

## Notice of Extraordinary General Meeting of Shareholders

Notice is hereby given that an Extraordinary General Meeting ("**Extraordinary General Meeting**") of Prosafes SE ("**Company**") will be held at the Company's registered office at 9:00am Cyprus time on 30 November 2016 at 126 Stadiou Street, 6020 Larnaca, Cyprus for the following purposes:

1. Appointment of the Chairperson of the Extraordinary General Meeting.
2. Election of additional Director Mr. Svend Anton Maier.
3. Election of Chairman of the Board of Directors.
4. Approval of subdivision of authorized but unissued ordinary shares of nominal value €0.25 each.
5. Approval of increase of authorized share capital.
6. Approval of consolidation and division of share capital to nominal value €0.10 each share.
7. Approval of disapplication of pre-emption rights for proposed issuance of shares in connection with the share capital consolidation and division.
8. Approval of authorisation to the Board of Directors to allot and issue shares from the unissued authorised share capital for purpose of share capital consolidation and division.
9. Authority to Board of Directors to deal with fraction of shares arising from share capital consolidation and division.

The Company has as at the date of this notice issued 6,049,010,116 ordinary shares, and each share confers the right to one vote at the Company's Extraordinary General Meeting. In order to be entitled to vote at the Extraordinary General Meeting a shareholder must be registered as the legal owner of the shares in the register of shareholders of the Company with the Norwegian VPS as of 28 November 2016.

Shareholders who wish to attend the meeting must notify the Company of their intention to attend by 11:00am Cyprus time on 29 November 2016 by returning the Notice of Attendance (Appendix 2).

A shareholder entitled to attend and vote at the Extraordinary General Meeting either in person or by proxy is requested to complete the notice of attendance or proxy form (Appendix 2). Please return the notice of attendance or proxy form (together with any supporting documents) by regular mail or email by 11:00am Cyprus time on 29 November 2016, in accordance with the instructions set out in the Detailed Voting Instructions (Appendix 3). Proxy may, if desirable, be given to Mr. Glen Ole Rødland (or the person he authorizes) or Ms. Georgina Georgiou (or the person she authorizes) and a proxy need not be a shareholder of the Company.

Shareholders are entitled to cast votes electronically before the meeting without requiring their attendance or appointment of a proxy. Shareholders who wish to exercise that right are requested to complete the Casting of Votes Electronically document (Appendix 4) and return it (together with any supporting documents) by 11:00am Cyprus time on 29 November 2016 in the same manner as set out above for the notice of attendance or proxy form.

This notice, its appendices and the Company's Articles and Memorandum of Association are also available in PDF format on the Company's website at <http://www.prosafe.com/download-centre/> from the date of this notice.

The Election Committee has evaluated the proposal for Resolutions 2 and 3 of this Notice and has issued its recommendations which are included in the Appendices.

Appendices:

1. Background and proposed resolutions
2. Election Committee recommendations
3. Directors Report relating to proposed disapplication of pre-emption rights under item 7 of the proposed resolutions
4. Notice of attendance at the Extraordinary General Meeting/Proxy
5. Detailed voting instructions
6. Casting votes electronically

By order of the Board

Elena Hajjirossou  
Secretary

8 November 2016

**Appendix 1****Background:****A. Board Composition**

North Sea Strategic Investments AS has requisitioned the Board of Directors to convene an extraordinary general meeting for the election of an additional member to the Board of Directors. The resolutions set out in items 2 and 3 of this Notice are proposed following the report and recommendation of the Election Committee, a copy of which is included as Appendix 2 of the Notice.

**B. Share Capital Consolidation and Division**

In order to secure an adequate pricing and in order to ensure compliance with section 2.4 of the continuing obligations of stock exchange listed companies issued by Oslo Børs, the Board of Directors proposes that a reverse split (consolidation and division) of the Company's shares is completed.

The reverse split will be implemented by increasing each share's nominal value and simultaneously reducing the number of shares with a corresponding fraction. After the reverse split, the shares will be re-priced in the market to reflect the reverse split and the new nominal value of the shares as well as the number of shares in issue.

