

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

To the bondholders in:

ISIN NO0010846280 Hexagon Composites ASA FRN senior unsecured NOK
1,500,000,000 bonds 2019/2023

Oslo, 17 November 2020

NOTICE OF A WRITTEN RESOLUTION

Nordic Trustee AS acts as trustee (the "**Bond Trustee**") for the holders (the "**Bondholders**") of the bonds (the "**Bonds**") in the above mentioned bond issue with ISIN NO 0010846280 (the "**Bond Issue**") issued by Hexagon Composites ASA (the "**Issuer**").

All capitalized terms used herein and not otherwise defined have the meaning assigned to them in the bond terms for the Bond Issue (the "**Bond Terms**"), unless otherwise stated herein. References to clauses and paragraphs are references to clauses and paragraphs of the Bond Terms.

The Issuer has requested that the Bond Trustee issue this Notice of written resolution Clause 15.5 (*Written Resolution*) of the Bond Terms to consider approval of the Proposal (as defined below).

The information in this Notice regarding the Issuer, the described transactions and the Proposal set out in Section 2 below are provided by the Issuer, and the Bond Trustee expressly disclaims all liability whatsoever related to such information. Bondholders are encouraged to read this Notice in its entirety.

1 BACKGROUND

Background and rationale for the spin-off of Hexagon Purus

On 24 August 2020, the Issuer announced that its Board of Directors had initiated a process with the intention to spin off and list its e-mobility business, Hexagon Purus, as an independent entity (the "**Spin Off**"). In conjunction with the announcement of the Spin Off, the Issuer successfully completed an equity issue raising gross proceeds of approx. NOK 907m, of which approx. NOK 500 million is intended to fund the initial development phase of the e-mobility business, while the remaining approx. NOK 407 million is intended for general corporate purposes in the Issuer.

On 8 October 2020, the Issuer approached the Bondholders through a Written Resolution proposing to (a) ring-fence Hexagon Purus from the definition of the Hexagon Group and (b) permit a one-time non-cash distribution of up to 25% of the Issuer's shares in Hexagon Purus to existing shareholders of the Issuer. As announced by the Issuer on 15 October 2020, the Written Resolution failed to obtain the necessary support for the proposal to be adopted.

On 23 October 2020, the Issuer announced that the relevant agreements and other preparatory steps to secure the transfer of Hexagon Purus' Compressed Natural Gas Light-Duty Vehicle activities to the Issuer have been concluded and the Issuer aims to have the pure-play e-mobility Hexagon Purus shares admitted to trading on Merkur Market by year-

end 2020, subject to all necessary corporate resolutions being validly made by the Issuer and approval of the listing application by Oslo Børs.

The Issuer further announced its intention to raise growth capital in Hexagon Purus through a private placement (the "**Private Placement**") and distribute shares in Hexagon Purus to the Issuer's shareholders within the boundaries for permitted distributions currently set out in the Bond Terms.

However, as Hexagon Purus and its stakeholders would benefit from a larger free float of shares than what is achievable through the Private Placement and the one-time distribution of Hexagon Purus shares to the Issuer's shareholders (in accordance with the current Bond Terms), the Issuer has prepared an updated proposal to the Bondholders regarding certain amendments to the Bond Terms, as outlined below.

Overview of requested amendments to the Bond Terms

To enable the Spin Off to be structured in a manner that maximizes value to all stakeholders, the Issuer requests the Bondholders' consent for the following amendments to the Bond Terms:

- ring-fencing of Hexagon Purus from the definition of the Hexagon Group
- one-time waiver from the dividend restriction to enable the transfer of up to 15% of the Issuer's shares in Hexagon Purus to the shareholders of the Issuer in conjunction with the Spin Off

Subject to the Bondholders' approval of the amendments above, the Issuer undertakes to:

- maintain an ownership (directly or indirectly) in Hexagon Purus of at least 50%, however, provided that the Issuer would not be obligated to subscribe for any new shares in Hexagon Purus and that its ownership therefore could drop below 50% in connection with a dilution event
- pay an up-front amendment fee of 2.40 per cent

2 PROPOSAL

The Issuer proposes that the Bondholders approve the following amendments to the Bond Terms (the "**Proposal**"):

Amend the definition of "Group" as set out below:

"Group" means the Issuer and its Subsidiaries from time to time, however so that the term "Group" shall not include the Purus Group and the term "Subsidiary" shall not include any Subsidiary within the Purus Group.

