

# AS PRFOODS

## TERMS AND CONDITIONS OF SECURED NOTE ISSUE

DATED 14 JANUARY 2020 AND AMENDED ON 25 FEBRUARY 2020, 25 FEBRUARY 2022,

20 SEPTEMBER 2022, 17 JANUARY 2025 AND 25 APRIL 2025

Pursuant to these terms and conditions (the “**Terms**”) AS PRFoods, a public limited liability company established and existing under the laws of Estonia with registry code 11560713, (the “**Issuer**”) has issued notes governed by the laws of Estonia and representing direct and general debt obligations of the Issuer which are secured by a collateral stipulated in these Terms (“**Notes**”).

Notes issued under these Terms are issued in several tranches of Notes bearing the same ISIN code, which together constitute a single issue of Notes (“**Issue**”). Each such tranche of Notes shall be the subject to final terms of such tranche of Notes (each “**Final Terms**”) which shall complete these Terms. In the event of any inconsistency between these Terms and the relevant Final Terms, the relevant Final Terms shall prevail.

These Terms have been most recently amended by a decision of the Noteholders adopted by way of written procedure held from 3. April 2025 until the end of day on 17. April 2025 (i.e. until 11:59 p.m.) in connection with the voluntary out-of-court restructuring of the certain financial obligations of the Issuer, including of the obligations arising from the Notes (“**Restructuring**”).

In addition to these Terms, the Notes and any payments to be made in relation to the Notes are subject to the Proceeds Sharing Agreement (as defined below) to be concluded on the terms and conditions set out in the draft Proceeds Sharing Agreement as attached to these Terms. In the event of any inconsistency between these Terms (or the relevant Final Terms) and the Proceeds Sharing Agreement, the principles of payment stipulated in the Proceeds Sharing Agreement shall prevail.

The total aggregate nominal amount of the Notes issued and outstanding under these Terms (i.e. of all relevant tranches of Notes) is EUR 11,000,000.

Capitalised terms used in these Terms shall have the meanings ascribed to them under Section 17 (*Definitions*) of these Terms.

## 1 THE NOTES

### 1.1 Form

The Notes are issued in dematerialized book-entry form. The Notes are not numbered.

### 1.2 Status

1.2.1 The Notes shall constitute direct and general debt obligations of the Issuer which shall be secured by the Collateral, and which shall at all times:

- (a) rank *pari passu* among themselves and at least *pari passu* with all other present and future unsecured obligations of the Issuer;
- (b) rank junior to the present and future obligations arising under the Senior Financing;  
and
- (c) rank junior to such obligations as may be preferred by provisions of law that are both mandatory and of general application.

The rankings stipulated in this Section 1.2.1 shall be applied and enforced upon distribution of any amounts, proceeds or assets of the Issuer or its subsidiaries (including in any liquidation, bankruptcy, enforcement or other proceedings in respect of the Issuer or its subsidiaries or any of their assets). For the avoidance of doubt and without prejudice to the generality of the foregoing, the provision concerning junior ranking included in paragraph (b) of this Section 1.2.1 shall, among other, constitute an agreement on assigning a lower ranking to the Notes and to the obligations arising therefrom than the ranking of the Senior Financing within the meaning of § 153 (4<sup>1</sup>) of the Bankruptcy Act (in Estonian: *pankrotiseadus*), regardless of the Notes being secured with the Collateral and regardless of provisions of 153 (2) of the Bankruptcy Act, and the agreement by the Noteholders that the obligations arising from the Notes shall be discharged after the full and final discharge of the obligations arising from the Senior Financing.

1.2.2 The obligations arising from the Notes will be satisfied and the Notes shall be redeemed for the account of the proceeds from the sale of the Core Assets pursuant to the principles and in proportions provided in the Proceeds Sharing Agreement. The Issuer shall be liable to the Noteholders for due and complete fulfilment of its obligations arising from the Notes with all of its Core Assets in accordance with, and subject to limitations, order of priority and procedure arising from, the applicable laws, Proceeds Sharing Agreement and other Note Documents.

### **1.3 Denomination**

The Notes shall be denominated in Euros (EUR) and all payments to the Noteholders by the Issuer in connection with the Notes shall be made in Euros.

### **1.4 Validity and Title**

A Note shall be valid from the registration of that Note in the Register pursuant to Section 2.1.3 of these Terms and until redemption of the Note in accordance with these Terms, whereafter the Issuer shall be entitled to unilaterally apply for the deletion of that Note from the Register in accordance with Section 6.2 of these Terms.

The legal title to a Note passes vis-à-vis third parties by the registration of the transfer of the title from a transferor to a transferee in the Register, when the Note is transferred from the transferor's securities account to the securities account of a transferee. Ownership of a Note is deemed to have changed vis-à-vis the Issuer as from the moment when a relevant entry is made in the Register.

### **1.5 Transferability**

The Notes shall be freely transferable, unless otherwise provided by applicable laws. However, a Noteholder may be subject to purchase or transfer restrictions with regard to the Notes, as may be applicable under the laws to which that Noteholder is subject. Furthermore, any Noteholder wishing to transfer any Notes must ensure that such transfer and any communications and arrangements relating thereto would not qualify as an offering requiring the publication of a prospectus in the meaning of the applicable laws and regulations. Each Noteholder must ensure and shall be liable for the compliance with any such restrictions, requirements and regulations at its own cost and expense.

All Note transfers are subject to these Terms. These Terms, the Proceeds Sharing Agreement and all other relevant Note Documents shall be automatically applicable in relation to all persons who have acquired any Notes.

The Register may temporarily block the Notes on a Noteholder's (or its nominee's) securities account to ensure performance of corporate actions in relation to the Notes.

## **2 ISSUE, PRIMARY DISTRIBUTION AND REGISTRATION OF THE NOTES**

### **2.1 Issue of the Notes**

- 2.1.1 The Issuer has the right to issue Notes under these Terms on one or more Issue Date(s). The Issue Date with respect to each tranche of Notes will be determined in the Final Terms of that tranche of Notes and may be any date until the Maturity Date.
- 2.1.2 Unless stated otherwise in these Terms, the Final Terms or (if applicable) the Prospectus, any subsequent Notes issued on any Additional Issue Date shall carry same rights as the Notes issued on the First Issue Date. Any such subsequent Notes shall have the same ISIN code, rate of Interest, currency, Nominal Value and the Maturity Date as the Notes issued on the First Issue Date. Nevertheless, for the avoidance of doubt, the Issue Price of any such subsequent Notes may differ from those of the Notes issued on the First Issue Date.
- 2.1.3 The Notes allocated to each Noteholder whose Subscription Undertaking has been accepted by the Issuer and who has paid for such Notes in the course of the Primary Distribution, and the Notes subscribed for by the Issuer in accordance with Section 2.2.3 below (if any), shall be registered in the Register in the securities or other account of that Noteholder (or its respective nominee) and, if applicable, of the Issuer on the relevant Issue Date.

### **2.2 Primary Distribution**

- 2.2.1 Persons who have been invited to subscribe for a tranche of the Notes in the course of Primary Distribution (“investors”) have the right to subscribe for the relevant Notes during the subscription period determined by the Issuer in the relevant Final Terms applicable to such tranche (i.e. during the First Subscription Period and/or the Additional Subscription Period(s), as applicable).
- 2.2.2 Primary Distribution of each tranche of the Notes may be carried out by the Issuer (in its discretion) either by way of a Private Placement or a Public Offering. The Issuer shall indicate whether the Primary Distribution of the tranche of Note is carried out by a Private Placement or a Public Offering in the Final Terms. In the case of a Private Placement, Section 15 of these Terms shall apply to the Primary Distribution of the relevant tranche of Notes. In the case of a Public Offering, Section 15 of these Terms shall not apply, and the terms and conditions for placing of Subscription Undertakings, the procedure for the Primary Distribution and Issue of the Notes of that tranche, payment of the Issue Price for the relevant Notes and other matters as prescribed by law, applicable stock exchange rules or the rules of the Register shall be provided in Prospectus and/or documents incorporated by reference therein and may vary from those set out in these Terms.
- 2.2.3 The Issuer shall have the right to itself subscribe to the Notes in the course of Primary Distribution. In such situation the Issuer shall not be required to make payment for the Notes subscribed by it in the course of the Primary Distribution.

## **3 INTEREST**

### **3.1 Interest calculation**

- 3.1.1 Any interest accrued on the Note but unpaid before 31 March 2025 shall be postponed and shall be payable on the Maturity Date (or simultaneously with the payment of the last portion of the Redemption Price of the Note in accordance with these Terms, if redeemed before Maturity). The Issuer shall be entitled to unilaterally take steps to capitalise such interest accrued on the Note but unpaid before 31 March 2025 (such capitalisation will be effected by adding the relevant interest to the nominal value of the Note and the Issuer shall be

entitled to apply to the Register to reflect the relevant increase in the Nominal Value of the Note on the Register). If the amount of the capitalised interest is not a whole number, it shall be rounded down to the nearest whole number upon being added to the Nominal Value of the Note in the Register.

- 3.1.2 As from 31 March 2025 each Note shall bear interest on its outstanding Nominal Value at the rate of 0% (zero per cent.) per annum. This provision shall apply retroactively (if necessary) as of 31 March 2025 and shall operate as waiver of any interest accrued after 31 March 2025.

## **4 COLLATERAL**

### **4.1 General**

- 4.1.1 For the purpose of constituting security for the due and punctual payment, discharge and performance of the Secured Obligations in relation to the Notes, the Issuer shall arrange establishing of the Collateral set out in Section 4.2, in favour of the Collateral Agent acting in the interests and/or (as may be applicable) on behalf of the Noteholders. The Collateral will serve as security for the Secured Obligations of the Issuer arising from all Notes from time to time to be issued under these Terms. The Collateral Agent shall hold the Collateral in the interests of the Noteholders in accordance with these Terms (including Sections 9 - 11 of these Terms) and the Collateral Agent Agreement.

### **4.2 Establishment of Collateral**

- 4.2.1 The Notes shall be secured with the following Collateral:

- a) a first ranking pledge over the shares of JRJ & PRF LIMITED (a company incorporated under the laws of Scotland, registered in the Scottish Register of Companies under company number SC567615, a Subsidiary of the Issuer) which are held by Saaremere Kala;
- b) a mortgage in the amount of EUR 12,350,000 over the immovable owned by Saare Kala Tootmine OÜ (a company incorporated under the laws of Estonia, registered in the Estonian commercial register with registry code 10377013, which is a Subsidiary of the Issuer) and located at Kärssa, Suure-Rootsi village, Saaremaa, Estonia, registered in the Estonian land register with registered immovable number 1586334; and
- c) a commercial pledge in the amount of EUR 12,350,000 over the movable assets of Saare Kala Tootmine OÜ.

