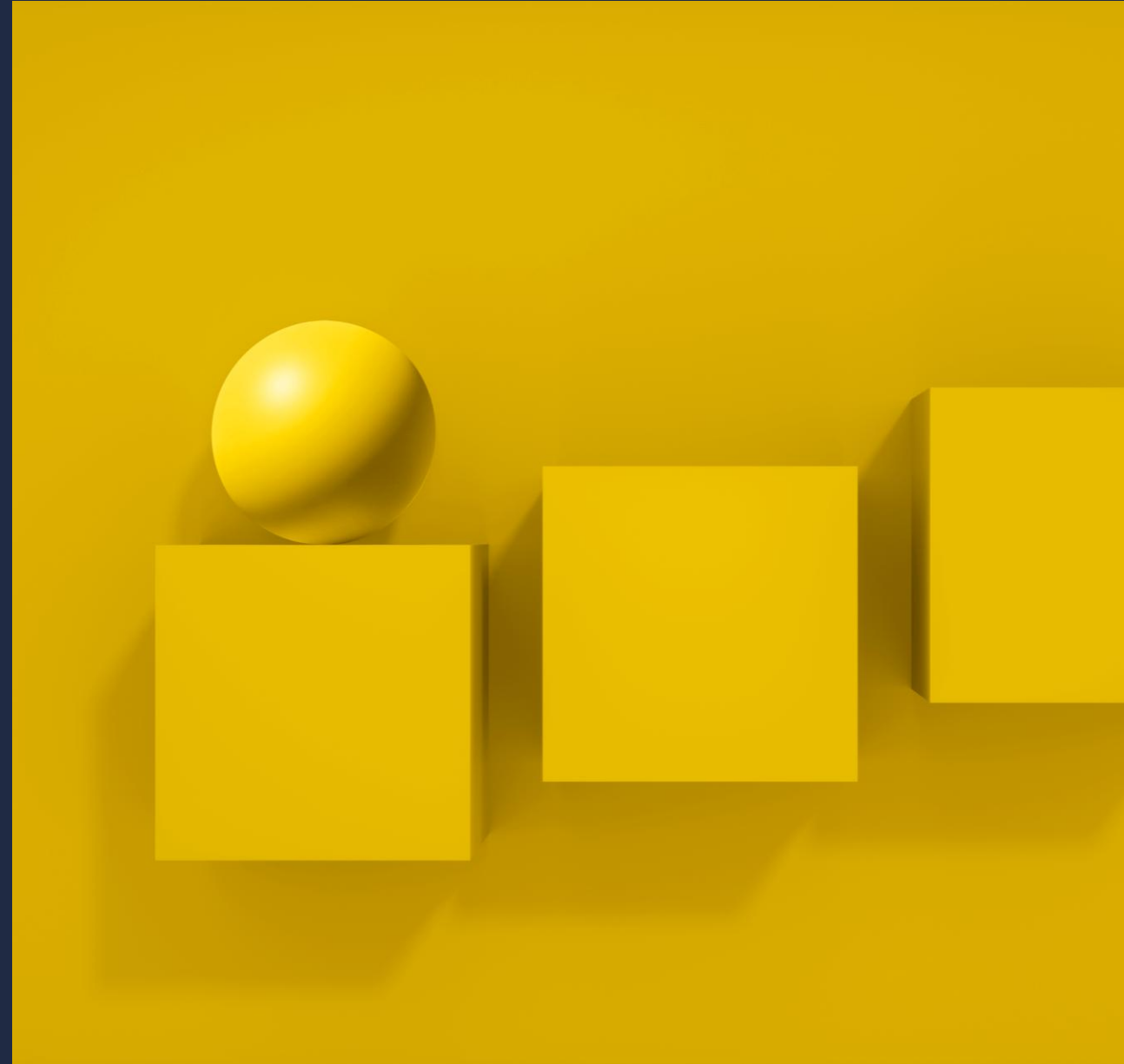


Q1

First quarter 2025 **Report**

15 May 2025



Key figures Q1 2025 (NOKm)

Cash collections	Unsecured performance	Portfolio investments
1 352	109%	890
1 273	105%	290
Cash EBITDA	Adjusted EPS	Leverage ratio
975	0.37	2.1x
905	0.26	1.9x

CEO comment

It has been a strong first quarter, with balanced and stable growth in line with our strategy. The unsecured collection performance continued its solid trend from the fourth quarter. We also had growth in collections overall and growth in ERC compared with the same quarter last year. The strong collection performance has continued into Q2.

The investment activity picked up significantly in the fourth quarter last year, and the high activity has continued in the first quarter. Total investments of NOK 890m in the first quarter is a substantial increase compared with the same quarter last year. With invested and committed volumes of more than NOK 1.6bn at the end of Q1 against our investment target of at least NOK 3bn for 2025, we are in a good position for the remainder of the year.

On the financing side, we carried out a EUR 200m bond issue in March, with a margin of 3.75 % which is the lowest margin we have achieved in a primary issue. With an attractive bond market at the time of issue, the added liquidity gives us more financial flexibility going forward. The bond issue is neutral to our cost of debt as we reduce the drawn amount on the RCF resulting in a lower margin.

