

A debt solution
provider, helping
debtors back
on track

Presentation – December 2015

B2HOLDING®
Making each other better

Agenda

- 1. Introduction to B2 Holding**
2. Market and industry dynamics
3. Portfolio overview
4. Financial information

B2 Holding is one of the leading debt purchasers and collection players in the regions where they are active

B2 Holding in brief

- Incorporated in November 2011 by current Chairman Jon Harald Nordbrekken
- Shares listed on OTC with a market cap of around NOK 4.1 billion as of 9 Nov 2015
- 1,158 employees in 10 countries, head quarter in Oslo
- B2Holding has established itself as one of the leading debt purchaser and collection player in attractive regions
 - Pan-European platform established in Central Eastern Europe, the Nordics and Balkans
- Main focus on NPLs from the banking sector as well as providing third party debt collection solutions on behalf of clients
- Centre of excellence for portfolio investments currently under development in Luxembourg
 - Analysis, valuation, scoring and benchmarking to be carried out by an experienced team

Geographical presence

Operations and portfolios:

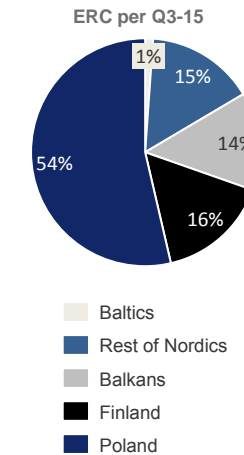
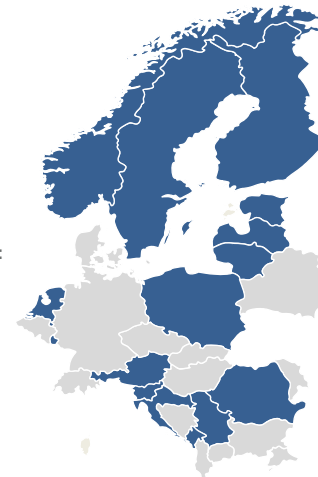
Norway
Sweden
Finland
Estonia
Latvia
Poland
Croatia
Serbia
Slovenia
Montenegro

Portfolios – no operation:

Italy
Lithuania
Denmark
Romania

Offices:

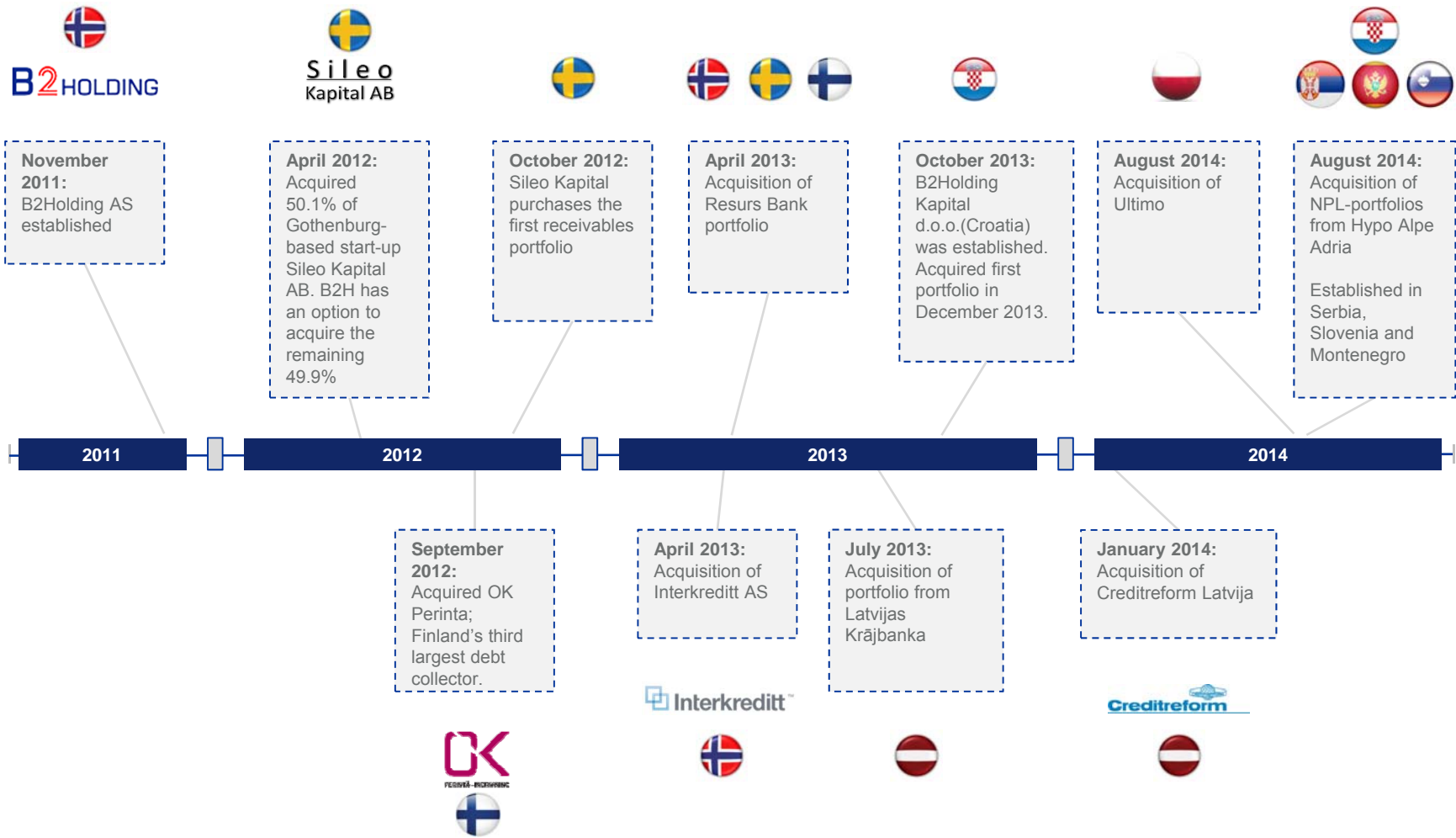
Austria
Luxembourg
Netherlands



Key facts and figures Q1-Q3 2015 (NOKm)

Total cash revenue	1,035
Total operating revenue	732
Cash EBITDA	592
EBITDA	289
Equity ratio	46%
Estimated remaining collections (ERC)	5,316
Total claims outstanding (mill)	3.84
Portfolio face value	38,188

