

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

**To the bondholders in:**

ISIN NO 001 063572.5	FRN Prosafe SE Senior Unsecured Bond Issue 2012/2017 ("PRS08")
ISIN NO 001 066963.3	FRN Prosafe SE Senior Unsecured Bond Issue 2013/2020 ("PRS09")
ISIN NO 001 069189.2	FRN Prosafe SE Senior Unsecured Bond Issue 2013/2018 ("PRS10")
ISIN NO 001 071747.3	FRN Prosafe SE Senior Unsecured Bond Issue 2014/2019 ("PRS11")

Oslo, 7 July 2016

**Information to Bondholders**

Nordic Trustee ASA (the "**Bond Trustee**") acts as trustee for the bondholders (the "**Bondholders**") in the above mentioned senior unsecured bond issues (the "**Bonds**" or the "**Bond Issues**") issued by Prosafe SE as issuer (the "**Company**" or the "**Issuer**").

Reference is made to the attached Issuer's OSE releases of 7 July 2016, in which the Issuer announced respectively (i) a comprehensive refinancing plan (the "**Refinancing**") and (ii) a contemplated private placement of minimum USD 130 million and maximum USD 150 million (the "**Private Placement**").

The proceeds of the Private Placement will, among other, be applied to redeem Outstanding Bonds in the cash-out offer to tender Bonds for cash as part of the Refinancing. In the event that demand for the cash-out option exceeds USD 40 million, the Private Placement will be increased from USD 130 million to USD 150 million. The Bondholders will receive preferred allocation for the potential new equity issue of USD 20 million, provided that they subscribe for shares in the Private Placement before close of the book-building, as further set out in the notice of 7 July.

The Issuer has engaged ABG Sundal Collier ASA, DNB Bank ASA, Nordea Bank Norge ASA, Pareto Securities AS and Skandinaviska Enskilda Banken AB (publ.) Oslo Branch as its financial advisors (the "**Advisors**") in the Refinancing. Accordingly, Bondholders should contact the Advisors for further information:

**ABG Sundal Collier ASA**

Ola Nygård  
+47 22 01 61 86  
+47 412 13 410  
ola.nygard@abgsc.no

**Pareto Securities AS**

Geir Sørflaten  
+47 977 33 701  
geir.sorflaten@paretosec.com

**Nordea Bank Norge ASA**

Jens R. Hveem  
+47 22 48 79 24  
+47 97 74 88 42  
jens.reidar.hveem@nordea.com

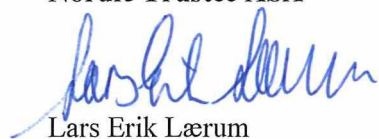
**DNB Bank ASA**

Pål Vammervold  
+47 24 16 93 68  
+47 99 70 26 17  
pal.vammervold@dnb.no

SEB

Einar Wold  
+47 22 82 66 96  
+47 971 58 933  
einar.wold@seb.no

Yours sincerely  
**Nordic Trustee ASA**



Lars Erik Lærum

Du er på: newsweb.no [Vis andre Oslo Børs websider](#)[Kontakt](#) | [Hjelp](#) | [English](#)

NewsWeb

[Søk](#)

Utsteder

Utst.ID

Instrument

Kategori

Fra dato

Til dato

Velg marked

Vis kun aktive utstedere ☒

[Søk](#) Nullstill...

MeldingsID: 405629

[Generer PDF](#)

**Dato/tid** 07.07.2016 16:50

**Utsteder** Prosafe SE

**UtstederID** PRS

**Instrument**

**Marked** OB

**Kategori** ANDRE MELDINGER

**Informasjonspliktig** Informasjonspliktige opplysninger

**Vedlegg** Attachment 2.pdf  
 Attachment 1.pdf

**Tittel** Prosafe SE: Announces comprehensive refinancing

**Tekst**

Reference is made to Prosafe SE's ("Prosafe" or the "Company") financial report for Q1 2016 where it was reported that the Company was in dialogue with its key stakeholders for the purpose of improving the Company's financial situation. Reference is further made to the Company update on 1 June 2016, where it was reported that the ongoing discussions were based on a balanced solution involving new capital, amortization relief and covenant ease from senior lenders and conversion (equitization) of all or parts of the outstanding unsecured bond debt.