The reverse split does not entail a decrease of the share capital of the Company, only a new total number of shares with a new nominal value.

As follows from the proposed resolutions set out herein, it is the proposal that such reverse share split is made in the ratio of 100:1, so that one hundred shares each with a nominal value of EUR 0.001 will be replaced by one new share with a nominal value of EUR 0.10 (the "Share Consolidation"). Similar adjustments will occur with respect to convertible bonds issued by the Company.

Shareholders not holding a number of shares giving a whole number when divided by the adjustment ratio shall on implementation of the Share Consolidation have their shareholding adjusted so as to receive a whole number of shares. The Company will seek to ensure that all such shareholders in connection with the Share Consolidation, receive the necessary number of existing shares so that all fractional shares, to the extent possible, may be rounded up to one whole share. Only whole shares will however be issued, and should such transfers not be possible, in whole or in part, shareholdings may also be rounded down.

In order to facilitate the Share Consolidation and to avoid fraction shares, the Board of Directors also propose certain other ancillary resolutions, including increase of authorised share capital and potential issue of up to 99 shares as further set out herein.

The resolutions set out in items 4-9 of this Notice are proposed to facilitate the Share Consolidation.

## **Proposed Resolutions:**

### **1. Appointment of Chairperson of the Extraordinary General Meeting**

It is proposed that Mr. Glen Ole Rødland (or his Proxy) be appointed as chairperson of the meeting.

It is proposed that the General Meeting resolves:

#### **ORDINARY RESOLUTION No. 1**

**THAT** Mr. Glen Ole Rødland (or his Proxy) be appointed as chairperson of the meeting.

### **2. Appointment of Mr. Svend Anton Maier as a new member of the Board of Directors**

It has been proposed that Mr. Svend Anton Maier is elected as a new member of the Board of Directors.

Mr. Maier (52) has more than three decades of oil and gas industry experience working for Seadrill from 2007 until 2016. Prior to this Mr. Maier worked for Transocean from 1996 to 2007, and Ross Offshore from 1986 until 1996.

Mr. Maier previously served as Senior Vice President for Seadrill, based in Houston. He was also the Senior Vice President for Seadrill Africa Middle East based in Dubai. Mr. Maier has an extensive career managing oil and gas operations in Europe, Middle East, Africa and the Americas, and has also held various corporate positions in Norway. He started his career on the offshore fields in the North Sea and worked and lived in various countries such as Equatorial Guinea, Egypt, Nigeria, United Arab Emirates and Houston. Mr. Maier holds a Degree in Marine engineering from Tønsberg Maritime.

Mr. Maier will be joining the floating liquefied natural gas (FLNG) industry in a leading role starting Q1 2017.

It is proposed that the Extraordinary General Meeting resolves:

#### **ORDINARY RESOLUTION No. 2**

**THAT** Mr. Svend Anton Maier be and is hereby appointed as a new member of the Board of Directors of the Company, for a period expiring on the date of the 2018 Annual General Meeting.

### **3. Appointment of Mr Glen Ole Rødland as Chairman of the Board of Directors**

It has been proposed that Mr Glen Ole Rødland (currently Interim Chairman of the Board) is elected as Chairman of the Board of Directors.

It is proposed that the Extraordinary General Meeting resolves:

#### **ORDINARY RESOLUTION No. 3**

**THAT** Mr Glen Ole Rødland be and is hereby appointed as Chairman of the Board of Directors of the Company.

### **4. Subdivision of authorized but unissued ordinary shares of nominal value €0.25 each**

It has been proposed that all of the 16,353,789 ordinary shares of nominal value €0.25 each be subdivided into 4,088,447,250 ordinary shares of nominal value €0.001 each.

It is proposed that the General Meeting resolves:

#### ORDINARY RESOLUTION No. 4

**THAT** all of the 16,353,789 ordinary shares of €0.25 each in the authorised but unissued share capital of the company, be and the same are now subdivided into 4,088,447,250 ordinary shares of €0.001 each, ranking *pari passu* in all respects with all ordinary shares of €0.001 each, in the share capital of the Company (both issued and unissued).

