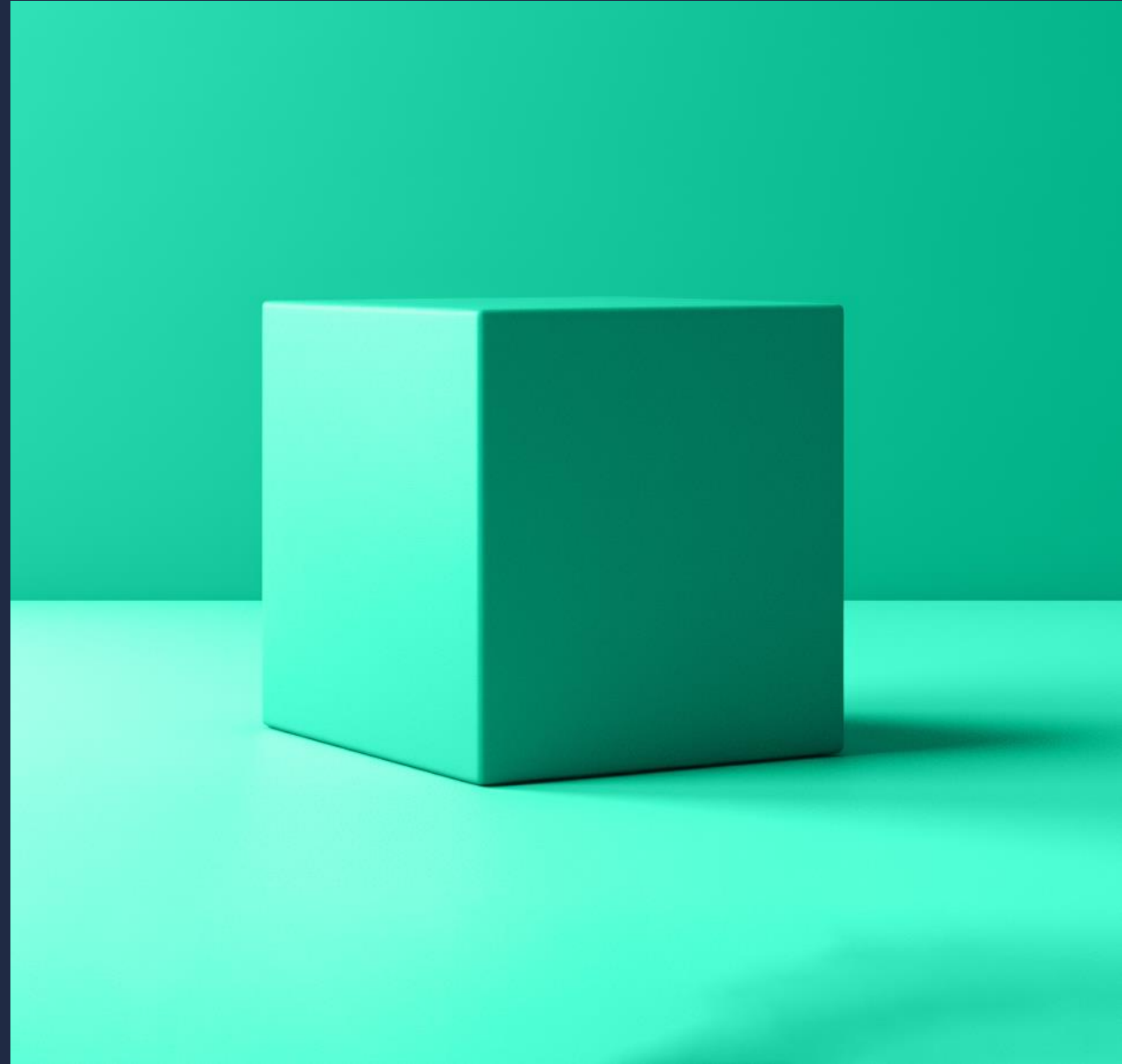


Q2

Second quarter & half-year 2024 **Presentation**

22 August 2024



Today's presenters



Erik J. Johnsen
Chief Executive Officer



André Adolfsen
Chief Financial Officer



Rasmus Hansson
Head of Investor Relations and M&A
Q&A moderator

Q2 2024 highlights

- ✓ Improved collection performance
- ✓ NOK 1.3bn invested and committed
- ✓ Extended RCF reducing cost of debt going forward
- ✓ Improved pipeline with larger one-off transactions
- ✓ Sold discontinued loan-receivable portfolio in Poland
- ✓ Paid NOK 0.7 in dividend per share representing 8% yield¹

H2 2024 priorities

- Expected growth in investments rest of year
- Target to invest more than NOK 3bn on an annual basis going forward
- Further reduce cost of debt
- Deliver growth in dividend compared with 2023

Key figures Q2 2024 (NOKm)

Cash collections

1 386

1 513

Unsecured performance

111%

108%

Portfolio investments

337

795

Cash EBITDA

1 325

1 152

Adj. Net profit

252

182

Leverage ratio

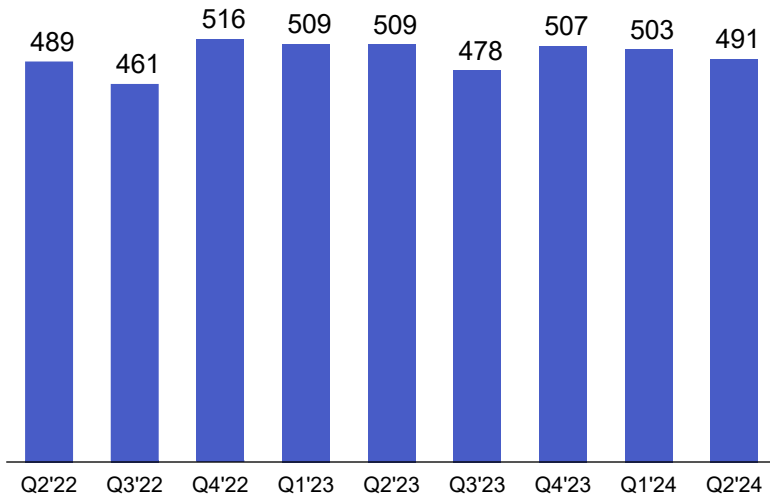
1.7x

2.5x

Competitive cost level for new investments

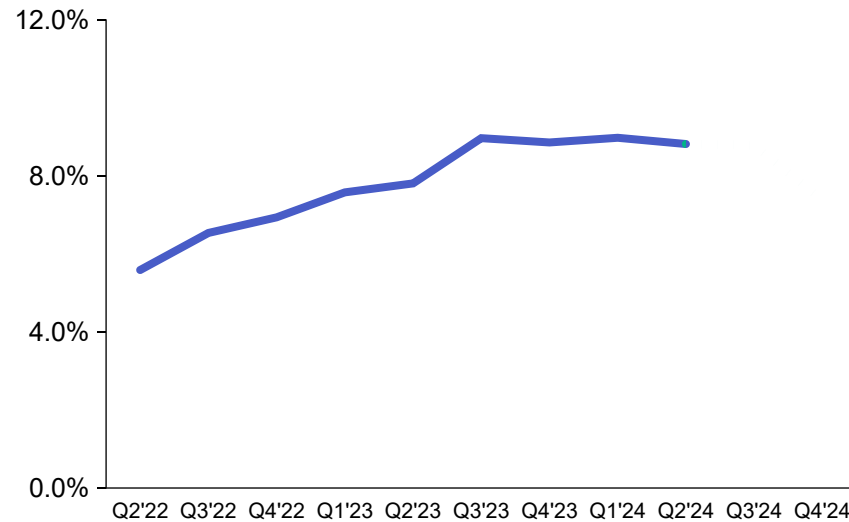
Stable opex in a high inflation environment

