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**To the bondholders in:**

**ISIN: NO 0010863350 - First Mover Group Holding AS FRN senior secured NOK 400,000,000 bonds 2019/2022**

Oslo, 28 February 2022

### **Summons to a Bondholders' Meeting – Amendment of financial covenant**

Nordic Trustee AS is appointed as bond trustee (the “**Bond Trustee**”) for the holders of the bonds (the “**Bondholders**”) in the above mentioned bond issue with ISIN NO 0010863350 (the “**Bonds**”) issued by First Mover Group Holding AS (the “**Issuer**”).

All capitalised terms used and not otherwise defined herein shall have the meaning assigned to them in the bond terms for the Bonds made between the Bond Trustee (on behalf of the Bondholders) and the Issuer on 18 September 2019 (as amended from time to time, the “**Bond Terms**”).

References to Clauses and paragraphs not defined herein are references to Clauses and paragraphs of the Bond Terms.

The Bond Trustee has issued this summons for a Bondholders' Meeting pursuant to a written request from the Issuer, in accordance with the terms of the Bond Terms.

*The information in this summons regarding the Issuer, the market conditions and the described transactions is provided by the Issuer, and the Bond Trustee expressly disclaims all liability whatsoever related to such information.*

#### **1. BACKGROUND AND SUMMARY OF THE PROPOSAL**

Reference is made to the summons to bondholder meeting dated 3 February 2022 and bondholders meeting held on 18 February 2022 (the “**February BH Meeting**”). In the period between the notice and the date of the meeting, there were discussions between the Issuer and several of the Bondholders, both in a presentation to Bondholders held by video meeting on Friday 11 February and also subsequent to that presentation discussions with certain of the Bondholders that participated in the presentation. Due to those discussions not having been completed by 18 February 2022, the terms of the proposed covenant waiver proposed in the February BH Meeting was not approved by Bondholders.

On the basis of discussions with several Bondholders, the Issuer has found basis for presenting the proposal set out herein to Bondholders and to call for a new bondholders meeting in which these can be resolved.

The Issuer and its Subsidiaries (the “**Group**“) is a leading Nordic group providing tenant advisory, business relocation- and assembly services. The Group has operations in Norway, Sweden, Denmark, and Germany. Norway represents the main hub of operation and is where the headquarter is located. The Group’s operation involves approximately 400 full time employees, whilst additional personnel is hired-in on in periods of high activity.

The services provided by the Group are directly linked to how people use their office- and workspace. Since the COVID19 pandemic outbreak in March 2020, the alternating stages of society lockdowns have affected the demand for the Group’s services. The Group has been able to navigate this highly uncertain period with less loss of revenue than expected. The Group's gross revenue in 2021 was approx. NOK 434 million, which is 3.5% less than our 2020 record pro forma revenues of NOK 450 million.

Profitability and cash flow have been further weakened during 2021. Key drivers in the profitability erosion include higher production costs resulting from the "stop-go" nature of Covid restrictions and our inability to reduce costs in sync with output demands, and also that we in addition to the challenges directly related to operating in a Covid economy have not been able to successfully integrate acquired foreign companies in the intended manner, increasing costs and cash burn in these entities.

In early stages of the pandemic outbreak, flexible governmental arrangements for temporary lay-off, enabled the Group’s largest cost element, salary, to become sufficiently variable to allow an effective adaption to a volatile demand.

Today, two years into the pandemic, the financial situation for the Group is therefore as a result of our weakened profitability and cash flow under pressure. Our ambitious growth strategy is suffering from lack of further investments and limited capacity to execute the implementation strategy.

The following section describes the status in more detail country by country.

*Norway, representing 70% of the Group’s revenue – First Mover Group Norway and Realia:* Despite the additional adverse impact on revenue caused by the Norwegian lockdown in December 2021 and January 2022, our prospects for our Norwegian operations are positive. The Norwegian companies have delivered and are expected to deliver relatively stable revenues. The number of frame agreements are increasing, we witness solid scores on questionnaires among employees and customers and growing focus amongst our customers on their workplace investments. Cost levels in 2021 have in many areas come down as a result of last years’ cost-cutting programs.

Coming out of the lock-down in June 2021, we experienced pressure to secure operative resources which forced us to book hired crew for longer period in advance and for longer periods to position us for an expected peak activity in Q4 2021. When this activity peak did not occur, which appeared to be driven in all material respects by the uncertainty arising from the Omicron mutation of Covid then the severe Covid-induced restrictions imposed by Norwegian authorities, we were hit both by a loss of revenue vs. projections and a fixed cost level in particularly for Q4 2021 which was substantially higher than the underlying operations required. The lock-down in December also affected our tenant advisory division, pushing several projects into 2022. These effects contributed to materially worsen Q4 2021 performance vs. our projections.