### **4.3 Parallel Debt**

- 4.3.1 Notwithstanding any other provision of the Terms, for the purpose of ensuring and preserving the enforceability of the Collateral, the Issuer irrevocably and unconditionally undertakes to pay to the Collateral Agent, as creditor in its own right and not as representative of the Noteholders and as a joint creditor together with the Noteholders for the purposes of Estonian law (in Estonian: *solidaarvõlausaldaja*), sums equal to and in the currency of each amount payable by the Issuer to each of the Noteholders (whether present or future and whether actual or contingent) under the Terms and the Final Terms as and when that amount falls due for payment under the Terms and the Final Terms. The Collateral Agent shall be a joint creditor (together with the Noteholders) of each and every obligation (whether present or future and whether actual or contingent) of the Issuer to the Noteholders or any of them and, accordingly, the Collateral Agent shall have its own independent right to demand performance by the Issuer of any of those obligations.
- 4.3.2 Any amount (as well as respectively also the aggregate amount) due and payable by the Issuer under the Parallel Debt shall decrease to the extent the Issuer has paid the

corresponding amount to the Noteholders under the Terms and the Final Terms, except to the extent such payment shall have been subsequently avoided or reduced by virtue of provisions or enactments relating to bankruptcy, insolvency, preference, liquidation or similar laws of general application.

- 4.3.3 Any amount (as well as respectively also the aggregate amount) due and payable by the Issuer to the Noteholders under the Terms and the Final Terms shall decrease to the extent the Issuer has paid the corresponding amount to the Collateral Agent under the Parallel Debt and to the extent any proceeds have been paid to the Collateral Agent in connection with enforcement of the Collateral and/or in connection with the exercise of its rights by the Collateral Agent under the Collateral Agreements, except to the extent such payment shall have been subsequently avoided or reduced by virtue of provisions or enactments relating to bankruptcy, insolvency, preference, liquidation or similar laws of general application.
- 4.3.4 To the extent the Collateral Agent receives any amount in payment of the Parallel Debt, the Collateral Agent shall transfer such amount to the Noteholders in accordance with these Terms and the Final Terms and following the order of the application of proceeds set out in Section 11.1.1 of these Terms. The Collateral Agent shall not be entitled (nor obliged) to demand payment of any amount in payment of the Parallel Debt, except as may be necessary upon or in connection with the enforcement of the Collateral in accordance with these Terms and the terms and conditions of the Collateral Agreements. For the avoidance of doubt, this does not affect the right of the Collateral Agent to demand payment of any fees and covering of any costs or expenses payable by the Issuer to the Collateral Agent under the Collateral Agent Agreement.
- 4.3.5 For the avoidance of doubt, an amount under the Parallel Debt will only become due and payable at the same time and to the same extent as that amount becomes due and payable to the Noteholders under the Terms and the Final Terms.
- 4.3.6 The Collateral Agent may only assign its claims under the Parallel Debt to a successor of the Collateral Agent.

## **5 REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS**

### **5.1 Representations and Warranties**

The Issuer warrants to the Noteholders at the date of these Terms and for as long as any Notes are outstanding and have not been redeemed in full in accordance with these Terms that:

- 5.1.1 the Issuer is a duly incorporated and validly existing legal person acting pursuant to the laws of Estonia;
- 5.1.2 all the Issuer's obligations assumed under these Terms are valid and legally binding on the Issuer and the performance of these obligations is not contrary to law or the Issuer's articles of association;
- 5.1.3 the Issuer has all the rights and sufficient authorizations to issue the Notes and fulfil obligations arising from the Notes and these Terms and the Issuer has performed all the formalities required for issuing the Notes;
- 5.1.4 all information that is provided by the Issuer to the Noteholders in the documents prepared for the purpose of the Primary Distribution of the Notes to the relevant Noteholders is true, accurate, complete and correct as of the date of presenting the respective information and is not misleading in any respect;
- 5.1.5 on the date of these Terms, the Issuer is not insolvent and there are no liquidation, voluntary or compulsory dissolution, court-supervised reorganization (in Estonian: *saneerimine*) or bankruptcy proceedings pending or initiated against the Issuer, that have not been disclosed by the Issuer;

5.1.6 on the date of these Terms, there are no court or arbitration proceedings pending or initiated against the Issuer that have not been disclosed by the Issuer, in case of which, according to reasonable assessment of the Issuer, an unfavourable decision could have material adverse impact on the financial condition of the Issuer.

## **5.2 Restriction on taking of additional loans by the Issuer**

Until the Notes are redeemed in accordance with these Terms, the Issuer undertakes not to take or assume additional loans or credits (other than the existing loans and credits and the Senior Financing) without the consent of the Investors granted in accordance with Clause 5.6 below.

## **5.3 Undertakings in relation to the Collateral**

5.3.1 The Issuer shall ensure establishment of the Collateral specified in Section 4.2 of these Terms, and the validity and enforceability of the Collateral in accordance with the Collateral Agreements, these Terms and other Note Documents.

5.3.2 The Issuer shall ensure that after establishment of the Collateral described in Section 4.2 and until the release of such Collateral, the property encumbered with such Collateral is insured at all times in accordance with past practices of the Issuer's group and undertakes within ten (10) Banking Days of the respective request by the Collateral Agent to provide to the Collateral Agent with documents evidencing the insurance cover.

5.3.3 The Issuer shall not encumber any shares held by the Issuer in Saaremere Kala with any pledges or similar security interests and shall ensure that Saaremere Kala shall not encumber any shares held by Saaremere Kala in JRJ & PRF LIMITED with any pledges or similar security interests, except for the establishment of the Collateral in favour of the Collateral Agent in accordance with Section 4.2 of these Terms.

5.3.4 The Issuer shall continue to own 100% of the shares owned by the Issuer in Saaremere Kala and shall not dispose of any shares in Saaremere Kala, except that the Issuer shall be entitled to liquidate Saaremere Kala or merge Saaremere Kala with the Issuer. Furthermore, the Issuer shall ensure that Saaremere Kala shall continue to own the shares in JRJ & PRF LIMITED held by it and shall not dispose of any shares in JRJ & PRF LIMITED, except in accordance with the principles specified in the Proceeds Sharing Agreement.

For the avoidance of doubt, the Issuer is authorised to conduct all the activities (including the disposal of the Core Assets) as stipulated in the Proceeds Sharing Agreement. The undertakings stipulated in this Clause 5.3 shall not apply to and shall not in any way limit the conducting of the activities (including the disposal of the Core Assets) by the Issuer in accordance with the Proceeds Sharing Agreement.

## **5.4 Information Undertakings**

5.4.1 For as long as the Issuer's securities are admitted to trading on Nasdaq Tallinn Stock Exchange or any other stock exchange, the rules and regulations of such stock exchange will be applied to the Issuer's reporting obligations and the information undertakings provided below in this Section 5.4 (*Information Undertakings*) shall be applied only to the extent not contrary to mandatory rules of the relevant stock exchange. Where required by the rules of the relevant stock exchange, all relevant information shall be disclosed by means of a market announcement (in Estonian: *börsiteade*) through the information system of Nasdaq Tallinn Stock Exchange. Subject to the reporting requirements arising from the rules of the relevant stock exchange, the Issuer undertakes to provide the Noteholders and the Collateral Agent with the following information:

- a) unaudited consolidated interim reports of the Issuer for: (i) the 1<sup>st</sup> quarter and 3 months of the financial year; (ii) the 2<sup>nd</sup> quarter and 6 months of the financial year; (iii) the 3<sup>rd</sup> quarter and 9 months of the financial year; and (iv) the 4<sup>th</sup> quarter and 12

months of the financial year - within two (2) months from the end of the relevant accounting period, which must include a statement on the Issuer's consolidated financial position as at the end of the relevant accounting period, and statements on the Issuer's consolidated comprehensive income and cash flows for the relevant accounting period;

- b) audited consolidated annual reports of the Issuer - within four (4) months from the end of the relevant accounting period; and
- c) information about the sale of the Core Assets - within the timeline and pursuant to the procedure set out in the Proceeds Sharing Agreement;
- d) information about any new debt security issued by the Issuer or any of its material Subsidiaries - no later than within five (5) Banking Days after the issue; and
- e) information on any court or arbitration proceedings pending or initiated against the Issuer, where, according to reasonable assessment of the Issuer, an unfavourable decision could have material adverse impact on the economic condition of the Issuer, - promptly after becoming aware thereof;
- f) information about the occurrence of an Extraordinary Early Redemption Event, - promptly after becoming aware thereof.

## **5.5 Release of the Collateral upon the sale of the Core Assets**

Notwithstanding the undertakings in relation to the Collateral under these Terms (including, without limitation, in Section 5.3.1, 5.3.3 and 5.3.4 above), the Collateral Agreements and other Note Documents, the Noteholders acknowledge and agree that upon the sale of the Core Assets in accordance with the Proceeds Sharing Agreement, the Collateral established over the respective Core Assets (and, in the case the Core Assets are shares of a subsidiary of the Issuer and the assets of such subsidiary are subject to the Collateral - also the Collateral established over the assets of such subsidiary) shall be released no later than immediately prior to such sale of assets, and the Collateral Agent is hereby authorised and instructed by all Noteholders to take any and all actions to effect such release.

## **5.6 Waivers and consents**

The Issuer may request from Noteholders a waiver in respect of, or consent to deviate from, the undertakings set forth in Sections 5.2 - 5.4 of these Terms. Any such waiver in respect of, or consent to deviate from, the undertakings set forth in Sections 5.2 - 5.4 of these Terms may be granted by a resolution adopted by the Noteholders holding in aggregate Notes with the Nominal Value representing more than 50% of the aggregate Nominal Value of all Notes held by Noteholders present at the relevant meeting of Noteholders or participating in the written voting procedure, where such matter is decided in accordance with Section 12 below. When granted in accordance with the above, such waiver or consent shall be binding on all Noteholders.

# **6 REDEMPTION AND PURCHASE**

## **6.1 General Principles of Redemption and Calculation of the Partial Redemption Payments and Total Redemption Price**

6.1.1 The Notes will be redeemed for the account of the proceeds from the sale of the Core Assets, which proceeds will be applied and allocated by the Issuer pursuant to the principles and in proportions provided in the Proceeds Sharing Agreement. The Issuer will take all reasonable steps to prepare and conduct the sale of the Core Assets in accordance with the procedure and principles set out in the Proceeds Sharing Agreement.

- 6.1.2 The Redemption Price of the Note may be paid in one or several parts (by way of Partial Redemption Payments), depending on the timing of the sale of the Core Assets and whether or not the Core Assets shall be sold simultaneously or at different times. The number of the Partial Redemption Payments and the exact time of payment is not, therefore, predetermined.
- 6.1.3 Upon the sale of each Core Asset and the receipt by the Issuer of the purchase price payable for such Core Asset (each such amount the “**Relevant Sale Proceeds**”), the Issuer will make a Partial Redemption Payment for each Note no later than on 20th Banking Day after the receipt by the Issuer of the Relevant Sale Proceeds for the relevant Core Asset (each such redemption date the “**Partial Redemption Date**”).
- 6.1.4 The amount of each Partial Redemption Payment for each Note will be calculated upon the sale of each Core Asset as follows:

$$\text{Partial Redemption Payment} = \frac{\text{Allocated Distribution Proceeds}}{\text{Number of Notes}}$$

where:

“**Partial Redemption Payment**” means the partial redemption payment payable for each Note on the relevant Partial Redemption Date;

“**Allocated Distribution Proceeds**” means such portion of the Relevant Sales Proceeds received by the Issuer from the sale of the relevant Core Asset, which is required to be paid to the Noteholders on the relevant Partial Redemption Date pursuant to the principles and proportions stipulated in clause 4 of the Proceeds Sharing Agreement; and

“**Number of Notes**” means the number of all outstanding Notes registered in the Register at the time when the payment of the Partial Redemption Payment is initiated by the Issuer via the Register.