■ Opex constant FX



Improved cost of debt

— Cost of debt - actual ■ Cost of debt - forecast

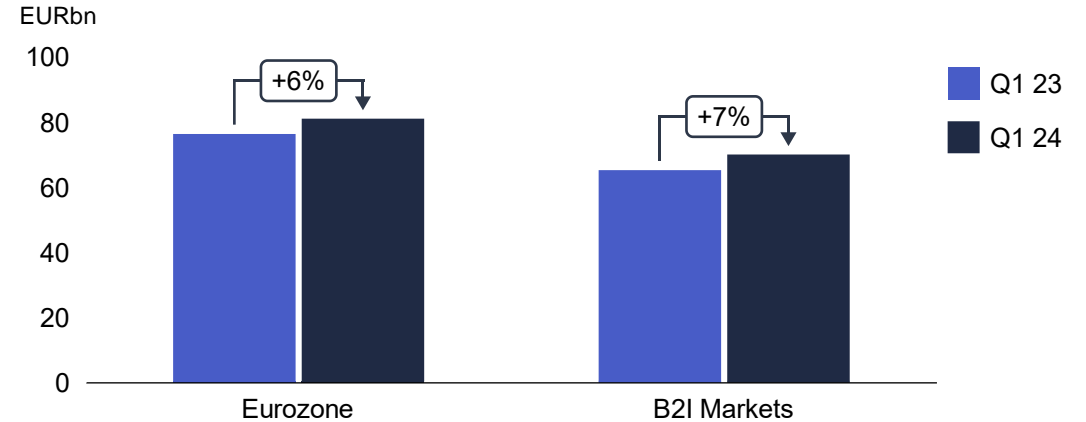


- Improved terms on renegotiated RCF reducing cost of debt
- Ability to increase investments while maintaining cost level
- Target significant increase in investments rest of year

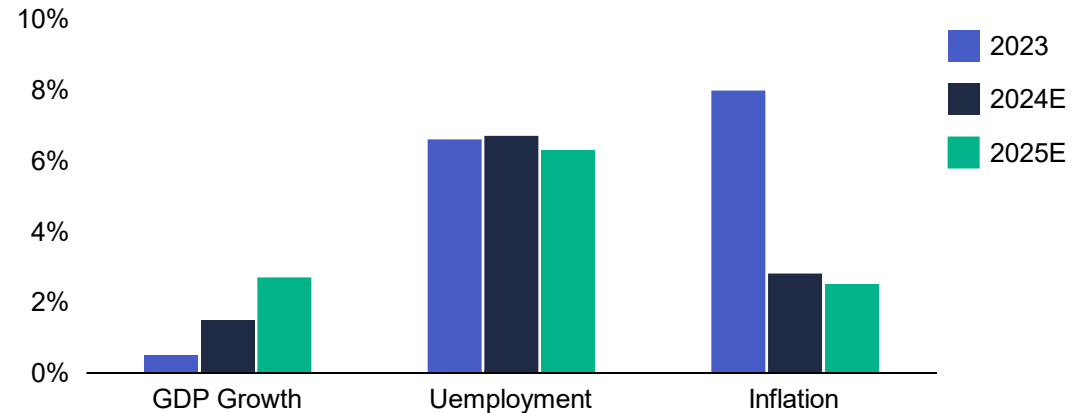
Increasing NPL volumes supporting long term growth

- Following a period of high interest rates, the NPL volumes are trending up
 - NPLs growing across the board, including our core unsecured markets
 - Higher than average NPL ratios in Poland, Spain and Romania
- Improving macroeconomic environment with lower inflation, stable employment and return to GDP growth underpins solid collections
- Growing NPL supply and positive macro environment support appetite for higher investments going forward

Total NPL Volumes - Households excl. mortgages¹



Macroeconomic outlook Eurozone²



1. Source: EBA Data as of Q1 2024. Unsecured consumer loans.
 2. Oxford Economics

Financial performance



Strong net profit supports dividend growth for the year

- Improved collection performance - Unsecured at 111%
- Sold discontinued loan-receivable portfolio in Poland with a gain of NOK 167m to book value
- Stable underlying opex with personnel cost trending down
- Cash EBITDA growth driven by loan-receivable proceeds
- Renegotiated RCF with extended maturity and 60 bps lower blended cost of debt
- Strong financial position with headroom for new investments, leverage ratio of 1.7x, and no maturities until 2026

Key financials¹

| | 2024 | 2023 | % | Comparable |
|--------------------------------|-------|-------|-------|------------------|
| <i>NOK million</i> | Q2 | Q2 | Δ | % Δ ⁴ |
| Cash collections | 1 386 | 1 513 | -8% | -4% |
| Revenues ² | 1 090 | 1 031 | 6% | 9% |
| Opex | -494 | -514 | -4% | 1% |
| EBIT ² | 573 | 496 | 16% | 17% |
| EBIT % | 53% | 48% | 4pp | 4pp |
| Net profit ² | 252 | 182 | 38% | 43% |
| Cash revenue ² | 1 819 | 1 666 | 9% | 14% |
| Cash EBITDA ² | 1 325 | 1 152 | 15% | 20% |
| Cash margin | 73% | 69% | 4 pp | 4pp |
| Collections ³ | 1 384 | 1 521 | -9% | -5% |
| Amortisation of own portfolios | -580 | -633 | -8% | -3% |
| Portfolio investments | 337 | 795 | -58% | -56% |
| EPS | 0.68 | 0.48 | | N/A |
| ROE (LTM) | 9 % | 10 % | -1 pp | N/A |

1. Key Financials exclude Non-recurring items

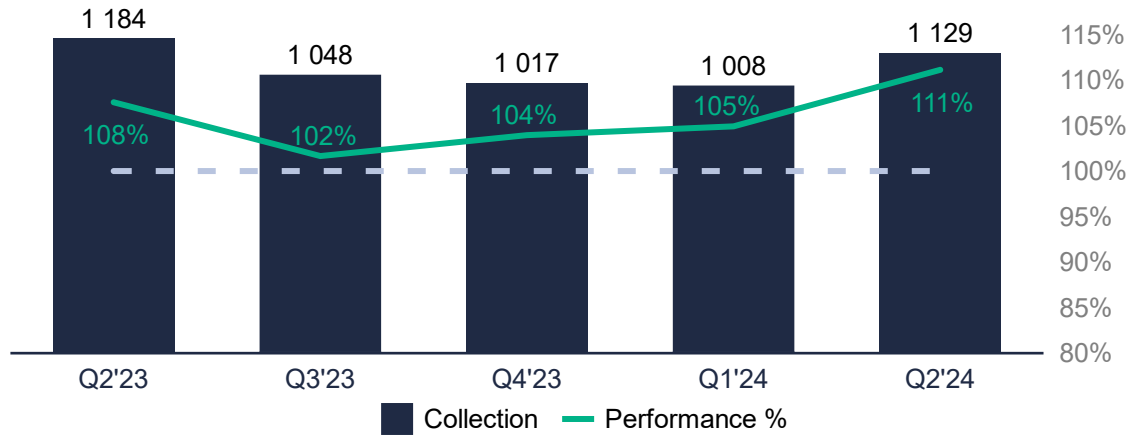
2. Sale of loan receivables in Q2'24 impacts Revenues and EBIT by NOK +167m, Cash revenue and Cash EBITDA by NOK +296m and Net profit by NOK +130m

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

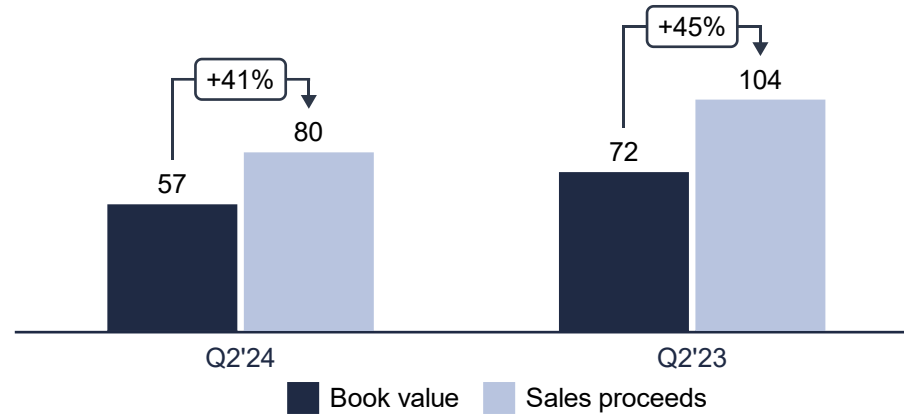
4. Comparable numbers are adjusted for FX and Bulgaria

