

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt as to what action you should take, you should seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser in a territory outside the United Kingdom.

This document sets out the details of the Acquisition to be effected by way of a scheme of arrangement between Hallin and the Scheme Shareholders. The Scheme provides for the transfer of the Scheme Shares to Superior UK in exchange for the payment by Superior UK of the Cash Consideration to the Scheme Shareholders. If the Scheme becomes effective, it will be binding on all Scheme Shareholders, including those who do not attend and/or vote to approve the Scheme or who attend and vote against it at the Meetings, and it will result in the cancellation of the quotation of Hallin Shares on AIM.

If you have sold or otherwise transferred all of your Hallin Shares, please send this document and the accompanying documents at once to the purchaser or transferee, or to the bank, stockbroker or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. However, these documents must not be forwarded, distributed or transmitted in, into or from any jurisdiction where to do so would violate the laws in that jurisdiction. If you have sold or otherwise transferred only part of your Hallin Shares you should retain these documents and consult the bank, stockbroker or other agent through whom the sale or transfer was effected.

Notices of the Court Meeting and the Extraordinary General Meeting, both of which will be held at the offices of DMH Stallard LLP, 6 New Street Square, New Fetter Lane, London, EC4A 3BF on 7 January 2010, are set out at the end of this document. The Court Meeting will start at 11.30 a.m. and the Extraordinary General Meeting at 11.45 a.m. (or as soon thereafter as the Court Meeting shall have been concluded or adjourned).

RECOMMENDED ALL CASH ACQUISITION
of
HALLIN MARINE SUBSEA INTERNATIONAL PLC
by
SUPERIOR ENERGY SERVICES (UK) LIMITED

an indirect wholly-owned subsidiary of Superior Energy Services, Inc.
to be effected by way of a
scheme of arrangement
under section 152 of the Isle of Man Companies Act 1931

This document should be read as a whole and in conjunction with the accompanying Forms of Proxy. Your attention is drawn to the letter from the Chairman of Hallin, on behalf of the Hallin Directors in Part I of this document, which contains the unanimous recommendation of the Hallin Directors that you vote in favour of the Scheme at the Court Meeting and the Special Resolution to be proposed at the Extraordinary General Meeting. A letter (referred to in this document as the “Explanatory Statement”) from Blomfield explaining the Scheme is set out in Part II of this document.

Hallin Shareholders will find accompanying this document: (i) a blue Form of Proxy for use in connection with the Court Meeting; and (ii) a white Form of Proxy for use in connection with the Extraordinary General Meeting. Whether or not you intend to attend the Meetings in person, please complete and sign both of the enclosed Forms of Proxy in accordance with the instructions printed on them and return them to Neville Registrars, 18 Laurel Lane, West Midlands, Halesowen, B63 3DA as soon as possible and, in any event, so as to be received at least 48 hours before the time appointed for the relevant Meeting. If the blue Form of Proxy for the Court Meeting is not returned by the above time, it may be handed to the Chairman of the Court Meeting before the start of that Meeting. However, in the case of the Extraordinary General Meeting, unless the white Form of Proxy is returned by the time mentioned in the instructions printed on it, it shall be invalid. The completion and return of a Form of Proxy will not prevent you from attending and voting in person at either the Court Meeting or the Extraordinary General Meeting (as appropriate), or any adjournment thereof, if you so wish and are so entitled.

Copies of this document and any revisions thereto will be available for inspection at the offices of DMH Stallard LLP, 6 New Street Square, New Fetter Lane, London EC4A 3BF during normal business hours on any Business Day until the end of the Offer Period.

Information for United States and other Overseas Shareholders

The publication or distribution of this document in jurisdictions other than the United Kingdom and the Isle of Man may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than the United Kingdom or the Isle of Man into whose possession this document comes should inform themselves about, and observe, any applicable legal and regulatory requirements. Any failure to comply with the applicable requirements may constitute a violation of the securities laws of any such jurisdiction. Further details in relation to Overseas Shareholders are contained in paragraph 9 of Part II of this document.

This document does not constitute an offer to sell or an invitation to purchase or subscribe for any securities or a solicitation of an offer to buy any securities pursuant to this document, the Acquisition or otherwise in any jurisdiction in which such offer or solicitation is unlawful. This document does not constitute a prospectus or a prospectus equivalent document. This document and the accompanying documents have been prepared for the purposes of complying with (as applicable) Isle of Man law, UK law and the City Code and the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws of jurisdictions outside of the United Kingdom and the Isle of Man.

This document is not an offer to sell securities in the United States. Neither the SEC nor any other US federal or state securities commission or regulatory authority has approved or disapproved of or passed an opinion on the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States.

Notice to US investors in Hallin: the Acquisition relates to the shares of an Isle of Man company and is to be made by means of a scheme of arrangement provided for under the laws of the Isle of Man. The Acquisition is subject to the disclosure requirements and practices applicable in the UK and the Isle of Man to schemes of arrangement, which differ from the disclosure and other requirements of the US securities laws and tender offer rules. The Hallin financial information included in, and incorporated by reference into, this document has been prepared in accordance with IFRS that may not be comparable to the financial statements of US companies. US generally accepted accounting principles differ in certain significant respects from IFRS. None of the financial information included in, or incorporated by reference into, this document has been audited in accordance with auditing standards generally accepted in the United States or the auditing standards of the Public Company Accounting Oversight Board (United States). If Superior UK exercises its right to implement the Acquisition by way of a takeover offer, the takeover offer will be made in compliance with applicable US laws and regulations.

The receipt of cash by a US holder of Hallin Shares as consideration for the transfer of its Hallin Shares pursuant to the Acquisition may be a taxable transaction for US federal income tax purposes and under applicable US state and local, as well as foreign and other tax laws. Each US holder of

Hallin Shares is urged to consult his independent professional adviser immediately regarding the tax consequences of the Acquisition applicable to him.

It may be difficult for US holders of Hallin Shares to enforce their rights and claims arising out of US federal securities laws, since Superior UK and Hallin are located in countries other than the United States, and some or all of their officers and directors may be residents of countries other than the United States. US holders of Hallin Shares may not be able to sue a non-US company or its officers or directors in a non-US court for violations of US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgement.

Important notices

Superior UK may purchase Hallin Shares otherwise than under the Acquisition, such as in the open market or privately negotiated purchases. Such purchases may be made either directly or through a broker and such purchases shall comply with the applicable laws and regulations of UK and the Isle of Man, as well as the AIM Rules and the City Code. Information about any such purchases will be available from a Regulatory Information Service.

The statements contained herein (or incorporated by reference into this document) are made as at the date of this document, unless some other time is specified in relation to them, and service of this document shall not give rise to any implication that there has been no change in the facts set forth herein (or incorporated by reference into this document) since such date. Nothing contained herein (or incorporated by reference into this document) shall be deemed to be a profit forecast, projection or profit estimate of the financial performance of Hallin or the Hallin Group or Superior UK or the Superior Group. No statement in this document should be interpreted to mean that future earnings per Hallin Share for current and future financial periods will necessarily match or exceed the historical or published earnings per Hallin Share.

Neither the content of Superior UK's or Hallin's website (or any other website) nor the content of any website accessible from hyperlinks on any such website is incorporated into, or forms any part of, this document.

Blomfield, which is authorised and regulated in the UK by the FSA, is acting exclusively for Hallin in connection with the Acquisition and this document. Blomfield will not regard any other person as its client or be responsible to anyone other than Hallin for providing the protections afforded to clients of Blomfield or for providing advice in relation to the Acquisition nor any matter referred to in this document.

Simmons & Company International, which is a member of the Financial Industry Regulatory Authority (an independent regulator for securities firms in the United States) and the Securities Investor Protection Corporation, which are independent regulators in the United States, is acting exclusively for Superior and Superior UK in connection with the Acquisition. Simmons & Company International will not regard any other person as its client or be responsible to anyone other than Superior and Superior UK for providing the protections afforded to clients of Simmons & Company International nor for providing advice in relation to the Acquisition or any matter referred to in this document.

Cenkos Securities plc, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting as financial adviser exclusively for Superior and Superior UK in connection with the Acquisition and this document. Cenkos Securities plc will not regard any other person as its client or be responsible to anyone other than Superior and Superior UK for providing the protections afforded to clients of Cenkos Securities plc nor for providing advice in relation to the Acquisition or any matter referred to in this document.

Forward-looking statements

Certain statements contained herein constitute forward-looking statements. The forward-looking statements contained herein include statements about the expected effects of the Acquisition, the expected timing and scope of the Acquisition and other statements other than in relation to historical facts. Forward-looking statements include, without limitation, statements typically containing words

such as “intends”, “expects”, “anticipates” “targets”, “estimates”, “believes”, “should”, “plans”, “will”, “expects” and similar expressions or statements that are not historical facts are intended to identify those expressions or statements as forward-looking statements. The statements are based on the current expectations of Superior UK and Hallin and are naturally subject to uncertainty and changes in circumstances. By their nature, forward-looking statements involve risk and uncertainty and the factors described in the context of such forward-looking statements in this document could cause actual results and developments to differ materially from those expressed in or implied by such forward-looking statements. There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by such forward-looking statements. These factors include, but are not limited to, the satisfaction or waiver of the Conditions, local and global political and economic conditions, the price of oil, gas and other hydrocarbons, foreign exchange rate fluctuations and interest rate fluctuations (including those from any potential credit rating decline) and legal or regulatory developments and changes. Given these risks and uncertainties, investors should not place undue reliance on forward-looking statements. Neither Superior UK nor Hallin, nor any of their respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied by any forward-looking statements contained herein will actually occur. Other than in accordance with their legal or regulatory obligations (including under the AIM Rules, the Disclosure and Transparency Rules of the Financial Services Authority and the City Code), neither Superior UK nor Hallin is under any obligation and each of them expressly disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Dealing disclosure requirements

Under the provisions of Rule 8.3 of the City Code, if any person is, or becomes, “interested” (directly or indirectly) in 1 per cent. or more of any class of “relevant securities” of Hallin, all “dealings” in any “relevant securities” of Hallin (including by means of an option in respect of, or a derivative referenced to, any such “relevant securities”) must be publicly disclosed by no later than 3.30 p.m. (London time) on the Business Day following the date of the relevant transaction. This requirement will continue until the date on which the Acquisition becomes effective, lapses or is otherwise withdrawn or on which the “offer period” otherwise ends. If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire an “interest” in “relevant securities” of Hallin, they will be deemed to be a single person for the purpose of Rule 8.3.

Under the provisions of Rule 8.1 of the City Code, all “dealings” in “relevant securities” of Hallin by Superior UK or Hallin, or by any of their respective “associates”, must be disclosed by no later than 12.00 noon (London time) on the London business day following the date of the relevant transaction.

A disclosure table, giving details of the companies in whose “relevant securities” “dealings” should be disclosed, and the number of such securities in issue, can be found on the Panel’s website at www.thetakeoverpanel.org.uk.

“Interests in securities” arise, in summary, when a person has long economic exposure, whether conditional or absolute, to changes in price of securities. In particular, a person will be treated as having an “interest” by virtue of the ownership or control of securities, or by virtue of any option in respect of, or derivative referenced to, securities.

Terms in quotation marks are defined in the City Code, which can also be found on the Panel’s website. If you are in any doubt as to whether or not you are required to disclose a “dealing” under Rule 8, you should consult the Panel.

TO VOTE ON THE ACQUISITION

Whether or not you plan to attend the Meetings, you should:

1. complete and return the blue Form of Proxy (for the Court Meeting) so as to be received by no later than 11.30 a.m. on 5 January 2010; and
2. complete and return the white Form of Proxy (for the Extraordinary General Meeting), so as to be received by no later than 11.45 a.m. on 5 January 2010.

If you require assistance on completing the Forms of Proxy, please telephone

Neville Registrars on

0121 585 1131 (from within the UK) or

+44 121 585 1131 (from outside the UK)

Lines are open 9.00 a.m. to 5.00 p.m. (London time) Monday to Friday (except UK public holidays). Calls to the helpline from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Acquisition nor give any financial, legal or tax advice.

The completion and return of the Forms of Proxy will not prevent you from attending and voting in person at the Court Meeting or the EGM, or any adjournment thereof, in person should you wish to do so and are so entitled.

IT IS IMPORTANT THAT, FOR THE COURT MEETING, AS MANY VOTES AS POSSIBLE ARE CAST SO THAT THE COURT MAY BE SATISFIED THAT THERE IS A FAIR REPRESENTATION OF SCHEME SHAREHOLDERS AT THE COURT MEETING AND THAT THE SCHEME IS A REASONABLE ONE. YOU ARE THEREFORE STRONGLY URGED TO COMPLETE, SIGN AND RETURN YOUR FORMS OF PROXY IN ACCORDANCE WITH THE INSTRUCTIONS PRINTED ON THEM AS SOON AS POSSIBLE.

This page should be read in conjunction with the "ACTION TO BE TAKEN" set out on page 6 of this document and the rest of this document.

ACTION TO BE TAKEN

Detailed instructions on the action to be taken are set out in paragraph 12 of Part I of this document and are summarised below:

Voting at the Court Meeting and the Extraordinary General Meeting

The Scheme will require approval at a meeting of Scheme Shareholders convened by an order of the Court which will be held at the offices of DMH Stallard LLP, 6 New Street Square, New Fetter Lane, London, EC4A 3BF on 7 January 2010.

Implementation of the Scheme will also require the passing of the Special Resolution by Hallin Shareholders at the Extraordinary General Meeting to be held immediately after the Court Meeting.

It is important that as many votes as possible are cast at the Court Meeting so that the Court may be satisfied that there is a fair representation of Scheme Shareholders at the Court Meeting and that the Scheme is a reasonable one. You are therefore strongly urged to complete, sign and return your enclosed Forms of Proxy as soon as possible and, in any event, so as to be received by Neville Registrars by the following dates:

Blue Forms of Proxy for the Court Meeting 11.30 a.m. on 5 January 2010

White Forms of Proxy for the EGM 11.45 a.m. on 5 January 2010

or if, in either case, the Meeting(s) are adjourned, the relevant Form(s) of Proxy should be received not later than 48 hours before the time fixed for the adjourned Meeting(s).

The completion and return of the Form(s) of Proxy will not prevent you from attending and voting in person at either the Court Meeting or the Extraordinary General Meeting, or at any adjournment thereof, if you so wish and are so entitled.

If you require assistance on completing the Forms of Proxy, please telephone Neville Registrars on 0121 585 1131 (from within the UK) or +44 121 585 1131 (from outside the UK). Lines are open 9.00 a.m. to 5.00 p.m. (London time) Monday to Friday (except UK public holidays). Calls to the helpline from outside the UK will be charged at the applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Acquisition nor give any financial, legal or tax advice.

Notes:

Blue Forms of Proxy (but NOT white Forms of Proxy, which must be lodged so as to be received by the time mentioned above or they will be invalid) may be handed to the Chairman of the Court Meeting before the start of the Court Meeting on 7 January 2010 and will still be valid.

The completion and return of a Form of Proxy does not prevent you from attending or voting at the Court Meeting or Extraordinary General Meeting, or any adjournment thereof, in person should you wish to do so and are so entitled.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

All times referred to in this document are references to London time, unless otherwise stated.

Event	Time and/or date
Latest time for lodging Forms of Proxy for:	
Court Meeting (blue form)	11.30 a.m. on 5 January 2010 ⁽¹⁾
EGM (white form)	11.45 a.m. on 5 January 2010 ⁽¹⁾
Voting Record Time	6.00 p.m. on 5 January 2010 ⁽²⁾
Court Meeting	11.30 a.m. on 7 January 2010
EGM	11.45 a.m. on 7 January 2010 ⁽³⁾

The following dates are indicative only and subject to change. Please see note (4) below.

Scheme Record Time	11.59 p.m. on 22 January 2010 ⁽⁴⁾
Last day of dealings in, and for registration of transfers of, Hallin Shares	22 January 2010 ⁽⁴⁾
Court Hearing (to sanction the Scheme)	on 25 January 2010 ⁽⁴⁾
Effective Date	on 26 January 2010 ⁽⁴⁾
Cancellation of admission to AIM of Hallin Shares	on 27 January 2010 ⁽⁴⁾
Latest date for dispatch of cheques/payment in CREST of Cash Consideration	on 9 February 2010 ⁽⁴⁾

Notes:

- (1) Please see page 5 entitled "To Vote on the Acquisition" and the paragraph entitled Meetings and action to be taken" set out at paragraph 12 of Part I of this document.
- (2) If either the Court Meeting or the Extraordinary General Meeting is adjourned, the Voting Record Time for the relevant adjourned Meeting will be 6.00 p.m. on the day which is two days before the date of such adjourned Meeting.
- (3) To commence at 11.45 a.m. or, if later, immediately after the conclusion or adjournment of the Court Meeting.
- (4) These times and dates are indicative only and will depend, amongst other things, on the dates upon which the Conditions are either satisfied or, if capable of waiver, waived, on the date upon which the Court sanctions the Scheme and the date upon which the Court Order is delivered to the Companies Registry for registration. If any of the above times and/or dates are changed, Hallin will give notice of the change by issuing an announcement through a Regulatory Information Service. See paragraph 3 of Part II of this document.

Subject as provided above, the Court Meeting and the Extraordinary General Meeting will both be held at the offices of DMH Stallard LLP, 6 New Street Square, New Fetter Lane, London, EC4A 3BF on 7 January 2010.

IT IS IMPORTANT THAT FOR THE COURT MEETING AS MANY VOTES AS POSSIBLE ARE CAST SO THAT THE COURT MAY BE SATISFIED THAT THERE IS A FAIR AND REASONABLE REPRESENTATION OF SCHEME SHAREHOLDER OPINION. YOU ARE THEREFORE STRONGLY URGED TO COMPLETE, SIGN AND RETURN YOUR FORMS OF PROXY IN ACCORDANCE WITH THE INSTRUCTIONS PRINTED ON THEM AS SOON AS POSSIBLE.

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PART I

LETTER FROM THE HALLIN DIRECTORS

HALLIN MARINE SUBSEA INTERNATIONAL PLC

(registered in the Isle of Man under number 107479C)

Directors:

Antony Gerard Ebel (*Non-Executive Chairman*)
John Hallin Giddens (*Chief Executive*)
Anthony Richard Prest (*Finance Director*)
Michael Joseph Arnold (*Executive Director*)
Jon Berwyn Attenburrow (*Executive Director*)
John Barry Quinn (*Non-Executive Director*)
David Andrew Harris (*Non-Executive Director*)

Registered office:

International House
Castle Hill
Victoria Road
Douglas
Isle of Man
IM2 4RB

12 December 2009

To Hallin Shareholders (and, for information only, to persons with information rights and to participants in the Hallin Share Plan)

Dear Hallin Shareholder,

RECOMMENDED ALL CASH ACQUISITION OF HALLIN MARINE SUBSEA INTERNATIONAL PLC BY SUPERIOR ENERGY SERVICES (UK) LIMITED

1. Introduction

On 11 December 2009, the Superior UK Directors and the Hallin Directors announced that they had reached agreement on the terms of a recommended all cash acquisition by Superior UK of the entire issued and to be issued share capital of Hallin. Superior UK is an indirect wholly-owned subsidiary of Superior Energy Services, Inc. and formed for the purpose of making the Acquisition.

