

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

**To the bondholders in:**

**ISINs NO0012847674, NO0013255489 and NO0013255497 – Waldorf Energy Finance plc Senior Secured USD 200,000,000 Callable Bond Issue 2023/2026 (the “Bonds”)**

Oslo, 28 May 2025

**NOTICE TO BONDHOLDERS – ANTICIPATED EVENT OF DEFAULT**

Nordic Trustee acts as bond trustee under the bond terms for the Bonds (the “**Bond Terms**”) (the “**Bond Trustee**”). Capitalised terms used but not defined herein shall have the same meaning as given to them in the Bond Terms.

Reference is made to the press release by the Issuer made available today, 28 May 2025 where it has informed that:

- The Issuer will not make the scheduled interest payments in respect of the Bonds on 2 June 2025 (the “**Interest Payment**”). Such failure to make the Interest Payment on its due date will constitute an Event of Default pursuant to Clause 14.1(a) (*Non-payment*) of the Bond Terms.
- The Issuer, has, however, entered into a lock-up agreement with Bondholders representing approximately 33.1 per cent. of the Voting Bonds (the “**Locked-up Bondholders**”) where the Locked-up Bondholders have agreed to grant a temporary forbearance and waiver in respect of, amongst other things, the failure by the Issuer to make the Interest Payment on its due date (the “**Lock-Up Agreement**”), contingent on, among other things, the Obligors progressing the Restructuring (as defined below). The Issuer’s entry into the Lock-Up Agreement is part of a broader proposed financial restructuring of the Bonds and certain other indebtedness of Waldorf CNS (I) Limited (the “**Restructuring**”). We refer to the Issuer’s announcement as appended to this notice for further detail in respect of the restructuring and Lock-Up Agreement.

Please note that Bondholders representing at least 10 per cent. of the Voting Bonds may request that a Bondholders’ Meeting or Written Resolution is convened for the purpose of deciding on a matter relating to the Finance Documents.

For questions, please contact the Bond Trustee (laerum@nordictrustee.com) or any of the advisors to the Bondholders and Issuer:

**DC Advisory**

Email: uk-projectwildcat@dcadvisory.com

**Milbank LLP**

Email: ndunstone@milbank.com; owinters@milbank.com

**Advokatfirmaet BAHR AS**

Email: wildcat@bahr.no

**Burness Paull LLP (Scottish Legal Advisers to the Issuer)**

Email: ProjectGreengage@burnesspaull.com

**White & Case LLP (English Legal Advisers to the Issuer)**

Email: [w&cprojectgreengage@whitecase.com](mailto:w&cprojectgreengage@whitecase.com)

Yours faithfully,

**Nordic Trustee AS**



Lars Erik Lærum

Appendix: Press release by the Issuer dated 28 May 2025

## **Corporate and Financial Update**

### **ISSUER**

WALDORF ENERGY FINANCE PLC

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28 May 2025

Waldorf Energy Finance plc (the “**Company**”) is pleased to announce the entry into a lock-up agreement (the “**Lock-Up Agreement**”) and the issuance of a practice statement letter (the “**PSL**”) in connection with a proposed financial restructuring of the Bonds (as defined below) and certain other indebtedness of Waldorf CNS (I) Limited (“**WCNS(I)**”), a non-issuer obligor under the Bonds (the “**Restructuring**”).

The Lock-Up Agreement documents an agreement reached in principle between the SteerCo (as defined below), the Company, its parent company (Waldorf Production Limited (in administration) (“**WPL**”), and certain of WPL’s direct and indirect subsidiaries which have provided security and/or guarantees for the Bonds (the “**Group**”) to address certain liabilities of WCNS(I) and give it a more appropriate and suitable debt service and maturity profile for its business. The PSL will provide notice to the holders of the Bonds and other affected creditors of WCNS(I) of its intention to implement the Restructuring by way of a Scots law restructuring plan under Part 26A of the Companies Act 2006.

The execution of the Lock-Up Agreement and the issuance of the PSL represent steps to facilitate the long-term future of WCNS(I) (and the Group as a whole).

### **Lock-Up Agreement**

The Company, in its capacity as issuer of senior secured bonds with ISINs NO0012847674, NO0013255489 and NO0013255497 (together, the “**Bonds**”), has entered into the Lock-Up Agreement with, among others, (i) certain other members of the Group, including WPL; and (ii) a steering committee of certain holders of the Bonds (the “**SteerCo**”) representing c. 33.1% of the outstanding principal amount thereof.

