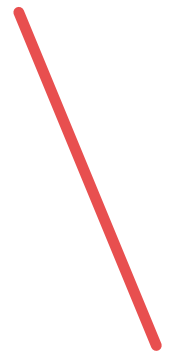
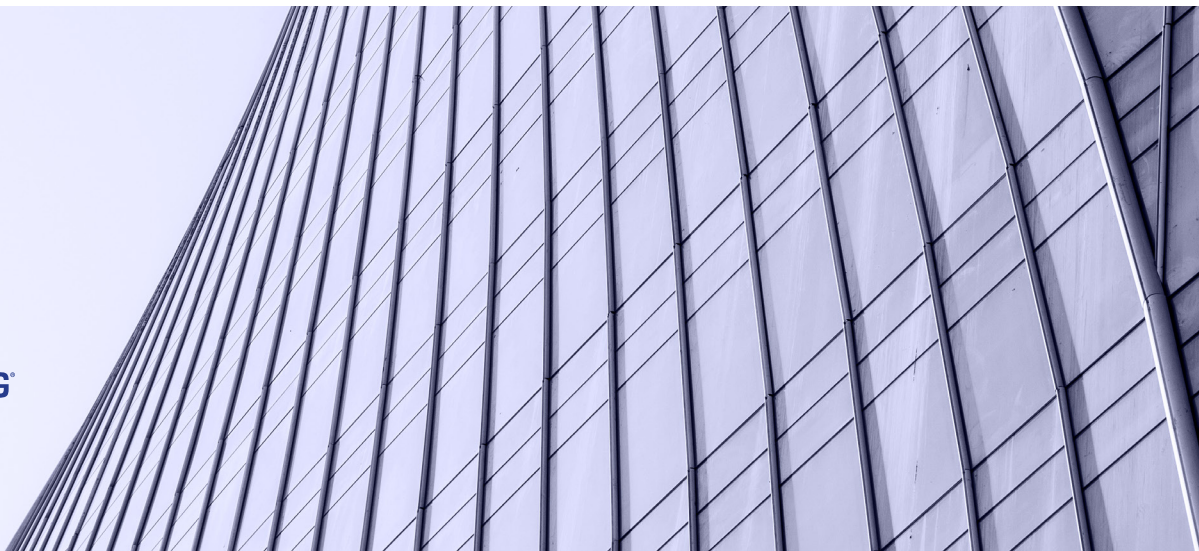


The logo consists of a large blue 'Q' with a red arc at the top, followed by a large blue '2'.

Second quarter 2023



B2HOLDING®



Second quarter and first half year 2023

“Our continued focus is to deliver shareholder value through capital and cost discipline.”

Erik Just Johnsen, CEO

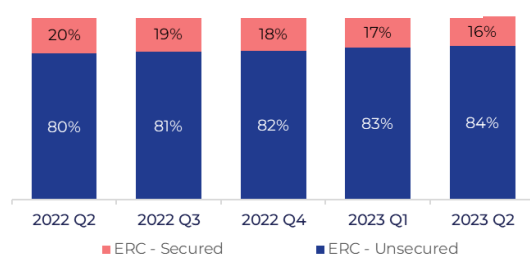
QUARTERLY EVENTS

- Continued strong collection performance across all asset classes:
 - Unsecured collection performance at 107.6%
 - Secured cash collections of NOK 326m including REO sales of NOK 104m at 45.3% margin above book value
- Operating expenses stable despite increase in collection volume
- Strong focus on further cost reduction initiatives to mitigate inflation and increased cost of funding
- Investments of NOK 795m; NOK 2.2bn committed for 2023
- RCF amendment with increased flexibility and longer duration
- Following a successful share buy-back programme, the company currently holds 3.3% of the outstanding share capital

QUARTERLY SUMMARY

NOK million	2023	2022	%	2023	2022	%	2022
	Q2	Q2	Δ	H1	H1	Δ	Full Year
Cash collections	1 513	1 246	21 %	2 761	2 459	12 %	5 161
Net revenues	1 031	748	38 %	1 945	1 464	33 %	3 085
Adj. EBIT	496	330	50 %	898	619	45 %	1 334
Adj. EBIT %	48 %	42 %	6 pp	46 %	41 %	5 pp	43 %
EBIT	471	139	238 %	846	388	118 %	1 029
Adj. Net profit	182	174	5 %	294	300	-2 %	564
Cash revenue	1 665	1 379	21 %	3 050	2 720	12 %	5 695
Cash EBITDA	1 151	949	21 %	2 052	1 884	9 %	3 996
Cash margin	69 %	69 %	0 pp	67 %	69 %	-2 pp	70 %
Gross collections ¹⁾	1 521	1 245	22 %	2 817	2 397	17 %	4 936
Amortisation of own portfolios	- 633	- 458	38 %	-1 122	- 923	22 %	-1 898
Portfolio investments ¹⁾	795	758	5 %	1 562	996	57 %	2 165
Adj. EPS	0.48	0.43		0.76	0.75		1.41
Adj. ROE (LTM)	10.2%	12.5 %	-2.2 pp	10.2 %	12.5 %	-2.2 pp	10.7 %

Estimated remaining collections (ERC)



Key Performance Figures

NOK million	2023	2022	%
	30 Jun	31 Dec	Change
Estimated Remaining Collections	23 901	20 248	18 %
Net interest bearing debt	10 479	9 042	16 %
Liquidity reserve	4 225	3 606	17 %
Equity ratio ²⁾	31.5 %	31.9 %	-0.4 pp
Leverage ratio	2.52x	2.26x	0.26x
Total Loan to Value % (TLTV)	69.2 %	67.2 %	2 pp
Number of employees (FTEs)	1 901	1 885	1 %

1) Includes the Group's share of portfolios held in SPVs and joint ventures

2) Equity ratio as defined in the RCF agreement

Comment by the CEO

Solid performance in a changing market environment

Unsecured collections were 107.6% above the latest forecast at NOK 1,184m and secured recoveries 151.6% above at NOK 255m. REO sales were NOK 104m with a margin of 45.3% above book value, which once again confirms the solidity of our book values on repossessed assets. Joint ventures also performed strongly in the second quarter with gross collections of NOK 82m, an increase of 41% versus the same quarter last year.

We have seen good activity within portfolio investments in the second quarter. The industry is exposed to increased cost of funding, and this has led to capital discipline across the industry. We expect that increased funding costs will be reflected in higher returns on portfolios going forward, and in 2023 we have already seen a notable increase in expected return on our investments. Although investments are up compared with the same period last year, we have still seen vendors postponing transactions due to high price expectations.

At the end of the second quarter, we have invested and committed NOK 2.2bn for 2023. We maintain our investment target of NOK 2.5-3bn in portfolio acquisitions for the full year.