- 6.1.5 The total Redemption Price payable for each Note shall be equal to the aggregate amount of all Partial Redemption Payments. For the sake of clarity, the total amount of the Redemption Price payable for each Note will be mathematically also calculated as follows:

$$\text{Redemption Price} = \frac{\text{Total Allocated Distribution Proceeds}}{\text{Number of Notes}}$$

where:

“**Redemption Price**” means the total redemption price payable for each Note in accordance with these Terms;

“**Total Allocated Distribution Proceeds**” means such portion of the Relevant Sales Proceeds received by the Issuer from the sale of all Core Assets, which is in aggregate required to be paid to the Noteholders pursuant to the principles and proportions stipulated in clause 4 of the Proceeds Sharing Agreement; and

“**Number of Notes**” means the number of all outstanding Notes registered in the Register at the time when the payment of the Redemption Price (or the Partial Redemption Payment) is initiated by the Issuer via the Register.

The total Redemption Price of each Note shall not exceed the Nominal Value of the Note.

- 6.1.6 The Issuer has disclosed to Noteholders (and the Noteholders acknowledge and agree)



that the amount of the total Redemption Price for each Note (and of each Partial Redemption Payment) depends on the amount of the total Relevant Sales Proceeds that the Issuer will receive from the sale of the (relevant) Core Assets, which, in turn, depends on financial situation of the Core Assets at the time of the sale, market conditions, geopolitical situation and certain other circumstances outside of the Issuer's control. Therefore, the exact amount of the total Redemption Price for each Note (and of each Partial Redemption Payment) in Euros cannot be determined before the sale of the Core Assets is completed. Furthermore, Issuer has disclosed to Noteholders (and the Noteholders acknowledge and agree) that for the reasons described above the total amount of the Redemption Price payable for each Note in accordance with these Terms may be significantly below the Nominal Value of the Note.

- 6.1.7 For clarity and to facilitate the making amendments in the Register following the Partial Redemption Payments, the Issuer will prior to each relevant payment make public the exact amount in Euros of each Partial Redemption Payment calculated in accordance with the principles and formulas provided in this Section 6.1 and will arrange that such exact amount is reflected in the decision of the general meeting of the Issuer adopted in connection with the sale of each relevant Core Asset.
- 6.1.8 Once all Core Assets have been sold and all Partial Redemption Payments (in the amounts determined in accordance with this Section 6.1 above and indicated in the resolution(s) of the general meeting of the Issuer pursuant to Section 6.1.7 above) have been remitted to the Noteholders via the Register, the total Redemption Price for each Note shall be deemed to be duly and fully paid and each Note shall be deemed fully redeemed by the Issuer (and, accordingly, all of the obligations of the Issuer arising under the Notes towards all Noteholders shall be deemed to be fully performed and discharged) and the Noteholders will have no further claims towards the Issuer under or in relation to the Notes.
- 6.1.9 The Notes will be redeemed in accordance with this Section 6.1 and last Partial Redemption Payment will be paid no later than on the Maturity Date. Should the Issuer not succeed in selling all the Core Assets before the Maturity Date, or if the Issuer identifies a better opportunity to realize some or all of the Core Assets at a later stage or through an alternative method, the Issuer will notify the Noteholders in accordance with the provisions of the Proceeds Sharing Agreement and may request the Noteholders to approve the extension of the Maturity Date and/or other changes to these Terms. The relevant extension and amendments may be approved by a resolution adopted by the Noteholders holding in aggregate Notes with the Nominal Value representing more than 2/3 of the aggregate Nominal Value of all Notes held by Noteholders present at the relevant meeting of Noteholders or participating in the written voting procedure, where such matter is decided in accordance with Section 12 below. When granted in accordance with the above, such decision shall be binding on all Noteholders.

## **6.2 Payment of the Redemption Price, Adjustment of Nominal Value, Cancellation and Deletion**

- 6.2.1 The Redemption Price (including each Partial Redemption Payment) payable in accordance with Section 6.1 above shall be paid in accordance with Section 7.1.
- 6.2.2 In order to allow for the redemption of the Notes by way of Partial Redemption Payments as stipulated in Section 6.1 above and to facilitate making the relevant adjustments in the Register, it is expressly agreed that:
  - a) simultaneously with payment by the Issuer to the Noteholders of each Partial Redemption Payment (other than the last Partial Redemption Payment) the outstanding Nominal Value of each Note shall be reduced by the amount of the relevant Partial Redemption Payment. If the amount of the Partial Redemption Payment (determined in accordance with this Section 6.1 above and indicated in the resolution of the general

meeting of the Issuer pursuant to Section 6.1.7 above) is a number with decimal places, the reduced Nominal Value of each Note shall be rounded down to the nearest whole number. The Issuer shall be entitled to unilaterally arrange the relevant amendment of the Nominal Value of the Notes in the Register. Upon payment of each Partial Redemption Payment, the total Redemption Price payable by the Issuer for the Notes (and, accordingly, the total outstanding obligations of the Issuer arising under the Notes towards the Noteholders) shall be deemed reduced by the amount remitted via Register to the Noteholders;

b) simultaneously with payment by the Issuer of the last Partial Redemption Payment (or the full Redemption Price, if paid in one instalment) the outstanding Nominal Value of each Note shall be reduced to zero (even if the last Partial Redemption Payment (or the full Redemption Price, if paid in one instalment) is less than the outstanding Nominal Value of each Note). Upon making the relevant payment the Issuer shall be entitled to unilaterally apply to the Register for reduction of the Nominal Value of each Note to zero and arrange the deletion of the Notes from the Register.

6.2.3 The Noteholders are obliged to co-operate with the Issuer and do all actions reasonably required to effect the reduction of the Nominal Value of the Notes in the Register or deleting the Notes from the Register, as applicable. The Issuer shall be entitled to take any and all actions required to comply with this Section 6.2 without the need for any further consent or authorisation from any of the Noteholders.

### **6.3 Right to demand early sale of the Core Asset**

In case the EBITDA of Saare Kala Tootmine OÜ or John Ross Jr Aberdeen Ltd (each the “**Operating Subsidiary**”)) calculated for any financial year (starting from 2024/2025 financial year) based on the audited annual reports of the relevant Operating Subsidiary for such financial year deteriorates by more than 20% compared to the EBITDA of the relevant Operating Subsidiary in 2023/2024 financial year, the Majority Noteholders shall have the right, but not the obligation, to demand that the Issuer initiates the sale of that relevant Core Asset (consisting only of the shares or assets of the relevant Operating Subsidiary whose EBITDA has so deteriorated). In such case the Issuer shall initiate the sale process of the relevant affected Core Asset without undue delay following the receipt of the relevant request. For the avoidance of doubt, the sale process and the distribution of the proceeds from the sale of the relevant Core Asset will be carried out by the Issuer in accordance with clauses 3 and 4 of the Proceeds Sharing Agreement and the Allocated Proceeds will be applied towards redemption of the Notes pursuant to Clauses 6.1 and 6.2 of these Terms.

### **6.4 Purchase**

The Issuer, or any of its Subsidiaries, may purchase Notes in the open market or otherwise and at any price. Such Notes may be held, reissued, resold or, at the option of the Issuer, cancelled.

## **7 PAYMENT MECHANICS, DEFAULT INTEREST AND TAX**

### **7.1 Payments**

Payments of any amounts (including any amount of Interest, Partial Redemption Payment, Redemption Price or any other amount) due on the Notes under these Terms and other Note Documents will be made to the Noteholders thereof, who appear as the holders of the relevant Notes in the Register at the close of settlement day of the Register two (2) Banking Days preceding the due date for such payment. Payment of amounts due on the final redemption of the Notes will be made simultaneously with deletion of the Notes, or, if so required by the Issuer, against delivery of the Notes to the Issuer. If the due date for the payment of any amount of the

Notes is not a Banking Day, the relevant payment shall be effected on the next Banking Day and no further payment shall be due in respect of such postponement of the due date.

## **7.2 Default Interest**

In case the Issuer does not timely pay any amount due under these Terms on the due dates determined in accordance with these Terms, the Issuer shall be obliged to pay the Noteholders or, as the case may be, the Collateral Agent, default interest in the rate of 0.03% of the delayed amount per each delayed day.

## **7.3 Tax**

Should any amounts payable in respect of the Notes (whether in respect of principal, redemption amount, interest or otherwise) be subject to withholding or deduction of any present or future taxes or duties of whatever nature imposed or levied in Estonia, the Issuer shall be entitled to withhold or deduct the respective taxes or duties on the account of the Noteholder and with no obligation to compensate the withheld or deducted tax amounts.

Should the Noteholder wish to rely on an applicable treaty for the avoidance of double taxation setting forth lower withholding rates than those otherwise applicable under Estonian domestic law, the respective Noteholder shall provide the documents necessary for application of the respective treaty to the Issuer at least 15 (fifteen) days prior to the payment, failing which the Issuer shall be entitled to withhold tax at the rates set forth by the Estonian domestic legislation.

Individuals may postpone the taxation of their (interest) income from the Notes by using an investment account (in Estonian: *investeerimiskonto*) for making transactions with the Notes and notifying the Issuer in a form reproducible in writing at least 15 (fifteen) days prior to the payment that they are entitled to benefit from the investment account special tax regime. In the case of failure by a Noteholder to submit such notice, the Noteholder shall be entitled to withhold tax in accordance with the general withholding rules.

## **8 EXTRAORDINARY EARLY REDEMPTION**

### **8.1 Standstill and Extraordinary Early Redemption Events**

In order to enable the Issuer to carry-out its activities during the period until the Maturity Date and to make necessary preparations for and carry out the sale of the Core Assets in accordance with the Proceeds Sharing Agreement during such period, the early extraordinary redemption of the Notes before the Maturity Date, submission of claims and enforcement of the Collateral will be subject to the following principles.

