AXACTOR

Report
Q2 2020

23 July 2020

Highlights

Second quarter 2020

- Axactor's operations and financials for the second quarter of 2020 were significantly affected by the Covid-19 outbreak. After a challenging start to the quarter, activity gradually improved with the ramp-up in Axactor's markets beginning in late May.

- As indicated in the interim report for the first quarter 2020, Axactor has assessed the implications on its valuation models, and has charged the financial statement with a negative revaluation of EUR 27.0 million for the NPL portfolio and an impairment accrual of EUR 26.0 million on the REO assets. The write-downs are mainly related to the financial impact of Covid-19. As a consequence EBITDA was negative EUR 30.0 million, compared to a positive EUR 26.1 million in the second quarter last year. Cash EBITDA was EUR 44.4 million, compared to EUR 65.4 million. The company has obtained a waiver on its main credit facility for a covenant relating to the Cash EBITDA level for Q2 and Q3 2020.

- Gross revenue in the second quarter declined 22% year-on-year to EUR 70.8 million (91.3), mainly due to lower REO revenues in the quarter. Total revenue decreased to EUR 28.7 million (72.4), reflecting also the impact of the NPL revaluation.

- Axactor has implemented significant cost reductions during the second quarter in order to mitigate the effect of a weaker business sentiment. Several of the initiatives will continue into the third quarter, aligning the cost base with the business environment.

- Net loss for the second quarter amounted to EUR 44.4 million, down from a profit of EUR 6.2 million in second quarter last year.

- Axactor invested EUR 62.0 million (149.2) in NPL portfolio acquisitions in the second quarter of 2020, the majority of which was invested under existing forward flow agreements in the Nordics. The company has held back on investments after the outbreak of the Covid-19 and expects a shift towards a net positive cash flow after investments during the second half of the year.

- Despite holding back on new investments Axactor expects to deploy in excess of EUR 200 million for the full year 2020, securing significant volume growth going into 2021.

- On 26 June, the Board of Directors of Axactor SE announced that Johnny Tsolis had been appointed permanent CEO with immediate effect. Mr. Tsolis has been the acting CEO of Axactor since 2 April 2020.

- On 24 April, Teemu Alaviitala was appointed CFO of Axactor SE. Mr. Alaviitala comes from the position as CFO for Nordea's Norwegian business.

First half 2020

- Gross revenue amounted to EUR 150.0 million and total revenue to EUR 84.3 million in the first half 2020, corresponding to declines of 18% and 42%, respectively, from the first half 2019.

- EBITDA was EUR -15.8 million (48.3) for the first half 2020, reflecting a weaker business sentiment, net negative revaluation of EUR 27.0 million for the NPL portfolio, and an impairment accrual of EUR 26.0 million for the REO assets. Cash EBITDA was EUR 92.6 million (124.2).

- Loss before tax amounted to EUR 41.3 million for the first half 2020 (+17.8), and the net loss to EUR 40.9 million (+10.8).

- Total investments amounted to EUR 152.0 million for the first half 2020 (218.1). The company expects total investments in excess of EUR 200 million for the full year 2020, and a shift towards positive cash flow after investments during the second half of 2020.

Key Figures Axactor Group

EUR million	For the quarter end 30 Jun 2020	For the quarter end 30 Jun 2019	Year to date 30 Jun 2020	Year to date 30 Jun 2019	Full year 2019
Gross revenue	**70.8**	91.3	150.0	181.9	368.1
Total revenue	**28.7**	72.4	84.3	146.1	285.2
EBITDA	**-30.0**	26.1	-15.8	48.3	92.1
Cash EBITDA [1)]	**44.4**	65.4	92.6	124.2	250.8
Depreciation and amortization (excl Portfolio Amortization)	**-2.6**	-2.4	-5.2	-4.7	-10.1
Net financial items	**-14.4**	-13.9	-20.3	-25.8	-49.4
Tax (expense)	**2.5**	-3.7	0.4	-7.0	-11.7
Net profit/(loss) after tax	**-44.4**	6.2	-40.9	10.8	21.0
Return on Equity, excluding Non-controlling interests	**-9.2 %**	1.7 %	-7.4 %	2.4 %	5.8 %
Return on Equity, including Non-controlling interests	**-12.2 %**	1.6 %	-11.3 %	2.9 %	5.6 %
Cash and Cash Equivalents, end of period [2)]	**31.4**	66.5	31.4	66.5	71.7
Gross revenue from NPL Portfolios	**54.5**	50.1	108.6	102.5	217.1
Gross revenue from REO Portfolios	**6.6**	25.1	18.1	49.7	91.2
Acquired NPL portfolios during the period	**62.0**	149.2	151.8	217.8	398.3
Acquired REO portfolios during the period	**0.1**	0.2	0.3	0.3	0.7
Book value of NPL, end of period	**1,107.3**	909.7	1,107.3	909.7	1,041.9
Book value of REO, end of period	**88.6**	162.5	88.6	162.5	129.0
Estimated Remaining Collection, NPL	**2,153.1**	1,721.3	2,153.1	1,721.3	2,038.4
Interest bearing debt, end of period	**918.5**	831.7	918.5	831.7	929.9
Number of Employees (FTEs), end of period	**1,135**	1,131	1,135	1,131	1,152
Price per share, last day of period	**6.01**	18.70	6.01	18.70	19.00

1) Cash EBITDA is EBITDA adjusted for calculated cost of share option program, portfolio amortizations, revaluations, REO cost of sales and REO impairments.

2) Restricted cash excluded

Operations

Axactor's operations in the first half 2020 were significantly impacted by the outbreak of Covid-19, and the company's top priorities have been to protect its employees while remaining operational for the benefit of its customers, debtors and partners. As indicated in the interim report for the first quarter, the financial effects of the Covid-19 pandemic deepened in the second quarter, although the business environment improved as the markets gradually reopened for business towards the end of the quarter. This bodes for improved collection performance in the second half of the year. Axactor has also implemented a wide range of cost reduction initiatives that have gradually lowered the cost base through the second quarter, which will partly continue into the second half of 2020.

Organization and systems

Headquartered in Oslo, Norway, Axactor operates in six geographical markets; Spain, Norway, Germany, Italy, Sweden and Finland, and have remained operational in all six markets despite the Covid-19 challenges. Axactor has a flexible and sustainable business system, with centralized group functions, a standardized organizational set-up with scalable solutions and strong local operations in each market. Axactor has since the beginning in 2015 been a technology and IT-driven company with secure and scalable digital solutions at the core of its operating model, with cloud-based collection systems supported by outsourced IT-solutions. This model has helped Axactor to stay operational and provide normal services to its debtors, customers and partners.

As described in the first quarter report, Axactor was working under the assumption that the macroeconomic situation could worsen further in the second quarter and took early action to mitigate the negative financial effects and safeguard liquidity. This included temporary workforce reductions, a temporary salary cut for all employees at headquarter and selected management teams, suspension of bonus models, temporary suspension of IT development projects, and temporary price reductions from IT vendors. The temporary workforce reductions initially affected close to 400 employees, of which all are expected to resume work during July.

At the same time, the company has worked to reduce its investment obligations in Q2 and the second half of 2020, by postponing forward flow agreements, converting forward flow agreements into 3PC, and abstaining from one-off portfolio purchases. The company expects a shift towards positive cash flow after investments during the second half of the year.

Following a site consolidation in the second quarter, all Norwegian operation will be focused in two locations. This is expected to increase efficiency for the 3PC segment. An additional site close-down was carried out in Sweden in the quarter and is expected to reduce cost going forward. A total of EUR 1.2 million in restructuring cost related to the site close downs is included in the second quarter financial statement.

The Axactor Business Intelligence platform is improving month by month and has become an integrated part of operations. A common data warehouse for all core collections systems and a sophisticated common dialer enables concentration of all key information of the business in a group wide business intelligence tool. This improves efficiency and control and enables a shift from reporting to analytics, as well as providing additional value to Axactor's customers.

NPL – Gradual improvement after challenging start to the quarter

NPL gross revenue for the quarter increased to EUR 54.5 million (50.1), whereas NPL total revenue declined to EUR 12.4 million (31.3) following the EUR 27 million negative revaluation. While the effect of Covid-19 escalated during March and April, the collection performance gradually began to improve during May.

For the first half year, gross NPL revenue amounted to EUR 108.6 million (102.5), whereas total NPL revenue amounted to EUR 42.9 million (66.6).

The Covid-19 impact has been most pronounced in Spain, where public processes were slowed down or stopped at bailiffs and public notary offices for most of the second quarter. The smaller operation in Italy has also been significantly affected, whereas the impact has been less severe in Germany, Norway, Sweden and Finland.

The Swedish bailiff system – "Kronofogden" – has represented a bottleneck throughout the first half 2020, due to changes of IT systems resulting in a high backlog and delays. The bailiff reports to be back to normal operation with regards to new case registrations, while the back log is expected to be processed by the end of 2020.

Axactor has worked to assess the impact on its valuation models and have charged the financial statements for the first half year with a negative revaluation of EUR 27.0 million on the NPL portfolio. This corresponded to 2.4% of the book value of the portfolio.

As a result, the book value of the NPL portfolio stood at EUR 1,107 million at the end of the first half 2020 (910), an increase of 4% from the end of the first quarter 2020. ERC for the NPL portfolio stood at EUR 2,153 million (1,721), compared to EUR 2,052 million at the end of the first quarter. ERC for the coming 12 months is estimated at EUR 263 million, compared to gross NPL revenues of EUR 223 million over the past 12 months.

NPL portfolio investments amounted to EUR 62.0 million in the second quarter (149.2) and EUR 151.8 million for the first half year (217.8), which almost entirely reflects investments under forward flow agreements. The investment level in the first half of 2020 and ongoing forward flow agreements will secure significant volume growth for Axactor in 2020.

Axactor's scalable setup is well positioned to take advantage of continued reopening of the economies. A potential new major lockdown in one or more of Axactor's markets would however have a significant impact on the expected return to a normal activity level.

3PC – Increased relevance for customers

Total revenue from 3PC decreased by 40% year-over-year to EUR 9.7 million in the second quarter 2020 (16.0), and to EUR 23.1 million for the first half year (29.6).

