



Senior Secured Bond Issue

Investor Presentation

November 2017



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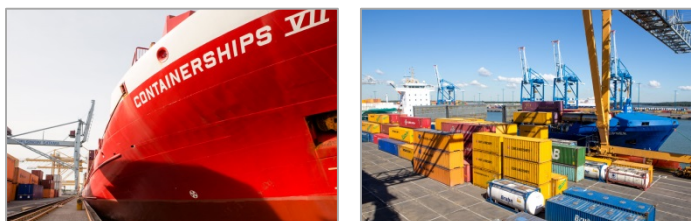
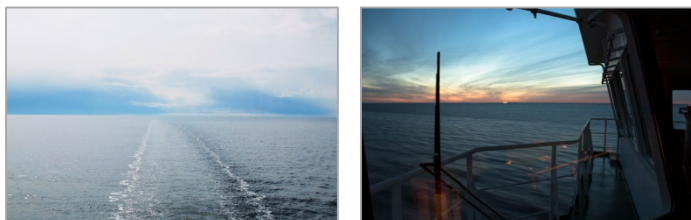
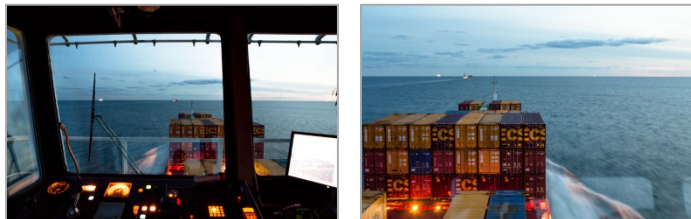
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Transaction overview and structure

Overview

- Containerships plc, the parent of the Group, is contemplating an issue of 4-year senior secured bonds in an initial amount of minimum EUR 60 million within a frame of EUR 100 million
- The net proceeds from the bond issue will be allocated towards:
 - Refinancing of the existing bond in an amount of EUR 50.5 million plus paying the associated call premium; and
 - General corporate purposes of the Group, including investments and acquisitions
- Post-bond, the Group is expected to be levered 3.8x on a net basis against Q2 LTM EBITDA of EUR 14.3 million (including financial leases in the amount of EUR 6.1 million as at Q2 2017)
- Comprehensive security package comprising of¹:
 - Pledge over the shares in the Issuer;
 - 1st priority mortgage in the vessel Containerships VII in an amount of EUR 20 million; and
 - Floating charge in an amount of EUR 130 million
- Negative pledge with carve-out for EUR 12.5 million of financial leases and a maximum of EUR 139 million of sale-and-leaseback debt relating to the New Vessels to be delivered during 2018
- Senior bond debt to be regulated by a maintenance covenant at 5.50x and an incurrence test which will tighten over the tenor of the bonds
 - Maintenance covenant will cover bond debt and financial leases but not sale-and-leaseback debt relating to the New Vessels

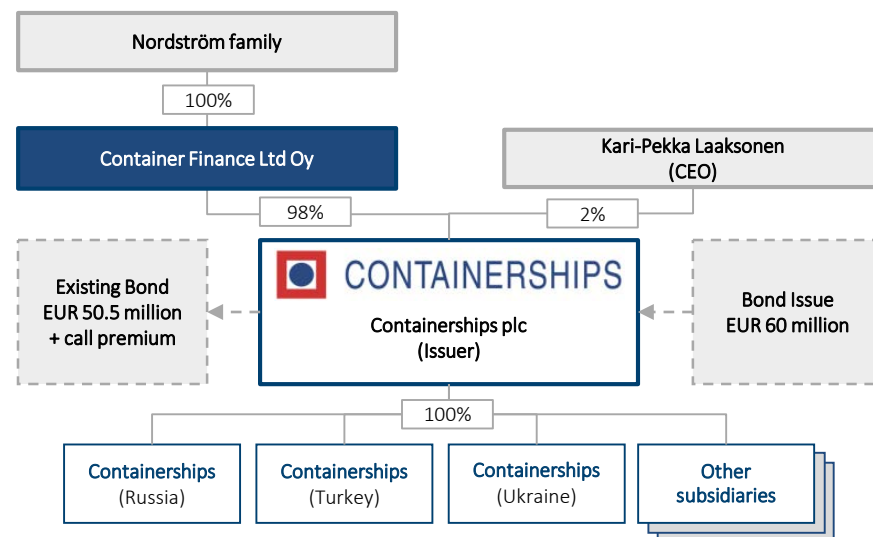
Sources and uses

Sources	EURm	Uses	EURm
New bond	60.0	Existing bond	50.5
Opening cash	4.3	Call premium	1.5
		Closing cash	12.3
Total	64.3	Total	64.3

	LTM Q2'17
Gross debt / EBITDA	4.6x
Net debt / EBITDA	3.8x

Note: leverage figures include financial leases of EUR 6.1 million as at Q2. S&U do not reflect transaction costs.

Transaction structure



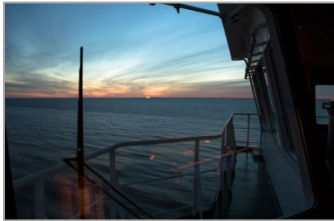
Summary of terms – senior secured bond

Issuer	Containerships plc
Volume	Initial bond issue of minimum EUR [60,000,000]
Subsequent issue volume	The Issuer may issue Subsequent Bonds up to an aggregate amount (including the initial issue volume) of EUR 100,000,000, provided the Incurrence Test is met
Maturity	4 years after Issue Date
Coupon	3 month EURIBOR + [•] bps p.a., payable quarterly in arrears. EURIBOR floor at 0%
Use of proceeds	Refinance the currently outstanding bond with ISIN FI4000148804 in an amount of EUR 50,500,000, pay call premium and transaction costs, and general corporate purposes including investments and acquisitions
Security	<ul style="list-style-type: none"> – 1st lien pledge in respect of all shares in the Issuer (excluding any new shares issued as a result of conversion of the Convertible Loan); – 1st lien asset mortgage in the Existing Vessel in an amount of EUR 20,000,000; and – Floating charge over the assets in the Issuer in an amount of EUR 130,000,000
Call structure	<ul style="list-style-type: none"> – Make whole first 24 months – Thereafter callable at a premium of 50/35/20/5/0% of par after 24/30/36/42/47 months, respectively
Maintenance test	The ratio of Net Interest Bearing Debt to EBITDA may not exceed 5.50x over the tenor of the bonds (not including Sale-and-Leaseback Debt relating to New Vessels)
Incurrence test	<p>The Issuer may not incur any additional debt or make distributions unless the ratio of Net Interest Bearing Debt to EBITDA is below</p> <ul style="list-style-type: none"> – 4.25x from the First Issue Date up to and including 31 December 2018; – 3.75x from 1 January 2019 up to and including 31 December 2019; and – 3.25x from 1 January 2020 up to and including the Final Redemption Date
Distributions	The Issuer may make annual distributions amounting to the lower of EUR 1,000,000 and 50% of the previous year's net profit for the Group, provided the Incurrence Test is met
Negative pledge	Negative pledge with carve-outs for, <i>inter alia</i> , financial leasing of EUR 12,500,000 and the Sale-and-Leaseback Debt in a maximum amount of EUR 139,000,000
Voluntary partial prepayment	Maximum 10.0% of the Nominal Amount p.a. @ 102.0% of par
Change of control	Investor put at 101.0% of par
Equity claw back	Maximum 30.0% repayment of the outstanding Bonds at the applicable call premium in conjunction with an Equity Listing Event
Governing law	Finnish
Listing	Nasdaq Helsinki within 30 days and no later than 60 days

Investment highlights

<p>An experienced logistics company with a solid track record of volume growth</p>	<ul style="list-style-type: none"> Established in 1966, Containerships has been providing door-to-door logistics solutions to customers across the EU, Russia, CIS and North Africa for more than 50 years The Group boasts a loyal and dispersed customer base; the largest customer accounts for 5% of sales and the 10 largest customers, accounting for 18% of sales in aggregate, have all been with the Group for more than 5 years Diversified exposure to resilient end markets: consumer goods, food and beverage, forest products Track record of growth: short sea volume CAGR of 7% from 2000-2016 and rapid recovery post 2008/09 financial crisis
<p>Flexible and efficient asset base</p>	<ul style="list-style-type: none"> Operations are conducted using 13 vessels, ~150 trucks and ~17,000 containers 1 owned and 12 chartered vessels (most charters are rolling with 3-6 months duration) ensure a high degree of operating flexibility and ability to adjust to volume fluctuations <ul style="list-style-type: none"> Current overcapacity in the market allows the Group to secure favourable charter rates; average day rates down 9% y-o-y Trucks and containers are partly owned and partly leased; liquid secondary market allows for rapid adjustments to the asset base
<p>Highly variable cost base and improving profitability</p>	<ul style="list-style-type: none"> The nature of the Group's business combined with a flexible asset base results in a high degree of variable cost; approximately 85% of total costs were deemed variable during LTM Q2 2017 <ul style="list-style-type: none"> Fixed costs pertain mainly to certain offices and full-time staff Ongoing efforts to improve route planning and utilisation; vessel utilisation in the Baltics reached record levels of 78% during the first nine months of 2017 Efficiency initiatives are feeding through to EBITDA; Q2 2017 was the sixth consecutive quarter of LTM EBITDA growth
<p>A first mover in the LNG space and fully SECA compliant</p>	<ul style="list-style-type: none"> Containerships will be the first player in Europe with a fully LNG-enabled supply chain comprising trucks, vessels and fuelling stations, with a 2-3 year first mover advantage <ul style="list-style-type: none"> Transition to LNG made possible by limited asset ownership and opportunistic behaviour in a depressed newbuild market LNG is a considerably cheaper fuel than HFO or MGO and is fully SECA compliant <ul style="list-style-type: none"> No need for expensive scrubbers or slow steaming Set to improve the Group's competitive position over the coming years, in particular as competitors begin to have to pass on the increasing costs of SECA compliance

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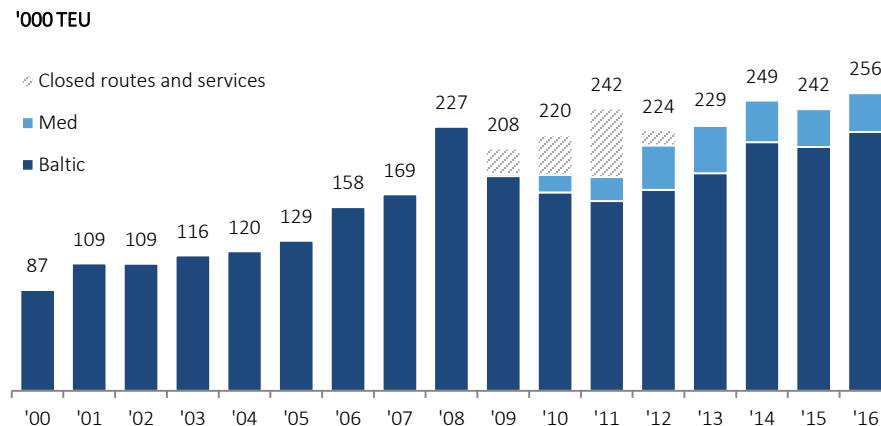
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Containerships at a glance

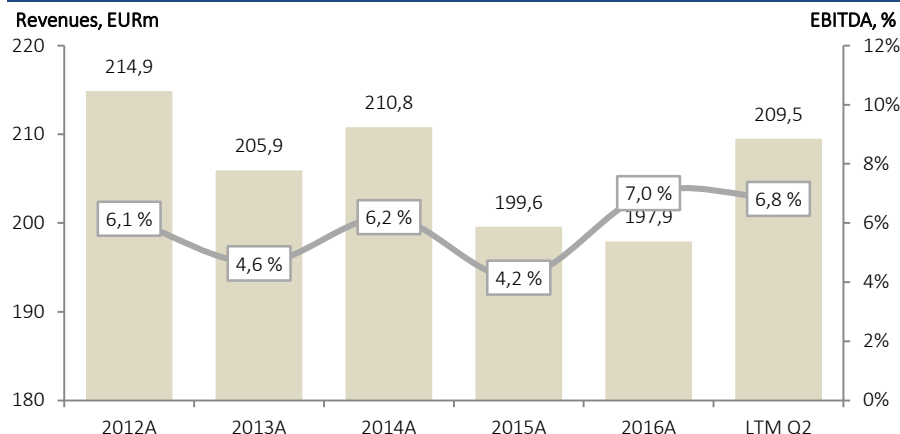
Overview of the Group

- Established in 1966, Containerships is a family-owned door-to-door logistics company headquartered in Finland, employing approximately 540 staff
- The Group offers door-to-door logistics services in the EU, Russia and other CIS¹ and North Africa through:
 - Feeder sea transport by container vessels (port to port)
 - Overland transportation on trucks, barges and railroads
 - Use of partners and subcontractors to provide warehousing and distribution services
- 90 per cent of volumes shipped include an intermodal component
- Business is conducted in the Baltic Sea and North Sea² in the Mediterranean³ and on land, accounting for 36%, 53% and 12% of sales, respectively, in the LTM⁴
- Operations are carried out through a mix of owned and chartered/leased container vessels, cargo trucks and containers and supported by partners, subcontractors and cargo terminals
 - 1 wholly-owned and 8 chartered vessels in CSL Baltic
 - 4 chartered vessels in CSL Med
 - ~30 owned and ~120 leased trucks
 - 11,000 owned and 6,000 leased containers
- The Group is currently undertaking an extensive investment programme which will see it take delivery of 4 new LNG-fuelled container vessels during 2018
 - To coincide with other Group vessels going off charter and will thus result in limited additional capacity being added
- For the LTM period ended 30 June 2017, the Group reported revenues of EUR 209.5 million and EBITDA of EUR 14.3 million, corresponding to a margin of 6.8%

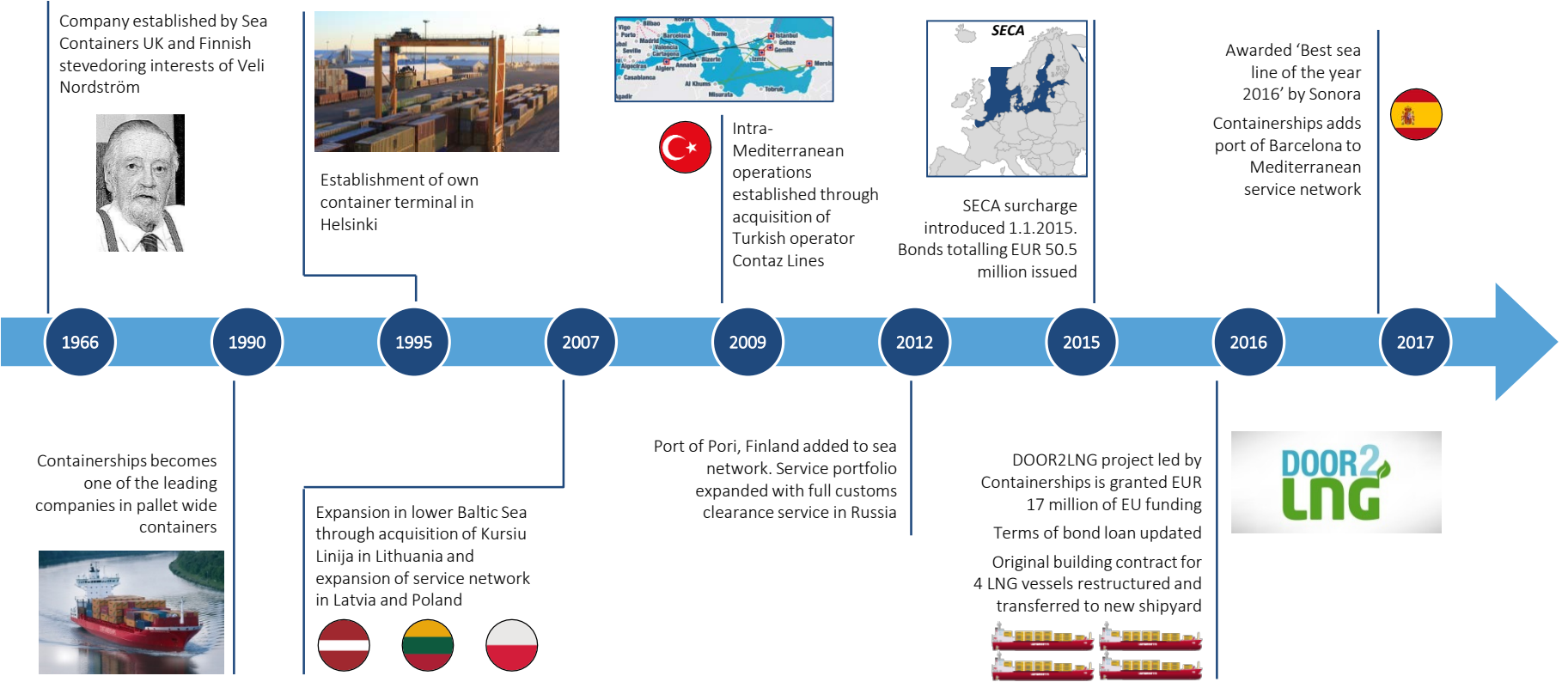
Proven track record of volume growth and post-crisis recovery



