

4finance SA

Moderator: Oyvind Oanes
3 September 2020
2:00 p.m. GMT

OPERATOR: This is Conference # 9493706.

Operator: Ladies and gentlemen, thank you for standing by and welcome to today's 4finance Q2 Results conference call. At this time, all participants are in a listen only mode. After the speaker presentation there will be a question-and-answer session.

To ask a question during the session you will need to press star one on your telephone. Also I must advise that the call is being recorded today, Thursday the 3rd of September, 2020. And without any further delay, I would now like to hand over the call to your first speaker today, Mr. Oyvind Oanes. Thank you. Please go ahead.

Oyvind Oanes: Thank you, Ramon. And welcome everyone to the 4finance results call for the first six months of 2020. This Oyvind Oanes speaking, the CEO 4finance Group. And with me today are, as usual, our CFO, Paul Goldfinch; our COO, Martin Muransky; and James Etherington, our Head of Investor Relations.

Due to the continued situation around the pandemic and certain travel restrictions, we keep working remotely and are therefore also this time calling in from our four different locations. We trust that all lines will work fine and that we can still do this call in a reasonably seamless way as last time.

As usual, we would like to start the call with a short operational update reviewing some of the key business and financial highlights for the reporting period and we would naturally also give you an update on how we have

navigated the business through these unprecedented circumstances and how we are now getting back to what I guess we can call a new normal.

If you could all please turn to page four of the presentation, our focus since March has obviously been on navigating the business through the challenges of the Covid-19 pandemic, making sure our employees health and safety is secured, while also continuing to serve our large base of loyal customers in these difficult times.

I'm very proud to say that our employees across 16 countries have shown a remarkable effort and commitment. From the outset of the crisis when we were able to move over 2,000 staff to remote working in less than 10 days and throughout all of the following months until today, serving customers in a highly professional and efficient way.

We've also made a range of changes to processes, policies, products and risk scorecards during this period to support our customers to make sure we comply with the various policy changes implemented by local government in a timely manner.

Since the last report, we have continued to see a positive trend across all our markets in terms of customer demand increasing steadily as the various lockdown measures were lifted. I will come back with a bit more detail on the trend in a couple of slides.

For the first six months of the year, TBI Bank has actually reported a 10 percent increase in loan issuance compared to the same period last year. And our emerging near-prime business are also experiencing nice growth despite more prudent approach in the period. As usual around this time of the year, we can report another 1 billion Euros of online loan issuance, taking the total to 8 billion Euros since the launch of the business some 12 years ago.

Martin will give you all the details around the credit risk and portfolio development a little later on this call. But I think its worth to mention that we have not experienced any adverse development in customer repayment behavior, which is resulting in our risk parameters being rather positive for the

period but overall cost of risk actually improving slightly on a year-on-year basis.

During these times of uncertainty, we continue to prudently manage our balance sheet and liquidity. We saw a strong cash generation in Q2 that supported our continued repurchase of our bonds below par.

And thanks to the support of many of you on this call today, we successfully agreed to amend the terms of Euro bond, and as a result now have no debt maturities until 2022.

If you now turn to the next page please, page five. We thought it would make sense to run you through a few details on some of our key markets, including the relevant regulatory measures and our respective operational progress.

As mentioned on the last call, the Polish government has altered the various pricing caps relevant to our caps a couple of times during the reporting period. A temporary change on the cap on non interest cost has been implemented reducing the maximum fixed fee down to 15 percent and the maximum annual fee down to 6 percent.

In addition, as a result of base rate changes, the cap on nominal interest rate is reduced down to 7.2 percent. In response to this we have obviously adjusted the pricing of our short term products accordingly and also introduced a new three month instalment loan on the Zaplo brand.

As for the other countries, we have seen various versions of payment moratoriums being implemented across the markets. We've seen limited demand for these voluntary payment moratoriums in the market we operate.

In the low single digit percentages for Poland, Spain, the Nordics and the Baltics; the highest rates have come from Czech Republic with around 12 percent and a TBI Bank with around 20 percent of the overall eligible portfolio, mainly from the business banking segment.

The request for these 'payment holidays' dropped significantly over the past couple of months and we are now preparing for the moratoriums to end and

make sure that the customers are well reminded about their loan repayments starting again.

After new regulations came into force in Denmark on 1st of July, we launched two new products on that market. A six month, low amount instalment loan as well as a longer term and higher ticket near-prime consumer loan.

