

To the bondholders in:

ISIN NO 001 067044.1 - FRN Siem Offshore Inc. Senior Unsecured Bond Issue 2013/2018 ("SIOFF01")

Oslo, 23 April 2018

Offer to buy bonds in SIOFF01

Capitalized terms used herein shall have the meaning assigned to them in the bond agreement for SIOFF01 dated 28 January 2013 (as amended and restated on 28 June 2017), unless otherwise stated herein.

On the terms and subject to the conditions set out in this letter, Siem Offshore Inc. (the "**Offeror**") offers the Bondholders in SIOFF01 to buy all outstanding bonds in SIOFF01 (the "**Bonds**") on the following terms and conditions (the "**Offer**"):

- A. The Bonds will be acquired in exchange for bonds in the NOK 700,000,000 FRN Siem Offshore Inc. Senior Unsecured Bond Issue 2014/2019) - ISIN NO 001 0708670 ("**SIOFF02**") – as amended pursuant to the resolution passed at a bondholders' meeting for SIOFF02 on 19 March 2018 (the "**Convertible Bonds**").
- B. The Bonds will be exchanged to Convertible Bonds at 80 % of par value of the Bonds, rounded down to the nearest number of whole Convertible Bonds. The Convertible Bonds will be issued at par value.
- C. The interest accrued for the period up until the exchange will be settled in cash.

Swedbank (the "**Receiving Agent**") is acting as receiving agent for the Offer.

The Offer will open on 23 April 2018 at 10:00 a.m., Central European time, and expire at 16:30, Central European time, on 27 April 2018 (the "**Offer Period**").

Bondholders can tender Bonds for sale in the Offer by completing, signing and returning the attached Bondholder Tender Form to the Receiving Agent before the end of the Offer Period.

A Bondholder may accept the Offer for all or a portion of its Bonds.

Bondholders may accept the Offer at any time during the Offer Period. Acceptances of the Offer will become legally binding when received by the Receiving Agent and may not be withdrawn after this.

The settlement of the acquisition of Bonds under the Offer is expected to take place on or about 2 May 2018, subject to the amendments pursuant to the resolution passed at a bondholders' meeting for SIOFF02 on 19 March 2018 having become effective. At the settlement, any Bonds tendered in the Offer and accepted by the Offeror will be transferred to the Offeror by the Receiving Agent (without obtaining any further instruction from the Bondholder) against simultaneous delivery of Convertible Bonds.

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 Bondholder Tender Form. All Bonds sold pursuant to the Offer must 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 VPS, Euroclear or Clearstream account must waive its rights in the Bonds and approve the transfer of the Bonds to the Receiving Agent. Bondholder Tender Forms may be treated as invalid if any such rights holder has not waived such right and approved the transfer.

For further information please contact:

Swedbank DCM Origination

Phone: +47 23238045

The Offer and any acceptances thereof are subject to Norwegian law, with Oslo District Court as the agreed legal venue.

The Offer is not directed to persons in any jurisdiction where the 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 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 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.

The Offer is not being made directly or indirectly in, 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, email, telex and telephones. Accordingly, copies of this document and any related offering documents are not being, and must not be, mailed, emailed or otherwise distributed or sent in or into the United States and so doing may invalidate any purported acceptance.

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

The Receiving Agent is acting on behalf of the Offeror in connection with the Offer. The Receiving Agent will not be acting on behalf of any other party in connection therewith and will not be responsible to any other party.

In accordance with the Norwegian Securities Trading Act of 29 June 2007 no. 75, the Receiving Agent must categorize all new customers in one of three customer categories. All Bondholders that accepts the Offer and which are not existing clients of the Receiving Agent will be categorized as non-professional clients unless otherwise is communicated in writing by the Receiving Agent. For further information about the categorization the Bondholder may contact the Receiving Agent. The Receiving Agent will treat the Offer as an execution only instruction from the Bondholder and hence the Receiving Agent will not determine whether the Offer is suitable or not for the Bondholder as otherwise provided for in the Norwegian Securities Trading Act.

The Offer is subject to the Anti Money Laundering act of March 6th 2009 no. 11. Bondholders that are not a registered customer of the Receiving Agent must complete the AML identity verification procedure as set out in: <https://onboarding.swedbank.no>. Bondholders that do not have a BankID are required to manually fill out an identity verification form attached in this Offer Document.