The Majority Noteholders shall have the right, but not the obligation, to demand extraordinary early redemption of the Notes if any of the following events has occurred and is continuing:

- 8.1.1 the Issuer has not paid the Redemption Price due and payable in respect of the Notes pursuant to Section 6.1 for more than five (5) Banking Days from the due date for payment thereof, provided that in each of the above events such breach remains unremedied for five (5) Banking Days after a notice thereof, addressed to the Issuer by the Majority Noteholders, has been delivered to the Issuer in accordance with Section 13.1;
- 8.1.2 the Issuer breaches the restriction set forth in Section 5.2 of these Terms the Issuer or a Collateral Provider breaches the undertakings set out in Section 5.3 of these Terms; and such breach remains unremedied for seven (7) Banking Days after a notice thereof, addressed to the Issuer by the Majority Noteholders, has been delivered to the Issuer in accordance with Section 13.1;
- 8.1.3 the Issuer has not provided the documents and/or information described in Section 5.4 of these Terms and such breach remains unremedied for twenty (20) Banking Days after a

notice thereof, addressed to the Issuer by the Majority Noteholders, has been delivered to the Issuer in accordance with Section 13.1;

- 8.1.4 the Senior Lender refuses to issue the Senior Financing to the Issuer, in breach of the terms and conditions of the Senior Financing agreement;
- 8.1.5 the Sponsor ceases to hold (directly or indirectly) at least the same number of shares in the Issuer as it holds (via ING Luxembourg S.A. as its depository) as at 31.03.2025 without the consent of the Noteholders granted in accordance with Clause 5.6;
- 8.1.6 the existing management board of the Operating Subsidiaries is recalled or resigns and subsequently the Operating Subsidiaries remain without reputable and competent management for more than 60 (sixty) Banking Days;
- 8.1.7 the Issuer breaches the obligation set out in Clause 3.3 of the Proceeds Sharing Agreement, and such breach remains unremedied for seven (7) Banking Days after a notice thereof, addressed to the Issuer by the Majority Noteholders, has been delivered to the Issuer in accordance with Section 13.1;

In addition, each Noteholder shall have the right, but not the obligation, to demand extraordinary early redemption of the Notes held by the respective Noteholder if any of the following events has occurred and is continuing:

- 8.1.8 a competent Estonian court has declared bankruptcy in relation to the Issuer (in Estonian: *pankroti välja kuulutanud*); or
- 8.1.9 the Issuer has filed for voluntary dissolution or liquidation with the competent state authorities of Estonia or an order for compulsory dissolution has been taken by the competent court or state authorities of Estonia.

Each event stipulated in this Section 8.1 is an “**Extraordinary Early Redemption Event**”.

Following the occurrence of the Extraordinary Early Redemption Event, the Collateral may be enforced subject to the provisions and procedure set out in Section 10 of these Terms and the proceeds from the enforcement and sale of the Collateral shall be distributed pursuant to clause 5 of the Proceeds Sharing Agreement and Clause 11 of these Terms.

No other claims may be submitted by a Noteholder to the Issuer in connection with the breach of these Terms or the Note Documents, unless the Noteholder has notified the Issuer about such claims and the breach giving grounds for such claim at least 30 Banking Days in advance and the Majority Noteholders have decided not to waive such breach.

## **8.2 Notification of an Extraordinary Early Redemption Event**

- 8.2.1 The Issuer shall immediately notify the Collateral Agent and the Noteholders of the occurrence of an Extraordinary Early Redemption Event. In the absence of such notice, the Collateral Agent and the Noteholders shall be entitled to proceed on the basis that no such Extraordinary Early Redemption Event has occurred or is expected to occur. The Issuer shall also notify the Collateral Agent and the Noteholders of the termination or remedy of the circumstances that served as an Extraordinary Early Redemption Event promptly after such termination or remedy.

## **8.3 Submission of Extraordinary Early Redemption Applications**

- 8.3.1 The Majority Noteholders or a Noteholder requesting an extraordinary early redemption of the Notes upon the occurrence of an Extraordinary Early Redemption Event in accordance with Section 8.1 of these Terms shall submit to the Issuer a respective application (the “**Extraordinary Early Redemption Application**”), indicating the grounds for requesting extraordinary early redemption and the number of Notes held by it that it requests to redeem.

- 8.3.2 The Noteholder(s) shall lose the right to submit an Extraordinary Early Redemption Application in case the Noteholder has not submitted the Extraordinary Early Redemption Application within two (2) months from the date when the Issuer has notified the Collateral Agent and the Noteholders of the occurrence of an Extraordinary Early Redemption Event.
- 8.3.3 If after the occurrence of an Extraordinary Early Redemption Event the Issuer receives an Extraordinary Early Redemption Application from a Noteholder, the Issuer shall promptly inform other Noteholders and the Collateral Agent thereof, except if within 30 (thirty) Banking Days prior to submission of such Extraordinary Early Redemption Application the Noteholders have been informed of submission of another Extraordinary Early Redemption Application or if the Issuer has submitted in accordance with Section 8.2.1 a notice to the Collateral Agent and the Noteholders expressly informing them about the occurrence of an Extraordinary Early Redemption Event.

#### **8.4 Payment of the Redemption Price upon an Extraordinary Early Redemption Event**

- 8.4.1 Upon the occurrence of an Extraordinary Early Redemption Event, the Redemption Price payable for each Note to be redeemed in accordance with this Section 8 shall be paid for the account of the proceeds from sale of the Core Assets or, if the Collateral is enforced, the Notes shall be redeemed for the account of the proceeds from the sale of the Collateral according to clause 5 of the Proceeds Sharing Agreement and Clause 11 of these Terms (including, as applicable, in the course of enforcement of the Collateral or in the course of the relevant dissolution or bankruptcy proceedings of the Issuer).
- 8.4.2 The Redemption Price shall be paid pursuant to an Extraordinary Early Redemption Application submitted in accordance with this Section 8 only for the Notes that are held by that Noteholder at the close of settlement day of the Register two (2) Banking Days preceding the due date for such payment, but not exceeding the number of the Notes in respect of which the Extraordinary Early Redemption Application was submitted by the relevant Noteholder. If the Noteholder holds less Notes at the close of settlement day of the Register two (2) Banking Days preceding the due date for such payment than was indicated in the Noteholder's Extraordinary Early Redemption Application, the Extraordinary Early Redemption Application shall be deemed valid only in relation to the number of the Notes held by the Noteholder at the relevant time.

#### **8.5 Extraordinary Early Redemption Date**

- 8.5.1 Upon the occurrence of an Extraordinary Early Redemption Event, the Issuer shall pay the Redemption Price for the Notes subject to extraordinary early redemption no later than on the sixtieth (60<sup>th</sup>) day after the receipt of the Extraordinary Early Redemption Application filed in accordance with these Terms (such sixtieth (60<sup>th</sup>) day shall be the Extraordinary Early Redemption Date with regard to the Notes subject to extraordinary early redemption).
- 8.5.2 Notwithstanding Section 8.5.1, if after the occurrence of an Extraordinary Early Redemption Event set forth in Section 8.1 a court declares bankruptcy in relation to the Issuer, all Notes (including those held by Noteholders who have not submitted an Extraordinary Early Redemption Application) shall be considered as immediately being subject to the extraordinary early redemption and the date of such declaration of bankruptcy shall be considered the Extraordinary Early Redemption Date with regard to all such Notes that have not yet matured, in each case without any additional declaration, notice or demand by or to any persons.
- 8.5.3 If the Collateral is enforced in accordance with these Terms upon the occurrence of an Extraordinary Early Redemption Event, all Notes (including those held by Noteholders who have not submitted an Extraordinary Early Redemption Application) shall be subject to extraordinary early redemption and the date of such enforcement shall be considered the

Extraordinary Early Redemption Date with regard to all such Notes that have not yet matured.

## **9 COLLATERAL AGENT**

### **9.1 Appointment of the Collateral Agent**

9.1.1 By submitting the Subscription Undertaking or acquiring the Notes on the secondary market, each Noteholder:

- a) appoints the Collateral Agent to act as an agent for the Noteholder in relation to establishing, holding and enforcing the Collateral and entering into the Collateral Agreements and authorizes the Collateral Agent to exercise the rights, powers, authorities and discretions specifically given to the Collateral Agent in connection with the Collateral or the Collateral Agreements under these Terms, including the Collateral Agent Agreement, together with any other incidental rights, powers, authorities and discretions;
- b) acknowledges that the Issuer has concluded the Collateral Agent Agreement with the Collateral Agent and confirms that the Noteholder has read and is aware of the contents of the Collateral Agent Agreement;
- c) confirms that the fact that the Collateral Agent acts under the Collateral Agent Agreement with the Issuer or that the Collateral secures, inter alia, the Issuer's obligations towards the Collateral Agent (e.g. that the Collateral Agent has the right to withhold the proceeds necessary for satisfying the fees, costs, expenses, damages and claims of the Collateral Agent in accordance with subsection a) of Section 11.1.1 of these Terms) does not constitute any conflict with the interests of the Noteholder;
- d) acknowledges that in certain cases described in these Terms and its annexes, the Collateral Agent shall act on the instructions of the Majority Noteholders or on the resolutions of the Noteholders adopted in accordance with Section 12 and not on instructions of each individual Noteholder and each Noteholder agrees that upon the performance of its obligations and exercising of its rights in connection with the Collateral, the Collateral Agent shall be entitled to act pursuant to these Terms and Collateral Agreements, considering the interests of the Noteholders collectively and generally (and not of any particular Noteholder), unless specifically instructed otherwise by the Majority Noteholders in accordance with subsection b) of Section 10.1.1 and Sections 10.2.2 and 10.2.3 of these Terms;
- e) consents that, except as otherwise is required by the laws applicable to the Collateral, only the Collateral Agent shall be indicated as the pledgor and holder of the Collateral under the Collateral Agreements in the registers where such Collateral shall be registered (where relevant) and only the Collateral Agent shall be entitled to enforce the Collateral or to exercise any rights or powers arising under the Collateral Agreements;
- f) authorises the Collateral Agent to enter into the Collateral Agreements with the Collateral Providers in accordance with these Terms, to make amendments to the Collateral Agreements in accordance with these Terms and to represent the Noteholders in communication with any debtor(s) of the Issuer or any public authority (including but not limited to submitting notifications or inquiries in relation to the Collateral, submitting applications, complaints, or claims in relation with the Collateral or the activities of the Issuer) to fulfil its obligations under the Note Documents;

- g) agrees that the Collateral Agent shall have the right to advise the Issuer and to provide any services to the Issuer in any matters and in any fields of activity which do not directly relate to the performance of obligations of the Collateral Agent set forth in these Terms, and that the Noteholder does not consider this to be in conflict with any of its interests.

9.1.2 As of the amendments to these Terms taking effect, each Noteholder:

- a) authorises the Collateral Agent to enter into the Proceeds Sharing Agreement to be concluded on the terms and conditions set out in the draft Proceeds Sharing Agreement as attached to these Terms Agreement and acknowledges that the Collateral Agent enters into the Proceeds Sharing Agreement only in order for the Proceeds Sharing Agreement to constitute a Note Document and under which consent of the Collateral Agent is required for the amendment of the Proceeds Sharing Agreement (acting on the decision of the Noteholders adopted in accordance with these Terms) and without the Collateral Agent individually undertaking any additional obligations under the Proceeds Sharing Agreement, other than the obligation to observe the principles of distribution of from the enforcement of the Collateral set out therein;
- b) confirms that the fact that the Collateral Agent is required to distribute certain proceeds from the sale of the Collateral to the Senior Lender as provided under the Note Documents does not constitute any conflict with the interests of the Noteholder.

