

Stockholm, 8 December 2017

To the Holders in:

ISIN SE0007783840 – West Atlantic AB (publ) maximum SEK 1,350,000,000 Senior Secured Callable Fixed Rate Bonds 2015/2019

NOTICE OF WRITTEN PROCEDURE – REQUEST FOR APPROVAL OF WAIVER

This voting request for procedure in writing has been sent on 8 December 2017 to bondholders directly registered in the debt register (Sw. *skuldbok*) kept by the CSD. If you are a nominee under the Central Securities Depositories and Financial Instruments Accounts Act or if you otherwise are holding Bonds on behalf of someone else on a Securities Account, please forward this notice to the bondholder you represent as soon as possible. For further information, please see below under Section 4.3 (*Voting rights and authorisation*).

Nordic Trustee & Agency AB (publ) acts as agent and security trustee (the "Trustee") for the bondholders of the bonds (the "Holders") in the abovementioned bond issue with ISIN SE0007783840 (the "Bonds") issued by West Atlantic AB (publ) (the "Issuer"). In its capacity as Trustee, and as requested by the Issuer, the Trustee hereby convenes the Holders to a Written Procedure whereby Holders can vote for or against the Request (as defined below).

All capitalised terms used herein and not otherwise defined in this notice (the "Notice") shall have the meanings assigned to them in the terms and conditions for the Bonds (the "Terms and Conditions").

Holders participate by completing and sending the voting form, attached hereto as Schedule 1 (the "Voting Form"), and, if applicable, the power of attorney/authorisation, attached hereto as Schedule 2 (the "Power of Attorney") (in accordance with the instructions set out in Section 4.4 (*Bonds registered with a nominee*)) to the Trustee). Please contact the securities firm through which you hold your Bonds if you do not know how your Bonds are registered or if you require authorisation or other assistance to participate.

The Trustee must be in receipt of the Voting Form no later than by 17:00 (CET) on 29 December 2017 either by regular mail, courier or e-mail to the Trustee using the contact details set out in Section 4.7 (*Address for sending replies*) below. Votes received thereafter may be disregarded.

To be eligible to participate in the Written Procedure, a person must meet the criteria for being a Holder on 20 December 2017 (the "Record Date"). This means that the person must be registered on a Securities Account with the CSD, as a direct registered owner (Sw. *direktregistrerad ägare*) or nominee (Sw. *förvaltare*) with respect to one or several Bonds.

1. Background

Reference is made to the Issuer's press releases dated 2 November 2017, 7 November 2017 and 10 November 2017 (the "**Press Releases**"). Due to a breach of the Maintenance Test under the Terms and Conditions and as further communicated in the Press Releases, the Issuer has initiated discussions with a group of larger holders of Bonds (the "**Holders Committee**") who have entered into non-disclosure agreements with the Issuer. The Holders Committee has provided an extensive list of questions to the Issuer around topics such as the Issuer's liquidity position, contract situation, management of idle aircraft, etc., to which the Issuer has provided answers. On the basis of the answers provided by the Issuer, the Holders Committee deems that (i) the issues relating to the start-up of the Royal Mail contract, as described in previous press releases, are largely resolved, (ii) the upcoming aircraft sales, as elaborated on below, will improve the Issuer's liquidity position and allow it to meet its debt service obligations and comply with the Maintenance Test again at the latest as at 31 March 2018, and (iii) going forward, the Issuer's financial position is expected to improve as efforts to normalise the cost base and adapt it to the new contract situation begin to show results. As a consequence, the Holders Committee has elected to approve to waive temporarily the fulfilment of the Maintenance Test. Based on the outcome of the discussions with the Holders Committee, the Issuer has subsequently decided to proceed with a Written Procedure in order to formally request Holders' approval to, for a certain time period, waive the requirement to comply with the Maintenance Test.

In this notice to Written Procedure, the Issuer is making public the material information provided to the Holders Committee.