European platform built through acquisitions of well-established companies



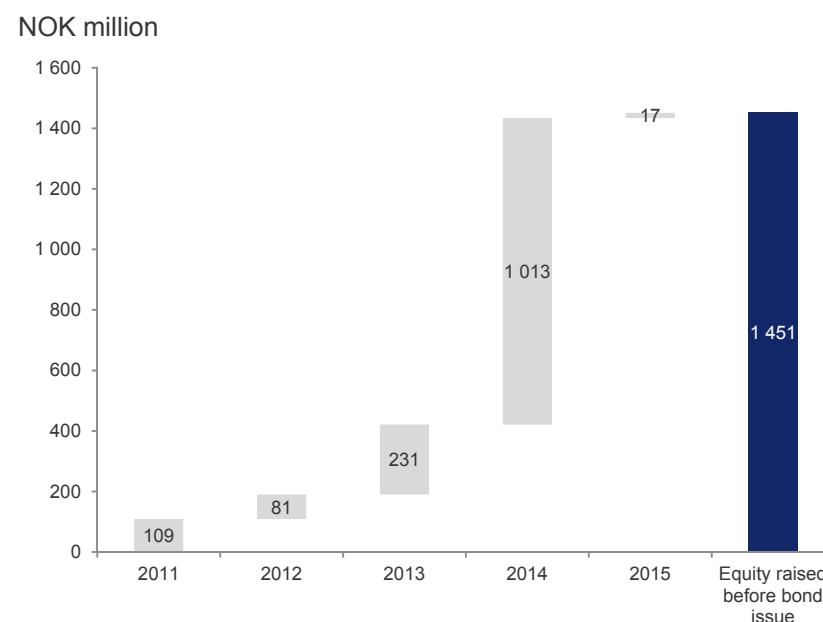
Solid sponsor backing with NOK 1,450 million raised in new equity to date

Ten largest shareholders¹

#	Shareholders	Number of shares	Percent of total
1	Rasmussengruppen	54.7	17.6%
2	Prioritet Group	50.2	16.1%
3	Valset Invest	24.0	7.7%
4	Stenshagen Invest	19.8	6.4%
5	Indigo Invest	12.2	3.9%
6	Bryn Invest	8.4	2.7%
7	Verdipapirfondet Handelsbanken	6.0	1.9%
8	Greenway	5.8	1.9%
9	Protector Forsikring	5.0	1.6%
10	Vevlen Gård	4.9	1.6%
Top 10 shareholders		191.0	61.3%
Other		120.4	38.7%
Total shares		311.3	

- B2 Holding is OTC-listed with a market cap of NOK 4.1bn (8 November 2015)
- Diversified investor base with approx. 500 shareholders and 60% free float

Historical equity issues

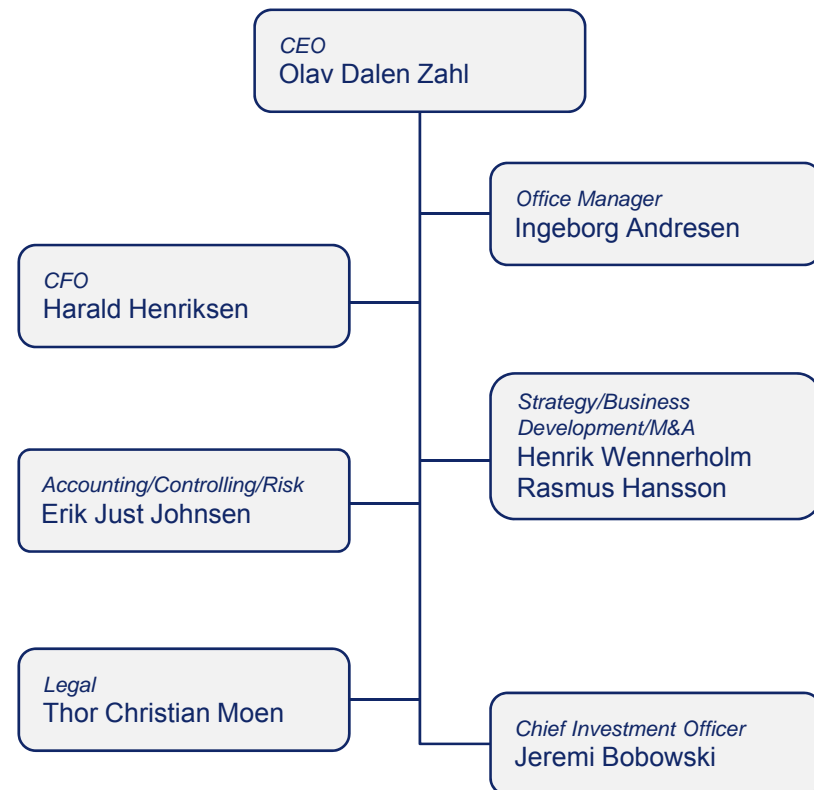


- The company has been highly successful in attracting additional capital through several private placements
- IPO planned for in 2016

¹) Shareholder overview dated 8 November 2015

Strong management and experienced board

Management



Board of directors



Jon Harald Nordbrekken – Chairman and Founder

- Former CEO of Intrum Justitia Norway
- Founded Aktiv Kapital in 1991, CEO until 1998, chairman from 1998 to 2004
- In 2005, he founded B2Holding AS, parent to both Gothia Financial Group and Bank2
- Established the “new” B2H in 2011



Trygve Lauvdal - Board member

- Board member since 2013
- Investment director at Rasmussengruppen AS, an investment company owned by the Rasmussen family with substantial interests in real estate, shipping and financial holdings and equity of appr. USD 1.5bn



Niklas Wiberg - Board member

- Board member since 2013
- Sales Manager at Prioritet Finans AB, Sweden's largest buyer of invoices. Prioritet Finans is owned by the Wiberg family, and has appr. USD 150m equity



Kjetil Garstad- Board member

- Board member since 2014
- Currently analyst at Stenshagen Invest AS, a family owned investment office managing a concentrated portfolio of NOK 1.2bn in equities only
- From 2007 to 2014 Mr Garstad was Head of oil services and partner in Arctic Securities



Per Kristian Spone - Board member

- Board member since start-up
- CFO of Indigo Invest AS, an investment company owned by the Bentsen family. Development of car parks, real estate and financial investments

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Non-performing debt is purchased from vendors at a deep discount



Portfolio investments and collection / debt purchase

- Among the European players, Arrow Global, Cabot, Hoist Group and PRA are typical portfolio buyers. The vast majority of their collections stem from purchased portfolios
- The majority of the large vertically integrated Credit Management Services (CMS) companies, e.g. EOS Group, Intrum Justitia and Arvato, invest in under-performing and non-performing debt, but the relative size of this activity varies between the companies
- Vendors of debt portfolios are typically banks, in-store credit providers, credit card companies, micro finance, car leasing agencies, utilities (electricity bills) and telecom companies

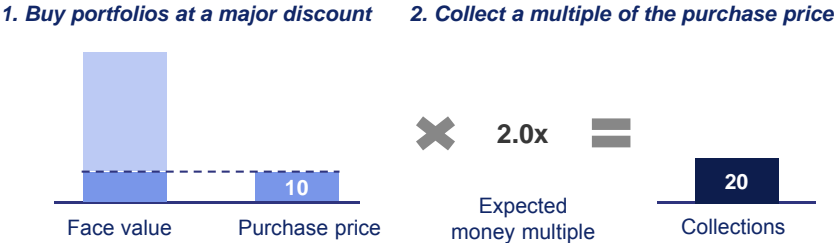
Selected debt vendors in the Nordics:

FINANCIAL SERVICES					OTHER
Banks	In-store credit	Credit cards	Micro loans	Leasing	Utilities, telecom etc.
Nordea	klarna	EnterCard	GE Money	LeasePlan	VATTENFALL
DNB	RESURS BANK	EUROCARD	FOLKIA	SG Equipment Finance	Hafslund
SEB	Cresco	Santander	Ferratum	FINANCIAL SERVICES TOYOTA	Fortum
Handelsbanken	LEASYS	IKANO BANK	FINAREF	BMW Financial Services	DONG energy
Danske Bank	GE Money	Cresco	RealFinans	VOLKSWAGEN FINANS	telenor group