On the capital side, we have a strong balance sheet and good liquidity coupled with strong cash flow. The renewed Revolving Credit Facility (RCF) with DNB, Nordea and Swedbank allows us to refinance the B2H05 bond maturing in May next year, so near term refinancing risk is limited. As mentioned previously, we have deleveraged substantially the last 3 years, resulting in a favourable low leverage ratio in the current market environment. Furthermore, we have also reduced the margin paid above the floating market rate by repaying our first bonds and improved the terms on our RCF.

Our continued focus is to deliver shareholder value through capital and cost discipline. The dividend of NOK 0.20 was paid out beginning of June, and our share buy-back program is well on track, with 11.2 million shares acquired per end of the quarter at an average price of NOK 6.66 per share. This includes a one-off trade of 10 million shares at a price of NOK 6.60 per share. With book values of NOK 15.28 per share as at the end of Q2, we believe buying back shares is accretive for our shareholders.

“We have seen good activity within portfolio investments in the second quarter.”

Oslo, 22 August 2023

Erik Just Johnsen
CEO

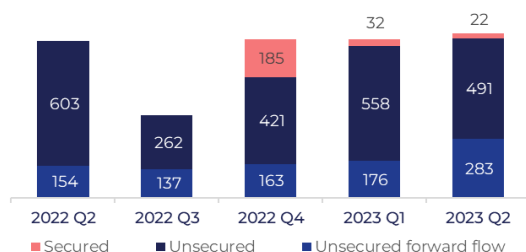


Operations

Collections were very strong, Cash EBITDA of NOK 1,151m and investments up compared with Q2 2022

PORTFOLIO INVESTMENTS (NOKm)

Portfolio investments (NOKm)



Investments of NOK 795m were concluded in Q2. Second quarter investment activity was resilient despite changing market dynamics with increased capital discipline across the industry resulting in higher expected returns on recent investments. In addition, at the end of the quarter the Group has committed additional volumes of NOK 700m for 2023. The Group will continue to maintain its disciplined and selective approach to portfolio investments going forward.

COLLECTIONS, RECOVERIES, REPOSSESSION AND SERVICING

Unsecured portfolios

Q2 Gross collections were NOK 1,184m and 107.6% of the latest forecast compared with NOK 926m in Q2 2022. The increase was 11% year on year adjusted for FX and was driven by strong performance in most areas, including the effects of successful legal strategies and digitalisation. On the other hand, some jurisdictions have seen an impact on collections from higher protected portions of income. In addition, the collections from JVs in unsecured were NOK 33m in Q2 compared with NOK 31m in 2022 Q2.

B2Holding continued to focus on economies of scale, prioritising digital collection channels and development of data and analytics. The Group remains committed to investing in optimization of collection strategies, further development of digital client interfaces and improvement of processes. This strategy is expected to improve efficiency and effectiveness of unsecured collections going forward.

Corporate & Secured Asset Management (CSAM)

Cash collections from secured portfolios and REO sales were NOK 326m in Q2 2023 compared with NOK 300m in

Q2 2022. Adjusted for FX, cash collections were 6.2% lower in Q2 2023 than in Q2 2022. Although lower than Q2 2022, the overall cash collections reflected recoveries ahead of the latest estimates, very good margins on REOs sold and a strong cash contribution from the secured JVs. Recoveries from secured portfolios were 51.6% ahead of latest estimates at NOK 255m in Q2 2023. Repossessions were NOK 60m in Q2 2023 compared with NOK 80m in Q2 2022 reflecting a higher proportion of cash recoveries in the quarter. REO sales were NOK 104m in Q2 2023 compared with NOK 103m in Q2 2022, and NOK 14m lower adjusted for FX. The REO sales were at a gain on book value of 45.3%.

The value of repossessed assets increased from NOK 1,464m at the end of Q1 2023 to NOK 1,516m at the end of Q2 2023. The increase relates to FX of NOK 40m, repossessions of NOK 60m, purchases of NOK 22m and disposals of NOK 72m during Q2 2023.

RISKS AND UNCERTAINTIES

Due to the nature of its operations, B2Holding is exposed to various risks including strategic, financial, and operational risks.

The continuing conflict in the Ukraine has resulted in increased geo-political risk, with continued macroeconomic uncertainty expected to continue. B2Holding does not have operations in Russia or the Ukraine and has limited exposure to countries with significant dependency on Russian resources or trade ties with Russia. So far, the Group has not seen any impact on its financial performance.

Inflationary pressure across the Group's markets continued to ease in Q2 2023 from a peak in Q4 2022. Inflationary pressure is expected to continue to ease during the remainder of 2023 and into 2024. High inflation has resulted in further rises in interest rates, with more expected in the near future. High inflation and increased interest rates drive higher funding costs and may put pressure on customers' ability to repay debt. Increased default rates may have an impact on the quality of new portfolio investments and the Group will continue to remain disciplined in its approach to investments.

Low unemployment rates, salary increases, excess savings following the pandemic and government aid packages are expected to continue to support our customers' ability to pay, and we expect the higher interest rate environment to drive new wave of NPLs and further adjustments in pricing of NPL portfolios.

Operational risks

B2Holding's priority is to ensure the health and safety of its employees. The Group continues to use flexible working arrangements aligned with local government guidelines. These flexible working arrangements allow the Group to operate at full capacity under various circumstances, including periods with limited access to offices. During Q2, overall collections and recoveries were above expectations and reflect the Group's improved internal operations.

Financial risks

B2Holding's geographically diversified investment portfolio limits the Group's overall exposure to risks in individual economies, asset classes or portfolios. B2Holding continued to apply precautionary measures to strengthen its liquidity position in Q2 and expects to do so throughout 2023. Management is focused on price and underwriting discipline, targeting increased returns despite a competitive market.

The Group is in compliance with all of its covenants as of 30 June 2023.

Strategic risks

For detailed assessment of risks, please refer to the Risk Management and Board of Directors' sections in the Annual Report for 2022.

CORPORATE MATTERS

B2Holding has a solid and diversified funding structure to support further growth. The healthy capital structure and leverage ensures liquidity and financial flexibility to deliver on the strategy going forward. The combination of equity, bank financing, project financing and bonds provides access to capital when larger opportunities arise, while steady collections across the Group provide a strong operating cash flow.

The Group holds an EUR 610m senior secured revolving credit facility (RCF) with DNB Bank ASA, Nordea Bank AB and Swedbank AB. The RCF matures in 2025. The project financing from PIMCO, the Senior Facility Agreement

(SFA), was fully completed on 13 April 2023 when Cyprus as the last country was included. The facility line increased to EUR 180m and the reinvestment period end in April 2024. The SFA is fully securitized but with no recourse to B2Holding. On 28 July 2023, being the fourth interest payment date, a repayment of EUR 37.5m was made originating from quarterly operating cashflow.

In addition to the RCF and SFA, the Group holds two senior unsecured bond loans for a total of EUR 500m. The Group holds no treasury bonds after full repayment of B2H04.

The closing of the sale of DCA Bulgaria EAD was delayed due to the buyer requesting additional time to finalize its financing package. B2Holding has already received a substantial partial payment and is compensated with interest which is accrued on the final outstanding amount. Expected closing is during Q3 2023.