Based on these discussions, which have involved key stakeholders, including secured bank lenders, major bondholders and shareholders, the Company is today announcing the terms of a proposed comprehensive refinancing (the "Refinancing"). The Refinancing will, if completed, provide greater financial flexibility for the Company throughout the period until the end of 2020 including a solid liquidity buffer to weather a prolonged market downturn. The combined effect of the Refinancing, as further described below, is expected to improve the Company's liquidity by approximately USD 478 million over a five year period, and reduce the net interest bearing debt by approximately USD 395 million through 100% conversion of senior unsecured bonds, in addition to the contribution of new equity. At the end of 2020, the Company will continue to have a strong global competitive position, with a large modern fleet of accommodation vessels to service its worldwide operations.

The Refinancing includes the following main terms:

- \* New Equity: A private placement of minimum USD 130 million and maximum USD 150 million at an issue price of NOK 0.25 per share (the "New Equity"), of which NOK 712 million (approx. USD 85 million) is pre-subscribed by Prosafe's two largest shareholders, North Sea Strategic Investments AS and M&G (the "Anchor shareholders"), but always on condition that the Anchor shareholders' individual shareholdings post the Refinancing are never greater than 29.9% of the enlarged share capital of the Company post-Refinancing. The Anchor shareholders will be allocated minimum 1,500,000,000 and 1,348,000,000 shares, representing 29.76% and 26.75% of the Private Placement respectively (assuming issue size of USD 150 million). Between USD 40 million and USD 60 million of the proceeds from the New Equity will be used to buy-back part of the Company's bonds. The private placement will be carried out through an accelerated book-building, with minimum order and allocation level equal to the NOK equivalent of EUR 100,000 in accordance with relevant prospectus rules. The further terms and timeline for the private placement will be announced separately. Existing shareholders will receive preferred allocation for the first USD 130 million, and existing bondholders will receive preferred allocation for the remaining USD 20 million.
- \* Subsequent equity offering: The Company plans to conduct a subsequent equity offering (the "Subsequent Offering") of up to USD 15 million for the purpose of facilitating subscription by existing shareholders who are not able to participate in the private placement. New investors may be allowed to subscribe in such Subsequent Offering, but existing shareholders as of the date of close of the book-building for the private placement will be given non-tradable subscription rights with preference on allocation. The subscription price in the Subsequent Offering shall be the same as for the New Equity, NOK 0.25 per share. The Subsequent Offering is contemplated to be launched following fulfilment of the conditions for the Refinancing, including the necessary approvals of the Refinancing by the Company's banks, bondholders and shareholders, and subject to approval and publication of an offering and listing prospectus. The further terms and particulars of the Subsequent Offering will be announced in due course, and described in the prospectus to be prepared in connection therewith.
- \* Senior unsecured bonds: NOK 2.4 billion (equivalent to approx. USD 290 million) in aggregate face value of the Company's outstanding senior unsecured bonds in PRS08, PRS09, PRS10 and PRS11 (the "Senior Unsecured Bonds") will be converted into new shares at 30% of the face value and/or cash at the option of each bondholder. The shares to the bondholders will be issued at NOK 0.25. The bondholders will receive a cash-out offer to tender bonds for cash. The cash-out offer will be of minimum USD 40 million and maximum USD 60 million. The cash-out offer will be structured as a reverse book-building whereby bondholders will apply for their preferred cash redemption in the range 25%-35% of the face value. Bondholders that cannot hold shares due to restrictions in their mandates will have an option to choose a convertible bond as an alternative to conversion to shares. The convertible bond will be a subordinated, zero coupon, 5 year bond that will be settled with shares at maturity (or at certain earlier conversion times at the option of the Company) at a conversion price of NOK 0.25.
- \* Bank Lenders: Reduction of amortisation on all bank facilities for 4 years from Q1 2017 until and including Q4 2020, with a total positive liquidity effect for the Company of USD 478 million. Significant financial covenant relief on all facilities to provide the Company with sufficient headroom to operate. A cash sweep mechanism will also be included and effective from Q1 2018 with payments being made only if there is available excess cash (as defined the detailed refinancing term sheet) which will be shared between

