

## COLLATERAL AGENT AGREEMENT

This Collateral Agent Agreement (the “**Agreement**”) has been entered into on 14 January 2020 by and between:

- (1) **AS PRFoods**, registry code 11560713, address Pärnu mnt 141, Tallinn 11314, Estonia (the “**Issuer**”), represented by member of the management board Indrek Kasela; and
- (2) **PRF Collateral Agent OÜ**, registry code 14880068, registered address at F. R. Faehlmanni tn 5, 10125 Tallinn, Estonia (the “**Collateral Agent**”), represented by member of the management board Peeter Viirsalu,

(hereinafter referred to collectively as the „**Parties**“ and individually as a „**Party**“).

### WHEREAS:

- (i) The Issuer intends to issue secured notes (the “**Notes**”) in accordance with the terms and conditions of the AS PRFoods Terms and Conditions of Secured Note Issue, dated 14 January 2020 (the “**Terms**”), and the Final Terms (as defined in the Terms);
- (ii) In order to provide additional protection to the rights of the Noteholders (as defined in the Terms) arising from the Notes, the Issuer has agreed to establish the Collateral (as defined in the Terms) as security for the due and punctual fulfilment of the Issuer’s obligations arising from the Notes and the Terms;
- (iii) Considering that there will be multiple Noteholders and the fact that the Noteholders may change in time, it is necessary to establish the Collateral for the benefit of one single person and it has been agreed that this person shall be the Collateral Agent and the Issuer wishes to instruct the Collateral Agent to hold the Collateral and arrange the realisation of the Collateral in the interests of the Noteholders in accordance with the Terms.

The Collateral Agent has agreed to perform the tasks and obligations of the Collateral Agent as set out in the Terms and the Final Terms, and the Parties hereby wish to agree upon their rights and obligations in relation to the foregoing.

### NOW THEREFORE, THE PARTIES HAVE AGREED AS FOLLOWS:

#### 1. DEFINITIONS

##### 1.1 Definitions

Terms and expressions defined in the Terms or the Final Terms, whether directly or by reference, shall have the same meaning in this Agreement except as otherwise defined herein.

#### 2. OBJECT OF THE AGREEMENT

##### 2.1 Object of the Agreement

The Issuer hereby instructs the Collateral Agent to perform the tasks of the Collateral Agent set out in the Terms and to exercise the rights of the Collateral Agent set out in the Terms, subject to the terms and conditions of the Collateral Agreements. In consideration for the above the Issuer undertakes to pay the Collateral Agent the fees and other payments set out in this Agreement.

## **2.2 Irrevocable Instructions**

The instructions which are hereby given by the Issuer to the Collateral Agent are irrevocable, and the Issuer shall have no right to unilaterally amend, revoke or withdraw any such instructions on any grounds, unless the Terms or this Agreement explicitly provide otherwise. If this Agreement is terminated in accordance with the Terms and/or the provisions of Section 6 of this Agreement, the instructions given by the Issuer to the Collateral Agent to perform the tasks of the Collateral Agent be deemed to be withdrawn as of the date of the termination of this Agreement. Where the Collateral Agent is to be replaced in accordance with the Terms or this Agreement, the instructions given by the Issuer shall cease to apply to the Collateral Agent being replaced and shall thereafter apply to the successor collateral agent appointed in accordance with the Terms or this Agreement.

## **3. CONDITIONS PRECEDENT**

### **3.1 Conditions Precedent to validity of the Collateral Agent's obligations in relation to the Collateral**

The Collateral Agent shall perform the obligations set forth herein, including perform the tasks set out in the Terms and exercise the rights set out in the Terms, in respect of holding, maintaining and enforcing of the Collateral (other than the obligation to enter into the Collateral Agreements), only if the Collateral Agreements have been entered into by the relevant parties thereto. For the avoidance of doubt, the previous sentence shall not affect or limit the validity of other obligations of the Collateral Agent that apply under the Terms and this Agreement. In connection with establishing the Collateral set forth in subsections (b), (d), (e) and (f) of Section 4.2.1 of the Terms and in Section 4.2.2 of the Terms, the Issuer shall deliver to the Collateral Agent no later than at the time of establishing of each relevant Collateral enforcement opinions issued and signed by the foreign legal advisors appointed by the Issuer regarding the respective Collateral (whereas the drafts of the relevant enforcement opinions shall be delivered to the Collateral Agent at its request prior to the signing of the Collateral Agreements).