On 4 May 2023 B2Holding ASA's subsidiary in Croatia, B2 Kapital d.o.o., received notice from the Croatian Data Protection Agency (AZOP) of a fine against the subsidiary on grounds of alleged breaches of GDPR regulations. The fine amounts to EUR 2,265,000. The conclusion of a thorough assessment made by B2Holding and its independent professional advisors is that no data leakage by B2 Kapital d.o.o. has been substantiated and that there has been no leak of confidential information relating to clients or debtors from the company's IT systems. Thus, B2Holding disagrees with the allegations in AZOP's decision. The decision from AZOP will be appealed and the fine has not been paid or provided for.

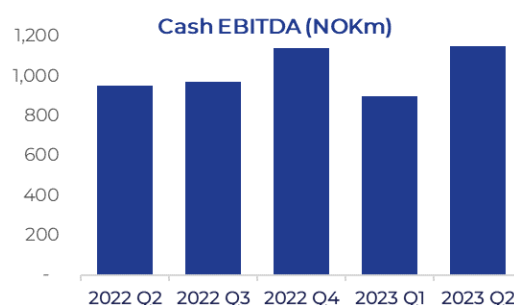
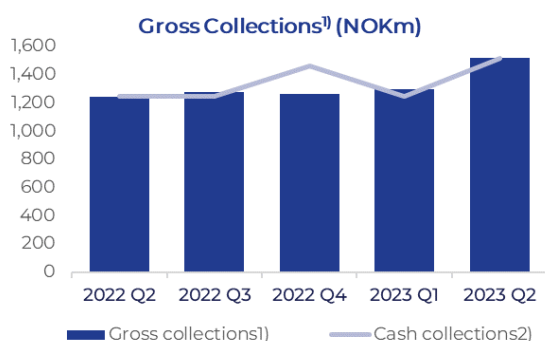
Reduction of share capital and Share buy-back program

At the Annual General Meeting of B2Holding ASA held on 25 May 2023, it was decided to reduce the Company's share capital by NOK 1,418,400. The share capital reduction was registered and effective on 27 July 2023 through the cancellation of 14,184,000 shares at NOK 0.10 per share.

The share buy-back program for 2023 was announced on 25 May 2022. The size of the buy-back programme is up to 25,000,000 shares or a maximum total consideration of NOK 162.6m. 11,197,667 shares were purchased under this program up to 30 June 2023.

Financials

B2Holding reported Gross collections including JVs of NOK 1,521m, Cash EBITDA of NOK 1,151m and Adjusted EBIT of NOK 496m in Q2 2023 following strong collections across the business and positive FX impacts from the weaker NOK.



1) Include the Group's share of portfolios held in SPVs and joint ventures.

REVENUES

Fluctuations in the Norwegian Krone impact the Group's numbers. The weighted average impact on the Group's Gross collections from a stronger Norwegian Krone in Q2 2023 compared with Q2 2022 was a positive impact of 15.6% based on YTD average FX rates.

Net revenues for the Investments segment of NOK 885m for Q2 2023 were significantly up compared with NOK 649m in Q2 2022 mainly following strong collections performance during the quarter. Collections on unsecured portfolios came in at 107.6% of forecast, continuing the over-performance from previous quarters. Recoveries on secured portfolios were 151.6% of the forecast.

Share of Gross collections from JVs was NOK 82m in Q2 2023 compared with NOK 58m in Q2 2022 and NOK 43m in Q1 2023. The significant difference in collections for JVs was driven by high secured recoveries in 2022 and FX which impact comparability. Cash from JVs in Q2 2023 was NOK 30m compared with NOK 27m in Q1 2023 and NOK 36m in Q2 2022.

Amortisation of own portfolios was NOK -633m in Q2 2023 compared with NOK -458m in Q2 2022 and NOK -490m in Q1 2023. The higher amortisation was a result of higher investment volume during the last 12 months resulting in higher estimated collections for the quarter.

The Net credit gain on unsecured and secured portfolios was respectively NOK 111m and NOK 56m, amounting to a total of NOK 167m for the Group in Q2 2023. Over-performance compared to the forecast and future collection estimates revised upwards by NOK 93m (NPV of 28m) drove the unsecured result, while over-performance and collecting earlier than forecasted gave a strong positive contribution from secured in the quarter.

Revenue from sale of collateral assets (REOs) of NOK 104m in Q2 resulted in a gain of NOK 32m compared to book value of NOK 72m and a margin of 45.3%.

Net revenues for the Servicing segment were NOK 337m compared with NOK 273m in Q2 2022. Internal servicing revenue of NOK 239m was an increase of NOK 54m on Q2 2022 following higher collections on behalf of the Investments business. Revenue from external clients (3PC) was NOK 71m compared with NOK 64m in Q2 2022.

Revenue from loan receivables (comprised of Interest revenue from loan receivables and Net credit gain/(loss) from loan receivables) was NOK 37m in Q2 2023 compared with NOK 36m in Q1 2023 and NOK 31m in Q2 2022.

Segment earnings for the Investments segment were NOK 527m with a margin of 60%, while for the Servicing

segment the earnings were NOK 126m and the margin was 37%.

CASH EBITDA

Cash EBITDA for Q2 2023 was NOK 1,151m compared with NOK 949m in Q2 2022. Adjusted for FX impacts, the underlying Cash EBITDA is NOK 56m (5.2%) higher than Q2 2022 driven by a strong collection performance. Cash margin remained stable at 69.1% compared with 68.9% in Q2 2022.

OPERATING EXPENSES

In Q2 2023 the Group's underlying operating expenses¹ were NOK 514m compared with NOK 429m in Q2 2022. Adjusted for FX, the underlying operating expenses were NOK 15m (3.3%) higher than in Q2 2022. The deviation in underlying operating expenses were driven by External expenses (volume driven legal collection expenses) up NOK 11m (8.4%), Personnel expenses up NOK 3m (1.2%) and Other operating expenses up NOK 2m (1.7%). Personnel expenses increased with wage inflation impacting across the region despite 1.9% lower average FTE numbers during the quarters. The increased Other operating expenses are also mainly related to higher operational activity in Q2.

Of the Group's underlying operating expenses in Q2 2023, 49% are Personnel expenses, 28% variable costs related to collection/recovery activities and 23% office-related costs including premises, equipment, telecommunications, IT, and postage.

Total Non-recurring items impacting EBIT in the quarter were NOK 25m of which NOK 10m were personnel related and NOK 8m related to the closure of the loan receivable business in Poland.

EBIT

Adjusted EBIT was NOK 496m and an increase of NOK 166m compared with Q2 2022. Adjusted for FX, the increase was NOK 110m and was driven by strong collection performance, higher contribution from JVs, and increased investment volume. Operating costs were only marginally higher than the comparable period and were mainly due to high collection activity.