The debt purchase and collection process



Simplified view of the business (illustrative only)



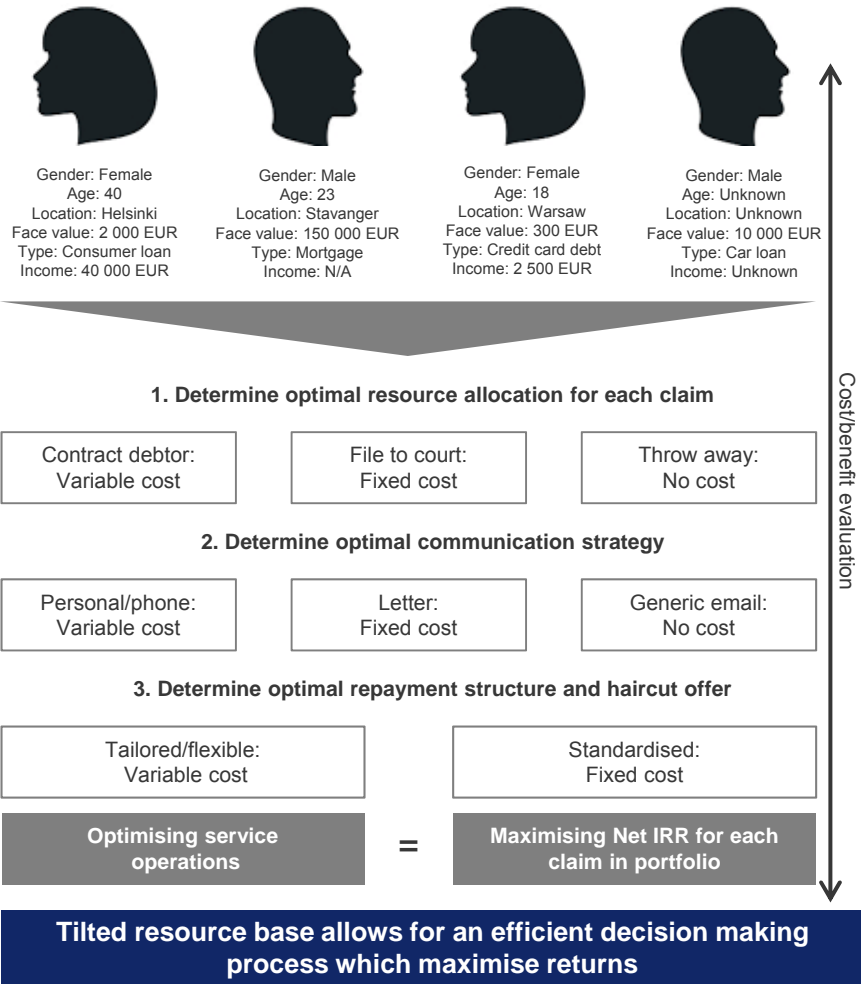
Critical infrastructure in place to secure attractive purchases and collection processes

Successfully optimised the operational resource base...

Data	<ul style="list-style-type: none"> ✓ Leading data capabilities support performance in non-performing loan origination and collection ✓ Backs optimal resource allocation, communication strategy and repayment offer ✓ Centre of excellence for portfolio investments currently under development in Luxembourg
People	<ul style="list-style-type: none"> ✓ Proven ability to attract top performing employees at all levels ✓ Sustained expertise in the Norwegian HQ and enabled build-up of international offices ✓ Cornerstone in the successful journey so far and will be pivotal in next phase
Knowledge	<ul style="list-style-type: none"> ✓ Share knowledge across platforms to enhance performance at reduced costs ✓ Continue sourcing deals through in-depth market knowledge and relationships ✓ In-house resource base and process enables highest standard in customer interaction

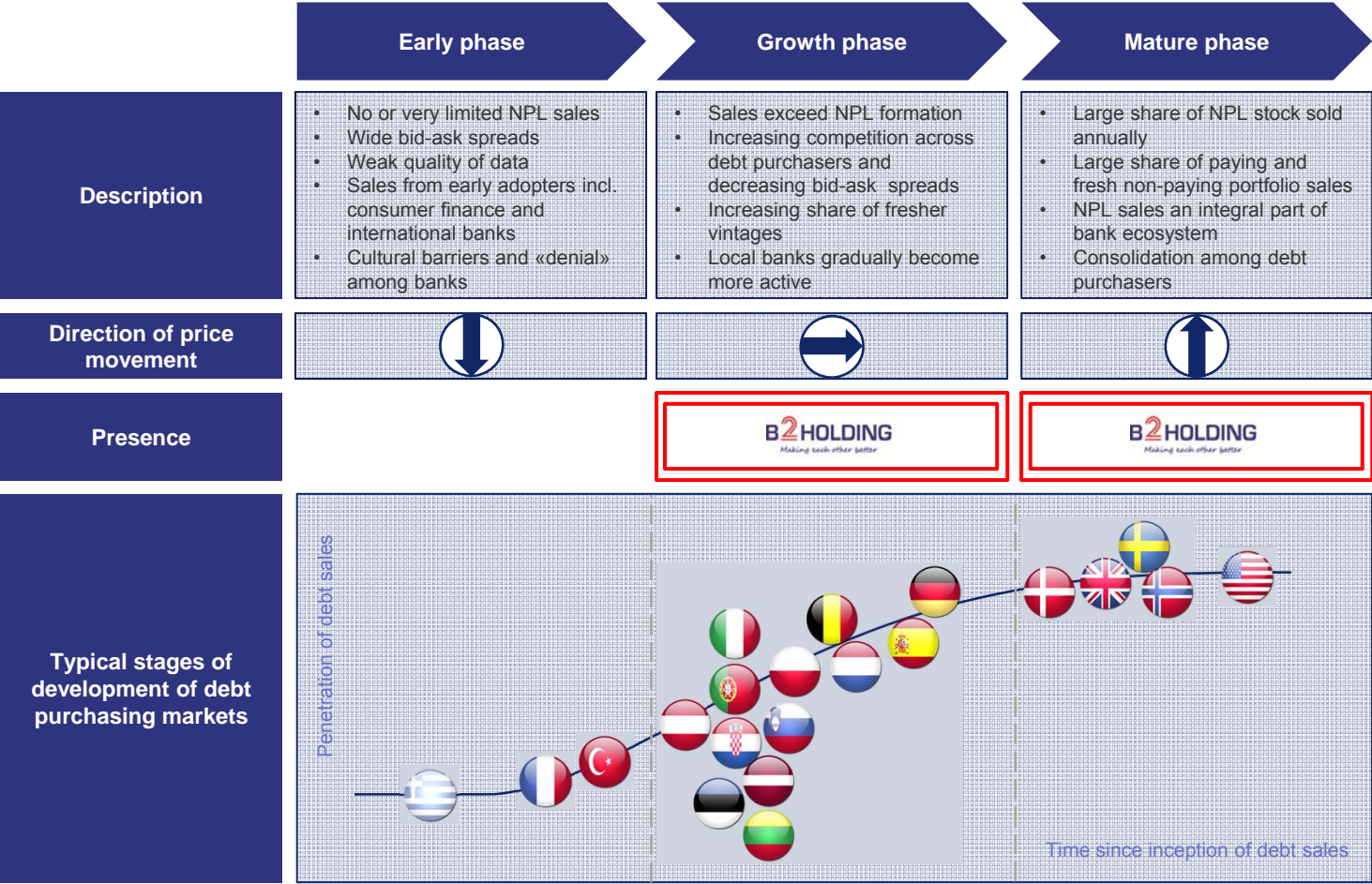
Focus on optimal management of resources enables strong sourcing and pricing of portfolios

