

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

To the bondholders in:

ISIN: NO0010713274 - Havyard Group ASA 14/20 - Senior Unsecured Bond Loan

Oslo, 27 November 2020

SUMMONS TO BONDHOLDERS' MEETING

1 INTRODUCTION

Nordic Trustee AS (the "**Bond Trustee**") is appointed as bond trustee for the bond issue with ISIN NO 0010713274 (the "**Bonds**") issued by Havyard Group ASA ("**Havyard**" or the "**Issuer**") pursuant to the terms of the bond agreement dated 11 June 2014 with respect to the Bonds, as amended by an Amendment Agreement No. 1 dated 30 June 2016, an Amendment Agreement No. 2 dated 30 March 2017, an Amendment Agreement No. 3 dated 27 December 2018, an Amendment Agreement No. 4 dated 29 November 2019, an Amendment No. 5 dated 30 March 2020, an Amendment No. 6 dated 16 June 2020 and an Amendment No. 7 dated 11 September 2020 (together the "**Bond Agreement**") between Havyard as the bond issuer and the Bond Trustee (on behalf of itself and the holders from time to time of the Bonds (the "**Bondholders**").

Capitalised terms used herein and not defined herein shall have the meaning assigned to such terms in the Bond Agreement.

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.

2 BACKGROUND

The Issuer has approached the Bondholders to discuss and approve certain amendments to the Bond Agreement.

Reference is made to the Summons to Bondholders' Meeting dated 28 August 2020 and subsequent Bondholders' Meeting held the 11 September 2020 which approved waivers of certain covenants and a deferral of the Maturity Date to 14 December 2020.

Since the previous Bondholders' Meeting, a strategic review of the future strategy of the group has been carried out. On 5 November 2020, the Issuer announced a strategy to refocus the yard activities into a repair and service yard and reduce the number of employees. This is due to the prevailing market conditions for new buildings and that opportunities for construction financing will be challenging in the time ahead.

On 19 November 2020, the Issuer announced the formation of a new 100 % owned subsidiary to be named Havyard Hydrogen AS, to commercialize the competence and R&D that for several years has been carried out within Havyard Group related to hydrogen propulsion of large vessels.

On 26 November 2020, the Issuer announced plans as part of the process to strengthen the financial position of the Company and to unlock values in the group, that the Company is considering to spin-off its ownership in Havyard Design & Solutions AS, Norwegian Electric Systems AS, Norwegian Greentech AS and Havyard Hydrogen AS in a separate maritime clean-tech company ("**NewCo**") to be listed on Euronext Growth.

The Issuer see significant market opportunities for these businesses going forward and believe a stand-alone and focused company as NewCo will be well positioned to take a leading position in the maritime green shift.

The Issuer is in discussions with its secured lenders to facilitate such a spin-off and has received approval in principle for the proposed re-organization of the business. It is envisaged that completion of such a re-organization, if finally decided and approved by the stakeholders, will be in Q1'2021. Havyard Group ASA will retain a majority ownership stake in NewCo.

The Issuer is proposing a further extension of the Maturity Date of the Bonds for 3 months to allow time to implement the envisaged spin-off to NewCo, which is expected to facilitate a refinancing of the Bonds. The Issuer is proposing that payment of interest for the period 15 December 2020 - 14 March 2021 will be pre-paid as soon as practically possible following a positive vote at the Bondholders' Meeting, but under such conditions no later than 17 December 2021. In addition, Bondholders will receive an amendment fee of 1.0%.

The implementation of the Proposal below shall be conditional upon reaching a similar agreement with DNB as lender under a NOK 55 million loan to the Issuer (the "**DNB Loan**") for the deferral of an instalment of NOK 15 million that was originally due in January 2020 and previously deferred to 14 December 2020. The Issuer is in good dialog with DNB concerning the matter and expect to have the support of the bank as requested within the scheduled Bondholders' Meeting.

3 PROPOSAL

Pursuant to information as set out in Section 2 (Background), the Issuer proposes that the Bondholders adopt the following proposal (the "**Proposal**"):

The Bondholders approve that:

1. The Maturity Date of the Bonds is amended from 14 December 2020 to 14 March 2021. Any adjustment will be made according to the Business Day Convention.
2. The amendment of the Maturity Date as set out under item 1 in the Proposal, shall not be considered as a default of the Bond Agreement.
3. Interest for the period 14 December 2020 - 14 March 2021 will be pre-paid as soon as practically possible following a positive vote at the Bondholders' Meeting, but under such conditions no later than 17 December 2020.
4. Bondholders to receive an amendment fee of 1.0% of the Nominal Amount of the Outstanding Bonds (to be shared among the Bondholders on a pro rata basis).
5. All and any financial covenants as set out in the Bond Agreement are suspended until 14 March 2021.

6. The cross-default provision as set out in Clause 15.1 (c) of the Bond Agreement is waived in respect of Havyard Ship Technology AS and New Havyard Ship Technology AS until 14 March 2021.

4 FURTHER INFORMATION

The Issuer has engaged Fearnley Securities AS the Issuer's financial advisor (the "**Advisor**") with respect to the Proposal. Accordingly, Bondholders may contact the Advisor or the Issuer using the details set out below for further information.

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

For more detailed information, please contact:

The Issuer

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This summons is for information purposes only and is neither an offer to sell nor a solicitation of an offer to buy any security. No recommendation is being made as to whether holders of the Bonds should consent to the Proposal. The solicitation of consents is not being made in any jurisdiction in which, or to or from any person to or from whom, it is unlawful to make such solicitation under applicable securities or "blue sky" laws.

5 BONDHOLDERS' MEETING

Bondholders are hereby summoned to a Bondholders' Meeting:

Time: 11 December 2020 at 13:00 hours (Oslo time),
Place: The premises of Nordic Trustee AS,
Kronprinsesse Märthas plass 1, 0160 Oslo, 7th 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 approves the Proposal as described in section 3 of the summons to this Bondholders' Meeting.

The Bond Trustee is hereby authorized to take the relevant steps on behalf of the Bondholders in connection with the implementation of the Proposal, including without limitation to prepare, finalize and enter into the necessary amendment agreements and other documentation deemed appropriate and take such further actions which are necessary to execute the Proposal."

To approve the above resolution, Bondholders representing at least 2/3 of the Bonds represented in person or by proxy at the Bondholders' Meeting must vote in favour of the resolution. In order to have a quorum, at least 50% of the Voting Bonds must be represented at the Bondholders' 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 to mail@nordictrustee.com, +47 22 87 94 10, or Nordic Trustee AS, PO Box 1470 Vika, 0116 Oslo, Norway).

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 within 16:00 hours (4 pm) (Oslo time) the Business Day before the meeting takes place.

Yours sincerely

Nordic Trustee AS



Lars Erik Lærum

Enclosed: Bondholder's Form