Collection Performance excl. JVs

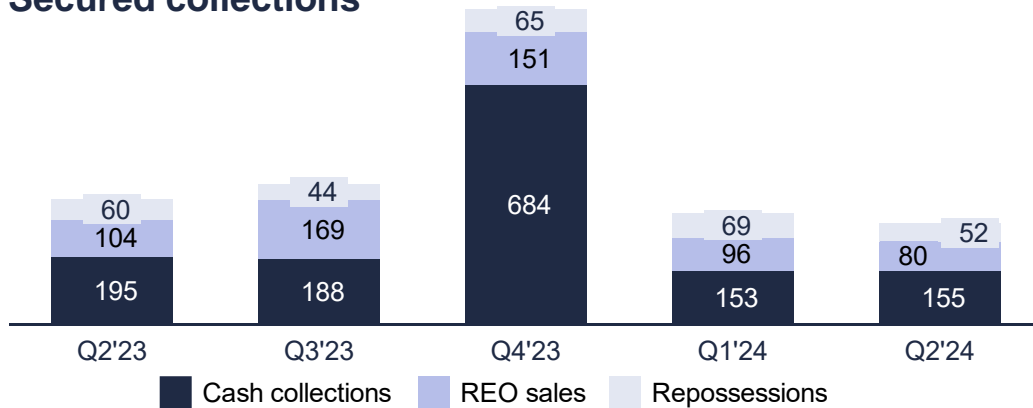
Unsecured collection performance



REO sales



Secured collections

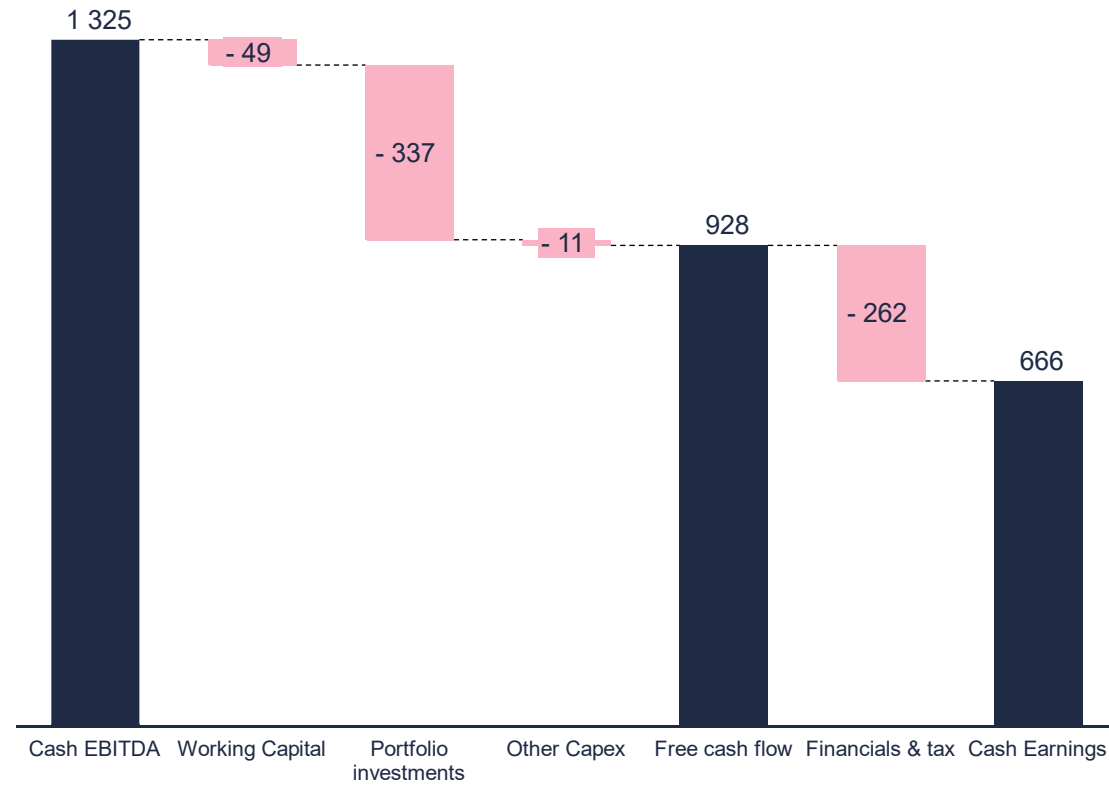


- Improving collection performance in unsecured
 - Strong performance so far Q3
- Stable secured cash collection in line with previous quarter

