



Q4

Fourth quarter and full year 2019 presentation

Oslo, 28 February 2020

B²HOLDING[®]

Key figures Q4 2019

Total revenues

819

(753)

Gross Cash Collections

1,295

(1,169)

Cash EBITDA

963

(833)

Net profit

90

(156)

Portfolio purchases

566

(1,634)

Leverage ratio

2.86x

(3.53x)

Highlights Q4 2019

Volume growth

- Servicing fees and other income continue to increase
- Prudent level of portfolio purchases
- Portfolios mainly acquired in Northern Europe through forward flow deals

Effectiveness & Efficiency

- Gross cash collections and Cash EBITDA increased
- Cost to collect (CtC) trending downwards with some seasonality
- Cost efficiency continue to be a main focus area in 2020

Capital & Funding

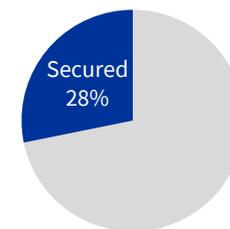
- Back in line with original RCF covenants by year end 2019 – ahead of the waiver expiry Q1 2020
- Solid debt service capacity – leverage ratio among the lowest in the industry

Operations

- Erik J. Johnsen appointed as permanent CEO on 5 February 2020
- Partnership with Waterfall for portfolios in Sweden concluded in Q4 2019
- Additional partnership with Waterfall for portfolios in Cyprus and collaboration agreement with Banca Sella in Italy announced in Q1 2020

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Secured recoveries



The organizational changes within secured are starting to show positive effects;

- More specialized teams are able to extract additional value through restructuring
- In line with the new strategy, several cases have gone through a strategic review in order to maximize value
- Implementation of new recovery strategies will lead to some volatility in gross cash collections going forward

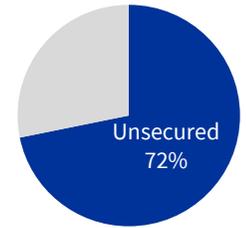
Vintage of secured purchases and recoveries in Central Europe & South East Europe¹⁾

Signing Year	Purchases (NOK 000')	Recoveries (NOK 000')						Total
		2014	2015	2016	2017	2018	2019	
2014	80 045	5 017	67 480	39 712	46 038	65 303	30 545	254 095
2015	387 624		18 333	112 017	86 569	127 392	83 813	428 123
2016	841 075			137 678	254 530	294 410	281 762	968 379
2017	1 374 618				63 277	304 083	357 139	724 499
2018	1 316 444					157 271	452 045	609 316
Subtotal	3 999 806	5 017	85 812	289 406	450 413	948 459	1 205 302	2 984 411

75% of total amount invested in secured portfolios in CE and SEE has been recovered

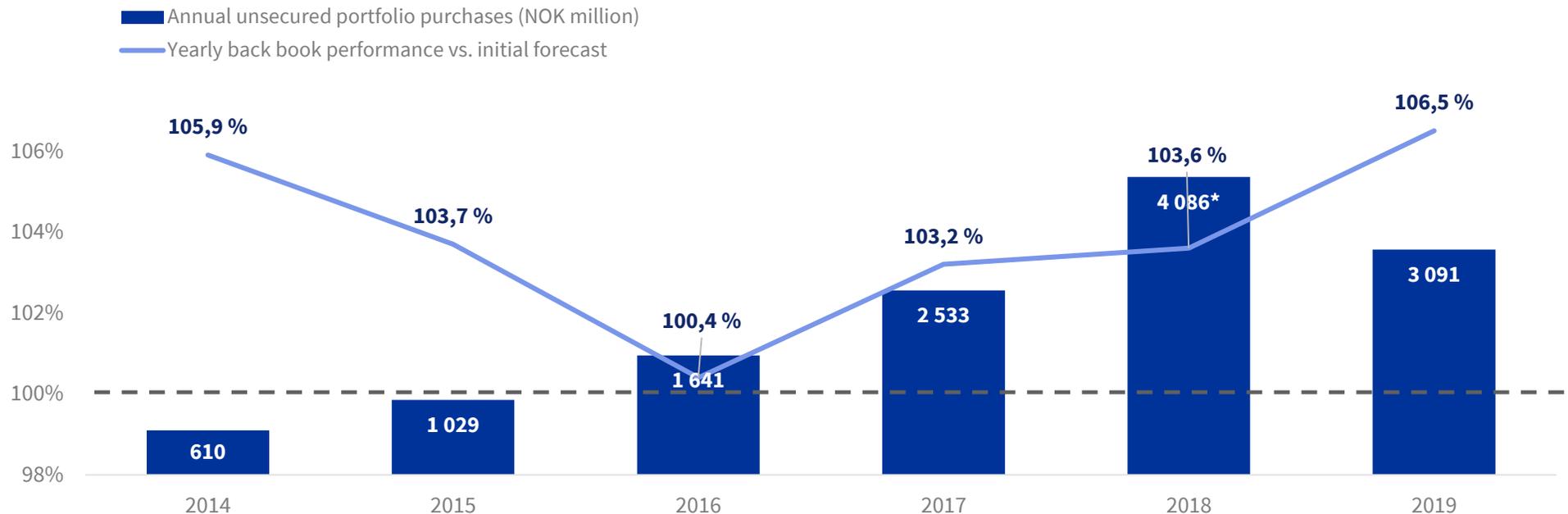
1) Excluding the Group's share of portfolios acquired and held in joint venture

Unsecured collections in line with expectations



- Positive trend continues in main markets
- Stable market for portfolio acquisitions with good pipeline visibility
- Continued focus on improving collection strategies in order to achieve higher effectiveness and economies of scale
- With unsecured as a separate division, focus forward is on technology acceleration

Historic unsecured collection performance vs initial forecast

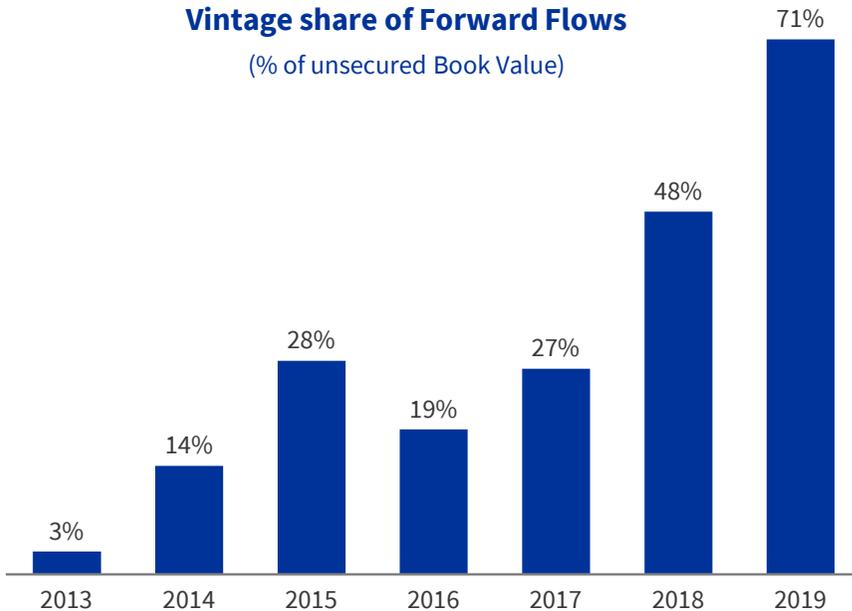


* Not adjusted for the established JV with EBRD and Waterfall Asset Management in Q4 2018

