

SERIES 8 NOTEHOLDER MEETING
NOTICE AND REQUEST FOR NOTEHOLDER DIRECTION

Audacia Capital Ireland plc (the “**Issuer**”)

Series 8 Up to USD 25,000,000 Nao Group Asset-Backed 8.25% Fixed Income Bond 2019
(USD) (ISIN: IE00BK0VFM99) (“**Series 8**”)

For further information, please refer to the announcement of the Issuer dated 13 December 2023 and published on the Euronext Dublin RIS Publication addressed to Noteholders in respect of Series 8 (the “**Euronext December Announcement**”).

Capitalised terms used but not otherwise defined in this notice shall have the meanings ascribed to them in the Listing Particulars dated 1 December 2021, as supplemented.

1. NOTICE OF NOTEHOLDERS MEETING ON 15 APRIL 2024 AND NOTEHOLDER DIRECTION

1.1 Following the Issuer’s Euronext December Announcement **NOTICE is hereby given that a meeting of the Series 8 Noteholders will be held at the registered office of the Issuer at 2pm (Irish Time) on Monday, 15 April 2024** (the “**Meeting**”).

1.2 Pursuant to Condition 13 (Meetings of Noteholders and Modifications) of the Terms and Conditions of the Series 8 Notes (the “**Note Terms**”), the Issuer hereby requests the approval and instruction by the Series 8 Noteholders of the following Noteholder Direction by means of the following Extraordinary Resolution:

1.2.1 that the Series 8 Notes be redeemed by way of assignment of a pro rata share of the Securitisation Bonds calculated by the Calculation Agent to the Series 8 Noteholders in full and final settlement of the Issuer’s obligations to the Series 8 Noteholders in respect of the Series 8 Notes; and

1.2.2 that the Trustee be and is directed, empowered, authorised, instructed and requested to concur in all such documents and to do all acts and things (including, but not limited to, the provision of confirmations, waivers and consents) as may be necessary or expedient to carry out and give effect to this Extraordinary Resolution.

1.3 Following the issue of this Noteholder Direction, in accordance with Condition 4.3 of the Note Terms, the Issuer will redeem all Series 8 Notes and assign to the Series 8 Noteholders a pro rata share of the Securitisation Bonds held by the Issuer in full and final settlement of the Series 8 Notes.

2. NOTEHOLDER DIRECTION – ACTION TO BE TAKEN BY NOTEHOLDERS

2.1 The Noteholders wishing to approve the Noteholder Direction should do so by attending the meeting in person or by proxy and may propose any other direction that they wish, for consideration by the Issuer and which the Trustee shall act upon, subject to the terms of its appointment.

2.2 Noteholders may attend the Meeting in person or by proxy. Those wishing to attend by proxy should complete the proxy form attached as the Schedule to this announcement, which (among other matters) sets out the name of the proxy or, in default of any other appointment, Mr Matthew Tracey in his capacity as a director of the Trustee. Noteholders may direct the proxy to vote for or against any of the directions set out – a vote for or against one direction does not prevent a vote for or against or abstaining

from voting on any other direction and there is a freeform section to include any further direction to the Issuer that the Noteholders may consider in their discretion. Noteholders should deposit their original proxy form at the registered office of the Issuer (whether by post, delivery or electronic means). If delivery is by electronic means please send your proxy to AudaciaCapital@waystone.com. **Proxies must be lodged before 2pm on Thursday, 11 April 2024.**

- 2.3 The necessary quorum for passing of an Extraordinary Resolution will be one or more persons present holding or representing by proxy not less than 75%, or at any adjourned such meeting not less than 25%, of the nominal amount of all Notes for the time being outstanding. An Extraordinary Resolution passed at the Meeting will be binding on all Series 8 Noteholders, whether or not they are present at the meeting.

