PRE-CONDITIONAL MANDATORY CASH OFFER

by

CREDIT SUISSE (SINGAPORE) LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No.: 197702363D)

NOMURA SINGAPORE LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No.: 197201440E)

for and on behalf of

FINCANTIERI OIL & GAS S.p.A.
(Incorporated in Italy)
(Company Registration No.: 04795811001)

a direct wholly-owned subsidiary of

FINCANTIERI - CANTIERI NAVALI ITALIANI S.p.A.
(Incorporated in Italy)
(Company Registration No.: 00397130584)

to acquire all the issued ordinary shares
in the capital of

STX OSV HOLDINGS LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No.: 201012504K)

other than those already owned, controlled or agreed to be acquired by
Fincantieri Oil & Gas S.p.A., its related corporations and their respective nominees

PRE-CONDITIONAL MANDATORY CASH OFFER ANNOUNCEMENT

1. INTRODUCTION

1.1 The Offer. Credit Suisse (Singapore) Limited and Nomura Singapore Limited (together, the “Joint Financial Advisers”) wish to announce, for and on behalf of Fincantieri Oil & Gas S.p.A. (the “Offeror”), a direct wholly-owned subsidiary of Fincantieri - Cantieri Navali Italiani S.p.A. (“Fincantieri”), that, subject to the satisfaction of the Pre-Condition (as defined in Section 3.2 below), the Offeror intends to make a mandatory unconditional cash
offer (the “Offer”) for all the issued ordinary shares (the “Shares”) in the capital of STX OSV Holdings Limited (the “Company”), other than those already owned, controlled or agreed to be acquired by the Offeror, its related corporations and their respective nominees.

The Offer will not be made unless and until the Pre-Condition is fulfilled. Accordingly, all references to the Offer in this Announcement refer to the possible Offer which will only be made if and when the Pre-Condition is fulfilled.

Shareholders of the Company should exercise caution and seek appropriate independent advice when dealing in the Shares.

1.2 Holdings. As at the date of this Announcement (the “Pre-Conditional Announcement Date”), the Offeror and the other Relevant Persons (as defined in Section 11.1(i) below) do not own or control, directly or indirectly, any Shares.

2. THE ACQUISITION

2.1 Share Purchase Agreement. On 21 December 2012 (Singapore time), the Offeror and Fincantieri, as the Offeror’s guarantor, entered into a share purchase agreement (the “Share Purchase Agreement”) with STX Europe AS (the “Seller”) and STX Offshore & Shipbuilding Co., Ltd, as the Seller’s guarantor (the “Seller Guarantor”), whereby the Seller agreed to sell to the Offeror and the Offeror agreed to purchase from the Seller, on the terms and subject to the conditions set out in the Share Purchase Agreement (which are more particularly described in Section 2.3 and Appendix 1 to this Announcement), 598,851,000 Shares (the “Sale Shares”), representing approximately 50.75 per cent. of the issued share capital of the Company, for an aggregate cash consideration of S$730,598,220 (the “Purchase Consideration”), being S$1.22 in cash for each Sale Share (the “Acquisition”).

2.2 Sale Shares. The Offeror is acquiring the Sale Shares free from any mortgage, charge, pledge, assessment, security interest, lien, adverse claim, levy, encroachment, right of first option or other similar encumbrance or restriction or any other agreement or arrangement the effect of which is the creation of security (collectively, “Liens”) and together with all rights attached or accruing to the Sale Shares including, without limitation, the right to receive all rights, benefits, entitlements, dividends, distributions or any return of capital declared, made or paid by the Company on or after the date of the Closing (as defined in Section 2.3 below).

