

NOTICE TO A WRITTEN PROCEDURE

To the Bondholders of:

ISIN: FI4000306808 Zsar Oy (previously East Finland Real Estate Oy) up to EUR 10,500,000 Junior Secured Callable Bonds 2018/2022 (the “Bonds”)

NOTICE TO A WRITTEN PROCEDURE - REQUEST FOR CERTAIN APPROVALS IN RESPECT OF THE BONDS

This voting request for procedure in writing will be sent by regular mail on 26 March 2020 to Bondholders directly registered in the Book-Entry Securities System kept by Euroclear Finland Oy. This voting request has also been published on the website of the Agent (as defined below), in accordance with the terms and conditions of the Bonds (the “**Terms and Conditions**”). If you are an authorised nominee or if you otherwise are holding Bonds on behalf of someone else on a securities account, please forward this notice to the holder you represent as soon as possible. For further information, please see below under Section 4.3 (*Voting rights and authorisation*).

Nordic Trustee Oy (the “**Agent**”) acts for and on behalf of the Bondholders in accordance with the Terms and Conditions.

In its capacity as Agent, and as requested by Zsar Oy (previously East Finland Real Estate Oy) (the “**Issuer**”), the Agent hereby initiates a Written Procedure, whereby Bondholders can vote for or against the Issuer’s request for certain approvals.

All capitalised terms used herein and not otherwise defined in this notice (the “**Notice to a Written Procedure**”) shall have the meanings assigned thereto in the Terms and Conditions.

Bondholders participate by completing and sending the voting form, attached hereto as Schedule 1 (the “**Voting Form**”), and, if applicable, a power of attorney/authorisation, substantially in the form as attached hereto as Schedule 2 (the “**Power of Attorney**”), if the Bonds are held in custody other than Euroclear Finland Oy, to the Agent. Please contact the securities firm that holds your Bonds if you do not know how your Bonds are registered or if you need authorisation or other assistance to participate.

The Agent must receive the Voting Form no later than 13:00 (CET), 24 April 2020, by regular mail, via courier or e-mail to the addresses indicated below under Section 4.6. Votes received thereafter may be disregarded.

To be eligible to participate in the Written Procedure, a person must fulfil the formal criteria for being a Bondholder on 31 March 2020 (the “**Record Date**”). This means that the person must, on the Record Date, be registered on a book-entry account with Euroclear Finland Oy, being the CSD, as a direct registered owner or authorised nominee with respect to one or several Bonds.

The information in this Notice to a Written Procedure regarding the Issuer and market conditions is provided by the Issuer, and the Agent expressly disclaims any liability whatsoever related to such information.

BACKGROUND

The development of the Issuer's business has been slower than anticipated. Due to the lower than expected financial results, the Issuer has difficulties in adhering to the terms of the Bonds and the payment of the cash coupon. While the Issuer has taken steps to further improve its sales growth and to reduce its cost structure, the Issuer anticipates that a turnaround takes time to materialise.

In order to strengthen its balance sheet and improve its operational situation, the Issuer requests the approval of the Bondholders to convert the outstanding principal amount of the Bonds into shares in the Issuer (the "**Shares**") at the valuation of 5 eurocents per share (the "**Conversion**") and that any new equity into the Issuer in connection with the Conversion shall be made at the valuation of approximately 0.25 eurocents per share. For the avoidance of doubt, after the Conversion, the Bonds, the Transaction Security of the Bonds and the Intercreditor Agreement cease to exist.

In connection with the Conversion, the Bondholders are, in order to receive the Shares, obliged to adhere to the shareholders' agreement dated 11 December 2014 (as amended from time to time) regarding the Issuer by signing a Deed of Adherence. To the extent a Bondholder is not yet a shareholder, such Bondholder will be contacted by the Issuer in respect of the necessary practicalities.

Due to the above, the Issuer has requested the Agent to initiate a Written Procedure for obtaining the approval set out below in Clause 2 (*Approval Requests*).

If the Request set out below in Clause 2 (*Approval Requests*) is approved, the Bonds will be converted into the Shares and the Terms and Conditions will cease to exist as no original Bonds will longer exist. Therefore no accrued but unpaid interest on the Bonds will be paid to the Bondholders, but such interest will be converted into Shares in connection with the Conversion.

According to Clause 21(d) of the Terms and Conditions, when a consent from Bondholders representing the requisite majority of the total Adjusted Nominal Amount pursuant to Clause 19(e) of the Terms and Conditions has been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 19(e) of the Terms and Conditions, even if the time period for replies in the Written Procedure has not yet expired. In accordance with Clause 21(d) of the Terms and Conditions, the relevant decision shall be deemed to be adopted and, accordingly, the Written Procedure will be ended, as soon as Bondholders representing at least sixty-six and two thirds (66 2/3) per cent. of the Adjusted Nominal Amount have voted either for or against the Request, even if the time period for replies in the Written Procedure has not yet expired.