Adjusted earnings per share of NOK 0.37 is up 41 % from Q1 last year, and we are on track to deliver our dividend target of NOK 1.5 for 2025.

Based on what I have observed after close to 6 months as CEO, I am very positive about the future of the company. As previously communicated, I do believe we can improve efficiency further through increased use of technology. We have recently also implemented organisational changes with new reporting lines to CEO which I believe will strengthen the operational performance.



Trond Kristian Andreassen
CEO of B2 Impact ASA

Quarterly highlights

- **Strong collection performance and growth:** Unsecured at 109 % performance and 10 % growth in unsecured ERC
- **Lower Opex:** Operating expenses continue downward trend on a rolling 12 months basis
- **Significantly reduced cost of debt:** Interest costs of NOK 176m, down 24 %
- **Successful bond issue secures financial flexibility:** EUR 200m bond issue at a margin of 3.75 %
- **High investment activity:** Around NOK 1.6bn already committed for 2025 through forward flows and Q1 investments
- **Substantial earnings growth:** Adjusted earnings per share of NOK 0.37 up 41 % compared to last year
- **On track to deliver dividend target for 2025 of NOK 1.5 per share**

Key financials¹

	2025	2024	%
NOK million	Q1	Q1	Δ
Cash collections	1 352	1 273	6%
Revenues	898	882	2%
Opex	-500	-500	0%
EBIT	374	360	4%
EBIT %	42%	41%	1pp
Net profit	135	96	40%
Cash revenue	1 475	1 405	5%
Cash EBITDA	975	905	8%
Cash margin	66%	64%	2pp
Collections ²	1 388	1 272	9%
Amortisation of own portfolios	-540	-520	4%
Portfolio investments ²	890	290	207%
EPS	0.37	0.26	41%
ROE	11%	8%	3pp

1. Key Financials exclude non-recurring items

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

Investments

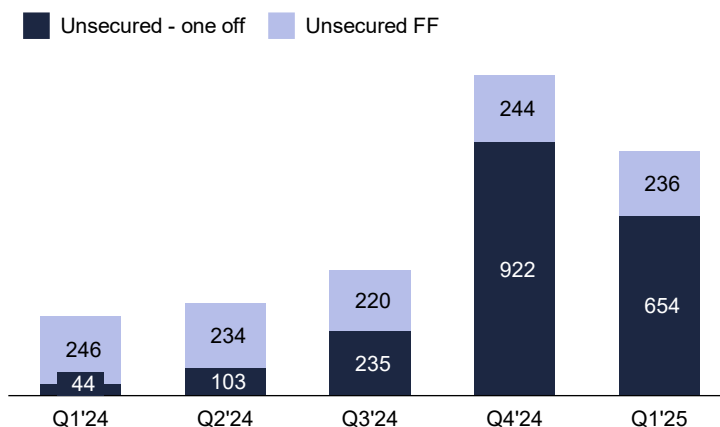
Portfolio investments in the first quarter were NOK 890m. All portfolios acquired in the first quarter were unsecured with majority of volume within consumer finance and banking.

The high investment activity in the fourth quarter continued into the first quarter with one off portfolios amounting to NOK 654m and the remaining NOK 236m in forward flows. Including investments in the first quarter the company has spent and committed investments of around NOK 1.6bn for 2025.

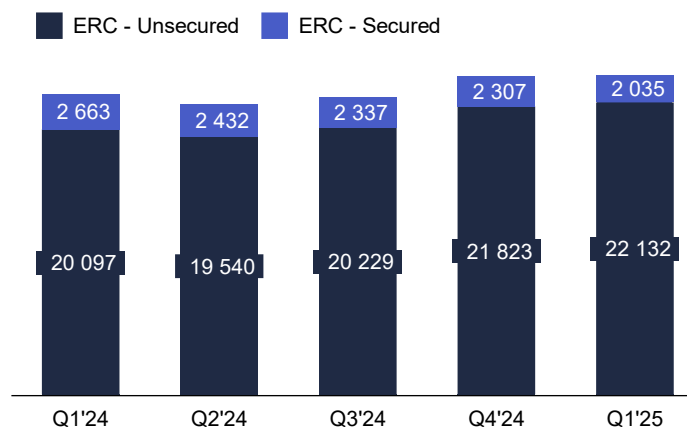
Estimated Remaining Collection (ERC) has developed in line with the communicated strategy to invest in core unsecured markets. ERC has increased 7 % in constant currency compared with the same quarter last year. The unsecured ERC has increased with 11 % from the first quarter last year in constant currency.