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1 In this Announcement, for the purposes of computation of any percentage shareholdings, the total number of Shares is 1,180,000,000, as reported in the unaudited financial statements of the Company for the third quarter ended 30 September 2012.
2.3 **Conditions to Closing.** The closing of the Acquisition (the “Closing”) will take place within three business days following the satisfaction or waiver, as the case may be, of the conditions to Closing (the “Closing Conditions”) as set out in the Share Purchase Agreement (other than those Closing Conditions that by their nature are to be satisfied at the Closing), provided that the date of the Closing will be no later than the Termination Date (as defined in Section 2.4 below). The Closing Conditions are reproduced in Appendix 1 to this Announcement.

2.4 **Termination Date.** Under the terms of the Share Purchase Agreement, the Share Purchase Agreement may be terminated by either the Offeror or the Seller if (provided that the party seeking to terminate (and, where the Seller is seeking to terminate, the Seller Guarantor and where the Offeror is seeking to terminate, Fincantieri) is not then in material breach of any representation, warranty, covenant or other agreement on its part contained in the Share Purchase Agreement) the Closing shall not have occurred on or prior to the 120th calendar day following the date of the Share Purchase Agreement (the “Termination Date”).

2.5 **Termination Rights.** Subject to prior consultation with, or approval of, the Securities Industry Council (as may be applicable), either the Offeror or the Seller (as the case may be) may terminate the Share Purchase Agreement prior to the Closing upon the occurrence of certain events (the “Termination Events”) set out in Appendix 2 to this Announcement.

3. **THE OFFER**

3.1 **Terms.** Subject to the satisfaction of the Pre-Condition and the terms and conditions set out in the offer document to be issued by the Joint Financial Advisers on behalf of the Offeror (the “Offer Document”), the Offer will be made by the Offeror on the following basis:

(i) the Offeror will make the Offer for all Shares not already owned, controlled or agreed to be acquired by the Offeror, its related corporations and their respective nominees (the “Offer Shares”) in accordance with Section 139 of the Securities and Futures Act, Chapter 289 of Singapore and the Singapore Code on Takeovers and Mergers (the “Code”);

(ii) the price for each Offer Share (the “Offer Price”) will be as follows:

**For each Offer Share: S$1.22 in cash.**

The Offer Price is based on the cash consideration being paid by the Offeror to the Seller for each Sale Share under the Share Purchase Agreement;

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2 For the purposes of this Announcement, “business day” means a day other than a Saturday or Sunday when banks in Korea, Norway, Singapore and Italy are open for the transaction of general banking business.
the Offer, if and when made, will be extended, on the same terms and conditions, to all new Shares issued or to be issued pursuant to the valid exercise, on or prior to the close of the Offer, of any options (the “Options”, each an “Option”) to subscribe for new Shares under the STX OSV Holdings Limited Share Option Scheme which was approved at the extraordinary general meeting of the Company held on 27 April 2011 (the “Option Scheme”).

For the purpose of the Offer, the expression “Offer Shares” shall include all new Shares issued or to be issued pursuant to the valid exercise of the Options on or prior to the close of the Offer; and

the Offer Shares will be acquired:

(a) fully paid;

(b) free from any Liens; and

(c) together with all rights attached or accruing to the Offer Shares including, without limitation, the right to receive all rights, benefits, entitlements, dividends, distributions or any return of capital declared, made or paid by the Company on or after the date of the Closing.

If any dividend, right, other distribution or return of capital is announced, declared, paid or made by the Company on or after the date of the Closing to a shareholder of the Company who accepts or has accepted the Offer, the Offeror reserves the right to reduce the Offer Price payable to such accepting shareholder of the Company by the amount of such dividend, right, other distribution or return of capital.

3.2 The Pre-Condition. The pre-condition to the making of the Offer is the satisfaction or waiver, as the case may be, of the Closing Conditions in accordance with the proposed terms and conditions of the Share Purchase Agreement (the “Pre-Condition”).

3.3 Formal Announcement. Upon the satisfaction of the Pre-Condition, the Joint Financial Advisers, for and on behalf of the Offeror, will immediately announce the firm intention on the part of the Offeror to make the Offer (the “Formal Announcement”). The Offer Document containing the terms and conditions of the Offer will be despatched to the shareholders of the Company not earlier than 14 days but not later than 21 days from the date of the Formal Announcement.