This letter sets out the terms of the Acquisition and the reasons why the Hallin Directors unanimously recommend that you vote in favour of the Resolutions to be proposed at the Meetings to approve the Acquisition. Further information in relation to both the Acquisition and Superior UK is contained in the Explanatory Statement set out in Part II of this document.

2. Summary of the Acquisition

The Acquisition will be effected by means of a Court-sanctioned scheme of arrangement in the Isle of Man between Hallin and the Scheme Shareholders under section 152 of the Companies Act. The Scheme is subject to the Conditions. The Scheme is set out in full in Part III of this document.

The Acquisition provides that, if the Scheme becomes effective, all of the Scheme Shares will be transferred to Superior UK and, in exchange, all Scheme Shareholders will be entitled to receive

for each Hallin Share

233 pence in cash

The Acquisition values the entire existing issued and to be issued share capital of the Company at approximately £96.5 million and at £103.5 million on a fully diluted basis.

The Cash Consideration represents a premium of approximately:

- 87.1 per cent. to the Closing Price of 124.5 pence per Hallin Share on 10 December 2009, the last Business Day prior to the announcement of the Acquisition;
- 94.5 per cent. to the average Closing Price of 119.8 pence per Hallin Share over the six month period ended on 10 December 2009;

- 2.9 per cent. to the Closing Price of 226.5 pence per Hallin Share on 11 December 2009, being the last Business Day prior to the publication of this document; and
- 109 per cent. to the net asset value per Hallin Share, based on total equity of approximately US\$75.0 million included in Hallin's most recently published (unaudited) statement of its financial position as of 30 June 2009.

3. Background to and reasons for the Acquisition

In Hallin's interim report for the six months ending 30 June 2009, issued in September this year, Hallin stated our intention was to 'actively develop the Company and its revenue generating assets, seeking to deliver the best possible performance and growth in a difficult environment.'

Whilst the current economic climate has resulted in a number of exciting opportunities for Hallin to enhance its operations, the Company has become increasingly restricted by the lack of readily available finance.

Following an approach by Superior, the Hallin Board has recognised that by joining Hallin with a financially strong and successful group, the Company would be considerably better placed to take advantage of opportunities arising during the foreseeable future.

By linking Hallin's established operations in its international markets with the considerable operating base of Superior in the United States, coupled with the opportunity to have access to its strong investment capability, the ongoing group will be more readily able to fulfil its potential.

The Hallin Board believes the Acquisition will be beneficial to all stakeholders, including Hallin's staff, allowing them greater opportunities.

Benefits to Hallin and Scheme Shareholders

Under the Acquisition, Scheme Shareholders will benefit from a fair price in cash (which offers certainty). Hallin will also gain access to Superior's technical expertise and financial strength. The Acquisition offers Hallin's employees a chance to become part of a larger, global organisation with a broader range of career development opportunities.

Benefits to Superior UK

Superior has followed Hallin development and technical successes to date and believes it can positively complement Hallin's operations and accelerate the growth of the business. Superior's financial resources would also enable the Hallin Group to take advantage of future business development opportunities in the market to grow the Hallin Group's position further.

The Acquisition complements the Superior Group's existing oilfield services capability and enhances its technical offering, which are already key focus areas for the Superior Group.

4. Future plans

Hallin offers Superior the opportunity to enhance its position in the subsea well services market through the combination of Superior's well intervention assets and Hallin's existing subsea assets, new build vessel programme and international infrastructure.

5. Reasons for recommending the Acquisition

In the light of these factors, the Hallin Directors considered carefully the approach from Superior. Following a period of due diligence, Superior UK has now put forward a firm proposal to acquire Hallin at a price of 233 pence per Hallin Share. The Hallin Directors, having considered the above factors, believe that 233 pence per Hallin Share offers Hallin Shareholders certain cash value at a substantial premium to its current market value. As a result, the Hallin Directors are unanimously recommending that Hallin Shareholders vote in favour of the Scheme.

6. Irrevocable undertakings

Superior UK has received irrevocable undertakings to vote in favour of the Proposals at the Meetings (or if Superior UK exercises its right to acquire the Hallin Shares by means of a takeover offer, to accept such offer) from:

- all of the Hallin Directors in respect of their entire beneficial holdings of Hallin Shares amounting, in aggregate to 13,123,864 Hallin Shares, representing approximately 31.7 per cent. of Hallin's existing issued share capital;
- Damor Investments Limited in respect of its entire beneficial holding of Hallin Shares amounting to 5,000,000 Hallin Shares, representing approximately 12.1 per cent. of Hallin's existing issued share capital; and
- Gresham House PLC in respect of its entire beneficial holding of Hallin Shares amounting to 3,700,000 Hallin Shares, representing approximately 8.9 per cent. of Hallin's existing issued share capital.

In aggregate, Superior UK has received irrevocable undertakings to vote in favour of the Proposals in respect of 21,823,864 Hallin Shares, representing approximately 52.7 per cent. of Hallin's existing issued share capital.

Further details of the irrevocable undertakings, including the circumstances in which they cease to be binding, are set out in paragraph 4 of Part VI of this document.

7. Information on Hallin

Hallin was formed in 2003, to acquire the business of Hallin Marine Systems International Ltd, which had been formed by John Giddens in 1998. The Hallin Group provides high quality marine and underwater services to the offshore industry, particularly in support of oil and gas development. Hallin has grown from a US\$1 million turnover company in its first year to a US\$139 million turnover company in 2008 and was admitted to trading on AIM in April 2005.

The Hallin Group is an experienced provider of subsea construction and inspection solutions. It employs experienced subsea engineering staff to manage projects using: support vessels; saturation diving systems; air/mixed gas diving spreads and remote operating vehicles ("ROVs"). Hallin owns the principal operating assets of diving systems and ROVs.

The Hallin Group's operations cover: South East Asia; India; China; Africa; the Middle East; the US; Russia; Australia and the UK.

Hallin is divided into four divisions: subsea operations West Division, based in Aberdeen, Scotland; subsea operations East Division, based in Singapore; the Manufacturing Division, also in Singapore where saturation diving systems, air diving systems and ROVs are designed and manufactured; and Prospect Flow Solutions Limited ("Prospect"), the engineering consultancy service to the energy sector with offices in Aberdeen, Derby, Houston and Singapore. A further engineering design centre focusing on robotics is located in the UK at Malton, North Yorkshire.

The majority of the work undertaken by the Hallin Group is in offshore subsea intervention primarily for the oil, gas and renewables industries either contracting directly with the energy majors or through multi-national contractors. Typically the work undertaken by the Hallin Group comprises the design, installation, construction, maintenance, repair or survey of equipment required to transport oil and gas from the seabed. Most of the projects are planned well in advance and Hallin's role is that of a key contractor, often working as part of a larger team.

2008 Results Highlights

For the financial year ended 31 December 2008, Hallin reported audited profits before taxation of US\$35.4 million (2007: US\$11.2 million) on audited turnover of US\$139.9 million (2007: US\$64.8 million). Audited net assets as at 31 December 2008 were US\$63.7 million (31 December 2007: US\$33.7 million).

Trading Update

Hallin reported unaudited interim results for the six months ended 30 June 2009 on 15 September 2009. The unaudited interim results included profits before taxation of US\$10.1 million, despite a non-recurring write-off of US\$448,000 (2008: US\$13.8 million) on unaudited turnover of US\$60.3 million (2008: US\$59.6 million). Unaudited net assets at 30 June 2009 were US\$75.0 million (30 June 2008: US\$44.6 million).

Hallin achieved a gross margin of 29.1 per cent. in the six months ending 30 June 2009, down from 31.8 per cent. in the first half of 2008. Together with a higher level of overhead expenditure, primarily relating to the acquisition of Prospect in August 2008, Hallin reported a lower unaudited EBITDA of US\$14.2 million (23.63 per cent.) against US\$16.7 million (27.96 per cent.) in the first half of 2008.

Since the 2008 year end Hallin has continued to experience an increasingly competitive trading environment than was experienced in the 2008 financial year, with the consequent effect on margins reflected in the unaudited interim results for the six months ended 30 June 2009. This margin pressure has continued throughout the second half of 2009. Hallin has also seen the seasonal demand of the market in which it operates revert to a more traditional cycle, rather than the unusually beneficial conditions which have been present throughout the last two years.

As stated in Hallin's 2008 annual report there has been a greater level of pressure on margins across the whole industry during 2009 and this has been particularly evident in Hallin's Eastern contracting division. The Hallin Directors believe the current industry slowdown is primarily a result of the delays and postponements to a number of projects due to concerns over the price of oil and gas, the difficulty in raising project finance and the additional vessel capacity in the industry. Consequently Hallin's Eastern division has experienced lower levels of utilisation than originally expected of certain of its non-specialist vessels and accordingly has terminated its short term charter for one of these vessels, with a resultant saving of ongoing charter fees. Hallin's specialist subsea operations vessels have continued to work at high levels of utilisation.

On 25 November 2009 one of these subsea operations vessels, the Ullswater suffered a mechanical failure on its starboard main engine and this will require significant off hire time to effect repairs. The reasons for the engine failure are under review, but the Hallin Directors believe that this will be covered under the warranty from the shipyard. As a result of this failure the Ullswater is unable to meet its current contractual obligations as the necessary remedial work is likely to take approximately four weeks to complete.

Hallin's Western contracting division has in contrast seen continued high levels of utilisation of its work class ROV assets.

Hallin's Engineering division, Prospect, has seen a fall in demand for its specialist engineering and design services in its existing markets. However, Hallin has opened a new Prospect office in Singapore which has been successful in attracting profitable work and the outlook for this business looks encouraging.

The Manufacturing division continues to build subsea intervention equipment for both Hallin and third parties and has a significant pipeline of opportunities with new customers. However, this division is seeing a lengthening of the decision-making process by clients which may be a reflection of the continued lack of availability of credit in the market.

Hallin continues to expand its portfolio of specialist subsea assets and further ROVs continue to be delivered to the contracting divisions, all with the assistance of bank funding. The build of Hallin's second subsea operations vessel, the Windermere, remains on course for delivery in the first half of 2010.

As a result of the subdued market in which the Hallin Group is currently operating, the mechanical failure of the Ullswater and the consequent delay in the Hallin Group's performance of contracts on which the Ullswater is utilised, the Hallin Group's profitability for the year ended 31 December 2009 is expected to be less than current market expectations.

8. Information on Superior UK and the Superior Group

Superior was founded in Delaware in 1991 and is now based in New Orleans, Louisiana. It is a leading provider of specialised oilfield services and equipment, focused on serving the drilling and production-related needs of the world's largest oil and gas companies.

Superior operates in three segments: Well Intervention Services, Rental Tools and Marine Services. It is an industry leader in providing production-related services and solutions aimed at maintaining and enhancing well productivity. Superior manufactures, rents and sells specialised tools used to drill and produce oil and gas wells. In addition, it is the largest owner and operator of modern liftboats with a total of 26 in its rental fleet.

Superior has an established international presence, with operations in the Middle East, Europe, Africa, Asia Pacific and South America. Superior has more than 4,200 employees working from approximately 130 locations in 12 countries.

For the 12 month period ended 31 December 2008, Superior reported profit before tax of US\$559 million (2007: US\$433 million), total assets of US\$2,492 million (2007: US\$2,257 million) and net assets of US\$2,193 million (31 December 2007: US\$1,965 million).

Superior UK, which was formed for the purpose of the Acquisition, is a wholly-owned direct subsidiary of Superior SESI L.L.C, with its ultimate parent company being Superior. It has not traded since its date of incorporation, nor has it entered into any obligations, other than in respect of the Acquisition.

Superior UK is a private limited company incorporated in Scotland on 23 September 2009 under company number SC366014. Its directors are Robert Taylor and William Masters.

9. Effect of the Acquisition on the Hallin's management, employees, fixed assets and locations

Superior UK recognises the significant achievements of Hallin's management team and its employees and attaches considerable importance to retaining the skills and expertise of the management and employees of Hallin and its subsidiaries. Superior UK believes that the current management and employees are an important part of the successful implementation of its plans for Hallin. Superior UK does not therefore intend to make any material changes to Hallin's staffing levels, nor to any conditions of employment.

Superior has no current plans to change the locations of Hallin's places of business, nor does it have any current plans to redeploy the fixed assets of Hallin. As such, in the event the Scheme becomes effective Superior UK has given the Hallin Directors assurances that the existing contractual employment and pension rights of all of Hallin's employees will at a minimum be fully safeguarded.

10. Hallin Share Plan

Information on the effect of the Scheme on options and awards held under the Hallin Share Plan is set out at paragraph 5 of Part II of this document. Participants in the Hallin Share Plan will be contacted separately regarding the actions they can take in respect of these options and awards.

11. The Hallin Directors and the effect of the Acquisition on their interests

Details of the interests of the Hallin Directors in Hallin Shares and the Hallin Share Plan are set out in paragraph 5 of Part VI of this document. Hallin Shares held by the Hallin Directors will be acquired by Superior UK subject to the Conditions.

Particulars of the service contracts and arrangements (including termination provisions) and letters of appointment of the Hallin Directors are set out in paragraph 8 of Part VI of this document.

Other than as referred to above or set out in this document, the effect of the Scheme on the interests of the Hallin Directors does not differ from its effect on the interests of any other person. The effect

of the Scheme on the awards and options held by the Hallin Directors under the Hallin Share Plan is as described at paragraph 5 of Part II of this document.

12. Meetings and action to be taken

The Scheme and the Acquisition are subject to the satisfaction or, where permitted, waiver of the Conditions (see Part IV of this document). In order to become effective, the Scheme must be approved by a majority in number representing three-fourths or more in value of the Scheme Shareholders present and voting either in person or by proxy at the Court Meeting or at any adjournment of such meeting.

Under the Companies Act, the Scheme is also subject to the sanction of the Court at the Court Hearing which is expected to be held on 25 January 2010. If the Scheme becomes effective, it will be binding on all Scheme Shareholders, including those who do not attend and/or vote to approve the Scheme or who attend and vote against it at the Court Meeting.

You will find enclosed with this document:

- a blue Form of Proxy for use at the Court Meeting; and
- a white Form of Proxy for use at the EGM.

Whether or not you intend to attend the Court Meeting and/or the Extraordinary General Meeting, you are requested to complete and sign the enclosed Forms of Proxy and return them in accordance with the instructions printed on them. Completed Forms of Proxy should be returned to Neville Registrars, as soon as possible and, in any event, so as to be received:

1. in the case of the blue Form of Proxy (for the Court Meeting), by no later than 11.30 a.m. on 5 January 2010; and
2. in the case of the white Form of Proxy (for the EGM), by no later than 11.45 a.m. on 5 January 2010.

If, in either case, the Meeting(s) are adjourned, the relevant Form(s) of Proxy should be received not later than 48 hours before the time fixed for the adjourned Meeting(s).

If the blue Form of Proxy for use at the Court Meeting is not lodged by such time, it may be handed to the Chairman of the Court Meeting before the start of the Court Meeting and will still be valid. **However, in the case of the white Form of Proxy for the Extraordinary General Meeting, it will be invalid unless it is lodged with Neville Registrars so as to be received by no later than the time mentioned above.** The completion and return of the Forms of Proxy will not prevent you from attending and voting in person at either the Court Meeting or the Extraordinary General Meeting, or at any adjournment thereof, if you so wish and are so entitled.

It is important that, for the Court Meeting in particular, as many votes as possible are cast so that the Court may be satisfied that there is a fair and reasonable representation of Scheme Shareholders at the Court Meeting and that the Scheme is a reasonable one. You are therefore strongly urged to sign and return your Forms of Proxy for both the Court Meeting and the Extraordinary General Meeting as soon as possible.

If you have any questions relating to this document, the Meetings or the completion and return of the Forms of Proxy, please telephone Neville Registrars on 0121 585 1131 (from within the UK) or +44 121 585 1131 (from outside the UK). Lines are open 9.00 a.m. to 5.00 p.m. (London time) Monday to Friday (except UK public holidays). Calls to the helpline from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Acquisition nor give any financial, legal or tax advice.

Overseas Shareholders should refer to paragraph 9 of Part II of this document.

Notices convening the Court Meeting and the Extraordinary General Meeting are set out in Part IX and Part X of this document, respectively.

13. Further information

Your attention is drawn to the letter from Blomfield set out in Part II of this document, in particular, and to the remainder of this document.

14. Recommendation

The Hallin Directors, having been so advised by Blomfield, consider the terms of the Acquisition to be fair and reasonable. In providing its advice, Blomfield has taken into account the commercial assessments of the Hallin Directors.

Accordingly, the Hallin Directors believe that the terms of the Acquisition are in the best interests of the Hallin Shareholders as a whole and unanimously recommend that Hallin Shareholders vote in favour of the resolutions to be proposed at the Court Meeting and the Extraordinary General Meeting, as they have irrevocably undertaken to do in respect of their own respective holdings of Hallin Shares which, in aggregate, amount to 13,123,864 Hallin Shares representing approximately 31.7 per cent. of Hallin's existing issued share capital.

Yours faithfully

Antony Ebel
Chairman
on behalf of all of the Hallin Directors

PART II

EXPLANATORY STATEMENT



Blomfield Corporate Finance Limited
100 Cannon Street
London
EC4N 6EU

12 December 2009

To Hallin Shareholders (and, for information only, to persons with information rights and to participants in the Hallin Share Plan)

Dear Hallin Shareholder,

RECOMMENDED ALL CASH ACQUISITION OF HALLIN MARINE SUBSEA INTERNATIONAL PLC BY SUPERIOR ENERGY SERVICES (UK) LIMITED

1. Introduction

On 11 December 2009, the Superior UK Directors and the Hallin Directors announced that they had reached agreement on the terms of a recommended all cash acquisition of the entire issued and to be issued share capital of Hallin, to be effected by means of a Court-sanctioned scheme of arrangement under section 152 of the Companies Act.

Your attention is drawn to the letter from the Hallin Chairman, Antony Ebel, on behalf of the Hallin Directors, which is set out in Part I of this document, and to the remainder of this document. That letter contains, among other things, the background to and reasons for the Acquisition, together with the recommendation by the Hallin Directors to Hallin Shareholders to vote in favour of the Resolutions to approve and implement the Scheme to be proposed at the Meetings. The letter states that the Hallin Directors, who have been so advised by Blomfield, consider the terms of the Acquisition to be fair and reasonable. In providing its advice to the Hallin Directors, Blomfield has taken into account the commercial assessments of the Hallin Directors.

Blomfield, which is authorised and regulated in the UK by the FSA, is advising the Hallin Directors in relation to the Acquisition and is not acting for any of the Hallin Directors in their personal capacity nor for any Hallin Shareholder in relation to the Acquisition. Blomfield will not be responsible to any such person for providing the protections afforded to its clients or for advising any such person in relation to the Acquisition. In particular, Blomfield will not owe any duties or responsibilities to any particular Hallin Shareholder concerning the Acquisition.

