

Nordic Trustee AS

Att.: Ellen Søliland

Submitted by email only to:

soiland@nordictrustee.com, and

mail@nordictrustee.com

Kristiansand, 27 March 2020

## PROVISION OF INFORMATION IN RESPECT OF DISCUSSIONS WITH LENDERS

We refer to the following bond issues (the "**SIOFF Bond Issues**"):

**ISIN NO 001 0708670**

**FRN Siem Offshore Inc. Senior Unsecured Convertible Bond Issue 2018/2023 (the "Convertible Bond Issue")**

**ISIN NO 001 0670441**

**FRN Siem Offshore Inc. Senior Unsecured Bond Issue 2013/2018 (the "Non-Convertible Bond Issue")**

Capitalised terms used herein shall, unless otherwise defined, have the meaning ascribed to them in:

- (a) the agreement originally dated 26 March 2014, as amended and restated on 28 June 2017 and 3 May 2018, between the Issuer and the Bond Trustee in respect of the Convertible Bond Issue (the "**Convertible Bond Loan Agreement**"); and
- (b) the agreement originally dated 28 January 2013, as amended and restated on 28 June 2018, between the Issuer and the Bond Trustee in respect of the Non-Convertible Bond Issue (the "**Non-Convertible Bond Loan Agreement**", and together with the Convertible Bond Loan Agreement, the "**Bond Loan Agreements**").

### 1. BACKGROUND

We refer to the summons in respect of the SIOFF Bond Issues dated 16 March 2020, where the Issuer requested certain waivers of financial covenants under the Bond Loan Agreements (the "**Summons**"). Reference is further made to the Issuer's notice to the Oslo Stock Exchange dated 23 March 2020, in which the Issuer provided an update on the further deterioration of the company's liquidity situation. The notice is enclosed as Attachment 1 hereto.

### 2. UPDATE ON DISCUSSIONS WITH LENDERS

In order to address the Issuer's strained liquidity and secure a long-term financing solution, the Issuer has initiated discussions with its secured bank lenders.

The Issuer is in positive dialogue with the banks to reach an amended and sustainable arrangement in an expeditious manner. An agreement with the Issuer's secured bank lenders and a solution to the Issuer's liquidity situation and concessions by the banks is conditional upon approval of the amendments to the terms of the SIOFF Bond Issues, including but not limited to the amendments requested in the Summons. We will reach out to the Bondholders as soon as we have further clarity of the terms with the banks and on the way forward. A follow-up meeting with the bondholders will be arranged.

Failure to secure the short-term amendments requested in the Summons will jeopardize the process of reaching an agreement with the bank lenders. This will be detrimental to the interest of the Bondholders, as unsecured and structurally subordinated creditors.

We encourage Bondholders who have questions in respect of the on-going process to contact us, using the following details:

Dagfinn Lie – CFO  
Siem Offshore Inc.  
Cell: +47 90199051

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Dagfinn Lie', is written over a horizontal line.

Name: Dagfinn Lie  
CFO

Attachments: Copy of notice to Oslo Stock Exchange dated 23 March 2020

## **ATTACHMENT 1 - NOTICE TO OSLO STOCK EXCHANGE DATED 23 MARCH 2020**

### ***Company Update***

*Reference is made to the information about Siem Offshore Inc.'s liquidity situation in the interim financial statements for Q4 2019. The extreme fluctuations in the financial markets over the past weeks have resulted in a further deterioration in the Company's liquidity situation. Siem Offshore is in discussions with its banks to seek a solution to alleviate this situation.*