

Company AS PRFoods  
Type Company Release  
Category Other corporate action  
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## Attachments:

- Lisa 1\_Annex 1 - Comparison Table verumans Fisk AB509851.2.pdf (<http://oam.fi.ee/en/download?id=6755>)
- EGM Lisa 2\_Annex 2 - 2022 HLETUSSEDEL\_VOTING BALLOT erumans Fisk Sale EST EN509871.2.docx (<http://oam.fi.ee/en/download?id=6756>)
- Borsiteade Overumans Fisk AB muuk ENG 1.zip (<http://oam.fi.ee/en/download?id=6757>)
- Annex 3 - ENG - PROXY FOR EXERCISING THE RIGHTS OF A SHAREHOLDER509869.1.docx (<http://oam.fi.ee/en/download?id=6758>)
- Lisa 1\_Annex 1 - Comparison Table verumans Fisk AB509851.2.pdf (<http://oam.fi.ee/en/download?id=6759>)
- Lisa 3 - 2022 VOLIKIRJA BLANKETT EST509870.1.docx (<http://oam.fi.ee/en/download?id=6760>)
- Lisa 2\_Annex 2 - 2022 HLETUSSEDEL\_VOTING BALLOT erumans Fisk Sale EST EN509871.2.docx (<http://oam.fi.ee/en/download?id=6761>)

## Currency

Title PRFoods: Conclusion of the sale and purchase agreement of Överumans Fisk AB and proposal

PRFoods: Conclusion of the sale and purchase agreement of Överumans Fisk AB and proposal for a resolution of the general meeting of shareholders without convening a meeting

On 03.09.2022, Saaremere Kala AS, the subsidiary of AS PRFoods, signed a share purchase agreement for the transfer of 100% of the shares in Överumans Fisk AB to Vattudalens Fisk AB. Överumans Fisk AB is farming rainbow trout in Sweden. Vattudalens Fisk AB is a Swedish company that has been farming rainbow trout for over 10 years. The transaction is subject to the approval of the shareholders of AS PRFoods and the shareholders voting for this will be carried out without convening a meeting. PRFoods will now focus on fish farming in Estonia with the aim of becoming the largest fish farmer in the region.

Purpose of the transaction and impact on activities of AS PRFoods

The rationale of the transaction is to exit Swedish business. The proceeds will reduce the debt of PRFoods and increase equity for investments in fish farming in Estonia, which should in the future be larger than its fish farming in Sweden today.

At the time of publishing this notice, the estimated expected sale price of the shares in Överumans Fisk AB is EUR 10,539,141. The final sale price may change



during a later adjustment (for details on the adjustment of the sale price, please refer to section "Sales price and payment terms, difference between acquisition and transfer price" below).

The impact to AS PRFoods consolidated accounts is the estimated expected sale price EUR 10,539,141 less Överumans Fisk AB equity EUR 2,740,717 less depreciated goodwill EUR 3,443,064 . The extraordinary profit from sale of the business is EUR 4,355,360.

Commentary to PRFoods unaudited consolidated interim report: the difference in net loss is derived from reporting of goodwill. Previously Överumans Fisk AB was owned by Heimon Kala Oy and goodwill was not reported separately. Prior to sale of Finnish business, Överumans Fisk AB was transferred to Saaremere Kala. Since the transaction to sell Sweden took place after the end of financial year, the goodwill for sale of Swedish business is reported separately.

Transaction between unrelated parties, interests of management and related parties

The shares of Vattudalens Fisk AB, the acquirer of Överumans Fisk AB, are owned by Svåholmen AS, which is part of Norwegian group Egersund Group AS and whose ultimate beneficiaries Norwegian nationals without ownership or other interests in or related to PRFoods.

The proposed transaction thus does not qualify as a related party transaction under the rules of the NASDAQ Tallinn Stock Exchange.

In connection with the proposed transaction, Överumans Fisk AB will fulfil, using the funds received from the acquirer, outstanding loan obligations towards Amber Trust II S.C.A. SICAR and Lindermann, Birnbaum & Kasela OÜ, as well as other group companies towards various credit institutions. In connection with the proposed transaction, a guarantee issued by Lindermann, Birnbaum & Kasela OÜ to a supplier of Överumans Fisk AB will also be released, or alternatively, the acquirer undertakes to guarantee such obligations arising from the guarantee on a back-to-back basis for Lindermann, Birnbaum & Kasela OÜ.

Conditions precedent

Överumans Fisk AB is deemed a significant subsidiary of Saaremere Kala AS which is a subsidiary of AS PRFoods, within the meaning of the NASDAQ Tallinn Stock Exchange Rules and, accordingly, the sale of the shares in Överumans Fisk AB is subject to the approval by the general meeting of shareholders of AS PRFoods. Consequently, the management board of AS PRFoods hereby proposes adopting a resolution of the general meeting of shareholders without convening a meeting (please refer to notice below) and provides further information about the transaction.

