

Denne melding til obligasjonseierne er kun utarbeidet på engelsk. For informasjon vennligst kontakt Nordic Trustee AS

To the bondholders in:

**ISIN NO 001 067014.4 - FRN DOF Subsea AS Senior Unsecured Bond Issue 2013/2020
("DOFSUB07")**

**ISIN NO 001 078817.7 - DOF Subsea AS 9.50% senior unsecured USD 175,000,000 bonds
2017/2022 ("DOFSUB08")**

**ISIN NO 001 083681.0 - DOF Subsea AS FRN Senior Unsecured NOK 1,000,000,000 Bond Issue
2018/2023 ("DOFSUB09")**

Oslo, 3 April 2020

Summons to Bondholders' Meeting

Nordic Trustee AS acts as bond trustee (the "**Bond Trustee**") for the Bondholders in the above-mentioned bond issues DOFSUB07 (outstanding amount of NOK 508,000,000), DOFSUB08 (outstanding amount of USD 175,000,000) and DOFSUB09 (outstanding amount of NOK 900,000,000) (each a "**Bond Issue**", collectively the "**Bond Issues**" or the "**Bonds**"), all issued by DOF Subsea AS (the "**Issuer**" or the "**Company**").

All capitalised terms used herein shall have the meaning assigned to them in the bond agreement for DOFSUB07 dated 16 January 2013 (as amended on 19 December 2017, 6 September 2019 and 25 November 2019), the bond terms for DOFSUB08 dated 13 March 2017 (as amended on 6 September 2019) and the bond terms for DOFSUB09 dated 26 November 2018 (as amended on 6 September 2019), and made between the Bond Trustee and the Issuer (each, the "**Bond Terms**"), unless otherwise set out herein. References to Clauses and paragraphs are references to Clauses and paragraphs of the relevant Bond Terms.

The Issuer has requested that the Bond Trustee issues this request for a Bondholders' Meeting in each of the Bond Issues pursuant to Clause 16 (*Bondholders' Meeting*) for DOFSUB07 and Clause 15 (*Bondholders' Decisions*) for DOFSUB08 and DOFSUB09, of the respective Bond Terms, to consider approval of the Revised Proposal (as defined in section 3 below).

The information in this summons regarding the Issuer and market conditions are provided by the Issuer, and the Bond Trustee expressly disclaims all liability whatsoever related to such information.

1. BACKGROUND

Reference is made to the summons for Bondholders' Meetings in the Bond Issues dated 5 December 2019 and 12 February 2020, and the announcements of the results from the Bondholders' Meetings made on 20 December 2019 and 27 February 2020, respectively, in which the Company confirmed the approval by the Bondholders' Meetings in each of the three Bond Issues to its initial proposal to refinance its debt and make certain amendments to the Bond Terms, and the subsequent changes to the initial proposal (the "**Revised Proposal**" and together with the initial proposal the "**Original Refinancing Proposal**").

The sudden and extreme currency fluctuations that the Company has experienced lately have resulted in liquidity challenges for the Group. Furthermore, the Group's business is increasingly exposed to risks of disruptions in its offshore projects and negative impact on its key financial figures, as a result of COVID-19 and the decline in the oil price. Reference is made to the business and refinancing update announced by the Company on 27 March 2020 for additional information of the above mentioned issues, available on www.newsweb.oslobors.no/message/499850.

As a consequence of the sudden and significant uncertainties caused by these recent developments, the ongoing refinancing of the Group will necessarily be delayed and DOF ASA and the Company has announced that the DOF Group will continue its dialogue with the banks and bondholders to secure a long term financing solution, which also must be sufficiently robust after the recent developments.

If the effective date for the Revised Proposal has not occurred by 30 April 2020, the approval and authorisations granted by each of the Bondholders' Meetings in respect of the Revised Proposal will lapse. Furthermore, the Scheduled Instalment under DOFSUB07 has been deferred until 30 April 2020, effective immediately upon the approval of the Revised Proposal on 27 February 2020, and will fall due on 30 April 2020 unless further deferred. Also, pursuant to the bond agreement for DOFSUB07 the next interest payment for the DOFSUB07 Bonds falls due on 22 April 2020, and the Maturity Date for DOFSUB07 is 22 May 2020.

The Group is currently in constructive discussions with its secured lenders to seek to secure both its liquidity needs in the short term and a continued and sound financing solution for the Group going forward. In order to facilitate such discussions, the Group will request a general standstill of payment of all interest and instalment from its secured lenders and other financial creditors, other than lenders to DOF Subsea Brasil Servicos Ltda, creditors under ROV financings, and providers of any new financing for the Group's working capital purposes disbursed after 27 March 2020.

The Company has also requested that a Bondholders' Meeting be summoned in each of the Bond Issues to approve the Company's proposal for a corresponding standstill and waivers of its obligations under the Bond Terms as further described in Section 2 (*The Proposal*) below.

2. THE PROPOSAL

The Issuer proposes that the Bondholders of each of the Bond Issues resolve (as applicable) (the "**Proposal**"):

- (i) to approve a waiver from and suspension of all payment obligations under each of the Bond Terms until the end of the Standstill Period (the "**Standstill**"), where:

"**Existing Lenders**" means (A) the Group's secured lenders (other than the secured lenders to DOF Subsea Brasil Servicos Ltda, creditors under any ROV financing and any lenders under any new working capital facility of the Group established on or after 27 March 2020); and (B) it unsecured financial creditors (other than the Bondholders);

"**Majority Existing Lenders**" means, at any time, Existing Lenders representing at that time in aggregate more than 2/3 of the aggregate amount of the debt owed by the Group to all the Existing Lenders; and

"**Standstill Period**" means the period commencing on 22 April 2020 and ending on the earlier to occur of:

- (a) the later to occur of either: (A) 30 June 2020; or (B) such later date until which the Majority Existing Lenders have agreed to waive and suspend payment of principal and interest on any of the debt owing to them by the Group;
 - (b) any date on or prior to 30 June 2020 on which any Group Company makes a payment of instalment or interest to any of the Existing Lenders;
 - (c) 31 January 2021;
 - (d) the date on which (A) a liquidator, receiver, administrator or other similar office is appointed (including without limitation opening of court administered debt negotiations (No. *gjeldsforhandling*)) with respect to any Group Company, or (B) any Group Company is declared bankrupt, files for bankruptcy or similar proceedings under any other jurisdiction; and
 - (e) the date on which any attachment, sequestration, distress, execution or analogous event affects the whole or any substantial part of the property, undertaking or assets of any Group Company;
- (ii) to approve an extension of the scheduled Maturity Date for DOFSUB07 until the last day of the Standstill Period;
 - (iii) to approve a further deferral of the Scheduled Instalment under DOFSUB07 until the last day of the Standstill Period;
 - (iv) to authorise and instruct the Bond Trustee to take such steps on behalf of the Bondholders in each of the Bond Issues as may be necessary or desirable in connection with the implementation of the Standstill and the Proposal, including without limitation to, for and on behalf of the Bondholders in each of the Bond Issues, take such actions and negotiate, agree, enter into, sign and execute such agreements and documents that are required to complete and give effect to the Standstill and this Proposal, including the granting of waivers, giving of instructions, consents, approvals and directions (including to the securities depository (VPS) and account operators);
 - (v) to waive any Event of Default and/or any right to require a redemption of the Bonds under the respective Bond Terms resulting from the taking of any steps contemplated by and consistent with the Proposal;
 - (vi) to agree that the Bond Trustee may exercise (or refuse to exercise) any discretion, consent or approval required or contemplated in the exercise (or non-exercise) of any such discretion which is connected with the matters referred to in this summons letter (including without limitation waive any time periods or deadlines), and that neither the Bond Trustee nor the Bondholders shall have any liability whatsoever to any Bondholders or any other person in connection with the exercise (or non-exercise) of any such discretion which is exercised in good faith; and
 - (vii) to waive any obligation of the Issuer in any of the Bond Terms that are reasonably necessary to waive in order to implement and complete the Proposal.