Both markets are marketed under our well known Vivus brand and come with an opt-in service package of which the uptake is showing encouraging initial results. If you now turn to the next page please, page six of the presentation.

Before handing it over to Paul to review the financial results in more detail, I wanted to give you a status update on the current trading and trends. As you can see from the graph on this page, we experienced a significant drop in issued volume from the middle of March.

A large part of this was driven by a drop in demand as countries went into various states of lockdown. Our decisions around tightening in underwriting, especially for new customers as can be seen from the approval rates in the bottom graph, as well as reduced marketing also contributed to this slow down.

Since the middle of May, we have seen a steady recovery in loan issuing levels across the markets and are now at nearly 90 percent of the overall issuance levels seen in January and February.

And as you can see in the graph, if we look at the issuance of continuing products only, we are already slightly above those levels. This has, to some extent, been driven by increased demand in these markets.

However, as for Poland, credit bureau data indicates that the overall market demand is still only at 50 percent of the pre-crisis levels. Despite this, we have experienced our strongest month this year in July and in August. This should indicate that we are taking market share in Poland.

We're also seeing a positive trend in Spain, our second biggest market and the hardest hit economy. Application levels are coming back toward normal

levels but we are experiencing that the customers are being more prudent and take out lower ticket loans on average than before the crisis.

We expect the positive trend to continue over the next months as we selectively start ramping up on marketing activities. The expansion into the near-prime segment continued throughout the second quarter with good progress in Lithuania, Latvia and Sweden despite the market conditions.

As already mentioned, we also launched our first near-prime instalment loan in Denmark a few weeks ago and we'll be monitoring that closely over the next months. In total, the near-prime book now accounts for well above 50 percent of the group's net loan portfolio.

Paul will give you an update on how we are progressing on leveraging TBI for the funding of these products across the group. The challenging external environment also triggered us to accelerate the further optimisation of our market footprint with the sale of our Mexican business and the ceasing of lending activities in both Argentina and in Finland. Alongside multiple cost optimisation initiatives that we will talk about a little later in the presentation.

All in all we believe we have managed the challenging situation of the first half of 2020 in a highly satisfactory way and now see positive trends in the overall trading of our business, as well as market opportunities emerging like in Poland where we are gaining market share.

With that, I would now hand it over to Paul, who will talk us through the next few pages, reviewing the financial performance for the period in more detail. Paul, over to you.

Paul Goldfinch: Thank you, Oyvind. And good afternoon to everybody who has joined the call today. I'll now present the financial results for the group for the second quarter of the year. If we now move to slide number eight, our European market felt the full impact of the Covid-19 pandemic over the course of the second quarter.

And 4finance like many consumer finance companies endured a challenging quarter from a financial performance perspective. The sharp drop in our sales

volumes early in Q2, plus the relatively short-dated nature of some of our key online income generating products, saw us record a 27 percent drop in interest income in the second quarter, generating just under 71 million Euros.

From a product perspective the biggest impact was felt in Spain and Poland, our two anchor SPL products, where quarterly income fell by a combined 18 million Euros, which represents 70 percent of the overall decrease in the quarter. Some further impact on interest income came from markets in a wind-down or exit phase. Mainly Argentina and Mexico and Finland.

The performance of our long dated products, however, particularly within TBI and also in the Baltics, remained very robust despite the market turbulence. And we continue to see our near-prime products develop very well in terms of volumes and risk indicators.

As Oyvind has highlighted in earlier slides, we've seen a consistent improvement in volumes each month since the April lows with July and August approaching the same levels as pre-pandemic times in Q1.

This gives us the opportunity to rebuild interest income particularly from the shorter term products in coming quarters. However, recent adjustments in regulatory pricing in Poland and Denmark mean this will take some time.

As we indicated during the Q1 call, we took a number of difficult decisions to permanently reduce our ongoing headcount. Additionally we took immediate steps to materially reduce our marketing spend from late Q1 onwards.

This has resulted in a 15 percent reduction in quarterly operating costs and we expect to see a further reduction in Q3, after which any increases will be based on a pickup in activity in volume levels.

Our impairment charge for Q2 was down 16 percent on the prior quarter and while this was in part due to reduced volumes, it also reflects the strength of our underlying credit scoring and processes. A very pleasing result in the context of Covid-19.

Our adjusted EBITDA for the quarter totaled 10 million euros. And while this is some 13 million euros down on the prior quarter, in the context of a 26 million euro quarterly drop in top line revenue, we're satisfied with this result.