Bondholder Tender Form

This form shall be used when tendering Bonds of the ISIN NO 001 067044.1 - FRN Siem Offshore Inc. Senior Unsecured Bond Issue 2013/2018 ("**SIOFF01**") under the Offer from Siem Offshore Inc dated 23 April 2018.

Total Face Value of Bonds tendered – SIOFF01 :	NOK _____
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Information about the Bondholder:

Name of Bondholder:	
Address:	
VPS account number:	
Name of contact person:	
Telephone number:	
E-mail:	

I/we confirm that I am/we are the beneficial owner of the Bonds tendered to be sold in the Offer, that I am/we are authorised to accept the Offer, and that I/we tender the Bonds set out above on the terms and conditions set out in the offer letter dated 23 April 2018 and this Bondholder Tender Form.

SIGNATURE: _____

Place/date: _____

The Bondholder must be of age. If the Bondholder Tender 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 form must be received by Swedbank by 27 April 2018 at 16:30 CET.

Return to: syndicate@swedbank.se

Identity Verification Form

Only to be filled out by Bondholders that is not registered customers of Swedbank Norge and does not do the registration on-line.

Following the Anti Money Laundering act of March 6th, 2009, no. 11, Bondholders are obligated to fill out the Identity Verification Form. In order for the Receiving Agent to process the Offer, please sign and return this form to Swedbank together with the identification documents as described below. The Managers may without notification (in accordance with the Anti Money Laundering act) be required to carry out further control. The Identity Verification Form must be received by the Receiving Agent prior to the expiry of the Offer Period either by letter, telefax or email to;

Swedbank Norge

- **Swedbank Norge, att: Tom Berg, P.O. Box 1441 Vika, 0115 Oslo, Norge**
- **Telefax +47 23 23 80 11**
- **Email: emisjon@swedbank.no**

Information on the Bondholder:

Full Name/ Company Name:	Date of birth and national ID number / Company registration number:
Address:	Postal code and place:

Purpose of nature

☐ Trading in securities and related services

☐ Other – please specify: _____

Information on the Beneficial Owners (who control/own the entity)

The Managers is obliged to investigate if a legal entity has beneficial owners, defined as natural person(s) who (i) directly or indirectly control more than

25% of the shares or voting rights in the legal entity, (ii) exercise control over the management in the legal entity, (iii) exercise control over 25% or more of the assets of a legal arrangement or entity, or (iii) have the main interest in the legal entity.

☐ There are no Beneficial Owner(s) in connection with the transaction

☐ There are Beneficial Owner(s) in connection with the transaction, and the information thereof is submitted and included in the form

Full name:	Date of birth and national ID number:
Address:	Postal code and place:

If there is more than one beneficial owner:

Full name:	Date of birth and national ID number:
Address:	Postal code and place:

PEP: Politically Exposed Persons

PEP describes a person who holds, or has held in the last 18 months, a high public office or position in Norway or another country, including position as board member or similar in state controlled companies as well as close family members or business associates of such person. The terms is defined in the Anti Money Laundering act of 13th March, 2009, No. 302, (Money Laundering Regulations) § 11, available on <http://www.lovdato.no/for/sf/fd/xd-20090313-0302.html#11>.

Please verify if the Bondholder or a representative is a politically exposed person:

☐ The Bondholder or a representative is not a politically exposed person

☐ The Bondholder or a representative is a politically exposed person

Proof of identity

For physical persons:

Confirmation of signature with a valid passport when returning the Identity Verification form.

The following can verify a copy of your identification document(s):

- Norwegian courts, police, municipal and state agencies
- Norwegian banks, post offices, real estate agents, attorneys and others subject to a license, grant or equivalent and under public supervision
- For foreign customers; Police, post offices, lawyers and financial institutions subject to supervision within the EEA or similar countries

For legal entities:

- A certified Certificate of registration not older than 3 months must be attached.

Proof of identity (passport) must also be provided for all physical persons who are given power of attorney to carry out transactions on behalf of the Bondholder. The undersigned hereby certifies that the information given in this form and the attached credentials are correct.

Place and date

Signature