Blomfield has been authorised by the Hallin Directors to write to you to set out the terms of the Acquisition and to provide you with other relevant information. The Scheme is set out in full in Part III of this document. Your attention is also drawn to the other parts of this document, including paragraph 1 of Part VI of this document, which indicates who has responsibility for information contained in this document, including this explanatory statement.

Hallin Shareholders should read the whole of this document before deciding whether or not to vote in favour of the Resolutions to approve and implement the Scheme.

2. Summary of the Acquisition

The Acquisition provides for the acquisition of the Scheme Shares to be effected by way of a Court sanctioned scheme of arrangement under section 152 of the Companies Act.

If the Scheme becomes effective, all of the Scheme Shares will be transferred to Superior UK and, in exchange, all Scheme Shareholders will be entitled to receive:

for each Hallin Share

233 pence in cash

The Acquisition is subject to the Conditions set out in Part IV of this document. If the Scheme becomes effective, Hallin will become a wholly-owned direct subsidiary of Superior UK on the Effective Date. Superior UK is an indirect wholly-owned subsidiary of Superior and a member of the Superior Group.

This consideration represents a premium of approximately:

- 87.1 per cent. to the Closing Price of 124.5 pence per Hallin Share on 10 December 2009 being the last Business Day prior to the announcement of the Acquisition;
- 94.5 per cent. to the average Closing Price of 119.8 pence per Hallin Share for the six month period prior to 10 December 2009;
- 2.9 per cent. to the Closing Price of 226.5 pence per Hallin Share on 11 December 2009 being the last Business Day prior to the publication of this document; and
- 109 per cent. to the net asset value per Hallin Share, based on total equity of approximately US\$75.0 million included in Hallin's most recently published (unaudited) statement of its financial position as of 30 June 2009.

The Acquisition values the entire existing issued share capital of Hallin at approximately £96.5 million and £103.5 million on a fully diluted basis.

3. Structure of the Acquisition

(a) Introduction

The Acquisition is to be effected by means of a Court-sanctioned scheme of arrangement in the Isle of Man between Hallin and the Scheme Shareholders under section 152 of the Companies Act. The purpose of the Scheme is for Superior UK to become the owner of the whole of the issued and to be issued share capital of Hallin. This is to be achieved by transferring the Scheme Shares held by Scheme Shareholders to Superior UK. The Scheme is set out in full in Part III of this document.

To become effective, the Scheme requires, amongst other things, a majority in number representing 75 per cent. in value of the Scheme Shareholders present and voting either in person or by proxy at the Court Meeting to approve the Scheme.

The Scheme also requires the sanction of the Court. Upon the Scheme becoming effective, it will be binding on all Scheme Shareholders, irrespective of whether they attended either or both the Court Meeting and the Extraordinary General Meeting and irrespective of whether they voted for or against, or abstained from voting on, the Resolutions. The Scheme will also be binding on Hallin.

If the Scheme becomes effective, Superior UK will pay the Cash Consideration to Scheme Shareholders on Hallin's register of members at the Scheme Record Time.

(b) The Court Meeting and the Extraordinary General Meeting

Before the Court's sanction of the Scheme can be sought, the Scheme will require approval by the passing of the resolution at the Court Meeting (on which only the Scheme Shareholders whose names appear on the register of members of Hallin at the Voting Record Time are entitled to vote) and the passing of the Special Resolution to approve the Scheme and amend the Hallin Share Plan and the Articles (as more particularly set out below) at the Extraordinary General Meeting (on which all the Hallin Shareholders are entitled to vote), details of each of which are set out below.

Notices of the Court Meeting and the Extraordinary General Meeting are set out in Part IX and Part X of this document, respectively. Save as set out below, all Scheme Shareholders whose names appear on the register of members of Hallin at the Voting Record Time will be entitled to attend and vote at the Court Meeting, including any adjournment thereto, in respect of the number of Scheme Shares registered in their name at the relevant time. All Hallin Shareholders will be entitled to attend and vote at the Extraordinary General Meeting.

The Court Meeting

The Court Meeting which is being convened for 11.30 a.m. on 7 January 2010 at the offices of DMH Stallard LLP, 6 New Street Square, New Fetter Lane, London, EC4 3BF, is being held at the direction of the Court to seek the approval of Scheme Shareholders for the Scheme.

Under the Companies Act, the Scheme must be approved by (i) a majority in number, (ii) representing 75 per cent. or more in value of the Scheme Shareholders present and voting, either in person or by proxy, at the Court Meeting. Accordingly, the vote will be taken (i) on a show of hands to determine the majority in number and (ii) on a poll to determine the percentage in value of Scheme Shareholders so present and voting approving the Scheme. Accordingly Scheme Shareholders present in person or by proxy at the Court Meeting will be entitled to one vote on a show of hands for the purposes of determining approval of the Scheme by a majority and to one vote on the poll for each Scheme Share held at the Voting Record time for the purposes of determining the percentage in value approving the Scheme. A blue Form of Proxy for use in connection with the Court Meeting is enclosed with this document (please see paragraph 12 of Part I of this document).

It is important that, for the Court Meeting in particular, as many votes as possible are cast so that the Court may be satisfied that there is a fair representation of Scheme Shareholders at the Court Meeting and that the Scheme is a reasonable one.

The Extraordinary General Meeting

The Extraordinary General Meeting is being convened for 11.45 a.m. on 7 January 2010 at the offices of DMH Stallard LLP, 6 New Street Square, New Fetter Lane, London, EC4 3BF or as soon thereafter as the Court Meeting has been concluded or adjourned, to consider and, if thought fit, pass, the Special Resolution to approve:

- (i) the implementation of the Scheme;
- (ii) certain amendments to the Articles to assist in the implementation of the Acquisition; and
- (iii) certain amendments to the Hallin Share Plan as described below.

A white Form of Proxy for use in connection with the Extraordinary General Meeting is enclosed with this document (please see paragraph 12 of Part I of this document).

The approval required at the Extraordinary General Meeting is a majority of not less than 75 per cent. of the Hallin Shareholders present and voting either in person or by proxy at the Extraordinary General Meeting; provided that where a poll is demanded, each Hallin Shareholder shall have one vote for each Hallin Share of which he is the holder. A poll shall be taken to be effectively demanded, if demanded by:

- the chairman of the EGM; or
- not less than five Hallin Shareholders having the right to vote at the EGM (or their proxy or proxies); or
- a Hallin Shareholder(s) (or their proxy or proxies) representing not less than one-tenth of the total voting rights of all the Hallin Shareholders having the right to vote at the EGM; or
- a Hallin Shareholder(s) (or their proxy or proxies) holding shares conferring a right to vote at the EGM being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

The Special Resolution to be proposed at the Extraordinary General Meeting contains provisions to amend the Articles to ensure that any Hallin Shares issued between the passing of the Special Resolution and the Scheme Record Time will be subject to the Scheme and, subject to the Scheme becoming effective, that Hallin Shares issued at or after the Scheme Record Time will automatically be acquired by Superior UK on the same terms as under the Scheme. These provisions will avoid any person being left with Hallin Shares after dealings in such shares have ceased on the London Stock Exchange and will further ensure that Hallin will remain a wholly-owned subsidiary of Superior UK despite issues of Hallin Shares after the Scheme Record Time.

The Hallin Share Plan provides that options granted pursuant to this scheme are exercisable upon a takeover offer for Hallin but does not provide that the options are exercisable upon a scheme of arrangement. Accordingly, it is proposed that the Hallin Share Plan be amended such that all options granted pursuant to that scheme are exercisable following the passing of the Special Resolution. The proposed amendments are set out in the notice of EGM set out in Part X of this document.

Forms of Proxy for the Court Meeting and the Extraordinary General Meeting should be returned to Neville Registrars, as soon as possible and, in any event, so as to be received 48 hours before the time appointed for the relevant Meeting (or, in the case of adjournment(s), not later than 48 hours before the time fixed for the adjourned Meeting(s)). If the blue Form of Proxy for use at the Court Meeting is not returned by the above time, it may be handed to the Chairman of the Court Meeting before the start of that Meeting.

However, in the case of the Extraordinary General Meeting, unless the white Form of Proxy is returned by the time mentioned in the instructions printed on it, it will be invalid. The completion and return of a Form of Proxy will not prevent you from attending and voting in person at either the Court Meeting or the Extraordinary General Meeting, or at any adjournment thereof, if you so wish and are so entitled.

If you have any questions relating to this document, the Meetings or the completion and return of the Forms of Proxy, please telephone Neville Registrars on 0121 585 1131 (from within the UK) or +44 121 585 1131 (from outside the UK). Lines are open 9.00 a.m. to 5.00 p.m. (London time) Monday to Friday (except UK public holidays). Calls to the helpline from outside the UK will be charged at the applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Acquisition nor give any financial, legal or tax advice.

(c) ***Sanction of the Scheme by the Court***

Under the Companies Act, the Scheme requires the sanction of the Court and such sanction is one of the Conditions. The Court Hearing is expected to be held on 25 January 2010, subject to the prior satisfaction or waiver of the other Conditions. The Conditions are set out in Part IV of this document. Superior UK has confirmed that it will be represented by counsel at the Court Hearing so as to consent to the Scheme and to undertake to the Court to be bound thereby.

The Scheme will become effective in accordance with its terms upon delivery of an office copy of the Court Order to the Companies Registry for registration. Subject thereto, and to the further terms of the Scheme, it is expected that the Cash Consideration due to Scheme Shareholders will be despatched no later than 14 days from the Effective Date.

If the Scheme becomes effective, it will be binding on all Scheme Shareholders irrespective of whether or not they attended and/or voted in favour of the Scheme at the Court Meeting or in favour of the Special Resolution at the Extraordinary General Meeting. If the Scheme does not become effective by 31 May 2010 (or such later date (if any) as Hallin and Superior UK may, with the consent of the Panel, agree and (if required) the Court may approve) the Scheme will not become effective and the Acquisition will not proceed.

(d) ***Conditions to the Acquisition***

The Conditions are set out in full in Part IV of this document. In summary, the implementation of the Acquisition and, accordingly, the Scheme is conditional, *inter alia*, upon:

- (i) the Scheme becoming effective by no later than 31 May 2010 or such later date (if any) as Superior UK and Hallin may, with the consent of the Panel, agree and (if required) the Court may approve;
- (ii) the approval of the Scheme by a majority in number representing three-fourths or more in value of the Scheme Shareholders present and voting, either in person or by proxy, at the Court Meeting (or at any adjournment of any such meeting);

- (iii) the Special Resolution being duly passed by the requisite majority at the Extraordinary General Meeting (or at any adjournment thereof) and not subsequently revoked;
- (iv) the sanction of the Scheme by the Court (without modification or with modification as agreed by Superior UK and Hallin) and the delivery for registration of the Court Order to the Companies Registry; and
- (v) the Conditions (set out in Part IV of this document) which are not otherwise identified above being satisfied or (where applicable) waived.

(e) ***Alternative means of implementing the Acquisition***

Superior UK has reserved the right to elect (subject to the consent of the Panel, where necessary) to implement the Acquisition by way of a takeover offer, in which case additional documents will be despatched to Hallin Shareholders. In such event, such a takeover offer will (unless otherwise agreed) be implemented on the same terms (subject to appropriate amendments, including (without limitation) an acceptance condition set at 90 per cent. (or such lesser percentage, (being more than 50 per cent.)), as Superior UK may decide or the Panel may require) of the shares to which such offer relates, so far as applicable, as those which would apply to the Scheme.

4. Information on financing the Acquisition

The Cash Consideration payable will be funded using the Superior Group's currently committed debt financing arranged by JP Morgan Chase Bank, N.A.

Cenkos, financial adviser to Superior UK, has confirmed that it is satisfied that sufficient resources are available to Superior UK to enable it to satisfy the full Cash Consideration payable to Hallin Shareholders under the terms of the Acquisition.

5. Hallin Share Plan

The Scheme will extend to any Hallin Shares that are unconditionally allotted or issued prior to the Scheme Record Time pursuant to the exercise of options or vesting of awards under the Hallin Share Plan.

The Scheme will not extend to Hallin Shares unconditionally allotted or issued pursuant to the exercise of options or the vesting of awards under the Hallin Share Plan at or after the Scheme Record Time. At present options granted under the Hallin Share Plan which are not already exercisable do not become exercisable on a scheme of arrangement. An amendment is being proposed to the Hallin Share Plan to provide that options granted pursuant to the scheme are exercisable upon the approval by Hallin Shareholders of the Special Resolution. The proposed amendments are set out in the notice of EGM set out in Part X of this document.

Participants will be invited to agree to the conditional exercise of their options prior to the Court Hearing, conditional only upon the Scheme being sanctioned by the Court.

An amendment is being proposed to the Articles to the effect that any Hallin Shares issued at or after the Scheme Record Time will automatically (and immediately following issue) be transferred to Superior UK in exchange for the same consideration payable by Superior UK in respect of Scheme Shares under the Scheme. Consequently, participants in the Hallin Share Plan who exercise options or receive Hallin Shares under awards after the Scheme Record Time will receive the same consideration as Scheme Shareholders under the Scheme.

As part of a separate proposal to Hallin Share Plan award holders they may elect for a cash cancellation payment which would release the Company from the obligation to issue shares to such holders on the Scheme being sanctioned (as would otherwise occur as passing of the Special Resolution is an early vesting event). In respect of these holders, no shares will be issued

Details of the proposals being made to participants in the Hallin Share Plan in accordance with Rule 15 of the City Code will be set out in separate letters to participants.

6. Implementation Agreement, non-solicitation and inducement fee

Superior UK and Hallin have entered into the Implementation Agreement, which governs their relationship during the period until the Scheme becomes effective or lapses or is withdrawn. Among other things, the parties have agreed to cooperate with regard to the process to implement the Scheme and Hallin has entered into certain undertakings concerning the conduct of business by Hallin during that period, including, among other things, non-solicitation of an Independent Competing Offer and an inducement fee payable in certain circumstances.

Non-solicitation

In the Implementation Agreement Hallin has agreed, among other things, that:

- (a) it will not and will procure that none of the members of the Hallin Group and its and their respective management and professional advisers, directly or indirectly, solicit an offer or approach from any party (i) to make or with a view to making an Independent Competing Offer; or (ii) with a view to undertaking a transaction which is an alternative to the Acquisition, other than as required under the City Code; and
- (b) it shall notify Superior UK within twenty-four (24) hours if: (i) it receives an approach from any person with a view to making an Independent Competing Offer Announcement or to making an Independent Competing Offer, or (ii) it becomes aware of any breach by it of the terms of the Implementation Agreement.

The Implementation Agreement terminates in certain circumstances, including:

- (a) if the Scheme lapses or terminates, unless Superior UK has elected prior to such time, to implement the Acquisition by way of an offer made pursuant to the City Code;
- (b) if Superior UK elects to implement the Acquisition by way of an offer and such offer is withdrawn or lapses;
- (c) if at any time prior to satisfaction of the Conditions there is an Independent Competing Offer which subsequently becomes or is declared unconditional in all respects or is otherwise completed; or
- (d) if the Acquisition has not become effective by 11 March 2010 or such later date (if any) as Superior UK and Hallin may, with the consent of the Panel, agree and (if required) the Court may approve.

Inducement fee

As an inducement to Superior UK to make the Acquisition, Hallin has agreed to pay an inducement fee to Superior UK of the amount invoiced by the advisers of Superior UK at the time of the breach, capped to a maximum of 0.5 per cent. of the Offer Value (exclusive of any VAT payable thereon) upon the occurrence of specified events, including without limitation, in the event that:

- (a) Hallin terminates the discussions with Superior UK relating to the Acquisition;
- (b) the Hallin Directors do not unanimously recommend the Acquisition (or the Hallin Directors withdraw, alter, adversely modify or qualify their approval or such recommendation of the Acquisition);
- (c) provided that Superior UK has not acted unreasonably, the Acquisition, once made, lapses or is withdrawn;
- (d) Hallin during the Exclusivity Period takes any action which is within Rule 21.1 of the City Code and is material in the context of the Acquisition;
- (e) Hallin enters into a binding agreement to dispose of any key assets of the business during the Exclusivity Period; or
- (f) Hallin commits a material breach of its obligations under the Implementation Agreement and the Acquisition subsequently lapses or is withdrawn in accordance with its terms,

and such payment shall be made, within seven days of the event which gives rise to the obligation to make the payment referred to above.

Superior has irrevocably undertaken with Hallin to pay to Hallin the sum of 0.5 per cent. of the Offer Value in the event that:

- (a) Superior UK commits a material breach of its obligations under the Implementation Agreement and the Acquisition subsequently lapses or is withdrawn in accordance with its terms;
- (b) Superior UK terminates discussions relating to the Acquisition; or
- (c) provided Hallin has not acted unreasonably, the Acquisition, once made fails to complete for any reason in the absence of an Independent Competing Offer,

and such payment shall be made within seven days of the event which gives rise to the obligation to make payment referred to above.

7. Delisting of Hallin Shares and re-registration

Application will be made to the London Stock Exchange for the Hallin Shares to cease to be admitted to trading on AIM, to take effect immediately following the Effective Date. The date of cancellation is expected to be 27 January 2010.

With effect from and including the Effective Date, share certificates in respect of the Hallin Shares will cease to be valid and should be destroyed. In addition, entitlements to Hallin Shares held within the CREST system will be cancelled on the Effective Date.

As soon as possible after the Effective Date, it is intended that Hallin will be re-registered as a limited company under the Isle of Man Companies Act 2006.

8. Settlement

Subject to the Scheme becoming effective, settlement of the Cash Consideration to which any Scheme Shareholder is entitled under the Scheme will be effected within 14 days of the Effective Date in the manner set out below.

Settlement of the Cash Consideration to which any Scheme Shareholder is entitled under the Scheme will be implemented in full in accordance with the terms of the Scheme. Scheme Shares transferred to Superior UK in accordance with the terms of the Scheme shall be transferred fully paid, free from all liens, rights to set-off, counterclaims, equitable interests, charges, encumbrances and other third party rights of any nature whatsoever, including the right to receive and retain all dividends and distributions (if any) declared, made or payable after the Effective Date.

All documents and remittances sent through the post will be sent at the risk of the person(s) entitled thereto.

(a) *Cash Consideration where Scheme Shares are held in uncertificated form (in CREST)*

On the Effective Date, Scheme Shares held within CREST will be transferred to Superior UK. Scheme Shareholders whose Scheme Shares are held in CREST will receive any Cash Consideration to which they are entitled through CREST within 14 days of the Effective Date by Superior UK procuring the creation of a payment obligation in favour of the appropriate CREST account through which the relevant Scheme Shareholder holds such uncertificated shares in respect of the Cash Consideration due to him.

As from the Effective Date, each holding of Hallin Shares credited to any stock account in CREST shall be disabled and all Hallin Shares will be removed from CREST in due course thereafter.

Superior UK reserves the right to pay all or any part of the Cash Consideration referred to above for all or any Scheme Shares in the manner referred to in paragraph (b) below if, for any reason, it wishes to do so.

(b) ***Cash Consideration where Scheme Shares are held in certificated form***

On the Effective Date, Scheme Shares that are held in certificated form will be transferred to Superior UK and share certificates for such Scheme Shares will cease to be valid and should be destroyed.