## **4. FUNCTIONS AND OBLIGATIONS OF THE COLLATERAL AGENT**

### **4.1 Functions and obligations of the Collateral Agent**

The scope of functions and obligations of the Collateral Agent is specified in the Terms. Upon performance of its duties, the Collateral Agent undertakes to comply with all requirements, limitations and restrictions arising from applicable legal acts.

### **4.2 Legal Relations of the Parties**

Upon the performance of the tasks and exercising the rights set out in the Terms, the Collateral Agent performs the obligations assumed under this Agreement and the Terms only. The Collateral Agent is not a party to the legal relationship to be established between the Issuer and the Noteholders and is under no circumstances liable for the performance of the obligations of the Issuer.

### **4.3 Performance of Tasks**

Upon the performance of its obligations and exercising its rights the Collateral Agent shall act in accordance with the Terms in the interests and on the account of the Noteholders without having any independent interests of its own and without any obligation to consider any interests or rights of the Issuer and without any right of the Issuer to give any instructions to the Collateral Agent. Provided that all preconditions for the enforcement of the Collateral as set forth in Section 10.1 of the Terms have been fulfilled, the Collateral Agent shall be entitled to enforce the Collateral in the manner and the sequence of enforcement determined by the resolution of the Majority Noteholders adopted in accordance with the Terms and the Collateral Agreements, and in carrying out the relevant enforcement the Collateral Agent shall act in the interests of the Noteholders and with the view of maximising the proceeds from the enforcement. In the absence of specific instructions from the Majority Noteholders as to the manner and sequence of enforcement of the Collateral, the Collateral Agent shall refrain from taking actions to enforce the Collateral. The Issuer hereby confirms that the performance of the aforementioned actions in the aforementioned manner constitutes the essence of the instructions given by the Issuer to the Collateral Agent and therefore, the performance of the aforementioned actions does not and will not constitute a conflict of interest with regard to the Issuer. Considering the foregoing, the Issuer hereby irrevocably and unconditionally waives all claims against the Collateral Agent in relation

to the activities of the Collateral Agent in the course of performance of the tasks and exercising the rights set out in the Terms and represents, warrants and ensures that it shall not raise any claims against the Collateral Agent in relation to the aforementioned activities of the latter, other than claims arising from breach of the obligations of the Collateral Agent arising from the Terms, this Agreement or other Note Documents. The Collateral Agent shall not be liable for any damage caused to the Issuer by the aforementioned activities, other than damages caused by the Collateral Agent to the Issuer due to gross negligence or intentionally.

#### **4.4 Third Parties**

The Collateral Agent shall have the right to use the services of third parties and appoint third party representatives in the course of performance of its tasks and acts, at its own cost and no cost to the Issuer.

#### **4.5 Cooperation obligation of the Issuer at the time of enforcement of Collateral**

Provided that all preconditions for the enforcement of the Collateral as set forth in Section 10.1 of the Terms have been fulfilled, the Issuer shall render full cooperation as may be required from the Issuer in connection with the enforcement of the Collateral and will issue relevant document, information or explanations required in connection with the enforcement of the Collateral within 5 Business Days or, in case copies of documents or excerpts from registries administrated by public authorities of foreign jurisdictions (i.e. outside of Estonia) are requested from the Issuer, as soon as practicably possible after receipt of such request.

#### **4.6 Ownership and Management of the Collateral Agent**

The Collateral Agent hereby guarantees and shall procure that as long as this Agreement is valid, 100% of its shares continue to be owned (directly or indirectly) by Advokaadibüroo TGS Baltic AS (registry code 10288628) and at least one of the management board members of the Collateral Agent is an attorney working at Advokaadibüroo TGS Baltic AS.

