



AXACTOR ENTERS INTO A BINDING AGREEMENT FOR THE ACQUISITION OF A 75% MAJORITY SHAREHOLDING IN A SPECIAL PURPOSE VEHICLE HOLDING SPANISH REO ASSETS

Oslo, 15 November 2017 - Axactor AB has entered into partnership with a large Spanish financial institution to take a majority position in two Spanish SPVs, containing more than 4,060 REO (Real Estate Owned) assets with an Appraisal Value in excess of EUR 228m. This transaction is an important milestone in Axactor's ambition to become a major contender in the growing secured/REO market in Spain. This deal shows that irrespective of size and type of asset, Axactor is adapting and developing its ability to service its clients in key markets, opening the possibility of several new transactions in the future.

The investment will be made through a Luxemburg holding company in the process of being established, which will be controlled by Axactor. The company will initially be funded with equity from Axactor and funds from the SPV recently established by Geveran and Axactor.

The portfolio acquisition combines well with Axactor's unsecured business. The secured portfolios/REO have significantly shorter payback periods than the unsecured portfolios, which are normally focused on repayment plans with much longer investment horizons. The short payback is expected to have a positive impact on Axactor's EBITDA in 2018 and 2019, supporting the business whilst it continues to build cashflow from its unsecured portfolio.

"This agreement is an exciting step for Axactor, enabling us to become a major player in the Spanish REO market and further expand our recovery model. By entering into a joint venture with a significant financial institution, we are able to learn from their best practices, and build skills that will be extremely valuable to the company going forward", says Endre Rangnes, CEO of Axactor AB.

"The Axactor team in Spain is very enthusiastic to be working on this opportunity in the REO market. This clearly demonstrates the determination of the team to develop the business across all NPL segments. The team will be focusing on increasing the volumes in this new segment, as well as building REO expertise across the company as a whole", says Andrés López and David Martín, General Managers of Axactor Spain.

Axactor has made important progress in implementing the operational functionality required to handle business in the secured market. The company is now ready to initiate the management of significant volumes of secured cases, and to support 3rd party clients with similar management. The combination of secured and unsecured business secures Axactor a strong position in the Spanish market. Axactor now looks to develop similar positions in other geographies where Axactor is present.

"This transaction underlines the increased financial strength provided through the partnership with Geveran Holding, and shows how the two partners now have the opportunity to enter new market segments and enter into larger deals", says Endre Rangnes.

For additional information, please contact:

Endre Rangnes, CEO Axactor

Mobile phone: +47 4822 1111

Email: endre.rangnes@axactor.com

or

Geir Johansen, CFO & Investor Relations, Axactor

Mobile phone: +47 4771 0451

Email: geir.johansen@axactor.com

www.axactor.com

About Axactor

Axactor Group specializes in both Debt Collection and Debt Purchasing across several countries, with operations in Italy, Germany, Norway, Sweden and Spain. The company has a Nordic base and an ambitious Pan-European growth strategy, which targets the market for non-performing loans (NPL) in Europe. This market is estimated to be about 1,500 billion euros across Europe providing significant opportunities for Axactor's future expansion. Axactor has approximately 900 employees.