

**MERGER PLAN**

**FOR MERGER BETWEEN**

**KVÆRNER ASA**  
**(AS TRANSFEREE COMPANY)**

**AND**

**AKER SOLUTIONS ASA**  
**(AS TRANSFEROR COMPANY)**

**17 July 2020**

## **1. MERGER PARTIES**

- 1.1 The transferee company: **Kværner ASA** («Kværner»)  
Enterprise Registration No.: 996 474 313  
Business municipality: Bærum  
Address: Snarøyveien 20, 1360 Fornebu
- 1.2 The transferor company: **Aker Solutions ASA** («AKSO»)  
Enterprise Registration No.: 913 748 174  
Business municipality: Bærum  
Address: Oksenøyveien 8, 1366 Lysaker

## **2. MAIN FEATURES OF THE MERGER**

### **2.1 Purpose and conditions**

Kværner is an engineering and industry group which projects, constructs and delivers offshore platforms, onshore plants and floating production units to the petroleum and energy industry.

AKSO is an engineering and industry group which delivers technology products and engineering services to projecting, construction and operation of industrial plants within the petroleum and the energy industry.

AKSO and Kværner agree to merge the companies based on the principle of equal parties. The name of the new company will be Aker Solutions ASA.

The merger is implemented in accordance with the rules in the Public Limited Liability Companies Act Chapter 13. Upon completion of the merger the assets, rights and obligations of Kværner will in their entirety be transferred to AKSO in accordance with the principle of continuity. Kværner will be dissolved upon completion of the merger.

### **2.2 The rationale of the merger**

The rationale of the merger between Kværner and AKSO is to establish a leading supplier within current business areas and new business areas both nationally and globally. The businesses of AKSO and Kværner complement each other. Through the merger the company will be able to offer a complete spectre of requested services to the petroleum and energy industry. The financial position will also be strengthened, both by an increased turnover and profit and through the synergies being achieved through the merger. The merger will provide a company which is well positioned for economic growth in a time where adaption is necessary.

### **2.3 Transactions and work processes following completion of the merger**

To form a business which is as effective and competitive as possible, the new company shall optimize the business and corporate structure. Corporate culture and "best practice"

from both companies shall be continued and combined, and new governing documents shall be prepared.

### **3. MERGER CONTRIBUTION**

On the effective date of the merger, the assets, rights and obligations of Kvaerner will in their entirety be transferred to AKSO in accordance with the principle of continuity. Kvaerner will at the same time be dissolved.

### **4. MERGER CONSIDERATION**

As merger consideration the shareholders of Kvaerner shall receive a number of shares in AKSO based on a volume weighted average price for the shares in AKSO and Kvaerner on Oslo Stock Exchange during a period of 30 days (incl. both trading days and non-trading days) commencing two trading days after the AKSO share trades ex the dividend specified in item 11. One share in Kvaerner shall still always give right to at least 0.7629 shares and maximum 1.1404 shares in AKSO, which in total provides the shareholders in Kvaerner with an ownership interest in the range between 43 % to 53 % in the combined company. The exact exchange-ratio will be published as soon as it is ready.

Fractions of shares will not be allotted. For each shareholder the shares will be rounded down to each whole number. Excess shares, which as a result of this round down will not be allotted, will be issued to and sold by Skandinaviska Enskilda Banken AB (publ) (Oslo Branch). The sales proceeds will be given to AKSO, which is free to give the sales proceeds further to charity.

Only shareholders of Kvaerner that are non-U.S. persons as defined in regulation S of the U.S. Securities Act or "accredited investors" as defined in Regulation D of the U.S. Securities Act ("**Eligible Shareholder**") are eligible to receive shares in AKSO as merger consideration. Any shareholder in Kvaerner who is not an Eligible Shareholder will receive a cash settlement following a sale of such shares as they would otherwise be entitled to receive. Such shareholders will also receive cash for fractions of shares.

### **5. CHANGES TO THE SHARE CAPITAL AND THE ARTICLES OF ASSOCIATIONS OF THE TRANSFEROR COMPANY AKSO**

#### **5.1 Capital Increase in AKSO**

As a part of the adoption of the merger plan the Shareholders' Meeting of AKSO will pass the following resolution on share capital increase:

1. The share capital in Aker Solutions ASA is increased by up to NOK [●] by the issuance of up to [●] shares with a nominal value of NOK 1.08.
2. The shares are issued to the shareholders of Kvaerner ASA and shall be deemed to have been subscribed for by way of the Shareholders' Meeting of Kvaerner ASA approving the merger plan for the merger with Aker Solutions ASA. Merger consideration shares for a shareholder who is not an Eligible Shareholder (as defined in the merger plan dated 17 July 2020) will be issued to Skandinaviska Enskilda Banken AB (publ) (Oslo Branch) which will sell the shares and distribute the sales proceeds proportionally to the beneficiaries. Consideration shares which are excess due to round down shall also be issued to Skandinaviska Enskilda Banken AB (publ)

(Oslo Branch) which will sell the shares and give the sales proceeds to Aker Solutions ASA.

