial position and competitive cost level, I believe the company is well positioned to grow the investment volumes and maintain a healthy leverage.

Based on our strong development, the Board has proposed a dividend of NOK 1.50 per share for the financial year of 2024. The target is to maintain this level of dividends in 2025 with the ambition to grow shareholder return going forward and maintain a prudent leverage.



**Trond Kristian Andreassen**  
CEO of B2 Impact ASA

1. Includes portfolios signed in Q4 2024, closed in 2025.

## Quarterly highlights

- **Strong collection performance and growth:** Unsecured at 110 % performance, 6 % growth in collection, and 10 % growth in ERC
- **Lower secured collections in line with strategic direction:** NOK 497m collection last year from one large claim
- **Lower Opex:** Personnel expenses continue downward trend
- **Significantly reduced cost of debt:** Interest costs of NOK 184m, down 28 %
- **Successful bond tap:** Intra-day bond tap of EUR 100m at a margin of 3.47 %
- **Investments within target range:** NOK 2.5bn signed in 2024 and NOK 1.2bn already committed for 2025 through forward flows and Q1 investments
- **Substantial earnings growth:** Adjusted earnings per share of NOK 1.57 for 2024 and up 24 % compared to last year
- **Proposed dividends for 2024 of NOK 1.5 per share:** Dividend growth of 15 % compared to 2023

## Key financials<sup>1</sup>

NOK million	2024	2023	%	2024	2023	%
	Q4	Q4	Δ	FY	FY	Δ
Cash collections	1 300	1 906	-32%	5 284	6 164	-14%
Revenues	847	946	-10%	3 683	3 775	-2%
Opex	- 490	- 512	-4%	- 1 923	- 1 981	-3%
EBIT	334	410	-18%	1 669	1 696	-2%
EBIT %	39%	43%	-4pp	45%	45%	0pp
Net profit	108	105	3%	579	483	20%
Cash revenue	1 423	2 052	-31%	6 097	6 743	-10%
Cash EBITDA	933	1 540	-39%	4 175	4 762	-12%
Cash margin	66%	75%	-9pp	68%	71%	-2pp
Collections <sup>2</sup>	1 295	1 845	-30%	5 249	6 008	-13%
Amortisation of own portfolios	- 554	- 539	3%	- 2 214	- 2 209	0%
Portfolio investments <sup>2</sup>	1 165	821	42%	2 248	2 741	-18%
EPS	0.29	0.28		1.57	1.27	
ROE (LTM)	10%	9%	1pp	10%	9%	1pp

1. Key Financials exclude non-recurring items

2. Includes the Group's share of portfolios held in SPVs and joint ventures

# Investments

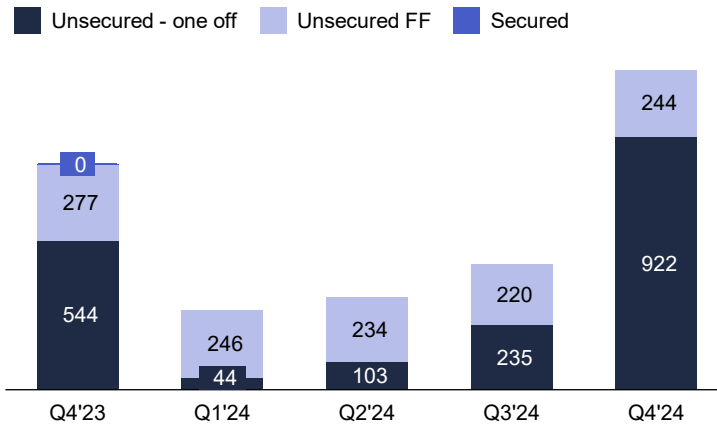
Portfolio investments in the fourth quarter were NOK 1.2bn. Total investments for the full year ended at NOK 2.5bn including portfolios signed in the fourth quarter and closed in 2025. Investments in 2024 are predominantly unsecured consumer finance and banking portfolios.

The investment activity in the fourth quarter was high, and this has continued into the first quarter. In addition to the investments of NOK 2.5bn signed in 2024, the company has already secured an investment volume of NOK 1.2bn for 2025. Forward flow agreements represent around 75 % of the investment volume committed for 2025.

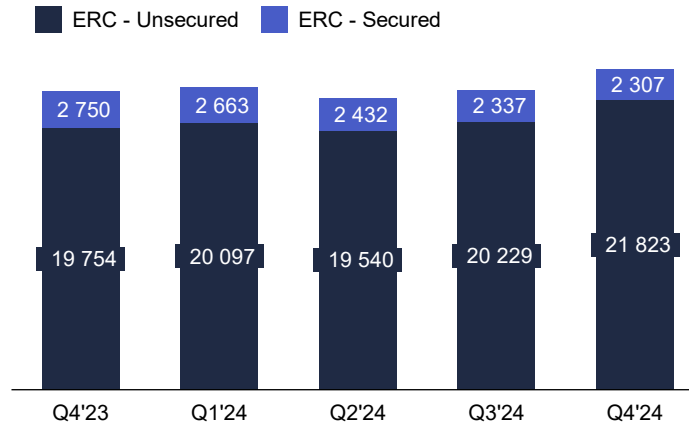
Estimated Remaining Collection (ERC) has developed in line with the communicated strategy to invest in core unsecured markets. Including all portfolios signed in the fourth quarter, unsecured ERC has increased 9 % in constant currency compared to the same quarter last year.

ERC (NOKm)	Q4'24	Q4'23	% Δ
Reported	24 130	22 504	7 %
FX effect	-	1 094	
<b>Comparable</b>	<b>24 130</b>	<b>23 598</b>	<b>2 %</b>

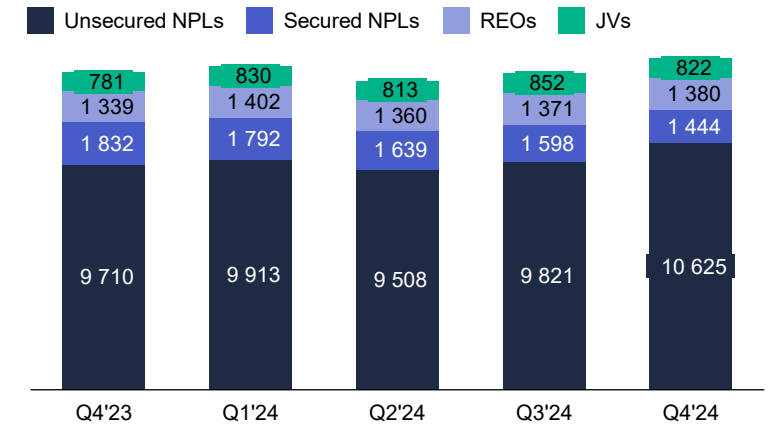
## Portfolio investments (NOKm)



## ERC<sup>1</sup> (NOKm)



## Book value NPLs, REOs, JVs (NOKm)



1. Includes the Group's share of ERC for portfolios in joint ventures (NOK 353m in secured and NOK 1 006m in unsecured at end Q4 2024).

## Collection performance and revenues

### Unsecured collection performance

Unsecured collections continued the strong trend in the fourth quarter. Collection performance versus latest forecast was 110 % compared with 104 % in the same quarter last year. Comparable Cash collections were up 7 % compared with last year.

Cash from unsecured JVs was NOK 41m in the fourth quarter, positively impacted by cash distributions related to delays in previous quarters.

