



Axactor company presentation

Oslo, April 13th, 2018

AXACTOR

This is Axactor

Axactor in brief

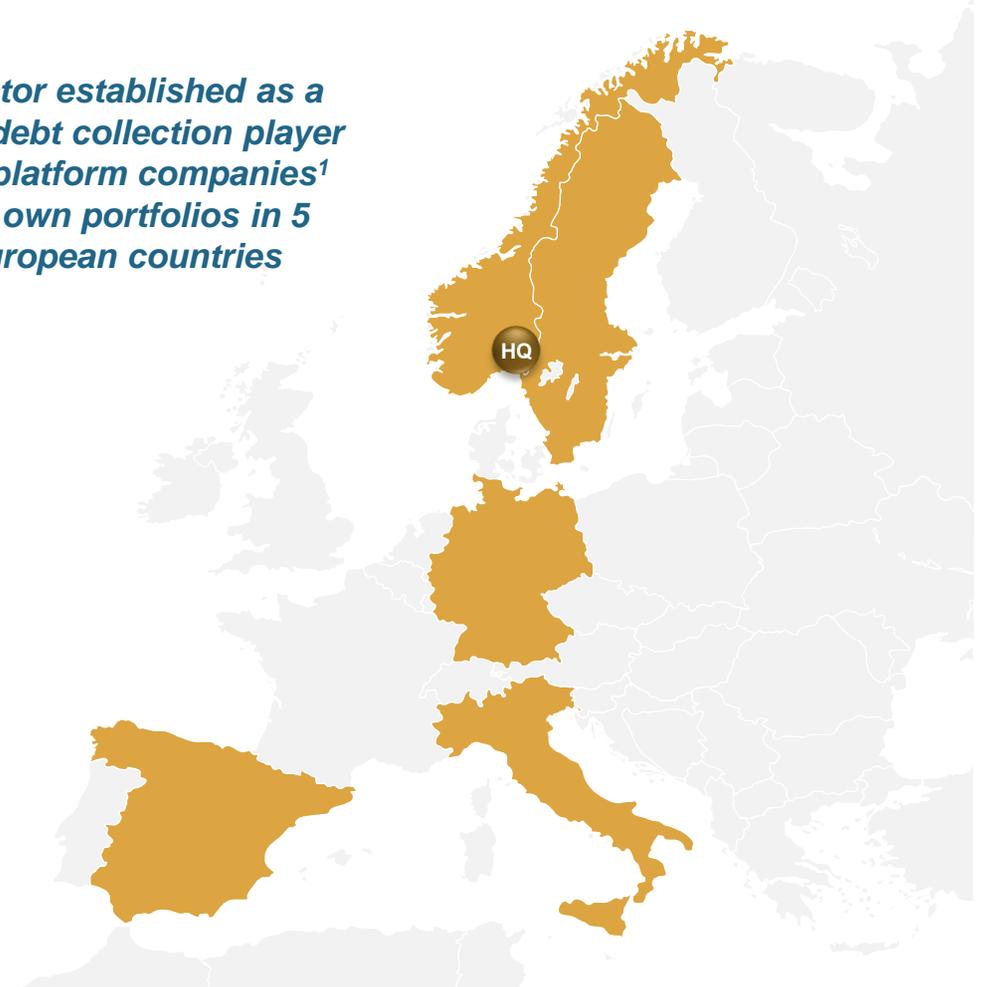
- Axactor is a Nordic-based debt management company with operations in five European countries
 - Established in December 2015 – rapid expansion
 - En route to execute on clearly defined strategy to build an efficient and high-quality debt collection company without any legacy burdens
- Main investment focus area has been unsecured B2C loans – also invested in portfolios of secured non-performing loans and REOs in '17
- Specialises in both purchasing and collection on own debt portfolios, and providing collection services for 3rd party owned portfolios
- Headquartered in Oslo, Norway, with a total of +900 employees
- Listed on the Oslo Stock exchange (ticker: AXA)

Axactor service offering

- 1 *Collection on own NPLs*
- 2 *Acquisitions of REOs*
- 3 *Collection on 3rd party owned NPLs*
- 4 *Accounts Receivable Management*

Axactor geographic footprint

Axactor established as a large debt collection player with platform companies¹ and own portfolios in 5 European countries