Resilient sales performance and improving profitability

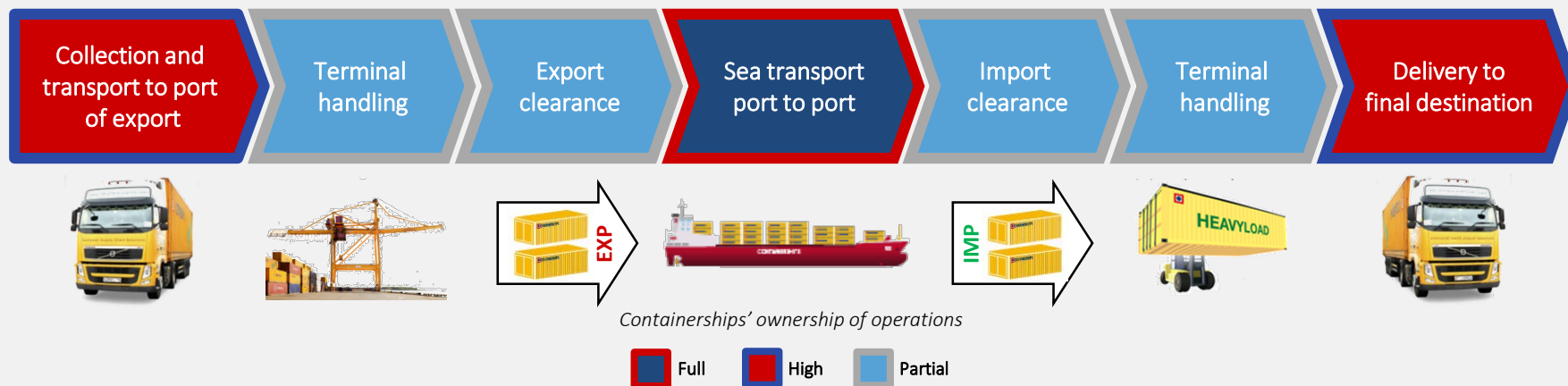


History and recent developments



Containerships' value proposition

Complete intermodal door-to-door deliveries and services across the value chain



Land operations 37% of net sales

- Containerships offers collection and delivery at customers' premises using river barge, railroad or truck
- Goods are either collected directly into containers or onto trucks before being reloaded at the port of departure
- The Group operates a fleet of ~120 leased and ~30 owned trucks in the key markets Finland, Russia and the UK, of which 45 are dual-fuel trucks capable of running on LNG
- In other markets and geographies, the Group works with logistics partners

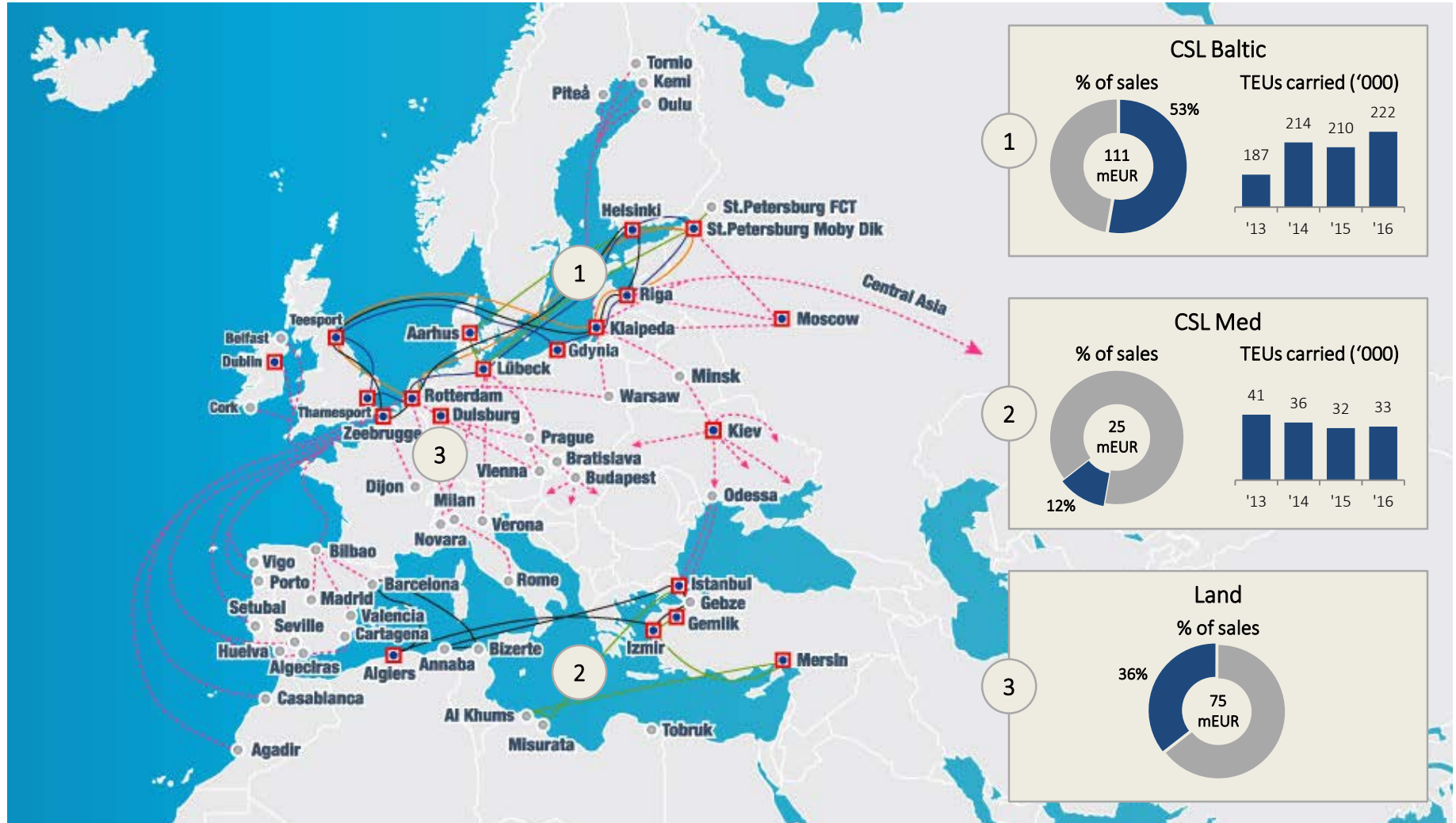
Sea operations 42% of net sales

- At the port of departure, some of the Group's 17,000 owned and leased containers are loaded onto one of the Group's 13 vessels
- Containerships operates in two regions:
 - CSL Baltic, with 9 vessels of which 8 are chartered and 1 is fully owned
 - CLS Med, with 4 chartered vessels
- Vessels are often held on short-term (3-6 months) charters to maximise flexibility
- Over the course of 2018, part of the chartered capacity will gradually be replaced by LNG-fuelled vessels on sale-and-leaseback

Terminals 21% of net sales


















- The Group operates from hubs in Helsinki, Teesport, St. Petersburg and Rotterdam, supported by ports in Pori, Ghent, Riga, Lübeck and Klaipeda
 - Own LNG-fuelling station in Teesport
- Some terminals are partly owned by Containerships' parent and thus offer preferential access; in other terminals cooperation agreements guarantee the Group access to the facilities
- Services include short-and long-term warehousing (including for refrigerated goods), customs processing and inbound logistics
- All terminals are connected to an extensive rail and barge network enabling multimodal transport

Snapshot of Containerships' operations



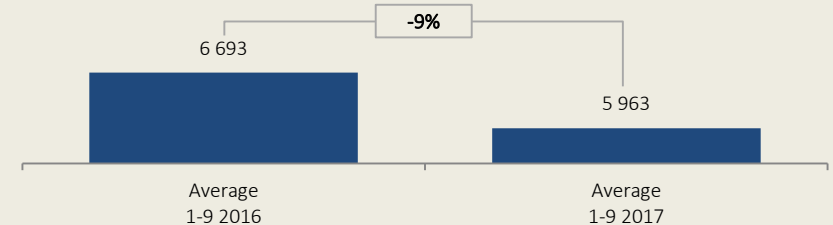
Flexible and efficient vessel fleet...

Flexible vessel fleet held predominantly on short-term charters

		Vessel	TEUs	Contract
Baltic service		CS VI	966	Charter
		CS VII	966	Owned
		CS VIII	850	Charter
		Solong	803	Charter
		Vorburg	812	Charter
		Jork Ruler	803	Charter
		Linda	907	Charter
		Aila	907	Charter
		Music	803	Charter
Med service		Kosova	1,129	Charter
		Viya	1,055	Charter
		Purki	620	Charter
		Max Sun	724	Charter
Incoming LNG vessels		CS LNG I	1,400	Sale-and-leaseback
		CS LNG II	1,400	Sale-and-leaseback
		CS LNG III	1,400	Sale-and-leaseback
		CS LNG IV	1,400	Sale-and-leaseback

- Containerships currently operates a fleet of 13 container vessels optimised for short-sea operations, with capacity varying from 620 to 1,129 TEUs
 - One vessel, Containerships VII, is fully owned, unencumbered, and was valued at EUR 10.1 million in September 2017¹
 - Most remaining vessels are operated on short-term charters
- Chartering of vessels enables high operational flexibility; given short duration of charter agreements and current overcapacity in the market, the Group can quickly adjust its fleet to respond to changes in demand
 - Chartered vessels incur daily rates of EUR 6,000-6,500 in addition to fuel costs, applicable port duties/charges, and scrubber costs in the Baltics (to ensure SECA compliance)
- The Group has ordered four LNG-fuelled container vessels which will be delivered in stages over the course of 2018
 - Will replace existing vessels in the Baltics and thus add minimal new capacity on a net basis; Med fleet will remain constant and on short-term charters, thus enabling quick adjustments to overall fleet size
 - Vessels will be sold and leased back from a special purpose vehicle owned by the shipyard which is currently building the vessels

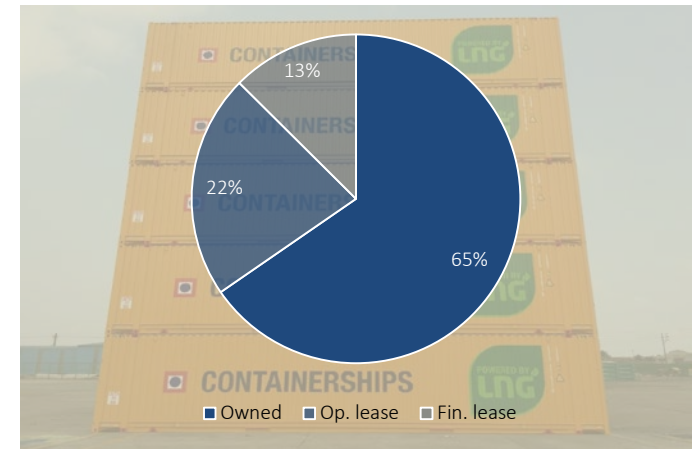
Oversupplied market drives favourable charter rate development²



... complemented by owned and leased trucks and containers

Cargo containers

- Containerships operates a fleet of nearly 17,000 containers which are located throughout the Group's network
- Containers are standardised and can be moved seamlessly between vessels, trucks and barges
- The majority of the Group's containers are 40-foot and many are pallet-wide, allowing for the optimisation of internal volume when transporting Euro-palletised goods
- Nearly one-third of the container fleet is comprised of 45-foot so-called Magnum containers, also known as trailer size as one container can be transported by a regular semi-trailer
- For door-to-door refrigerated cargo, the Group also offers so-called reefer containers
- Containers are a liquid asset for which an active secondary market exists
 - Current average prices for used containers of EUR 1,500-2,000 imply a market value of the Group's owned containers in the range of EUR 17-22 million
 - The Group has undertaken to at all times own a minimum of 9,000 containers



Trucks

- Containerships operates its own truck fleet in key markets including Finland, Russia and the UK
- Trucks are used to support the Group's sea-based operations and are mainly used to enable door-to-door transportation from e.g. the local port to the recipient's premises
- In other markets including the Baltics, Denmark, Poland and Benelux the Group cooperates with reliable local partners in providing land-based transportation services to its customers
- Ownership model varies by market:
 - UK: most trucks are held on longer-term (5-6 year) operational leases, with some spot hires
 - Russia: most trucks are owned with some on financial leases
 - Finland: most trucks are held on shorter-term financial leases
- The Group has invested heavily in LNG-fuelled trucks in recent years and currently operates some 45 dual-fuelled trucks across its markets

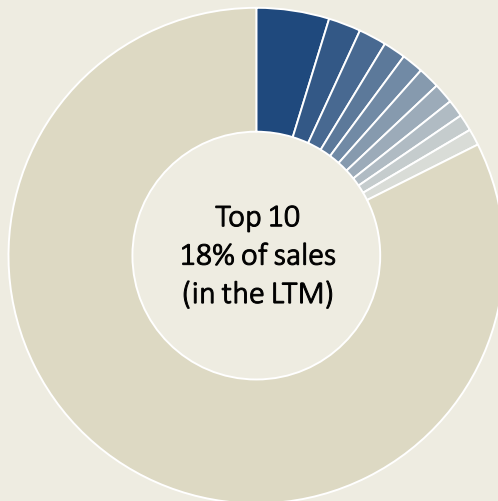


Loyal and diversified customer base

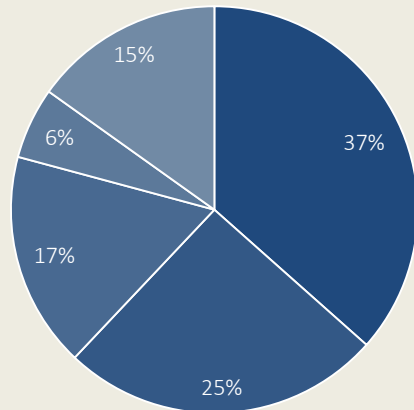
Overview

- The Group serves a wide base of customers, ranging from large blue-chip corporates to small and medium-sized businesses
- Key industries served are consumer goods, food & beverage and forest products (approximately 80% of revenues in aggregate)
- No dependence on any single customer – the largest accounted for 5% of sales in the LTM and the 10 largest accounted for 18% of sales in aggregate
- Strong customer focus builds loyalty – all of the 10 largest customers have been with the Group for more than 5 years
- Orders vary from low-volume spot orders to long-term, complex framework agreements (approximately 30% of the business)
- Sales are carried out mainly through local sales force for smaller customers; larger customers generally organise tender processes
- Approximately 70% of all customer contracts now contain bunker fuel indexation clauses, allowing the Group to pass on fuel price hikes

