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**To the bondholders in:**

**ISIN DK0030472618 – Idavang A/S EUR 75,000,000 Floating Rate Senior Secured Bonds due 2025**

Copenhagen, 15 August 2022

### **Summons to Written Resolution – amendments to Bond Terms**

Nordic Trustee A/S (the “**Bond Trustee**”) acts as bond trustee for the up to EUR 75,000,000 Floating Rate Senior Secured Bonds due 2025 with ISIN DK0030472618 (the “**Bonds**”) issued by Idavang A/S (the “**Issuer**” or “**Idavang**”) pursuant to the bond terms dated 5 November 2020 (the “**Bond Terms**”).

Capitalised terms used but not defined herein shall have the meaning given to them in the Bond Terms.

This summons for a Written Resolution (the “**Summons**”) is hereby issued at the request of the Issuer pursuant to Clause 17.5 (*Written Resolutions*) of the Bond Terms to consider an approval of certain amendments to the Bond Terms as set out herein.

*The information in this Summons is provided by the Issuer, and the Bond Trustee expressly disclaims all liability whatsoever related to such information. Bondholders are encouraged to read this Summons in its entirety.*

#### **1. SUMMONS BACKGROUND**

Raiffeisen Bank, the current lender of Idavang’s subsidized Russian ruble loan (RUB ~1,081m / EUR ~12m outstanding), has decided to reduce its loan portfolio in Russia and is requiring Idavang to change bank provider for its subsidy loans. While Raiffeisen Bank has stopped providing subsidy loans on a general basis, it has made an extraordinary approval for Idavang to await repaying the loans owed to it until end of August 2022, under the condition that Idavang is working to change its bank provider.

As the adopted sanctions are stricter for Russian state-owned banks, Idavang is seeking to refinance its subsidy loans with commercial banks. However, commercial banks have higher business-related requirements than the Russian state owned, and commercial banks, in particular, require that the shares of borrowers and guarantors are unpledged.

Idavang has had extensive discussions and negotiations with Bank of St. Petersburg (“**BSP**”) (its previous banking relation before Raiffeisen Bank) for BSP to take over Idavang’s subsidy loans. BSP has now approved such loans, however, subject to the share pledges over the Russian operating companies being released by the Nordic Trustee (on behalf of the

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bondholders). BSP has obtained credit approval with the only remaining outstanding item being release of the share pledges over Idavang's Russian subsidiaries.

The alternative to receiving new loans through BSP will be for Idavang to repay Raiffeisen Bank the subsidized loans, which would require a significant herd liquidation of Idavang's Russian pig farm operations. While the exact cash flow is difficult to estimate at current, the company assumes that minimum ~40% of the full herd in Russia would need to be liquidated.

Alternatively, Idavang expects that if the loans are transferred to BSP, then Idavang's Russian operations should be able to amortize the debt and become debt free ahead of the 2025 bond refinancing, giving full operational and financial flexibility.

Consequently, the Issuer is requesting for the Bondholders to approve the release of the Russian Share Pledges.

Reference is further made to the information presentation published by the Issuer simultaneously with this summons letter.

## 2. **PROPOSAL**

The Issuer has approached and instructed the Bond Trustee to issue this Summons in order for the Bondholders to consider, approve and/or ratify the Issuer's requests and proposals as set out below in Section 2.1 and 2.2 as further illustrated in the amendment agreement appended hereto as Appendix 2 (the "**Proposal**").

The proposed changes to the Bond Terms set out below are proposed to take effect as of 29 August 2022.

As consideration for the Bondholders approving the Proposal (and subject to the effective date of the proposed changes to the Bonds Terms occurring), the Issuer offers a fee of 25 basis points of the nominal amount to all holders of the Bonds. Such fee will be paid within 10 Business Days after the date on which the Proposal is approved by the requisite amount of Bondholders and all Bondholders (whether voting in favour or against, or not at all) will receive such fee if the Proposal is successfully passed.

### **Amendments to bond documentation:**

#### 2.1 Removal of requirement for providing security

**Clause 2.6 (*Transaction Security and Intercreditor Agreement*)**: The Issuer requests that:

- a) subsection (b) of Clause 2.6 (*Transaction Security and Intercreditor Agreement*) is deleted in its entirety; and
- b) all references to "Russian Share Pledges" are deleted.

