Viking Supply Ships AB announces restructuring agreement

Press release

With reference to previous communication related to the ongoing financial restructuring of Viking Supply Ships A/S (VSS A/S): The company has now reached an agreement with the committee representing a majority of the outstanding bonds. Subject to approval of the proposal at a bondholders meeting, this finalizes the total financial restructuring of VSS A/S.

Furthermore, the senior lenders are all positive to the agreement, subject to final approval from credit committees.

The agreement will provide the company with a stable financial platform till 2020. The restructuring will allow the company to increase focus on optimizing its operations and take full advantage of future commercial opportunities within the company's core business areas.

The Agreement includes the following key terms:

- VSS A/S' bank facilities of MUSD 215 are extended until 31 March 2020.
- Restructuring of certain charter party arrangements.
- 50% of the outstanding face value of bonds will be converted to quoted class B shares in VSS A/S' parent company, Viking Supply Ships AB (VSS AB), at SEK 1.5 per share, the bonds being valued at 55% of par.
- The remaining 50% of the outstanding bonds will be redeemed in cash at a price corresponding to 35% of par.
- The interest-bearing debt in VSS AB is reduced by approximately MUSD 50, of which reduction in VSS A/S accounts for approximately MUSD 43.
- VSS AB will complete an equity issue of minimum MUSD 25.2, of which the majority shareholder Kistefos AS will subscribe it's pro-rata share. In addition, equity of MUSD 6.6 will be issued in exchange for said bonds.

VSS will within short convene a bondholders' meeting for bondholders in ISIN NO 001 0638158 - FRN Viking Supply Ships A/S Senior Unsecured Open Bond Issue 2012/2017 to propose the amendments to the bond agreement.

Swedbank Corporate Finance is financial advisor to the company.

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Viking Supply Ships AB (publ) is a Swedish company with headquarter in Gothenburg, Sweden. Viking Supply Ships A/S is a subsidiary of Viking Supply Ships AB (publ). In addition Viking Supply Ships AB (publ) has the subsidiary TransAtlantic AB. The operations are focused on offshore and icebreaking primarily in Arctic and subarctic areas as well as on Shipping services mainly between the Baltic Sea and the Continent. The company has in total about 500 employees and the turnover in 2015 was MSEK 1,977. The company's B-shares are listed on the NASDAQ Stockholm, Small Cap segment. For further information, please visit: www.vikingsupply.com