

A debt solution
provider, helping
debtors back
on track

Company presentation

B2HOLDING®
Making each other better

September 2017

B2Holding is one of the leading NPL investor & work out specialist in Europe

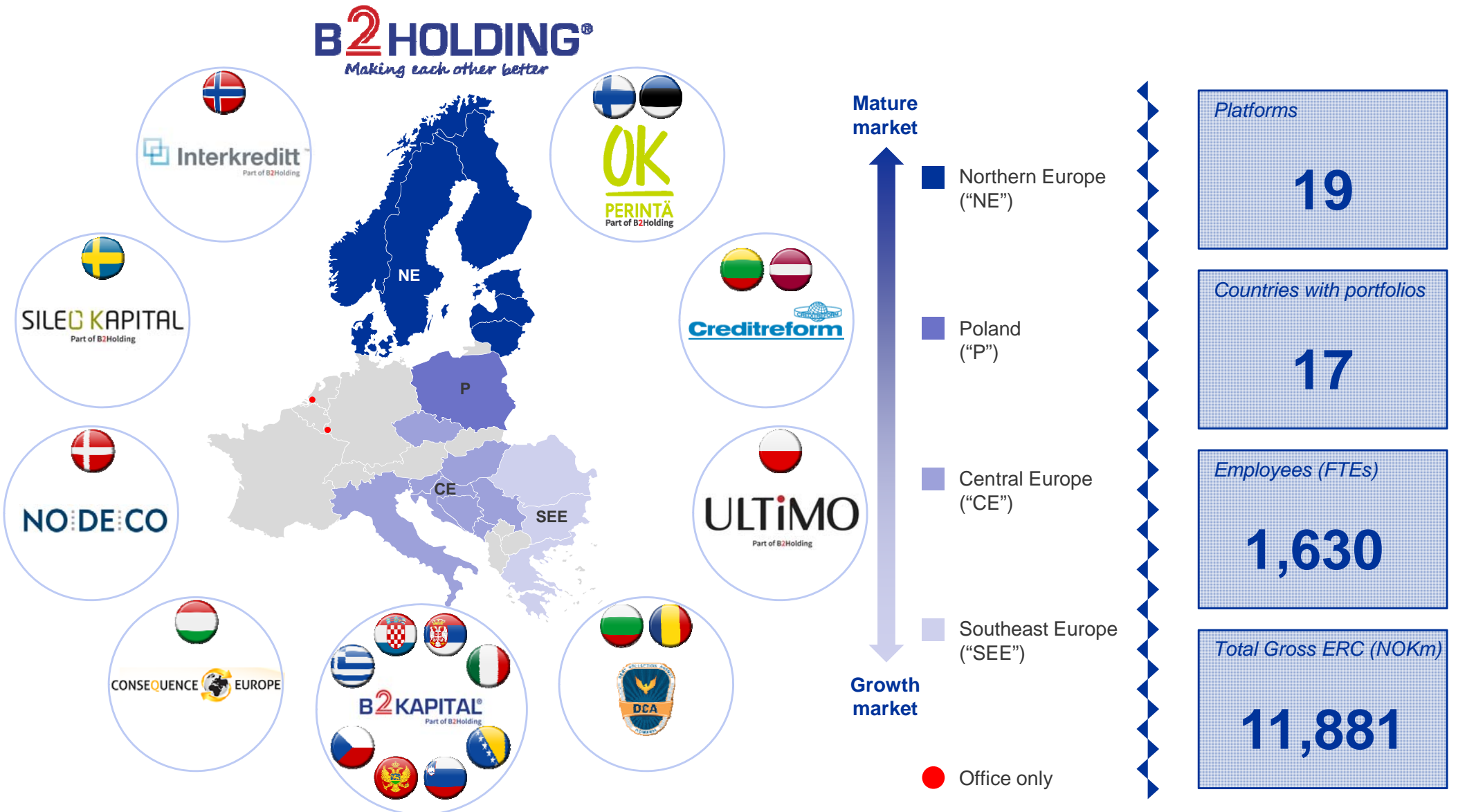
- B2Holding was founded by Mr. Nordbrekken (President) and Mr. Zahl (CEO) in 2011
 - Founded Aktiv Kapital in 1991. B2H team exited in 2004. From 2014 part of PRA Group
 - Founded Gothia in 2005. Sold to Herkules in 2008
- In 5 years B2Holding has established itself as one of the leading Pan-European players, with a strong platform for further growth
- The successful expansion is a result of strategic acquisitions and organic growth
- B2Holding was listed at the Oslo Stock Exchange on 8 June 2016
 - Market value of B2Holding shares is 6.01 billion NOK (~655 million EUR) end of June 2017
 - More than 2 500 shareholders per 23 August 2017 with a diversified investor base
 - 2 unsecured bond loans totalling EUR 325 million (EUR 175 million 2016/2021 and EUR 150 million 2015/2020) Both loans are listed on Oslo Stock Exchange

20 largest shareholders

Board members	Shareholder
Trygve Lauvdal	Rasmussengruppen
Jon H. Nordbrekken	Valset Invest AS
Per Kristian Spone	Indigo Invest AS
Niklas Wiberg	Prioritet Group AB
Tove Raanes	
Kari Skeidsvoll Moe	