Dispersed customer base



End market diversification



- Consumer goods
- Food & beverage
- Forest products
- Chemicals
- Other

Blue-chip customers



+ bookings from 2,400 other customers in the year to date

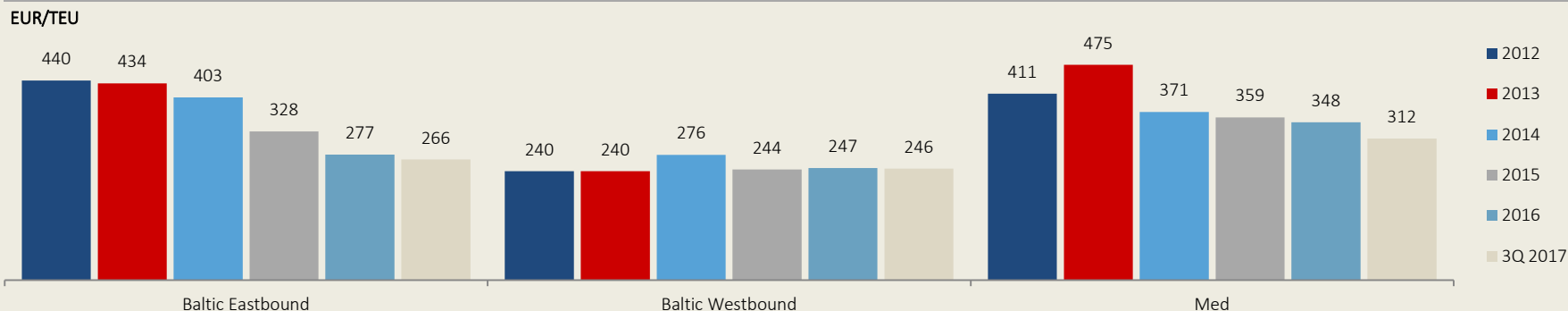
Further details on operations – Sea

Key determinant of profitability: pricing

- Shipping rates have been on a sustained decline in recent years driven by oversupply and generally muted market sentiment in many of the Group's markets
- The Group has nevertheless improved profitability in recent years owing to a strict focus on operational efficiency
- Management's view is that the rate fall is beginning to bottom out and during 3Q 2017 price increases have been recorded on certain routes

Route	<ul style="list-style-type: none"> In the Baltics, routes are classified either as Westbound or Eastbound depending on the vessel's destination Westbound routes departing from Eastern Europe and Finland generally carry raw materials and unprocessed goods Eastbound routes generally carry valuable cargo such as foodstuffs, consumer goods and apparel and will consequently see higher rates
Customer	<ul style="list-style-type: none"> Large customers purchasing substantial volumes tend to get preferential rates Smaller customers as well as those purchasing on a spot basis will pay higher rates
Contract structure	<ul style="list-style-type: none"> Approximately 1/3 of the Group's business is on spot, generally with higher rates The remaining 2/3 comprise framework agreements with midsize and large customers, generally of 1-3 years' duration
Competition	<ul style="list-style-type: none"> Competitive pressures are a major determinant of rates and the higher rates in the Mediterranean are explained by less competition in the region Low shipping rates on point-to-point services can be offset by higher land transportation rates on door-to-door services

Historical price development by route, 2012-3Q 2017



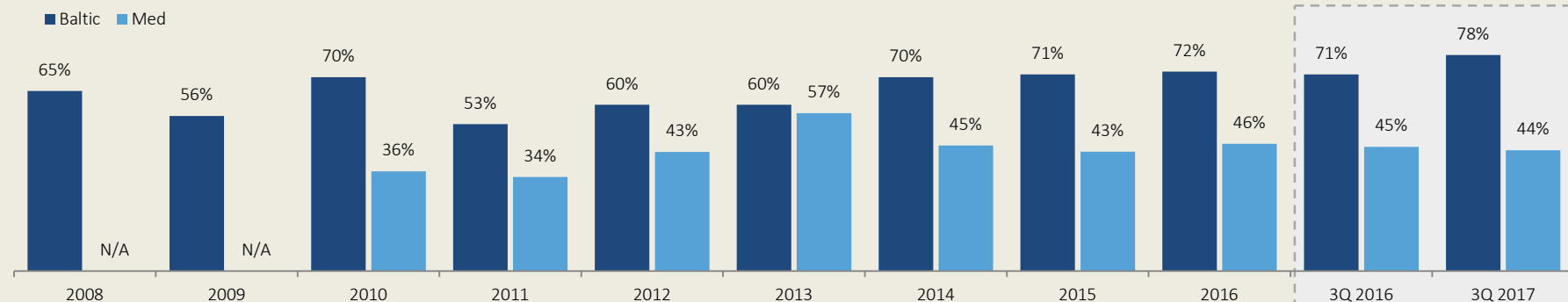
Further details on operations – Sea (cont'd)

Key determinant of profitability: utilisation

- Owing to the capital-intensive nature of the shipping business, maximising vessel loads and spreading costs across volumes is key to achieving and sustaining profitable operations
- The Group has made route and utilisation planning a key priority in recent years, which has been reflected in utilisation levels
- Average utilisation levels in the Baltics have improved every year since 2011 and reached all-time high levels during 3Q 2017

Route	<ul style="list-style-type: none"> ▪ Owing to higher activity levels and more frequent shipments, the Baltics generally see higher utilisation levels than the Mediterranean ▪ From 2011-2016, utilisation in the Baltics averaged 64% vs. 45% in the Mediterranean
Capacity	<ul style="list-style-type: none"> ▪ Larger vessels with greater capacity aggregate loads and make fewer shipments at higher utilisation rates; however a balance needs to be struck between vessel capacity and departure frequency in order to maximise both utilisation and customer satisfaction ▪ Containerships' new 1,400 TEU LNG-fuelled vessels are of optimal size as they provide ~80 per cent higher capacity per tonne of fuel while still being small enough to be accommodated by all relevant Baltic and North Sea ports as well as by the Kiel canal (Kielmax)
Frequency	<ul style="list-style-type: none"> ▪ Frequent departure times are required to remain competitive – especially against trailer operators ▪ Reliable transit times is a critical decision making factor to a large number of customers

Average annual vessel utilisation, 2008-3Q 2017



Further details on operations – Land

Revenue model



Booked separately to Sea, see previous pages



Booked to Land

- Customer is invoiced a price based on the total distance travelled on land * 2 (to reflect return journey) * price (generally, EUR ~1 or more per km) = total Land price
- To the above are added terminal handling charges and sea transportation costs, if there is a shipping element involved

Profitability in Containerships' land operations hinges on the successful execution of three elements

Own production

- Comprises the Group's fixed truck fleet
- Of the own production costs, 2/3 are fixed (salaries and truck-related costs) and 1/3 is variable (diesel)
- Hence, more customer kilometres results in higher efficiency and lower cost/km
- Own production used in Russia (50%), UK (75%) and Finland (25%); different markets require different levels of own production
- If own production is too expensive, services are instead purchased

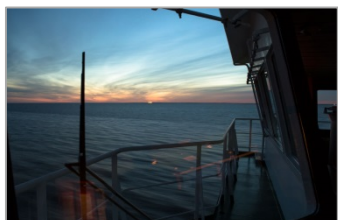
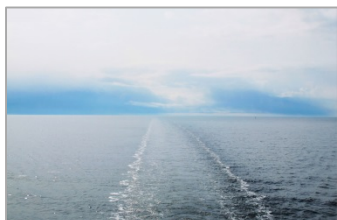
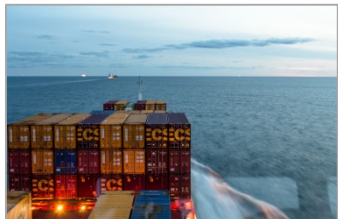
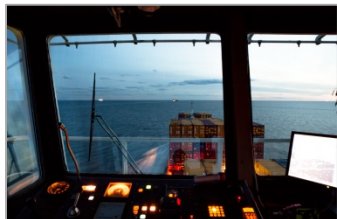
Purchased services

- The purchase of trucking services externally, either on the spot market or under long-term agreements
- All costs are flexible; suppliers are only paid per kilometre the goods travel
- Spot prices tend to be considerably higher; on the other hand, long-term contracts tend to require minimum volume commitments
- Balance of spot/long-term purchases depends on market dynamics
- In any case, the Group will capture a margin

Transportation planning

- Profitability is largely dependent on the efficiency with which one's fleet can be utilised
- The Group has in recent years focused increasingly on route planning to improve fleet efficiency
- In particular the minimisation of empty mileage is key
- With efficient transportation planning, margins of Land operations can be doubled or tripled as the same cost base is spread across a higher number of "paid-for" kilometres

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Refresher on the LNG investment programme

SECA tightened emissions standards in Europe

- Since January 2015, vessels entering the so-called Sulphur Emission Control Area (SECA) must utilise bunker fuel containing less than 0.1% sulphur (SOx) or equivalent
- SECA restrictions apply to all vessels entering the Baltic and North Sea, the English Channel and the coast of the United States and Canada
- In order to comply with regulations, many operators have opted to retrofit so-called scrubbers to their HFO-fuelled vessels, which is an expensive and temporary solution
- Others have switched to MGO-fuelled vessels, but the fuel is considerably more expensive than HFO and requires slow steaming for vessels to operate cost-effectively
- Regulations to tighten globally from 2020; LNG will effectively be the only fuel currently available to directly comply with anticipated regulation

Sulphur Emission Control Area in Europe



Options for complying with SECA

1. Heavy fuel oil (HFO) with scrubber

- Regular heavy bunker may now only be used on vessels equipped with a scrubber device, which cleans exhaust emissions
- Can only be retrofitted to 1/3 of the global fleet
- Retrofitting cost of EUR 3-6 million per vessel
- Only a temporary solution; not expected to comply with future legislation

2. Low sulphur marine gas oil (MGO)

- Regular diesel oil that complies with current emissions standards
- No vessel modifications or capex required
- ~50% more expensive than HFO
- Slow steaming required to control costs
- Existing HFO tanks must be cleaned prior to being used with MGO

3. Liquefied Natural Gas (LNG)

- Only fuel compliant with all anticipated regulation
- Requires new vessels that can run on LNG
- No other European operator is currently using LNG vessels; infrastructure is still under development
- Most competitors cannot undertake this investment as they either own vessels or have vessels tied up on long leases

4. Alternative fuels

- Alternative fuels, e.g. biofuels, possible in the future
- Not currently available and not expected to become a realistic alternative in the near to medium term

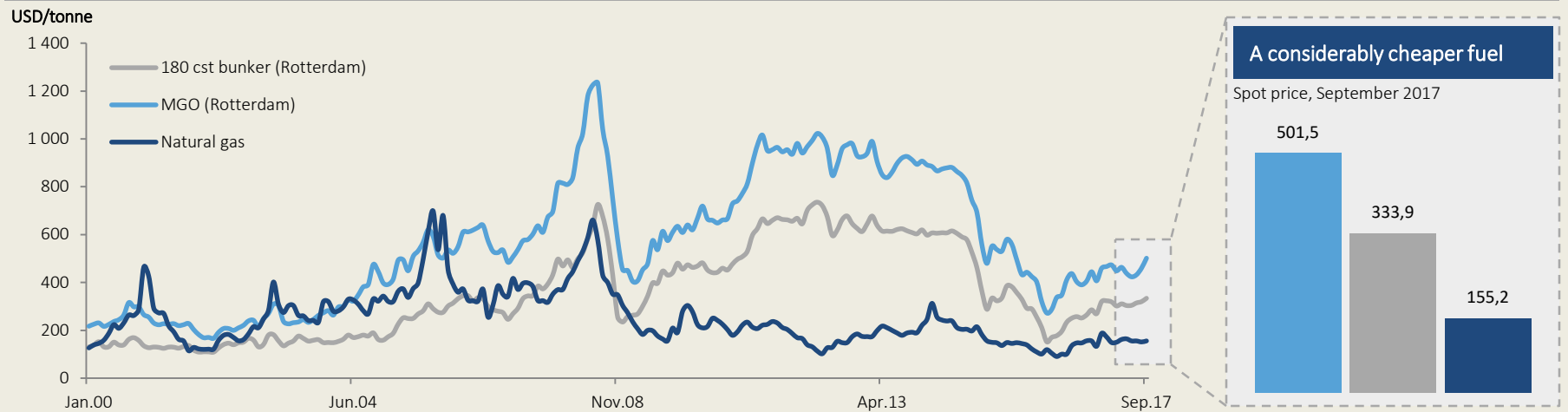
Refresher on the LNG investment programme (cont'd)

Containerships' response: creating a fully LNG-based supply chain

- Containerships will exploit the new regulatory landscape to gain a first-mover advantage in the market for LNG-fuelled vessels
- The Group will be the first player in Europe with a fully LNG-fuelled supply chain, including LNG-fuelled trucks and fuelling stations, creating a green, sustainable and compliant door-to-door offering
 - No other European competitor has yet ordered fully LNG-fuelled vessels for short sea operations, ensuring 2-3 years of first mover advantage
 - Some competitors have retrofitted LNG propulsion to existing vessels but these efforts are regarded more as piloting rather than full-scale operations
- Many competitors will be unable to seize the opportunity to replace their vessels due to:
 - Low market valuations of used vessels combined with high financial leverage
 - Vessels tied up on long-term charters

- ✓ Positive marketing effect
- ✓ LNG is future-proof: operators opting to keep running on HFO risk being caught out by future regulation
- ✓ LNG is a considerably cheaper fuel
- ✓ Shipyards have historically low order books, resulting in greater than normal flexibility on pricing when ordering LNG-fuelled vessels
- ✓ As the overall market drives up prices in order to pass on costs of compliance, the Group can maintain prices (or raise by less than their competitors) and thus improve its competitive position

LNG is the preferred option for the future and comes at a considerable discount to other fuels



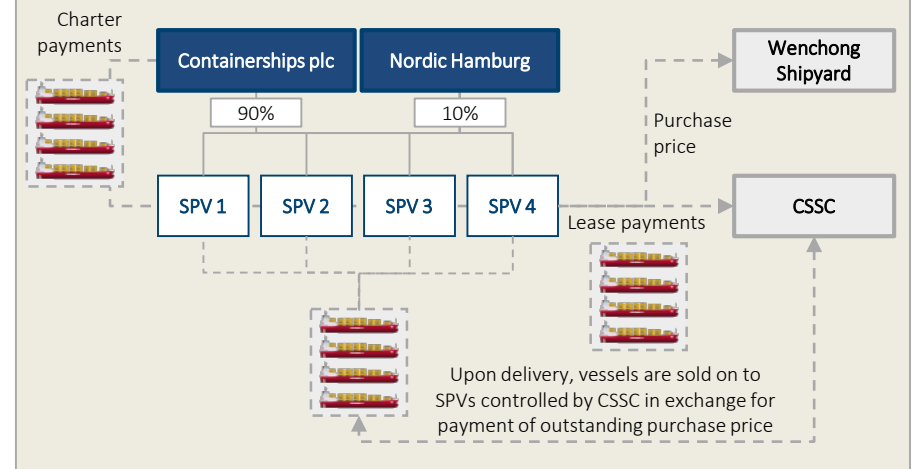
Refresher on Containerships' new LNG-fuelled vessels

Summary

- Containerships has ordered – and made down payments – for a total of four new dual-fuel engine technology container vessels
 - Down payments of USD 4.8 million per vessel (USD 19.2 million in total) were made during the autumn of 2016
- Each vessel will have a total capacity of 1,400 TEU, equivalent to 639 units of 45-foot “Magnum” containers
 - Equipped with engines capable of running both on LNG and MGO or HFO
 - The vessels will be operating in the Baltic and North Sea and will be sailing under flag of a European Union member state
- The vessels are built at the Chinese state-owned Guangzhou Wenchong Shipbuilding Company Limited in cooperation with Nordic Hamburg, a reputable ship management company
 - Nordic Hamburg acts as site supervisor and is responsible for the technical management of the construction project
- Upon delivery, the vessels will be sold to special purpose companies owned by CSSC (Hong Kong) Shipping Company Limited, a Chinese state-owned sister company to the Wenchong shipyard
 - CSSC will pay a consideration of approximately USD 27.2 million per vessel to finance the second and final instalment of the purchase price
 - The vessels will then be leased back to special purpose companies owned by Containerships (90%) and Nordic Hamburg (10%)
- Following the sale and leaseback transaction, the new vessels will enter into operation for Containerships on 12-year bareboat charters
 - Purchase option grants flexibility
 - Containerships expects to purchase the vessels at the end of the leasing period