#### 2.2 Changes of the Intercreditor Agreement

The Issuer proposes to make the consequential change to the Intercreditor Agreement (i.e. deletion of item 5 in Schedule 1 of the Intercreditor Agreement).

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### 3. AUTHORISATIONS TO NORDIC TRUSTEE A/S

The Issuer requests that the Bondholders authorise and instruct Nordic Trustee A/S as Bond Trustee and Security Agent to take such steps on behalf of the Bondholders in the Bond Issue as may be necessary or desirable in connection with the implementation of the Proposal, including without limitation to:

- a) prepare, finalise and enter into the necessary agreements, including without limitation an amendment agreement to the Bond Terms appended hereto as Appendix 2, an amendment agreement to the Intercreditor Agreement, all release documents required or desirable to effect a release, discharge and/or deregistration of the Russian Share Pledges and making necessary filings or registrations relating thereto and any other documentation it deems appropriate in connection with documenting the decisions made by the Bondholders according to this summons letter, and
- b) for and on behalf of the Bondholders, take such further actions and negotiate, agree, enter into, sign and execute such agreements and documents that are required to complete and give effect to the Proposal, including the granting of waivers, giving of instructions, consents, approvals and directions (including to VP Securities A/S (Euronext Copenhagen) and account operators).

### 4. EVALUATION AND NON-RELIANCE

The Proposal is put forward to the Bondholders without further evaluation or recommendations from the Bond Trustee. Nothing herein shall constitute a recommendation to the Bondholders by the Bond Trustee. The Bondholders must independently evaluate whether the Proposal is acceptable and vote accordingly. It is recommended that the Bondholders seek counsel from their legal, financial and tax advisers regarding the effect of the Proposal.

No due diligence investigations have been carried out by the Bond Trustee or its advisors with respect to the Issuer (and its assets and liabilities), and the Bond Trustee and its advisors expressly disclaim any and all liability whatsoever in connection with the Proposal (as defined below) (including but not limited to the information contained herein).

### 5. WRITTEN RESOLUTION

Bondholders are hereby provided with a voting request for a Bondholders' Written Resolution pursuant to Clause 17.5 (*Written Resolutions*) of the Bond Terms. For the avoidance of doubt, no Bondholders' Meeting will be held in relation to the matters described herein.

It is proposed that the Bondholders resolve the following resolution by way of Written Resolution (the "**Proposed Resolution**"):

*"The Bondholders approve by Written Resolution the Proposal as described in section 2 (The Proposal) of this Summons and any other steps or actions deemed necessary or desirable (in the absolute discretion of the Bond Trustee) to achieve the overall purpose of the Proposal.*

*The Bond Trustee is hereby authorised and instructed to implement the Proposal and do all things and take all such steps as may be deemed necessary or desirable (in the absolute discretion of the Bond Trustee) to implement the Proposal and/or achieve its purpose*

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*including but not limited to negotiating and executing amendments and waivers to the Bond Terms, the intercreditor agreement and/or security agreements".*

The Proposed Resolution will be passed if either: (a) Bondholders representing at least a 2/3 majority of the total number of Bonds vote in favour of the Proposed Resolution prior to the expiry of the Voting Period (as defined below); or (b) (i) a quorum representing at least 50% of the total number of Bonds submits a timely response to the Summons and (ii) the votes cast in favour of the Proposed Resolution represent at least a 2/3 majority of the Bonds that timely responded to the Summons.

**Voting Period:** The Voting Period shall expire ten (10) Business Days after the date of this Summons, being 16:00 CEST on 29 August 2022. The Bond Trustee must prior to the expiration of the Voting Period have received all votes necessary in order for the Proposed Resolution to be passed with the requisite majority under the Bond Terms.

**How to vote:** A duly completed and signed Voting Form (attached hereto as Appendix 1), must be received by the Bond Trustee no later than at the end of the Voting Period and must be submitted by scanned e-mail to [mail@nordictrustee.dk](mailto:mail@nordictrustee.dk). The Bond Trustee may request proof of ownership/holdings if the Bond Trustee cannot verify the ownership in the Securities Depository.

The effective date of a Written Resolution passed prior to the expiry of the Voting Period is the date when the resolution is approved by the last Bondholder that results in the necessary voting majority being achieved.