## **9.2 Obligations of the Collateral Agent**

9.2.1 The Collateral Agent is required to perform its obligations in relation to the Collateral only if the Collateral Providers have entered into the Collateral Agreements relating to Collateral listed in Section 4.2.1, in accordance with these Terms. The functions and obligations of the Collateral Agent are limited to those expressly specified in these Terms and, notwithstanding any other provisions of these Terms, such functions are limited to the exercise of those rights which belong to the Collateral Agent in its capacity as the holder of the Collateral. The Collateral Agent does not have any obligation to:

- a) take any action (including, without limitation, to commence legal proceedings, compulsory enforcement proceedings, bankruptcy proceedings or any other proceedings) with the purpose to satisfy any claims arising under these Terms on the account of any assets of the Issuer, except for enforcing the Collateral in accordance with these Terms and relevant instructions from the Majority Noteholders;
- b) ensure the existence or validity of the objects of the Collateral or the value of the Collateral;
- c) preserve the Collateral or to assess any rights or obligations arising from or relating to the Collateral (including relating to the release of the Collateral or the sale of the Core Assets or the compliance thereof with the Note Documents, without limiting the obligation to release the Collateral upon the sale of the Core Assets as stipulated in Section 5.5 of these Terms);
- d) inform the Noteholders or the Issuer about any circumstances except to the extent such obligation to provide information is explicitly set forth in these Terms; or
- e) provide any advice to any of the Noteholders in legal, accounting, tax or other matters;
- f) verify the correctness of the representations and warranties or the adherence of the covenants set out in the Note Documents or monitor the occurrence of any event, default or fulfilment of the obligations of the Issuer or any other party provided for in

the Note Documents or verify the calculation and allocation of distribution of sales proceeds of the Core Assets pursuant to the Proceeds Sharing Agreement; and

- g) notify the Noteholders of any breach of these Terms or other Note Documents by the Issuer.

9.2.2 The Noteholders shall not have any independent power to enforce the Collateral or to exercise any rights or powers arising under the Collateral Agreements. Noteholders can exercise their rights in relation to the Collateral only through the Collateral Agent pursuant to these Terms.

9.2.3 Upon the performance of its obligations and exercising its rights the Collateral Agent shall act at pursuant to these Terms and Collateral Agreements in the interests and on the account of the Noteholders collectively and generally (and not of any particular Noteholder) without having any independent interests of its own (for the avoidance of doubt, except for the right of the Collateral Agent to withhold the proceeds necessary for satisfying the fees, costs, expenses, damages and claims of the Collateral Agent as specified in subsection a) of Section 11.1.1 of these Terms) and without any obligation to consider any instructions of the Issuer and without any right of the Issuer to give any instructions to the Collateral Agent. The Collateral Agent is not a party to the legal relationship between the Issuer and the Noteholders and is under no circumstances liable for the performance of the obligations of the Issuer.

9.2.4 Upon the performance of its obligations and exercising of its rights hereunder the Collateral Agent shall have the right to use the services of third parties and to appoint third party representatives (including in the course of performance of its tasks and acts as stipulated in these Terms and the Collateral Agreements), at its own cost, unless compensation of such costs is provided in these Terms.

9.2.5 (Without limiting the obligation to release the Collateral upon the sale of the Core Assets as stipulated in Section 5.5 of these Terms) upon the payment of the full Redemption Price for all outstanding Notes to all Noteholders, the Collateral Agent shall immediately, without the need for any consents or instructions from any Noteholders, take all necessary steps to release and deregister the Collateral, or if so instructed by the Issuer, transfer the Collateral to any person(s) determined by the Issuer.

### **9.3 Replacement of the Collateral Agent**

9.3.1 Subject to Section 9.3.3 below, if the Collateral Agent is insolvent or becomes subject to bankruptcy proceedings, the Collateral Agent shall be deemed to resign as Collateral Agent and the Issuer shall appoint a successor Collateral Agent.

9.3.2 Noteholders holding in aggregate Notes with the Nominal Value representing at least 10% of the aggregate Nominal Value of all Notes may, by notice to the Issuer, require that a meeting of Noteholders is held for the purpose of dismissing the Collateral Agent, terminating of the Collateral Agent Agreement with such Collateral Agent and appointing a successor Collateral Agent. A resolution on dismissing the Collateral Agent, terminating of the Collateral Agent Agreement with such Collateral Agent and appointing a successor Collateral Agent is adopted if approved by the Majority Noteholders.

9.3.3 The retiring Collateral Agent shall, at its own cost, make available to the successor Collateral Agent such documents and records and provide such assistance as the successor Collateral Agent may reasonably request for the purposes of performing its functions as Collateral Agent under these Terms, the Collateral Agent Agreement and the Collateral Agreements. The retiring Collateral Agent further undertakes to ensure that upon the replacement of the Collateral Agreement, all relevant registrations are performed and all relevant persons are duly notified.



- 9.3.4 Upon the appointment of a successor, the retiring Collateral Agent shall be discharged from any further obligation in respect of these Terms, the Collateral Agent Agreement and the Collateral Agreements but shall remain entitled to any accrued but unpaid fees payable to it under these Terms and the Collateral Agent Agreement, and shall remain liable under these Terms, the Collateral Agent Agreement and the Collateral Agreements in respect of any action which it took or failed to take whilst acting as Agent (subject to the terms and conditions of Section 9.4 below). The successor Collateral Agent, the Issuer and the Noteholders shall have the same rights and obligations amongst themselves under these Terms, the Collateral Agent Agreement and the Collateral Agreements as they would have had if such successor had been the original Collateral Agent.
- 9.3.5 The Collateral Agent's resignation or dismissal shall only take effect upon the appointment of a successor Collateral Agent and the execution of all necessary documentation to effectively substitute the retiring Collateral Agent.
- 9.3.6 In the event that there is a change of the Collateral Agent in accordance with Section 9.3, the Issuer shall execute such documents and take such actions as the new Collateral Agent may reasonably require for the purpose of vesting in such new Collateral Agent the rights, powers and obligation of the Collateral Agent and releasing the retiring Collateral Agent from its further obligations under these Terms, the Collateral Agent Agreement and the Collateral Agreements. Unless the Issuer and the new Collateral Agent agree otherwise, the new Collateral Agent shall be entitled to the same fees and the same indemnities as the retiring Collateral Agent.

#### **9.4 Liability of the Collateral Agent**

- 9.4.1 The Collateral Agent is not liable for any circumstances relating to or affecting the validity of the Collateral that are outside the control of the Collateral Agent.
- 9.4.2 The Collateral Agent is only liable for the breach of any of its obligations under the Terms (including the Collateral Agent Agreement) or the Collateral Agreements in the event of gross negligence or intentional breach of the Collateral Agent.
- 9.4.3 The Collateral Agent shall not be liable in front of Noteholders for the outcome of the enforcement of the Collateral.

#### **9.5 Remuneration of the Collateral Agent**

- 9.5.1 The Collateral Agent shall have the right to receive fees from the Issuer and to be compensated by the Issuer for the costs relating to the performance of its obligations under the Terms and the Collateral Agreements in accordance with the Collateral Agent Agreement. As regards the costs, the Issuer shall compensate to the Collateral Agent all payments made by the Collateral Agent to third parties for the purposes of establishment, amendment, termination and enforcement of the Collateral in accordance with the Terms and the Collateral Agreements (including, without limitation, state fees and taxes, other fees and payments established by laws and regulations, costs and expenses incurred by the Collateral Agent) as well as all damages incurred by the Collateral Agent in relation to the same. As an exception, the Issuer does not have an obligation to compensate any costs or expenses that occur in the course of: (i) use of services of third parties and appointment of third party representatives by the Collateral Agent in accordance with Section 9.2.4 of the Terms for any purpose other than those referred to in this Section; and (ii) the transfer of the rights and obligations of the Collateral Agent in accordance with Section 9.3 of the Terms (except when released under Section 9.3.2 of these Terms for reasons not attributable to breach of the obligations by the Collateral Agent).
- 9.5.2 The Collateral Agent shall have the right to withhold the performance of its duties and obligations in case of delay in payment of the relevant fees and costs as specified in Section

9.5.1. The Collateral Agent shall promptly notify the Issuer and the Noteholders thereof. The Collateral Agent does not have a right to withhold the performance of its duties and obligations in case the Noteholders have compensated such fees and costs to the Collateral Agent or the Collateral is required to be enforced in accordance with these Terms and the relevant fees can be compensated from the proceeds of enforcement. If Noteholders compensate the relevant fees and costs to the Collateral Agent, the Issuer undertakes to compensate such amounts to the relevant Noteholders.

## **9.6 Information on Noteholders to the Collateral Agent**

9.6.1 Upon relevant request from the Collateral Agent, the Issuer shall provide the Collateral Agent with an updated list of Noteholders available to the Issuer stating the outstanding Nominal Value of the Notes each of them is holding and the latest known e-mail addresses of the Noteholders.

9.6.2 At the request of the Collateral Agent, the Noteholder shall provide the Collateral Agent with any information required by the latter for the purposes of identification of the Noteholder and/or for the performance of other obligations arising from applicable laws and regulations.

## **10 ENFORCEMENT OF THE COLLATERAL**

### **10.1 Enforcement of the Collateral**

10.1.1 The Collateral Agent shall enforce the Collateral according to the terms and conditions and procedure provided for in the Collateral Agreements and shall commence the enforcement in case all of the following conditions are met:

- a) the Issuer has failed to pay the Redemption Price by the Maturity Date or upon the occurrence of the Extraordinary Early Redemption Event, of which the Collateral Agent has been informed in accordance with Section 10.2 of these Terms; and
- b) a resolution approved by the Majority Noteholders has been passed and submitted to the Collateral Agent instructing it in writing to enforce the Collateral and specifying which Secured Obligations the Issuer failed to perform.

10.1.2 The Collateral Agent may assume that no violation of the Secured Obligations has occurred, unless the Collateral Agent has received notice to the contrary from the Issuer or has been notified accordingly by the Majority Noteholders.

### **10.2 Instructions to the Collateral Agent**

10.2.1 In case the conditions set out in Section 10.1.1 have been fulfilled, the Majority Noteholders have the right to instruct the Collateral Agent to take specific actions to enforce the Collateral according to the procedure provided for in the Collateral Agreements.

10.2.2 The Collateral Agent shall be entitled (but is not under any circumstances obliged) to request instructions from the Noteholders as to whether, and in what manner, the Collateral Agent should exercise or refrain from exercising any rights, powers and discretions with regard to the enforcement of the Collateral and may refrain from acting (incl. *inter alia* participation in any reorganization or bankruptcy proceedings for the benefit of the Noteholders) unless and until it has received an instruction approved by at least the Majority Noteholders. The Collateral Agent may assume that any instructions received by it from the Majority Noteholders are duly given in accordance with the terms of the Note Documents and that all applicable conditions under the Note Documents for so acting have been satisfied.