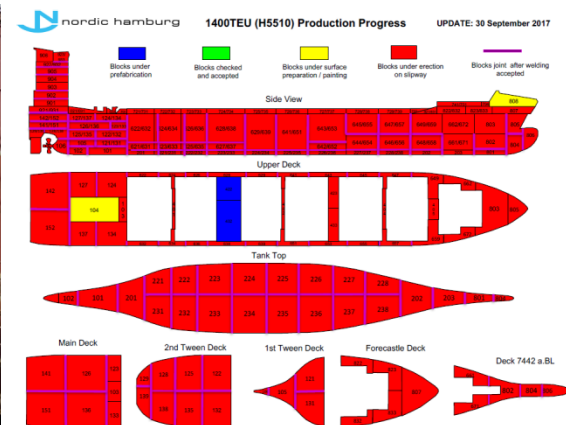
Structural overview of the sale-and-leaseback transaction



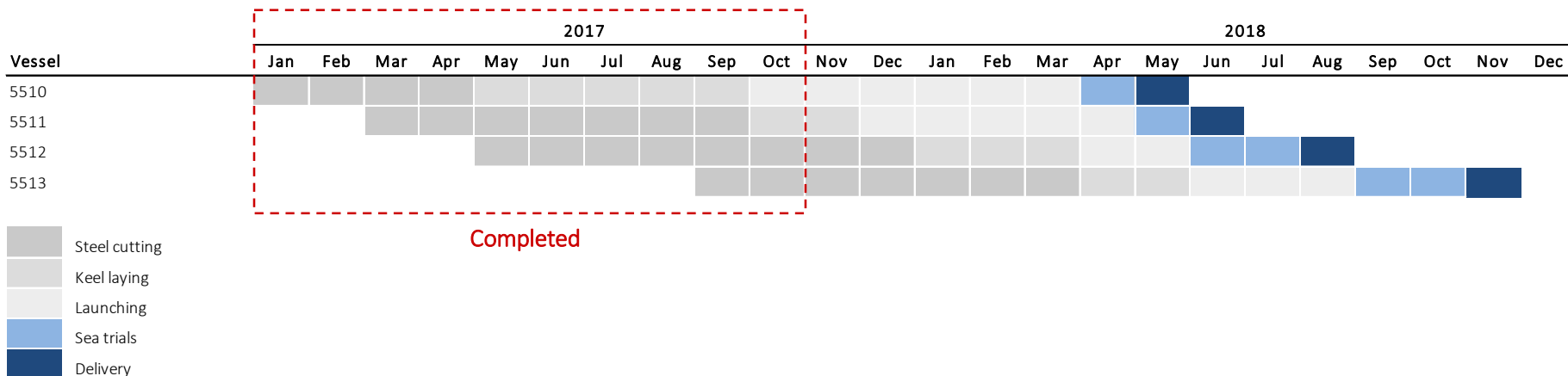
Current status of the vessel construction

Vessel construction progressing according to plan

- Containerships receives bi-weekly progress reports from the construction supervisor, Nordic Hamburg, providing comprehensive updates on the construction of each vessel
- According to these reports, the vessel construction is progressing according to plan and budget and without any major issues having been encountered
- Based on the current milestone plan, two vessels will be delivered at the end of H1 2018, with the two remaining vessels to be delivered in August and November 2018, respectively



Current milestone plan

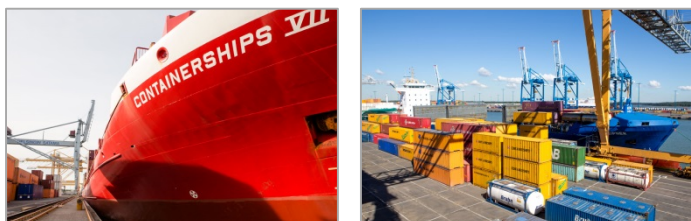
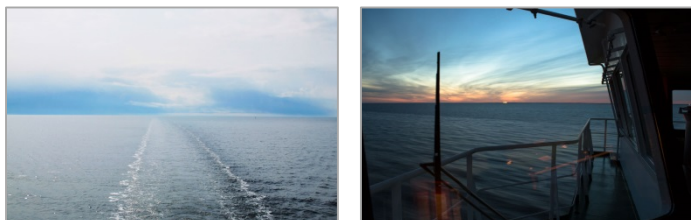
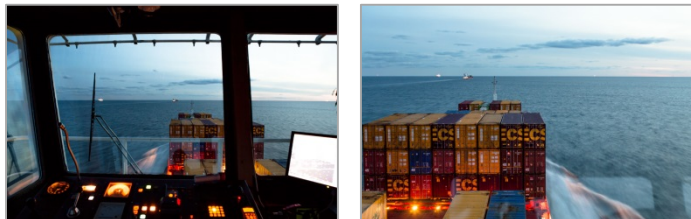


Roll-out and replacement plan

New vessels will replace existing vessels currently on short-term charters, thus adding limited new capacity

Vessel	Status	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Containerships VII	Owned												
Vessel 2	Chartered												
Vessel 3	Chartered												
Vessel 4	Chartered												
Vessel 5	Chartered												
Vessel 6	Chartered												
Vessel 7	Chartered												
Vessel 8	Chartered												
Vessel 9	Chartered												
Vessel 10	To be chartered												
5510	Sale-and-leaseback												
5511	Sale-and-leaseback												
5512	Sale-and-leaseback												
5513	Sale-and-leaseback												
Total active vessels		9	9	9	9	9	9.5	9	9.5	10	10	10	10

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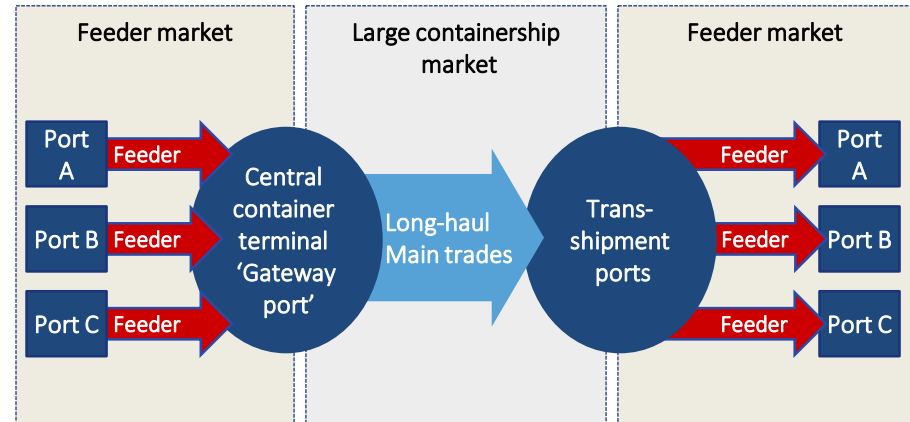
Introduction to the market for seaborne container freight

Overview

- Seaborne trade is executed mainly by three types of vessels:
 - Tankers, transporting e.g. oil
 - Bulk carriers, transporting cargo in bulk
 - Containerships, carrying their load in containers
- Containerships can further be divided into small and large vessels
 - Small containerships, called feeders, carry up to 3,000 TEUs primarily on short haul intra-regional routes, and “feed” larger ships or central terminals
 - Large containerships can carry more than 10,000 TEUs and are used for long haul trips, such as Trans-Atlantic and Trans-Pacific routes

	Vessel class	Global fleet	Typical trade
Feeders	Containerships' segment		
	Small feeder 100-999 TEU	1,037 vessels 629 kTEU Avg. age 17.0 years	Short haul, e.g. intra-regional trips & feeding central container terminals and ships & North-South routes
	Feeder 1,000-1,999 TEU	1,232 vessels 1,734 kTEU Avg. age: 12.8 years	
	Feedermax 2,000-2,999 TEU	615 vessels 1,557 kTEU Avg. age: 12.7 years	
Large containerships	Panamax 3,000-7,999 TEU	1,372 vessels 6,756 kTEU Avg. age: 10.8 years	Long haul, e.g. North-South routes & Trans-Pacific & Trans-Atlantic
	Neo-Panamax 8,000-14,999 TEU	806 vessels 8,299 kTEU Avg. age: 6.2 years	Long-haul, e.g. Far East - Europe & Trans-Pacific
	Post-Panamax +15,000 TEU	85 vessels 1,562 kTEU Avg. age: 2.9 years	Far East-Europe

Feeders are core infrastructure in moving cargo

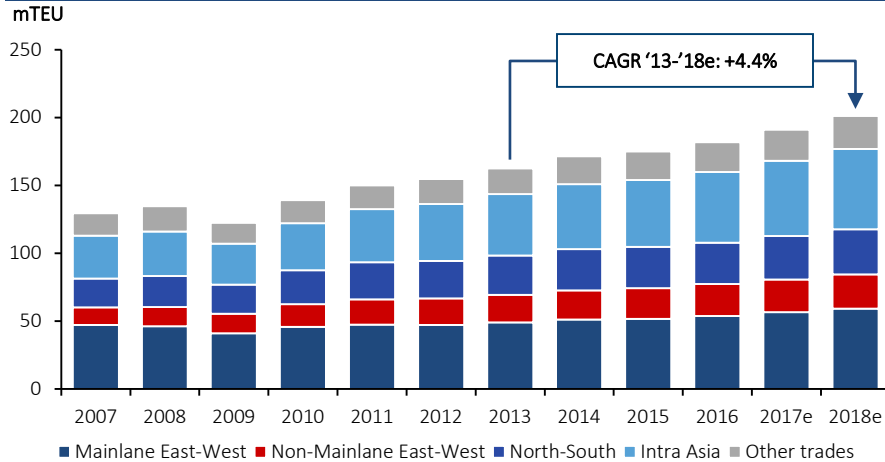


Competitor overview

Categories	Competitors	Service description
Deep sea	MSC, Maersk, OOCL and CMA-CGM	<ul style="list-style-type: none"> Port to port transport Infrequent departures Reliable and low prices
Short sea	Samskip, Unifeeder, Sea Connect, SEL	<ul style="list-style-type: none"> Operate intermodal land network Departures at medium frequencies Medium to highly reliable at medium prices
Land transport	DSV, DHL, LKW Walter	<ul style="list-style-type: none"> Door-to-door transport through a combination of road and ferry vessels High frequency departures and fast transit times Medium to highly reliable
3PL	K+N, DHL, Schenker and Ceva	<ul style="list-style-type: none"> Providers of warehousing and transportation outsourcing Buying power through aggregated volumes of transportation and geographic coverage

Global trade is growing, supported by improving macroeconomics

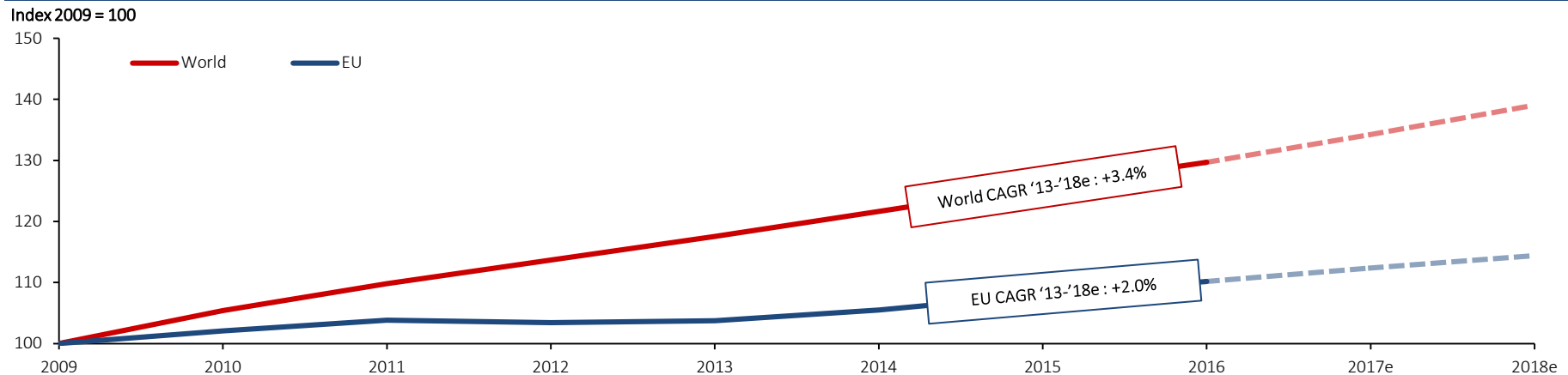
Development of world seaborne container trade



Overview

- Seaborne freight volumes are driven principally by global economic activity and thus correlate closely with world GDP
- Following a temporary contraction in 2009 driven by the global economic downturn, world container trade has recovered quickly
 - Strongest growth on Intra Asia routes, driven by continued trade expansion, and Non-Mainlane East-West routes
- In 2018, global container trade is forecast to grow by 5%, driven by favourable macroeconomic conditions in large parts of the world
- While a cascading effect has been observed as container vessels are getting larger, the effect on feeders is limited
 - Smaller vessels have access to ports with size restrictions
 - Feeders are efficient on routes where larger ships have low utilisation rates

GDP growth has picked up globally



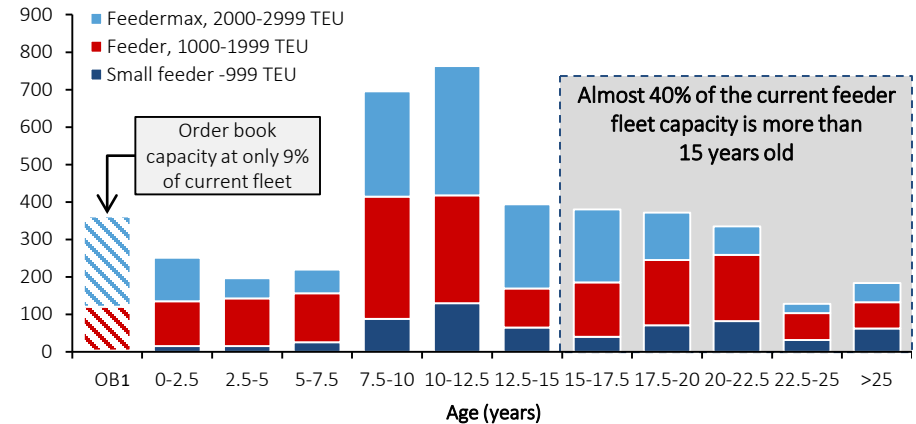
Supply of feeder capacity tightening despite global trade growth

Overview

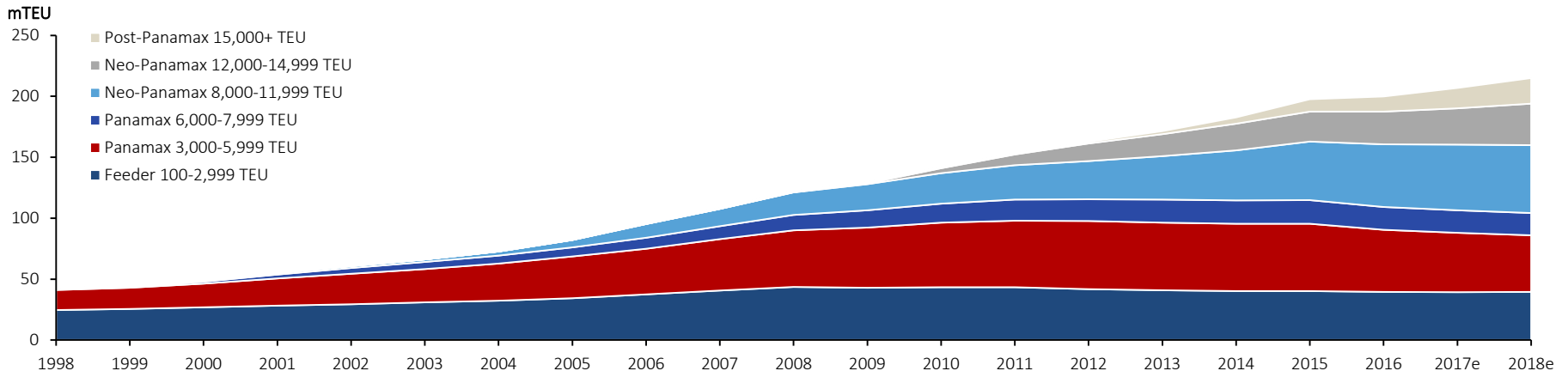
- The global container fleet has doubled in size over the past 10 years, but capacity growth has been driven almost solely by vessels carrying more than 8,000 TEUs
- Aggregate container fleet capacity is expected to grow at a CAGR of 4.6% over the period to 2018E, driven primarily by the Neo-Panamax classes
- Since 2008, the feeder segment has been contracting as a result of high scrapping and a limited number of new orders
 - Continued scrapping activity combined with an ageing fleet indicates a continued neutral to negative supply situation over the foreseeable future
- Given the expected increase in intra-regional container trade volumes, prospects for the feeder segment appear positive

