

**NOT FOR DISTRIBUTION IN OR INTO OR TO ANY PERSON LOCATED OR RESIDENT IN THE UNITED STATES, ITS TERRITORIES AND POSSESSIONS, ANY STATE OF THE UNITED STATES OR THE DISTRICT OF COLUMBIA OR IN OR INTO OR TO ANY PERSON LOCATED OR RESIDENT IN ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DISTRIBUTE THIS DOCUMENT.**

## **Master Marine AS: Conditional cash tender offer to bondholders in the Callable Secured PIK Bond Issue 2017/2019 (ISIN NO 001 0793656)**

28 November 2018

To the bondholders in:

**ISIN: NO 001 0793656 Master Marine AS Callable Secured PIK Bonds Issue (the "Bonds")**

Capitalized terms used herein shall have the meaning assigned to them in the bond terms for the Bonds dated 30 May 2017, as amended (the "**Bond Terms**"), unless otherwise stated herein.

Master Marine AS (the "**Company**" or the "**Issuer**") hereby offers to purchase for cash consideration all Outstanding Bonds (ISIN: NO 001 0793656) at a price of 101.50% of par plus any accrued and uncapitalised interest up to but excluding the Settlement Date (as defined below), on the terms and conditions set out herein (the "**Tender Offer**"). Completion and settlement of the Tender Offer is subject to (i) a successful settlement of the new USD 150 million secured callable bond issue, and (ii) that the USD 100 million super senior bank facility has been provided by DNB Bank ASA.

The Tender Offer will commence on **28 November 2018, and expire on 30 November 2018 at 15:00, CET** (the "**Tender Offer Period**") unless extended at the sole discretion of the Company. No acceptance of the Tender Offer after the expiry of the Tender Offer Period is valid (unless otherwise agreed in writing by the Company). The Company may, in its sole discretion, waive, amend and extend the Tender Offer at any time. Information regarding any such amendments will be published on [www.stamdata.no](http://www.stamdata.no) and [www.master-marine.no](http://www.master-marine.no).

Bondholders who wish to offer Bonds for sale must complete and sign the Bondholders' acceptance form (the "**Acceptance Form**") (as attached) to either DNB Markets, a part of DNB Bank ASA, Fearnley Securities AS or Pareto Securities AS (together the "**Managers**") by no later than the expiry of the Tender Offer Period (each an "**Offer**"). The settlement date for the repurchase of Bonds is expected to be on or about 4 December 2018 or otherwise as set out below (the "**Settlement Date**").

Any individual or company whose Bonds are registered in the name of brokers, banks, investment companies or other nominees, must contact such persons to submit an Offer. All Bonds sold pursuant to the Tender Offer are to be transferred free of any encumbrances and any other third party rights and with all rights attached to them. Any third party with such rights over the relevant Bonds or any applicable VPS, Euroclear or Clearstream account must waive its rights in the Bonds and approve the transfer of the Bonds to the Managers. Acceptances may be treated as invalid if any such rights holder has not waived such right and approved the transfer.

Acceptances by Bondholders of the Tender Offer to sell Bonds to the Company may not be withdrawn, modified or altered. The Tender Offer is not conditional on the acceptance of any minimum number of Bonds. Bondholders who do not participate in the Tender Offer will continue to hold their Bonds in accordance with the terms of the Bond Terms.

The Tender Offer is furthermore subject to the Bondholder's proof of holdings is sent to the Managers together with the Bondholders' Acceptance Form and that the relevant Bondholder, upon request, can provide sufficient evidence for delivery of Bonds at the Settlement Date.