The Group’s position as the dominating provider of Business relocation services is under some pressure with new players taking market shares by pricing themselves low and hence pushing prices down. This development was expected, and the Group is well positioned to face new entrants with our advanced service offering, high level of operational quality as well as scale of economy. We are, however, in the process of reorganizing the Norwegian operative organization, using our best performing teams as template. This will enable a leaner management and smaller teams that we expect will operate more

efficiently. On the advisory side we see increased awareness and competition from companies with primary focus in real estate transactions and/or property management. With our strong client base, large knowledgebase of experience and cost-efficient solutions, we believe the Group is well positioned towards any known competitors.

*Sweden, representing 15% of the Group's revenue – First Mover Group Sweden, Søder Statsbud, Move4U and Resultat Prosjektledning:* Sweden has experienced less restrictive lockdowns in Q4 2021 compared to Norway. Despite a limited degree of restrictions in Sweden, we have unfortunately not been able to recover the revenue from levels pre-COVID19. A combination of low market share on the “high-quality” relocation projects, limited number of frame agreements and several assembly and logistic projects with too low margins, made the profitability exposed in a downturn. With a management company on top, the Group invested in a setup to handle further growth from M&A, but with a stagnation of this strategy due to the pandemic and weak returns in the existing portfolio companies, the operations in Sweden were sub scale for this setup.

Despite several attempts to restructure the Swedish business, the Group concluded that the most appropriate and effective course of action was for Søder Statsbud to file for bankruptcy on 13 January 2022. In addition to Søder Statsbud ceasing its operations, the Group is closing down all activity in our management company in Sweden, FMG Sweden AB. These measures will represent a material reduction of the Group's loss-making operations in Sweden and thereby contribute to the strengthening of the Group's cash flow. The two companies represented ~40% of the revenue in Sweden but close to 80% of the losses of the Swedish operations. Costs related to these processes will mainly be reflected in the accounts for Q1 2022. The Group undertakes an impairment of approximately 10mNOK on our residual goodwill on Søder Statsbud as well as a reduction on goodwill in the two remaining companies in Sweden. The effect on equity of the latter being reduced by simultaneously reduction of future earn outs in the balance sheet.

To the extent possible, key clients and ongoing projects will be served from our remaining companies in Sweden. Move4U can operate in both Gothenburg and Stockholm through use of local partners.

The Swedish operation is expected to deliver a zero to slightly positive EBITDA in 2022. The further development of our Swedish operations will be considered as part in the Group's larger strategic discussion on the way going forward.

*Denmark, representing 14% of the Group's revenue – First Mover Group Denmark:* As of mid-January 2022, we experience limited effects of COVID19 lock downs on day to day operations and with effect going forward. FMG Denmark experienced a turbulent year in 2021. Several effects from 2020 hit the company in 2021, including corporate acquisition vs carveout related issues, a sudden need for relocation from both premises of operation, a claim from a damaged robot suffered under transport as well as implementation of a new accounting and CRM system. In spite of a challenging operational situation, the company has managed to retain a solid revenue-base and attract new clients, win large frame agreements and increase their portion of advisory services. Q1 2022 is characterized by a number of quality relocation projects.

Despite With the revenue FMG Denmark experienced in 2021, it was not able to deliver a profitable operation. Efforts to implement the Norwegian service offering is constantly challenged by travel restrictions, limited capacity from head office and lack of capital available for investments needed. Denmark is therefore under evaluation in the Group's strategic roadmap going forward.

*Germany, representing 1% of the Group's revenue:* The small operation is developing according to plan and is starting to secure a solid foothold in the region around Dusseldorf. Several large relocation projects are in execution phase in Q1 2021. We have, however, reduced our growth ambitions in Germany to reflect the Group's liquidity situation and our need to focus on improving short term

profitability and cash flow for the Group as a whole. The position in Germany is also a part to be considered in the Group's updated strategy.

In summary - we believe that the Group's core business in Norway is sound, and despite temporary slow months due to society lock downs, that the Norwegian business is expected to generate increased revenue in 2022 vs. 2021, and with a targeted EBITDA margin of up to 10%.

Based on experiences from last years' foreign operations, the Group will update its strategy, including our international expansion plans in light of the of the measures now taken to reduce costs in Sweden in particular. In general, where the Group believes it within a reasonable timeframe is not able to either replicate the Norwegian concept, or secure a leading market position, we will seek to exit the position.