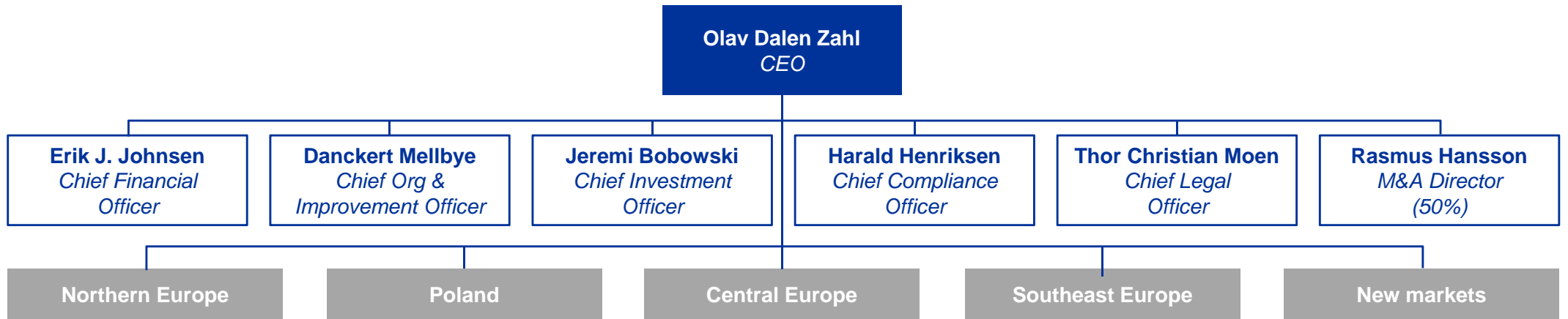
#	Shareholder	No of shares	Percentage
1	PRIORITET GROUP AB	51,118,519	13,85 %
2	RASMUSSENGRUPPEN	46,406,586	12,57 %
3	VALSET INVEST AS	24,000,000	6,50 %
4	INDIGO INVEST AS	15,642,619	4,24 %
5	STENSHAGEN INVEST AS	13,410,500	3,63 %
6	VERDIPAPIRFONDET HANDELSBANKEN	10,000,000	2,71 %
7	VERDIPAPIRFONDET DNB NORGE (IV)	9,982,640	2,70 %
8	BRYN INVEST	8,676,690	2,35 %
9	ARCTIC FUNDS PLC	7,334,734	1,99 %
10	VERDIPAPIRFONDET DNB NORGE SELEKTIV	6,258,570	1,70 %
11	EVERMORE GLOBAL VALUE FUND	5,816,208	1,58 %
12	GREENWAY AS	5,802,368	1,57 %
13	SWEDBANK ROBUR NORDENFOND	5,388,522	1,46 %
14	FOREIGN AND COLONIAL INVESTMENT	5,001,359	1,35 %
15	VERDIPAPIRFONDET ALFRED BERG GAMBAK	4,961,297	1,34 %
16	VEVLEN GÅRD AS	4,500,000	1,22 %
17	VERDIPAPIRFONDET PARETO INVESTMENT	3,536,664	0,96 %
18	DNB MARKETS, AKSJEHANDEL/ANALYSE	3,385,765	0,92 %
19	STOREBRAND NORGE IV	3,375,201	0,91 %
20	VERDIPAPIRFONDET ALF	3,357,588	0,91 %
	Other	131,164,768	35,53 %
	Total	369,120,598	100 %

A leading pan-European debt investor with 19 platforms and ERC of NOK 11.9bn



Note: Total gross ERC includes the Group's share of portfolios owned by joint ventures

Organisational overview

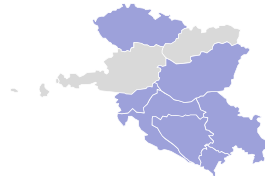


Scandinavia:
RD: Henrik Wennerholm
 - Norway
 - Sweden
 - Denmark

Finland & Baltics:
RD: Kari Ahlström
 - Finland
 - Estonia
 - Latvia
 - Lithuania



RD: Adam Parfiniewicz
 - Poland



RD: Ilija Plavcic
 - Croatia
 - Slovenia
 - Serbia
 - Hungary
 - Bosnia and Herzegovina
 - Montenegro
 - Czech Republic



RD: Christos Savvides
 - Bulgaria
 - Romania
 - Greece




RD: Rasmus Hansson (50%)
 - Italy (part of Central Europe)

Debt purchasing is highly attractive for both buyers and sellers


1 SELLERS

Make provisions on non-performing loans, writing down the book value of the receivable

Banks




Shadow banks




2 BUYERS

Acquire the NPL loans at a discount to face value, but at a higher price than the banks' book value


