

Company AS PRFoods
Type Company Release
Category Other corporate action
Disclosure time 07 May 2021 17:58:01 +0300

Attachments:

- Annex 1 - form of proxy for appointing a proxy holder chosen by Noteholder.docx (<http://oam.fi.ee/en/download?id=5507>)
- Annex 2 - form of proxy for appointing representatives of collateral agent as proxy holder.docx (<http://oam.fi.ee/en/download?id=5508>)
- Lisa 1 - vorm Volakirjaomaniku valitud esindaja volitamiseks.docx (<http://oam.fi.ee/en/download?id=5509>)
- Lisa 2 - vorm tagatisagendi esindajate volitamiseks.docx (<http://oam.fi.ee/en/download?id=5510>)

Currency

Title PRFOODS NOTICE OF NOTEHOLDERS' MEETING

AS PRFoods (registry code 11560713, registered address at Pärnu mnt 141, 11314 Tallinn, Estonia; "PRFoods") hereby notifies persons holding the notes (the "Noteholders") of the Issuer, due on 22 January 2025 and bearing ISIN code EE3300001577 (the "Notes"), issued under the Terms and Conditions of Secured Note Issue of AS PRFoods dated 14 January 2020 (which have been amended on 25 February 2020; the "Terms"), of convening a meeting of Noteholders (the "Meeting").

The Meeting will be held on 24 May 2021 at 12:00 (EET) at Peetri 12 (Kai Kunstikeskus), 10415 Tallinn, Estonia. Registration for the Meeting will be open at the venue of the Meeting from 11:00 to 11:45 (EET). The management of PRFoods requests all Noteholders to consider that due to COVID-19 caused by the coronavirus, it is advised to minimise the extent of physical gatherings and the participation therein. For this purpose, the management of PRFoods advises to consider authorising representatives of the collateral agent to participate in and vote at the Meeting, and not to physically attend the Meeting.

Due to the pandemic of COVID-19 caused by the coronavirus commenced in the end of 2019 and the extraordinary effects the continuing pandemic and the measures taken to combat it have had on the economic environment, including the economic affairs of PRFoods and its group companies, PRFoods has decided to convene the Meeting and request from the Noteholders a waiver of the financial covenants provided the Terms for PRFoods' 2020/2021 financial year (i.e. the financial year 01.07.2020 – 30.06.2021).

In 2020 and 2021, the COVID-19 pandemic has continuously brought along an



extraordinary situation in most of the countries where PRFoods and its subsidiaries operate. To combat the pandemic, national special measures have been taken and continuously implemented, which measures have continuously had a negative impact on the operations of the PRFoods and its subsidiaries.

The slow fallback of the COVID-19 pandemic and the continuing effects thereof have - in addition to the financial year 2019/2020 (i.e. the financial year 01.07.2019 - 30.06.2020) - also had a negative impact on PRFoods in the financial year 2020/2021 (i.e. the financial year 01.07.2020 - 30.06.2021), which have in turn affected the ability of PRFoods to meet the financial covenants provided in the Terms during the ongoing financial year. Although the exact results of operations for the ongoing financial year will be clear after the end of the ongoing financial year and the effect of these on the financial covenants provided in the Terms will be clear once the audited annual report of PRFoods has been completed, the initial calculations of PRFoods indicate that for the financial year ending on 30 June 2021, the Net Debt to EBITDA of the Issuer (calculated in accordance with the Terms) shall be higher than the level of 4.5 provided in Clause 5.2.1 (b) of the Terms and the Issuer's DSCR (calculated in accordance with the Terms) shall be lower than the level provided in Clause 5.2.2 of the Terms.

However, PRFoods confirms that the above described temporary negative effects do not affect its ability to fulfil the monetary obligations provided in the Terms (including the ability to make the payments under the Notes).

As one of the measures to mitigate the negative effects of COVID-19, PRFoods is planning - in accordance with the announcement made to the investors and the public on 07.05.2021 - to conduct an issue of subordinated convertible notes and a tap-issue of the Notes in the 1(st) half of financial year 2021/2022 (i.e. the financial year 01.07.2021 - 30.06.2022), the successful completion of which would, in the opinion of PRFoods, reinforce the capital structure thereof and its subsidiaries, and facilitate the smoother and faster recovery from the negative impacts caused by COVID-19 and, by such means, also the faster improvement of the financial results of PRFoods. Further, the issue of subordinated convertible notes and the tap-issue of the Notes will enable the refinancing of the short-term EUR 1,500,000 investment loan borrowed in 2017 and the short-term EUR 1,000,000 bridge financing borrowed in 2021 by PRFoods from its shareholder Amber Trust II S.C.A in connection with the maturity of the relevant loans. Although the referred note issues will have an effect on the financial covenants provided in the Terms, PRFoods highlights that the subordinated convertible notes constitute subordinated instruments, wherefore the payment obligations arising therefrom will be subordinated to other, unsubordinated payment obligations of PRFoods.

In the light of the above, PRFoods wishes to convene the Meeting and asks the Noteholders to waive the financial covenants provided in Section 5.2 of the Terms for the 2020/2021 financial year of PRFoods (i.e. the financial year 01.07.2020 - 30.06.2021), and decide that any non-fulfilment of the financial covenants provided in Section 5.2 of the Terms for the 2020/2021 financial year



of PRFoods (i.e. the financial year 01.07.2020 - 30.06.2021) shall not constitute a breach of the Terms by the Issuer or an Extraordinary Early Redemption Event (as defined in the Terms).