Liquidity has been a key element to control during the pandemic and preservation of liquidity has and will continue to have top priority. Through 2020 the Group increased available liquidity through cost-cutting programmes and working capital management. Through 2021 the liquidity has been reduced and the Group is working to strengthen the liquidity buffer to reduce overall stress on the organization that results from tight liquidity management. The Group's efforts to secure new equity is ongoing.

With a recovery from reduced COVID-19 restrictions in Norway and effective measures applied abroad, we expect the Group to return to profitability from Q2 2022. With the upcoming maturity of the bond issue in Q3 2022, the return of the Group to profitability and with stable positive cash flows is a key objective of the management.

Based on the consolidated cash balance by year end 2021, the Issuer expect to be able to pay its interest going forward and to see a material improvement in the EBITDA as restrictions ease and we return to an environment with less operational uncertainty especially on the cost side.

However, the revenue and EBITDA shortfall caused by COVID-19 and as further described above, means that the Issuer will be in breach with the Leverage Ratio covenant for Q4 2021 and will need a temporary waiver of the covenant.

Reference is made to the newly released Q4 2021 report which describes the development over the last quarter in 2021 and sums up the financial figures of the year.

## **2. THE PROPOSAL**

Based on the above, the Issuer propose that the Bondholders pass the following resolution (the "**Proposal**"):

## Financial Covenant Waiver

The Bondholders waive the Leverage Ratio covenant set out in Clause 13.19 (a) for the Relevant Period ending on 31 December 2021 and 31 March 2022 (the "**Waiver**"), effective immediately and until end 30 April 2022, subject to the following:

- A) From 15 March 2022 and until the Bondholders in a Bondholder Meeting to be held no later than 30 April 2022 have approved the Recovery Plan (as defined below), no Subsequent Release is permitted without the prior written consent of the Bond Trustee;
- B) Issuer shall by 31 March 2022 present the Bondholders with a draft Recovery Plan for review;
- (a) The Issuer shall then provide summons for a Bondholders Meeting to be held as soon as practically possible and no later than 30 April 2022 to resolve the following:
  - (i) the approval by Bondholders of the Recovery Plan;
  - (ii) the approval by Bondholders of such amendments to the Bond Terms reflecting the financial outlook of the Group as described in the Recovery Plan; and
  - (iii) the approval by Bondholders of an independent board member to be proposed by the Issuer and to be elected to the Issuer's board of directors with effect no later than 15 May 2022.

For the purposes of the above, the "**Recovery Plan**" means a 5 year business plan developed by the Issuer together with its third-party advisors which shall describe the steps to be taken by the Issuer to return the Issuer to EBITDA profitability and in compliance with amended Bond Terms to be agreed, including profit and loss statement, balance sheet (including any proposed new equity to be invested) and cash flow statement with quarterly figures.

If the Recovery Plan is approved by the Bondholders Meeting by latest 30 April 2022, the Waiver concerning the periods ending the 31 Dec. 2021 and 30 March 2022 is no longer conditional and is permanent. If the Recovery plan has not been approved by the Bondholders Meeting by latest 30 April 2022, the Waiver is void and the Issuer is then again deemed to be in breach of the Leverage Ratio covenant.

Other than the waivers and amendments contemplated by the Proposal, the terms and conditions of the Bond Terms will remain unchanged and continue to apply in their existing form.

The Issuer does not request a waiver from the requirement to obtain a Minimum Liquidity as described in Clause 13.19, subparagraph a), item ii), of the Bond Terms (Financial Covenants).

### 3. AMENDMENT FEE

In consideration of approving the Proposal, the Issuer offers to pay to the Bondholders a one-time amendment fee (the "**Amendment Fee**") of 0.25% (flat) of the Nominal Value of the Bonds. Payment of the Amendment Fee will be subject to the approval of the Proposal by the Bondholders' Meeting. The Amendment Fee will be payable 10 (ten) Business Days after the date when the Bondholders' Meeting approves the Proposal with record date 2 (two) Business Days before such payment.

#### **4. PRE-ACCEPTANCE**

The Issuer has informed that the Proposal as described in section 2 and the Amendment Fee as described in section 3, have support from a group of Bondholders controlling above 30% of the Outstanding Bonds. All Bondholders are however encouraged to vote on the proposal, to ensure a valid resolution that will enable the process as described in this summons, to move forward.

#### **5. COMPANY UPDATE**

For access to the latest reports and other recent publications of the Issuer, please consult the Group's website [www.firstmovergroup.no](http://www.firstmovergroup.no).

#### **6. EVALUATION OF THE PROPOSAL**

The Issuer emphasizes that the occurrence of an Event of Default that remains unresolved between the Issuer and the Bondholders could adversely affect the Group's ability to conduct its day-to-day operations in an already challenging environment, and could in the Issuers view be to the detrimental effect of all stakeholders. We therefore kindly request your support for the Proposal whilst we continue to develop a plan for the way forward to be presented as soon as possible.