Increasing share of forward flow agreements

Vintage share of Forward Flows

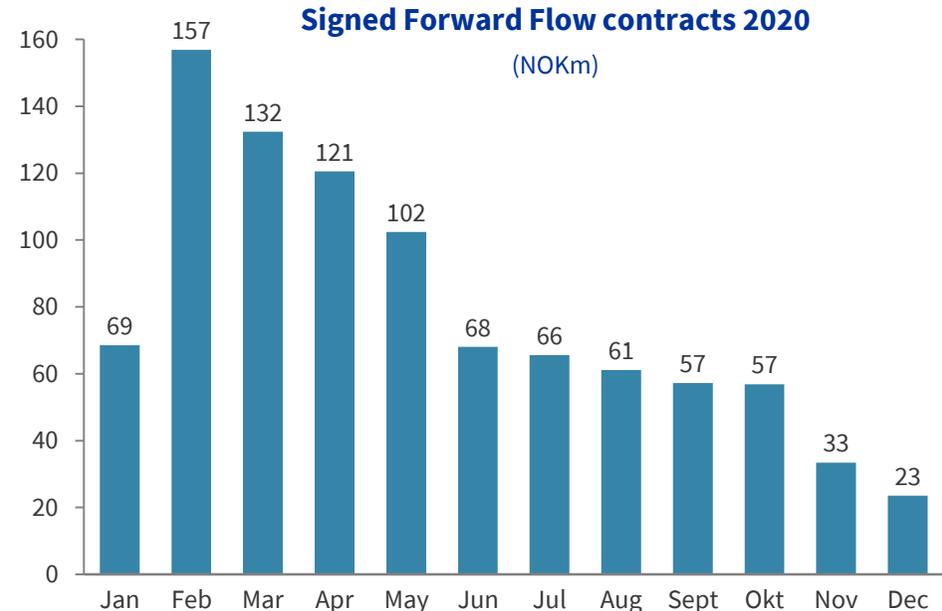
(% of unsecured Book Value)



- Increasing share of forward flow transactions across geographies
- Stable cash flow with low-risk and high efficiency
- Share of forward flows in mature markets at 50-70%

Signed Forward Flow contracts 2020

(NOKm)



- Committed volume of close to NOK 1bn
- Strong vendor relationships – extension of forward flow agreements expected
- Mutual relationship with most vendors – room for adjustments in accordance with market conditions

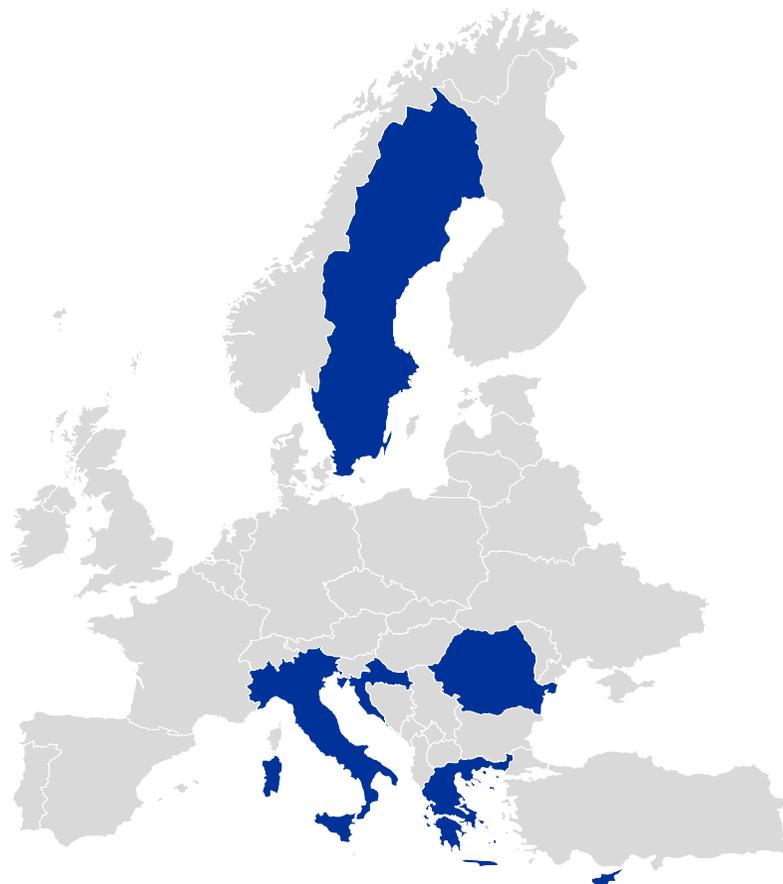
JVs and partnerships for portfolio acquisitions

Actively pursuing JVs to gain access to a larger pipeline

- The Group has established co-investments for portfolios in Romania, Greece, Croatia and Sweden and further co-investments are under consideration.
- Two new partnerships in 2020: Banca Sella for Italy and Waterfall for Cyprus.

The ability to transact with reputable investors creates a unique advantage for B2Holding:

1. **Flexible purchasing capacity** – ability to participate in large deals across many geographies with limited equity
2. **Improved returns** – opportunity to leverage servicing platforms by acting as servicer of portfolios for investment partners
3. **Lower risk** – ability to manage the risk vs return by adjusting own exposure depending on market WACC and desired overall allocation, regardless of transaction sizes



Market development

Regulatory changes

- Prudential backstop with effect from April 2019 – banks expected to sell off NPLs more frequently
- New debt collection law proposed in Norway
- Changes in fees for unsuccessful legal executions in Poland



Portfolio purchases

- Market improved in 2019 with decreasing prices and improving IRRs mainly within unsecured
- Still variations of competitiveness in different markets
- Total face value of transactions expected to decrease from 2018 to 2019

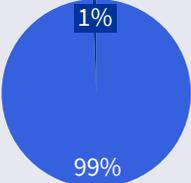
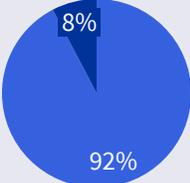
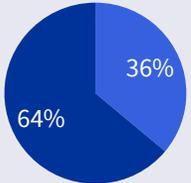
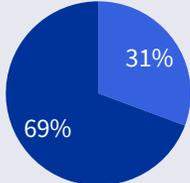
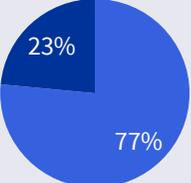


JVs and partnerships

- Starting trend of a closer cooperation between banks and debt collection companies
- Significant interest and capital for co-investments with the established players in the debt purchasing industry
- New NPL fund initiatives observed in the market



Market overview

	Northern Europe	Poland	Western Europe	Central Europe	South East Europe	
						
Market position	Top 3	Top 3	Top 10	Top 3	Top 3	
ERC¹⁾	Q4'19 NOK 23.8bn (Q4'18) (NOK 22.3bn)	NOK 8.51bn 36 % (NOK 6.74bn)	NOK 3.81bn 16% (NOK 3.64bn)	NOK 2.84bn 12% (NOK 2.65bn)	NOK 5.51bn 23% (NOK 5.76bn)	NOK 3.13bn 13% (NOK 3.47bn)
% of ERC¹⁾ ■ Secured vs. ■ Unsecured						
#FTEs	Q4'19 Total 2,517 ²⁾	377	572	625	307	592

1) Including the Group's share of portfolio purchased and held in joint ventures

2) Total #FTEs include 45 FTEs in central functions

A faded, light-colored image of a snowy mountain range, likely the Lofoten Islands, serving as a background for the left half of the slide.