3. EVALUATION OF THE PROPOSAL

3.1 The Company's evaluation

The Issuer believes that the Proposal represents the best alternative for the Bondholders and its other stakeholders, given the current circumstances.

3.2 The Bond Trustee's disclaimer/non-reliance

The request is put forward to the Bondholders without further evaluation or recommendations from the Bond Trustee. Nothing herein shall constitute a recommendation to the Bondholders from the Bond Trustee. The Bondholders must independently evaluate whether the Revised Proposal is acceptable and vote accordingly.

3.3 Further information

For further information about the Issuer, please visit the Issuer's website www.dofsubsea.com.

Bondholders are also invited to contact either of the Company's financial advisers, ABG Sundal Collier ASA and Pareto Securities AS (the "**Financial Advisers**") for further information:

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Each of the Financial Advisers acts solely for the Issuer and no-one else in connection herewith. No due diligence investigations have been carried out by the Financial Advisers with respect to the Issuer, and each of the Financial Advisers expressly disclaims any and all liability whatsoever in connection with the Proposal (including but not limited to the information contained herein).

4. BONDHOLDERS' MEETINGS:

Bondholders are hereby summoned to Bondholders' Meetings in each of the Bond Issues:

Time: 22 April 2020 at 13.00 hours (Oslo time),

Place: The premises of Nordic Trustee AS,
Kronprinsesse Märthas Plass 1, 0161 Oslo - 7th floor

Agenda:

1. Approval of the summons.
2. Approval of the agenda.
3. Election of two persons to co-sign the minutes together with the chairman.
4. Request for adoption of proposal:

It is proposed that each Bondholders' Meeting resolves the following:

“The Proposal (as defined in section 2 of the summons to the Bondholders’ Meetings in each Bond Issue) is approved by the Bondholders’ Meeting.

The Bond Trustee is authorised to enter into the necessary amendment agreements in the relevant Bond Issue in connection with decisions made by the Bondholders’ Meeting as well as to take any other action as may be required in relation thereto.”

To approve the above resolution in each Bond Issue, Bondholders representing at least 2/3 of the Voting Bonds in each Bond Issue represented in person or by proxy at the relevant Bondholders’ Meeting must vote in favour of the resolution. In order to form a quorum, at least 5/10 of the Voting Bonds in each Bond Issue must be represented at the relevant Bondholders’ Meeting.

Please find attached a Bondholder’s Form from the Securities Depository (VPS), indicating your bondholding at the printing date. The Bondholder’s Form will serve as proof of ownership of the Bonds and of the voting rights at the bondholders’ meeting. (If the bonds are held in custody - i.e. the owner is not registered directly in the VPS - the custodian must confirm; (i) the owner of the bonds, (ii) the aggregate nominal amount of the bonds and (iii) the account number in VPS on which the bonds are registered.)

The individual bondholder may authorise Nordic Trustee AS to vote on its behalf, in which case the Bondholder’s Form also serves as a proxy. A duly signed Bondholder’s Form, authorising Nordic Trustee AS to vote, must then be returned to the Bond Trustee in due time before the meeting is scheduled (by scanned e-mail or post – please see the first page of this letter for further details).

At the Bondholders’ Meeting votes may be cast based on Bonds in the relevant Bond Issue held at close of business on the day prior to the date of the Bondholders’ Meeting. In the event that Bonds have been transferred to a new owner after the Bondholder’s Form was made, the new Bondholder must bring to the Bondholders’ Meeting or enclose with the proxy, as the case may be, evidence which the Bond Trustee accepts as sufficient proof of the ownership of the Bonds.

For practical purposes, we request those who intend to attend the Bondholders’ Meeting, either in person or by proxy other than to Nordic Trustee AS, to notify the Bond Trustee by telephone or by e-mail (norway@nordictrustee.com) within 16:00 hours (4 pm) (Oslo time) the Business Day before the relevant meeting takes place. Please note that those who intend to register their proxies electronically with VPS must do so within 20:00 hours (8 pm) (Oslo time) the Business Day before the meeting takes place.

Yours sincerely
Nordic Trustee AS



Enclosed: Bondholder’s Form