

Singapore 22nd July 2016

To the Bondholders in

ISIN NO0010699317 – FRN Axis Offshore Pte. Ltd. Senior Secured Callable Bond Issue 2013/2018 (the “Bond Loan”)

Reference is made to the letter dated 20 July 2016 from certain Opposing Bondholders.

The Issuer rejects the assertions and speculations contained in the said letter.

The Issuer notes that the request for an annulment of the sale of certain bonds is not within its control nor in the company’s best interest. The Issuer sold the said bonds at the best possible price based on the factual circumstances present in the market and in any circumstance in the common interest of both the company and the bondholders.

The Summons is the result of a substantive analytical process and aims timely to address and improve the financial position of the Issuer until and beyond the maturity of the bond based on a balanced contribution from each stakeholder in the capital structure. The core aim of the Issuer is to repay its debt at par and the measures undertaken by the Issuer are all aimed at ascertaining the best possible balanced outcome for all stakeholders, although we appreciate that the Opposing Bondholders wish for a better outcome. A full take-out of the bonds, as has been suggested by certain Opposing Bondholders, is obviously not possible in the current situation.

On the Information Meeting – Tuesday 26th, 10 am (Oslo) - the Issuer looks forward to review and further motivate the proposals contained in the Summons.

The Issuer remains available for and welcomes constructive dialogue and input from all bondholders. To date - and to the extent possible under relevant regulations – the Issuer has positively and willingly responded to all approaches from bondholders.

For further information or enquiries, please contact either:

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