The decline in the second quarter is mainly explained by temporary suspension of the collection mandates from a large share of the banks in Spain and Italy due to Covid-19. The suspension of field services in Germany from March through May had a negative impact on 3PC revenue in the quarter as well. Compared to last year, a weaker NOK also caused negative currency translation effects for the Norwegian collection.

Covid-19 and the resulting economic effects are expected to increase the volume of non-performing loans at customers' balance sheets. Given that most collection companies face capital constraints, there is an imbalance between supply and demand. This in turn is likely to create increasing demand for 3PC services in all Axactor markets going forward, as the NPL portfolio market is not able to absorb the available volume.

Axactor maintains a stronghold position in the large Spanish market, where the client list includes the top-12 banks as well as leading insurance companies and real estate firms. Axactor is also well positioned to grow on cross-border deals in the bank/finance sector in the Nordic region. In the second quarter, Axactor renewed and expanded an existing forward flow contract with an initial 3PC servicing element, adding to three such contracts entered into in the first quarter. The combination of 3PC and forward flow contracts lower the capital intensity of Axactor while remaining an attractive way for clients to offload their balance sheets.

REO – Disruption from Covid-19 in Spain

Total revenue from the REO segment amounted to EUR 6.6 million in the second quarter (25.1) and EUR 18.1 million in the first half year (49.7). All Axactor's REO assets are in Spain, and the closure of public notary offices from March through May affected both ongoing sales and the completion of already entered REO sales. As described in the interim report for the first quarter, the business was effectively closed until public offices reopened, and the revenue in the second quarter mainly reflects settlements of agreements entered in the first quarter.

REOs is not considered a core part of Axactor's business going forward, and no new portfolios have been acquired since 2018.

The company sold 256 units (657) at an average price of EUR 25,640 (38,129) during the second quarter, and 563 units (1,212) at an average price of EUR 32,125 (41,019) during the first half year.

Remaining inventory stood at 3,489 units at the end of the first half year, which is a decline of 13% since the end of 2019 and down 32% year-over-year.

The book value of the REO portfolio stood at EUR 88.6 million at the end of the quarter (162.5), reflecting the EUR 26.0 million impairment accrual.

Axactor has a minority interests in the Reolux holding entity and two asset-owning subsidiaries of Reolux. Although the REO numbers are consolidated on a 100%-basis in Axactor's financial statements, Axactor's total exposure to the REO stock is approximately 40%.

Management change

The Board of Directors of Axactor SE on 2 April released CEO Endre Rangnes from his position and appointed CFO Johnny Tsolis as interim CEO with immediate effect. The Board of Directors on 26 June appointed Mr. Tsolis as permanent CEO.

Johnny Tsolis has long experience within debt management and was one of the founders of Axactor in 2015. Prior to taking the position as CFO, Tsolis was responsible for Strategy and M&A in Axactor.

On 24 April, Teemu Alaviitala was appointed CFO of Axactor SE. Teemu comes from the role as CFO for Nordea's Norwegian business and has previously been CFO and Chief Strategy officer at Gjensidige Bank and Head of Business planning analyses in Citibank with the responsibility for the Nordic markets.

Vibeke Ly, former Head of Legal and Compliance, has been appointed Chief of Staff. Ms. Ly will keep the responsibility for the legal and compliance area, as well as new responsibilities within HR and Communication. Ms. Vibeke Ly has more than 8 years of experience from the industry. Prior to joining Axactor, Ms Ly held the positions as group corporate lawyer and group data protection officer in Intrum, and EVP group compliance and group corporate lawyer in Lindorff.

Arnt André Dullum took over the responsibilities as COO effective from 18 May. Mr. Dullum comes from the position as head of Operations in Axactor Norway and he holds an MBA from NHH Norwegian School of Economics and a bachelor's degree from BI Norwegian Business School. He has extensive industry experience from various positions within the former Lindorff group between 2003 and 2017. Former COO Oddgeir Hansen will retire on 1 January 2021 and will be available for the company during the transition period.

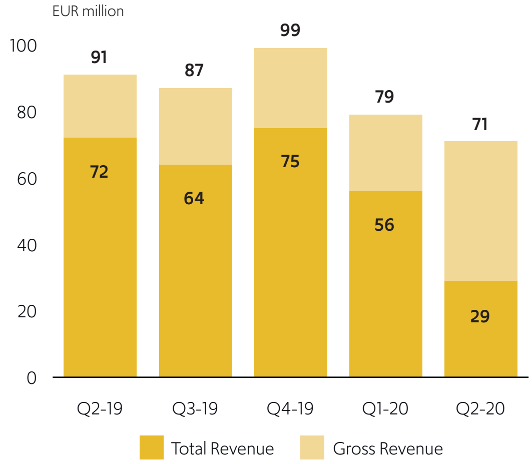
Effective from 1 August 2020, Kyrre Svae has been appointed Chief of Strategy & IR at Axactor SE. Mr. Svae comes from the role as Founder and Managing Partner in Breidablikk Consulting AS, and has 14 years of experience working as a management consultant on international projects. Mr. Svae has extensive experience from strategy development, operational improvement and M&A in a wide range of industries, including the debt management industry. Prior to founding Breidablikk Consulting AS, Mr. Svae worked as Partner in Cardo Partners AS, and he holds an M.Sc. from Copenhagen Business School.

Financials

Revenues

Total Revenue and Gross Revenue

EUR million



Gross revenue for the second quarter 2020 was EUR 70.8 million (91.3), a decline of 22% from the second quarter last year and 11% below the previous quarter. The decline mainly reflects the negative impact of the Covid-19, which has affected all operating segments. For the first half year 2020, the company had gross revenue of EUR 150.0 million (181.9).

Total revenue amounted to EUR 28.7 million (72.4), down from EUR 55.6 million in the previous quarter. Total revenue included portfolio amortization of EUR 15.1 million and a EUR 27.0 million negative revaluation of the NPL portfolio to reflect a weaker business outlook as a result of Covid-19. The NPL revaluation corresponded to 2.4% of the book value of the NPL assets. Total revenue for the first half year amounted to EUR 84.3 million (146.1), with the decline explained by the portfolio revaluation, lower 3PC collection, and lower sales in the non-core REO segment.

The Covid-19 pandemic and the measures to limit its spread has affected all Axactor's six geographical markets. The negative effect has been strongest for the Spanish operations, which also comprises the company's REO business.

NPL gross revenue – before amortization and revaluation – was EUR 54.5 million (50.1), compared to EUR 54.2 million in the previous quarter. NPL total revenue amounted to EUR 12.4 million (31.3), including ordinary NPL amortization of EUR 15.1 million and the NPL revaluation of EUR 27.0 million. This compares to NPL total revenue of EUR 30.6 million in the first quarter 2020.

For the first half year, NPL gross revenue amounted to EUR 108.6 million (102.5), whereas NPL total revenue amounted to EUR 42.9 million (66.6).

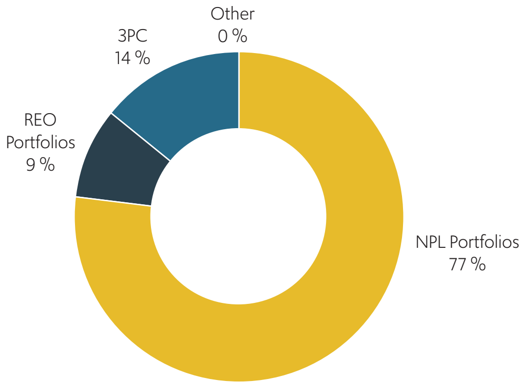
The collection performance started to rebound as the markets gradually reopened for business during May, which bodes for improving NPL revenue in the second half of the year.

3PC total revenue amounted to EUR 9.7 million in the second quarter (16.0), which compares to EUR 13.5 million in the first quarter 2020. The decline mainly reflects temporary suspension of collection due to Covid-19 in Italy and Spain and temporary suspension of field services in Germany. For the first half year, 3PC total revenue amounted to EUR 23.1 million (29.6). Demand for 3PC services is expected to improve in the second half of the year.

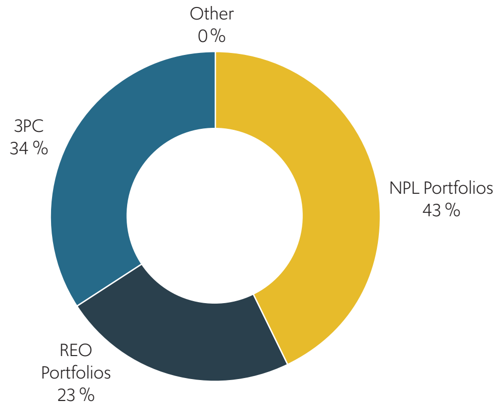
REO total revenue were EUR 6.6 million in the second quarter 2020 (25.1), which compares to EUR 11.5 million in the first quarter 2020. Due to Covid-19, REO assets sales practically came to a complete stop during the lockdown period in Spain. Revenue in the second quarter mainly reflects completion of first quarter sales contracts that were stopped when public notary offices shut down in March. While the situation is slowly beginning to normalize it is premature to conclude on volumes or price levels for the second half of the year.

For the first half year, REO total revenue amounted to EUR 18.1 million (49.7). Axactor does not consider the REO business a core part of its business going forward.

Gross Revenue mix Q2-20



Total Revenue mix Q2-20



Operating expenses

Total operating expenses before depreciation and amortization amounted to EUR 58.6 million for the second quarter (46.3), including a EUR 26.0 million impairment accrual of REO assets. This compares to operating expenses of EUR 41.5 million in the first quarter 2020.

Operating expenditure also includes restructuring cost related to site close downs in Norway and Sweden, amounting to EUR 1.2 million. The site consolidations are expected to increase efficiency and lower the cost level going forward.

For the first half 2020, total operating expenses amounted to EUR 100.1 million before depreciation and amortization (97.8).

As described under the Operational Review, the company took early action to mitigate the effects of a weaker business sentiment due to Covid-19, including temporary workforce reductions, salary cuts, and reductions of IT investments and other operational costs. This had a gradually increasing effect from April. Excluding REO impairments, operating costs amounted to EUR 32.6 million in the second quarter 2020 (46.3), compared to EUR 40.4 million in the first quarter 2020.

Depreciation and amortization – excluding amortization of NPL portfolios – were EUR 2.6 million for the second quarter (2.4), compared to EUR 2.6 million in the first quarter 2020. For the first half year, depreciation and amortization amounted to EUR 5.2 million (4.7).

