

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

**To the bondholders in:**

**ISIN: NO 0013014571**

**Icebear Steenwijk B.V. EUR Senior Secured Bond Issue  
2023/2025**

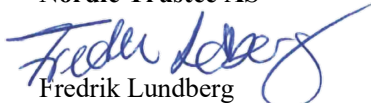
Oslo, 3 June 2025

**Event of Default and expected filing for bankruptcy**

The Issuer has informed the Bond Trustee that it intends to file for bankruptcy today. The Issuer has further made an announcement on its website, as seen in Attachment 1.

A court meeting is expected in a few days. The Bond Trustee will monitor the development and expect to initiate a dialogue with the bankruptcy administrator, once a bankruptcy is formally opened, with the aim to maximize recovery to the Bondholders.

Yours sincerely  
**Nordic Trustee AS**

  
Fredrik Lundberg

Attachment 1: Issuer's announcement on its website <https://icebear.eu>

It is with deep regret that I announce that Icebear is preparing to file for bankruptcy. Despite our recent efforts to secure additional investment, we were ultimately unsuccessful due to a range of market and other challenges.

Over the past 18 months, the team at Icebear has moved mountains to build a factory with near industry-leading efficiency in the production of pallet blocks from AB recycled wood. Along the way they have displayed a high level of innovation and problem solving, and often under significant pressure.

In recent years, Icebear has been subject of negative press coverage. It has been heartbreaking to keep read wildly inaccurate claims, repeated without regard for reality or damage caused. Tests show there is not a soil pollution issue that needs addressing, smell concerns have been resolved, and whilst there were dust issues upon factory start-up, these were promptly resolved in 2022 by incorporating a dedicated dust filter into the factory design. More recently there has been a lot of coverage of formaldehyde emissions, with blatant and egregious scare-mongering that has caused distress in the community - but without any justification. To repeat what we've explained many times, formaldehyde is a naturally occurring substance produced by all living organisms, and is therefore found in all environments where people live - including homes. But independent testing has consistently shown that formaldehyde in the area around our factory is at non-detectable levels. The fines related to highly technical "emission point tests" that look at total emission per m3 air produced, but these were based off testing procedures that are simply not sensitive enough to work at the ultra-low threshold levels set in the new laws (which lowered thresholds by 95%).

But despite the team's progress delivering a technologically advanced factory, and the obvious societal benefits of turning waste into usable products - there isn't a 'premium' for recycled-waste pallet blocks today. The market for pallet blocks took a big step-back in 2022 due to the Russian invasion of Ukraine, and the supply-demand imbalance continues to this day. In time we expect the price differential of virgin wood vs AB recycled wood to normalise, and for AB recycled pallet blocks to become profitable again. We are also aware of the need for Europe to move to a low-carbon, low-waste future, with aspirations reflected in the EU Packaging and Packaging Waste Regulation, which is to come into effect by 2030. We hope that the societal importance of this broader initiative will trickle down into support at local level, and that in time the factory will be able to restart in a way that allows it to meaningfully contribute to the circular economy.

But in the meantime, I can only ask for understanding – for the many hard-working and loyal employees and local-contractors who have been affected by the closure of Icebear.

Kind regards,  
Richard

Director, Icebear Steenwijk BV