

Company AS Ekspress Grupp
Type Company Release
Category Other corporate action
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Currency
Title AS EKSPRESS GRUPP'S PRIVATE PLACEMENT OF EUR 5 MILLION NOTES TO PENSION FUNDS

AS Ekspress Grupp is issuing 5,000 notes with the nominal value of 1,000 euros each note with interest rate of 6% per annum and maturity date on the 8(th) anniversary of the issue date, 7 October 2027. Interest payments shall be on an annual basis on the 7(th) of October each year.

Notes are issued as private placement to the pension funds managed by AS LHV Varahaldus. On 4 October 2019 AS Ekspress Grupp signed a subscription agreement with AS LHV Varahaldus, who is acting on behalf of pension funds (LHV Pension Fund XL, LHV Pension Fund L, LHV Pension Fund M) to subscribe all the issued notes with the aggregate nominal value of 5 million euros.

Notes are subordinated to the outstanding loan Ekspress Grupp has borrowed from AS SEB Bank in January 2019 with the outstanding amount approximately 13.4 million euros on 30 September 2019. AS SEB Bank will have the position of senior creditor and the Notes are subordinated to the aforementioned loan from AS SEB Bank. The notes represent secured debt obligation of Ekspress Grupp before its shareholders and related parties. Notes are fully secured with the guarantee issued by OÜ Haep, owned 88% by AS Ekspress Grupp's ultimate shareholder Hans H. Luik.

From the proceeds of the Notes AS Ekspress Grupp will refinance its current loan of 3.2 million euros from OÜ Aktiva Finants (100% owned by Hans H. Luik) and remaining 1.8 million euros will be used for future investments. Loan with interest of 12% from OÜ Aktiva Finants was used as a bridge funding for the group's larger acquisitions made in 2019. Group has invested in the electronic ticket platform SIA Bi?eshu Parad?ze (bilesuparadize.lv (<https://www.bilesuparadize.lv/en/>)) operating in Latvia and digital outdoor business OÜ Linna Ekraanid in Estonia. The group is actively continuing with investments in order to strengthen the core existing activities and to support the group in carrying out the digital transformation.

AS Ekspress Grupp will register the Notes with the Estonian Register of Securities (in Estonian: Eesti väärtpaberiregister), Notes will be freely



transferable, but will not be listed and traded publicly on the market.

The transaction is not to be treated as a significant for the purposes of the "Requirements for Issuers" section of the NASDAQ Tallinn Stock Market rules. AS Ekspress Grupp confirms that management board and supervisory board members are not in any way personally interested in the transaction.

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AS Ekspress Grupp is the leading media group in the Baltic States whose key activities include web media content production, publishing of newspapers and magazines and provision of printing services in Estonia, Latvia and Lithuania. Ekspress Grupp that launched its operations in 1989 employs 1700 people, owns leading web media portals in the Baltic States and publishes the most popular daily and weekly newspapers as well as the majority of the most popular magazines in Estonia.