3. FAILURE TO APPROVE THE NOTEHOLDER DIRECTION

- 3.1 If Noteholders do not approve the Noteholder Direction, the Issuer shall offer to sell the Collateral (being comprised entirely in the Securitisation Bonds for Series 8) to individual Series 8 Noteholders (to include each person who is identified the ultimate beneficial owner of a particular nominal amount of Notes (a “**UBO**”) by auction to the highest bidder for all or part of it (see Section 4 below). It appears to the Issuer that the realisable value of the Securitisation Bonds is unlikely to exceed the aggregate of the Issuer’s Permitted Expenses. **In such circumstance, the final Redemption Amount of the Notes will be zero.**

- 3.2 In the event that there is no willing buyer at auction for the Securitisation Bonds, the Issuer reserves the right to write them off and to proceed to liquidate the Series. **In such circumstance, the final Redemption Amount of the Notes will be zero.**

4. GENERAL AUCTION TO SERIES 8 NOTEHOLDERS

- 4.1 The Listing Particulars includes the following risk disclosures:

“Investors should be aware that they may be exposed to fluctuations in the market price of the Collateral comprised in the Series relating to their Notes. If a Collateral Obligor defaults on payment, the Issuer may have no other assets with which to meet its obligations to the Relevant Noteholders, and may have to sell the relevant Collateral at its market price at that time, or enter into enforcement proceedings, which will affect the Collateral’s liquid value, or write it off. The market price of the Collateral will generally fluctuate with, among other things, the liquidity and volatility of the financial markets, general economic conditions, domestic and international political events, developments or trends in a particular industry and the financial condition of the relevant Collateral Obligor.”

- 4.2 In the event that no Noteholder Direction is approved (or instruction otherwise given) at the Meeting, the Issuer shall call a subsequent Noteholder meeting at which:

4.2.1 a final draft report of the administrative receivers appointed to the Collateral Obligor will be proposed; and

4.2.2 the Issuer shall sell the Collateral (being comprised entirely in the Securitisation Bonds for Series 8) by way of auction to individual Series 8 Noteholders (to include their UBOs) (the “**Auction**”),

(the “**Auction Meeting**”).

Details of the Auction Meeting shall be published by way of a further announcement to this Notice made by the Issuer in accordance with Condition 14.5.

- 4.3 In the event that there is no willing buyer at auction for the Collateral, the Issuer reserves the right to write the Securitisation Bonds off and to proceed to liquidate Series 8 without delay. **In such circumstance, the final Redemption Amount of the Notes will be zero.**
- 4.4 The Issuer will accept the highest offer made, with such offer first applied towards the total of Permitted Expenses set out in Section 5.4. Any excess above these Permitted Expenses will be distributed among the remaining Noteholders of Series 8. The Issuer can provide no assurance of a realisable value, if any, of the Securitization Bonds which comprise the Collateral. It may be that the offers received at auction for the Securitisation Bonds will not exceed the aggregate of the Issuer's Permitted Expenses. **In such circumstance, the final Redemption Amount of the Notes will be zero.**

5. SERIES 8 STATUS AS AT 31 DECEMBER 2023

- 5.1 As at 31 December 2023, the nominal value of Notes in issue for Series 8 was USD 2,017,836 (including a further USD 41,960 owing against the Target Interest Rate for Series 8).
- 5.2 As an update to the Euronext December Announcement, the Collateral Obligor for Series 8 is, as at 31 December 2023, in arrears with its payments under the Securitization Bonds in an amount of **USD 426,383** in interest together with other sums owing to the Issuer by way of fees. The amount of principal outstanding under the Securitisation Bonds was, as at 31 December 2023, **USD 1,860,800**.
- 5.3 Across Series 8 and Series 4 Up to GBP 25,000,000 Nao Group Asset-Backed 8.25% Fixed Income Bond 2018 (ISIN: IE00BDVPP762) ("**Series 4**") the Collateral Obligor has been responsible for GBP 335,850 in Permitted Expenses as at 30 November 2023 (as determined by the Calculation Agent on 12 December 2023), which, in accordance with Condition 4.5 of the Note terms, take priority over any payments to Noteholders in connection with Series 8 and also in connection with Series 4.
- 5.4 As at 31 December 2023, there was a balance of GBP 47,581 in cash held in a segregated account for Series 8 and Series 4 as at 31 December 2023, against which the amount of GBP 335,850 had accrued as at 30 November 2023 in Permitted Expenses to be paid in priority to the Issuer.
- 5.5 As set out in the Euronext December Announcement, the Collateral Obligor has been in administrative receivership for more than one year. There has been a reasonable opportunity to determine whether there are funds available to repay the Issuer all or part of the amounts set out above. The Issuer has determined that there is no more than a very limited prospect of this, in all probability a zero return.
- 5.6 The Issuer has determined to wind up Series 8 without further cost to the Programme as a whole.
- 5.7 It follows that there are no funds available to redeem Series 8 Notes at the stated Final Maturity Date of 31 December 2023, and the Target Interest Rate will not be met for the period ended 31 December 2023.
- 5.8 Series 8 is expected to be owing a **principal** amount of USD 2,017,836 and interest of USD 426,383 to the Noteholders subject to the terms of the Notes of Series 8 as at Wednesday, 28 February 2024.