### **5. FEES AND OTHER PAYMENTS**

#### **5.1 Fees**

For the performance of the functions of the Collateral Agent, the Issuer shall pay to the Collateral Agent the fees in the following amounts:

- a. One-off fee for the appointment of the Collateral Agent to act as a collateral agent under the Terms and Note Documents, for reviewing and negotiating all documentation in order to take the position of the Collateral Agent (incl general revision of the Terms, Final Terms and any other Note Documents), for entering into the Collateral Agreements and for taking all actions as may be required to establish the Collateral) – based on blended hourly rate (150 EUR per hour) with a fee cap EUR 7,700 (excl VAT). The relevant one-off fee shall be invoiced within 30 days as of the date of this Agreement.
- b. Monthly fee of EUR 450 (excl VAT) to be paid by the Issuer before the occurrence of an Extraordinary Early Redemption Event and the receipt of an Extraordinary Early Redemption Application described in Section 8.3 of the Terms. The relevant fees shall be invoiced once in a quarter, except that the monthly fees for the first six month shall be invoiced by the Collateral Agent upon signing of this Agreement and paid by the Issuer in accordance with the relevant invoice as an advance payment for the relevant period .
- c. Monthly fee of EUR 2,500 (excl VAT) to be paid by the Issuer (instead of the monthly fee set out in subsection b above) after the occurrence of an Extraordinary Early Redemption Event and the receipt of an Extraordinary Early Redemption Application described in Section 8.3 of the Terms. The fees shall be invoiced monthly.
- d. No other fees shall be payable to the Collateral Agent by the Issuer in connection with the performance of its duties under the Note Documents, except that the above fees do not include participation by the Collateral Agent in:
  - i. Any legal disputes (incl instigation of any legal dispute or litigation) required to be held for the purpose of enforcing the Collateral in accordance with the Terms;

- ii. the process of making modifications at the Issuer's request to any Collateral or obtaining of any waivers in relation to the Issuer's obligations under the Terms and other Note Documents. In the latter case an hourly fee of EUR 150 (excl VAT) shall be applied and the relevant fees shall be invoiced within 30 days as of the date when each relevant process of making a modification or obtaining a waiver have been completed.

## 5.2 Compensation of costs and damages

In addition to fees set out in this Sections 5.1. the Collateral Agent shall be entitled to request from the Issuer compensation of such costs, expenses and damages that the Issuer is obliged to compensate to the Collateral Agent in accordance with the Terms. Such costs, expenses and damages shall be compensated by the Issuer to the Collateral Agent based on invoices submitted by the latter within 30 days as of the date when the relevant costs, expenses and damages have been incurred by the Collateral Agent.

## 5.3 Value Added Tax

VAT shall be added to all fees and payments set out in the Agreement if applicable as provided by law.

## 5.4 Payment of Fees and Satisfaction of Claims of the Collateral Agent

The Issuer shall pay the invoices submitted by the Collateral Agent in accordance with this Agreement within twenty one (21) Banking Days following the date of receipt of the invoices. The Collateral Agent has the right to deduct all fees, damages and other payments referred to in this Section 5 from the proceeds of the realisation of the Collateral in accordance with and up to the cap stipulated in Section 11.1 of the Terms. It is hereby agreed that the fees, costs, damages and payments set out in this Agreement shall be deducted up to the cap stipulated in Section 11.1 of the Terms from the proceeds of the realisation of the Collateral. To the extent these proceeds are not, according to the reasonable assessment of the Collateral Agent, sufficient to make such deductions, all aforementioned fees, costs, damages and other payments shall be paid and/or compensated to the Collateral Agent by the Issuer upon request of the Collateral Agent based on invoices submitted by the latter.