ERC ¹ (NOKm)	Q1'25	Q1'24	% Δ	FY 2024
Reported	24 167	22 759	6%	24 130
FX effect	-	-179		-441
Comparable	24 167	22 581	7%	23 690

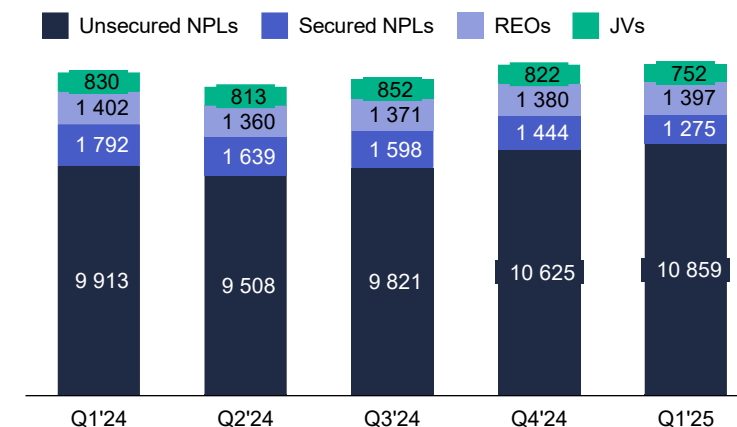
Portfolio investments (NOKm)



ERC¹ (NOKm)



Book value NPLs, REOs, JVs (NOKm)



1. Includes the Group's share of ERC for portfolios in joint ventures (NOK 319m in secured and NOK 895m in unsecured at end Q1 2025).

Collection performance and revenues

Unsecured collection performance

Unsecured collections continued the strong trend in the first quarter. Collection performance versus latest forecast was 109 % compared with 105 % in the same quarter last year. Comparable cash collections were up 13 % compared with last year.

Cash from unsecured JVs was NOK 46m in the first quarter.

Secured collection performance

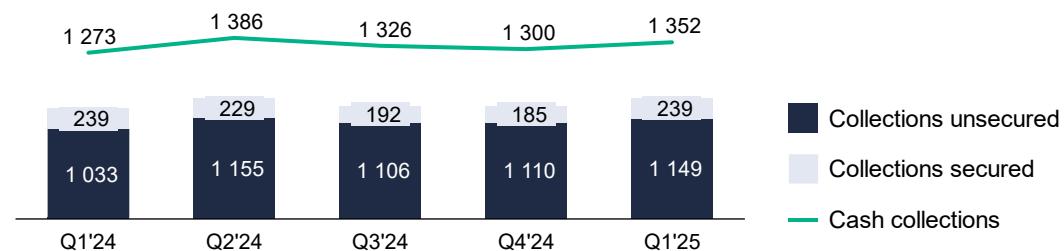
Secured collections ended at NOK 207m, slightly down compared to last year. Comparable cash collections were down 32 % compared with same quarter last year. The decrease was due no new investments in secured portfolios, and lower REO sales, which fluctuates from quarter to quarter. Cash collections were at the same level as the previous quarter.

REO sales were NOK 53m in the quarter with a gain over book value of 40 %.

Other cash revenues

Other cash revenues of NOK 123m were down 7 % 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 last year, partly offset by higher revenues from third-party collection.

Collections development (NOKm)



Cash collections unsecured (NOKm)	Q1'25	Q1'24	% Δ	FY 2024
Collections	1 124	1 008	12%	4 294
Cash from JVs	46	-	n.a.	45
Cash collections unsecured	1 170	1 008	16%	4 339
FX effect	-	27		39
Comparable	1 170	1 035	13%	4 378

Cash collections secured (NOKm)	Q1'25	Q1'24	% Δ	FY 2024
Collections	207	222	-7%	740
Repossessions	-100	-69	45%	-194
REO proceeds	53	96	-45%	330
Cash from JVs	23	16	48%	69
Cash collections secured	183	265	-31%	945
FX effect	-	6		3
Comparable	183	271	-32%	948

Cash revenues (NOKm)	Q1'25	Q1'24	% Δ	FY 2024
Cash collections	1 352	1 273	6%	5 284
Other cash revenues	123	132	-7%	813
Cash revenues	1 475	1 405	5%	6 097
FX effect	-	36		53
Comparable	1 475	1 441	2%	6 150

Operating efficiency

Operating expenses (opex)

Total opex in the quarter were down 2 % compared with the same quarter last year. The decrease is mainly driven by lower personnel expenses. The downward trend in personnel 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. The legal collection activities have been higher in the quarter due to higher recent investment levels. In line with operational plans, we have also accelerated legal activities in specific countries.