... enabling best-in-class decisions processes



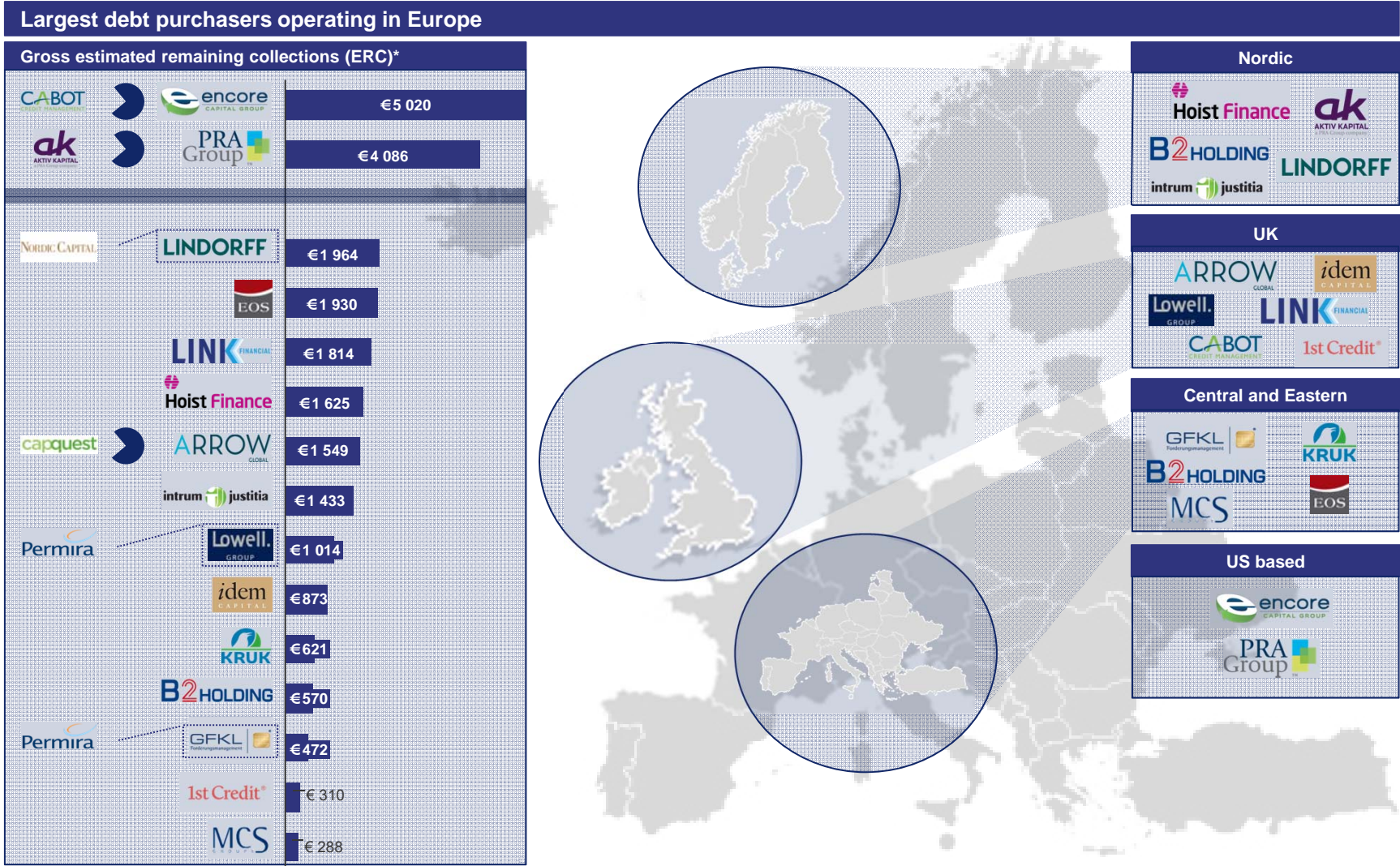
B2Holding mainly focuses on the markets which are in a growth phase offering opportunity for higher IRRs