#### 5. Increase of authorized share capital of nominal value €0.001

At the date of this Notice, the authorised share capital of the Company is €11,044,017.609 divided into (i) €4,088,447.25 divided into 16,353,789 ordinary shares of €0.25; (ii) €6,049,010.116 divided into 6,049,010,116 ordinary shares of €0.001; (iii) €906,560.243 divided into 906,560,243 undesignated shares of EUR 0.001.

Under the Cypriot Company Law, the share capital of a company consists of an authorised capital and an issued capital. The authorised capital is the maximum amount of share capital that the company is authorised by its constitutional documents to issue. Part of the authorised capital can remain unissued. The part of the authorised capital which has been issued to the shareholders is referred to as the issued share capital of the company.

In order to deal with fraction issues for the Share Consolidation, it is proposed to increase the authorised share capital by €0.091 by the creation of 91 undesignated shares, each with a nominal value of EUR 0.001.

It is proposed that the Extraordinary General Meeting resolves:

#### ORDINARY RESOLUTION No. 5

**THAT** the authorised share capital of the Company be and the same is now increased by €0.091 by the creation of 91 undesignated shares of €0.001 each.

#### 6. Consolidation of share capital

Subject to the passing of the proposed resolutions stated in items 4 and 5, and in order for the Company to comply with the requirement of the Oslo Stock Exchange to trade above NOK1, it is proposed for the shares in the share capital of the Company to be consolidated and divided into shares of €0.10 based on a ratio of 100:1 so that every 100 shares of nominal value €0.001 each in the share capital of the Company (both issued and unissued) will be consolidated and divided into 1 share of nominal value €0.10.

It is proposed that the Extraordinary General Meeting resolves:

#### ORDINARY RESOLUTION No. 6

**THAT** the 11,044,017,700 shares of €0.001 each in the share capital of the Company (both issued and unissued) be and the same are hereby consolidated and divided into 110,440,177 shares of €0.10 each.

#### 7. Disapplication of pre-emption rights

A report from the Board of Directors in connection with the proposed disapplication of pre-emption rights is enclosed as Appendix 3. The proposal for disapplication of pre-emption rights will apply for all issuances of shares required to facilitate the Share Consolidation.

It is proposed that the Extraordinary General Meeting resolves:

#### MAJORITY RESOLUTION No. 1<sup>1</sup>

**THAT** the issue or agreement to issue of up to 99 shares for the purpose of the Company's consolidation and division of its share capital on the basis of a ratio of 100:1 so that every 100 shares of nominal value €0.001 each in the share capital of the Company (both issued and unissued) be consolidated and divided into 1 share of nominal value Euro 0.10, as, the Board of Directors deem fit, be approved and further any pre-emption rights under the Articles of Association of the Company and section 60B of the Companies Law, Cap 113, and any other pre-emption rights or rights of first refusal, howsoever arising, be and are hereby waived and dis-applied, for this purpose.

<sup>1</sup> Pursuant to Section 59A (1) of the Cyprus Companies Law, Cap 113, the decision shall be taken by a majority of two-thirds of the votes cast. When at least half of the issued share capital is represented, the resolution shall be taken by simple majority.

## **8. Approval of authorization to the Board of Directors to allot and issue shares from the unissued authorized share capital until 30 November 2017 for the Share Consolidation**

It is proposed that authorisation be given to the Board of Directors to allot and issue up to 99 shares for the purpose of the Company's Share Consolidation out of the authorised but unissued share capital (including as increased from time to time), as ordinary shares, as the Board of Directors deems fit, for a period up to and including the first anniversary of the date of this Extraordinary General Meeting i.e. 30 November 2017.

It is proposed that the Extraordinary General Meeting resolves:

### **ORDINARY RESOLUTION No. 7**

**THAT** the Board of Directors be and is hereby authorised to allot and issue up to 99 shares for the purpose of the Company's Share Consolidation from the unissued authorised share capital of the Company (including as increased from time to time), as ordinary shares, on such terms as the Board of Directors deems fits, for a period up to and including the first anniversary of the date of this Extraordinary General Meeting i.e. 30 November 2017.

