

# Fact Sheet

## Opertun PLC 8.5% Secured Loan Notes Guaranteed by Opertun Group AB

Investing in Energy, Renewables and Real Estate



# Opertun PLC

## 8.50% Senior Secured Loan Notes due 2025 (EUR, USD, GBP)

### THE LOAN NOTES

Opertun PLC has issued senior secured Loan Notes, offering an annual rate coupon of \$USD/€EURO/£GBP 8.50%, paid quarterly. Proceeds of the notes will enable Opertun Environment ("Opertun"), to increase the scale of its energy trading business, EnergyKey, and formulaically increase turnover. The funds are required for the following purposes:

- To increase trading activities on Nord Pool and eSett.
- To purchase wholesale MWh and to local retailers.
- To buy production for the future (such as PV farms)
- Factoring – a portion of the funding will allow modern financing activities in order to fund (and provide security with) the underlying customer invoices
- Northern Lights - complete the purchase and build of a 70 acre site in Åsele which will enable Opertun to generate its own power

### ABOUT THE OPERTUN GROUP

Opertun PLC is the funding vehicle for Opertun Group AB (publ). Opertun's renewable energy business, Opertun Environment AB, is a wholly-owned subsidiary of Opertun Group and was created with the purpose of owning and managing different companies in the environmental sector. Opertun Environment currently owns and manages two specialist energy companies; EnergyKey and Northern Lights Energy Solutions.

EnergyKey is a full-service electricity trading business that provides energy to retailers and larger corporates in the Nordics. As a wholesale purchaser of power, the trading arm of Opertun Environment buys electricity (in the form and MWh) from the primary European power markets, Nord Pool AS and eSett, and sells to local retailers at a mark-up. Opertun also owns a factoring business, Opertun Financial Services, which invoices the energy retailers end consumers to generate additional revenue and security. As electricity is pre-paid to Nord Pool, the asset-based factoring to consumers will be short term, self-liquidating and can be repaid within a 45 day cycle and benefits from significant over-collateralisation. Given the emergence of renewable energy, the company can also produce its own energy in the medium to long term. EnergyKey has suffered no losses due to unpaid invoices since it began trading. The risk of end users not paying their debts is carried by its customers (the Energy Retailers). The purchasing of wholesale electricity and selling on at a mark-up to regional energy providers has generated circa €50m of revenue over the last four years. A flat 5% gross margin is possible on daily trading.

### KEY FEATURES

Opertun's aim is to not only generate substantial free cash flows to pay down the debt but also to convert the various income streams into a "bankable" asset and refinance the proposed short-term debt facility with cheaper bank debt through existing banking relationships with local Scandinavian banks.

### ABOUT THE SECURITY

The Issuer of the Notes, Opertun PLC, will grant floating charges over its assets in favour of the Security Trustee. The Issuer's assets are expected to be limited to the proceeds of the issuance and the assets purchased with those proceeds/the loans made to other group companies with those proceeds. As further credit support, Opertun Group AB, the group's main trading company, has guaranteed the Issuer's obligations under the Notes to the Security Trustee to hold on behalf of Loan Noteholders. Investors should note that these security arrangements do not remove all risk of non-payment.

### CUSTOMER INVOICE COLLATERAL

In the Swedish consumer market, electricity bills are considered to be a priority invoice for both individuals and companies therefore historical default rates are less than 0.5%. The risk of end-users / consumer not paying their debts is carried by the local retailer customers. An invoice contains about 50-60% of actual electricity consumption and the rest is made up of fees, taxes and VAT therefore a 40-50% payment ratio is enough to cover the cost for the Borrowers. As a result of this, EnergyKey has suffered no capital losses at all due to unpaid invoices since inception.

### NOTE INFORMATION

NOTES	Opertun PLC 8.50% Loan Notes Due 2025
STATUS	Senior Secured by Debenture
ISSUE SIZE	Up to €8m in EUR, USD and GBP
RANKING	All Notes rank pari passu
COUPON/TERM	USD 8.50% per annum paid quarterly
CURRENCIES	EUR, USD, GBP
TERM	3 years
MINIMUM INVESTMENT	€10,000 / \$10,000 / £10,000
DENOMINATIONS	€1 / \$1 / £1
ISINs	GB00BPLJ7Z47 (GBP) / GB00BPLJ8061 (USD) GB00BPLJ8178 (EUR)
ISSUE DATE	14th July 2022
CLEARING/SETTLEMENT	CREST

### KEY PARTIES

ISSUER	Opertun PLC
GUARANTOR	Opertun Group AB
SECURITY TRUSTEE	Blue Water Capital Limited
RECEIVING AGENT	Blue Water Capital Limited
BORROWER AUDITOR	BDO
DISTRIBUTOR	KNG International Advisors
PROGRAMME ADMINISTRATOR	Debt Capital Solutions Ltd

**Sales/Distribution Information: KNG International Advisors [Mex Office: +52 (998) 500-1627 | UK Office: +44 (207) 183-3787] [info@kngadvisors.co.uk | www.kngadvisors.co.uk]**

DISCLAIMER: Not available for UK residents. The information presented here does not constitute investment advice or a recommendation, and is not an invitation to invest. Nothing in this document is intended to nor will create any binding obligation on anyone. Applications should only be made on the basis of the Information Memorandum and Loan Note Instrument which are available from authorised distributors. Prospective investors should be capable of evaluating the risks and merits associated with this investment and have sufficient resources to bear any losses. This investment is intended to be held by the investor for the full investment term of 3 years. Whilst a secondary market may exist, there is no guarantee of a purchaser. Liquidity may therefore be limited and should not be relied on when choosing this investment. Investment in the Notes involves risk to your capital. If you suffer a loss, you are not entitled to compensation from the Financial Services Compensation Scheme. Investing in the Loan Notes involves risks, including loss of capital and illiquidity and it should be done only as part of a diversified portfolio. This fact sheet does not constitute an offer or solicitation with respect to the purchase or sale, investment or subscription in any security and neither this fact sheet nor anything contained therein or the information to which it refers shall form the basis of or be relied upon in connection with any contract or commitment whatsoever. In order to invest in the Notes, you must confirm yourself to be a person (i) who has professional experience in matters relating to investments and fall within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the FPO) and/or (ii) who are persons falling within Article 49(2)(a) to (d) of the FPO (iii) If contrary to the above you are not a relevant person but you are in receipt of this Investment Memorandum, then you must seek suitable financial advice before investing, to ascertain and understand the full risks and terms associated with any investment, and any such investment must be made through a professional Pension Trustee firm and/or Life Insurance policy/bond. Any investment in the Notes is only available to, and will be engaged in with, relevant persons. You are strongly recommended to seek independent financial and legal advice before making an investment decision.