The group generated strong operating cash flow in the second quarter, partially due to reduced new loan issuance throughout the quarter and we used this opportunity to further reduce our leverage by purchasing approximately \$25 million notional of our U.S. dollar bonds in Q2 and more into July.

We continue to be satisfied with the overall risk performance of our loan book. The lower amount of new loan issuance and the tightening of the debt sale market in some countries has however contributed to a slight increase in the overall NPL ratio. Martin will cover this topic as well as trends in collections and other risk metrics in his detailed section shortly.

If we turn now to slide nine, which provides a geographical breakdown of the Group's interest income. TBI's continued strong performance in both Bulgaria and Romania throughout the first half of the year has seen their share of interest income increased to 28 percent whereas the fall in activity in Poland and Spain has seen their combined share of income fall to 41 percent.

Contribution of the Czech Republic has remained quite stable year-on-year delivering around 5 percent of interest income. This is the business that was recently added to the Guarantor group for our bonds. And lastly the contribution from the Nordics and Baltics remains stable at just over 20 percent.

Turning now to slide 10, which depicts the quarterly breakdown and development of our operating cost base.

As I highlighted earlier, we took a number of decisions in April to accelerate the ongoing reductions in our operating cost base. The total quarterly cost of 39.8 million Euros are down 7 million Euros from the first quarter and also include nearly 1 million Euro in severance cost paid throughout the period.

The key driver of this cost decrease was the reductions made to our workforce during April and May, when we reduced our headcount by 10 percent or 275

staff. This in turn has seen us reduce our quarterly personnel cost by 10 percent and this cost will continue to decrease in each of the next two quarters.

An important focus for the group and particular during the peak of the pandemic was to remain present for our repeat customers in all our markets while protecting the overall risk profile of our portfolio and our post risk profitability.

Thus we made significant reductions in our investment and marketing over the quarter, with this cost line being down 5 million Euros. As Oyvind has highlighted we've now started making some targeted investments and products, which has been important in seeing volumes rally again.

We have also continued to crystallise further savings in our business model and particular in I.T. where we have unlocked seven figure annualised savings in our infrastructure cost.

We turn now to slide 11, which list our key performance indicators. While the profitability metrics are obviously are impacted by the pandemic in the second quarter, it's important to note that we maintain good headroom in both our key covenant metrics, with equity to receivables ratio at a healthy 31 percent, stable with the prior year, and our adjusted interest coverage metric on a 12 month basis is at 2.2 times, partly due to the bond buybacks I mentioned, which reduce our proforma interest expense.

Turning now to slide 12 to look at our progress on our funding strategy, as I highlighted earlier, we continue to generate strong operating cash flow throughout the second quarter and even after buying buybacks in July, we currently maintain around 85 million Euros of cash in the online business.

TBI also successfully increased its deposit levels in the quarter and maintained strong liquidity ratios. Work nears completion on our automated platform to sell near-prime loans to TBI and we are now ready to go live with an initial sale pending the approval of our passport application into Lithuania from the Bulgarian National Bank.

We remain on target to further scale the level of loan sales to TBI this year and in a material fashion next year.

We finished the second quarter in a healthy capital position with our equity to net receivables ratio at 31 percent and TBI continues to be very well capitalised with its consolidated capital adequacy ratio rising to over 20 percent, following the adoption of 2019 retained earnings into its capital base.

And last, but certainly not least, we successfully completed the process of extending the maturity of their Euro bonds to February 2022. We would like to thank the strong level of support we received from our investor base, which ensured the transaction proceeded in a very timely fashion.

This ensures group management can focus on rebuilding the business during the rest of the year. However, we're conscious that we now have two bond maturities in the first half of 2022. In due course we'll be planning for this refinancing. And whilst in-person meetings remain difficult at present, we'll look to be in touch with bondholders in the upcoming months to get their perspective. And we will provide a more detailed update in this regard on the Q3 investor call.

We turn now to slide 13. Our online loan assurance in the second quarter totaled 140 million Euros, 35 percent down on the prior quarter.

TBI loan issuance of 73 million Euros was only 5 percent down despite the impact of Covid-19 in its home markets. And this reflects the good work the team has done in ensuring branches can open safely.

And also the increasing penetration of their online lending products both for consumers and SMEs. As a result, the mix of the portfolio is also altered with the balance of shorter dated products clearly reducing.