## **9. Authority to Board of Directors to deal with fraction of shares issues arising from Share Consolidation**

It is proposed that authorisation be given to the Board of Directors to take such action as is necessary so that every member entitled to a fraction of a share following the Company's Share Consolidation referred to in item 6 above receives one undivided and fully paid up share of that class.

It is proposed that the Extraordinary General Meeting resolves:

### **SPECIAL RESOLUTION No. 1**

**THAT** if as a result of the Company's Share Consolidation, any members would become entitled to fractions of a share of any class (the Relevant Members, each a Relevant Member), the following provisions shall apply:

- 1 each Relevant Member shall become entitled to one undivided share of that class;
- 2 the Directors may:
  - 2.1 appropriate the shares of that class represented by the fractions and re-allocate them among the Relevant Members accordingly; and
  - 2.2 authorise some person or persons to receive any shares and effect any allocations, transfers and issues of shares in favour of or for the Relevant Members and otherwise to facilitate this process and do such other acts and things, as may be thought fit by the Directors to facilitate the Share Consolidation;

so that every Member entitled to a fraction of a share of any class shall, to the extent possible, receive one undivided and fully paid up share of that class.

## **Appendix 2**

### **Report and Recommendations from the Prosafe SE Election Committee for the Extraordinary General Meeting to be held on 30 November 2016 ("EGM")**

The Election Committee for Prosafe SE ("**Prosafe**" or "**Company**") has been elected by the shareholders in accordance with Regulation 54 of the Articles of Association of the Company. The current Committee was appointed by the 2016 Annual General Meeting and comprises of Mr. Thomas Raaschou (Chair) and Mrs. Annette Malm Justad.

The duties of the Election Committee involve evaluating and submitting recommendations to the General Meeting on the composition of the Board of Directors of Prosafe.

Reference is made to the forthcoming EGM of Prosafe to be held on 30 November 2016, requisitioned by North Sea Strategic Investments AS ("NSSI"), which is owned by HitecVision through its HitecVision VII fund. NSSI is currently registered as owner of 1,547,940,903 ordinary shares comprising 25.6 % of the issued share capital of Prosafe.

In this report, the Election Committee will consider the nomination made by NSSI for an additional member of the board of directors. Separately, the Election Committee will also consider the appointment of Mr. Glen Ole Rødland (the current Interim Chairman) as the Chairman of the Company.

#### **1. Appointment of new director**

NSSI has nominated Mr. Svend Anton Maier for consideration by the Election Committee for appointment to the Prosafe Board of Directors.

The Election Committee has considered the proposal from NSSI and has also consulted with other large shareholders in Prosafe, as well as the Directors of the Board and the management.

The Election Committee has considered all relevant factors and based its recommendations on the interests of the shareholders in general and the best interests of the Company.

Pursuant to the Articles of Association of Prosafe and authorities granted by the general meeting, the number of members which may be appointed to the board is up to seven. The Board of Directors is currently comprised of five members. Mr. Maier is now proposed to be elected as an additional member to the Board of Directors. This will increase the number of members of the Board to six, and none of the current members of the Board will be required to retire or to be replaced as a result of the election of Mr. Maier as a new member.

Mr. Maier's résumé is attached hereto. Mr. Maier has considerable experience within the oil and gas industry and has extensive operational and industrial knowledge. In addition, Mr. Maier's existing knowledge of the drilling rig industry should enable him to participate and contribute as a member of the Board of Directors within a short timeframe. The Election Committee believes that Mr. Maier's qualifications and expertise will complement and enhance the Board of Directors. Accordingly, the Election Committee is confident in recommending Mr. Maier as a member of the Board of Directors in Prosafe.

If appointed, Mr. Maier will be regarded as an independent member of the Board of Directors.

The Election Committee proposes that Mr. Maier is appointed as a Director for a period expiring on the date of the 2018 Annual General Meeting.