Operating results

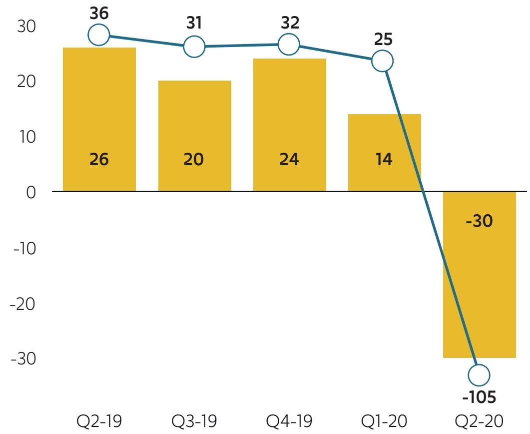
Total contribution from the business segments amounted to EUR -20.9 million in the second quarter (35.2), with the decline primarily reflecting the impairment accrual and revaluation with a total negative effect of EUR 53.0 million as well as lower revenue for both 3PC and REO in the period. Total contribution from the business segments was EUR 25.4 million in the first quarter 2020. For the first half year, total contribution from the business segments amounted to EUR 4.5 million (69.0).

Contribution from the NPL segment was EUR 4.0 million in the second quarter (24.9) compared to EUR 21.1 million in the previous quarter. This corresponded to 33% margin on total segment revenue (80%).

Contribution from 3PC was EUR 1.9 million (7.9), compared to EUR 4.8 million in the previous quarter, with the lower contribution mainly reflecting the temporary collection suspension initiated by Italian and Spanish banks during the Covid-19 lockdowns. The margin on total segment revenue was 20% (50%).

Contribution from the REO segment was a negative EUR 27.0 million in the second quarter (2.3), including the REO impairment accrual of EUR 26.0 million. This compares to a negative contribution of EUR 0.5 million in the first quarter.

EBITDA and EBITDA-margin
EUR million and %



EBITDA was EUR -30.0 million in the second quarter (26.1), which was a decline from EUR 14.1 million in the first quarter 2020. For the first half year, EBITDA was EUR -15.8 million (48.3).

The difference between contribution margin and EBITDA comprises unallocated SG&A and IT costs, which amounted to EUR 9.0 million in the second quarter (9.0). This was a decline from EUR 11.3 million in the first quarter, reflecting significant cost reductions initiated due to the Covid-19 outbreak. For the first half year, unallocated SG&A and IT costs amounted to EUR 20.3 million (20.7).

Cash EBITDA amounted to EUR 44.4 million in the second quarter (65.4), with the decline primarily explained by lower REO sales. This compares to EUR 48.2 million in the first quarter 2020. For the first half year, Cash EBITDA amounted to EUR 92.6 million (124.2).

Cash EBITDA is defined as EBITDA excluding amortization and revaluations of NPL portfolios, REO cost of sales and impairments, and calculated costs related to the share option program.

Operating profit (EBIT) was EUR -32.6 million in the second quarter 2020 (23.7), down from EUR 11.5 million in the first quarter 2020. For the first half year, EBIT was EUR -21.1 million (43.6).

Net financial items

Total net financial items were a negative EUR 14.4 million for the second quarter (13.9), comprising interest expense on borrowings of EUR 13.9 million (13.0), and other financial items of a negative EUR 0.4 million (0.9).

The increase in interest expense generally reflects financing of the investments carried out in the respective periods.

For the first half year, net financial items were a negative EUR -20.3 million (-25.8).

Earnings and taxes

The loss before tax was EUR 46.9 million for the second quarter 2020 (+9.8), whereas net loss was EUR 44.4 million (+6.2).

Net loss to non-controlling interest amounted to EUR 17.7 million for the second quarter 2020, versus a net profit of EUR 1.5 million in the second quarter 2019.

Net loss to equity holders amounted to EUR 26.7 million, compared to a net profit of EUR 4.6 million in the second quarter 2019.

Earnings per share was hence EUR -0.144 on a reported basis (0.030), and EUR -0.137 on a fully diluted basis (0.026), based on the average number of shares outstanding in each period.

For the first half year 2020, the loss before tax was EUR 41.3 million (+17.8) and the net loss EUR 40.9 million (+10.8). The net loss to non-controlling interests was EUR 19.4 million (+4.1) and the net loss to equity holders EUR 21.5 million (+6.6). Earnings per share was EUR -0.120 on a reported basis (0.043) and EUR -0.114 on a fully diluted basis (0.038).

Cash flow

Cash flow from operating activities amounted to EUR 44.6 million (51.0) in the second quarter 2020. The deviation from cash EBITDA mainly reflects changes in working capital.

The total amount paid for NPL portfolio acquisitions was EUR 65.1 million (147.2) in the second quarter, and total net cash flow from investments EUR -66.7 million (-150.2).

Total cash flow from financing activities was EUR 9.7 million (43.3) in the second quarter, mainly drawdowns to fund NPL acquisitions, partly offset by repayments and interest payments on outstanding loans.

For the first half year, cash flow from operations was EUR 94.0 million (116.3), cash outflow from investing activities EUR 151.3 million (225.2) and cash flow from financing activities EUR 15.8 million (107.4).

Total cash and cash equivalents, including restricted cash of EUR 2.9 million (2.8), were EUR 34.3 million at the end of the first half year (69.3), compared to EUR 75.4 million at the end of 2019 and EUR 48.8 million at the end of the first quarter 2020.

Equity position and balance sheet considerations

Total equity for the Group was EUR 363.1 million at the end of the first half year (375.9), including minority interests of EUR 73.6 million (103.2). This compares to EUR 396.4 million at the end of the first quarter 2020.

The development in the quarter mainly reflects the negative effects of impairment accruals and negative revaluations totaling EUR 53.0 million, split between EUR 27.0 million on the NPL portfolio and EUR 26.0 million on REO assets.

The equity was positively affected by the improved currency rate between EUR and SEK and in particular NOK. Foreign currency translation differences through other comprehensive income in the second quarter amounted to EUR 12.0 million (-0.6). The exchange differences occur from the conversion of investments in subsidiaries using NOK and SEK as functional currencies into EUR, which is the presentation currency of Axactor SE. For the first half year, the foreign currency translation differences through other comprehensive income amounted to negative EUR 20.0 million (+0.6).

The equity ratio was 27% at the end of the first half year (30%), compared to 29% at the end of the first quarter.

Increased focus on Return on Equity

Axactor targets improved return on equity over time, based on increasing economies of scale, changes in the business mix, reduced funding cost and the gradual blending in of lower NPL Portfolio prices. The company sees growth opportunities in the capital light 3PC activities and increasing 3PC and NPL synergies, whereas the noncore REO business will be phased-out over time. The company also expects a gradual lowering of the effective tax rate towards 25% to support the return on equity.

Capital expenditure and Funding

Axactor invested EUR 62.0 million (149.2) in NPL portfolio acquisitions in the second quarter of 2020, down from 89.7 million in the previous quarter. For the first half year NPL portfolio investments amounted to EUR 151.8 million (217.8). REO portfolio investments have been insignificant in 2019 and 2020.

The investments have been financed with own cash flow and drawdowns on existing credit facilities. Own funds were strengthened through the completion of a private placement in the first quarter 2020, which generated gross proceeds of approximately EUR 51 million through the issue of 30 million new shares at a subscription price of NOK 17.25.

The NPL investment have primarily reflected investment obligations under forward flow contracts. As described in the interim report for the first quarter 2020, Axactor has held back on its investments due to the increased investment risk as a result of Covid-19. The company has sought to renegotiate forward flow agreements to include 3PC servicing and/or postpone capex. Combined with cost reductions this is expected to generate a shift towards a positive cash flow after investments during the second half of the year. Overall, the company estimates the capex requirement for its remaining forward flow agreements to be in the range of EUR 65 to 70 million the last two quarters of 2020, bringing the total NPL investments for the year to north of EUR 200 million.

The main component of the company's external funding is a EUR 500 million revolving credit facility with the main banking partners DNB and Nordea, of which EUR 75 million in an accordion option. As per the end of the first half year 2020 the company had drawn approximately EUR 389.9 million on the RCF.

During the second quarter 2020, the maturity of the RCF was extended by one year from December 2020 to December 2021, conditional on refinancing the bond by end of the first quarter of 2021. Due to the financial impact of the Covid-19 situation, Axactor have been granted a waiver for an RCF covenant pertaining to NIBD/Pro-forma adjusted Cash EBITDA for the second and third quarter of 2020. The company was thus not in breach with any covenant as per the end of the second quarter of 2020.

Axactor's outstanding bond loan of EUR 200.0 million matures 23 June 2021.

Axactor's Italian entity is locally funded through different facilities with a number of Italian banks, with a total outstanding amount of EUR 43.6 million.

Axactor Invest 1, which is jointly owned with Geveran, is externally financed through a senior debt loan of EUR 120 million and a mezzanine loan of EUR 140 million, both of which are fully drawn. Axactor also has a balance of EUR 37.0 million on a REO financing arrangement in Reolux, with Nomura.

Total interest-bearing debt including capitalized loan fees and accrued interest amounted to EUR 918.5 million per the end of the first half year 2020 (831.7), up from EUR 884.1 million at the end of the first quarter 2020.

Risk assessment

As described in the Annual Report for 2019, Axactor's regular business activities entail exposure to various types of risk, including risk related to economic growth and employment levels in Axactor's markets.

These risk factors were underlined with the Covid-19 outbreak during the first half of 2020, which had a significant impact on the results for the first half year and must be expected to impact the financial statements also going forward. The company remains committed to responsible collection practices in this situation, with the aim to find the best possible solutions for its customers, debtors and partners.

Axactor has operated responsibly and in compliance with rules and recommendations from local and national authorities in all the six countries with operations, both to safeguard its employees and their families and local communities, and to ensure that the company remained operational for its customers, debtors and partners.

Axactor's business continuity plans have ensured that the company has remained in full operation, although most of the staff have worked from home for parts of the first half year. This has been enabled by an operating model with secure and scalable core digital solutions, cloud-based collection systems, and outsourced IT-solutions.