As communicated to the Holders Committee, the Issuer will during December 2017 and/or during Q1 2018 dispose of several ATP aircraft which are not required for the Group's daily operations. The sale of such aircraft as well as of further aircraft from the collaboration agreement portfolio is expected to improve the Group's cash position by approximately SEK 70 million. The Issuer deems that this cash injection will suffice to bridge the Group's liquidity gap until profitability returns to healthier levels, and as such does not deem that it will require any additional external capital for the purpose of supporting ongoing liquidity requirements.

Nonetheless, the Issuer is of the opinion that underlying market conditions are favourable to an extent not seen for several years and management has identified a number of immediate and longer-term tangible opportunities to secure new contracts. However, in order to be able to act upon the opportunities available to it, the Issuer will actively be pursuing the contribution of additional equity capital. Certain stakeholders have expressed an interest in contributing financing to the Group and the Issuer is actively exploring all potential avenues in order to, over the medium to long term, enable the Group to reach its full potential.

In the discussions with the Holders Committee, the Issuer has provided a cash-flow forecast for the two last quarters of 2017 and all four quarters of 2018. The forecast is shown on the following page. Please note that the numbers below have not been audited and are subject to potential changes.

<u>MSEK</u>	2017		2018			
	<u>Q3</u>	<u>Q4</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>
Opening cash balance		94.3	86.2	62.7	57.9	82.1
EBITDA		84.6	24.9	28.0	52.5	49.5
Working capital		-24.3	-12.0	40.0	-2.0	-2.0
Capex		-30.5	-33.0	-37.0	-23.0	-13.0
Interest & amortisations		-37.9	-3.4	-35.8	-3.4	-75.8
Closing cash balance	94.3	86.2	62.7	57.9	82.1	40.8

Explanations to the forecast

In the forecast above, the following has been taken into consideration: In the last quarter of 2017, two aircraft disposals are completed (there is a possibility that one or both transactions will not be completed until Q1 2018). Five of the present routes in Norway will be closed down in January 2018 without any compensation from the customer. Four additional aircraft are put into service during 2018. In the last quarter of 2018, a bank loan in an amount of SEK 40 million expires and is repaid with cash. It will be important to continue finding new ways to dispose excess of ATP aircraft to reduce associated costs.

The EBITDA impact from the sale of aircraft in Q4 2017 (could move to Q1 2018) is estimated at SEK 43 million. In 2018, capex relating to expansion is estimated at to SEK 19 million, with the remainder relating to maintenance costs. The lower capex in the latter quarters of 2018 is explained by fewer scheduled heavy maintenance events in relation to the Group's aircraft. As regards working capital, the usage of the working capital facility fluctuates mainly with the timing of customer payments and the payment of interest under the Bonds. The Issuer does not foresee any changes to the terms of the working capital facility during 2018.

As regards top-line, the Issuer expects revenues of SEK 1,580 million for the financial year ending 31 December 2017, representing growth of more than 20 per cent compared to the previous year. For the financial year ending 31 December 2018, revenues are estimated at SEK 1,750 million, representing growth of more than 11 per cent compared to 2017. The Issuer furthermore expects EBITDA including sales of aircraft to reach SEK 145 million for the financial year ending 31 December 2017, a figure that is expected to grow to approximately SEK 150 million for the financial year ending 31 December 2018 (excluding any one time customer payments as compensation for the route closures in Norway).

On 30 November 2017, the Issuer published its quarterly report for the third quarter. The Group delivered strong revenue growth compared to the previous year but delayed aircraft deliveries, increased maintenance costs and idle ATP aircraft in none revenue service contributed to unsatisfactory financial results. While the Issuer works on delivering on the outlined in this section, Holders are requested to waive the fulfilment of the Maintenance Test as further described below in Section 2.1.

2. Proposal

2.1 Waiver to the Terms and Conditions

The Issuer proposes that the Holders agree to waive the undertaking set forth in Clause 12.13 of the Terms and Conditions, pertaining to compliance with the Maintenance Test.

In order for the Group to continue working on delivering on the profitability and liquidity initiatives outlined in Section 1, the Issuer requests Holders' approval to waive the undertaking and compliance with the Maintenance Test until the date of 31 March 2018.

