

Company announcement:

BidCo RelyOn Nutec A/S – Notice of a written resolution

BidCo RelyOn Nutec A/S (the “**Issuer**”, and together with its subsidiaries, the “**Group**”) has instructed the trustee for the Issuer’s up to EUR 100,000,000 senior secured bonds with ISIN NO0010831373 (the “**Bonds**”) to instigate a written resolution to request that bondholders vote in favour of amending and waiving certain provisions under the terms and conditions of the Bonds (the “**Proposal**”).

Bondholders together representing in excess of 70% of the outstanding volume under the Bonds have committed to vote in favour of the Proposal. Passing of the Proposal requires a majority of 2/3.

As a consequence of the COVID-19 outbreak, the Group has been forced to temporarily close a majority of its training centres both due to government-enforced shutdowns and the high risk of infection among personnel and clients. Since the shutdown of facilities in late March and early April, the Group has been able to reopen most of its sites, and as of this week, 10 of the Group’s sites remain closed, whereas 23 facilities have been reopened.

The Group reacted early and has taken several necessary measures to keep both personnel and clients safe and in order to limit the financial impact of the material activity reduction, including the early deployment of staff policies to protect health and to the furthest extent stop the spread of the virus, as well as cost saving measures including, among other, lay-offs and furloughing of personnel. In order to further preserve liquidity, the Group has reduced planned investments and applied for various local government support initiatives related to COVID-19.

Despite the mitigating measures taken, the Issuer expects that the shutdowns and projected activity reduction will have a detrimental effect on the Group’s cash flow during 2020, which could result in a temporary shortfall in available liquidity.

To parry a potential liquidity shortfall to occur during the summer, the Issuer proposes that bondholders consent to (i) the deferral of the interest payment due in June 2020 and the Issuer being given the option to defer interest payments due in September and December 2020 and March 2021, corresponding in aggregate to ca. EUR 3.7 million, (ii) an increase of the working capital facilities available to the Group by EUR 5.35 million, and (iii) a waiver of the clean down requirement of the working capital facility until maturity. Any deferred interest payments will be settled through the issuance of new PIK bonds at the original interest rate for the Bonds plus 2.00 per cent.

In order to bridge the liquidity shortfall, the lender under the Group's existing super senior working capital facility has agreed to extend an additional facility of EUR 5.35 million to the Issuer, which is to be guaranteed to 70% by EKF, the Danish Credit Export Agency. The Issuer's shareholder has also committed to make an equity injection in an amount of no less than DKK 30 million in the form of subordinated shareholder loans, which shall mature only after the Bonds. Furthermore, in order to provide additional comfort to bondholders, the Issuer commits to brief monthly reporting and to instate a minimum liquidity covenant to be tested monthly, which are to be in effect as long as the Issuer has the option to defer interest payments.

In the light of the uncertainty subsisting on account of COVID-19 and the uneven financial effects on Group companies, the Issuer also proposes to freeze material group companies, as they were 31 December 2019, until the delivery of the financial statements for 2021. During this period, new

material group companies shall only be nominated based on share of assets. The proposed amendments, waivers and commitments are described in detail in the notice of the written resolution.

The trustee will on 29 May 2020 instigate the written resolution, and a notice of the written resolution will be delivered via the CSD to all bondholders. The voting period will end on 8 June 2020 or any earlier date on which a requisite majority has voted in favour of the Proposal.

Pareto Securities AB has been retained as financial advisor and Moalem Weitemeyer Bendtsen as legal adviser in connection with the written resolution.

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