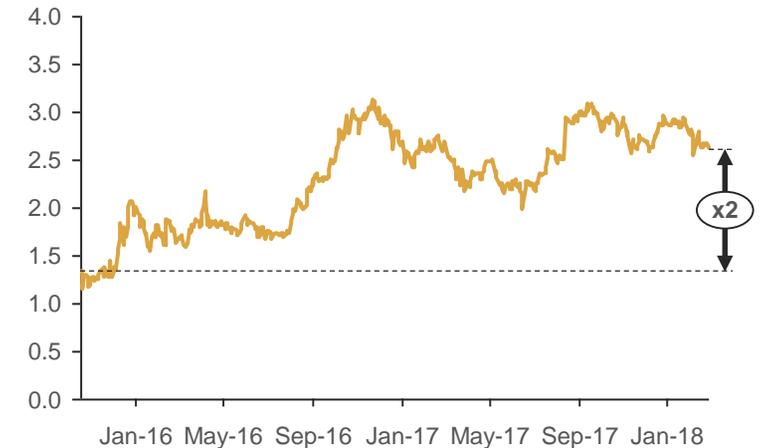
Significant expansion since inception late 2015

Key milestones and achievements



Equity capital markets development¹

Share price development (NOK)



Market cap development (EURm)



Axactor is no longer a “start-up” company

1 Long-term financing is established

- *RCF with Nordic banks – 200 mEUR + 150 mEUR accordion option*
- *Bond 150 mEUR + 100 mEUR tap option*
- *Geveran mezzanine 120 mEUR*
- *Bank facility for Axactor/Geveran SPV – 80 mEUR + 40 mEUR accordion option*
- *Local credit lines Italy – ~80 mEUR*
- *Equity issues of approximately 250 mEUR*
- *REO refi in progress with international bank*

2 Proven ability to close large contracts will leading financial institutions

- *NPL portfolios from reputable bank finance institutions in all Axactor countries*
- *Large FI 3PC accounts signed in Spain and Germany*

3 Strong and increasing cash flow

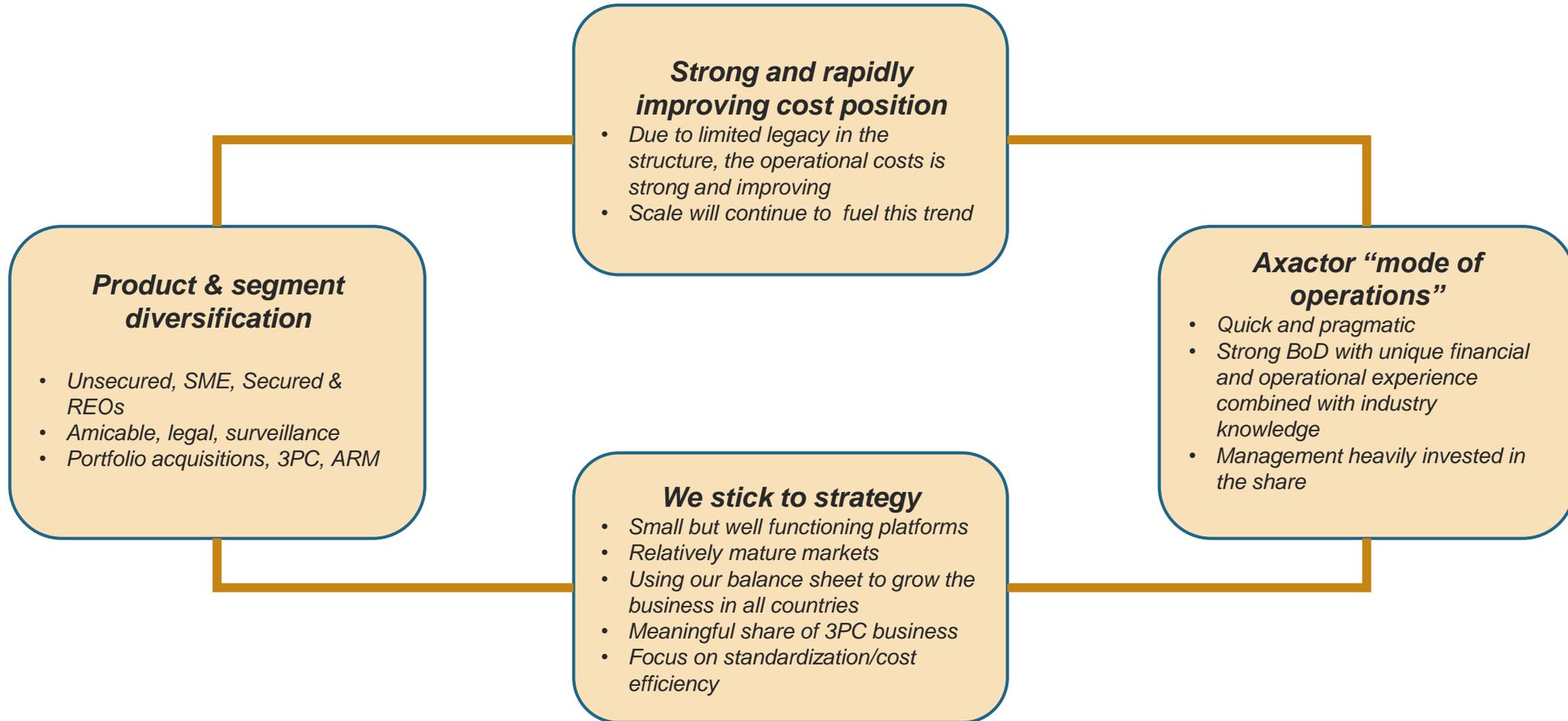
- *Axactor turned cash positive in its second operational year, 2017*
- *Strong and increasing cash flow expected, both EBITDA and cash EBITDA*