Typical development stages of debt purchasing markets



↑ Pressure on price from vintage mix

Competitive landscape

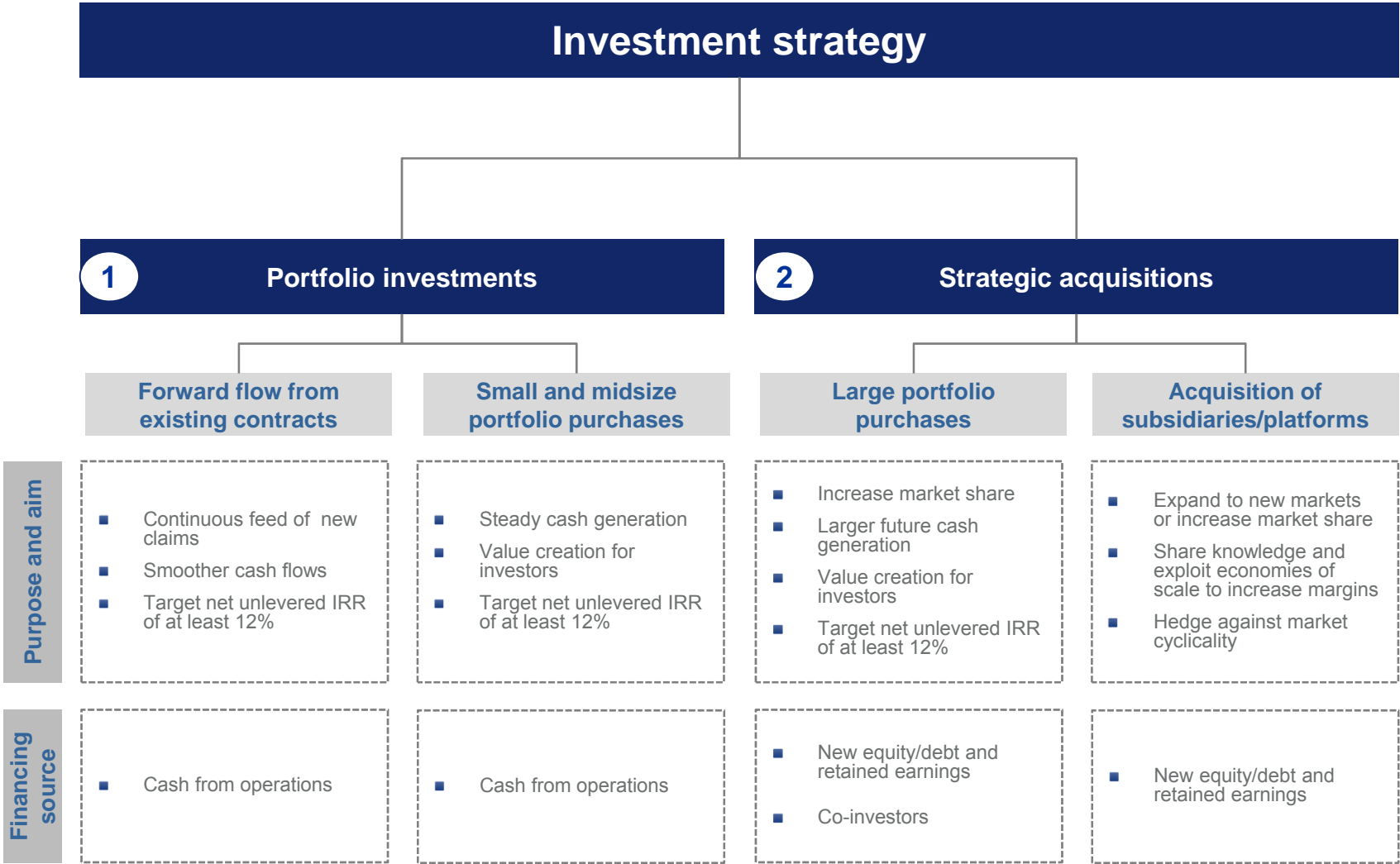


11 * Source: 2Q and Q3 2015 company reports and IR departments
 ** Calculated as 2.1x carrying value

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Investment strategy based on thorough analysis and strict profitability requirements

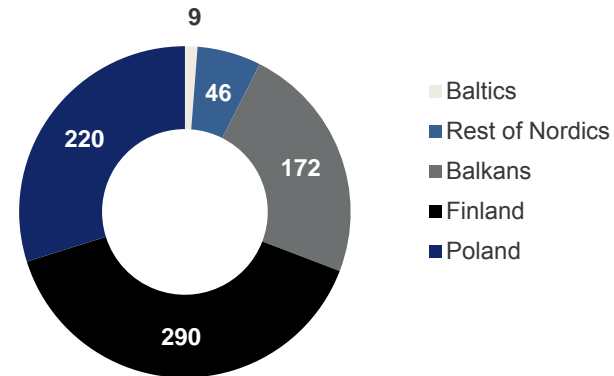


Healthy portfolio growth in attractive markets

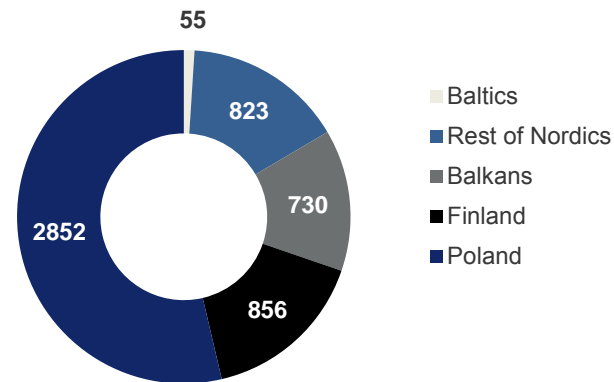
Portfolio development

NOKm	2013	2014	Q1-Q3 2015
Portfolio purchases	562	527	737
Total claims outstanding (millions)	0.30	3.45	3.84
Total face value outstanding	2,594	30,931	38,188
Total gross ERC	1,371	4,430	5,316

Q1-Q3 2015 portfolio purchases (NOKm)



Gross ERC split by region per Q3-15 (NOKm)

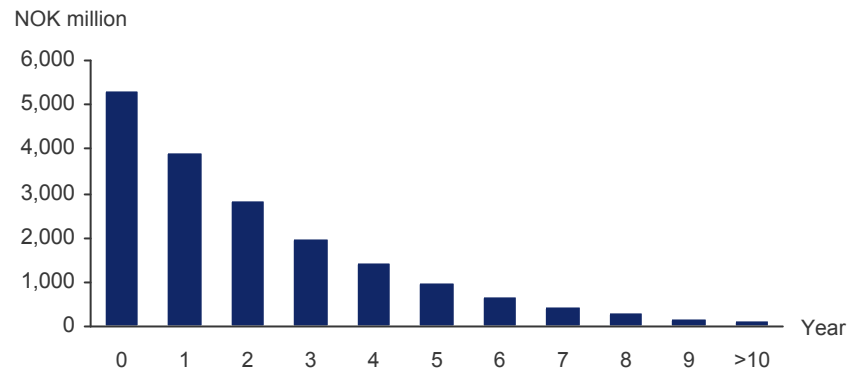


Diversified debt portfolio with Poland as largest contributor

Debt portfolio details

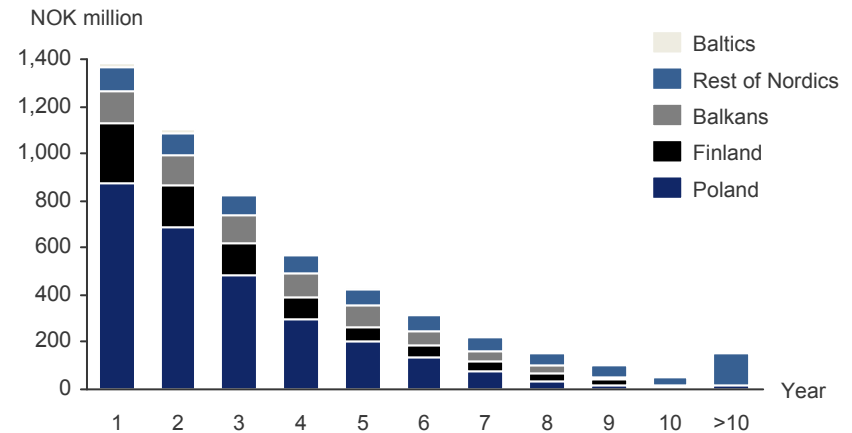
Country	Subsidiaries / portfolios	# of claims	Face value (NOK mill)	Gross ERC (NOK mill)
Poland	Ultimo group	3,408,743	30,701	2,852
Finland	OK Perinta, OK Sileo and OK Incure & TCM	253,308	1,882	856
Rest of Nordics	Sileo Kapital	100,578	1,605	823
Baltics	B2K Latvia and Creditreform	25,673	627	55
Balkans	B2K Croatia, Serbia, Slovenia and Montenegro	51,815	3,373	730
Total B2H group		3,840,117	38,189	5,316