The Issuer has received irrevocable undertakings from Bondholders representing at least sixty-six and two thirds (66 2/3) per cent. of the Adjusted Nominal Amount approving the Request and hence the Issuer expects the Written Procedure to be approved and the Written Procedure to be ended prior to the time period for replies in the Written Procedure having expired.

To the extent a Bondholder has returned an irrevocable undertaking to the Issuer and in such irrevocable undertaking authorised a person to vote in the Written Procedure on its behalf, no action is required by the Bondholder.

APPROVAL REQUESTS

The Issuer hereby requests that the Bondholders grant the following approvals in respect of the Terms and Conditions (together the **Request**):

- (i) the Bondholders approve the Conversion; and
- (ii) the Bondholders authorise the Agent to take any and all actions on their behalf which may be required to execute the Conversion, including approving the final terms and conditions of documentation related to the Conversion, and signing any and all agreements deemed necessary by the Board for the completion of the Conversion.

If the Request is approved in the Written Procedure by Bondholders representing the requisite majority of the total Adjusted Nominal Amount, each Bondholder will be deemed to have approved the Request and authorised the Agent to take any action on its behalf deemed necessary for the execution of the Conversion.

3 NON-RELIANCE

The Request is presented to the Bondholders without evaluation, advice or recommendations from the Agent. The Agent has not reviewed or assessed this Notice to a Written Procedure or the Request (and their effects, should they be adopted) from a legal or commercial perspective of the Bondholders and the Agent expressly disclaims any liability whatsoever related to the content of this Notice to a Written Procedure or the Request (and their effects, should they be adopted). The Bondholders must independently evaluate whether the above Request (and its effects) is acceptable or not.

4 THE WRITTEN PROCEDURE

The following instructions need to be adhered to under the Written Procedure.

4.1 Final date to participate in the written procedure

The Agent must have received the votes by mail, courier or e-mail to the address indicated below no later than 13:00 (CET), 24 April 2020. Votes received thereafter may be disregarded.

In accordance with Clause 21(d) of the Terms and Conditions, and notwithstanding the voting deadline set out above, the relevant decision shall be adopted and the Written Procedure will be ended as soon as Bondholders representing least sixty-six and two thirds ($66 \frac{2}{3}$) per cent. of the Adjusted Nominal Amount have voted either for or against the Request, even if the time period for replies in the Written Procedure has not yet expired.

4.2 Decision procedure

The Agent will, in accordance with this Notice to a Written Procedure, determine if received replies are eligible to participate under the Written Procedure as valid votes.

When a requisite majority of consents of the total Adjusted Nominal Amount have been received by the Agent, the Request shall be deemed to be adopted, even if the time period for replies in the Written Procedure, as set out above in Clause 4.1, has not yet expired.

Information about the decision taken under the Written Procedure will:

- (i) be sent by notice to the Bondholders by the Agent, in accordance with Clause 22(c) of the Terms and Conditions; and
- (ii) be published on the website of the Agent.

The minutes from the Written Procedure shall at the request of a Bondholder be sent to it by the Issuer or the Agent, as applicable. A matter decided under the Written Procedure will be binding for all Bondholders, irrespective of whether or not they have responded in the Written Procedure.

4.3 Voting rights and authorisation

Anyone who wishes to participate in the Written Procedure must on the Record Date 31 March 2020:

- (i) be registered as a direct registered Bondholder in the register maintained by the CSD pursuant to paragraph 2 of Section 3 of Chapter 6 of the Book-Entry System Act as direct registered owner (Fin: *omistaja*); or
- (ii) be registered as authorised nominee (Fin: *hallintarekisteröinnin hoitaja*) with respect to one or several Bonds.

If you are not registered as a direct registered Bondholder, but your Bonds are held through a registered authorised nominee or another intermediary, you may have two different options to influence the voting for the Bonds.

- (i) You can ask the authorised nominee or other intermediary that holds the Bonds on your behalf to vote in its own name as instructed by you.
- (ii) You can obtain a Power of Attorney (in the form of Schedule 2) from the authorised nominee or other intermediary and send in your own Voting Form based on the authorisation received in the Power of Attorney. If you hold your Bonds through several intermediaries, you need to obtain authorisation directly from the intermediary that is, on the Record Date, registered in the Book-Entry Securities System as Bondholder of the book-entry account, or from each intermediary in the chain of Bondholders, starting with the intermediary that is registered in the Book-Entry Securities System as a Bondholder of the book-entry account as authorised nominee or direct registered owner.

Whether one or both of these options (i) or (ii) are available to you depends on the agreement between you and the authorised nominee or other intermediary that holds the Bonds on your behalf (and the agreement between the intermediaries, if there are more than one).

The Agent recommends that you contact the securities firm that holds the Bonds on your behalf for assistance, if you wish to participate in the Written Procedure and do not know how your Bonds are registered or need authorisation or other assistance to participate in the Written Procedure. Bonds owned by the Issuer, another Group Company or an Affiliate of the Issuer do not entitle to any voting rights.