Settlement of Cash Consideration due under the Scheme in respect of Scheme Shares held in certificated form will be despatched:

- (i) by first class post, by cheque in Sterling drawn on a branch of a UK clearing bank; or
- (ii) by such other method as may be approved by the Panel,

to the address appearing in the register of members of Hallin or, in the case of joint Holders, to the address of the Hallin Shareholder whose name stands first in such register in respect of the joint holdings concerned.

All such cash payments shall be made in Sterling. Payments made by cheque shall be payable to the Scheme Shareholder concerned or, to all Holders named in the register of members of Hallin in respect of the joint holding concerned. Cheques shall be despatched within 14 days after the Effective Date.

9. Overseas Shareholders

The publication or distribution of this document in jurisdictions other than the United Kingdom and the Isle of Man may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than the United Kingdom or the Isle of Man into whose possession this document comes should inform themselves about, and observe, any applicable legal and regulatory requirements. Any failure to comply with the applicable requirements may constitute a violation of the securities laws of any such jurisdiction.

This document does not constitute an offer to sell or an invitation to purchase or subscribe for any securities or a solicitation of an offer to buy any securities pursuant to this document, the Acquisition or otherwise in any jurisdiction in which such offer or solicitation is unlawful. This document does not constitute a prospectus or a prospectus equivalent document.

This document and the accompanying Forms of Proxy have been prepared for the purposes of complying with (as applicable) Isle of Man law, UK law and, where appropriate, the City Code, and the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws and regulations of any jurisdiction outside of the United Kingdom and the Isle of Man.

The implications of the Scheme for Overseas Shareholders may be affected by the laws of their relevant jurisdictions. Overseas Shareholders should inform themselves about and observe any applicable legal and regulatory requirements. It is the responsibility of each Overseas Shareholder to satisfy himself/herself as to the full observance of the laws of the relevant jurisdiction, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with other necessary formalities which are required to be observed and the payment of any issue, transfer or other taxes due in such jurisdiction.

Notice to US investors in Hallin

The Acquisition relates to the shares of an Isle of Man company and is to be made by means of a scheme of arrangement provided for under the laws of the Isle of Man. The Acquisition is subject to the disclosure requirements and practices applicable in the UK and the Isle of Man to schemes of arrangement, which differ from the disclosure and other requirements of the US securities laws tender offer rules. The financial information on Hallin included in, and incorporated by reference into, this document has been prepared in accordance with IFRS that may not be comparable to the financial statements of US companies. US generally accepted accounting principles differ in certain significant respects from IFRS. None of the financial information included in, or incorporated by reference into, this document has been audited in accordance with auditing standards generally accepted in the United States or the auditing standards of the Public Company Accounting Oversight Board (United States).

If Superior UK exercises its right to implement the Acquisition by way of a takeover offer, the takeover offer will be made in compliance with applicable US laws and regulations.

The receipt of cash by a US holder of Hallin Shares as consideration for the transfer of its Hallin Shares pursuant to the Acquisition may be a taxable transaction for US federal income tax purposes and under applicable US state and local, as well as foreign and other tax laws. Each US holder of Hallin Shares is urged to consult his independent professional adviser immediately regarding the tax consequences of the Acquisition applicable to him.

It may be difficult for US holders of Hallin Shares to enforce their rights and claims arising out of US federal securities laws, since Superior UK and Hallin are located in countries other than the United States, and some or all of their officers and directors may be residents of countries other than the United States. US holders of Hallin Shares may not be able to sue a non-US company or its officers or directors in a non-US court for violations of US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgement.

Neither the SEC nor any other US federal or state securities commission or regulatory authority has approved or disapproved or passed an opinion upon the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States.

Hallin Shareholders who are citizens or residents of the United States or other jurisdictions outside the United Kingdom and the Isle of Man should consult their own legal and tax advisers with respect to the legal and tax consequences of the Scheme in their particular circumstances.

10. Taxation

The tax consequences of the Acquisition will depend on your individual circumstances. Certain aspects of the tax consequences of the Scheme for Hallin Shareholders who are resident for tax purposes in the United Kingdom are set out in Part VII of this document. This summary is intended as a general guide only and if you are in any doubt as to your tax position you should consult an appropriately qualified independent professional adviser immediately.

11. Further information

The terms of the Scheme are set out in full in Part III of this document. Your attention is also drawn to the further information contained in this document and, in particular, to the Conditions set out in Part IV of this document, the financial information on Hallin contained in, and incorporated by reference into, Part V of this document and the additional information set out in Part VI of this document.

Yours faithfully

Alan MacKenzie
Chief Executive
Blomfield Corporate Finance Limited

PART III

THE SCHEME OF ARRANGEMENT

IN THE HIGH COURT OF JUSTICE
OF THE ISLE OF MAN

Claim No. CHP 09/0051

IN THE MATTER OF THE COMPANIES ACT 1931 - 2004

-and-

IN THE MATTER OF HALLIN MARINE SUBSEA INTERNATIONAL PLC

**SCHEME OF ARRANGEMENT
(under section 152 of the Companies Act 1931)**

BETWEEN

**HALLIN MARINE SUBSEA INTERNATIONAL PLC AND
THE HOLDERS OF ITS SCHEME SHARES
(as hereinafter defined)**

PRELIMINARY

(A) In this Scheme, unless inconsistent with the subject or context, the following expressions bear the following meanings:

“**Cash Consideration**” the cash consideration to be paid to Scheme Shareholders of 233 pence in cash for each Scheme Share;

“**City Code**” the City Code on Takeovers and Mergers (as amended from time to time);

“**Companies Act**” the Isle of Man Companies Act 1931 (as amended from time to time);

“**Companies Registry**” the Companies Registry of the Financial Supervision Commission in the Isle of Man;

“**Court**” the High Court of Justice of the Isle of Man;

“**Court Hearing**” the hearing by the Court of the application (by Claim Form) to sanction the Scheme;

“**Court Meeting**” the meeting (and any adjournment thereof) of Holders of Scheme Shares in issue at the Voting Record Time convened by order of the Court pursuant to section 152 of the Companies Act to consider and, if thought fit, to approve the Scheme (with or without amendment);

“**Court Order**” the order of the Court sanctioning the Scheme under section 152 of the Companies Act;

“**CREST**” means the relevant system as defined in the Uncertificated Securities Regulations 2005 of the Isle of Man (SD No. 754/05) in respect of which Euroclear UK & Ireland Limited is the operator and in accordance with which securities may be held or transferred in uncertificated form;

“**Effective Date**” the date on which an office copy of the Court Order is delivered to the Companies Registry;

“**Extraordinary General Meeting**” the extraordinary general meeting (and any adjournment thereof) of Hallin Shareholders convened in connection with the Scheme to consider and, if thought fit, to approve the Special Resolution in relation to the Acquisition (with or without amendment);

“**Hallin**” or the “**Company**” Hallin Marine Subsea International plc;

“**Hallin Shares**” ordinary shares of 1p each in the capital of Hallin;

“Holder” means a registered holder or holder(s) of Hallin Shares and includes any person(s) entitled by transmission;

“Meetings” means the Court Meeting and the Extraordinary General Meeting and Meeting means either of them;

“Panel” the Panel on Takeovers and Mergers;

“Scheme” means the proposed scheme of arrangement under section 152 of the Companies Act between Hallin and the Scheme Shareholders, with or subject to any modification, addition or condition approved or imposed by the Court and agreed to by Superior UK and Hallin, the full terms of which are set out in this Part III of the document and (as the case may be) any supplemental circular(s);

“Scheme Record Time” means 11.59 p.m. (London time) on the date before the Court Hearing (or such other time and/or date as is agreed between Superior UK and Hallin prior to the conclusion of the Court Hearing);

“Scheme Shareholders” the Holders of Scheme Shares;

“Scheme Shares” means:

- the Hallin Shares in issue at the date of this document, namely 12 December 2009;
- (if any) Hallin Shares issued after the date of this document, namely 12 December 2009, and before the Voting Record Time; and
- (if any) Hallin Shares issued at or after the Voting Record Time and before the Scheme Record Time, either on terms that the original or any subsequent Holders of such shares shall be bound by the Scheme, or in respect of which the original or any subsequent Holders of such shares are, or shall have agreed in writing to be, bound by the Scheme,

in any case, other than any Hallin Shares held or beneficially owned by Superior UK;

“Superior UK” Superior Energy Services (UK) Limited, a company incorporated in Scotland with number SC366014;

“Special Resolution” means the special resolution to be proposed at the Extraordinary General Meeting as set out in the notice of the Extraordinary General Meeting; and

“Voting Record Time” 6.00 p.m. on the day which is two days before the date of the Meetings or, if either Meeting is adjourned, 6.00 p.m. on the day which is two days before the date of such adjourned Meeting.

- (B) The authorised share capital of Hallin at the date of this Scheme is £1,000,000 divided into 100,000,000 Hallin Shares, of which as at the close of business on 11 December 2009, 41,404,574 Hallin Shares had been issued and were credited as fully paid and the remainder were unissued.
- (C) As at the date of this document, Superior UK has no beneficial or legal interest in Hallin Shares.
- (D) Superior UK has agreed to appear by Counsel at the Court Hearing and to submit to be bound by and to undertake to the Court to execute and do and procure to be executed and done all such documents, acts and things as may be necessary or desirable to be executed or done by it for the purpose of giving effect to this Scheme.

THE SCHEME

1. Transfer of the Scheme Shares

- 1.1 With effect from the Effective Date Superior UK shall acquire the Scheme Shares fully paid, free from all liens, equitable interests, charges, encumbrances and other third party rights of any nature whatsoever, including the right to receive and retain all dividends and distributions declared or paid by reference to a record date falling after the Effective Date.
- 1.2 For such purposes, the Scheme Shares shall be transferred to Superior UK and to give effect to such transfer(s), any person may be appointed by Superior UK to execute as transferor an instrument or instruction of transfer (in each case, to be executed, and so far as possible retained,

outside of the United Kingdom) of any Scheme Shares and every instrument or instruction of transfer as executed (in each case, to be executed, and so far as possible retained, outside of the United Kingdom) shall be as effective as if it had been executed by the Holder or Holders of the Scheme Shares thereby transferred.

2. Cash Consideration for the transfer of the Scheme Shares

In consideration for the transfer of the Scheme Shares, Superior UK shall, as set out in Clause 3 below, pay 233 pence in cash for every Scheme Share to or for the account of each Holder(s) of Scheme Shares (as appearing in the register of members of Hallin at the Scheme Record Time).

3. Payments

3.1 Not more than 14 days after the Effective Date, Superior UK shall effect payment as follows:

- (i) where at the Scheme Record Time a Scheme Shareholder holds Scheme Shares in CREST, settlement of the Cash Consideration to which such Scheme Shareholder is entitled from Superior UK shall be despatched by means of CREST by Superior UK procuring the creation of a payment obligation in favour of the CREST account through which the relevant Scheme Shareholder holds such Scheme Shares, in accordance with the CREST payment arrangements. The creation of such a payment obligation shall be a complete discharge of Superior UK's obligation under this Scheme with reference to payments made through CREST.

As from the Effective Date, each holding of Hallin Shares credited to any stock account in CREST shall be disabled and all Hallin Shares will be removed from CREST in due course thereafter.

Superior UK reserves the right to pay all or any part of the Cash Consideration for all or any Scheme Shares at the Scheme Record Time by cheque in accordance with clause 3.1(ii) below if, for any reason, it wishes to do so; or

- (ii) where at the Scheme Record Time, a Scheme Shareholder holds Scheme Shares in certificated form, settlement of Cash Consideration to which such Scheme Shareholder is entitled from Superior UK shall be despatched either: (a) by first class post, by cheque in Sterling drawn on a branch of a UK clearing bank; or (b) by such other method as may be approved by the Panel.

3.2 All deliveries of cheques required to be made pursuant to this Scheme shall be effected by posting the same by first class post in pre-paid envelopes addressed to the persons entitled thereto at their respective addresses as appearing in the register of members of the Company at the Scheme Record Time (or, in the case of joint Holders, at the address of that one of the joint Holders whose name stands first in the said register in respect of such joint holding at such time) or in connection with any special instructions regarding communications, and neither Superior UK nor the Company shall be responsible for any loss or delay in the transmission of cheques sent in accordance with this clause 3.2 which shall be sent at the risk of the person entitled thereto.

3.3 All cheques shall be made payable to the persons named in the register of members including any joint Holders and the encashment of any such cheque or warrant shall be a complete discharge to Superior UK for the monies represented thereby.

3.4 The provisions of this clause 3 shall be subject to any prohibition or condition imposed by law.

4. Certificates and Cancellations

With effect from and including the Effective Date:

- 4.1 all certificates representing Scheme Shares shall cease to have effect as documents of title to the Scheme Shares comprised therein and every Holder of Scheme Shares shall be bound at the request of the Company to deliver up the same to the Company or as it may direct;
- 4.2 Euroclear UK & Ireland Limited shall be instructed to cancel the entitlement to Scheme Shares of holders of Scheme Shares in uncertificated form; and
- 4.3 appropriate entries will be made in the Company's register of members to reflect the transfer to Superior UK of the Scheme Shares.

5. Effective Date

- 5.1 This Scheme shall become effective as soon as an office copy of the Court Order sanctioning this Scheme under section 152 of the Companies Act shall have been delivered to the Financial Supervision Commission for registration.
- 5.2 Unless this Scheme shall have become effective on or before 31 May 2010, or such later date, if any, as Hallin and Superior UK may, with the consent of the Panel, agree and (if required) the Court may approve, this Scheme shall never become effective.

6. Modification

Hallin and Superior UK may jointly consent on behalf of all concerned to any modification of, or addition to, this Scheme or to any condition which the Court may approve or impose.

7. Governing Law

This Scheme is governed by the laws of the Isle of Man and is subject to the jurisdiction of the courts of the Isle of Man. The rules of the City Code will, so far as they are appropriate, apply to this Scheme.

12 December 2009

PART IV

CONDITIONS TO THE IMPLEMENTATION OF THE SCHEME AND FURTHER TERMS OF ACQUISITION

1. The Acquisition will be conditional upon the Scheme becoming unconditional and becoming effective, subject to the City Code, by not later than 31 May 2010 or such later date as Hallin and Superior UK may, with the consent of the Panel, agree and (if required) the Court may allow.
2. **The Scheme will be conditional upon:**
 - (a) approval of the Scheme by a majority in number of those Hallin Shareholders who are present and vote either in person or by proxy at the Court Meeting and who represent 75 per cent. or more in value of all Hallin Shares held by such Hallin Shareholders;
 - (b) the Special Resolution set out in the notice of the EGM being duly passed by the requisite majority at the EGM and not subsequently revoked; and
 - (c) the sanction of the Scheme by the Court (in each case without modification or with modification as agreed by Superior UK and Hallin) and the delivery for registration of the Court Order to the Companies Registry (and, if required, registration of the Court Order by the Financial Supervision Commission).
3. Hallin and Superior UK have agreed that, subject as stated in paragraph 4 below, application to the Court to sanction the Scheme will not be made unless conditions 2(a) and (b) above have been fulfilled and unless immediately prior to the hearing of the application to sanction the Scheme the following conditions (as amended if appropriate) are satisfied or waived as referred to below:
 - (a) it being established, in terms satisfactory to Superior UK, that the Office of Fair Trading of the United Kingdom does not intend to refer the Acquisition or any matter arising from the Acquisition to the Competition Commission for investigation, provided that, if a request to the European Commission is made by the competent authorities of one or more Member States under Article 22(1) of the Merger Regulation and is accepted by the European Commission, then this sub-paragraph shall be satisfied, if and only if:
 - (i) it is established, in terms satisfactory to Superior UK, that it is not the intention of the European Commission to initiate proceedings under Article 6(1)(c) of the Merger Regulation in respect of the proposed Acquisition; and
 - (ii) to the extent that the competent authorities of the United Kingdom retain jurisdiction over any aspect of the Acquisition, it is established, in terms satisfactory to Superior UK and in writing, that the Acquisition or any matter arising from the Acquisition will not be referred to the Competition Commission.
 - (b) the passing at one or more general meetings of Superior UK (or at any adjournment of any such meeting) of such resolution or resolutions as are required to approve, fund, implement and effect the Acquisition;
 - (c) no relevant authority having intervened and there not continuing to be outstanding any statute, regulation, order or decision, that would or might reasonably:
 - (i) make the Acquisition, its implementation or the acquisition or proposed acquisition of any Hallin Shares by any member of the Superior Group void, illegal and/or unenforceable or directly or indirectly restrict, restrain, prohibit, delay or otherwise materially interfere with the implementation of, or impose additional material conditions or obligations with respect to, or otherwise materially challenge the Acquisition or the acquisition of any Hallin Shares or of control of Hallin by any member of the Superior Group; or
 - (ii) require, impede, delay or prevent the divestiture or alter the terms of any proposed divestiture, by any member of the Hallin Group or by any member of the Superior Group of all or any portion of their respective businesses (or any of them), assets or

property or impose any limitation on the ability of any of them to conduct all or any part of their respective businesses or to own or continue to enjoy the benefits currently enjoyed in relation to their respective assets or property or any part of them in any such case to an extent which is material in the context of the Hallin Group or the Superior Group; or

- (iii) impose any limitation on, or result in a delay in, the ability of any member of the Hallin Group or the Superior Group to acquire or to hold or effectively to exercise (whether directly or indirectly) all or any rights of ownership of shares or other securities (or the equivalent) in, or management control over, any member of the Hallin Group in any such case to an extent which is material in the context of the Hallin Group or the Superior Group; or
- (iv) except as required pursuant to the City Code, require any member of the Superior Group or the Hallin Group to acquire or offer to acquire any shares or other securities (or the equivalent) or interest in any member of the Hallin Group or the Superior Group owned by any third party (other than in the implementation of the Scheme); or
- (v) require the divestiture by any member of the Superior Group of any shares or other securities in Hallin; or
- (vi) impose any limitation on the ability of any member of the Hallin Group or the Superior Group to conduct, integrate or co-ordinate their respective businesses, or any part of them, with the businesses of any other member of the Hallin Group or the Superior Group in any such case to an extent which is material in the context of the Hallin Group or the Superior Group; or
- (vii) result in any member of the Hallin Group or the Superior Group ceasing to be able to carry on business under a name under which it presently does so; or
- (viii) otherwise materially and adversely affect the business, assets, financial position, profits or prospects of any member of the Superior Group or of any member of the Superior Group,

and all applicable waiting and other time periods during which any such relevant authority could intervene having expired, lapsed, or terminated;

