

To the bondholders in:

ISIN: NO 001 05933890 12.00 per cent TTS Group ASA Convertible Callable Unsecured
Subordinated Bonds Senior Unsecured Bond Issue 2011/2016
(the "Bonds" or the "Bond Issue")

Oslo, 8 March 2017

VOLUNTARY BUY-BACK OF THE BONDS

Reference is made to the summons letter for the abovementioned Bond Issues dated 8 March 2017 (the "**Summons Letter**").

All capitalized terms used herein, and not otherwise defined, shall have the meaning assigned to them in the Summons Letter.

Background

As described in the Summons Letter, the Company has proposed certain amendments to the existing bond agreement (the "**Proposal**") including (i) extension of the Maturity Date from 18 April 2017 to 18 January 2019, i.e. 21 months, and (ii) amend the Fixed Rate to 10% per cent from the current Fixed Rate of 12 per cent. All other terms and conditions will remain unchanged.

In connection with the Proposal, the Company will offer all existing bondholders a voluntary buy back of up to 10% of the Outstanding Bonds at par value.

Procedure

Bondholders may at their sole discretion opt to sell parts of their holdings to the Issuer. Total buyback volume is NOK 9,534,500.

Investors willing to sell, need to fill out the form (the "**Acceptance Form**") (enclosed hereto as Annex 1).

In the event the total volume tendered for sale is less than the total buy-back volume, the amount equal to the difference between the total tendered volume and NOK 9,534,500 will be allocated on a pro-rata basis to those investors accepting an increased buy-back offer.

The Acceptance Form must be delivered to Pareto Securities AS up to 12:00 (CET) hours on 22 March 2017. Cash settlement of the Bonds acquired by the Issuer will be 3 business days after the date of the Bondholder Meeting as described in the Summons Letter. All Bonds acquired will be cancelled and the total outstanding amount of Bonds will be adjusted accordingly.

Yours sincerely

TTS Group ASA



Henrik Solberg-Johansen
CFO

Enclosed:

Annex 1 – Acceptance Form

TTS Group ASA

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Acceptance Form

To the bondholders in:

ISIN: NO 001 05933890 12.00 per cent TTS Group ASA Convertible Callable Unsecured Subordinated Bonds Senior Unsecured Bond Issue 2011/2016 (the "Bonds" or the "Bond Issue")

Bondholders may subscribe for cash redemption of the Bond Issue at par value. The maximum cash redemption available is NOK 9,534,500.

We, _____, confirm the following:

1. We hereby subscribe for cash redemption of the Bond Issue at par value.

Amount tendered: NOK _____

The execution of the Acceptance form is contingent on Bondholders' approval in the Bondholder Meeting on 22 March 2017 of the Proposal as described in the Summons Letter.

Final allocation of the cash redemption will be made shortly after the Bondholder Meeting.

Place, date

Signature

Return:

Pareto Securities AS

Email: iselin.tenfjord@paretosec.com
christian.ramm@paretosec.com

TTS Group ASA

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