The SteerCo’s entry into the Lock-Up Agreement is evidence of its members’ continued support for the Company, WCNS(I), the broader Group and the Restructuring. The intention is that the Restructuring will be implemented via, amongst other things, a Scots law restructuring plan, pursuant to Part 26A of the Companies Act 2006, which has been launched by WCNS(I) via its issuance of the PSL (as described below).

Under the terms of the Lock-Up Agreement, the parties thereto have agreed to cooperate with a view to implementing the Restructuring. The Lock-Up Agreement includes, among other things:

- (i) customary undertakings to facilitate and implement the Restructuring on the terms set forth in the Lock-Up Agreement;
- (ii) certain limitations on the participating holders of the Bonds in respect of any transfers of any of their Bonds which are subject to the Lock-Up Agreement (including that any transferee is or agrees to be bound by the terms of the Lock-Up Agreement);
- (iii) an agreement that the implementation documents shall provide for customary liability releases;
- (iv) customary mutual releases with respect to actions taken in connection with the Restructuring and actions prior to completion of the Restructuring;
- (v) an agreement from the participating holders of the Bonds to provide, at the request of the Company, certain forbearances, waivers and instructions to the Bond Trustee (as defined under the terms of the Bonds) in order to facilitate the Restructuring. Such forbearances and waivers include a temporary waiver

and forbearance from the participating holders regarding the scheduled interest payments due in respect of the Bonds on 2 June 2025 and 2 September 2025 (the “**Interest Payments**”) and an agreement by such holders to vote in favour of an amendment to the Bond Terms enabling the Interest Payments to be paid in cash or by way of the issuance of additional Bonds following the completion of the Restructuring;

- (vi) an agreement from the participating holders of the Bonds to vote in favour of the Plan (as defined below) and an amendment of the terms of the Bonds on corresponding terms;
- (vii) that holders of the Bonds who were original parties to the Lock-Up Agreement or who accede to it within 21 calendar days of the date hereof shall be entitled to an early bird fee in an amount equal to 1.00% of the aggregate principal amount of the eligible Bonds, to be payable in the form of an issuance of further Bonds on completion of the Restructuring; and
- (viii) certain termination events, including where the Restructuring has not completed by an agreed long-stop date.

The implementation of the Restructuring remains subject to (among other things) the negotiation, agreement and execution of necessary implementation documentation and the satisfaction of certain conditions precedent, including approval of the Plan (as defined below) by the relevant Plan Creditors (as defined below) and its sanction by the Court of Session of Scotland. Further details are set out below.

The Lock-Up Agreement is being made available for accession to all holders of the Bonds. The Company encourages holders of the Bonds that are not already party to the Lock-Up Agreement to accede to the Lock-Up Agreement by completing an accession agreement in the form appended as a schedule to the Lock-Up Agreement (and which will be available via the Plan Website (as defined below)).

Holders of the Bonds should contact Kroll Issuer Services Limited (the “**Lock-Up Agent**”) at [waldorf@is.kroll.com](mailto:waldorf@is.kroll.com) for details of how to obtain a copy of, and accede to, the Lock-Up Agreement.

## **PSL**

Reference is made to the announcement of WCNS(I), made today, of its intention to use a restructuring plan under Part 26A of the Companies Act 2006 (as amended) (the “**Plan**”) to implement the Restructuring in the manner contemplated by the Lock-Up Agreement. The PSL has been issued to those creditors of WCNS(I) who are affected by the plan (the “**Plan Creditors**”), being the Bond Trustee, the holders of the Bonds, and His Majesty’s Revenue & Customs.

The purpose of the PSL is, amongst other things, to provide information on the objectives which the Plan is designed to achieve, communicate WCNS(I)’s intention to formally propose the Plan to the Plan Creditors and confirm that WCNS(I) intends to apply to and appear before the Court of Session of Scotland, on or around 1 July 2025, for orders granting permission to convene a meeting of each class of Plan Creditors for the purpose of considering and, if thought fit, approving the Plan.

