

Company Nordic Fibreboard AS
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Title Nordic Fibreboard AS have signed agreement with Swedbank and Maaelu Edendamise

Nordic Fibreboard AS, and its subsidiary Nordic Fibreboard Ltd (hereinafter - the Group) have signed loan agreement with its current lender Swedbank and new lender Maaelu Edendamise Sihtasutus (hereinafter - the Lenders) to refinance the Group's loans. The refinancing allows the Group to restructure its debts, currently total debt being EUR 4.436 million, to now becoming EUR 3.2 million. Maaelu Edendamise Sihtasutus will provide a EUR 2.0 million loan, duration 6 years with 20 year amortisation schedule. The loan carry an interest rate of 2% per annum for the first 2 years, then 4% per annum thereafter. There is a grace period of 2 years before loan principal repayment will commence. Swedbank will provide a EUR 1.2 million loan, duration 5 years with 5 year amortisation schedule. The loan carry an interest rate of 5% per annum.

According to the new agreement, the Lenders will provide all of the refinancing to the operating fibreboard subsidiary Nordic Fibreboard Ltd, while parent company Nordic Fibreboard AS and other subsidiaries in the Group will have no loans from the Lenders.

The Group's results for the first 9 months this year showed sales of EUR 8.2 million, EBITDA of EUR 403 thousand, and net loss of EUR 158 thousand. The refinancing envisage the first annual interest cost to be EUR 100,000 while first year repayment of the Lenders loan will be EUR 240,000.

"This refinancing of the Group will allow us to continue to focus on being a leading global producer of low density fibreboards. Our boards are produced in Estonia, using raw material from the forests of Estonia, and Estonian labour to produce the boards, and we proudly export this high quality Estonia products to customers located on several continents" - commented Torfinn Losvik, CEO of Nordic Fibreboard AS.

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