Amend the definition of "Permitted Financial Support" as set out below:

"Permitted Financial Support" means:

- (a) any Financial Support made in relation to Permitted Financial Indebtedness or Permitted Security;
- (b) any Financial Support made by a member of the Group to another member of the Group;

- (c) any Financial Support made, granted or given by a member of the Group to any third party and/or to any member of the Purus Group in the ordinary course of business (including, without limitation, cash deposit or guarantees in support of rental agreements for premises);
- (d) the Purus Receivables; and
- (e) any Financial Support not falling within any of the preceding sub-paragraphs, and the aggregate outstanding principal amount of which does not exceed an aggregate amount being the higher of NOK 40,000,000 (or its equivalent in other currencies) or 10 per cent. of consolidated EBITDA of the Group at the time of which such Financial Support is granted.

Add the following new definitions:

"Hexagon Purus" means Hexagon Purus AS (company registration number 919 317 558) or any succeeding or replacement company being the top company of Purus Group.

"Purus Group" means Hexagon Purus and its Subsidiaries from time to time.

"Purus Receivables" means the receivables and/or loans made on or before the date of this Agreement from the Group to the Purus Group in an amount up to NOK 250,000,000 or the equivalent in any other currency.

Amend Clause 13.12 (*Distributions*) by adding a new paragraph (b) as set out below:

13.12 Distributions

- a) The Issuer may declare or make any dividend payment, repurchase of shares or other distributions to its shareholders including servicing or repaying Subordinated Loans (each a "Distribution") to the extent that the Distribution in any calendar year does not exceed 50 per cent. of the Issuer's consolidated net profit after taxes according to the Issuer's audited Annual Financial Statements for the previous year and where any unutilised portion of such net profit may not be carried forward, however always provided that no Event of Default is continuing or would result from a Distribution.
- b) Notwithstanding the above, the Issuer may at any time make one or more Distributions of up to an aggregate of fifteen per cent (15%) of the Issuer's shares in Hexagon Purus.

Add a new Clause 13.14 (*Ownership of Hexagon Purus*) as set out below:

13.14 Ownership of Hexagon Purus

The Issuer shall (directly or indirectly) own at least 50% of the shares in Hexagon Purus, unless its shareholding falls below such threshold due to dilution effects

caused by issue of new shares in Hexagon Purus as the Issuer shall not be obligated to subscribe for any new shares issued by Hexagon Purus.

The amendments set out in the Proposal shall become effective on the date an amendment and restatement agreement to the Bond Terms is entered into by the Bond Trustee and the Issuer and the Bond Trustee has received the customary conditions precedent in that regard (the "**Effective Date**").

3 EVALUATION OF THE PROPOSAL

3.1 Non-reliance

The Proposal is put forward to the Bondholders without further evaluation or recommendation from the Bond Trustee. Nothing herein shall constitute a recommendation to the Bondholders from the Bond Trustee. Each Bondholder should independently evaluate the Proposal and vote accordingly.

3.2 Amendment fee

Subject to the occurrence of the Effective Date, the Issuer offers the Bondholders a one-time amendment fee of 2.40 per cent. of the Nominal Amount of the respective Bondholders' holdings of Bonds (the "**Amendment Fee**").

The Amendment Fee will be payable to all persons who are registered as Bondholders in the Securities Depository (VPS) with record date being the earlier of (i) the date the Voting Period expires or (ii) the date when the Proposal is adopted by Bondholders representing at least a 2/3 majority of the total number of Voting Bonds. Payment of the Amendment Fee is subject to the Bondholders' Meeting accepting the Proposal. The payment of the Amendment Fee will be made on 9 December 2020.

Further information

The Issuer has retained Carnegie AS ("**Carnegie**") and Skandinaviska Enskilda Banken AB (publ) ("**SEB**") as financial advisors (the "**Advisors**"). Bondholders may contact the Advisors or the Issuer for further information:

Carnegie: Kristian Ottosen, +47 95 70 20 61, kristian.ottosen@carnegie.no

SEB: Frode Sævig, +47 99 64 06 80, frode.saevig@seb.no

The Advisors act solely for the Issuer and no-one else in connection with the Proposal. No due diligence investigations have been carried out by the Advisors with respect to the Issuer, and the Advisors expressly disclaim any and all liability whatsoever in connection with the Proposal (including but not limited to in respect of the information herein).

