

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

**To the bondholders in:**

**ISIN: NO 001 0833775 - Floatel International Ltd 9% Senior Secured  
USD 400,000,000 1st Lien Bonds 2018/2024**

Oslo, 20 January 2021

## **Summons to Bondholders' Meeting**

Nordic Trustee AS (the “**Bond Trustee**”) acts as Bond Trustee for the above mentioned bond issue issued by Floatel International Ltd (the “**Issuer**”) pursuant to the bond terms dated 9 October 2018 (the “**Bond Terms**”).

All capitalised terms used, but not defined herein, shall have the same meaning assigned to them in the Bond Terms. References to Clauses and paragraphs are references to Clauses and paragraphs of the Bond Terms.

Bondholders holding in excess of 50% of the Outstanding Bonds (the “**Requesting Bondholders**”) have requested that the Bond Trustee issues this request for a Bondholders' Meeting pursuant to Clause 16 (1L Bondholders' Decisions) of the 1L Bond Terms (as defined below) to consider the appointment of advisors to the Bond Trustee in connection with the contemplated financial restructuring of the Issuer and its subsidiaries.

*The information in this summons (the “**Summons**”) regarding the Issuer, market conditions and the described transaction are provided by the Requesting Bondholders, and the Bond Trustee expressly disclaims all liability whatsoever related to such information.*

### **1 BACKGROUND**

- (a) Following extensive negotiations with its key stakeholders, including an ad hoc group of 1L Bondholders comprised of Asia Research & Capital Management Limited and Canyon Capital Advisors LLC (in each case each for and on behalf of itself and certain funds and accounts managed and/or advised by it) (together, the “**AHG**”), throughout 2020 the Issuer, together with certain of its subsidiaries, entered into a lock-up agreement on 5 December 2020 with its 49.9% shareholder, FELS Offshore Pte. Ltd (“**Keppel**”), members of the AHG and certain other consenting 1L Bondholders (as such agreement may be amended, amended and restated, or otherwise modified from time to time, the “**Lock-Up Agreement**”).
- (b) The Lock-Up Agreement commits the Issuer, Keppel, the AHG and any acceding 1L Bondholders or 2L Bondholders to use reasonable endeavours to implement a comprehensive financial and corporate restructuring of the Floatel group (the “**Transaction**”) the terms of which are more fully set out in press releases released by the Issuer and published on its website, [www.floatel.se](http://www.floatel.se).

1L Bondholders holding in excess of 67 per. cent of the 1L Bonds have acceded to the Lock-Up Agreement.

## 2 1L BONDHOLDER ADVISOR ENGAGEMENT

- (a) Milbank LLP, as international and coordinating legal counsel, Advokatfirmaet Wiersholm AS as Norwegian legal counsel and Houlihan Lokey Capital, Inc. as financial advisor (collectively, the “**Advisors**”) act for the AHG and have coordinated with other 1L Bondholders in all aspects of the above negotiations and in relation to the Lock-Up Agreement and the Transaction.
- (b) 1L Bondholders holding in excess of 50 per. cent of the 1L Bonds seek for the Bond Trustee to retain each of the Advisors to act on behalf of the 1L Bondholders in connection with the Transaction (the “**Engagement**”).
- (c) In respect of the Engagement, the Bond Trustee and each of the Requesting Bondholders confirm that:
  - (i) the Bond Trustee shall only be instructed in its capacity as Bond Trustee, and not in its individual capacity;
  - (ii) the Bond Trustee shall take and consent to such actions, including without limitation the execution and delivery of any agreements, instruments or documents, as it may deem necessary or appropriate, to carry out or effectuate the Engagement;
  - (iii) the Bond Trustee itself shall have no liability for the payment of any fees and expenses of any of the Advisors arising under or in connection with the Summons, the Bondholders Meeting or the Transaction. Such fees and expenses of each Advisor shall be payable pursuant to the separate fee letters signed by the Issuer for the benefit of each relevant Advisor and any fees and expenses payable by the Issuer in accordance with the relevant fee letters shall be treated as costs and expenses incurred by the Bond Trustee in connection with it fulfilling its obligations under the Finance Documents and treated in accordance with clause 17.5 (*Expenses, liability and indemnity*) of the 1L Bond Terms and clauses 18 (*Costs and Expenses*) and 13 (*Application of proceeds*) of the Intercreditor Agreement;
  - (iv) the Bond Trustee shall have and be entitled to all of the rights, benefits, protections, limits, immunities and indemnities as set forth in the 1L Bond Terms and the Intercreditor Agreement;
  - (v) the Advisors shall not act for or on behalf of the Bond Trustee on any matters related to or arising from indemnification and/or other cost coverage requests made by or for the benefit of the Bond Trustee against the AHG or the other 1L Bondholders; and
  - (vi) in the event of any different interests and conflicts or potential conflicts that may arise as between the AHG and either the Bond Trustee or the remaining 1L Bondholders, each of the Advisors reserves the right to withdraw immediately from the Engagement and continue to represent the AHG as their client in relation to the Transaction.

For further information, Bondholders may contact the Bond Trustee, att. Vivian Trøsch at telephone +47 22 87 94 22 or by email [trosch@nordictrustee.com](mailto:trosch@nordictrustee.com).

To enable the Bond Trustee to retain the Advisors for the Engagement, the Requesting Bondholders have requested the Bond Trustee to summon a Bondholders' Meeting to consider the approval of the Engagement.

### **3 EVALUATION OF THE PROPOSAL**

The request is put forward to the Bondholders without further evaluation or recommendations from the Bond Trustee. Nothing herein shall constitute a recommendation to the Bondholders from the Bond Trustee. Each Bondholder should independently evaluate the proposal and vote accordingly.

### **4 BONDHOLDERS' MEETING:**

Bondholders are hereby summoned to a Bondholders' Meeting:

**Time:** 4 February 2021 at 13:00 hours (Oslo time),  
**Place:** The premises of Nordic Trustee AS,  
Kronprinsesse Märthas Plass 1, 0161 Oslo - 7<sup>th</sup> 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 Bond Trustee shall seek to retain the following advisors, Milbank LLP, as international and coordinating legal counsel, Advokatfirmaet Wiersholm AS as Norwegian legal counsel and Houlihan Lokey Capital, Inc. as financial advisor (collectively, the “**Advisors**”) for the purposes of advising the Bond Trustee (for and on behalf of the 1L Bondholders in respect of the 1L Bonds) in relation to the Transaction on terms set out in section 2 of this summons.*

*The Bond Trustee is instructed and given the power of attorney to enter into the necessary agreements in connection with decisions made by the Bondholders' Meeting.”*

To approve the above resolution, Bondholders representing a simple majority of the Bonds represented in person or by proxy at the meeting must vote in favour of the resolution. In order to have a quorum, at least 5/10 of the voting Bonds must be represented at the meeting.

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 – please see the first page of this letter for further details).

At the Bondholders' Meeting votes may be cast based on bonds held at close of business on the day prior to the date of the Bondholders' Meeting. 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 (mail@nordictrustee.com) within 16:00 hours (4 pm) (Oslo time) the Banking Day before the meeting takes place.

Yours sincerely  
**Nordic Trustee AS**

A handwritten signature in blue ink, appearing to read 'Vivian Trøsch', written over a horizontal line.

Vivian Trøsch

Enclosed: Bondholder's Form