4.4 Quorum

In order to form a quorum for this Written Procedure, Bondholders representing at least fifty (50) per cent. of the Adjusted Nominal Amount must reply to the Request under the Written Procedure.

If a quorum does not exist, the Agent shall pursuant to Clause 19(h) of the Terms and Conditions initiate a second Written Procedure, provided that the relevant proposal has not been withdrawn by the Issuer. No quorum requirement will apply to such second Written Procedure.

4.5 Majority

To approve the Request, Bondholders representing at least sixty-six and two thirds ($66 \frac{2}{3}$) per cent. of the Adjusted Nominal Amount for which Bondholders reply in the Written Procedure must consent to the Request.

The relevant decision shall be deemed to be adopted and, accordingly, the Written Procedure will be ended, as soon as Bondholders representing at least sixty-six and two thirds ($66 \frac{2}{3}$) per cent. of the Adjusted Nominal Amount have

voted either for or against the Request, even if the time period for replies in the Written Procedure has not yet expired.

4.6 Address for sending replies

Return the Voting Form, Schedule 1, and, if applicable, the Power of Attorney/Authorisation in the form set out in Schedule 2, if the Bonds are held in custody other than Euroclear Finland Oy, by regular mail, scanned copy by e-mail, or by courier to:

(a) By e-mail:

E-mail: finland@nordictrustee.com

By regular mail:

Nordic Trustee Oy

Aleksanterinkatu 44, FI-00100 Helsinki

Finland

5 FURTHER INFORMATION

For further questions relating to the technical process of the Written Procedure, please contact the Agent at livman@nordictrustee.com or mobile +358 50 574 8556.

Helsinki 26 March 2020

Nordic Trustee Oy

As Agent

SCHEDULES:

Schedule 1

Voting Form

Schedule 2

Power of Attorney/Authorisation

SCHEDULE 1

VOTING FORM

For the Written Procedure, pursuant to the Notice to a Written Procedure dated 26 March 2020, in Zsar Oy (previously East Finland Real Estate Oy) up to EUR 10,500,000 Junior Secured Callable Bonds 2018/2022, ISIN: FI4000306808

The undersigned Bondholder or authorised person/entity (the “**Voting Person**”), votes either For or Against the Request by marking the applicable box below.

NOTE: If the Voting Person is not registered as Bondholder (as defined in the Terms and Conditions), the Voting Person must enclose a Power of Attorney/Authorisation, see Schedule 2.

For the Request

Against the Request

Name of the Voting Person:

Capacity of the Voting Person:

Bondholder¹: Authorised person²:

Voting Person’s reg.no/id.no
and country of incorporation/domicile:

Book-entry account number at Euroclear Finland Oy:
(if applicable)

Name and book-entry number of custodian(s):
(if applicable)

Nominal Amount voted for (in EUR):

Each Voting Person, whether voting for or against the Request or at all, shall provide the information requested below regarding the subscription of the Shares. Should the Bondholders accept the Request, the Shares will be registered for the account of the information provided below.

Name of Holder _____	Personal / Company ID _____
Custody account number / Book-entry account number _____	

Day time telephone number, e-mail address and contact person:

Authorised signature and Name³

Place, date

¹ When voting in this capacity, no further evidence is required.

² When voting in this capacity, the person/entity voting must also enclose Power of Attorney/Authorisation (in the form set out Schedule 2) from the Bondholder or other proof of authorisation showing the number of votes held on the Record Date.

³ If the undersigned is not a Bondholder according to the Terms and Condition and has marked the box "authorised person", the undersigned - by signing this document - confirms that the Bondholder has been instructed to refrain from voting for the number of votes cast with this Voting Form.

SCHEDULE 2

POWER OF ATTORNEY/AUTHORISATION

For the Written Procedure, pursuant to the Notice to a Written Procedure dated 26 March 2020, in Zsar Oy (previously East Finland Real Estate Oy) up to EUR 10,500,000 Junior Secured Callable Bonds 2018/2022, ISIN: FI4000306808.

NOTE: This Power of Attorney/Authorisation document shall be filled out if the Voting Person is not registered as Bondholder in the Book-Entry Securities System. A coherent chain of power of attorneys must always be established and derived from the Bondholder. I.e. if the person/entity filling out this Power of Attorney/Authorisation in its capacity as “other intermediary”, the person/entity must enclose its Power of Attorney/Authorisation from the Bondholder.

Name of person/entity that is given authorisation to vote and fill in the information related to the subscription of the Shares as per the Record Date:

Nominal Amount (in EUR) the person/entity is authorised to vote for as per the Record Date:

Name of Holder or other intermediary giving the authorisation:

We hereby confirm that the person/entity specified above has the right to vote for the Nominal Amount set out above.

We represent an aggregate Nominal Amount of EUR_____

We are:

Registered as Bondholder on the Securities Account

Other intermediary and holds the Bonds through (specify below):

Place, date:_____

Name:

Authorised signatory of Bondholder/other intermediary