Feeder fleet ageing rapidly

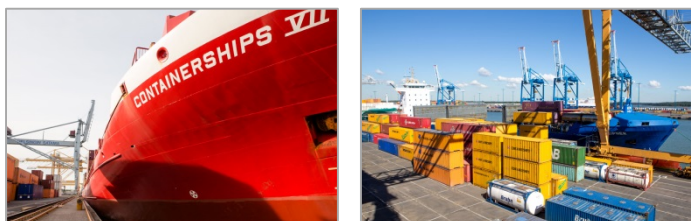
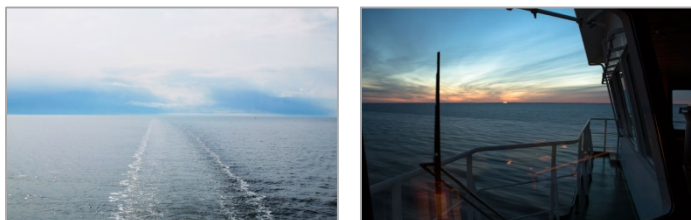
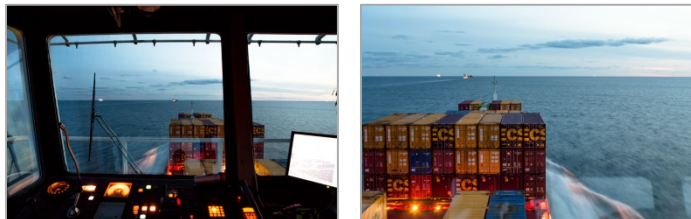
Capacity in kTEU



Container fleet capacity development; feeder fleet has remained flat or even contracted slightly



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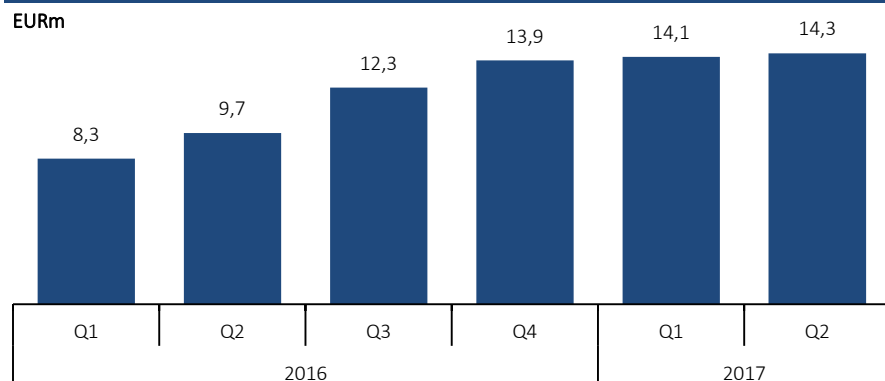
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Positive momentum in sales and profitability

Six consecutive quarters of LTM EBITDA improvement



- Since 2014, Containerships has been negatively affected by a range of economic and geopolitical events, including the Russian import ban, political unrest in North Africa as well as generally muted economic sentiment throughout large parts of the Group's markets
- Nevertheless, 2016 marked a year of strong operating performance for the Group, managing its operating environment with a focus on profitability
 - Reported EBITDA increased by 67% to EUR 13.9 million in 2016A, while total revenue fell by 1.7% on the back of virtually flat volumes
 - Margin improvement of 280 bps driven by strict focus on operational efficiency of vessels, trucks, and containers, as well as lower bunker costs
- The positive trend in operating performance has continued into 2017
 - H1 2017 revenues up 12% on H1 2016, driven by 13% volume growth in the Baltics; Med returning to profitable growth after having experienced challenging market conditions during 2016 and the beginning of 2017
 - Recovery in oil price drove bunker costs which offset profitability improvements resulting from operational efficiency measures

Income statement

EURm	2014	2015	2016	LTM Q2'17
Revenue	210.8	199.6	197.9	209.5
Other income	2.8	4.9	3.0	4.0
Total revenue	213.5	204.5	200.9	213.5
Materials and services	-171.8	-160.2	-150.7	-157.8
Employee benefit expenses	-21.4	-21.8	-21.9	-23.2
Other expenses	-7.2	-14.2	-14.4	-18.3
Total costs	-200.5	-196.2	-187.0	-199.2
EBITDA	13.1	8.3	13.9	14.3
Depreciation, amortisation and impairment	-8.8	-8.7	-8.0	-7.9
EBIT	4.2	-0.4	5.9	6.4
Net finance costs	-3.5	-7.2	-7.4	-5.7
Profit before tax	0.8	-7.7	-1.5	0.6
Income taxes	-0.5	0.9	0.1	-0.3
Net income	0.3	-6.7	-1.4	0.3

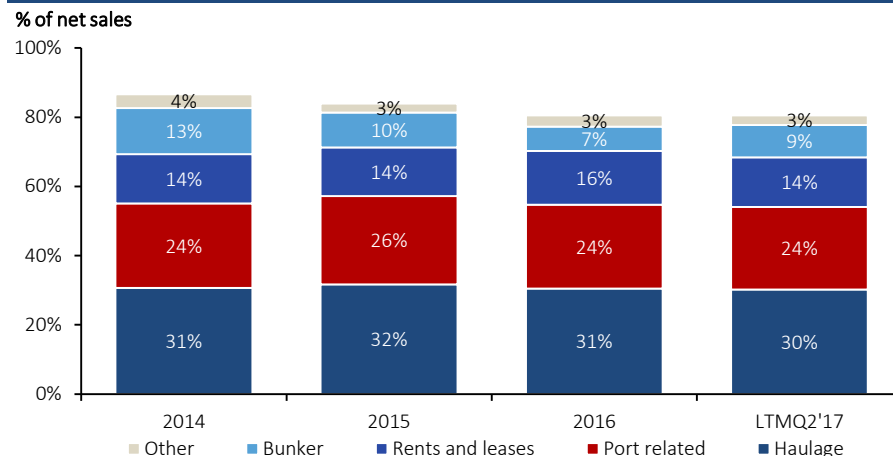
Materials and services as % of revenue	(81.5%)	(80.3%)	(76.1%)	(75.3%)
Employee benefit expenses as % of revenue	(10.2%)	(10.9%)	(11.1%)	(11.1%)
Other expenses as % of revenue	(3.4%)	(7.1%)	(7.3%)	(8.7%)
EBITDA margin	6.2%	4.2%	7.0%	6.8%
EBIT margin	2.0%	(0.2%)	3.0%	3.0%

Flexible cost structure with largely neutral net working capital

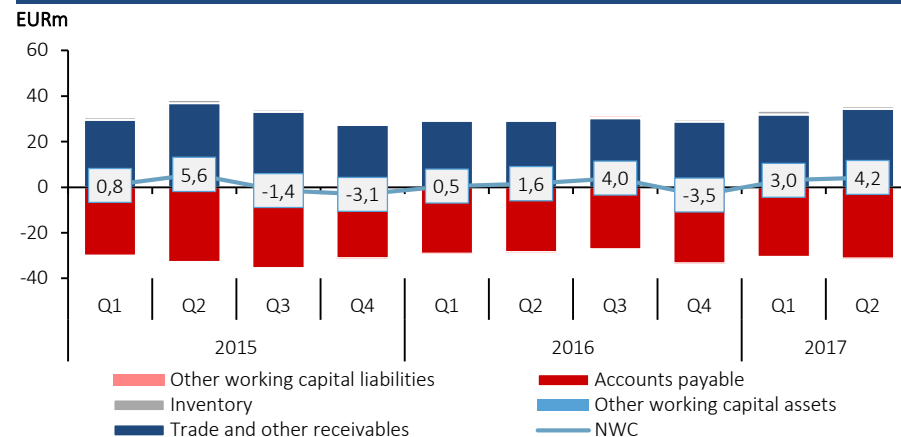
Overview

- The Group benefits from a flexible cost structure with a relatively high proportion of assets held on financial and operational leases and limited straight ownership
- As a consequence, the Group's cost base is predominantly variable and fluctuates in line with overall activity levels
- In aggregate, variable costs account for approximately 85% of total costs and comprise of the following key categories:
 - **Haulage costs** relate to expenses incurred for cargo delivery on land e.g. using trucks
 - **Port related expenses** comprise of e.g. terminal handling and port charges and stevedoring costs (loading and unloading of containers)
 - **Rents and leases** comprise costs related to vessel charters and container leases
 - **Bunker** represents fuel costs
- Variable costs as a proportion of total costs have increased somewhat in recent years; however total costs as a proportion of revenues have remained flat
- Management has a positive outlook on the Group's profitability owing to:
 - New LNG vessels, which have lower fuel costs and higher efficiency per TEU
 - Continued focus on operational performance improvement initiatives, including more efficient route planning, container rotation and fuel usage
- The Group's net working capital generally fluctuates around zero, with some intra-year seasonality
 - Since 2015, NWC has fluctuated between -1.7% to 2.8% of RTM revenues
 - Average NWC position of EUR 1.2 million from Q1 2015 to Q2 2017
 - In its statutory reporting, the Group includes certain financial assets and liabilities in its calculation of NWC; these have been excluded for the purpose of this material to reflect only movements in operational NWC

Breakdown of variable costs

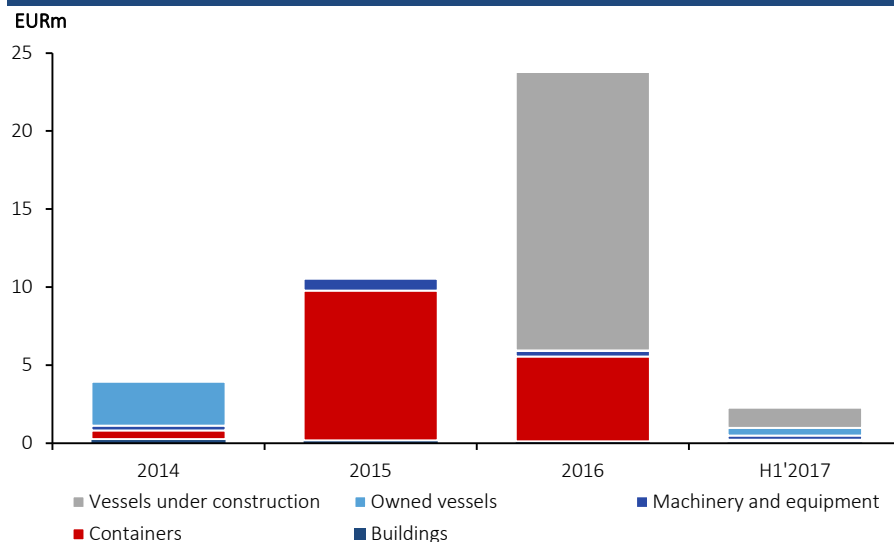


Quarterly net operating working capital development



Capital expenditure and cash flow

Capital expenditure



- The majority of the Group's capital expenditure historically has been comprised of investments in containers and vessels under construction
 - During the autumn of 2016, the Group made a EUR 17.8 million down payment on the four new LNG-fuelled vessels, which comprised the vast majority of capex that year
- The Group both purchases and disposes of containers on a continuous basis
 - Shown above is gross capex
 - On a net basis, investments in containers amounted to EUR 3.4 million and negative EUR 0.2 million in 2015 and 2016, respectively
 - Excluding the down payment for the new vessels, net capex averaged EUR 2.2 million p.a. over the period 2014-2016

Summary cash flow

EURm	2014A	2015A	2016A	H1 2016	H1 2017
EBITDA	13.1	8.3	13.9	6.7	7.1
Change in net working capital	1.9	5.8	1.5	-2.9	-8.2
Taxes	-0.2	-0.0	-0.6	-0.2	-0.3
Operating cash flow	14.7	14.0	14.7	3.6	-1.4
Net capex	-1.2	-7.6	-21.8	-2.8	0.3
Operating free cash flow	13.5	6.5	-7.1	0.8	-1.1
<i>Cash conversion</i>	<i>103.6%</i>	<i>78.0%</i>	<i>(51.1%)</i>	<i>12.4%</i>	<i>(15.8%)</i>

- The cash flow shown above is derived from reported figures but is calculated based on unadjusted EBITDA (not adjusted for other operating income)
- During 2014 and 2015, the Group generated healthy cash flows through a combination of limited capex and a decreasing working capital position
- The cash flow during 2016 and the first half of 2017 has been burdened by heavy investments, more specifically the down payments for the new LNG-fuelled vessels
- Going forward, the Group expects its working capital position to improve as investments, now limited to containers and trucks, return to normalised levels

Illustrative post-bond balance sheet

Balance sheet and illustrative post-bond changes

EURm	2014A	2015A	2016A	30-Jun	Changes	Post-bond
Goodwill	6.9	7.1	6.5	6.3	-	6.3
Other intangible assets	0.9	1.4	2.0	2.6	-	2.6
Property, plant and equipment	44.8	42.0	57.9	55.5	-	55.5
Other non-current financial assets	0.4	0.0	0.0	0.0	-	0.0
Deferred tax assets	5.6	5.7	6.4	6.4	-	6.4
Other receivables	0.0	4.9	6.4	6.3	-	6.3
Total non-current assets	58.7	61.1	79.2	77.1	-	77.1
Inventories	1.1	0.8	1.1	1.1	-	1.1
Trade and other receivables	22.5	47.2	28.7	34.3	-	34.3
Other current financial assets	2.2	0.2	0.2	0.1	-	0.1
Current tax assets	0.1	0.1	0.1	0.1	-	0.1
Cash and cash equivalents	1.5	9.3	11.1	4.3	8.0	12.3
Total current assets	27.3	57.5	41.1	39.9	8.0	47.9
TOTAL ASSETS	86.0	118.6	120.3	117.0	8.0	125.0
Convertible capital loan	-	9.5	5.4	5.7	-	5.7
2015/2019 bond	-	48.7	48.6	49.1	-49.1	-
2017/2021 bond	-	-	-	-	60.0	60.0
Other non-current liabilities	14.5	5.6	5.4	4.2	-	4.2
Trade and other payables	1.9	1.3	1.0	1.0	-	1.0
Other non-current financial liabilities	0.4	1.0	1.4	1.0	-	1.0
Deferred tax liabilities	2.6	1.8	1.7	1.8	-	1.8
Total non-current liabilities	19.3	67.8	63.5	62.8	10.9	73.7
Interest-bearing borrowings	13.9	2.7	3.3	2.5	-	2.5
Trade and other payables	30.1	31.1	33.3	31.2	-	31.2
Other current financial liabilities	0.1	0.4	-	0.6	-	0.6
Current tax liabilities	0.2	0.2	0.0	-	-	-
Total current liabilities	44.2	34.3	36.6	34.3	-	34.3
TOTAL LIABILITIES	63.6	102.1	100.1	97.1	10.9	108.0
TOTAL EQUITY	22.4	16.5	20.2	20.0	-2.9	17.0
TOTAL LIABILITIES AND EQUITY	86.0	118.6	120.3	117.0	8.0	125.0

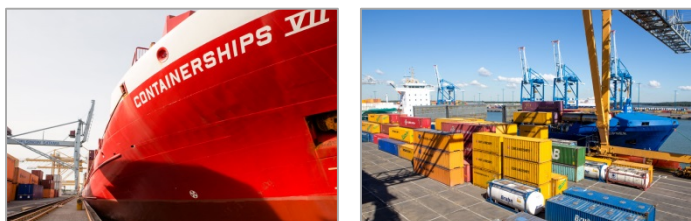
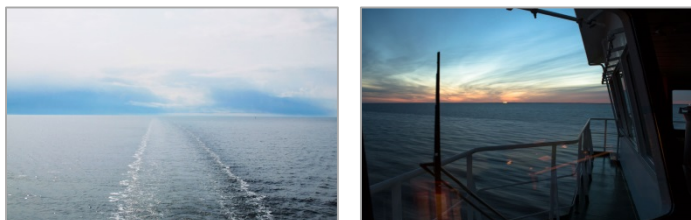
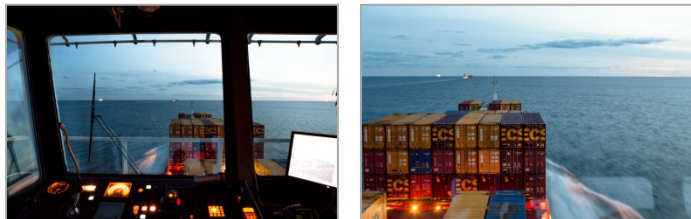
Overview