Remaining ERC after expected collections

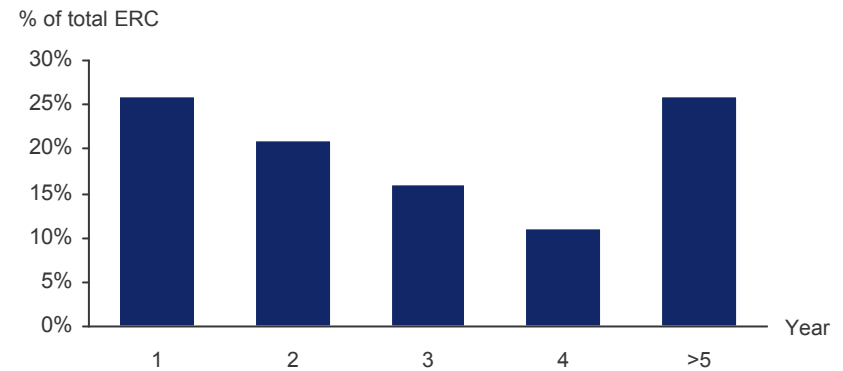


All figures as of September 2015

Gross ERC split by estimated collection



Estimated collections in % of total gross ERC



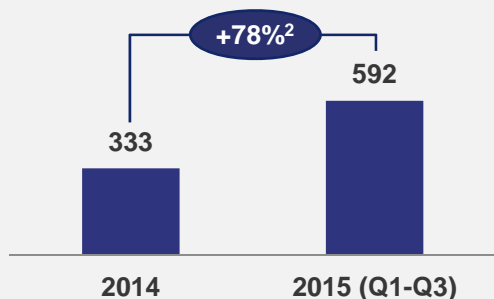
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Financial highlights

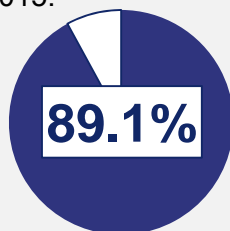
Increasing revenues with high conversion

Cash EBITDA (NOK)¹



Cash conversion²

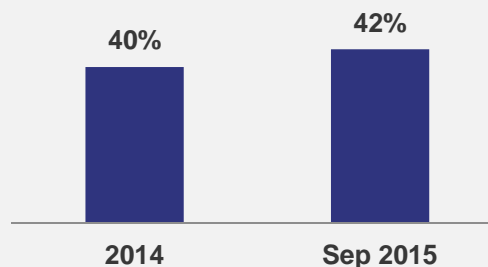
Jan-Sep 2015:



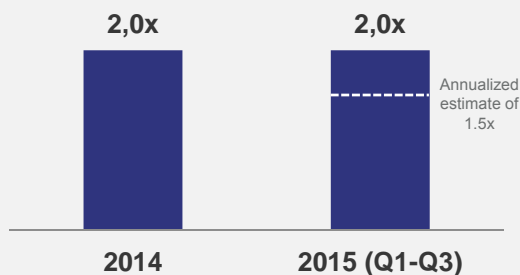
2014 full year: 71.6%

Conservative leverage profile

Total loan to value (LTV)³



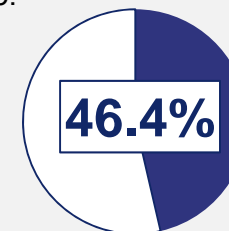
Leverage ratio⁴



Solid balance sheet

Equity ratio

Sep 2015:



Dec 2014: 46.4%

Liquidity (NOK)⁵

Pro forma 2015 Q3:

NOK 2.5 billion

1) Cash EBITDA defined as operating EBITDA plus portfolio cash collection minus portfolio interest income and change in cash flow estimate)

2) Cash conversion defined as Cash flow from operations excluding tax / Cash EBITDA

3) Loan to value defined as Net Interest Bearing Debt / (Book value of performing and non performing loans + book value of goodwill)

4) NIBD / Cash EBITDA (Conservative calculation that includes Cash EBITDA for the first three quarters of 2015)

5) Cash position as of September 2015 plus undrawn amount on the revolving credit facility following the bond issue of EUR 150 million

Strong cash revenue growth with high margins

Consolidated income statement

NOKm	2013	2014	Jan-Sep 2015
Interest income on purchased loan portfolios ¹	99	400	624
Revenue from external collection	86	91	71
Other operating revenues	3	20	37
Total operating revenues	188	511	732
Excess cash from collection over income ²	234	230	303
Total cash revenue	422	740	1,035
External costs of services provided	-62	-119	-139
Personnel costs	-72	-136	-187
Other operating expenses	-46	-152	-117
Cash EBITDA	242	333	592
EBITDA	8	103	289
Depreciation and amortization	-3	-12	-20
EBIT	6	91	269
Interest expenses	-16	-44	-65
Net financial	16	24	20
Tax	-4	-19	-24
Net income	2	51	200

Comments

- Total cash revenue has increased from 422m in 2013 to NOK 1,035m as of Q1-Q3 2015, as a result of acquisitions and increased cash collection on existing portfolio
- Cash EBITDA has increased 78% in Q1-Q3 2015 compared to 2014
- Increase in personnel costs from NOK 136m in 2014 to 187m in Q1-Q3 2015, following acquisitions and increase in number of FTEs from 961 in 2014 to 1,158 in September 2015
- Strong performance in Q1-Q3 2015 with cash EBITDA margin of 57%, up from 22% in 2013

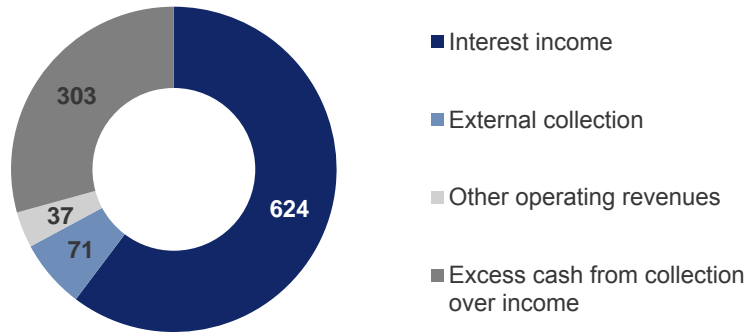
1) Interest income including change in portfolio cash flow estimates, explained by permanent deviations to initial NPV of non-performing loan portfolio

2) Actual cash collection over interest income on purchased loan portfolios

Revenue mix – 53% of revenues from Poland

Cash revenue mix Q1-Q3 2015

NOK million

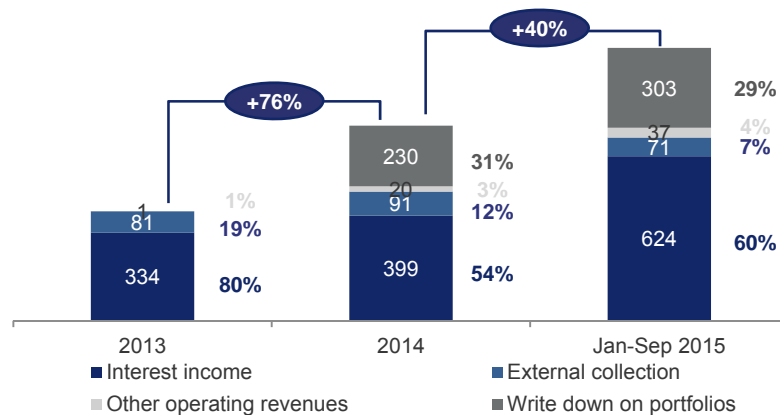


Comments

- Interest income and excess cash collection on purchased loan portfolio representing 90% of total cash revenues
- Limited changes to portfolio cash flow estimates with only NOK +0.5m in 2014 and NOK 9.2m 2015
- Interest income from external collection represents revenues from agents primarily in Finland, Estonia and Latvia and remains stable around NOK 80 – 90m per year