However, if the Pre-Condition is not fulfilled, the Offer will not be made and the Joint Financial Advisers will issue an announcement confirming that fact as soon as reasonably practicable.

3.4 No Condition. The Offer, if and when made, will be unconditional in all respects.
3.5 **No Undertakings.** As at the Pre-Conditional Announcement Date, neither the Offeror nor any other Relevant Person has received any irrevocable undertaking from any party to accept or reject the Offer.

3.6 **Overseas Shareholders.** Subject to the fulfilment of the Pre-Condition, the availability of the Offer to persons not resident in Singapore, as shown in the register of members of the Company or as the case may be, in the records of The Central Depository (Pte) Limited (the “Overseas Shareholders”) may be affected by the laws of the relevant jurisdictions. Overseas Shareholders should inform themselves about, and observe, any applicable requirements in their own jurisdiction. Further details in relation to the Overseas Shareholders will be contained in the Offer Document.

4. **OPTIONS**

As at the Pre-Conditional Announcement Date, based on the latest information available to the Offeror, there are outstanding Options granted under the Option Scheme. Under the rules of the Option Scheme, the Options are not transferable by the holders thereof. In view of this restriction, the Offeror will not make an offer to acquire the Options (although, for the avoidance of doubt, the Offer, if and when made, will be extended to all new Shares issued or to be issued pursuant to the valid exercise of the Options on or prior to the close of the Offer).

5. **DESCRIPTION OF THE OFFEROR AND FINCANTIERI**

5.1 **The Offeror.** The Offeror is incorporated in Italy and is an existing direct wholly-owned subsidiary of Fincantieri. The corporate purpose of the Offeror is the acquisition, management and sale of participations in the industrial, real estate or services sectors, the provision of administrative and consulting services to its subsidiaries and affiliates, the management of real estate property of any kind, and the acquisition, management and development of intellectual property rights.

5.2 **Fincantieri.** Fincantieri is one of the world's largest shipbuilding groups, which in over 200 years of maritime history has built more than 7,000 vessels. It is a world leader in cruise ship construction and a reference player in other sectors, from naval vessels to cruise ferries, from mega yachts to special high value-added vessels, and ship repairs and conversions.

Headquartered in Trieste, Italy, Fincantieri and its subsidiaries (the “Fincantieri Group”) have a total of nearly 10,000 employees and in Italy alone it has eight shipyards and two design centres, one in Trieste, the largest in Europe, and the other in Genoa. Fincantieri operates in the United States through its subsidiary Fincantieri Marine Group (FMG). This company, which serves both civilian and government customers, including the U.S. Navy and Coast Guard, has three shipyards (Marinette Marine, Bay Shipbuilding, Ace Marine), all located in the Great Lakes region. Fincantieri is present in the United Arab Emirates with Etihad Ship Building, a joint venture set up with Melara Middle East and Al Fattan Ship Industries, to design, produce and sell different types of civilian and military ships as well as perform maintenance and refitting activities. Since 2002, Fincantieri has built or
has orders to build 104 ships, worth a total of EUR24 billion, and has developed dozens of prototypes in the various business segments in which it operates. The Fincantieri Group generated revenues for the financial year ended 31 December 2011 of approximately EUR2.4 billion, while owning total assets of approximately EUR3.1 billion as at 31 December 2011.

As at the Pre-Conditional Announcement Date, Fincantieri has an issued share capital of approximately EUR633.48 million, of which approximately 99.355 per cent. is held by Fintecna S.p.A., with the remainder of Fincantieri's share capital being held by other private investors, including Citibank N.A. which holds 0.644 per cent..

