

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

To the bondholders in:

ISIN NO 001 0670144 - FRN DOF Subsea AS Senior Unsecured Bond Issue 2013/2020 (“DOFSUB07”)

ISIN NO 001 0788177 - DOF Subsea AS 9.50% senior unsecured USD 175,000,000 bonds 2017/2022 (“DOFSUB08”)

ISIN NO 001 0836810 - DOF Subsea AS FRN Senior Unsecured NOK 1,000,000,000 Bond Issue 2018/2023 (“DOFSUB09”)

Oslo, 16 September 2020

Summons to Bondholders’ Meeting

Nordic Trustee AS acts as bond trustee (the “**Bond Trustee**”) for the Bondholders in each of the above-mentioned bond issues DOFSUB07, DOFSUB08 and DOFSUB09 (each a “**Bond Issue**”, and 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 or required by the context, and the following terms shall have the following meanings:

“**Ad-Hoc Group**” means those Bondholders, from time to time, organised in an ad-hoc group, as determined by the Bond Trustee in consultation with the advisers of the Bond Trustee in each of the Bond Issues (together, the “**Advisers**”).

“**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 the lenders under the working capital facility of the Group dated 27 March 2020 (as it may be amended from time to time); and (B) the Group’s 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.

“**Senior Standstill Agreement**” shall mean either:

- (a) the principal and interest suspension agreement for the Issuer and, *inter alia*, certain of its subsidiaries that was entered into on 15 May 2020 and any extension of same;

- (b) another agreement between the obligors in the Group and the Majority Existing Lenders which, inter alia (i) will suspend payment of principal and interest to the Majority Existing Lenders for a period of time, and (ii) will include undertakings from the Majority Existing Lenders not to accelerate or enforce any of the debt owing to them from the Group as a result of non-payment of principal and interest, breach of financial covenants or any material adverse change, for the tenor of such agreement and subject to the terms of such agreement;
- (c) a waiver from the Majority Existing Lenders of the payment obligations of the Group having the same effects as (a) or (b); or
- (d) an agreement set out in (b) in direct continuation of a waiver as set out in (c).

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 Proposal (as defined in section 2 below). The Proposal is, in short, to extend the current suspension, deferral and standstill arrangement that were approved in the Bondholders Meeting on 22 April 2020.

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 resolutions adopted in the Bondholders' Meetings in the Bond Issues held on 22 April 2020, where the Bondholders on certain conditions approved a waiver from and suspension of all payment obligations under each of the Bond Terms until 30 September 2020.

Discussions and negotiations on the restructuring of the Group are still ongoing. While progress has been made, an agreement for the restructuring of the Group will not be reached before the current deferral and standstill arrangements with the bondholders expire on 30 September 2020.

The Issuer has therefore approached the Bond Trustee to request that a Bondholders' Meeting be summoned in each of the Bond Issues in order to obtain approval to continue to temporarily suspend and defer payment of principal and interest (as may be applicable) under the Bond Terms until 15 December 2020.

The Majority Existing Lenders have been requested to extend the Senior Standstill Agreement until and including 31 January 2021.

The Issuer believes that a continued suspension of the relevant payments during the Standstill Period will facilitate the restructuring process to the benefit of all stakeholders in the Issuer. The Group will, during the Standstill Period, continue to operate its business in the ordinary course.

The Proposal will only have temporary effect and any future proposal for restructuring of the Issuer and the Group will be subject to the consent of the Bondholders.

2. THE PROPOSAL

The Issuer proposes that the Bondholders of each of the Bond Issues resolve (as applicable) the following (the proposal set out in sections 2.1 and 2.2 referred to as the “**Proposal**”):

2.1 Suspension and deferral

- (a) The Bondholders irrevocably agree that during the Standstill Period (as defined below), they shall not demand scheduled payments, repayments, prepayments, redemption or amortisation of any principal, interest or default interest under any Finance Document.
- (b) The Bondholders further irrevocably agree and confirm that any scheduled payments, or mandatory payments of any principal, interest, or default interest (on principal and/or interest (as may be applicable)), under the Bond Terms which falls due during the Standstill Period shall be postponed until the last day of the Standstill Period. Deferred principal and/or interest (as may be applicable), including default interest (on principal and/or interest (as may be applicable)), previously due but not paid, or earned in the Standstill Period, shall be paid in full in cash on 15 December 2020.

