

## CALLING NOTICE FOR ANNUAL GENERAL MEETING IN AQUALIS ASA

The Board of Directors (the "**Board**") hereby calls for an annual general meeting in Aqualis ASA (the "**Company**") to be held on 11 June 2019 at 08.00 CET at the offices of Advokatfirmaet Haavind AS at Bygdøy allé 2, 0257 Oslo.

The following agenda has been set for the annual general meeting:

### **1. Opening of the meeting and registration of attending shareholders**

The Chairman of the Board will open the general meeting. A list of attending shareholders will be prepared.

### **2. Election of the meeting chairman and a person to co-sign the minutes**

The Board proposes the Chairman of the Board is elected to chair the general meeting.

One person attending the general meeting will be proposed to co-sign the minutes together with the Chairman of the Board.

### **3. Approval of the notice of the meeting and the agenda**

The Board's proposal for resolution:

*"The notice of and agenda for the meeting are approved".*

### **4. Approval of the annual financial statement and the Director's report for 2018, including the Corporate Governance statement and resolution for dividends.**

The Annual Financial Statement, the Directors' Report and the Corporate Governance statement are included in the Annual Report which is available on the Company's website [www.aqualis.no](http://www.aqualis.no).

The Board's proposal for resolution:

*"The General Meeting approves the Annual Financial Statements and the Directors' Report for 2018. The net gain for year 2018 of USD 2,421,640 is transferred to retained earnings. No dividends will be paid for the financial year."*

### **5. Remuneration for the board of directors and the election committee**

The recommendation of the Election Committee is available on the Company's website [www.aqualis.no](http://www.aqualis.no).

The proposal for resolution by the Election Committee is:

*"The recommendation from the Election Committee is approved. The remuneration to shareholder elected board members for the period from the annual general meeting of 2019 to the annual general meeting of 2020, for the Chairman of the Board and Board members:*

*Chairman of the Board NOK 200,000*  
*Board members NOK 130,000*

*The remuneration to the Election Committee for the period from the annual general meeting of 2019 to the annual general meeting in 2020 shall be:*

*Chairman of the Committee NOK 20,000*  
*Members of the Committee NOK 10,000*

*No remuneration is paid to board members or Election Committee members who are full time employees in the Aqualis group.*

## **6. Auditor's remuneration**

The Board's proposal for resolution:

*"The general meeting approves the auditor's remuneration for audit of the Annual Financial Statements of Aqualis ASA for the financial year of 2018 as per the invoice."*

## **7. The Board's statement regarding determination of salary and other compensation to leading employees**

The Board submits its statement in accordance with section 6-16a of the Norwegian Public Limited Liability Companies Act (the "Act"). The statement is included in the Annual Report, which is available on the Company's website [www.aqualis.no](http://www.aqualis.no).

The general meeting shall give an advisory vote on the part of the statement which concerns compensation to leading employees and shall vote on the approval of the part of the statement which concerns share options and share purchase programs, cf. section 5-6 (3) the Act. Part 3 of the statement is for information purposes only.

The Board's proposal for resolution:

*1: "The general meeting supports the statement of the Board regarding compensation to leading employees."*

*2: "The general meeting adopts the statement of the Board regarding long term incentive plans and measures for keeping key personnel."*

## **8. Authorization to acquire treasury shares**

The authorization to acquire treasury shares granted to the Board by the general meeting held 14 May 2018 will expire at the date of the Company's annual general meeting in 2019. On this background, the Board proposes that the general meeting resolves to grant the Board a new authorization to acquire shares in the Company on behalf of the Company in connection with the Company's employee incentive program and/or in order to increase return on investment for the Company's shareholders.

The Board's proposal for resolution:

*"The Board is granted authorization to acquire shares in Aqualis ASA on behalf of the Company for one or more of the following purposes:*

- (i) In connection with the Company's share purchase program for its employees, and/or*
- (ii) To increase return on investment for the Company's shareholders.*

*The authorization covers purchase(s) of up to 10% of the face value of the share capital of the Company, i.e. up to an aggregate nominal value of NOK 422,932.30. If the Company disposes of or cancels own shares, this amount shall be increased by an amount equal to the face value of the shares disposed of or cancelled. Shares may be acquired at minimum NOK 0.1 per share and maximum NOK 100 per share. These limitations shall be adjusted in the event of share consolidation, share splits, and similar transactions. The shares shall be acquired through ordinary purchase on the stock exchange.*

*The Board's authorization is valid until the Company's annual general meeting in 2020, but shall in any event expire at the latest 15 months from the date of this general meeting. The decision shall be notified to and registered by the Norwegian Register of Business Enterprises prior to acquiring any shares pursuant to this authorization."*

#### **9. Power of attorney to the Board to increase the share capital – incentive program**

The Board further proposes that the general meeting resolves to grant a power of attorney to the Board to issue up to 8,573,829 new shares, equal to 15% of the Company's share capital upon issuance of the Consideration Shares as described in item 12 below, in connection with the Company's employee incentive program.

The Board is of the opinion that this power of attorney is necessary to provide flexibility in connection with issuance of shares under the incentive program.

Due to the purpose of the power of attorney, it is proposed to authorize the Board to waive existing shareholders' preferential rights.

To the best of the Board's knowledge, there are no other matters to which importance must be paid in connection with the power of attorney to issue new shares in the Company. Nor is the Board aware of any event which have occurred since the last balance sheet date which is of significance to the Company apart from the contemplated Transaction.

The Board proposes that the general meeting passes the following resolution:

- 1. The Board is hereby authorized, pursuant to section 10-14 of the Act to increase the Company's share capital with up to NOK 857,382.90, equal to 15% of the Company's share capital upon issuance of the Consideration Shares as described in item 12 below, through one or more capital increases. The power of attorney may only be utilized in connection with the employee incentive program of the Company.*
- 2. The power of attorney may be used in connection with increase in the share capital with settlement by contribution in kind, by way of set-off, or with conditions that shares may be subscribed for on other particular terms, cf. section 10-2 of the Act. The power of attorney does not cover a resolution of merger pursuant to section 13-5 of the Act.*
- 3. The Board may, when exercising the power of attorney, waive the shareholders' preferential rights pursuant to section 10-5 of the Act.*
- 4. The Board is granted the power to determine the subscription rate and the conditions for subscription, and to amend the articles of association section 4 according to the share capital increase.*

5. *The authorization is valid until the annual general meeting in 2020, but shall in any event expire at the latest 15 months from the date of this annual general meeting. The authorization replaces the power of attorney to increase the share capital granted to the Board on 14 May 2018.*

#### **10. Authorization to resolve distribution of dividends**

To facilitate distribution of dividends on more than one occasion during the year, the Board proposes that the general meeting passes the following resolution:

*"The Board is authorized pursuant to the section 8-2 (2) of the Act to approve the distribution of dividends based on the Company's annual financial accounts for 2018. The authorization shall remain in force until the Company's annual general meeting in 2020."*

#### **11. Information matter: Acquisition of Braemar Technical Services**

The Company and Braemar Shipping Services Plc ("**Braemar**") announced on 13 May 2019 that the parties have entered into a share purchase agreement (the "**SPA**") whereby the Company will acquire certain Braemar subsidiaries and assets (the "**Braemar Business**") (the "**Transaction**").

The Transaction is structured as a purchase of the entire issued share capital of Braemar's subsidiary Braemar Technical Services Holdings Limited ("**Braemar Technical Services**").

The consideration for the Braemar Business shall be calculated based upon the relative equity value of the Company and Braemar Technical Services, and shall be settled by:

- (i) the issuance of 14,865,621 new shares in the Company at a subscription price of NOK 4.14 through a contribution in kind in form of certain subsidiaries and assets of Braemar ("**Consideration Shares**"), and
- (ii) the issuance of up to 5,973,556 warrants giving the right to subscribe for shares in the Company subject to fulfilment of certain conditions for exercise ("**Warrants**").

Assuming that all exercise conditions for the Warrants are met, the sum of (i) – (ii) above shall in total correspond to approximately 33% of the outstanding shares of the Company post issue of the Consideration Shares and exercise of the Warrants (based upon the share capital in the Company as of this general meeting).

Completion of the Transaction is, conditional upon, (i) completion of an internal restructuring of the Braemar Business, and (ii) the general meeting of the Company approving the issuance of the Consideration Shares and the Warrants (as proposed in item 12 and 13 of the calling notice). Conditions (i) - (ii) above are together referred to as the "**Conditions for Completion of the Transaction**".

A listing prospectus with a more detailed description of the Transaction is in the process of being prepared and will be published as soon as it has been approved by the Financial Supervisory Authority of Norway.

#### **12. Capital increase in connection with issuance of consideration shares;**

As described in item 11 of the calling notice, Braemar shall as a part of the consideration for the Braemar Business receive the Consideration Shares. On this basis, the Board proposes that the general meeting resolve to issue the Consideration Shares on the Completion Date provided that the Transaction is completed.

The issuance of Consideration Shares implies that the existing shareholders' pre-emptive rights to subscribe new shares are set aside. The Board is of the opinion that it is necessary to set aside the pre-emptive rights for existing shareholders to secure completion of the Transaction, and, accordingly, is in the common interest of the Company and its shareholders.

On this basis, the Board proposes that the general meeting resolves to set aside existing shareholders' pre-emptive rights to subscribe for the new shares.

The auditor statement regarding the contribution in kind in accordance with sections 10-2 (3) cf. 2-6 of the Act is attached hereto as Enclosure 2.

To the best of the Board's knowledge, there are no matters to which importance must be paid in connection with the subscription of shares. Nor is the Board aware of any event that have occurred since the last balance sheet date, which is of significance to the Company.

Copies of the Company's annual accounts, director's report and the auditor's report for 2018 are kept available in the Company's offices Olav Vs gate 6, 0161 Oslo, Norge.

The Board proposes that the general meeting passes the following resolutions:

- 1 *The Company's share capital is increased by NOK 1,486,562.1 through the issuance of 14,865,621 new shares, each with a nominal value of NOK 0.10.*
- 2 *The subscription price shall be NOK 4.14 per share.*
- 3 *Existing shareholders' pre-emptive rights to subscribe the new shares in accordance with section 10-4 first paragraph of the Act are set aside in accordance with section 10-5 of the Act.*
- 4 *The new shares shall be subscribed by Braemar Shipping Services Plc, a company incorporated in England and Wales (registered number 02286034) whose registered office is at One Strand, Trafalgar Square, London WC2N 5HR.. Subscription shall be made on a separate subscription form as soon as all conditions for completion of the Transaction have been fulfilled and in any event no later than 31 August 2019.*
- 5 *Settlement of the contribution shall be made by a contribution in kind of certain Braemar subsidiaries and assets.*
- 6 *Settlement of the contribution is made at the time of the subscription of the capital increase.*
- 7 *The new shares entitle the holder to dividend and other shareholder rights as from the time of registration of the share capital increase with the Norwegian Register of Business Enterprises.*
- 8 *The capital increase is part of a larger process, which also includes the Transaction, the issuance of the Warrants, the Private Placement and the Rights Issue. The Company's costs associated with the full process are estimated to approximately NOK 12.7 million excl. VAT*
- 9 *This resolution is subject to fulfilment of all other conditions for completion of the Transaction, and the general meeting resolving to approve the issuance of the Warrants in item 13 below.*
- 10 *Section 4 of the Articles of Association shall be amended to read as follows:*  
  
*"The Company's share capital is NOK 5,715,886 divided into 57,158,860 shares at a par value of NOK 0.10. The shares shall be registered with the Norwegian Central Securities Depository".*

### 13. Issuance of warrants;

As described in item 11 of the calling notice, Braemar shall as part of the consideration for the Braemar Business receive the Warrants.

The complete Warrant Terms and Conditions are included as Enclosure 3 to this calling notice. Words with capital letters used below shall have the same meaning as set out in the Warrant Terms and Conditions.

The Warrants shall vest in two separate tranches based on aspects of the Company's performance (with certain adjustments) in a two-year period commencing 1 April 2019. However, in the event a claim from Braemar under or in connection with the SPA cannot be settled in cash due to a statutory or legal requirement applicable to the Company, such claim shall be settled by the vesting of an amount of unvested Warrants required to satisfy the relevant claim. In case the amount of unvested Warrants is insufficient to satisfy the relevant claim in full, then the Company shall, in accordance with its obligations in the Warrant Terms and Conditions (enclosed hereto as Enclosure 3), summon an extraordinary general meeting to approve the issue of the required number of additional Warrants to satisfy the shortfall.

The issuance of Warrants implies that the existing shareholders' pre-emptive rights to subscribe new shares are set aside. The Board is of the opinion that it is necessary to set aside the pre-emptive rights for existing shareholders to secure completion of the Transaction, which is in the common interest of the Company and its shareholders.

On this basis, the Board proposes that the general meeting resolves to set aside existing shareholders' pre-emptive rights to subscribe for the Warrants.

The Board proposes that the general meeting passes the following resolutions:

1. *The Company shall issue up to 5,973,556 Warrants in the Company (the “Warrants”).*
2. *Each Warrant shall give the right to subscribe for one new share in the Company, with nominal value NOK 0.10, on the conditions described below.*
3. *No separate consideration shall be paid for the Warrants.*
4. *The Warrants shall be issued to Braemar Shipping Services Plc, a company incorporated in England and Wales (registered number 02286034) whose registered office is at One Strand, Trafalgar Square, London WC2N 5HR. The pre-emptive rights of the existing shareholders under section 11-13 (1) cf. 10-4 of the Act are set aside.*
5. *Subscription for the Warrants shall be made no later than 14 business days from the issue date on a separate subscription form.*
6. *The Warrants will be exercisable for a period commencing on the later of:*
  - (i) *the date of publication of the Company's audited 2020 accounts;*
  - (ii) *the publication of the Company's Q1 2021 financial results (if such results are published); and*
  - (iii) *the date of agreement between the Company and Braemar Shipping Services Plc of:*

- a) *the draft Reference Accounts, being the profit and loss statement for the two-year period starting from 1 April 2019 until 31 March 2021 (the “**Warrants Calculation Period**”) and the balance sheet as at the end of the Warrants Calculation Period, for the consolidated combined business of the Company and the Braemar Business, as well as for each of the Adjusting and Marine businesses (the “**Reference Accounts**”);*
- b) *all relevant working papers used in order to prepare the draft of the Reference Accounts; and*
- c) *a draft warrant vesting statement showing the number of Warrants that have vested,*

*(the “**Vesting Date**”), and ending on the date falling two (2) years after the Vesting Date (the “**Exercise Period**”).*

7. *Half of the Warrants (the “**Tranche 1 Warrants**”), representing up to 2,986,778 Shares will vest based on the average adjusted EBITDA, on a consolidated basis combining the Company and Braemar Technical Services during the Warrants Calculation Period, constituting the Average Annual Adjusted EBITDA; and the other half of the Warrants (the “**Tranche 2 Warrants**”), representing up to 2,986,778 Shares will vest based on half of the adjusted gross profit for the Adjusting and Marine businesses of the combined business of the Company and the Braemar Business, including any synergies, during the Warrants Calculation Period, constituting the Average Annual Adjusted Gross Profit. The Average Annual Adjusted EBITDA and the Average Annual Adjusted Gross Profit are defined in the warrant terms and conditions attached as Enclosure 3 to the calling notice.*
8. *If a takeover bid to all shareholders in Aqualis to acquire more than 1/3 of the share capital of Aqualis is launched prior to the Vesting Date, Braemar shall be entitled to notify Aqualis of its exercise of the full number of Warrants for the purpose of accepting such takeover bid (subject to completion of the takeover bid). After receiving such exercise notice from Braemar, Aqualis shall ensure that the shares can be issued to Braemar as soon as it has been announced by the offeror that all conditions for completion of such takeover bid have either been fulfilled or waived. If a mandatory offer is launched prior to the Vesting Date, the Warrants shall vest from the first day of the acceptance period under such mandatory offer. Braemar is then entitled to exercise the full number of Warrants issued in a period of 14 business days thereafter. The same applies if a decision to liquidate, merge or demerge Aqualis is passed from the date of such decision.*
9. *The Warrants can be exercised in whole or in part during the Exercise Period.*
10. *The Warrants will lapse and become void if not exercised within the Exercise Period.*
11. *The Board shall ensure that the shares are issued as soon as possible following subscription and payment of the subscription amount for the shares.*
12. *The Warrants are not transferable to any entity that is not part of the Braemar group until they are vested, unless the Board has given its prior written consent. The Warrants may at any time be transferred to an entity that is part of Braemar’s group of undertakings. Upon vesting of the Warrants, the Warrants become freely transferable. The Warrants will be subject to the HSBC security and HSBC shall be entitled to enforce its security without any requirement for Board consent.*
13. *The Warrants may only be exercised and converted into shares as follows:*



- (i) *If the Average Annual Adjusted EBITDA during the Warrants Calculation Period exceeds USD 7.5 million per year (Adjusted EBITDA of USD 15 million in total for the Warrants Calculation Period), Braemar shall be entitled to exercise the full number of Tranche 1 Warrants issued or in existence.*
  - (ii) *If the Average Annual Adjusted EBITDA is between USD 4.5 million and USD 7.5 million, the number of Tranche 1 Warrants that can be exercised shall be reduced proportionally (from 0 Warrants in case the Average Annual Adjusted EBITDA is USD 4.5 million or lower, to an amount equal to 2,986,778 Shares in case the Average Annual Adjusted EBITDA is USD 7.5 million)*
  - (iii) *If the Average Annual Adjusted Gross Profit during the Warrants Calculation Period exceeds USD 14.3 million per year (Adjusted Gross Profit of USD 28.6 million in total for the Warrants Calculation Period), Braemar shall be entitled to exercise the full number of Tranche 2 Warrants issued or in existence.*
  - (iv) *If the Average Annual Adjusted Gross Profit is between USD 12.6 million and USD 14.3 million, the number of Tranche 2 Warrants that can be exercised shall be reduced proportionally (from 0 Warrants in case the Average Annual Adjusted Gross Profit is USD 12.6 million or lower, to an amount equal to 2,986,778 Shares in case the Average Annual Adjusted Gross Profit is USD 14.3 million).*
  - (v) *In the event the calculation of the number of Warrants that can be exercised (as described in (i) and (ii) above) leads to a fractional number of Shares, the number of Warrants that can be exercised shall be rounded down to the nearest whole number of Warrants and Shares. No fractional Shares will be issued.*
  - (vi) *In the event the Warrants become exercisable as a result of a Takeover Bid (as described in 8 above) the holder of the Warrants shall be entitled to exercise the full number of Warrants issued.*
  - (vii) *In the event a claim from Braemar under or in connection with the SPA cannot be settled in cash due to a statutory or legal requirement, such claim shall be satisfied by Warrants, and, the relevant number of Warrants shall immediately vest. The exercise period for such Warrants shall commence on completion of the Transaction and end on the date falling four (4) years after the vesting date for such Warrants.*
14. *When exercising the Warrants, the warrant holder shall pay the nominal value of NOK 0.10 in cash per share subscribed.*
  15. *Payment for subscribed shares shall be made in accordance with payment instructions as set forth by the Board.*
  16. *The shares issued on the basis of the Warrants shall from the date of the issue have equal status as the existing shares. The shares shall give rights to dividend payments from such time as the shares are issued.*
  17. *In the event the Company's number of shares is changed by way of a stock split or stock consolidation, the number of Warrants issued hereunder, and the consideration for the shares to be issued in the Company upon exercise of the Warrants, shall be adjusted accordingly and, if necessary, rounded downwards to the nearest whole number. In the event of a capital increase or decrease or issue of new warrants or liquidation, merger or demerger of the Company, or a dividend payment, in the period between issuance and exercise of the Warrants, the holders of*



*Warrants shall have the same rights as shareholders of the Company, cf. section 11-12 (2) no. 9 of the Act, and the number of Warrants shall be adjusted accordingly so as to maintain the economic value of the Warrants. Specifically for the following events:*

- (i) In the event of a capital decrease with repayment to the shareholders or dividend payment, the number of Warrants shall be increased reflecting the reduced value of the Company,*
  - (ii) In the event of a demerger of the Company, the holder of the Warrants shall be entitled to Warrants also in the demerged entity in so far as to maintain the economic value of the Warrants,*
  - (iii) In the event of an issue of new shares or financial instruments, the holder of the Warrants shall have the same subscription right as the shareholders, as if the holder of the Warrants already had exercised the full number of Warrants. If the issue is an issue of bonus shares, the number of Warrants shall increase in so far as to maintain the economic value of the Warrants.*
  - (iv) The adjustment provisions set out above shall not apply to the issuance of the Consideration Shares, the Private Placement Shares, the Rights Issue Shares (as defined in the Share Purchase Agreement), or any issuance of warrants or shares to key employees as part of an employee incentive program.*
- 18. In the event that Warrants are required to satisfy a claim from Braemar under or in connection with the SPA, and the number of Shares has been changed by a stock split or stock consolidation, or there has been a capital decrease with repayment to the Company's shareholders, or a dividend payment, or a demerger, or an issue of new shares or financial instruments (including an issue of bonus shares), the number of Warrants to be issued and/or vest shall be adjusted accordingly so that they relate to the same proportion of Shares as if there had been no such event giving rise to the adjustment.*
- 19. In the event of any disagreement or dispute as to adjustments to be made to the number of Warrants, the disagreement or dispute will be referred to the Independent Accountants in accordance with paragraph 3 of Part II of the Warrant Terms and Conditions.*
- 20. In the event that Aqualis makes any acquisition or disposal of a business that represents a change of more than 5% in relation to total assets, revenue, EBITDA, gross profit or loss for the consolidated combined business of Aqualis and the Braemar Assets then the parties shall seek to agree an appropriate adjustment to the Exercise Conditions. In such event, Aqualis shall provide Braemar with written notice in accordance with the notice provisions of the Share Purchase Agreement, together with such information as is reasonably sufficient for Braemar to consider the effect of any such acquisition or disposal, as soon as reasonably practicable and no later than 30 days prior to the meeting of the Board of Directors meeting to pass the final resolution to carry out any such acquisition or disposal. If such notice is provided, Braemar shall provide Aqualis with written notice in accordance with the notice provisions of the Share Purchase Agreement of its intention to seek an adjustment within 30 days of receipt of the notice from Aqualis.*
- 21. Shares issued on the basis of the Warrants will carry rights to dividends from the time such Shares are issued.*
- 22. This resolution is made subject to fulfilment of all other conditions for completion of the Transaction and the general meeting resolving to approve the Board's proposal for the share capital increase in connection with issuance of consideration shares in item 12 above.*

#### 14. Capital increase by way of a private placement

Following the Transaction, the Company will need to strengthen its capital position in line with the significantly increased size of the Company. The Board proposes that the Company raises the required capital by completing a capital increase divided into two tranches: (i) a private placement directed towards Braemar Shipping Services Plc. (the "**Private Placement**"), and (ii) a rights issue under which the Company's existing shareholders will be entitled to subscribe for new shares (the "**Rights Issue**").

The Rights Issue is described in item 15 below.

The Board's proposal to the general meeting to resolve the Private Placement is subject to the completion of the Transaction as described in item 11 above, and the general meeting resolving to approve the share capital increase in connection with the Rights Issue as described in item 15 below.

The subscription price for the new shares to be issued in the Private Placement, the number of new shares and the exact amount of the share capital increase, will be the same as for the Rights Issue, as described in item 15 below.

To the best of the Board's knowledge, there are no matters to which importance must be paid in connection with the subscription of shares. Nor is the Board aware of any event that have occurred since the last balance sheet date, which is of significance to the Company.

*The Board proposes the following resolution:*

- 1. The share capital is increased with minimum NOK 418,478.20 and maximum NOK 836,956.40 by issuance of minimum 4,184,782 and maximum 8,369,564 new shares, each with a nominal value of NOK 0.10, raising gross proceeds of approximately NOK 17,325,000.*
- 2. The Board shall determine the subscription price with a lower limit of NOK 2.07 per share and an upper limit of NOK 4.14 per share.*
- 3. The shares may be subscribed for by Braemar Shipping Services Plc, a company incorporated in England and Wales (registered number 02286034) whose registered office is at One Strand, Trafalgar Square, London WC2N 5HR. The shares shall be subscribed for on a separate subscription form as soon as all conditions for completion of the Transaction have been fulfilled and the Rights Issue is completed and in any event no later than 31 August 2019. Existing shareholders' preferential rights pursuant to section 10-4, cf. section 10-5, of the Act are waived.*
- 4. Payment for the new shares shall be made as soon as all conditions for completion of the Transaction have been fulfilled and the Rights Issue is completed and in any event no later than 31 August 2019.*
- 5. The new shares shall carry rights to dividend and have shareholder rights from registration of the Private Placement with the Norwegian Register of Business Enterprises.*
- 6. The Private Placement is part of a larger process, which also includes the Transaction, the issuance of the Consideration Shares, the issuance of the Warrants and the Rights Issue. The Company's costs associated with the full process are estimated to approximately NOK 12.7 million excl. VAT.*
- 7. Section 4 of the Articles of Association shall be amended so as to reflect the share capital and the number of shares after the share capital increase.*

8. *This resolution is made subject to the completion of the Transaction, and the general meeting resolving to approve the share capital increase in connection with issuance of the Consideration Shares in item 12, the issuance of Warrants in item 13, and the share capital increase in connection with the Rights Issue in item 15.*

#### **15. Rights issue**

The Board's proposal to the general meeting to resolve the Rights Issue is subject to the completion of the Transaction as described in item 11 above, and the general meeting resolving to approve the share capital increase in connection with the Private Placement as described in item 14 above.

The subscription price for the new shares to be issued in the Rights Issue, the number of new shares and the exact amount of the share capital increase (the "**Subscription Price Elements**") will be determined by the Board prior to the general meeting. The Board's resolution with respect to the Subscription Price Elements will be made public through a stock exchange announcement prior to the general meeting and the Subscription Price Elements will then be reflected in the resolution proposed to the general meeting.

The full terms of the Rights Issue will be included in a prospectus that shall be approved by the Financial Supervisory Authority of Norway (the "**FSA**"). The prospectus will be published prior to the subscription period and will form the basis for the subscription in the Rights Issue.

Provided that the Transaction is completed and that the prospectus is approved by the FSA in due time, the subscription period for the Rights Issue will commence on 18 June 2019 and expire on 2 July 2019 at 16:30 hours (CET). If the Transaction is not completed and/or the prospectus is not approved in time to uphold this subscription period, the subscription period will commence on the first or second trading day on the Oslo Stock Exchange following the fulfilment of such conditions and expire at 16:30 hours (CET) two weeks thereafter.

Existing shareholders will be granted tradable subscription rights giving a preferential right to subscribe for, and be allocated, shares in the Rights Issue pursuant to section 10-4 of the Act. Each existing shareholder will be granted subscription rights proportionate to its existing shareholding as of 11 June 2019 as registered in the VPS at the expiry of 13 June 2019. Provided that the delivery of traded shares is made with ordinary T+2 settlement in the VPS, shares that are acquired until and including 11 June 2019 will give the right to receive subscription rights, whereas shares that are acquired from and including 12 June 2019 will not give the right to receive subscription rights. The subscription rights will be listed and tradable on the Oslo Stock Exchange from the commencement of the subscription period and until 16:30 (CET) two trading days prior to the end of the subscription period. Over-subscription and subscription without subscription rights will be permitted.

To the best of the Board's knowledge, there are no matters to which importance must be paid in connection with the subscription of shares. Nor is the Board aware of any event that have occurred since the last balance sheet date, which is of significance to the Company.

The Board proposes the following resolution:

1. *The share capital is increased with minimum NOK 849,637.60 and maximum NOK 1,699,275.20 by issuance of minimum 8,496,376 and maximum 16,992,752 new shares, each with a nominal value of NOK 0.10, raising gross proceeds of approximately NOK 35,175,000.*

2. *The Board shall determine the subscription price with a lower limit of NOK 2.07 per share and an upper limit of NOK 4.14 per share.*
3. *Shareholders of the Company as of 11 June 2019 as registered as such in the Company's shareholders' register in the Norwegian Central Securities Depository (the "VPS") 13 June 2019 (the "Record Date") (pursuant to the two days' settlement procedure of VPS) shall have preferential rights to subscribe for and be allocated the new shares in proportion to their shareholding in the Company, cf. section 10-4 (1) of the Act.*
4. *Tradeable subscription rights will be issued and the subscription rights shall be registered in the VPS on a separate ISIN. Subscription rights will not be issued for shares held in treasury by the Company (if any). The subscription rights shall be tradable from commencement of the subscription period and until 16:30 (CET) two trading days prior to the end of the subscription period. Over-subscription and subscription without subscription rights is permitted.*
5. *The Company shall in connection with the Rights Issue prepare a prospectus that shall be approved by the Financial Supervisory Authority of Norway. Unless the Board decides otherwise, the prospectus shall not be registered with or approved by any foreign prospectus authority. The new shares may not be subscribed for by investors in jurisdictions where such subscription is not permitted or to whom the new shares cannot lawfully be offered. The Company, or anyone appointed or instructed by the Company, shall have the right (but no obligation), for shareholders who in the Company's opinion are not entitled to subscribe for new shares due to limitations set out in law or other regulations in the jurisdiction where the shareholder is resident or a citizen, to sell the relevant shareholder's subscription rights against transfer of the net proceeds from the sale to the shareholder.*
6. *The subscription period shall commence on 18 June 2019 and expire at 16:30 hours (CET) on 2 July 2019. The subscription period may not be shortened, but the Board may extend the subscription period if this is required by law due to the publication of a supplement to the prospectus. If the Transaction is not completed and/or the prospectus is not approved in time to uphold this subscription period, the subscription period shall commence on the first or second trading day on the Oslo Stock Exchange following fulfilment of such conditions and expire at 16:30 hours (CET) two weeks thereafter. Subscription for shares shall be made on a separate subscription form prior to the expiry of the subscription period*
7. *The subscription amount shall be paid in cash. Payment for the new shares shall be made on or prior to 5 July 2019, or the third trading day on the Oslo Stock Exchange after the expiry of the subscription period if the subscription period is postponed or extended according to subparagraph 6 above. Subscribers who have a Norwegian bank account must, and will by signing the subscription form, provide a one-time irrevocable authorization to debit a specified Norwegian bank account for the amount payable for the shares which are allocated to the subscriber. The payable amount will be debited from the specified bank account on or around the payment date. Subscribers who do not have a Norwegian bank account must contact the settlement agent (Sparebank 1 Markets) to ensure that payment with cleared funds for the new shares allocated to them is received on or before the payment date.*
8. *The new shares shall be allocated by the Board. The following allocation criteria shall apply:*
  - (a) *Allocation of shares to subscribers will be made in accordance with granted and acquired subscription rights, which have been validly exercised during the subscription period. Each subscription right will give the right to subscribe for and be allocated one (1) new share.*

- (b) *If not all subscription rights are validly exercised, subscribers having exercised their subscription rights and who have over-subscribed, will be allocated additional new shares on a pro rata basis based on the number of subscription rights exercised by each such subscriber. To the extent that pro rata allocation is not possible, the Company will determine the allocation by the drawing of lots.*
- (c) *New shares not allocated pursuant to a) and b) above will be allocated to subscribers not holding subscription rights. Allocation will be sought made on a pro rata basis based on the relevant subscription amounts.*
9. *The new shares will carry rights in the Company, including the right to dividend, from the time of registration of the share capital increase with the Norwegian Register of Business Enterprises.*
10. *Section 4 of the Company's articles of association is amended to reflect the new share capital and the new number of shares following the share capital increase.*
11. *Shares not having been subscribed for by and allocated to other subscribers in the Rights Issue at the end of the subscription period shall be allocated pro rata to Gross Management AS and certain other shareholders (together the "**Underwriters**"), who pursuant to underwriting agreements entered into on or about 13 May 2019 (the "**Underwriting Agreements**"), have underwritten an amount exceeding their pro rata shareholding. The total underwriting commitment equals an aggregate amount of NOK 35,175,000. Such shares shall be subscribed for by the Underwriters on or prior to the payment date under the Rights Issue. Internally between the Underwriters, the liability is pro rata to their respective share of the total underwriting commitment, and each Underwriter's liability is limited to the amounts set out in the Underwriting Agreement. The Underwriters will receive a guarantee commission of 2% the part of the underwritten amount exceeding the Underwriter's pro-rata share of the rights issue.*
12. *The Rights Issue is part of a larger process, which also includes the Transaction, the issuance of the Consideration Shares, the issuance of the Warrants and the Private Placement. The Company's costs associated with the full process are estimated to approximately NOK 12.7 million excl. VAT, including a guarantee commission of 2% of the underwritten amount exceeding the Underwriters' pro rata share of the rights issue.*
13. *This resolution is made subject to the completion of the Transaction, and the general meeting resolving to approve the share capital increase in connection with issuance of the Consideration Shares in item 12, the issuance of Warrants in item 13, and the share capital increase in connection with the Private Placement in item 14.*

#### **16. Election of members to the Board of Directors**

As the term of all of the Company's directors of the Board ends in 2019, the Board proposes that the current Directors are re-elected as follows:

- Glen Ole Rødland (Chairman), with a term until the Company's annual general meeting in 2020;
- Yvonne Litsheim (Director), with a term until the Company's annual general meeting in 2021;
- Synne Syrrist (Director) with a term until the Company's annual general meeting in 2021; and
- Reuben Segal (Director), with a term until the Company's annual general meeting in 2020.

In connection with the Transaction, the Board further proposes an increase of the number of directors of the Board with one director appointed by Braemar, Mr. James Kidwell. The Board proposes that Mr. Kidwell's term to last until the Company's annual general meeting in 2021.

The implementation of the addition of Mr. James Kidwell to the Board is subject to, and shall enter into effect from, the date of completion of the Transaction.

The Board of the Company shall after completion of the Transaction consist of the following persons:

- *Glen Ole Rødland (Chairman);*
- *Yvonne Litsheim (Board Member);*
- *Synne Syrrist (Board Member);*
- *Reuben Segal (Board Member); and*
- *James Kidwell (Board Member).*

#### **17. Amendment of the articles of association**

In connection with, and with effect from completion of the Transaction, the Board proposes that the Company's business name is changed to AqualisBraemar ASA and that section 1 of the Company's articles of association is amended as follows:

*"The name of the company is AqualisBraemar ASA. The company is a public limited company."*

Moreover, as the Company is due to change its registered office to new premises in Oslo, the Board proposes that the Company's Articles of Association section 2 is amended as follows:

*"The Company's registered office is located in Oslo."*

\* \* \*

Oslo, 16 May 2019

Glen Rødland  
(sign)

\* \* \*

#### **Enclosures**

- 1: Notice of attendance (with attendance slip and proxy form)
- 2: Auditors statement
- 3: Terms for the Warrants

## **Enclosure 1 – Notice of attendance**



"Firma-/Etternavn, Fornavn "  
"c/o"  
"Adresse1"  
"Adresse2"  
"Postnummer, Poststed"  
"Land"

Ref no: "Refnr"

PIN code: "Pin"

### Notice of Annual General Meeting

Meeting in Aqualis ASA will be held on 11 June 2019 at 08.00 a.m. Address: at the offices of Advokatfirmaet Haavind AS at Bygdøy allé 2, 0257 Oslo, Norway

**The company accepts votes in advance for this Meeting. Registration Deadline for advance votes: 6 June 2019 at 4 p.m.**

**Advance votes may only be executed electronically, through the Company's website [www.aqualis.no](http://www.aqualis.no) or via VPS Investor Services.**

### Notice of attendance

The Undersigned will attend the Annual General Meeting on the 11 June 2019 and cast votes for:

"Beholdning" own shares.

**Notice of attendance should be registered electronically through the Company's website [www.aqualis.no](http://www.aqualis.no) or via VPS Investor Services.**

For notification of attendance through the Company's website, the above mentioned pin code and reference number must be stated.

Alternatively through VPS Investor service where pin code and reference number is not needed.

If you are not able to register this electronically, you may send by E-mail to [genf@dnb.no](mailto:genf@dnb.no), or by regular Mail to DNB Bank ASA, Registrars Department, P.O.Box 1600 Centrum, 0021 Oslo, Norway. The notice of attendance must be received no later than 6 June 2019 at 4 pm.

If the shareholder is a Company, please state the name of the individual who will be representing the Company: \_\_\_\_\_

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Place	Date	Shareholder's signature
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### Proxy without voting instructions for Annual General Meeting of Aqualis ASA

*If you are unable to attend the meeting, you may grant proxy to another individual.*

Ref no:

"Refnr"

PIN code:

"Pin"

**Proxy should be submitted electronically through the Company's website [www.aqualis.no](http://www.aqualis.no) or via VPS Investor Services.**

For granting proxy through the Company's website, the above mentioned pin code and reference number must be stated.

Alternatively through VPS Investor service where pin code and reference number is not needed.

If you are not able to register this electronically, you may send by E-mail to [genf@dnb.no](mailto:genf@dnb.no), or by regular Mail to DNB Bank ASA, Registrars Department, P.O.Box 1600 Centrum, 0021 Oslo, Norway.

If you send the proxy without naming the proxy holder, the proxy will be given to the Chair of the Board of Directors or an individual authorised by him or her.

This proxy must be received no later than 6 June 2019 at 4 pm.

**The undersigned "Firma-/Etternavn, Fornavn "**

hereby grants (tick one of the two)

☐ the Chair of the Board of Directors (or a person authorised by him or her), or

☐ \_\_\_\_\_  
(Name of proxy holder in capital letters)

proxy to attend and vote for my/our shares at the Annual General Meeting of Aqualis ASA on 11. June 2019.

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Place	Date	Shareholder's signature (Only for granting proxy)
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With regards to your right to attend and vote, reference is made to the Norwegian Public Limited Liability Companies Act, in particular Chapter 5. If the shareholder is a Company, the Company's Certificate of Registration must be attached to the proxy.

## Proxy with voting instructions

If you are unable to attend the Annual General Meeting in person, you may use this proxy form to give voting instructions to Chair of the Board of Directors or the person authorised by him or her.

Proxies with voting instructions can only be registered by DNB, and must be sent to [genf@dnb.no](mailto:genf@dnb.no) (scanned form) or by regular Mail to DNB Bank ASA, Registrars' Department, P.O.Box 1600 Centrum, 0021 Oslo, Norway.

The form must be received by DNB Bank ASA, Registrars' Department no later than 6 June 2019 at 4 pm.

**Proxies with voting instructions must be dated and signed in order to be valid.**

**The undersigned: "Firma-/Etternavn, Fornavn "**

**Ref no: "Refnr"**

hereby grants the Chair of the Board of Directors (or the person authorised by him or her) proxy to attend and vote for my/our shares at the Annual General Meeting of Aqualis ASA on 11 June 2019

The votes shall be exercised in accordance to the instructions below. If the sections for voting are left blank, this will be counted as an instruction to vote in accordance with the Board's and Nomination Committee's recommendations. However, if any motions are made from the attendees in addition to or in replacement of the proposals in the Notice, the proxy holder may vote at his or her discretion. If there is any doubt as to how the instructions should be understood, the proxy holder may abstain from voting.

Agenda for the Aqualis ASA General Meeting 2019	For	Against	Abstention
2. Election of the meeting chairman and a person to co-sign the minutes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Approval of the notice of the meeting and the agenda;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Approval of the annual financial statement and the Director's report for 2018, including the Corporate Governance statement and resolution for dividends	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Remuneration for the board of directors and the election committee	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Auditor's remuneration	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. The Board's statement regarding determination of salary and other compensation to leading employees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Authorization to acquire treasury shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Power of attorney to the Board to increase the share capital – incentive program	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Authorization to resolve distribution of dividends	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Information matter: Acquisition of Braemar Technical Services			
12. Capital increase in connection with issuance of consideration shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Issuance of warrants	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Capital increase by way of a private placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Rights issue	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16. Election of members to the Board of Directors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Amendments of the articles of association	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Place \_\_\_\_\_ Date \_\_\_\_\_ Shareholder's signature (Only for granting proxy with voting instructions)

With regards to your right to attend and vote, reference is made to the Norwegian Public Limited Liability Companies Act, in particular Chapter 5. If the shareholder is a Company, the Company's Certificate of Registration must be attached to the proxy.

## **Enclosure 2 – Auditor’s statement**

### **Enclosure 3 – Warrants Terms and Conditions**