4 Axactor attracts and retains high quality employees

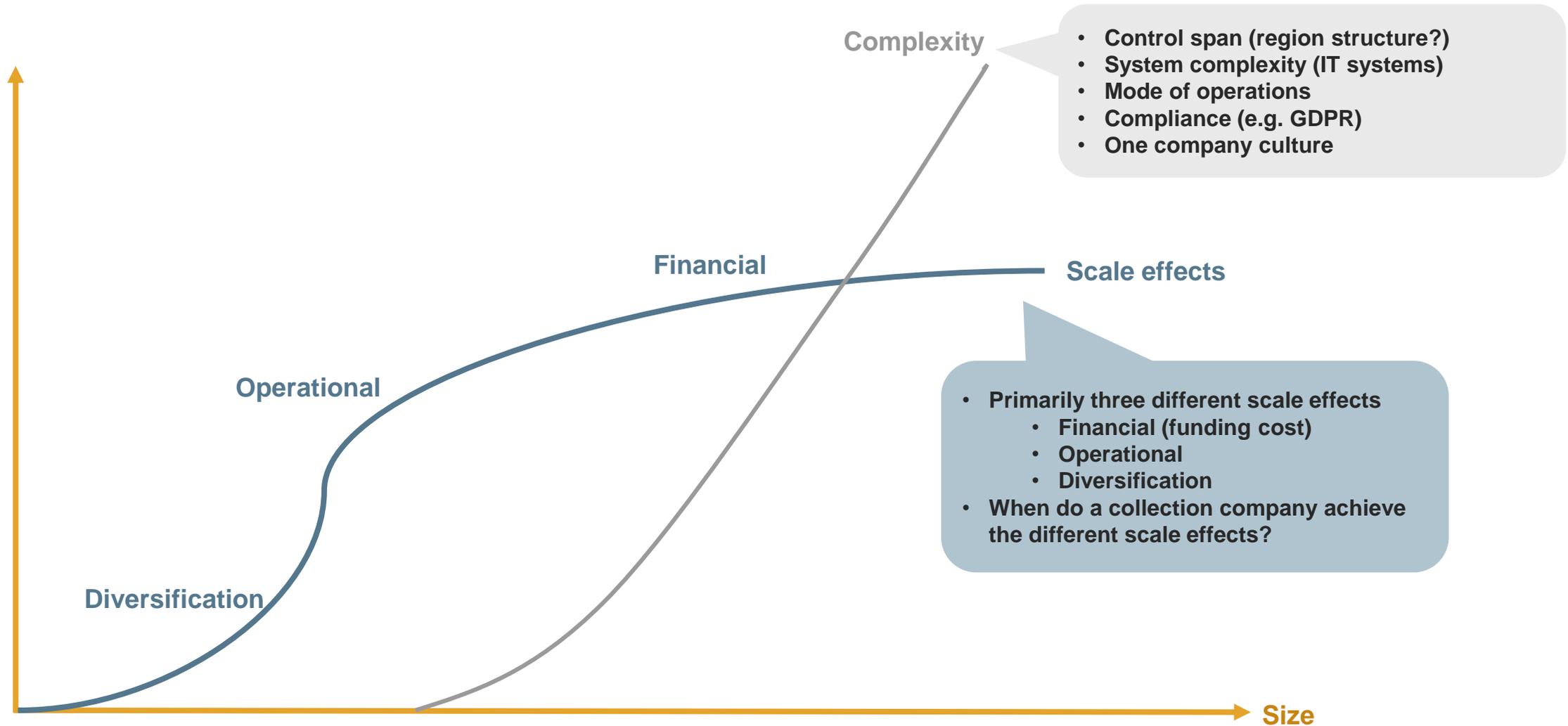
- *Management and key personnel owns approximately 10% of Axactor*
- *Key management with share lock-up (on shares acquired in the market)*