- The Group's balance sheet is relatively asset-heavy, with the majority of non-current assets comprised of property, plant and equipment
 - Within this category, containers accounted for EUR 20.0 million as at 30 June, vessels accounted for EUR 13.3 million and vessels under construction for EUR 19.1 million¹
- Goodwill pertains to historical acquisitions while other intangible assets relate to IT licenses and service and maintenance agreements
- Current assets consist largely of trade receivables
- Non-current liabilities comprise of the Group's currently outstanding bond (to be refinanced), a convertible capital loan from the Nordic Environment Finance Corporation (NEFCO), and financial leases relating to trucks and containers
- Current liabilities consist largely of trade payables and financial leases with a maturity in less than 12 months

Post-bond commentary

- The illustrative post-bond balance sheet shown on the left seeks to show the change in the Group's financial position resulting from the bond issue
- The Group will allocate the proceeds from the bond issue towards repayment in full of the currently outstanding bond (EUR 50.5 million) together with early redemption costs of approximately EUR 1.5 million
 - Early redemption costs together with difference between face value and carrying value of the existing bond will affect equity and cash and cash equivalents in equal amounts
- The balance, net of transaction costs, will be used for general corporate purposes, including investments in containers as well as acquisitions
- Post-bond, the Group is expected to be levered 4.6x and 3.8x on a gross and net basis, respectively, against Q2 LTM EBITDA of EUR 14.3 million²

Agenda



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Risk factors

Investing in the Bonds involves inherent risks. A number of risk factors and uncertainties may adversely affect the Issuer and its subsidiaries (the "Group"). If any of these risks or uncertainties actually occurs, the business, operating results and financial position of the Group could be materially and adversely affected, which could have a material adverse effect on the Group's ability to meet its obligations (including payment of interest and repayment of principal) under the terms and conditions of the Bonds (the "Terms and Conditions"). In this section, a number of risk factors are illustrated, both general risks pertaining to the Group's business operations and risks relating to the Bonds as financial instruments. The risks presented herein are not exhaustive, and other risks not discussed herein, not currently known or not currently considered to be material, may also affect the Group's future operations, performance and financial position, and consequently the Group's ability to meet its obligations under the Terms and Conditions. Potential investors should consider carefully the information contained in this section and make an independent evaluation before making an investment in the Bonds.

PLEASE NOTE THAT ONLY A LIMITED LEGAL DUE DILIGENCE HAS BEEN CARRIED OUT BY WAY OF A MANAGEMENT INTERVIEW. NO DOCUMENTARY DUE DILIGENCE HAS BEEN CONDUCTED. NO FINANCIAL, INSURANCE OR TAX DUE DILIGENCE HAS BEEN CONDUCTED. THUS, THERE MAY BE RISKS RELATING TO THE GROUP AND ITS BUSINESS WHICH HAVE NOT BEEN DISCLOSED IN THE LIMITED LEGAL DUE DILIGENCE AND WHICH ARE CONSEQUENTLY NOT DISCLOSED IN THIS DOCUMENT.

The risk factors below are not ranked in any specific order.

Group specific risks

Competitive landscape

The industry is competitive and the Group has a number of competitors across different services, segments and geographic markets, especially in the land-based operations. There is a risk that the competitors will become stronger in the future, for example, by means of further consolidation in the market and there is a risk that the Group will not be able to compete successfully against current as well as future competitors. Further, there is a risk that an increase in competition will lead to increased costs with regards to seeking out new customers, as well as retaining current customers. The Group's possibility to compete also depends upon the Group's ability to anticipate future market changes and trends and to rapidly react on existing and future market needs. If the Group fails to meet the competition from new and existing companies or fails to react to market changes or trends, there is a risk that this will have an adverse effect on the Group's business, earnings or financial position.

Risks related to future acquisitions

In the future, the Group may complete potential acquisitions that are in line with the Group's strategic objectives. There is a risk that future acquisition activities will present certain financial and operational risks, including difficulties when integrating or separating businesses from existing operations and challenges presented by acquisitions which do not achieve sales levels and profitability that justify the investments made by the Group. If the future acquisitions are not successfully integrated, there is a risk that the Group's business, financial condition and results of operations will be adversely affected.

Also, there is a risk that future acquisitions will result in dilutive issuances of the Group's equity securities, the incurrence of debt, contingent liabilities, amortisation costs, impairment of goodwill or restructuring charges. Further, there is a risk that there are unidentified risks in acquired companies which are unknown to the Group or that acquisitions may include undertakings by a member of the Group to pay additional purchase price to the sellers. As a result, there is a risk that such unidentified risks will have an adverse effect on the Group's business, earnings or financial position.

Processing of personal data

The Group registers, processes, stores and uses personal data in the course of its business on servers owned by the Group. It is of high importance that the Group registers, processes and uses personal data in accordance with applicable personal data legislation and requirements. Non-compliance with applicable data protection legislation could result in fines. Notable is also that a new European Union regulation regarding personal data will enter into force in 2018. The new regulation will include stricter sanctions for breach of the regulation, and the fines may amount to the higher of EUR 20,000,000 and four (4) per cent of the consolidated turnover of the Group. Should the Group fail to comply with applicable data protection legislation and requirements, there is a risk that such fines will have an adverse effect on the Group's business, earnings or financial position.

Disputes and litigations

The Group is currently involved in a legal dispute submitted to arbitration against one of its former agents in Algeria. According to the Group, the claim is initiated as a result of the agent having failed to comply with its responsibilities and as a result of certain actions taken by the agent not complying with the agreements entered into between the parties. The arbitration is estimated to take approximately 6-12 months and according to the Group, the cost impact of the current proceedings is estimated to be approximately EUR 700,000, including legal costs of approximately EUR 200,000. There is a risk that the cost will increase if the Group decides to litigate the claim further. If the counterparty in the dispute is successful, there is a risk that the cost exposure will be higher than estimated and there is a risk that this would have an adverse effect on the Group's earnings, financial position, performance and market position or on the pricing of the Bonds.

Further, there is a risk that the Group in the future will become involved in claims, legal actions, disputes or other litigation. If so, there is a risk that eventual negative outcomes of such disputes or even negative publicity in connection therewith will have an adverse effect on the Group's business, earnings or financial position.

Competition authorities

In the future, the Group could be subject to investigations by competition authorities. There is a risk that investigations are initiated. If so, there is a risk that eventual negative outcomes will have an adverse effect on the business carried out by the Group.

Risk factors

Customer agreements

The Group relies on both formal and non-formalised business relationships such as for example oral agreements. There is a risk that such non-formal and oral agreements will result in uncertainties with respect to applicable Terms and Conditions as well as validity, which would result in an increased risk for earlier termination and legal disputes. There is a risk that non-formal and oral agreements could have an adverse effect on the Group's business, earnings and financial position.

Negative publicity

There is a risk that negative publicity or announcement relating to the Group will, regardless of whether justified or not, deteriorate the brands' value and have an adverse effect on the Group's operations, financial position, earnings and results.

Risk relating to the sale and leaseback of vessels

The Group will in 2018 acquire four new LNG-fuelled vessels (the "New Vessels") and will immediately upon delivery sell the New Vessels to a third party special purpose vehicle owned by CSSC Shipping Company Limited, a Chinese state-owned sister company to the Wenchong shipyard, and will simultaneously lease back the New Vessels to special purpose vehicles owned by the Issuer (90 per cent) and by Nordic Hamburg (10 per cent). The New Vessels will operate for the Group on a 12-year bareboat charter. The New Vessels are currently being constructed and there is a risk that the New Vessels will not pass certain acceptance tests in connection with delivery. There is a risk that any failure of any of the New Vessels to pass the applicable acceptance tests or to comply with any applicable regulation or specification would delay the delivery of the New Vessels, which would adversely affect the Group's ability to generate revenues from the New Vessels and the Group's result of operations and financial condition.

Furthermore, the sale and leaseback arrangement will contain a purchase option following three years after delivery and a purchase obligation at the end of the 12-year leasing period. There is a risk that this entails a significant financial obligation for the Group with an adverse effect on the Group's results of operations, earnings and financial position.

Also, if the third party buyer of the New Vessels goes bankrupt or goes into financial difficulties, the creditors of such third party buyer may seize the New Vessels for recovery of their loans which would adversely affect the Group's ability to generate revenues from the New Vessels and the Group's result of operations and financial condition.

The Group's insurance coverage

The Group acquires insurance for its operations against, amongst others, third-party liability, freight property loss and damage, hull and machinery damage, loss of hire, war risk, and strike and delay.

There is a risk that the Group's existing insurance coverage is insufficient to cover all the risks associated with its business and operations, for example the risks which relate to equipment and property damage (including damage or loss of the Group's goods and property), including those caused by natural disasters and other events beyond the Group's control. If the Group's insurance coverage is insufficient, there is a risk that the Group will be required to pay for loss, damage and liability out of own funds and that the Group's claims records will affect the premiums which insurance companies charge the Group in the future, leading to an adverse effect on the Group's business, financial condition and results of operations.

Borrowing by the Group and interest risk

The Group has incurred, and may in compliance with the limits set out in the final Terms and Conditions further incur, financial indebtedness to finance its business operations. Such financing may generate interest costs which may be higher than the gains produced by the investments made by the Group. Borrowing money to make investments will increase the Group's exposure to the loss of capital and higher interest expenses. Further, the Group is exposed to changes in interest rates through its financing agreements that carry floating rates of interest. The interest rates are affected by a number of factors that are beyond the control of the Group, including but not limited to the interest rate policies of governments and central banks. There is a risk that an increase in interest rates would entail an increase in the Group's interest obligations, which would have an adverse effect on the Groups' operations, financial position, earnings and results. To manage its interest rate exposure, the Group has entered into some interest derivative contracts and may in the future enter into further interest derivative contracts. However, it is possible that (if used) any such current or future hedging will not afford the Group sufficient protection against adverse effects of interest rate movements. Moreover, the success of any hedging activities is highly dependent on the accuracy of the Group's assumptions and forecasts. All erroneous estimations that affect such assumptions and forecasts would have an adverse effect on the Group's operations, financial position, earnings and results.

Currency risk

The Issuer's functional currency is EUR. Although the Issuer's primary operations and cash flows are typically denominated in EUR, the Group has operations and costs that are not denominated in EUR. These include, but are not limited to, the American Dollar, Russian Rouble and Ukrainian Hryvnia. Therefore the Group is exposed to currency risk, i.e., the risk that currency exchange rate fluctuations will have an adverse effect on the business. There is a risk that exchange rate fluctuations will adversely affect the Group's business, earnings or financial position when purchases are made in different currencies.

Risk factors

Variations in the price of heavy fuel oil

Although the Group gradually is changing to LNG as main source of fuel for its vessels, the Group still regularly purchases heavy fuel oil for use as fuel for the vessels it uses to transport cargo throughout the routes of its operations. Heavy fuel oil prices and purchase availability are subject to global crude oil supply and demand, foreign exchange market fluctuations, changes involving OPEC and other crude oil countries, and the state of environmental legislation. The Group is currently buying its heavy fuel oil from St. Petersburg, Russia, and the prices are negotiated and updated monthly. The Issuer is by this exposed to the current state of affairs in Russia and also the market for oil prices at large. There is a risk that any material rises in the price of bunker oil will adversely affect the Group's business, earnings or financial position.

The Group's long-term LNG strategy depends on continued growth in demand for LNG shipping

The future demand for LNG shipping may be affected by numerous factors, including but not limited to an increase in the cost of LNG relative to the cost of crude oil, if current oil prices remain on low levels or any significant explosion or spill involving an LNG vessel. There is a risk that reduced demand for LNG shipping will have an adverse effect on the Group's business, earnings and financial position.

The LNG market

The Group has entered into long-term contracts for its future LNG supply. The contracts are linked to the price index of heavy fuel oil (HFO) or the price index of gas. If the Group's contractual counterparties do not deliver as contractually agreed, there is a risk that the Group will be required to seek alternative sources for LNG in order to ensure continued supply. This may require purchases on the so called spot market to acquire the gas required. There is a risk that purchases on the spot market will only be available on more expensive terms than under the contracts that the Group has entered into, and there is consequently a risk that such purchases on the spot market will have an adverse effect on the Group's business, earnings and financial position.

Further, there is a risk that the LNG supply and bunkering infrastructure, together with the regulatory framework surrounding it, will change. The Group's current and future LNG strategy described is dependent on an appropriate LNG supply and bunkering infrastructure having been developed in time for the Group's shift to LNG. There is a risk that such infrastructure will not develop in the timeframe or at the rate anticipated by the Group, and there is a risk that any deviation from the projections made by the Group will have an adverse effect on the Group's business, earnings and financial position.

Vessel operations

The Group operates a number of vessels, although mainly through charter agreements, and the Group's fleet is exposed to operational risks, such as breakdowns, inclement weather, technical problems, force majeure events (e.g. port facility strikes), collisions, grounding and similar events and there is a risk that this will have an adverse effect on the Group's business, earnings and financial position.

In respect of the Existing Vessel currently owned by the Issuer, there is a risk that the Group will be affected by various factors, including but not limited to, its ability to man the vessel with suitable experienced, high-quality masters, officers and crew. There is a risk that this would be difficult to find and consequently affiliated with higher costs. Further, another factor is the risk of port tariffs, insurance, repair and maintenance and other costs affiliated with the shipping industry increasing unexpectedly. There is a risk that these factors, if materialised, will have an adverse effect on the Group's business, earnings and financial position.

Charter agreements/contracts with subcontractors and port operators

The Group is dependent on its cooperation with subcontractors and contractual partners, especially as regards the vessel charterers. The Group is subject to the risk that some subcontractors and/or contractual partners perform their services inadequately or not in a timely manner. There is a risk that such subcontractors and/or contractual partners will become insolvent during their engagement, which would result in the Group being unable to retain customers or the further growth of the Group being impaired. There is a risk that this would have an adverse effect on the Group's business, earnings and financial position.

A number of the charter agreements are entered into on a short-term contract basis and there is a risk that the Group becomes impaired in its ability to renew their short-term contracts on terms beneficial for the Group, for example if prices in the charter agreement were to be raised, or of the Group being unable to renew any charter contracts, which would have an adverse effect on the Group's business, earnings and financial position.

Further, the Group has entered into a number of charter agreements on a long-term basis and there is a risk that the Group will not be able to conduct its operations efficiently during a temporary or persistent economic down-turn and decreased demand for container shipping. There is a risk that this will result in the Group still having to pay the vessel charterers the charter fees for a period of time without having any goods to transport, which consequently would have a material and adverse effect on the Group's earnings and financial position.

Furthermore, a decisive factor for the Group's competitiveness is its ability to enter into and maintain favourable terminal/stevedoring agreements with port operators. There is a risk that the Group will not be able to renew or enter into new terminal/stevedoring agreements on beneficial terms. There is a risk that the Group will be unable to enter into new or renew current terminal/stevedoring agreements with port operators, which in turn will have an adverse effect on the Group's competitiveness, business, earnings and financial position.

Risk factors

Risks associated with operational efficiency and interruptions in business operations

The Group's fleet of vessels is exposed to the operational risks involved in performing its sea-based services. These include, among other things, unexpected failure of or damage to vessels and technical equipment, work accidents and weather conditions. These risks can cause personal injury, damage to property and equipment, and pollution and environmental damage, which would prevent business operations being performed as scheduled. There is a risk that the Group will be subject to claims as a result of these risks and that the vessel provider's, or its own, insurance coverage will not suffice to cover such claims. There is a risk that the exposure to technical and operational risk, with unforeseen problems leading to unexpectedly high operating costs and potential substantial loss will have an adverse effect on the Group's business, earnings and financial position.