6. DESCRIPTION OF THE COMPANY

The Company is incorporated in Singapore with its Shares being listed on the Main Board of the Singapore Exchange Securities Trading Limited (the “SGX-ST”). It is a major global shipbuilder, constructing offshore and specialised vessels used in the offshore oil and gas exploration and production and oil services industries and has shipbuilding facilities in Norway, Romania, Brazil and Vietnam.

The Company employs approximately 9,200 people and operates through 10 shipyards around the world (five in Norway, two in Romania, one in Vietnam and one in Brazil due to be joined by another currently under construction in this country). In the past three years it has generated average revenues of approximately EUR1.6 billion and EBITDA of approximately EUR190 million and at the end of the third-quarter of 2012, its order backlog stood at EUR2.1 billion.

The Company is one of the main players in the segment of highly advanced offshore support vessels. In particular, it is one of the world’s most important producers of Anchor Handling Tug Supply Vessels, Platform Supply Vessels and Offshore Subsea Construction Vessels. It is also one of the top builders of research, coastal patrol, seismic survey and ice-breaking vessels.

7. RATIONALE FOR THE ACQUISITION AND THE OFFER

7.1 Rationale. The Acquisition is a strategic long-term investment for the Fincantieri Group. The Offeror believes that the Acquisition represents a unique strategic opportunity for the Offeror and Fincantieri to strengthen the competitive position of the Fincantieri Group.

With the Acquisition, the Fincantieri Group will almost double its size with 21 shipyards in three different continents, nearly 20,000 employees and revenues of EUR4 billion, and Fincantieri will become one of the top five shipbuilders worldwide and the leading western producer capable of competing with its Asian peers.

Compared with the other four top producers, all of which are Korean, the Fincantieri Group boasts a leadership position in all the maritime high-tech sectors, and is enriching its product portfolio with this entry into the offshore oil and gas market, which is characterised
by growth rates and profit margins higher than those in sectors where the Fincantieri Group currently operates.

The Acquisition marks Fincantieri’s entry into a market segment complementary to its current ones and will strengthen Fincantieri's commitment to pursuing a strategy of diversification, both in terms of geographical footprint and network specialisation, as well as its development to retain its long-term competitiveness and generate important positive impacts for its Italian assets. Through potential synergies with Fincantieri’s existing businesses, including the possibility to develop engineering and production of components to support the Company, there is the potential for production volumes to increase, and consequently benefit employment levels across the Fincantieri Group.

Through the Acquisition, Fincantieri will benefit from a globally recognised brand in the industry, will gain access to a network of highly specialised suppliers and will be able to leverage on the Company’s engineering and design expertise. Further, through the Acquisition, Fincantieri will have the opportunity to collaborate with an innovative and entrepreneurial management team with significant experience in the offshore industry.

The Offer, if made, will be made in compliance with the Offeror’s obligations under Rule 14.1 of the Code.

7.2 **Intention of the Offeror.** It is the intention of the Offeror to carry on the existing business of the Company, and the Offeror presently has no intention to (i) introduce any major changes to the business of the Company, (ii) re-deploy the fixed assets of the Company, or (iii) discontinue the employment of the employees of the Company, save in the ordinary course of the business. However, the Offeror retains the flexibility at any time to consider any options in relation to the Company which may present themselves and which the Offeror may regard to be in the interest of the Company.

8. **LISTING STATUS OF THE COMPANY**

8.1 **Listing Status of the Company.** Under Rule 723 of the listing manual of the SGX-ST (the “Listing Manual”), the Company must ensure that at least 10 per cent. of the total number of the Shares (excluding treasury shares) is at all times held by the public (the “Shareholding Requirement”). Under Rule 1105 of the Listing Manual, in the event that the Offeror and parties acting in concert with the Offeror should, as a result of the Offer or otherwise, own or control more than 90 per cent. of the Shares (excluding treasury shares), the SGX-ST may suspend the trading of the Shares on the SGX-ST until such time when the SGX-ST is satisfied that at least 10 per cent. of the issued Shares (excluding treasury shares) are held by at least 500 shareholders who are members of the public.

In addition, under Rule 724 of the Listing Manual, if the Shareholding Requirement is not complied with, the Company must, as soon as possible, announce that fact and the SGX-ST may suspend trading of all the Shares on the SGX-ST. Rule 725 of the Listing Manual states that the SGX-ST may allow the Company a period of three months, or such longer period as the SGX-ST may agree, for the proportion of the Shares held by members of the
public to be raised to at least 10 per cent., failing which the Company may be de-listed from the SGX-ST.

8.2 **Intention of the Offeror.** In the event the Company does not meet the minimum Shareholding Requirement at the close of the Offer and the SGX-ST suspends trading of the Shares, the Offeror and parties acting in concert with the Offeror do not intend to maintain the present listing status of the Company and accordingly, do not intend to place out any Shares held by the Offeror and parties acting in concert with the Offeror to members of the public to meet the Shareholding Requirement. In addition, the Offeror and parties acting in concert with the Offeror do not intend to support any action by the Company to meet the Shareholding Requirement.

9. **COMPULSORY ACQUISITION**

9.1 **Compulsory Acquisition Rights.** Pursuant to Section 215(1) of the Companies Act, Chapter 50 of Singapore (the "Companies Act"), if the Offeror receives valid acceptances pursuant to the Offer or acquires the Offer Shares during the offer period otherwise than through valid acceptances of the Offer in respect of not less than 90 per cent. of the Shares (other than those already held by the Offeror, its related corporations or their respective nominees as at the date of the Offer), the Offeror will be entitled to exercise the right to compulsorily acquire all the Shares of the shareholders of the Company who have not accepted the Offer on the same terms as those offered under the Offer (the "Dissenting Shareholders").

In the event that the Offeror becomes entitled to exercise its right under Section 215(1) of the Companies Act to compulsorily acquire all the Shares of the Dissenting Shareholders, the Offeror intends to exercise its rights of compulsory acquisition. In such event, the Company will become a wholly-owned subsidiary of the Offeror pursuant to such compulsory acquisition.

9.2 **Dissenting Shareholders’ Rights.** In addition, pursuant to Section 215(3) of the Companies Act, if the Offeror acquires such number of Shares which, together with the Shares held by it, its related corporations and their respective nominees, comprise 90 per cent. or more of the total number of issued Shares, the Dissenting Shareholders have a right to require the Offeror to acquire their Shares at the Offer Price. Dissenting Shareholders who wish to exercise such a right are advised to seek their own independent legal advice.

10. **FINANCIAL EVALUATION OF THE OFFER**

10.1 **Determination of the Offer Price.** The Offer Price is based on the cash consideration per Sale Share payable by the Offeror to the Seller pursuant to the Share Purchase Agreement. The Purchase Consideration was arrived at on a willing-buyer, willing-seller basis after an arm's length negotiation between the Offeror and the Seller.

10.2 **Evaluation of Offer Price.** The Offer Price represents:
(i) a discount of approximately 12.9 per cent. to the last traded price of S$1.400 per Share as quoted on the SGX-ST on 20 December 2012, being the last trading day of the Shares on the SGX-ST preceding the Pre-Conditional Announcement Date; and

(ii) a discount of approximately 17.5 per cent. to the three-month volume-weighted average price ("VWAP") of S$1.478 per Share, being the VWAP for the three-month period prior to, and inclusive of the last trading day of the Shares on the SGX-ST preceding the Pre-Conditional Announcement Date.

11. DISCLOSURE OF SHAREHOLDINGS AND DEALINGS

11.1 Holdings and Dealings in Shares

(i) The Offeror and Relevant Persons. None of the following persons (each of such persons or entities, a "Relevant Person" and collectively, the "Relevant Persons", as at the Pre-Conditional Announcement Date) own, control or has agreed to acquire any Shares or has dealt for value in any Shares during the six-month period immediately preceding the Pre-Conditional Announcement Date (the "Reference Period"):

(a) the Offeror and its directors;

(b) Fincantieri and its directors; and

(c) the Joint Financial Advisers.