NET FINANCIAL ITEMS

Net financial items for the quarter were NOK -261m in Q2 compared with NOK -258m in Q1 2023 and NOK -107m in Q2 2022.

Interest expenses have increased by NOK 106m compared with Q2 2022 and by NOK 13m since Q1 2023. Compared with Q1 2023, higher floating interest rates increased the interest cost by NOK 19m which is partly offset by an increased hedging impact of NOK 5m.

The Change in fair value of interest rate derivatives impacted Q2 2023 negatively with NOK 4m. The Group has implemented hedge accounting from 1 January 2023. The changes in fair value of the hedge instruments (interest swaps and interest caps) NOK -26m are reported in Other Comprehensive Income.

The Net exchange loss of NOK 4m in Q2 2023 was unfavourable compared with NOK 0m in Q1 2023 and a gain of NOK 8m in Q2 2022.

PROFIT FOR THE PERIOD AND TAX

The Income tax expense for the quarter amounted to NOK 47m and was 23% of Profit before tax. Profit after tax for the quarter ended at NOK 163m. The Adjusted Net profit for Q2 2023 was NOK 182m compared with an Adjusted Net profit of NOK 112m in Q1 2023 and NOK 173m in Q2 2022.

BALANCE SHEET

At the end of the quarter, Total assets amounted to NOK 18,759m compared with NOK 16,500m at the end of 2022 and NOK 15,946m at the end of Q2 2022. Investments in new portfolios were NOK 795m in Q2 2023 and NOK 1,562m for H1 2023. Amortisation of NPL portfolios during Q2 2023 was NOK 633m and NOK 1,122m for H1. FX is the most significant impact on the Balance Sheet since the end of Q4 2022, with an impact of 11.9% on NPL balances mainly being the impact of a weaker NOK against the EUR, HRK, and PLN. At constant FX, collateral assets (REOs) increased by a net of NOK 75m since the end of 2022 with a higher value of REOs reposessed (NOK 166m) than of REOs sold (book value of NOK 118m) plus purchases of NOK 25m during the period.

¹ Underlying operating expenses refers to operating expenses excluding Non-recurring items, Cost of collateral assets sold, Depreciation and amortization, and Impairment losses

During H1 2023, the Group has increased its gross debt (interest-bearing loans and borrowings plus utilised bank overdraft) by NOK 1,418m largely being the impact of FX with underlying debt increased only marginally. The high balance of Cash and short-term deposits at the end of Q2 2023 was a result of the timing of the repayments due on the loans from PIMCO.

Net interest-bearing debt amounted to NOK 10,479m at the end of Q2 and was up by NOK 1,437m compared with the end of 2022 with FX being approximately NOK 1.1bn of the increase. The remaining underlying increase in Net interest-bearing debt was mainly driven by the increased investment volume.

CASH FLOW

Cash EBITDA was NOK 1,151m in Q2 2023 and NOK 202m higher than Q2 2022. NOK 154m of the increase was FX driven with the NOK weakening against other currencies. The remaining increase was driven by the strong

collection performance and higher investment volumes with underlying FX-adjusted operating expenses only increasing marginally compared with Q2 2022.

In Q2 2023, the Group invested in new NPLs for a total of NOK 795m compared with NOK 758m in Q2 2022, with cash effects in the respective quarters of NOK 795m and NOK 553m. For the Full Year 2023, the Group has already spent and committed approximately NOK 2.2bn of investments.

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, B2Holding ASA, 22 August 2023

Responsibility Statement pursuant to Section 5-6 of the Securities Trading Act

We hereby confirm that the half-yearly condensed interim consolidated financial information for the period 1 January through 30 June 2023 to the best of our knowledge has been prepared in accordance with IAS 34 Interim Financial Reporting and gives a true and fair view of the Group's assets, liabilities, financial position and profit or loss taken as a whole.

We also confirm, to the best of our knowledge, that the interim management report includes a true and fair review of important events that arose during the first half year of the financial year 2023, and their impact on the condensed interim consolidated financial information, and further accounts properly for the principal risks and uncertainties for the remaining half year of the financial year 2023, as well as major transactions with related parties.

Oslo, 22 August 2023

Harald L. Thorstein
Chair of the Board

Adele Bugge Norman Pran
Board member

Grethe Wittenberg Meier
Board member

Trygve Lauvdal
Board member

Kjetil Garstad
Board member

Trond Kristian Andreassen
Board member

Jessica Sparrfeldt
Board member

Erik J. Johnsen
Chief Executive Officer

Consolidated income statement

All figures in NOK million unless otherwise stated

	Notes	2023 Quarter 2	2022 Quarter 2	2023 6 months	2022 6 months	2022 Full Year
Interest revenue from purchased loan portfolios		636	528	1228	1 059	2 133
Net credit gain/(loss) from purchased loan portfolios	4	167	49	288	62	129
Profit from investments in associated parties/joint ventures		43	12	79	26	100
Interest revenue from loan receivables		21	35	65	52	121
Net credit gain/(loss) from loan receivables		17	- 4	9	4	- 3
Revenue from sale of collateral assets		104	103	179	239	581
Other revenues		115	102	215	204	416
Total revenues	3	1 102	825	2 063	1 645	3 477
External expenses of services provided		- 142	- 111	-262	- 210	- 422
Personnel expenses		- 262	- 224	-519	- 441	- 900
Other operating expenses		- 128	- 155	-262	- 286	- 551
Cost of collateral assets sold, including impairment		- 72	- 77	-118	- 181	- 392
Depreciation and amortisation		- 24	- 21	-47	- 41	- 83
Impairment losses		- 4	- 98	-10	- 98	- 100
Operating profit/(loss)	3	471	139	846	388	1 029
Financial income		6	2	13	2	6
Financial expenses		- 263	- 117	-527	- 226	- 588
Net exchange gain/(loss)		- 4	8	-4	- 7	- 25
Net financial items	5	- 261	- 107	-518	- 231	- 607
Profit/(loss) before tax		210	32	328	157	421
Income tax expense		- 47	- 7	-74	- 35	- 95
Profit/(loss) after tax		163	25	254	121	326
Profit/(loss) attributable to:						
Parent company shareholders		163	25	254	121	326
Non-controlling interests		0	0	0	0	- 0
Earnings per share (in NOK):						
Basic		0.42	0.06	0.66	0.30	0.82
Diluted		0.42	0.06	0.66	0.30	0.82

Consolidated statement of comprehensive income

All figures in NOK million

	2023 Quarter 2	2022 Quarter 2	2023 6 months	2022 6 months	2022 Full Year
Profit/(loss) after tax	163	25	254	121	326
Other comprehensive income					
<i>Items that may be reclassified subsequently to profit or loss:</i>					
Exchange differences on translation of foreign operations	164	354	705	135	226
Hedging of currency risk in foreign operations	-97	-1	-176	21	9
Hedging of interest risk	-26		-48		
Tax attributable to items that may be reclassified to profit or loss	31		56		
Other comprehensive income	72	353	536	156	234
Total comprehensive income for the period	235	378	790	278	561
Total comprehensive income attributable to:					
Parent company shareholders	235	378	790	278	561
Non-controlling interests	0	0	0	0	0