Debt purchasers

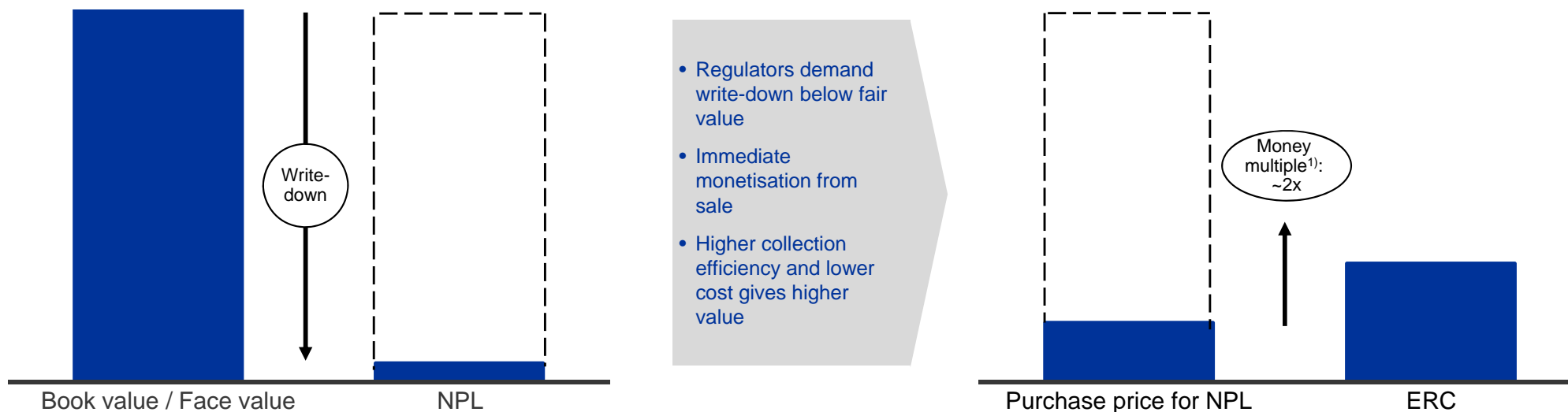


International funds



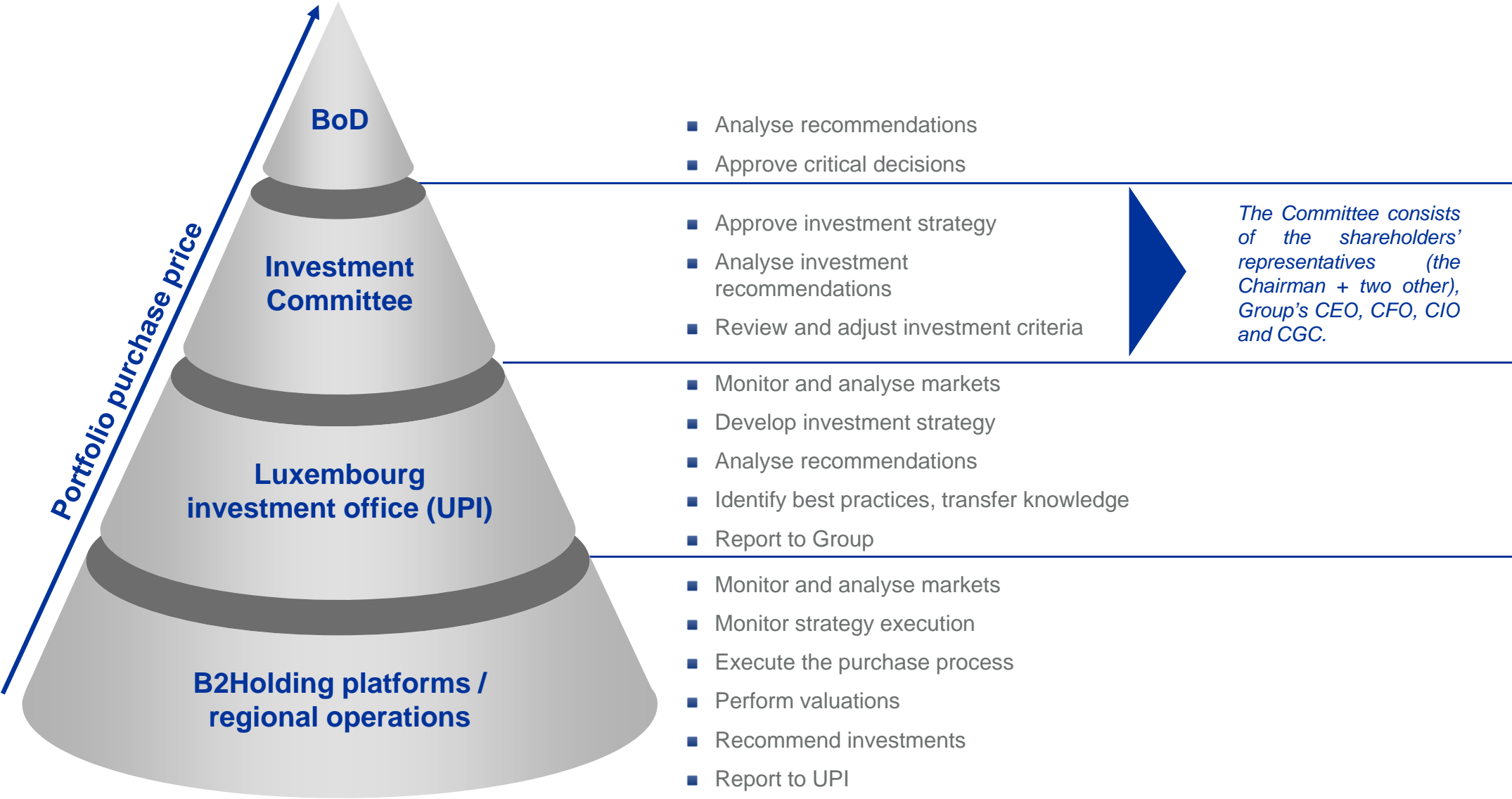
Regional funds





¹⁾Industry average gross money multiple

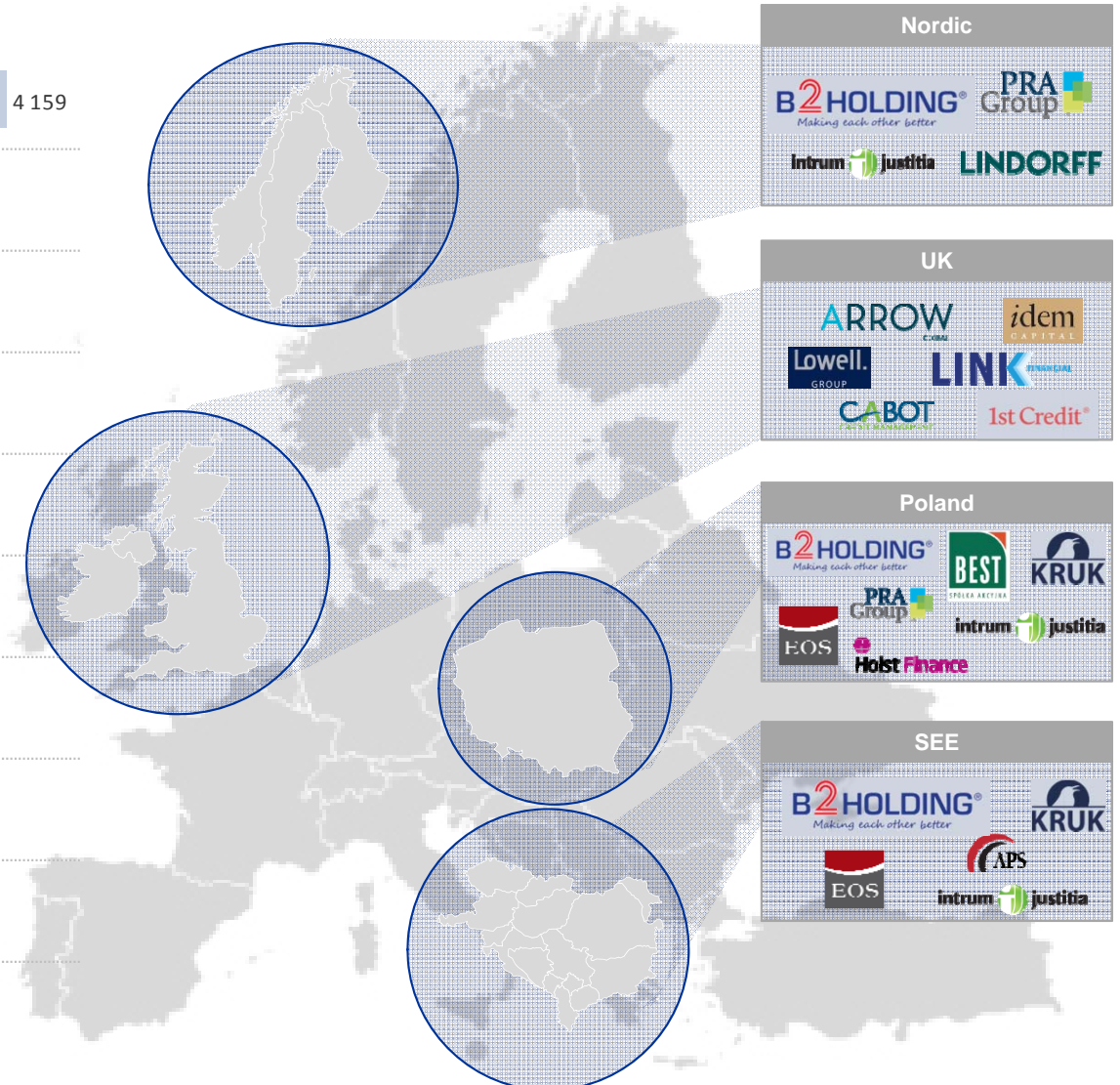
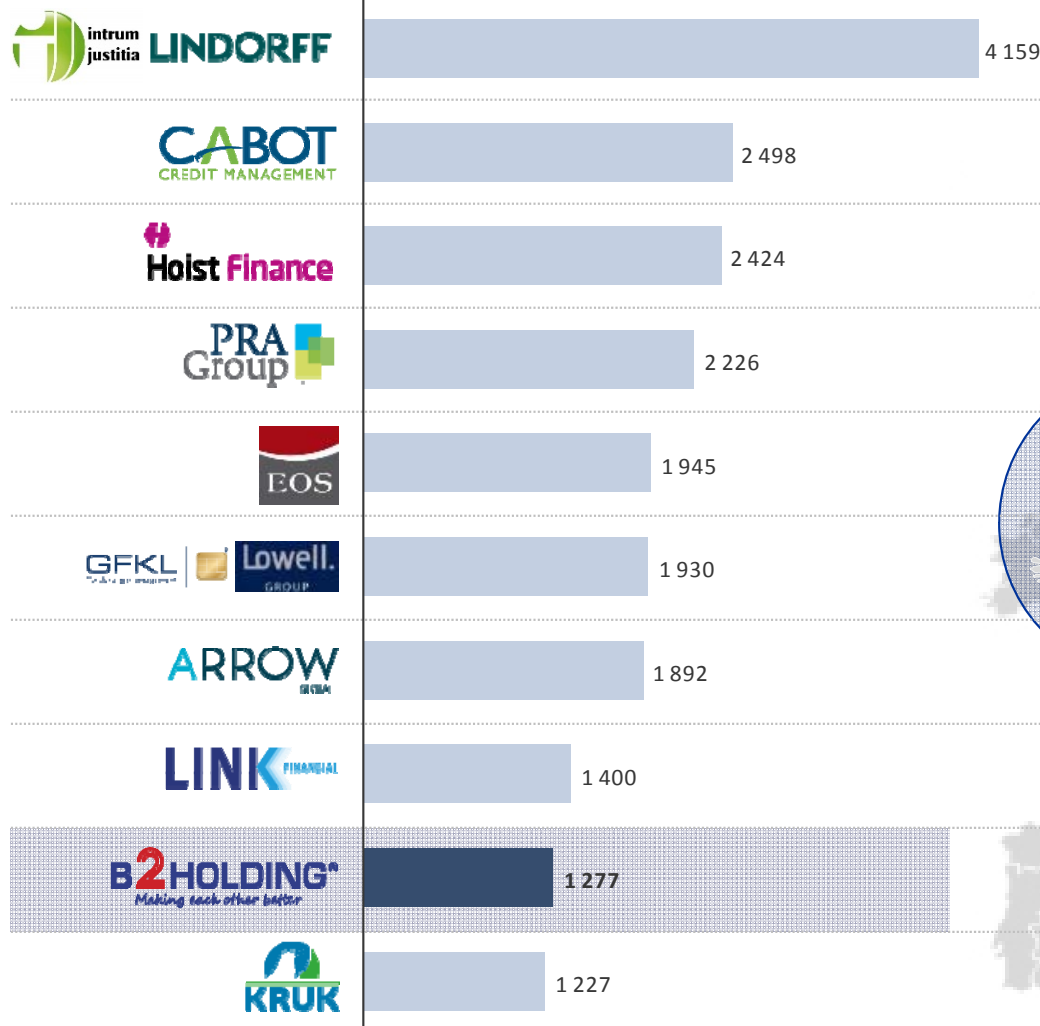