Strong cash earnings and headroom for investment growth

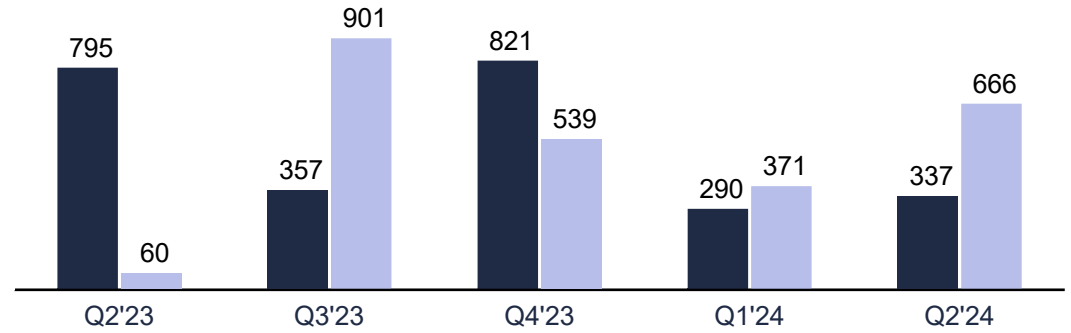
Cash flow Q2 2024

NOKm Increase Decrease Total



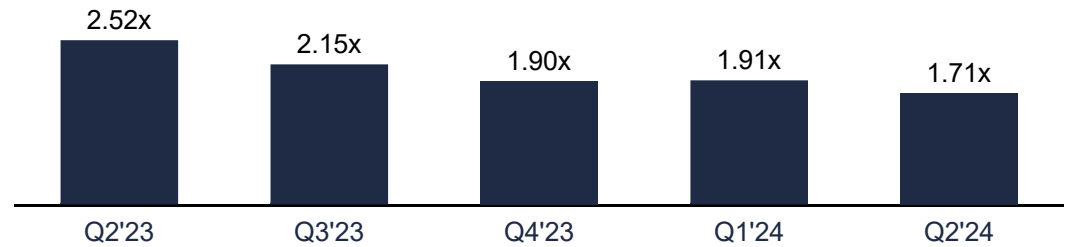
Additional investment capacity

NOKm Portfolio investments Cash Earnings



Low leverage ratio

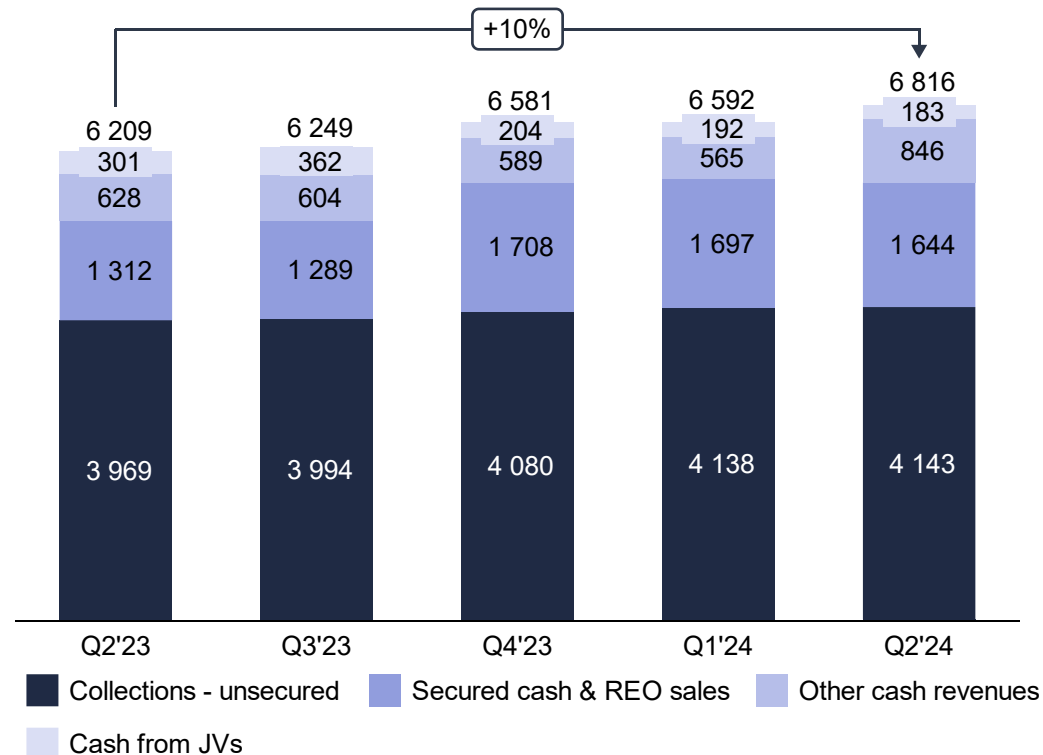
Lev.ratio



Stable OPEX ratio and lower underlying cost base

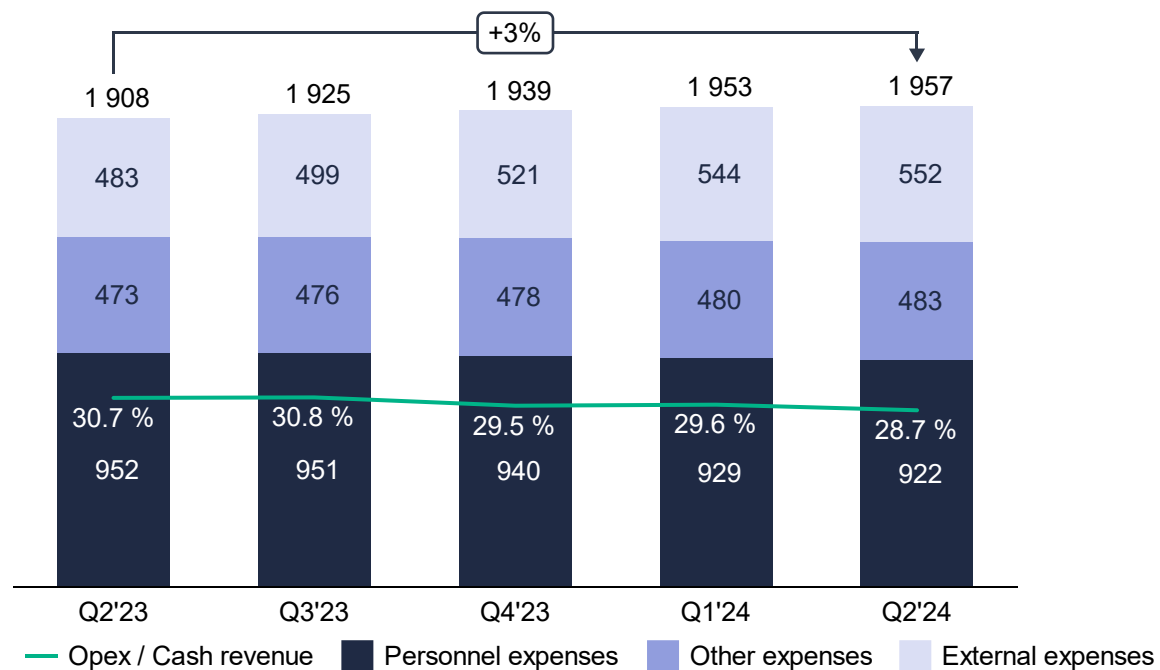
Cash revenue LTM¹

- Continued growth in unsecured collections
- Secured collections and REO sales solid in the quarter



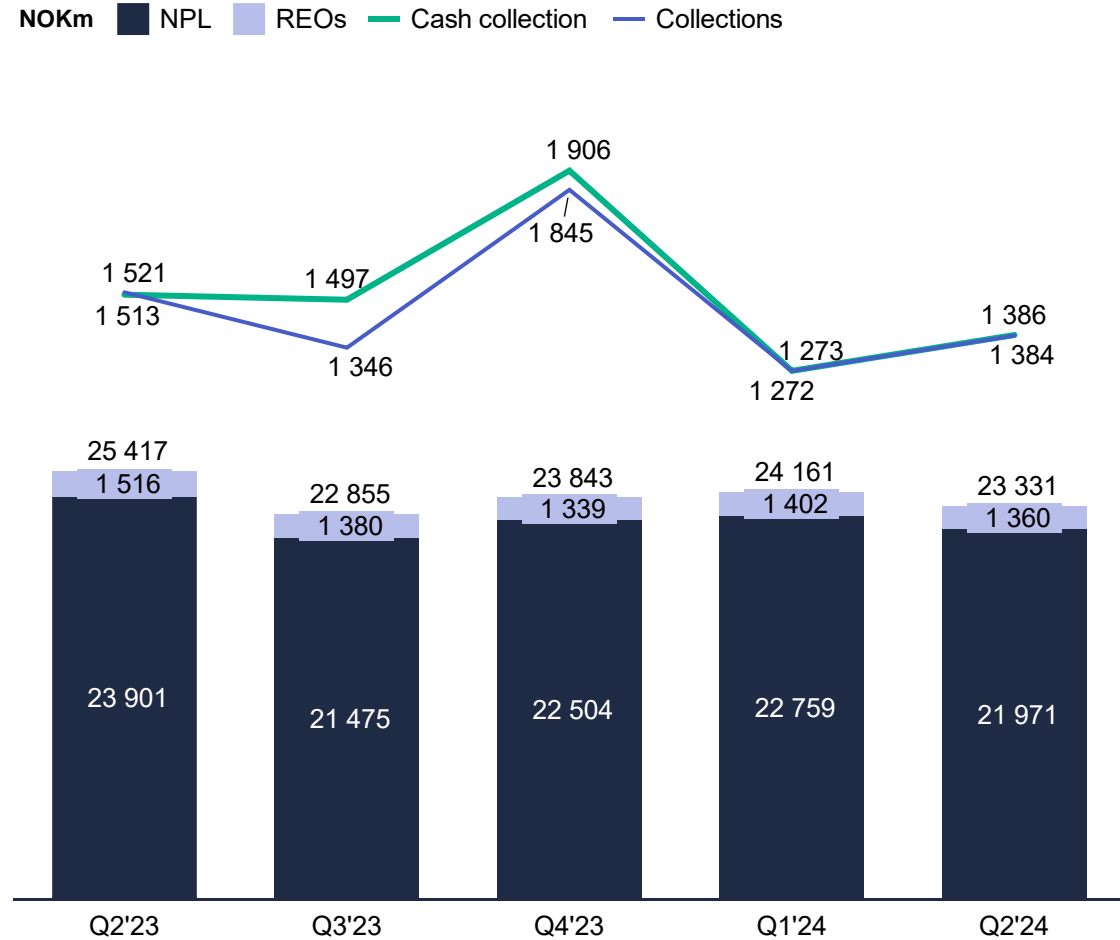
Operating expenses LTM^{1,2}

- Personnel costs continue to trend down
- External expenses expected to trend downwards in H2