What is truly unique with Axactor compared to peers?

- The combination of the four elements creates the advantage



Scale versus complexity in the debt collection industry



Standardization is used to reduce costs and to drive efficiency

Standardization - “One Axactor”

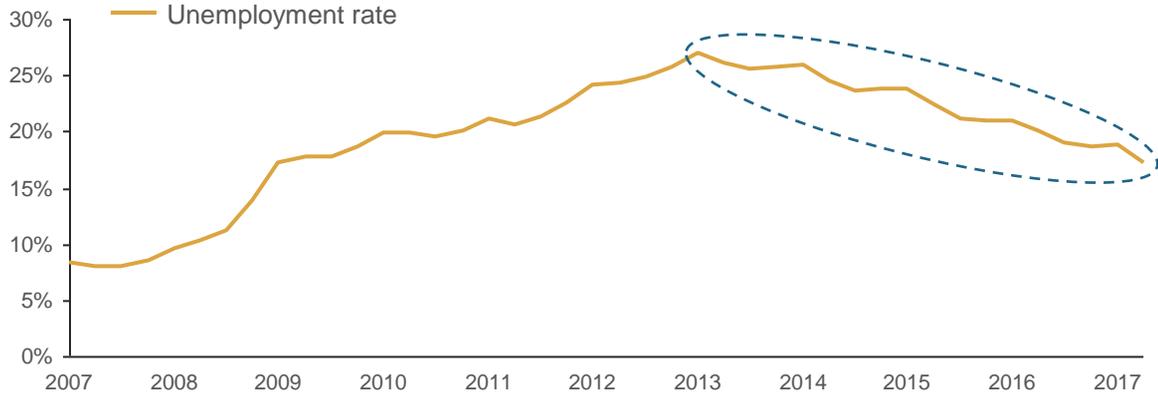
- Intility (IT Infrastructure)
- Miratech partnership (AD/AM)
- ERP/Finance/HR
- Portfolio pricing
- Digitalization
 - Dialer
 - BI/DW
 - Core collection Systems
 - Debtor/Client Portals
 - Skill based collection
- CRM
- Branding
- Common KPIs
- Accounts Receivable Management (ARM)

Positive effects from “One Axactor”



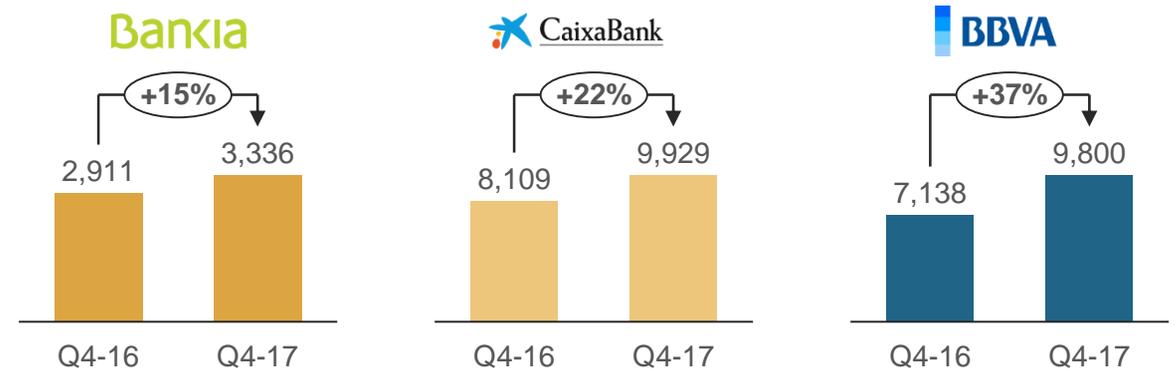
Trends in Spanish macro and banking supportive of REOs