(ii) No Other Holdings or Dealings. In addition, neither the Offeror nor the other Relevant Persons owns, controls or has agreed to acquire or has dealt for value in any (a) securities which carry voting rights in the Company and (b) convertible securities, warrants, options or derivatives in respect of such Shares or securities which carry voting rights in the Company (collectively, the "Relevant Securities") during the Reference Period.

(iii) Other Arrangements. Neither the Offeror nor the other Relevant Persons has (a) granted a security interest relating to any Relevant Securities to another person, whether through a charge, pledge or otherwise, (b) borrowed any Relevant Securities from another person (excluding borrowed Relevant Securities which have been on-lent or sold) or (c) lent any Relevant Securities to another person.

11.2 Confidentiality. In the interests of confidentiality, the Offeror has not made enquiries in respect of certain other parties who are or may be presumed to be acting in concert with the Offeror in connection with the Offer. Further enquiries will be made of such persons and the relevant disclosures will be made in due course subsequently and in the Offer Document.
12. RESPONSIBILITY STATEMENT

The directors of the Offeror (including any who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Announcement are fair and accurate and that no material facts have been omitted from this Announcement, and they jointly and severally accept responsibility accordingly. Where any information has been extracted or reproduced from published or otherwise publicly available sources (including, without limitation, in relation to the Company), the sole responsibility of the directors of the Offeror has been to ensure through reasonable enquiries that such information has been accurately and correctly extracted from such sources or, as the case may be, reflected or reproduced in this Announcement.

Issued by

CREDIT SUISSE (SINGAPORE) LIMITED NOMURA SINGAPORE LIMITED

For and on behalf of

FINCANTIERI OIL & GAS S.P.A.

21 December 2012
APPENDIX 1

CLOSING CONDITIONS

Article VII of the Share Purchase Agreement, which sets out the Closing Conditions, has been reproduced from the Share Purchase Agreement and is set out below. All capitalised terms used in this Appendix 1 and not defined in this Announcement shall have the meanings ascribed to them in Appendix 3.

“ARTICLE VII
CONDITIONS TO THE CLOSING

SECTION 7.1 Conditions to Obligation of Buyer

The obligation of Buyer to consummate the Closing is subject to the reasonable satisfaction to Buyer, or waiver by Buyer, in whole or in part, of each of the following conditions (subject to Seller’s rights to cure under Section 9.5(b)):

(a) Seller and Seller Guarantor shall have performed and satisfied in all material respects each of their respective agreements, undertakings and obligations set forth in this Agreement required to be performed and satisfied by them at or prior to the Closing.

(b) The representations and warranties applicable to or given by Seller and Seller Guarantor in this Agreement shall be true and correct in all material respects as of the Closing Date (without regard to any express qualifier therein as to materiality), except to the extent such representations and warranties expressly relate to an earlier date (in which case as of such earlier date).

(c) No injunction or other legal prohibition of any Governmental Entity preventing the purchase and sale contemplated hereby or the consummation of the transactions to be effected by Buyer or Seller at the Closing shall be in effect; provided that Buyer shall have used its reasonable efforts to cause any such order, preliminary or permanent injunction, cease and desist order or other legal restraint or prohibition to be vacated or lifted, including, but not limited to, satisfying its obligations under Section 6.7.

(d) Those Persons listed in Schedule 7.1(d) granting all consents, waivers, approvals, authorizations or clearances and being dispatched all notifications which are required for the Contemplated Transactions, in terms reasonably satisfactory to Buyer.

(e) No Insolvency Event having occurred and is continuing in relation to any of Seller or Seller Guarantor before the date on which the Closing would otherwise have taken place if it were not for this Section 7.1(e).