If no resolution is passed prior to the expiry of the Voting Period, the number of votes shall be calculated at the close of business on the last day of the Voting Period, and a decision will be made based on the quorum and majority requirements set out in paragraphs (d) to (f) of Clause 17.1 (*Authority of Bondholders' Meeting*).

If the Proposed Resolution is not adopted, the Bond Terms will remain unchanged.

Yours sincerely,

Nordic Trustee A/S

Enclosed:

Appendix 1 Voting Form

Appendix 2 Draft amendment agreement

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### Appendix 1 – Voting Form

ISIN DK0030472618 – Idavang A/S EUR 75,000,000 Floating Rate Senior Secured Bonds due 2025

The undersigned holder or authorised person/entity votes either in favour of or against the Proposed Resolution in the Summons dated 15 August 2022

- ☐ In favour of the Proposed Resolution
- ☐ Against the Proposed Resolution

ISIN DK0030472618	Amount of bonds owned (in EUR)
Securities Account Number with VP Securities A/S (Euronext Securities Copenhagen)	Company
Day time telephone number	E-mail

Enclosed with this form is the complete printout from our custodian verifying our bondholding in the Bond Issue as of \_\_\_\_\_ 2022.

We acknowledge that, in relation to this resolution, Nordic Trustee A/S may, for verification purposes, obtain information regarding our holding of Bonds in the above stated account from VP Securities A/S (Euronext Securities Copenhagen).

\_\_\_\_\_  
**Place and date**

\_\_\_\_\_  
**Authorised signature**

Return to Nordic Trustee A/S no later than 16:00 CEST on 29 August 2022 via e-mail at:

E-mail: [mail@nordictrustee.dk](mailto:mail@nordictrustee.dk)

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**Appendix 2 – Draft amendment agreement**

*(Enclosed separately)*

**DRAFT 15 AUGUST 2022**

To: Idavang A/S  
as issuer

From: Nordic Trustee A/S  
as bond trustee (the "**Bond Trustee**") under the Bond Terms (as defined below)

Dated: \_\_\_\_\_ 2022

**AMENDMENT AGREEMENT**

**1. BACKGROUND**

- 1.1 We refer to the EUR 75,000,000 Floating Rate Senior Secured Bonds due 2025 with ISIN DK0030472618 issued by Idavang A/S (the "**Issuer**") pursuant to the bond terms dated 5 November 2020 (the "**Bond Terms**") entered into between, *inter alios*, the Issuer as issuer and the Bond Trustee as bond trustee.
- 1.2 Terms defined in the Bond Terms shall have the same meaning when used in this amendment agreement (the "**Agreement**") unless otherwise stated herein or the context otherwise requires.
- 1.3 The Issuer has requested that the Russian Share Pledges are released and that the requirement under the Bond Terms to provide security over the shares of the Russian Subsidiaries is waived which has been communicated to the Bondholders by a Summons to Written Resolutions dated 15 August 2022 (the "**Summons**").
- 1.4 The Bond Trustee has received sufficient approvals from the Bondholders to grant the requested amendments to the Bond Terms.

**2. AMENDMENTS**

The Bond Trustee and the Issuer agree to make the following amendments under the Bond Terms:

- a) subsection (b) of Clause 2.6 (*Transaction Security and Intercreditor Agreement*) is deleted in its entirety; and
- b) all references to "Russian Share Pledges" are deleted.

**3. MISCELLANEOUS**

- 3.1 Continuing Effect. Save for the amendment made pursuant to Clause 2 above, the provisions of the Bond Terms and all Transaction Security Documents other than the Russian Share Pledges shall continue in full force and effect.

- 3.2 Expenses. The Obligors shall on demand pay all reasonable costs and expenses, including external legal fees, incurred by the Bond Trustee and the Security Agent in connection with this Agreement and the release of the Russian Share Pledges.
- 3.3 Governing law and jurisdiction. Clause 21 (*Governing law and jurisdiction*) of the Bond Terms shall apply *mutatis mutandis* to this Agreement as if such provisions had been incorporated into this Agreement (with reference in such clause to "these Bond Terms" being deemed references to this Agreement).

As Bond Trustee  
**Nordic Trustee A/S**

\_\_\_\_\_  
Print name:  
Capacity:

\_\_\_\_\_  
Print name:  
Capacity:

As Issuer  
**Idavang A/S**

\_\_\_\_\_  
Print name:  
Capacity:

\_\_\_\_\_  
Print name:  
Capacity: