

Denne melding til obligasjonseierne er kun utarbeidet på engelsk. For informasjon vennligst kontakt Nordic Trustee ASA

To the bondholders in:

ISIN: NO0010715246 - 10.80 % Brødrene Greger AS 2014/2019

Oslo, 10. April 2017

Summons to Bondholders' Meeting

Nordic Trustee ASA (the "**Bond Trustee**") is appointed as Bond Trustee for the above mentioned Bond issue.

Unless otherwise stated herein, all capitalised terms used but not otherwise defined in this summons (the "**Summons**") shall have the meaning assigned to them in the bond agreement for the Bond Issue originally dated 30 September 2014 (the "**Bond Agreement**"). References to "Clauses" in this Summons are references to clauses in the Bond Agreement.

The information in this summons regarding the Issuer and market conditions are provided by the Issuer, and the Bond Trustee expressly disclaims all liability whatsoever related to such information.

1. STANDSTILL ARRANGEMENTS

The Issuer has informed that certain Events of Default have occurred and are continuing under the Bond Agreement. In particular, those Events of Default relate to:

- (i) **Clause 15.1 (a) – Non-payment:** the Issuer's failure to pay the interest payment due on the 31 January 2017;
- (ii) **Clause 15.1 (b) – Negative Pledge:** as security for advance payment of stockfish from one large customer of John Greger AS of total EURO 1 000 000, it is established security in the fish purchased by the relevant customer. The fish is stored at John Greger AS until delivered to the customer. This might be in breach of the Negative Pledge clause set out in the Bond Agreement Clause 13.4 (d);
- (iii) **Clause 15.1 (b) – Negative Pledge:** as security for a short-term loan issued to the Issuer of NOK 5 million it is established a second priority pledge in the charge of inventory. This might be in breach of the Negative Pledge clause set out in the Bond Agreement Clause 13.4 (d). The Bond Trustee has, after consultation with the Bondholders Committee, agreed to an arrangement with the Issuer and investors behind such short-term loan that the short-term loan will be secured by the fish purchased by the short-term loan;
- (iv) **Clause 15.1 (b) – Financial Indebtedness:** by enter in to the loan arrangements set out in (ii) and (iii) above the Issuer (and other Group Companies) has in total incurred Financial Indebtedness above NOK 10 million. This is a breach of the Financial Indebtedness clause set out in the Bond Agreement Clause 13.4 (e).

In addition, the Issuer has notified the Bond Trustee that it does not expect to make the interest payment due on the 30 April 2017, which would constitute a further Event of Default.

From the time of the issuance of the NOK 80 million Bond Issue, the Issuers situation has over years been characterized by a continuing satisfactory EBITDA level, but insufficient to cover the high level of financial cost. The outcome has become negative profit margins and a corresponding negative development in the equity relations. By the year end 2016, the Issuer put themselves in contact with the Bond Trustee for the Bondholders, with the intention to find a solution to the financial situation the Issuer was facing.

During the first part of 2017, the Issuer has had a continuous dialogue with the Bond Trustee and some major bondholders. In parallel, there have been put substantial effort into dialogues with several banks, to be able to obtain a credit- and a guarantee facility. The Issuer has also been in dialog with potential new equity owners to meet the equity requirements from the banks.

In order to finalize the negotiations with the banks, the Bondholders and, if necessary, new equity owners to a positive outcome, the company need some additional time. In this respect, the Issuer has indicated to the Bond Trustee and the Bondholder Committee that it need a stand still period as set out below.

The Issuer, and the Bondholder Committee, regard a stand still will offer the board as well as the management valuable time to achieve a sustainable solution for all stakeholders.

In light of the foregoing, the Bond Trustee and an 'ad hoc' committee of Bondholders who, together, currently hold in excess of 63 of the Voting Bonds (the "**Bondholder Committee**") have recently entered into discussions with the Issuer regarding certain standstill arrangements in relation to the exercise of the Bondholders enforcement rights under the Bond Agreement and other Finance Documents.

The Bondholder Committee has indicated to the the Issuer that it would be supportive of the Bond Trustee entering into a standstill agreement (the "**Standstill Agreement**") with Issuer where the Bond Trustee would undertake in favour of the Issuer that it will not, in the period up to and including 15 June 2017 (the "**Standstill Period**"):

- (a) deliver any written notice to the Issuer declaring the Outstanding Bonds, including accrued interest, costs and expenses to be in default and due for immediate payment; or
- (b) institute or continue any step, action or proceedings against the Issuer or any of its subsidiaries to enforce the terms of any of the Security Documents.

