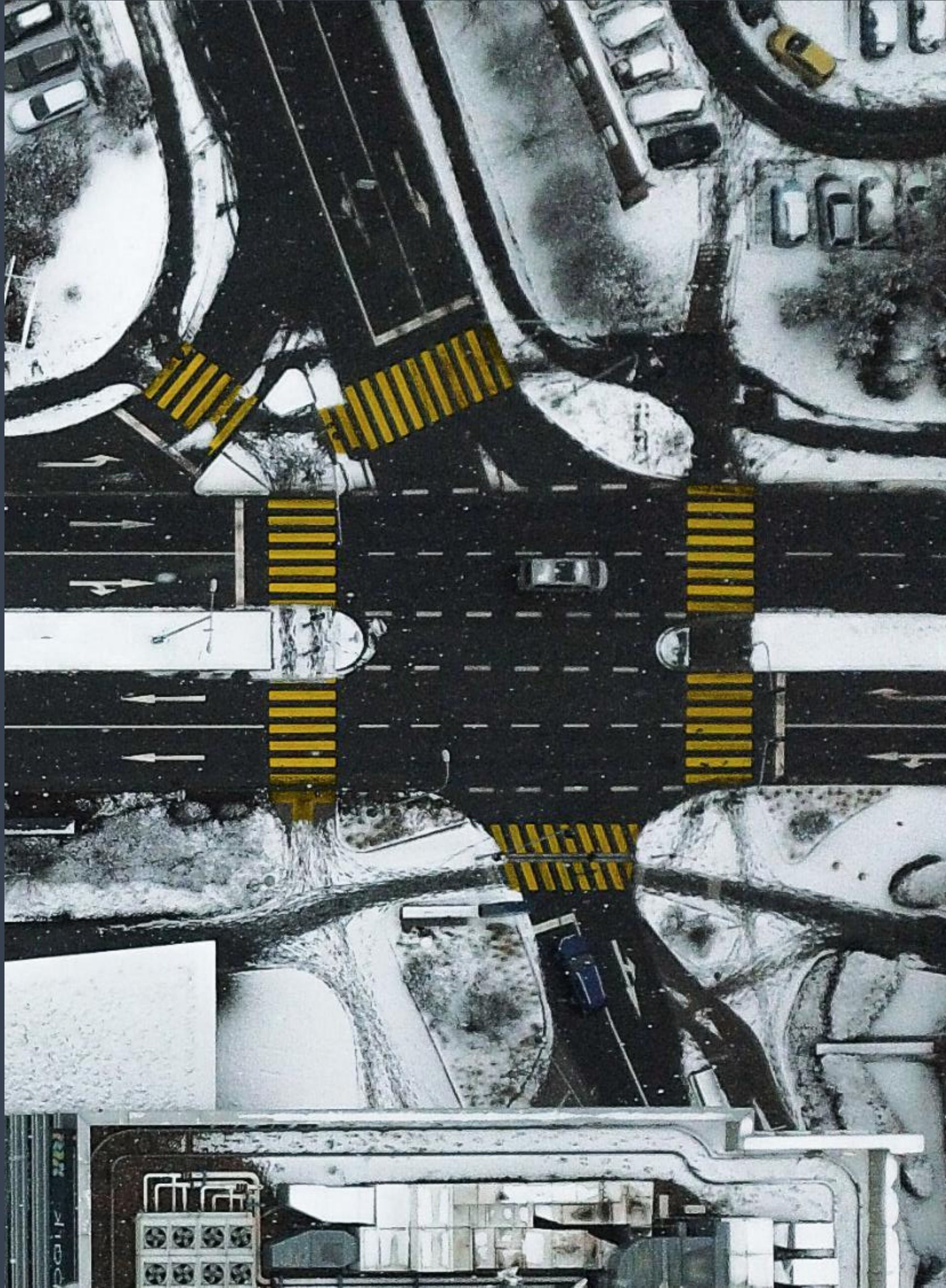
AXACTOR

Investor Presentation

9 December, 2020



Important Information and Disclaimer

IMPORTANT INFORMATION AND DISCLAIMER

THIS DOCUMENT IS NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN OR INTO OR FROM THE UNITED STATES OF AMERICA, ITS TERRITORIES OR POSSESSIONS, AUSTRALIA, CANADA, JAPAN, HONG KONG OR SOUTH AFRICA OR TO ANY RESIDENT THEREOF, OR ANY JURISDICTION WHERE SUCH DISTRIBUTION IS UNLAWFUL. THIS DOCUMENT IS NOT AN OFFER OR AN INVITATION TO BUY OR SELL SECURITIES.

ABOUT THIS PRESENTATION

This presentation (the “Presentation") has been produced by Axactor SE (“Axactor”, the “Company” or the “Issuer”) in consultation with ABG Sundal Collier, Arctic Securities, DNB Bank ASA and Nordea (the “Managers”) solely for use in connection with a potential bond and equity transaction as described herein, is strictly confidential and may not be reproduced or redistributed in whole or in part to any other person than the intended recipient. This Presentation is for information purposes only and does not in itself constitute an offer to sell or a solicitation of an offer to buy any financial instruments. By attending a meeting where this Presentation is presented, or by reading this Presentation, you (the “Recipient”) agree to be bound by the following terms, conditions and limitations.

Neither the delivery of this Presentation nor any further discussions of the Company or the Managers with the Recipient or any other person shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since such date. None of the Company or the Managers undertake any obligation to review or confirm, or to release publicly or otherwise to investors or any other person, any revisions to the information contained in this Presentation to reflect events that occur or circumstances that arise after the date of this Presentation. The Issuer does not intend to update the information after its distribution, even in the event the information becomes materially inaccurate. The Presentation must be read in conjunction with other offering material, including the Term Sheet and Application Form. An investment in the Company is suitable only for investors who understand the risk factors associated with this type of investment and who can afford a loss of all or part of the investment. Please also note that the Company may subsequently publish a prospectus that will include additional information which is not included in this Presentation.

THIS PRESENTATION IS NOT A KEY INFORMATION DOCUMENT (“KID”) UNDER THE REGULATION 20167653/EU (THE “PRIIPS REGULATION”) OR A PROSPECTUS UNDER THE REGULATION 2017/29/EU (THE “PROSPECTUS REGULATION”). THIS PRESENTATION IS BEING SUPPLIED TO PROFESSIONAL CLIENTS ONLY AND MAY NOT BE REPRODUCED, REDISTRIBUTED TO NON-PROFESSIONAL CLIENTS OR TO ANY PERSON TO WHICH DISTRIBUTION IS PROHIBITED BY LAW. PERSONS INTO WHOSE POSESSIONS THIS DOCUMENT COMES SHOULD INFROM THEMSELVES ABOUT AND OBSERVE ANY SUCH RESTRICTIONS. BY RECEIVING THIS DOCUMENT POTENTIAL INVESTORS AGREE TO BE BOUND BY THE FOREGOING INSTRUCTIONS. EACH PERSON RECEVING THIS PRESENTATION SHOULD CONSULT HIS/HER PROFESSIONAL ADVISERS TO ASCERTAIN THE SUITABILITY OF AN INVESTMENT. NONE OF THE ISSUER OR THE MANAGERS (AS DEFINED HEREIN) MAKES ANY REPRESENTATION AS TO (I) THE SUITABILITY OF INVESTING IN THE COMPANY FOR ANY PARTICULAR INVESTOR (II) THE APPROPRIATE ACCOUNTING TREAMTENT AND POTENTIAL TAX CONSEQUENES OF INVESTING IN THE COMPANY OR (III)THE FUTURE PERFORMANCE OF THE COMPANY; EITHER IN ABSOLUTE TERMS OR RELATIVE TO COMPETING INVESTMENTS.

NO REPRESENTATION OR WARRANTY

The information contained in this Presentation is furnished by the Company and has not been independently verified. No representation or warranty (express or implied) is made as to the accuracy or completeness of any information contained herein. None of the Company or the Managers or any of their respective parent or subsidiary undertakings or any such person’s directors, officers, employees, advisors or representatives (collectively the “Representatives”) shall have any liability whatsoever arising directly or indirectly from the use of this Presentation or otherwise arising in connection with the Share Issue, including but not limited to any liability for errors, inaccuracies, omissions or misleading statements in this Presentation. The Recipient acknowledges that it will be solely responsible for its own assessment of the Share Issue and the market, the market position and credit worthiness of the Company. The Recipient will be required to conduct its own analysis and accepts that it will be solely responsible for forming its own view of the potential future performance of the Company. The content of this Presentation is not to be construed as legal, credit, business, investment or tax advice. The Recipient should consult with its own legal, credit, business, investment and tax advisers as to legal, credit, business, investment and tax advice.

Summary of risk factors (I/II)

SUMMARY OF KEY RISK FACTORS

Investing in the Company involves inherent risks and is suitable only for investors who can afford a loss of all or part of the investment. The below summary of certain risks and uncertainties are not the only ones facing the Company. Please also see Appendix [*] for a more detailed description of risk factors. Any references to the Group below shall include the Company and its subsidiaries as applicable. this type of investment and who can afford a loss of all or part of the investment. Please also note that the Company may subsequently publish a prospectus that will include additional information which is not included in this Presentation.

Risk factors related to the industry and business of the group

- There is a risk that the Group will be unable to compete with businesses that offer more attractive pricing levels and the Group's competitors may have or develop competitive strengths that the Group is unable to match.
- Reputational damage due to an unforeseen event could adversely affect the Company's business and ability to attract new clients.
- If the Group is unable to enter into new debt collection contracts or purchase portfolios at appropriate prices there is a risk that the Group's business and its ability to implement its business plan will be materially adversely affected.
- There is a risk that the Group will make acquisitions that prove unsuccessful which could have a material adverse effect on the financial position of the Group.
- A failure to comply with applicable regulations in relevant jurisdictions may materially adversely affect the Group's financial position and ability to operate in such jurisdictions.
- Any failure to implement the Group's strategic plans may have a material adverse effect on the Group's business, results of operations or financial conditions.
- A failure to employ and retain skilled personnel may have a material adverse effect on the business of the Group.
- A failure to retain third-party service providers may have a material adverse effect on the business of the Group.
- A failure to collect under the debt collection contracts or purchased portfolios may have a material adverse effect on the financial position of the Group.
- Incorrect assumptions made in the purchase of debt portfolios may have a material adverse effect on the financial position of the Group.
- The future value of the Group's REO investments is subject to risks related to the development of the real estate markets and general economic and market conditions.
- If the statistical models and analytical tools used by the Group are inaccurate the Group may not be able to achieve forecasted recoveries.
- A Pandemic situation may affect the operational efficiency, impairment and the Group's financial results.
- Risk related to IT instability, information security incidents and poor application availability reduce availability to collect which affects the financial results, may cause reputational damage and fines from authorities and loss of clients

AXACTOR

Summary of risk factors (II/II)

Risk related to IT instability, information security incidents and poor application availability reduce availability to collect which affects the financial results, may cause reputational damage and fines from authorities and loss of clients

Financial risks

- A failure to procure sufficient funding at favorable terms may have a material adverse effect on the growth plans of the Group
- The Group is subject to restrictive debt covenants which may limit the ability to finance future operations and capital needs and pursue business opportunities
- Servicing the Group's future indebtedness limits funds available for other purposes
- The Group is highly leveraged and may be unable to repay or refinance its debt at maturity
- The Group is exposed to the risk of currency fluctuations
- The Group is subject to risks relating to its historical use of tax-deductible losses
- The Group is subject to credit risk

Risks related to the Company's shares

- The market price of the Company's shares could fluctuate significantly in response to a number of factors beyond the Company's control
- Shareholders not participating in future offerings of Shares or other equity investments may be diluted
- Sales of substantial amounts of the Shares, or the perception that such sales could occur, could have an adverse effect on the market value of the Shares and the Company's ability to raise capital through future capital increases
- Shareholders that are registered in a nominee account may not be able to exercise voting rights as readily as shareholders whose Shares are registered in their own name
- Norwegian law may limit shareholders' ability to bring an action against the Company
- The transfer of shares may be subject to restrictions under the securities laws of the United States and other jurisdictions

Risks related to the Company's Bonds

- The Issuer will have substantial indebtedness which could have negative consequences for the bondholders
- Any assets remaining after repayment of the Group's secured debt may not be sufficient to repay all amounts owed to unsecured creditors in the Issuer, including the Bondholders
- The Bond Agreement will allow for certain predefined majorities to pass resolutions which are binding for all Bondholders

AXACTOR

Comprehensive refinancing transaction, securing a stronger and cleaner financial profile and enabling future growth

Elements of the proposed transaction

1. **New equity issue**
2. **Bond refinancing**
3. **Refinancing and consolidation of bank facilities**
4. **Roll-up of Axactor Invest and mezzanine refinancing**

Key highlights and impact of the proposed transaction

- Simplifying the corporate structure and increasing financial transparency
- Securing new equity that will strengthen the balance sheet and allow for future accretive portfolio purchases in a highly attractive NPL market
- Improved terms and maturity on secured bank financing extended to 2024
- Addressing upcoming bond maturity with early redemption and a new bond issue maturing in 2024
- Resolving Axactor Invest structure well ahead of maturity in 2022, securing better utilization of the combined RCF and extending mezzanine maturity beyond the new bond maturity in 2024
- Geveran as the main shareholder continuing as a strong backer of the company in a public setting, with Axactor Invest roll-up further aligning Geveran's equity exposure with shareholders
- Substantially improves shareholder returns through accretive contribution from Axactor Invest roll-up and improved financing terms, yielding a substantial uplift in ROE and EPS on a pro forma basis for 2019 and YTD 2020

Key transaction elements

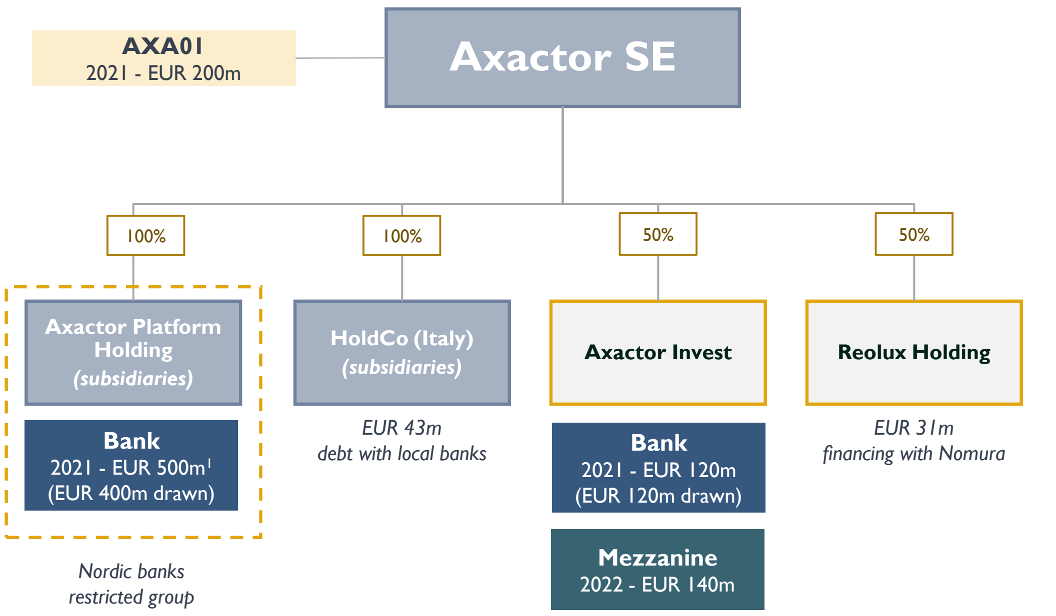
Element	Key details	Simplification of structure	Maturity improvement	Improved investment capacity
New equity issue	• An equity issue of EUR 30 million executed as a private placement at the launch of the transaction, subject to completion of the bond issue • A subsequent offering of up to EUR 20 million, with tradeable rights to existing shareholders			✓
Bond refinancing	• Amendment of AXA01 to include a call option to facilitate an early redemption, to be refinanced with the issuance of a new three year EUR 160-200 million bond (AXACTOR02) • All AXA01 bondholders to receive an offer to exchange all or some of their AXA01 bonds for bonds in the AXACTOR02 bond issue, with roll over premium payable in cash at settlement		✓	
Refinancing and consolidation of bank facilities	• New three year facility of EUR 620 million (of which EUR 545 million committed and EUR 75 million in accordion), consolidating the current facilities in Axactor and Axactor Invest • Refinanced at improved terms, with interest ratchet depending on LTV, with new terms improving bank financing cost with approx. 0.7%-points on a pro forma basis for YTD '20	✓	✓	✓
Roll-up of Axactor Invest and mezzanine refinancing	• Axactor to acquire Geveran's stake in Axactor Invest for a consideration of 50 million shares • Approval of the roll-up at the EGM will trigger a mandatory offer from Geveran • As the completion of the refinancing will deliver substantial benefits to Axactor, the Board of Directors does not expect to recommend shareholders to accept the offer • Refinancing of the Axactor Invest mezzanine financing at 650 bps, to be pari passu with AXACTOR02 and with maturity 6 months after AXACTOR02	✓	✓	✓

AXACTOR

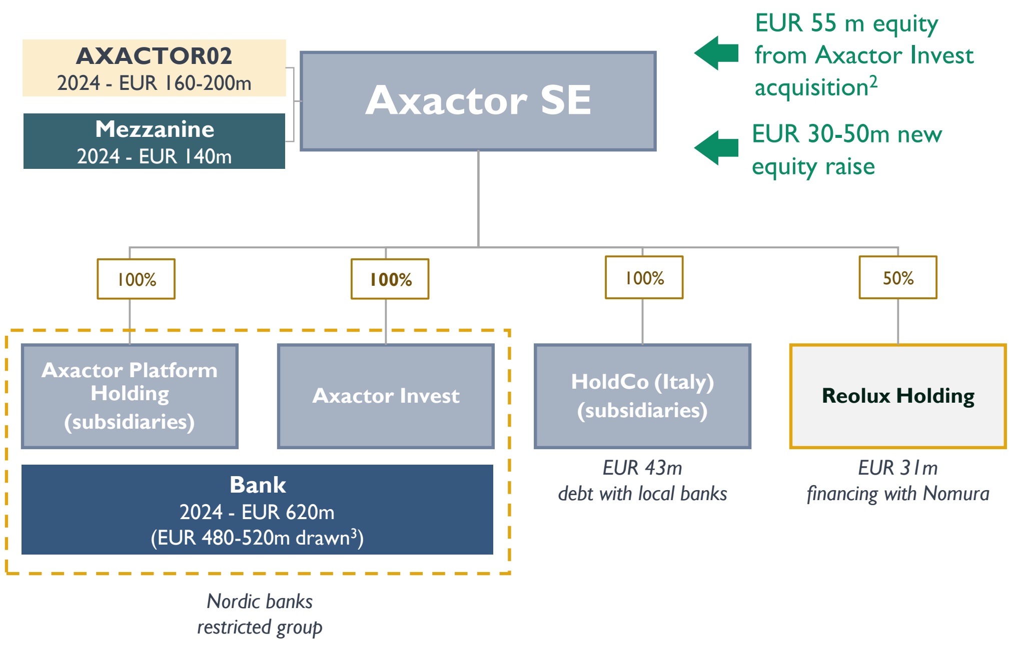
Refinancing structure

Simplifying financing structure while providing the basis for a resilient long term funding profile