**Financial
performance**



Fourth quarter and full year 2019 summary

Financial summary

NOKm	2019 Q4	2018 Q4	% change	2019 Full Year	2018 Full Year	% change
Total revenues excl. net credit gain/(loss)	836	750	12 %	3,274	2,963	10 %
Net credit gain/(loss) from purchased loan portfolios	-17	3		-400	-58	
Total Revenues ²⁾	819	753	9 %	2,874	2,906	-1 %
EBITDA	344	344	0 %	1,093	1,434	-24 %
Operating profit (EBIT)	291	326	-11 %	959	1,378	-30 %
<i>Profit margin</i>	36 %	43 %		33 %	47 %	
Cash Revenue	1,439	1 242	16 %	5,763	4,424	30 %
Cash EBITDA	963	833	16 %	3,982	2,952	35 %
<i>Cash margin</i>	67 %	67 %		69 %	67 %	
Profit for the period after tax (PAT)	90	156	-42 %	107	649	-83 %
Earnings per share (EPS)	0.22	0.38	-42 %	0.26	1.63	-84 %
Cash flow from operating activities	706	532	33 %	2 872	2 291	25 %
Operating cash flow per share	1.72	1.31	31 %	7.01	5.74	22 %
Portfolio purchases ¹⁾	566	1,634	-65 %	4,034	6,380	-37 %
Cash collection from portfolios	1,295	1,169	11 %	5,202	3,997	30 %

1) Including the Group's share of portfolios purchased in SPVs and joint ventures

2) Including one-off net write down of NOK 388 million in Full Year 2019

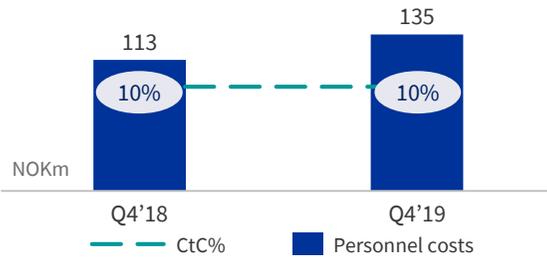
Income statement

NOKm	2019 Q4	2018 Q4	2019 Full Year	2018 FY Audited
Interest income from purchased loan portfolios	692	676	2,713	2,537
Net credit gain/loss purchased loan portfolios	-17	3	-400	-58
Profit from shares, associated companies and JVs	11	24	64	48
Other operating revenues	133	50	497	378
Total revenues	819	753	2,874	2,906
External costs of services provided	-124	-97	-447	-363
Personnel costs	-229	-194	-888	-692
Other operating expenses	-123	-118	-446	-417
Depreciation, amortisation and impairment losses	-53	-18	-134	-56
Operating profit (EBIT)	291	326	959	1,378
Financial income	2	0	13	5
Financial expenses	-185	-189	-794	-618
Net exchange gain (loss)	-7	40	-12	44
Net financial items	-190	-149	-794	-570
Profit before tax	101	177	165	808
Income tax expense	-11	-21	-58	-159
Net profit	90	156	107	649
Cash revenue	1,439	1,242	5,763	4,424
Cash EBITDA	963	833	3,982	2,952
EBITDA	344	344	1,093	1,434

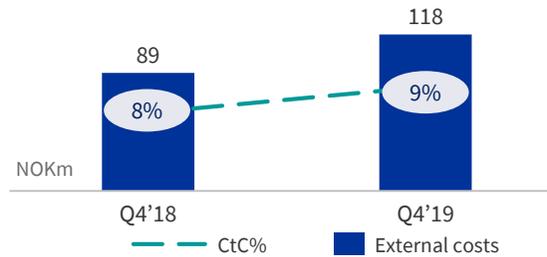
- EBITDA includes non-recurring expenses in the quarter of NOK 39 million, mainly relating to software impairment and organisational changes

Increasing focus on costs and economies of scale

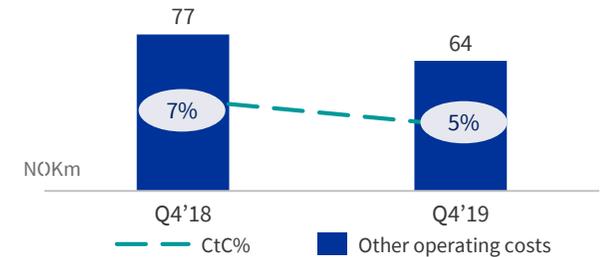
Personnel costs¹



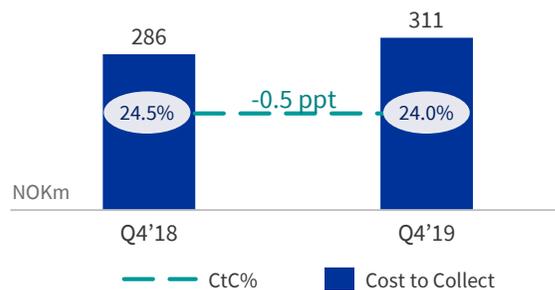
External costs¹



Other operating costs¹



Cost to Collect



- Cost to collect ratio slightly improved by 0.5 percentage points

1) Does not include intercompany transactions of NOK 4m

Balance sheet

NOKm	2019 31 Dec	2018 Audited	% change
Deferred tax asset	189	97	94 %
Goodwill	778	785	-1 %
Tangible and intangible assets	363	274	32 %
Investments in associated companies and joint ventures	387	12	3087 %
Purchased loan portfolios	13,420	13,346	1 %
Participation loan/notes	542	589	-8 %
Other long-term financial assets	350	392	-11 %
Total non-current assets	16,027	15,496	3 %
Other short-term assets	559	280	99 %
Cash & short-term deposits	356	398	-11 %
Total current assets	914	678	35 %
Total assets	16,942	16,174	5 %
Total equity	4,237	4,355	-3 %
Deferred tax liabilities	171	163	5 %
Long-term interest-bearing loans and borrowings	10,141	10,769	-6 %
Other long-term liabilities	160	98	63 %
Total non-current liabilities	10,472	11,029	-5 %
Short-term interest-bearing loans and borrowings	1,498		
Bank overdraft	97	59	63 %
Other current liabilities (incl. Payable income tax & accounts payable)	639	730	193 %
Total current liabilities	2,233	789	183 %
Total equity and liabilities	16,942	16,174	5 %

- Available investment capacity of NOK 2.1bn¹⁾ plus monthly cash flow
- Equity ratio of 25.2%²⁾
- Tangible equity ratio of 20.6%³⁾

1) Adjusted for deferred payment for portfolio purchase of NOK 121m

2) Total Equity over Total Assets excluding book value of IFRS 16 right-of-use assets.

3) Tangible equity over tangible assets (of which both sides are adjusted for goodwill and intangible assets)

Capital structure with prudent leveraging

Status

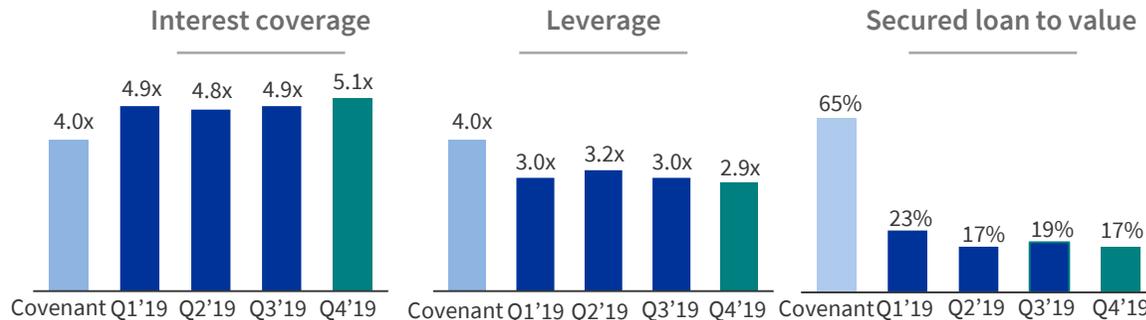
- Funding structure with sound leverage levels, significant financial flexibility and supporting liquidity reserves
- Leverage ratio down to 2.86x
- Ratios covered by the waiver now in line with original covenants
- Public rating (Corporate Family Rating)
 - S&P: BB- and Moody's: Ba3
- Amendment of RCF agreement
 - Repayment clause dropped – final maturity May 2022
 - Permission to refinance Bond under the RCF

