

**ANNOUNCEMENT ON INSTIGATION OF WRITTEN PROCEDURE FOR RECEIPT OF  
NOTEHOLDERS' CONSENT ON AMENDMENTS TO THE TERMS AND CONDITIONS OF NOTES OF  
AS "STORENT INVESTMENTS" (ISIN: LV0000802411)**

Riga, 2 April 2020

**1. Invitation to the Noteholders**

AS "Storent Investments", registration number: 40103834303 (hereinafter - the **Issuer**), in accordance with Clause 20 of the Terms and Conditions of Notes dated 5 March 2020 governing the Notes issued by the Issuer on 19 March 2020 (ISIN: LV0000802411) (hereinafter - the **Terms and Conditions**) instigates a Written Procedure to obtain the Noteholders' consent on amendments to the Terms and Conditions as set out in Schedule 1 hereto.

In accordance with Clause 20.1 (e) of the Terms and Conditions a quorum in respect of a Written Procedure exists if one or more Noteholders holding 50 (fifty) per cent in aggregate or more of the principal amount of the outstanding Notes (excluding the Notes held by the Issuer and the Related Parties) reply to the request.

In order for the amendments to become effective, the Issuer in accordance with Clause 20.1 (g) of the Terms and Conditions is obliged to receive a consent from the Noteholders holding at least 75 (seventy-five) per cent of the aggregate principal amount of the outstanding Notes (excluding the Notes held by the Issuer and the Related Parties) participating in the Written Procedure.

The Issuer hereby asks the Noteholders to grant their consent for amendments to the Terms and Conditions as set out in Schedule 1 hereto.

Unless it is defined otherwise in this announcement, the capitalized terms and expressions used in this application shall have the same meaning as assigned to them in the Terms and Conditions.

**2. Description of the amendments**

Clause 11.2 of the Terms and Conditions stipulates that the Issuer's Net Debt/EBITDA Ratio for the previous 12 (twelve) months may not be higher than 4.0:

- (a) as at the end of each Quarter determined on the basis of the Issuer's consolidated monthly financial statements for the previous 12 (twelve) months; and
- (b) as at 31 December each year, as determined on the consolidated basis on the basis of each of the Issuer's annual financial reports.

In accordance with Clause 11 of the Terms and Conditions the Issuer is obliged to comply with the aforementioned financial covenant from the Issue Date and for as long as any Notes are outstanding.

The Issuer wishes to stipulate that the Issuer is obliged to comply with the aforementioned financial covenant as of 31 December 2021.

Detailed amendments to the Terms and Conditions are set out in Schedule 1 hereto.

**3. Justification of the amendments**

The rapid spread of Covid-19 has had a significant impact on the main markets where the Issuer operates, as well as on the Issuer's ability to refinance its liabilities.

Due to the rapid spread of Covid-19 a state of emergency has been introduced in all EU countries, creating significant business constraints. The Issuer continues to operate in the usual manner by taking precautionary measures. In March 2020, the Issuer has launched a new website, as well as created technological solutions that will enable the Issuer's clients to be served in a virtual environment. Taking into account uncertainty regarding the further impact of Covid-19 on the Issuer's employees, clients and the economy as a whole, the Issuer's management has commenced negotiations with all creditors on

postponing payment of principal. The maturity of the loan of the Issuer's largest shareholder has been extended by 12 months and interest payment shall be capitalized or paid in cash at the choice of the Issuer. Negotiations with the largest leasing companies the Issuer intends to complete within the upcoming weeks. The Issuer will continue to pay interest in full on all financial liabilities.

In accordance with the proposed amendments to the Terms and Conditions, the Issuer proposes that it is obliged to comply with the Net Debt/EBITDA financial covenant as of 31 December 2021, which will allow the Issuer to reorganize its activities in case of a possible decrease in turnover and to continue to fulfil its obligations.

In the light of the above considerations, the Issuer invites the Noteholders to support the proposed amendments to the Terms and Conditions.

#### **4. Amendment fee**

If as a result of the voting of the Noteholders the amendments proposed to the Terms and Conditions are approved, the Issuer agrees within 10 (ten) Business Days after publication of the Issuer's notice on entry into force of the amendments to the Terms and Conditions to pay each Noteholder, who in accordance with a list prepared by Nasdaq CSD SE is a Noteholder on **9 April 2020** and who has voted "for" the amendments proposed to the Terms and Conditions, **an amendment fee in the amount of 0.25 % (zero point twenty-five per cent)** from the principal amount of the Notes held by the respective Noteholder. For tax purposes the amendment fee is treated as interest payment and the Issuer will make a payment net of applicable withholding taxes.