- 10.2.3 If the Majority Noteholders in accordance with Section 10.2 of the Terms (either at the request of the Collateral Agent or at their own initiative) have instructed the Collateral Agent to enforce the Collateral or have provided instructions to the Collateral Agent in accordance with Sections 10.2.1 or 10.2.2 of these Terms, the Collateral Agent shall inform all Noteholders of such instructions. Such instructions shall be binding on the Collateral Agent and all other Noteholders.
- 10.2.4 The Collateral Agent shall not be liable for any consequences or damages that result from complying with the instructions of the Majority Noteholders as set forth in these Terms. The Collateral Agent may refrain from acting in accordance with the instructions of the Majority Noteholders until it has received such indemnification or security as it may require for all costs, claims, losses, expenses (including but not limited to legal fees) and liabilities which it will or may expend or incur in complying with such instructions. Furthermore, the Collateral Agent may refrain from doing anything which in its opinion will or may be contrary to these Terms and other Note Documents or applicable legislation or otherwise render it liable to any person and may do anything which is in its opinion necessary to comply with such legislation, the Terms or other Note Documents.

### **10.3 Suspension and Termination of the Enforcement of Collateral**

- 10.3.1 To the extent permitted under applicable laws, the Collateral Agent has the right, without Majority Noteholders' consent, to suspend enforcement of the Collateral if in the Collateral Agent's reasonable opinion, the enforcement of the Collateral is not in the best interests of Noteholders (e.g. due to the fact that no market for the Collateral exists) or the Issuer has not paid to the Collateral Agent its fees and/or reimbursed costs to which the Collateral Agent is entitled under the Note Documents and such breach has not been remedied by the Issuer within 30 Banking Days from the respective notice from the Collateral Agent or by the Noteholders within a reasonable time after a relevant request is submitted by the Collateral Agent to the Noteholders following the passing of the 30 Banking Days' notice to the Issuer. The Collateral Agent shall inform the Noteholders of the suspension and shall bear no liability related to such suspension of the enforcement of the Collateral in accordance with this Section 10.3.1 above.
- 10.3.2 The Collateral Agent shall have the right to unilaterally terminate the performance of its duties hereunder (including, without limitation, terminate the enforcement of the Collateral) in case:
- a) (i) in the reasonable opinion of the Collateral Agent, there are grounds for claiming the amounts received by the Collateral Agent hereunder back either in the recovery proceedings, compulsory enforcement proceedings or any other way and/or (ii) the actions of the Collateral Agent hereunder may result in any other claim against the Collateral Agent and, in each case, the Collateral Agent has failed to receive such indemnification or security as it may require for all costs, claims, losses, expenses (including legal fees) and liabilities which it will or may expend or incur in connection with the above within the term specified by the Collateral Agent;
  - b) in the reasonable opinion of the Collateral Agent, (i) (further) enforcement of the Collateral on reasonable terms is not possible or feasible due to the commencement of the bankruptcy or reorganization proceedings of the Issuer or the Collateral Provider or for any other reason or (ii) the estimated proceeds of the enforcement of the Collateral will not be sufficient to cover the claims under subsection a) of Section 11.1.1 of these Terms; and/or
  - c) in the professional opinion of the Collateral Agent, the Collateral fully ceases to exist for any reason.
- 10.3.3 In order to exercise its right of termination under Section 10.3.2 of these Terms, the

Collateral Agent shall submit a respective written notice to the Issuer and the duties and obligations of the Collateral Agent shall be deemed to have terminated from the moment of receipt of such notice by the Issuer.

**10.3.4 Notwithstanding Section 10.3.3 above:**

- a) if under the laws governing the relevant Collateral Agreement and/or the establishment and discharge of the Collateral, the Collateral Agent has an obligation to perform certain actions to release (discharge) the Collateral as a result of the termination under Section 10.3.2, the duties and obligations Collateral Agent shall not terminate until such actions have been taken by the Collateral Agent; and
- b) the duties and obligations of the Collateral Agent shall, however, not be deemed to have terminated before the Collateral Agent has transferred the Collateral, the Collateral Agreements and the Parallel Debt to a successor collateral agent determined in accordance with these Terms and the Collateral Agent Agreement.

## **11 APPLICATION OF THE PROCEEDS FROM ENFORCEMENT OF THE COLLATERAL**

### **11.1 Application of Proceeds**

11.1.1 The proceeds from the enforcement of the Collateral shall be applied in the following order of priority:

- a) first, towards the satisfaction and payment of all fees, costs and expenses and damages related to performance of its duties by and payable to the Collateral Agent under the Note Documents, subject to a cap equal to EUR 100,000 (plus applicable VAT);
- b) second, (after the full satisfaction, payment and deduction of all claims and amounts set forth in subsection a) above) towards the repayment of the Senior Financing;
- c) third, in payment of the claims of the Noteholders arising under these Terms and the Final Terms, including but not limited to the claims arising from the Notes; and
- d) finally, any remaining proceeds shall be returned to the Issuer or the relevant Collateral Provider or paid to the persons entitled to receive such proceeds in accordance with mandatory provisions of law.

11.1.2 The Collateral Agent may withhold the proceeds necessary for satisfying the fees, costs, expenses and damages of the Collateral Agent as specified in subsection a) of Section 11.1 of these Terms before applying the enforcement proceeds in satisfaction of claims under subsections b) and c) of Section 11.1 of these Terms. In case the proceeds remaining after withholding and paying the sums under subsection a) and b) of Section 11.1 do not cover the claims arising from outstanding Notes in full, the claims arising from the Notes shall be satisfied proportionally to the outstanding amounts due under the Notes to each Noteholder.

11.1.3 In case the Issuer has informed the Collateral Agent in writing that all claims arising from all outstanding Notes have not fallen due by the time of transferring the proceeds from the enforcement of the Collateral by the Collateral Agent to the Noteholders, the Collateral Agent shall (a) transfer part of the proceeds corresponding to the claims fallen due under the Notes to the Noteholders holding such Notes; and (b) deposit the part of the proceeds corresponding to the claims under the Notes not fallen due in favour of the Noteholders holding such Notes.

11.1.4 The Collateral Agent is not obliged to pay to the Noteholders or any other persons any interest on the proceeds from the enforcement of the Collateral (whether deposited or

not).

- 11.1.5 In case the Collateral Agent is required under applicable laws, to withhold or pay any taxes in connection with payments to be made by the Collateral Agent hereunder, the amount to be paid by the Collateral Agent shall be reduced by the amount of respective taxes and only the net amount shall be paid by the Collateral Agent.
- 11.1.6 In distributing the proceeds, the Collateral Agent shall rely on the information provided by the Issuer about the claims of the Noteholders arising under the Terms and the Final Terms (including about the size and due date of such claims) and the claims under Senior Financing.

## **12 MEETINGS OF NOTEHOLDERS**

### **12.1 Calling of Noteholders' Meetings**

- 12.1.1 In case (i) the Collateral Agent or (ii) Noteholders holding in aggregate Notes with the Nominal Value representing at least 10% of the aggregate Nominal Value of all Notes, seek to obtain a decision or a consent of Majority Noteholders, each such party may require the Issuer to convene a meeting of Noteholders. A meeting of Noteholders may also be convened by the Issuer on its own initiative at any time.
- 12.1.2 The Issuer shall convene a meeting of Noteholders by a notice of an Noteholder's meeting sent to all Noteholders who appear as the holders of the Note in the Register at the close of settlement day of the Register one (1) Banking Days preceding the notice, by e-mail (to the email addresses notified by the Noteholders to it) or, in the absence of such email address, by post (to the address registered together with the securities or other accounts of the Noteholders, opened in the Register) or, in case the Notes are admitted to trading on Nasdaq Tallinn Stock Exchange, by publishing a market announcement on Nasdaq Tallinn Stock Exchange, at least two (2) weeks in advance.
- 12.1.3 If the Issuer fails to convene a meeting of Noteholders when requested to do so in accordance with Section 12.1.1, the Collateral Agent may (and shall at the request of the relevant Noteholders) itself convene the relevant meeting.

### **12.2 Quorum of Noteholders' Meetings**

- 12.2.1 The meeting of Noteholders shall have quorum in case Noteholders holding in aggregate Notes with the Nominal Value representing more than 50% of the aggregate Nominal Value of all Notes are present at the meeting (excluding the Issuer and Related Parties holding any Notes). If the meeting of Noteholder's does not have quorum, a new meeting of Noteholder's shall be convened by notifying the Noteholders in accordance with Section 12.1.2 of these Terms, at least two (2) weeks in advance. Such repeated meeting of Noteholder's shall have quorum if at least one (1) Noteholder other than the Issuer and Related Parties holding any Notes is present at the relevant meeting of Noteholders.

### **12.3 Written voting procedure**

- 12.3.1 The Issuer may also, at its discretion, conduct adoption of a decision of the Noteholders or obtaining of a consent or waiver from the Noteholders or Majority Noteholders (as applicable) without convening a meeting of Noteholders, by way of written voting procedure. To conduct such written voting procedure, the Issuer shall notify the Noteholders of the written voting procedure by sending a notice to all Noteholders who appear as the holders of the Note in the Register at the close of settlement day of the Register one (1) Banking Days preceding the notice, by e-mail (to the email addresses notified by the Noteholders to it) or, in the absence of such email address, by post (to the address registered together with the securities or other accounts of the Noteholders,

opened in the Register) or, in case the Notes are admitted to trading on Nasdaq Tallinn Stock Exchange, by publishing a market announcement on Nasdaq Tallinn Stock Exchange. The respective notice or market announcement (as applicable) shall be accompanied by a form of the voting ballot, which shall be filled in by the Noteholder and returned to the Issuer in accordance with the instructions set out in the notice or market announcement (as applicable). The term for submitting the votes by the Noteholders in the written voting procedure shall be at least 14 (fourteen) calendar days.

## **12.4 Majority Requirements**

- 12.4.1 A consent, instruction or decision that must be given or approved by the Majority Noteholders in accordance with these Terms is adopted in case Noteholders holding in aggregate Notes with the Nominal Value representing at least 2/3 of the aggregate Nominal Value of all Notes vote in favour of such consent, instruction or decision. Any other decision, consent or waiver of Noteholders under these Terms is adopted in case Noteholders holding in aggregate Notes with the Nominal Value representing more than 50% of the aggregate Nominal Value of all Notes held by Noteholders present at the relevant meeting of Noteholders or participating in the written voting procedure, where such matter is decided, vote in favour of such decision, consent or waiver.

## **12.5 Administrative Matters**

- 12.5.1 The Issuer and its Related Parties may not vote at the meeting of Noteholders or participate in the written voting procedure by Noteholders, and the Issuer and the Related Parties nor the Notes held by any of them shall be counted in determining the quorum or the majority requirements provided in this Section 12 above.
- 12.5.2 Noteholders who appear as the holders of the Note in the Register at the close of settlement day of the Register seven (7) Banking Days preceding (i) the date of a meeting of Noteholders or (ii) the deadline for submitting the votes in the written voting procedure shall be entitled to vote at the relevant meeting of Noteholders or participate in the written voting procedure by Noteholders (as applicable).
- 12.5.3 A decision, consent or waiver granted at the meeting of the Noteholders or via written voting procedure in accordance with this Section 12 above shall be binding on all Noteholders.

