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**To the bondholders in:**

**ISIN NO 001 060502.5      Havila Shipping ASA Senior Secured Callable Bond Issue**  
**ISIN NO 001 060503.3      2011/2017 ("HAVI06/07")**

Oslo, 28 February 2017

**Information to Bondholders regarding completion of Refinancing**

Nordic Trustee ASA (the "**Bond Trustee**") acts as trustee for the bondholders (the "**Bondholders**") in the above mentioned senior secured bond issue (the "**Bonds**" or the "**Bond Issue**") issued by Havila Shipping ASA as issuer (the "**Company**" or the "**Issuer**").

Reference is made to the summons letter dated 29 November 2016 (the "**Summons**"), which were approved at Bondholders' Meetings on 13 December 2016. Capitalised terms used, but not defined herein shall have the meaning set forth in the Summons (including the Restructuring Term Sheet attached to the Summons).

**1 EXPECTED TIMELINE OF THE RESTRUCTURING**

As announced by the Issuer on 28 February 2017, all relevant stakeholders have approved the Restructuring Term Sheet and the Issuer will proceed with implementation and completion of the Restructuring Term Sheet (the "**Restructuring**") under the following expected timeline, subject to change:

| <b>Date</b>      | <b>Action</b>  |
|------------------|--|
| 24 February 2017 | Last day of trading of the Bonds   |
| 28 February 2017 | Restructuring Implementation Date  |
| 28 February 2017 | Record Date for the settlement of accrued interest related to the Secured Bonds                                  |
| 2 March 2017     | Settlement of accrued interest related to the Secured Bonds against settlement in new Bonds, cash and new Shares |
| 2 March 2017     | Merger of HAVI06 and HAVI07, see section 5 below   |

All accrued interest until the Restructuring Implementation Date related to the Bonds will be settled as part of the Restructuring. For the avoidance of doubt no default interest or penalty shall be calculated and paid.

The new shares issued as part of the Restructuring will be issued as ordinary Shares with ISIN NO0010257728. The new shares will be listed on Oslo Børs upon delivery.

The distributions will be subject to rounding by VPS. No fractional additional Bonds or new Shares will be distributed to individual Bondholders. Face Value of the additional Bonds is NOK 1.

The last day of trading of the Bonds and Coupon Claims was 24 February 2017 to facilitate for completion of standard T+2 settlement prior to the Record Date.

For the avoidance of doubt, settlement on the Bonds as further set out in this notice is subject to completion of the Restructuring.

## **2 COUPON CLAIMS**

The Issuer announced on 17 February 2016 that they would not pay its financial creditors, including the scheduled interest payments and amortizations on the Bonds. Separate coupon claims have since then been established in relation to the scheduled Interest Payment Dates, and registered in the Norwegian Central Securities Depository (VPS) as separate coupon claims ("Coupon Claims"). The new bonds, shares, cash and warrants (as applicable) delivered to each Bond Issue will be allocated pro rata to the holders of the principal claim ("Principal Claims") and Coupon Claims (both including relevant accrued interest). Allocations shall be made to the registered holders of Principal Claims and Coupon Claims in VPS on the record date (Restructuring Implementation Date) with settlement two Business Days thereafter.

The Coupon Claims can be traded independent of the principal claim in VPS. However, the Coupon Claims do not have an ISIN and cannot be traded within the ordinary settlement system. Settlement of trades of the Principal Claims in VPS will by default not include the Coupon Claims unless it is manually transferred account-to-account. Any disputes with respect to the future distributions to the Coupon Claims need to be settled between the parties of the transaction assisted by the broker of the transaction. Particular care needs to be taken with respect to the Coupon Claims when trading the Bonds in the period prior to the Restructuring Implementation Date.

## **3 DISTRIBUTIONS RELATED TO HAVI 06**

All accrued interest until the Restructuring Implementation Date related to the HAVI06 Bonds will be settled as follows:

- New HAVI06 Bonds: NOK 2,596,125
- New Shares: 52,717,134
- Cash payment: NOK 8,296,312.50

The distribution will be made, to the holders of the respective claims as of the Record Date, as follows:

- Accrued interest on the Bonds: 14.417%
- Coupon Claim related to 30 March 2016 coupon: 22.480%
- Coupon Claim related to 30 June 2016 coupon: 21.741%
- Coupon Claim related to 30 September 2016 coupon: 21.026%
- Coupon Claim related to 30 December 2016 coupon: 20.335%

For illustrative purposes, a Bondholder holding NOK 1,000,000 face value in HAVI06 Bonds and related Coupon Claims will receive the following (subject to rounding by VPS):

- New HAVI06 Bonds: NOK 10,988.89
- New Shares: 223,141.31
- Cash payment: NOK 35,116.67

The HAVI06 Bonds and the new HAVI06 Bonds will be interest bearing from and including the Restructuring Implementation Date.

#### **4 DISTRIBUTIONS RELATED TO HAVI 07**

All accrued interest until the Restructuring Implementation Date related to the HAVI07 Bonds will be settled as follows:

- New HAVI07 Bonds: NOK 1,798,650
- New Shares: 34,538,304
- Cash payment: NOK 5,561,718.75

The distribution will be made, to the holders of the respective claims as of the Record Date, as follows:

- Accrued interest on the Bonds: 15.765%
- Coupon Claim related to 30 March 2016 coupon: 22.240%
- Coupon Claim related to 30 June 2016 coupon: 21.129%
- Coupon Claim related to 30 September 2016 coupon: 20.687%
- Coupon Claim related to 30 December 2016 coupon: 20.179%

For illustrative purposes, a Bondholder holding NOK 1,000,000 face value in HAVI07 Bonds and related Coupon Claims will receive the following (subject to rounding by VPS):

- New HAVI07 Bonds: NOK 7,613.33
- New Shares: 146,193.88
- Cash payment: NOK 23,541.67

The HAVI07 Bonds and the new HAVI07 Bonds will be interest bearing from and including the Restructuring Implementation Date.

#### **5 MERGER OF HAVI06 AND HAVI07**

With effect from the Restructuring Implementation Date, HAVI06 and HAVI07 will be two identical tranches of the Subsea Bonds. In line with the Restructuring Term Sheet HAVI06 and HAVI07, will be merged to one tranche, and technically this will be implemented by conversion of HAVI06 Bonds to HAVI07 Bonds so that the FRN Tranche (NO001 060503.3) will be the surviving tranche. The merger will be implemented by the Paying Agent on or about 2 March 2017.

#### **6 AMENDMENTS OF BOND AGREEMENTS**

On the Restructuring Implementation Date, the Bond Agreements will also be amended as described in the Restructuring Term Sheet. The Amendment Agreements will be made available on Stamdata ([www.stamdata.com](http://www.stamdata.com)).

#### **7 FURTHER INFORMATION**

The Issuer has engaged Swedbank Norway and Fearnley Securities as the Issuer's financial advisors. Accordingly, Bondholders may contact Swedbank Norway at + 47 23 11 62 60 or Fearnley Securities at + 47 22 93 63 77 for further information.

For further questions to the Bond Trustee, please contact Lars Erik Lærum at [mail@nordictrustee.com](mailto:mail@nordictrustee.com) or +47 22 87 94 00.

Bondholders may also contact the legal advisors of the Bond Trustee in Advokatfirmaet BA-HR DA.  
Please contact Peter Bugge Hjorth at pch@bahr.no or +47 22 01 66 55.

Yours sincerely

**Nordic Trustee ASA**



Lars Erik Lærum