Current structure



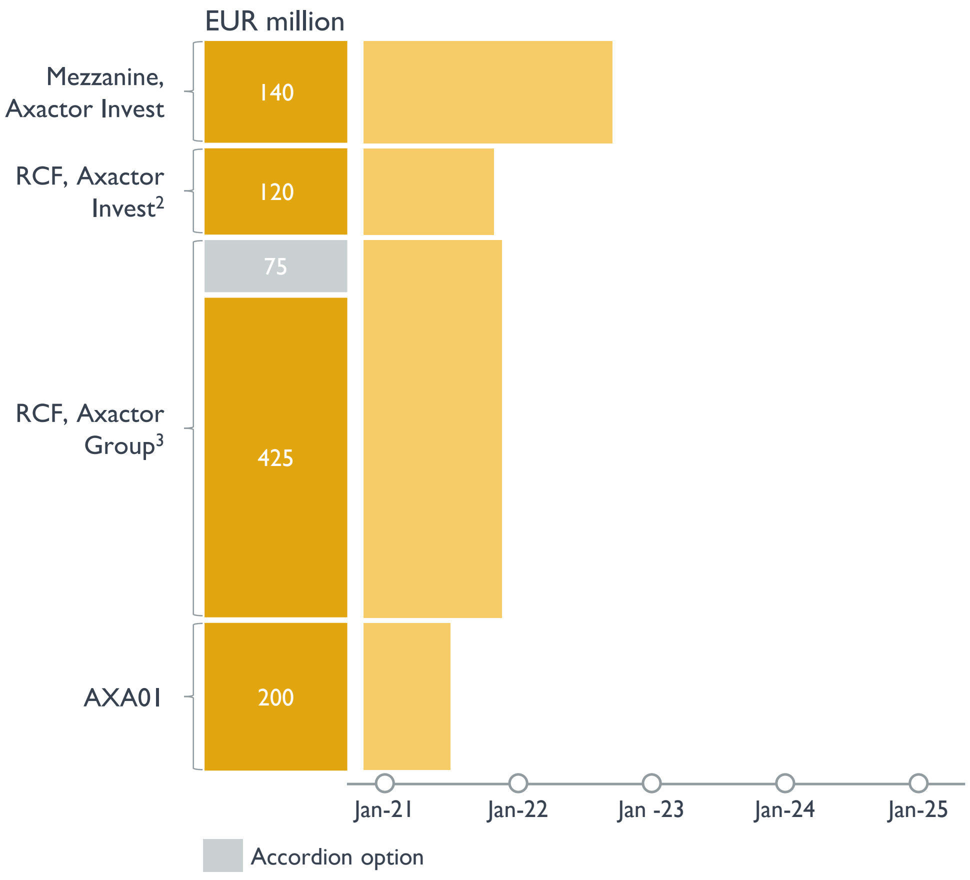
Proposed new structure



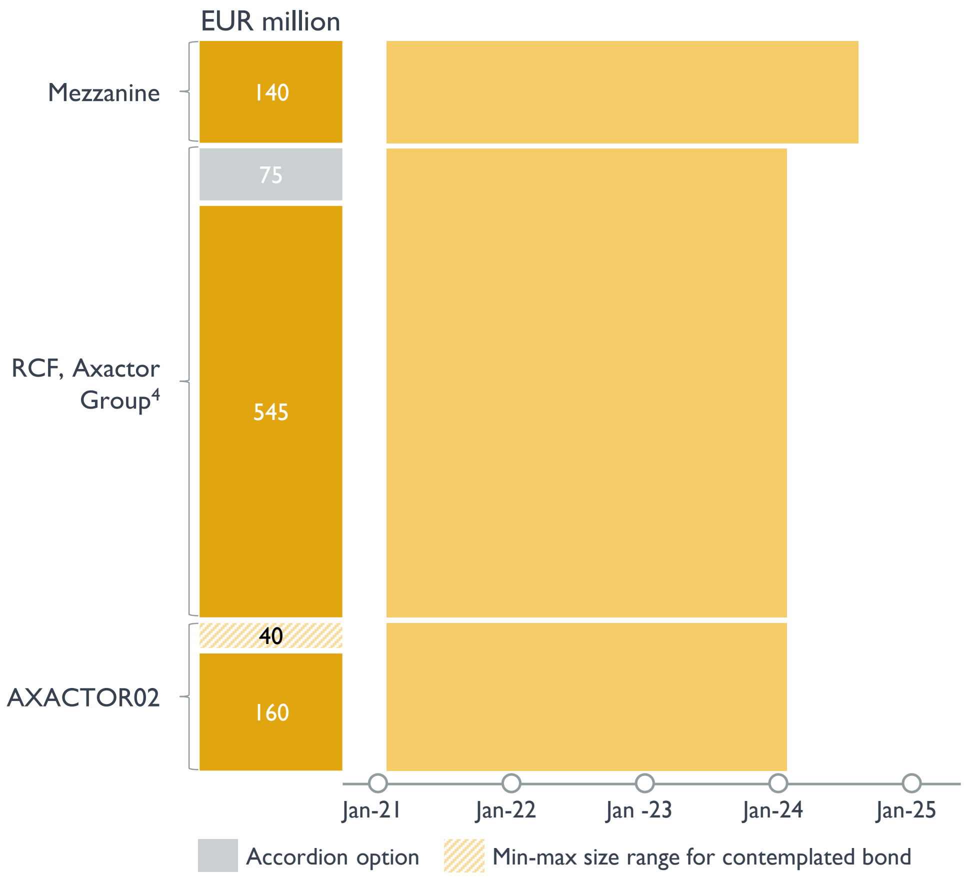
1) Including EUR 75m accordion option; 2) Consisting of new equity from issuance of 50 million consideration shares corresponding to EUR 38 million at an issue price of NOK 8.0 per share. Axactor realises the gain directly in equity, which on a pro forma basis per Q3 will result in an increase of shareholder's equity of EUR 55 million, corresponding to the book value of the minority interest quired by Axactor. 3) Amount drawn depending on the size of bond issue

All maturities refinanced to 2024 ensuring a robust debt maturity schedule

Current maturity profile[1]



New maturity profile[1]



1) Excluding Nomura facility and local Italian debt; 2) EUR 120m drawn; 3) EUR ~400m drawn by end of Q3; 4) EUR 480-520m drawn depending on size of bond issue

AXACTOR

AXA01 amendment to ensure full refinancing with AXACTOR02

AXA01 amendment proposal

- In connection with the comprehensive transaction, Axactor is proposing an amendment to the AXA01 bond agreement to allow for a full early redemption of AXA01, to be refinanced with the issuance of a new EUR 160-200 million bond (AXACTOR02)
- Axactor proposes to amend the bond agreement of AXA01 to include an Issuer's call option at [100.0]% of par value, subject to the following conditions precedent:
  1) Completion of a cash equity offering of no less than EUR 30 million
  2) Contribution in kind of the remaining 50% of shares in Axactor Invest against issuance of consideration shares
  3) Obtaining a commitment for a new EUR 545 million secured bank facility with a 3 years tenor (incurred for the purpose of refinancing the existing current secured bank debt[4])
  4) Issuance of a new unsecured bond (AXACTOR02), to refinance AXA01
  5) All AXA01 bondholders receiving an offer to exchange all or some of their AXA01 bonds for AXACTOR02 bonds at a price of [102.0]% of par, where each AXA01 Bond will be settled with a combination of 1) an AXACTOR02 bond and 2) a [2.0]% premium payable in cash at settlement of AXACTOR02
- The credit profile of Axactor and AXACTOR02 will benefit substantially from the proposed transaction
  - Simplified corporate and financing structure with increased transparency
  - Substantial new equity will be contributed through private placement and Axactor Invest roll-up
  - Improved amortization schedule with new senior secured bank facility with a 3 year tenor, at reduced interest cost compared to current facilities
  - Axactor Invest mezzanine will become parri passu with, and have a longer dated maturity than AXACTOR02

Pro forma capital structure and credit metrics

EURm	Q3 '20	Pro forma[1)]	
		30m equity	50m equity
Bank - Group	401	490-530	470-510
Bank - Axactor Invest	120	0	0
Mezzanine	140	140	140
Bond	200	160-200	160-200
Other	74	74	74
Gross nominal debt[2)]	935	905	885
Cash	36	36	36
Net nominal debt[2)]	899	869	849
Shareholders equity	290	374	394
Minorities	75	20	20
Total equity	365	395	415
LTV	75.0%	72.5%	70.8%
Equity ratio	27.2%	28.8%	29.8%
ND / LTM cash EBITDA[3)]	3.9	3.7	3.6

1) Excluding transaction and financing costs 2) Based on nominal debt amounts, excluding amortised loan fees 3) Covenants calculated based on pro forma adjusted cash EBITDA as defined in the Bond Terms 4) Excluding debt with local Italian banks and Nomura

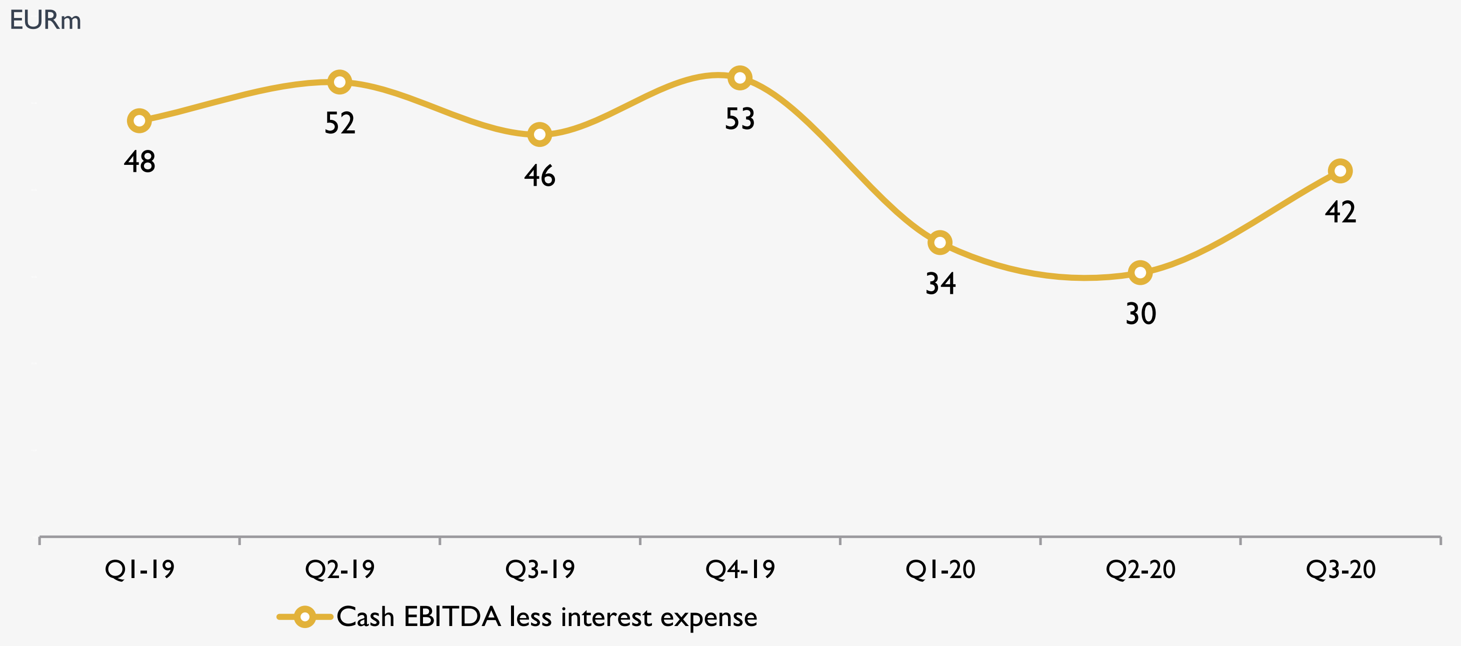
Key bond terms

Issuer:	Axactor SE
Status of the bonds:	Senior unsecured
Initial amount:	EUR [160-200] million
Borrowing limit:	EUR [300] million
Use of proceeds:	The net proceeds shall be used to a) Refinance the Issuer's outstanding unsecured bond AXA01; and b) general corporate purposes
Issue price:	100% of par value
Coupon rate:	3m EURIBOR + [700] bps p.a., quarterly interest payments
EURIBOR floor:	0.0%
Tenor:	3 years
Settlement date:	Expected to be [•] January 2021
Maturity date:	Expected to be [•] January 2024
Amortisation:	Bullet
Call options (American) (all):	Optional Early Redemption Amount until 30 months after settlement date (First Call Date), thereafter callable at a price equal to 101.00 per cent. of the nominal amount of the redeemed bonds
Financial covenants:	Interest coverage ratio: >4.0x (Pro-Forma Adjusted Cash EBITDA[1] to net interest expenses) Leverage ratio: <4.0x (NIBD to Pro-Forma Adjusted Cash EBITDA[1]) Total loan to value: <75% (NIBD to total book value of all debt portfolios and REOs) Total secured loan to value: <65% (secured loans less cash to total book value all debt portfolios and REOs)
Special covenants:	Dividend restriction (50% of net profit), financial indebtedness restrictions, negative pledge, subsidiaries' distribution, financial support restriction
General covenants:	Reporting, mergers/de-mergers, continuation of business, corporate status, disposal of business, arm's length transactions, compliance with laws and authorisations
Change of control:	Investor put at 101% (other than a change of control in respect of Geveran Trading Co.)
Listing:	Listing on Oslo Børs within 6 months
Governing law:	Norwegian law
Trustee:	Nordic Trustee
Joint lead managers:	ABG Sundal Collier, Arctic, DNB and Nordea

1) Pro-Forma Adjusted Cash EBITDA: Cash EBITDA for the group, adjusted by including 80% of the Cash EBITDA for all portfolios without full 12 months trading (without double counting)

Robust cash flow expected going forward, supporting growth ambitions as well as providing downside protection

Quarterly Cash EBITDA less interest expenses



Comment

- Axactor comes with low risk – opportunity to repay bondholders in full (EUR 200m) over 4 quarters[1] by stopping portfolio investments under normal circumstances
- Cash EBITDA less interest expense expected to continue to improve through 2020 and into 2021 coupled with continued decline in committed forward flow agreements
- Shift in focus towards one-off acquisitions and forward flows with shorter duration or exit clauses

1) Estimated repayment in full over ~6 quarters in the event of extraordinary circumstances (i.e. COVID-19)

AXACTOR

Key credit highlights - the credit profile of Axactor and AXACTOR02 will benefit substantially from the proposed transaction

1 A leading European debt collector built on a highly efficient operating platform	• Since inception in 2015, Axactor has grown to become one of the largest debt collectors in Europe with an ERC of EUR 2.16bn[1] • Cost efficient and modern IT platform with no legacy, creating considerable scale benefits and increased profits. LTM local SG&A, IT and corporate expenses have been reduced from 30% of total income in Q1 2018 to 14% in Q4 2019 before the Covid-19 pandemic
2 Diversified portfolio of claims with strong visibility on cash flows	• Diversified revenue mix with 62% of total income from collection on own portfolios, 19% from 3rd party collection ("3PC") and 19% from REOs, with focus on delivering combined 3PC and NPL deals to extract synergies between the segments[2] • Focus on mature markets in the Nordics, Germany, Italy and Spain with regulatory stability and well-established banking systems, providing attractive risk/reward – with a focus on banking claims where debtors have higher willingness and ability to pay and collection time is shorter • Strong cash flow generation and 15 years of collection curves on NPL portfolios provides cash flow visibility
3 Uniquely positioned in an NPL market with a attractive outlook	• Portfolio prices have come down since peak, creating highly attractive opportunities – estimated net IRR on new purchases has increased from approximately 10% in 2016 to 12-14%, depending on geography and quality of the debt purchased • Axactor has navigated the Covid-19 well and is in a strong position to monetize on a recovering market with its unique operating platform and cost leadership – all-time high EBTIDA margin of 41%[3] in Q3'20 demonstrating its ability to adapt to changing market dynamics
4 Experienced management team with unparalleled industry track record	• Executive management team with substantial experience from the international finance and debt collection industry, supported by seven country managers with local expertise in Axactor's focus markets • The management team has successfully built Axactor into a top 10 European player through platform acquisitions and scale-up, driven by add-on acquisitions, strong partnerships and access to attractive financing • Long-lasting relationships with financial institutions across Europe
5 Listed company backed by strong owners and a solid capital structure	• Listed on Oslo Børs with a market cap of NOK ~1.7bn[5] and a large and broad shareholder base including a supportive long-term main shareholder Geveran (John Fredriksen) with a proven track record of value creation in the debt collection industry • Healthy balance sheet with Q3'20 equity ratio of 27.2% and NIBD/LTM cash EBITDA of 3.9x[4] before contemplated refinancing and equity issue

1) ERC as per Q3'20; 2) Share of sales LTM Q3 adj. for revaluations on NPLs (to get normalized level) 3) Excluding net reversal of REO impairment accrual in Q3 2020; 4) Pro forma adjusted Cash EBITDA as defined in the bond terms 5) As of 9 December 2020

Axactor – becoming an established player

- Entering new phase with focus on profitability and operational excellence

Start-up (2016-2020)

Grow revenue & scale

- Aggressive growth
- Market entries
- Establish IT and operations

Established player (2021-2024)

Grow return on equity

- Grow size in existing markets
- Operational excellence
- Initiate dividend payments
- Take part in consolidation of the NPL industry

Steady state (2025→)

Grow presence

- Steady state
- Competitive cash return to shareholders
- Use superior operations to enter new markets and segments
- M&A

Refinancing support ROE drivers positively and secure the basis for taking advantage of the attractive market outlook

Drivers	Q3 2020	Covid-19 impact (from Q3)	Refinancing impact	Outlook and impact from refinancing
• NPL portfolio prices	• Portfolios acquired at attractive IRRs in the Nordic market	Positive	Positive	• New equity and structural simplification giving capacity for high return purchases
• Business mix	• Significant increase in combined 3PC and NPL deals	Positive over time (3PC will increase)	Positive	• Leveraging on 3PC and NPL synergies • Increased capacity allows for additional combined agreements
• Economies of scale	• Record-high EBITDA, including net reversal of REO impairment accrual	Neutral	Positive	• Continued cost discipline combined with higher growth capacity and utilization of platform
• Tax rate	• Effective tax rate of 47% in Q3	Slightly negative	Positive	• Long term steady state target of ~25% • Lower funding cost contributing to lower effective tax rate
• Funding cost	• Current level of ~5%[1)]	Negative (1-year delay)	Positive	• Refinancing and continued improvement of capital structure

1) Not including amortized loan fees

AXACTOR

Key financials for Axactor Invest and terms for the roll-up

Transaction terms

- Axactor will acquire the equity interest in Axactor Invest held by Geveran for a consideration of 50 million shares to be issued at a share price of NOK 8.0. In addition, Axactor will realize a gain on the transaction directly in equity, which together on a pro forma basis per Q3 will result in a increase of shareholder's equity of EUR 55 million, corresponding to the book value of the minority interest
- The transaction will increase Geveran's ownership from 31.95% to 46.41% (before the contemplated equity issues), which will upon approval by the EGM trigger a mandatory offer
- Based on the issue price, the consideration of EUR [38] million corresponds to a P/B of 0.[69]x based on Q3 equity, a P/E of [5.2x] on 2019 earnings and [5.6]x based on annualized Q3'20 earnings for Axactor Invest, and is estimated to be acquired at an equivalent net IRR of approx. [13]%

Key financials Axactor Invest (50% basis)

EURm	2019	YTD '20	Q3 '20
Revenue	20.1	10.4	5.1
EBITDA	14.0	6.5	4.0
Pre tax profit	9.4	0.6	1.8
Net income	**7.3**	**0.4**	**1.7**
NPL book value	177.0	191.9	191.9
Cash and other assets	11.4	2.0	2.0
Total assets	**188.4**	**193.9**	**193.9**
Equity	54.0	54.5	54.5
Debt and other liabilities	134.4	139.4	139.4
Total equity and liabilities	**188.4**	**193.9**	**193.9**

AXACTOR

Financial impact of the proposed transactions

Financial effects and key assumptions

- As Axactor Invest is currently fully consolidated in Axactor's financial accounts, the impact from the roll-up will materialize as a reduction of the equity minority interest
- On a pro forma basis, the acquisition of Axactor Invest is accretive to ROE and EPS based on the 2019 and 2020 financial result, and is also expected to be accretive for 2021 financial results
- The improved commercial terms for the bank financing is expected to improve liquidity and financial results, with the table to the right illustrating the pro forma effect of the new bank financing terms on the historical outstanding balances

Pro forma financial impact

EURm	2019	YTD '20	Q3 '20
Net income	21.0	-34.4	6.5
Minorities	-4.6	16.5	-2.9
Net income to shareholders	**16.3**	**-17.9**	**3.6**
Add-back: Axactor Invest minorities	7.3	0.4	1.7
Add-back: pro forma financing[1]	n.m.	1.7	0.6
Pro forma net income	**23.7**	**-15.8**	**5.9**
EPS[2] - reported	0.088	-0.097	0.019
EPS[2] - pro forma (ex financing effect)	0.100	-0.074	0.022
Change %	+14%	n.m.	+16%
EPS[2] - pro forma total	n.m.	-0.067	0.025
Change %		n.m.	+29%
ROE reported	6.0%	-8.1%	4.9%
ROE pro forma	7.5%	-5.9%	6.8%
ROE Axactor invest only	17.6%	1.1%	12.5%

1) Calculated based on new financing terms from the bank on historical balances and accounting for equity issue on LTV bracket, net of assumed tax rate of 35%. Excluding any effect on bond and mezzanine financing.
2) Calculated based on current outstanding number of shares

AXACTOR

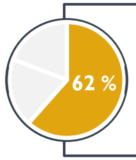
Axactor is a leading European debt collection firm that has grown rapidly in a few attractive markets

A leading European debt collector

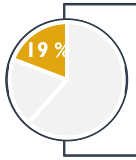
- Established in Q4 2015 with headquarters in Oslo, Norway, and has since inception become one of the largest debt collectors in Europe
- Main focus on collection and acquisition of unsecured non-performing loans ("NPL") from financial institutions and third-party collection ("3PC")
- Operations in six countries; Germany, Italy, Norway, Finland, Spain and Sweden, with headquarters in Oslo, Norway and1,145 FTEs
- Management team with strong track record from debt collection industry
- Portfolio acquisitions north of EUR 600m for 2019 and 2020 combined
- Geveran owns approx. 32% of Oslo-listed Axactor SE

MCAP[1]	EQUITY[1]	NIBD[1]
~EUR 146m Pro forma ~[EUR 213-233m]	~EUR 290m Pro forma ~[EUR 375-395m]	EUR 892m Pro forma [EUR 842-862m]

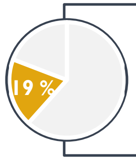
Building scale in a few, stable and well developed markets



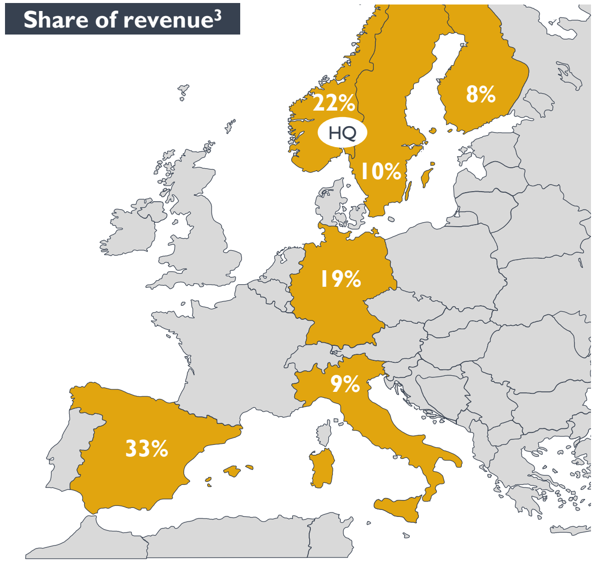
Non-Performing Loans (NPL) [2]
Acquisition and collection of mainly unsecured B2C NPLs

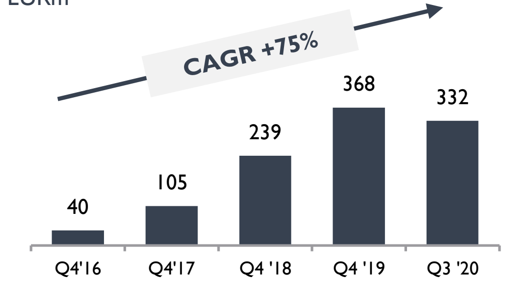


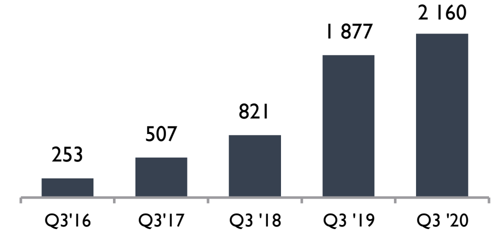
Third-party collection (3PC) [2]
Debt collection services on behalf of third party clients



Real Estate Owned (REO) [2]
Acquisition and realisation of bank owned real estate assets





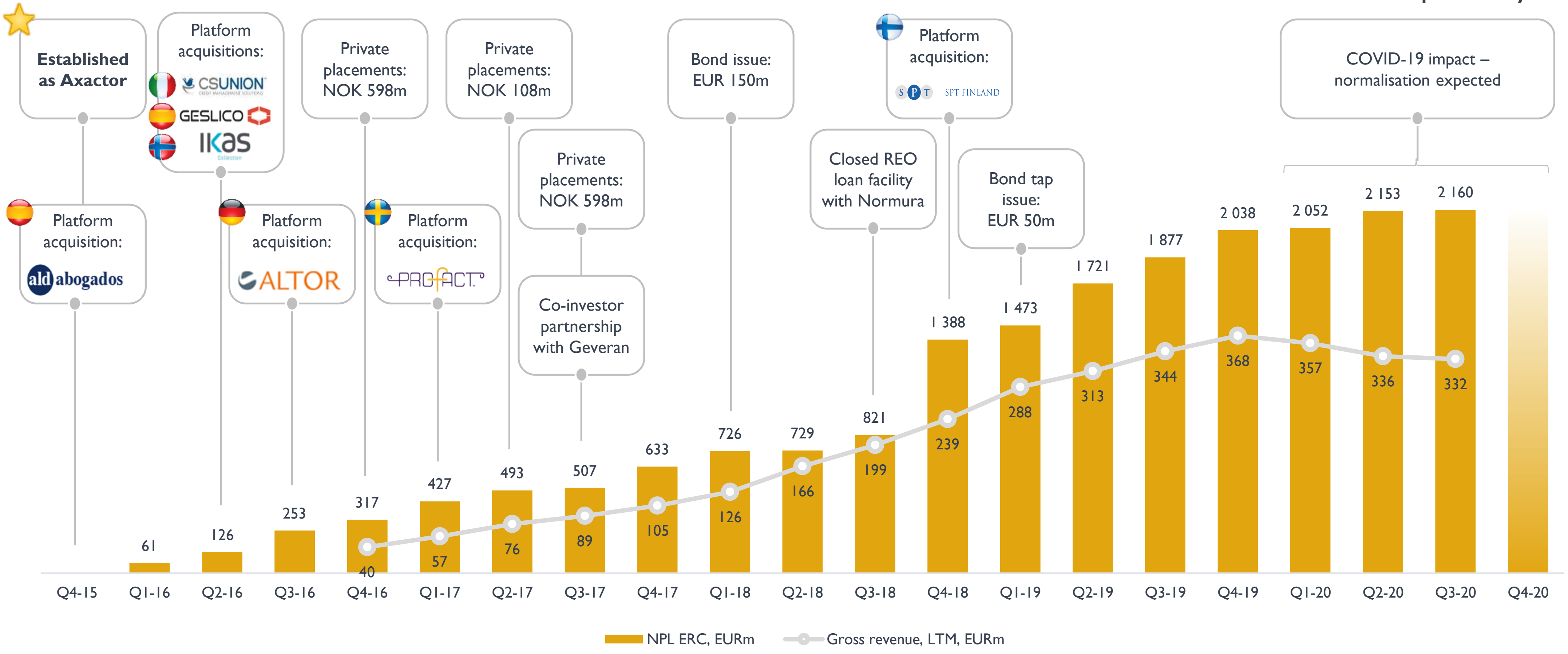


1) Numbers per Q3, MCap from November 11th, 2020; Equity = Shareholders equity
2) Share of sales LTM Q3 adj. for revaluations on NPLs (to get normalized level)
3) Share of LTM Q3'20 Total income by country excl. REO; 4) ERC = Estimated remaining collection

AXACTOR

Axactor has become a European top 10 debt collector in 4 years and has built a solid platform for driving continued profitable growth

Establishment	Gaining scale	Profitable growth
Creating a strong platform built on structure, people, systems	Leverage strong foundation to scale up trough strong partners and funding	Entering new phase with focus on profitability



AXACTOR

Axactor is attractively positioned in the value chain from debtor default to surveillance and recovery

Outside Axactor scope

Credit information
- Collecting and managing debtor credit information

Invoice admin.
- Ledger management
- Creation and distribution of invoices

Factoring
- Purchase of account receivable to improve client working capital

Account receivable management
- Follow-up of invoices from invoice date to collection

Axactor focus area

Amicable collection
- Traditional pre-legal collection
- Work closely with debtor to find amicable repayment plan

Legal collection
- Legal alternatives differ greatly between jurisdictions
- Local presence and competence is key

Surveillance and recovery
- Unrecoverable claims move to surveillance
- Collection reinitiated when debtor economic capacity improves

Axactor operates three segments within acquisition, management and collection of debt

Non-Performing Loans (NPL)

- Acquires defaulted debt at discount to face value using its own collection platform – primarily unsecured B2C NPL portfolios from highly reputable financial institutions
- Its focus on the banking segment provides scale trough higher claim size (avg. at EUR ~10k[1]) collected with the same processing time combined with higher debt holder willingness and ability to pay
- NPL portfolios are purchased in portfolio-by-portfolio tender processes and trough forward flow agreements, where Axactor agrees to purchase future NPLs from a financial institution at given terms

Key figures

LTM per Q3'20

62%

Total income	EUR 121m
Estimated remaining collection	EUR 2 160m
Book value	EUR 1 115m

Third-party collection (3PC)

- 3PC performs debt collection services on behalf of clients, which are typically paying a fixed price or a commission to Axactor on the collected amount
- The segment's customer base are mainly leading financial institutions and Axactor has a particularly strong position in Spain, where it has customer relationships with all top 12 banks as well as with leading insurance companies and real estate firms
- 3PC generates capital-light, stable and cash-rich earnings and creates strong customer relationships that are key to accessing attractive NPL portfolios at bilateral basis

Key figures

LTM per Q3'20

19%

Total income	EUR 50m
Contribution margin	EUR 17m
CM1 margin	35%

Real Estate Owned (REO)

Run-off case

- During 2017-18, Axactor acquired several Spanish REOs portfolios, comprising of assets taken in by banks as mortgage collateral after loan defaults
- Axactor acquired the REOs opportunistically trough JVs with Geveran due to the relatively high NPL prices in 2017
- The REO portfolios are a run-off case and to be phased out - no REO portfolios acquired since Q3'18 with 64% of all assets sold already
- Given the co-investment with Geveran, Axactor's exposure to the REOs is only 40% of consolidated book value, equivalent to EUR 34m as of Q3'20

Key figures

LTM per Q3'20

19%

Total income	EUR 50m
# of assets Q3'18	7,388
# of assets Q3'20	3,076

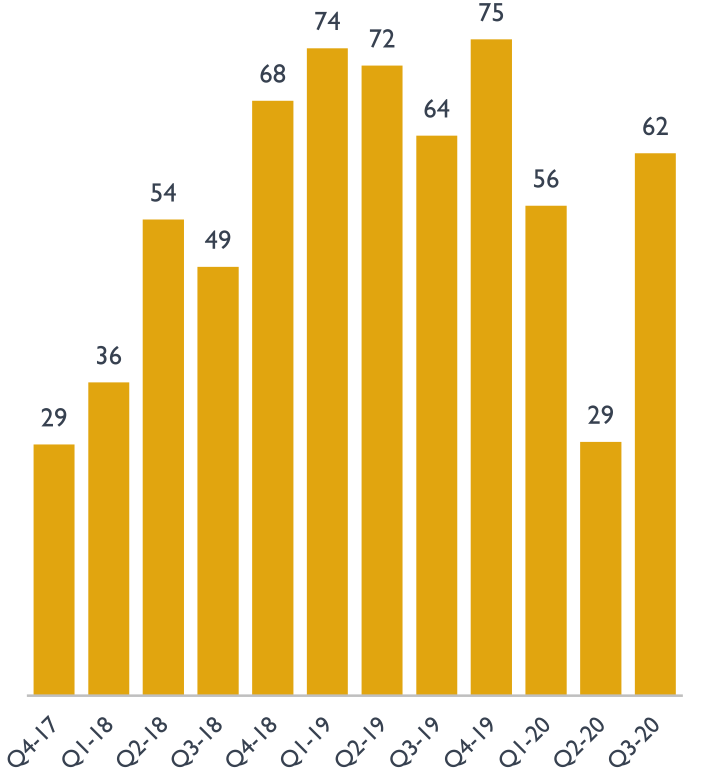
% Share of sales LTM Q3 adj. for revaluations on NPLs (to get normalized level)

1) Average claim size as of Q3 2020

Industry challenger rising to Europe's top 10 in 4 years on the back of substantial revenue growth and margin expansion

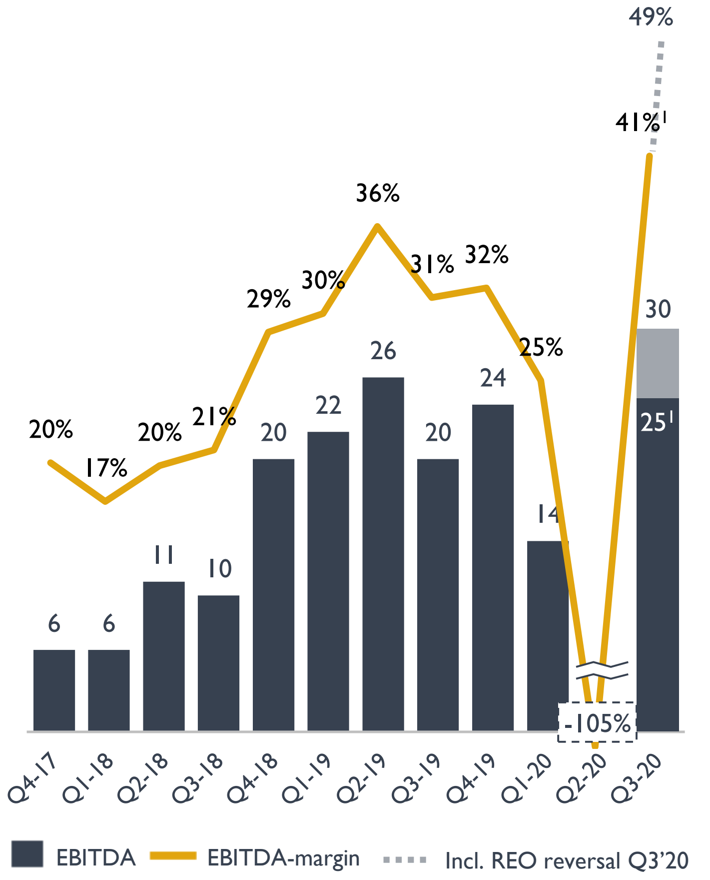
Total income

(EUR million)