The transaction is subject to waiver of the Överumans Fisk AB share pledge by the noteholders of AS PRFoods notes due on 22 January 2025 and bearing ISIN code



EE3300001577 as described in a market announcement published on 05.09.2022.

In addition to the approval of the general meeting of shareholders and the said waiver by the noteholders of AS PRFoods due on 22 January 2025, the completion of the proposed transaction is subject to fulfilment of certain conditions precedent, including: a) no adverse development in the status of certain permit(s) to develop and operate farming locations compared to the signing date of the share purchase agreement; b) Överumans Fisk AB continuing its operations in the ordinary course of business until the closing date and no material adverse effect in Överumans Fisk AB from 30 June 2021 and until closing that has not been disclosed to the purchaser; c) no material agreements of, or material licenses or permits held by, the Överumans Fisk AB have been terminated or altered as a consequence of the transaction, other than disclosed to the buyer prior to signing of the share purchase agreement. Failure to comply with the conditions precedent within the time limits will entitle the buyer and the seller to withdraw from the share purchase agreement.

The transfer of the shares in Överumans Fisk AB also requires that AS PRFoods issues a first demand guarantee to the acquirer Vattudalens Fisk AB to secure the obligations of the seller (Saaremere Kala AS). AS PRFoods and its subsidiaries also undertake to comply with a non-competition clause regarding Överumans Fisk AB on Swedish territory and non-solicitation clause concerning the key employees of Överumans Fisk AB for a period of two years from the closing of the transaction.

Sales price and payment terms, difference between acquisition and transfer price

Pursuant to the NASDAQ Tallinn Stock Exchange Rules (Requirements for Issuers), the issuer shall publish the difference between the acquisition and transfer price of the shares of a significant subsidiary.

The final sales price for the shares in Överumans Fisk AB will be calculated based on the agreed enterprise value of EUR 10,500,000 (ten million five hundred thousand euros), adjusted for the following balance sheet items as at the closing date: (i) net debt; (ii) net related party debt/claims balances; (iii) net external party debt/claims balances; (iv) value of biomass calculated according to market-based principles agreed between the parties; and (v) possible adjustments to the annual accounts 2021/2022 of Överumans Fisk AB after completion of the audit process.

The difference of the acquisition price and transfer price of the shares in Överumans Fisk AB is EUR 4,355,360, subject to the final balance sheet and related sales price adjustment.

Economic results and table of audited accounts

Pursuant to the NASDAQ Tallinn Stock Exchange Rules (Requirements for Issuers), the issuer shall publish the financial results of a significant subsidiary for the three preceding financial years together with the audited financial



statements for a two-year period in a form of a comparison table. The respective information is set out below.

The audited unconsolidated financial information of Överumans Fisk AB (at the time of publishing this notice, Överumans Fisk AB does not have any subsidiaries) for the previous three financial years:

In thousand Euros	2019/2020	2020/2021	2021/2022 (not audited)
Turnover	3 916	3 375	2 029
Net profit (-loss)	-52	-138	-912
Dividend per share	-	-	-
Regular net profit (-loss) per share of AS PRFoods	-0,001	-0,004	-0,024
Diluted net profit (-loss) per share of AS PRFoods	-0,001	-0,004	-0,024

The financial statements of Överumans Fisk AB for the last three financial years are appended to this notification as a separate document in the form of a comparative table. As Överumans Fisk AB is a Swedish company, the table is provided as an unofficial English translation prepared on the basis of original documents in the Swedish language.

No significant changes have occurred in the business activities of Överumans Fisk AB since the end of the last financial year.

#### Overview of loans

According to the NASDAQ Tallinn Stock Exchange Rules (Requirements for Issuers), the issuer is required to disclose information about loans taken by significant subsidiaries.

As of the date of this announcement, Överumans Fisk AB has loans from Amber Trust II S.C.A. SICAR in the amount of EUR 850,000 and from Lindermann, Birnbaum & Kasela OÜ in the amount of EUR 1,442,000.

The lenders are shareholders of AS PRFoods and therefore related persons to AS PRFoods within the meaning of NASDAQ Tallinn Stock Exchange Rules (Requirements for Issuers).

In connection with the proposed transaction, all of the above-mentioned related party loans will be repaid.

#### Shareholder structure



Saaremere Kala AS is the sole shareholder of Överumans Fisk AB, owning a total of 40,000 Överumans Fisk AB shares with a nominal value of SEK 100 each.

#### Significant legal and arbitration proceedings

Överumans Fisk AB has pending legal proceedings in relation to a dispute related to environmental decisions in Blåtjärn and Hölleforsen (case No. Ö 1696-22) and a dispute related to a new permit in Ankarsund (case No. 551-1888-2020).

Överumans Fisk AB is not involved in any other legal or arbitration proceedings that could have a material impact on its business or to the business of AS PRFoods.

#### Agreements with AS PRFoods and other related associations

AS PRFoods is listed as the policy holder in two insurance policies related to Öveurmans Fisk AB. In connection with the proposed transaction, the corresponding insurance contracts regarding Överumans Fisk AB will be terminated.

