



Notice of Extraordinary General Meeting of Shareholders

Notice is hereby given that an Extraordinary General Meeting (“**Extraordinary General Meeting**”) of Prosafe SE (“**Company**”) will be held at the Company's registered office at 9:30am 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. Approval of increase of authorized share capital.
3. Approval of authorisation to the Board of Directors to allot and issue shares from the unissued authorised share capital and convertible bonds for purpose of the Transaction (as defined below).

The Company has as at the date of this notice issued 6,553,010,116 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 11:30am 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 11:30am 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 11:30am 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> from the date of this notice.

Appendices:

1. Background and proposed resolutions
2. Notice of attendance at the Extraordinary General Meeting/Proxy
3. Detailed voting instructions
4. Casting votes electronically

By order of the Board

Elena Hajiroussou
Secretary

15 November 2016

Background:**Transaction**

As referred to in a stock exchange announcement on 10 November 2016, the Company has entered into a letter of intent with Axis Offshore Pte. Ltd. ("**Axis**") for the acquisition of all outstanding shares in the two single purpose companies Axis Nova Singapore Pte. Ltd. ("**Axis Nova SPV**") and Axis Vega Singapore Pte. Ltd. ("**Axis Vega SPV**") (jointly the "**New-Build Companies**"), and 25% of the shares in Dan Swift (Singapore) Pte. Ltd. (the "**Dan Swift Shares**") (such potential transaction, the "**Transaction**").

The contemplated Transaction represents strategic and financial optionality to the Company that supports the Company's defined strategy and ambitions.

Axis Nova SPV and Axis Vega SPV each control shipbuilding contracts with Cosco (Qidong) Offshore Co. Ltd. (the "**Yard**") for the construction and delivery on a fixed price basis of one advanced and modern semisubmersible accommodation vessel to be used for harsh environment operations (the "**Axis Nova**" and the "**Axis Vega**", jointly the "**New-Builds**"). Due to delays extending the original delivery schedule at the Yard, Axis Nova SPV and Axis Vega SPV have entered into addenda to the respective construction contracts which include lay-up and standstill elements. The New-Builds come with cancellation rights and refund bank guarantees of USD 60 million. As part of the Transaction the Company will enter into a management contract for the Axis converted monohull Dan Swift (in addition to acquiring the Dan Swift Shares).

Completion of the Transaction, if agreed, is expected to be conditional, inter alia, on receiving consent from the Company's majority bank lenders, approvals of changes to the Dan Swift bank financing, merger clearance pursuant to applicable competition regulations (if any), as well as other customary closing conditions.

The consideration for the acquisition of the New-Build Companies and Dan Swift Shares, if agreed and completed will be USD 70 million expected to be settled by Prosafe in kind, through the issuance of approx. 586 million ordinary shares priced at NOK 0.30 per share, and a subordinated zero coupon five year convertible bond of approximately NOK 403 million, convertible into 1,344.7 million shares at a conversion price of NOK 0.30 per share. The convertible bonds will have a tenor of 5 years and be convertible at the option of the holder. The convertible bonds may also be forcedly converted by the Company upon the occurrence of certain events, including upon maturity. Other terms thereof are expected to mirror those of the Company's existing convertible bond.

As the consideration for the Transaction will be in the form of shares and convertible bonds, completion of the Transaction will require approval by the Company's shareholders in a general meeting. In this respect, and as a general meeting will be held on 30 November 2016, to approve the appointment of an additional director, chairman of the Board of Directors and a share consolidation and division as set out in the Notice of the Extraordinary General Meeting dated 8 November 2016 ("**Share Consolidation**"), the Board of Directors proposes that this Extraordinary General Meeting resolves to authorise the issuance of the consideration shares and/or convertible bonds required in respect of the Transaction also on 30 November 2016.

The Board of Directors notes that as of today, there can be no certainty that any agreement will be reached. If no definitive agreement has been entered into at the time of the Extraordinary General Meeting, the Board of Directors will withdraw the proposed resolutions for the Transaction.

