



MERLE SAAR-JOHANSON, NOTARY IN AND FOR TALLINN

NOTARY'S OFFICIAL PROCEDURES BOOK
REGISTRY NUMBER

608

CONTRACT FOR ESTABLISHING A COMMERCIAL PLEDGE

AND

APPLICATION FOR REGISTRATION OF COMMERCIAL PLEDGE

This notarial act has been prepared and attested by Riina Toss, substitute notary for Merle Saar-Johanson, notary in and for Tallinn, in capacity of notary, in the notary's office located at Rävåla Av. 3 / Kuke St. 2, Tallinn on the twenty sixth of February in two thousand and twenty (26.02.2020) and the participants in this notarial act are:

Osåihing Vettel, registry code 10377013, address Kårsa, Suure-Rootsi village, Saaremaa rural municipality, Saare county, e-mail address vettel@vettel.ee, hereinafter the **Pledgor**, represented under a Power of Attorney by **Maarja Kens**, personal identification code 47306260219, whose identity has been ascertained on the basis of the Police and Border Guard Board electronic database, and who confirms that her powers to enter into this contract on behalf of the principal are sufficient and valid, they have not been withdrawn or cancelled,

PRF Collateral Agent OÜ, registry code 14880068, address F. R. Faehlmanni St 5, Tallinn, e-mail address cas@tgsbaltic.com, hereinafter the **Pledgee**, represented under a Power of Attorney by **Indrek Kangur**, personal identification code 39011026015, whose identity has been ascertained on the basis of the Police and Border Guard Board electronic database, and who confirms that his powers to enter into this contract on behalf of the principal are sufficient and valid, they have not been withdrawn or cancelled,

the attester of the notarial act informed the participants that since the notarial act is not in their native language the participants have the right to request a written translation of the notarial act but the participants waived exercise of this right,

the Pledgor and the Pledgee are hereinafter together referred to as the **Parties** or each as a **Party**, who enter into the following contract (hereinafter the "**Contract**"):

1. OBJECT OF THE PLEDGE

1.1. The object of the pledge is the entire movable property of the Pledgor, which the Pledgor owns at the time of making the pledge entry or which the Pledgor acquires after making the pledge entry, except for the property specified in subsection 2 (3) of the Commercial

Pledge Act (hereinafter the “**Object of the Pledge**”).

- 1.2. The following commercial pledges encumber the property constituting the Object of the Pledge:
 - 1.2.1. first (1) ranking commercial pledge with the pledge amount of 10,000,000.00 Estonian kroons, for the benefit of the AS SEB Pank, registry code 10004252;
 - 1.2.2. second (2) ranking commercial pledge with the pledge amount of 3,361,000.00 Euros, for the benefit of the AS SEB Pank, registry code 10004252.

2. REPRESENTATIONS AND WARRANTIES OF THE PARTICIPANTS

2.1. The Pledgor represents and warrants as at the date of this Contract that:

- 2.1.1. The Object of the Pledge is not seized and, to the knowledge of the Pledgor, there are no disputes regarding the Object of the Pledge, it is not encumbered by any rights of any third parties, including the rights of third parties that are not subject to entry in the land register such as lease, rent or other contracts for use.
- 2.1.2. The Object of the Pledge is not subject to any commercial pledge of an earlier date, other than those mentioned in this Contract, and the Pledgor has not entered into any agreement for establishment of a commercial pledge not mentioned in this Contract in favour of third parties.
- 2.1.3. The Pledgor has not been declared bankrupt and no court-supervised reorganisation proceedings (in Estonian: *saneerimismenetlus*) or liquidation proceedings have been initiated in respect of the Pledgor.