EBITDA and EBITDA margin

(quarterly EBITDA margin in % of total income, EUR million)



Record-high EBITDA margin in Q3'20

(Quarterly EBITDA margin in % revenue)

25%	-105%	41%[1]
Q1 2020	Q2 2020	Q3 2020

i Record-high EBITDA margin enabled by

- Continued cost discipline with both permanent and temporary initiatives
- Continued normalization of revenue
- Operational improvements such as digitalization, improved business intelligence and advanced analytics

ii Unadjusted EBITDA margin at 49%

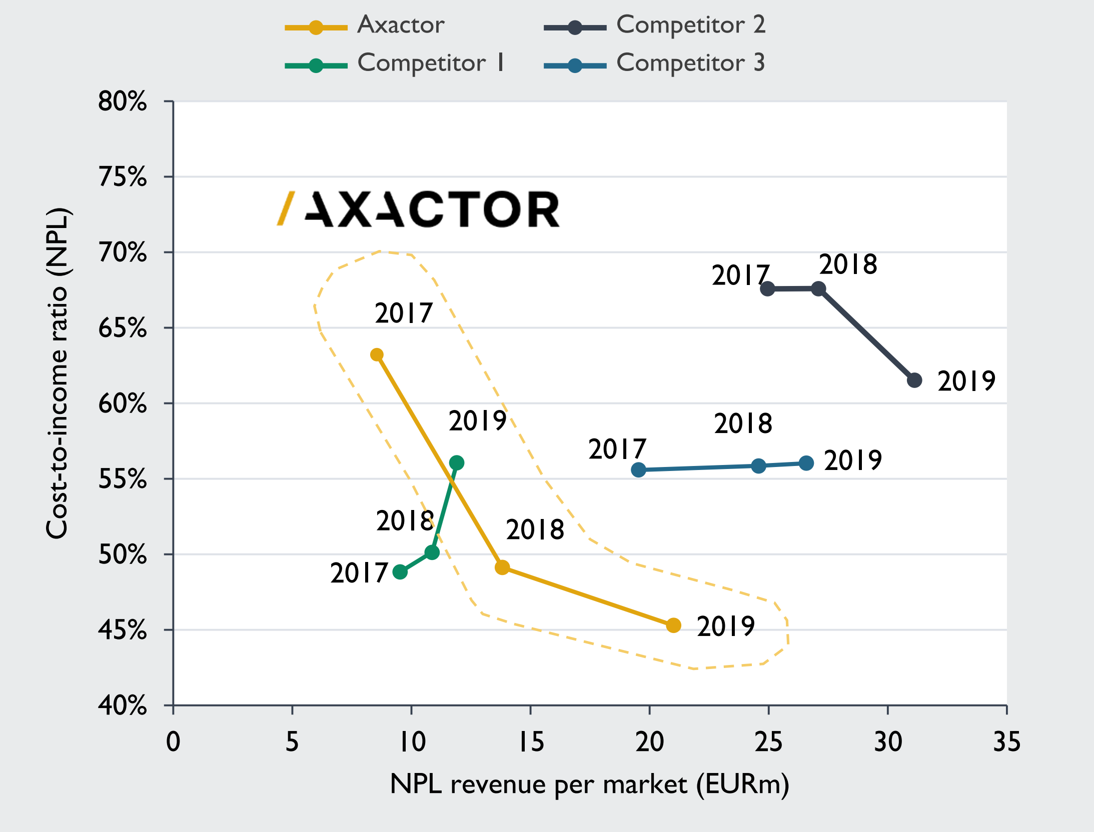
- EBITDA margin lifted by REO net impairment reversal

1) Excluding reversal of REO impairment accrual in Q3 2020

AXACTOR

Uniquely equipped for further growth and value creation having successfully aligned the organization through the 'One Axactor Program'

ONE / AXACTOR



Bigger does not necessarily scale better – platform more important than size

- After roughly five years in operation, Axactor has grown from a small challenger to one of the 10 largest players in the European debt collection industry
- Despite many of the competitors being larger, they do not have better cost efficiency
- Axactor has the lowest cost-to-income ratio (C/I) among its Nordic peers; implying that the platform is more important than size

Strategic levers for value creation and risk reduction

Target mature markets with further growth potential

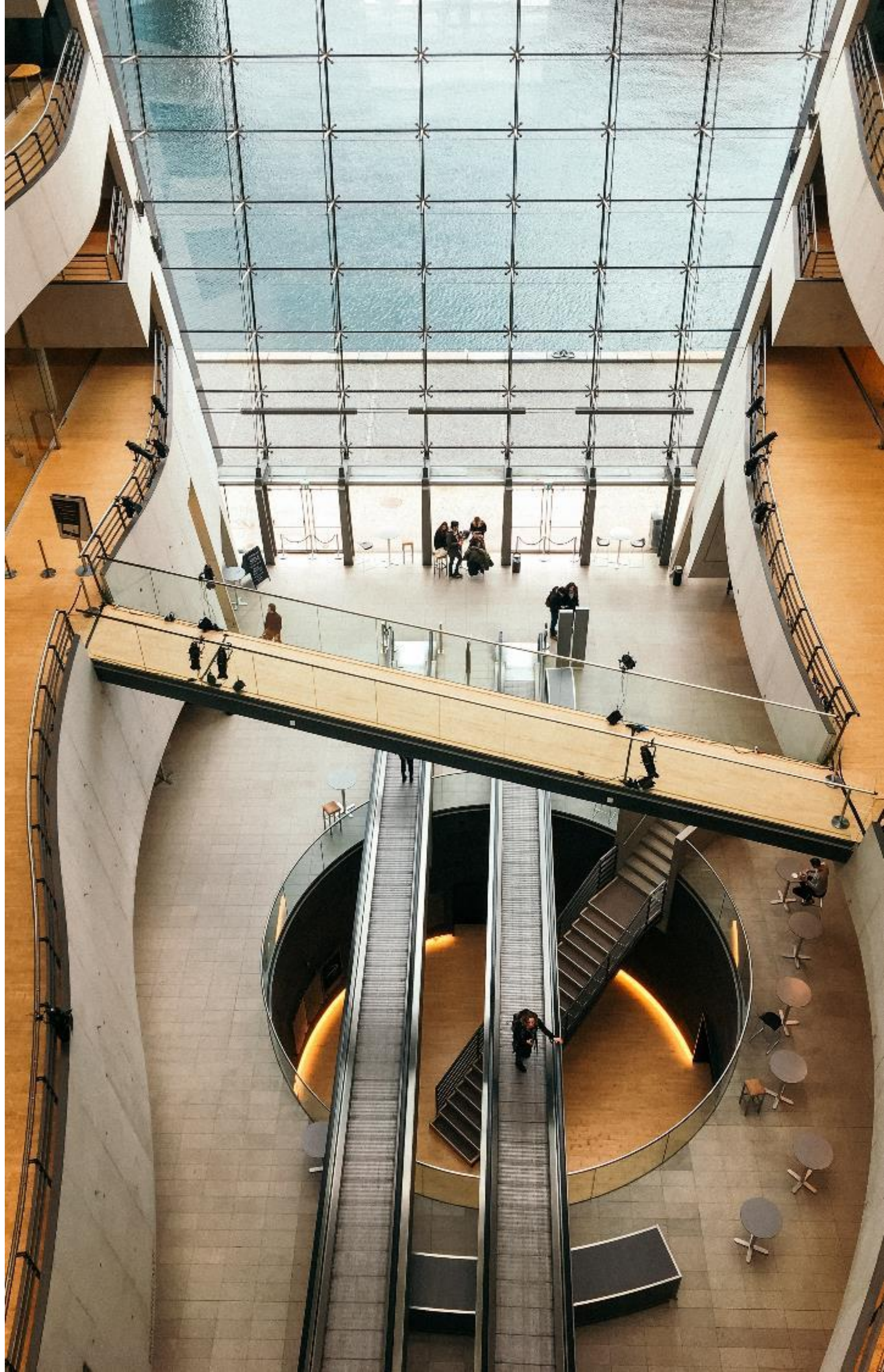
- Large and growing markets
- Regulatory stability and well-established banking systems
- Good risk/reward relationship

Focus on low-risk banking segment

- High average claims – similar process time
- Willingness and ability to pay
- High reputation customers

Specialized value chain proposition

- Focus on financial institutions, both in NPL and 3PC
- ARM/3PC offerings with high value recurring revenue
- Highly modern, flexible and scalable platform

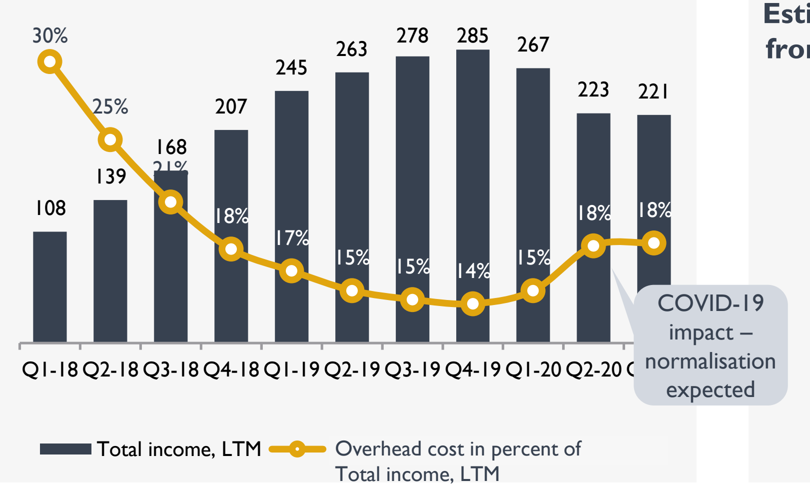


Axactor is well positioned to drive profitable growth from doing more of the same, focusing on operational scale and growth in NPL and 3PC

I Increased scale in operations

- Axactor has focused on efficient scaling and on keeping collection costs low
- Operations are expected to gain from further scale, although at a slower pace, with Axactor's low-cost, standardised IT system representing a significant competitive advantage

Overhead cost as share of revenue

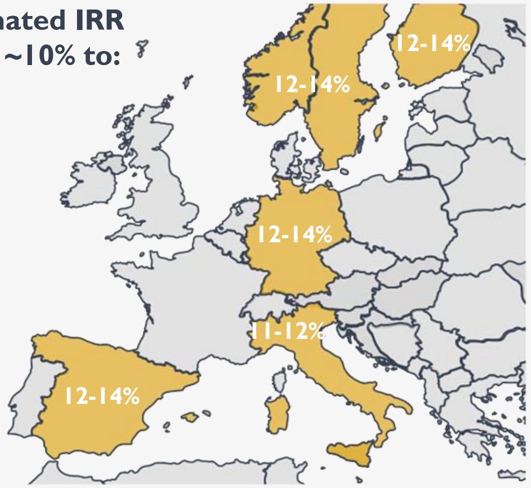


II Acquisition of NPLs at attractive IRR

- A significant European supply overhang of NPLs and limited presence of buyers have resulted in significant reductions in portfolio price since peak and highly attractive estimated IRRs, at levels not seen since the aftermath of the global financial crisis
- With a strong balance sheet and its leading portfolio valuation expertise, Axactor is well position to capitalise in these attractive acquisition opportunities

Estimated IRR

Estimated IRR from ~10% to:



III Entering new growth phase

Becoming an established player

2016-2020

Grow revenue & scale
- Aggressive growth
- Market entries
- Establish IT and operations

2021-2024

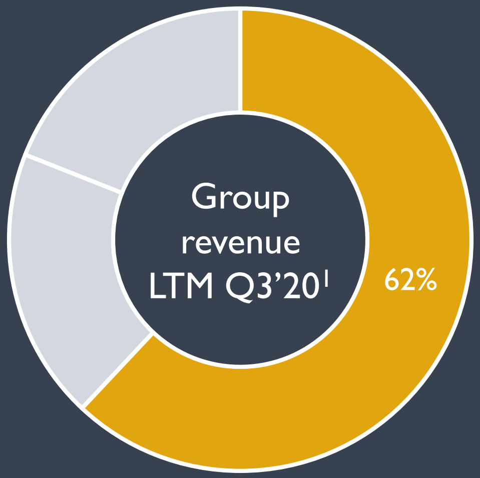
Grow return on equity
- Grow size in existing markets
- Operational excellence
- Drive consolidation

2025→

Grow presence
- Competitive cash return
- Enter new markets & segments
- M&A

AXACTOR

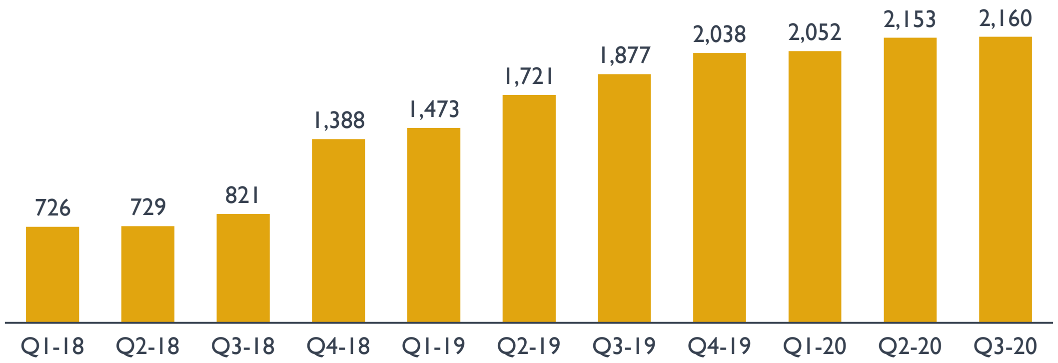
NPL



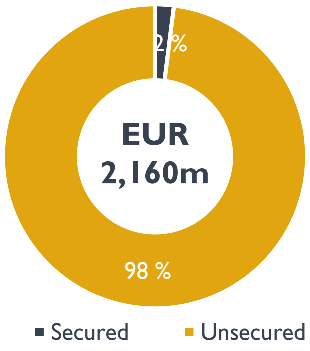
1) Adjusted for NPL revaluation

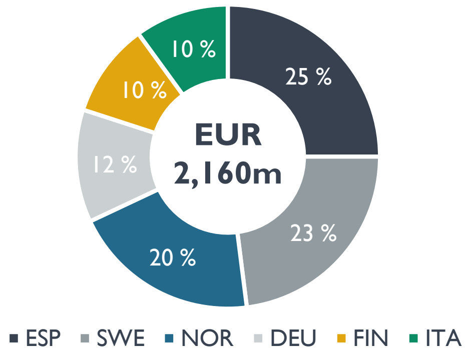
EUR ~2.2bn NPL ERC of mainly unsecured non-performing loans, with increasing Nordic exposure

NPL ERC development (EURm)



Current ERC breakdown by type and geography





Comments

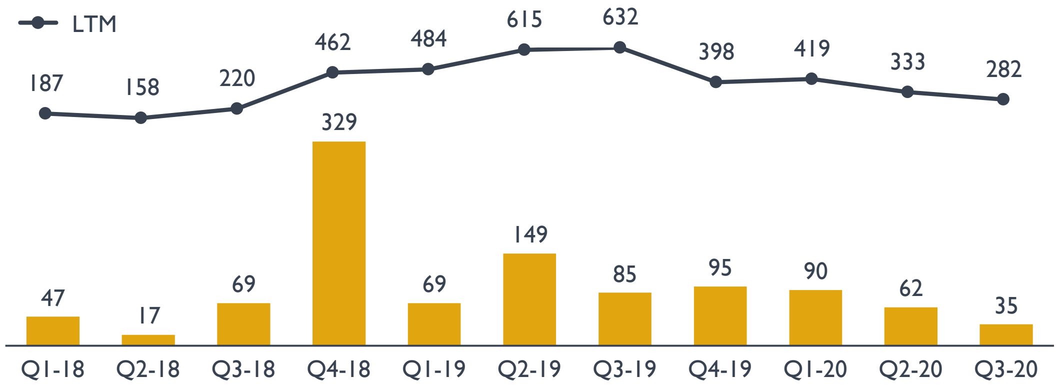
- Collection of non-performing loans is the backbone of Axactor's operations, representing 62% of LTM Group revenue[1]
- Focus on unsecured consumer loans, with opportunistic approach to secured claims which represent only 2% of total claims
- Targeting sound markets for owning and collecting on non-performing loans, with focus on six countries
- Nordic share has grown from 35% in Q4'18 to 53% in Q3'20, reflecting increased interest from Nordic banks to sign forward flow agreements
- Approximately 1.2 million active collection cases within the NPL segment as of Q3'20

1) Share of sales LTM Q3 adj. for revaluations on NPLs (to get normalized level)

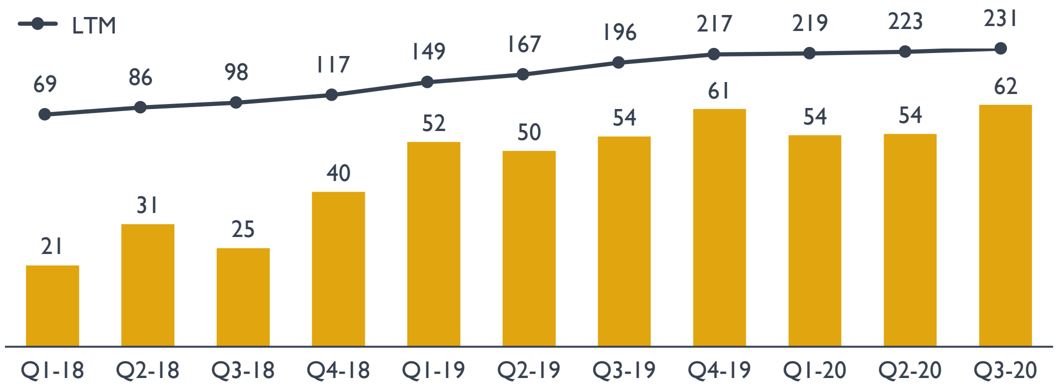
AXACTOR

Continued revenue growth in 2020 while investments have been reduced to safeguard liquidity during the Covid-19 pandemic

NPL investments (EURm)



Gross revenue NPL (EURm)