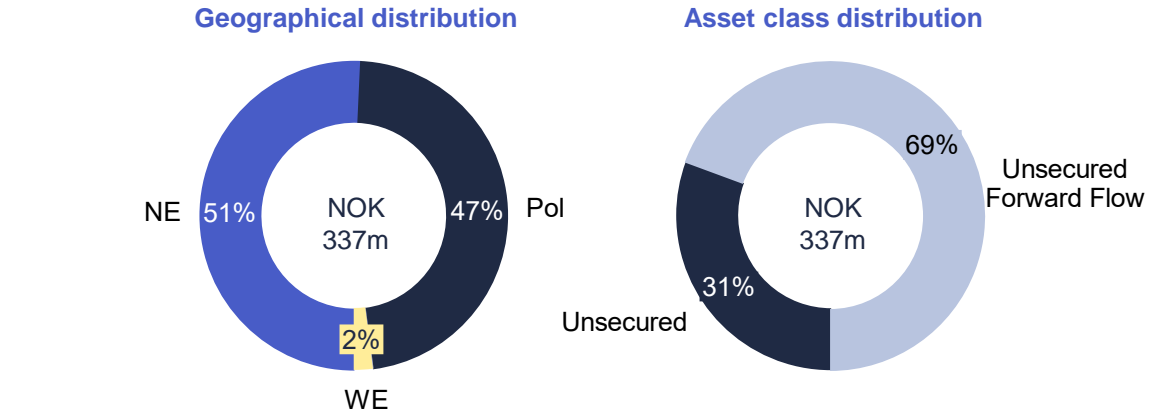


Portfolio investments and Estimated Remaining Collections (ERC)

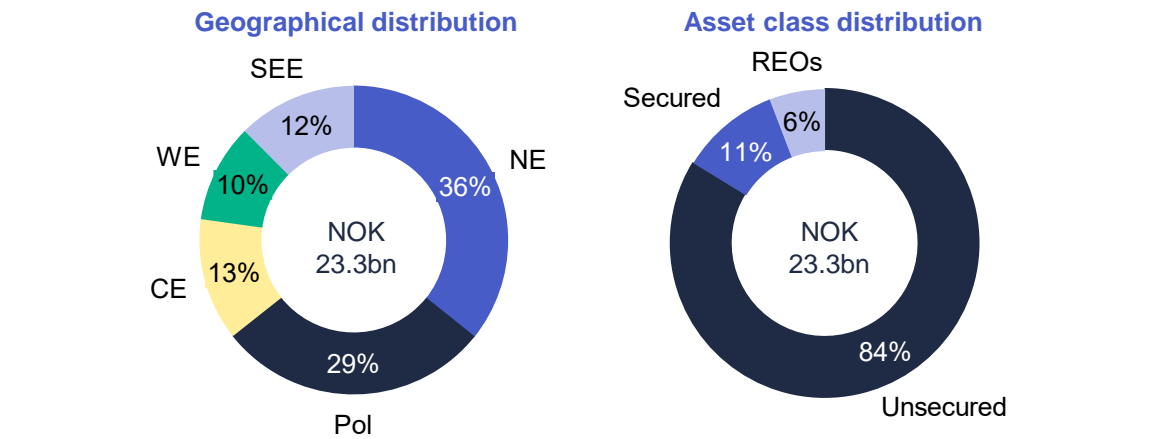
Secured ERC trending down



Portfolio investments in Q2



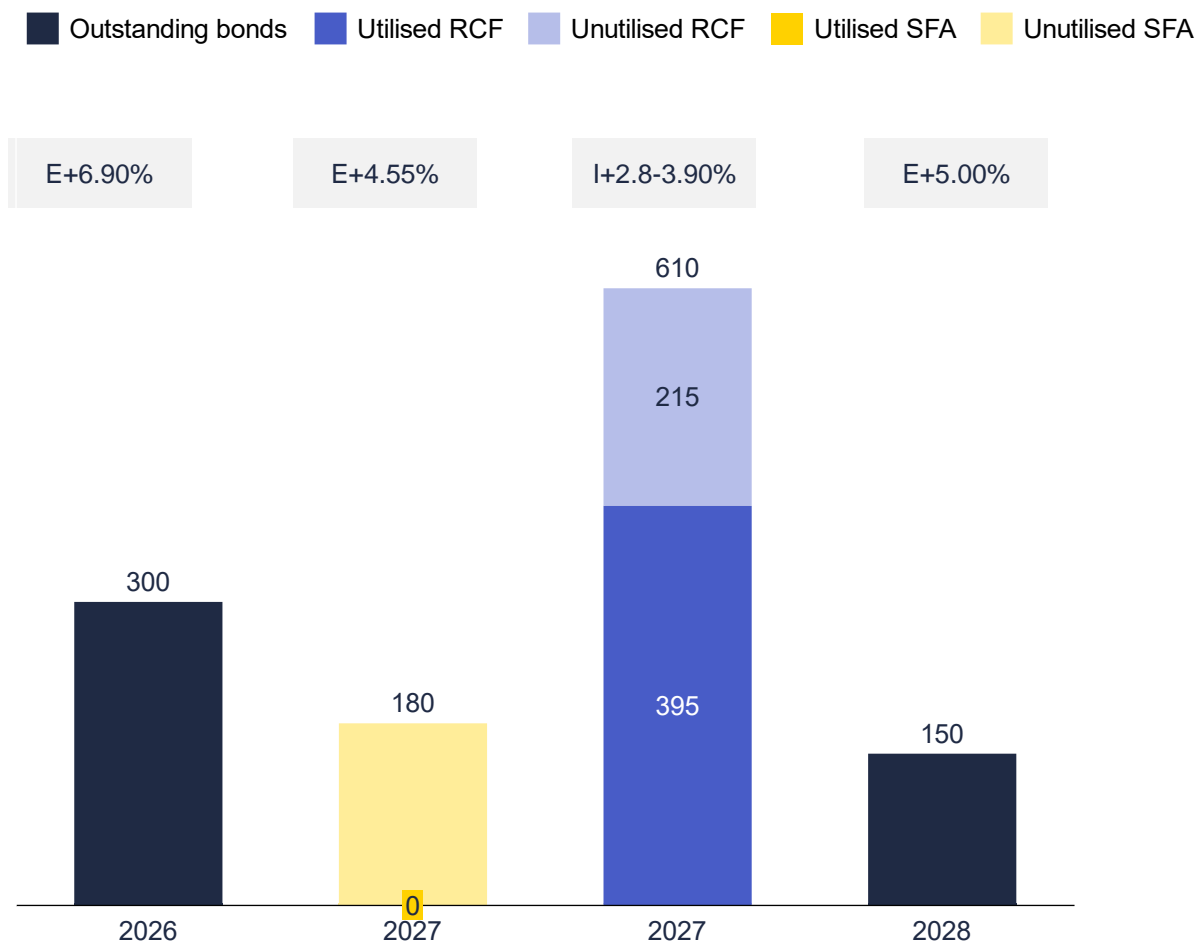
Total ERC as of Q2



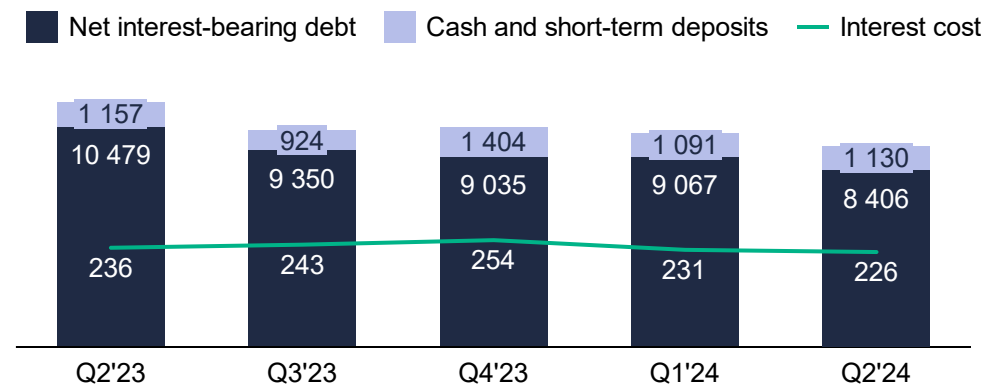
Strong financial position and interest costs trending down

- Renegotiated and extended RCF
 - Maturity in June 2027 with additional 2-year option
 - 60bps lower margin
 - Flexibility to take out bond maturities
- SFA to be terminated during Q3
 - Interest cost savings from optimizing liquidity management