AGENDA

The agenda for the Meeting will be as follows:

1. Organisational matters relating to the Meeting.
2. Voting on the granting of a waiver of the covenants provided in Section 5.2 of the Terms for the Issuer's 2020/2021 financial year (i.e. the financial year 01.07.2020 - 30.06.2021) and consenting to the effects of the issue of subordinated convertible notes and tap-issue of the Notes, as well as of the bridge financing borrowed in 2021 on the financial covenants provided in Section 5.2 of the Terms.

RIGHT TO PARTICIPATE AND VOTE AT THE MEETING

Only persons appearing as Noteholders in the Estonian Register of Securities (the "Register") at the close of settlement day of the Register, seven (7) banking days preceding the date of the Meeting, shall be entitled to participate and vote at the Meeting.

Noteholders holding their Notes directly may participate and vote in the Meeting directly themselves or through their proxies. If the Notes of a Noteholder are held through a custodian, such custodian must provide a proxy to the Noteholder in order for such Noteholder to participate at the Meeting. The form for such proxy has been attached to this notice as Annex 1. To participate at the Meeting, an original copy of the proxy signed by hand or signed digitally must be presented upon registering for the Meeting.

Furthermore, PRFoods has - in light of the spread of COVID-19 and the measures implemented for combating the spread thereof - agreed with the collateral agent of the Notes that the representatives of the collateral agent are willing to represent at the Meeting those Noteholders who do not wish to physically attend the Meeting, cannot participate at the Meeting and cannot appoint another proxy. If a Noteholder wishes to authorise the representatives of the collateral agent to represent such Noteholder at the Meeting, the Noteholder must send the collateral agent a proxy on the form attached to this notice as Annex 2 in a digitally signed format by e-mail (to the address: cas@tgsbaltic.com (https://www.globenewswire.com/Tracker?data=jh0x62b5VPswteZ_Vhgrm-Kpn4I66IKqM3EfxRHcsW9D07J4G3ZLmRxlrz2dp0l45l8yVlvtgehD3lOXs0Vo4e56xJkd-wJm8hz0nVGjOuk=))) or signed by hand by mail (to the address: Advokaadibüroo TGS Baltic, Ahtri 6a, Tallinn 10151, Estonia) by the date preceding the date of the Meeting.

QUORUM AND MAJORITY REQUIREMENTS

In accordance with Section 12.2.1 of the Terms, the Meeting 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.

In accordance with Section 5.5, 12.2.2 and 16.1.3 of the Terms, the resolution on amending the Terms as set out in the agenda of the Meeting are considered adopted in case the Noteholders holding in aggregate Notes with the nominal value representing more than 50% of the aggregate nominal value of all Notes held by the Noteholders present at the Meeting vote in favour of the amendment.

PRFoods and Related Parties (as defined in the Terms) shall not have the right to vote at the Meeting and the Notes held thereby shall not be counted in determining the quorum or the majority requirements.

When the Noteholders approve the granting of a waiver of the covenants provided in Section 5.2 of the Terms with the above described majority, the said waiver shall be binding on all Noteholders.

ANNEXES

Annex 1 - Form of proxy for appointing a proxy holder chosen by the Noteholder.

Annex 2 - Form of proxy for appointing representatives of collateral agent as proxy holder.

Additional information:

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(https://www.globenewswire.com/Tracker?data=NKLqjTW6qpSd9tuYVqldorQKFNWSgC-yJTuoFdHb0ERa9M5Jgb4RZNz0esWHNa8PvtvFr6L7pr2Ssv-EzxDTb-8ErdK-nbNFlwn3tQa1LNq9MmQGxrHW2oT-10B4bPvneCUNlWBhJyPEGwoZspQYuDWLSZ53gdT8ijqyy3YmcMxdmMlnZqbxScUpi7_FfW6Ln_LsL3mo6ErVACoopDHOSfmkrbj7IUG77lBmpjrofbXGP0YbfRL2YonippqYnAKbTEnfyvWETxSJ1MrVbbPDcvNyJP4WkCF7QiGqXWlHjH94fy52rcI00FXGxlcEW5qWS9hHJiIqfcz0s7brSGSjIMdqs-WBKVTJA5WqX5JSuftsRxD839K-rhm-KDosGbZhx2nmwVAKWs76rdEwZtpRc9Rhx4FpVVRfVKU0qs09PbcJ4CkKDjeHmTejjViCjTlvpTsLmyliFeVkBZkQ5e5k5HpwlNxEZPattZV3bYaEnvZZUMFkfQOES-s010jrlgLLsxnyx005x1hClBbChYBIQwvchZoA8tzLyVI-b_a8tHxXg6JZ0y2N0g2bZ4qa02G1H5RIwlrZqEl3FZM7d0002nl_w3u7WDKIXYa0x_MhJr3kY5an-pbAVdTpGbzfzeoi-SMOINdWE3_S6t04tIYZVlaXjGC0-7JvJYpR0PVZ5Ah3zJ5jpiBMTqZmOXj1C_9ZLxVamju6ABtA3t1CTLdqSAXea0pz9UgOaRph9f1bj2gx4Fde4elgIbGeltI3Pbf4Rpp3XvMjCddpj2pAwHK1DHw==)
www.prfoods.ee (https://www.globenewswire.com/Tracker?data=H4qfRaty1N5E-F_c5BQCpPFly4FcnVxaT5LWWE6Rz4hHlkn-plkxB1EEB0vWAQ3wyKbhBMoveQi7GW-rtP3SY5mh-prhSDn23IFNomZBhmLCIXZWo7HEl38PSgir-IhZf2Dw-)



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