(f) Buyer receiving confirmation in terms reasonably satisfactory to it that the Contemplated Transactions have been approved by the respective board of directors of Seller and Seller Guarantor.
(g) Buyer receiving confirmation in terms reasonably satisfactory to it that the Sale Shares shall on Closing be transferred to Buyer free from all Liens.

(h) Buyer receiving confirmation in terms reasonably satisfactory to it that Seller has caused STX Corporation to guarantee, in favor of STX OSV AS, the outstanding obligations of STX Pan Ocean Co., Ltd. under the STX Pan Ocean Contracts.

SECTION 7.2  Conditions to Obligation of Seller

The obligations of Seller to consummate the Closing are subject to the reasonable satisfaction to Seller, or waiver by Seller, in whole or in part, of each of the following conditions (subject to Buyer's rights to cure under Section 9.5(c)):

(a) Buyer and Buyer Guarantor shall have performed and satisfied in all material respects each of its agreements and obligations set forth in this Agreement required to be performed and satisfied by it prior to the Closing.

(b) The representations and warranties of Buyer and Buyer Guarantor contained in this Agreement, shall be true and correct in all material respects as of the Closing Date (without regard to any express qualifier therein as to materiality), except to the extent such representations and warranties expressly relate to an earlier date (in which case as of such earlier date).

(c) No injunction or other legal prohibition of any Governmental Entity preventing the purchase and sale contemplated hereby or the consummation of the transactions to be effected by Buyer or Seller at the Closing shall be in effect; provided that Seller shall have used its reasonable efforts to cause any such order, preliminary or permanent injunction, cease and desist order or other legal restraint or prohibition to be vacated or lifted, including, but not limited to, satisfying its respective obligations under Section 6.7.

(d) No Insolvency Event having occurred and is continuing in relation to any of Buyer or Buyer Guarantor before the date on which the Closing would otherwise have taken place if it were not for this Section 7.2(d).

(e) Seller receiving confirmation in terms reasonably satisfactory to it that the Contemplated Transactions have been approved by the board of directors of Buyer and Buyer Guarantor."
APPENDIX 2

TERMINATION EVENTS

Section 9.5 of the Share Purchase Agreement, which sets out the Termination Events, has been reproduced from the Share Purchase Agreement and is set out below. All capitalised terms used in this Appendix 2 and not defined in this Announcement shall have the meanings ascribed to them in Appendix 3.

‘SECTION 9.5 Grounds for Termination

Subject to prior consultation with, or approval of, the Singapore Securities Industry Council (as may be applicable), this Agreement may be terminated:

(a) by either Buyer or Seller if (provided that the Party seeking to terminate (and, where Seller is seeking to terminate, Seller Guarantor and where Buyer is seeking to terminate, Buyer Guarantor) is not then in material breach of any representation, warranty, covenant or other agreement on its part contained herein) the Closing shall not have occurred on or prior to the 120th calendar day following the date of this Agreement (the “Termination Date”);

(b) by Buyer, if:

(1) there has been a material breach, inaccuracy, omission or non-performance by Seller or Seller Guarantor of any representation, undertaking, warranty, covenant or obligation contained in this Agreement and either (a) it has not been waived by Buyer, or (b) if capable of being cured, was not cured by Seller within forty-five (45) days after written notice thereof from Buyer (it being acknowledged and agreed among the Parties that the non-performance by Seller, failing which, Seller Guarantor, of its obligations under Section 2.4(b) shall not be deemed capable of being cured); or

(2) the conditions in Section 7.1 are not satisfied (or, if applicable, waived by Buyer) in accordance with Section 7.1 on or prior to the Termination Date;

(c) by Seller, if:

(1) there has been a material breach, inaccuracy, omission or non-performance by Buyer or Buyer Guarantor of any representation, warranty, undertaking covenant or obligation contained in this Agreement and either (a) has not been waived by Seller, or (b) if capable of being cured, was not cured by Buyer within forty-five (45) days after written notice thereof from Seller (it being acknowledged and agreed among the Parties that the non-performance by Buyer, failing which, Buyer Guarantor, of its obligations under Section 2.4(a) shall not be deemed capable of being cured); or