The aforementioned amendment fee shall be paid to the Noteholder by transferring it to the bank account indicated by the Noteholder in its voting form.

#### **5. Noteholders who are entitled to vote**

In accordance with Clause 20.1 (d) of the Terms and Conditions those persons who, according to the register kept by the LCD (currently - Nasdaq CSD SE) in respect of the Notes, were registered as the Noteholders by the end of 5<sup>th</sup> (fifth) Business Day prior to instigation of the Written Procedure (i.e. **9 April 2020**) or proxies authorised by such Noteholders, may exercise their voting rights in the Written Procedure.

#### **6. Voting procedure**

In order to vote on amendments to the Terms and Conditions provided in this announcement, the Noteholders shall duly complete, sign and submit to the Issuer the Noteholders' voting forms.

A voting form is attached in Schedule 2 hereto.

The Noteholder shall complete the voting form by specifying the required information in respect of the Noteholder. If the Noteholder agrees to the proposed amendments to the Terms and Conditions, then the Noteholder shall select the voting option "for" and underline or encircle it. If the Noteholder does not agree to the proposed amendments to the Terms and Conditions, the Noteholder shall select the voting option "against" and underline or encircle it. If neither the voting option "for", nor the voting option "against" is selected or both voting options are selected in the voting form, it shall be considered that the Noteholder has voted against the proposed amendments to the Terms and Conditions.

Noteholders who hold their Notes directly are entitled to participate and vote themselves or through authorized representatives.

If the Noteholder is a private individual, the voting form shall be signed either by the Noteholder in person or by his/her authorised representative. If the Noteholder is a legal entity, the voting form shall be signed by the official (or officials) of the Noteholder, who is (are) duly authorised and whose representation rights are registered in the relevant commercial register, or another person, whom the Noteholder has duly authorised.

If the Notes of a Noteholder are held through a custodian, such custodian must provide a proxy to the Noteholder in order for such Noteholder to participate in the voting.

If such possibility is provided in the agreement between the Noteholder and a custodian, the custodian may also vote on behalf of such Noteholder, subject to the terms and conditions of the agreement between the Noteholder and the custodian and, if required, upon receipt of the relevant Noteholder's consent/instruction. The Issuer may fully rely that by participating in the voting the custodian complies with the terms and conditions of the agreement between the Noteholder and the custodian and, if necessary, has obtained the relevant Noteholder's consent/instruction.

A form of proxy is attached in Schedule 3 hereto.

The voting forms that have been signed by the Noteholders' representatives acting on a basis of a proxy will be accepted only on condition that an original or certified copy of the relevant proxy has been attached to the voting form.

The Noteholders may vote on amendments to the Terms and Conditions provided in this announcement, by sending the duly completed and signed voting forms to the Issuer by post or courier to the following address of the Issuer: AS "Storent Investments", Matrožu iela 15A, Riga, LV-1048, Latvia, or by delivering them in person to the Issuer at the aforementioned address at business days during the business hours of the Issuer from 9:00 till 17:00 o'clock. Voting forms signed with a qualified electronic signature containing a time stamp shall be sent to the following e-mail address of the Issuer: [investor.relations@storent.com](mailto:investor.relations@storent.com).

#### **7. Term for submission of voting forms**

The Noteholders must submit their duly completed and signed voting forms to the Issuer in accordance with the procedure prescribed in Section 6 of this announcement during the time period between **14 April 2020** and **27 April 2020 (inclusive)**.

The voting forms dated or received after **27 April 2020** shall not be taken into account, irrespective of the time of actual receipt thereof by the Issuer.

#### **8. Non-submission of voting forms**

It shall be considered that any Noteholder, who has not submitted his/her voting form within the term specified in Section 7 of this announcement, has voted against the proposed amendments to the Terms and Conditions.

#### **9. Contact information of the Issuer**

Questions and other information with respect to this announcement, including, but not limited to the essence of the proposed amendments to the Terms and Conditions or approval of amendments/voting procedures shall be addressed to the following contact person of the Issuer:

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