### Secured collection performance

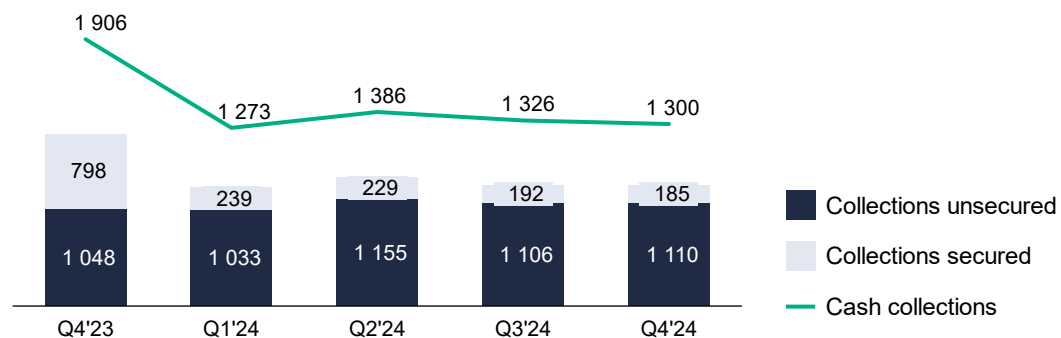
Secured collections ended at 89 % compared with latest forecast. Comparable cash collections were down 80 % compared with same quarter last year. The decrease was due to the successful collection of the Group's largest secured claim of NOK 497m in Q4 2023 and limited new investments in secured portfolios in recent years in line with communicated investment strategy. Collections were at the same level as the previous quarter.

REO sales were NOK 60m in the quarter with a gain over book value of 39 %.

### Other cash revenues

Other cash revenues of NOK 123m were down 16 % compared with the same quarter last year. The reduction is mostly a result of the sale of the loan receivable business in Poland in the second quarter this year, partly offset by higher revenues from third-party collection.

### Collections development (NOKm)



Cash collections unsecured (NOKm)	Q4'24	Q4'23	% Δ	FY 2024	FY 2023	% Δ
Collections	1 078	1 017	6%	4 294	4 213	2%
Cash from JVs	41	13	222%	45	81	-44%
<b>Cash collections unsecured</b>	<b>1 119</b>	<b>1 030</b>	<b>9%</b>	<b>4 339</b>	<b>4 294</b>	<b>1%</b>
FX effect	- 11	1		-	116	
Bulgaria	-	-		-	- 200	
<b>Comparable</b>	<b>1 108</b>	<b>1 031</b>	<b>7%</b>	<b>4 339</b>	<b>4 210</b>	<b>3%</b>

Cash collections secured (NOKm)	Q4'24	Q4'23	% Δ	FY 2024	FY 2023	% Δ
Collections	137	749	-82%	740	1 525	-51%
Repossessions	- 39	- 65	-41%	- 194	- 276	-30%
REO proceeds	60	151	-61%	330	499	-34%
Cash from JVs	24	41	-41%	69	121	-43%
<b>Cash collections secured</b>	<b>181</b>	<b>876</b>	<b>-79%</b>	<b>945</b>	<b>1 870</b>	<b>-49%</b>
FX effect	- 3	9		-	36	
Bulgaria	-	-		-	- 54	
<b>Comparable</b>	<b>178</b>	<b>885</b>	<b>-80%</b>	<b>945</b>	<b>1 851</b>	<b>-49%</b>

Cash revenues (NOKm)	Q4'24	Q4'23	% Δ	FY 2024	FY 2023	% Δ
<b>Cash collections</b>	<b>1 300</b>	<b>1 906</b>	<b>-32%</b>	<b>5 284</b>	<b>6 164</b>	<b>-14%</b>
Other cash revenues	123	146	-16%	813	579	40%
<b>Cash revenues</b>	<b>1 423</b>	<b>2 052</b>	<b>-31%</b>	<b>6 097</b>	<b>6 743</b>	<b>-10%</b>
FX effect	- 17	10		-	169	
Bulgaria	-	-		-	- 255	
<b>Comparable</b>	<b>1 406</b>	<b>2 062</b>	<b>-32%</b>	<b>6 097</b>	<b>6 658</b>	<b>-8%</b>

## Operating efficiency

### Operating expenses (opex)

Total operating expenses in the quarter down by 5 % compared with the same quarter last year. The decrease is driven by lower personnel expenses and other operating expenses, following a trend seen throughout 2024. The downward trend in personnel and other operating expenses is a result of continued efforts to improve efficiency as well as cost control.

External expenses were stable compared to the same quarter last year. External expenses are mainly driven by legal collection activities which will vary from quarter to quarter.

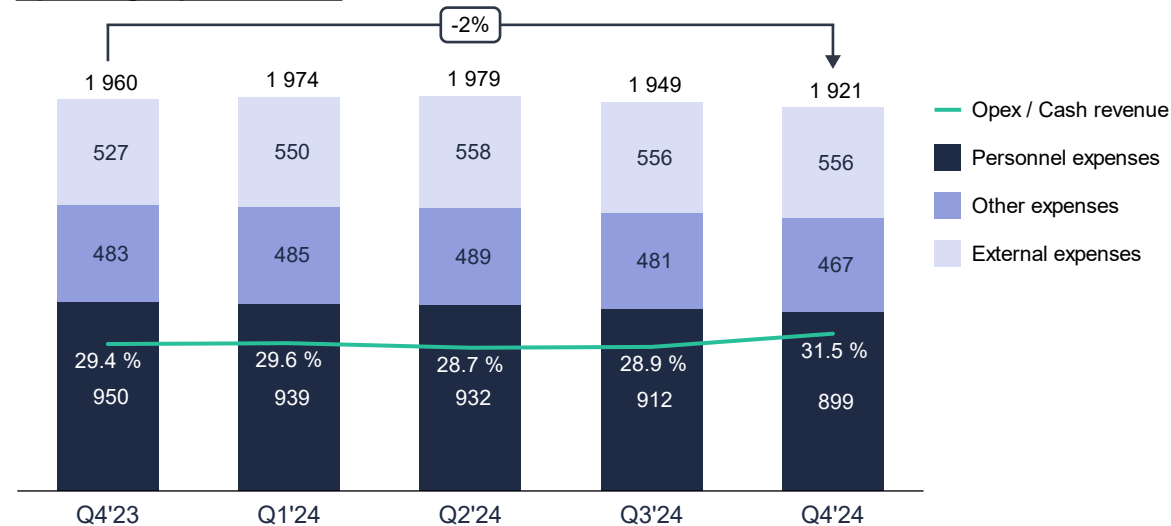
### Cost efficiency and initiatives

We see that digitalization through use of AI, automation tools and self-service portals contributes to increased efficiency and improved scalability. Among others we have seen a steady increase in collections through self-service portals in 2024. The increase in automation is also shown through increased collection per FTE in 2024.

The Group will continue to focus on increased efficiency and scalability and see further room for improvement by use of technology going forward. Some of our markets are quite advanced in implementing automation tools, and we see significant potential to implement similar digital strategies in less advanced markets.

Total operating expenses (NOKm)	Q4'24	Q4'23	% Δ	FY 2024	FY 2023	% Δ
Reported	606	559	8%	2 092	2 092	0%
NRIs	- 116	- 48	143%	- 169	- 111	53%
<b>Operating expenses ex NRIs</b>	<b>490</b>	<b>512</b>	<b>-4%</b>	<b>1 923</b>	<b>1 981</b>	<b>-3%</b>
FX effect	- 5	1		-	44	
Bulgaria	- 0	- 0		- 1	- 65	
<b>Comparable</b>	<b>485</b>	<b>513</b>	<b>-5%</b>	<b>1 921</b>	<b>1 960</b>	<b>-2%</b>

### Operating expenses LTM<sup>1</sup>



1. Numbers in NOK million in constant FX, ex. Bulgaria, ex. NRIs

## Cash EBITDA

Cash revenues were down 31 % compared with Q4 2023. The decrease in Cash revenues is a result of the collection of the Group's largest secured claim of NOK 497m in the same quarter last year, and lower secured collections and REO sales due to limited new investments in secured portfolios in recent years. At the same time Cash collections from unsecured increased compared with the same period last year.

Cash EBITDA for the fourth quarter was down 41 % compared to last year on a comparable basis.

Cash EBITDA (NOKm)	Q4'24	Q4'23	% Δ	FY 2024	FY 2023	% Δ
Cash revenues	1 423	2 052	-31%	6 097	6 743	-10%
Operating expenses	- 490	- 512	-4%	- 1 923	- 1 981	-3%
<b>Cash EBITDA</b>	<b>933</b>	<b>1 540</b>	<b>-39%</b>	<b>4 175</b>	<b>4 762</b>	<b>-12%</b>
FX effect	- 12	9		-	125	
Bulgaria	0	0		1	- 189	
<b>Comparable</b>	<b>922</b>	<b>1 549</b>	<b>-41%</b>	<b>4 176</b>	<b>4 698</b>	<b>-11%</b>
Comparable Cash margin	65.5%	75.1%	-9.6pp	68.5%	70.6%	-2.1pp

## Reported revenues and EBIT

### Revenues

Comparable Revenues were 12 % lower than Q4 2023 mainly due to lower collection from secured portfolios, lower profit from JVs and lower REO sales, partially offset by increased unsecured collections.

Revaluation in Q4 was NOK 14m. This includes a positive revaluation on unsecured portfolios of NOK 90m reflecting increased ERC related to consistent overperformance. Revaluation on secured portfolios was NOK -75m mainly driven by timing adjustments of ERC.

Revenues (NOKm)	Q4'24	Q4'23	% Δ	FY 2024	FY 2023	% Δ
<i>Collections ex JVs</i>	1 214	1 767	-31%	5 034	5 738	-12%
<i>Amortisation</i>	- 554	- 539	3%	- 2 214	- 2 209	0%
<i>Revaluation</i>	14	- 550	-103%	- 37	- 690	-95%
Revenues from NPLs	675	678	-0%	2 784	2 839	-2%
Profit from JVs	33	82	-59%	116	222	-48%
Gain on sale of REOs	17	41	-59%	100	146	-31%
Other revenues	122	146	-16%	683	568	20%
<b>Revenues</b>	<b>847</b>	<b>946</b>	<b>-10%</b>	<b>3 683</b>	<b>3 775</b>	<b>-2%</b>
FX	- 10	2		-	101	
Bulgaria	-	-		-	- 113	
<b>Comparable</b>	<b>837</b>	<b>949</b>	<b>-12%</b>	<b>3 683</b>	<b>3 764</b>	<b>-2%</b>

### EBIT

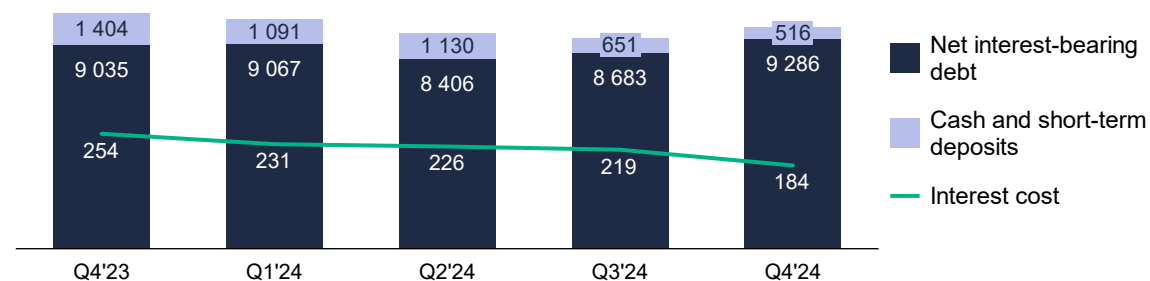
Reported EBIT was down in Q4 2024 compared with Q4 2023 driven by lower revenues and provisions for restructuring costs reported as non-recurring items in the quarter.

Adj. EBIT (NOKm)	Q4'24	Q4'23	% Δ	FY 2024	FY 2023	% Δ
<b>Revenues</b>	<b>847</b>	<b>946</b>	<b>-10%</b>	<b>3 683</b>	<b>3 775</b>	<b>-2%</b>
Operating expenses	- 606	- 559	8%	- 2 092	- 2 092	0%
Depreciation & Amortisation	- 23	- 25	-8%	- 91	- 106	-14%
<b>EBIT</b>	<b>218</b>	<b>362</b>	<b>-40%</b>	<b>1 500</b>	<b>1 578</b>	<b>-5%</b>
NRIs	116	48	143%	169	118	43%
<b>Adj. EBIT</b>	<b>334</b>	<b>410</b>	<b>-18%</b>	<b>1 669</b>	<b>1 696</b>	<b>-2%</b>
FX	- 5	1		-	54	
Bulgaria	0	0		1	- 45	
<b>Comparable</b>	<b>329</b>	<b>411</b>	<b>-20%</b>	<b>1 671</b>	<b>1 706</b>	<b>-2%</b>

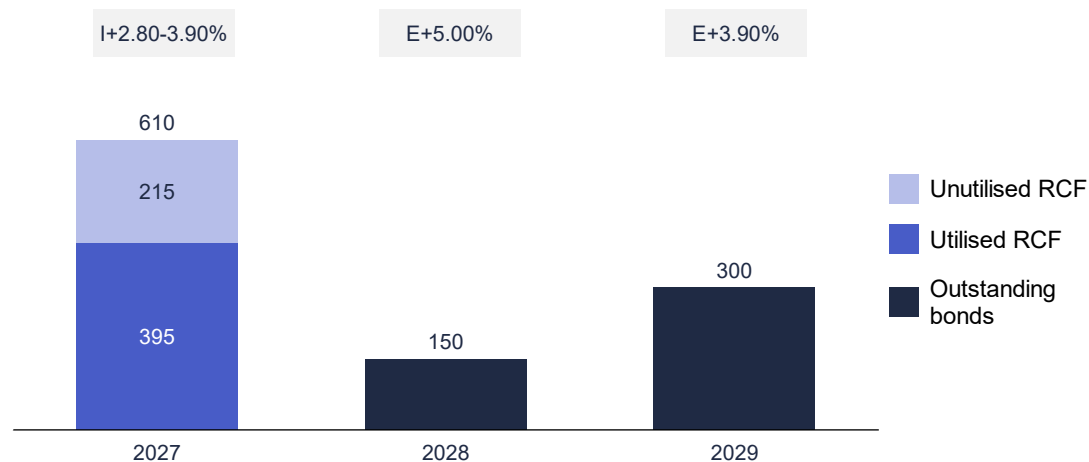


# Debt, Capital Structure and Financing Costs

## Debt and interest cost (NOKm)



## Capital Structure (EURm)



## Net financial items (NOKm)

	Q4'24	Q4'23	% Δ	FY 2024	FY 2023	% Δ
<b>Financial income</b>	<b>12</b>	<b>12</b>	<b>0%</b>	<b>42</b>	<b>26</b>	<b>58%</b>
Interest cost and commitment fees	-184	-254	-28%	-860	-956	-10%
Arrangement fees	-21	-24	-11%	-141	-87	61%
Other financial expenses	-4	-14	-72%	-195	-80	142%
<b>Financial expenses</b>	<b>-209</b>	<b>-292</b>	<b>-28%</b>	<b>-1 196</b>	<b>-1 124</b>	<b>6%</b>
Net exchange gain/(loss)	2	2	35%	12	-12	-195%
<b>Net financial items</b>	<b>-195</b>	<b>-279</b>	<b>-30%</b>	<b>-1 142</b>	<b>-1 110</b>	<b>3%</b>

## Significantly reduced interest costs following completed refinancing

Interest costs and commitment fees decreased to NOK 184m from NOK 219m in the previous quarter and NOK 254m last year. This is driven by a comprehensive refinancing and new hedge arrangement both at more favourable terms. The impact from the refinancing will take full effect in Q1 2025, resulting in further reduced interest costs.

In November, the Group completed a tap issue of EUR 100m in B2I08 at a price of 101.50 % to par which indicate a credit spread of 3.47 %. At the end of the quarter, the interest rate hedge ratio was 72 % of net debt with a duration of 2.5 years.

The credit rating from Moody's (Ba2, stable outlook) and S&P (BB-, stable outlook) was affirmed in December.

1. Cost of debt = Interest cost and commitment fee which includes: Margin, floating rate, commitment fee and interest on hedges

## Other matters

Trond Kristian Andreassen became new CEO on December 1 when Erik Just Johnsen stepped down. With the appointment as new CEO, Trond Kristian Andreassen stepped down from the Board of the Company as of 1 December 2024. In addition, Anders Engdahl left the Board on the same date. From 1 December 2024 the Board of the Company have been Harald L. Thorstein (Chairman), Adele Bugge Norman Pran, Jessica Sparrfeldt, Ellen Hanetho and Henrik Wennerholm.

## Disclaimer

This report contains forward-looking statements that reflect management's current view with respect to future events. All such statements are subject to inherent risks and uncertainties, and many factors can lead to developments deviating from what has been expressed or implied in such statements.

Board of Directors, B2 Impact ASA  
13 February 2025

# Interim condensed consolidated financial statements

- [Consolidated income statement](#)
- [Consolidated statement of comprehensive income](#)
- [Condensed consolidated statement of financial position](#)
- [Condensed consolidated statement of changes in equity](#)
- [Condensed consolidated statement of cash flows](#)
- [Notes to the interim condensed consolidated financial statements](#)



## Consolidated income statement

All figures in NOK million unless otherwise stated

	Notes	2024 Quarter 4	2023 Quarter 4	2024 Full year	2023 Full year
Interest revenue from purchased loan portfolios		580	611	2 301	2 473
Net credit gain/(loss) from purchased loan portfolios	4	95	67	483	366
Profit from investments in associated parties/joint ventures		33	82	116	222
Gain on sale of repossessed collateral assets (REOs) <sup>1</sup>		17	41	100	146
Other revenue <sup>2</sup>		122	146	683	568
<b>Revenue</b>	<b>3</b>	<b>847</b>	<b>946</b>	<b>3 683</b>	<b>3 775</b>
External expenses of services provided		- 148	- 146	-556	- 533
Personnel expenses		- 329	- 264	-1 054	-1 027
Other operating expenses		- 128	- 149	-482	- 532
Depreciation and amortisation		- 23	- 25	-91	- 95
Impairment losses		- 0	- 0	- 0	- 11
<b>EBIT</b>	<b>3</b>	<b>218</b>	<b>362</b>	<b>1 500</b>	<b>1 578</b>
Financial income		12	12	42	26
Financial expenses		- 209	- 292	-1 196	-1 124
Net exchange gain/(loss)		2	2	12	- 12
<b>Net financial items</b>	<b>5</b>	<b>- 195</b>	<b>- 279</b>	<b>-1 142</b>	<b>-1 110</b>
<b>Profit/(loss) before tax</b>		<b>23</b>	<b>83</b>	<b>358</b>	<b>468</b>
Income tax expense		- 5	- 19	-80	- 105
<b>Profit/(loss) after tax</b>		<b>18</b>	<b>65</b>	<b>277</b>	<b>363</b>

1. Previously presented gross revenue with cost of collateral sold under operating expenses.

2. Other revenues includes interest revenue and net credit gain/(loss) from loan receivables

	Notes	2024 Quarter 4	2023 Quarter 4	2024 Full year	2023 Full year
<b>Profit/(loss) attributable to:</b>					
Parent company shareholders		18	65	277	363
Non-controlling interests		- 0	- 0	0	0
<b>Earnings per share (in NOK):</b>					
Basic		0.05	0.17	0.75	0.94
Diluted		0.05	0.17	0.75	0.94

## Consolidated statement of comprehensive income

All figures in NOK million unless otherwise stated

	2024	2023	2024	2023
	Quarter 4	Quarter 4	Full year	Full Year
<b>Profit/(loss) after tax</b>	<b>18</b>	<b>65</b>	<b>277</b>	<b>363</b>
<b>Other comprehensive income</b>				
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of foreign operations	12	-15	321	428
Hedging of currency risk in foreign operations	-14	-87	-72	-150
Hedging of interest rate risk	24	-63	-3	-146
Tax attributable to items that may be reclassified to profit or loss	2	37	-11	74
<b>Other comprehensive income</b>	<b>24</b>	<b>-128</b>	<b>234</b>	<b>206</b>
<b>Total comprehensive income for the period</b>	<b>42</b>	<b>-63</b>	<b>511</b>	<b>569</b>
<b>Total comprehensive income attributable to:</b>				
Parent company shareholders	42	-63	511	569
Non-controlling interests	-0	0	-0	-0

## Condensed consolidated statement of financial position

All figures in NOK million unless otherwise stated

		2024	2023
	Notes	31 Dec	31 Dec
Deferred tax asset		466	389
Goodwill		807	769
Tangible and intangible assets		324	365
Investments in associated companies and joint ventures		822	781
Purchased loan portfolios	3,4,5	12 069	11 542
Other non-current financial assets <sup>1</sup>		34	372
<b>Total non-current assets</b>		<b>14 520</b>	<b>14 218</b>
Income taxes receivable		49	50
Other current assets		507	317
Collateral assets		1 380	1 339
Cash and short-term deposits		516	1 404
<b>Total current assets</b>		<b>2 452</b>	<b>3 111</b>
<b>Total assets</b>		<b>16 973</b>	<b>17 328</b>

1. Other non-current financial assets includes loan receivables.

		2024	2023
	Notes	31 Dec	31 Dec
Equity attributable to parent company's shareholders	7	5 618	5 587
Equity attributable to non-controlling interests		0	1
<b>Total equity</b>		<b>5 618</b>	<b>5 588</b>
Deferred tax liabilities		439	430
Non-current interest bearing loans and borrowings	6	9 555	7 970
Other non-current liabilities		185	256
<b>Total non-current liabilities</b>		<b>10 179</b>	<b>8 655</b>
Current interest bearing loans and borrowings	6		2 245
Bank overdraft	6	247	225
Accounts and other payables		319	174
Income taxes payable		82	29
Other current liabilities		527	411
<b>Total current liabilities</b>		<b>1 175</b>	<b>3 085</b>
<b>Total equity and liabilities</b>		<b>16 973</b>	<b>17 328</b>

## Condensed consolidated statement of changes in equity

All figures in NOK million unless otherwise stated

	Notes	2024			2023		
		Attributable to parent company's shareholders	Non-controlling interests	Total equity	Attributable to parent company's shareholders	Non-controlling interests	Total equity
<b>At 1 January</b>		<b>5 587</b>	<b>1</b>	<b>5 588</b>	<b>5 216</b>	<b>1</b>	<b>5 217</b>
Profit/(loss) after tax		277	- 0	277	363	0	363
Other comprehensive income		234	- 0	234	206		206
<b>Total comprehensive income</b>		<b>511</b>	<b>- 0</b>	<b>511</b>	<b>569</b>	<b>0</b>	<b>569</b>
Capital reduction	7	- 2		- 2	- 1		- 1
Treasury shares	7	2		2	1		1
Share buy-back programme		- 5		- 5	- 123		- 123
Share based payments		3		3	4		4
Exercised share options					- 2		- 2
Dividend paid to parent company's shareholders	7	- 479		- 479	- 77		- 77
Dividends to non-controlling interests			- 0	- 0		0	0
<b>At 31 December</b>		<b>5 618</b>	<b>0</b>	<b>5 618</b>	<b>5 587</b>	<b>1</b>	<b>5 588</b>

## Condensed consolidated statement of cash flows

All figures in NOK million unless otherwise stated

		2024	2023	2024	2023
	Notes	Quarter 4	Quarter 4	Full Year	Full Year
<b>Cash flows from operating activities</b>					
Profit/(loss) for the period before tax		23	83	358	468
<u>Adjustment for non-cash items:</u>					
Amortisation/revaluation of purchased loan portfolios		539	1 089	2 251	2 899
Repossession of collateral assets		- 39	- 65	- 194	- 276
Cost of assets sold, including impairment		43	111	360	364
Profit from investments in associated parties/joint ventures	3	- 33	- 82	- 116	- 222
Financial expenses	5	209	292	1 196	1 124
Other non-cash items <sup>1</sup>		- 0	- 249	- 310	- 100
<u>Operating cash flows:</u>					
Cash received from investments in associated parties / joint ventures <sup>2</sup>		65	53	114	202
Income tax paid		- 16	- 44	- 103	- 144
Change in working capital		84	118	1	- 18
Change in non-current financial assets/liabilities		32	251	202	194
<b>Net cash flow from operating activities</b>		<b>908</b>	<b>1 557</b>	<b>3 758</b>	<b>4 493</b>
<b>Cash flows from investing activities</b>					
Payment of purchased loan portfolios	3,4	-1 081	- 803	-2 168	-2 584
Proceeds from sold performing and non-performing loan portfolios				319	
Investments/divestments in subsidiaries, joint ventures and associated companies			15	7	310
Net investments in intangible and tangible assets			- 7	- 34	- 67
<b>Net cash flow from investing activities</b>		<b>-1 081</b>	<b>- 795</b>	<b>-1 876</b>	<b>-2 341</b>

		2024	2023	2024	2023
	Notes	Quarter 4	Quarter 4	Full Year	Full Year
Payment share buy-back programme	7		- 24	- 5	- 122
Exercised share options					- 2
Net proceeds/(repayments) on interest bearing loans and borrowings		298	- 150	-1 135	- 824
Interest expenses and commitment fees paid on borrowings		- 155	- 247	- 884	- 932
Borrowing cost paid		4	- 2	- 302	- 69
Repayment of principal amount on lease liabilities		- 10	- 11	- 31	- 50
Dividends paid to parent company's shareholders		- 221		- 479	- 77
Dividends paid to non-controlling interests		- 0	- 0	- 0	- 0
<b>Net cash flow from financing activities</b>		<b>- 84</b>	<b>- 435</b>	<b>-2 836</b>	<b>-2 077</b>
<b>Net cash flow during the period</b>		<b>- 257</b>	<b>326</b>	<b>- 954</b>	<b>74</b>
Net cash at the beginning of the period		525	849	1 179	1 045
Exchange rate difference on cash and cash equivalents		1	6	44	60
<b>Net cash at the end of the period</b>		<b>269</b>	<b>1 179</b>	<b>269</b>	<b>1 179</b>
<u>Net cash at end of period comprised of:</u>					
Cash and cash equivalents		516	1 404	516	1 404
Bank overdraft		- 247	- 225	- 247	- 225

1. Including "Net foreign exchange differences" previously reported on separate line
2. Previously reported under "Net cash flow from investing activities"



## Notes to the interim condensed consolidated financial statements

### Note 1 – General information and basis for preparation

B2 Impact ASA (the Company or Parent) and its subsidiaries (together the Group) is a debt solutions provider specialized in investing in, and the collection of, non-performing debt portfolios in addition to providing third-party debt collection services. B2 Impact ASA is a public limited liability company, incorporated and domiciled in Norway. The Company's registered office is at Cort Adellers gate 30, 0254 Oslo, Norway. The interim condensed consolidated financial statements consist of the Group and the Group's interests in associated companies and joint ventures.

As a result of rounding differences, numbers or percentages may not add up to the total.

These interim condensed consolidated financial statements (interim report) for the fourth quarter ending 31 December 2024 have been prepared in accordance with IAS 34 Interim Financial Reporting. The interim report does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual consolidated financial statement for 2023. The annual consolidated financial statements for 2023 are available at the company's website ([www.b2-impact.com](http://www.b2-impact.com)).

The accounting policies applied in the preparation of the interim report are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2023.

The interim condensed consolidated financial statements for the fourth quarters ending 31 December 2024 and 31 December 2023 are unaudited. The 2023 audited financial statements were approved at the Annual General Meeting of the Company held on 23 May 2024.

### Note 2 – Estimates and critical accounting judgements

The preparation of the interim condensed consolidated financial statements requires the use of evaluations, estimates and assumptions that affect the application of the accounting principles and amounts recognized as assets, liabilities, income, and expenses. A description of the accounting policies, significant estimates, and areas where judgement is applied by the Group can be found in note 3 of the consolidated financial statement for 2023. In this quarterly interim condensed consolidated financial statement, the accounting policies, significant estimates, and areas where judgement is applied by the Group are in conformity with those described in the annual report.

### Note 3 – Segment reporting

The Group applies IFRS 8 Operating Segments. An operating segment is a part of the Group from which it can generate income and incur expenses, for which separate financial information is available, and whose results are regularly reviewed by the Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated. The Group CEO has been identified as CODM.

Investments consist of the purchase and management of unsecured and secured loan portfolios directly or through investments in joint ventures. Collaterals and repossessed assets acquired as part of the recovery strategy are included in Investments.

Servicing is the collections of payments on behalf of the Investment segment, joint ventures and clients. The Servicing segment generates revenues from commissions and debtor fees.

No operating segments have been aggregated to form the above reportable operating segments.

Internal transactions between Investments and Servicing segment are priced on commercial terms. The commission is recognised as inter segment revenue in Servicing and as direct operating expense in Investments. Inter segment revenues and costs are eliminated upon consolidation and reflected as Unallocated items & eliminations in the segment reporting.

Revenues from issued consumer loans (loan receivable), credit information and other services on behalf of clients are assessed to be not reportable operating segments and included in Other in the segment reporting.

The performance of the operative segments is measured at Segment earnings level which includes revenue and direct operative expenses.

IT and SG&A are considered supporting segments, where SG&A includes sales, general and administrative expenses, e.g., Human Resources, Finance, Communication and Marketing, Legal and Compliance and other staff functions. Other items included in Unallocated items & eliminations include non-recurring items.

**Segment overview**

All figures in NOK million unless otherwise stated

**Quarter 4, 2024**

	Investments	Servicing	Other	Unallocated items & eliminations	Total
External revenue	728	108	12	0	847
Inter segment revenue	0	205	0	- 205	- 0
<b>Revenue</b>	<b>728</b>	<b>313</b>	<b>12</b>	<b>- 205</b>	<b>847</b>
Direct opex	- 329	- 182	- 4	96	- 418
<b>Segment earnings</b>	<b>399</b>	<b>131</b>	<b>8</b>	<b>- 109</b>	<b>429</b>
IT					- 43
SG&A					- 67
Central costs					- 78
<b>EBITDA</b>					<b>241</b>
Depreciation, amortisation and impairment losses					- 23
<b>EBIT</b>					<b>218</b>

**Quarter 4, 2023**

	Investments	Servicing	Other	Unallocated items & eliminations	Total
External revenue	806	99	41	0	946
Inter segment revenue	- 1	204	0	- 204	0
<b>Revenue</b>	<b>806</b>	<b>303</b>	<b>41</b>	<b>-203</b>	<b>946</b>
Direct opex	-404	-150	-9	203	-360
<b>Segment earnings</b>	<b>401</b>	<b>153</b>	<b>33</b>	<b>0</b>	<b>586</b>
IT					-44
SG&A					-86
Central costs					-69
<b>EBITDA</b>					<b>387</b>
Depreciation, amortisation and impairment losses					-25
<b>EBIT</b>					<b>362</b>

**Segment overview**

All figures in NOK million unless otherwise stated

**Full year, 2024**

	Investments	Servicing	Other	Unallocated items & eliminations	Total
External revenue	3 011	406	264	2	3 683
Inter segment revenue	0	816	0	- 816	- 0
<b>Revenue</b>	<b>3 011</b>	<b>1 222</b>	<b>264</b>	<b>- 814</b>	<b>3 683</b>
Direct opex	-1 243	- 721	- 32	662	-1 335
<b>Segment earnings</b>	<b>1 767</b>	<b>501</b>	<b>232</b>	<b>- 152</b>	<b>2 348</b>
IT					- 169
SG&A					- 317
Central costs					- 271
<b>EBITDA</b>					<b>1 591</b>
Depreciation, amortisation and impairment losses					- 91
<b>EBIT</b>					<b>1 500</b>

**Full year, 2023**

	Investments	Servicing	Other	Unallocated items & eliminations	Total
External revenue	3 228	373	174	0	3 775
Inter segment revenue	- 0	876	0	- 876	0
<b>Revenue</b>	<b>3 228</b>	<b>1 250</b>	<b>174</b>	<b>- 876</b>	<b>3 775</b>
Direct opex	-1 359	- 743	- 43	824	-1 322
<b>Segment earnings</b>	<b>1 869</b>	<b>506</b>	<b>130</b>	<b>- 52</b>	<b>2 453</b>
IT					- 171
SG&A					- 338
Central costs					- 261
<b>EBITDA</b>					<b>1 684</b>
Depreciation, amortisation and impairment losses					- 106
<b>EBIT</b>					<b>1 578</b>