(2) the conditions in Section 7.2 are not satisfied (or, if applicable, waived by Seller) in accordance with Section 7.2 on or prior to the Termination Date; or
(d) by either Buyer (in the case of non-compliance by Seller or Seller Guarantor) or Seller (in the case of non-compliance by Buyer or Buyer Guarantor) if Seller (or Seller Guarantor) or Buyer (or Buyer Guarantor) (as the case may be) fails to fully comply with its respective obligations under Section 2.4 on the Closing Date.”
APPENDIX 3

DEFINITIONS

Definitions of capitalised terms used in Appendix 1 and Appendix 2 are set out below:

“Buyer” means the Offeror.

“Buyer Guarantor” means Fincantieri.

“Closing Date” means the date on which the Closing actually occurs.

“Companies” means the following companies:

(i) the Company;

(ii) Estaleiro Promar SA (Brazil)

(iii) STX OSV Niteroi SA (Brazil)

(iv) STX Grenland Industri AS (Norway)

(v) STX OSV Accommodation AS (Norway)

(vi) STX OSV AS (Norway)

(vii) STX OSV Brevik Holding AS (Norway)

(viii) STX OSV Design AS (Norway)

(ix) STX OSV Electro AS (Norway)

(x) STX OSV Piping AS (Norway)

(xi) STX OSV Braila SA (Romania)

(xii) STX OSV RO Holding SRL (Romania)

(xiii) STX OSV Tulcea SA (Romania)

(xiv) STX OSV Singapore Pte Ltd (Singapore)

(xv) STX OSV Vung Tau Ltd (Vietnam)

“Contemplated Transactions” means the sale and purchase of the Sale Shares and any action required to be taken in respect thereof in accordance with the terms of the Share Purchase Agreement.
“Governmental Entity” means any national, federal, state, provincial, local or foreign governmental authority, court, government or self-regulatory organization, commission, tribunal or organization or any regulatory, administrative or other agency, or any political or other subdivision, department or branch of any of the foregoing.

“Insolvency Event” means, (i) in relation to any of Seller or Seller Guarantor in respect of Section 7.1(e) of the Share Purchase Agreement, (ii) in relation to any of the Companies in respect of Section 4.12 of the Share Purchase Agreement, and (iii) in relation to Buyer or Buyer Guarantor in respect of Section 7.2(d) of the Share Purchase Agreement:

(i) the issue of a petition for its winding up;

(ii) the convening of a meeting for the purpose of considering a resolution for its winding up, the passing of such a resolution or the making of any order for its winding up;

(iii) the making of an application to the court for an administration order, the notification of the making of an administration application, the making of an administration order by the court or the filing at court of a notice of intention to appoint an administrator;

(iv) a provisional liquidator, liquidator, administrative receiver or other receiver, administrator, trustee or other similar officer taking possession of or being appointed over, or an encumbrancer taking possession of, the whole or any part of its property;

(v) the appointment of a receiver by the court in relation to it or any distress, execution, sequestration or other process being levied on or enforced against the whole or any material part of its property; or

(vi) the commencement of a bankruptcy or insolvency proceeding or the occurrence of any event that would require the commencement of such proceeding under applicable Law.

“Parties” means Seller, Seller Guarantor, Buyer and Fincantieri and a “Party” means any of them.

“Person” means any individual, corporation, partnership, joint venture, trust, association, organization, Governmental Entity or other entity.

“STX Pan Ocean Contracts” means the three shipbuilding contracts entered into between STX Norway Offshore AS (now STX OSV AS) and STX Pan Ocean Co., Ltd., on 29 July 2010, each for the delivery of one PSV 09 CD with hull numbers 761, 762 and 763.