For further questions to the Bond Trustee, please contact Ellen Sjøiland at soiland@nordictrustee.com.

4 SUPPORT FROM THE BONDHOLDERS

The Issuer has informed the Bond Trustee that it has received support from Bondholders representing 2/3 of the Bonds to vote in favour of the proposal.

5 WRITTEN RESOLUTION

Bondholders are hereby provided with a voting request for a Bondholders' Resolution pursuant to clause 15.5 (*Written Resolutions*) of the Bond Terms. For the avoidance of doubt, no Bondholders' Meeting will be held.

It is proposed that the Bondholders resolve the following (the "**Proposed Resolution**"):

"The Bondholders approves the Proposal as described in section 2 (Proposal) of this Notice.

The Bond Trustee is hereby authorized and instructed to implement the Proposal and carry out other necessary work to implement the Proposal, including to prepare, negotiate, finalize and enter into all necessary agreements in connection with documenting the decisions made by way of this Written Resolution as well as carry out necessary completion work, including agreeing on necessary amendments to the Bond Terms and other Finance Documents."

* * * *

A Proposed Resolution will be passed if either: (a) Bondholders representing at least a 2/3 majority of the total number of Voting Bonds vote in favour of the relevant Proposed Resolution prior to the expiry of the Voting Period (as defined below); or (b) (i) a quorum representing at least 50% of the total number of Voting Bonds submits a timely response to the Notice and (ii) the votes cast in favour of the relevant Proposed Resolution represent at least a 2/3 majority of the Voting Bonds that timely responded to the Notice.

If no resolution is passed prior to the expiry of the Voting Period, the number of votes shall be calculated at the close of business on the last day of the Voting Period, and a decision will be made based on the quorum and majority requirements set out in clause 15.1 (Authority of the Bondholders' Meetings).

The effective date of a Written Resolution passed prior to the expiry of the Voting Period is the date when the resolution is approved by the last Bondholder that results in the necessary voting majority being achieved.

Voting Period: The Voting Period shall expire ten (10) Business Days after the date of this Notice, being on 2 December 2020 at 13:00 Oslo time. The Bond Trustee must have received all votes necessary in order for the Written Resolution to be passed with the requisite majority under the Bond Terms prior to the expiration of the Voting Period.

How to vote: A duly completed and signed Voting Form (attached hereto as Schedule 1), together with proof of ownership/holdings must be received by the Bond Trustee no later than at the end of the Voting Period and must be submitted by scanned e-mail to mail@nordictrustee.no.

If the above resolution is not adopted as proposed herein, the Bond Terms and other

Finance Documents will remain unchanged.

Yours sincerely

Nordic Trustee AS

A handwritten signature in blue ink, appearing to read "Ellen Spital", written in a cursive style.

Enclosed:

Schedule 1: Voting Form

SCHEDULE 1 – VOTING FORM**Written Bondholders' Resolution****ISIN NO 0010846280 Hexagon Composites ASA FRN senior unsecured NOK 1,500,000,000 bonds 2019/2023**

The undersigned holder or authorised person/entity, votes either in favour of or against the Proposed Resolution in the notice of a written resolution dated 17.11.2020

☐ **In favour** of the Proposal

☐ **Against** the Proposal

ISIN ISIN NO 0010846280	Amount of bonds owned
Custodian name	Account number at Custodian
Company	Day time telephone number
	E-mail:

Enclosed to this form is the complete printout from our custodian/VPS,¹ verifying our bondholding in the bond issue as of _____.

We acknowledge that Nordic Trustee AS in relation to the Written Resolution for verification purposes may obtain information regarding our holding of Bonds on the above stated account in the securities register VPS.

Place and date

Authorised signature

Return:

Nordic Trustee AS
P.O.Box 1470 Vik
N-0116 Oslo

Telefax: +47 22 87 94 10
Tel: +47 22 87 94 00
mailto: mail@nordictrustee.no

¹ If the bonds are held in custody other than in the VPS, an evidence provided from the custodian – confirming that (i) you are the owner of the Bonds, (ii) in which account number the Bonds are held, and (iii) the amount of Bonds owned.