

20 June 2017

European Energy A/S announces additional information on the conditional notice of early redemption of its outstanding EUR 2018 Bonds ISIN: SE0005677796 in connection with the contemplated issuance of new EUR bonds.Company announcement 8/2017

THE INFORMATION CONTAINED HEREIN IS NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN ANY JURISDICTION IN WHICH THE DISTRIBUTION OR RELEASE WOULD BE UNLAWFUL.

Reference is made to European Energy A/S' (the "**Company**") company announcement 7/2017 of 19 June 2017 in which additional estimates and forecasts were released and the Company disclosed its intent to issue new EUR bonds which will result in an early redemption of its outstanding EUR 2018 Bonds. As described in company announcement 7/2017, a EUR denominated senior secured capital markets transaction may follow the scheduled investor meetings with an expected size of EUR 50-75m, subject to market conditions (the "**New Issue Transaction**").

Early Redemption notice of the outstanding EUR 2018 Bonds

Further to company announcement 7/2017, the Company hereby gives conditional notice to all holders of the 2018 Bonds (the "**Holders**") of the Company's maximum EUR 60,000,000 Senior Unsecured Callable Floating Rate Bonds 2014/2018 (ISIN: SE0005677796) (the "**2018 Bonds**"), of which EUR 45,000,000 currently is outstanding, of exercise of its option for early redemption (the "**Redemption**") of the 2018 Bonds in full in accordance with Clause 10.3.2 of the terms and conditions for the 2018 Bonds (the "**Terms and Conditions**"). Unless otherwise defined in this notice, all words and expressions shall have the meaning given to them in the Terms and Conditions.

The date of Redemption (the "**Redemption Date**") will be the date falling 8 Business Days after a second company announcement ("**Second Company Announcement**") is published in relation to the Redemption. The Second Company Announcement will be published on or about the date on which the Conditions (as defined below) have been satisfied or waived in full. The Redemption Date is expected to be on or about 17 July 2017 which is also the earliest date on which Redemption may take place. The Record Date for the Redemption will be the date falling 5 Business Days prior to the Redemption Date. The Record Date is expected to be on or about 10 July 2017.

The Redemption is conditional upon:

- (i) the successful completion of the New Issue Transaction; and
- (ii) the amount of the New Issue Transaction being sufficient to finance the Redemption.

Items (i)–(ii) above are together referred to as the "**Conditions**".

Immediately upon publishing of the Second Company Announcement, the Redemption will become irrevocable. The Second Company Announcement shall specify the final Redemption Date and the Record Date. Should the Conditions not have been satisfied or waived in full by 31 July 2017, the Redemption will automatically be cancelled and this notice shall cease to be effective. There is no assurance that the Conditions will be satisfied or waived or that the Redemption will occur. For the avoidance of doubt, the required notice period of 15 Business Days prior to Redemption (in accordance with Clause 10.3.3 of the Terms and Conditions) commences on the date on which this notice is received by the Holders in accordance with the relevant provisions of the Terms and Conditions.

If the Redemption occurs, the 2018 Bonds will be irrevocably redeemed on the Redemption Date at 102.00 per cent of the Nominal Amount (i.e. EUR 102,000 per Bond) plus any accrued but unpaid interest (from, but excluding, the preceding Interest Payment Date up to and including the Redemption Date). The redemption amount will be disbursed to those being directly registered owners and registered authorised nominees (Sw. *förvaltare*) of the 2018

Bonds as of the Record Date in the debt ledger produced by the CSD. In connection with the Redemption, the 2018 Bonds will be delisted from the corporate bond list at Nasdaq Stockholm (defined as NASDAQ OMX Stockholm in the Terms and Conditions).

This conditional notice of early redemption is governed by Swedish law. This notice is, for the avoidance of doubt, not an offer to purchase or sell financial instruments.

Priority allocation in the New Issue Transaction

As previously announced by the Company, the Holders may for every EUR 100,000 held in nominal amount of 2018 Bonds obtain a priority allocation of EUR 100,000 in nominal amount of the notes issued in the New Issue Transaction.

Any Holders wishing to obtain such priority allocation should contact the Joint Bookrunners using the contact details below to receive an application form.

Joint Bookrunners

Carnegie Investment Bank AB (publ)

Tel: +46 8 5886 89 04, E-mail: dcmsyndicate@carnegie.se

Nordea Bank AB (publ)

Tel: +45 6161 2996, E-mail: Nordealiabilitymanagement@nordea.com

Issuer

European Energy A/S

Contact information:

Jens-Peter Zink, chairman of the board

Tel: + 45 2047 8220, E-mail: jpz@europeanenergy.dk

Important Regulatory Notice

This company announcement is not an offer of securities for sale in the United States. The bonds may not be sold in the United States unless they are registered under the Securities Act or are exempt from registration. The offering of bonds described in this company announcement has not been and will not be registered under the Securities Act, and accordingly any offer or sale of bonds may be made only in a transaction exempt from the registration requirements of the Securities Act.

It may be unlawful to distribute this company announcement in certain jurisdictions. This announcement is not for distribution in Canada, Japan or Australia. The information in this company announcement does not constitute an offer of securities for sale in Canada, Japan or Australia.

This company announcement has been made in accordance with the market abuse regulation (regulation (EU) no. 596/2014 on market abuse) and contains information that prior to its disclosure may have constituted inside information under the market abuse regulation.