#### **2. Appointment of Chairman**

Glen Ole Rødland was appointed as a Director of Prosafe Board on 15 March 2016. On 25 May 2016, Mr. Harald Espedal resigned as Chairman of the Prosafe Board and Mr. Rødland was appointed as Interim Chairman with effect from such date. The Election Committee now recommends and proposes that Mr. Rødland is appointed to the position of Chairman.

## APPENDIX TO THE ELECTION COMMITTEE REPORT AND RECOMMENDATION

### **Svend Anton Maier**

Svend Anton Maier (52) has more than three decades of oil and gas industry experience working for Seadrill from 2007 until 2016. Prior to this Mr. Maier worked for Transocean from 1996 to 2007, and Ross Offshore from 1986 until 1996.

Mr. Maier previously served as Senior Vice President for Seadrill, based in Houston. He was also the Senior Vice President for Seadrill Africa Middle East based in Dubai. Mr. Maier has an extensive career managing oil and gas operations in Europe, Middle East, Africa and the Americas, and has also held various corporate positions in Norway. He started his career on the offshore fields in the North Sea and worked and lived in various countries such as Equatorial Guinea, Egypt, Nigeria, United Arab Emirates and Houston. Mr. Maier holds a Degree in Marine engineering from Tønsberg Maritime.

Mr. Maier will be joining the floating liquefied natural gas (FLNG) industry in a leading role starting Q1 2017.



**Appendix 3****Directors' Report relating to proposed disapplication of pre-emption rights under item 6 of the proposed resolutions**

Reference is made to item 7 of the proposed resolutions. The Board of Directors has proposed that the Extraordinary General Meeting ("EGM") approves the authorisation to issue up to 99 new shares, for the purpose of ensuring that consolidation and division of the Company's share capital on the basis of a ratio of 100:1 so that every 100 shares of nominal value €0.001 each in the share capital of the Company (both issued and unissued) be consolidated and divided into 1 share of nominal value Euro 0.10, is achievable. It is the intention that the shares will be issued at market value. To be able to issue such shares, and given the very low number of shares to be issued, the Board of Directors has proposed that any pre-emption rights under the Articles of Association of the Company and section 60B of the Companies Law, Cap 113, and any other pre-emption rights or rights of first refusal, howsoever arising, be waived and dis-applied. For a further description on the background and legal requirement to complete the Share Consolidation, reference is made to Part B of the background included in Appendix 1 to the EGM notice.

**Appendix 4**

If you plan to attend the Extraordinary General Meeting, please send this notification to Prosafe SE, 126 Stadiou, 6020 Larnaca, Cyprus, Attn: Wenche Rommetvedt Fjose, by 11:00am Cyprus time on 29 November 2016 (fax no. +357 2462 2480, e-mail [wenche.fjose@prosafe.com](mailto:wenche.fjose@prosafe.com)).

## **NOTICE OF ATTENDANCE AT THE EXTRAORDINARY GENERAL MEETING**

The undersigned shareholder in Prosafe SE will attend the Extraordinary General Meeting on 30 November 2016 at 9:00am Cyprus time at the company's premises at 126 Stadiou, 6020 Larnaca, Cyprus.

I will vote for the following shares:

Own shares: ..... shares

Other shares according to  
the enclosed power of attorney: ..... shares

Total: ..... shares  
..... (place and date)

..... (signature)

..... (name, typed)

..... (address, typed)

**This notice of attendance must be dated and signed**

If you are registered as a shareholder of Prosafe SE on 28 November 2016 but you are unable to attend the Extraordinary General Meeting, this proxy can be used to appoint a representative by sending it to Prosafe SE, Attn: Wenche Rommetvedt Fjose, by 11:00am Cyprus time on 29 November 2016 (fax no. +357 2462 2480 e-mail [wenche.fjose@prosafe.com](mailto:wenche.fjose@prosafe.com)).