Unemployment declining²

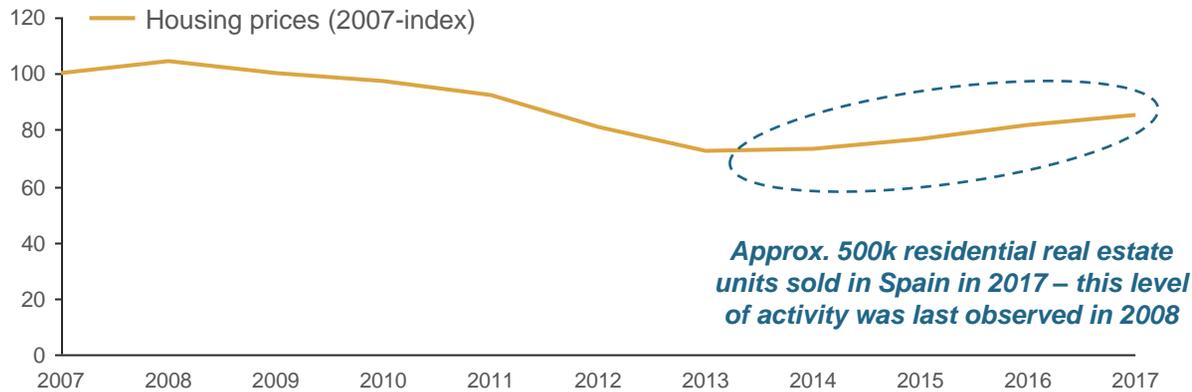


After years of decline, lending in the banking sector is rising

Development in consumer lending balances among selected Spanish banks (EUR million)¹