The company has taken action to mitigate the negative financial effects of the Covid-19 pandemic, including temporary workforce reductions, temporary salary cuts for all employees at the headquarter and selected management teams, suspension of bonus models, temporary suspension of IT development projects, temporary price reductions from IT vendors, and other cost savings initiatives. While approximately 400 employees were furloughed in April, all of which are expected to resume work during July 2020.

Axactor had equity of EUR 363.1 million and an equity ratio of 27% per the end of the first half 2020, following revaluations of the NPL portfolio and impairment accruals for the REO assets. Due to the financial impact of Covid-19, the company requested and were granted a waiver from its banking relations for an RCF covenant for the second and third quarter 2020. As long as the ongoing re-opening after the Covid-19 pandemic continues as currently indicated, the risk of breaching any covenants during the second half of 2020 is significantly reduced.

Cash flow from operations was EUR 94.0 million in the first half year 2020, whereas the cash outflow from investing activities was EUR 151.3 million. The company has worked to reduce its financing commitments for 2020 and expects a more balanced cash flow situation during the second half of the year.

Axactor had a cash position of EUR 34.3 million per the end of the first half year 2020, which is considered sufficient given the lowered investment plans. Interest-bearing debt was EUR 918.5 million per the end of the first half 2020.

For the assessment of other risk factors, please refer to the Board of Directors report in the Annual Report for 2019.

Outlook

The outbreak of the Covid-19 pandemic and the measures to prevent the spreading of the virus had significant adverse effects on the collection performance and asset sales in the first half year of 2020. As indicated in the interim report for the first quarter, the negative financial effects deepened in the second quarter of the year. The company has performed an assessment of the impact on its valuation models, with the result that the financial statements for the first half year was charged with a negative revaluation of EUR 27.0 million on the NPL portfolio and an impairment accrual of EUR 26.0 million for the REO assets.

Axactor has seen a positive development on collection performance after the gradual reopening of the markets after the Covid-19 lockdowns. This bodes for improved performance in the second half of the year, although the longer-term effects on economic activity, unemployment levels and debtors' debt servicing abilities remain uncertain.

The current situation is expected to boost demand for 3PC services, which represents an asset light revenue opportunity for the company. The changing market environment has also generated a significant downward shift in the pricing of certain types of NPL portfolios, which may open profitable growth opportunities for the company in the longer run.

Axactor's investment obligations created a significant net cash outflow in the first half of the year, although the company has held back on investments to preserve cash and safeguard business continuity after the outbreak of the Covid-19 pandemic. The company now expects a shift towards positive cash flow after investments during the second half of 2020.

Axactor plans to invest in excess of EUR 200 million in NPL portfolios during 2020, which will secure volume growth also going into 2021.

Looking beyond the ongoing challenging period, Axactor aims to improve its return on equity and gradually deleverage. Axactor has built a unique debt management platform ready to benefit from significant scale effects, which together with favorable market terms for NPL acquisitions, growth in capital light 3PC, a tax rate expected to decline over time and lower funding costs, will be the drivers behind improved return on equity.

Responsibility Statement

We confirm that, to the best of our knowledge, the unaudited Financial Statements for first half of 2020, which have been prepared in accordance with IFRS as adopted by EU, gives a true and fair view of the Company's assets, liabilities, financial position and results of operations, and that the management report includes a fair review of the information required under the Norwegian account act.

Oslo, 22 July 2020
The Board of Directors

Glen Ole Rødland
Chairman of the Board

Brita Eilertsen
Board member

Merete Haugli
Board member

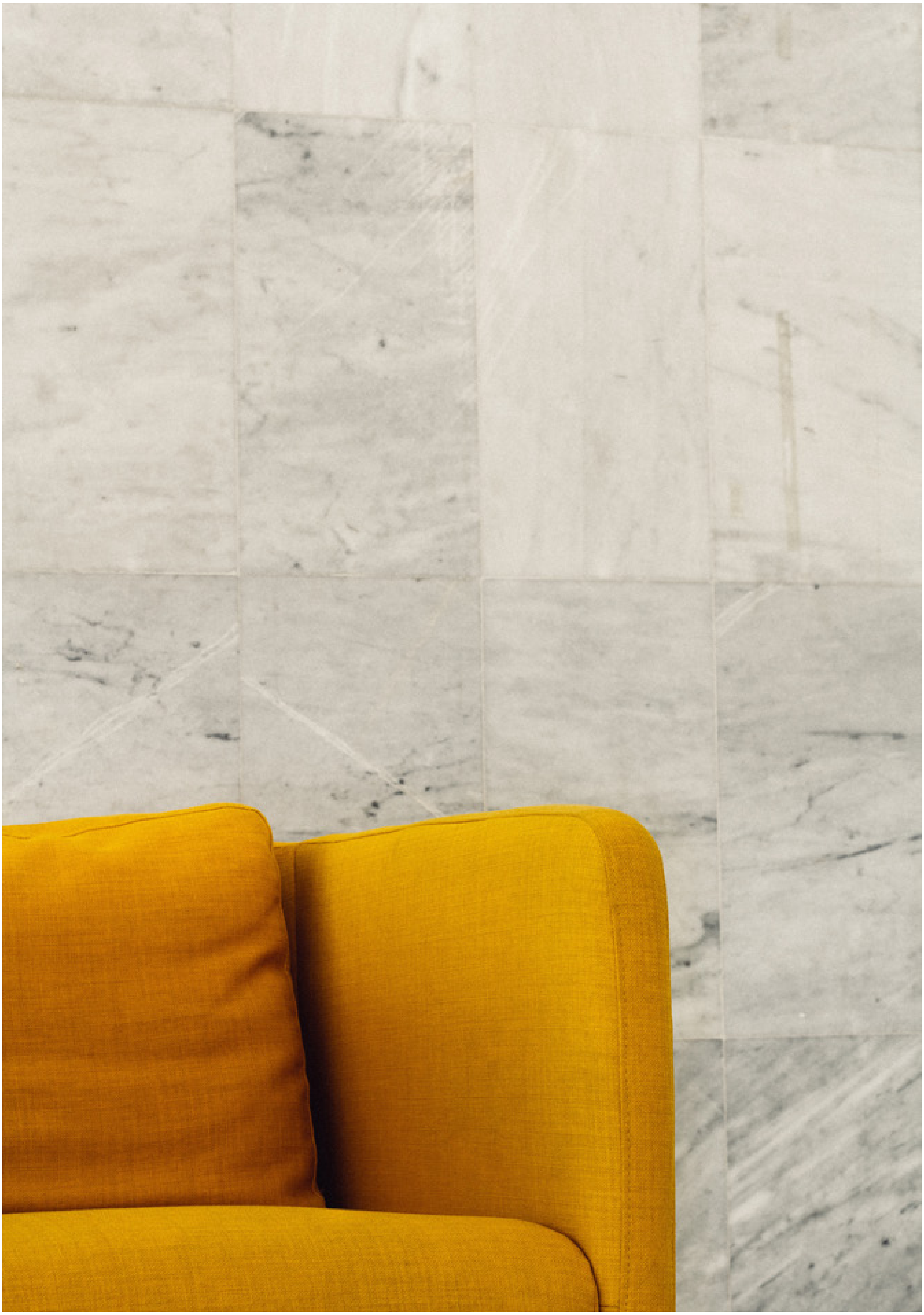
Lars Erich Nilsen
Board member

Kathrine Astrup Fredriksen
Board member

Terje Mjøs
Board member

Hans Harén
Board Member

Johnny Tsolis
Chief Executive Officer



Consolidated Statement of Profit and Loss

EUR thousand	Note	For the quarter end 30 Jun 2020	For the quarter end 30 Jun 2019	Year to date 30 Jun 2020	Year to date 30 Jun 2019	Full year 2019
Interest income from purchased loan portfolios	6	**40,511**	32,475	79,838	61,464	134,531
Net gain/loss purchased loan portfolios	6	**-28,147**	-1,188	-36,906	5,182	-319
Other operating revenue		**16,219**	41,088	41,222	79,347	148,926
Other revenue		**71**	44	99	74	2,021
Total Revenue	3,4	**28,654**	72,418	84,253	146,067	285,159
Cost of REO's sold, incl impairment	7	**-32,033**	-20,205	-42,207	-39,720	-74,464
Personnel expenses		**-12,923**	-13,925	-27,824	-29,461	-57,708
Operating expenses		**-13,663**	-12,143	-30,058	-28,602	-60,847
Total operating expense		**-58,619**	-46,273	-100,089	-97,782	-193,019
EBITDA		**-29,965**	26,145	-15,836	48,285	92,140
Amortization and depreciation		**-2,612**	-2,397	-5,224	-4,663	-10,115
EBIT		**-32,577**	23,748	-21,060	43,622	82,025
Financial revenue	5	**201**	29	9,934	43	2,787
Financial expenses	5	**-14,558**	-13,961	-30,213	-25,878	-52,176
Net financial items		**-14,357**	-13,932	-20,279	-25,835	-49,389
Profit/(loss) before tax		**-46,934**	9,815	-41,339	17,787	32,636
Tax (expense)		**2,538**	-3,661	393	-7,009	-11,667
Net profit/(loss) after tax		**-44,396**	6,154	-40,946	10,778	20,969
Net profit/(loss) to Non-controlling interests	5	**-17,722**	1,549	-19,438	4,133	4,643
Net profit/(loss) to equity holders		**-26,674**	4,605	-21,508	6,645	16,326
Earnings per share: basic		**-0.144**	0.030	-0.120	0.043	0.106
Earnings per share: diluted		**-0.137**	0.026	-0.114	0.038	0.093

Consolidated Statement of Comprehensive Profit and Loss

	For the quarter end		Year to date		
EUR thousand	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019	Full year 2019
Net profit/(loss) after tax	**-44,396**	6,154	-40,946	10,778	20,969
Items that may be classified subsequently to profit and loss					
Foreign currency translation differences - foreign operations	**12,006**	-579	-19,963	563	-1,904
Other comprehensive income/(loss) afer tax	**12,006**	-579	-19,963	563	-1,904
Total comprehensive income for the period	**-32,390**	5,575	-60,908	11,341	19,065
Attributable to:					
Non-controlling interests	**-17,722**	1,549	-19,438	4,133	4,643
Equity holders of the parent company	**-14,667**	4,026	-41,470	7,208	14,422