**Summary of tender procedure:**

<b>Tender Offer Period:</b>	<ul style="list-style-type: none"> <li>• Commencement: 28 November 2018</li> <li>• Expiration: 15:00 CET, 30 November 2018</li> </ul>
<b>Price:</b>	101.50% of par value plus accrued and unpaid interest up to but excluding the Settlement Date
<b>Allocation:</b>	100%
<b>Acceptances during the Tender Offer Period:</b>	Duly completed Bondholders' Acceptance Forms must be submitted to the Managers no later than 15:00 CET on 30 November 2018
<b>Announcement of the result of the Tender Offer:</b>	To be announced at the latest on 30 November 2018.
<b>Settlement of the Tender Offer:</b>	Cash payment in USD
<b>Settlement Date of the Tender Offer:</b>	4 December 2018 (unless delayed due to technical and/or administrative errors)
<b>Conditions:</b>	<p>Completion of the Tender Offer is subject to:</p> <ul style="list-style-type: none"> <li>(i) successful settlement of the new USD 150 million secured callable bond issue;</li> <li>(ii) the USD 100 million super senior bank facility having been provided by DNB Bank ASA;</li> <li>(iii) the Bondholder's proof of holdings delivered to the Managers together with the Bondholders' Acceptance Form; and</li> <li>(iv) that the relevant Bondholder, upon request, can provide sufficient evidence for delivery of Bonds at the Settlement Date.</li> </ul>
<b>Contacts:</b>	<p>The Bondholders' Acceptance Form to be sent to any of the Managers as listed below:</p> <p><b>DNB Markets:</b> Tel: +47 46 90 74 24 E-mail: <a href="mailto:bond.syndicate@dnb.no">bond.syndicate@dnb.no</a></p> <p><b>Fearnley Securities AS</b> Tel: + 47 22 93 63 65 E-mail: <a href="mailto:mastermarine@fearnleys.no">mastermarine@fearnleys.no</a></p> <p><b>Pareto Securities AS</b> Tel: + 47 22 82 87 70 E-mail: <a href="mailto:jacktel@paretosec.com">jacktel@paretosec.com</a></p>

The Tender Offer and any Bondholders' Acceptance Forms are subject to Norwegian law, with Oslo District Court as the agreed legal venue.

**Offer and Distribution Restrictions**

The Tender Offer is not directed to persons in any jurisdiction where the Tender Offer would be in violation of applicable laws or whose acceptance of the offer requires that (i) further documents are issued in order for the Tender Offer to comply with local law, or (ii) registration or other measures are taken pursuant to local law. No document or material relating to the Tender Offer may be distributed in or into any country where such distribution or offering requires any of the aforementioned measures to be taken or would be in conflict with any law or regulation of such country. **No securities are being offered for sale or for subscription to any person in any jurisdiction by this Tender Offer.**

The distribution of this document in certain jurisdictions may be restricted by law. Persons into whose possession this document comes are required by the Company and the Managers to inform themselves about and to observe any such restrictions.

#### **United States**

The Tender Offer is not being made, and will not be 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**"). This includes, but is not limited to, facsimile transmission, electronic mail ("**email**"), telex, telephone, the internet and any other forms of electronic communication. The Bonds may not be tendered in the Tender Offer by any such use, means, instrumentality or facility from or within the United States or by persons located or resident in the United States as defined in Regulation S of the U.S. Securities Act of 1933, as amended (the "**Securities Act**"). Accordingly, copies of this document and any other documents or materials related to the Tender Offer 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 so doing may invalidate any purported Acceptance. Any purported tender or agreement to sell Bonds in the Tender Offer resulting directly or indirectly from a violation of these restrictions will be invalid and any purported tender and/or agreement to sell Bonds made by, or by any person acting for the account or benefit of, a person appearing or otherwise believed by the Manager 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.

Each holder of Bonds participating in the Tender Offer will represent that it is not located in or resident in the United States and is not participating in such Tender Offer from the United States or it is acting on a non-discretionary basis for a principal located outside the United States that is not giving an order to participate in such Tender Offer from the United States.

#### **United Kingdom**

The communication of this document by the Company and any other documents or materials relating to the Tender Offer is not being made, and such documents and/or materials have not been approved, by an authorised person for the purposes of section 21 of the Financial Services and Markets Act 2000 (the "**FSMA**"). Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. The communication of such documents and/or materials is exempt from the restriction on financial promotions under section 21 of the FSMA on the basis that it is only directed at and may be communicated to (1) those persons who are existing members or creditors of the Issuer or other persons within Article 43 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**FPO**"), (2) persons who have professional experience in matters relating to investments, being investment professionals as defined in Article 19 of the FPO; (3) persons who fall within Article 49 of the FPO ("high net worth companies, unincorporated associations etc."); or (4) any other persons to whom these documents and/or materials may lawfully be communicated.

Any investment or investment activity to which this document relates is available only to such persons or will be engaged only with such persons and other persons should not rely on it.

#### **General**

Each Bondholder is responsible for any taxes as a consequence of its acceptance of the Tender Offer. The Company assumes no responsibility for any tax liability resulting from the acceptance of the Tender Offer.

No assurance can be given that the transactions described herein will be consummated or as to the terms of any such transactions. The Company assumes no obligation to update or correct the information contained in this announcement.

For other matters, please contact;

**Master Marine AS:** Bjørn Eie Henriksen, Executive Chairman. Tel: +47 94 13 04 32

This Tender Offer to the Bondholders is also made available at [www.stamdata.no](http://www.stamdata.no).

