

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

To the bondholders in:

ISIN NO 001 0638158 - FRN Viking Supply Ships A/S Senior Unsecured Open Bond Issue
2012/2017

Oslo, 22 March 2016

Summons to Bondholders' Meeting

Nordic Trustee ASA ("Bond Trustee") acts as trustee for the holders of bonds (the "Bondholders") in the above mentioned bond issue with ISIN NO 001 0638158 (the "Bonds" or the "Bond Issue") issued by Viking Supply Ships A/S as issuer (the "Issuer" or the "Company"). The Issuer and its subsidiaries are together referred to as the "Group".

The information in this summons regarding the Issuer and market conditions are provided by the Issuer, and the Bond Trustee expressly disclaims all liability whatsoever related to such information.

1. BACKGROUND

1.1 Introduction

Reference is made to the Company's Q4 Report 2015. The Group has been adversely impacted by the severe industry downturn, where the continuing and significant decline in the oil price has caused depressed levels of spending, and a reduction in demand for the Group's services, lower vessel rates and less favorable payment terms. As a result, the Company's liquidity position is strained and in the current market the earnings potential does not match the financing obligations, including the amortization schedule. Furthermore, despite a positive operating result, the Company is unable to fulfill existing covenant undertakings in its loan agreements.

The Company has entered into a standstill agreement with the Group's senior secured lenders (the "Senior Secured Lenders") running up to and including 20 March 2016. The Group has agreed with the Senior Secured Lenders to extend the standstill agreement and is working with them to agree on a long term solution. The Group has further initiated discussions with the Bond Trustee and a committee of Bondholders has been formed who together hold in excess of 50 % of the Voting Bonds (the "Committee").

In order to secure a long term solution for the benefit of all stakeholders, the Group needs time to negotiate and implement a restructuring plan. On this basis, the Issuer asks the Bondholders to consent to a standstill up to and including 13 April 2016. The request is subject to continued servicing of interest in the standstill period (i.e. the coupon due on 21 March 2016),

which will be payable partly in cash and partly in the form of additional Bonds. The cash element represents the average of the prevailing interest rate payable to the Senior Secured Lenders and is calculated for the current coupon period in full. Further details of the Proposal is defined and set out below.

In accordance with Clause 16.2 of the Bond Agreement, the Issuer has approached the Bond Trustee to convene a Bondholders' Meeting in order to approve the Proposal. The Committee has given its pre-approval to the Proposal.

Pending the Bondholders' approval of the Proposal, the Bond Trustee has provided the following standstill undertaking:

STANDSTILL UNDERTAKING BY THE BOND TRUSTEE PENDING BONDHOLDERS' DECISION:

The next interest payment under the Bond Agreement falls due on 21 March 2016. Unless instructed otherwise by the Bondholders, the Bond Trustee undertakes not to declare an Event of Default due to non-payment of such amounts due on 21 March 2016 during the period until the Proposal has been resolved upon by the Bondholders' Meeting on 8 April 2016.

2. THE PROPOSAL

Based on the above, the Issuer hereby proposes that the Bondholders adopt the following proposal (the "Proposal"):

- a. The Bondholders undertake until and including 13 April 2016 (the "Standstill Period") to standstill with respect to claims under the Bond Agreement and/or the other Finance Documents against the Issuer or any other member of the Group which have fallen due prior to or may fall due during the Standstill Period, and in particular without limitation undertake not to:
 - i. make demand for, accelerate the due date for or declare prematurely payable or payable on demand any amount due and payable under any of the Finance Documents;
 - ii. initiate or continue collection procedures (including insolvency proceedings) for monies owed by Issuer or any other member of the Group under any of the Finance Documents;
 - iii. commence, join in or consent to the commencement of any action or proceeding against any of the Issuer or any other member of the Group or their respective properties under the relevant bankruptcy code or any state or foreign insolvency law or regulation or any proceedings for liquidation, dissolution or other winding up of any of the Issuer's or any other member of the Group's business, or the appointment of any trustee, receiver or liquidator for any of the Issuer or any other member of the Group or any part of their respective properties, or any assignment for the benefit of creditors, or any marshalling of assets of

any of the Issuer or any other member of the Group; or

iv. pursue any other remedies under the Finance Documents.

b. The standstill obligations in item a) above is conditional upon a standstill remaining in force with the Senior Secured Lenders (on principally the same terms as set out in item a) above) until the end of the Standstill Period.

c. The coupon on the Bonds payable on 21 March 2016 shall be payable partly in cash and partly in the form of additional Bonds, as follows:

- i. NOK 3,603,704.10 representing a coupon of 3.70% (plus two days' default interest) shall be payable in cash on 23 March 2016 (the "Cash Interest Payment");
- ii. The balance between the Cash Interest Payment and the coupon payable under the Bond Agreement (NOK 5,566,672.22 representing a coupon of 5.72%) shall be payable in the form of additional Bonds to be issued as soon as practicable following the date of the Bondholders meeting; and
- iii. Coupons due after 21 March 2016 will be calculated on the adjusted number of Bonds from and including 21 March 2016.

d. The Proposal shall become effective immediately upon resolution by the Bondholders' Meeting. The Bondholders authorise and instruct the Bond Trustee (in consultation with its advisers and, if necessary, the Committee) to agree any documentation that is necessary to document and implement the Proposal (if any), provided always that any such documentation shall reflect that the Proposal is effective from the Bondholders' Meeting.

3. FURTHER INFORMATION

For more detailed information about the Issuer or the Proposal, please see www.vikingsupply.com or contact:

Ulrik Hegelund
CFO
Viking Supply Ships
Cell: +45 41 77 83 97

4. EVALUATION OF THE PROPOSAL

4.1 The Issuer's evaluation

In the Issuer's opinion, the Proposal represents the best alternative for the Bondholders given the current circumstances. It will allow the Issuer time and financial flexibility to pursue its strategy to the benefit of all stakeholders, including the Bondholders.

4.2 Non-reliance

The Proposal is put forward to the Bondholders without further evaluation or recommendations from the Bond Trustee and nothing herein shall constitute a recommendation to the Bondholders by the Bond Trustee. The Bondholders must independently evaluate the Proposal and vote accordingly.

4.3 Support

The Issuer has informed the Bond Trustee that the Proposal is supported by the Committee and that it has received pre-acceptances for the Proposal.

5. BONDHOLDERS' MEETING

Bondholders are hereby summoned to a joint Bondholders' Meeting for the Bond Issue.

Time: **8 April 2016 at 13:00 hours (Oslo time),**
Place: **The premises of Nordic Trustee ASA,**
Haakon VIIIs gt 1, 0161 Oslo - 6th floor

Agenda:

1. Approval of the summons.
2. Approval of the agenda.
3. Election of two persons to co-sign the minutes together with the chairman.
4. Request for adoption of proposal:

It is proposed that the Bondholders' Meeting resolve the following:

"The Bondholders' Meeting hereby adopts the resolution set out in the Proposal as described in section 2 of the summons to this Bondholders' Meeting."

To approve the above resolution, Bondholders representing at least 2/3 of the Voting Bonds (as defined in the Bond Agreement) represented in person or by proxy at the meeting must vote in favour of the resolution. In order to have a quorum, at least half of the Voting Bonds must be represented at the meeting. If the proposal is not adopted, the Bond Agreement will remain unchanged.

Please find attached a Bondholder's Form from the Securities Depository (VPS), indicating your bondholding at the printing date. The Bondholder's Form will serve as proof of ownership of the Bonds and of the voting rights at the bondholders' meeting. (If the bonds are held in custody - i.e. the owner is not registered directly in the VPS - the custodian must confirm; (i) the owner of the bonds, (ii) the aggregate nominal amount of the bonds and (iii) the account number in VPS on which the bonds are registered.)

The individual bondholder may authorise the Nordic Trustee to vote on its behalf, in which case the Bondholder's Form also serves as a proxy. A duly signed Bondholder's Form, authorising Nordic Trustee to vote, must then be returned to Nordic Trustee in due time before the meeting is scheduled (by scanned e-mail, telefax or post – please see the first page of this letter for further details).

At the Bondholders' Meeting votes may be cast based on bonds held at close of business on the day prior to the date of the Bondholders' Meeting. In the event that Bonds have been transferred to a new owner after the Bondholder's Form was made, the new Bondholder must bring to the Bondholders' Meeting or enclose with the proxy, as the case may be, evidence which the Bond Trustee accepts as sufficient proof of the ownership of the Bonds.

For practical purposes, we request those who intend to attend the bondholders' meeting, either in person or by proxy other than to Nordic Trustee, to notify Nordic Trustee by telephone or by e-mail (mail@nordictrustee.com) within 16:00 hours (4 pm) (Oslo time) the Banking Day before the meeting takes place.

Yours sincerely
Nordic Trustee ASA



Olav Slagsvold

Enclosed: Bondholders' form