Interim Consolidated Statement of Financial Position

EUR thousand	Note	30 Jun 2020	30 Jun 2019	Full year 2019
ASSETS				
Intangible non-current assets				
Intangible Assets		**21,184**	19,678	21,486
Goodwill		**54,087**	56,288	56,170
Deferred tax assets		**11,776**	6,117	9,742
Tangible non-current assets				
Property, plant and equipment		**2,787**	3,157	2,903
Right-of-use assets	9	**5,765**	6,562	5,846
Financial non-current assets				
Purchased debt portfolios	6	**1,107,257**	909,702	1,041,919
Other non-current receivables		**530**	289	765
Other non-current investments		**193**	764	193
Total non-current assets		**1,203,579**	1,002,557	1,139,025
Current assets				
Stock of Secured Assets	7	**88,625**	162,471	129,040
Accounts Receivable		**6,468**	8,538	13,135
Other current assets		**11,797**	12,256	14,960
Restricted cash		**2,891**	2,830	3,739
Cash and Cash Equivalents		**31,398**	66,505	71,657
Total current assets		**141,179**	252,600	232,531
TOTAL ASSETS		**1,344,758**	1,255,157	1,371,556

Interim Consolidated Statement of Financial Position

EUR thousand	Note	30 Jun 2020	30 Jun 2019	Full year 2019
EQUITY AND LIABILITIES				
Equity attributable to equity holders of the parent				
Share Capital		**97,040**	81,338	81,338
Other paid-in equity		**236,454**	201,141	201,879
Retained Earnings		**-19,354**	-7,527	2,153
Reserves		**-24,684**	-2,255	-4,721
Non-controlling interests		**73,595**	103,217	96,977
Total Equity		**363,052**	375,914	377,626
Non-current Liabilities				
Interest bearing debt	8	**802,240**	552,788	466,378
Deferred tax liabilities		**15,409**	10,705	17,591
Lease liabilities	9	**3,395**	4,108	3,481
Other non-current liabilities		**1,334**	1,504	1,415
Total non-current liabilities		**822,378**	569,104	488,864
Current Liabilities				
Accounts Payable		**3,584**	3,163	5,902
Current portion of interest bearing debt	8	**116,225**	278,958	463,555
Taxes Payable		**9,535**	6,805	6,570
Lease liabilities	9	**2,613**	2,489	2,549
Other current liabilities		**27,371**	18,723	26,491
Total current liabilities		**159,328**	310,139	505,066
Total Liabilities		**981,706**	879,243	993,930
TOTAL EQUITY AND LIABILITIES		**1,344,758**	1,255,157	1,371,556

Interim Consolidated Statement of Cash Flow

EUR thousand	Note	For the quarter end 30 Jun 2020	For the quarter end 30 Jun 2019	Year to date 30 Jun 2020	Year to date 30 Jun 2019	Full year 2019
Operating actitvities						
Profit/(loss) before tax		**-46,934**	9,815	-41,339	17,787	32,636
Taxes paid		**-77**	-1,513	-858	-3,108	-4,741
Adjustments for:						
- Finance income and expense		**14,357**	13,932	20,279	25,835	49,389
- Portfolio amortization and revaluation		**42,127**	18,844	65,713	35,856	82,934
- Cost of secured assets sold, incl. Impairment		**32,033**	20,205	42,207	39,720	74,464
- Depreciation and amortization		**2,612**	2,397	5,224	4,663	10,115
- Calculated cost of employee share options		**164**	331	471	518	1,256
Change in Working capital		**276**	-12,983	2,260	-4,939	-3,941
Net cash flows operating activities		**44,557**	51,029	93,957	116,331	242,112
Investing actitvities						
Purchase of debt portfolios	6	**-65,074**	-147,224	-148,171	-220,455	-401,646
Sale of debt portfolio	6	**150**	0	750	0	885
Purchase of REO's	7	**-134**	-243	-292	-298	-668
Investment in subsidiaries		**0**	0	0	0	-250
Purchase of intangible and tangible assets		**-1,633**	-2,743	-3,561	-4,443	-9,642
Interest received		**1**	21	22	21	98
Net cash flows investing activities		**-66,690**	-150,189	-151,253	-225,175	-411,222
Financing actitvities						
Proceeds from borrowings	8	**32,526**	60,601	68,222	151,876	303,984
Repayment of debt	8	**-5,318**	-15,560	-69,752	-26,949	-80,089
Interest paid	8	**-11,989**	-11,252	-24,060	-20,396	-44,149
Loan fees paid	8	**-4,348**	-75	-4,479	-2,969	-5,168
New Share issues		**0**	547	50,767	547	547
Proceeds (repayments) from (to) Non-controlling interests		**-1,132**	9,062	-3,944	5,337	-1,412
Cost related to share issues		**0**	0	-959	0	0
Net cash flows financing activities		**9,739**	43,323	15,795	107,446	173,713
Net change in cash and cash equivalents		**-12,394**	-55,836	-41,501	-1,398	4,604
Cash and cash equivalents at the beginning of period		**48,808**	125,197	75,396	70,776	70,776
Currency translation		**-2,125**	-26	393	-43	16
Cash and cash equivalents at end of period, incl. restricted funds		**34,289**	69,335	34,289	69,335	75,396

Interim Consolidated Statement of Changes in Equity

	Equity related to the shareholders of the Parent Company						
	Restricted	Non-restricted					
EUR thousand	Share capital	Other paid in capital	Exchange differences	Retained earnings and profit for the year	Total	Non-controlling interest	Total Equity
Closing balance on 31 Dec 2018	81,115	200,298	-2,817	-14,172	**264,423**	63,746	**328,170**
Result of the period				16,326	**16,326**	4,643	**20,969**
Foreign currency translation differences - foreign operations			-1,904		**-1,904**		**-1,904**
Total comprehensive income for the period	0	0	-1,904	16,326	**14,422**	4,643	**19,065**
Proceeds from Non-controlling interests					**0**	28,588	**28,588**
New Share issues (exercise of share options)	222	325			**548**		**548**
Share based payment		1,256			**1,256**		**1,256**
Closing balance on 31 Dec 2019	81,338	201,879	-4,721	2,153	**280,648**	96,977	**377,626**
Result of the period				-21,508	**-21,508**	-19,438	**-40,946**
Foreign currency translation differences - foreign operations			-19,963		**-19,963**		**-19,963**
Total comprehensive income for the period	0	0	-19,963	-21,508	**-41,470**	-19,438	**-60,908**
Proceeds from Non-controlling interests					**0**	-3,944	**-3,944**
New Share issues	15,703	35,064			**50,767**		**50,767**
Cost related to share issues		-959			**-959**		**-959**
Share based payment		471			**471**		**471**
Closing balance on 30 Jun 2020	97,040	236,454	-24,684	-19,354	**289,456**	73,595	**363,052**

Notes to the Financial Report

Note 1 Reporting entity and Accounting Principles

The Parent Company Axactor SE (Company) is a company domiciled in Norway. These condensed consolidated interim statements ("interim financial statements") comprise the Company and its subsidiaries (together referred to as "the Group"). The group is primarily involved in debt management, specializing on both purchasing and collection on own portfolios and providing collection services for 3rd party owned portfolios.

The activities are further described in note 3.

The interim report has been prepared in accordance with IAS 34. The accounting principles applied correspond to those described in the Annual Report for the Financial Year 2019. This interim report does not contain all the information and disclosures available in the annual report and the interim report should be read together with the Annual Report for the Financial Year 2019.

In preparing these interim financial statements, management has made judgements and estimates that effects the application and accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual result may differ from these estimates. Critical Accounting estimates and judgements in terms of accounting policies are more comprehensive discussed in the Company Annual report for the Financial Year 2019, which is available on Axactors website: www. axactor.com.

The significant judgements made by managements applying the Group's accounting policies and the key resources of estimation uncertainty were the same as those described in the last annual financial statements.

Note 2 Risks and uncertainties

Axactor's regular business activities entail exposure to various types of risk. The company manages such risks proactively and the board of directors regularly analyses its operations and potential risk factors and takes steps to reduce risk exposure. Axactor gives strong emphasis to quality assurance and has quality systems implemented, or under implementation in line with the requirements applicable to its business operations.

The risks include but are not limited to credit risk, risk inherent in purchased debt, interest rate risk, regulatory risk, liquidity risks and financing risks. Following the Covid-19 pandemic, the Group tightly monitors its different risks in all countries were Axactor companies are present. All counties have been through a lock down period, that is currently in gradual opening phase. It is expected that the macroeconomic situation during 2020 will impact the NPL collection and REO sale significantly in the short-term. For a more elaborate discussion on the aforementioned risks one is referred to the Company's Annual Report for the Financial Year 2019, which is available on Axactor website: www.axactor.com (note 3 of the Group financial statement).

The Group tightly monitors its risk relating to meet its contractual obligations when due. The Group had cash and cash equivalent of EUR 34.3 Million at 30. June 2020 (31.12.2019 75.4 Million). The following table detail the Group’s remaining contractual quarterly maturity for its non-derivative financial liabilities based on the most likely date on which cash flows can be required to pay.

EUR thousand	Q3-20	Q4-20	2021 ->	Total
Interest bearing loans DnB/Nordea	12,387	14,163	363,330	**389,880**
Interest bearing loans Italy	1,284	2,325	40,033	**43,642**
Interest bearing loans Nomura	4,507	4,508	28,035	**37,050**
Bond loan	0	0	200,000	**200,000**
Interest bearing A & B notes	0	0	140,000	**140,000**
Interest bearing loans DnB/Nordea (Axactor Invest 1)	9,013	9,013	101,762	**119,787**
Accrued interest	547	0	0	**547**
Trade Payables	3,584	0	0	**3,584**
Other Liabilities	22,951	1,520	2,901	**27,371**
Taxes payables	3,178	3,178	3,178	**9,535**
Deferred tax liabilities	0	0	15,409	**15,409**
Forward flow NPL agreements [1]	35,393	31,302	115,727	**182,422**
Leasing agreements	795	786	4,942	**6,523**
Accruals	0	0	1,334	**1,334**
Total	93,639	66,794	1,016,651	**1,177,084**

1) Forward flow NPL agreements split on countries:

Norway	*80 %*
Sweden	*14 %*
Finland	*5 %*
Italy	*1 %*

The table above shows an estimated calculation of repayment on interest bearing loans of EUR 57 Million for the rest of 2020. The calculation is made under the assumption that no new portfolios are aqcuired in 2020 and that Axactor therefore partly need to repay the facility to stay below the LTV covenant (Loan to Value) in order to match portfolio amortization and decrease in portfolio value. The same mechanism as for amortization applies for any impairment situation. The above table does not reflect any repayment based on an impairment.