For the avoidance of doubt, provided the waiver is approved, the next time the Maintenance Test shall be met is per 31 March 2018, and the next time the Maintenance Test shall be reported to the Trustee is in the Compliance Certificate to be delivered in connection with the publication of the Financial Report for the first quarter of 2018. No grace period will apply in relation to the Maintenance Test to be met as per 31 March 2018.

2.2 Consent to the request

The Holders are hereby requested to approve the waiver set out in Section 2.1 above (the "Request").

2.3 Effective Date

The Request shall be deemed approved immediately upon expiry of the voting period and receipt of the required majority as set forth in Section 4.6 or if earlier, when a requisite majority of consents of the Adjusted Nominal Amount have been received by the Trustee.

The Trustee will in accordance with the Terms and Conditions notify the Holders of the date from which the waiver of the Terms and Conditions becomes effective.

3. Non-reliance

The Request is presented to the Holders without any evaluation, advice or recommendations from the Trustee whatsoever. The Trustee has not reviewed or assessed this Notice or the Request (and its effects, should it be adopted) from a legal or commercial perspective of the Holders and the Trustee expressly disclaims any liability whatsoever related to the content of this Notice and the Request (and its effects, should it be adopted). The Holders are recommended to seek legal advice in order to independently evaluate whether the Request (and its effects) is acceptable or not.

4. Written Procedure

The following instructions need to be adhered to under the Written Procedure.

4.1 Final date to participate in the Written Procedure

The Trustee must have received the votes by regular mail, courier or e-mail to the address indicated below no later than 17:00 (CET) on 29 December 2017. Votes received thereafter may be disregarded.

4.2 Decision procedure

The Trustee will determine if received replies are eligible to participate under the Written Procedure as valid votes.

When a requisite majority of consents of the total Adjusted Nominal Amount has been received by the Trustee, the Request shall be deemed to have been adopted, even if the time period for replies in the Written Procedure has not yet expired.

Information about the decision(s) taken under the Written Procedure will (i) be sent by notice to the Holders and (ii) be published on the websites of the Issuer and the Trustee. The information will also be published in a press release.

A matter decided under the Written Procedure will be binding for all Holders, irrespective of them responding in the Written Procedure.

4.3 Voting rights and authorisation

Anyone who wishes to participate in the Written Procedure must, on the Record Date 20 December 2017, be registered in the Issuer's debt register as:

- (a) a direct registered owner of a Securities Account; or
- (b) a nominee in a Securities Account, with respect to one or several Bonds.

4.4 Bonds registered with a nominee

If you are not registered as a direct registered owner, but your Bonds are held through a registered nominee or another intermediary, you may have two different options to influence the voting for the Bonds.

- (1) You can ask the nominee or other intermediary that holds the Bonds on your behalf to vote in its own name as instructed by you.
- (2) You can obtain a Power of Attorney (Schedule 2) from the nominee or other intermediary and send in your own Voting Form based on the authorisation. If you hold your Bonds through several intermediaries, you need to obtain authorisation directly from the intermediary that is registered in the debt register as Holder of the Securities Account, or from each intermediary in the chain of holders, starting with the intermediary that is registered in the debt register as a holder of the Securities Account as nominee or direct registered owner.

Whether one or both of these options are available to you depends on the agreement between you and the nominee or other intermediary that holds the Bonds on your behalf (and the agreement between the intermediaries, if there are more than one).

The Trustee recommends that you contact the securities firm that holds the Bonds on your behalf for assistance, if you wish to participate in the Written Procedure and do not know how your Bonds are registered or need authorisation or other assistance to participate. Bonds owned by Group Companies or (to the knowledge of the Issuer) their Affiliates do not entitle to any voting rights.

4.5 Quorum

In order to form a quorum, Holders representing at least twenty (20.00) per cent of the Adjusted Nominal Amount must reply to the Request under the Written Procedure.

If a quorum does not exist, the Trustee or the Issuer shall initiate a second Written Procedure, provided that the Issuer has confirmed that the relevant proposal has not been withdrawn by the Issuer. No quorum requirement will apply to such second Written Procedure.

4.6 Majority

To approve the Request, at least two-thirds (2/3) of the Adjusted Nominal Amount for which Holders reply in the Written Procedure must consent to the Request.