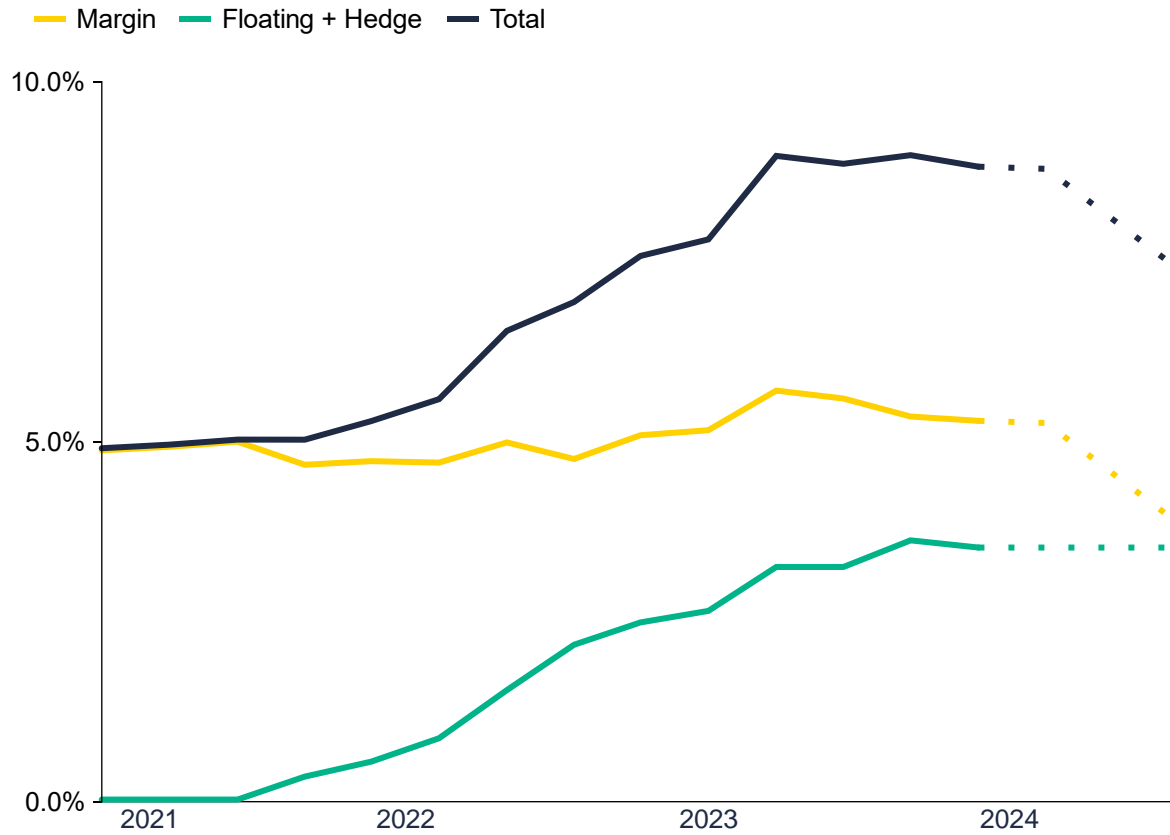
Capital Structure (EURm)



Debt and interest cost (NOKm)



On track for NOK 200m lower run-rate cost of debt by year end

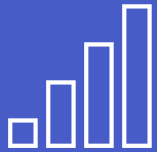


- Close to 60% of target achieved
- Blended cost of debt expected around 7%
- Actions to reduce company specific margin
 - Extension of RCF completed
 - Hedging ratio maintained above 50%
 - Terminate SFA and improve cash management
 - Take advantage of improved credit curve

Summary



Key takeaways



Strong collection performance



Stable underlying costs



Strong financial position



Extended RCF with improved terms



Investment growth and higher dividends

Q&A



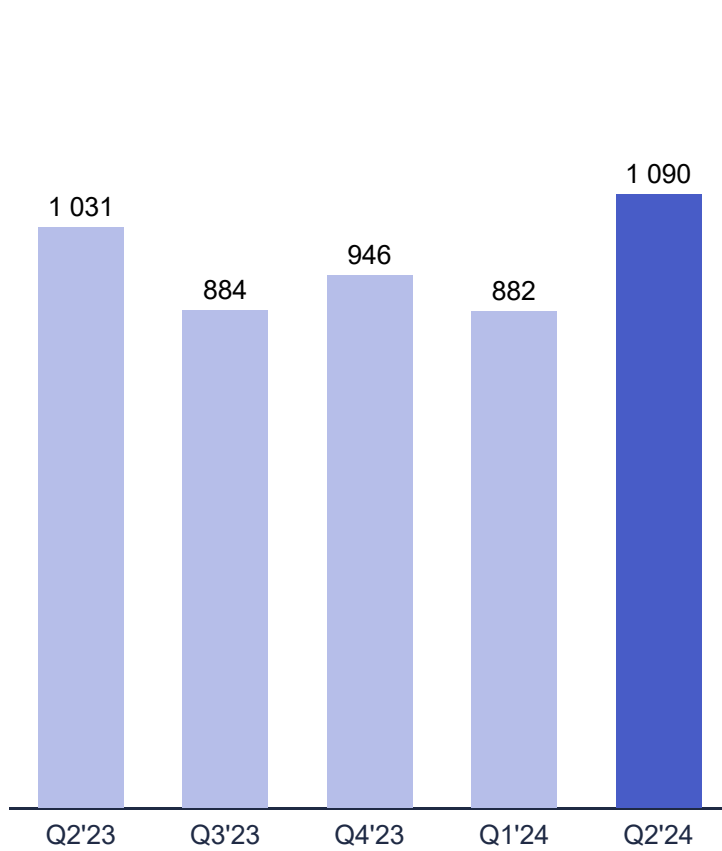
Quarterly trends

| NOK million | 2022 Q1 | 2022 Q2 | 2022 Q3 | 2022 Q4 | 2023 Q1 | 2023 Q2 | 2023 Q3 | 2023 Q4 | 2024 Q1 | 2024 Q2 |
|------------------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Cash collections | 1 214 | 1 246 | 1 244 | 1 458 | 1 248 | 1 513 | 1 497 | 1 906 | 1 273 | 1 386 |
| Revenues | 716 | 748 | 797 | 824 | 914 | 1 031 | 884 | 946 | 882 | 1 090 |
| Adj. EBIT | 289 | 330 | 373 | 343 | 402 | 496 | 389 | 410 | 360 | 573 |
| Adj. EBIT % | 40% | 42% | 47% | 42% | 44% | 48% | 44% | 43% | 41% | 53% |
| EBIT | 249 | 139 | 337 | 303 | 375 | 471 | 370 | 362 | 354 | 557 |
| Adj. Net profit | 128 | 173 | 171 | 92 | 112 | 182 | 84 | 105 | 96 | 252 |
| Cash revenue | 1 341 | 1 382 | 1 381 | 1 599 | 1 394 | 1 666 | 1 631 | 2 052 | 1 405 | 1 819 |
| Cash EBITDA | 934 | 953 | 978 | 1 140 | 910 | 1 152 | 1 160 | 1 540 | 905 | 1 325 |
| Cash margin | 70% | 69% | 71% | 71% | 65% | 69% | 71% | 75% | 64% | 73% |
| Collections ¹ | 1 152 | 1 245 | 1 278 | 1 261 | 1 296 | 1 521 | 1 346 | 1 845 | 1 272 | 1 384 |
| Amortisation of own portfolios | -465 | -458 | -455 | -520 | -490 | -633 | -548 | -539 | -520 | -580 |
| Portfolio investments ² | 239 | 758 | 399 | 769 | 767 | 795 | 357 | 821 | 290 | 337 |
| Adj. EPS | 0.32 | 0.43 | 0.43 | 0.23 | 0.29 | 0.48 | 0.22 | 0.28 | 0.26 | 0.68 |
| Adj. ROE (LTM) | 12.5 % | 12.5 % | 12.0 % | 10.7 % | 10.3 % | 10.2 % | 8.7 % | 8.9 % | 8.0 % | 9.3 % |

