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To the bondholders in:

ISIN: NO 0010713274 - Havyard Group ASA 14/20 - Senior Unsecured Bond Loan

Oslo, 10 December 2018

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 "**Havyard 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 Havyard Bonds, as amended by an Amendment Agreement no. 1 dated 30 June 2016 and an Amendment Agreement no. 2 dated 30 March 2017 (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 Havyard Bonds (the "**Bondholders**")).

Capitalised terms used herein and not defined 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

Havyard Group ASA is a maritime technology company that delivers products and services in the areas of seafood, energy and transport.

The severe downturn in the oil service industry over the past few years resulted in a ripple effect in the yard industry with significantly lower activity levels in general. The Issuer has been through a challenging period, but has been successful in attracting business from new segments during the period, especially related to the seafood, offshore wind and ferry industry, leaving the current order book at record high levels, equalling approx. NOK 5.1 billion.

Contract awards during Q3 2018 include:

- Ship Design & Solutions: Design and equipment for four ships including a comprehensive delivery from Power & Control to Havila Kystruten.
- Shipbuilding Technologies: Newbuild of live fish carrier to Norsk Fisketransport with repeat-design from Ship Design & Solutions and equipment from our companies in the Fish Handling and Power & Control business segments.
- Newbuild of two windfarm service vessels to Esvagt with design from Ship Design & Solutions

To support the ramp-up of activity during 2018, Havila Holding AS as main shareholder and Geir Johan Bakke AS (the CEO) has provided in total approx. NOK 40 million of shareholder loans during 4Q 2017 and 2Q 2018. As these loans have no defined maturity date and carry PIK interest, they are accounted for as equity.

Although activity levels picked up during 2018 it has not been sufficient to return to profitability as there has been agreed delays on certain projects, hereunder delay of hull for NB131 to French Pelagic. In addition, orders have materialized later than expected and the Issuer has experienced extra cost related to getting the supply chain up and running and introduction of new technology in the Power and Control segment.

The Issuer has now delivered 4 out of a total order book of 13 electrical ferries with good project results in line with initial sales calculations. This, together with a significant portion of the order book being related to new contracts signed during 2018 (at generally higher price levels than contracts signed 2015-2017) should provide a sound foundation for increased activity and a more comfortable financial position going forward.

For Q4 2018, the Issuer expects improved operating profit, but due to new accounting principles under IFRS 15, the Issuer is currently reviewing together with its auditor the effect of intra-group eliminations. The potential eliminations are solely related to timing and are escalating to the end of the year due to many ongoing projects with internal supply chain. IFRS 15 require booking of revenue based on percentage of completion of the shipbuilding project, also for all internal projects and deliveries. It is estimated that the impact may result in an around zero result for the 4th quarter.

Book equity stood at NOK 453 million per Q3 2018 which leaves little headroom to the minimum book equity covenant of NOK 450 million.

Thus, the Issuer proposes to adjust the book equity covenant as a safety measure as further described in Section 3 (*The Proposal*) below.

3. THE PROPOSAL

It is proposed that the Bond Agreement Clause 13.5 (*Financial Covenants*) litra (a) (*Book Equity*) shall be amended as follows (the "**Amendment**"):

"The Issuer shall ensure that the Group (on a consolidated basis) maintains a Book Equity of at least NOK 400,000,000."

It is proposed that a resolution comprising the following elements (the "**Proposal**") be passed by the Bondholders, to:

- (i) approve the Amendment as described herein;
- (ii) approve the entering into of an Amendment Agreement no. 3 to implement the Amendment; and
- (iii) authorise and instruct the Bond Trustee to do all things and take such steps on behalf of the Bondholders as may be necessary or desirable in connection with the implementation of the Amendment, including, without limitation, negotiating and approving the final terms of, and entering into, an Amendment Agreement no. 3 and any and all documentation and agreements deemed necessary or desirable by the Bond Trustee in relation thereto.

4. AMENDMENT FEE

As a compensation to the Bondholders, the Issuer offers to pay to the Bondholders a one-time amendment fee of 1.50% (flat) of the face value of the outstanding bonds, payable to the Bondholders (with record date at end-of-business the date of the Bondholders' Meeting) within 10 Business Days after the Bondholders' Meeting, provided that the Bondholders' Meeting has passed a resolution approving the Proposal by the requisite majority.

5. BONDHOLDER SUPPORT

The Issuer has received support for the Proposal from major Bondholders.

6. EVALUATION OF THE PROPOSAL (NON-RELIANCE)

The Proposal is put forward to the Bondholders without further evaluation or recommendation from the Bond Trustee, and the Bond Trustee emphasises that each Bondholder should cast its vote in the Bondholders' Meeting based on its own evaluation of the Proposal. Nothing herein shall constitute a recommendation to the Bondholders by the Bond Trustee. The Bondholders must independently evaluate whether the Proposal is acceptable and vote accordingly. The Bond Trustee urges each Bondholder to seek advice in order to evaluate the Proposal.

7. FURTHER INFORMATION

The Issuer has engaged Fearnley Securities AS 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:

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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.

8. BONDHOLDERS' MEETING

Bondholders are hereby summoned to a Bondholders' Meeting:

Time: 27 December at 13:00 hours (Oslo time),
Place: The premises of Nordic Trustee AS,
 Haakon VII's 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 approves the Proposal as described in section 3 of the summons to this Bondholder's Meeting".

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