## **13 NOTICES**

### **13.1 Notices to the Issuer**

- 13.1.1 Notices and documents to the Issuer shall be valid only if made and forwarded in writing by post or in digitally signed format by e-mail by using the following contact details and provided that those include reference to the Notes, unless otherwise provided for in these Terms:

#### **AS PRFOODS**

Pärnu mnt 141  
Tallinn, 11314,  
Estonia

E-mail: [investor@prfoods.ee](mailto:investor@prfoods.ee)

Attn: Chief Financial Officer

### **13.2 Notices to the Collateral Agent**

Notices and documents to the Collateral Agent shall be valid only if made and forwarded in writing

either by post or in digitally signed format by e-mail by using the contact details of the Collateral Agent set forth in the Final Terms, and provided that those include reference to the Notes.

### **13.3 Notices to the Noteholders**

All notices and documents to the Noteholders under these Terms shall be sent by post or e-mail, unless these are made publicly available via market announcement or as otherwise provided for in these Terms. Notices to the Noteholders that are sent by post shall be forwarded to their addresses registered together with the securities or other accounts of the Noteholders, opened in the Register, or if by e-mail, to the email address notified by the Noteholder to the Issuer and the Collateral Agent (as applicable). Each Noteholder shall promptly upon subscribing for or subsequently acquiring any Note notify the Issuer and the Collateral Agent about its email address and keep them informed about any changes therein.

### **13.4 Receipt of Notices**

All notices are deemed received: (i) if sent by email, when sent to the e-mail address of that person set out in this Section 13; (ii) if sent by post, when delivered to the address of that person set out in this Section 13 or five (5) Banking Days after being deposited in the post in Estonia postage prepaid in an envelope addressed to the relevant person at that address; or (iii) if published by means of a market announcement through, the information system of the relevant stock exchange, when such market announcement is published.

## **14 NOTE DOCUMENTS**

### **14.1 Note Documents**

14.1.1 The documents of the Notes ("**Note Documents**") are the following:

- a) these Terms;
- b) the Final Terms;
- c) in the case of a Public Offering, the Prospectus prepared in connection with such Public Offering and the documents incorporated into the relevant Prospectus by reference;
- d) the Subscription Undertaking;
- e) the Confirmations;
- f) the Collateral Agreements;
- g) the Collateral Agent Agreement;
- h) the Proceeds Sharing Agreement.

### **14.2 Availability of the Note Documents**

Each Noteholder may review the Note Documents set forth in subsections a), b), c), f) and g) and h) at the Issuer's office located at the address indicated in these Terms and make copies and excerpts therefrom at their own expense. If allowed under the rules of the Register, each Noteholder may review the details of the Subscription Undertaking(s) and/or the Confirmation(s) submitted by or to that Noteholder through the Register.

## **15 SPECIFIC PROVISIONS FOR PRIMARY DISTRIBUTION BY WAY OF PRIVATE PLACEMENT**

This Section 15 shall apply only to Primary Distribution carried out by way of a Private Placement. Upon a Public Offering of the Notes, this Section 15 shall not apply and the relevant

matters shall be regulated by the Prospectus.

## **15.1 Submission of Subscription Undertakings upon a Private Placement**

- 15.1.1 To submit a Subscription Undertaking, an investor must have a securities account opened with the Register in the investor's name. Alternatively, the investor may submit a Subscription Undertaking through (and/or request the Notes issued to that investor to be transferred to) a nominee account opened in the name of a nominee account holder (hereinafter a "nominee", who shall hold such Notes in its own name but for and on behalf of the investor), provided, however, that such investor authorizes the holder of the nominee account to disclose the investor's identity and other details enabling to identify the investor to the Issuer and/or the Registrar in writing. The Issuer shall be entitled not to accept Subscription Undertaking(s) submitted through nominee accounts if the holder of the nominee account has not actually disclosed the identity of the investor to the Issuer and/or the Registrar in writing. A Subscription Undertaking may be either submitted by an investor personally or by a representative whom the investor has authorized (in the form required by law) to submit the Subscription Undertaking.
- 15.1.2 The Subscription Undertakings shall be prepared in writing or, if the Register so requires, in another format reproducible in writing and suitable to the Register and must contain the following information, unless otherwise stated in the Final Terms:
- a) the Noteholder's or the nominee's name, personal identification code or register code and contact data (name of a contact person, address, telephone and e-mail addresses);
  - b) the securities account and current account numbers of the Noteholder or its nominee;
  - c) the date of submission of the Subscription Undertaking;
  - d) the number of the Notes to be subscribed by the Noteholder;
  - e) the aggregate Nominal Value of the Notes to be subscribed by the Noteholder; and
  - f) the Noteholder's or the nominee's signature.
- 15.1.3 The terms of the Subscription Undertaking shall be binding on each and every acquirer of the Notes (including subsequent acquirers who purchase the Notes from other Noteholders).

## **15.2 Acceptance and Rejection of Subscription Undertakings upon a Private Placement**

- 15.2.1 A Subscription Undertaking shall be considered valid, if submitted during the relevant Subscription Period, if drawn up substantially in the required form and substance, and if the Noteholder pays the amount indicated in the Confirmation by the term set forth in the Confirmation. The Issuer may, at its sole discretion, treat as valid also Subscription Undertakings submitted after the relevant Subscription Period, but before the relevant Issue Date.
- 15.2.2 After expiry of the relevant Subscription Period, the Issuer shall determine the Qualifying Subscription Undertakings and the amount in which the Subscription Undertakings will be accepted. If an investor submits a Subscription Undertaking after the expiry of the Subscription Period, the Issuer may determine additional Qualifying Subscription Undertakings.
- 15.2.3 The Issuer shall submit the Confirmation to each investor who has duly submitted a Subscription Undertaking indicating whether or such Subscription Undertaking was fully or partially accepted or rejected by the Issuer, at the latest by 16:30 on the last Banking Day before the relevant Payment Date. If the Issuer has treated as valid also Subscription



Undertakings submitted by investors after the relevant Subscription Period, the Issuer shall submit the Confirmation of acceptance or rejection of such Subscription Undertakings to the relevant investors no later than by 16:30 on the last Banking Day before the relevant Issue Date.

- 15.2.4 The Issuer may reject any of the Subscription Undertakings for whichever reason with no obligation to notify the investor of such reason.
- 15.2.5 Upon full or partial acceptance of the Subscription Undertaking, the Issuer shall indicate the following information in the Confirmation, unless otherwise stated in the Final Terms:
- a) the number of the Notes to be sold to the Noteholder;
  - b) the Issue Date;
  - c) the Issue Price;
  - d) the Payment Date;
  - e) the current account number to which the Issue Price shall be paid;
  - f) sum of the Issue Prices of the Notes to be sold to the Noteholder, i.e. the aggregate amount to be paid by the Noteholder for the Notes allocated to it.

### **15.3 Payment of the Issue Price upon a Private Placement**

- 15.3.1 Investors whose Subscription Undertakings were fully or partially accepted are obliged to transfer the Issue Price indicated in the Confirmation as payable for the Notes, to the current account which has been designated for payment of the Issue Price in the Confirmation at the latest by 11:00 on the relevant Payment Date or other date specified in the Confirmation.
- 15.3.2 The Notes shall be registered on the relevant Issue Date in the Register in accordance with Section 2.1.3 of these Terms.

## **16 AMENDMENT OF THE TERMS**

- 16.1.1 The Issuer may apply for the consent of the Noteholders to amend these Terms or other Note Documents (which amendment may also be documented as a waiver).
- 16.1.2 The grant of a consent or waiver for the amendment of these Terms or other Note Documents shall be decided by the Noteholders in accordance with Section 12 above, whereas an amendment of these Terms shall only be binding on the Issuer if the Issuer has requested such amendments (i.e. only the Issuer may convene the meeting of the Noteholders or initiate written voting procedure for such purpose).
- 16.1.3 A decision on changing the Maturity Date, amending the rate of Interest, altering the quorum or majority required to pass any decision or to grant any consent or amending the provisions for Extraordinary Early Redemption of the Notes (i.e. the provisions of Section 8 of these Terms), amending the Proceeds Sharing Agreement or modifying this Section 16.1.3, is adopted if so decided by the Noteholders holding at least 2/3 of the aggregate Nominal Value of all Notes held by Noteholders present at the relevant meeting of Noteholders or participating in the written voting procedure, where such matter is decided. Any other amendment to these Terms is adopted in case Noteholders holding in aggregate Notes with the Nominal Value representing more than 50% of the aggregate Nominal Value of all Notes held by Noteholders present at the relevant meeting of Noteholders or participating in the written voting procedure, where such amendment is decided, vote in favour of such decision.
- 16.1.4 All amendments and supplements to these Terms shall enter into force as of the moment

of signing the amendments by the Issuer and the Collateral Agent, which shall be entered into after issuing the waivers by the Noteholders concerning such amendments and supplements. For the avoidance of doubt, all amendments and supplements to these Terms which affect the Collateral and/or rights and/or obligations of the Collateral Agent shall be subject to the prior written approval of the Collateral Agent, however, such approval shall not be unreasonably withheld by the Collateral Agent.

- 16.1.5 Sections 16.1.1-16.1.4 of the Terms above shall not apply to any change in the contact details or in the business name of the Issuer, the Collateral Provider and the Collateral Agent. This information may be amended by making a respective notification to the Issuer.
- 16.1.6 Sections 16.1.1-16.1.4 of the Terms above shall not apply to any changes to the Collateral Agent Agreement, which may be amended with written agreement of the Issuer and the Collateral Agent. The Issuer and the Collateral Agent undertake not to amend the Collateral Agent Agreement without the consent of the Majority Noteholders, if such amendment would change the scope of rights and obligations of the Collateral Agent arising to it from the Terms.
- 16.1.7 The Issuer is entitled to amend these Terms accordingly and shall inform the Noteholders of any changes immediately after any such change has become effective or, in case of Section 16.1.5, immediately after the Collateral Agent or the Collateral Provider has notified the Issuer thereof.

## 17 DEFINITIONS

For the purposes of these Terms, Final Terms and Note Documents, the following definitions have the following meanings, if explicitly not set out otherwise in the respective documents:

- 17.1.1 **Additional Issue Date** shall mean any Issue Date after the First Issue Date and before or on the Maturity Date;
- 17.1.2 **Additional Subscription Period** shall mean a period of time for Subscription after the First Subscription Period, determined by the Issuer, but in any case not starting before the First Issue Date and not ending after the Maturity Date;
- 17.1.3 **Banking Day** shall mean a business day, i.e. any day, except Saturday, Sunday, a national or a public holiday of the Republic of Estonia;
- 17.1.4 **Collateral** shall mean the security interests listed in Sections 4.2.1, which are to be established in accordance with these Terms in favour of the Collateral Agent as the pledgee acting in the interests of the Noteholders in accordance with these Terms and the Collateral Agent Agreement.
- 17.1.5 **Collateral Agent** shall mean PRF Collateral Agent OÜ (a company incorporated under the laws of Estonia, registered in the Estonian commercial register with registry code 14880068), or, if applicable, the person to whom the Collateral Agent has transferred its rights and obligations in accordance with these Terms;
- 17.1.6 **Collateral Agreement** shall mean the agreements concluded between the Collateral Agent, the Issuer and the relevant Collateral Provider for the establishment of the Collateral, as well as any agreements for the amendment of the agreements for the establishment of the Collateral and any and all other documents made or to be made in relation such agreements;
- 17.1.7 **Collateral Agent Agreement** shall mean the agreement between the Issuer and the Collateral Agent that stipulates the fees and remuneration payable to the Collateral Agent for the performance of its duties under the Terms and the Collateral Agreements. The Collateral Agent Agreement has been annexed to these Terms and constitutes an

inseparable part of these Terms;

17.1.8 **Collateral Provider** shall mean:

- a) with respect to the Collateral described in Section 4.2.1 a), Saaremere Kala; and
- b) with respect to the Collateral described in Section 4.2.1 b) and c), Saare Kala Tootmine OÜ;

17.1.9 **Confirmation** shall mean a document, which is sent by the Issuer to an investor via e-mail, or if sent via the Register, electronic data sent in another form as set forth by the Registrar, and in which the Issuer informs the Noteholder of the partial or full acceptance or the rejection of the Subscription Undertaking submitted by such Noteholder;

17.1.10 **Core Assets** shall mean the assets defined as "Core Assets" in the Proceeds Sharing Agreement.