A disciplined investment process



B2Holding has become one of the leading debt purchasers globally

Largest debt purchasers operating in Europe

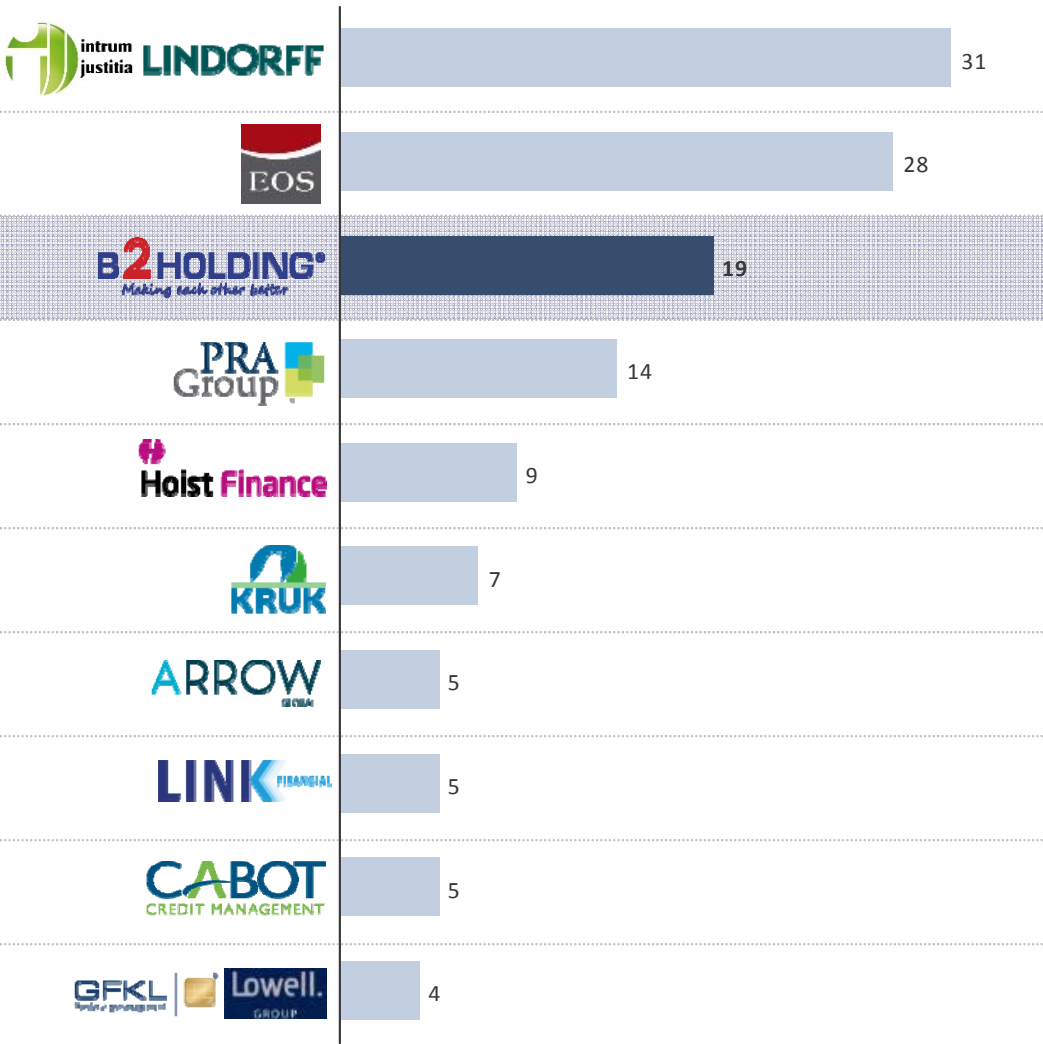
Gross estimated remaining collections (ERC, EURm)