Staggered maturity with ample liquidity headroom

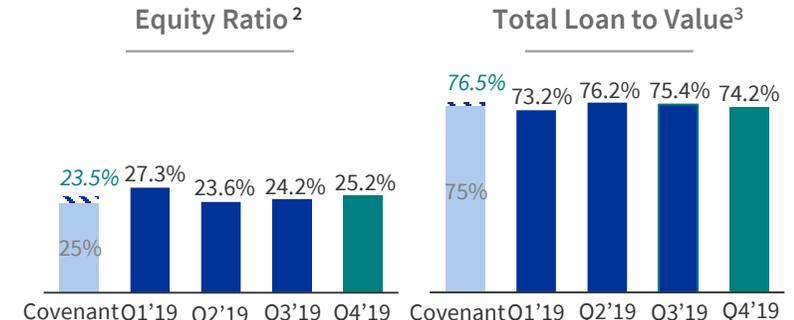


EUR 234m¹ liquidity reserves supporting further portfolio acquisitions

Bond Loan covenants



RCF covenants

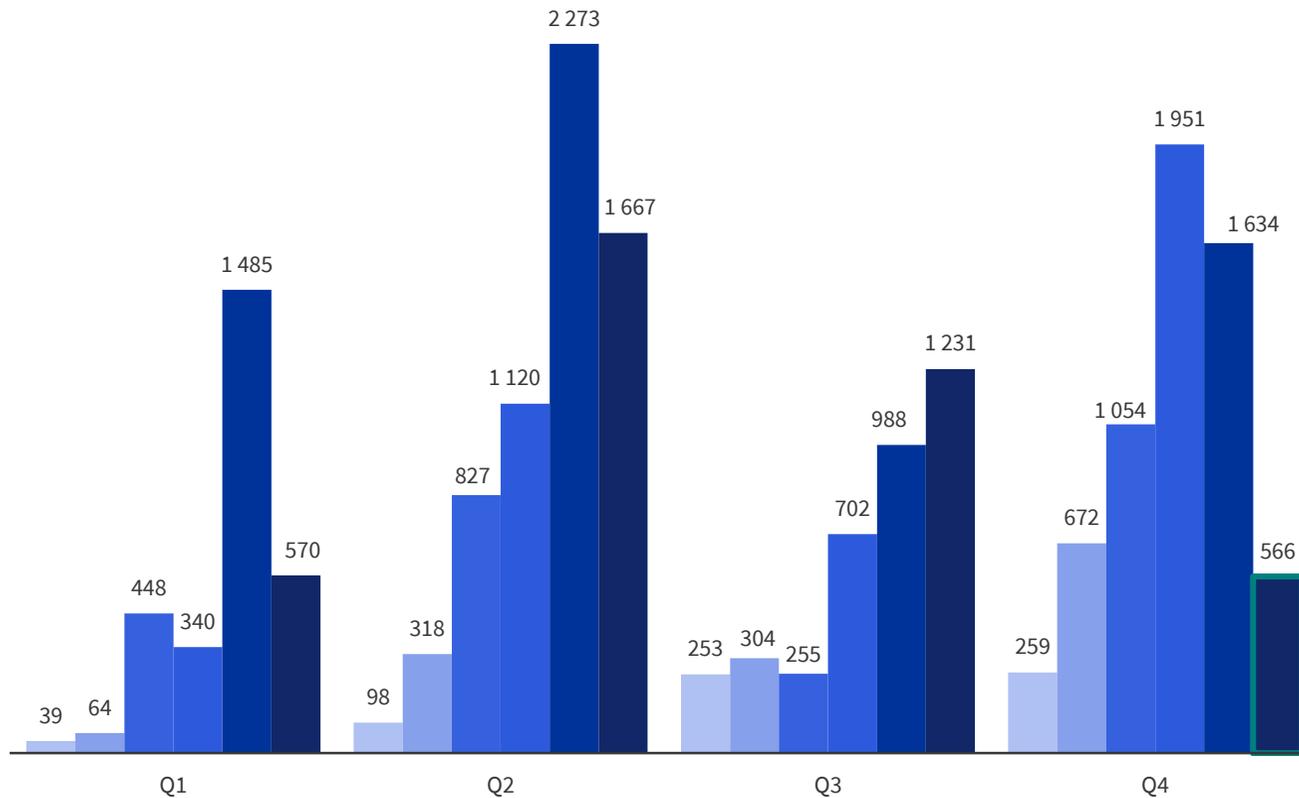


¹ Calculated as EUR 180m undrawn existing RCF plus EUR 30m undrawn overdraft plus EUR 36m cash on balance sheet less NOK 200m (EUR 20m) in cash reserves less deferred payment for portfolio purchases of EUR 12m plus fair value of Treasury Bonds of EUR 20m. ² Total Equity over Total Assets excluding book value of IFRS 16 right-of-use assets. ³ Net Debt adj. for Vendor Loan, Earn Out and FX Hedge MTM over Assets (Portfolio, JV, loan receivables, REO and goodwill)

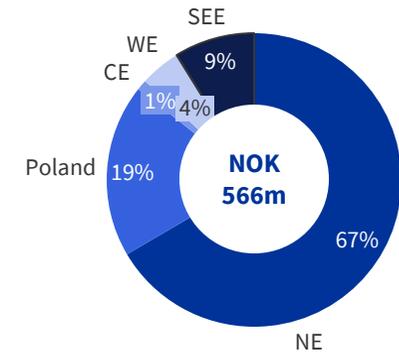
A modest quarter for portfolio purchases

Portfolio purchase volumes¹⁾

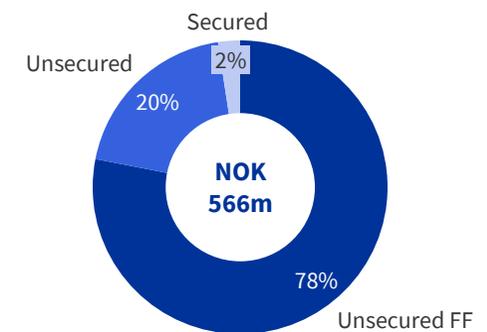
2014 2015 2016 2017 2018 2019
NOKm



Geography distribution



Distribution by type

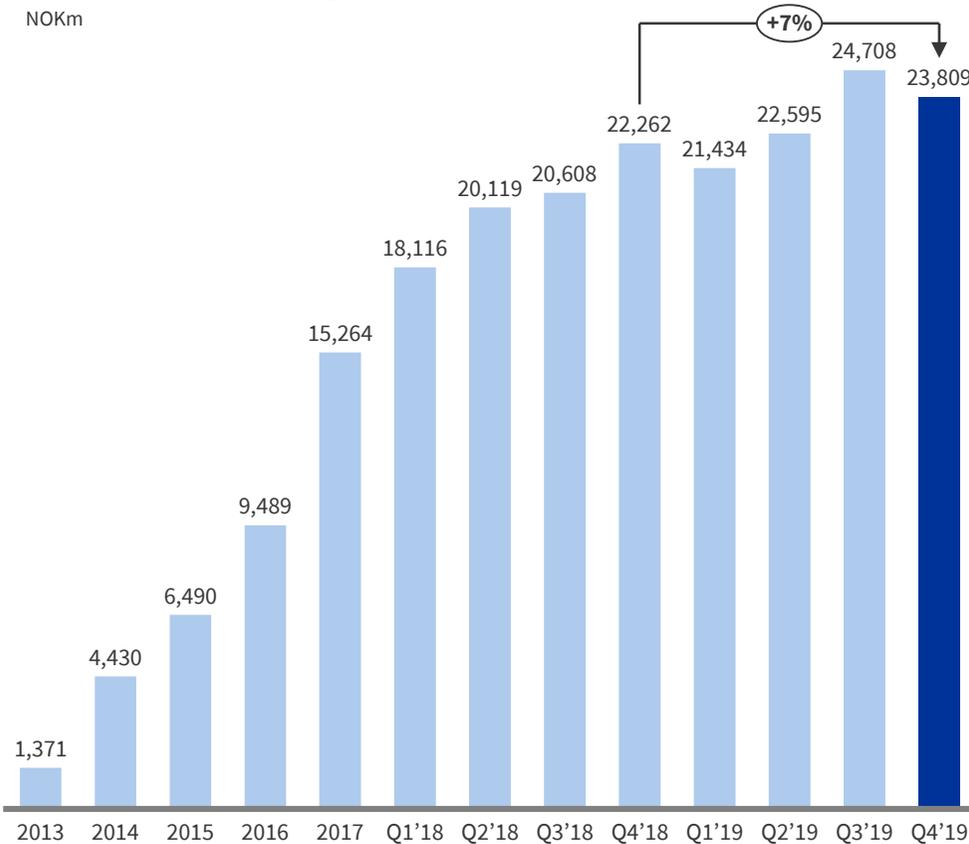


1) Including the Group's participation notes issued to joint venture for portfolio purchases in 2019.

Diversified portfolio yielding stable cash flows

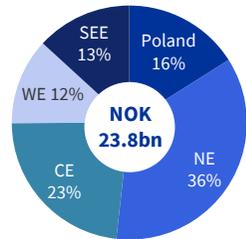
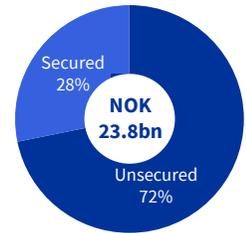
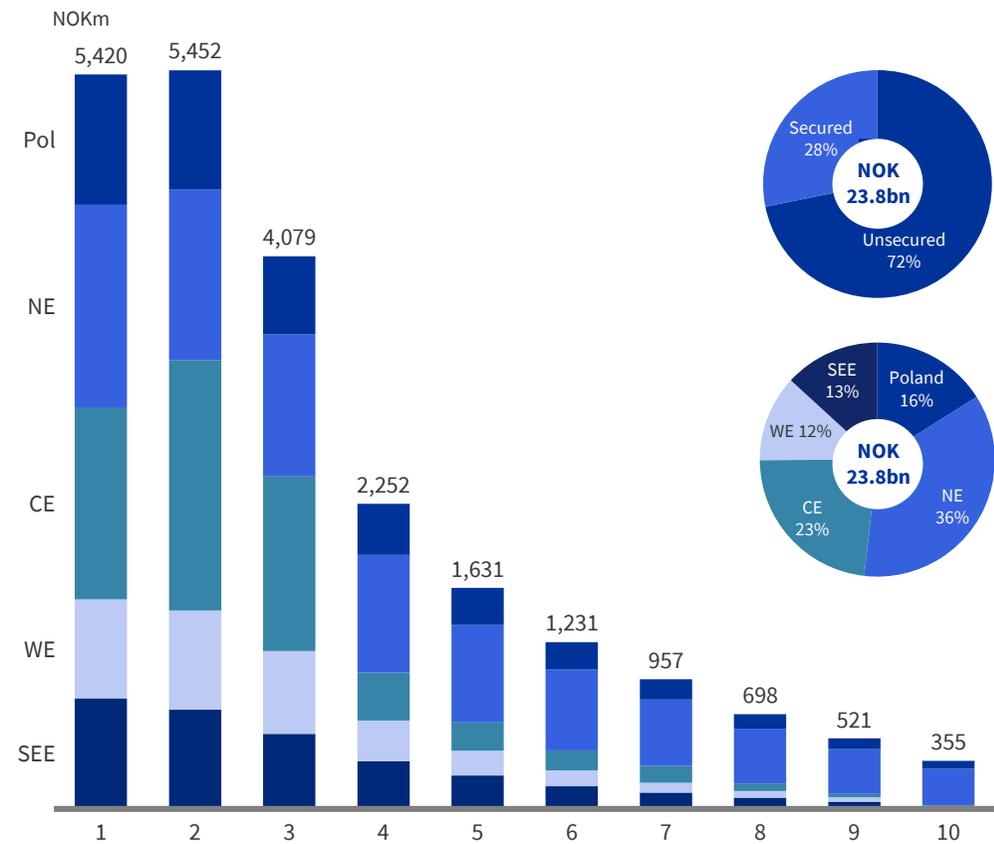
Development in total gross ERC¹⁾

NOKm



Forward 120m ERC profile by year¹⁾

NOKm



1) Including the Group's share of portfolios acquired and held in joint ventures.

Disclaimer: B2Holding ASA emphasizes that every assessment of future conditions necessarily involves an element of uncertainty.

A faded, light-colored background image showing a snowy mountain range in the distance and a calm ocean with white foam in the foreground.

Summary

2020 – A year of transition



Develop from mainly being a portfolio purchaser to becoming a hybrid company with debt servicing capabilities



New organization and structure to support the strategic direction



Investment strategy with focus on operational efficiency and economies of scale



Focused footprint targeting selected core markets with growth potential and competitive advantage

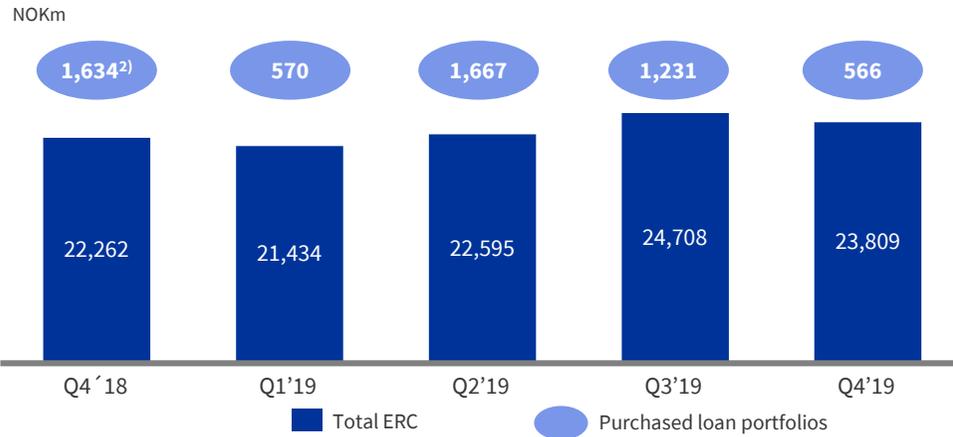
A faded, light-colored background image showing a snowy mountain range in the distance and a calm sea with white foam in the foreground.