I will now ask Martin, our Chief Risk Officer, to take you through the following more detailed slides on our asset quality and the dynamics of our impairment charge. Martin.

Martin Muransky: Thank you, Paul. Good morning or good afternoon to all on the call. Let me walk you through the risk performance for the second quarter of the year as well as the first half of 2020.

Let's start first with slide 14. The net impairment results for the second quarter of 2020 totaled €26.4 million. A result, as Paul already mentioned, 16 percent lower quarter-on-quarter and year-to-date 5 percent lower as compared to the first six months of 2019. The figure was composed of €29.3 million of gross impairment charges - the lowest level in three years - and commensurate with the development of the overall portfolio characterised by lower origination, particularly in online lending, which continued to be influenced by the effects of the Covid-19 pandemic in the second quarter.

The level of provisions in the quarter developed quite well and slightly better than our initial expectations despite the uncertainty stemming from the ongoing pandemic. We have seen some additional impairments in Armenia and Spain as well as in the Baltics. The latter however mainly driven by a few delayed debt sales.

Furthermore, we had a small net debt sale loss of €0.3 million in the quarter. The result influenced by the somewhat stalling debt sale market at the start of the quarter. It subsequently started to recover from May onwards, albeit with lower price levels incorporating thus the continued Covid-19 uncertainty.

On the other hand the summer months have resulted in a revival of debt sale transactions and we have successfully contracted both forward flow and spot debt sales in most of our markets. So in the third quarter the debt sale process has returned to more or less a business as usual level.

And finally, we have €3.2 million in recoveries from written off assets, a recurring and stable quarterly result.

Our estimate for the net impairments attributable purely to the Covid-19 pandemic for the six months of 2020 totaled around €7 million, representing thus 12 percent of the total impairment for this period and respectively 15 percent of the impairment charge for the second quarter of 2020. These extra impairments have been driven by booking macro provisions, some additional

impairments resulting from negative impacts to delay indicators in some of our products and also delay of debt sales some of which were closed at lower prices when compared to the pre-pandemic period thus affecting accordingly the applied loan loss provisioning parameters.

We continue to manage very closely and carefully both our risk origination and collection processes and implemented since March in total some 169 model, risk policy and debt collection related adjustments. As a result the risk and collection performance remained very stable during the second quarter of the year.

Moreover in some of our markets risk performance improved beyond the levels observed prior to the pandemic this being a combination of both implemented policy adjustments and a more careful approach to indebtedness by customers who may have reduced their lending appetite in these crisis times.

Interest income declined 22 percent year-over-year influenced by lower origination as reflected also by the 18 percent decrease in the average balance of net receivables and a lower average interest yield. Therefore, despite lower impairments in the quarter as well as for the first half of the year, the net impairment to interest income for the first six months of 2020 increased to 34.5 percent, versus 28.4 percent in the same period of 2019.

The overall cost of risk improved quarter-on-quarter and totaled, as of June 2020, 15.6 percent vs 17.4 percent in the first quarter of the year. Subsequently the cost of risk for the first half of 2020 reached 16.6 percent versus 17.3 percent for the first six months of 2019. This reflects the growing proportion of near-prime lending from both TBI Bank and online lending in our overall loan portfolio.

Cost of risk for online was at 27.7 percent for the period compared to 27.2 percent last year while at TBI Bank it was at 5.8 percent for the first six months of 2020 compared to 4.5 percent a year ago. The ratio at TBI Bank was also impacted in the quarter due to Covid-19 elevated impairments as well as a robust 10 percent growth year-on-year in new loan issuance.

The second quarter of 2020 has been a period when operating fully under the strain of the Covid-19 pandemic. Even the daily performance monitoring of close to 30 of our key product portfolios and our ability to adapt fast to market developments, we have remained resilient and continue to weather well the potential negative effects of the corona crisis.

In both risk management and debt collection we will remain vigilant and ready to initiate or reactivate any relevant measures given the continued uncertainty elevated now by anticipated second wave of corona cases and any resulting economic constraints.

Let us move now to slide 15, please to look at the developments in non-performing loans during the period. The overall NPL ratio as of June 2020 totaled 24 percent versus 20.7 percent in December 2019. Whereas we have seen an increase of the ratio in the online segment to 31.6 percent versus 24.9 percent at the end of 2019. While asset quality as such remains stable and the increase of non-performing loans in nominal Euro terms for the past six months have been fairly marginal, the delayed debt sales in the period as well as the lower new loan issuance, particularly in online lending, contributed to the increase of the ratio for the first half of 2020.