- (d) all necessary notifications and filings having been made to relevant authorities, clearances obtained from relevant authorities and all appropriate waiting and other time periods (including any extension of such waiting or other time periods) under any applicable legislation or regulations in any jurisdiction having expired, lapsed or been terminated and all authorisations necessary for or in respect of the Acquisition or the proposed acquisition of any shares or other securities in, or control of, Hallin by any member of the Superior Group, or the carrying on by any member of the Hallin Group or the Superior Group of its business having been obtained in terms and in a form satisfactory to Superior UK (acting reasonably), from all relevant authorities and all such authorisations remaining in full force and effect and there not having been received any notice or intimation of an intention to revoke, or not to renew, any of the same and all applicable statutory or regulatory obligations in any jurisdiction having been complied with in all material respects;
- (e) save as disclosed on the face of the Hallin annual report and accounts for the year ended 31 December 2008 (“Hallin’s financial results”), the interim half yearly report for the six months ended 30 June 2009 (“Hallin’s interim results”), and/or as publicly announced by Hallin by notifying a Regulatory Information Service on or prior to 10 December 2009 (“publicly announced”) and/or as fairly disclosed in writing to Superior UK by or on behalf of Hallin (which shall include delivery of a copy of the relevant document to Superior UK) (“Hallin Disclosure Letter”) on or prior to 10 December 2009 (“disclosed to Superior UK”) there being no provision of any arrangement, agreement, licence, permit, franchise or other instrument to which any member of the Hallin Group is a party or by or to which any such member or any of its assets are or may be bound, entitled or subject and which, in consequence of the Acquisition or the proposed acquisition of any shares or other securities in, or control of, Hallin by Superior UK or any member of the Superior Group or because of a change in the control or management of any member of the Hallin Group or otherwise, would or might result in (to an extent which is material in the context of the Hallin Group):

- (i) any monies borrowed by, or other indebtedness (actual or contingent) of, or grant available to any such member of the Hallin Group being or becoming repayable, or becoming capable of being declared repayable, immediately or prior to its stated maturity, or the ability of any such member to borrow monies or incur any indebtedness being withdrawn or inhibited or being capable of being withdrawn or materially inhibited; or
- (ii) the creation or enforcement of any mortgage, charge or other security interest over the whole or any significant part of the business, property or assets of any such member of the Hallin Group, or any such mortgage, charge or other security interest (whenever arising or having arisen) becoming enforceable; or
- (iii) any such arrangement, agreement, licence, permit, franchise or other instrument or the rights, liabilities, obligations or interests of any such member of the Hallin Group under any such arrangement, agreement, licence, permit, franchise or other instrument being terminated or modified adversely or affected adversely or any action being taken, or any obligation or liability arising thereunder; or
- (iv) any material assets or interests of any such member of the Hallin Group being or falling to be disposed of or charged or any right arising under which any such asset or interest could be required to be disposed of or charged; or
- (v) any such member of the Hallin Group ceasing to be able to carry on business under any name which it presently does so; or
- (vi) any liability of any member of the Hallin Group to make any severance, termination, bonus or other payment to any of the directors or the officers; or
- (vii) the financial or trading position or prospects of the Hallin Group taken as a whole being prejudiced or adversely affected in any material way,

and no event having occurred which, under any provision of any such arrangement, agreement, licence, permit, franchise or other instrument to which any member of the Hallin Group is a party or by or to which any such member or any of its assets is bound, entitled or subject will result in or give rise to any of the events or circumstances as are referred to in paragraphs (i) to (vii) of this paragraph (e);

- (f) except as disclosed in Hallin's financial results, Hallin's interim results, and/or publicly announced and/or the Hallin Disclosure Letter, no member of the Hallin Group having, since 31 December 2008, otherwise than with the written agreement of Superior UK:
 - (i) issued or agreed to issue or authorised or proposed the issue of additional shares of any class, or of securities convertible into or exchangeable for, or rights, warrants or options to subscribe for or acquire, any such shares or convertible securities or transferred or sold any shares out of treasury (save as between Hallin and wholly-owned subsidiaries of Hallin and save for options granted, or the issue of any Hallin Shares upon exercise of options granted under the Hallin Share Plan prior to 31 December 2008); or
 - (ii) recommended, declared, paid or made or proposed to recommend, declare, pay or make any bonus, dividend or other distribution whether payable in cash or otherwise to Hallin Shareholders, except a distribution to a wholly-owned member of the Hallin Group; or
 - (iii) purchased, redeemed or repaid or announced any proposal to purchase, redeem or repay any of its own shares or other securities (whether or not convertible into shares) or reduced or made any other change to any part of its share capital; or
 - (iv) issued, authorised or proposed or announced the issue of any debentures or made, recognised or proposed or announced any change in its loan capital or, save in the ordinary course of business, incurred or increased any indebtedness or contingent liability or become subject to any contingent liability other than to a wholly-owned subsidiary of Hallin; or
 - (v) merged with or acquired any body corporate or acquired or disposed of or transferred, mortgaged or encumbered any material asset (including shares and trade investments)

or any right, title or interest in any material asset, or undertaken any material liability, other than in the ordinary course of business, or proposed or announced any intention to propose any such merger, acquisition, disposal, mortgage or encumbrance (in each case other than in the ordinary course of business); or

- (vi) entered into or varied or authorised, proposed or announced its intention to enter into or vary any contract, transaction, arrangement or commitment (whether in respect of capital expenditure or otherwise) which might reasonably be considered to be of a long term, unduly onerous or unusual nature or magnitude or which might reasonably be considered to be materially restrictive on the business of any member of the Hallin Group or which involves or might reasonably be expected to involve an obligation of such a nature or magnitude or which is not in the ordinary course of business (including, without limitation, the acquisition or disposal of any interest in any undertaking or the implementation of any merger, demerger, reconstruction, scheme or amalgamation); or
 - (vii) taken any corporate action or had any legal proceedings instituted or threatened against it or any order made for its winding-up (voluntarily or otherwise), dissolution or reconstruction or amalgamation or scheme or reorganisation or any analogous procedures in any jurisdiction, or for the appointment of a receiver, administrator, administrative receiver, trustee or similar officer (or appointment of any analogous person in any jurisdiction) over all or any of its assets or revenues; or
 - (viii) entered into, or varied the terms of any contract, arrangement or commitment with any of the Hallin Directors or senior executives of any member of the Hallin Group; or
 - (ix) been unable, or having admitted in writing that it is unable to pay its debts or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of its business; or
 - (x) made or agreed or consented to any change to the terms of any trust deed constituting the pension scheme(s) established for its directors and/or employees and/or their dependants or to the benefits which accrue, or to the pensions which are payable thereunder, or to the basis on which qualification for or accrual or entitlement to such benefits or pensions are calculated or determined, or to the basis on which the liabilities of such pension schemes are funded or made, or agreed or consented to any change to the trustees involving the appointment of a trust corporation; or
 - (xi) made (other than in connection with the Scheme) any amendment to its memorandum or articles of association; or
 - (xii) waived or compromised or settled any claim otherwise than in the ordinary course of business; or
 - (xiii) proposed, agreed to provide or modified the terms of any share option or other benefit (including in relation to any personal defined contribution pension scheme(s) of any Hallin Director or any person employed by the Hallin Group) relating to the employment or termination of employment of any person employed by the Hallin Group, other than in connection with the Scheme; or
 - (xiv) except as between Hallin and its wholly-owned subsidiaries or between such wholly-owned subsidiaries made or authorised any material change in its loan capital; or
 - (xv) entered into any agreement, arrangement or commitment or passed any resolution or made any announcement or proposed or announced any intention, with respect to any of the transactions, matters or events referred to in this paragraph (f);
- (g) except as disclosed in Hallin's financial results, Hallin's interim results, and/or as otherwise publicly announced since 31 December 2008 and/or the Hallin Disclosure Letter, since 31 December 2008:
- (i) there having been no material adverse change in the business, assets, financial or trading position or profits or prospects of the Hallin Group taken as a whole;
 - (ii) there having been no litigation, arbitration proceedings, prosecution or other legal proceedings or investigation instituted, announced or threatened by or against or

remaining outstanding in respect of any member of the Hallin Group (whether as plaintiff or defendant or otherwise) which in any such case is material in the context of the Hallin Group taken as a whole and no enquiry or investigation by or complaint or reference to any relevant authority or other investigative body against or in respect of any member of the Hallin Group having been threatened, announced, instituted or remaining outstanding against or in respect of any member of the Hallin Group which in any such case, would or might reasonably be expected to materially adversely affect the Hallin Group taken as a whole; and

- (iii) no contingent or other liability having arisen which would or might reasonably be expected to materially adversely affect the business of the Hallin Group, taken as a whole; and
 - (iv) no steps having been taken and no omissions having been made which are likely to result in the withdrawal, cancellation, termination or modification of any licence held by any member of the Hallin Group, which is necessary for the proper carrying on of its business and the withdrawal, cancellation, termination or modification of which is material in the context of the Hallin Group taken as a whole.
- (h) Superior UK not having discovered that, save as publicly announced or otherwise disclosed to Superior UK:
- (i) any financial or business or other information concerning the Hallin Group fairly disclosed in writing at any time by or on behalf of any member of the Hallin Group (whether publicly or otherwise) to Superior UK either contains a misrepresentation of fact or omits to state a material fact necessary to make the information contained therein not misleading, in either case, where the misrepresentation or omission is material in the context of the Hallin Group taken as a whole; or
 - (ii) any member of the Hallin Group is subject to any liability, contingent or otherwise, other than such a liability incurred in the ordinary course of business, which is not disclosed in Hallin's financial results or has not been publicly announced or otherwise disclosed to Superior UK and which is material in the context of the Hallin Group taken as a whole; or
 - (iii) there has been an emission, disposal, discharge, deposit, spillage or leak of waste or hazardous or harmful substances on or about or from any property now or previously owned, occupied or made use of by any past or present member of the Hallin Group which could give rise to any liability (whether actual or contingent) or cost on the part of any member of the Hallin Group which is or would be material in the context of the Hallin Group taken as a whole; or
 - (iv) that any past or present member of the Hallin Group has not complied with any applicable legislation or regulations of any jurisdiction with regard to the use, treatment, handling, storage, transport, release, disposal, discharge, spillage, leak or emission of any waste or hazardous substance or any substance likely to impair the environment or harm human health, or otherwise relating to environmental matters or the health and safety of any person, or that there has otherwise been any such use, treatment, handling, storage, transport, release, disposal, discharge, spillage, leak or emission (whether or not this constituted a non-compliance by any person with any legislation or regulations and wherever the same may have taken place) which in any case would be likely to give rise to any liability (whether actual or contingent) or cost on the part of any member of the Hallin Group which in any case is material in the context of the Hallin Group taken as a whole;
 - (v) circumstances exist whereby a person or class of persons would be likely to have any claim or claims in respect of any product or service provided by or carried out by any past or present member of the Hallin Group and which is material in the context of the Hallin Group taken as a whole; or
 - (vi) there is or is likely to be any liability (whether actual or contingent) or requirement of any past or present member of the Hallin Group to make good, repair, reinstate or clean up any property now or previously owned, occupied, made use of or harmed by any past or present member of the Hallin Group or any controlled waters under any

environmental legislation, regulation, notice, circular, or order of any relevant authority or otherwise which is material in the context of the business of the Hallin Group taken as a whole.

For the purposes of these conditions:

- (i) “relevant authority” means any government or governmental, quasi-governmental, supranational, statutory, regulatory or investigative body, court, trade agency, association, institution or professional or environmental body or any other regulatory body or person in any jurisdiction but excluding the Office of Fair Trading, the Competition Commission and the Pensions Regulator;
 - (ii) a relevant authority shall be regarded as having “intervened” if it has decided or intimated a decision to take, institute, implement or threaten any action, proceeding, suit, investigation, reference or enquiry, or made or enacted or proposed any statute, regulation, decision or order or taken any other steps and “intervene” shall be construed accordingly; and
 - (iii) “authorisations” means authorisations, determinations, orders, grants, recognitions, confirmations, consents, licences, clearances, permissions, certificates and approvals.
4. Subject to the requirements of the Takeover Panel, Superior UK reserves the right to waive in whole or in part all or any of the conditions in this Part IV except those at paragraphs 1, 2 or 3(a). Superior UK shall be under no obligation to waive or treat as fulfilled any of conditions 3(a) to 3(h) inclusive by a date earlier than the date specified in paragraph 1 above for the fulfilment thereof notwithstanding that the other conditions of the Acquisition may at such earlier date have been waived or fulfilled and that there are at such earlier date no circumstances indicating that any of such conditions may not be capable of fulfilment.
 5. The Acquisition will lapse and the Scheme will not proceed if the Acquisition or any part of it is referred by the Office of Fair Trading to the Competition Commission before the date of the Court Meeting.
 6. The Proposals will be conditional upon the Scheme becoming unconditional and becoming effective by no later than 31 May 2010, or such date (if any) as Superior UK may, with the consent of the Panel, agree and (if required) the Court may approve.
 7. If Superior UK is required by the Panel to make an offer for Hallin Shares under the provisions of Rule 9 of the City Code, Superior UK may make such alterations to the terms and conditions of the Acquisition as are necessary to comply with the provisions of that Rule, provided that the terms of the offer are not less beneficial to the Hallin Shareholders.
 8. Superior UK reserves the right to elect to implement the Acquisition by way of a takeover offer. In such event, such offer will be implemented on the same terms (subject to appropriate amendments, including (without limitation) an acceptance condition set at 90 per cent. (or such lesser percentage (being more than 50 per cent.) as Superior UK may decide or the Panel may require) of the shares to which the offer relates), so far as applicable, as those which would apply to the Scheme.
 9. Hallin Shares will be acquired by Superior UK fully paid and free from all liens, equitable interests, charges, encumbrances and other third party rights of any nature whatsoever and together with all rights attaching to them, including the right to receive and retain all dividends and distributions (if any) declared, made or payable after the date of this announcement.
 10. The Acquisition will be on the terms and will be subject, amongst other things, to the conditions which are set out in paragraphs 1, 2 and 3 of this Part IV and those terms which will be set out in this document and accompanying Forms of Proxy and such further terms as may be required to comply with the AIM Rules, the provisions of the City Code and the provisions of the Isle of Man Companies Acts 1931 to 2004. The Scheme will be governed by the laws of the Isle of Man.
 11. The availability of the Proposals to persons not resident in the United Kingdom or the Isle of Man may be affected by the laws of the relevant jurisdictions. Persons who are not resident in the United Kingdom or the Isle of Man should inform themselves about and observe any applicable requirement.

PART V

FINANCIAL INFORMATION ON THE HALLIN GROUP

Hallin applies International Financial Reporting Standards, endorsed by the EU, as the basis for preparation of its financial statements. These financial statements are prepared on a historical basis as modified by the requirements of IFRS to present financial assets and liabilities at their fair value, making the required adjustments through the income statement.

1. Statutory accounts for financial periods ended 31 December 2006, 2007 and 2008

Statutory accounts of Hallin for the years ended 31 December 2006, 2007 and 2008, in respect of which the Hallin's auditors, Mazars LLP, made unqualified reports, have been delivered to and filed with the Companies Registry.

2. Unaudited financial information for the six months ended 30 June 2009

The financial information provided in Hallin's financial information for the six months ended 30 June 2009 (the "Interim Results") does not constitute "statutory accounts" within the meaning of Isle of Man Companies Acts 1931 to 2004. This financial information has been prepared on the basis consistent with the accounting policies applied for the year ended 31 December 2008 and in accordance with the requirements of IAS 34, 'Interim Financial Reporting', except for the impact of the adoption of the Standards and Interpretations relating to IAS 1 (revised) and IFRS 8. The adoption of IAS 1 (revised) and IFRS 8 have resulted in changes to the presentation of Hallin's financial information, but have not affected the recognition or measurement criteria.

The Interim Results (which is incorporated into this document by reference) includes certain information as specified in the table in paragraph 3 below.

3. Published report and accounts for financial periods ended 31 December 2006, 31 December 2007 and 31 December 2008 and Interim Results for the six months ended 30 June 2009

The published annual report and audited accounts of Hallin for the financial periods ended 31 December 2006, 2007 and 2008 and the Interim Results (which are incorporated into this document by reference) included, on the pages specified in the table below, the following information:

<i>Nature of Information</i>	<i>For the six months ended 30 June 2009</i>	<i>For the year ended 31 December 2008</i>	<i>For the year ended 31 December 2007</i>	<i>For the year ended 31 December 2006</i>
Statement of Comprehensive Income (Income Statement)	Page 4	Page 29	Page 20	Page 17
Statement of Financial Position (Balance Sheet)	Page 4	Page 28	Page 19	Page 16
Statement of Cash Flows (Cash Flow Statement)	Pages 5 - 6	Pages 32 - 33	Pages 23 - 24	Page 20
Statement of Changes in Equity	Page 5	Page 30	Page 21	Page 19
Accounting Policies	Page 7	Pages 34 - 41	Pages 25 - 32	Pages 21 - 27
Notes to the Financial Statements	Pages 7 - 8	Pages 34 - 70	Pages 25 - 57	Pages 21 - 49
Independent Auditors Report	–	Pages 25 - 26	Pages 16 - 17	Pages 14 - 15

The published financial information referenced above (and, where applicable, incorporated into this document by reference) can be viewed at www.hallinmarine.com.

A hard copy of the above-referenced financial information will not be sent to recipients of this document unless specifically requested. Recipients of this document may request a hard copy of the above-referenced financial information of Hallin by writing to DMH Stallard LLP, 6 New Street Square, New Fetter Lane, London EC4A 3BF, or by telephoning +44 (0) 20 7822 1526.

Relevant documents will be posted within two Business Days of receipt of such a request.

PART VI

ADDITIONAL INFORMATION

1. Responsibility

- (a) The Hallin Directors whose names are set out in paragraph 2(a) of this Part VI of this document accept responsibility for the information contained in this document except for that information for which responsibility is taken pursuant to paragraphs 1(b) and 1(c) below of this Part VI of this document. To the best of the knowledge and belief of the Hallin Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- (b) The Superior UK Directors, whose names are set out in paragraph 2(b) of this Part VI of this document, accept responsibility for the information contained in this document relating to Superior UK and the Superior UK Directors, their respective families and persons connected with them (within the meaning of the 2006 Act) and parties acting in concert with Superior UK for the purposes of the City Code. To the best of the knowledge and belief of the Superior UK Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- (c) The Superior Officers, whose names are set out in paragraph 2(c) of this Part VI of this document, accept responsibility for the information contained in this document relating to the Superior Group and the Superior Officers, their respective families and persons connected with them (within the meaning of the 2006 Act) and parties acting in concert with Superior for the purposes of the City Code. To the best of the knowledge and belief of the Superior Officers (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. Directors and Registered Office

- (a) The Hallin Directors and their respective functions are as follows:

Antony Gerard Ebel (Non-Executive Chairman)
John Hallin Giddens (Chief Executive)
Anthony Richard Prest (Finance Director)
Jon Berwyn Attenburrow (Executive Director)
Michael Joseph Arnold (Executive Director)
John Barry Quinn (Non-Executive Director)
David Andrew Harris (Non-Executive Director)

The principal places of business of the Hallin Group are:

International House, Castle Hill, Victoria Road, Douglas, IM2 4RB, Isle of Man.

35 Loyang Crescent, #03-00 Admiralty International Building, Loyang Offshore Supply Base, Singapore 509012.

Unit 12 Wellheads Place, Aberdeen, AB21 7GB, United Kingdom.

