



## CONDITIONAL VOLUNTARY OFFER TO REPURCHASE BONDS

**Borgestad, 28 February 2018:** Borgestad ASA (the "**Company**") today announces that it is contemplating a refinancing of its FRN Borgestad ASA Senior Secured Callable Bond Issue 2014/2017 with ISIN NO001 0720766 (the "**Bond Issue**" or the "**Bonds**") through (i) a replacement of the Bond Agreement for an extended term of three years on amended terms, (ii) a subsequent sale of Bonds repurchased by the Issuer in the market through a voluntary cash repurchase offer made as an exit to any of the beneficial holders of the Bonds (the "**Bondholders**") that do not wish to extend the Bonds on the amended terms.

On this basis, the Company announces the following conditional voluntary cash repurchase offer (the "**Offer**") to the Bondholders:

- (i) The Company hereby offers to purchase from the Bondholders part of or the whole of their holdings of Bonds at a price of 100% of par value in cash, plus accrued unpaid interest.
- (ii) Completion of the Offer is subject to: (A) a requisite majority of the Bondholders having approved the proposal set out in the summons to a bondholders' meeting dated on or about the date of this Offer letter (the "**Summons**"); and (B) the satisfaction or waiver of the other conditions precedent for the entering into effect of the new bond terms relating to the Bonds as set forth in the Summons. If these conditions have not been satisfied (as the case may be) by the Borrower prior to 13 April 2018, the Offer shall lapse.
- (iii) The settlement of any transactions pursuant to the Offer is expected to take place on or about 21 March 2018.

The acceptance period for the Offer (the "**Acceptance Period**") commences immediately and expires at 17:00 CET on 6 March 2018.

Arctic Securities AS has been engaged as manager and receiving agent (the "**Agent**") in connection with the Offer. In order to accept the Offer, Bondholders must contact the Agent before the end of the Acceptance Period:

Morten Eide Horne  
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Thomas Alexander Hasner  
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By accepting the Offer, any Bondholders undertakes to the Issuer that it will, or will procure that its duly authorised representative or proxy will, attend the bondholders' meeting called in the Summons and exercise all the votes it has in respect of its Bonds in favour of the resolutions proposed in the Summons.

The acceptance of the Offer is irrevocable by the Bondholders, and may not be withdrawn, in whole or in part, once the Offer has been accepted.

The Company may, at its sole discretion, amend or terminate the Offer at any time within the Acceptance Period. Details of any such amendment or termination will be announced on Newsweb ([www.newsweb.no](http://www.newsweb.no)) as soon as practically possible after any such decision is made.

The result of the Offer is expected to be announced on 7 March 2018.

The Offer and all acceptances submitted in response thereto are governed by Norwegian law. Any disputes arising out of, or in connection with, the Offer, shall exclusively be settled by Norwegian courts and with Oslo District Court as legal venue.



### **Important Notice**

Any decision to accept the Offer should only be made on the basis of an independent review by you of the Company's publicly available information.

By accepting the Offer, you will be deemed to have acknowledged, represented to and agreed with the Agent and the Company that: (a) you have such business and financial experience as is required to give you the capacity to protect your own interests in connection with accepting the Offer; (b) you acknowledge that the Agent are managers only and you may not rely, and have not relied, on any investigation that the Agent or any of its affiliates, or any person acting on behalf of or any of its respective affiliates, may have conducted with respect to the Company, and neither the Agent nor any of its affiliates has made any representation to you, express or implied, with respect to the Company or the accuracy, completeness or adequacy of any publicly available information; (c) you understand that no prospectus or offering document has been prepared in connection with the Offer; (d) you have made your own assessment of the Company and the terms of the Offer based on this voluntary Offer and other such information as is publicly available (which you acknowledge you have been able to access, read and understand); (e) you have made your own investment decision regarding the acceptance to some or all of your Bonds to the Company based on your own knowledge and investigation of the Company and the Bonds; (f) you will not hold the Agent or any of its affiliates responsible for any misstatements in or omissions from any publicly available information concerning the Company, and the Agent shall have no liability for any other representations (express or implied) contained in, or for any omissions from, such information or any other written or oral communication transmitted to you in the course of your evaluation of the Offer; (g) the Agent shall have no obligation to update any such information or to correct any inaccuracies therein or omissions therefrom which may become apparent, even where the Agent are aware of such inaccuracies or omissions; and (h) you have consulted your own independent advisers or otherwise have satisfied yourself concerning, without limitation, any accounting, regulatory, tax or other consequences of selling the Bonds in the light of your own particular situation under the laws of all relevant jurisdictions generally.

The Agent is acting on behalf of the Company in connection with the Offer. The Agent will not be acting on behalf of any other party in connection therewith and will not be responsible to any party other than the Company for providing the protections normally granted to their customers, or advice in relation to the Offer. The Agent and/or its respective affiliates may have a holding in, or may from time to time provide advice or other investment services in relation to, or engage in transactions involving, the Bonds.

Neither the Company nor the Agent makes any representation as to (i) the suitability of accepting the Offer for any particular investor, (ii) the appropriate accounting treatment and potential tax consequences of accepting the Offer, or (iii) the future performance of the Bonds either in absolute terms or relative to competing investments.

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