Risk of third-parties hiding contraband on vessel or containers

Smugglers may attempt to hide drugs, weapons or other contraband on the Group's vessels or containers, with or without crew members' knowledge. The Group has no control of the goods transported in its containers as the content of the product is in the hands of the shipper. There is a risk that third-parties hide contraband on vessels or containers which will result in negative publicity and governmental or other regulatory claims which would have an adverse effect on the Group's business, earnings and financial position.

Risk related to taxes and charges

The Group conducts its business in accordance with its own interpretation of applicable tax regulations and applicable requirements and decisions. There is a risk that the Group's or its advisors' interpretation and application of laws, regulations, rules, and case law has been, or will continue to be, incorrect or that such laws, regulations, rules and case law will change. If such an event should occur, the Group's tax liabilities will increase, which would have an adverse effect on the Group's business, earnings and financial position.

IT

The Group uses IT systems for internal purposes and externally in relation to its suppliers and customers. The main IT system for the Group's day-to-day operations is developed in-house. There is a risk that extensive downtime of network servers as well as computer virus attacks could adversely affect the Group's operations, which ultimately would affect the Group's business, earnings and financial position.

Loss of one or more of the Group's major agents

The Group operates in geographically diverse markets, in many cases through agents. The agents are deemed important, especially in growing markets since they usually have good local contacts. Although agents can be replaced if necessary, there is a risk that they generally need a certain degree of training on the Group's services, which takes time.

In addition, in the areas in which the Group is exposed to the most competition, new agents can be hard to find. Hence, there is a risk that loss of one or more of the Group's agents, especially in its primary markets, will have an adverse effect on the Group's business, financial position, results of operations and future prospects and, thereby, on the Issuer's ability to fulfil its obligations under the Bonds, as well as the market price and value of the Bonds.

Key personnel

The Group is dependent upon a number of key employees who have been employed by the Group for a long time, and have together developed the day-to-day operations and systems within the Group. These personnel also possess comprehensive knowledge of the industry in general and of the Issuer in particular. The Group is also dependent on key individuals at management level. There is a risk that such key personnel will leave the Group in the future, or that they will take up employment with a competing business. Further, there is a risk that the Group will not be able to recruit new, sufficiently capable personnel to the extent that the Group wishes. If the Group fails to retain key personnel or recruit new personnel, this will have an adverse effect on the Group's business, earnings and financial position.

Regulations governing operations

As the Group conducts operations in a variety of jurisdictions, it is subject to regulatory risks in multiple jurisdictions, and applicable laws or regulations could change, including on short notice, or be subject to changes in the way they are interpreted. Changes in applicable laws or regulations or in the interpretation or enforcement of such laws or regulations could require the Group to modify the manner in which it operates, increase the costs to the Group of its operations, require the Group to make significant capital expenditure, or curtail aspects of its operations. There is a risk that the foregoing would adversely affect the Issuer's and/or the Group's business, earnings or financial position.

Further, since January 2015, vessels entering so-called Sulphur Emission Control Areas ("SECA") must utilise bunker fuel containing less than 0.1 per cent sulphur (SOx) or equivalent. The SECA restrictions apply to the Group's vessels entering for example the Baltic and North Sea and the English Channel. The current global limit for sulphur content of ships' fuel oil is 3.50 per cent sulphur (SOx) or equivalent and the global limit will be tightened to 0.5 per cent from 2020. There is a risk that regulations regarding the limit for sulphur content of ships' fuel oil will be tightened further in the future and that the required fuel will result in increased costs for fuel or actions required in order to comply with the anticipated regulations. Subsequently, if the Group fails to comply with such regulations there is a risk that this would adversely affect the Group's business, earnings or financial position.

The Group's exposure in relation to compliance with anti-corruption laws and regulations

The Group operates in numerous countries and jurisdictions and consequently has numerous interactions with government authorities, including but not limited to, port authorities, environment authorities, labour and tax authorities, and customs and immigration authorities.

Risk factors

The Group has no formal internal procedures in place on how to maintain compliance with these regulations and there is a risk that employees or associates would try to make unlawful payments to e.g. governmental officials. Such actions that will be deemed to have violated anti-corruption laws potentially applicable to the Group and there is a risk that both civil and criminal penalties will be imposed on the Group which would have an adverse effect on the Group's reputation, business, earnings and financial condition.

Market specific risks

Environment, security and health

There is a risk that laws and regulations protecting the environment will become more stringent and could in some cases impose strict liability, rendering a person liable for environmental damage without regard to negligence. There is a risk that these laws and regulations will expose the Group to liability for the conduct of, or conditions caused by, others, or for acts that were in compliance with all applicable laws at the time they were performed. There is a risk that the application of these requirements will have an adverse effect on the Group's financial position, results of operations or cash flow. The Group may be able to obtain some degree of contractual indemnification, pursuant to which the vessel providers agree in the charter contracts entered into with the Group to protect, hold harmless and indemnify the Group against liability for pollution and environmental damage; however, there is a risk that the Group will not obtain such indemnities in all of its contracts or that, in the event of the occurrence of extensive pollution and environmental damage, the vessel providers would have the insurance coverage and/or financial capability to fulfil their contractual obligations. Also, there is a risk that these indemnities will be held to be unenforceable for public policy or other reasons.

Risk of war, terrorist attacks and other armed conflicts

There is a risk that war, terrorist attacks and other armed conflicts will, among other things, cause instability in the world's financial markets. Further, there is a risk that increased political and economic instability in some geographic markets in which the Group operates (or may operate in the future) will contribute to high levels of volatility for, among other things, the price of oil and gas. If these conflicts and instabilities were to further escalate and the risk affiliated with such materialises, the result would have an adverse effect on the Group's business, earnings and financial conditions.

Sanctions

The Group operates in a number of countries throughout the world, including countries which from time to time may be subject to sanctions by regulations. The Group is committed to doing business in compliance with applicable sanctions regulations. Should the Group, for any reason, breach applicable sanctions regulations, there is a risk that this will result in damages and/or charges, which may have an adverse effect on the Group's business, earnings and financial position.

Risks relating to operations in emerging markets

The Group has operations and customers across Europe, Eurasia and Northern Africa, including in a number of emerging markets, such as Russia, Ukraine, Turkey, Algeria, Tunisia and Libya. Some of these markets that the Group operates in are subject to greater political, economic and social uncertainties than countries with more developed institutional structures, and there is a risk of loss resulting from changes in legislation, economic or social upheaval, and other factors which would be substantial. Among the more significant risks of operating and investing in emerging markets are those arising from the introduction of trade restrictions, the enforcement of foreign exchange restrictions and changes in tax laws and enforcement mechanisms. There is a risk that such actions will substantially reduce or eliminate any benefits derived from operating in these markets.

There is a risk that political instability between Russia and Ukraine during the past years has had, and in the future will have, an adverse effect on the export and import volumes from and to Russia and in turn, the Group's business, results of operations, cash flow and financial conditions. Further, there is a risk that the contemplated termination of the UK's status as a member state of the European Union ("Brexit") will have an impact on the Group's land transportation and operations connected to the UK, especially if the Group increases the use of foreign drivers in the UK. If the Group increases its use of foreign drivers in the UK, there is a risk that this will have an adverse effect on the Group's business, earnings or financial operation.

Risks relating to the Bonds

Investors are exposed to credit risk in respect of the Issuer and the Group

An investment in the Bonds carries a credit risk relating to the Issuer and the Group. The investor's ability to receive payment under the Terms and Conditions is therefore dependent upon the Issuer's ability to meet its payment obligations, which in turn is dependent upon the performance of the Group's operations and its financial position. The Group's financial position is affected by several factors, a number of which have been discussed above. There is a risk that an increased credit risk will cause the market to charge the Bonds a higher risk premium, which will affect the Bonds' value negatively. Another aspect of the credit risk is that there is a risk that a deteriorating financial position of the Group will reduce the Group's possibility to receive debt financing at the time of the maturity of the Bonds.

Refinancing risk

The Issuer may be required to refinance some or all of its outstanding debt, including the Bonds. The Issuer's ability to procure such refinancing arrangements is dependent on the conditions of the capital markets and its financial position at the time. The Issuer's access to sources of financing may not be available on favourable terms, or at all. The Issuer's inability to refinance its debt obligations on favourable terms, or at all, would have an adverse effect on the Group's business, financial position and results of operations, and on the prospects of recovery by the bondholders under the Bonds.

Risk factors

Ability to comply with the Terms and Conditions

The Group is required to comply with the Terms and Conditions, *inter alia*, to pay interest under the Bonds. Events beyond the Group's control, including changes in the economic and business conditions in which the Group operates, may affect the Group's ability to comply with, among other things, the undertakings set out in the Terms and Conditions. A breach of the Terms and Conditions would result in a default under the Terms and Conditions, which would lead to an acceleration of the Bonds, resulting in the Issuer having to repay the bondholders at the applicable call premium. It is possible that the Issuer will not have sufficient funds at the time of the repayment to make the required redemption of Bonds.

Interest rate risks

The Bonds' value depends on several factors, one of the most significant over time being the level of market interest. The Bonds will bear a floating rate interest of 3 month EURIBOR plus a margin. Hence, the interest rate is to a certain extent adjusted for changes in the level of the general interest rate. There is a risk that an increase of the general interest rate level will adversely affect the value of the Bonds. The general interest rate level is to a high degree affected by the international financial development and is outside the Group's control.

Active trading for the Bonds may not develop

Pursuant to the Terms and Conditions the Issuer must use its best effort to list the Bonds on the corporate bond list of Nasdaq Helsinki within 30 calendar days from the issue date of the bonds, and there is an obligation list the Bonds on the corporate bond list of Nasdaq Helsinki no later than 60 calendar days from the issue date of the bonds. However there is a risk that the Bonds will not be admitted to trading within the aforementioned time frame, or at all. If the Issuer fails to procure listing in time, investors holding Bonds on an investment savings account will no longer be able to hold the Bonds on such account, thus affecting such Investor's tax situation.

Even if the Bonds are admitted to trading on the aforementioned market, active trading in the Bonds does not always occur and a liquid market for trading in the Bonds might not occur even if the Bonds are listed. This may result in bondholders being unable to sell their Bonds when desired or at a price level which allows for a profit comparable to similar investments with an active and functioning secondary market.

Lack of liquidity in the market may have a negative impact on the market value of the Bonds. Furthermore, the nominal value of the Bonds may not be indicative compared to the market price of the Bonds if the Bonds are admitted for trading on Nasdaq Finland. It should also be noted that during a given time period it may be difficult or impossible to sell the Bonds (at all or at reasonable terms) due to, for example, severe price fluctuations, close down of the relevant market or trade restrictions imposed on the market.

The Bonds may not be a suitable investment for all investors

Each potential investor in the Bonds must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- a) have sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained or incorporated by reference in this Investor Presentation or any applicable supplement;
- b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Bonds and the impact other Bonds will have on its overall investment portfolio;
- c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds;
- d) understand thoroughly the Terms and Conditions; and
- e) be able to evaluate (either alone or with the help of a financial advisor) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

The market price of the Bonds may be volatile

There is a risk that the market price of the Bonds could be subject to significant fluctuations in response to actual or anticipated variations in the Group's operating results and those of its competitors, adverse business developments, changes to the regulatory environment in which the Group operates, changes in financial estimates by securities analysts and the actual or expected sale of a large number of Bonds, as well as other factors, some of which have been discussed above. In addition, global financial markets have experienced significant price and volume fluctuations in recent years, which, if repeated in the future, risk adversely affecting the market price of the Bonds without regard to the Group's operating earnings, financial position or prospects.

Ability to service debt

The Issuer's ability to service its debt under the Bonds will depend upon, among other things, the Group's future financial and operating performance, which will be affected by prevailing economic conditions and financial, business, regulatory and other factors, some of which are beyond the Group's control. If the Group's operating income is not sufficient to service its current or future indebtedness, the Group will be forced to take actions such as reducing or delaying its business activities, acquisitions, investments or capital expenditures, selling assets, restructuring or refinancing its debt or seeking additional equity capital. There is a risk that the Group will not be able to affect any of these remedies on satisfactory terms, or at all. This would have a negative effect on the Group's operations, earnings, results and financial position.

Risk factors

The Issuer is dependent on its subsidiaries

A significant part of the Group's assets and revenues relate to the Issuer's subsidiaries. Accordingly, the Issuer is dependent upon receipt of sufficient income related to the operation of and the ownership in the subsidiaries to enable it to make payments under the Bonds. The Issuer's subsidiaries are legally separate and distinct from the Issuer and have no obligation to pay amounts due with respect to the Issuer's obligations and commitments, including the Bonds, or to make funds available for such payments. Consequently, the Issuer is dependent on the subsidiaries' availability of cash, and their legal ability to make dividends, which may from time to time be limited by corporate restrictions and law. Should the Issuer not receive sufficient income from its subsidiaries, an investor's ability to receive payment under the Terms and Conditions may be adversely affected.

Subsidiaries, structural subordination and Insolvency of subsidiaries

A significant part of the Group's assets and revenues relate to the Issuer's subsidiaries. The subsidiaries are legally separated from the Issuer and the subsidiaries' ability to make payments to the Issuer is restricted by, among other things, the availability of funds, corporate restrictions and law restrictions. Furthermore, in the event of insolvency, liquidation or a similar event relating to one of the Issuer's subsidiaries, all creditors of such subsidiary would be entitled to payment in full out of the assets of such company before the Issuer, as a shareholder, would be entitled to any payments. Thus, the Bonds are structurally subordinated to the liabilities of the subsidiaries. There is a risk that the Group and its assets will not be protected from any actions by the creditors of any subsidiary of the Group, whether under bankruptcy law, by contract or otherwise. In addition, there is a risk that defaults by, or the insolvency of, certain subsidiaries of the Group would result in the occurrence of cross defaults on certain borrowings of the Group.

Further, the Group operates in various jurisdictions and in the event of bankruptcy, insolvency, liquidation, dissolution, reorganisation or similar proceedings involving the Issuer or any of its subsidiaries, bankruptcy laws other than those of Finland could apply. There is a risk that an outcome of insolvency proceedings in foreign jurisdictions is difficult to predict and would therefore have an adverse effect on the potential recovery in such proceedings.

Security over assets granted to third parties

The Group may, subject to limitations, incur additional financial indebtedness and provide security for such indebtedness. In the event of bankruptcy, reorganisation or winding-up of the Issuer, the bondholders will be subordinated in right of payment out of the assets being subject to security. In addition, if any such third party financier holding security provided by the Group would enforce such security due to a default by any Group Company under the relevant finance documents, such enforcement would have an adverse effect on the Group's assets, operations and ultimately the position of the bondholders.

Currency risks

The Bonds will be denominated and payable in EUR. If bondholders in the Bonds measure their investment return by reference to a currency other than EUR, an investment in the Bonds will entail foreign exchange-related risks due to, among other factors, possible significant changes in the value of the EUR relative to the currency by reference to which investors measure the return on their investments. There is a risk that this could cause a decrease in the effective yield of the Bonds below their stated coupon rates and would result in a loss to investors when the return on the Bonds is translated into the currency by reference to which the investors measure the return on their investments. There is a risk that government and monetary authorities impose (as some have done in the past) exchange controls that would adversely affect an applicable exchange rate or the ability of the Issuer to make payments in respect of the Bonds. As a result, there is a risk that investors will receive less interest or principal than expected, or no interest or principal.

Majority owner

Following any potential change of control in the Issuer, the Issuer may be controlled by a majority shareholder whose interest may conflict with those of the bondholders, particularly if the Group encounters difficulties or is unable to pay its debts as they fall due. A majority shareholder has legal power to control a large amount of the matters to be decided by vote at a shareholder's meeting. For example, a majority shareholder will have the ability to elect the board of directors. Furthermore, a majority shareholder may also have an interest in pursuing acquisitions, divestitures, financings or other transactions that, in their judgment, would enhance their equity investments, although such transactions might involve risks to the bondholders. There is nothing that prevents a shareholder or any of its affiliates from acquiring businesses that directly compete with the Group. If such an event were to arise, there is a risk that it would have an adverse effect on the Group's operations, earnings and financial position. According to the Terms and Conditions, if a change of control event occurs, the bondholders have however a right of prepayment of the Bonds (put option). There is thus a risk that the Issuer does not have enough liquidity to repurchase the Bonds if the bondholders use their right of prepayment, see further under Section *"Risks related to early redemption and put option"* below.