AS PRFoods or its subsidiaries provide certain IT services and/or licenses and a few individual physical IT assets to Öveurmans Fisk AB. In connection with the proposed transaction, providing of such services/licenses will be terminated and the few existing individual IT assets will be left in the possession of the buyer.

The proposed transaction gives Saaremere Kala AS a right to buy fish and roe from Överumans Fisk AB until April 30, 2023 under the specific conditions agreed.

#### Members of the management board

The board member of Överumans Fisk AB is Margus Rebane and the substitute board member is Indrek Kasela.

In connection with the transaction, Margus Rebane and Indrek Kasela will resign from their positions, after which Margus Rebane will be re-elected to the same position. Indrek Kasela will continue his activities as an observer on the board of Överumans Fisk AB for a limited period of time.

#### PROPOSAL FOR A RESOLUTION OF THE GENERAL MEETING OF SHAREHOLDERS OF AS PRFOODS WITHOUT CONVENING A MEETING

The Management board of AS PRFoods (registration code 11560713, address Harju County, Tallinn, Central City District, Pärnu mnt 141, 11314; ISIN EE3100101031) proposes to the shareholders to adopt the shareholders' resolutions without convening a meeting pursuant to § 299(1) of the Commercial Code.



Please send any questions regarding the draft resolutions to the e-mail address investor@prfoods.ee (mailto:investor@prfoods.ee) or to the address of AS PRFoods Pärnu mnt 141, 11314 Tallinn, Estonia, no later than 19.09.2022. Relevant questions and answers will be published on the website of AS PRFoods www.prfoods.ee (http://www.prfoods.ee). The list of shareholders with voting rights will be fixed as at the close of business on 05.09.2022 in the Nasdaq CSD settlement system. As of the date of publication of this notice, the share capital of AS PRFoods amounts to EUR 7,736,572. AS PRFoods has 38,682.860 ordinary shares, each share entitling to 1 vote at the general meeting. Voting is possible in the period from 06.09.2022 to 19.09.2022 (inclusive). If a shareholder abstains from voting, he/she will be deemed to have voted against the resolution. The voting ballot is available on the website of AS PRFoods www.prfoods.ee (http://www.prfoods.ee).

Shareholders have the following options to cast their votes:

(i) By submitting the ballot paper, completed and digitally signed by the shareholder entitled to vote or by his/her proxy, or by submitting a paper ballot, signed and scanned, by e-mail to investor@prfoods.ee (mailto:investor@prfoods.ee) during the voting period.

(ii) By submitting the paper ballot, completed and signed by the shareholder entitled to vote or his/her authorised representative, or by sending it to the office of AS PRFoods at Pärnu mnt 141, 11314 Tallinn, Estonia, in such a way that it arrives no later than 17:00, 19.09.2022.

The voting form submitted by e-mail must be digitally signed in order to enable the identification of the shareholder. If the paper ballot is signed and scanned and sent by e-mail or if the paper ballot is sent by post, a copy of the page of the shareholder's or shareholder's representative's identity document (e.g. passport or ID-card) containing the personal data (including the date of expiry of the document) must be sent together with the paper ballot. The shareholder's proxy must additionally submit a valid power of attorney in a form that can be reproduced in writing in Estonian or English. The shareholder may use the proxy form available on AS PRFoods website www.prfoods.ee (http://www.prfoods.ee). In the case of a shareholder who is a legal entity registered in a foreign country, please submit a copy of the extract from the relevant foreign commercial register, which proves the representative's right to represent the shareholder (statutory power of attorney). The extract must be in English or translated into Estonian or English by a sworn translator or by an official deemed equal with a sworn translator.

The proposals of the management board regarding the resolutions to be adopted, approved by the supervisory board on 03.09.2022, are as follows:

1. Sale of Överumans Fisk AB by Saaremere Kala AS

To approve the sale of 100% of the shares of Överumans Fisk AB, Swedish registry code 556527-2977, by the subsidiary of AS PRFoods Saaremere Kala AS to



Vattudalens Fisk AB, Swedish registry code 556742-7470.

2. Issue of a first claim guarantee

To approve the issue of guarantee by AS PRFoods to Vattudalens Fisk AB for securing of the obligations of Saaremere Kala AS arising under the share sale agreement.

As of the publication of this notice, shareholders may access the materials of the general meeting, draft resolutions and other documents of the general meeting on the website of AS PRFoods at [www.prfoods.ee](http://www.prfoods.ee) (<http://www.prfoods.ee>) and on the website of the Estonian branch of NASDAQ CSD SE at [www.nasdaqbaltic.com](http://www.nasdaqbaltic.com) (<http://www.nasdaqbaltic.com>).

Resolutions adopted by the shareholders will be disclosed in the form of a stock exchange release and on the website of AS PRFoods in accordance with § 299(1) (6) of the Commercial Code.

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