3. The subscription price is NOK [●] per share, which results in a total subscription amount of NOK [●] of which NOK [●] constitutes share capital and NOK [●] share premium.
4. The subscription amount is settled by way of Aker Solutions ASA receiving Kvaerner ASA's assets, rights and obligations in their entirety upon completion of the merger.
5. For a more detailed description of the business to be transferred reference is made to the expert statement included as an attachment to the notice for the general meeting.
6. The new shares shall qualify for dividends and other shareholder rights in Aker Solutions ASA from the date of registration of the merger in the Norwegian Register of Business Enterprises.
7. The expenses associated with the share capital increase are estimated to be [●].

## 5.2 Amendments to the Articles of Association of AKSO

The Articles of Association of AKSO shall be amended in conformity with the resolution on share capital increase as described in section 5.1 from the completion of the merger.

From the same date the following amendment to the Articles of Association shall be effective:

§ 3 shall read: *"The objectives of the Company are to own or carry out industrial- and other associated businesses, management of capital and other functions for the Group, and to participate in or acquire other businesses."*

Complete Articles of Association after the effective date is included in [Appendix 1.5](#).

## 6. IMPLEMENTATION FOR TAX, ACCOUNTING AND VALUE ADDED TAX PURPOSES

The merger is implemented with full tax continuity pursuant to Chapter 11 of the Tax Act and in accordance with Chapter 13 of the Public Limited Liability Companies Act.

The merger shall be recorded in the accounts pursuant to the principle of continuity.

## 7. EFFECTIVE DATE

As from 1 January 2020 transactions in Kvaerner shall for accounting purposes be deemed to have been made for AKSO's account, pursuant to Public Limited Liability Companies Act Section 13-6 (1) no. 2.

The effective date of the merger for company law purposes is the date on which it is registered as having been implemented in the Register of Business Enterprises, following the expiry of the six weeks creditor notification period, cf. the Public Limited Liability Companies Act Section 13-17 of the Public Limited Liability Companies Act. The following effects of the merger will enter into force as per such date:

- (a) Kvaerner is dissolved;

- (b) The share capital of AKSO is increased;
- (c) Kvaerner's assets, rights and obligations are transferred to AKSO;
- (d) The contribution shares in AKSO are issued to the shareholders of Kvaerner; and
- (e) The merger is implemented with continuity for tax purposes pursuant to Chapter 11 of the Tax Act.

## **8. CONDITIONS PRECEDENT TO IMPLEMENTATION OF THE MERGER**

Implementation of the merger shall be conditional upon

- (a) all consents necessary for the transfer of assets, rights and obligations from the counter parties of Kvaerner and AKSO having been obtained, and/or all rights to terminate or amend agreements having been waived or not exercised upon the expiry of relevant time limits This shall however not apply in the event that the Board of Directors of Kvaerner and AKSO find that it neither as a whole or separately will have a material negative impact on the companies in the AKSO group if such approvals and/or waivers are not obtained or the potential rights to termination or amendment of agreements are exercised,
- (b) Russian competition authorities (the Federal Antimonopoly Service of the Russian Federation) approve the transfer of Kvaerner LCC; and
- (c) all other required permissions and approvals from governmental bodies are obtained without any prerequisites or prerequisites which the Board of Directors of Kvaerner and AKSO find acceptable.

The merger may not be registered in the Register of Business Enterprises before the above mentioned conditions have been met.

## **9. TERMS FOR EXERCISING RIGHTS AS SHAREHOLDER AND RIGHT TO DISTRIBUTIONS**

Shareholders being recorded in the shareholders register of the Kvaerner at the time that the merger is being registered as completed with the Norwegian Register of Business Enterprises, may from the same point in time exercise its rights as shareholders in AKSO and are entitled to dividend and other distributions on the shares in AKSO resolved following such time. Such shareholders shall immediately be recorded in the shareholders register of AKSO.

## **10. SPECIAL RIGHTS**

No shareholders of Kvaerner have any special rights in Kvaerner. Kvaerner has not issued any subscription rights as mentioned in Section 11-1, Section 11-10 or Section 11-12 of the Public Limited Liability Companies Act.

No special rights or benefits will be given to any member of the Board of Directors or the general manager of Kvaerner or AKSO in connection with the merger.

## **11. DISTRIBUTIONS**

As from signing of the merger plan up until the effective date of the merger, neither Kvaerner nor AKSO, is entitled to make any distributions of dividend or any other

distributions on the shares in the respective companies, except that AKSO may distribute its shares in Aker Offshore Wind Holding AS and Aker Carbon Capture AS to its shareholders as dividend. Such distribution must take place before the period for determining the exact exchange-ratio in accordance with item 4.

## **12. COSTS**

The costs of the merger shall be covered by AKSO.

## **13. REPORT ON THE MERGER AND STATEMENT ON THE MERGER PLAN**

### **13.1 Report on the merger**

The Board of Directors of each of AKSO and Kvaerner have prepared a report on the merger and the effects it will have on the relevant company in accordance with the Public Limited Liability Companies Act Section 13-9.

The reports are included in [Appendix 1.3](#) and [Appendix 2.3](#).

### **13.2 Expert statement regarding the merger plan**

The Board of Directors of Kvaerner has requested an expert statement regarding the merger plan from KPMG in accordance with the Public Limited Liability Companies Act Sections 13-10 (1) and (2) and Section 2-6 (2). KPMG will submit a preliminary statement at least one month prior to the general meeting which will be updated with final numbers when they are ready, cf. item 4. The expert statement will be included in [Appendix 2.4](#).

The Board of Directors of AKSO has requested an expert statement regarding the merger plan from KPMG in accordance with the Public Limited Liability Companies Act Sections 13-10 (1) to (3), cf. section 10-2 (3) and section 2-6 (1) and (2). KPMG will submit a preliminary statement at least one month prior to the general meeting which will be updated with final numbers when they are ready, cf. item 4. The expert statement will be included in [Appendix 1.4](#).

## **14. ACCOUNTS AND ARTICLES OF ASSOCIATIONS**

Annual accounts, directors' report and auditor's report for Kvaerner for the last three accounting years, as well as the half-year report for 2020, are enclosed in [Appendix 2.2](#). Current Articles of Association are included in [Appendix 2.1](#).

Annual accounts, directors' report and auditor's report for AKSO for the last three accounting years, as well as the half-year report for 2020, are enclosed in [Appendix 1.2](#). Current Articles of Association are included in [Appendix 1.1](#).

## **15. EMPLOYEES**

Neither AKSO nor Kvaerner has any employees on the date of this merger plan. In connection with the merger process, AKSO and Kvaerner have informed and consulted with employee representatives and union representatives in the respective groups of companies.

In accordance with the principle of continuity all of Kvaerner's obligations towards the employees in the underlying group companies are transferred to AKSO.

## 16. AMENDMENTS

The Boards of Directors of Kvaerner and AKSO are authorised jointly to make minor amendments to the merger plan without having to present such amendments to the Shareholders' Meeting.

## 17. DISPUTES

Any disputes between Kvaerner and AKSO in connection with the merger plan shall be resolved by arbitration pursuant to the Arbitration Act of 14 May 2004. The arbitral tribunal shall comprise three arbitrators, of whom the parties shall appoint one arbitrator each. These shall appoint the third arbitrator, who shall chair the arbitral tribunal. The chair of the arbitral tribunal shall be a Norwegian lawyer. In the absence of agreement on the appointment of the third arbitrator, such arbitrator shall be appointed by the Chief District Court Judge of the Oslo District Court. The arbitration proceedings shall be conducted in Oslo, and Norwegian shall be the language of arbitration, unless otherwise agreed by the parties. The arbitration proceedings shall be deemed to have been commenced upon one party sending its request to the other party for the dispute to be resolved by arbitration.

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Oslo, 17 July 2020

The Board of Directors of Kvaerner ASA



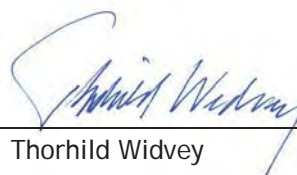
Leif-Arne Langøy (Chairman)



Jan Arve Haugan



Ståle Knoff Johansen



Thorhild Widvey



Lone Fønss Schrøder



Rune Rafdal



Line Småge Breidablikk



Kjell Inge Røkke

Board of Directors of Aker Solutions ASA



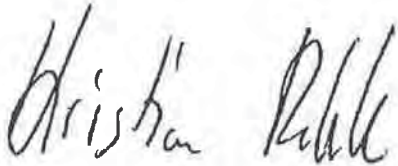
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Øyvind Eriksen (Chairman)



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Koosum Kalyan



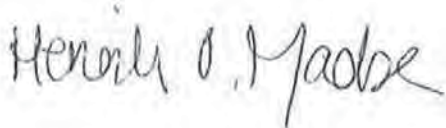
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Kristian Røkke



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Birgit Aagaard-Svendsen



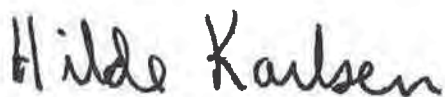
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Henrik O. Madsen



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Atle Teigland



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Hilde Karlsen



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Audun Bråthen

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## APPENDICES TO THE MERGER PLAN

### **1. AKSO AS THE TRANSFEROR COMPANY**

- 1.1 Current Articles of Association of AKSO
- 1.2 Annual accounts, directors' report and auditor's report for AKSO for the last three accounting years, as well as the half-year report for 2020 in accordance with Securities Trading Act Section 5-6
- 1.3 Report on the merger from the Board of Directors of AKSO
- 1.4 Expert statement with respect to the merger plan
- 1.5 New Articles of Associations for AKSO

### **2. KVAERNER AS THE TRANSFEREE COMPANY**

- 2.1 Current Articles of Association of Kvaerner
- 2.2 Annual accounts, directors' report and auditor's report for Kvaerner for the last three accounting years, as well as the half-year report for 2020 in accordance with Securities Trading Act section 5-6
- 2.3 Report on the merger from the Board of Directors of Kvaerner
- 2.4 Expert statement with respect to the merger plan

## APPENDIX 1- AKSO

### Appendix 1.1

#### Current Articles of Association Aker Solutions ASA

(registration no. 913 748 174)

(resolved at an extraordinary general meeting 12 August 2014)

##### § 1

The Company is a public limited company. The name of the Company is Aker Solutions ASA.