- (b) The Superior UK Directors and their respective functions are as follows:

William Blix Masters (Director)
Robert Steckman Taylor (Director)

Superior UK's registered office is located at c/o McGrigors LLP, Johnstone House, 52-54 Rose Street, Aberdeen, AB10 1UD.

(c) The Superior Officers and their respective functions are as follows:

Terence Hall (Chairman and Chief Executive Officer)
Kenneth Louis Blanchard (President and Chief Operating Officer)
Robert Steckman Taylor (Executive Vice President and Chief Financial Officer)
William Blix Masters (Executive Vice President and General Counsel).

3. Market Quotations

The following table shows the Closing Price for the Hallin Shares as derived from the Daily Official List on:

- (a) the first dealing day of each of the six months immediately before the date of this document;
- (b) the last Business Day prior to the commencement of the Offer Period; and
- (c) the last Business Day prior to the publication of this document.

<i>Date</i>	<i>Price per Hallin Share (pence)</i>
1 June 2009	136.00
1 July 2009	115.00
3 August 2009	117.50
1 September 2009	103.00
1 October 2009	129.50
2 November 2009	111.00
1 December 2009	122.50
10 December 2009	124.50
11 December 2009	226.50

4. Irrevocable undertakings

The following Hallin Shareholders have given irrevocable undertakings to Superior UK to vote in favour of the Scheme and the Resolutions at the Meetings (and, if Superior UK exercises its right to acquire the Hallin Shares by means of a takeover offer, to accept any such offer):

Hallin Directors

<i>Name</i>	<i>Number of Hallin Shares</i>	<i>Percentage of Hallin's existing issued ordinary share capital</i>
Antony Ebel	570,000	1.4
John Giddens	7,866,500	19.0
Anthony Prest	105,000	0.3
John Quinn	4,034,000	9.7
David Harris	0	0
Jon Attenburrow	475,000	1.1
Michael Arnold	73,364	0.2

Hallin Shareholders

<i>Name</i>	<i>Number of Hallin Shares</i>	<i>Percentage of Hallin's existing issued ordinary share capital</i>
Damor Investments	5,000,000	12.08
Gresham House PLC*	3,700,000	8.94

*Antony Ebel is the non-executive chairman of Gresham House PLC

In aggregate, Superior UK has received irrevocable undertakings to vote in favour of the Acquisition in respect of 21,823,864 Hallin Shares, representing approximately 52.7 per cent. of Hallin's existing issued ordinary share capital.

In addition, each of the above Hallin Shareholders has irrevocably undertaken to vote in favour of the Resolutions in respect of any other securities in Hallin issued or unconditionally allotted to, or otherwise acquired by, it or him before the Meetings.

The irrevocable undertakings shall lapse in the following circumstances:

- (i) Superior UK announcing, with the consent of the Panel, that it does not intend to make or proceed with the Acquisition and no new, revised or replacement offer or Scheme being announced by it in accordance with Rule 2.5 of the City Code at the same time; and
- (ii) the Offer or Scheme lapsing or being withdrawn and no new, revised or replacement offer or Scheme having been announced by Superior UK in accordance with Rule 2.5 of the City Code in its place or being announced in accordance with Rule 2.5 of the City Code at the same time.

5. Shareholders and Dealing

Certain terms used in this paragraph 5 of this Part VI of this document are defined in paragraph 5(c) (below).

(a) Interests in Hallin Shares:

- (i) as at the last day of the disclosure period, Superior UK had no interests in relevant securities of Hallin.
- (ii) as at the last day of the disclosure period, the Superior UK Directors had no interests in relevant securities of Hallin.
- (iii) so far as the Superior UK Directors are aware, no persons acting, or presumed to be acting, in concert with Superior UK had any interests in relevant securities of Hallin.
- (iv) no dealings for value in relevant securities of Hallin by Superior UK or, so far as the Superior UK Directors are aware, persons acting, or presumed to be acting, in concert with Superior UK have taken place during the disclosure period.
- (v) save as set out in sub-paragraph 5(a)(ix) below, there have been no dealings in relevant securities by Hallin or by the Hallin Directors during the disclosure period.
- (vi) save as disclosed at paragraph 5(a)(xii) below, no person falling within the definition of "associate" or "connected adviser" in subparagraph 5(c) of Part VI of this document has dealt in relevant securities during the disclosure period.
- (vii) as at the last day of the disclosure period, the interests of the Hallin Directors, including their immediate families, related trusts and corporate interests as defined, respectively, in sections 822 and 823 of the 2006 Act, in relevant securities of Hallin were as follows:

<i>Hallin Director providing irrevocable undertaking</i>	<i>Number of Hallin Shares committed</i>
Antony Ebel	570,000
John Giddens	7,866,500
Anthony Prest	105,000
John Quinn	4,034,000
David Harris	0
Jon Attenburrow	475,000
Michael Arnold	73,364

- (viii) The options and awards held by Hallin Directors under the Hallin Share Plan as at the last day of the disclosure period were as follows:

<i>Director</i>	<i>Number of Hallin Shares under options</i>	<i>Date of grant</i>	<i>Exercise period</i>	<i>Exercise price (pence)</i>
Anthony Prest	100,000	23/06/2005	23/06/2008 to 23/06/2015	64p
	200,000	01/05/2007	01/05/2010 to 01/05/2017	77p
Sub-total	300,000			
Jon Attenburrow	300,000	01/05/2007	01/05/2010 to 01/05/2017	77p
Sub-total	300,000			
Michael Arnold	250,000	31/05/2006	31/05/2009 to 31/05/2016	77p
	50,000	01/05/2007	01/05/2010 to 01/05/2017	77p
Sub-total	300,000			
TOTAL	900,000			

- (ix) During the disclosure period, the following dealings for value in Hallin Shares by the Hallin Directors, members of their immediate families or persons connected with them have taken place:

<i>Name</i>	<i>Date</i>	<i>Nature of transaction</i>	<i>Number of Hallin Shares</i>	<i>Subscription price/ Exercise price (pence)</i>
Anthony Prest	08/01/2009	Purchase	20,000	87
Anthony Prest	15/01/2009	Transfer to Helen Prest	40,000	87
Anthony Prest	15/01/2009	Purchase	25,000	88
Mike Arnold	17/04/2009	Purchase	5,372	139.5
Mike Arnold	09/06/2009	Purchase	563	144.75
Mike Arnold	02/07/2009	Purchase	5,000	114
John Quinn	02/07/2009	Purchase	5,000	109
Anthony Prest	03/07/2009	Purchase	5,000	103.2
Jon Attenburrow	09/07/2009	Purchase	50,000	98

- (x) The Hallin Directors have undertaken to vote in favour of the Resolutions in respect of their own beneficial holdings of Hallin Shares, being in aggregate, 13,123,864 Hallin Shares, representing approximately 31.7 per cent. of the entire issued ordinary share capital of Hallin, in each case as set out opposite his or her name below:

<i>Person providing irrevocable undertaking</i>	<i>Number of Hallin Shares committed</i>
Antony Ebel	570,000
John Giddens	7,866,500
Anthony Prest	105,000
John Quinn	4,034,000
David Harris	0
Jon Attenburrow	475,000
Michael Arnold	73,364

In addition, the Hallin Directors have irrevocably undertaken to vote in favour of the Resolutions in respect of any other securities in Hallin issued or unconditionally allotted to, or otherwise acquired by the Hallin Directors before the Meetings.

- (xi) During the disclosure period, Hallin has not purchased any relevant securities.
- (xii) As at the close of business on 11 December 2009, Williams de Broë Limited, a company in the same group as Evolution Securities Limited (Hallin's corporate broker) held 506,410 Hallin Shares on behalf of discretionary and advisory clients.

Dealings in Hallin Shares by Williams de Broë Limited during the disclosure period were as follows:

<i>Date</i>	<i>Nature of Transaction</i>	<i>Number of Hallin Shares</i>	<i>Price per Hallin Share (pence)</i>
06/01/2009	Bought	3,800	0.89
16/02/2009	Bought	1,300	1.207
20/02/2009	Sold	920	1.115
24/02/2009	Bought	90,000	1.1175
12/03/2009	Sold	1,100	1.0905
07/04/2009	Bought	1,100	1.27
21/04/2009	Bought	4,900	1.38
30/04/2009	Bought	3,600	1.38
12/05/2009	Bought	2,700	1.4675
05/06/2009	Bought	4,200	1.42
03/07/2009	Bought	3,000	1.025
27/07/2009	Bought	15,000	0.97
26/08/2009	Bought	1,700	1.13
18/09/2009	Bought	3,500	1.2701
29/09/2009	Bought	7,300	1.19
03/11/2009	Bought	2,200	1.12
06/11/2009	Sold	1,400	1.12
18/11/2009	Sold	4,200	1.27
18/11/2009	Bought	4,200	1.27
30/11/2009	Bought	10,000	1.225
10/12/2009	Bought	2,800	1.2475

(b) General

- (i) Superior UK has agreed to counsel appearing on its behalf at the Court Hearing and offering to the Court Superior UK's consent to the Scheme and Superior UK's undertaking to be bound thereby and execute and do or procure to be executed and done by it or on its behalf, all such documents or things as may be necessary or desirable to be executed or done by it or on its behalf for the purpose of giving effect to the Scheme (save, to the extent relevant, where the Acquisition has lapsed with the consent of the Panel).
- (ii) No member of the Superior UK Group, any of the Superior UK Directors, any close relative of such directors or their related trusts or companies of which such director, their close relatives or their related trusts controls one-third or more of voting rights, or, so far as the Superior UK Directors are aware, any person acting in concert with Superior UK for the purposes of the Acquisition, owned or controlled or was interested, directly or indirectly, in, or had any rights to subscribe or had any short position in respect of, any relevant securities in Hallin on the last day of the disclosure period nor has any such person dealt in any relevant securities of Hallin during the disclosure period.

- (iii) Neither Superior UK nor, so far as the Superior UK Directors are aware, any person acting in concert with Superior UK for the purposes of the Acquisition has borrowed or lent any relevant securities of Hallin during the disclosure period, save for any borrowed securities which have been on-lent or sold.
 - (iv) Save as disclosed in this paragraph 5 of this Part VI of this document, none of the Hallin Directors, any member of such directors' immediate families or related trusts or any associate of Hallin, owned or controlled or was interested, directly or indirectly, in, or had any rights to subscribe, or had any short positions in respect of, any relevant securities in Hallin on the last day of the disclosure period nor has any such person dealt in any relevant securities of Hallin during the disclosure period.
 - (v) Neither Hallin nor any person acting in concert with Hallin for the purposes of the Acquisition has borrowed or lent any relevant securities of Hallin during the disclosure period, save for any borrowed securities which have been on-lent or sold.
 - (vi) Neither Superior UK nor, so far as the Superior UK Directors are aware, any person acting in concert with Superior UK has any arrangement of the kind referred to in Note 6(b) on Rule 8 of the City Code in relation to relevant securities of Hallin.
 - (vii) None of Hallin, nor any pension fund of Hallin or of any company which is a relevant associate, nor any employee benefit trust of Hallin or of any company which is a relevant associate, nor any connected adviser to Hallin (or of any relevant associate of Hallin or any person acting in concert with Hallin) or any person controlling, controlled by or under the same control as any such adviser (except for an exempt principal trader or an exempt fund manager), owns, controls or is interested (directly or indirectly) in, or has any rights to subscribe or has any short positions in respect of any relevant securities in Superior UK nor has any such person dealt in any relevant securities during the disclosure period.
 - (viii) Save as disclosed in respect of the irrevocable undertakings in paragraph 4 of this Part VI of this document, neither Superior UK, nor, so far as the Superior UK Directors are aware, any person acting in concert with Superior UK for the purposes of the Acquisition has any arrangement with any person in relation to the relevant securities of Hallin.
 - (ix) Hallin has not redeemed, purchased, cancelled or held in treasury any Hallin Shares during the disclosure period.
 - (x) Save as disclosed in this paragraph 5 of this Part VI of this document, neither Hallin, nor any associate of Hallin (by virtue of paragraphs (1), (2), (3) or (4) of the definition of associate in the City Code) has any arrangement of any kind with any person in relation to the relevant securities of Hallin.
- (c) For the purposes of this paragraph 5 of this Part VI of this document references to:
- (i) “**acting in concert**” are to such term as is defined in the City Code, or, as appropriate, as determined by the Panel;
 - (ii) an “**arrangement**” include any indemnity or option arrangement, and any agreement or understanding, formal or informal, of whatever nature, relating to relevant securities of Hallin which may be an inducement to deal or refrain from dealing;
 - (iii) an “**associate**” of Hallin in relation to Hallin are, save as otherwise provided in sub-paragraph 5(b)(ix) of the Part VI of this document above, to:
 - (1) the subsidiaries and associated companies of Hallin and companies of Hallin and companies of which such companies are associated companies. For this purpose, ownership or control of 20 per cent. or more of the equity share capital of a company is regarded as the test of associated company status;
 - (2) any pension fund of Hallin or of any company covered in sub-paragraph (1) above;
 - (3) any employee benefit trust of Hallin or any company covered in sub-paragraph (1) above;

- (4) any connected adviser and persons controlling, controlled by or under the same control as any such connected adviser (except for an exempt principal trader or an exempt fund manager);
- (iv) “**connected adviser**” mean, in relation to Hallin, any organisation which is advising Hallin in relation to the Acquisition, its corporate broker, any organisation which is advising a person acting in concert with Hallin in relation to the Acquisition or in relation to the matter which is the reason for that person being a member of the concert party, or any organisation which is advising an associate covered in paragraph 5(c)(iii) of Part VI of this document above in relation to the Acquisition;
- (v) “**control**” mean an interest, or interests, in shares or securities carrying in aggregate 30 per cent. or more of the voting rights attributable to the capital of a company which are exercisable at a general meeting, irrespective of whether such interest or interests give de facto control (and “controlling” and “controlled by” shall be construed accordingly);
- (vi) “**dealing**” or “**dealt**” include the following:
- (1) the acquisition of or disposal of securities, of the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to securities, or of general control of securities;
 - (2) the taking, granting, acquisition of, disposal of, entering into, closing out, termination, exercise (by either party) or variation of an option (including a traded option contract) in respect of any securities;
 - (3) subscribing or agreeing to subscribe for securities;
 - (4) the exercise or conversion, whether in respect of new or existing securities, of any securities carrying conversion or subscription rights;
 - (5) the acquisition of, or disposal of, entering into, closing out, exercise (by either party) of any rights under, or variation of, a derivative referenced, directly or indirectly, to securities;
 - (6) entering into, terminating or varying the terms of any agreement to purchase or sell securities; and
 - (7) any other action resulting, or which may result, in an increase or decrease in the number of securities in which a person is interested or in respect of which he has a short position;
- (vii) “**derivative**” includes any financial product whose value in whole or in part is determined directly or indirectly by reference to the price of an underlying security;
- (viii) “**disclosure period**” mean the period commencing on 11 December 2008 (being the date 12 months prior to the date of the announcement of the Acquisition) and ending on 11 December 2009 (the latest practicable date prior to the publication of this document);
- (ix) an “**exempt principal trader**” or “**exempt fund manager**” have the meaning given to such terms as defined in the City Code;
- (x) a person having an “**interest**” or treated as “**interested**” in any securities are if he has long economic exposure, whether absolute or conditional, to changes in the price of those securities (and a person who only has a short position in securities is not treated as interested in those securities). In particular a person is treated as “interested” in securities if:
- (a) he owns them;
 - (b) he has a right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to them or has general control of them;
 - (c) by virtue of any agreement to purchase, option or derivative he: (a) has the right or option to acquire them or call for their delivery; or (b) is under an obligation to take delivery of them, whether the right, option or obligation is conditional or absolute and whether it is in the money or otherwise; or
 - (d) he is a party to any derivative: (a) whose value is determined by reference to their price; and (b) which results, or may result, in his having a long position in them;

- (xi) a “**pension fund**” of Hallin or of a company which is a relevant associate does not include any such pension funds which are managed under an agreement or arrangement with an independent third party in the terms set out in Note 7 on the definition of “acting in concert” in the City Code;
- (xii) “**relevant securities**” means (as appropriate) Hallin Shares and shares in Superior UK and securities convertible into or exchangeable for rights to subscribe for and options in respect of any of the foregoing;
- (xiii) “**related parties**”, in relation to a director, means those persons whose interests in shares the director would be required to disclose pursuant to Part 22 of the 2006 Act and related regulations; and
- (xiv) “**short position**” means any short position (whether conditional or absolute and whether in the money or otherwise) including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery.

6. Material Contracts

The following contracts, not being contracts entered into in the ordinary course of business, have been entered into by Hallin and its subsidiaries since 11 December 2007 (being the date two years prior to the commencement of the Offer Period) and are or may be material:

- (a) an agreement dated 28 August 2009 between (1) the shareholders of Prospect and (2) Hallin, pursuant to which Hallin paid an initial consideration of £3,000,000 for the whole of the issued share capital of Prospect, consisting of £1.5 million in cash, financed from existing cash balances, and 887,574 Hallin Shares then valued at £1.5 million.

An additional consideration of up to £1,650,000 will be payable based on material growth in the financial performance of Prospect over the period to 31 December 2010, of which £375,000 was paid to Prospect for achieving gross profit in excess of £2,034,206, as determined in the audited consolidated accounts of Prospect for the year ending 31 December 2008. The additional consideration will be paid in cash and is payable as follows:

- (i) £375,000 payable upon Prospect achieving gross profit of £3,337,599, as determined in the audited consolidated accounts of Prospect for the year ending 31 December 2009; and
- (ii) up to £900,000 payable upon Prospect achieving net profit before taxation of £1,233,929, as determined in the audited consolidated accounts of Prospect for the year ending 31 December 2010.

Save that:

- (a) the deferred payment in (ii) is payable on a sliding scale equivalent to between 75 per cent. and 110 per cent. of the target in (ii) if it is achieved; and
- (b) notwithstanding that the performance targets for the deferred payments in (i) may not have been achieved, if 100 per cent. or more of the target for the deferred payment in (ii) is achieved then the deferred payments described in (i) above become payable.
- (b) On 25 November 2009 Superior and Hallin entered into an indicative offer letter including the indicative terms of the proposed Acquisition, confidentiality, non-solicitation and inducement fee provisions. The inducement fee provisions are superseded by the terms of the Implementation Agreement save in respect of antecedent breach.
- (c) On 10 December 2009 Superior and Hallin entered into the Implementation Agreement, further details of which are summarised at paragraph 6 of Part II of this document.
- (d) On 9 October 2009, Hallin Corporate Services Pte. Ltd. entered into an agreement for lease in respect of property at the Toll Offshore Petroleum Services. The lease will commence upon completion of the construction of the building, which is expected to be during the spring of 2010 and when completed will be for an initial period of 10 years, at an initial annual rent of Singapore \$2,348,088 per year.

7. Cash Confirmation

Cenkos has confirmed that it is satisfied that sufficient resources are available to Superior UK to satisfy in full the Cash Consideration payable under the Acquisition.