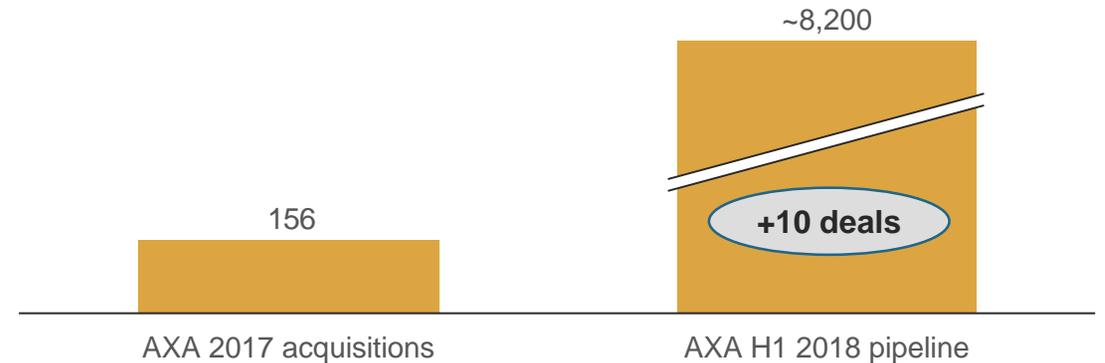


Housing prices on the rise²



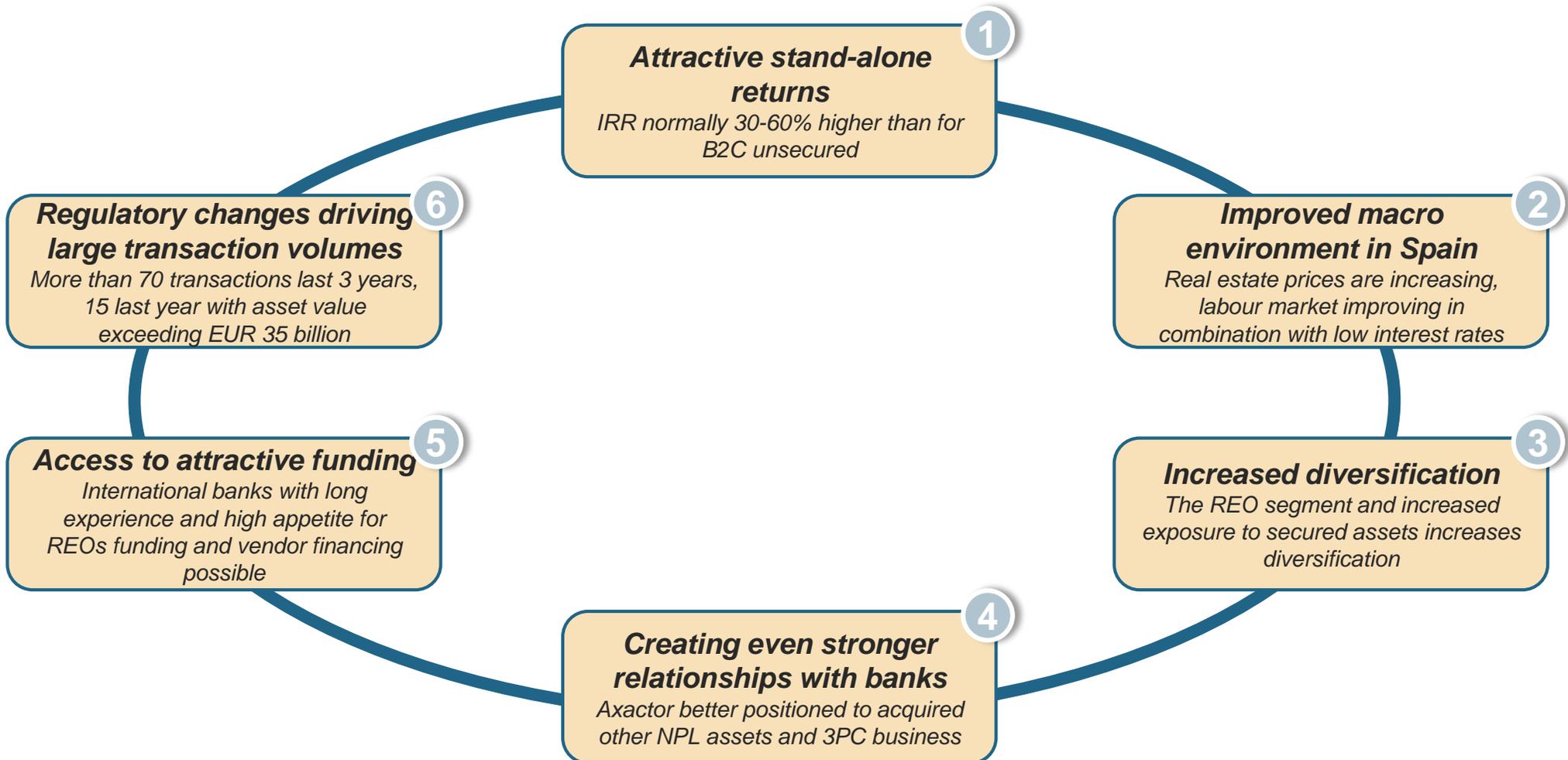
Healthy pipeline of Spanish REO opportunities

Pipeline illustration: Axactor acquisitions 2017 vs pipeline H1 2018 (EURm)