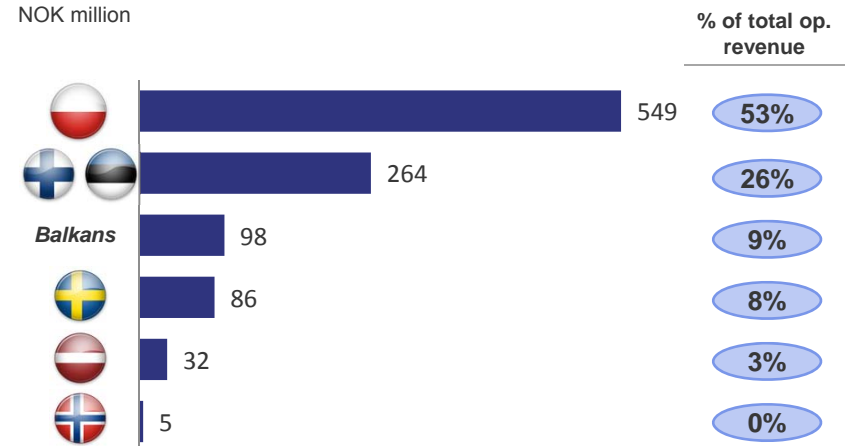
Historical revenue mix

NOK million and percent of total cash revenue



Cash revenues by country – Q1-Q3 2015

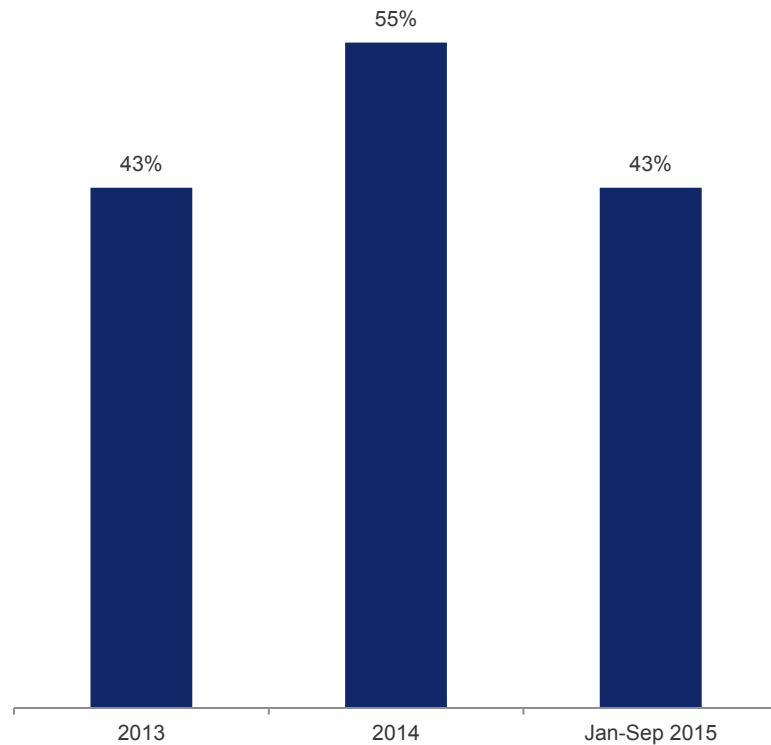
NOK million



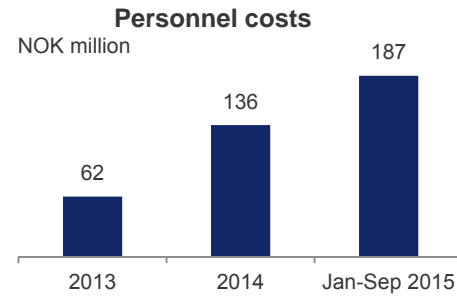
Increasing operational efficiency

Cost to income ratio

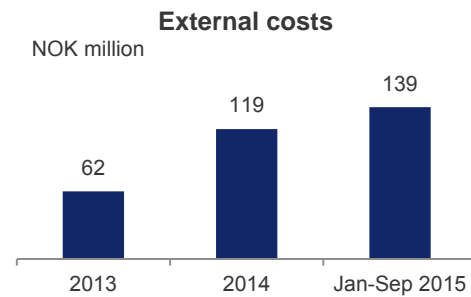
2014 affected by extraordinary costs related to the acquisition of Ultimo. Improved operational efficiency in 2015, with increased revenue per head



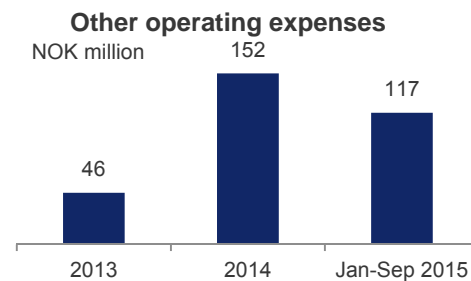
Operational costs



Increase in personnel costs is related to the increase in number of employees, from 193 in December 2013 to 1,158 in September 2015



*Increase in external costs following loan portfolio growth
External costs to loan portfolio down from 11% in 2013 to 5.9% in 2014*



Other operating expenses in 2014 including transaction costs attributable to the Ultimo acquisition of NOK 48.8m

Low financial gearing with leverage ratio of only 2x and equity ratio of 46%

Consolidated balance sheet

NOKm	2013	2014	Q3 2015
Tangible and intangible assets	38	419	425
Other long term financial assets	0	2	2
Non performing loans portfolio	562	2,017	2,554
Loan receivables & other financial assets	7	168	237
Total long term financial assets	569	2,187	2,793
Other short term assets	10	60	57
Cash & short term deposits	118	294	305
Total current assets	128	354	362
Total assets	734	2,960	3,580
Total equity	280	1,372	1,663
Long term interest bearing loans & borrowings	302	1,053	1,305
Other long term liabilities	39	67	71
Total long term liabilities	340	1,120	1,376
Short term interest bearing loans	41	159	200
Other short term liabilities	73	308	342
Total short term liabilities	114	468	542
Total equity and liabilities	734	2,960	3,580

Comments

- Growth in NPL of NOK 1,992m from 2013 to September 2015 following acquisition of Ultimo (NOK 1,023m in NPL) and additional portfolio investments
- Intangible assets consisting primarily of goodwill related to previous acquisitions
- Net interest bearing debt of approximately 1,200m in September 2015
- Conservative leverage strategy through equity funding, with an equity ratio of 46% in both 2014 and September 2015

Cash flow

Consolidated cash flow

Cash Flow Statement (NOKm)	2013	2014	Jan-Sep 2015
Cash EBITDA	242	333	592
Change in loan receivables	-7	-47	-69
Working capital and FX revaluation	-1	-48	4
Income tax paid during the period	-9	-11	-24
Cash flow from operation	225	228	503
Cash flow from investing activities			
Portfolio Investments	-681	-527	-737
Acquisition of subsidiary	-10	-606	0
Net cash flow from investing activities	-691	-1132	-737
Cash flow from financing			
Net proceeds from new share issues	231	1,004	17
Change in interest bearing debt	302	121	292
Net financing costs	-16	-44	-65
Net cash flow from financing	517	1,081	245
Net cash flow in the period	52	176	11
Opening cash & short term deposits	66	118	294
Closing cash & short term deposits	118	294	305