If Bondholders require any further details on the Proposal or other information contained in this summons, they should contact the Issuer through the following contacts:

Tore Martinsen  
Chief Executive Officer, First Mover Group  
Mobile: +47 970 36 218  
[tore@relokator.no](mailto:tore@relokator.no)

Øystein Leivestad  
Chief Financial Officer, First Mover Group  
Mobile: +47 93 88 23 03  
[oystein.leivestad@firstmovergroup.no](mailto:oystein.leivestad@firstmovergroup.no)

For further questions to the Bond Trustee, please contact:  
Vivian Trøsch  
Email: [trosch@nordictrustee.com](mailto:trosch@nordictrustee.com)  
Telephone: +47 919 12 595

#### **5. NON-RELIANCE**

The request is put forward to the Bondholders without further evaluation or recommendations from the Bond Trustee. Nothing herein shall constitute a recommendation to the Bondholders by the Bond Trustee.

The Bondholders must independently evaluate whether the proposed changes are acceptable and vote accordingly. It is recommended that the Bondholders seek counsel from their legal, financial and tax advisors regarding the effect of the Proposal.

#### **7. SUMMONS FOR BONDHOLDERS' MEETING**

To enable the Issuer to conduct the proposed changes of the Bond Terms, the Issuer has requested the Bond Trustee to summon a Bondholders' Meeting to consider the approval of the Proposal.

Based on the information contained herein, the Bondholders are hereby summoned to a Bondholders' Meeting:

**Time:** 15 March 2022 at 13:00 hours (Oslo time),  
**Place:** The premises of Nordic Trustee AS,  
Kronprinsesse Märthas plass 1, 0160 Oslo

**Agenda:**

1. Approval of the summons.
2. Approval of the agenda.
3. Election of two persons to co-sign the minutes together with the chairman.
4. Request for adoption of the Proposal:

**It is proposed that the Bondholders' Meeting resolve the following:**

*“The Bondholders approve the Proposal as described in section 2 and the payment of Amendment Fee as described in section 3 of this summons, and authorise and instruct the Bond Trustee to take such steps on behalf of the Bondholders as may be necessary or desirable in connection with the implementation of the Proposal and payment of the Amendment Fee, including without limitation to prepare, finalise and enter into the necessary agreements including an addendum to or amended Bond Terms (and any other amendment agreements or other documentation relating thereto or the other Finance Documents) to reflect the above.”*

To approve the above resolution, Bondholders representing at least 2/3 of the Voting Bonds represented in person or by proxy at the Bondholders' Meeting must vote in favour of the Proposal. In order to have a quorum, at least 1/2 of the Voting Bonds must be represented at the Bondholders' Meeting. If the Proposal is not adopted, the Bond Terms will remain unchanged.

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Please find attached a Bondholder's Form from the Securities Depository (VPS), indicating your bondholding at the printing date. The Bondholder's Form will serve as proof of ownership of the Bonds and of the voting rights at the Bondholders' Meeting. (If the bonds are held in custody - i.e. the owner is not registered directly in the VPS - the custodian must confirm; (i) the owner of the bonds, (ii) the aggregate nominal amount of the bonds and (iii) the account number in VPS on which the bonds are registered.)

The individual bondholder may authorise the Issuer or the Bond Trustee to vote on its behalf, in which case the Bondholder's Form also serves as a proxy. A duly signed Bondholder's Form, authorising the Issuer or the Bond Trustee to vote, must then be returned to the Bond Trustee in due time before the meeting is scheduled (by scanned e-mail, telefax or post).

At the Bondholders' Meeting votes may be cast based on bonds held at close of business on the day prior to the date of the Bondholders' Meeting. In the event that Bonds have been transferred to a new owner after the Bondholder's Form was made, the new Bondholder must bring to the Bondholders' meeting or enclose with the proxy, as the case may be, evidence which the Bond Trustee accepts as sufficient proof of the ownership of the Bonds.

For practical purposes, we would prefer that those who intend to attend the Bondholders' Meeting, either in person or by proxy other than to the Bond Trustee, to notify the Bond Trustee by telephone or by e-mail (mail@nordictrustee.com) within 16:00 hours (4 pm) (Oslo time) the Business Day before the meeting takes place.

Yours sincerely  
**Nordic Trustee AS**

A handwritten signature in blue ink, appearing to read 'Vivian Trøsch', written over a horizontal line.

Vivian Trøsch

Enclosed:

Appendix 1– Bondholder's Form