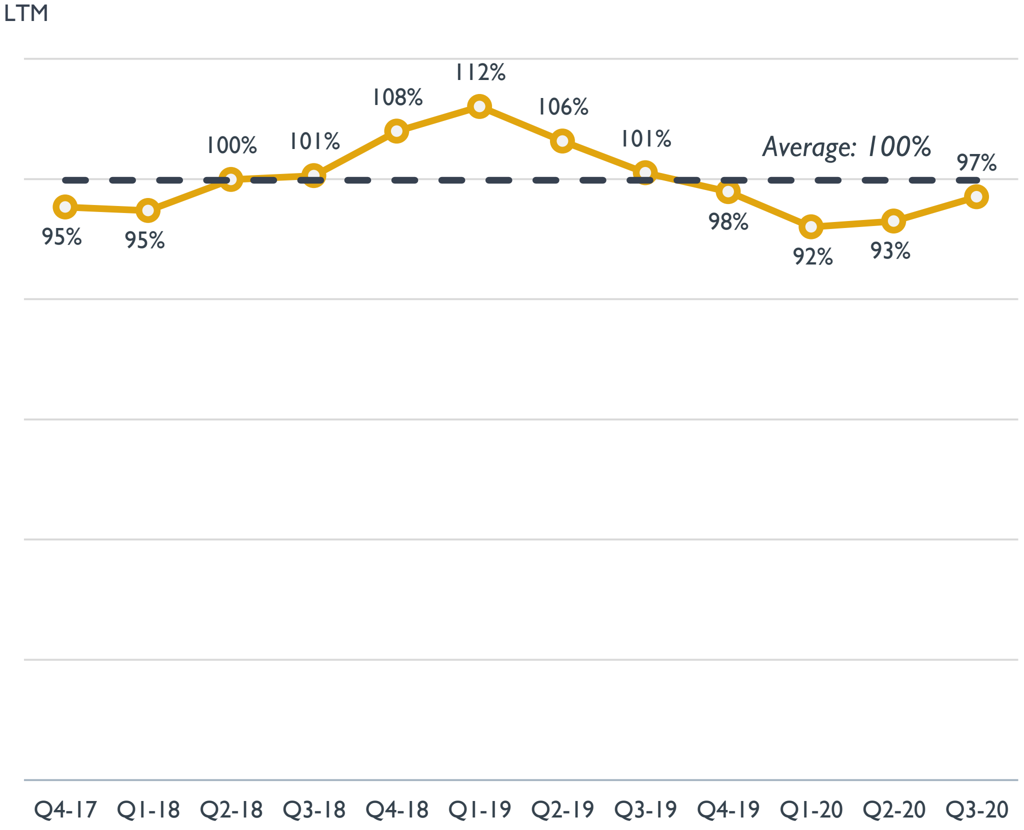
Comments

- Strong track record of profitable growth through portfolio investments across the six focus geographies
- In 2020, the majority of NPL investments have been under existing forward flow agreements in the Nordics, with limited new contracts signed due to the Covid-19 situation – opportunistic approach to one-off portfolios
- Shift towards the Nordic countries, with 84% of YTD CAPEX invested in the Nordics
- Renegotiated existing forward flow agreements to include 3PC servicing and/or postpone CAPEX
- Expected FY 2020 investment level in excess of EUR 200m as focus remains on safeguarding liquidity, however this level is higher that replacement CAPEX and is expected to ensure growth in 2021

AXACTOR

Collection performance picking up again after temporary decline in H1 2020 driven by Covid-19

Actual collection vs. active forecast



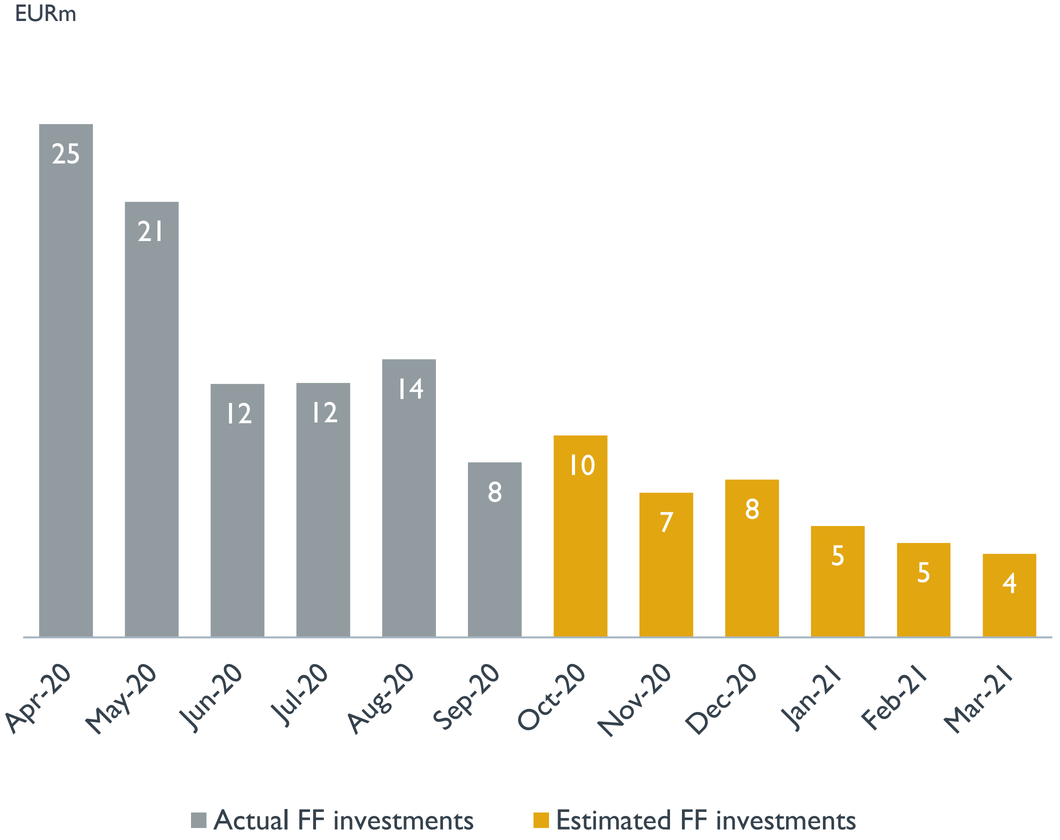
Comments

- Strong focus on collection performance is a key success factor
- Leveraging data from both NPL and 3PC operations, combining historical data from seller and own experience to create baseline valuation and using operational expertise to estimate performance uplift
- Centralized portfolio management team monitoring current performance and working closely with local teams
- Quarterly review process identifying deviating portfolios based on a set of review criteria, including deep-dive in underperforming portfolios to create improvement action plan
- After a challenging Q1 due to Covid-19 effects, collection performance has improved gradually since May and reached 101% in Q3 (LTM 97%)

Notes: Active forecast reflects changes made to the ERC curves on an ongoing basis
Adjustments to portfolio values have been taken over the P&L on an ongoing basis as deviations have occurred

Continued focus on reducing forward flow commitments

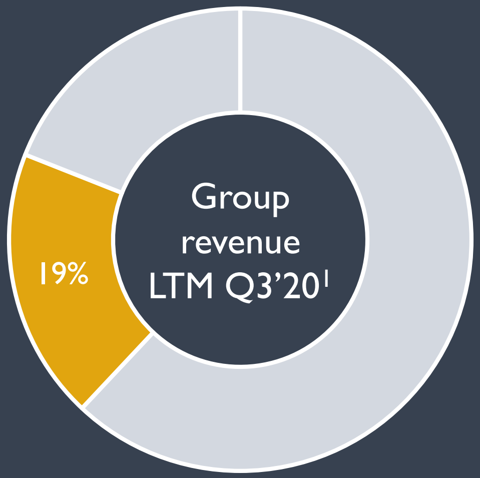
Estimated FF investments from signed contracts



Comments

- Forward flow agreements is a key focus area within NPL, enabling increased knowledge about portfolios while discussing larger one-off NPL acquisitions
- The NPL investments in 2020 have primarily reflected investment obligations under forward flow contracts, mainly in the Nordics
- YTD forward flow investments of EUR ~175m, expected full-year capex of EUR ~200m
- Focus on combined forward flow and 3PC contracts, where Axactor provides 3PC servicing in the initial period prior to acquiring the claims

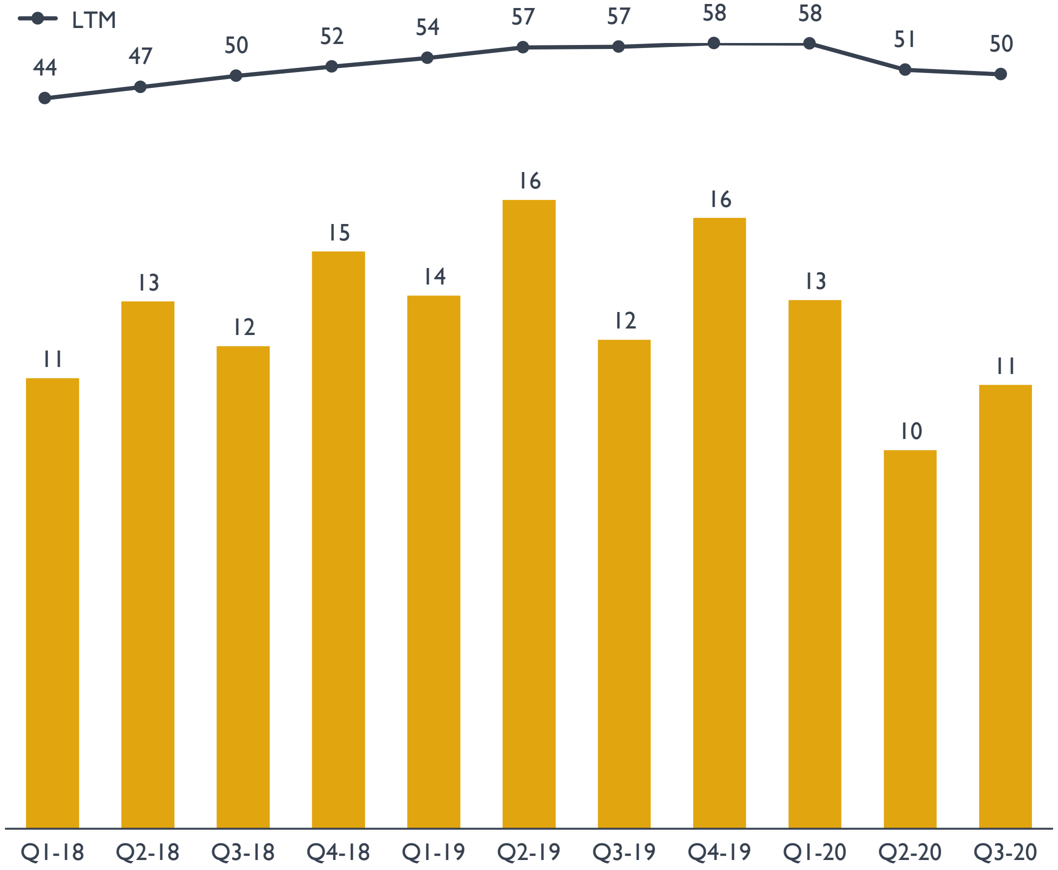
3PC



1) Adjusted for NPL revaluation

Asset-light third-party collection business has seen steady growth over the last years – volumes picking up again after Covid-19

Gross revenue 3PC (EURm)



Comments

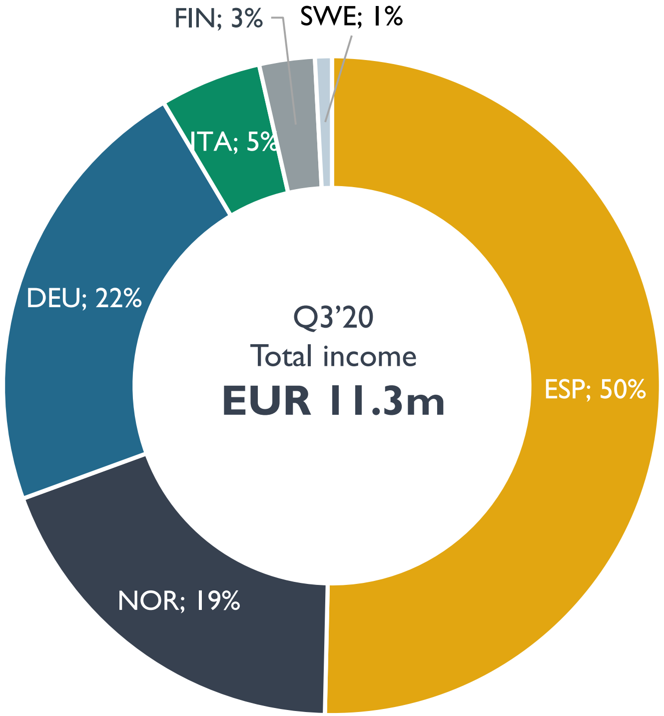
- 3PC represents an important share of Axactor's business, contributing to improved collection performance and profitability through low capital intensity
- 3+ years of steady growth[1] through signing of new contracts with existing and new clients in both existing and new markets
- Focus on combined forward flow and 3PC deals, unlocking product synergies in business origination, collection execution and data generation
- After reduced activity during Q2, volumes have started to pick up again despite a somewhat challenging environment for new sales due to Covid-19 restrictions
- Long-term macroeconomic effects from Covid-19 expected to increase volume

1) Pre Covid-19

AXACTOR

Strategic goal to increase 3PC market share in all regions

3PC revenue split by geography

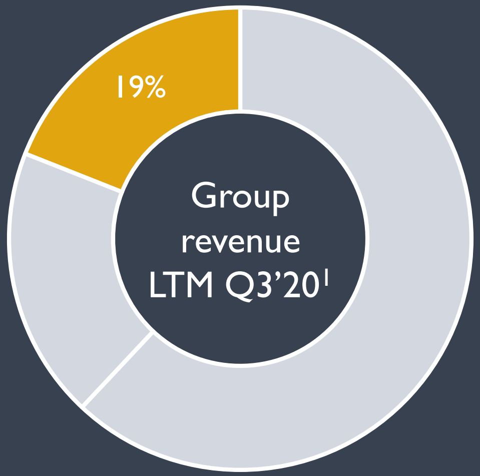


Comments

- Strong performance on benchmark contracts across all countries
- Stronghold established in Spain, with customer relationships with all top 12 banks as well as with leading insurance companies and real estate firms
- Germany increasing its relative share of 3PC revenue YoY
- Aim to increase the Nordic 3PC business, with potential for significant synergies from cross-border deals – focus on forward flow agreements with initial 3PC periods
- Focus on financial institutions as more banks look to partner with 3PC services
- Specialized value chain proposition through highly modern, flexible and scalable platform

AXACTOR

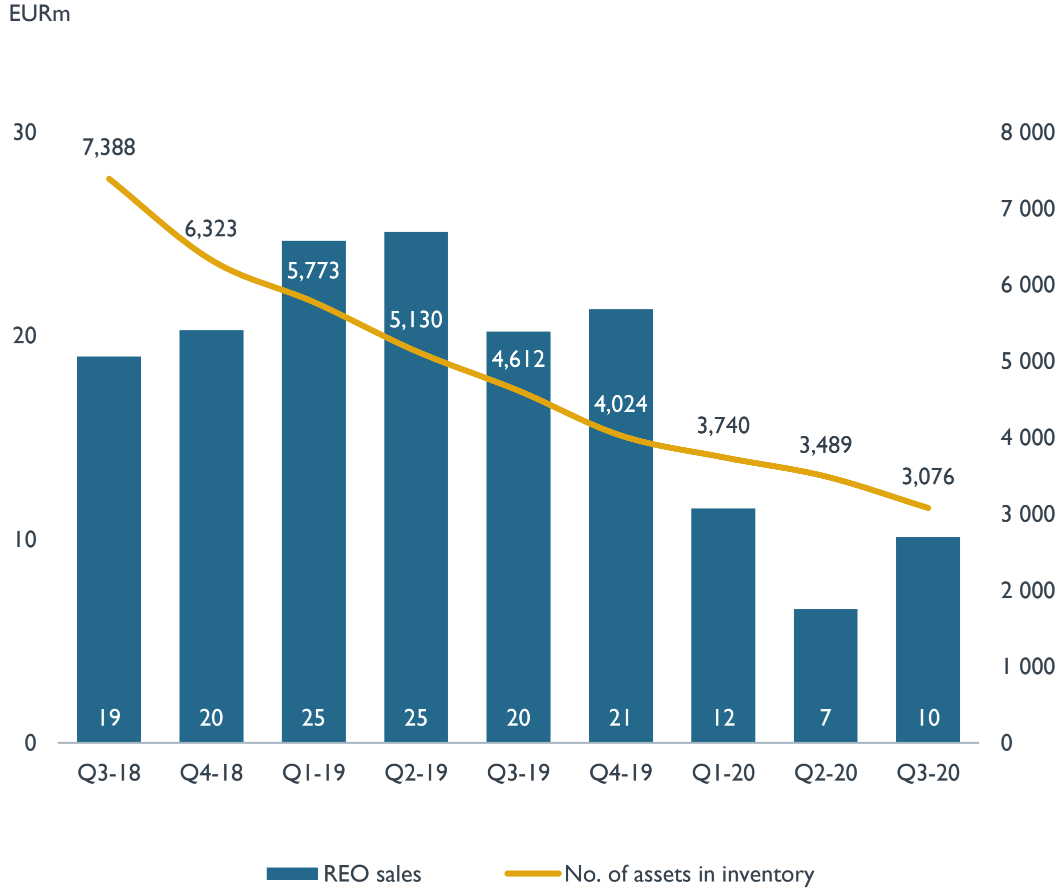
REO



1) Adjusted for NPL revaluation

Consistently reducing exposure to non-core REO operations – 2/3 of all assets acquired are sold

