

Legres initiates a written procedure in respect of its SEK 550 million senior secured floating rate notes due 2022

Legres AB (publ) (“Legres” or the “Company”) today announces that it is, by way of written procedure, soliciting approval from noteholders of its outstanding 2019/2022 notes (ISIN: SE0012729010) (the “Notes”), to vote in favour of certain amendments and waivers in respect to the terms and conditions of the Notes.

Legres has requested that Nordic Trustee & Agency AB (publ), acting in its capacity as agent (the “Agent”) for the noteholders of Notes, initiates a written procedure in accordance with the terms and conditions for the Notes (the “Written Procedure”). The notice of the Written Procedure including the voting instructions and the requests to the noteholders is available at Legres’ website (www.sergel.com).

During 2020, the Company has faced three extraordinary events; the loss of a Telia contract within Accounts Receivables, which was communicated in April, an unexpected regulatory change in Norway and Covid-19. These events impact the result of 2020 and are also expected to impact 2021. Consequently, the Company believes there is a potential risk of not being able fulfil the Notes’ current maintenance covenants. The Company is therefore seeking a covenant reset of the maintenance covenants Net Debt / EBITDA (“Leverage”) and Interest Coverage Ratio (“ICR”) while the maintenance test in relation to the Cash Position is left unchanged. The proposal (“Proposal”) includes a gradual step-up of Leverage to a maximum of 5.5x between Q2 2021 and Q4 2021 and to then step-down to the initial level of 3.75x in the end of Q2 2022. The ICR is proposed to step-down from the current level of 2.5x to a minimum of 2.0x between Q2 2021 and Q4 2021 to then gradually return to its current level in the end of Q2 2022.

As compensation for the noteholders, the Company is offering a coupon step-up of 100bps, indicating a margin of 700bps plus the interest rate of 3M STIBOR. Further, Legres is offering an amortization of SEK 110 million at par, bringing the total outstanding amount to SEK 440 million and thus significantly reduces the total debt quantum of the Company. The owner of Legres, Marginalen Group AB, has committed to an equity injection of SEK 25 million to support the company.

All noteholders are offered a base fee of 25bps (per Note), regardless of casting a vote or being passive. Moreover, noteholders casting their vote before 26 January 2021, no later than 15.00 (CET), will receive an additional fee of 25bps of the nominal amount of each Note (for which a vote is being cast), regardless of voting in favour or against the Proposal (the “Early Bird Fee”). All fees will be paid in cash and are subject to a successful outcome of the Written Procedure.

Following discussions with certain major noteholders of the Notes, noteholders representing 52.73% of the Notes have expressed their support for the Proposal. In order to resolve on the Proposal, at least 50% of the outstanding nominal amount must participate in the Written Procedure and at least 2/3 of the attending nominal amount must vote in favour of the Proposal.

To be eligible to vote in the Written Procedure, a noteholder must be registered as a direct registered owner (Sw. *direktregistrerad ägare*) or as an authorised nominee (Sw. *förvaltare*) on 21 January 2021, in the net debt register (Sw. *skuldbok*) for the Note. The Agent must receive a duly completed voting form no later than 15:00 (CET) on 10 February 2021.

Legres expects to announce the result of the Written Procedure no later than 11 February 2021. Following such announcement, a notice of the outcome of the Written Procedure will promptly be

sent to the noteholders and be published on the websites of Legres and the Agent (www.sergel.com and www.nordictrustee.com).

Complete information about the Written Procedure, including the voting instructions, is set out in the notice to the Written Procedure, which is available on the websites of Legres and the Agent.

The Company has engaged Skandinaviska Enskilda Banken AB (publ) (“**SEB**”) as its financial advisor in relation to the Written Procedure and thus queries in relation thereto shall be channeled via SEB and/or the management of Legres.

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This information is information that Legres is obliged to make public pursuant to the EU Market Abuse Regulation 596/2014. The information in this press release was submitted for publication, through the agency of the contact person set out below, at 12:00 (CET) on January 15, 2021.

About Legres AB (publ)

Legres AB (publ) is the parent company of the Sergel companies in the Nordic region. These were acquired in June 2017 from Telia Company. The Sergel companies have approximately 350 employees and consist of Sergel Kreditjänster AB in Sweden, Sergel Oy in Finland, Sergel Norge AS in Norway and Sergel A/S in Denmark. The Sergel companies market services within credit scoring, AR, debt collection and payment- and message services.