

Hafnia: \$185m Secondary ABB

Sell-down of Hafnia shares by Oaktree



Key Transaction Features

Pricing date	7 th September 2022
Issuer	HAFNIA Member of BW Group
Selling shareholder	OAKTREE
Deal size	USD185m
% of Co. Sold	8.8%
3M ADTV	45 days
Pricing	NOK42 (flat to 30 day VWAP)
Syndicate JBRs	Pareto, Jefferies, Fearnley
Financial advisor	STJ

Transaction Summary

- STJ advised funds managed by Oaktree on a \$185m ABB sell down of shares in Hafnia Limited, one of the world's leading product tanker owners and operators.
- The sale represents c. 8.8% of the company and 45 days' trading volume, 50% larger than the EMEA average YTD. Oaktree's stake in Hafnia following the transaction will be c.10%.
- The final placement price of NOK42 is flat to the 30-day VWAP, with the sale executed on the back of a 165% price gain during 2022 having reached an all-time high the day prior to pricing.
- The official books covered message was issued c. 30 minutes after launch, with strong support from wall-crossed investors and those met post-results.
- The final book consisted of over 170 orders and was well oversubscribed, strongly anchored by high quality blue-chip investors.
- This offering was achieved despite volatile markets and EMEA Follow-on volumes down c. 70% YTD and 86% during Q3 and with the VIX index trading above 26 for the week.
- The success of the block adds to the consistent track record of STJ advisory on follow-ons where we continue to pride ourselves on being able to advise on tactics to obtain sufficient visibility on demand as a pre-condition to launching the deal and de-risking the offering in volatile markets.

Share Price Performance (Rebased to 100)



STJ Value-Add:

- ✓ Developed the Hafnia investor engagement plan working with the Company to optimise the non-deal roadshow outreach and expand the potential demand universe
- ✓ Worked closely with a mix of domestic and international banks to broaden investor coverage
- ✓ Advised on tactics to obtain sufficient visibility on demand ahead of launch to de-risk the deal and right size the transaction at launch
- ✓ Advised on the targeted wall-crossing exercise of a selected group of relevant investors, generating quality demand from both international and domestic accounts
- ✓ Advised on bookbuilding tactics, including messaging on books covered, pricing guidance to promote a strong book at the ultimate pricing level of NOK42 to promote a healthy aftermarket
- ✓ Worked closely with the banks diligently reviewing allocations to every investor and balancing the book to ensure a stable aftermarket despite a volatile market backdrop
- ✓ Deployed STJ's proprietary Atlas Database to help identify investors most likely to buy Hafnia shares (and align individual bank accountability by investor/location) as well as to inform our recommendations on allocations
- ✓ Provided critical advice around bank selection, fees, timing, sizing and ultimate pricing tactics and allocations to achieve an optimal transaction in Hafnia for Oaktree within a day of shares reaching an all-time high



Source: Share price chart: Bloomberg as at 8 September 2022

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