Quarterly financial performance

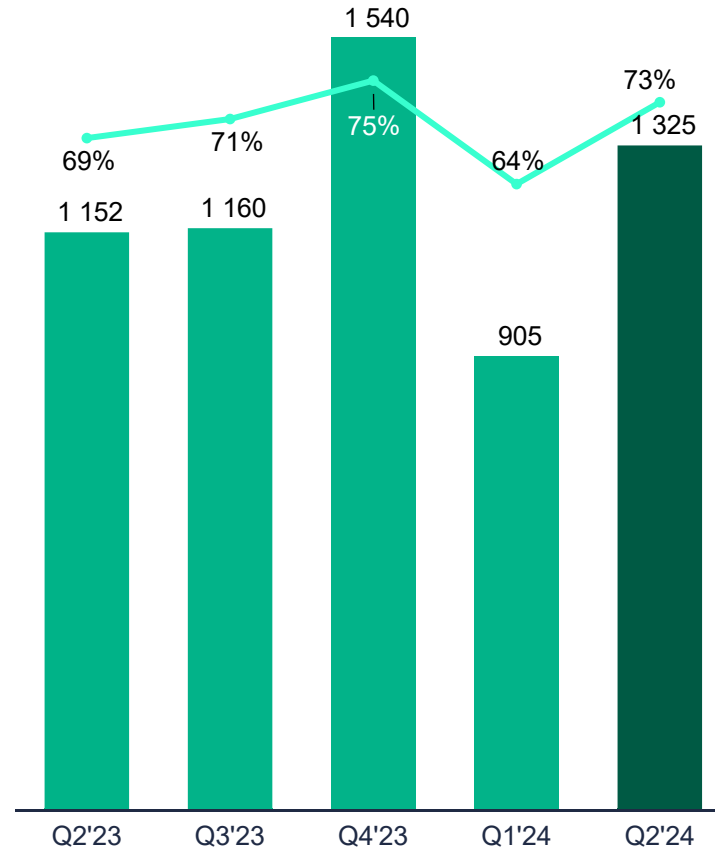
Revenues

NOKm Revenues



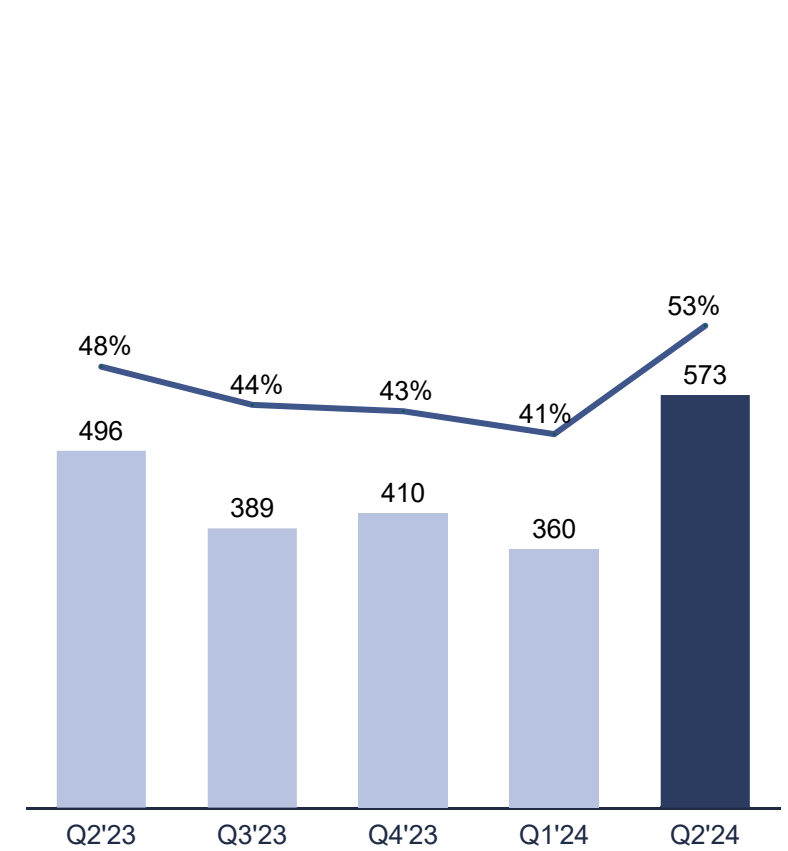
Cash EBITDA

NOKm Cash EBITDA Cash margin



Adjusted EBIT

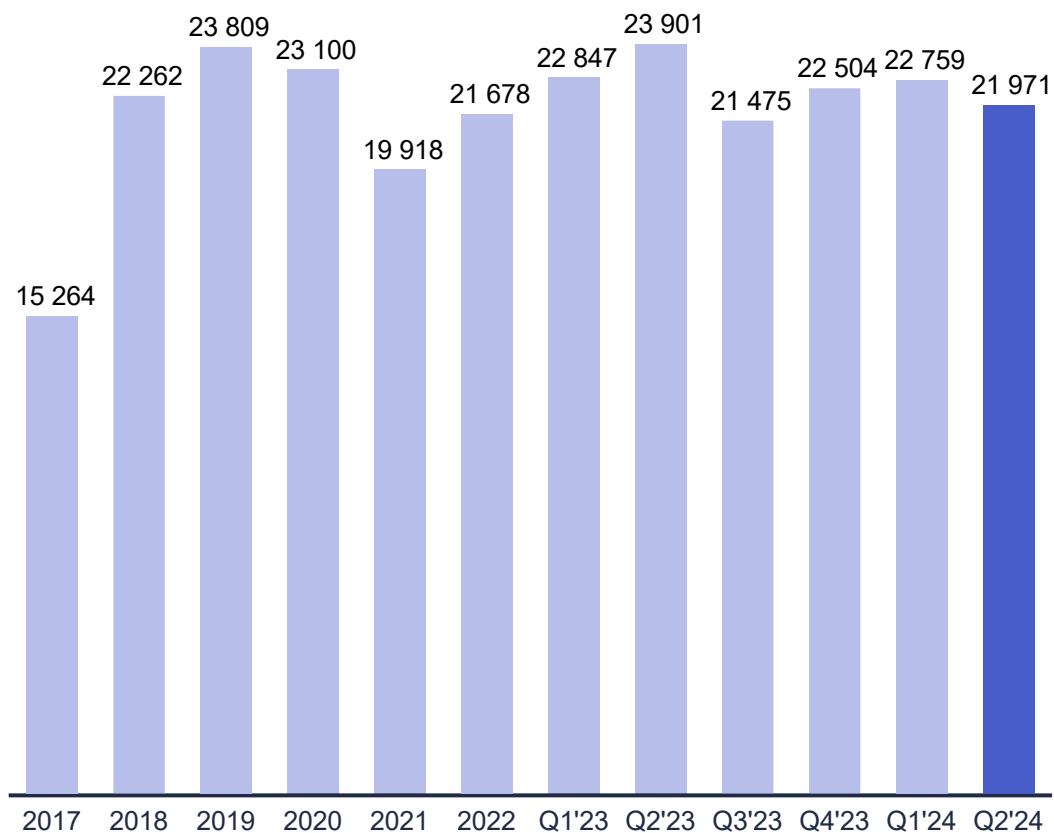
NOKm Adj. EBIT Adj. EBIT margin



ERC development

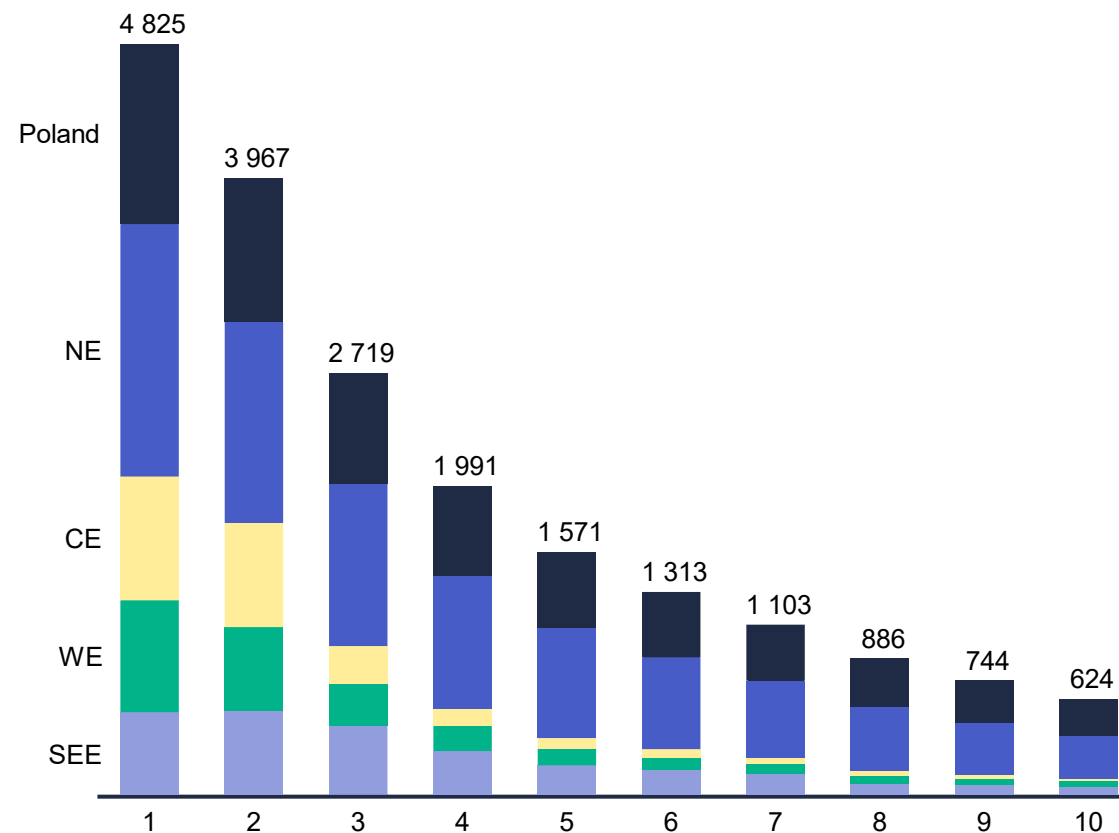
Development in total gross ERC^{1,2}

NOKm



Forward 120m ERC profile by year

NOKm



1. Including the Group's share of portfolios acquired and held in SPVs and joint ventures
 2. 2022 includes ERC in connection with NOK 435m of Portfolio investments signed late December 2022 but closed in January 2023 and reported in Q1 2023 Portfolio investments.

Portfolio diversification¹

| Unsecured ERC | Year 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 120m ERC | Total ERC |
|---------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|------------|------------|------------|---------------|---------------|
| Poland | 1 083 | 855 | 681 | 569 | 484 | 418 | 359 | 311 | 270 | 234 | 5 262 | 6 496 |
| NE | 1 614 | 1 289 | 1 041 | 854 | 708 | 588 | 492 | 404 | 331 | 272 | 7 594 | 8 318 |
| CE | 254 | 218 | 158 | 102 | 69 | 53 | 42 | 32 | 25 | 19 | 972 | 1 006 |
| WE | 222 | 188 | 153 | 111 | 81 | 63 | 52 | 45 | 39 | 33 | 987 | 1 016 |
| SEE | 496 | 530 | 454 | 291 | 201 | 172 | 149 | 85 | 73 | 63 | 2 515 | 2 703 |
| Total | 3 668 | 3 080 | 2 486 | 1 927 | 1 543 | 1 295 | 1 093 | 879 | 739 | 620 | 17 330 | 19 540 |

| Secured ERC | Year 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 120m ERC | Total ERC |
|--------------|--------------|------------|------------|-----------|-----------|-----------|-----------|----------|----------|----------|--------------|--------------|
| Poland | 70 | 64 | 29 | 5 | 1 | 1 | 1 | 0 | 0 | 0 | 171 | 171 |
| NE | 5 | 4 | 2 | 2 | 2 | 2 | 1 | 1 | 1 | 1 | 21 | 23 |
| CE | 540 | 450 | 84 | 4 | 1 | 1 | 0 | 0 | 0 | 0 | 1 082 | 1 082 |
| WE | 496 | 349 | 114 | 51 | 24 | 14 | 8 | 6 | 4 | 3 | 1 069 | 1 084 |
| SEE | 46 | 20 | 4 | 1 | 0 | 0 | - | - | - | - | 71 | 71 |
| Total | 1 157 | 888 | 233 | 64 | 28 | 18 | 10 | 8 | 5 | 4 | 2 414 | 2 432 |

| | | | | | | | | | | | | |
|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|------------|------------|------------|---------------|---------------|
| Total | 4 825 | 3 967 | 2 719 | 1 991 | 1 571 | 1 313 | 1 103 | 886 | 744 | 624 | 19 744 | 21 971 |
|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|------------|------------|------------|---------------|---------------|

Segment overview Q2 2024

Investments

| | 2024 | 2023 | |
|-------------------------|------------|------------|-------------|
| NOK million | Quarter 2 | Quarter 2 | Var. % |
| Total collections | 1 336 | 1 439 | -7% |
| Total NPL revenue | 735 | 803 | -9% |
| Revenue | 788 | 885 | -11% |
| Direct opex | -321 | -358 | -10% |
| Segment earnings | 467 | 527 | -11% |
| Segment earnings in % | 59% | 60% | 0 pp |

- Unsecured collection performance of 111%
- Secured collection performance of 155%

Servicing

| | 2024 | 2023 | |
|-------------------------|------------|------------|------------|
| NOK million | Quarter 2 | Quarter 2 | Var. % |
| Revenue | 319 | 337 | -5% |
| Direct opex | -186 | -211 | -12% |
| Segment earnings | 133 | 126 | 6% |
| Segment earnings in % | 42% | 37% | 4 pp |

- Lower servicing revenue following lower collections

20 largest shareholders

| # | Shareholder | No. of shares | Percentage |
|----|-----------------------------------|--------------------|-----------------|
| 1 | PRIORITET GROUP AS | 52 913 000 | 13.67 % |
| 2 | RASMUSSENGRUPPEN AS ¹ | 51 373 266 | 13.27 % |
| 3 | VALSET INVEST AS | 32 000 000 | 8.26 % |
| 4 | STENSHAGEN INVEST AS | 30 500 143 | 7.88 % |
| 5 | B2 IMPACT ASA | 18 648 672 | 4.82 % |
| 6 | DNB MARKETS AKSJEHANDEL/-ANALYSE | 16 045 070 | 4.14 % |
| 7 | SKANDINAVISKA ENSKILDA BANKEN AB | 13 389 968 | 3.46 % |
| 8 | GULEN INVEST AS | 10 000 527 | 2.58 % |
| 9 | DUNKER AS | 8 207 124 | 2.12 % |
| 10 | RUNE BENTSEN AS | 8 191 680 | 2.12 % |
| 11 | VERDIPAPIRFONDET STOREBRAND NORGE | 8 093 005 | 2.09 % |
| 12 | GREENWAY AS | 5 802 368 | 1.50 % |
| 13 | VPF DNB AM NORSKE AKSJER | 4 072 336 | 1.05 % |
| 14 | STIFTELSEN KISTEFOS | 4 000 000 | 1.03 % |
| 15 | LIN AS | 3 500 000 | 0.90 % |
| 16 | F2KAPITAL AS | 3 000 000 | 0.77 % |
| 17 | RANASTONGJI AS | 2 847 048 | 0.74 % |
| 18 | DIRECTMARKETING INVEST AS | 2 405 100 | 0.62 % |
| 19 | JPMORGAN CHASE BANK, N.A., London | 2 352 251 | 0.61 % |
| 20 | ARTEL AS | 2 300 000 | 0.59 % |
| | OTHER | 107 539 266 | 27.77 % |
| | TOTAL | 387 180 824 | 100.00 % |

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 (cont'd)

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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