17.1.11 **Extraordinary Early Redemption Application** shall mean an application for extraordinary early redemption of the Notes submitted by a Noteholder to the Issuer in accordance with these Terms;

17.1.12 **Extraordinary Early Redemption Date** shall mean the Banking Day on which the Issuer has an obligation to redeem all outstanding Notes of a Noteholder pursuant to the Terms after the occurrence of an Extraordinary Early Redemption Event;

17.1.13 **Extraordinary Early Redemption Event** shall mean an event set forth in Section 8.1 of these Terms;

17.1.14 **Final Terms** shall mean a document stipulating specific terms and conditions (including but not limited to the Subscription Period, the Issue Date, the Maturity Date, the Maximum Aggregate Nominal Value of the Notes, the Nominal Value of a Note, the Issue Price of a Note applicable Interest rate and other amounts payable on a Note, Register, Registrar, Collateral Agent) of each tranche of Notes and each respective Subscription Period. The Final Terms entered into in relation to Notes issued during a Subscription Period shall constitute an inseparable part of these Terms with respect to such tranche of Notes;

17.1.15 **First Issue Date** shall mean the Banking Day determined as the first Issue Date in the Final Terms;

17.1.16 **First Subscription Period** shall mean the first period of time after the date of these Terms for subscription for the Notes as set out in the Final Terms;

17.1.17 **Interest** shall mean the interest on the Notes, which shall be calculated and which shall accrue on the Nominal Value of the Notes in accordance with Section 3 of these Terms.

17.1.18 **Interest Commencement Date** shall mean the date from which interest shall be calculated on each tranche of Notes which shall be: (i) with respect to the Notes issued on the First Issue Date, such First Issue Date and (ii) with respect to the Notes issued on any Additional Issue Date, issued on Additional Issue Date(s), the date determined by the Issuer and set out in the Final Terms;

17.1.19 **Issue** shall mean the aggregate of the Notes issued under these Terms with the same ISIN code (including any Notes issued on Additional Issue Date(s), if any);

17.1.20 **Issue Date** shall mean a Banking Day specified as such in the Final Terms;

17.1.21 **Issue Price** shall mean the price set out in the Final Terms payable by an investor no later than on the relevant Payment Date for acquisition of a Note on the relevant Issue Date;

17.1.22 **Issuer** shall mean AS PRFoods, a company established under the laws of the Republic of Estonia, registry code in the Estonian Commercial Register 11560713, registered

address at Pärnu mnt 141, Tallinn, 11314, Harju county, the Republic of Estonia;

17.1.23 **Majority Noteholders** shall mean collectively any Noteholders (excluding the Issuer and Related Parties holding any Notes) who hold in aggregate the Notes with the Nominal Value representing at least 2/3 of the aggregate Nominal Value of all outstanding Notes (excluding any Notes held by the Issuer and the Related Parties);

17.1.24 **Maturity Date** shall mean 31.03.2028;

17.1.25 **Maximum Aggregate Nominal Value of the Notes** shall mean the maximum aggregate Nominal Value of the Notes that may be issued under these Terms with the same ISIN code as set out in the Final Terms;

17.1.26 **Nominal Value** shall mean:

(i) the original stated value of a Note as specified in the Final Terms; and

(ii) following the capitalisation of the interest in accordance with clause 3.1.1, the principal value of the Note outstanding after such capitalisation; and

(iii) following any partial redemption of the Notes, the principal value of the Note outstanding after such partial redemption;

17.1.27 **Note** shall mean a debt security that is issued by the Issuer in accordance with these Terms and the Final Terms and representing the debt obligations of the Issuer which shall be secured by the Collateral;

17.1.28 **Noteholder** shall mean the owner of a Note registered as such in the Register (where applicable, at the specific date set out in the Terms);

17.1.29 **Parallel Debt** shall mean a payment undertaking and the obligations and liabilities resulting from it by the Issuer to the Collateral Agent set forth in Section 4.3 of these Terms;

17.1.30 **Payment Date** shall mean a Banking Day on or before the relevant Issue Date designated in the Final Terms as the latest date on which the payment of the Issue Price must be received by the Issuer;

17.1.31 **Partial Redemption Date** shall have the meaning given to this term in Section 6.1.3 of these Terms;

17.1.32 **Partial Redemption Payment** shall mean the partial redemption payment payable for each Note under these Terms, as determined in accordance with Section 6.1 of these Terms;

17.1.33 **Primary Distribution** shall mean the subscription to the Notes by investors and the issue or sale of the Notes by the Issuer to investors in accordance with these Terms during the First Subscription Period and the Additional Subscription Period(s), if any;

17.1.34 **Private Placement** shall mean an offer of Notes for which prospectus is not required to be published in accordance with the Prospectus Regulation;

17.1.35 **Proceeds Sharing Agreement** shall mean the proceeds sharing agreement to be concluded between the Collateral Agent, the Issuer, the Senior Lender, the Unsecured Lender and the representative of the holders of the convertible bonds issued by the Issuer, on the terms and conditions set out in the draft Proceeds Sharing Agreement as attached to these Terms, setting forth the principles and order of priority of application of the proceeds from the sale of the Core Assets, including the proportions of allocation of the proceeds between the Noteholders, other creditors of the Issuer and the Issuer;

17.1.36 **Prospectus** shall mean the Prospectus that was drawn up, registered and published in relation to the listing and admitting the Notes to trading on Nasdaq Tallinn Stock

Exchange and/or for a Public Offering;

- 17.1.37 **Prospectus Regulation** shall mean Regulation No 2017/1129/EU of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market and repealing Directive 2003/71/EC;
- 17.1.38 **Public Offering** shall mean an offer of Notes for which prospectus is required to be published in accordance with the Prospectus Regulation;
- 17.1.39 **Redemption Price** shall mean the total redemption price payable for each Note under these Terms, as determined in accordance with Section 6.1 of these Terms;
- 17.1.40 **Register** shall mean the register in which the Notes shall be registered as set out in the Final Terms;
- 17.1.41 **Registrar** shall mean the person operating the Register, as set out in the Final Terms;
- 17.1.42 **Related Parties** shall mean the legal entities of which the Issuer is a majority shareholder or which are under the Issuer's control;
- 17.1.43 **Saaremere Kala** shall mean Saaremere Kala AS, a company incorporated under the laws of Estonia, registered in the Estonian commercial register with registry code 11310040, which is a Subsidiary of the Issuer; **Secured Obligations** shall mean any and all present and future payment obligations and liabilities (whether actual or contingent or whether owed jointly and severally or in any other capacity) owed by the Issuer to the Noteholders or any of them or to the Collateral Agent from time to time under these Terms, the Final Terms, the Collateral Agreements and the Collateral Agent Agreement, including but not limited to the obligations arising from the Notes and the Parallel Debt;
- 17.1.44 **Senior Financing** shall mean a working capital financing that the Senior Lender has, in connection with the Restructuring, agreed to provide to the Company and its subsidiaries in the form of revolving facilities with the total outstanding amount of up to EUR 1,000,000. At the discretion of the Senior Lender, the amount of the Senior Financing may be increased by up to EUR 500,000, if such additional financing is deemed beneficial by the Senior Lender and the Company to support the Restructuring. As of the moment such additional amount is provided to the Company, it shall automatically be considered part of the Senior Financing;
- 17.1.45 **Senior Lender** shall mean the Sponsor in its capacity as a lender of the Senior Financing, or a person to whom the rights and obligations of the Sponsor under the Senior Financing have been transferred by the Sponsor in connection with the transfer in accordance with these Terms of the (beneficial or legal) ownership of the shares owned by it in the Issuer;
- 17.1.46 **Sponsor** shall mean Amber Trust II S.C.A., SICAR (in liquidation), a company incorporated under the laws of Luxembourg, registration number B103888 (represented by Amber Trust II Management S.A., in its capacity as liquidator) or any of its successor or permitted assign (as applicable);
- 17.1.47 **Subscription Period** shall mean the First Subscription Period and any Additional Subscription Period(s);
- 17.1.48 **Subsidiary** shall mean, with respect to any entity, any other entity at least 50% of whose capital is owned, directly or indirectly, by such entity or which is otherwise effectively controlled by such entity;
- 17.1.49 **Subscription Undertaking** shall mean a document, which is submitted by an investor to the Issuer substantially in the form set out in annex 1 to the Final Terms, or if the Subscription Undertaking is submitted via the Register, in another form as set forth by the Registrar, and in which the investor expresses a wish to acquire, through Primary

Distribution, a certain amount of the Notes and undertakes to pay the Issue Price for the number of Notes indicated in the Subscription Undertaking;

17.1.50 **Qualifying Subscription Undertakings** shall mean the Subscription Undertakings which have been submitted according to these Terms and which are decided by the Issuer to be accepted either wholly or partially in accordance with these Terms.

17.1.51 **Unsecured Lender** shall mean the Sponsor in its capacity as a lender of the “Unsecured Loan” referred to in the Proceeds Sharing Agreement, or a person to whom the rights and obligations of the Sponsor under the “Unsecured Loan” have been transferred by the Sponsor in connection with the transfer in accordance with these Terms of the (beneficial or legal) ownership of the shares owned by it in the Issuer.

## **18 FINAL PROVISIONS**

**18.1** These Terms, the Final Terms, rights and obligations arising from the Notes shall be governed by Estonian law.

**18.2** The disputes related to these Terms, the Final Terms or the Notes shall be resolved through negotiations. If the parties fail to reach an agreement, the claim for resolving the dispute shall be submitted to Harju County Court (in Estonian: *Harju maakohus*).

**18.3** In the event of inconsistency between the provisions of the Final Terms and the provisions of these Terms, the Final Terms shall prevail.

**18.4** If a provision of these Terms or Final Terms is invalidated or deemed inapplicable by the court, it does not influence or change the validity, legitimacy or applicability of other provisions.

### **LIST OF ANNEXES:**

1. Collateral Agent Agreement
2. Collateral Agreements
3. Proceeds Sharing Agreement