Company and the bank lenders. Interest margins on the bank facilities will be calculated based on the existing leverage-based margin ratchet with additional flexibility introduced to allow the Company to pay part of the interest in PIK until and including Q2 2019.

- \* The current nominal value of Prosafe's ordinary shares is EUR 0.25. As part of the Refinancing, the Company will carry out a capital reduction in order to reduce the nominal value of the ordinary shares to EUR 0.001. This reduction will be carried out as a reduction of share capital without distribution, and will be proposed resolved by an extraordinary general meeting of the Company.
- \* Cosco: As part of and subject to the Refinancing, the Company has negotiated and agreed with Cosco deferred delivery of Safe Euror to Q4 2019 (or such earlier time required by the Company) and a limitation on any further liability in the event Prosafe does not take delivery of the vessel, giving the Company increased flexibility and reduced financing risk. In addition, Prosafe and Cosco have also agreed a deferral of the repayment of the USD 29 million seller's credit to Q4 2019.
- \* The Refinancing remains conditional inter alia upon approval by bondholders' meeting in the Senior Unsecured Bonds and by the shareholders in an extraordinary general meeting. In addition, the Refinancing remains conditional upon relevant approvals by the bank lenders, definitive agreement with Cosco as outlined herein and customary closing conditions. The Company has obtained support from large bondholders in all bond series and from the Company's largest shareholders.
- \* The Refinancing will result in a substantial dilution of existing shareholders not participating in the New Equity, and the contemplated Subsequent Offering will not fully compensate the dilutive effect for the remaining shareholders. Having considered available alternatives, the Board is however of the opinion that such deviation from the equal treatment principle is fair and necessary, given the challenging financial situation of the Company, the prevailing market conditions, the agreed terms of the Refinancing and the Company's need for certainty and flexibility when seeking to secure the New Equity.

For further details on the Refinancing, please refer to the detailed Refinancing term sheet and the company presentation, both dated 7 July 2016 and attached hereto.

The actions contemplated in the Refinancing require approval by the Company's shareholders in an extraordinary general meeting, credit committee approval from Bank Lenders and by the Company's bondholders in bondholders' meetings for each of the PRS08, PRS09, PRS10 and PRS11 bonds (the "Bondholders' Meetings"). Notice of such meetings and further details will be issued in due course.

ABG Sundal Collier ASA, DNB Markets (a part of DNB Bank ASA), Nordea Markets, a part of Nordea Bank Norge ASA, Moelis & Company, Pareto Securities AS and Skandinaviska Enskilda Banken AB (publ.) Oslo Branch are acting as financial advisors to the Company in connection with the Restructuring. Clarkson Platou Securities AS has provided independent fairness advice to the Company's board. Schjødt is acting as Norwegian legal advisor to the Company. Fearnley Securities AS act as financial advisor to bondholders.

Prosafe is the world's leading owner and operator of semi-submersible accommodation vessels. The company operates globally and is headquartered in Larnaca, Cyprus. Prosafe is listed on the Oslo Stock Exchange with ticker code PRS. For more information, please refer to [www.prosafe.com](http://www.prosafe.com)

Larnaca, 7 July 2016  
Georgina Georgiou, General Manager  
Prosafe SE

For further information, please contact:

Stig Harry Christiansen, Acting CEO and CFO  
Prosafe Management AS  
Phone: +47 51 64 25 17 / +47 478 07 813

[Unsubscribe](#) | [Subscribe](#)

This information is subject of the disclosure requirements pursuant to section 5-12 of the Norwegian Securities Trading Act.

[HUG#2027066]