## **PROXY**

I/We, ....., of ....., being a member/members of the above-named company, hereby appoint ..... of ....., or failing him/her, Mr. Glen Ole Rødland (Chairman, Prosafe SE) (or the person he authorises) or failing him Georgina Georgiou (General Manager, Prosafe SE) (or the person she authorises), as my/our proxy to vote for me/us or on my/our behalf at the Extraordinary General Meeting of the company to be held on 30 November 2016, and at any adjournment thereof.

Number of shares: .....

Signed this ..... day of ..... 2016

The proxy will vote as he/she thinks fit.\* / The proxy is instructed to vote as per the attached detailed voting instructions\*.

\*Delete as required.

..... (signature)

..... (name, typed)

..... (address, typed)

**This proxy must be dated and signed**

**Appendix 5**

Extraordinary General Meeting Prosafe SE 30 November 2016

Voting Instructions

To be sent to Prosafe SE, 126 Stadiou Street, CY-6020 Larnaca, Cyprus, Attn: Wenche Rommetvedt Fjose, no later than 11:00am Cyprus time on 29 November 2016 (telefax no. +357 2462 2480 e-mail [wenche.fjose@prosafe.com](mailto:wenche.fjose@prosafe.com)).

<b>Resolution</b>	<b>For</b>	<b>Against</b>	<b>Abstain</b>	<b>Proxy to vote as he deems fit</b>
1. Appointment of the Chairperson of the Extraordinary General Meeting.				
2. Election of additional Director Mr. Svend Anton Maier.				
3. Election of Chairman of the Board of Directors.				
4. Approval of subdivision of authorized but unissued ordinary shares of nominal value €0.25 each.				
5. Approval of increase of authorized share capital.				
6. Approval of consolidation and division of share capital to nominal value €0.10 each share.				
7. Approval of disapplication of pre-emption rights for proposed issuance of shares in connection with the share capital consolidation and division.				
8. Approval of authorisation to the Board of Directors to allot and issue shares from the unissued authorised share capital for purpose of share capital consolidation and division.				
9. Authority to Board of Directors to deal with fraction of shares arising from share capital consolidation and division.				

..... (signature)

..... (name, typed)

..... (number of shares)

..... (address, typed)

**Appendix 6**

Extraordinary General Meeting Prosafe SE 30 November 2016

**CASTING VOTES ELECTRONICALLY**

Shareholders who are not able to attend the Extraordinary General Meeting at 9:00am Cyprus time on 30 November 2016 and who do not wish to appoint a proxy may cast their votes electronically in which case this form may be used.

Please send this form to Prosafe SE, 126 Stadiou, 6020 Larnaca, Cyprus, Attn: Wenche Rommetvedt Fjose, by 11:00am Cyprus time on 29 November 2016 (fax no. +357 2462 2480, e-mail [wenche.fjose@prosafe.com](mailto:wenche.fjose@prosafe.com)).

The undersigned shareholder in Prosafe SE hereby uses this form to vote on the resolutions mentioned below as follows (*please tick*):

<b>Resolution</b>	<b>For</b>	<b>Against</b>	<b>Abstain</b>	<b>Proxy to vote as he deems fit</b>
1. Appointment of the Chairperson of the Extraordinary General Meeting.				
2. Election of additional Director Mr. Svend Anton Maier.				
3. Election of Chairman of the Board of Directors.				
4. Approval of subdivision of authorized but unissued ordinary shares of nominal value €0.25 each.				
5. Approval of increase of authorized share capital.				
6. Approval of consolidation and division of share capital to nominal value €0.10 each share				
7. Approval of disapplication of pre-emption rights for proposed issuance of shares in connection with the share capital consolidation and division.				
8. Approval of authorisation to the Board of Directors to allot and issue shares from the unissued authorised share capital for purpose of share capital consolidation and division.				
9. Authority to Board of Directors to deal with fraction of shares arising from share capital consolidation and division.				

Number of shares: .....

Name of shareholder: .....

Address of shareholder: .....

.....

(*please use capital letters*)

\_\_\_\_\_  
Date Place Signature of shareholder

**Important Note: Please include title of authorised signatory and attach evidence of authority**