As the Covid-19 situation will impact the 2020 financials, the Group has implemented a wide range of initiatives to ensure a satisfactory liquidity situation, whereof one of the initiatives is to reduce the investment activity.

Goodwill

As stated in Note 4 in the 2019 annual financial statement the Group tests whether goodwill has suffered any impairment when impairment indicators are identified. The recent weakening of the economic situation caused by Covid 19 together with the weakening of the NOK currency in which the Axactor shares are listed required a semiannual impairment as per June 2020. The recoverable amount of cash-generating units have been calculated based on a discounted cash flow model reflecting the value-in-use. The cash flows are derived from the forecasts for 2020 and the following next four years, as performed by the management, and do not include significant investments that will enhance the performance of the CGU being tested, except from already committed.

The test result and conclusion is that the Value-in-use exceeds carrying amount for each the tested CGUs. The impairment test did not indicate any required impairment of goodwill.

Note 3 Segment note

Axactor delivers credit management services and the company's revenue is derived from the following three operating segments: Non-Performing Loans (NPL), Real Estate Own (REO), and Third Party Collection (3PC). Axactor's operations are managed through these three operating segments.

The NPL segment invests in portfolios of non-performing loans. Subsequently, the outstanding debt is collected through either amicable or legal proceedings.

The REO segment invests in real estate assets held for sale.

The 3PC segments main focus is to perform debt collection services on behalf of third-party clients. They apply both amicable and legal proceedings in order to collect the non-performing loans, and typically receive a commission for these services. They also help creditors to prepare documentation for future legal proceedings against debtors, and for this they typically receive a fixed fee. With effect from Q2 2019, Accounts Receivables Management (ARM) is subordinated under the 3PC segment. The ARM services include the handling of invoices between the invoice date and the default date, as well as sending out reminders.

Axactor reports its business through reporting segment which corresponds to the operating segments. Segment profitability and country profitability are the two most important dimensions when making strategic priorities and deciding where to allocate the Groups resources.

Segment revenue reported below represents revenue generated from external customers.

The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 1. Segment contribution margin represents contribution margin earned by each segment without allocation of management fee, central administration costs, other gains and losses as well as finance costs. The measurement basis of the performance of the segment is the segment's contribution margin.

For the quarter end 30 Jun 2020

EUR thousand	NPL	REO	3PC	Eliminations/ Not allocated	Total
Collections on own portfolios	54,491	6,564	0	0	**61,054**
Other operating revenue	0	0	9,655	71	**9,726**
Portfolio amortization and revaluation	-42,127	0	0	0	**-42,127**
Total revenue	12,364	6,564	9,655	71	**28,654**
REO cost of sales	0	-6,028	0	0	**-6,028**
Impairment REOs	0	-26,005	0	0	**-26,005**
Direct operating expenses	-8,320	-1,490	-7,746	0	**-17,556**
Contribution margin	4,044	-26,958	1,909	71	**-20,934**
SG&A, IT and corporate cost				-9,031	**-9,031**
EBITDA					**-29,965**
Total opex	-8,320	-33,522	-7,746	-9,031	**-58,619**
CM1 Margin	32.7 %	-410.7 %	19.8 %	na	**-73.1 %**
EBITDA Margin					**-104.6 %**
Opex ex SG&A, IT and corp.cost / Gross revenue	15.3 %	510.7 %	80.2 %	na	**70.1 %**
SG&A, IT and corporate cost / Gross revenue					**12.8 %**

For the quarter end 30 Jun 2019

EUR thousand	NPL	REO	3PC	Eliminations/ Not allocated	Total
Collections on own portfolios	50,131	25,050	0	0	**75,181**
Other operating revenue	0	0	16,037	44	**16,081**
Portfolio amortization and revaluation	-18,844	0	0	0	**-18,844**
Total revenue	31,286	25,050	16,037	44	**72,418**
REO cost of sales	0	-20,205	0	0	**-20,205**
Impairment REOs	0	0	0	0	**0**
Direct operating expenses	-6,355	-2,578	-8,093	0	**-17,027**
Contribution margin	24,931	2,267	7,944	44	**35,186**
SG&A, IT and corporate cost				-9,041	**-9,041**
EBITDA					**26,145**
Total opex	-6,355	-22,784	-8,093	-9,041	**-46,273**
CM1 Margin	79.7 %	9.0 %	49.5 %	na	**48.6 %**
EBITDA Margin					**36.1 %**
Opex ex SG&A, IT and corp.cost / Gross revenue	12.7 %	91.0 %	50.5 %	na	**40.8 %**
SG&A, IT and corporate cost / Gross revenue					**9.9 %**

Year to date 30 Jun 2020

EUR thousand	NPL	REO	3PC	Eliminations/ Not allocated	Total
Collections on own portfolios	108,645	18,087	0	0	**126,732**
Other operating revenue	0	0	23,135	99	**23,234**
Portfolio amortization and revaluation	-65,713	0	0	0	**-65,713**
Total revenue	42,932	18,087	23,135	99	**84,253**
REO cost of sales	0	-15,100	0	0	**-15,100**
Impairment REOs	0	-27,107	0	0	**-27,107**
Direct operating expenses	-17,791	-3,313	-16,435	0	**-37,539**
Contribution margin	25,141	-27,434	6,700	99	**4,506**
SG&A, IT and corporate cost				-20,342	**-20,342**
EBITDA					**-15,836**
Total opex	-17,791	-45,521	-16,435	-20,342	**-100,089**
CM1 Margin	58.6 %	-151.7 %	29.0 %	na	**5.3 %**
EBITDA Margin					**-18.8 %**
Opex ex SG&A, IT and corp.cost / Gross revenue	16.4 %	251.7 %	71.0 %	na	**53.2 %**
SG&A, IT and corporate cost / Gross revenue					**13.6 %**

Year to date 30 Jun 2019

EUR thousand	NPL	REO	3PC	Eliminations/ Not allocated	Total
Collections on own portfolios	102,502	49,715	0	0	**152,217**
Other operating revenue	0	0	29,632	74	**29,706**
Portfolio amortization and revaluation	-35,856	0	0	0	**-35,856**
Total revenue	66,646	49,715	29,632	74	**146,067**
REO cost of sales	0	-39,507	0	0	**-39,507**
Impairment REOs	0	-213	0	0	**-213**
Direct operating expenses	-14,649	-4,935	-17,749	0	**-37,334**
Contribution margin	51,996	5,060	11,882	74	**69,013**
SG&A, IT and corporate cost				-20,728	**-20,728**
EBITDA					**48,285**
Total opex	-14,649	-44,655	-17,749	-20,728	**-97,782**
CM1 Margin	78.0 %	10.2 %	40.1 %	na	**47.2 %**
EBITDA Margin					**33.1 %**
Opex ex SG&A, IT and corp.cost / Gross revenue	14.3 %	89.8 %	59.9 %	na	**42.4 %**
SG&A, IT and corporate cost / Gross revenue					**11.4 %**

Full Year 2019

EUR thousand	NPL	REO	3PC	Eliminations/ Not allocated	Total
Collections on own portfolios	217,147	91,249	0	0	**308,396**
Other operating revenue	0	0	57,677	2,021	**59,698**
Portfolio amortization and revaluation	-82,934	0	0	0	**-82,934**
Net revenue	134,212	91,249	57,677	2,021	**285,159**
REO cost of sales	0	-74,052	0	0	**-74,052**
Impairment REOs	0	-412	0	0	**-412**
Direct operating expenses	-32,321	-9,656	-35,279	0	**-77,256**
Contribution margin	101,891	7,129	22,398	2,021	**133,439**
Local SG&A, IT and corporate cost				-41,299	**-41,299**
EBITDA					**92,140**
Total opex	-32,321	-84,120	-35,279	-41,299	**-193,019**
CM1 Margin	75.9 %	7.8 %	38.8 %	na	**46.8 %**
EBITDA Margin					**32.3 %**
Opex ex SG&A, IT and corp.cost / Gross revenue	14.9 %	92.2 %	61.2 %	na	**41.2 %**
SG&A, IT and corporate cost / Gross revenue					**11.2 %**

Note 4 Revenue

Portfolio Revenue

	For the quarter end		Year to date		
EUR thousand	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019	Full year 2019
Yield [1)]	**40,511**	32,475	79,838	61,464	134,531
CU1 [2)]	**-1,107**	-1,238	-9,358	4,658	-8,408
CU2 [3)]	**-28,506**	-973	-30,474	-1,314	3,654
CU2 tail [4)]	**1,465**	1,022	2,926	1,838	4,434
Net revenue	**12,364**	31,286	42,932	66,646	134,212

1) *The effective interest rate on portfolios*
2) *Catch up 1. Over- or underperformance compared to collection forecast*
3) *Catch up 2. Revaluations and net present value of changes in forecast*
4) *Catch up 2 tail. The net present value effect of rolling 180 months forecast*

Note 5 Financial items

EUR thousand	For the quarter end 30 Jun 2020	For the quarter end 30 Jun 2019	Year to date 30 Jun 2020	Year to date 30 Jun 2019	Full year 2019
Financial revenue					
Interest on bank deposits	**1**	21	22	30	81
Exchange gains realized	**150**	0	247	0	47
Net unrealized exchange gain	**47**	1	9,655	-1	2,604
Other financial income	**4**	6	10	14	55
Total financial revenue	**201**	29	9,934	43	2,787
Financial expense					
Interest expense on borrowings	**-13,947**	-13,039	-28,265	-23,902	-51,251
Interest on Notes to NCI [1]	**0**	0	0	0	2,080
Exchange losses realized	**-131**	-50	-977	-83	-696
Net unrealized exchange loss	**0**	-271	0	-673	0
Other financial expense [2] [3]	**-480**	-601	-970	-1,219	-2,310
Total financial expense	**-14,558**	-13,961	-30,213	-25,878	-52,176
Net financial items	**-14,357**	-13,932	-20,279	-25,835	-49,389