8. Directors' Service Contracts

- (a) The main terms on which the executive directors of Hallin are employed are set out below:

<i>Name</i>	<i>Role</i>	<i>Date of Agreement/Arrangement</i>	<i>Salary</i>
John Giddens	Managing Director	15 April 2005	US\$300,000
Anthony Prest	Group Finance Director	1 October 2007	US\$219,420
Jon Attenburrow	Managing Director	1 April 2004	US\$173,880
Michael Arnold	Managing Director	1 February 2006	£117,990

- (b) On 15 April 2005 the Company entered into a service agreement (for the purposes of this paragraph 8(b), the "Contract") with John Giddens (for the purposes of this paragraph 8(b), the "Executive"). The Contract provided for the Executive to act as Managing Director of Hallin and Chief Executive of Hallin Group at an annual salary of US\$105,750 (net of tax), subject to annual review and since amended to US\$300,000. The Contract can be terminated by either party on not less than six months' notice in writing. The Company may terminate the Contract, for cause, without notice. Under the Contract, the Company must make available to the Executive access to an appropriate stakeholder pension scheme, as required. The Contract also includes the following benefits: a pension contribution of 35 per cent. of salary, housing and associated accommodation costs currently capped at Singapore \$10,000 per month, a fully expensed company car, childrens' school fees capped at US\$15,000 per year, annual economy return air fare to UK for family, medical insurance, family relocation expenses upon expiration of the Contract, social club membership and payment of Singapore income tax liability. In addition the Executive entered into a Singapore service agreement with Hallin Marine Pte Ltd providing, *inter alia*, for the local employment of the Executive in Singapore and qualification for a Singapore "P2" Employment Pass. The Contract contains restrictive covenants by the Executive in relation to his activities during a period following termination of the agreement. If the Company terminates the Contract other than for reasons of the Executive's default the Executive will be entitled to receive 75 per cent. of his salary during the period of his restriction.
- (c) On 1 October 2007 the Company entered into a service agreement (for the purposes of this paragraph 8(c), the "Contract") with Anthony Prest (for the purposes of this paragraph 8(c), the "Executive"). The Contract provides for the Executive to act as Finance Director at a monthly salary of US\$15,000 and since amended to US\$219,420 per annum. The Contract can be terminated by either party on not less than six months' notice in writing. The Contract also includes the following benefits: housing and associated accommodation costs currently capped at Singapore \$10,000 per month, a fully expensed company car, annual economy return air fare to UK for family, medical insurance, and social club membership. In addition the Executive entered into a Singapore service agreement with Hallin Marine Corporate Services Pte Ltd providing, *inter alia*, for the local employment of the Executive in Singapore and qualification for a Singapore "P1" Employment Pass. The Contract contains restrictive covenants by the Executive in relation to his activities during a period following termination of the agreement.
- (d) On 1 April 2004 the Company entered into a service agreement (for the purposes of this paragraph 8(d), the "Contract") with Jon Attenburrow (for the purposes of this paragraph 8(d), the "Executive"). The Contract provides for the Executive to act as General – Managing Director at a monthly salary of US\$5,000 and since amended to US\$173,880 per annum. The Contract can be terminated by either party on not less than six months' notice in writing. The Contract also includes the following benefits: housing and associated accommodation costs currently capped at Singapore \$8,500 per month, a fully expensed company car, annual economy return air fare to UK, medical insurance, and social club membership. In addition the Executive entered into a Singapore service agreement with Hallin Marine Pte Ltd providing, *inter alia*, for the local

employment of the Executive in Singapore and qualification for a Singapore “P2’ Employment Pass. The Contract contains restrictive covenants by the Executive in relation to his activities during a period following termination of the agreement.

- (e) On 1 February 2006 the Company entered into a service agreement (for the purposes of this paragraph 8(e), the “Contract”) with Michael Arnold (for the purposes of this paragraph 8(e), the “Executive”). The Contract provides for the Executive to act as Managing Director at an annual salary of £75,000 and since amended to £117,990. The Contract can be terminated by either party on not less than 12 months’ notice in writing. The Contract also includes the following benefits: a fully expensed company car, and medical insurance. The Contract contains restrictive covenants by the Executive in relation to his activities during a period following termination of the Contract.
- (f) The following are details of the appointment of Hallin’s Non-executive Directors:

<i>Name</i>	<i>Date last reappointed</i>	<i>Annual fee (£)</i>
Antony Ebel	24 May 2007	25,000
John Quinn	7 May 2008	25,000
David Harris	7 May 2009	1,000

- (g) On 15 April 2005, the Company entered into an agreement with Microdisc Limited and Antony Ebel in respect of the provision of the services of Antony Ebel and the Company appointed Antony Ebel to the office of non-executive director (for the purposes of this paragraph 8(g), the “Appointment”). With effect from 24 May 2007, the non-executive director was re-appointed for a second period. The Appointment is terminable by either party on the service of six month’s written notice, although the Company may terminate the Appointment with immediate effect in certain circumstances. Under the Appointment the non-executive director received initial fees of US\$12,000 per annum subject to annual review.
- (h) On 15 April 2005, the Company entered into an agreement with Scorched Productions Limited and John Quinn in respect of the provision of the services of John Quinn and the Company appointed John Quinn to the office of non-executive director (for the purposes of this paragraph 8(h), the “Appointment”) on 4 April 2006. On 7 May 2008, the non-executive director was elected to the board of the Company. The Appointment is terminable by either party on the service of six month’s written notice, although the Company may terminate the Appointment with immediate effect in certain circumstances. Under the Appointment the non-executive director received initial fees of US\$12,000 per annum subject to annual review.
- (i) On 30 July 2003, the Company entered into an agreement with IFG International Limited whereunder IFG International Limited agreed to provide certain secretarial and accountancy services including the appointment of a suitable person to act as a director of the Company (for the purposes of this paragraph 8(i), the “Agreement”). The Company appointed David Harris to the office of non-executive director on 27 March 2006. With effect from 7 May 2009, the non-executive director was re-appointed for a second period. The Agreement is terminable by either party on the service of 30 day’s written notice, although the Company may terminate the Agreement with immediate effect in certain circumstances. Under the Agreement the non-executive director receives fees of £1,000 per annum.
- (j) Hallin’s Non-executive Directors also receive fees for other services outside the scope of their appointment based on a daily rate.
- (k) Save as disclosed above, there is no service contract between any of the Hallin Directors and any member of the Hallin Group and no such contract has been entered into or amended within the six months preceding the date of this document.
- (l) Save as set out above, no proposal exists in connection with the Acquisition that any payment or other benefit be made or given to any Hallin Director as compensation for loss of office or as consideration for, or in connection with, his retirement from office.

- (m) Save set out above the Acquisition will have no effect on the emoluments of the Hallin Directors.

9. Other information

- (a) Blomfield has given and not withdrawn its written consent to the issue of this document with the inclusion herein of the references to its name in the form and context in which it appears.
- (b) Simmons & Company International has given and not withdrawn its written consent to the issue of this document with the inclusion herein of the references to its name in the form and context in which it appears.
- (c) Cenkos has given and not withdrawn its written consent to the issue of this document with the inclusion herein of the references to its name in the form and context in which it appears.
- (d) Save as disclosed in this document, there is no agreement, arrangement or understanding (including any compensation arrangements) between Superior UK or, so far as the Superior UK Directors are aware, any person acting in concert with it and any of the directors, recent directors, shareholders or recent shareholders of Hallin or any person interested or recently interested in Hallin Shares having any connection with or dependence on or which is conditional upon the outcome of the Acquisition.
- (e) There is no agreement, arrangement or understanding whereby any interests of any of the Hallin Shares to be acquired in pursuance of the Acquisition will be transferred to any other person.
- (f) Save as disclosed in this document (and the information that is incorporated by reference into this document), the Hallin Directors are not aware of any material change in the financial or trading position of Hallin since 31 December 2008, the date to which the latest audited accounts of Hallin were published.
- (g) In accordance with Rule 19.11 of the City Code, a copy of this document will be published on the following websites: www.hallinmarine.com; and www.superiorenergy.com.
- (h) The Scheme is governed by Isle of Man law and is subject to the jurisdiction of the courts of the Isle of Man. The rules of the City Code will, so far as they are appropriate, apply to the Scheme.

10. Sources of information and bases of calculation

- (a) The value placed by the Acquisition on the existing issued and to be issued share capital of Hallin, and other statements made by reference to the existing issued and to be issued share capital of Hallin, are based on a fully-diluted Hallin share capital of 44,430,574 Hallin Shares, calculated as follows:
- (i) 41,404,574 Hallin Shares outstanding, being the number of Hallin Shares in issue as at the close of business on 11 December 2009 (the latest practicable date prior to the posting of this document); and
- (ii) 3,026,000 Hallin Shares to be issued pursuant to options under the Hallin Share Plan outstanding as at the close of business on 11 December 2009 (the latest practicable date prior to the posting of this document).
- (b) Unless otherwise stated, the financial information and other information on Hallin included in this document has been extracted or derived, without material adjustment, from the audited consolidated financial statements or unaudited interim statements for Hallin for the relevant financial periods.
- (c) Unless otherwise stated, all historic share prices quoted for Hallin Shares have been sourced from the Daily Official List and represent Closing Prices for Hallin Shares on the relevant dates.
- (d) Information in relation to the average Closing Price per Hallin Share over the six-month period ended on 10 December 2009 is for the period from and including 1 June 2009 to and including 10 December 2009 (excluding UK public holidays).

- (e) An exchange rate of £1.00: US\$1.625, being the exchange rate ruling as at close of business on 11 December 2009 (the last practicable date prior to the posting of this document) has been used where appropriate in this document.

11. Documents Available for Inspection

Copies of the following documents will be available for inspection at the offices of DMH Stallard LLP, 6 New Street Square, New Fetter Lane, London EC4A 3BF during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) until the end of the Offer Period:

- (a) the memorandum and articles of association of Superior UK;
- (b) the memorandum and (as proposed to be amended by the Special Resolution) articles of association of Hallin;
- (c) the audited consolidated financial statements of Hallin for the two financial years ended 2007 and 2008;
- (d) the service contracts and letters of appointment of the Hallin Directors referred to in paragraph 8 of this Part VI of this document;
- (e) the letters of consent referred to in paragraph 9 of this Part VI of this document;
- (f) the material contracts referred to in paragraph 6 of this Part VI of this document;
- (g) the irrevocable undertakings referred to in paragraph 4 of this Part VI of this document;
- (h) the Implementation Agreement; and
- (i) this document and the Forms of Proxy.

12 December 2009

PART VII
TAXATION

THE DISCUSSION BELOW IS A GENERAL SUMMARY. IT DOES NOT COVER ALL TAX MATTERS THAT MAY BE IMPORTANT TO A HALLIN SHAREHOLDER. EACH HALLIN SHAREHOLDER SHOULD CONSULT HIS OR HER OWN TAX ADVISER ABOUT THE TAX CONSEQUENCES OF AN EXCHANGE OF HALLIN SHARES AND OWNERSHIP AND DISPOSITION OF SUPERIOR UK SHARES UNDER THE HALLIN SHAREHOLDER'S OWN CIRCUMSTANCES.

UNITED KINGDOM TAXATION

The comments set out below, which are intended as a general guide only and not a substitute for detailed tax advice, are based on current United Kingdom legislation and on what is understood to be current HMRC practice as at the date of this document. They summarise certain limited aspects of the United Kingdom taxation treatment of Hallin Shareholders and apply only to Hallin Shareholders who are resident and, if individuals, ordinarily resident in the United Kingdom and domiciled in the United Kingdom for United Kingdom taxation purposes (unless specified otherwise), who hold Hallin Shares as an investment (other than under an individual savings account) and who are the absolute beneficial owners thereof. Certain categories of shareholders, such as traders, broker-dealers, insurance companies and collective investment schemes, and shareholders who have (or are deemed to have) acquired their shares by virtue of or in connection with their or another's office or employment, may be subject to special rules and the comments below do not apply to such shareholders.

Hallin Shareholders who are in any doubt about their tax position (including, without limitation, the application of any tax regime in a jurisdiction outside the United Kingdom to their shares), or who are resident or otherwise subject to taxation in a jurisdiction outside the United Kingdom, should consult their own professional advisers.

1. Taxation of chargeable gains

Liability to UK taxation of chargeable gains will depend on the individual circumstances of a Hallin Shareholder.

(a) *UK tax resident holders of Hallin Shares*

Holders of Hallin Shares on the transfer of the Hallin Shares will be treated as making a disposal of their Hallin Shares for the purposes of UK taxation of chargeable gains. This may give rise to a chargeable gain or an allowable loss for the purposes of UK capital gains tax or for companies, UK corporation tax on chargeable gains. Whether any resulting gain will result in a tax charge and whether and how any resulting allowable loss can be utilised will depend on the individual holder's precise circumstances.

The chargeable gain or allowable loss is computed as the difference between the cash proceeds received as consideration for the transfer of the Hallin Shares and the original acquisition cost of the Hallin Shares plus any allowable costs and expenses arising from the acquisition of the Hallin Shares and their transfer. For Hallin Shareholders who are companies, indexation allowance (an allowance for inflation) will be available when calculating a chargeable gain up to the time of disposal. The indexation allowance cannot be used to create or increase the amount of an allowable loss.

(b) *Non-UK tax resident holders of Hallin Shares*

A disposal of Hallin Shares by a shareholder who is not resident for tax purposes in the UK will not generally give rise to a charge to UK taxation on chargeable gains, unless such shareholder carries on a trade, profession or vocation in the UK through a branch, agency or permanent establishment and has used, held or acquired the relevant shares for the purpose of such trade, profession or vocation of such branch, agency or permanent establishment. This may give rise to

a chargeable gain or an allowable loss for the purposes of the UK taxation of chargeable gains computed as set out above.

An individual Hallin Shareholder who ceases to be resident or ordinarily resident in the UK for a period of less than five years of assessment and who disposes of Hallin Shares during that period of temporary non-residence may be liable to UK capital gains tax on his or her return to the UK (subject to available exemptions or reliefs).

2. Hallin Optionholders

Special tax provisions may apply to shareholders who have acquired Hallin Shares by exercising options under the Hallin Share Plan. Such provisions may impose a charge to income tax when an option is exercised.

3. Stamp duty and stamp duty reserve tax (“SDRT”)

No liability to stamp duty or SDRT should arise for holders of Hallin Shares in respect of the transfer of Hallin Shares.

PART VIII

DEFINITIONS

“2006 Act”	means the UK Companies Act 2006 (as amended from time to time);
“Acquisition”	means the acquisition by Superior UK of the entire issued and to be issued share capital of Hallin to be effected by way of the Scheme and subject to the Conditions and on the terms of this document;
“AIM”	means the AIM Market of the London Stock Exchange;
“AIM Rules”	means collectively the AIM Rules for Companies and the AIM Rules for Nominated Advisers published by the London Stock Exchange governing the admission of securities to trading on and the operations of AIM (as amended from time to time);
“Articles”	means the articles of association of Hallin from time to time;
“Blomfield”	means Blomfield Corporate Finance Limited of 100 Cannon Street, London, EC4N 6EU;
“Business Day”	means a day, other than a Saturday, Sunday or public holiday in England, or a public holiday on which banks are open for business in the City of London;
“Cash Consideration”	means the cash consideration to be paid by Superior UK to Scheme Shareholders pursuant to the Acquisition of 233 pence for each Scheme Share;
“Cenkos” or “Cenkos Securities plc”	means Cenkos Securities plc of 6.7.8 Tokenhouse Yard, London, EC2R 7AS;
“certificated” or “in certificated form”	means a share or security which is not in uncertificated form;
“City Code”	means the City Code on Takeovers and Mergers (as amended from time to time);
“close of business”	means 6.00 p.m. on that Business Day;
“Closing Price”	means the middle market closing price of one Hallin Share on the relevant day, as derived from the Daily Official List;
“Companies Act”	means the Isle of Man Companies Act 1931 (as amended from time to time);
“Companies Registry”	means the Companies Registry of the Financial Supervision Commission in the Isle of Man;
“Conditions”	means the “Conditions to the Implementation of the Scheme and Further Terms of the Acquisition” set out in Part IV of this document;
“Court”	means the High Court of Justice of the Isle of Man;
“Court Hearing”	means the hearing by the Court of the application (by Claim Form) to sanction the Scheme;

“Court Meeting”	means the meeting (and any adjournment thereof) of holders of Scheme Shares in issue at the Voting Record Time convened by order of the Court pursuant to section 152 of the Companies Act to consider and, if thought fit, to approve the Scheme (with or without amendment), notice of which is set out in Part IX of this document;
“Court Order”	means the order of the Court sanctioning the Scheme (with or without modification) under section 152 of the Companies Act;
“CREST”	means the relevant system as defined in the CREST Regulations in respect of which Euroclear is the operator and in accordance with which securities may be held or transferred in uncertificated form;
“CREST Regulations”	means the Uncertificated Securities Regulations 2005 of the Isle of Man (SD No 754/05);
“Daily Official List”	means the Daily Official List of the London Stock Exchange;
“Effective Date”	means the date on which an office copy of the Court Order is delivered to the Companies Registry for registration;
“EGM” or “Extraordinary General Meeting”	means the extraordinary general meeting (and any adjournment thereof) of Hallin Shareholders convened in connection with the Scheme to consider and, if thought fit, to approve the Special Resolution in relation to the Scheme and the Acquisition (with or without amendment), notice of which is set out in Part X of this document;
“Euroclear”	means Euroclear UK & Ireland Limited;
“Exclusivity Period”	means the period starting on the date of the Implementation Agreement and ending at midnight on 11 March 2010;
“Financial Services Authority”	means the UK Financial Services Authority in its capacity as the competent authority for the purposes of Part VI of the FSMA;
“Forms of Proxy”	means the forms of proxy for use at the Court Meeting and the Extraordinary General Meeting;
“FSMA”	means the UK Financial Services and Markets Act 2000 (as amended);
“Hallin” or the “Company”	means Hallin Marine Subsea International plc, a company incorporated in the Isle of Man with company number 107479C;
“Hallin Board” or “Hallin Directors”	means the board of directors of Hallin as at the date of this document whose names are set out in paragraph 2(a) of Part VI of this document;
“Hallin Group”	means Hallin, Hallin Marine Pte Ltd, Hallin Marine Systems Ltd, HM2 Pte Ltd, Hallin Marine (UK) Limited, Hallin Marine Offshore Limited, PT Hallin Marine Indonesia, Hallin Corporate Services Pte Ltd, Hallin Manufacturing Services Pte Ltd, Hallin Marine Services Limited, HM2 Limited, Hallin Marine Australia Pty Ltd, Hallin Diving Services Limited, Hallin Coniston Pte Ltd, Prospect Flow Solutions Ltd, Prospect Flow Solutions Inc, Prospect Flow Solutions AS, Hallin Robotics Ltd, and Prospect Asia Pte Ltd and any companies