Q&A

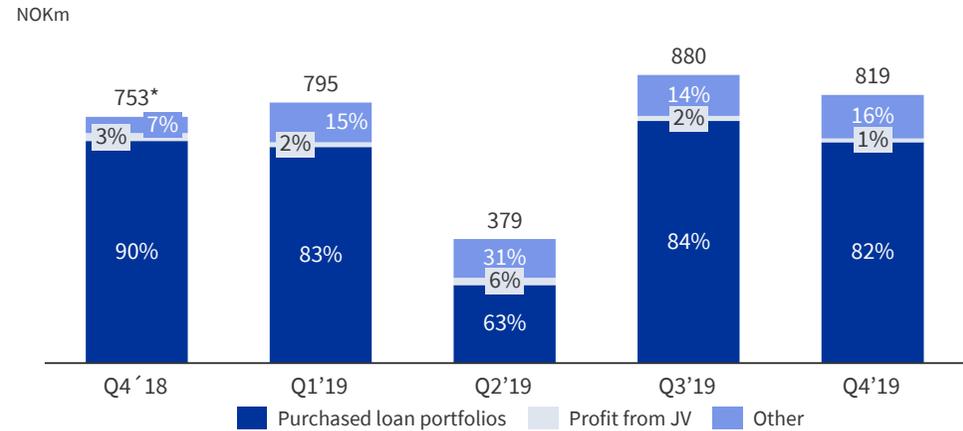


Financial highlights: Quarterly financial performance

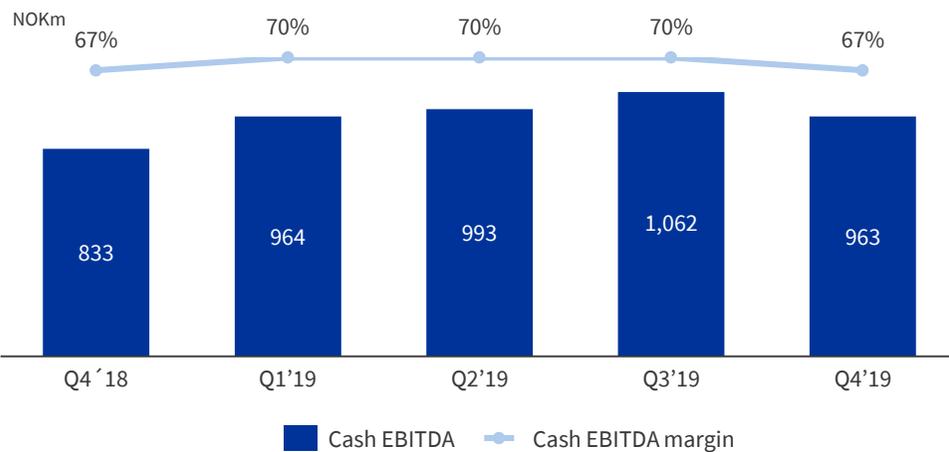
Total ERC¹⁾ and portfolio purchases



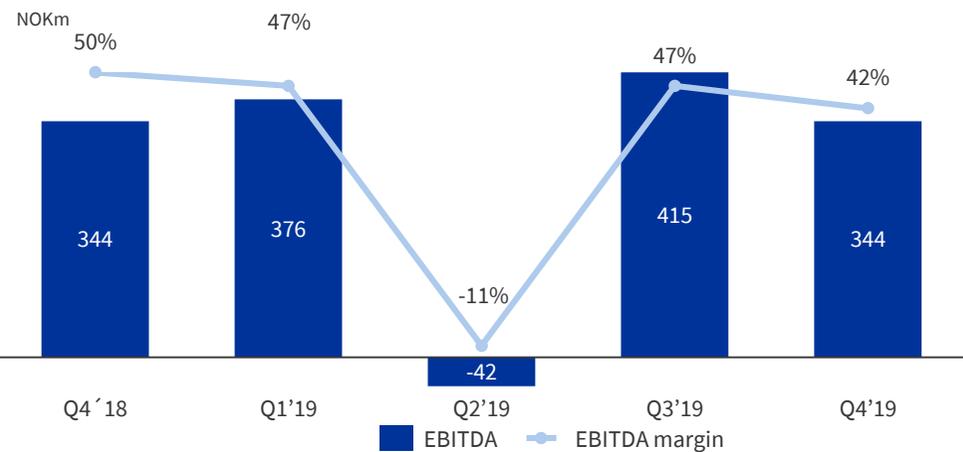
Total revenues



Cash EBITDA



EBITDA



- 1) Including the Group's share of portfolio acquired and held in joint ventures
- 2) Including the Group's participation notes issued to joint venture for portfolio purchases in 2018

Diversified portfolio yielding stable cash flows

Unsecured	Year										120m ERC	Total ERC
	1	2	3	4	5	6	7	8	9	10		
Poland	909	728	507	369	271	200	148	106	78	58	3,375	3,519
NE	1,484	1,253	1,043	863	716	594	486	399	328	266	7,432	8,463
CE	365	314	268	219	178	141	95	56	24	12	1,672	1,691
WE	224	203	160	132	101	78	55	39	21	8	1,022	1,024
SEE	559	486	391	304	233	166	119	82	52	7	2,398	2,398
Sum	3,541	2,984	2,369	1,888	1,500	1,179	903	682	503	351	15,899	17,095

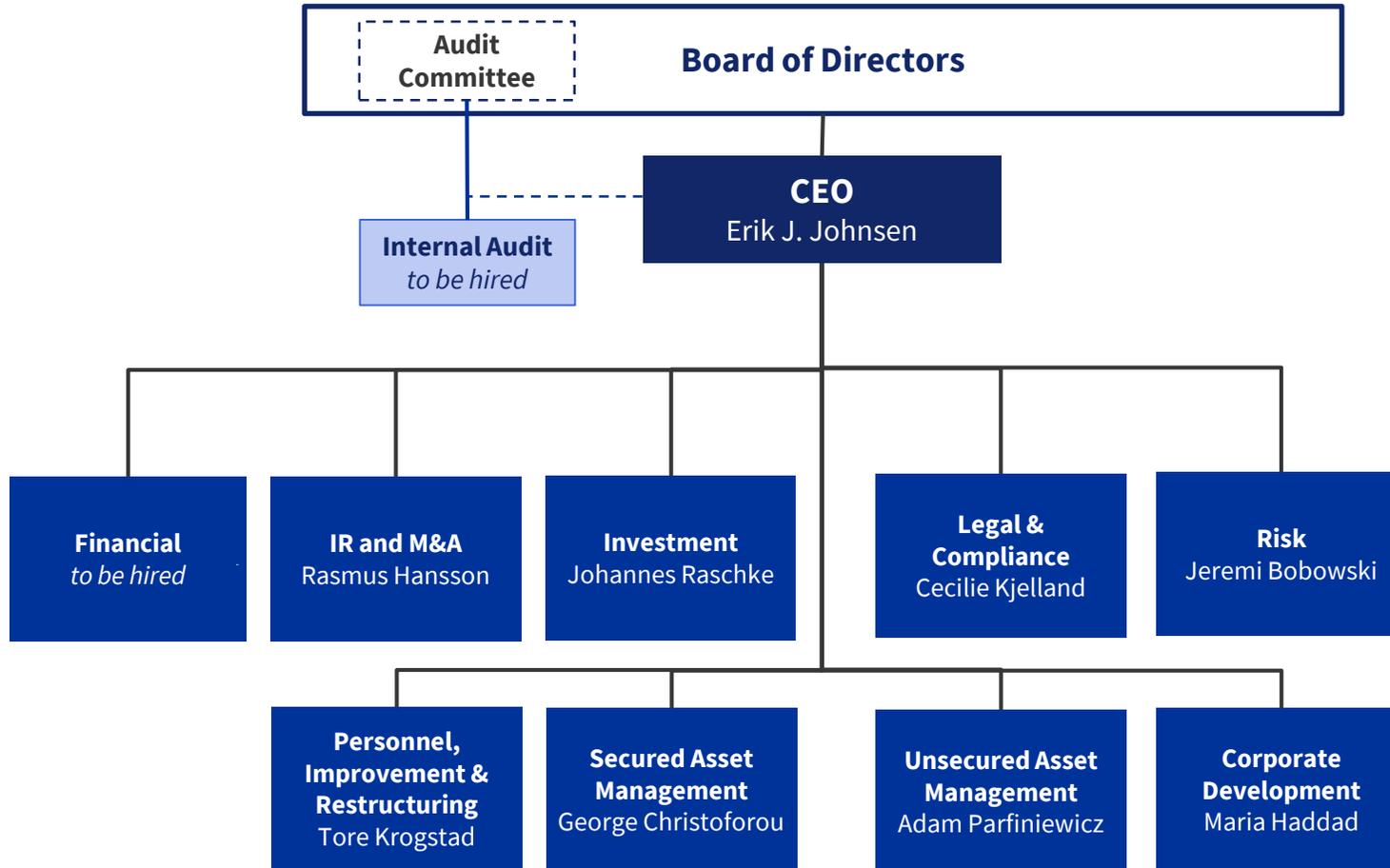
Secured	Year										120m ERC	Total ERC
	1	2	3	4	5	6	7	8	9	10		
Poland	54	153	69	8	2	1	1	1	1	1	291	292
NE	8	7	5	5	4	3	3	2	2	2	43	51
CE	1,053	1,533	1,019	136	30	7	31	2	1	1	3,814	3,820
WE	506	527	453	168	81	38	17	10	12	0	1,813	1,813
SEE	258	248	163	48	14	2	1	1	1	-	736	736
Sum	1,879	2,468	1,709	364	131	52	54	16	18	4	6,697	6,713

Total	5,420	5,452	4,079	2,252	1,631	1,231	957	698	521	355	22,596	23,809
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ERC including the Group's share of portfolios acquired and held in joint ventures.