Acquisition of REO portfolios attractive for Axactor

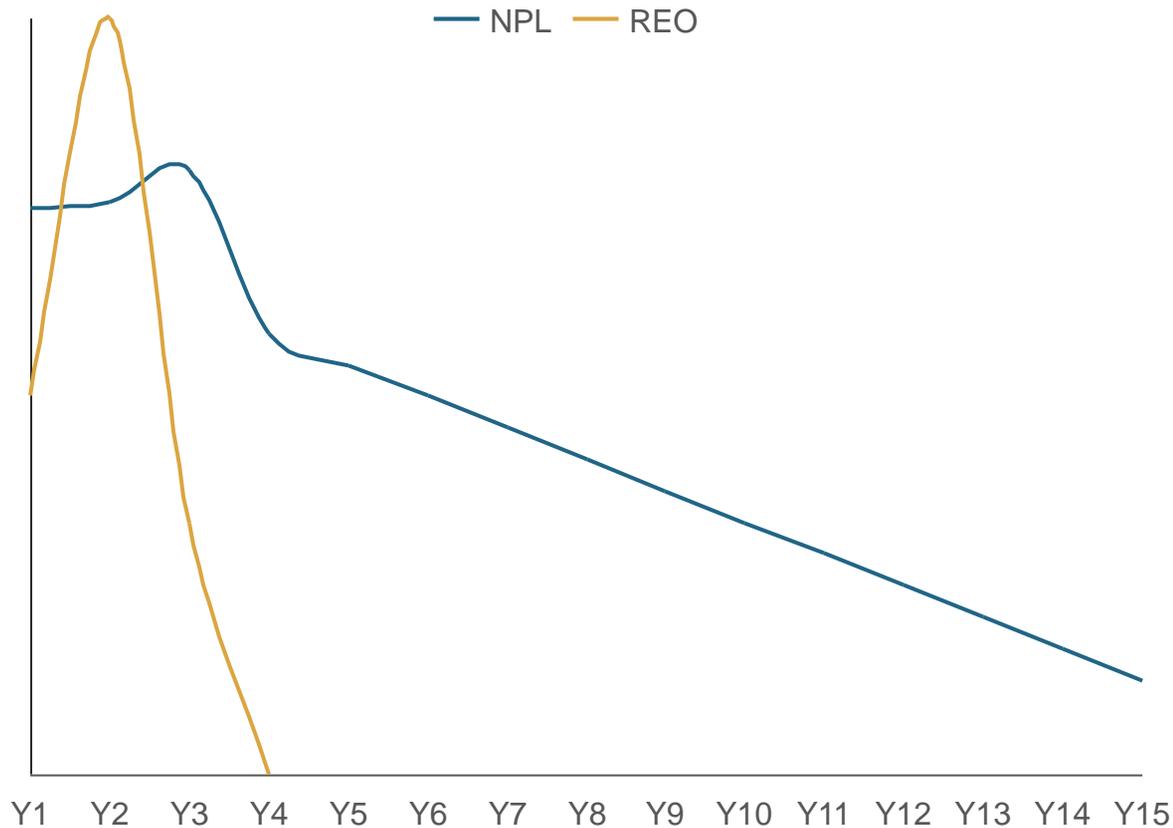
Real Estate Owned (REO) attractions



REOs have significantly shorter payback time relative to NPL portfolios

Portfolio cash flow characteristics

Gross collection in year



Comments

- NPL portfolios with finance claims are characterised by long and stable cash flows (+15 years)
 - REO portfolios typically last 3-5 years before depletion
- REOs with a lower money multiple, but shorter payback time, ensuring healthy IRR levels
- Accounting treatment of NPLs rely on amortized cost principle, i.e. amortization is based on forecasted collections and reported above net revenue
 - Accounting treatment of REOs rely on stock held for sale principle, i.e. cost of sale is performed when an asset is sold and posted as opex

	NPL (FI)	REO
Gross payback	40-50 months	20-30 months
Money multiple	>2.0	~1.4
Lifetime	>15 years	3-5 years

Shareholders and BoD

Top 20 shareholders

Employees owns approximately 10% of the company

Investor	Number of shares	% of total
Geveran trading	173 902 500	11,47 %
Verdipapirfondet DNB Norge	106 704 919	7,04 %
Tvenge Torstein	70 000 000	4,62 %
Ferd	53 351 399	3,52 %
Songa Trading	47 423 467	3,13 %
Verdipapirfondet Alfred Berg Gamba	35 553 765	2,34 %
Verdipapirfondet Alfred Berg Norge	28 901 448	1,91 %
First Generator	25 187 740	1,66 %
Arctic Funds	24 845 540	1,64 %
Verdipapirfondet Delpi Norden	21 581 609	1,42 %
Gvepsborg	20 364 945	1,34 %
VPF Nordea Norge	20 131 026	1,33 %
Handelsbanken fonds	18 658 703	1,23 %
Statoil Pensjon	18 634 327	1,23 %
Alpette	16 616 431	1,10 %
Nordnet Livsforsikring	15 346 569	1,01 %
Pacunia Forvaltning	13 900 000	0,92 %
Verdipapirfondet Alfred Berg Aktiv	13 410 518	0,88 %
VPF Nordea Kapital	12 147 486	0,80 %
Maritin Ibeas David	11 451 250	0,76 %
Total top 20	748 113 642	49,4 %
Total shares	1 516 237 427	

Board of directors



Bjørn Erik Næss
Chairman



Brita Eilertsen
Board member



Beate S. Nygårdshaug
Board member



Terje Mjøs
Board member



Merete Haugli
Board member



Harald Thorstein
Board member



Michael Hylander
Board member
(Deputy)