Condensed consolidated statement of financial position

All figures in NOK million

	Notes	2023 30 Jun	2022 30 Jun	2022 31 Dec
Deferred tax asset		342	322	303
Goodwill		802	720	731
Tangible and intangible assets		377	283	320
Investments in associated companies and joint ventures		818	830	690
Purchased loan portfolios	3,4,5	12 896	11 034	11 181
Loan receivables		280	225	280
Other non-current financial assets		58	135	133
Total non-current assets		15 572	13 549	13 638
Other short-term assets		513	359	391
Collateral assets		1 516	1 305	1 294
Cash and short-term deposits		1 157	734	1 176
Total current assets		3 186	2 397	2 861
Total assets		18 759	15 946	16 500
Equity attributable to parent company's shareholders	7	5 858	5 022	5 216
Equity attributable to non-controlling interests		1	1	1
Total equity		5 859	5 023	5 217
Deferred tax liabilities		385	276	275
Long-term interest bearing loans and borrowings	6	8 869	7 600	8 885
Other non-current liabilities		169	83	133
Total non-current liabilities		9 423	7 960	9 294
Short-term interest bearing loans and borrowings	6	2 334	1 974	1 201
Bank overdraft	6	433	196	131
Account payables and other payables		238	401	209
Income taxes payable		7	45	51
Other current liabilities		465	348	396
Total current liabilities		3 477	2 964	1 989
Total equity and liabilities		18 759	15 946	16 500

Condensed consolidated statement of changes in equity

All figures in NOK million

	Notes	2023			2022		
		Attributable to parent company's shareholders	Non- controlling interests	Total equity	Attributable to parent company's shareholders	Non- controlling interests	Total equity
At 1 January		5 216	1	5 217	4 992	1	4 993
Profit/(loss) after tax		254	0	254	121	0	121
Other comprehensive income		536	0	536	156	0	156
Total comprehensive income		790	0	790	278	0	278
Share buy-back programme		- 74		- 74	- 83		- 83
Share based payments		3		3	3		3
Dividend paid to parent company's shareholders		- 77		- 77	- 168		- 168
Dividends to non-controlling interests			0	0		0	0
At 30 June		5 858	1	5 859	5 022	1	5 023

Condensed consolidated statement of cash flows

All figures in NOK million

	Notes	2023 Quarter 2	2022 Quarter 2	2023 6 months	2022 6 months	2022 Full Year
Cash flows from operating activities						
Profit for the period before tax		210	32	328	157	421
<u>Adjustment for non-cash items:</u>						
Amortisation/revaluation of purchased loan portfolios		636	610	1 174	1 157	2 322
Repossession of collateral assets		-60	-80	-166	-135	-299
Cost of collateral assets sold, including impairment		72	77	118	181	392
Share of profit in associated parties/joint ventures	3	-43	-12	-79	-26	-100
Financial expenses	5	263	117	527	226	588
Unrealised foreign exchange differences		-44	-178	68	-8	-148
Other non-cash items		53	135	105	174	245
<u>Operating cash flows:</u>						
Income tax paid		-46	-35	-75	-59	-144
Change in working capital		-4	39	-56	24	-69
Change in non-current financial assets/liabilities		27	-45	24	-101	-66
Net cash from operating activities		1 065	660	1 968	1 590	3 142
Cash flows from investing activities						
Payment of loan portfolios	3, 4	-795	-553	-1 426	-812	-2 157
Investments/divestments in subsidiaries, joint ventures and associated companies		-1		-165		1
Cash received from investments in associated parties/joint ventures		30	36	57	78	294
Net investments in intangible and tangible assets		-16	-21	-39	-45	-27
Payment of contingent consideration						-11
Net cash from investing activities		-782	-538	-1 573	-780	-1 900
Cash flows from financing activities						
Proceeds from issue of new shares, net of transaction costs	7					1
Payment buy-back share programme	7	-74	-29	-74	-84	-175
Net drawdowns/(repayments) on interest bearing loans and borrowings		-126	359	-128	89	571
Paid interest cost and commitment fees		-233	-135	-450	-256	-577
Paid borrowing costs		-2		-47		
Repayment of principal amount on lease liabilities		-14	-9	-26	-26	-43
Dividends paid to parent company's shareholders		-77	-168	-77	-168	-168
Dividends paid to non-controlling interests		-0	-0	-0	-0	-0
Net cash from financing activities		-526	18	-803	-445	-392
Net increase/(decrease) in cash and cash equivalents		-243	140	-408	365	850
Cash and cash equivalents at the beginning of the period		941	372	1 045	157	157
Exchange rate difference on cash and cash equivalents		26	26	87	15	38
Cash and cash equivalents at the end of the period		724	538	724	538	1 045
<i>Cash and cash equivalents comprised of:</i>						
Cash and short-term deposits		1 157	734	1 157	734	1 176
Bank overdraft		-433	-196	-433	-196	-131

Notes to the interim condensed consolidated financial statements

NOTE 1 – GENERAL INFORMATION AND BASIS FOR PREPARATION

B2Holding ASA (the Company or Parent) and its subsidiaries (together the Group) is a debt solutions provider specialized in investing in, and the recovery of, non-performing debt portfolios in addition to providing third-party debt collection services. B2Holding 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 second quarter ended 30 June 2023 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 2022. The annual consolidated financial statements for 2022 are available at the company's website (www.b2holding.no).

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 2022.

16 January 2023 the Group acquired 70 percent of the profit participation notes issued by Hellas 2P Investment DAC, in addition to the 30 percent already held, and the entity is consolidated in B2H Group from this date. The 30% investment was previously reported as a joint venture under Investments in associated companies and joint ventures.

The Group has as of 1 January 2023 implemented hedge accounting for interest rate risk with the effect that changes in fair value of the designated hedge instruments (interest swaps and interest caps) are reported in Other Comprehensive Income. See note 5 Financial instruments for more information.

On 1 January 2023 the Group introduced new segment reporting reflecting the internal reporting to the Chief Operating Decision Maker (CODM). The operating segments are Investments and Servicing and are described in Note 3.

The interim condensed consolidated financial statements for the quarters ending 30 June 2023 and 30 June 2022 are unaudited. The 2022 audited financial statements were approved at the Annual General Meeting of the Company held on 25 May 2023.

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. The important assessments underlying the application of the Group's accounting policies and the main sources of uncertainty are the same for these interim condensed consolidated financial statements as for the consolidated financial statements for the year ending 31 December 2022. However, in the light of uncertainty arising from the war in Ukraine and volatile macro environment there is clearly a significant level of judgement required in the assessment of future collections/cash flows/forecasts.

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.

A key priority for the Group is to improve alignment in operations. From 1 January 2023 the operative segments for the Group are Investments and Servicing, while these were previously defined based on the geographical markets. The comparative numbers are restated based on estimates and allocation keys to give a high-level basis for comparison.