REO total income development



Comments

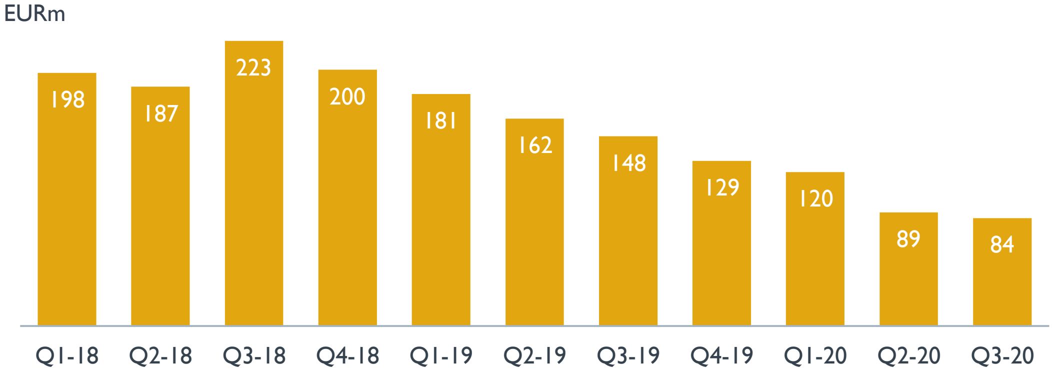
- Axactor entered the Spanish REO market in 2017 through several portfolio acquisitions and partnerships
- In total EUR 286m of investments[1] with the aim of achieving high IRR levels and short payback time by selling off assets during the next 3-5 years – last portfolio acquisition was conducted in Q3 2018
- As availability of attractively priced NPL portfolios and forward flow agreements increased towards the end of 2018, it was decided in not to pursue further REO investments and the segment is now defined as non-core
- 2/3 of all REO assets acquired have now been sold, with higher volume and better prices than expected in recent quarters

1) Total investments including NPL capex; Adjusted for assets pending legal transfer

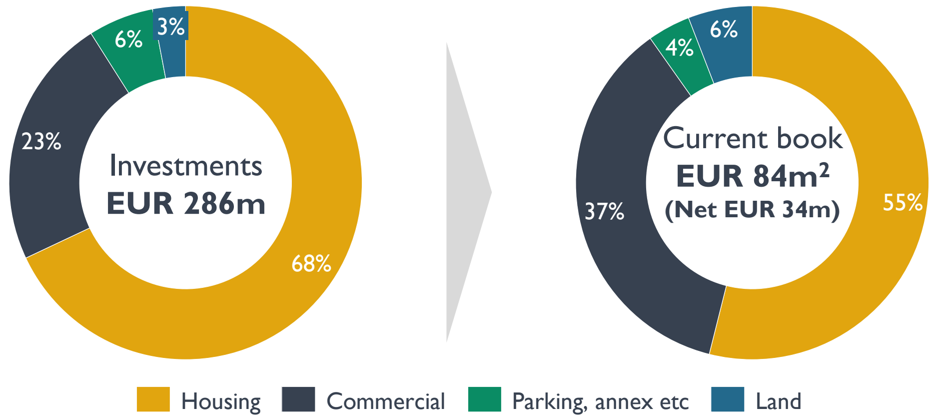
AXACTOR

Net book value exposure for Axactor of EUR 34m as of Q3'20 - REO portfolio moves towards the tail

Gross REO book value[1,2]



Acquired and remaining assets by asset class (by value)



Comments

- 5,536 assets out of in total 8,612 assets acquired[1] have now been sold – proceeds invested into high performing NPL business
- 3,076 assets in inventory as per end of Q3'20, with an average book value of EUR ~27k – sold assets have had an average book value of EUR ~32k and an average sales price of EUR ~39k
- Of the current EUR 84m book value[2], housing represents 55% while commercial real estate represents 37%
- While numbers are consolidated on a 100% basis, Axactor has approximately 40% of the total exposure for REO due to minority interests in Reolux and two of the asset-owning subsidiaries

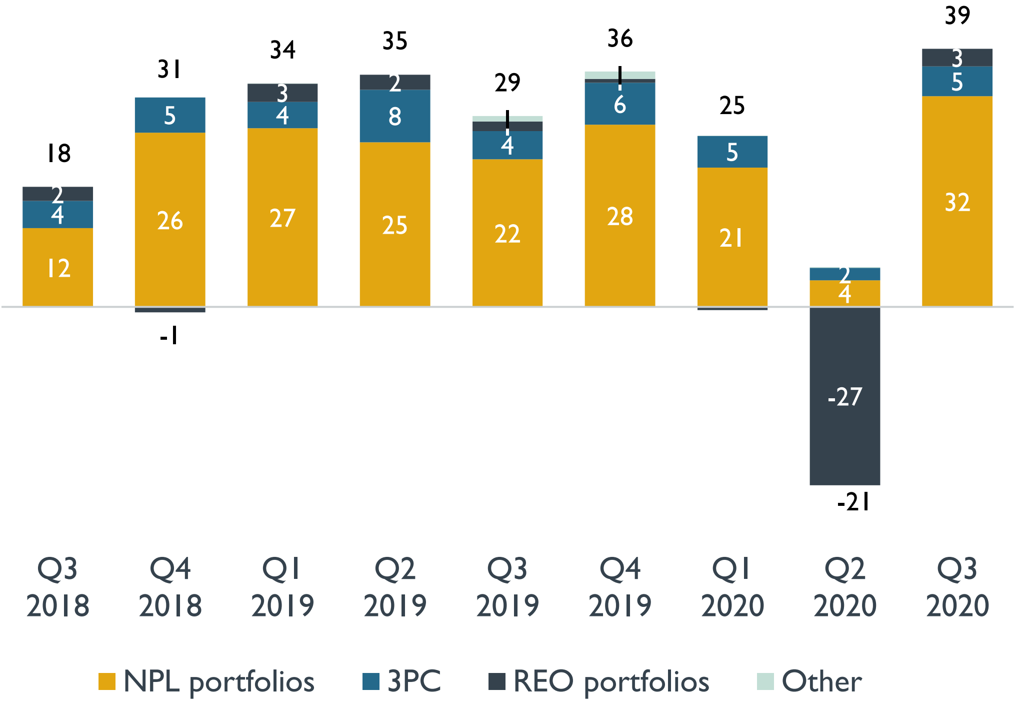
1) Total investments including NPL capex; Adjusted for assets pending legal transfer; 2) Total book value – Axactor net book value exposure is EUR 34m as of Q3'20, accounting for minority interest

AXACTOR

Contribution per segment

Contribution per segment[1]

(EUR million) - Excluding unallocated overhead cost



Total:

- Record-high contribution margin in Q3'20 (Q3'19 numbers stated in parenthesis for reference)

NPL:

- Portfolio amortization and revaluation of EUR 21.0 million (23.1) Contribution margin of 78% (73%)

3PC:

- 40% contribution margin (34%)

REO:

- Net reversal of EUR 5.1 million of impairment accrual
- Slightly negative contribution excl. reversal of impairment accrual

1) Contribution before allocation of local SG&A and IT cost, management fee, central administration costs, other gains and losses or finance costs; Segment contribution margin = Segment contribution/Segment income; Total segment contribution less unallocated cost = EBITDA

AXACTOR

Net finance, tax and net profits

Condensed Income statement

(EUR thousand)

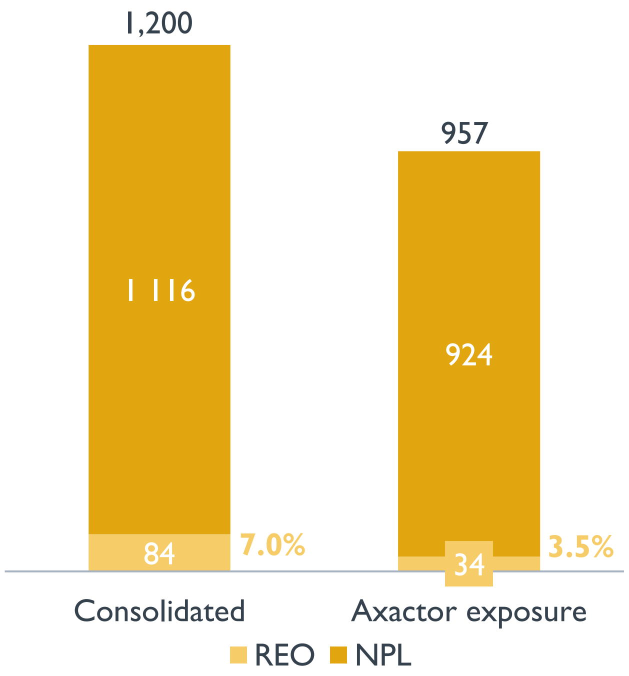
EUR thousand	For the quarter end 30 Sep 2020	For the quarter end 30 Sep 2019	Year to date 30 Sep 2020	Year to date 30 Sep 2019
EBIT	**27,710**	17,405	6,650	61,027
Financial revenue	**337**	2,892	8,877	2,262
Financial expenses	**-15,751**	-13,961	-44,570	-39,166
Net financial items	**-15,414**	-11,069	-35,693	-36,904
Profit/(loss) before tax	**12,296**	6,336	-29,043	24,123
Tax (expense)	**-5,795**	-2,679	-5,402	-9,688
Net profit/(loss) after tax	**6,501**	3,657	-34,445	14,435
Net profit/(loss) to Non-controlling interests	**2,938**	-801	-16,500	3,333
Net profit/(loss) to equity holders	**3,563**	4,457	-17,945	11,103
Earnings per share: basic	**0.019**	0.029	-0.099	0.072
Earnings per share: diluted	**0.018**	0.025	-0.093	0.064

- Total net financial items of EUR 15.4 million
  - Interest cost of EUR 14.0 million
  - Average blended interest costs of approx. 5% excl. amortised fees, approx. 6% in total
  - Refinancing of the bank debt at improved terms[1]
  - EUR 1.4 million in unrealized FX loss
- Tax expense of EUR 5.8 million
  - No recognition of tax assets from loss making entities, primarily REO entities
  - Interest limitation rules in Sweden
  - Average tax rate expected to trend towards ~25% over time
- Net profit of EUR 6.5 million
  - EUR 3.6 million to equity shareholders
  - EUR 2.9 million to non-controlling minorities, of which EUR 1.7m related to Axactor Invest

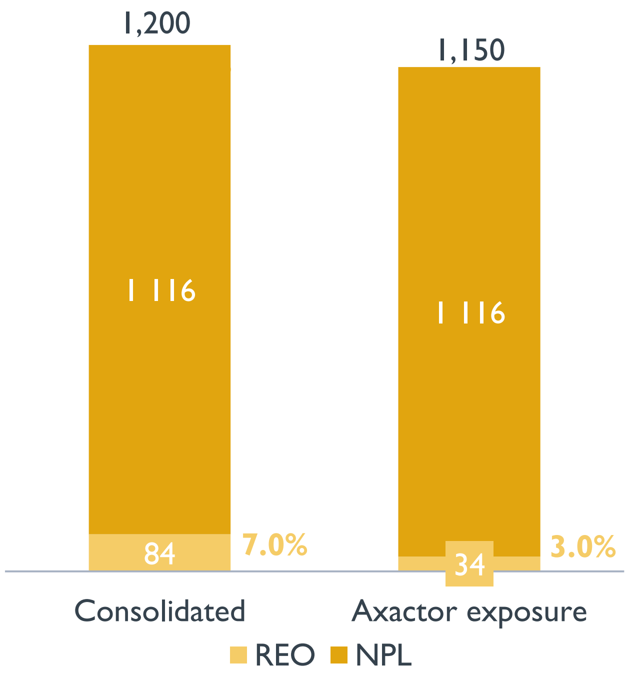
Notes: 1) The new terms for the bank financing would have reduced the interest costs on bank debt with approximately 0.7%-points on a pro forma basis for Q3 2020, accounting for the equity issue on the applied LTV grid

Minority shareholders in both NPL and REO

Total book value exposure
(EUR million)



Total book value exposure
Pro forma Q3
(EUR million)

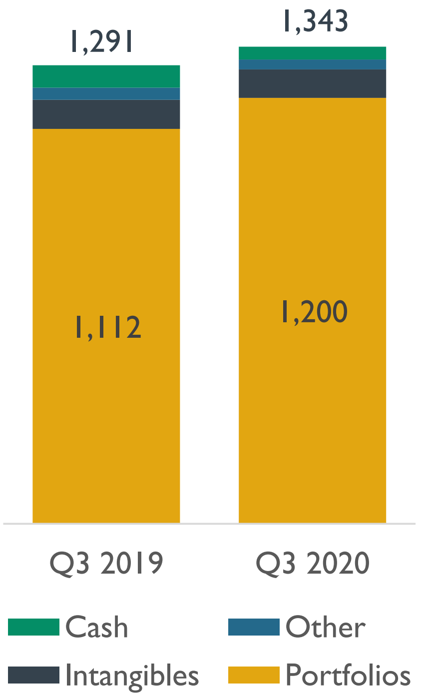


- Axactor has approximately 40% of the total exposure for REO
  - Minority shareholders in both Reolux and its subsidiaries
  - Axactor's share of REO amounts to approximately 3.5% of its total portfolio book value
- As of Q3, Axactor shareholders has approximately 83% of the total exposure for NPL
  - Minority shareholder in Axactor Invest
- Post transaction Axactor shareholders will have 100% of the total exposure for NPL

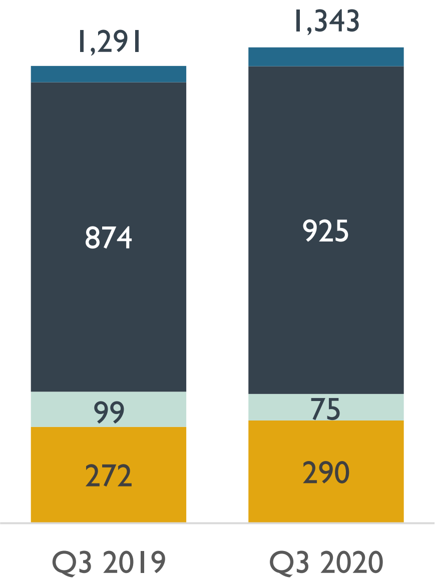
AXACTOR

Balance sheet items

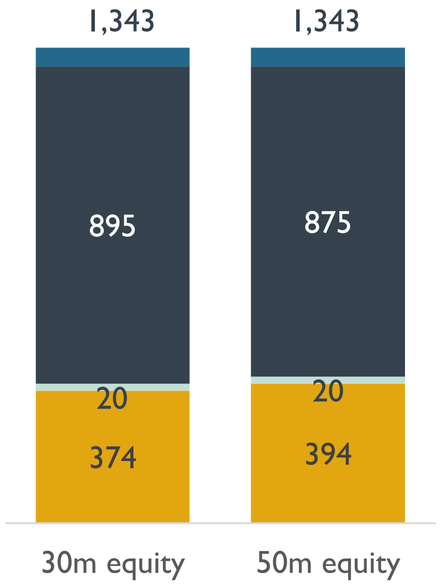
Assets
(EUR million)



Equity and Liabilities
(EUR million)



Equity and Liabilities
Pro forma Q3’20
(EUR million)



- Portfolios represent the vast majority of asset base
- Debt has increased following portfolio acquisitions
- Equity injection in Q1 2020 of EUR ~50m
- Equity ratio of 27%
- Cash position end-Q3 EUR 36 million

AXACTOR

Attractive market opportunity

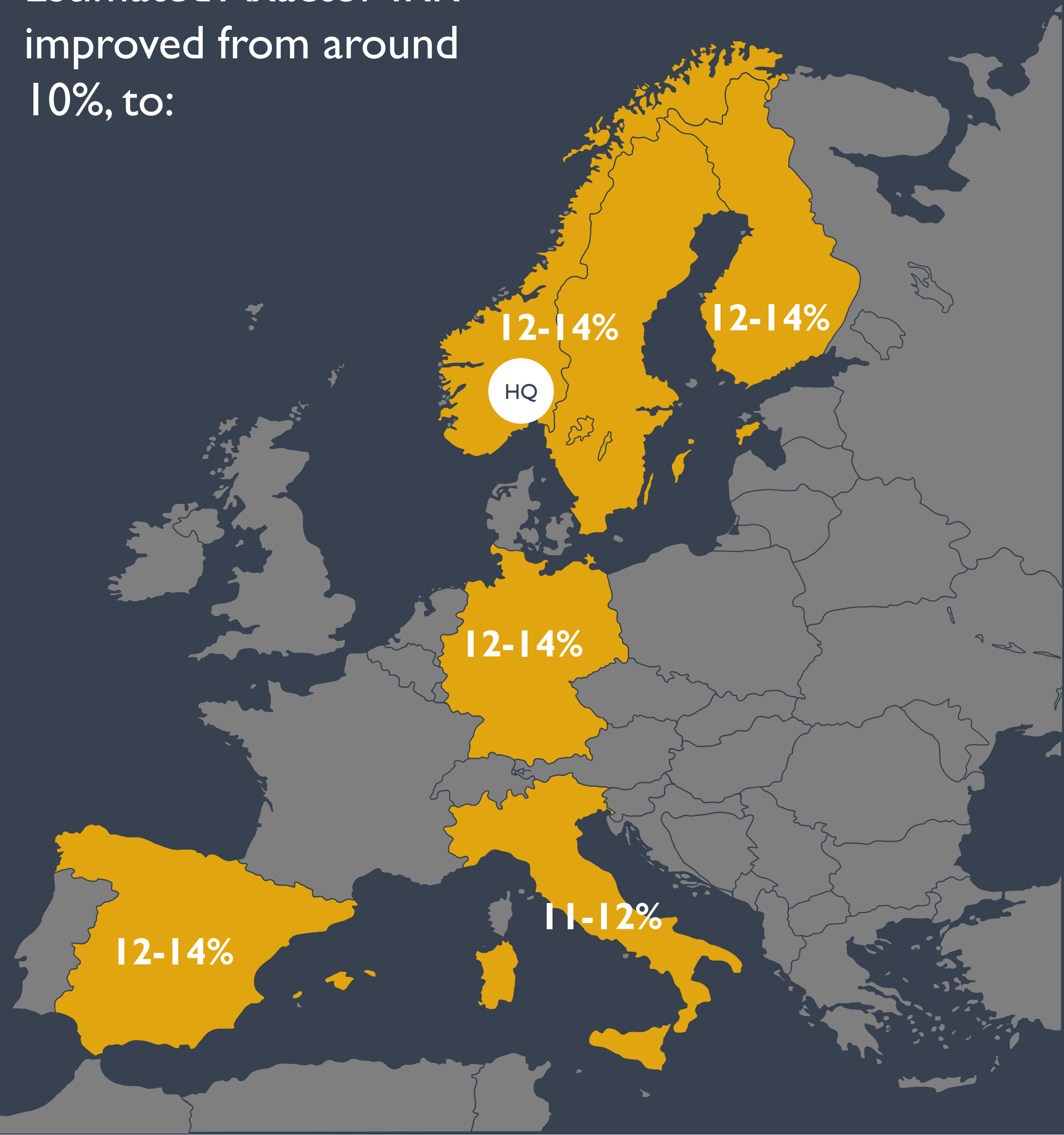
Large volumes of NPL coming to market

NPL price levels down – IRRs up

3PC & ARM growth – new products emerging

Industry consolidation

Estimated Axactor IRR improved from around 10%, to:



Summary & Outlook

- The comprehensive refinancing will strengthen Axactor's financial profile and support future growth
- Substantial uplift in shareholder returns and earning per share through the accretive contribution from Axactor Invest Roll-up and improved financing terms. Short term, Axactor expects to incur extraordinary costs as a result of the refinancing in its Q4 results
- Efficient operating platform already in place backed by an experienced management team with an extensive industry track record
- Strong visibility on future cash flows from a diversified portfolio of claims focused on mature markets with regulatory stability
- Attractive NPL market outlook with portfolio prices coming down and increasing IRRs
- Going forward, Axactor will continue to leverage on unique position in the NPL market having an opportunistic approach to portfolio investments

P&L statement

EUR thousand	For the quarter end 31 Dec 2019	31 Dec 2018	YTD 31 Dec 2019	31 Dec 2018
Interest income from purchased loan portfolios	**37,239**	22,289	134,531	74,536
Net gain/loss purchased loan portfolios	**-412**	10,751	-319	10,599
Other operating revenue	**36,865**	34,994	148,926	121,774
Other revenue	**1,137**	0	2,021	0
Total Revenue	**74,830**	68,034	285,159	206,909
Cost of REO's sold	**-18,371**	-18,364	-74,464	-56,438
Personnel expenses operations	**-10,041**	-8,815	-38,203	-32,584
Personnel expenses other	**-5,196**	-5,211	-19,506	-19,548
Operating expenses	**-17,397**	-16,073	-60,847	-52,033
Total operating expense	**-51,004**	-48,463	-193,019	-160,602
EBITDA	**23,826**	19,571	92,140	46,306
Amortisation and depreciation	**-2,828**	-1,686	-10,115	-6,009
EBIT	**20,998**	17,885	82,025	40,298
Financial revenue	**526**	58	2,787	453
Financial expenses	**-13,011**	-12,504	-52,176	-34,590
Net financial items	**-12,485**	-12,447	-49,389	-34,138
Profit/(loss) before tax	**8,513**	5,438	32,636	6,160
Tax (expense)	**-1,979**	-2,624	-11,667	-3,770
Net profit/(loss) after tax	**6,534**	2,814	20,969	2,390
Net profit/(loss) to Non-controlling interests	**1,310**	-1,578	4,643	-2,103
Net profit/(loss) to equity holders	**5,223**	4,392	16,326	4,492
Earnings per share: basic	**0.034**	0.028	0.106	0.029
Earnings per share: diluted	**0.029**	0.025	0.093	0.026

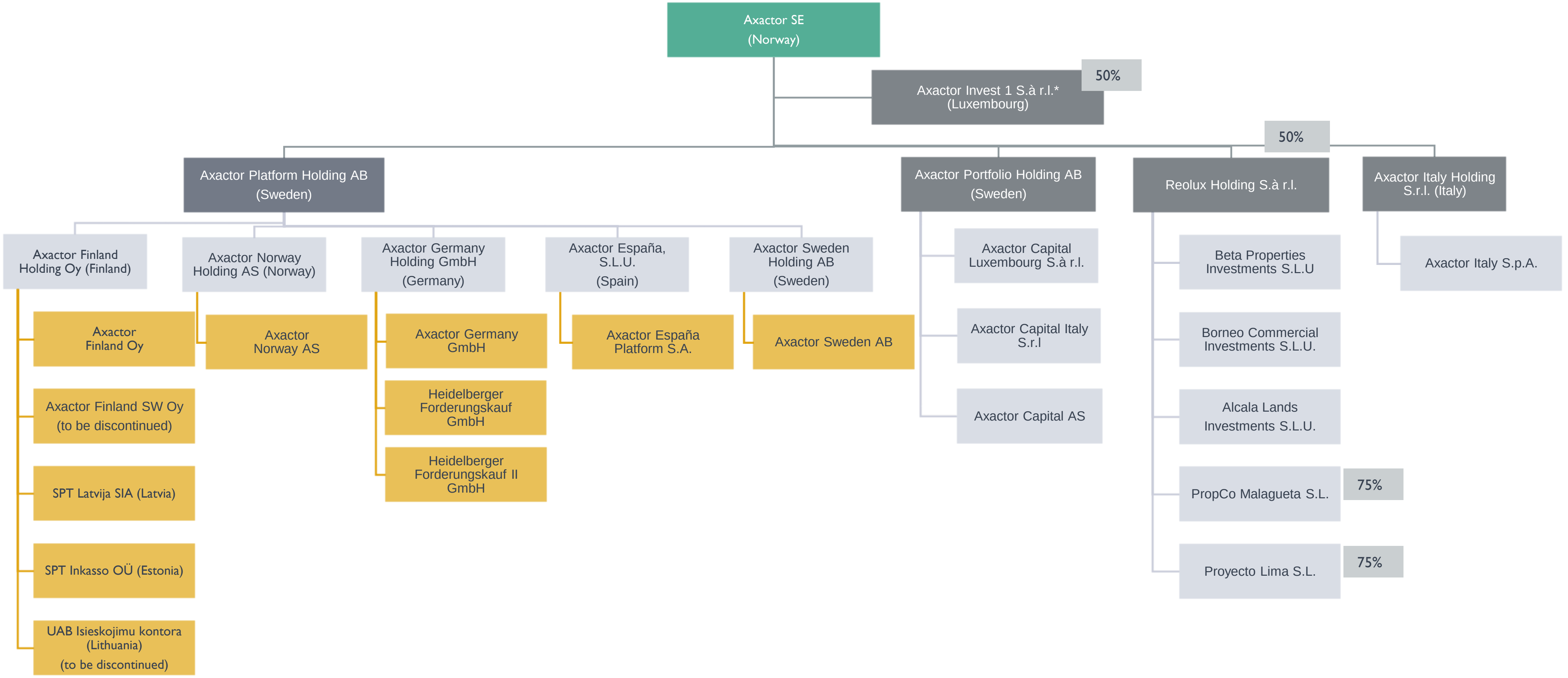
AXACTOR

Balance sheet statement

EUR thousand	31 Dec 2019	31 Dec 2018
ASSETS		
Intangible non-current assets		
Intangible Assets	21 487	19 170
Goodwill	56 170	55 577
Deferred tax assets	9 742	7 564
Tangible non-current assets		
Property, plant and equipment	2 903	2 683
Right-of-use assets	5 846	0
Financial non-current assets		
Purchased debt portfolios	1 041 919	728 820
Other non-current receivables	765	293
Other non-current investments	193	778
Total non-current assets	1 139 025	814 885
Current assets		
Stock of Secured Assets	129 040	200 009
Accounts Receivable	13 135	9 459
Other current assets	14 960	12 774
Restricted cash	3 739	3 184
Cash and Cash Equivalents	71 657	67 593
Total current assets	232 531	293 018
TOTAL ASSETS	1 371 556	1 107 903

EUR thousand	31 Dec 2019	31 Dec 2018
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share Capital	81,338	81,115
Other paid-in equity	201,879	200,298
Retained Earnings	2,153	-14,172
Reserves	-4,721	-2,817
Non-controlling interests	96,977	63,746
Total Equity	377,626	328,170
Non-current Liabilities		
Interest bearing debt	466,378	567,829
Deferred tax liabilities	17,591	11,124
Lease liabilities	3,481	0
Other non-current liabilities	1,415	1,180
Total non-current liabilities	488,864	580,132
Current Liabilities		
Accounts Payable	5,902	4,522
Current portion of interest bearing debt	463,555	169,296
Taxes Payable	6,570	1,610
Lease liabilities	2,549	0
Other current liabilities	26,491	24,172
Total current liabilities	505,066	199,600
Total Liabilities	993,930	779,732
TOTAL EQUITY AND LIABILITIES	1,371,556	1,107,903

Legal organization December 2020



*50% of the shares in Axactor Invest 1 S.à r.l. and Reolux Holding S.à r.l. is held by Geveran Trading Co. Limited (Cyprus).
*Geveran Trading Co. Limited also holds shares of Axactor SE

AXACTOR

Risk factors

IMPORTANT INFORMATION AND DISCLAIMER

INVESTING IN THE COMPANY INVOLVES INHERENT RISKS. PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER, AMONG OTHER THINGS, THE RISK FACTORS SET OUT IN THIS SECTION BEFORE MAKING AN INVESTMENT DECISION IN RESPECT OF THE BONDS OR SHARES (COLLECTIVELY THE "SECURITIES"). THE RISKS AND UNCERTAINTIES DESCRIBED BELOW ARE NOT THE ONLY ONES FACING THE COMPANY. ADDITIONAL RISKS NOT PRESENTLY KNOWN TO THE COMPANY OR THAT THE COMPANY CURRENTLY DEEMS IMMATERIAL, MAY ALSO IMPAIR THE COMPANY'S BUSINESS AND ADVERSELY AFFECT THE PRICE OF THE COMPANY'S SECURITIES. IF ANY OF THE FOLLOWING RISKS MATERIALIZE, INDIVIDUALLY OR TOGETHER WITH OTHER CIRCUMSTANCES, THE COMPANY'S BUSINESS, PROSPECTS, FINANCIAL POSITION AND/OR OPERATING RESULTS COULD BE MATERIALLY AND ADVERSELY AFFECTED, WHICH IN TURN COULD LEAD TO A DECLINE IN THE VALUE OF THE SECURITIES AND THE LOSS OF ALL OR PART OF AN INVESTMENT IN THE SECURITIES. AN INVESTMENT IN THE SECURITIES IS SUITABLE ONLY FOR INVESTORS WHO UNDERSTAND THE RISK FACTORS ASSOCIATED WITH THIS TYPE OF INVESTMENT AND WHO CAN AFFORD A LOSS OF ALL OR PART OF AN INVESTMENT IN THE SHARES. THE INFORMATION HEREIN IS PRESENTED AS OF THE DATE HEREOF AND IS SUBJECT TO CHANGE, COMPLETION OR AMENDMENT WITHOUT NOTICE.

THE RISK FACTORS INCLUDED IN THIS SECTION ARE PRESENTED IN A LIMITED NUMBER OF CATEGORIES, WHERE EACH RISK FACTOR IS SOUGHT PLACED IN THE MOST APPROPRIATE CATEGORY BASED ON THE NATURE OF THE RISK IT REPRESENTS. THE ORDER IN WHICH THE RISKS ARE PRESENTED BELOW IS NOT INTENDED TO PROVIDE AN INDICATION OF THE LIKELIHOOD OF THEIR OCCURRENCE NOR OF THEIR SEVERITY OR SIGNIFICANCE. THE ABSENCE OF NEGATIVE PAST EXPERIENCE ASSOCIATED WITH A GIVEN RISK FACTOR DOES NOT MEAN THAT THE RISKS AND UNCERTAINTIES IN THAT RISK FACTOR ARE NOT GENUINE AND POTENTIAL THREATS, AND THEY SHOULD THEREFORE BE CONSIDERED PRIOR TO MAKING AN INVESTMENT DECISION. IF ANY OF THE FOLLOWING RISKS WERE TO MATERIALISE, EITHER INDIVIDUALLY, CUMULATIVELY OR TOGETHER WITH OTHER CIRCUMSTANCES, IT COULD HAVE A MATERIAL ADVERSE EFFECT ON THE GROUP AND/OR ITS BUSINESS, RESULTS OF OPERATIONS, CASH FLOWS, FINANCIAL CONDITION AND/OR PROSPECTS, WHICH MAY CAUSE A DECLINE IN THE VALUE AND TRADING PRICE OF THE SECURITIES, RESULTING IN LOSS OF ALL OR PART OF AN INVESTMENT IN THE SECURITIES.

RISKS RELATED TO THE BUSINESS OF THE COMPANY AND THE INDUSTRY IN WHICH IT OPERATES

Competitive risks
The Group faces strong competition, including from pan-European competitors and competitors that are active in the local markets. This competition includes, but is not limited to, competition on the basis of bid prices. Competitors may offer more attractive pricing levels for debt collection contracts, for debt portfolios, for collection platforms, which include all of the collection functions of financial institutions ("Collection Platforms"), or for purchases of other debt collection service providers. There is a risk that this price competition will materially affect the Group's business, results of operations or financial condition, and its ability to implement its business plan. The Group's success in obtaining debt collection contracts and in purchasing debt portfolios or Collection Platforms depends on the price offered along with several other factors, such as service, reputation and relationships. There is a risk that the Group's competitors will have competitive strengths that the Group cannot match. Further, there is a risk that the Group's competitors will elect to offer prices that the Group determines are not economically sustainable. Additionally, many of the Group's competitors have substantially greater financial resources than the Group. There is a risk that the Group will not be able to develop and expand its business in competition with competitors that have substantially greater financial resources than the Group.

Reputation is critical to the Group's business and there is a risk that any event that could harm the Group's reputation will adversely affect its business.
In addition to pricing and other features of the Group's services, reputation is critical to clients' or potential clients' willingness of engaging with the Group. As the Group is a newer market entrant in the debt collection business, its brand will be less known to clients and potential clients and there is a risk that events that could harm the Group's reputation will have a greater effect on the Group than it would have had on some of its peers.
than the Group.

Risk factors

The availability of debt collection contracts, and debt portfolios and Collection Platforms for purchase depends on several factors which are outside of the Group's control
Factors that have an impact on the availability of debt collection contracts, debt portfolios and Collection Platforms include: growth trends; the levels of overdue debt; volumes of portfolio sales by debt originators; competitive factors affecting portfolio purchasers and originators; government regulation and regulatory initiatives; and macro-economic environments. If the Group is unable to enter into debt collection contracts, purchase portfolios or Collection Platforms at appropriate prices, there is a risk that the Group's business and its ability of implementing its business plan will be materially adversely affected.

There is a risk that the Group will make acquisitions that prove unsuccessful and that it will not be able to manage growth effectively
The Group plans to acquire additional debt portfolios. There is a risk that the Group will not be able to identify or complete acquisitions or that such acquisitions will prove to be unsuccessful. Acquisitions may divert the attention of the Group's management from the Group's day-to-day operations and other important business matters. Successful completion of an acquisition may also depend on licenses being granted and other regulatory requirements, or other factors which are outside of the Group's control, in addition to adequate handling of transaction risks. As a result of growth, the importance of managing operational risk relating to, for example, work processes, personnel, IT-systems, tax and financial reporting will also increase. There is a risk that the Group will not be able to manage its growth effectively. Any of these developments could have a material adverse effect on the Group's business, results of operations or financial condition.

The Group is subject to risks relating to the acquisitions made by the Group
The Group has made several acquisitions over the past years, including Geslico, ALD Abogados, CS Union, Altor, IKAS, Profact and SPT group. The Company has completed due diligence reviews of the companies acquired based on information and documentation received by the sellers. However, if the information and the documentation provided does not properly reflect the business and financial condition of the companies acquired, there is a risk that this will affect the Company's business, financial condition and results of operation.
The integration of the acquired companies into the Company may take longer or prove to be more costly than anticipated. Any acquisition entails certain risks, including operational and company-specific risks and there is also a risk that the integration process will take longer or be more costly than anticipated. Should any of these risks materialise, this could have a material adverse effect on the Group's business, financial position and results of operation.

The Group is subject to applicable regulations in the jurisdictions in which it operates from time to time
The Group is subject to regulations applicable to debt collection and debt purchasing operations in the jurisdictions in which it operates from time to time, including with respect to license and other regulatory requirements, data protection and anti-money laundering. Regulatory developments under the laws and regulations to which the Group is subject could expose it to a number of risks. The debt collection and purchasing industry is under scrutiny. It is an enhanced focus from authorities and stricter rules implemented or discussed within e.g. anti-money laundering, data protection, tax, collection, especially the NPL back stop regulations and requirement for consent in Norway which may among others lead to financial risks, more reporting, reputational damage, and limited NPL market. Debt collection industry has a high risk of lower fees, higher cost and interest rates and more reporting as a consequence of more consumer-friendly legislation in several countries. There is a risk that any new laws or regulations as a result of such scrutiny or for other reasons will materially adversely affect the Group. There is a trend in EU where the Group operates with higher fines for breach of relevant legal requirements such as breach of data privacy and anti-money laundering.

The Group is subject to risks relating to implementation of its strategic plans
There is a risk that the Group will not be able to implement its strategic plans. If implementation of such plans is not successful, there is a risk that the Group will not achieve the revenue, earnings, margins, ROE or scale goals of its management. In addition, the costs associated with implementing such plans may be high and there is a risk that the Group will not in the future have sufficient financial resources to fund investments required in connection therewith. There is a risk that any failure to implement the Group's strategic plans will have a material adverse effect on the Group's business, results of operations or financial condition.

The Group's success depends on its ability to employ and retain skilled personnel
The demand in the debt collection industry for personnel with the relevant capabilities and experience is high, and there is a risk that the Group will not be able to employ and retain sufficiently skilled personnel. The loss of key executive officers or other key personnel could impair the Group's ability to succeed in, among other things, taking advantage of acquisition opportunities entering into new debt collection service contracts or servicing clients or portfolios effectively. In addition, there is a risk that increase in labour costs, potential labour disputes and work stoppages will negatively affect the Group's business. There is a risk that any of these developments will have a material adverse effect on the Group's business, results of operations or financial condition.

Risk factors

The Group relies on third-party service providers
The Group uses external lawyers and solicitors and other third-party service providers in the debt collection process. There is a risk that any failure by these third parties to adequately perform such services for the Group will materially reduce the Group's cash flow, income and profitability and affect its reputation.
The manner in which the Group, or third-party service providers on the Group’s behalf, undertake collection processes could negatively affect the Group's business and reputation
There is a risk that the following factors could negatively affect the Group's business and reputation: failures in the Group's collection and data protection processes; IT platform failure; ineffectiveness in the collection of debt, unethical or improper behaviour, or other actions, by the Group or third-parties it employs in connection with its collection activities; and negative media coverage relating to the Group. There is a risk that any such events will harm the Group's relationships to existing and potential clients and negatively impact recovery rates and that this again will have a material adverse effect on the Group's business, results of operations or financial condition.