##### § 2

The registered address is in the county of Bærum.

##### § 3

The objectives of the Company are to own or carry out industrial- and other associated businesses, management of capital and other functions for the Group, and to participate in or acquire other businesses.

##### § 4

The Company's share capital is NOK 293,807,940.12 divided into 272,044,389 shares, each having a par value of NOK 1.08. The Company's shares shall be registered with the Norwegian Securities Register (Verdipapirsentralen).

##### § 5

The Board of Directors shall consist of 6-12 members of whom 1/3 shall be elected by and among the employees of the companies within the Aker Solutions Group. Up to 3 deputy members may be elected by the shareholders.

Each of the board members elected by the shareholders will serve for a period of one to three years pursuant to further decision by the General Meeting.

##### § 6

The Company shall have an election committee consisting of minimum 3 members to be elected by the General Meeting. The election committee shall prepare the election of board members. The General Meeting may adopt instructions for the election committee's tasks.

##### § 7

The Chairman alone, or two Directors jointly of whom at least one shall have been elected by the shareholders, shall have the right to sign on behalf of the Company.

##### § 8

General Meetings shall be notified in such a form and within such a deadline that they, as a minimum, comply with the current legislation and/or regulations. The company may in the notice determine a deadline for registration of participation which shall not expire less than five (5) days prior to the General Meeting.

When documents relating to matters which shall be considered in the General Meeting have been made available to the shareholders on the company's internet pages, legislative requirements that documents must be sent to the shareholders in printed form shall not apply. This is applicable also to such documents which, according to legislation, must be included in or attached to the notice of the General Meeting. Notwithstanding, a shareholder may demand to receive in printed form documents related to matters which are to be considered in the General Meeting.

The Board may decide that the shareholders may cast their vote in writing, including electronically, during a period prior to the General Meeting. For such voting an adequate method for authenticating the sender shall be applied.

The Chairman or the appointee of the Chairman shall preside at the General Meeting.

The Annual General Meeting shall consider and decide on, the following matters:

- (a) Approval of the annual accounts and the annual report, including distribution of dividend.
- (b) Other matters which, by law or under the Articles of Association, are the business of the General Meeting.

The General Meeting may be held in Oslo.

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## Appendix 1.2

[Annual accounts, directors' report and auditor's report for AKSO for the last three accounting years, as well as the half-year report for 2020 in accordance with Securities Trading Act Section 5-6]

**TO THE SHAREHOLDERS' MEETING IN AKER SOLUTIONS ASA ("AKSO")****REPORT ON THE MERGER BETWEEN KVÆRNER ASA ("KVAERNER") AND AKSO****1. THE MERGER WITH KVAERNER**

The present report is prepared by the Board of Directors of AKSO pursuant to Section 13-9 of the Public Limited Companies Act. The report is prepared in connection with the merger of AKSO and Kvaerner as proposed in the merger plan dated 17 July 2020 (the "Merger").

The merger is implemented in accordance with principle of continuity. Upon completion the Merger the assets, rights and obligations of Kvaerner will in their entirety be transferred to AKSO. Kvaerner will be dissolved upon completion of the Merger.

**2. RATIONALE FOR THE MERGER**

The rationale of the Merger is to establish a leading supply company both national and international within current business areas as well as new business areas. The Board of Directors believes this goal can be achieved through the Merger for several reasons.

The new AKSO is believed to get strong market position due to the complementary nature of the businesses of AKSO and Kvaerner and the ability to offer a wide range of complete package solutions to the petroleum and energy industry. In today's market the demand for complete package solutions is high. By merging the businesses the new AKSO will be able to supply this demand, inter alia by offering to undertake a width of contracts from engineering, and project management (EPMA) to turnkey (EPCI) for projects - from the initial projecting phase, to subsequent operations and maintenance. By increasing the amount of package solutions offered it will also be easier for the company to conduct effective project execution, cut lead time and total expenses.

Further the Merger will strengthen the financial position of the company, both by an increased turnover and profit and through the synergies being achieved through the Merger. Financial solidness is considered especially beneficial in today's challenging market situation. The Merger will establish a company which is well positioned to meet future economical down-turns.

**3. DETERMINATION OF THE MERGER CONSIDERATION**

As merger consideration the shareholders of Kvaerner receive shares in AKSO. The exchange-ratio between shares in Kvaerner and the consideration shares in AKSO is based on a volume weighted average price for the shares in AKSO and Kvaerner on Oslo Stock Exchange during a period of 30 days (incl. both trading days and non-trading days) commencing two trading days after the AKSO share trades ex the dividend specified in item 11. One share in Kvaerner shall still always give right to at least 0.7629 shares and maximum 1.1404 shares in AKSO, which in total provides the shareholders in Kvaerner with an ownership interest in the range between 43 % to 53 % in the combined company. The exact exchange-ratio will be published as soon as it is ready.

Fractions of shares will not be allotted. For each shareholder the shares will be rounded down to each whole number. Excess shares, which as a result of this round down will not be allotted, will be issued to and sold by Skandinaviska Enskilda Banken AB (publ) (Oslo

Branch). The sales proceeds will be given to AKSO, which is free to give the sales proceeds further to charity.

Only shareholders of Kvaerner that are non-U.S. persons as defined in regulation S of the U.S. Securities Act or “accredited investors” as defined in Regulation D of the U.S. Securities Act (“Eligible Shareholder”) are eligible to receive shares in AKSO as merger consideration. Any shareholder in Kvaerner who is not an Eligible Shareholder will receive a cash settlement following a sale of such shares as they would otherwise be entitled to receive. Such shareholders will also receive cash for fractions of shares.

COVID 19 has caused great unbalance in the supply and demand for oil and gas which in turn has resulted in oil companies world over cutting investments to protect own cash flow. This has in turn had a significant impact on the valuation of AKSO and Kvaerner. Because of i.a. the measures carried out by AKSO and Kvaerner to reduce costs, and the packages of measures adopted by the Norwegian authorities to maintain activity in the petroleum industry, the share prices have stabilized. AKSO and Kvaerner is therefore of the opinion that a volume-weighted average price during a period of 30 days provides a good basis to determine the exchange-ratio.

The Board of Directors of AKSO has commissioned a valuation report from Skandinaviska Enskilda Banken AB (publ) (Oslo Branch), which has served as the basis for the above mentioned valuation method. The valuation report supports that a volume weighted average price per share in the mentioned period will provide a correct picture of the value of the respective shares and thus provide the shareholders in AKSO a fair consideration. The valuation of AKSO and Kvaerner is based on a total assessment of expected future cash flow of the companies under different assumptions and scenarios, including a calibration against the valuation of similar companies which are traded on the stock exchange and a valuation of the companies’ historical stock exchange values. No special difficulties have been encountered in determining the consideration.

#### **4. IMPLICATIONS FOR THE EMPLOYEES**

AKSO has no employees. All workers are employed in underlying companies of the AKSO group. The Merger does not have any immediate consequences for these employees. Despite this, information has been furnished to, and discussions have been held with, the employee representatives and other union representatives in the AKSO group in connection with the merger.

The Board of Directors of Aker Solutions ASA

Øyvind Eriksen

Koosum

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Øyvind Eriksen (Chairman)

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Koosum Kalyan

Kristian Røkke

Birgit Agaard-Svendsen

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Kristian Røkke

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Birgit Agaard-Svendsen

Henrik O. Madsen

Atle Teigland

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Henrik O. Madsen

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Atle Teigland

Hilde Karlsen

Audun Bråthen

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Hilde Karlsen

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Audun Bråthen

[Expert statement with respect to the merger plan]





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0306 Oslo

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Fax +47 22 60 96 01  
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Enterprise 935 174 627 MVA

To the General Meeting of Aker Solutions ASA

## Statement on the merger plan

At the Board of Directors of Aker Solutions ASA's request, we as independent experts, issue this statement regarding the merger plan dated 17 July 2020 between Aker Solutions ASA ("Aker Solutions") and Kværner ASA ("Kværner") in compliance with the Public Limited Liability Companies Act Section 13-10. In the merger Aker Solutions takes over all assets and liabilities of Kværner against consideration in shares in Aker Solutions. The shareholders of Kværner receive as consideration of a number of shares, to be determined based on the described method, in Aker Solutions for each share in Kværner. One share in Kværner shall give right to at least 0.7629 shares and a maximum of 1.1404 shares in Aker Solutions, which will provide the shareholders in Kværner with an ownership interest in the combined company of between 43 % and 53 %. The exact exchange-ratio will be published as soon as it is ready.

### The Board's responsibility for the statement

The Board of Directors of each company is responsible for the information and the valuations which form the basis for the statement and the valuations performed which determined the consideration.

### The independent experts' responsibility

Our responsibility is to prepare a statement on the merger plan and express an opinion on the determination of the consideration.

The statement consists of three parts. The first part is a presentation of information in compliance with the requirements in the Public Limited Liability Companies Act section 13-10 second subsection and section 2-6 first subsection No 1-4. The second part explains the methods used for determination of the consideration to shareholders in the transferring company. The third part is our opinion regarding the consideration.

## Part 1: Information about the contribution

The assets and liabilities that Aker Solutions shall take over in the merger include the activities of Kværner and include all assets, rights and liabilities of Kværner, consisting primarily of shares in Kværner Holding AS and loans to and from subsidiaries. Annual financial statements, Board of Directors' reports and Auditor's reports for the last three years and a half year report for 2020 are included as appendices.

## Part 2: Method(s) for determination of the consideration

The agreement between Aker Solutions and Kværner has been negotiated between independent parties. The negotiation will result in an agreed exchange ratio of Aker Solutions shares for each share in Kværner.

KPMG AS is a Norwegian limited liability company and member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Statautoriserte revisorer medlemmer av Den norske Revisorføring

### Offices in

Oslo	Elverum	Molde	Strom
Alta	Finnsees	Molde	Stalund
Arendal	Hamar	Skien	Trondheim
Bjergoy	Haugesund	Sandefjord	Trondheim
Birda	Kragero	Sandnessjøen	Tyrestad
Drammen	Kristiansund	Stavanger	Ålbakk



The consideration and exchange ratio between the two listed entities Aker Solutions and Kværner will be market based and measured by the volume weighted average price ("VWAP") of the shares for the 30 consecutive days (incl. both trading days and non-trading days), commencing two trading days after the Aker Solutions share trades ex the dividend as specified in item 4 and 11 in the merger plan.

The Boards of each party have obtained independent fairness opinions which assess the appropriateness of the valuation method to arrive at the consideration and exchange ratio. To validate the consideration and exchange ratio the fairness opinions have assessed the valuations by, inter alia, comparison against future discounted cash flow estimates, trading multiples of comparable entities, relevant precedent transactions and the historic market value of the entities to assess the reasonableness of the relative enterprise values of the parties as per the VWAP ratio calculation.

In determining the consideration, no specific difficulties have been encountered, however the uncertainties resulting from the impacts of COVID-19 and the significant drop in oil-price in 2020 have been considered and assessed.

### Part 3: The independent expert's opinion

We have performed our procedures and issue our opinion in accordance with the Norwegian auditing standard NSAE 3802 "The auditor's assurance reports and statements required by Norwegian Company legislation<sup>1</sup>" issued by the Norwegian Institute of Public Accountants. The standard requires that we plan and perform procedures to obtain reasonable assurance about whether the assets and liabilities Aker Solutions shall take over have a value that is at least equivalent to the agreed consideration, and to enable us to express an opinion on the consideration to the shareholders of Kværner. Our procedures include an assessment of the valuation method to be used and the assumptions that will form the basis for the valuation.


We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Opinion

In our opinion, based on the method described, the assets Aker Solutions shall take over in the merger will have a value that is at least equivalent to the agreed consideration in Aker Solutions shares. In our opinion the basis for the consideration to the shareholders of Kværner of the number of shares, to be determined based on the described method, in Aker Solutions for each share in Kværner, is reasonable and objective.

The opinion will be updated on 21 September 2020 with the final exchange ratio of the consideration to the shareholders of Kværner of the number of shares in Aker Solutions for each share in Kværner.

Oslo, 20 August 2020  
KPMG AS

  
Roland Fredriksen  
State Authorised Public Accountant

<sup>1</sup> Norwegian name of standard: SA 3802-1 Revisors uttalelser og redegjørelser etter aksjelovgivningen

**New Articles of Association Aker Solutions ASA**

(registration no. 913 748 174)

(resolved at an extraordinary general meeting [●])

**§ 1**

The Company is a public limited company. The name of the Company is Aker Solutions ASA.

**§ 2**

The registered address is in the county of Bærum.

**§ 3**

The objectives of the Company are to own or carry out industrial- and other associated businesses, management of capital and other functions for the Group, and to participate in or acquire other businesses.

**§ 4**

The Company's share capital is NOK [●] divided into [●] shares, each having a par value of NOK 1.08. The Company's shares shall be registered with the Norwegian Securities Register (Verdipapirsentralen).

**§ 5**

The Board of Directors shall consist of 6-12 members of whom 1/3 shall be elected by and among the employees of the companies within the Aker Solutions Group. Up to 3 deputy members may be elected by the shareholders.

Each of the board members elected by the shareholders will serve for a period of one to three years pursuant to further decision by the General Meeting.

**§ 6**

The Company shall have an election committee consisting of minimum 3 members to be elected by the General Meeting. The election committee shall prepare the election of board members. The General Meeting may adopt instructions for the election committee's tasks.

**§ 7**

The Chairman alone, or two Directors jointly of whom at least one shall have been elected by the shareholders, shall have the right to sign on behalf of the Company.

**§ 8**

General Meetings shall be notified in such a form and within such a deadline that they, as a minimum, comply with the current legislation and/or regulations. The company may in the notice determine a deadline for registration of participation which shall not expire less than five (5) days prior to the General Meeting.

When documents relating to matters which shall be considered in the General Meeting have been made available to the shareholders on the company's internet pages, legislative requirements that documents must be sent to the shareholders in printed form shall not apply. This is applicable also to such documents which, according to legislation, must be included in or attached to the notice of the General Meeting. Notwithstanding, a shareholder may demand to receive in printed form documents related to matters which are to be considered in the General Meeting.

The Board may decide that the shareholders may cast their vote in writing, including electronically, during a period prior to the General Meeting. For such voting an adequate method for authenticating the sender shall be applied.