2.2 Standstill

The Bondholders agree and confirm that for the duration of the Standstill Period they shall not, nor shall they instruct the Bond Trustee to, accelerate the Outstanding Bonds, including accrued interest and default interest, or make any declaration that the Outstanding Bonds or any accrued interest, are due and payable as a result of non-payment of principal and interest, breach of financial covenants or any material adverse change.

“**Standstill Period**” means the period from (and including) 30 September 2020 and ending on (and including) the earlier to occur of:

- (a) 15 December 2020, or such later date(s) up to 31 January 2021 if so extended by the Ad-Hoc Group in accordance with 2.3 (*Authority to the Ad-Hoc Group*);
- (b) the expiry or effective termination of the Senior Standstill Agreement;
- (c) the date that the Bond Trustee, following instructions from the Ad-Hoc Group, terminates the Standstill Period following any breach by the Issuer and/or a Group Company of the undertakings referred to in section 4 (*Undertakings*) below, unless such breach is capable of being remedied and is remedied within 5 Business Days after the earlier of the Issuer’s actual knowledge thereof or notice thereof is given to the Issuer by the Bond Trustee;
- (d) any date on which any Group Company makes a payment of instalment or interest to any of the Existing Lenders (which, for the avoidance of doubt, will not include payment resulting from the enforcement of any security by any Existing Lender that is not a party to the Senior Standstill Agreement);
- (e) 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
- (f) 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.

2.3 Authority to the Ad-Hoc Group

The Ad-Hoc Group shall be given authority to:

- (a) consent to any waiver or exception from the undertakings referred to in 4 (*Undertakings*) below;
- (b) instruct the Bond Trustee to terminate the Standstill Period in the event of any breach of the undertakings referred to in 4 (*Undertakings*) below; and
- (c) extend the Standstill Period until 31 January 2021.

3. CONDITIONS AND EFFECTIVE DATE

The Proposal shall be subject to, and be effective from, the date on which the Bond Trustee has been provided with evidence (in form and substance satisfactory to it) that there have been no material changes to the organisational structure of the Group or in the security securing the facilities granted by Existing Lenders since 22 April 2020, as evidenced by a notice from the Bond Trustee.

4. UNDERTAKINGS

The Issuer shall, and, where relevant, shall ensure that each member of the Group, during the Standstill Period will, unless the Ad-Hoc Group otherwise agree:

- (a) comply without undue delay with reasonable information requests from the Bond Trustee or any of the Advisers;
- (b) provide the Advisers with bi-weekly business and restructuring process updates;
- (c) provide the Bondholders (via publication on <https://newsweb.oslobors.no/> and the Issuer's website) with quarterly status updates based on publicly available information;
- (d) not sell or otherwise transfer, in one or a series of transaction, all or any material portion of its business or assets;
- (e) not pay any consent fees or similar to any creditors unless the Bondholders receive the same payment;
- (f) pay the fees to all Advisers (as applicable) as reasonably incurred by the Bond Trustee in connection with the restructuring of the Group when due in accordance with the fee arrangements agreed between the Issuer and the Bond Trustee and the respective Advisers; and/or
- (g) not agree to, or make, any material amendments to the finance documents between a member of the Group and the Existing Lenders which materially improve the position of the group of Existing Lenders party to that finance document to the detriment of the Bondholders (it being acknowledged that the replacement of existing security held by the Existing Lenders over certain assets with security over other assets of equivalent value would not be considered to improve their position).

5. EVALUATION OF THE PROPOSAL

5.1 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.

5.2 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 Proposal is acceptable and vote accordingly.

5.3 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:

ABG Sundal Collier ASA:

Ola Nygård

Telephone: +47 22 01 61 86

+47 41 21 34 10

ola.nygard@abgsc.no

Magnus Drageset

Telephone: +47 22 01 61 41

+4748 01 61 41

magnus.drageset@abgsc.no

Pareto Securities AS:

Rolf Kristiansen

+47 22 87 87 46/+47 908 56 712

rolf.kristiansen@paretosec.com

Christian Ramm

+ 47 24 13 21 33/+47 917 85 107

christian.ramm@paretosec.com

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).

6. BONDHOLDERS' MEETINGS:

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

Time: 30 September 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, and subject to the satisfaction of the condition precedent set out in section 3) 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