The manner in which the Group, or third-party service providers on the Group’s behalf, undertake collection processes could negatively affect the Group's business and reputation
There is a risk that the following factors could negatively affect the Group's business and reputation: failures in the Group's collection and data protection processes; IT platform failure; ineffectiveness in the collection of debt, unethical or improper behavior, or other actions, by the Group or third-parties it employs in connection with its collection activities; and negative media coverage relating to the Group. There is a risk that any such events will harm the Group's relationships to existing and potential clients and negatively impact recovery rates and that this again will have a material adverse effect on the Group's business, results of operations or financial condition.

The Group will be subject to risks associated with its contracts for debt collection
Debt collection contracts often contain termination clauses permitting the client to cancel the contract at the client’s discretion (following a certain notice period). There is a risk that the Group's clients will exercise such termination rights prior to contract expiration or that the Group will not be successful in entering into new contracts as contracts expire. The profitability of the Group's debt collection services will depend upon its ability to calculate prices and identify project risks. In many debt collection contracts, payment by the client depends on the debtor paying on a claim, and there is a risk that the Group will not be able to accurately estimate costs or identify project risks associated with such contracts. Contracts for debt collection services may also subject the Group various clauses that give its counterparty contractual rights with respect to determination of fees and penalties. If any of these aspects of the Group’s contracts should materialise there is a risk that this will have a material adverse effect on the Group's business, results of operations or financial condition.

Purchases of debt portfolios are based on number of assumptions which may prove to be inaccurate
The price attributed to a debt portfolio depends on its specific characteristics and composition with respect to, for instance, the size, age and type of the claims, as well as the age, location and type of customers, and a number of other factors, such as the financial strengths and weaknesses of the economies in which the customers are part. The models that will be used by the Group in connection with such purchases are used to assess the collection forecasts, and therefore the price to be paid for these portfolios. The Group's business depends on its ability to identify portfolios that are of sufficient quality for it to determine that it is likely to collect on the claims at certain levels. There is a risk that any claims contained in these portfolios will eventually not be collected. There is risk that a significant increase in insolvencies involving customers or changes in the regulatory framework governing insolvency proceedings in the jurisdictions in which the Group will operate from time to time will impact its ability to collect on claims. If the Group is unable to achieve the levels of forecasted collections, revenue and returns on purchased portfolios will be reduced, which may result in write-downs.

Risks related to REO investments
The Group has made significant investments in Real Estate Owned (REO) portfolios. These portfolios are mainly derived from mortgage shortfalls. Most activities involving owning or preparing the REO’s for sale are outsourced to third-party suppliers. The future value of REO investments is subject to risks related to the development of the real estate markets and general economic and market conditions and no assurance can be given with respect to the future sales prices that will be achieved for REO portfolios owned by the Group.

Risk factors

The statistical models and analytical tools used by the Group may prove to be inaccurate
The Group uses statistical models and other data analysis tools in its operations. There is a risk that the Group will not be able to achieve the recoveries forecasted by the models used to value the portfolios or that the models will be flawed. Further, there is a risk that the models will not appropriately identify or assess all material factors and yield correct or accurate forecasts. In addition, there is a risk that the Group's investment and analytics teams will make miss-judgments or mistakes when utilizing statistical models and analytical tools. In addition, there is a risk that the information provided by third parties, such as credit information suppliers and sources, used when valuing portfolios will prove not to be accurate or sufficient. Further, there is a risk that loans contained in the Group's portfolios from time to time will eventually not be collected. Any of the foregoing factors could have a material adverse effect on the Group's business, results of operations or financial condition.

There is a risk that the Group will not be able to successfully maintain and develop its IT platform or anticipate, manage or adopt technological advances within its industry
The Group relies on its IT platform and its ability to use these technologies. This subjects the Group to risks associated with maintaining and developing these systems, and capital expenditures relating thereto. IT technologies are evolving rapidly. The Group may not be successful in anticipating and adopting to technological changes on a timely basis. Improvements of the Group’s IT platform, when required in order to compete effectively, may be associated with substantial capital expenditures. Accordingly, the Group may, in the future, require capital to invest in technologies and there is a risk that adequate capital resources will not be available to the Group when such capital resources are required. In addition, disruptions in the Group's IT platform, which could be temporary or permanent, could disrupt the Group's business. There is a risk that any of these events will, if they materialise, have a material adverse effect on the Group’s business, results of operations or financial condition.

Failure to protect customer data could negatively affect the Group's business
The Group will rely on, among other things, contractual provisions and confidentiality procedures, including IT platform security measures, to protect customer data. Customer data could be subject to unauthorized use or disclosure, regardless of such security measures. There is a risk that confidentiality agreements will be breached, or that other security measures will not provide adequate protection of customer data. Monitoring data protection can be expensive and adequate remedies may not be available. There is a risk that any failure to protect the Group's customer data from unauthorized use or to comply with current applicable or future laws or regulations, will have a material adverse effect on the Group's reputation, business, results of operations or financial condition.

The Group is exposed to local risks in the different European markets in which it operates from time to time
The Group operates in the Spanish, Italian, German, Norwegian, Swedish and Finnish debt collection markets. The Group will thus be exposed to local risks in the markets in which it operates from time to time, including regulatory requirements. These requirements may, among other things, relate to licensing, data protection, anti-money laundering and other regulatory matters, labour law and tax. There is a risk that any negative impact caused by the foregoing risks will have a material adverse effect on the Group's business, results of operations or financial condition..

Legal claims and disputes
The Group will from time to time be involved in legal claims and disputes and there will always be a risk that any future legal claims or disputes could have a material adverse effect on the Group’s business, profit and financial condition.

Risks related to changes in tax laws and other regulations
Tax laws and other regulations applicable to the Group may be subject to change, varying interpretations and inconsistent enforcement, which could have a material adverse effect on the Group's profit and financial condition. It is possible that tax authorities in the countries in which the Group operates will introduce additional tax measures. The introduction of any such provisions may require the Group to pay additional taxes or affect the Group's overall tax efficiency. Any such additional exposure could have a material adverse effect on the Group's business, profit and financial condition.

Risk related to pandemics
A pandemic situation as experienced with the Covid-19 may affect the operational efficiency and the Group’s results when employees must work from home offices, legal systems close etc. This may lead to operational constraints, lower performance, impairment risks (REOs and NPL), stricter collection legislation, stop in legal collection, increased unemployment, delayed cash flow resulting in a negative NPV effect and large financial impact.

Risk factors

FINANCIAL RISK

Funding and liquidity risk
The Group's ability to obtain funding in the future will depend on several factors which are outside of the Group's control, including economic conditions when acquisition opportunities arise and banks' willingness to lend to the Group. There is a risk that an inability to procure sufficient funding in the future, at all or on favourable terms, may have a material adverse effect on the Group's business, results of operations or financial condition.

The Group is subject to restrictive covenants under its debt facilities that could limit its ability to finance its future operations and capital needs and pursue business opportunities and activities
The Company’s debt facilities include restrictive covenants, which among other things limit the Group's ability to: incur additional indebtedness; pay dividends; impose restrictions on the ability of subsidiaries to pay dividends or other payments to the Company or other entities within the Group; and sell assets; merge or consolidate with other entities. All of these limitations are subject to exceptions and qualifications. There is a risk that the covenants to which the Group is subject to will limit its ability to finance its future operations and capital needs and the Group's ability to pursue business opportunities and activities that may be in its interest. In addition, the Group is subject to financial covenants under the Debt Facility.

Servicing the Group's future indebtedness limits funds available for other purposes
Borrowing under debt facilities will require the Group to dedicate a part of its cash flow from operations to paying interest and down-payments on its indebtedness. These payments limit funds available for working capital, capital expenditures and other purposes. If the Group does not generate enough cash flow from operations to satisfy its debt obligations, it may have to undertake alternative financing plans, such as: seeking to raise additional capital; refinancing or restructuring its debt; selling business; and/or reducing or delaying capital investments. However, such alternative financing plans may not be sufficient to allow the Group to meet its debt obligations. There is a risk that if the Group is unable to meet its debt obligations or if some other default occurs under its debt facilities, the Group's lenders will elect to declare that debt, together with accrued interest and fees, shall be immediately due and payable and proceed against the collateral securing that debt. The Group is also exposed to changes in the market’s interest rate which can affect the net profit. The Group is also exposed to changes in the market’s interest rate which can affect the net profit.

The Group is highly leveraged
The Group is highly leveraged and may not be able to repay all or part of the indebtedness, or alternatively, refinance all or part of the indebtedness on commercially reasonable terms. The Group may not be able to comply with the covenants (and in particular the financial covenants) contained in the debt instruments, the most important being the ratio of net debt to EBITDA. The occurrence of any one of these events could have a material adverse effect on the results of operations and financial condition. Increased debt levels may impair the Issuer’s ability to borrow additional capital on a timely basis to fund opportunities as they arise.

The Group is exposed to the risk of currency fluctuations
The Group has operations in Spain, Italy, Germany, Norway, Sweden and Finland, and may in the future have local operations in additional countries. The results of and the financial position of subsidiaries will be reported in the relevant local currencies, and then translated into EUR at the applicable exchange rates for inclusion in the Group's consolidated financial statements . The exchange rates between these currencies may fluctuate significantly. Consequently, to the extent that foreign exchange rate exposures are not hedged, fluctuations in currencies may adversely affect the Group's financial results in ways unrelated to its operations. Any of these developments could have a material adverse effect on the Group's business, results of operations or financial condition.

The Group is subject to risks relating to its historical use tax deductible losses
The Group, previously a mineral exploration company, has had no regular revenues and significant costs relating to the exploration activities, which has historically led to negative financial results. These negative financial results are partly treated as tax assets as they represent tax deductible losses in certain cases. The Group has from time to time utilized these tax losses. In such cases, the Group has relied on tax advice from various tax specialists. For example, in 2013, the Group entered into a Swedish partnership, via the parent company Nickel Mountain Group AB and via its subsidiary Nickel Mountain Resources AB. As reported in the Group's interim and annual reports, the partnership demonstrated a profit for the financial year 2013 in the amount of approximately SEK 200 million. The Group utilized its accumulated tax deficits existing at that time and set them off against the profits of the partnership. Before entering into the partnership and concluding on the tax effects thereof, the Company took legal advice. The partnership, which was liquidated in 2014, has received certain requests for information from Swedish tax authorities relating to the partnership's 2013 tax return. There is a risk that tax authorities will question such tax assets or the use of such tax losses, in respect of the aforementioned or other matters, or that any such questioning by tax authorities will result in significant additional tax costs or similar. Any such development could materially adversely affect the Group's business, results of operation and financial condition.

Risk factors

The Group may be subject to credit risks
There is a risk that a counterparty will not meet its obligations under a financial contract or customer contract, leading to a financial loss. The Group are exposed to credit risk from its operating activities, primarily related to cash and cash equivalents, trade receivables, purchased debts and outlays on behalf of clients. Customer credit risk is managed subject to established policies, procedures and controls relating to customer credit risk management.

RISK FACTORS RELATED TO THE OWNERSHIP OF THE SHARES

The market price of the Shares may be highly volatile
The market price of the Shares could fluctuate significantly in response to a number of factors beyond the Company's control, including the following:

i. actual or anticipated variations in operating results;
ii. changes in financial estimates or recommendations by stock market analysts regarding the Company;
iii. announcements by the Company of significant acquisitions, partnerships, joint ventures or capital commitments;
iv. sales or purchases of substantial blocks of Shares;
v. additions or departures of key personnel;
vi. future equity or debt offerings by the Company and its announcements of these offerings; and
vii. general market and economic conditions.

Moreover, in recent years, the stock market in general has experienced large price and volume fluctuations and these broad market fluctuations may adversely affect the price of the Shares, regardless of its operating results.

Future issuance of Shares or other securities may dilute the holdings of shareholders and materially affect the price of the Shares
The Company may offer additional Shares or other securities in the future in order to secure financing for new acquisitions, or for any other purposes. There is a risk that any such additional offering will reduce the proportionate ownership and voting interests of holders of Shares and have a material adverse effect on the market price of the Shares.

Shareholders not participating in future offerings of Shares or other equity investments may be diluted
Shareholders not participating in future offerings of Shares or other equity instruments may be diluted. Unless otherwise resolved or authorised by the general meeting of the Company, shareholders in Norwegian public companies such as the Company have pre-emptive rights proportionate to the aggregate amount of the Shares they hold with respect to new Shares and other equity investments issued by the Company. Shareholders in the United States, however, may be unable to exercise any such rights to subscribe for new shares unless a registration statement under the U.S. Securities Act is in effect in respect of such rights and shares or pursuant to an exemption from, or in transactions not subject to, the registration requirements of the U.S. Securities Act and other applicable securities laws. Shareholders in other jurisdictions outside Norway may be similarly affected if the rights and the new shares being offered have not been registered with, or approved by, the relevant authorities in such jurisdiction. The Company has not filed a registration statement under the U.S. Securities Act or sought approvals under the laws of any other jurisdiction outside Norway in respect of any pre-emptive rights or the Shares, does not intend to do so and doing so in the future may be impractical and costly. To the extent that the Company's shareholders are not able, or choose not, to exercise their rights to subscribe for new shares, their proportional ownership and voting interests in the Company will be reduced.

Risks related to future sales of Shares
Sales of substantial amounts of the Shares, or the perception that such sales could occur, could have an adverse effect on the market value of the Shares and the Company's ability to raise capital through future capital increases.

Risk factors

Shareholders that are registered in a nominee account may not be able to exercise voting rights as readily as shareholders whose Shares are registered in their own name
The Shares are traded in NOK and any investor outside of Norway that wishes to invest in the Shares, or to sell Shares, will be subject to an exchange rate risk that may cause additional costs to the investor. Holders of Shares that are registered in a nominee account may not be able to exercise voting rights and other shareholder rights as readily as shareholders whose Shares are registered in their own names with the VPS. Beneficial owners of Shares that are registered in a nominee account (e.g., through brokers, dealers or other third- parties) may not be able to vote such Shares unless their ownership is re-registered in their names with the VPS prior to the Company's general meetings. The Company cannot guarantee that such beneficial owners of Shares will receive the notice for a general meeting in time to instruct their nominees to either effect a re-registration of their Shares or otherwise vote their Shares in the manner desired by such beneficial owners. Further, beneficial owners of Shares that are registered in a nominee account may not be able to exercise other shareholder rights under the Norwegian Public Limited Companies Act (such as e.g. the entitlement to participate in a rights offering) as readily as shareholders whose Shares are registered in their own names with the VPS.

Norwegian law may limit shareholders' ability to bring an action against the Company
The rights of holders of the Shares are governed by Norwegian law and by the Articles of Association. These rights may differ from the rights of shareholders in other jurisdictions. In particular, Norwegian law limits the circumstances under which shareholders of Norwegian companies may bring derivative actions. For instance, under Norwegian law, any action brought by the Company in respect of wrongful acts committed against the Company will be prioritised over actions brought by shareholders claiming compensation in respect of such acts. In addition, it may be difficult to prevail in a claim against the Company under, or to enforce liabilities predicated upon, securities laws in other jurisdictions. Further, once the capital increase relating to any Shares has been registered in the Norwegian Register of Business Enterprises, purchasers of those Shares have limited rights against the Company under Norwegian law.

The transfer of Shares is subject to transfer restrictions
The transfer of Shares is subject to restrictions under the securities laws of the United States and other jurisdictions. The Shares have not been registered under the U.S. Securities Act of 1933 or any U.S. state securities laws or any other jurisdiction outside Norway and are not expected to be registered in the future. As such, the Shares may not be offered or sold in the United States or to a U.S. person except pursuant to an exemption from the registration requirements of the US Securities Act and applicable securities laws.

Shareholders residing or domiciled in the United States or other jurisdictions than Norway may not be able to participate in future capital increases or rights offerings.
Issuance of new Shares to shareholders who are citizens or residents of the United States upon the exercise of preferential rights in any future capital increases or rights offerings may require the Company to file a registration statement in the United States under United States securities laws. Should the Company in such a situation decide not to file a registration statement, there is a risk that the Company's US shareholders will not be able to exercise their preferential rights. If a US shareholder is ineligible to participate in a rights offering, such shareholder would not receive the rights at all and the rights would be sold on the shareholder's behalf by the Company if deemed appropriate by the Company.

Shareholders are subject to exchange rate risk
The Shares are priced in NOK, whereas any payments of dividends on the Shares are currently denominated in EUR. Accordingly, investors may be subject to adverse movements in NOK and EUR against their local currency as the foreign currency equivalent of any dividends paid on the Shares or price received in connection with any sale of the Shares could be materially adversely affected.

Risk factors

RISK FACTORS RELATED TO THE BONDS

The Issuer's indebtedness under the Bonds

Following the issuance of the Bonds, the Issuer will have substantial indebtedness which could have negative consequences for the bondholders as:

i. the Issuer may be more vulnerable to general adverse economic and industry conditions;
ii. the Issuer may be at a competitive disadvantage compared to its competitors with less indebtedness or comparable indebtedness at more favourable interest rates and as a result, it may not be better positioned than its competitors to withstand economic downturns; and
iii. the Issuer's ability to refinance indebtedness may be limited or the associated costs may increase.

Risks of ranking behind secured debt - structural subordination

Other debt facilities are secured by certain asset security in, inter alia, the Issuer. In the event that the secured debt becomes due or a secured lender initiate enforcement proceedings against any of the security assets of the Group, the security assets would be available to satisfy obligations under the secured debt before any payment would be made to any unsecured creditor, including the unsecured Bonds. Any assets remaining after repayment of the Group's secured debt may not be sufficient to repay all amounts owed to unsecured creditors in the Issuer, including the Bondholders.

The Bonds will furthermore be structurally subordinated to any debt (also if unsecured) incurred by any other Group company. Such debt will benefit from and may apply proceeds generated from such companies to service outstanding debt in priority to the Bonds.

Risks related to decisions by bondholder majority

All Bondholders will be bound by resolutions adopted pursuant to the relevant majority requirements at the Bondholders' meetings. The Bond Agreement will allow for certain predefined majorities to pass resolutions which are binding for all Bondholders, including Bondholders who have not taken part in the meeting and those who have voted differently than the required majority at a duly convened and conducted Bondholders' meeting.

axactor.com