The Chairman or the appointee of the Chairman shall preside at the General Meeting.

The Annual General Meeting shall consider, and decide on, the following matters:

- (a) Approval of the annual accounts and the annual report, including distribution of dividend.
- (b) Other matters which, by law or under the Articles of Association, are the business of the General Meeting.

The General Meeting may be held in Oslo.

\* \* \*

## APPENDIX 2

### Appendix 2.1

#### Articles of Association Kværner ASA

(registration no. 996 474 313)

(Resolved at an extraordinary general meeting 9 October 2012.)

##### § 1

The Company is a public limited company. The name of the Company is Kværner ASA.

##### § 2

The registered address of the Company is in the county of Bærum.

##### § 3

The objectives of the Company are to own or carry out industrial- and other associated businesses, management of capital and other functions for the Group, and to participate in or acquire other businesses.

##### § 4

The Company's share capital is NOK 91 460 000 divided into 269 000 000 shares, each having a par value of NOK 0.34. The Company's shares shall be registered with the Norwegian Securities Depository (Verdipapirsentralen).

##### § 5

The Board of Directors shall consist of 6-10 members of whom 1/3 shall be elected by and among the employees of the companies within the Kvaerner Group. Up to 3 shareholder-elected deputy members may be elected annually.

##### § 6

The Company shall have an election committee consisting of minimum 3 members to be elected by the General Meeting. The election committee shall prepare the election of board members. The General Meeting may adopt instructions for the election committee's tasks.

##### § 7

The Chairman alone, or two Directors jointly of whom at least one shall have been elected by the shareholders, shall have the right to sign on behalf of the Company.

##### § 8

The Company shall not have more than one Managing Director.

§ 9

General Meetings shall be notified in such a form and within such a deadline that they, as a minimum, comply with the current legislation and/or regulations. The company may in the notice determine a deadline for registration of participation which shall not be shorter than five (5) days prior to the General Meeting. When documents relating to matters which shall be considered in the General Meeting have been made available to the shareholders on the Company's internet pages, legislative requirements that documents must be sent to the shareholders in printed form shall not apply. This is applicable also to such documents which, according to legislation, must be included in or attached to the notice of the General Meeting. Notwithstanding, a shareholder may demand to receive in printed form documents related to matters which are to be considered in the General Meeting. The Board may decide that the shareholders may cast their vote in writing, including electronically, during a period prior to the General Meeting. For such voting an adequate method for authenticating the sender shall be applied.

The Chairman or the appointee of the Chairman shall preside at the General Meeting. The Annual General Meeting shall consider and decide on, the following matters:

- (a) Approval of the annual accounts and the annual report, including distribution of dividend.
- (b) Other matters which, by law or under the Articles of Association, are the business of the General Meeting.

\* \* \*

## Appendix 2.2

[Annual accounts, directors' report and auditor's report for Kvaerner for the last three accounting years, as well as the half-year report for 2020 in accordance with Securities Trading Act Section 5-6]

**TO THE SHAREHOLDERS' MEETING IN KVÆRNER ASA ("KVAERNER")**

**REPORT ON THE MERGER BETWEEN KVAERNER AND AKER SOLUTIONS ASA ("AKSO")**

**1. THE MERGER WITH AKSO**

The present report is prepared by the Board of Directors of Kvaerner pursuant to Section 13-9 of the Public Limited Companies Act. The report is prepared in connection with the merger of Kvaerner and AKSO as proposed in the merger plan dated 17 July 2020 (the "Merger")

Upon completion the Merger the assets, rights and obligations of Kvaerner will in their entirety be transferred to AKSO. Kvaerner will be dissolved upon completion of the Merger.

**2. RATIONALE FOR THE MERGER**

The rationale of the Merger is to establish a leading supply company both national and international within current business areas as well as new business areas. The Board of Directors believes this goal can be achieved through the Merger for several reasons.

The new AKSO is believed to get strong market position due to the complementary nature of the businesses of AKSO and Kvaerner and the ability to offer a wide range of complete package solutions to the petroleum and energy industry. In today's market the demand for complete package solutions is high. By merging the businesses the new AKSO will be able to supply this demand, inter alia by offering to undertake a width of contracts from engineering, and project management (EPMA) to turnkey (EPCI) for projects - from the initial projecting phase, to subsequent operations and maintenance. By increasing the amount of package solutions offered it will also be easier for the company to conduct effective project execution, cut lead time and total expenses.

Further the Merger will strengthen the financial position of the company both by an increased turnover and profit and through the synergies being achieved through the Merger. Financial solidness is considered especially beneficial in today's challenging market situation. The Merger will establish a company which is well positioned to meet future economical down-turns.

**3. DETERMINATION OF THE MERGER CONSIDERATION**

As merger consideration the shareholders of Kvaerner receive shares in AKSO. The exchange-ratio between shares in Kvaerner and the consideration shares in AKSO is based on a volume weighted average price for the shares in AKSO and Kvaerner on Oslo Stock Exchange during a period of 30 days (incl. both trading days and non-trading days) commencing two trading days after the AKSO share trades ex the dividend specified in item 11. One share in Kvaerner shall still always give right to at least 0.7629 shares and maximum 1.1404 shares in AKSO, which in total provides the shareholders in Kvaerner with an ownership interest in the range between 43 % to 53 % in the combined company. The exact exchange-ratio will be published as soon as it is ready.