Furthermore, the Bond Trustee shall be authorised, upon receipt of the written instruction from Bondholders who, together, represent in aggregate, more than 50% of the Voting Bonds, to prolong the Standstill Period for a period up to and including the 1 December 2017 provided that payment is made by the Issuer of all fees and costs invoiced to the Issuer by the Bond Trustee and its advisers prior to the end of the original Standstill Period.

2. **PROPOSAL**

In light of the above, the Issuer has requested the Bond Trustee to summon a Bondholders' Meeting for the purposes of considering the approval of the following proposal (the "**Proposal**"):

- (a) **Standstill Agreement** – the Bond Trustee shall be authorised to execute such documents as are necessary to give effect to the Standstill Agreement.

3. FURTHER INFORMATION

For further questions to the Issuer, please contact: Stig Karlsen per e-mail: Stig.Karlsen@live.no or by phone: +47 98 29 69 43.

For further questions to the Bond Trustee, please contact: Jørgen Andersen per e-mail: andersen@nordictrustee.com or by phone: +47 22 87 94 21.

4. NON-RELIANCE

The Proposal is put forward to the Bondholders without further evaluation or recommendations from the Bond Trustee and nothing herein shall constitute a recommendation to the Bondholders by the Bond Trustee. The Bondholders must independently evaluate the Proposal and vote accordingly.

5. BONDHOLDERS' MEETING

Bondholders are hereby summoned to a Bondholders' meeting:

Time: 27. April at 13:00 hours (Oslo time),
Place: The premises of Nordic Trustee ASA,
Haakon VII's gt 1, 0161 Oslo - 6th floor

Agenda:

1. Approval of the summons.
2. Approval of the agenda.
3. Election of two persons to co-sign the minutes together with the chairman (who will be a representative of the Bond Trustee, unless otherwise decided by the Bondholders' Meeting)..
4. Request for adoption of Proposal:

It is proposed that the Bondholders' meeting resolve the following:

"The Bondholders' Meeting approves the Proposal as described in section 1 of the Summons.

The Bond Trustee is hereby authorised to enter into the necessary agreements in connection with the decisions made at the Bondholders' Meeting, and entering into any such other agreements as contemplated by the Proposal"

To approve the above resolution, Bondholders representing at least 2/3 of the Bonds represented in person or by proxy at the meeting must vote in favour of the resolution. In order to have a quorum, at least 5/10 of the voting Bonds must be represented at the meeting. If the proposal is not adopted, the Bond Agreement will remain unchanged.

Please find attached a Bondholder's Form from the Securities Depository (VPS), indicating your bondholding at the printing date. The Bondholder's Form will serve as proof of ownership of the Bonds and of the voting rights at the bondholders' meeting. (If the bonds are held in custody - i.e. the owner is not registered directly in the VPS - the custodian must confirm; (i) the owner of the bonds, (ii) the aggregate nominal amount of the bonds and (iii) the account number in VPS on which the bonds are registered.)

The individual bondholder may authorise the Nordic Trustee to vote on its behalf, in which case the Bondholder's Form also serves as a proxy. A duly signed Bondholder's Form, authorising Nordic Trustee to vote, must then be returned to Nordic Trustee in due time before the meeting is scheduled (by scanned e-mail, telefax or post – please see the first page of this letter for further details).

At the Bondholders' Meeting votes may be cast based on bonds held at close of business on the day prior to the date of the Bondholders' Meeting. In the event that Bonds have been transferred to a new owner after the Bondholder's Form was made, the new Bondholder must bring to the Bondholders' meeting or enclose with the proxy, as the case may be, evidence which the Bond Trustee accepts as sufficient proof of the ownership of the Bonds.

For practical purposes, we request those who intend to attend the bondholders' meeting, either in person or by proxy other than to Nordic Trustee, to notify Nordic Trustee by telephone or by e-mail (mail@nordictrustee.com) within 16:00 hours (4 pm) (Oslo time) the Banking Day before the meeting takes place.

Yours sincerely
Nordic Trustee ASA



Morten S. Bredesen

Enclosed: Bondholder's Form