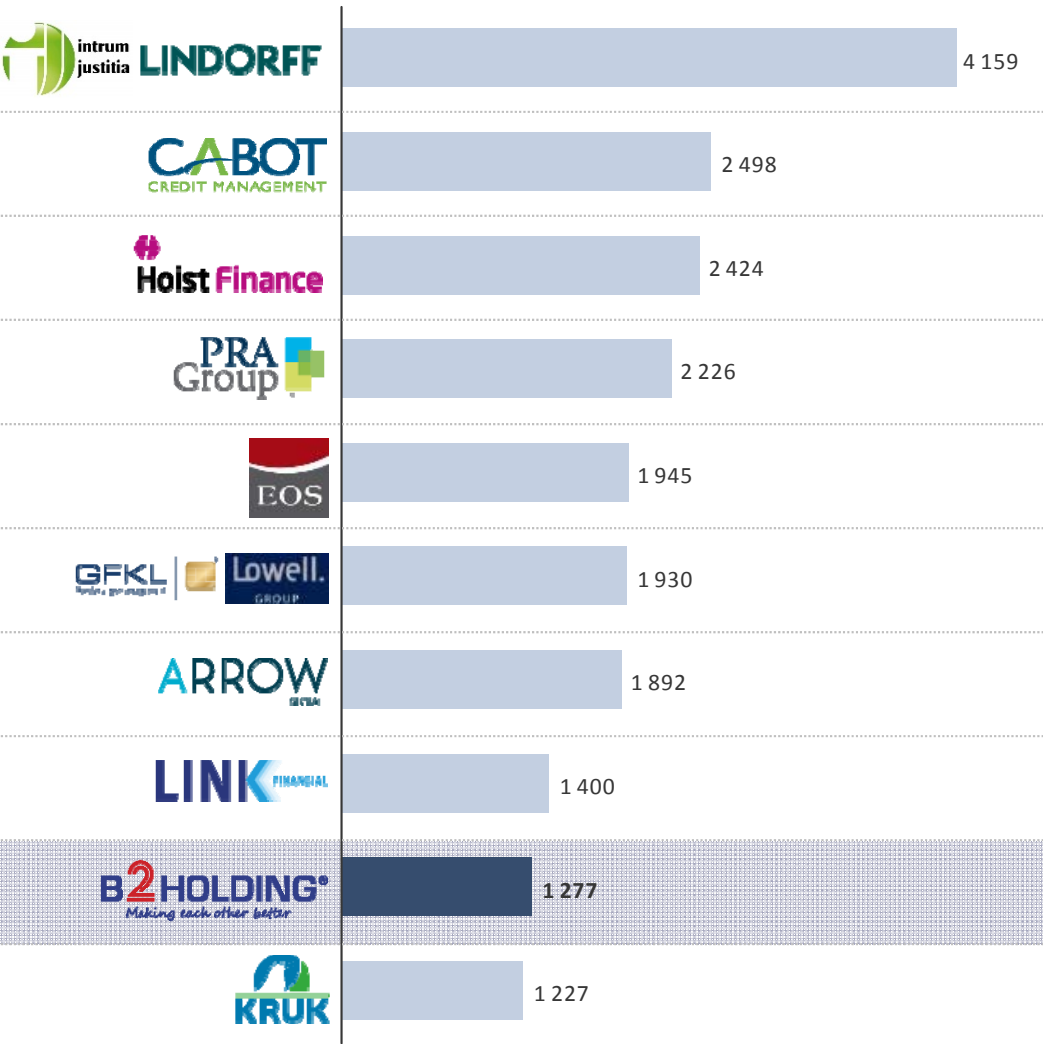
Source: Company information

Top ten European debt investors / collectors

European countries present (#)

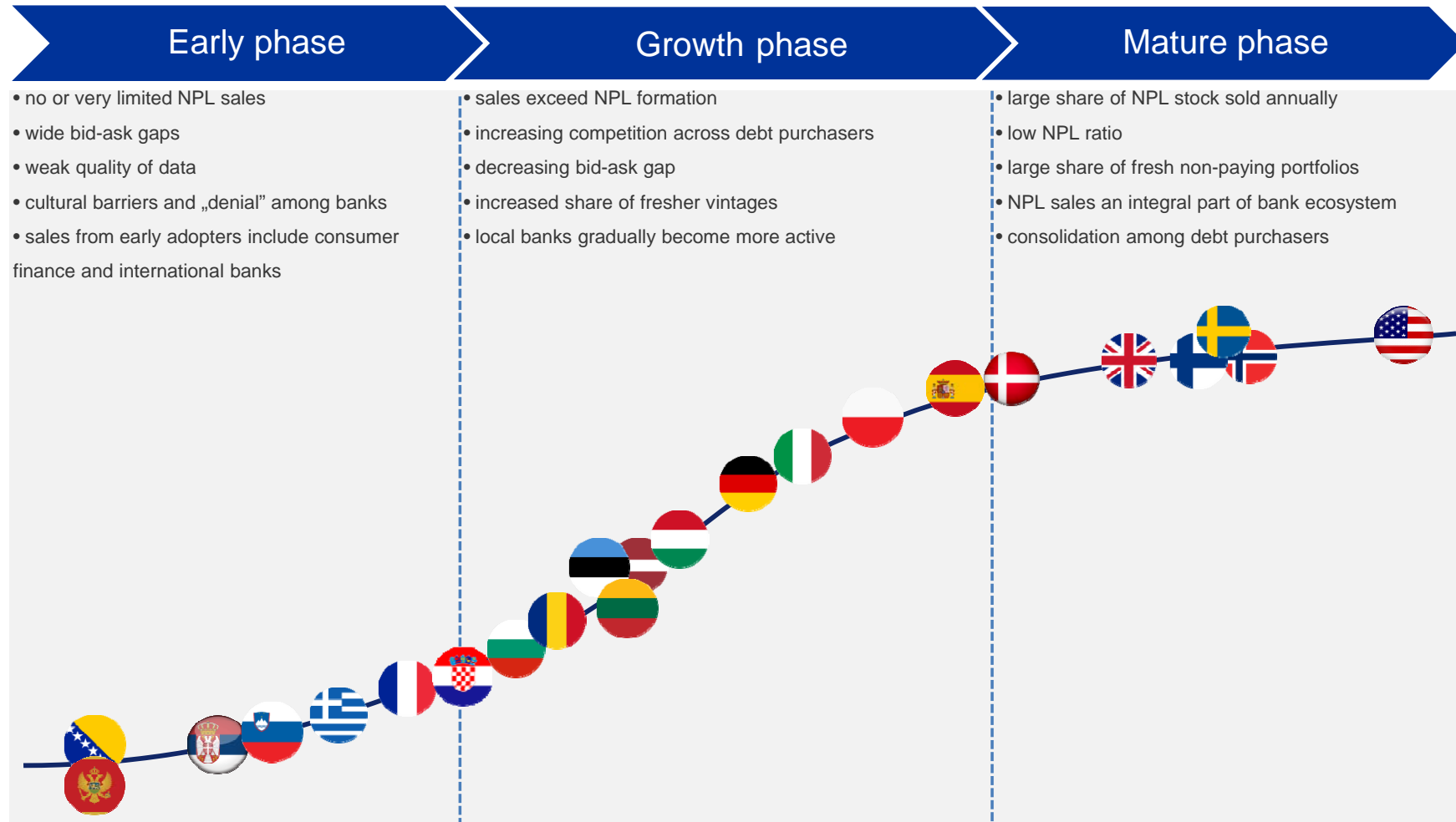


Estimated remaining collection (ERC, EURm)



Source: Company information

The development curve of debt purchase markets



B2 Holding present in countries representing all stages of debt purchase development.

Cash EBITDA grew 59% to a record-high of NOK 420m

Financial summary

NOKm	Q2'17	Q2'16	% change
Net operating revenues	466	331	41%
EBITDA	226	121	87%
Operating profit (EBIT)	217	113	92%
<i>Profit margin</i>	47%	34%	
Cash Revenue	660	475	39%
Cash EBITDA	420	264	59%
Profit for the period after tax	107	63	71%
Earnings per share (EPS)	0.29	0.19	53%
Cash flow from operating activities	247	196	26%
Operating cash flow per share	0.67	0.60	12%
Portfolio acquisitions ¹⁾	1,120	827	35%
Cash collection from portfolios	604	427	41%
ERC (at end of month)	11,881	8,186	45%

Comments

- Record portfolio acquisition volume
- Continued strong gross collection on portfolios
- Profit margin remain high at 47%
- Record-high EBITDA, cash EBITDA, EBIT and net profit

¹⁾Including the Group's share of portfolio acquired and held in joint venture

Financial highlights: Income statement

Income statement

NOKm	2017 Q2	2016 Q2	2017 H1	2016 H1	2016 audited
Revenue from purchased loan portfolios	411	284	807	518	1,206
Other operating revenues	55	47	105	93	190
Total operating revenues	466	332	913	611	1,396
External costs of services provided	-67	-58	-152	-111	-244
Personnel costs	-119	-93	-213	-174	-359
Other operating expenses	-69	-60	-129	-113	-248
Depreciation and amortisation	-9	-7	-17	-15	-30
Profit from shares, associated companies and JVs	16	0	29	0	0
Operating profit (EBIT)	217	113	430	198	516
Financial income	1	5	1	6	10
Financial expenses	-86	-55	-160	-112	-232
Net exchange gain (loss)	11	14	10	-9	-66
Net financial items	-74	-36	-149	-115	-288
Profit before tax	143	77	281	83	227
Income tax expense	-36	-15	-70	-22	-46
Net profit	107	63	211	61	181
Non-recurring items (net of tax)	0	10	0	19	20
Adjusted net profit	107	72	211	80	203
Cash revenue	660	475	1285	934	2,061
Cash EBITDA	420	264	819	536	1,210
EBITDA	226	121	447	213	546

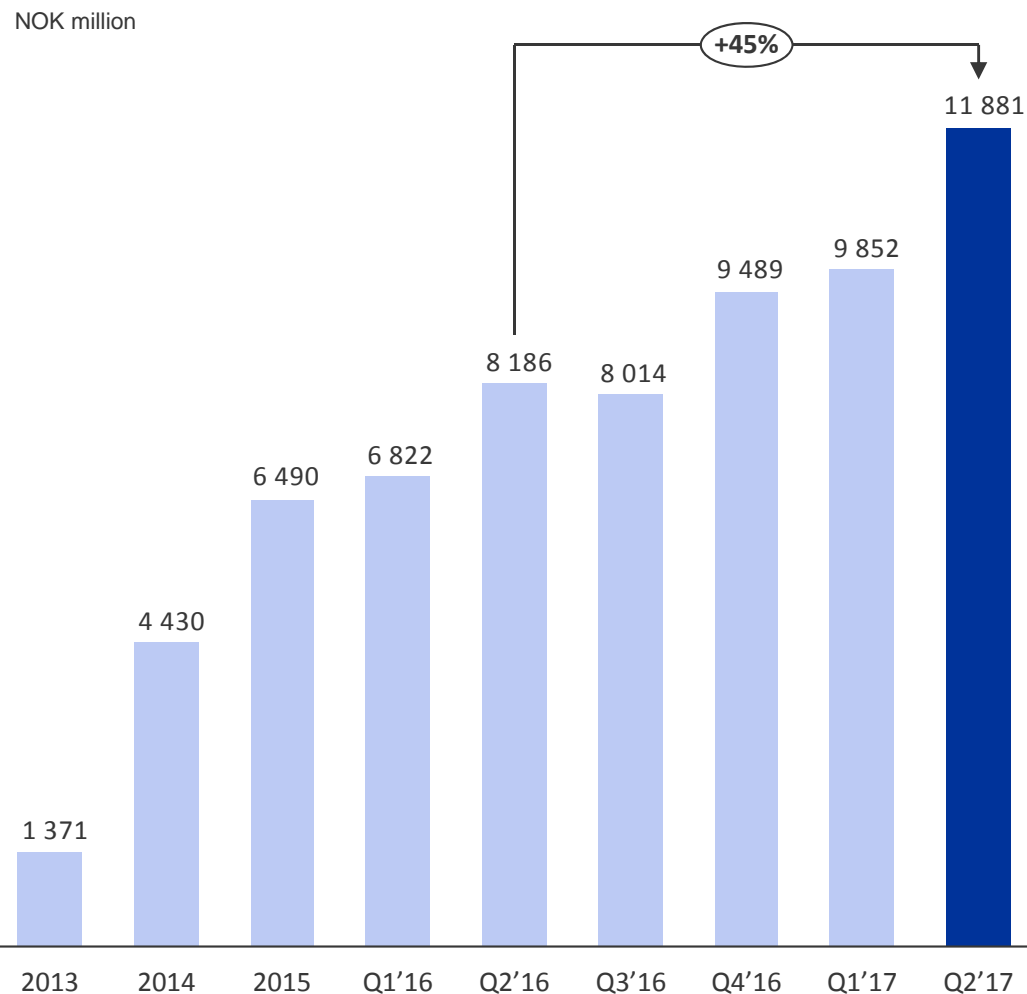
Comments

- Continued strong gross collection on portfolios: NOK 18m above the curves
 - Net revaluation NOK -1m
- Profit margin remain high at 47%
- Cost to collect dropping due to economies of scale
- Record-high EBITDA, cash EBITDA, EBIT and net profit
- Higher interest costs du to higher drawn amount, interest caps, increased currency rates vs NOK
- Taxes still high – increased losses carried forward not capitalized

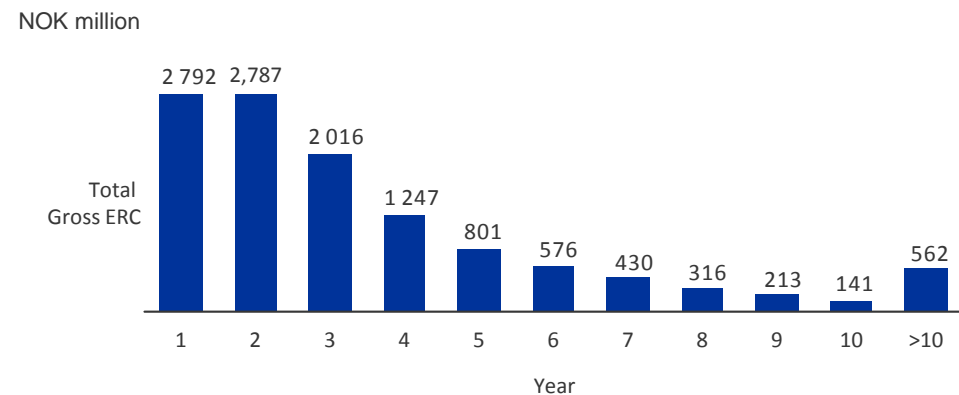
Total Gross ERC of approx. NOK 11.9bn

– 45% growth y-o-y

Development in Total Gross ERC



Curve overview



Unsecured	1	2	3	4	5	6	7	8	9	10	120m ERC	Total ERC
Poland	815	655	479	348	257	187	135	98	63	42	3,079	3,174
NE	779	601	483	393	324	271	223	171	122	91	3,459	3,923
CE	204	187	178	141	111	84	54	38	25	8	1,031	1,034
SEE	161	143	108	73	48	26	15	8	3	0	585	585
Sum	1,960	1,586	1,249	955	740	569	427	315	213	141	8,154	8,717

Secured	1	2	3	4	5	6	7	8	9	10	120m ERC	Total ERC
Poland	29	35	48	12	6	2	1	0	0	0	134	134
NE	0	1	2	0	1	0	0	0	0	0	4	4
CE	672	1,034	619	234	36	3	2	0	0	0	2,600	2,600
SEE	130	131	98	46	18	3	0	0	0	0	426	426
Sum	832	1,200	767	292	60	8	3	0	0	0	3,164	3,164

Total	2,792	2,787	2,016	1,247	801	576	430	316	213	141	11,318	11,881
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Balance sheet

Balance sheet

NOKm	2017 Q2	2016 Q2	2016 audited
Tangible and intangible assets	97	88	91
Goodwill	431	411	395
Purchased loan portfolios	6,242	4,030	4,752
Other long-term financial assets	551	286	507
Deferred tax asset	72	23	64
Total non-current assets	7,393	4,838	5,808
Other short-term assets	213	92	123
Cash & short-term deposits	351	215	218
Total current assets	564	307	340
Total assets	7,958	5,145	6,149
Total equity	2,782	2,281	2,425
Long-term interest bearing loans and borrowings	4,430	2,410	3,218
Deferred tax liabilities	45	56	51
Other long-term liabilities	64	82	65
Total non-current liabilities	4,538	2,547	3,333
Accounts and other payables	281	109	156
Income tax payable	54	9	62
Other short-term liabilities	303	198	172
Total current liabilities	638	317	391
Total equity and liabilities	7,958	5,145	6,149

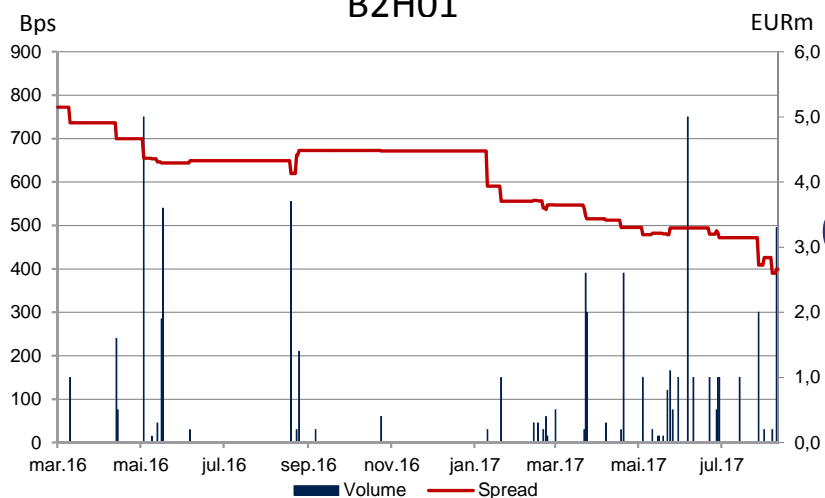
Comments

- Increase in purchased loan portfolios with 54% due to record-high portfolio acquisition volume and currency effect YTD (NOK 402m)
- Equity ratio 35%
- Investment capacity NOK 1,062m
- Net interest bearing debt NOK 4,203m
- Significant headroom for growth in financial covenants

B2Holding – High Yield Bonds

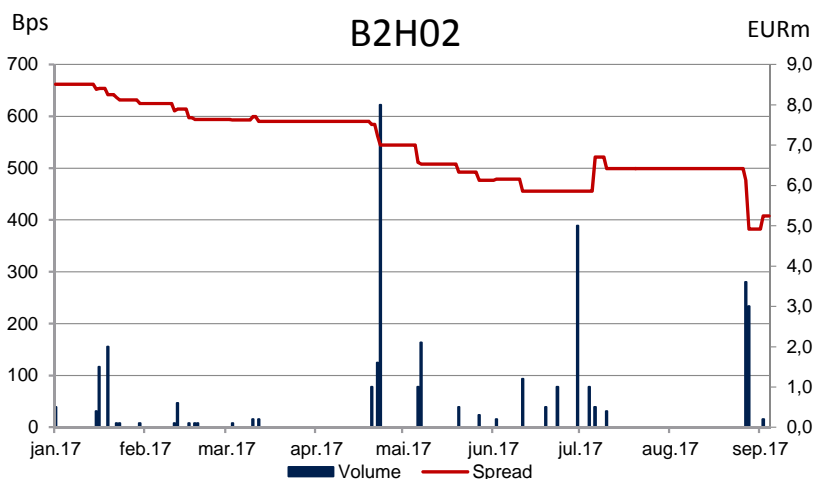
Effective Rate and Volume

B2H01



Last trade 17/7-2017
EUR 3,3m @ 109 –
spread 399bps

B2H02



Last trade 17/7-2017
EUR 0,2m @ 108,3 –
spread 407bps

Terms and Conditions

	B2H01	B2H02
Issuer:	B2Holding ASA	B2Holding ASA
Status of the bond:	Senior unsecured	Senior unsecured
Initial amount:	EUR 150million	EUR 175million
Borrowing limit:	EUR 150 million	EUR 250 million
Use of proceeds:	General corporate purposes	General corporate purposes
Issue price:	100% of par value	100% of par value
Coupon rate:	3m EURIBOR + 750bps p.a., q int pay	3m EURIBOR + 700bps p.a., q int pay
EURIBOR floor:	0.0%	0.0%
Settlement date:	8 December 2015	4 October 2016
Tenor:	5 years	5 years
Amortisation:	Bullet	Bullet
Call options (American):	Make-whole first 2 years @T+50bps 104.5% after 36 months 102.0% after 48 months 100.0% after 54 months	Make-whole first 2 years @T+50bps 105.0% after 24 months 103.0% after 36 months 101.0% after 48 months 100.0% after 54 months
Financial covenants:	Interest coverage ratio: >4.0x Leverage ratio: <4.0x Loan to value: <75%	
Special covenants:	Dividend restriction (50% of net profit), financial indebtedness restriction, negative pledge, subsidiaries' distribution, financial support restriction	
General covenants:	Reporting, mergers/de-mergers, continuation of business, disposal of business, arm's length transactions	
Change of control:	Investor put at 101%	
Trustee:	Nordic Trustee ASA	
Governing law:	Norwegian law	

Net Debt Key Credit Ratios

Indebtedness – as at 30 June 2017

Net Debt:	4 556 MNOK
Book Value:	7 052 MNOK
Cash EBITDA:	1 493 MNOK
Net interest expense:	255 MNOK

LEVERAGE METRICS

- Total LTV:
 - Net Debt / Book Value = 65% (max 75%)
- Leverage Ratio:
 - Net Debt / Cash EBITDA = 3.1x (max 4.0)
- Interest Cover Ratio:
 - Cash EBITDA / Net Interest Expense = 5.9x (min 4.0)

Key Highlights – 4bNOK Investments per year

- Total LTV has increased slightly reflecting a small dividend of 55mNOK and significant portfolios acquired in Q2-2017
 - We expect this ratio to stabilize around 70% in 2017 and 2018 and then reduce rapidly over the years
- Leverage Ratio will increase until year end and then reduce over the years
- Interest Cover Ratio will continue to strengthen reflecting a higher utilisation of the RCF
- RCF will increase to 360mEUR in September
 - The RCF has tighter Leverage Metrics
 - Equity Ratio: 35% (min 28%)
 - Collection Ratio:
 - Actual gross collection / IFRS forecast = 106% (min 90%)
- MNOK 1 262 of cash and RCF available at 30 June 2017
- Significant headroom on 75% LTV covenant with LTV of 65%

Outlook

Expected continued growth in 2017 – strong focus on operational performance

Financial

- Well positioned for further growth with platforms in 19 markets (including new licences in Greece and Hungary)
- Significant investment capacity and covenant headroom for future growth, without issuing new shares
- Focus on financial targets

Operational and organisational

- Strong pipeline within both secured and unsecured portfolios – geographically diversified
- Strong focus on operational efficiency
- Access to the largest NPL markets in Europe through the platforms in Greece and Italy



B2Holding ASA | Stortingsgaten 22 | P.O. Box 1726 Vika | N-0121 Oslo

www.b2holding.no | Tel: +47 22 83 39 50 | E-mail: post@b2holding.no