# Bondholder's Offer Form

## Potential Buy-Back of BRG01, ISIN: NO0010704117

**Borregaard ASA (the "Company")**

**DNB Markets and SEB (jointly the "Managers", and each a "Manager")**

**25 October 2016**

**Offer:** By submitting this bondholder's offer form (the "**Bondholder's Offer Form**") to the Managers before the "reverse Dutch auction" deadline 16:00 CET 26 October 2016, the "Bondholder" (meaning: the legal owner of the Bonds) irrevocably commits itself to sell the bonds specified in the table below (the "**Offer**") to the Company, according to the terms and conditions of the Buy-Back Offer as described herein and in the Company's press release ("**Press Release**") dated 25 October 2016. Once a duly executed Bondholder's Offer Form has been submitted, the Offer is binding and irrevocable for the Bondholder until the Company's deadline for acceptance at 09:00 CET 27 October 2016, and may until such time not be withdrawn or modified or altered by the Bondholder. The Company is under no obligation to accept any Offer from any Bondholder, and the Company reserves the right to amend, extend, terminate or withdraw the offer at any time at its sole discretion until the deadline of acceptance.

If the Company accepts the Bondholder's Offer Form, in whole or in part, the Bonds in respect of which the Bondholder's Offer Form has been accepted will be transferred to the Company in accordance with the Bondholder's instructions to the Managers in this Bondholder's Offer Form (and without obtaining any further instructions from the Bondholder). The Bondholder represents that the Bondholder is the owner of the Bonds and that the Bonds offered for sale are free of any encumbrances and any other third party rights and with all rights attached to them.

The Bondholder's Offer Form must be correctly completed and received by the Managers no later than 16:00 CET 26 October 2016 to the following recipients:

DNB Markets, Fixed income Sales, Jan Krogh-Vennemo, by e-mail: jan.vennemo@dnb.no (phone: +47 24 16 90 15) and
SEB, Debt Capital Markets, Petter Andreassen, by e-mail: petter.andreassen@seb.no (phone +47 22 82 72 11)

The Company and the Managers shall not bear any risk or liability in the event the Bondholder's Offer Form is not received for any reason whatsoever, including technical difficulties. The Managers may, in their sole discretion, accept Offers placed by taped phone, e-mail, Bloomberg or other means they deem appropriate, but may request that the Offer is subsequently confirmed by the execution of this Bondholder's Offer Form in writing, and may, if the Bondholder fails to satisfy such requirement, in their sole discretion, disregard the Offer, without any liability towards the Bondholder. Any Offer placed by taped phone, e-mail or Bloomberg or by other means, shall be deemed made on the terms and subject to the conditions set out in the Bondholder's Offer Form.

The result of the "reverse Dutch auction", i.e. whether the Company will buy back bonds in BRG01 or not and, if relevant, which Offers the Company will accept based on the offer prices submitted, will be announced before commencement of trading at the Oslo Stock Exchange (Oslo Børs) 09:00 CET 27 October 2016. The Company will only communicate acceptance of Offers (if any) through a stock exchange announcement.

Settlement of Bonds accepted by the Company for purchase will take place on 31 October 2016, unless settlement is delayed due to technical and/or administrative errors. The Company will pay the Buy-Back Price together with accrued and unpaid interest (if any) for the period up to but excluding the settlement date.

**SPECIFICATION OF BRG01 (ISIN: NO0010704117) OFFER:**

| Bondholder's VPS account / Custodian / Fund / Name | Nominal Amount(s) in NOK | Offer price(s) in "reverse Dutch auction" |
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The Managers are hereby authorized to transfer the above specified Bonds from our/my VPS account to the Company and alternatively to another VPS account as part of settlement proceedings, and may instruct my VPS account operator to release the bonds for such purpose.

**Bondholder's date and place** **Binding signature**

**The bondholder must have legal capacity and be of age. When signing by proxy, documentation in form of company certificate or power of attorney must be enclosed as evidence of authority.**

**DETAILS OF THE BONDHOLDER**

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| Bondholder's VPS account no. |
| Bondholder's Norwegian bank account to be credited (11 digits) |
| Prime Broker (**MUST BE COMPLETED FOR NON-NORWEGIAN BONDHOLDERS**) |
| Bondholder's full name/ Company name |
| Name of contact person with Offer |
| Telephone (day time) |
| Telefax |
| E-mail address |
| Street address etc. (private sellers: state home address) |
| Postal code and area, country |
| Date of birth and national ID number (11 digits)/company registration number **(MUST BE COMPLETED)** |

By signing this Bondholder's Offer Form, the Bondholder expressly agrees and acknowledges the terms of the Buy-Back Offer, and confirms that the Bondholder has read and understood this Bondholder's Offer Form (including this and the previous page) and the Press Release.

The Bondholder also represents by signing this Bondholder's Offer Form (and any person who is acting on behalf of any Bondholder that signs this form represents as to the Bondholder) that such Bondholder not resident and/or located in the United States and will not be resident and/or located in the United States at the time of the submission of its Offer pursuant to the Buy-Back Offer and is not a U.S. person (as defined pursuant to Regulation S under the US Securities Act of 1933, as amended).

Any Bondholder or authorised representative of a Bondholder making an offer to any of the Managers by means of the telephone will be deemed to agree and certify all of the terms and restrictions of the Buy-Back Offer and to have made the representations to the Company as set forth in this Bondholder's Offer Form.