Disclaimer: B2Holding ASA emphasizes that every assessment of future conditions necessarily involves an element of uncertainty.

B2Holding Group Organizational Structure



Northern Europe (NE)

Norway, Sweden, Denmark,
Finland, Estonia, Latvia and Lithuania

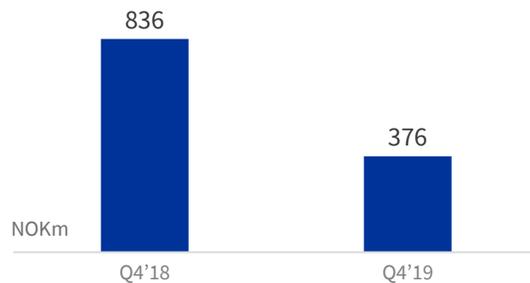


NOKm	2019 Q4	2018 Q4	Change (%)
Total revenues	229	220	4 %
EBIT	119	125	-5 %
Profit margin (%)	52 %	57 %	
ERC	8,515	6,742	26 %

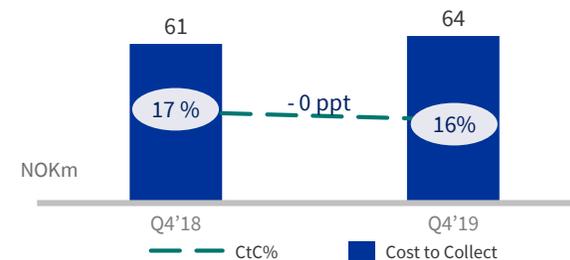
Highlights & KPIs

- Portfolio purchase volume of NOK 376m in the quarter
- Gross cash collection of NOK 390m in Q4
- Cash EBITDA was NOK 320m, up 1% from NOK 316m in Q4 2018

Portfolio purchases



Cost to Collect



Western Europe (WE)

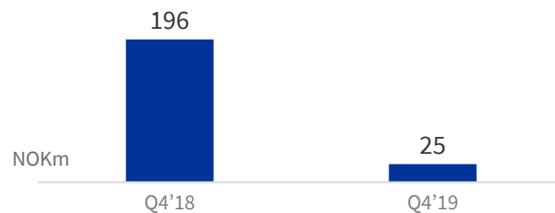


NOKm	2019 Q4	2018 Q4	Change (%)
Total revenues	131	148	-12 %
EBIT	27	57	-52 %
Profit margin (%)	21 %	39 %	
ERC	2,837	2,654	7 %

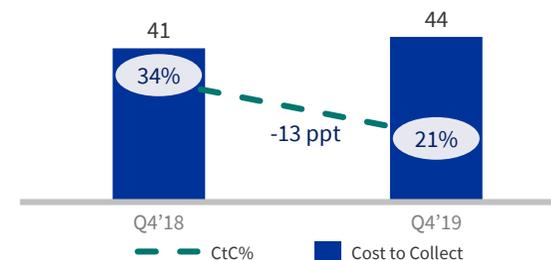
Highlights & KPIs

- Portfolio purchases of NOK 25m in the quarter
- Gross cash collection in Q4 of NOK 215m
- Cash EBITDA was NOK 164m, up 89% from Q4 2018

Portfolio purchases



Cost to Collect



Central Europe (CE)

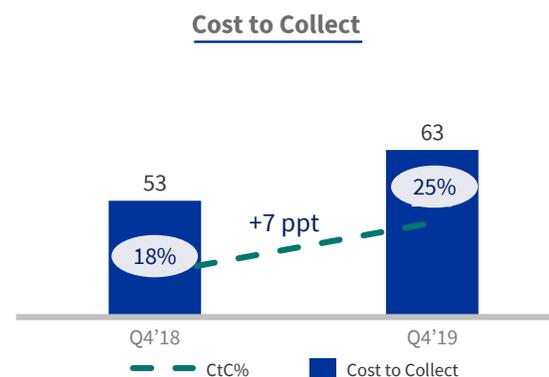
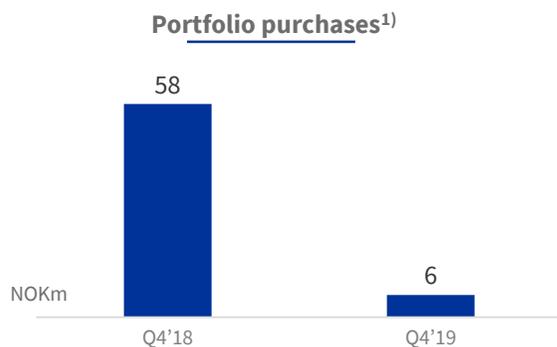
Slovenia, Croatia, Bosnia and Herzegovina, Serbia, Montenegro, Hungary and Czech Republic



NOKm	2019 Q4	2018 Q4	Change (%)
Total revenues	159	159	0 %
EBIT	73	100	-27 %
Profit margin (%)	46 %	63 %	
ERC	5,510	5,758	-4 %

Highlights & KPIs

- Portfolio purchases of NOK 6m in the quarter
- Gross cash collection in Q4 of NOK 256m
- Cash EBITDA was NOK 193m, down 17% from Q4 2018



1) Excluding the Group's participation notes issued to joint venture for portfolio purchases in 2019.

South East Europe (SEE)

Romania, Bulgaria,
Greece and Cyprus

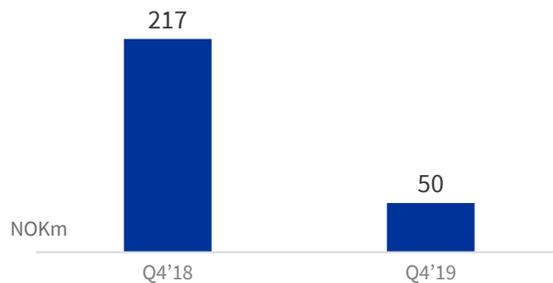


NOKm	2019 Q4	2018 Q4	Change (%)
Total revenues	115	67	73 %
EBIT	41	-4	-1212 %
Profit margin (%)	35 %	-5 %	
ERC	3,134	3,468	-10 %

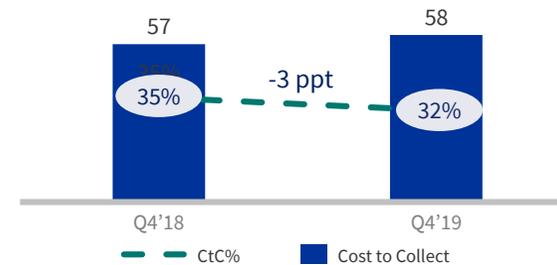
Highlights & KPIs

- Portfolio purchases of NOK 50m in the quarter
- Gross cash collection in Q4 of NOK 181m
- Cash EBITDA was NOK 131m, up 134% from Q4 2018