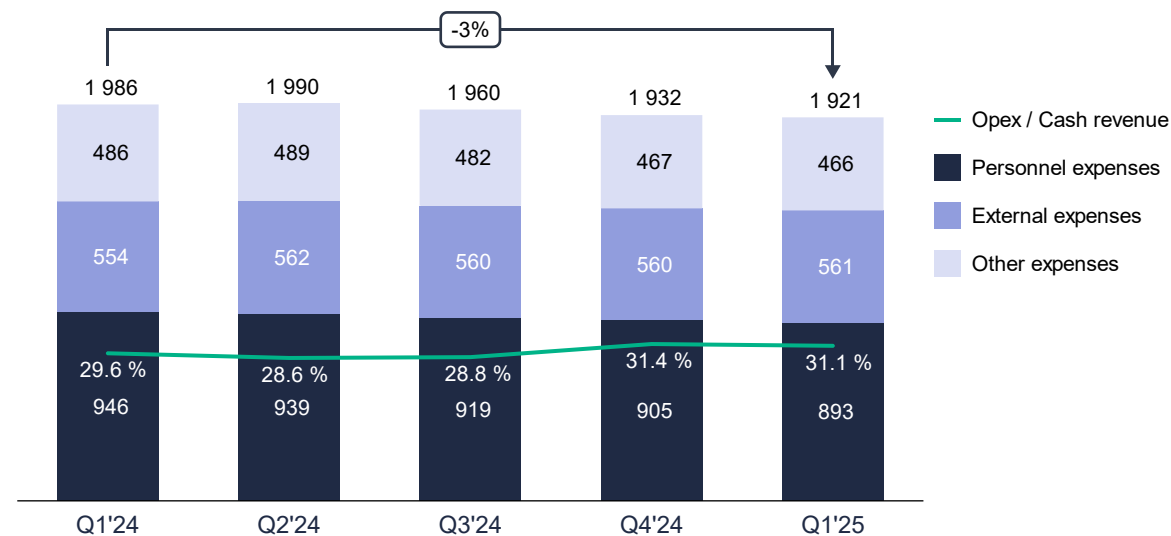
Cost efficiency and initiatives

We see that digitalization through use of AI, automation tools and self-service portals contributes to increased efficiency and improved scalability. In the first quarter we have seen a continued trend of increased collections through self-service portals both year-over-year and quarter-over-quarter. The increase in automation together with reduction in FTEs has increased unsecured collections per FTE. The percentage of regular payers has also increased in both amicable and legal collection compared with previous quarter and full year 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 less advanced markets progressing well in their digital journey.

Total operating expenses (NOKm)	Q1'25	Q1'24	% Δ	FY 2024
Reported	510	506	1%	2 092
NRIs	-10	-6	77%	-169
Operating expenses ex NRIs	500	500	0%	1 923
FX effect	-	11		11
Comparable	500	511	-2%	1 934

Operating expenses LTM¹



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

Cash EBITDA

Cash revenues were up 5 % compared with Q1 2024. The increase in Cash revenues is driven by higher cash collections from unsecured in line with the Group’s strategy of focusing investments in core unsecured markets. Cash collections from secured is down by 32 % compared with Q1 last year. The decrease in secured cash collections is a result of lower secured collections and REO sales due to limited new investments in secured portfolios in recent years.

Cash EBITDA for the first quarter was up 5 % compared to last year on a comparable basis.

Cash EBITDA (NOKm)	Q1'25	Q1'24	% Δ	FY 2024
Cash revenues	1 475	1 405	5%	6 097
Operating expenses	-500	-500	0%	-1 923
Cash EBITDA	975	905	8%	4 175
FX effect	-	25		42
Comparable	975	930	5%	4 216
Comparable Cash margin	66.1%	64.5%	-1.6pp	68.6%

Reported revenues and EBIT

Revenues

Comparable revenues were down 1 % compared with Q1 2024. Strong unsecured collections were partly offset by the expected lower secured collections and lower REO sales. The sale of Takto in Q2 last year has also reduced Other revenues compared with Q1 last year.

Revaluation in Q1 was NOK -55m. This includes a positive revaluation on unsecured portfolios of NOK 31m reflecting increased ERC related to consistent overperformance. Revaluation on secured portfolios was NOK -86m. This was mainly driven by overperformance and early collections. Although reported as a revaluation in accounting terms, this is effectively an amortisation due to claims collected earlier than expected and consequently, removed from future ERC.

Revenues (NOKm)	Q1'25	Q1'24	% Δ	FY 2024
<i>Collections ex JVs</i>	1 331	1 230	8%	5 034
<i>Amortisation</i>	-540	-520	4%	-2 214
<i>Revaluation</i>	-55	-22	150%	-37
Revenues from NPLs	735	688	7%	2 784
Profit from JVs	26	30	-14%	116
Gain on sale of REOs	15	32	-54%	100
Other revenues	123	132	-7%	683
Revenues	898	882	2%	3 683
FX	-	23		34
Comparable	898	906	-1%	3 717

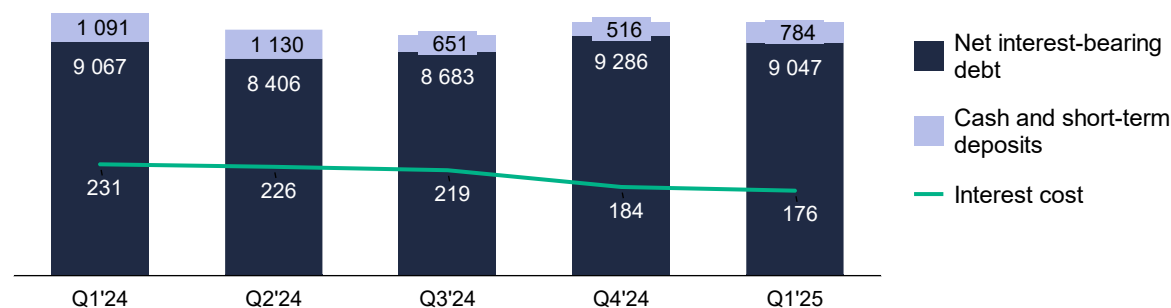
EBIT

Reported EBIT was up 3 % in Q1 2025 compared with Q1 2024 driven by higher revenues and stable opex.