The NPL ratio in TBI Bank was relatively stable at 17.5 percent in June versus 16.2 percent at the end of last year. The total provisioning coverage on group level remains stable at 23 percent versus 21 percent at the end of 2019 with a solid total non-performing loan coverage ratio of 97 percent and respectively 109 percent for the online segment only.

The NPL coverage for TBI Bank is at 77 percent being as usual lower versus the coverage in online lending giving larger parts of the business banking book at TBI Bank being well collateralised with loan to value levels at an average of 50 percent.

I'm turning now to slide 16 to cover the debt collection performance in the period. As in the previous quarter we present here an insight into our more recent debt collection performance in online lending. Illustrated in the charts on the slide for both single payment loans as well as instalment loans, which

include also near-prime lending, and showing the cumulative month to date payment dynamics across both product groups.

During the second quarter as well as in the more recent summer months we have seen a steady recovery in payment dynamics across all our markets including TBI Bank and the resulting performance has reached levels similar or slightly better than pre-crisis norms. This is also driven by the set of adjustments implemented to both underwriting and debt collections particularly for new to business customers.

The various payment deferrals or payment holidays including government moratoria continued to be offered selectively also during the second quarter. As opposed to the initial months of the corona pandemic the customer take-up rates for such measures both proactive and reactive as well for the respective government relief programs was steadily declining from May into the summer months.

In most of our markets such programs have already been ceased, except for the Czech Republic where the government moratorium offer continues to be available until the end of October. The take-up rate in our largest markets of Poland, Spain as well as the Nordics and Baltics region remained negligible. The take-up rate in the Czech Republic stayed flat at around 12 percent, unchanged versus the previous quarter. On the other hand, the take-up rate at TBI Bank increased slightly to 16 percent in retail and remained stable at around 44 percent in business banking respectfully.

As mentioned on our previous call the take-up rate in TBI Bank and retail have been driven mostly by proactive measures rather than the government moratorium schemes that have been ceased in the meantime in June in Romania and after an extension in Bulgaria will be also finished during this month.

We have already seen quite a few customers actually coming out from the payment deferral plans from government moratorium schemes in Bulgaria, Romania as well as the first batch of customers with three month deferrals in the Czech Republic. So far the repayment dynamics post the deferral period

had been very good and comparable or even slightly better than the repayment dynamics of the regular product portfolios not affected by payment deferrals or the related government moratoria.

We continue proactively staying in touch with all customers with deferral schemes to ensure a smooth transition process when the deferral period is over and the customers are to continue with orderly debt repayments.

This concludes the brief risk and collections performance summary for the first six months of 2020, and with that I'll be handing over back to Oyvind.

Oyvind Oanes: Thank you, Martin. So before we open it up for questions let me try and summarise the key takeaways from today's presentation. And now on page 17 of the presentation.

As you heard we were able to rapidly adapt the operation to remote working as the Covid-19 crisis started to escalate in the middle of March. With focus on risk management we remained open for business in all our markets with emphasis on our loyal customers and proactively supporting customers who have been impacted by the crisis. We have seen strong customer repayment behavior throughout the period enabling us to increase acceptance rates for new loans from May onwards.

We believe we are well positioned to continue to weather the storm and take advantage of opportunities that will emerge. We have taken action to streamline our footprint and right-size the organisation. The development of the near-prime business continues to progress well with new products as well as on the TBI Bank funding side.

As we have seen from the trading update in today's presentation, demand and issuance trends across our network are encouraging and getting back to pre-crisis levels. By adding another €1 billion in issuance over the past year or so we passed the milestone of €8 billion in total issuance since inception.

While we almost take this for granted, it speaks to the scale and diversification that remains a real strength of the 4finance business. The liquidity position remains strong in both the online part of the business as well as at TBI Bank

and we've seen strong cash flow generation that we have deployed to buy back significant volumes of our own bonds.

Thanks to the good cooperation with our Eurobond holders we could agree to extend the bond maturity into 2022 to allow the financial results and markets to normalise prior to starting a long-term refinancing process.

Many thanks for your time and attention, we will now open the floor up to questions.

Operator: Thank you. Ladies and gentlemen, we will now begin the question and answer session. And again, as a reminder if you wish to ask a question please press star one on your telephone and wait for your name to be announced. And if you wish to cancel your request please press the hash key.