1) *Interest on Notes classified as Debt instruments in 2018, reversed in 2019*

2) *Includes negative interest on deposits in group multicurrency cash pool*

3) *Includes amortization of warrants of 0.4m in each Q, Q1-3 2019*

Note 6 Non-performing loans

EUR thousand	Year to date 30 Jun 2020	Year to date 30 Jun 2019	Full year 2019
Balance at 1 Jan	**1,041,919**	728,819	728,819
Acquisitions during the year	**151,751**	217,758	398,286
Collection	**-108,645**	-102,502	-217,147
Yield - Interest income from purchased loan portfolios	**79,838**	61,464	134,531
Net gain/loss purchased loan portfolios [1]	**-36,906**	5,182	-319
Repossession of secured NPL to REO	**-1,500**	-1,883	-2,823
Disposals [1]	**-384**	0	-187
Translation difference	**-18,817**	864	758
Closing balance	**1,107,257**	909,702	1,041,919
Payments during the year for investments in purchased debt amounted to EUR	**148,171**	220,455	401,646
Deferred payment	**13,866**	2,875	10,286

1) *Gain on disposals is netted in P&L as 'Net gain/loss purchased loan portfolios'*

Non-performing loans, consists of portfolios of delinquent consumer debts purchased significantly below nominal value, reflecting incurred and expected credit losses. NPLs are recognized at fair value at the date of purchase. Since the loans are measured at fair value, which includes an estimate of future credit losses, no allowance for credit losses is recorded in the consolidated balance sheet on the day of acquisition of the loans. The loans are measured at amortized cost according to a credit adjusted effective interest rate. Since the delinquent consumer debt are a homogenous group, the future cash flows are projected on a portfolio basis.

The carrying amount of each portfolio is determined by projecting future cash flows discounted to present value using the effective interest rate as at the date the portfolio was acquired. The total cash flows (both principal and interest) expected to be collected on purchased credit impaired loans are regularly reviewed. Changes in expected cash flow are adjusted in the carrying amount and are recognized in the profit or loss as income or expense in 'Net gain/loss purchased loan portfolios'. Interest income is recognized using a credit adjusted effective interest rate, included in 'Interest income from purchased loan portfolios'.

Following the Covid-19 pandemic and the impact from thelockdown, an impairment assessment is performed under a significant uncertainty still. Axactor determines the risk by geographical location of the debtor and by collateral type of debt. The Covid-19 impact on the local economy in each of the regions will affect the recoverability of the outstanding debt in different ways, like the financial ability to repay their debt over a different time horizon. Key drivers are among others the status (timing) and operational effectiveness of the legal collection channels; Courts, Baliff, Notaries, the debtor's availability and opportunity to refinance, the duration of government support to employees and aligned with development in unemployment rate.

The long-term effect will require time to clarify, but the short-term effects have been modelled based on the information available and a negative revaluation of EUR 27.0 million was recognized through profit and loss in Q2.

Note 7 Stock of secured assets - REO

	Year to date		
EUR thousand	30 Jun 2020	30 Jun 2019	Full year 2019
Acquisition cost at 1 Jan	**129,041**	200,009	200,009
Acquisitions during the year	**292**	298	668
Repossession of secured NPL	**1,500**	1,883	2,823
Cost of sold secured assets	**-15,100**	-39,507	-74,052
Total acquisition cost	**115,732**	162,684	129,448
Impairment	**-27,107**	-213	-412
Disposals	**0**	0	5
Balance at end of period	**88,625**	162,471	129,041
Number of assets	**3,489**	5,130	4,024

REO assets are held for sale and therefore considered as stock of secured assets in accordance to IAS 2 Inventories, valued at the lower of cost and fair value.

The challenging pricing conditions have affected the projected estimates for this business after the state of emergency due to the Covid-19 pandemic. Pending an external valuation to take place an internal overall value evaluation has been carried out in order to reflect the net fair value. The fair value of the investment targets based on projected net achievable value is the estimated sales price in the normal course of business, minus the estimated costs necessary to carry out the sale, as well as in the net booked value of the assets. The net operating cashflow is then discounted at 12% WACC to obtain net present value of the legal entities under analysis.

As a result of the aforementioned approach, adopting the net present value as fair value of the investments, a joint projected impairment is indicated as per Q2 2020 of EUR 26 million throughout the following five years after 30.06.2020.

Note 8 Loans and borrowings

EUR thousand	Currency	Facility limit	Nominal value	Capitalized loan fees	Accrued interest	Carrying amount, EUR	Interest coupon	Maturity
Facility								
ISIN NO 0010840515	EUR		200,000	-844	272	199,428	3m EURIBOR+700pbs	23.06.2021
Total Bond loan						199,428		
Revolving credit facility DNB/Nordea	EUR	500,000	218,556	-7,624	0	210,932	EURIBOR+ margin	21.12.2021
(multiple currency facility)	NOK		95,195			95,195	NIBOR+ margin	21.12.2021
	SEK		76,128			76,128	STIBOR+ margin	21.12.2021
Revolving credit facility DNB/Nordea	EUR	120,000	105,000	-1,843	0	103,157	EURIBOR+ margin	24.11.2021
	SEK		14,787			14,787	STIBOR+ margin	24.11.2021
Total Credit facilities						500,199		
Sterna	EUR	na	140,000	-405	0	139,595	6.500 %	24.11.2022
Nomura	EUR	na	37,050	-1,722	169	35,497	EURIBOR+ margin	02.08.2022
Italian banks	EUR	na	43,641	0	106	43,747	EURIBOR+ margin	2020-2026
Total Other borrowings						218,838		
Total Borrowings at end of period						918,465		
whereof:								
Non-current borrowings						802,240		
Current borrowings						116,225		
of which in currency:								
NOK						95,195		
SEK						90,915		
EUR						732,355		

EUR thousand	Bond loan	Credit facilities	Other borrowings	Total Borrowings
Balance at 1 Jan	199,069	495,318	235,546	**929,933**
Proceeds from loans and borrowings	0	60,302	7,920	**68,222**
Repayment of loans and borrowings	0	-43,251	-26,500	**-69,752**
Loan fees	0	-4,479	0	**-4,479**
Total changes in financial cashflow	0	12,572	-18,580	**-6,008**
Changed in accrued interest	-39	-46	33	**-52**
Amortization Capitalized loan fees	399	2,099	1,839	**4,337**
Currency translation differences	0	-9,745	0	**-9,745**
Total Borrowings at end of period	199,428	500,199	218,838	**918,465**

Maturity

EUR thousand	Currency	Carrying amount	Total future cashflow	Estimated future cash flow			
				6 months or less	6-12 months	1-2 years	2-5 years
ISIN NO 0010840515	EUR	199,428	200,272	272	200,000	0	0
Total Bond loan		199,428	200,272	272	200,000	0	0
Revolving credit facility DNB/Nordea (multiple currency facility)	NOK/SEK/EUR	382,255	389,880	26,550	37,370	325,960	0
Revolving credit facility DNB/Nordea	EUR/SEK	117,944	119,787	18,025	19,450	82,312	0
Total Credit facilities		500,199	509,667	44,575	56,820	408,272	0
Sterna	EUR	139,595	140,000	0	0	140,000	0
Nomura	EUR	35,496	37,218	9,169	9,000	19,050	0
Italian banks	EUR	43,747	43,747	3,730	4,581	21,612	13,824
Total Other borrowings		218,838	220,965	12,899	13,581	180,662	13,824
Total Borrowings at end of period		918,465	930,904	57,746	270,401	588,934	13,824

Bond loan

In March 2019, Axactor SE completed a tap issue of EUR 50 million in its outstanding senior unsecured bonds due 23 June 2021 (ISIN NO0010840515). Following the tap issue the total nominal amount outstanding under the bonds will be EUR 200 million.

The bonds are listed on Oslo Exchange. The coupon rate is 3m EURIBOR + 700 bps pa.

The following financial covenants applies:

- Interest coverage ratio: >4.0x (Pro-Forma Adjusted Cash EBITDA to net interest expenses)
- Leverage ratio: <4.0x (NIBD to Pro-Forma Adjusted Cash EBITDA);
- Net loan to value: <75% (NIBD to total book value all debt portfolios and REOs)
- Net secured loan to value: <65% (secured loans less cash to total book value all debt portfolios and REOs).

Trustee: Nordic Trustee.

Revolving credit facility DNB/Nordea

The debt facility agreement with DNB Bank ASA and Nordea Bank AB is EUR 500 million, whereof 75 million in the form of accordion options. The loan carries a variable interest rate based on the interbank rate in each currency with a margin.

Under the terms of this debt facility the group is required to comply with the following financial covenants:

- Group NIBD Ratio to Pro-Forma Adjusted Cash EBITDA < 3:1
- Portfolio Loan to Value Ratio < 60 %
- Portfolio Collection performance last six months > 90 %

All material subsidiaries of the group are guarantors and have granted a share pledge and bank account pledge as part of the security package for this facility.

Italian subsidiaries together with the co-Invest Vehicle in Luxembourg as well as the REO Holding company in Luxembourg are not a part of the agreement nor the security arrangement.

Sterna and Revolving credit facility DNB/Nordea

Following the co-investment partnership with Geveran, Notes in the amount of EUR 230 million has been issued, of which for EUR 185 million has been subscribed to by Sterna Finance, a company in the Geveran Group. The remainder has been subscribed to by Axactor SE. This consists of EUR 140 million class B Notes, subordinated secured Note, fully subscribed by Geveran.

In addition, there is a EUR 120 million facility agreement with DNB Bank ASA and Nordea Bank AB with maturity in Q4 2021. The loan carries a variable interest rate based on the interbank rate in each currency with a margin.

Under the terms of this debt facility the co-investment partnership is required to comply with the following financial covenants:
- NIBD to Pro-Forma Adjusted Cash EBITDA < 3:1
- Senior Portfolio Loan to Value Ratio < 40 %
- Total Portfolio Loan to Value Ratio < 80 %
- Portfolio Collection performance last six months > 90 %

Nomura

In August 2018 Reolux Holding S.à.r.l signed a 96 mill EUR senior secured term loan facility with Nomura International plc ("Nomura") to refinance Reolux's existing Spanish Real Estate Owned (REO) investments. The facility was amended in September 2019 to facilitate new Spanish Real Estate Owned (REO) investments.