Risks related to early redemption and put option

As described in the Term Sheet, and as will be stipulated in the Terms and Conditions, the Issuer has reserved the possibility to redeem all outstanding Bonds before the final redemption date. If the Bonds are redeemed before the final redemption date, the bondholders have the right to receive an early redemption amount which exceeds the nominal amount. However, there is a risk that the market value of the Bonds is higher than the early redemption amount and that it may not be possible for bondholders to reinvest such proceeds at an effective interest rate as high as the interest rate on the Bonds and there is a risk that bondholders would only be able to do so at a significantly lower rate. According to the Term Sheet, and as will be stipulated in the Terms and Conditions, the Bonds are subject to prepayment at the option of each bondholder (put option) upon a Change of Control event (as defined in the Term Sheet). There is, however, a risk that the Issuer will not have sufficient funds at the time of such prepayment to make the required prepayment of the Bonds.

Risk factors

No action against the Issuer and bondholders' representation

In accordance with the Terms and Conditions for the bonds, a bond trustee will represent all bondholders in all matters relating to the Bonds, and the bondholders are prevented from taking unilateral action against the Issuer. Consequently, individual bondholders are not entitled to take legal action to declare any default by claiming any payment from, or enforcing any security granted by, the Issuer, and may therefore have no effective remedies unless and until a requisite majority of the bondholders agree to take such action. However, there is a risk that a bondholder, in certain situations, will take unilateral action against the Issuer (in breach of the final Terms and Conditions), which would adversely affect an acceleration of the Bonds or other action against the Issuer.

To enable the bond trustee to represent bondholders in court, the bondholders/and their nominees may be required to submit a written power of attorney for legal proceedings. The failure of all bondholders to submit such a power of attorney would adversely affect the legal proceedings. Under the Terms and Conditions of the bonds, the Agent will in some cases be entitled to make decisions and take measures that are binding upon all bondholders. Consequently, there is a risk that the actions of the bond trustee in such matters would impact a bondholder's rights under the Terms and Conditions in a manner that would be undesirable for some of the bondholders.

In addition to the provisions of the Terms and Conditions and the agreement relating to the bond trustee, there is no specific legislation or established market practice in Finland governing the bond trustee's role, appointment and performance of its duties and obligations under the Bonds. There is a risk that a failure by a trustee to fully perform its duties and obligations will adversely affect the ability of the bondholders to exercise their rights as a result of, for example, an inability to receive any or all amounts payable from the transaction security in a timely and efficient manner.

Amendment to the Bonds in the bondholders' meetings bind all bondholders

The Terms and Conditions will include certain provisions regarding bondholders' meetings. Such meetings may be held in order to resolve on matters relating to the bondholders' interests. The Terms and Conditions will allow for stated majorities to bind all bondholders, including bondholders who have not taken part in the meeting and those who have voted differently to the required majority at a duly convened and conducted bondholders' meeting. Consequently, there is a risk that the actions of the majority in such matters would impact a bondholder's rights in a manner that would be undesirable for some of the bondholders.

There is no rating for the Issuer or the Bonds

Neither the Issuer nor the Bonds are currently rated by any rating agency nor is it the current intention of the Issuer to request any such rating. One or more independent credit rating agencies may independently assign credit ratings to the Bonds. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Bonds. A rating or the absence of a rating is not a recommendation to buy, sell or hold securities.

The transferability of the Bonds is restricted

The Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended, or any U.S. state securities laws. Subject to certain exemptions, a bondholder may not offer or sell the Bonds in the United States. The Issuer has not undertaken to register the Bonds under the U.S. Securities Act or any U.S. state securities laws or to effect any exchange offer for the Bonds in the future. Furthermore, the Issuer has not registered the Bonds under any other country's securities laws. It is each potential investor's obligation to ensure that the offers and sales of the bonds comply with all applicable securities law.

Completion of transactions relating to the Bonds is reliant on Euroclear Finland's operations and systems

The Bonds will be issued in the book-entry securities system of Euroclear Finland, and consequently, no physical securities will be issued. The Bonds will be dematerialised securities and title to the Bonds will be recorded and transfers of the Bonds effected only through the relevant entries in the book-entry system and registers maintained by Euroclear Finland and its account operators. Therefore, timely and successful completion of transactions relating to the Bonds will depend on the book-entry securities system being operational. There is a risk that any malfunction or delay in the book-entry securities systems or failure by any party to the system will result in the transaction not to take place as expected or to be delayed, which will cause financial losses or damage to the holders of the Bonds whose rights are depended on the timely and successful completion of the transaction. The Issuer, the Sole Bookrunner or any other third party will not assume any responsibility for the timely and full functionality of the book-entry securities system.

Laws and practices applicable to the Bonds may change

The Terms and Conditions will be based on Finnish law in force at the issue date of the Bonds. There is a risk that amended or new legislation and administrative practices will adversely affect the investor's ability to receive payment under the Terms and Conditions.

Rights to payments that have not been claimed within three years are prescribed

In case any payment under the Bonds will not have been claimed within three (3) years from the original due date thereof, the right to such payment shall be prescribed. Such prescription may incur financial losses to such holders of the Bonds who have not claimed payment under the Bonds within three (3) years.

The Bonds carry no voting rights at the Issuer's General Meetings of Shareholders

The Bonds carry no voting rights with respect to the General Meetings of Shareholders of the Issuer. Consequently, in the Issuer's General Meetings of Shareholders there is a risk that holders of Bonds cannot influence any decisions by the Issuer to redeem the Bonds or any decisions by the Issuer's shareholders concerning, for instance, the capital structure of the Issuer, which would impact the Issuer's ability to make payments on the Bonds.

Risk factors

The Issuer is not obliged to compensate for withholding tax on the Bonds

In the event of withholding taxes being imposed in respect of payments to holders of the Bonds on amounts due pursuant to the Bonds, the Issuer will neither be obliged to gross-up or otherwise compensate holders of the Bonds for the lesser amounts the holders of the Bonds will receive as a result of the imposition of withholding taxes nor will such holders of the Bonds be entitled to a premature redemption of the Bonds.

The Convertible Loan may be converted into shares in the Issuer

The Convertible Loan may under certain circumstances be converted into shares in the Issuer. In such an event, there will be a group of minority shareholders in the Issuer that together will hold approximately 3.5 per cent of the shares in the Issuer. As a consequence, the Issuer will have to consider any mandatory minority rights pursuant to the Finnish Company Act. There is a risk that this would have a negative effect on the majority shareholders' possibilities to exercise control in the Issuer. Furthermore, the new shares will not be covered by the pledge over shares in the Issuer, provided by Container Finance and Kari-Pekka Laaksonen as security for the Issuer's liabilities under the Bonds. Should the bondholders have to enforce the share pledge, the bondholders will not be able to sell 100 per cent of the shares in the Issuer (provided that the bondholders do not initiate a so called squeeze-out process against the minority shareholders in order to purchase the remaining shares at a fair price). There is a risk that this would have an adverse effect on the value of the Bonds and/or the collateral securing the Bonds.

Preferential rights and security arrangements

Risks relating to the transaction security

Although the obligations under the Bonds will be secured by first priority pledges over the shares in the Issuer as well as security over the Existing Vessel and floating charges as detailed in the Terms and Conditions, there is a risk that the proceeds of any enforcement of the relevant security would be insufficient to satisfy all amounts then owed to the bondholders.

According to the Terms and Conditions, the Issuer may issue subsequent bonds and the holders of such bonds will become bondholders entitled to share the security that have been granted to the existing bondholders. There is a risk that the issue of subsequent bonds will have an adverse effect on the value of the security that have been granted to the bondholders.

The bondholders will be represented by Nordic Trustee Oy as security agent (the "Security Agent") in all matters relating to the transaction security. There is a risk that the Security Agent, or anyone appointed by it, does not properly fulfil its obligations in terms of perfecting, maintaining, enforcing or taking other necessary actions in relation to the transaction security. Further, the transaction security is subject to certain hardening periods during which times the bondholders do not fully, or at all, benefit from the transaction security.

Security granted to secure the Bonds may be unenforceable or enforcement of the security may be delayed

The Finnish Act on Recovery to a Bankruptcy Estate (758/1991, as amended) (the "Act") provides that a transaction can be cancelled (avoided) if (a) it was entered into by a company during a specified period prior to the filing of bankruptcy, an application for company reorganisation, or an order by a court granting an attachment of assets, and (b) the grounds for recovery set out in the Act are fulfilled. The mandatory Finnish bankruptcy laws may therefore require under specific circumstances that the collateral provided to secure the Bonds may be recovered by the bankruptcy estate of the Issuer.

Applicable law may require that a security interest in certain assets can only be properly perfected and its priority retained through certain actions undertaken by the secured party or the security provider. The transaction security may not be perfected if the security agent or the relevant security provider is not able to or does not take the actions necessary to perfect or maintain the perfection of any such security. There is a risk that such failure will result in the invalidity of the relevant transaction security or adversely affect the priority of such security interest in favour of third parties, including a trustee in bankruptcy and other creditors who claim a security interest in the same transaction security.

If the Issuer were to be unable to make repayment under the Bonds and a court were to render a judgment that the security granted in respect of the Bonds was unenforceable, there is a risk that the bondholders would find it difficult or impossible to recover the amounts owed to them under the Bonds. Therefore, there may be a risk that the security granted in respect of the Bonds might be ineffective in respect of any of the Issuer's obligations under the Bonds in the event the Issuer becomes insolvent.

In addition, any enforcement may be delayed due to any inability to sell the security assets in a timely and efficient manner.

Prepayment in case of a total loss event relating to the vessels

In the event of a major damage and/or significant value loss to the Existing Vessel (a "Total Loss Event"), the Issuer has undertaken to immediately upon receipt apply the full amount of insurance proceeds received following the Total Loss Event towards a partial prepayment of the Bonds. There is a risk that the received insurance proceeds will be insufficient to compensate the bondholders for the full amount sourced from the Bond proceeds in connection with the Bond Issue, which would have an adverse effect on the market value of the Bonds and consequently on the bondholders' interest.

Conflict of interests

The Bookrunner may in the future engage in investment banking and/or commercial banking or other services for the Group in the ordinary course of business. Accordingly, conflicts of interest may exist or may arise as a result of the Bookrunner having previously engaged, or will in the future engage, in transactions with other parties, having multiple roles or carrying out other transactions for third parties with conflicting interests.

Risk factors

The rights of the bondholders depend on the Trustee's and Security Agent's actions and financial standing

By subscribing for, or accepting the assignment of, any Bond, each bondholder will accept the appointment of the Trustee and the Security Agent (being on the issue date Nordic Trustee Oy) to act on its behalf and to perform administrative functions relating to the Bonds and the Transaction Security.

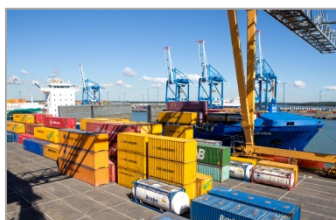
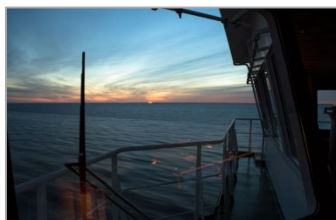
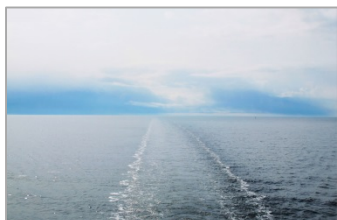
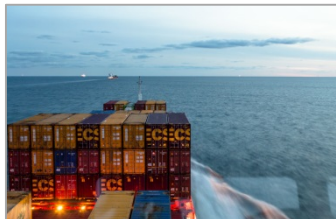
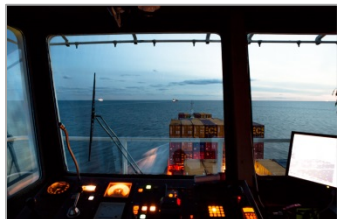
The Trustee has, among other things, the right to represent the bondholder in all court and administrative proceedings in respect of the Bonds. The role of the Trustee is governed by the Finnish Act on Bondholders' Agent (574/2017). Only the Security Agent is entitled to exercise the rights under the Transaction Security and enforce the same. Any failure by an agent to perform its duties and obligations properly, or at all, may adversely affect the enforcement of the rights of the bondholders due to, for example, inability to enforce the security and/or receive any or all amounts payable from the security in a timely and effective manner.

A failure by the Trustee to perform its duties and obligations properly or at all may adversely affect the enforcement of the rights of the bondholders. Funds collected by the Trustee as the representative of the bondholders must be held separately from the funds of the Trustee and be treated as escrow funds to ensure that in the event of the Trustee's bankruptcy, such funds can be separated for the benefit of the bondholders. In the event the Trustee would fail to separate the funds in an appropriate manner, the funds could be included in the Trustee's bankruptcy estate.

The Trustee may be replaced by a successor Trustee in accordance with the final terms and conditions. Generally, the successor Trustee has the same rights and obligations as the retired Trustee. It may be difficult to find a successor Trustee with commercially acceptable terms or at all. Further, it cannot be excluded that the successor Trustee would not breach its obligations under the above documents or that insolvency proceedings would not be initiated against it.

Materialisation of any of the above risks may have a material adverse effect on the enforcement of the rights of the bondholders and the rights of the bondholders to receive payments under the Bonds.

Agenda



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5-7

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20-24

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Appendix

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Management and Board of Directors

CEO and Management



Kari-Pekka Laaksonen | CEO, 2012 -

Education: MSc Logistics and International Marketing, Lappeenranta University of Technology

Previous experience:

- Nokian Tyres: Executive VP of Sales, Logistics and Purchasing, 2002-2012
- Metsä Tissue Corporation: Director, Logistics (Germany and Finland), 1995-2001



Jari Lepistö | CCO, 2017 -

Education: MSc Accounting and Finance, University of Vaasa; eMBA International Business and Marketing, Lappeenranta University of Technology

Previous experience:

- Containerships: CFO, 2016-2017
- Delta Auto Oy: CEO, 2014-2015
- Managerial positions in Nokian Tyres and Vianor



Frederic Leca | COO, 2009 -

Education: MSc International Business, Aalborg University; MSc Business Administration, Nantes

Previous experience:

- Eimskip: Director, Europe and Germany, 2006-2008
- Geest North Sea Lines: COO, 2005-2006
- Samskip: Sales and Marketing Director, 2000-2005



Juha-Pekka Mäkelä | Business Development Director, 2013 -

Education: PhD studies Industrial Economics, Helsinki University of Technology; MSc Industrial Economics, Lappeenranta University of Technology

Previous experience:

- Thermidas: CEO, 2010-2012
- Flextronics: Director, 2001-2009



Antti Laukkanen | Head of Management Accounting and Reporting, 2017 -

Education: MSc Economic Sciences

Previous experience:

- Containerships: Head of Land Operations, 2014-2017 and Project Manager, 2012-2014
- Metsä Board: various positions 2001-2011



Janne Ritakoski | Head of Land Operations, 2017 -

Education: BBA Economics and Finance

Previous experience:

- SE Mäkinen Logistics Ltd: Head of Transportation, 2012-2017; Area Manager, Baltics & Russia, 2005-2012



Teemu Kylliäinen | Head of Financial Services, 2017 -

Education: MSc Economic Sciences

Previous experience:

- Containerships plc: Business Controller, 2016-2017
- Anticimex Oy: Finance Director, 2016
- Geodis Wilson Finland Oy: Finance Manager, 2014-2015
- Sanoma Corporation: Business Controller, 2005-2013

Board of Directors



Veli-Kimmo Ragnar Nordström
Chairman of the Board



Harri-Ragnar Gustaf Nordström
Board member



Karita Nina Helena Nordström
Board member

- Nordström family members own 98% of the Group through their respective 33.3% stakes in the parent, Container Finance Ltd Oy
- All three Nordström siblings have held various positions ranging from daily operations in specific business units to managerial positions, e.g. CEO

Legal structure of the Group

Containerships plc – legal structure and overview of subsidiaries