## Segment details

All figures in NOK million unless otherwise stated

Investments	2024	2023	2024	2023
	Quarter 4	Quarter 4	Full year	Full year
Secured collections	137	749	740	1 525
Unsecured collections	1 078	1 017	4 294	4 213
<b>Total collections</b>	<b>1 214</b>	<b>1 767</b>	<b>5 034</b>	<b>5 738</b>
Secured amortisation	- 82	- 65	- 250	- 210
Unsecured amortisation	- 472	- 474	-1 964	-1 999
<b>Total amortisation</b>	<b>- 554</b>	<b>- 539</b>	<b>-2 214</b>	<b>-2 209</b>
Secured revaluations	- 75	- 555	- 218	- 741
Unsecured revaluations	90	5	181	51
<b>Total revaluations</b>	<b>14</b>	<b>- 550</b>	<b>- 37</b>	<b>- 690</b>
<b>Total purchased loan portfolios (NPLs) revenue</b>	<b>675</b>	<b>678</b>	<b>2 784</b>	<b>2 839</b>
Profit from investments in joint ventures	33	82	116	222
Gain on sale of repossessed collateral assets (REOs)	17	41	100	146
Other revenue	3	5	10	21
<b>Revenue</b>	<b>728</b>	<b>806</b>	<b>3 011</b>	<b>3 228</b>
Direct opex	- 329	- 404	-1 243	-1 359
<b>Segment earnings</b>	<b>399</b>	<b>401</b>	<b>1 767</b>	<b>1 869</b>
Segment earnings in %	55%	50%	59%	58%

	2024	2023	2024	2023
	Quarter 4	Quarter 4	Full year	Full year
Cash collections <sup>1</sup>	1 300	1 906	5 284	6 164
Secured collection performance %	89%	437%	134%	234%
Unsecured collection performance %	110%	104%	108%	105%
Total collection performance %	107%	154%	112%	123%
Portfolio investments <sup>1</sup>	1 165	821	2 248	2 741
Book value secured NPLs	1 444	1 832	1 444	1 832
Book value unsecured NPLs	10 625	9 710	10 625	9 710
Book value investments in joint ventures	822	781	822	781
Book value collateral assets (REOs)	1 380	1 339	1 380	1 339
Revenue from sale of collateral assets	60	151	330	499
Cost of collateral asset sold	- 43	- 108	- 230	- 351
Write-down of collateral asset	0	- 2	0	- 2
<b>Gain on sale of repossessed collateral assets (REOs)</b>	<b>17</b>	<b>41</b>	<b>100</b>	<b>146</b>
Gain on sale of repossessed collateral assets (REOs) %	39%	37%	44%	41%

1. Includes the Group's share of portfolios held in SPVs and joint ventures.

**Segment details continued**

All figures in NOK million unless otherwise stated

<b>Servicing</b>	2024	2023	2024	2023
	Quarter 4	Quarter 4	Full year	Full year
Internal servicing revenue	205	204	816	876
Servicing revenues from associated parties/joint ventures	25	23	86	89
Revenue from external clients	83	76	321	285
<b>Revenue</b>	<b>313</b>	<b>303</b>	<b>1 222</b>	<b>1 250</b>
Direct opex	-182	- 150	- 721	- 743
<b>Segment earnings</b>	<b>131</b>	<b>153</b>	<b>501</b>	<b>506</b>
Segment earnings in %	42%	51%	41%	41%

**Note 4 - Purchased loan portfolios**

All figures in NOK million unless otherwise stated

	2024	2023	2024	2023
	Quarter 4	Quarter 4	Full year	Full year
<b>Opening balance</b>	<b>11 419</b>	<b>11 588</b>	<b>11 542</b>	<b>11 181</b>
Portfolio investments in the period	1 165	821	2 248	2 570
Reclassification from investment in joint ventures <sup>1</sup>				157
Collection from purchased loan portfolios	-1 214	-1 767	-5 034	-5 738
Interest revenue from purchased loan portfolios	580	611	2 301	2 473
Net credit gain/(loss) from purchased loan portfolios	95	67	483	366
<i>Whereof collection above/(below) estimates</i>	81	617	519	1 056
<i>Whereof changes in future collection estimates</i>	14	- 550	- 37	- 690
Book value of sold purchased loan portfolios	0	- 3	- 29	- 452
Exchange rate differences	24	225	558	985
<b>Closing balance</b>	<b>12 069</b>	<b>11 542</b>	<b>12 069</b>	<b>11 542</b>

1. Amount reclassified from investment in joint ventures due to increased ownership from 30 % to 100 % of Profit Participating notes in portfolio owning SPV as of 16 January 2023

**Net credit gain/loss from purchased portfolios**

The Group purchases materially impaired loan portfolios at significant discounts and as such impairments are already included at purchase. The expected credit loss for the purchased loan portfolios is not explicitly recognized as a loss provision since these financial assets are credit impaired by definition and the estimated loss is already part of the amortized cost. The Group's exposure to credit risk from the purchased loan portfolios is related to actual collections deviating from collection estimates, as well as from changes in future collection estimates. The Group regularly evaluates the current collection estimates on single portfolios and the estimate is adjusted if collections are determined to deviate from current estimate over time. The adjusted collection estimate is discounted by the initial rate of return at acquisition of the portfolio. Changes from current estimate adjust the book value of the portfolio and are included in the income statement in the line item "Net credit gain/(loss) from purchased loan portfolios". The portfolios are evaluated quarterly. Collections above collection estimates and upward adjustments of future collections estimates increase revenue. Collections below collection estimates and downward adjustments of future collection estimates decrease revenue.

**Payment of loan portfolios, cash flow statement**

The following table reconciles the difference between "Purchase of loan portfolios" in cash flow statement and other statements:

	2024	2023	2024	2023
	Quarter 4	Quarter 4	Full year	Full year
Portfolio investments in the period	-1 165	- 821	-2 248	-2 570
Change in prepaid amounts and amounts due on portfolio purchases	84	17	80	- 14
<b>Payment of loan portfolios, cash flow statement</b>	<b>-1 081</b>	<b>- 803</b>	<b>-2 168</b>	<b>-2 584</b>

## Note 5 – Financial instruments

All figures in NOK million unless otherwise stated

Please refer to note 4 for specific disclosures regarding purchased loan portfolios.

### Fair value of financial instruments

Almost all of B2 Impact's financial assets and liabilities are initially recognised at fair value and subsequently measured at amortised cost. For these instruments amortised cost is assessed to be a representative or close estimate to fair value.

### Financial risk

The strategy of the Group is to manage and limit both currency and interest rate risk. The Group holds various derivative financial instruments with the purpose of reducing its interest rate exposure and achieving a suitable currency ratio between its assets and liabilities. At quarter end the fair value of the currency derivatives was NOK 0m and the fair value of the interest rate hedging derivatives was NOK -6 million. The interest rate hedging ratio was 72 %.

The changes in fair value of the designated hedging instruments (interest swaps and interest caps) of NOK 24 million are reported in Other Comprehensive Income. Changes in carrying amount of net investment hedge instruments as a result of foreign currency movements of NOK 14 million are also reported in Other Comprehensive Income.

Please refer to the Risk Management section in the Group's 2023 Annual Report and Group financial statement note 4.2 for further information.