The proposed resolutions to increase authorised share capital and allot and issue shares from the unissued authorised share capital and convertible bonds for the purpose of the Transaction are set out in items 2 and 3. As regards the increase of the authorised share capital proposed in item 2 of the resolutions, two alternative options have been set out and the resolution to be put to vote will depend on whether the Share Consolidation has been approved or not at the earlier extraordinary general meeting. The alternative resolution will be withdrawn.

As regards item 3 of the resolutions, the Board of Directors will have discretion to adjust the final split between the number of shares to be issued and the convertible bond, provided that the number of shares in

aggregate do not exceed 2,000,000,000 shares of nominal value EUR 0.001 (or such equivalent number of shares adjusted for the Share Consolidation).

For further details on the Transaction, please see the Company's announcement of 10 November 2016.

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 Extraordinary General Meeting resolves:

ORDINARY RESOLUTION No. 1

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

2. Increase of authorized share capital

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) €6,553,010.116 divided into 6,553,010,116 ordinary shares of €0.001; (iii) €402,560.243 divided into 402,560,243 undesignated shares of EUR 0.001.

The authorised share capital of the Company is expected to change on the basis of the approval of the resolutions proposed in the notice dated 8 November 2016 for the holding of an extraordinary general meeting on 30 November 2016 at 9:00am Cyprus time (for the purpose of approving certain Board composition changes and the Company's share capital consolidation and division).

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 the Company to be in a position to complete the Transaction and issue shares (i) for this purpose and (ii) for the conversion of the new convertible bond contemplated to be issued as part of that Transaction, the authorised share capital of the Company will need to be increased by €2,000,000 (2,000,000,000 shares of €0.001 each), which following the Share Consolidation (defined below) will be 20,000,000 of €0.1 each.

The text of the resolution to be proposed at the Extraordinary General Meeting will depend on whether the General Meeting of the Company scheduled for 9.00 am 30 November 2016 has approved the resolutions relating to the share consolidation and division, pursuant to which the share capital of the Company would be consolidated and divided into shares of nominal value €0.10 each ("**Share Consolidation**").

On this basis:

- (i) if the Share Consolidation has not been approved, the proposal to be put to the Extraordinary General Meeting will be that the authorised share capital of the Company will be increased by €2,000,000 by the creation of 2,000,000,000 undesignated shares, each with a nominal value of €0.001 (Ordinary Resolution No. 2(a) below);
- (ii) if the Share Consolidation has been approved, the proposal to be put to the Extraordinary General Meeting will be that the authorised share capital of the Company will be increased by €2,000,000 by the creation of 20,000,000 undesignated shares, each with a nominal value of €0.10 (Ordinary Resolution No. 2(b) below);

and the alternative resolution shall be withdrawn by the Chairman and shall not be put to the meeting for approval.

It is proposed that the Extraordinary General Meeting resolves:

ORDINARY RESOLUTION No. 2(a)

THAT the authorised share capital of the Company be and the same is now increased by €2,000,000 by the creation of 2,000,000,000 undesignated shares of €0.001 each.

or (alternatively, as described above)

It is proposed that the Extraordinary General Meeting resolves:

ORDINARY RESOLUTION No. 2(b)

THAT the authorised share capital of the Company be and the same is now increased by €2,000,000 by the creation of 20,000,000 undesignated shares of €0.10 each.

3. Approval of authorization to the Board of Directors to allot and issue shares from the unissued authorized share capital and convertible bonds for Transaction

It is proposed that the Transaction be approved by authorisation to the Board of Directors to allot and issue shares out of the authorised but unissued share capital of the Company (including as increased from time to time) and new convertible bonds for the purpose of the Transaction.