Comments

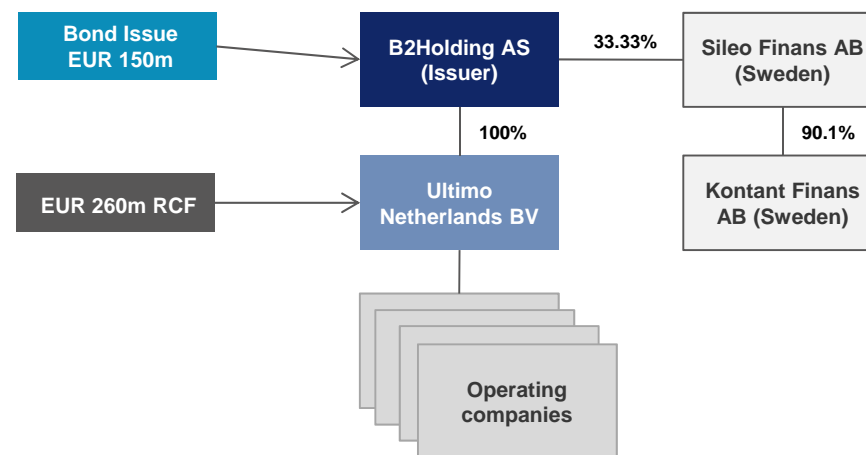
- Strong cash flow generation from existing portfolio of NOK 503 million Q1-Q3 2015
- Total investment in portfolio acquisitions and subsidiaries of NOK 2.56bn since 2013
 - NOK 580m related to the acquisition of Ultimo Holding in 2014
- Total cash and cash equivalents amounts to NOK 305m (prior to the RCF and bond issue)

Transaction summary – Bank Loan (260m EUR) and Bond loan (150m EUR)

Comments

- B2Holding recently entered into an EUR 260 mill. multi-currency Revolving Credit Facility (“RCF”) with DNB and Nordea, which refinanced term loans of NOK 1,505 million as of 30th Sept 2015
- B2Holding AS recently concluded its first Bond loan of EUR 150 mill with investors in the Nordic/UK markets. (For terms please see page 26)
- The net proceeds from the bond issue will be used for general corporate purposes of the group (initially to amortise on the RCF)

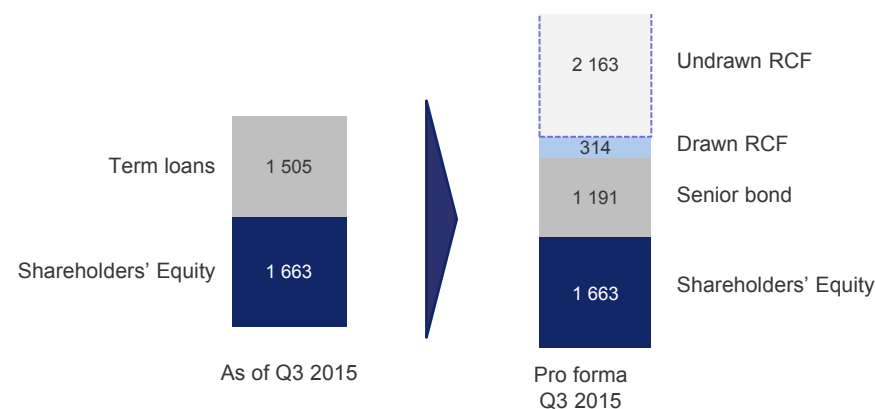
Simplified group structure



Prudent financial policy

- Long term target book equity ratio of at least 30%
- Maintain adequate headroom to maximum loan to value ratio at all time, to balance temporary currency fluctuations in exchange rates
- Conservative strategy for liquidity management
- Interest rate hedging of minimum 50% of principal amount of outstanding loans. The new multi currency RCF will mitigate asset/liability mismatch

Capitalisation pre- and post-bond issue (Proforma NOK mill.)

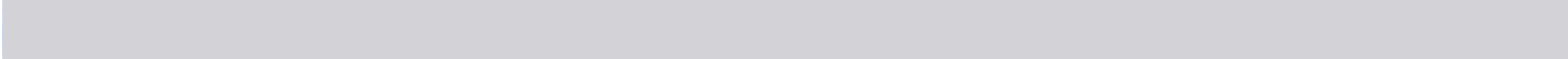


Summary of terms for EUR 150 mill. bond loan

Issuer:	B2Holding AS
Status of the bond:	Senior unsecured
Borrowing amount:	EUR 150 million
Use of proceeds:	General corporate purposes
Issue price:	100% of par value
Coupon rate:	EURIBOR 3m +750 bps p.a., quarterly interest payments
EURIBOR floor:	0.0%
Tenor:	5 years
Settlement date:	Expected to be on or about 8 December 2015
Maturity date:	8 December 2020 (5 years after the settlement date)
Call options (American):	Make-whole first 3 years @T+50 104.5% after 36 months 102.0% after 48 months 100.0% after 54 months
Financial covenants:	Interest Cover Ratio: >4.0x Leverage Ratio: <4.0x Loan to Value: <75%
General undertakings:	<i>Inter alia</i> restrictions on distributions, mergers, demergers, acquisitions, disposals, financial indebtedness, negative pledge, financial support, subsidiary distribution
Change of control:	Investor put at 101%
Listing of bonds:	The Issuer will apply for the Bonds to be listed on Oslo Stock Exchange
Trustee:	Nordic Trustee ASA
Governing law:	Norwegian law
Managers:	ABG Sundal Collier, DNB Markets and Nordea Markets

Company highlights

1 Leading debt purchase company in the Nordics and Central Eastern Europe	<ul style="list-style-type: none">▪ Leading position in Poland, the Nordics and Balkans within debt purchase and collection▪ Established relationships with key providers of non-performing loan («NPL») portfolios▪ Best-in class data capabilities support strong performance in NPL origination and collection
2 Highly diversified portfolio with solid cash flow	<ul style="list-style-type: none">▪ Diversified portfolio with ~4 million claims and total gross ERC of NOK 5.3 billion▪ Relative portfolio risk low due to diversity in claim type / geography and low average claim amount▪ Strong cash flow from existing portfolio, NOK 583 million cash EBITDA Q1-Q3 2015
3 Attractive industry with sound market outlook	<ul style="list-style-type: none">▪ Attractive market with significant strategic entry barriers▪ Stable, cash-generative industry – macroeconomic drivers are to some extent off-setting▪ Favourable market outlook with increased demand for B2's services across geographies due to regulation, outsourcing trends, and capital efficiency improvements amongst the credit originators
4 Healthy financials and on track for IPO in 2016	<ul style="list-style-type: none">▪ Solid equity ratio of 46.5% and NOK 305 million cash position as of Q3 2015▪ Low leverage compared to industry peers▪ EUR 260 million multi-currency revolving credit facility in place with DNB and Nordea▪ EUR 150 mill Bond loan listed on Oslo Stock Exchange in 2016
5 Strong management team with unique industry track record and experience	<ul style="list-style-type: none">▪ Extensive industry experience from positions and ownership in Aktiv Kapital and Gothia▪ Demonstrated track record of value creation for both shareholders and creditors from previous pursuits within debt purchase and collection▪ Highly skilled local organisations stemming from strategic acquisitions and organic growth



B2 HOLDING®
Making each other better