#### **Appendix 1: Acceptance Form**

**28 November 2018**

**Bondholders' Acceptance Form  
Tender Offer in respect of the Callable Secured PIK Bond  
Issue 2017/2019 (the "Bonds") with ISIN NO 001 0793656  
issued by Master Marine AS (the "Company")**

**DNB Markets, a part DNB Bank ASA, Fearnley  
Securities AS and Pareto Securities AS (together  
the "Managers")**

**DNB Markets:** [bond.syndicate@dnb.no](mailto:bond.syndicate@dnb.no)

**Fearnley Securities:** [mastermarine@fearnleys.no](mailto:mastermarine@fearnleys.no)

**Pareto Securities:** [jacktel@paretosec.com](mailto:jacktel@paretosec.com)

**Tender Offer:** By submitting this acceptance form (the "**Bondholders' Acceptance Form**") to the Managers before the acceptance deadline 15:00 CET on 30 November 2018 (unless amended, extended, accelerated, terminated or withdrawn), the undersigned holder of Bonds (the "**Bondholder**") irrevocably commits itself to sell the Bonds specified in the table below to Master Marine AS (the "**Tender Offer**"). Once a duly executed Bondholders' Acceptance Form has been submitted, the Bondholders' Acceptance Form is binding and irrevocable for the Bondholder until completion of the settlement of the Tender Offer, and may until such time not be withdrawn or modified or altered. A Bondholder may accept to sell all or a portion of its Bonds in the Tender Offer. Any Bondholder having accepted the offer to sell Bonds under this Acceptance Form is restricted from selling any such Bonds to any other third party (as long as the Tender Offer is not cancelled or otherwise terminated by the Company).

The Bonds to be sold under this Acceptance Form will be transferred to the Company pursuant to the Bondholder's instructions to the Managers in this Acceptance Form (and unless otherwise required without obtaining any further instructions from the Bondholder). The Bondholder represents that the Bondholder is the owner of all such Bonds and that all such Bonds accepted for sale are free of any encumbrances and any other third party rights and with all rights attached to them.

The Bondholders' Acceptance Form must be correctly completed and received by the Managers no later than **15:00 CET on 30 November 2018**. The result of the Tender Offer will be announced shortly thereafter.

Cash settlement of Bonds accepted by the Bondholders for sale to the Company is expected to be on or about 4 December 2018, unless settlement is delayed due to technical and/or administrative errors. The Company will pay 101.50% of par value plus accrued and uncapitalised interest for the period up to but excluding the settlement date for the Tender Offer by crediting the Bondholder's bank account stated below.

SPECIFICATION OF BONDS ACCEPTED FOR SALE: Master Marine AS, ISIN: NO 0010793656

Bondholder's VPS account / Custodian / Fund / Name	Nominal Amount in USD

The Managers are hereby authorized to transfer the above specified Bonds from our/my VPS account to the Company and also to transfer the Bonds to another VPS account as part of settlement proceedings, and may instruct our/my VPS account operator to release the Bonds for such purpose.

**Bondholder's date and place**

**Bondholder's signature**

The bondholders must have legal capacity. When signing by authorisation, documentation in form of company certificate or power of attorney must be enclosed.

**DETAILS OF THE BONDHOLDER**

Bondholder's VPS account no.:	
LEI number:	
Bondholder's Norwegian bank account to be credited (11 digits):	
Prime Broker ( <b>MUST BE COMPLETED FOR NON-NORWEGIAN BONDHOLDERS</b> ):	
Bondholder's full name/Company name:	
Name of contact person accepting the Tender Offer:	
Telephone (day time):	
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 ( <b>MUST BE COMPLETED</b> ):	

By signing this Bondholders' Acceptance Form, the Bondholder expressly agrees and acknowledges the terms of the Tender Offer, and confirms that the Bondholder has read and understood this Bondholders' Acceptance Form (including the following page) the Tender Offer.

Any Bondholder or authorised representative of a Bondholder accepting the Tender Offer to the Managers by means of telephone will be deemed to agree and certify to all of terms and restrictions of the Bondholders' Acceptance Form and to have made the representations to the Company as set forth in this Bondholders' Acceptance Form.

The Bondholder must be of age. If the Bondholders' Acceptance Form is signed by a proxy, documentary evidence of authority to sign must be attached in the form of a Power of Attorney or Company Registration Certificate. The Tender Offer is subject to the Bondholder's proof of holdings is sent to the Managers together with the Bondholders' Acceptance Form.