6. OFFER TO ACCEPT PRO RATA TRANSFER OF THE COLLATERAL

- 6.1 Notwithstanding the proposed Noteholder Direction, the Issuer invites any individual Noteholder to accept a pro rata transfer of the Collateral (Securitisation Bonds as defined) in full and final settlement of the Issuer's obligations to the relevant Series 8 Noteholder in respect of their Series 8 Notes and thereby to take over the Issuer's position against the Collateral Obligor.
- 6.2 The Issuer is currently entitled to further recourse against the Collateral Obligor under the Securitisation Bonds and it has appointed joint administrative receivers over the Collateral Obligor in this connection, which appointment shall be terminated upon the closure of Series 8.
- 6.3 Any Noteholder therefore wishing to take over the Issuer's position vis-à-vis the administrative receivership of the Collateral Obligor and generally as its creditor should contact the Issuer by electronic means at AudaciaCapital@waystone.com before close of business on Thursday, 11 April 2024.
- 6.4 Should any Noteholder offer to take over the Issuer's position in accordance with this Section 6, all further receivables owed by the Collateral Obligor to the Issuer in respect of the relevant Collateral shall be written off and no further action shall be taken by the Issuer against the Collateral Obligor as creditor unless and until the Noteholder position shall be satisfied.

7. FORECLOSURE AND TERMINATION OF SERIES 8

- 7.1 In the absence of a Noteholder Direction passed at the Meeting, on which the Issuer reserves its position entirely, the Issuer (in consultation with the Trustee) considers the Collateral Obligor to be insolvent and that, in all probability, the Collateral Obligor is incapable of making any meaningful payment to the Issuer in partial or full satisfaction of the amounts owing to it. If there is no willing buyer at auction for the Collateral, the Issuer reserves the right to write them off and to proceed to liquidate the Series (for the reasons stated above) without delay. **In such circumstance, the final Redemption Amount of the Notes will be zero.**
- 7.2 A further announcement shall be made following the Meeting.

IMPORTANT NOTICE

These materials are not intended to and do not constitute investment advice. These materials do not constitute or form any part of and should not be constructed as an offer or commitment to sell or issue, a solicitation, recommendation, commitment or invitation to subscribe for, underwrite or otherwise acquire, and should not be construed as an advertisement for, any securities of the Issuer or any member of its group in any jurisdiction or an inducement to enter into investment activity in any jurisdiction.

CONTACT

For additional information, please contact the Directors of Audacia Capital (Ireland) plc at 31-32 Leeson Street Lower, Dublin 2, Ireland.

Date of this notice is: 22 March 2024

NOTES:

- A Noteholder entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend, speak and vote instead of him/her. A proxy need not be a Noteholder of Series 8.
- To be valid, this proxy form, and if applicable, any power of attorney or other authority under which it is signed, or a notarially certified copy of such power of attorney or other authority, must be deposited at the registered office at least 48 hours before the time for holding the meeting or adjourned meeting (whether by post, delivery or electronic means). If delivery is by electronic means please send your proxy to AudaciaCapital@waystone.com.
- The proxy form must (i) in the case of an individual Noteholder be signed by the noteholder or his/her attorney or (ii) in the case of a corporate Noteholder be executed under its seal or under the hand of a duly authorised officer of the corporate shareholder. In the case of joint Noteholders any one holder may sign.
- A Noteholder is entitled to appoint a proxy of it's choice. If a Noteholder wishes to appoint a proxy other than Mr Matthew Tracey, please insert the relevant proxy's name in place of Mr Matthew Tracey.
- The completion and return of this proxy form will not prevent a Noteholder from attending and voting in person, such attendance will have the effect of cancelling the appointment of the proxy.
- If this form of proxy is signed and returned without any indication as to how the person appointed is to vote the proxy will exercise discretion as to how to vote or whether to abstain from voting.