Portfolio purchases



Cost to Collect



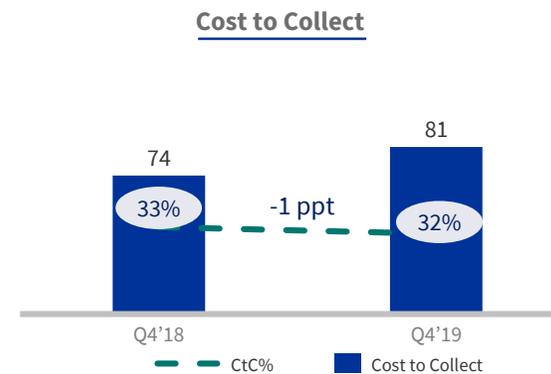
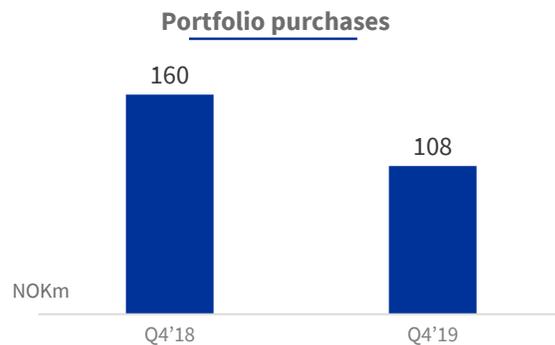
Poland (P)



NOKm	2019 Q4	2018 Q4	Change (%)
Total revenues	186	159	17 %
EBIT	78	59	33 %
Profit margin (%)	42 %	37 %	
ERC	3,812	3,640	5 %

Highlights & KPIs

- Portfolio purchase volume of NOK 108m in the quarter
- Gross collection in Q4 of NOK 253m
- Cash EBITDA was NOK 195m, up 27% from Q4 2018



20 largest shareholders

#	Shareholder	No of shares	Percentage
1	PRIORITET GROUP AB	52 913 000	12.91 %
2	RASMUSSENGRUPPEN AS	43 073 236	10.51 %
3	VALSET INVEST AS	26 000 000	6.34 %
4	STENSHAGEN INVEST AS	18 893 376	4.61 %
5	VERDIPAPIRFONDET DNB NORGE	15 262 347	3.72 %
6	K11 INVESTOR AS	9 766 680	2,38 %
7	BRYN INVEST AS	8 676 690	2.12 %
8	RUNE BENTSEN AS	8 191 680	2.00 %
9	VERDIPAPIRFONDET ALFRED BERG GAMBA	7 825 891	1.91 %
10	VERDIPAPIRFONDET ALFRED BERG NORGE	7 715 276	1.88 %
11	ARCTIC FUNDS PLC	7 105 291	1.73 %
12	SKANDINAVISKA ENSKILDA BANKEN AB	7 077 252	1.73 %
13	VERDIPAPIRFONDET PARETO INVESTMENT	6 099 405	1.49 %
14	GREENWAY AS	5 802 368	1.42 %
15	VERDIPAPIRFONDET ALFRED BERG AKTIV	5 659 161	1.38 %
16	JPMORGAN CHASE BANK, N.A., LONDON	5 400 000	1.32 %
17	ARCTIC FUNDS PLC	4 575 734	1.12 %
18	FJELLTUNVEIEN INVEST AS	4 300 000	1.05 %
19	LIN AS	3 501 670	0.85 %
20	AS TANJA	3 073 100	0.75 %
	OTHER	159 020 441	38.79 %
	Total	409 932 598	100 %

Note: Updated per 24 February 2020

Definitions

■ 120-month ERC

Estimated remaining collection, which expresses the gross cash collection in face value expected to be collected in the future over a 120-month period from the purchased portfolios owned at the reporting date. The 120-month ERC is a common measure in the debt purchasing industry; however it may be calculated differently by other companies and may not be comparable. These projections have been prepared for illustrative purposes only and may differ from the forecast we use to calculate the carrying value of our portfolio purchases as recognized in the Audited Financial Statements. We can provide no assurance that we will achieve such collections within the specified time period, or at all.

■ Actualisation

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

■ Administration & management costs

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

■ Amortisation

Amortisation is the reduction in the current value of the purchased loan portfolios during the period, which is attributable to collection taking place as planned.

■ Available investment capacity

Available investment capacity includes cash and short-term deposit (less NOK 200 million to cover working capital) plus unutilised bank overdraft, plus unutilised multi-currency revolving credit facility and less short-term vendor loans. Cash flow from future operations is not included in the number.

■ Cash EBITDA

Cash EBITDA consists of EBIT added back depreciation and amortisation of tangible and intangible assets and added back amortisation and revaluation of purchased loan portfolios. Cash EBITDA is a measure of actual performance from the collection business (cash business) and other business areas.

■ Cash EBITDA margin (cash margin)

Consists of cash EBITDA expressed as a percentage of cash revenue.

■ Cash revenue

Cash revenue consists of “Total revenues” added back amortisation and revaluation of purchased loan portfolios. Cash revenue is a measure of actual revenues (cash business) from the collection business and other business areas. Cash revenue is an alternative performance measure used by the Company in order to reflect the performance of its purchased loan portfolios and external collection and consumer lending businesses. Cash revenue is an alternative performance measure frequently used by securities analysts, investors and other interested parties in the evaluation of companies in the debt collection industry.

■ Cost to collect

All external and internal operating costs related to the Group’s collection business.

■ EBITDA

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

■ EBITDA margin

EBITDA over total operating revenues.

■ ERC

Estimated remaining collection (ERC) expresses the gross cash collection 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 gross cash collection on portfolios purchased and held in joint ventures. ERC includes ERR. The Total ERC is a common measure in the debt purchasing industry; however it may be calculated differently by other companies and may not be comparable.

■ ERR

Estimated remaining recoveries (ERR) expresses the gross cash collection in nominal values expected to be recovered in the future from the purchased secured loan portfolios owned at the reporting date and the Group’s share of gross cash collection on secured portfolio purchased and held in joint ventures.

Definitions (cont'd)

■ **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.

■ **Gross cash collection**

Gross cash collection is the actual cash collected and assets recovered from purchased portfolios before costs related to collect the cash received.

■ **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.

■ **Interest Coverage**

The ratio of Cash EBITDA divided by net interest expenses.

■ **Leverage ratio**

Net Interest-bearing debt over Cash EBITDA calculated for the last 12 months.

■ **Net debt**

Net debt consist of nominal 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 gross cash collection deviating from collection estimates and from changes in future cash collection estimates. The Group regularly evaluates the current collection estimates at the individual portfolio level and the estimate is adjusted if collection is 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 profit and loss statement in the line item "Net credit gain/(loss) from purchased loan portfolios". Cash collection above collection estimates and upward adjustments of future collection estimates increase revenue. Cash collection below collection estimates and downward adjustments of future collection estimates decrease revenue. Net credit gain/(loss) equals net actualisation/revaluation.

■ **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 revenues**

Other revenues includes revenue from external collection, interest on loan receivables 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.

■ **Participation loan/notes**

Participation loan/notes consist of investment agreements with co-investors for the purchase of loan portfolios through SPVs. The contractual arrangement of the participation loan/notes is directly related to the performance of the portfolios purchased in the SPVs.

■ **Portfolio purchases**

Portfolio purchases are the investments for the period in secured (with collateral) and unsecured (without 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 current value of the purchased loan portfolios attributable to changes in forecasts of future collection.

■ **Secured Loan to Value Ratio**

Net interest-bearing debt of secured facilities plus any vendor loans less cash and short term deposits over Assets (portfolio, JV, loan receivables, REO and goodwill).

■ **Total Loan to Value (TLTV)**

Net debt adjusted for vendor loan, earn out and FX hedge MTM over Assets (portfolio, JV, loan receivables, REO and goodwill).



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