Once again, star one should you wish to ask a question.

OK. Our first question is from the line Samir Atassi from Level 88 Capital. Thank you. Please ask your question.

Samir Atassi: Thank you very much for taking my question, and thank you very much for the presentation.

My first question is regarding the repayment of the bonds. So obviously you have a very significant repayment wall in 2022, somewhere over €350 million. I just wanted a little bit more detail about how you plan to address this repayment, is it still basically another bond issuance to refinance the whole lot, or any other avenues you are looking at? And what would you do if the markets are not available to you at that time?

We've seen recently that obviously the high yield market reopened quite significantly for a number of issuers except for NBFIs, we haven't seen any issuance from any of the NBFIs, whether the Mexicans or the Colombians, et cetera. So what would you do if the bond market is not available come 2022?

Paul Goldfinch: Hi, it's Paul here. Thank you very much for the question. As I said in the update, it's still very early in our thinking in terms of what we would do in

terms of our refinancing. We have no bonds that mature next year, but you're right in that we have now two maturities in the first half of 2022.

The aim of the amendment process we went through was to allow more time for markets, and the business, to normalise. And we expect to see on the business side in the next couple of quarters that will happen. And as you've mentioned already the high yield markets are starting to be open for a broader range of companies.

So by spring next year is probably the most natural window for us, and that's when we expect things to have normalised further. Our Eurobond prices have already returned closer to par, I think on the screen yesterday they were around the level of 96 and the dollar price has also rallied up from mid 60s to around 80.

We're obviously very cognisant of the fact that we're in the midst of a pandemic and some people and commentators talk about a second wave coming in the winter. So what we're planning to do internally is be 100 percent ready to go to market – most probably, as I said, in the spring of next year and see how we go from there.

I think it's a little bit too early to speculate other than that at the moment, there's too many variables. But I think we'd like to give a more concrete update in the Q3 call as to what our plans are both in terms of a first scenario and then what the alternatives are.

Samir Atassi: Would you consider continuing to buy your bonds if they remain at attractive prices, or if the prices were to decline further from here?

Paul Goldfinch: Yes, we are open to the opportunity of buying some further bonds at a discount. At this stage probably not at the quantum that we did in the first half of the year.

Samir Atassi: I see. Thank you for that. Can I ask just a couple of other questions? I noted that the forbearance in TBI – the SME sector in TBI - were pretty high at over 40 percent. I was wondering how you see this trending in terms of potential developing into impaired loans?

Martin Muransky: Thanks for the question. This is Martin. It's not forbearance really, it's the take-up rate of the customers that had used the government moratoria schemes combined in both the business banking in Bulgaria and Romania. And here we usually have actually a mix of even better collateral values in terms of loan to value ratio. Where in average in business banking we have 50 percent collateralisation, here in the portfolio that went through the moratoria we actually have a 40 percent one on average and usually customers have taken longer terms of six to nine months, so we will see them coming out on the moratoria in Q4, or in Q1 of next year.

Given the fact that first of all, this gives ample time for the repayment and customer orders to come back, but there is a strong collateralisation. I would not expect significant negative effects on the impairments.

Samir Atassi: OK. Thank you for that. And final question, can you just discuss the trends in terms of collections that you've observed in July and August and relative to pre-Covid, are you about at 80 percent, 90 percent collection versus pre-Covid period?

Martin Muransky: Actually we had very good months in the summer, and our – we call it repayment dynamics which is actually the repayment rate a month later from the due date of the previous month - has actually returned to pre Covid levels, and in many markets has been actually better than the norm used to be before the corona pandemic kicked off.

And as said on the call, I think this is the combination of both the measures that we have taken, and in some markets we observed also that customers somewhat more careful when taking out additional debts or the size of the debt that they take out. So I would sort of conclude that the collection results are better or same as they had been before the crisis now.

Samir Atassi: OK. Thank you. Thank you very much.

Operator: Again, for those participants that would like to ask questions, again, that is star and one.

OK, looks like there are no further questions. Please continue.

Oyvind Oanes: OK, so if there are no further questions we would like to thank you once again for calling in today. And as always, don't hesitate to reach out to myself, to Paul, or to James if you would like a further discussion.

We also hope to have the opportunity to speak with investors in the coming months, at least on a video call. And we look forward to updating you on our Q3 results sometime in November.

Thank you, and goodbye.

Operator: So that does conclude our conference for today. Thank you all for participating. You may all disconnect.

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