	which are holding companies, subsidiaries or subsidiary undertakings of such companies from time to time;
“Hallin Share Plan”	means the Hallin Unapproved Share Option Plan;
“Hallin Shareholders”	means the Holders of Hallin Shares;
“Hallin Shares”	means ordinary shares of 1p each in the capital of Hallin;
“Holder”	means a registered holder of Hallin Shares and includes any person(s) entitled by transmission;
“HMRC”	means HM Revenue & Customs;
“IFRS”	means the International Financial Reporting Standards;
“Implementation Agreement”	means the implementation agreement entered into between Hallin, Superior and Superior UK on 11 December 2009 relating to, amongst other things, the implementation of the Acquisition and the Scheme;
“Independent Competing Offer”	means: <ul style="list-style-type: none"> (a) either: <ul style="list-style-type: none"> (i) an offer or scheme of arrangement; or (ii) recapitalisation or other transaction, in each case involving a possible change of control of Hallin (that is, an acquisition of shares in Hallin carrying 30 per cent. or more of the voting rights of Hallin); or (b) the sale of all or a substantial proportion of the assets of any member of the Hallin Group, and, in each case, which is made or entered into by a party which is not acting in concert with Superior UK (as such term is defined in the City Code);
“Independent Competing Offer Announcement”	means an announcement of a firm intention to make an Independent Competing Offer whether or not made pursuant to Rule 2.5 of the City Code;
“London Stock Exchange”	means London Stock Exchange PLC;
“Meetings”	means the Court Meeting and the Extraordinary General Meeting and Meeting means either of them;
“Neville Registrars”	is a trading name of Neville Registrars Limited, of Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA;
“Offer”	means the acquisition of the entire issued and to be issued ordinary share capital of Hallin by means of a takeover offer made pursuant to the City Code;
“Offer Period”	means the period from 11 December 2009 until announcement via a Regulatory Information Service by Hallin and/or Superior UK that the Scheme has become effective or that the Scheme has lapsed or been withdrawn;
“Offer Value”	means the price per Hallin Share that would be received by existing Hallin Shareholders if they accept the offer or any revised offer, multiplied by the issued share capital of Hallin having been fully diluted in respect of options and other rights to subscribe for such Hallin Shares which are “in the money” at

	the relevant time for the Hallin Shares (less the exercise price of those options or convertible securities) or such lower amount as prescribed under the City Code;
“Overseas Shareholders”	means Hallin Shareholders who are resident in or nationals or citizens of jurisdictions outside the United Kingdom or the Isle of Man or who are nominees of, or custodians or trustees for, citizens or nationals of countries other than the United Kingdom or the Isle of Man;
“Panel”	means the Panel on Takeovers and Mergers;
“Proposals”	means the Scheme and other matters relevant thereto to be considered by the Hallin Shareholders at the Meetings;
“Regulatory Information Service”	means a regulatory information service that is on the list of regulatory information services maintained by the Financial Services Authority;
“Resolutions”	means the resolutions to be proposed at the Meetings;
“Scheme” or “Scheme of Arrangement”	means the proposed scheme of arrangement under section 152 of the Companies Act between Hallin and the Scheme Shareholders, with or subject to any modification, addition or condition approved or imposed by the Court and agreed to by Superior UK and Hallin, the full terms of which are set out in Part III of this document and (as the case may be) any supplemental circular(s);
“Scheme Record Time”	means 11.59 p.m. (London time) on the date before the Court Hearing (or such other time and/or date as is agreed between Superior UK and Hallin);
“Scheme Shareholders”	means the Holders of Scheme Shares;
“Scheme Shares”	means: <ul style="list-style-type: none"> ● the Hallin Shares in issue as at 6.00 p.m. on the date of this document; ● (if any) Hallin Shares issued after the date of this document and before the Voting Record Time; and ● (if any) Hallin Shares issued at or after the Voting Record Time and before the Scheme Record Time, either on terms that the original or any subsequent holders of such shares shall be bound by the Scheme, or in respect of which the original or any subsequent holders of such shares are, or shall have agreed in writing to be, bound by the Scheme, <p>in any case, other than any Hallin Shares held or beneficially owned by Superior UK or any member of the Superior Group;</p>
“SEC”	means the US Securities and Exchange Commission;
“Simmons & Company International”	means Simmons & Company International of 700 Louisiana, Suite 1900, Houston, Texas 77002, USA;
“Special Resolution”	means the special resolution to be proposed at the Extraordinary General Meeting as set out in the notice of the EGM in Part X of this document;

“Superior”	means Superior Energy Services, Inc.;
“Superior Group”	means the group comprising Superior, its holding company, any subsidiaries of its holding company, its ultimate parent company, its subsidiary undertakings and, where the content permits, each of them;
“Superior UK” or “Superior Energy Services (UK) Limited”	means Superior Energy Services (UK) Limited, a private company limited by shares incorporated in Scotland with registered number SC366014;
“Superior UK Board” or “Superior UK Directors”	or means the board of directors of Superior UK as at the date of this document whose names are set out in paragraph 2(b) of Part VI of this document;
“Superior UK Group”	means the group comprising Superior UK, its holding company, any subsidiaries of its holding company, its ultimate parent company, its subsidiary undertakings and, where the context permits, each of them;
“Superior Officers”	means the officers of Superior whose names are set out in paragraph 2(c) of Part VI of this document;
“Sterling” or “£”	means British pounds sterling, the lawful currency of the United Kingdom;
“subsidiary”	has the meaning given by section 1159 of the 2006 Act;
“subsidiary undertaking”	has the meaning given by section 1162 of the 2006 Act;
“UK” or “United Kingdom”	means the United Kingdom of Great Britain and Northern Ireland;
“uncertificated” or “in uncertificated” form	means recorded on the relevant register of the share or security concerned as being held in uncertificated form in CREST, and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST;
“United States” or “US”	means the United States of America, its territories and possessions, any states of the United States and the District of Columbia;
“US dollars” or “US\$”	means United States dollars the lawful currency of the United States;
“US Exchange Act”	means the US Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder; and
“Voting Record Time”	means 6.00 p.m. on the day which is two days before the date of the Meetings or, if either Meeting is adjourned, 6.00 p.m. on the day which is two days before the date of such adjourned Meeting.

Unless otherwise indicated, all references in this document to times are to London times.

PART IX

NOTICE OF COURT MEETING

IN THE HIGH COURT OF JUSTICE
OF THE ISLE OF MAN
CIVIL DIVISION
CHANCERY PROCEDURE

Claim No. CHP 09/0051

IN THE MATTER OF THE COMPANIES ACT 1931 - 2004

-and-

IN THE MATTER OF HALLIN MARINE SUBSEA INTERNATIONAL PLC

NOTICE IS HEREBY GIVEN that by an Order dated 11 December 2009 made in the above matter the Court has directed a meeting (the "Court Meeting") to be convened of the holders of Scheme Shares (as defined in the Scheme of Arrangement referred to below), for the purposes of considering and, if thought fit, approving (with or without modification) a scheme of arrangement (the "Scheme of Arrangement") pursuant to section 152 of the Isle of Man Companies Act 1931 proposed to be made between Hallin Marine Subsea International plc (the "Company") and the holders of Scheme Shares and that such Court Meeting will be held at the offices of DMH Stallard LLP, 6 New Street Square, New Fetter Lane, London, EC4A 3BF on 7 January 2010, at 11.30 a.m. at which place and time all holders of the such Scheme Shares are invited to attend.

At the Court Meeting the following resolution will be proposed:

"THAT the scheme of arrangement (the "Scheme") between the Company and the Scheme Shareholders (as defined in the Scheme), a print of which has been produced to this meeting and for the purposes of identification signed by the chairman hereof, be approved and the directors of the Company be authorised to take all such action as they may consider necessary or appropriate for carrying the Scheme into effect."

A copy of the Scheme of Arrangement and a copy of an explanatory statement prepared in connection therewith are available from the offices of DMH Stallard LLP, 6 New Street Square, New Fetter Lane, London EC4A 3BF.

Holders of Scheme Shares may vote in person at the Court Meeting or by proxy appointing another person, whether a member of the Company or not, as their proxy. A blue form of proxy for use at the Court Meeting is available from Neville Registrars, 18 Laurel Lane, West Midlands, Halesowen, B63 3DA. Completion and return of the form of proxy will not prevent a holder of Scheme Shares from attending and voting at the Court Meeting. It is requested that forms of proxy be lodged with Neville Registrars, 18 Laurel Lane, West Midlands, Halesowen, B63 3DA, not less than 48 hours before the time appointed for the Court Meeting, but if such forms of proxy are not so lodged they may be handed to the Chairman at the Court Meeting.

In the case of joint holders of Scheme Shares, the vote of the Scheme Shareholder whose name stands first in the register in respect of the joint holdings concerned, who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s) and, for this purpose, seniority will be determined by the order in which the names stand in the register of members of the Company in respect of the joint holders.

The Scheme of Arrangement must be approved by a majority in number representing 75 per cent. or more in value of the holders of Scheme Shares (as defined in the Scheme of Arrangement) present and voting either in person or by proxy at the Court Meeting.

Entitlement to attend and vote at the Court Meeting or any adjournment thereof and the number of votes which may be cast thereat will be determined by reference to the register of members of the Company at 6.00 p.m. on the day which is two days before the date of the Court Meeting or adjourned

meeting (as the case may be). In each case, changes to the register of members of the Company after such time will be disregarded.

By the said Order, the Court has appointed David Harris or any other director of the Company, to act as Chairman of the Court Meeting and has directed the Chairman to report the result of the Court Meeting to the Court.

The Scheme of Arrangement will be subject to the subsequent sanction of the Court.

12 December 2009

Appleby

Advocates for Hallin Marine Subsea International plc

PART X

NOTICE OF EXTRAORDINARY GENERAL MEETING

HALLIN MARINE SUBSEA INTERNATIONAL PLC

(registered in Isle of Man No.107479C)

NOTICE IS HEREBY GIVEN that an EXTRAORDINARY GENERAL MEETING of Hallin Marine Subsea International plc (the "Company") will be held at the offices of DMH Stallard LLP, 6 New Street Square, New Fetter Lane, London EC4A 3BF on 7 January 2010 at 11.45 a.m. (or as soon thereafter as the Court Meeting (as defined in the document of which this notice forms part) shall have been concluded or adjourned) for the purpose of considering and, if thought fit, passing the following resolution as a special resolution:

SPECIAL RESOLUTION

THAT:

- (A) for the purpose of giving effect to the scheme of arrangement (the "Scheme"), between the Company and the Scheme Shareholders (as defined in the Scheme), a print of which has been produced to this meeting and for the purposes of identification signed by the chairman hereof, in its original form or subject to any modification(s), addition(s), or condition(s) approved or imposed by the High Court of Justice of the Isle of Man ("Court"), the Scheme be approved and the directors of the Company be authorised to take all such action as they may consider necessary or appropriate for carrying the Scheme into effect and with effect from the passing of this resolution, the Articles of Association of the Company (the "Articles") be altered by the adoption and inclusion of the following new article 160:

"160 Scheme of Arrangement

160.1 In this article, references to the "Scheme" are to the scheme of arrangement between the Company and the holders of its Scheme Shares (as defined in the Scheme) under section 152 of the Isle of Man Companies Act 1931, set out in the circular to the Company's shareholders dated 12 December 2009 (in its original form or with or subject to any modification, addition or condition approved or imposed by the Court and agreed by the Company and Superior Energy Services (UK) Limited ("Superior UK")) and (save as defined in this article) expressions defined in the Scheme shall have the same meanings in this article.

160.2 Notwithstanding any other provision of these articles, if the Company issues any Ordinary Shares (other than to Superior UK and/or its nominee(s)) on or after the adoption of this Article and prior to the Scheme Record Time, such shares shall be allotted and issued subject to the terms of the Scheme (and shall be "Scheme Shares" for the purposes thereof) and the original holders or any subsequent holders of such shares shall be bound by the Scheme accordingly.

160.3 Notwithstanding any other provision of these articles, if any Ordinary Share is issued to any person or persons (a "New Member") (other than under the Scheme or to Superior UK and/or its nominee(s)) at or after the Scheme Record Time, such New Member shall be obliged immediately to transfer all of the Ordinary Shares held by such New Member (the "Post-Scheme Shares") to Superior UK (or as it may otherwise direct) (the "Purchaser") who shall be obliged to acquire all of the Post-Scheme Shares. The consideration payable by the Purchaser shall be 233 pence in cash for each Post-Scheme Share transferred to it (or such lesser or greater amount as may be payable under the Scheme if modified or amended in accordance with its terms).

160.4 On any reorganisation of, or material alteration to, the share capital of the Company (including, without limitation, any subdivision and/or consolidation), the

value of the consideration per Post-Scheme Share to be paid under article 160.3 shall be adjusted by the Directors in such manner as an independent investment bank selected by the Company may determine to be fair and reasonable to the New Member to reflect such reorganisation or alteration. References in this Article to Ordinary Shares shall, following such adjustment, be construed accordingly.

160.5 To give effect to any transfer required by this article 160, the Company may appoint any person as agent (the "Agent") for the New Member to execute (outside of the United Kingdom) and deliver as transferor a form of transfer or instructions of transfer on behalf of the New Member in favour of the Purchaser and do all such other things and execute and deliver all such documents as may in the opinion of the Agent be necessary and/or desirable to vest the Post-Scheme Shares in the Purchaser and pending such vesting to exercise all such rights attaching to the Post-Scheme Shares as the Purchaser may direct.

If the Agent is so appointed, the New Member shall not thereafter (except to the extent that the Agent fails to act in accordance with the directions of the Purchaser) be entitled to exercise any rights attaching to the Post-Scheme Shares unless so agreed by the Purchaser. The Company may give a good receipt for the purchase price of the Post-Scheme Shares and may register the Purchaser as holder thereof and issue to it certificates for the same. The Company shall not be obliged to issue a certificate to the New Member for the Post-Scheme Shares. The Purchaser shall send a cheque drawn on a branch of a UK clearing bank in favour of the New Member for the purchase price of such Post-Scheme Shares within 14 calendar days of the date on which the Post-Scheme Shares are transferred to the New Member."

If the Scheme shall not have become effective by the date referred to in clause 5.2 of the Scheme, the Articles shall be amended by the deletion of article 160 as added by this resolution.

(B) in order to allow the optionholders whose options are not currently exercisable to exercise their options and participate in the Scheme, the terms of the Hallin Unapproved Share Option Plan (the "Plan"), established on 1 April 2005, be amended in accordance with Rule 11 of the Plan Rules such that all options granted under the Plan are exercisable on a scheme of arrangement under section 152 of the Isle of Man Companies Act 1931 and:

(i) a new Rule 7.2 shall be inserted so that Rule 7 (Takeovers and Liquidations) provides as follows:

"7. Takeovers and Liquidations

7.1. If any person obtains control of the Company as a result of making:

7.1.1. a general offer to acquire the whole of the issued share capital of the Company which is made on a condition such that if it is satisfied the person making the offer will have control of the Company; or

7.1.2. a general offer to acquire all the shares in the Company which are of the same class as the Shares,

then any subsisting Option may subject to Rule 7.6 below be exercised within six months of the time when the person making the offer has obtained control of the Company and any condition subject to which the offer is made has been satisfied.

7.2. If the shareholders of the Company approve by special resolution a compromise or arrangement for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies under section 152 of the Isle of Man Companies Act 1931, any subsisting Option may be exercised before the expiry of the period of six months beginning on the date on which the special resolution is passed.

- 7.3. If as a result of the events specified in Rule 7.1 or Rule 7.2 a company has obtained control of the Company, the Option Holder may, by agreement with that other company (the “Acquiring Company”), within the aforesaid period of six months, release each subsisting Option (the “Old Option”) for an option (the “New Option”) which satisfies the conditions that it:
- 7.3.1. is a right to acquire such number of such shares as has on acquisition of the New Option an aggregate market value equal to the aggregate market value of the Shares subject to the Old Option on its release;
- 7.3.2. has an option price per share such that the aggregate price payable on the complete exercise equals the aggregate price which would have been payable on complete exercise of the Old Option; and
- 7.3.3. is otherwise identical in terms to the Old Option.

The New Option shall, for all other purposes of this Scheme, be treated as having been acquired at the same time as the Old Option. Where any New Options are granted pursuant to this Rule 7.3, Rules 6, 7, 8, 9, 11.1 and 11.3 to 11.6 and 12.2 shall, in relation to the New Options, be construed as if references to the Company and to the Shares were references to the Acquiring Company or, as the case may be, to the other company to whose shares the New Options relate, and to the shares in that other company, but references to Participating Company shall continue to be construed as if references to the Company were references to Hallin.

- 7.4. If the Company passes a resolution for voluntary winding up, any subsisting Option may be exercised within six months of the passing of the resolution.
- 7.5. For the purposes of this Rule 7, other than Rule 7.3, a person shall be deemed to have obtained control of a company if he and others acting in concert with him have together obtained control of it.
- 7.6. The exercise of an option pursuant to the preceding provisions of this Rule 7 shall be subject to the provisions of Rule 9 below.
- 7.7. Where in accordance with Rule 7.3 subsisting Options are released and New Options granted the New Options shall not be exercisable in accordance with Rule 7.1 or Rule 7.2 above by virtue of the event by reason of which the New Options were granted.”
- (ii) Rule 6.6.4 shall be deleted and replaced with the following:
“6.6.4 unless a release has been effected under Rule 7.3, six months after the option has become exercisable in accordance with Rule 7.1 or Rule 7.2; or”
- (iii) all previous references to “Rule 7.2” shall be deleted and replaced with “Rule 7.3”;
- (iv) the directors of the Company be authorised to do all such acts and things as they may consider necessary or expedient to carry that amendment into effect.

12 December 2009

Registered office:
International House
Castle Hill
Victoria Road
Douglas
Isle of Man
IM2 4RB

By order of the Board
Niamh Goddard
Company Secretary

Notes:

1. A member of Hallin entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and, on a poll, vote in his or her place. A proxy need not be a member of Hallin.
2. A white Form of Proxy is enclosed with this notice. Instructions for use are shown on the white form. The completion and return of a white Form of Proxy will not prevent a member from attending and voting in person at the meeting. In the case of a member which is a company, the white Form of Proxy must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the white Form of Proxy is signed (or a notarily certified copy of such power or authority) must be included with the white Form of Proxy.
3. To be valid, the white Form of Proxy, together with any power of attorney or other authority (if any) under which it is signed, or a notarily certified copy thereof, must be received at the offices of Neville Registrars, 18 Laurel Lane, West Midlands, Halesowen, B63 3DA, not less than 48 hours before the time of the meeting or, as the case may be, the adjourned meeting.
4. Entitlement to attend and vote at the meeting or any adjournment thereof and the number of votes which may be cast thereat will be determined by reference to the register of members of Hallin at 6.00 p.m. on the date which is two days before the date of the meeting or adjourned meeting (as the case may be). This time has been specified pursuant to regulation 22 of the Uncertificated Securities Regulations 2005. In each case, changes to the register of members of Hallin after such time shall be disregarded in determining the rights of any person to attend or vote at the meeting.
5. Copies of Hallin's existing articles of association, as proposed to be amended by the special resolution set out in the notice of the meeting are available for inspection at the offices of DMH Stallard LLP, 6 New Street Square, New Fetter Lane, London EC4A 3BF, during normal business hours on Monday to Friday of each week (excluding public holidays), until the opening of business on the day on which the meeting is held and will also be available for inspection at the place of the meeting for at least 15 minutes prior to and during the meeting.