Investments consist of the acquisition 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 clients, Joint ventures and the Investments segment. The Servicing segment generates revenues from commissions and debtor fees.

Internal transactions between Investments and Servicing are priced on commercial terms. The commission is recognised as inter segment revenue in Servicing and as direct operating expense in Investments and is eliminated in the Consolidated Income Statement.

Revenues from issued loans, credit information and other services on behalf of clients are included in **Other**.

Net revenue is Total revenues reported in the income statement less the Cost of collateral assets sold, including impairment. The performance of the operative segments is measured at Segment earnings level which includes revenue and direct operative expenses.

IT and SG&A are considered supporting segments and are included in **Unallocated items & eliminations**. 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 Central costs and non-recurring items.

Segment overview

Quarter 2, 2023

All figures in NOK million

	Investments	Servicing	Other	Unallocated items & eliminations	Total
External revenue	885	98	47	0	1 031
Inter segment revenue	0	239	0	-239	0
Net revenue	885	337	47	-239	1 031
Direct opex	-358	-211	-12	239	-342
Segment earnings	527	126	35	0	689
IT					-44
SG&A					-74
Central costs					-72
EBITDA					499
Depreciation & amortisation					-28
EBIT					471

Quarter 2, 2022

All figures in NOK million

	Investments	Servicing	Other	Unallocated items & eliminations	Total
External revenue	649	89	44	-34	748
Inter segment revenue	0	184	1	-185	0
Net revenue	649	273	45	-219	748
Direct opex	-208	-189	-30	147	-280
Segment earnings	441	84	15	-72	468
IT					-36
SG&A					-99
Central costs					-74
EBITDA					259
Depreciation & amortisation					-119
EBIT					139

6 months, 2023

All figures in NOK million

	Investments	Servicing	Other	Unallocated items & eliminations	Total
External revenue	1 668	183	94	0	1 945
Inter segment revenue	0	439	0	-439	0
Net revenue	1 669	622	94	-439	1 945
Direct opex	-634	-399	-23	406	-650
Segment earnings	1 035	223	70	-33	1 295
IT					-84
SG&A					-173
Central costs					-135
EBITDA					903
Depreciation & amortisation					-57
EBIT					846

6 months, 2022

All figures in NOK million

	Investments	Servicing	Other	Unallocated items & eliminations	Total
External revenue	1 245	172	80	-33	1 464
Inter segment revenue	0	357	0	-357	0
Net revenue	1 245	529	80	-390	1 464
Direct opex	-424	-354	-39	293	-524
Segment earnings	821	175	41	-97	940
IT					-73
SG&A					-202
Central costs					-138
EBITDA					527
Depreciation & amortisation					-139
EBIT					388

Full year, 2022*All figures in NOK million*

	Investments	Servicing	Other	items &	Total
External revenue	2 606	347	164	-32	3 085
Inter segment revenue	0	704	-1	-703	0
Net revenue	2 606	1 051	163	-734	3 085
Direct opex	-896	-668	-70	639	-995
Segment earnings	1 710	383	93	-95	2 091
IT					-156
SG&A					-431
Central costs					-292
EBITDA					1 212
Depreciation & amortisation					-184
EBIT					1 029

Segment details

Investments

All figures in NOK million unless otherwise stated

	2023	2022	2023	2022	2022
	Quarter 2	Quarter 2	YTD	YTD	Full Year
Secured collections	255	260	543	503	1 022
Unsecured collections	1 184	926	2 148	1 775	3 562
Total collections	1 439	1 187	2 691	2 278	4 584
Secured amortisation	- 54	0	- 107	- 47	- 140
Unsecured amortisation	- 579	- 458	- 1 015	- 876	- 1 759
Total amortisation	- 633	- 458	- 1 122	- 923	- 1 898
Secured revaluations	- 30	- 130	- 83	- 208	- 410
Unsecured revaluations	28	10	31	5	18
Total revaluations	- 3	- 120	- 52	- 202	- 392
Total NPL revenue	803	609	1 517	1 153	2 294
Profit from Investments in joint ventures	43	12	79	26	100
Net REO gains	32	26	61	58	189
Other revenue	7	2	12	9	22
Net revenue	885	649	1 669	1 245	2 606
Direct opex	- 358	- 208	- 634	- 424	- 896
Segment earnings	527	441	1 035	821	1 710
Segment earnings in %	60%	68%	62%	66%	66%
Cash collections ¹⁾	1 513	1 246	2 761	2 459	5 161
Secured collection performance %	151.6%	231.3%	164.4%	184.0%	174.7%
Unsecured collection performance %	107.6%	106.1%	106.3%	103.9%	103.4%
Total collection performance %	113.4%	120.4%	114.5%	115.0%	113.7%
Net gain on sale of collateral assets %	45.3 %	34.5 %	52.1 %	31.9 %	48.2 %
Portfolio investments ¹⁾	795	758	1 562	996	2 165
Book value secured NPLs	2 700	2 612	2 700	2 612	2 544
Book value unsecured NPLs	10 195	8 422	10 195	8 422	8 637
Book value Investments in joint ventures	818	830	818	830	690
Book value Collateral assets (REOs)	1 516	1 305	1 516	1 305	1 294

1) Includes the Group's share of portfolios held in SPVs and joint ventures and in addition the reclassification from Profit Participating notes specified in Note 4.

Servicing

All figures in NOK million unless otherwise stated

	2023	2022	2023	2022	2022
	Quarter 2	Quarter 2	YTD	YTD	Full Year
Internal servicing revenue	239	184	439	357	704
Servicing revenues from Joint ventures	27	25	45	48	101
Revenue from external clients (3PC)	71	64	138	123	246
Net revenue	337	273	622	529	1 051
Direct opex	- 211	- 189	- 399	- 354	- 668
Segment earnings	126	84	223	175	383
Segment earnings in %	37 %	31 %	36 %	33 %	36 %

NOTE 4 – PURCHASED LOAN PORTFOLIOS

Purchased loan portfolios

All figures in NOK million

	2023 Quarter 2	2022 Quarter 2	2023 6 months	2022 6 months	2022 Full year
Opening balance	12 333	10 277	11 181	10 921	10 921
Portfolio investments in the period	790	758	1 393	996	2 165
Reclassification from investment in joint ventures ¹⁾	5		156		
Gross collection from purchased loan portfolios	-1 439	-1 187	-2 691	-2 278	-4 584
Interest revenue from purchased loan portfolios	636	528	1 228	1 059	2 133
Net credit gain/(loss) from purchased loan portfolios	167	49	288	62	129
Whereof collection above/(below) estimates	170	201	341	296	553
Whereof changes in future collection estimates	- 3	- 152	- 52	- 234	- 424
Exchange rate differences	402	609	1 340	274	417
Closing balance	12 896	11 034	12 896	11 034	11 181

1) Amount reclassified from investment in joint ventures due to increased ownership from 30% to 100% of Profit Participating notes in a portfolio owning SPV as of 16th January 2023.