Italian Banks

The facilities of the Italian banks relate to different facilities and agreements with several Italian banks. The loans carry variable interest rates based on the interbank rate with a margin. Some of the loans are secured with collaterals worth EUR 37 million.

Note 9 Leasing

Right-of-use assets

EUR thousand	Buildings	Vehicles	Other	Total
Right-of-use assets per 1 Jan	5,039	541	267	**5,846**
New leases	928	619	0	**1,547**
Depreciation of the year	-1,151	-259	-96	**-1,506**
Disposals	0	-11	0	**-11**
Currency exchange effects	-104	-6	0	**-110**
Carrying amount of right-of-use assets, end of period	4,711	884	170	**5,765**
Remaining lease term	1-6 years	1-4 years	1-3 years	
Depreciation method	Linear	Linear	Linear	

Lease liabilities

EUR thousand	Total
Undiscounted lease liabilities and maturity of cash outflow	
< 1 year	**2,873**
1-2 years	**1,642**
2-3 years	**1,026**
3-4 years	**644**
4-5 years	**226**
> 5 years	**112**
Total undiscounted lease liabilities, end of period	**6,523**
Discount element	**-515**
Total discounted lease liabilities, end of period	**6,008**

Note 10 Shares

Issued shares and share capital

	Number of shares	Share capital (EUR)
At 31 Dec 2018	**154,971,114**	81,115,475
New share issues, May	**424,350**	222,115
At 31 Dec 2019	**155,395,464**	81,337,590
New share issues, Feb	**30,000,000**	15,702,696
At 30 Jun 2020	**185,395,464**	97,040,286

30 largest shareholders as at 30 Jun 2020

Name	Shareholding	% Share
Geveran Trading Co Ltd	59,237,772	32.0 %
Torstein Ingvald Tvenge	8,000,000	4.3 %
Ferd AS	6,364,139	3.4 %
Verdipapirfondet Nordea Norge Verd	2,086,030	1.1 %
Gvepseborg AS	2,036,494	1.1 %
Stavern Helse Og Forvaltning AS	2,000,000	1.1 %
VPF DNB AM Norske Aksjer	1,736,130	0.9 %
Nordnet Livsforsikring AS	1,735,346	0.9 %
Alpette AS	1,661,643	0.9 %
Vatne Equity AS	1,500,040	0.8 %
Klotind AS	1,365,244	0.7 %
Endre Rangnes	1,364,000	0.7 %
Andres Lopez Sanchez	1,177,525	0.6 %
David Martin Ibeas	1,177,525	0.6 %
Verdipapirfondet DNB Norge	1,038,034	0.6 %
Latino Invest AS	1,030,000	0.6 %
Verdipapirfondet Nordea Kapital	1,005,137	0.5 %
Norus AS	1,000,000	0.5 %
Verdipapirfondet Nordea Avkastning	998,028	0.5 %
Nordnet Bank AB	967,942	0.5 %
State Street Bank and Trust Comp	922,216	0.5 %
Vardfjell AS	891,401	0.5 %
Svein Dugstad	865,000	0.5 %
Elena Holding AS	860,000	0.5 %
Citibank (Nominee)	631,142	0.3 %
Titas Eiendom AS	628,550	0.3 %
Banca Sistema S.P.A	604,504	0.3 %
Velde Holding AS	600,000	0.3 %
Bente Mowinckel Tvenge	600,000	0.3 %
Fryden AS	576,000	0.3 %
Total 30 largest shareholders	104,659,842	56.5 %
Other shareholders	80,735,622	43.5 %
Total number of shares	185,395,464	100 %

Total number of shareholders	11,057	

Shares owned by related parties

Name	Shareholding	% Share
Geveran Trading Co Ltd [1]	59,237,772	32.0 %
Andres Lopez Sanchez [2]	1,177,525	0.6 %
David Martin Ibeas [2]	1,177,525	0.6 %
Latino Invest AS [3]	1,030,000	0.6 %
Fryden AS / Oddgeir Hansen [2] [6]	576,000	0.3 %
Johnny Tsolis Vasili [3]	540,000	0.3 %
Robin Knowles [2]	278,180	0.2 %
Terje Mjøs Holding AS [4]	100,000	0.1 %
Arnt Andre Dullum [2]	41,674	0.0 %
Anders Gulbrandsen [5]	22,375	0.0 %
Sicubi AS / Bente Brocks [5] [6]	16,200	0.0 %
Lars Valseth [5]	12,188	0.0 %
Brita Eilertsen [4]	10,000	0.0 %

1) *Geveran Trading Co Ltd owns 50% of Luxco Invest 1 Sarl. and Reolux Holding S.à.r.l., companies controlled by Axactor Group*

2) *Member of the Executive Management Team of Axactor*

3) *CEO*

4) *Member of the Board of Directors of Axactor / controlled by member of the Board of Directors of Axactor*

5) *Primary insider of Axactor*

6) *Company controlled by primary insider of Axactor*

Alternative Performance Measures

Alternative Performance Measures (APM) used in Axactor

APM	Definition	Purpose of use	Reconciliation IFRS
Gross revenue	3PC revenue, REO sale, cash collected on own portfolios and other revenue	To review the revenue before split into interest and amortization (for own portfolios)	Total revenue, P&L
Cash EBITDA	EBITDA adjusted for calculated cost of share option program, portfolio amortizations and revaluations, REO cost of sales and REO impairments	To reflect cash from operating activites, excluding timing of taxes paid and movement in working capital	EBITDA in P&L and Net cash flows operating activities in the Cash flow statement
ERC	Estimated Remaining Collection express the expected future cash collection on own portfolios (NPLs) in nominal values, over the next 180 months.	ERC is a standard APM within the industry with the purpose to illustrate the future cash collection including estimated interest revenue and opex	Purchased debt portfolios in Balance sheet
Net interest bearing debt (NIBD)	Net Interest Bearing Debt means the aggregated amount of interest bearing debt, less aggregated amount of unrestricted cash and bank deposits, on a consolidated basis	NIBD is used as an indication of the group's ability to pay off all of its debt	Note 8, Borrowings

APM tables

	For the quarter end		Year to date		
EUR million	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019	Full year 2019
Total revenue	**28.7**	72.4	84.3	146.1	285.2
Portfolio amortizations and revaluations	**42.1**	18.8	65.7	35.9	82.9
Gross revenue	**70.8**	91.3	150.0	181.9	368.1

	For the quarter end		Year to date		
EUR million	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019	Full year 2019
EBITDA	**-30.0**	26.1	-15.8	48.3	92.1
Calculated cost of share option program	**0.2**	0.2	0.5	0.4	1.3
Portfolio amortizations and revaluations	**42.1**	18.8	65.7	35.9	82.9
REO Cost of sale, including impairment	**32.0**	20.2	42.2	39.7	74.5
Cash EBITDA	**44.4**	65.4	92.6	124.2	250.8
Taxes paid	**-0.1**	-1.5	-0.9	-3.1	-4.7
Change in Working capital	**0.3**	-13.0	2.3	-4.9	-3.9
Net cash flows operating activities	**44.6**	50.9	94.0	116.2	242.1

	For the quarter end		Year to date		
EUR million	30 Jun 2020	30 Jun 2019	30 Jun 2020	30 Jun 2019	Full year 2019
Purchased debt portfolios	**1,107.3**	909.7	1,107.3	909.7	1,041.9
Estimated opex for future collection at time of acquisition	**308.8**	256.8	308.8	256.8	307.6
Estimated discounted gain (after tax)	**737.1**	554.8	737.1	554.8	688.9
Estimated Remaining Collection, NPL	**2,153.1**	1,721.3	2,153.1	1,721.3	2,038.4

APM / KPI definition

Cash EBITDA	EBITDA adjusted for calculated cost of share option program, portfolio amortizations and revaluations, REO cost of sales and REO impairments
Contribution Margin (CM1)	Total Revenue less Opex ex SG&A, IT and corp.cost
CM1 Margin	CM1 as a percentage of Total Revenue
Debt-to-equity ratio	Total interest bearing debt as a percentage of total equity
EBITDA margin	EBITDA as a percentage of Total revenue
Equity ratio	Total equity and liabilities as a percentage of total equity
ERC	Estimated Remaining Collection express the expected future cash collection on own portfolios (NPLs) in nominal values, over the next 180 months.
Gross margin	Cash EBITDA as a percentage of gross revenue
Gross revenue	3PC revenue, REO sale, cash collected on own portfolios and other revenue
NIBD	Net Interest Bearing Debt means the aggregated amount of interest bearing debt, less aggregated amount of unrestricted cash and bank deposits, on a consolidated basis
Opex ex SG&A, IT and corp.cost	Total expenses excluding overhead functions
Return on Equity, excluding minorities	Net profit/(loss) to equity holders as a percentage of total equity excluding Non-controlling interests
Return on Equity, including minorities	Net profit/(loss) after tax as a percentage of total equity
SG&A, IT and corporate cost	Total operating expenses for overhead functions
Total estimated capital commitments for forward flow agreements	The total estimated capital commitments for the forward flow agreements are calculated based on the volume received over that last months and limited by the total capex commitment in the contract.

Terms and abbreviations

3PC	Third-party collection
ARM	Accounts receivable management
B2B	Business to Business
B2C	Business to Consumer
BoD	Board of Directors
CGU	Cash Generating Unit
CM1	Contribution Margin
Dopex	Direct Operating expenses
EBIT	Operating profit, Earning before Interest and Tax
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization
ECL	Expected Credit Loss
EPS	Earnings Per Share
EUR	Euro
FTE	Full Time Equivalent
IFRS	International Financial Reporting Standards
NCI	Non-controlling interests
NOK	Norwegian Krone
NPL	Non-performing loan
OB	Outstanding Balance, the total amount Axactor can collect on claims under management, including outstanding principal, interest and fees
PCI	Purchased Credit Impaired
PPA	Purchase Price Allocations
REO	Real Estate Owned
SEK	Swedish Krone
SG&A	Selling, General & Administrative
SPV	Special Purpose Vehicle
VIU	Value in Use
WACC	Weighted Average Cost of Capital
WAEP	Weighted Average Exercise Price

Financial calendar 2020

Quarterly Report - Q1	*21.04.2020*
Quarterly Report - Q2	*23.07.2020*
Quarterly Report - Q3	*28.10.2020*
Quarterly Report - Q4	*24.02.2021*

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