3. ESTABLISHMENT OF COMMERCIAL PLEDGE AND OBLIGATIONS OF THE PLEDGOR

- 3.1. With the present Contract the Pledgor shall establish a commercial pledge on the Object of the Pledge referred to in clause 1.1 of the Contract **on the first available ranking** in the amount of **twelve million three hundred and fifty thousand (12,350,000) Euros** for the benefit of the Pledgee (hereinafter the “**Pledge**”).
- 3.2. The Pledgor and Pledgee have agreed that the Pledge established under the present Contract shall secure 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 **AS PRFoods** (registry code 11560713, registered address Pärnu Rd. 141, Tallinn 11314, Estonia; hereinafter the “**Issuer**”) to the holders of the notes (name: PRFoods võlakiri 22.01.2025, ISIN code: EE3300001577) (hereinafter the “**Notes**”) issued or to be issued in accordance with the AS PRFoods Terms and Conditions of Secured Note Issue dated **14.01.2020** (amended on 25.02.2020) (hereinafter the “**Terms**”) and to the Pledgee (in its capacity as a collateral agent acting in the interests of the holders of the Notes under the Terms) from time to time under the Terms and any possible amendments and appendices thereto, as well as under the final terms, the collateral agreements and the collateral agent agreement entered into in accordance with the Terms, including but not limited to the obligations arising from the Notes and the parallel debt undertaking set out in Section 4.3 of the Terms.
- 3.3. The Pledgor shall be entitled to freely possess and use the Object of the Pledge, to conduct its business activities using the Object of the Pledge and to exercise all rights as the owner of the Object of the Pledge without the need for consent of the Pledgee or any holders of the Notes, except where such consent is expressly required in accordance with the Terms.
- 3.4. The Owner undertakes to insure the Object of the Pledge to the extent required under, and in accordance with the terms and conditions stipulated in, the Terms.

3.5. The obligations of the Pledgor to provide information to the Pledgee concerning the Object of the Pledge shall be limited to the obligations set forth in the Terms.

4. ENFORCEMENT OF THE PLEDGE AND APPLICATION OF PROCEEDS

4.1. The Pledgee shall be entitled to enforce the Pledge upon satisfaction of all conditions set out in Section 10.1. (*Enforcement of the Collateral*) of the Terms. The enforcement of the Pledge shall be carried out in accordance with the procedures provided in the applicable laws. After the Pledgor becomes entitled to enforce the Pledge in accordance with this clause, the Pledgor undertakes to deliver to the Pledgee upon the latter's relevant request the documentation regarding the Object of the Pledge and its acquisition, as is necessary to enforce the Pledge.

4.2. The proceeds from the enforcement of the Pledge shall be applied in accordance with Section 11.1 (*Application of Proceeds*) of the Terms.

The attester of the notarial act has advised the parties to include in the Contract the conditions and obligations referred to in clauses 3.3, 3.4, 3.5 and 4.2 of the Contract and stipulated in the Terms. The attester of the notarial act has not been able to consult the parties regarding the aforesaid obligations, nevertheless the parties wish to enter into the Contract on the terms and conditions as stipulated herein.

5. APPLICATION FOR REGISTRATION OF COMMERCIAL PLEDGE

5.1. **The Pledgor and the Pledgee hereby request the registration in the Commercial Pledge Register of a first available ranking commercial pledge in the amount of twelve million three hundred and fifty thousand (12,350,000) Euros encumbering the assets of Osäühing Vettel, registry code 10377013, address Kärssa, Suure-Rootsi village, Saaremaa rural municipality, Saare county for the benefit of PRF Collateral Agent OÜ, registry code 14880068.**

6. ISSUANCE OF TRANSCRIPTS

6.1. This notarial act is drawn up and signed in one original that is preserved in the notary's office.

6.2. At the date of this notarial act, to the participants shall be issued the transcripts of the present Contract on paper or digitally, at the choice of each participant. The digital transcript is also available to the participant at the government Internet portal www.eesti.ee.

6.3. The participants request the notary to submit a notarised and translated transcript of this Contract to the register of commercial pledges. The notary shall submit the transcript to the register of commercial pledges within three (3) business days after the participants have submitted to the notary a translated transcript of this Contract.

7. COSTS RELATED TO THE CONCLUSION OF THE CONTRACT

7.1. All costs related to the conclusion of the Contract shall be paid by the Pledgor.

7.2. The participant shall pay the notary fee at the notary office in cash or by payment card or within three (3) workdays from signing of this Contract by bank transfer to the notary's bank account. The notary has the right to withhold the copies of the notarial act until the fee is paid. Pursuant to the Notary Fees Act § 38 (2), the participants are solidarily liable before the notary for the payment of the notary fee for the notarial act.

7.3. The participant shall pay the state fee within three (3) workdays from signing of this Contract to the account of the Ministry of Finance. If the state fee is not paid the recipient of the state fee has the right not to consider the registration application.

For calculating the notary fee the value of the transaction is 2/3 of the pledge amount.