The Bondholder also represents by signing this Acceptance Form (and any person who is acting on behalf of any Bondholder that signs this Acceptance Form represents as to the Bondholder) that such Bondholder is not located in or resident in the United States (as defined pursuant to Regulation S under the US Securities Act of 1933, as amended) and is not participating in such Tender Offer from the United States or it is acting on a non-discretionary basis for a principal located outside the United States that is not giving an order to participate in such Tender Offer from the United States.

**Offer and Distribution Restrictions:**

**United States:** The Tender Offer is not being made, and will not be 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"). This includes, but is not limited to, facsimile transmission, internet delivery, electronic mail ("email"), telex, and telephone, the internet and any other forms of electronic communication. The Bonds may not be tendered in the Tender Offer by any such use, means, instrumentality or facility from or within the United States or by persons located or resident in the United States as defined in Regulation S of the U.S. Securities Act of 1933, as amended (the "Securities Act"). Accordingly, copies of this document and any related other offering documents or materials related to the Tender Offer 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 so doing may invalidate any purported acceptance. Any purported offer tender or agreement to sell Bonds in the Tender Offer resulting directly or indirectly from a violation of these restrictions will be invalid and any purported offer tender and/or agreement to sell Bonds made by, or by any person acting for the account or benefit of, a person appearing or otherwise believed by the Managers 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.

Accordingly, the holder of Bonds participating in this Tender Offer, and executing this acknowledgement, represents that it is not located in or resident in the United States and is not participating in such Tender Offer from the United States or it is acting on a non-discretionary basis for a principal located outside the United States that is not giving an order to participate in such Tender Offer from the United States.

**Canada:** The request for Tender 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 acceptance or agreement to sell Bonds resulting directly or indirectly from a violation of these restrictions will be invalid and any purported acceptance 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 acceptance will be deemed to represent that it is not located in Canada and is not submitting the Acceptance Form 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 acceptance from Canada. For the purposes of this and the above paragraph, "Canada" means Canada, its provinces and territories.

**United Kingdom:** The communication of this document by the Company and any other documents or materials relating to the Tender Offer is not being made, and such documents and/or materials have not been approved, by an authorised person for the purposes of section 21 of the Financial Services and Markets Act 2000 (the "FSMA"). Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. The communication of such documents and/or materials is exempt from the restriction on financial promotions under section 21 of the FSMA on the basis that it is only directed at and may be communicated to (1) those persons who are existing members or creditors of the Issuer or other persons within Article 43 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "FPO"), (2) persons who have professional experience in matters relating to investments, being investment professionals as defined in Article 19 of the FPO; (3) persons who fall within Article 49 of the FPO ("high net worth companies, unincorporated associations etc."); or (4) any other persons to whom these documents and/or materials may lawfully be communicated. Any investment or investment activity to which this document relates is available only to such persons or will be engaged only with such persons and other persons should not rely on it.

**General:** The request for Tender 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 Tender Offer, any legal requirements for a tender offer in conflict with the terms and conditions of the Tender Offer and/or agreement to sell in such jurisdiction, and the Company may refuse to receive acceptances 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 request for Tender 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 Tender Offer and any agreement to sell.

Any decision to submit an acceptance to the Tender Offer should only be made on the basis of an independent review by you of publicly available information. By accepting the Tender Offer and signing the Bondholders' Acceptance 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 Tender 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 Tender Offer; (d) you have made your own assessment when submitting the Bondholders' Acceptance 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 Tender 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 Tender 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 accept to sell 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 Tender Offer as an execution only instruction from the Bondholder and hence the Managers will not determine whether the Tender Offer is suitable or not for the Bondholder as otherwise provided for in the Norwegian Securities Trading Act.

The Company and the Managers shall not bear any risk or liability in the event the Bondholders' Acceptance Form or another form of acceptance of the Tender Offer is not received for any reason whatsoever, including technical difficulties. The Managers may, in its sole discretion, accept applications placed by taped phone, e-mail, Bloomberg or other means they deem appropriate, but may request that the order is subsequently confirmed by the execution of this Bondholders' Acceptance Form in writing, and may, if the Bondholder fails to satisfy such requirement, in their sole discretion, disregard the offer, without any liability towards 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 this Bondholders' Acceptance Form.

**Governing law and jurisdiction:** The Tender Offer and all acceptances submitted in response thereto, including this Bondholders' Acceptance Form, are governed by Norwegian law with the Oslo District Court as legal venue. Any disputes arising out of, or in connection with, the Tender Offer, are subject to Norwegian law and shall exclusively be settled by Norwegian courts and with Oslo District Court as legal venue.