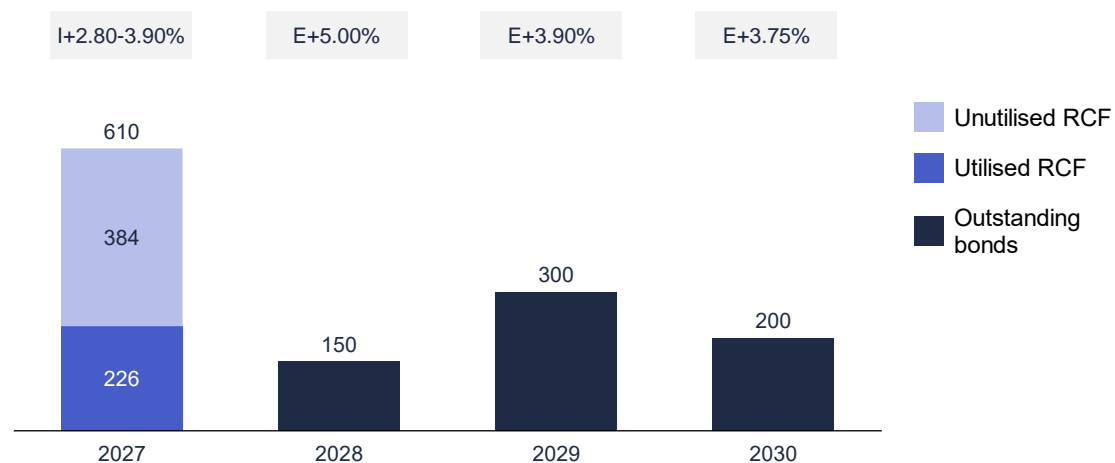
Adj. EBIT (NOKm)	Q1'25	Q1'24	% Δ	FY 2024
Revenues	898	882	2%	3 683
Operating expenses	-510	-506	1%	-2 092
Depreciation & Amortisation	-24	-22	8%	-91
EBIT	364	354	3%	1 500
NRIs	10	6	77%	169
Adj. EBIT	374	360	4%	1 669
FX	-	11		22
Comparable	374	371	1%	1 692

Debt, Capital Structure and Financing Costs

Debt and interest cost (NOKm)



Capital Structure (EURm)



Net financial items (NOKm)

	Q1'25	Q4'24	% Δ	Q1'24	% Δ
Financial income	9	12	-23%	17	-46%
Interest cost and commitment fees	-176	-184	-4%	-231	-24%
Arrangement fees	-24	-21	15%	-21	16%
Other financial expenses	-2	-4	-58%	-4	-57%
Financial expenses	-202	-209	-3%	-255	-21%
Net exchange gain/(loss)	-5	2	-315%	5	-198%
Net financial items	-198	-195	2%	-233	-15%

Further strengthened the funding profile without increasing interest cost

Interest costs and commitment fees decreased to NOK 176m from NOK 184m in the previous quarter and NOK 231m last year. This is mainly driven by a comprehensive refinancing and new hedge arrangements at more favourable terms. At the end of the quarter, the interest rate hedge ratio was 72 % of net debt with a duration of 2.7 years.

In March, the Group issued a new bond of EUR 200m at 3.75 % margin with a 5 years duration. The bond issue secured long-term funding and increased liquidity without increasing interest costs as we reduce the drawn amount on the RCF resulting in a lower margin.

The liquidity reserve is EUR 435m up from EUR 260m end of last quarter, in addition to operational cash flow.

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
14 May 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	2025 Quarter 1	2024 Quarter 1	2024 Full Year
Interest revenue from purchased loan portfolios		589	576	2 301
Net credit gain/(loss) from purchased loan portfolios	4	146	112	483
Profit from investments in associated parties/joint ventures		26	30	116
Gain on sale of collateral assets		15	32	100
Other revenue		123	132	683
Revenue	3	898	882	3 683
External expenses of services provided		- 149	- 142	- 556
Personnel expenses		- 234	- 242	-1 054
Other operating expenses		- 127	- 122	- 482
Depreciation and amortisation		- 24	- 22	- 91
Impairment losses		0	0	0
EBIT	3	364	354	1 500
Financial income		9	17	42
Financial expenses		- 202	- 255	-1 196
Net exchange gain/(loss)		- 5	5	12
Net financial items	5	- 198	- 233	-1 142
Profit/(loss) before tax		166	121	358
Income tax expense		- 37	- 27	- 80
Profit/(loss) after tax		128	94	277