Notary fee: For attestation of the contract for establishing a commercial pledge 10,735.92 Euros (transaction value 6,390,000.00 Euros) Notary Fees Act § 3, 5, 6, 9 (1), 22, 23 (2)).

Total notary fee	EUR 10,735.92
Value Added Tax	EUR 2,147.18
Total	EUR 12,883.10

The state fee for entry of commercial pledge (0.2% of the pledge amount, but no less than 32 Euros and not more than 2,560 Euros) 2,560.00 Euros (transaction value 12,350,000.00 Euros: State Fee Act § 70 (1)).

A fee for transcripts of the notarial act (subject to VAT):

a transcript on paper to the party	EUR 0.19 / page
a digital transcript to the party	EUR 0.19 / page
a digital transcript to an institution	EUR 12.75 + EUR 0.19 / page

This document has 5 pages that are bound with a string and embossed with a seal impression.

The notarial act and the documents appended thereto have been interpreted to the participants not proficient in English from English into Estonian by the attester of the notarial act, the notarial act and the documents were handed to the participants for review before their approval, then approved by the participants and signed in own hand in the presence of the attester of the notarial act. The notarial act is prepared in English at the request of the participants.

Given name(s) and surname in cursive *signature*

Given name(s) and surname in cursive *signature*

Signature and seal of the notary

Appendix number 1 to the notarial act

8. Explanation provided to the participants by the attester of the notarial act

- 8.1.** Pursuant to § 2 (3) of the Commercial Pledges Act, a commercial pledge does not extend to money in a cash register or credit institution; shares, stocks, investment fund shares, contributions in co-operatives or participation of Pledgor in other companies belonging to an undertaking; promissory notes or other loan documents of Pledgor accepted in common usage; or other securities of Pledgor, as well as property on which another class of registered security over movables or the building pledge may be established, property to which a mortgage established on the immovable before or after establishment of the commercial pledge extends or property on which a possessory pledge is established, as well as property which, pursuant to law, cannot be subject to a claim for payment.
- 8.2.** A commercial pledge is created after a corresponding entry is made in the commercial pledge register and extinguishes upon deletion thereof from the register.
- 8.3.** The pledgor may use and dispose of property encumbered with a commercial pledge in the ordinary course of business and if the pledgor transfers a thing which forms part of the property encumbered with a commercial pledge in the ordinary course of business, the commercial pledge on the thing extinguishes. Upon the transfer of property which is encumbered with a commercial pledge and which constitutes an enterprise or installation, the commercial pledge is preserved.
- 8.4.** An undertaking on whose property a commercial pledge is established is required to notify promptly the pledgee of suspension of operations of the enterprise, division, transfer or delivery in any other manner of the enterprise, decrease in property if the value of the security declines significantly, and of the destruction of the property or a majority thereof. At the request of the pledgee, a pledgor must also give the pledgee other information concerning encumbered property necessary to determine the value of the security (§ 12 of the Commercial Pledges Act).
- 8.5.** A private limited company shall not grant a loan: 1) to one of its shareholders whose share represents more than 5 per cent of the share capital; 2) to a shareholder or member of its parent undertaking, whose share represents more than 5 per cent of the share capital of the parent undertaking; 3) to a person to acquire a share of the private limited company; 4) to a member of its management board or supervisory board or its procurator. A subsidiary may grant a loan to its parent undertaking or a parent undertaking to a shareholder or a member who forms the same group as the subsidiary if this does not harm the financial status of the private limited company or the interests of creditors. A subsidiary shall not grant a loan for acquiring a share of the private limited company to the persons specified in the first sentence of this subsection. A private limited company shall also not guarantee a loan taken by the persons specified in subsection (1) of § 159 of Commercial Code. The prohibition does not apply to guaranteeing a loan taken by the parent undertaking or guaranteeing a loan taken by a shareholder or member of the parent undertaking that forms the same group as the subsidiary if this does not harm the financial status of the private limited company or the interests of creditors. A private limited company shall not guarantee a loan taken for acquisition of a share of the private limited company. Transactions in violation of the provisions of subsections (1) and (2) of § 159 of Commercial Code are void. Violation of the provisions of subsection (3) of § 159 of Commercial Code does not result in the nullity of the transaction but the person whose loan was secured must compensate for the damage caused to the private limited company by the provision of the security. The provisions of subsections (1)–(4) of § 159 of Commercial Code correspondingly apply to credit agreements and other economically equivalent transactions (Commercial Code § 159).