# 6. TERMINATION

## 6.1 Termination by the Collateral Agent

The Collateral Agent has the right to terminate the Agreement inter alia in case (a) no Collateral Agreement required to be entered into by the Issuer in accordance with the Terms has been entered into by the Issuer within 60 Business Days from the date of issue of the Notes and/or (b) the Collateral Agent terminates performance of the tasks set out in the Terms on grounds set out in the Terms. Fees and payments already paid to the Collateral Agent shall not be refunded in the event of termination of the Agreement. In case the Collateral Agent exercises its right to terminate the Agreement, the Collateral Agent must transfer the Collateral, all Collateral Agreements and the Parallel Debt as well as other rights and obligations of the Collateral Agent under the Note Documents to a third person nominated in accordance with this Agreement and the Terms (the "**Successor Collateral Agent**"). The Issuer must nominate the Successor Collateral Agent within 2 months from receipt of a notice from the Collateral Agent terminating the Agreement. If the Issuer has not nominated a Successor Collateral Agent within the above period, the Collateral Agent has the right to request that the Majority Noteholders nominate a Successor Collateral Agent by sending a respective notice to the Noteholders. If the Majority Noteholders have not nominated a Successor Collateral Agent within 2 months from the receipt of the notice from the Collateral Agent, the Collateral Agent is released from any liability for the non-performance of its duties and obligations under this Agreement (except for liability for non-fulfilment of its obligation to transfer the Collateral, all Collateral Agreements and the Parallel Debt, should the Issuer or Majority Noteholders nominate a Successor Collateral Agent). For avoidance of doubt, during the period while the retiring Collateral Agent is released from liability in accordance with the previous sentence and until the Successor Collateral Agent has been nominated and the Collateral, all Collateral Agreements and the Parallel Debt as well as other rights and obligations of the Collateral Agent under the Note Documents have been transferred to such Successor Collateral Agent, the retiring Collateral Agent may not however perform any activities that would release the Collateral or render the Collateral invalid.

The termination by the Collateral Agent of this Agreement shall take effect upon (a) the Successor Collateral Agent accepting its appointment as the Collateral Agent, and (b) the execution of all agreements and documents and making all other actions necessary for the valid and enforceable transfer of the Collateral and the Parallel Debt as well as for the transfer of all other rights and obligations of the Collateral Agent under the Note Documents to the Successor Collateral Agent. The Issuer shall, and shall procure that the Collateral Provider, execute such agreements and perform such action as the retiring Collateral Agent or Successor Collateral Agent require in order to effect the appointment of the Successor Collateral Agent for all purposes under the Terms or the Collateral Agreement.

#### 6.2 Termination by the Issuer

The Issuer has the right to terminate the Agreement in case the Issuer decides not to proceed with the Issue (as defined in the Terms).

#### 6.3 Replacement of the Collateral Agent by the Issuer or Majority Noteholders

The Collateral Agent may be replaced by the Issuer or by a resolution of the Majority Noteholders in accordance with Section 9.3 of the Terms.

### 7. NOTICES AND COMMUNICATION

#### 7.1 Making and delivery

All notices and other communication which are required to be made in writing to or upon the respective Party hereto, shall be deemed to have been duly given or made when delivered in accordance with Section 13 of the Terms.

#### 7.2 Addresses and contacts

The addresses and contacts of the Parties are as follows:

**Issuer:**

**AS PRFOODS**

Pärnu mnt 141  
Tallinn, 11314,  
Estonia  
Tel.: +372 452 1470  
E-mail: [investor@prfoods.ee](mailto:investor@prfoods.ee)  
Attn: Chief Financial Officer

**Collateral Agent:**

**PRF COLLATERAL AGENT OÜ**

F.R. Faehlmanni 5  
Tallinn, 10125,  
Estonia  
  
Tel.: +372 626 4300  
E-mail: [cas@tgsbaltic.com](mailto:cas@tgsbaltic.com)  
Attn.: Peeter Viirsalu

#### 7.3 Amendments

Each Party may amend or change its address or other contacts provided in Section 7.2 by making a respective written notice to another Party.

### 8. FINAL PROVISIONS

8.1 Should any of the provisions contained in this Agreement prove to be inconsistent with law or invalid the Parties shall make their best efforts to replace such invalid provision with a valid one closest in the meaning to the original provision.

8.2 The Agreement may be changed, amended or modified only by the written agreement of the Parties.

8.3 This Agreement shall be governed by the laws of Estonia. Any disputes arising from this Agreement shall be settled in Harju County Court (in Estonian: *Harju Maakohus*).

8.4 This Agreement has been made and signed in two (2) counterparts, one counterpart to each Party.

**IN WITNESS THEREOF the Parties have signed this Agreement on the date hereof.**

<p>Issuer:</p> <p>/digitally signed/</p> <hr/> <p><b>Indrek Kasela</b> Management board member of AS PRFoods</p>	<p>Collateral Agent:</p> <p>/digitally signed/</p> <hr/> <p><b>Peeter Viirsalu</b> Management board member of PRF Collateral Agent OÜ</p>
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