WCNS(I) is proposing the Plan in order to implement, among other things:

- (i) certain amendments to the terms of the Bonds, including: (a) an extension of the maturity date to 31 May 2027; (b) the introduction of an excess cash sweep mechanism requiring cash to be applied in mandatory early redemption of the Bonds; and (c) amendments to certain covenants in relation to minimum liquidity; and
- (ii) the compromise of certain liabilities owed to His Majesty’s Revenue & Customs in exchange for consideration comprising: (a) cash payments upon an agreed restructuring effective date; and (b) certain “upside payments”.

No liabilities owed by WCNS(I) or any other member of the Group pursuant to any joint operating agreement or decommissioning security agreement are intended to be compromised as part of the Plan. WCNS(I) intends that all of its operating creditors will continue to be paid in the ordinary course of its business.

Further details on the Plan and the proposed terms are contained in the PSL, which the holders of the Bonds and other affected creditors are encouraged to review.

### ***Deferral of interest payment***

In connection with entering into the Lock-Up Agreement, the Company has decided not to make the scheduled Interest Payment in respect of the Bonds on 2 June 2025. Such failure to make the Interest Payment on its due date will constitute an Event of Default pursuant to Clause 14.1(a) (*Non-payment*) of the Bonds. Consequently, Bondholders representing a simple majority of the Voting Bonds will have the right to instruct the Bond Trustee to accelerate the Bonds and/or exercise other rights outlined in the Finance Documents, pursuant to Clauses 14.2 (*Acceleration of the Bonds*) and 14.3 (*Bondholders' Instructions*) of the Bonds. As mentioned above, Bondholders who are parties to the Lock-Up Agreement, being the SteerCo as of this date, have consented to grant a temporary waiver and forbearance as a result of this Event of Default.

### ***Next Steps***

The Group is targeting a completion date for the Restructuring as soon as possible, and no later than September 2025. The Company and WCNS(I) will continue working with all relevant key stakeholders with a view to completing the transaction as soon as possible. Further announcements and updates in relation to the transaction will be provided to investors in due course.

### ***Questions***

Copies of the Lock-Up Agreement and the PSL are available to holders of the Bonds and can be accessed via a website administered by the Bond Trustee (the "**Plan Website**"). Please contact the Bond Trustee at laerum@nordictrustee.com (with a copy to Advokatfirmaet BAHR AS (wildcat@bahr.no)) to access the Plan Website.

Plan Creditors with questions in relation to the Lock-Up Agreement may contact Kroll Issuer Services Limited as Lock-Up Agent.

Plan Creditors with questions in relation to the PSL or the Restructuring may contact Interpath Ltd, Burness Paull LLP or White & Case LLP.

Daiwa Corporate Advisory Limited and Milbank LLP in their capacity as financial and legal advisers to the holders of the Bonds will hold calls with the holders of the Bonds to provide a comprehensive update on the terms of the Restructuring and the next steps required in connection with the Plan. Holders of the Bonds should contact Daiwa Corporate Advisory Limited and Milbank LLP for further details.

For further information, please contact:

#### **Interpath Ltd**

Matthew Little, Luke Wiseman

Tel. +44 (0)20 3989 2800

Email [matthew.little@interpath.com](mailto:matthew.little@interpath.com), [luke.wiseman@interpath.com](mailto:luke.wiseman@interpath.com)

**Burness Paull LLP (as Scottish Legal Advisers to the Company)**

Michael Thomson, Fiona Carlin

Tel. +44 (0)131 473 6000

Email: [ProjectGreengage@burnesspaull.com](mailto:ProjectGreengage@burnesspaull.com)

**White & Case LLP (as English Legal Advisers to the Company)**

Christian Pilkington, Will Stoner

Tel. +44 (0)20 7532 1000

Email [w&cprojectgreengage@whitecase.com](mailto:w&cprojectgreengage@whitecase.com)

**The Lock-Up Agent**

Ivan Šantek

Tel. +44 20 7704 0880

Email [waldorf@is.kroll.com](mailto:waldorf@is.kroll.com)

**Daiwa Corporate Advisory Limited**

Justin Holland, Brad Knudtson

Tel. [+44 \(0\) 20 7856 0999](tel:+442078560999)

Email [uk-projectwildcat@dcadvisory.com](mailto:uk-projectwildcat@dcadvisory.com)

**Milbank LLP**

Nick Dunstone, Ollie Winters

Tel. [+44 \(0\) 20 7615 3000](tel:+442076153000)

Email [ndunstone@milbank.com](mailto:ndunstone@milbank.com), [owinters@milbank.com](mailto:owinters@milbank.com)