	Notes	2025 Quarter 1	2024 Quarter 1	2024 Full Year
Profit/(loss) attributable to:				
Parent company shareholders		128	94	277
Earnings per share (in NOK):				
Basic		0.35	0.25	0.75
Diluted		0.35	0.25	0.75

Consolidated statement of comprehensive income

All figures in NOK million unless otherwise stated

	2025	2024	2024
	Quarter 1	Quarter 1	Full Year
Profit/(loss) after tax	128	94	277
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations	-65	238	309
Hedging of currency risk in foreign operations	19	-38	-72
Hedging of interest rate risk	-12	8	-3
Other comprehensive income	-59	208	234
Total comprehensive income for the period	70	302	511
Total comprehensive income attributable to:			
Parent company shareholders	70	302	511

Condensed consolidated statement of financial position

All figures in NOK million unless otherwise stated

	Notes	2025 31 Mar	2024 31 Mar	2024 31 Dec
Deferred tax assets		411	409	381
Goodwill		781	800	807
Tangible and intangible assets		343	371	324
Investments in associated companies and joint ventures		752	830	822
Purchased loan portfolios	3,4,5	12 133	11 705	12 069
Other non-current financial assets		27	354	34
Total non-current assets		14 446	14 468	14 436
Income taxes receivable		47	60	49
Other current assets		464	389	507
Collateral assets		1 397	1 402	1 380
Cash and short-term deposits		784	1 091	516
Total current assets		2 693	2 942	2 452
Total assets		17 139	17 410	16 888

	Notes	2025 31 Mar	2024 31 Mar	2024 31 Dec
Equity attributable to parent company's shareholders	7	5 689	5 884	5 618
Equity attributable to non-controlling interests		0	1	0
Total equity		5 689	5 885	5 618
Deferred tax liabilities		336	443	355
Non-current interest bearing loans and borrowings	6	9 832	9 810	9 555
Other non-current liabilities		178	188	185
Total non-current liabilities		10 346	10 441	10 095
Current interest bearing loans and borrowings	6		0	0
Bank overdraft	6	0	348	247
Accounts and other payables		609	218	319
Income taxes payable		10	52	82
Other current liabilities		486	465	527
Total current liabilities		1 104	1 084	1 175
Total equity and liabilities		17 139	17 410	16 888

Condensed consolidated statement of changes in equity

All figures in NOK million unless otherwise stated

	2025	2024
Notes	Total equity	Total equity
At 1 January	5 618	5 588
Profit/(loss) after tax	128	94
Other comprehensive income	-59	208
Total comprehensive income	70	302
Share buy-back programme		- 5
Share based payments	1	0
Dividends to non-controlling interests	0	0
At 31 March	5 689	5 885

Condensed consolidated statement of cash flows

All figures in NOK million unless otherwise stated

		2025	2024	2024
	Notes	Quarter 1	Quarter 1	Full year
Cash flows from operating activities				
Profit for the period before tax		166	121	358
<u>Adjustment to reconcile profit before tax to net cash flows:</u>				
Amortisation/revaluation of purchased loan portfolios		596	543	2 251
Repossession of collateral assets		- 100	- 69	- 194
Cost of asset sold, including impairment		38	64	360
Profit from investments in associated parties/joint ventures	3	- 26	- 30	- 116
Financial income		- 9	- 17	- 42
Financial expenses	5	202	255	1 196
Other non-cash items ¹		87	- 33	- 291
<u>Other changes including working capital changes:</u>				
Change in working capital		67	28	23
Change in non-current financial assets/liabilities		- 6	60	202
Cash received from investments in associated parties/joint ventures ²		69	16	114
Income tax paid		- 90	- 23	- 103
Net cash from operating activities		994	914	3 758
Cash flows from investing activities				
Payment of purchased loan portfolios	3,4	- 619	- 293	-2 168
Proceeds from sold performing and non-performing loan portfolios				319
Acquisition of subsidiaries		- 21		
Divestments in subsidiaries, joint ventures and associated companies				7
Net investments/divestments in intangible and tangible assets		- 15	- 15	- 34
Net cash from investing activities		- 655	- 308	-1 876

		2025	2024	2024
	Notes	Quarter 1	Quarter 1	Full year
Cash flows from financing activities				
Payment buy-back share programme	7		- 5	- 5
Bond issue		2 283	1 715	3 689
Repayment of bond			-2 292	-4 245
Net drawdowns/(repayments) on interest bearing loans and borrowings		-1 836	- 245	- 579
Interest paid on interest bearing loans & borrowings		- 222	- 233	- 884
Borrowing cost paid		- 25	- 15	- 302
Repayment of principal amount on lease liabilities		- 10	- 2	- 31
Dividend paid to parent company's shareholders		0	0	- 479
Net cash from financing activities		190	-1 077	-2 836
Net cash flow during the period		529	- 472	- 954
Net cash at the beginning of the period		269	1 179	1 179
Exchange rate difference on cash and cash equivalents		- 14	35	44
Net cash at the end of the period		784	743	269
Net cash comprised of:				
Cash and short term deposits		784	1 091	516
Bank overdraft			- 348	- 247

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 Adelers 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 first quarter ending 31 Mars 2025 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 2024. The annual consolidated financial statements for 2024 are available at the company's website (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 2024.

The interim condensed consolidated financial statements for the first quarters ending 31 March 2025 and 31 March 2024 are unaudited. The 2024 audited financial statements are proposed for approval at the Annual General Meeting of the Company to be held on 22 May 2025

Zolva AS was acquired with effect from 1st of February 2025. The acquisition have minor impact on the Group consolidated numbers.

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 2024. 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. Collateral 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.

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 1, 2025

	Investments	Servicing	Other	Unallocated items & eliminations	Total
External revenue	779	111	8	1	898
Inter segment revenue	0	210	0	- 211	0
Revenue	779	321	8	- 210	898
Direct opex	- 321	- 191	- 2	201	- 313
Segment earnings	458	130	5	- 9	585
IT					- 44
SG&A					- 81
Central costs					- 72
EBITDA					388
Depreciation, amortisation and impairment losses					- 24
EBIT					364

Quarter 1, 2024

	Investments	Servicing	Other	Unallocated items & eliminations	Total
External revenue	752	92	35	2	882
Inter segment revenue	0	193	0	- 193	0
Revenue	752	286	35	- 191	882
Direct opex	- 300	- 183	- 10	187	- 306
Segment earnings	452	103	26	- 4	576
IT					- 44
SG&A					- 88
Central costs					- 67
EBITDA					376
Depreciation, amortisation and impairment losses					- 22
EBIT					354

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
Revenue	3 011	1 222	264	- 814	3 683
Direct opex	-1 243	- 721	- 32	662	-1 335
Segment earnings	1 767	501	232	- 152	2 348
IT					- 169
SG&A					- 317
Central costs					- 271
EBITDA					1 591
Depreciation, amortisation and impairment losses					- 91
EBIT					1 500

Segment details

All figures in NOK million unless otherwise stated

Investments	2025	2024	2024
	Quarter 1	Quarter 1	Full Year
Secured collections	207	222	740
Unsecured collections	1 124	1 008	4 294
Total collections	1 331	1 230	5 034
Secured amortisation	- 42	- 55	- 250
Unsecured amortisation	- 499	- 465	-1 964
Total amortisation	- 540	- 520	-2 214
Secured revaluations	- 86	- 58	- 218
Unsecured revaluations	31	36	181
Total revaluations	- 55	- 22	- 37
Total purchased loan portfolios (NPLs) revenue	735	688	2 784
Profit from investments in joint ventures	26	30	116
Gain on sale of collateral assets	15	32	100
Other revenue	3	2	10
Revenue	779	752	3 011
Direct opex	- 321	- 300	-1 243
Segment earnings	458	452	1 767
Segment earnings in %	59%	60%	59%

	2025	2024	2024
	Quarter 1	Quarter 1	Full Year
Portfolio investments	890	290	2 248
Book value secured NPLs	1 275	1 792	1 444
Book value unsecured NPLs	10 859	9 913	10 625
Book value investments in joint ventures	752	830	822
Book value collateral assets	1 397	1 402	1 380
Revenue from sale of collateral assets	53	96	330
Cost of collateral assets sold	- 38	- 64	- 230
Write-down of collateral assets	0	0	0
Gain on sale of collateral assets	15	32	100
Gain on sale of collateral assets %	40%	51%	44%

Segment details continued

All figures in NOK million unless otherwise stated

Servicing	2025	2024	2024
	Quarter 1	Quarter 1	Full Year
Internal servicing revenue	210	193	816
Servicing revenues from associated parties/joint ventures	20	18	86
Revenue from external clients	91	74	321
Revenue	321	286	1 222
Direct opex	-191	- 183	- 721
Segment earnings	130	103	501
Segment earnings in %	41%	36%	41%

Note 4 - Purchased loan portfolios

All figures in NOK million unless otherwise stated

	2025	2024	2024
	Quarter 1	Quarter 1	Full year
Opening balance	12 069	11 542	11 542
Portfolio investments in the period	890	290	2 248
Collection from purchased loan portfolios	-1 331	-1 230	-5 034
Interest revenue from purchased loan portfolios	589	576	2 301
Net credit gain/(loss) from purchased loan portfolios	146	112	483
Book value of sold purchased loan portfolios	0	0	- 29
Exchange rate differences	- 230	415	558
Closing balance	12 133	11 705	12 069

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:

	2025	2024	2024
	Quarter 1	Quarter 1	Full year
Portfolio investments in the period	- 890	- 290	-2 248
Change in prepaid amounts and amounts due on portfolio purchases	271	- 3	80
Payment of loan portfolios, cash flow statement	- 619	- 293	-2 168

Note 5 – Financial instruments

All figures in NOK million unless otherwise stated

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

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 -6 million and the fair value of the interest rate hedging derivatives was NOK -17 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 -12 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 19 million are also reported in Other Comprehensive Income.

Please refer to the Risk Management section in the Group's 2024 Annual Report and Group financial statement note 4.2 for further information.

Net financial items

All figures in NOK million

	2025	2024	2024
	Quarter 1	Quarter 1	Full Year
Interest revenue	7	13	28
Other financial income	3	4	14
Financial income	9	17	42
Interest expenses	- 201	- 252	-1 001
<i>Interest cost and commitment fees</i>	- 176	- 231	- 860
<i>Amortisation of borrowing costs</i>	- 24	- 21	- 141
Change in fair value of interest rate derivatives	0	0	- 1
Interest expense on leases	- 3	- 3	- 12
Other financial expenses ¹	1	- 1	- 182
Financial expenses	- 202	- 255	-1 196
Realised exchange gain/(loss)	- 104	- 364	- 719
Unrealised exchange gain/(loss)	100	369	731
Change in fair value of currency derivatives	0	0	0
Net exchange gain/(loss)	- 5	5	12
Net financial items	- 198	- 233	-1 142

Note 6 - Interest bearing loans and borrowings

All figures in NOK million unless otherwise stated

	31 March 2025		31 December 2024	
	Current	Non-current	Current	Non-current
Multi-currency revolving credit facility		2 468		4 280
Bond loans		7 364		5 275
Bank overdraft	0		247	
Total	0	9 832	247	9 555

The Group is financed by a combination of multi-currency Revolving Credit Facility (RCF) and Bond loans. At quarter end EUR 226 million was utilised from the EUR 610 million RCF leaving total available undrawn facility lines of EUR 384 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 2024

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 ¹ NOK million
At 31 December 2024	368 532 152	37	2 844
At 31 March 2025	368 532 152	37	2 844
At 15 May 2025 (date of completion of these interim condensed financial statements)	368 532 152	37	2 844

Proposed dividend and distribution for 2024 is NOK 1.5 per share.

Note 8 – Share based payments

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

	2025	2024	2024
	Quarter 1	Quarter 1	Full Year
Revenue	898	882	3 683
Add back Amortisation of purchased loan portfolios	540	520	2 214
Add back Revaluation of purchased loan portfolios	55	22	37
Adjust for Repossession of collateral assets	- 100	- 69	- 194
Add back cost of asset sold	38	64	360
Adjust for Profit from investments in associated parties/joint ventures	- 26	- 30	- 116
Add Cash received from investments in associated parties/joint ventures	69	16	114
Cash revenue	1 475	1 405	6 097
Adjust for Other cash revenues	- 123	- 132	- 813
Cash collections	1 352	1 273	5 284

	2025	2024	2024
	Quarter 1	Quarter 1	Full Year
EBIT	364	354	1 500
Add back Depreciation, amortisation and impairment losses	24	22	91
EBITDA	388	376	1 591
Add back Amortisation of purchased loan portfolios	540	520	2 214
Add back Revaluation of purchased loan portfolios	55	22	37
Adjust for Repossession of collateral assets	- 100	- 69	- 194
Add back Cost of assets sold	38	64	360
Adjust for Profit from investments in associated parties/joint ventures	- 26	- 30	- 116
Add Cash received from investments in associated parties/joint ventures	69	16	114
Adjust for Non-recurring items	10	6	169
Cash EBITDA	975	905	4 175

Alternative performance measures - reconciliation

All figures in NOK million unless otherwise stated

	2025	2024	2024
	Quarter 1	Quarter 1	Full Year
EBIT	364	354	1 500
Non-recurring items, of which:			
External expenses of services provided	1		
Personnel expenses	5	6	155
Other operating expenses	4	- 0	14
Non-recurring items impacting EBIT	10	6	169
Adjusted EBIT	374	360	1 669
External expenses of services provided	- 149	-142	- 556
Personnel expenses	- 234	- 242	-1 054
Other operating expenses	- 127	- 122	- 482
Adjust for non-recurring items	10	6	169
Adjusted opex	- 500	- 500	-1 923
Non-recurring items impacting EBIT	10	6	169
Other non-recurring items	- 2	- 3	220
Total non-recurring items	8	3	389

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.

	2025 31 Mar	2024 31 Dec	2024 30 Sep	2024 30 Jun
Bond loan (nominal value) ¹	7 418	5 308	4 118	5 128
Revolving Credit Facility (nominal value) ¹	2 575	4 434	5 294	4 165
Vendor loan	378	107	27	24
Net cash balance including overdraft	- 784	- 269	- 525	- 790
Total loan	9 587	9 580	8 914	8 527
Purchased loan portfolios	12 133	12 069	11 419	11 146
Investment in associated companies and joint ventures	752	822	852	813
Other assets ²	1 898	1 928	1 877	1 120
Book value	14 783	14 819	14 148	13 079
Total Loan to Value % (TLTV)	65%	65%	63%	65%

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.

Liquidity reserve

Un-drawn RCF, plus cash and short-term deposits and minus NOK 200m in cash reserve.

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 interesting-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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