### Net financial items

All figures in NOK million

	2024	2023	2024	2023
	Quarter 4	Quarter 4	Full year	Full year
Interest revenue	7	11	28	25
Other financial income	4	1	14	1
<b>Financial income</b>	<b>12</b>	<b>12</b>	<b>42</b>	<b>26</b>
Interest expenses	- 205	- 278	-1 001	-1 044
<i>Interest cost and commitment fees</i>	<i>- 184</i>	<i>- 254</i>	<i>- 860</i>	<i>- 956</i>
<i>Amortisation of borrowing costs</i>	<i>- 21</i>	<i>- 24</i>	<i>- 141</i>	<i>- 87</i>
Change in fair value of interest rate derivatives	- 1	- 4	- 1	- 15
Interest expense on leases	- 3	- 3	- 12	- 12
Other financial expenses <sup>1</sup>	- 0	- 7	- 182	- 53
<b>Financial expenses</b>	<b>- 209</b>	<b>- 292</b>	<b>-1 196</b>	<b>-1 124</b>
Realised exchange gain/(loss)	34	- 86	- 719	- 311
Unrealised exchange gain/(loss)	- 32	88	731	298
Change in fair value of currency derivatives	0	0	0	0
<b>Net exchange gain/(loss)</b>	<b>2</b>	<b>2</b>	<b>12</b>	<b>- 12</b>
<b>Net financial items</b>	<b>- 195</b>	<b>- 279</b>	<b>-1 142</b>	<b>-1 110</b>

1. Includes NOK 32 million Impact in Full year 2023 in connection with the divestment of the Bulgarian business.

**Note 6 - Interest bearing loans and borrowings**

All figures in NOK million unless otherwise stated

	31 December 2024		31 December 2023	
	Current	Non-current	Current	Non-current
Multi-currency revolving credit facility		4 280		4 489
Bond loans		5 275	2 245	3 329
Senior Facility Agreement				152
Bank overdraft	247		225	
<b>Total</b>	<b>247</b>	<b>9 555</b>	<b>2 470</b>	<b>7 970</b>

The Group is financed by a combination of multi-currency Revolving Credit Facility (RCF) and Bond loans. At quarter end EUR 395 million was utilised from the EUR 610 million RCF leaving total available undrawn facility lines of EUR 215 million.

The Group's loan agreements have several operational and financial covenants, including limits on certain key indicators, which have all been complied with at quarter end.

For more information about the Group's financing, please refer to note 24 in the Group's consolidated financial statement 2023



## Note 7 – Share Capital and other paid-in capital

Ordinary shares have a nominal value of NOK 0.10 each. The number and value of authorised and registered shares, and the amount of other paid-in capital, being the premium on shares issued less any transaction costs of new shares issued, was as follows:

	Number of shares	Share capital NOK million	Other paid-in capital <sup>1</sup> NOK million
<b>At 31 December 2023</b>	<b>387 180 824</b>	<b>39</b>	<b>2 844</b>
Capital reduction by cancellation of own shares registered on 26 August 2024 related to share buy-back programme 2023	-18 648 672	- 2	
<b>At 31 December 2024</b>	<b>368 532 152</b>	<b>37</b>	<b>2 844</b>
<b>At 12 February 2024 (date of completion of these interim condensed financial statements)</b>	<b>368 532 152</b>	<b>37</b>	<b>2 844</b>

1. Net proceeds after transaction costs

The share buy-back program started 26 May 2023 was complete in January 2024. The purpose of the program was to reduce the capital of the Company. In total 19,348,672 shares were bought back at an average price of NOK 6.81, decreasing the equity attributable to the Company's shareholders by NOK 128 million. After sale of 700,000 of its own shares in fourth quarter 2023 the Company held a total of 18,648,672 treasury shares to be cancelled. The cancellation of the shares and the share capital reduction of NOK 1.8 million was effective as of 26 August 2024.

A dividend of NOK 0.70 per share was distributed on 3 June 2024 to registered shareholders as of 23 May 2024. An additional dividend of NOK 0.60 per share was distributed on 31 October 2024 to registered shareholders as of 22 October 2024.

## Note 8 – Share based payments

In the fourth quarter 2,700,000 share options were granted to Group management employees, whereas 446,667 options to former management and key employees forfeited.

At the date of these interim financial statements there are 11,370,000 share options outstanding.

## Alternative performance measures

The interim financial information of the Group has been prepared in accordance with International Financial Reporting Standards (IFRS® Accounting Standards) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS. The Group presents alternative performance measures (APMs) which do not have any standardized meaning prescribed by IFRS and therefore are unlikely to be comparable to the calculation of similar measures used by other companies.

The APMs are regularly reviewed by Management and their aim is to enhance stakeholders' understanding of the Group's performance and to enhance comparability between financial periods. The APMs are reported in addition to but are not substitutes for the financial statements prepared in accordance with IFRS.

The APMs provide a basis to evaluate operating profitability and performance trends, excluding the impact of items which in the opinion of Management, distort the evaluation of the performance of the operations. The APMs also provide measures commonly reported and widely used by investors as an indicator of the Group's operating performance and as a valuation metric of debt purchasing companies. Furthermore, APMs are also relevant when assessing the ability to incur and service debt.

APMs are defined consistently over time and are based on the financial data presented in accordance with IFRS.

**Alternative performance measures - reconciliation**

All figures in NOK million unless otherwise stated

	2024	2023	2024	2023
	Quarter 4	Quarter 4	Full year	Full year
<b>Revenue</b>	<b>847</b>	<b>946</b>	<b>3 683</b>	<b>3 775</b>
Add back Amortisation of purchased loan portfolios	554	539	2 214	2 209
Add back Revaluation of purchased loan portfolios	- 14	550	37	690
Adjust for Repossession of collateral assets	- 39	- 65	- 194	- 276
Add back cost of asset sold	43	111	360	364
Adjust for Profit from investments in associated parties/joint ventures	- 33	- 82	- 116	- 222
Add Cash received from investments in associated parties/joint ventures	65	53	114	202
Adjust for Non-recurring items				
<b>Cash revenue</b>	<b>1 423</b>	<b>2 052</b>	<b>6 097</b>	<b>6 743</b>
Adjust for Other cash revenues	- 123	- 146	- 813	- 579
<b>Cash collections</b>	<b>1 300</b>	<b>1 906</b>	<b>5 284</b>	<b>6 164</b>

	2024	2023	2024	2023
	Quarter 4	Quarter 4	Full year	Full year
<b>EBIT</b>	<b>218</b>	<b>362</b>	<b>1 500</b>	<b>1 578</b>
Add back Depreciation, amortisation and impairment losses	23	25	91	106
<b>EBITDA</b>	<b>241</b>	<b>387</b>	<b>1 591</b>	<b>1 684</b>
Add back Amortisation of purchased loan portfolios	554	539	2 214	2 209
Add back Revaluation of purchased loan portfolios	- 14	550	37	690
Adjust for Repossession of collateral assets	- 39	- 65	- 194	- 276
Add back Cost of assets sold	43	111	360	364
Adjust for Profit from investments in associated parties/joint ventures	- 33	- 82	- 116	- 222
Add Cash received from investments in associated parties/joint ventures	65	53	114	202
Adjust for Non-recurring items	116	48	169	111
<b>Cash EBITDA</b>	<b>933</b>	<b>1 540</b>	<b>4 175</b>	<b>4 762</b>

**Alternative performance measures - reconciliation**

All figures in NOK million unless otherwise stated

	2024	2023	2024	2023
	Quarter 4	Quarter 4	Full year	Full year
<b>EBIT</b>	<b>218</b>	<b>362</b>	<b>1 500</b>	<b>1 578</b>
Non-recurring items, of which:				
Personnel expenses	107	31	155	67
Other operating expenses	9	17	14	43
Impairment		0		8
Non-recurring items impacting EBIT	116	48	169	118
<b>Adjusted EBIT</b>	<b>334</b>	<b>410</b>	<b>1 669</b>	<b>1 696</b>
External expenses of services provided	- 148	-146	- 556	- 533
Personnel expenses	- 329	- 264	-1 054	-1 027
Other operating expenses	- 128	- 149	- 482	- 532
Adjust for non-recurring items	116	48	169	111
<b>Adjusted opex</b>	<b>- 490</b>	<b>- 512</b>	<b>-1 923</b>	<b>-1 981</b>
Non-recurring items impacting EBIT	116	48	169	118
Other non-recurring items	0	4	220	36
<b>Total non-recurring items</b>	<b>116</b>	<b>52</b>	<b>389</b>	<b>154</b>

**Alternative performance measures - reconciliation**

All figures in NOK million unless otherwise stated

**Total Loan to Value**

Total Loan to Value is a financial covenant in the RCF agreement and is calculated accordingly.