The fair value of unquoted financial assets has been estimated using valuation techniques based on assumptions that are not supported by observable market prices. The fair value of purchased loan portfolios (level 3) has been calculated by discounting the expected net future cash flows from collections less cost to collect and tax with the estimated weighted average cost of capital for the countries where the purchased portfolios are originated. The calculated fair value of purchased loan portfolios as of 30 June 2023 is NOK 13.3bn.

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, as 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 gross collections deviating from collections estimates, as well as from changes in future collections estimates. The Group regularly evaluates the future collections estimates (Estimated Remaining Collections / Estimated Remaining Recoveries) at portfolio level and the estimate is adjusted if expected future collections is determined to materially deviate from the previous estimate. The adjusted collections estimate is discounted by the initial rate of return at acquisition of the portfolio. Changes from current estimates 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". Both secured and unsecured portfolios are evaluated quarterly. Gross collections above collections estimates and upward adjustments of future collections estimates increase revenue, while conversely gross collections below collections estimates and downward adjustments of future collections estimates decrease revenue.

Purchase of loan portfolios, cash flow statement

The following table reconciles the difference between "Purchase of loan portfolios" in cash flow statement and other statements:

All figures in NOK million

	2023 Quarter 2	2022 Quarter 2	2023 6 months	2022 6 months	2022 Full year
Portfolio investments in the period	- 790	- 758	-1 393	- 996	-2 165
Change in prepaid amounts and amounts due on portfolio purchases	- 5	204	- 33	184	8
Payment of loan portfolios, cash flow statement	- 795	- 553	-1 426	- 812	-2 157

NOTE 5 – FINANCIAL INSTRUMENTS

Specific disclosures regarding purchased loan portfolios see note 4.

Fair value of financial instruments

The fair value of interest-bearing loans and borrowings is equal to the carrying amount (level 2) for the Multi-currency revolving credit facility (NOK 4,500m) and the Senior Facility Agreement (NOK 910m) as the loan facilities are based on one to six months floating interest. The fair value (NOK 5,735m) of bond loans (level 1) were determined by obtaining quoted market prices for the bond loans from Refinitiv EIKON and Nordic Bond Pricing. The carrying amount is NOK 5,792m. For loan receivables the carrying value is the best estimate of fair value.

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 0m and the fair value of the interest rate hedging derivatives was positive NOK 107m. The interest rate hedging ratio was 52%.

The Group has implemented hedge accounting from 1 January 2023. The changes in fair value of the designated hedging instruments (interest swaps and interest caps) NOK -26m are reported in Other Comprehensive Income. The remaining change in fair value of interest rate derivatives of NOK -4m is related to DKK where no effective hedge is obtained.

For more details refer to the Risk Management section in the Group's 2022 Annual Report.

Net financial items

All figures in NOK million

	2023 Quarter 2	2022 Quarter 2	2023 6 months	2022 6 months	2022 Full Year
Interest revenue	6	1	12	2	5
Other financial income	0	1	1	1	1
Financial income	6	2	13	2	6
Interest expenses	-257	-151	-502	-293	-665
<i>Interest cost and commitment fees</i>	-236	-139	-459	-264	-598
<i>Amortisation of borrowing costs</i>	-21	-12	-43	-29	-67
Change in fair value of interest rate derivatives	-4	36	-6	70	92
Interest expense on leases	-3	-2	-6	-4	-8
Other financial expenses	1	0	-13	-0	-8
Financial expenses	-263	-117	-527	-226	-588
Realised exchange gain/(loss)	-80	-42	-237	-39	-174
Unrealised exchange gain/(loss)	76	87	233	53	168
Change in fair value of currency derivatives	0	-37	0	-22	-19
Net exchange gain/(loss)	-4	8	-4	-7	-25
Net financial items	-261	-107	-518	-231	-607

NOTE 6 - INTEREST BEARING LOANS AND BORROWINGS

All figures in NOK million

	30 June 2023		31 December 2022	
	Current	Non-current	Current	Non-current
Multi-currency revolving credit facility		4 500		4 025
Bond loans	2 334	3 459	1 201	3 653
Senior Facility Agreement		910		1 208
Bank overdraft	433		131	
Total	2 767	8 869	1 332	8 885

The Group is financed by a combination of multi-currency Revolving Credit Facility (RCF), Senior Facility Agreement (SFA) and Bond loans. At quarter end EUR 428m was utilised from the EUR 610m RCF and EUR 81m was utilised from the EUR 180m SFA, leaving total available, undrawn facility lines of EUR 281m.

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 2022 Annual Report.

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 ¹⁾	Share capital NOK million	Other paid-in capital ²⁾ NOK million
At 31 December 2022	401 364 824	40	2 844
At 30 Jun 2023	401 364 824	40	2 844
Capital reduction by cancellation of own shares registered on 27 July 2023 related to the share buy-back programme 2022	-14 184 000	- 1	
At 22 August 2023 (date of completion of these interim condensed financial statements)	387 180 824	39	2 844

1) Including treasury shares purchased in share buy-back program commenced 26 May 2023

2) Net proceeds after transaction costs

The share buy-back program started 27 May 2022 was completed in December 2022. The purpose of the program was to reduce the capital of the Company. In total 14,184,000 shares were bought back at an average price of NOK 8.31 per share and the share capital reduction of NOK 1.4m was effective as of 27 July 2023.

The Company announced a third share buy-back program 25 May 2023 with duration from 26 May 2023 until the Annual General Meeting 2024 at the latest. The purpose of the program is to reduce the capital of the Company and will be for a maximum of 25 million shares and comprise acquisitions of own shares for an aggregated amount of up to NOK 162.6m.

In the period 26 May – 30 June 2023 11,197,667 shares were bought back at an average price of NOK 6.66 per share, corresponding to 2.89% of the Company's share capital. Of these 11,099,842 shares were settled transactions as of 30 June 2023, decreasing the equity attributable to parent company shareholders by NOK 74m.

As at 18 August 2023 the Company owns a total of 12,861,289 own shares, bought back at an average price of NOK 6.69, and corresponding to 3.32% of the Company's share capital.

NOTE 8 – SHARE BASED PAYMENTS

No share options were granted, exercised, terminated, or expired during the second quarter 2023. At the date of these interim financial statements there are 10,930,000 share options outstanding.

NOTE 9 – SUBSEQUENT EVENTS

In August 2023 the Group agreed to amend the RCF which allowed for full refinancing of B2Ho5 and all EUR 610 million in facility line to mature on 30 June 2025.