**Offer and Distribution Restrictions:**

***United States****:* The Buy-back Offer is not being made directly or indirectly in or into, or by use of the mails of, or by any means or instrumentality of interstate or foreign commerce of, or any facilities of a national securities exchange of, the United States of America, its territories and possessions, any State of the United States and the District of Columbia (the "United States"), and the Buy-Back Offer will not be capable of acceptance by any such means, instrumentality or facility. This includes, but is not limited to, facsimile transmission, internet delivery, email, telex and telephones. The Buy-Back Offer is not being made to any U.S. person (as such term is defined pursuant to Regulation S under the US Securities Act of 1933, as amended (the "Securities Act"). Copies of this document and any related offering documents are not being, and must not be, directly or indirectly mailed, emailed or otherwise transmitted, distributed or forwarded (including, without limitation, by custodians, nominees or trustees) in or into the United States or to any persons located or resident in the United States and may not be electronically accessed by U.S. persons or from the United States. Any purported acceptance of the Buy-Back Offer or other offer or agreement to sell Bonds in the Buy-Back Offer resulting directly or indirectly from a violation of these restrictions will be invalid, and any purported acceptance of the Buy-Back Offer and any other offer and/or agreement to sell Bonds that is post-marked in or otherwise dispatched from, evidences the use of any means or instrumentality of interstate or foreign commerce of the United States or is made by a person appearing or otherwise believed by the Company to be located or resident in the United States, or any agent, fiduciary or other intermediary acting on a non-discretionary basis for a principal giving instructions from within the United States will be invalid and will not be accepted. The Company will only accept offers with respect to the Bonds from a Bondholder or beneficial owner of the Bonds (or any person acting as agent, custodian, fiduciary or other intermediary capacity for a Bondholder or beneficial owner) who is not a U.S. person and who is outside the United States. Each person participating in the Buy-Back Offer will represent that it or any beneficial owner of the Bonds or any person on whose behalf such person is acting is not a U.S. person or a resident and/or located in the United States and will not be resident and/or located in the United States at the time of the submission of its offer pursuant to the Buy-Back Offer.
***Canada****:* The Buy-Back Offer and/or any agreement of sale is not being made, and will not be made, directly or indirectly in or into Canada by any means. Any offer or agreement to sell Bonds resulting directly or indirectly from a violation of these restrictions will be invalid and any purported offer and/or agreement to sell Bonds made by a person located in Canada or any agent, fiduciary or other intermediary acting on a non-discretionary basis for a principal giving instructions from within Canada will be invalid and will not be accepted. Each Bondholder submitting the Offer will be deemed to represent that it is not located in Canada and is not submitting the Offer from Canada or it is acting on a nondiscretionary basis for a principal located outside Canada that is not giving an order to submit the Offer from Canada. For the purposes of this and the above paragraph, "**Canada**" means Canada, its provinces and territories.

***United Kingdom***: The information contained in the Buy-Back Offer does not constitute an invitation or inducement to engage in investment activity within the meaning of the United Kingdom Financial Services and Markets Act 2000 ("FSMA"). In the United Kingdom, this announcement is being distributed only to, and is directed only at (i) persons who have professional experience, knowledge and expertise in matters relating to investments and are "investment professionals" for the purposes of Article 19(5) of the FSMA (Financial Promotions) Order 2005 (the "FPO")), (ii) persons who are certified high net worth individuals for the purposes of Article 48 of the FPO or (iii) any other persons to whom it may otherwise lawfully be made under the FPO (all such persons together being referred to as "relevant persons"). This announcement and the Buy-Back to Bondholders is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons.
**General**: The Buy-Back Offer and/or any agreement to sell is not intended for Bondholders located in any jurisdiction in circumstances which would require the Company to prepare or register any prospectus, offering document or circular relating to the request for Offer and/or agreement to sell in such jurisdiction, and the Company may refuse to receive offers submitted from such jurisdictions. The distribution of this document in certain jurisdictions may be restricted by law. Any persons reading this document should inform themselves of and observe any such restrictions.

**Important Notice and disclaimers:** The Managers are acting on behalf of the Company in connection with the Buy-Back Offer and any agreement to sell. The Managers 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 request for Offer and any agreement to sell.

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

By submitting the Offer and signing the Bondholder's Offer Form you will be deemed to have acknowledged, represented to and agreed with the Managers 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 the sale of Bonds under the Buy-Back Offer; (b) you may not rely, and have not relied, on any investigation that the Managers or any of their respective affiliates, or any person acting on behalf of the Managers or any of their respective affiliates, may have conducted with respect to the Company, the Bonds, and neither the Managers nor any of their respective affiliates have made any representation to you, express or implied, with respect to the Company, the Bonds or the accuracy, completeness or adequacy of any publicly available information; (c) you understand that no disclosure or offering document has been prepared in connection with the Offer; (d) you have made your own assessment when submitting the Bondholder's Offer Form based on 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 Buy-Back Offer based on your own knowledge and investigation of the Company and the Bonds; (f) the Managers 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 Managers 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 Managers are aware of such inaccuracies or omissions; (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.

In accordance with the Norwegian Securities Trading Act of 29 June 2007 no. 75, the Managers must categorize all new customers in one of three customer categories. All Bondholders that Offers Bonds and which are not existing clients of the Managers will be categorized as non-professional clients unless otherwise is communicated in writing by the Managers. For further information about the categorization the Bondholder may contact the Managers. The Managers will treat the Offer as an execution only instruction from the Bondholder and hence the Managers will not determine whether the Offer is suitable or not for the Bondholder as otherwise provided for in the Norwegian Securities Trading Act.

**Governing law and jurisdiction:** The Buy-Back Offer and all acceptances submitted in response thereto are governed by Norwegian law with the Oslo city court as legal venue. Any disputes arising out of, or in connection with, the Buy-Back Offer, are subject to Norwegian law and shall exclusively be settled by Norwegian courts and with Oslo District Court as legal venue.