	2024 31 Dec	2024 30 Sep	2024 30 Jun	2024 31 Mar
Bond loan (nominal value) <sup>1</sup>	5 308	4 118	5 128	5 265
Revolving Credit Facility (nominal value) <sup>1</sup>	4 434	5 294	4 165	4 662
Vendor loan	107	27	24	29
Net cash balance including overdraft	- 269	- 525	- 790	- 743
<b>Total loan</b>	<b>9 580</b>	<b>8 914</b>	<b>8 527</b>	<b>9 212</b>
Purchased loan portfolios	12 069	11 419	11 146	11 705
Investment in associated companies and joint ventures	822	852	813	830
Other assets <sup>2</sup>	1 928	1 877	1 120	1 540
<b>Book value</b>	<b>14 819</b>	<b>14 148</b>	<b>13 079</b>	<b>14 074</b>
<b>Total Loan to Value % (TLTV)</b>	<b>65%</b>	<b>63%</b>	<b>65%</b>	<b>65%</b>

1. Bond loans and Revolving Credit Facility (RCF) are measured at nominal value according to the definitions of the financial covenants. In the condensed consolidated statement of financial position this is included in "Non-current interest bearing loans and borrowings" and "Current interest bearing loans and borrowings", with bonds measured at amortised cost and RCF at linear cost.

2. Included in "Goodwill", "Loan receivables" and "Collateral assets" in the condensed consolidated statement of financial position.

## Definitions

### Actualisation

Actualisation is the difference between actual and forecasted collections for purchased loan portfolios for the reporting period.

### Adjusted EBIT (Adj. EBIT)

Adjusted EBIT consists of Operating profit/(loss) (EBIT) adjusted for non-recurring items.

### Adjusted EBIT % (Adj. EBIT %)

Adjusted EBIT % is Adjusted EBIT expressed as a percentage of revenue excluding Non-recurring items.

### Adjusted EPS (Adj. EPS)

Adjusted earnings per share is calculated based on Adjusted Net profit (Adj. Net profit) for the period divided by the weighted average number of outstanding shares during the respective period.

### Adjusted return on equity (Adj. ROE)

Adjusted return on equity is calculated based on rolling 12-months Adjusted Net profit (Adj. Net profit) for the Group divided by the average equity attributable to parent company shareholders, with average equity calculated as a simple average based on opening and closing balances for the respective 12-month period.

### Adjusted Net profit (Adj. Net profit)

Adjusted Net profit consists of Profit/(loss) after tax adjusted for Non-recurring items reduced by the tax rate for the period.

### Central costs

Administration and management cost related to Head Office and other Group costs such as Investment Office.

### Amortisation

Amortisation is the amount of the collections that are used to reduce the book value of the purchased portfolios.

### Cash collections

Cash collections include unsecured collections, secured cash collections, cash received from SPVs and joint ventures, and REO sales proceeds.

### Cash EBITDA

Cash EBITDA consists of EBIT added back Amortisation and Revaluation of purchased loan portfolios, Depreciation and amortisation and Impairment of tangible and intangible assets and Cost of assets sold, adjusted for Repossession of collateral assets and the difference between cash received and recognised Profit from shares in associated parties/joint ventures and participation loan/notes. Cash EBITDA is a measure of actual performance from the collection business (cash business) and other business areas. Cash EBITDA is adjusted for Non-recurring items.

### Cash margin

Cash margin consists of Cash EBITDA expressed as a percentage of cash revenue.

### Cash revenue

Cash revenue consists of revenue added back Amortisation and Revaluation of purchased loan portfolios and Cost of assets sold and adjusted for Repossession of collateral asset and the difference between cash received and recognised Profit from shares in associated parties/joint ventures and participation loan/notes. Cash revenue is a measure of actual revenues (cash business) from the collection business and other business areas. Cash revenue is adjusted for Non-recurring items.

### Collections

Collections are the actual cash collected and assets recovered from purchased portfolios.

### EBITDA

Operating profit before depreciation and amortisation (EBITDA) consists of operating profit (EBIT) adding back depreciation, amortisation and impairment of tangible and intangible assets.

### Estimated Remaining Collections (ERC)

Estimated Remaining Collections (ERC) expresses the collections in nominal values expected to be collected in the future from the purchased loan portfolios owned at the reporting date and the Group's share of collections on portfolios purchased and held in joint ventures.

### Forward flow agreements

Forward flow agreements are agreements where the Group agrees with the portfolio provider that it will, over some period in fixed intervals, transfer its non-performing loans of a certain characteristics to the Group.

### Interest income from loan receivables

Interest income from loan receivables is the calculated amortised cost interest revenue from the loan receivable using the original effective interest rate.

### Interest income from purchased portfolios

Interest income from purchased loan portfolios is the calculated amortised cost interest revenue from the purchased loan portfolios using the credit-adjusted effective interest rates set at initial acquisition.

## Definitions continued

### Operating expenses (Opex)

Opex consists of external expenses of services provided, personnel expenses and other operating expenses.

### Net debt

Net debt consists of nominal value of interest-bearing loans and borrowings plus utilised bank overdraft less cash and short-term deposits.

### Net interest-bearing debt

Net interest-bearing debt consist of carrying value of interest-bearing loans and borrowings plus utilised bank overdraft less cash and short-term deposits.

### Net credit gain/(loss) from purchased loan portfolios

The Group's exposure to credit risk from the purchased loan portfolios is related to actual collections deviating from collections estimates and from changes in future collections estimates. The Group regularly evaluates the current collections estimates at the individual portfolio level and the estimate is adjusted if collections are determined to deviate from current estimate over time. The adjusted collections estimate is discounted by the initial rate of return at acquisition of the portfolio. Changes from current estimate adjust the book value of the portfolio and are included in the profit and loss statement in the line item "Net credit gain/(loss) from purchased loan portfolios". Collections above collections estimates and upward adjustments of future collections estimates increase revenue. Collections below collections estimates and downward adjustments of future collections estimates decrease revenue. Net credit gain/(loss) equals net actualisation/revaluation.

### Non-recurring items

Significant profit and loss items that are not included in the Group's normal recurring operations, which are difficult to predict and are considered to have low forecast value for the future earnings trend. Non-recurring items may include but are not limited to restructuring costs, acquisition and divestment costs, advisory costs for discontinued acquisition projects, integration costs, termination costs for Group Management and country managers, non-portfolio related write offs, unusual legal expenses, extraordinary projects, and material income or expenses relating to prior years.

### Operating cash flow per share

Operating cash flow per share is operating cash flow from consolidated statement of cash flows divided on the weighted average number of shares outstanding in the reporting period. Operating cash flow per share is a measure on actual cash earned from operating business per share.

### Other cash revenues

Other cash revenues consist of Other revenues added back Cost of assets sold

### Other revenues

Other revenues include revenue from external collections, as well as subscription income for credit information, telemarketing and other services which is recognised proportionately over the term of the underlying service contract which is usually one year. Other revenues include Interest income from loan receivables and Net credit gain/(loss) from loan receivables.

### Portfolio investments

The investments for the period in unsecured (without collateral) and in secured (with collateral) loan portfolios.

### Profit margin

Profit margin consists of operating profit (EBIT) expressed as a percentage of total operating revenues.

### Revaluation

Revaluation is the period's increase or decrease in the carrying value of the purchased loan portfolios attributable to changes in forecasts of future collections.

### Reposessed collateral asset (REOs)

In connection with the acquisition and collection of purchased loan portfolios, the Group may become owner of assets such as land, buildings, or other physical goods. These assets are only acquired as part of the collection strategy for the purpose of being divested within the Group's ongoing operations to maximize the value of collections. Such assets are classified as inventories and recognised in the balance sheet at the lower of cost and net realisable value in accordance with IAS 2 Inventories.

### Total Loan to Value (TLTV)

Total loan to value is net debt adjusted for vendor loan, earn out and FX hedge MTM over assets (portfolio, JV, loan receivables, real estate owned and goodwill).

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