ALTERNATIVE PERFORMANCE MEASURES

The interim financial information of the Group has been prepared in accordance with International Financial Reporting Standards (IFRS) 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

	2023	2022	2023	2022	2022
	Quarter 2	Quarter 2	6 months	6 months	Full Year
Total revenues	1102	825	2 063	1 645	3 477
Adjust for Cost of collateral assets sold, including impairment	- 72	- 77	- 118	- 181	- 392
Net revenues	1 031	748	1 945	1 464	3 085
Operating profit/(loss)	471	139	846	388	1 029
Non-recurring items, of which:					
Changes in future collection estimates	0	32	0	32	32
Other revenues	0		0	0	- 0
External expenses of services provided	0	- 1	0	- 4	- 4
Personnel expenses	10	5	22	3	31
Other operating expenses	8	56	22	102	147
Depreciation and amortisation	0	1	0	1	1
Impairment	8	98	8	98	99
Total Non-recurring items	25	191	52	231	306
Adjusted EBIT	496	330	898	619	1 334
Operating profit/(loss)	471	139	846	388	1 029
Add back Depreciation, amortisation and impairment losses	28	119	57	139	184
EBITDA	499	259	903	527	1 212
Total revenues	1102	825	2 063	1 645	3 477
Add back Amortisation of purchased loan portfolios	633	458	1 122	923	1 898
Add back Revaluation of purchased loan portfolios	3	152	52	234	424
Adjust for Repossession of collateral assets	- 60	- 80	- 166	- 135	- 299
Adjust for Profit from investments in associated parties/joint ventures	- 43	- 12	- 79	- 26	- 100
Add Cash received from investments in associated parties/joint ventures	30	36	57	78	295
Adjust for Non-recurring items		0	0	0	- 0
Cash revenue	1 665	1 379	3 050	2 720	5 695
Operating profit/(loss)	471	139	846	388	1 029
Add back Amortisation of purchased loan portfolios	633	458	1 122	923	1 898
Add back Revaluation of purchased loan portfolios	3	152	52	234	424
Add back Depreciation, amortisation and impairment losses	28	119	57	139	184
Adjust for Repossession of collateral assets	- 60	- 80	- 166	- 135	- 299
Add back Cost of collateral assets sold, including impairment	72	77	118	181	392
Adjust for Profit from investments in associated parties/joint ventures	- 43	- 12	- 79	- 26	- 100
Add Cash received from investments in associated parties/joint ventures	30	36	57	78	295
Adjust for Non-recurring items	18	61	45	101	174
Cash EBITDA	1 151	949	2 052	1 884	3 996

The following APMs are financial covenants in the RCF agreement and are calculated accordingly.

All figures in NOK million

	2023 30 Jun	2023 31 Mar	2022 31 Dec	2022 30 Sep
Total assets	18 759	18 036	16 500	16 672
Total equity	5 859	5 748	5 217	5 185
Equity ratio	31.2 %	31.9 %	31.6 %	31.1 %
Total assets	18 759	18 036	16 500	16 672
Excluding IFRS 16 right-of-use asset	- 173	- 167	- 137	- 125
Total assets excl IFRS 16 right-of-use asset	18 585	17 869	16 363	16 547
Equity ratio	31.5 %	32.2 %	31.9 %	31.3 %

Total Loan to Value

All figures in NOK million

	2023 30 Jun	2023 31 Mar	2022 31 Dec	2022 30 Sep
Bond loan (nominal value) ¹⁾	5 852	5 697	4 880	6 445
Revolving Credit Facility (nominal value) ¹⁾	4 568	4 430	4 086	2 507
Senior Facility Agreement (nominal value) ¹⁾	935	997	1 241	1 505
Vendor loan	21	15	47	168
FX Derivatives (MTM)		0	0	- 4
Net cash balance including overdraft	- 715	- 941	-1 045	-1 330
Total loan	10 662	10 198	9 210	9 292
Purchased loan portfolios	12 896	12 333	11 181	11 034
Investment in associated companies and joint ventures	818	794	690	822
Other assets ²⁾	1 698	1 988	1 834	1 779
Book value	15 412	15 115	13 705	13 635
Total Loan to Value % (TLTV)	69.2 %	67.5 %	67.2 %	68.1 %

1) Bond loans, Revolving Credit Facility (RCF) and Senior Facility Agreement (SFA) are measured at nominal value according to the definitions of financial covenants.

In the Consolidated statement of financial position this is included in "Long-term interest bearing loans and borrowings" and "Short-term interest bearing loans and borrowings", with bonds measured at amortised cost and RCF and SFA at linear cost.

2) Included in "Goodwill", "Loan receivables" and "Collateral assets" in the 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 Net revenues 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.

Administration & management costs

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

Amortisation

Amortisation is the amount of the gross collections that are used to reduce the book value of the purchased portfolios.

Cash collections

Cash collections include unsecured collections, secured cash recoveries, 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 collateral 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 Total revenues added back Amortisation and Revaluation of purchased loan portfolios 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.

Collateral asset

In connection with the acquisition and recovery 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 recovery strategy for the purpose of being divested within the Group's ongoing operations to maximize the value of recoveries. 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.

Cost other revenues

Cost other revenues is all external and internal operating costs excluding Administration and management costs and not related to the collections of B2Holding's purchased loan portfolios.

Cost to collect

Cost to collect is all external and internal operating costs related to the collections of B2Holding's purchased loan 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 gross 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 gross collections on portfolios purchased and held in joint ventures. Estimated Remaining Collections includes Estimated Remaining Recoveries.

Estimated Remaining Recoveries (ERR)

Estimated Remaining Recoveries (ERR) expresses the gross collections 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 collections on secured 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.

Gross collections

Gross collections are the actual cash collected and assets recovered from purchased portfolios.

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.

Leverage ratio

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

Liquidity reserve

Cash and short-term deposits (less NOK 200 million to cover working capital) plus unutilised credit facility lines, plus fair value of treasury bonds and less short-term vendor loans. Cash flow from future operations is not included in the number.

Net debt

Net debt consists of nominal value of interest-bearing loans and borrowings plus utilised bank overdraft less cash and short-term deposits.

Net interest-bearing debt

Net interest-bearing debt consist of carrying value of interest-bearing loans and borrowings plus utilised bank overdraft less cash and short-term deposits.

Net credit gain/(loss) from purchased loan portfolios

The Group's exposure to credit risk from the purchased loan portfolios is related to actual gross 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 is 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.

Net credit gain/(loss) from loan receivables

The Group's exposure to credit risk from loan receivables is related to actual instalments deviating from loan schedules. The Group measures the impairment loss on loan receivables using a 3-stage model for expected credit loss (ECL) according to IFRS 9. Changes from current estimate adjust the book value of the loan receivables and are included in the profit and loss statement in the line item "Net credit gain/(loss) from loan receivables".

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.

Net revenues

Net revenues are the Total revenues reported less the Cost of collateral assets sold, including impairment.

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 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.

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 are 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 carrying value of the purchased loan portfolios attributable to changes in forecasts of future collections.

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).

Financial year 2023

Annual report 2022 28.04.2023
Annual General Meeting 25.05.2023
Half-yearly report 23.08.2023

Quarterly report - Q1 16.05.2023
Quarterly report - Q3 10.11.2023
Quarterly report - Q4 15.02.2024

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