4.7 Address for sending replies

Return the Voting Form, Schedule 1, and, if applicable, the Power of Attorney/Authorisation in Schedule 2, by regular mail, scanned copy by e-mail, or by courier to:

By regular mail:

Nordic Trustee & Agency AB (publ)
Attn: Written Procedure/WA
P.O. Box 7329
SE-103 90 Stockholm

By courier:

Nordic Trustee & Agency AB (publ)
Attn: Written Procedure/WA
Norrandsgatan 23
SE-111 43 Stockholm

By e-mail:

E-mail: sweden@nordictrustee.com

5. Further information

For questions regarding the administration of the Written Procedure, please contact the Trustee at sweden@nordictrustee.com or +46 8 783 79 00.

Stockholm, 8 December 2017

NORDIC TRUSTEE & AGENCY AB (PUBL)

As Trustee

Enclosed:

Schedule 1	Voting Form
Schedule 2	Power of Attorney/Authorisation

VOTING FORM

Schedule 1

For the Written Procedure in West Atlantic AB (publ) maximum SEK 1,350,000,000 senior secured callable fixed rate bonds 2015/2019 with ISIN SE0007783840.

The undersigned Holder or authorised person/entity (the “**Voting Person**”), votes either **For** or **Against** the Request by marking the applicable box below.

NOTE: If the Voting Person is not registered as Holder (as defined in the Terms and Conditions), the Voting Person must enclose a Power of Attorney/Authorisation, see Schedule 2.

Capitalised terms used and not otherwise defined herein shall have the meanings assigned to them in the Notice of Written Procedure from West Atlantic AB (publ) dated 8 December 2017.

☐ **For** the Request

☐ **Against** the Request

Name of the Voting Person:

Capacity of the Voting Person:

Holder:

☐

¹

authorised person:

☐

²

Voting Person's reg.no/id.no
and country of incorporation/domicile:

Securities Account number at Euroclear Sweden:
(if applicable)

Name and Securities Account number of custodian(s):
(if applicable)

Nominal Amount voted for (in SEK):

Contact person, daytime telephone number and e-mail adress:

Authorised signature and Name ³

Place, date:

¹ When voting in this capacity, no further evidence is required.

² When voting in this capacity, the person/entity voting must also enclose Power of Attorney/Authorisation (Schedule 2) from the Holder or other proof of authorisation showing the number of votes held on the Record Date (as defined in the Notice of Written Procedure from West Atlantic AB (publ) dated 8 December 2017).

³ If the undersigned is not a Holder according to the Terms and Condition and has marked the box "authorised person", the undersigned – by signing this document – confirms that the Holder has been instructed to refrain from voting for the number of votes cast with this Voting Form.

POWER OF ATTORNEY/AUTHORISATION

Schedule 2

For the Written Procedure in West Atlantic AB (publ) maximum SEK 1,350,000,000 senior secured callable fixed rate bonds 2015/2019 with ISIN SE0007783840.

NOTE: This Power of Attorney/Authorisation document shall be filled out if the Voting Person is not registered as Holder on the Securities Account, held with Euroclear Sweden. It must always be established a coherent chain of power of attorneys derived from the Holder. I.e. if the person/entity filling out this Power of Attorney/Authorisation in its capacity as "other intermediary", the person/entity must enclose its Power of Attorney/Authorisation from the Holder.

Capitalised terms used and not otherwise defined herein shall have the meanings assigned to them in the Notice of Written Procedure from West Atlantic AB (publ) dated 8 December 2017.

Name of person/entity that is given authorisation (Sw. *befullmäktigad*) to vote as per the Record Date:

Nominal Amount (in SEK) the person/entity is authorised to vote for as per the Record Date:

Name of Holder or other intermediary giving the authorisation (Sw. *fullmaktsgivaren*):

We hereby confirm that the person/entity specified above (Sw. *befullmäktigad*) has the right to vote for the Nominal Amount set out above.

We represent an aggregate Nominal Amount of: SEK _____

We are:

☐

Registered as Holder on the Securities Account

☐

Other intermediary and holds the Bonds through (specify below):

Place, date: _____

Name:

Authorised signature of Holder/other intermediary (Sw. *fullmaktsgivaren*)