It is proposed that the Extraordinary General Meeting resolves:

ORDINARY RESOLUTION No. 3

THAT the Board of Directors be and are hereby authorised to allot and issue:

- (i) up to a maximum of 600 million shares of nominal value EUR 0.001 (or such equivalent number of shares adjusted for the Share Consolidation proposed to be resolved in the notice for extraordinary general meeting dated 8 November 2016) from the unissued authorised share capital of the Company (including as increased from time to time), as ordinary shares ("**Transaction Shares**") at a subscription price of NOK 0.30 per share (or such equivalent price adjusted for the Share Consolidation) and/or otherwise on such terms as the Board of Directors deems fits and a new convertible bond of approximately NOK 403 million with a conversion price of NOK 0.30 per share (or such equivalent price adjusted for the Share Consolidation) and/or otherwise on such terms as the Board of Directors deems fits ("**New CB**"), however so that the subscription price of such Transaction Shares and New CB do not exceed, in aggregate, the value of the assets contributed through the Transaction as may be determined by a fair value report to be obtained by the Company, such authority to be valid for a period of 4 months from the date of this extraordinary general meeting, i.e. until and including 31 March 2017;
- (ii) up to a maximum of 1,400,000,000 shares of nominal value EUR 0.001 (or such equivalent number of shares adjusted for the Share Consolidation proposed to be resolved in the notice for extraordinary general meeting dated 8 November 2016) 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 conversion of the New CB, such authority to be valid for a period up to and including the 5th anniversary of the date of this extraordinary general meeting, i.e. until and including 30 November 2021;

however on the basis that the Board of Directors may adjust and determine the final split between the Transaction Shares and the New CB at its sole discretion, provided that, the aggregate number of shares does not exceed 2,000,000,000 shares of nominal value EUR 0.001 (or such equivalent number of shares adjusted for the Share Consolidation proposed to be resolved in the notice for extraordinary general meeting dated 8 November 2016).

Appendix 2

If you plan to attend the Extraordinary General Meeting 30 November, at 9:30am Cyprus time, please send this notification to Prosafe SE, 126 Stadiou, 6020 Larnaca, Cyprus, Attn: Wenche Rommetvedt Fjose, by 11:30am Cyprus time on 29 November 2016 (fax no. +357 2462 2480, e-mail 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 9:30am 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 11:30am Cyprus time on 29 November 2016 (fax no. +357 2462 2480 e-mail 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 at 9:30 am Cyprus time, 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 3

Extraordinary General Meeting Prosafe SE 30 November 2016, at 9:30 am Cyprus time

Voting Instructions

To be sent to Prosafe SE, 126 Stadiou Street, CY-6020 Larnaca, Cyprus, Attn: Wenche Rommetvedt Fjose, no later than 11:30am Cyprus time on 29 November 2016 (telefax no. +357 2462 2480 e-mail wenche.fjose@prosafe.com).

Resolution	For	Against	Abstain	Proxy to vote as he deems fit
1. Appointment of the Chairperson of the Extraordinary General Meeting	†	†	†	
2. Approval of increase of authorised share capital-ordinary resolution 2(a)*				
3. Approval of increase of authorised share capital-ordinary resolution 2(b)*				
4. Approval of authorisation to the Board of Directors to allot and issue shares from the unissued authorised share capital and convertible bonds for purpose of the Transaction (as defined in the Notice).				

**Either ordinary resolution 2(a) or ordinary resolution 2(b) will be proposed and the other withdrawn. Please refer to Appendix 1.*

..... (signature)

..... (name, typed)

..... (number of shares)

..... (address, typed)

Appendix 4

Extraordinary General Meeting Prosafe SE 30 November 2016, at 9:30am Cyprus time

CASTING VOTES ELECTRONICALLY

Shareholders who are not able to attend the Extraordinary General Meeting at 9:30am 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 11:30am Cyprus time on 29 November 2016 (fax no. +357 2462 2480, e-mail 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*):

Resolution	For	Against	Abstain	Proxy to vote as he deems fit
1. Appointment of the Chairperson of the Extraordinary General Meeting	†	†	†	
2. Approval of increase of authorised share capital-ordinary resolution 2(a)*				
3. Approval of increase of authorised share capital-ordinary resolution 2(b)*				
4. Approval of authorisation to the Board of Directors to allot and issue shares from the unissued authorised share capital and convertible bonds for purpose of the Transaction (as defined in the Notice).				

**Either ordinary resolution 2(a) or ordinary resolution 2(b) will be proposed and the other withdrawn. Please refer to Appendix 1.*

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