Fractions of shares will not be allotted. For each shareholder the shares will be rounded down to each whole number. Excess shares, which as a result of this round down will not be allotted, will be issued to and sold by Skandinaviska Enskilda Banken AB (publ) (Oslo



Branch). The sales proceeds will be given to AKSO, which is free to give the sales proceeds further to charity.

Only shareholders of Kvaerner that are non-U.S. persons as defined in regulation S of the U.S. Securities Act or "accredited investors" as defined in Regulation D of the U.S. Securities Act ("**Eligible Shareholder**") are eligible to receive shares in AKSO as merger consideration. Any shareholder in Kvaerner who is not an Eligible Shareholder will receive a cash settlement following a sale of such shares as they would otherwise be entitled to receive. Such shareholders will also receive cash for fractions of shares.

COVID 19 has caused great unbalance in the supply and demand for oil and gas which in turn has resulted in oil companies world over cutting investments to protect own cash flow. This has in turn had a significant impact on the valuation of AKSO and Kvaerner. Because of i.a. the measures carried out by AKSO and Kvaerner to reduce costs, and the packages of measures adopted by the Norwegian authorities to maintain activity in the petroleum industry, the share prices have stabilized. AKSO and Kvaerner is therefore of the opinion that a volume-weighted average price per share during a period of 30 days provides a good basis to determine the exchange-ratio.

The Board of Directors of Kvaerner has commissioned a valuation report from Arctic Securities, which has served as the basis for the above mentioned valuation method. The valuation report supports that a volume weighted average price per share in the mentioned period will provide a correct picture of the value of the respective shares and thus provide the shareholders in Kvaerner a fair consideration. The valuation of AKSO and Kvaerner is based on a total assessment of expected future cash flow of the companies under different assumptions and scenarios, including a calibration against the valuation of similar companies which are traded on the stock exchange and a valuation of the companies' historical stock exchange values. No special difficulties have been encountered in determining the consideration.

#### **4. IMPLICATIONS FOR THE EMPLOYEES**

Kvaerner has no employees. All workers are employed in underlying companies of the Kvaerner group. The Merger does not have any immediate consequences for these employees. Despite this, information has been furnished to, and discussions have been held with, the employee representatives and other union representatives in the Kvaerner group in connection with the Merger.

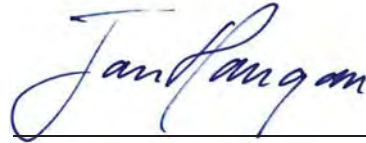
In accordance with the principle of continuity all of Kvaerner's obligations towards the employees of the Kvaerner group are transferred to AKSO.

The Board of Directors of Kværner ASA



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Leif-Arne Langøy (Chairman)



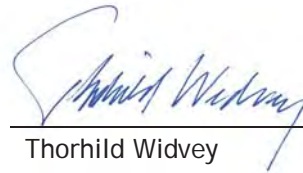
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Jan Arve Haugan



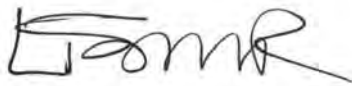
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Ståle Knoff Johansen



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Thorhild Widvey



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Lone Fønss Schrøder



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Rune Rafdal



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Line Småge Breidablikk



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Kjell Inge Røkke

[Expert statement with respect to the merger plan]



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To the General Meeting of Kværner ASA

## Statement on the merger plan

At the Board of Directors of Kværner ASA's request, we as independent experts, issue this statement regarding the merger plan dated 17 July 2020 between Aker Solutions ASA ("Aker Solutions") and Kværner ASA ("Kværner") in compliance with the Public Limited Liability Companies Act section 13-10. In the merger Aker Solutions takes over all assets and liabilities of Kværner against consideration in shares in Aker Solutions. The shareholders of Kværner receive as consideration of a number of shares, to be determined based on the described method, in Aker Solutions for each share in Kværner. One share in Kværner shall give right to at least 0.7629 shares and a maximum of 1.1404 shares in Aker Solutions, which will provide the shareholders in Kværner with an ownership interest in the combined company of between 43 % and 53 %. The exact exchange-ratio will be published as soon as it is ready.

### The Board's responsibility for the statement

The Board of Directors of each company is responsible for the information and the valuations which form the basis for the statement and the valuations performed which determined the consideration.

### The independent experts' responsibility

Our responsibility is to prepare a statement on the merger plan and express an opinion on the determination of the consideration.

## Statement on the determination of the consideration

The agreement between the Aker Solutions and Kværner has been negotiated between independent parties. The negotiation will result in an agreed exchange ratio of Aker Solutions shares for each share in Kværner

The consideration and exchange ratio between the two listed entities Aker Solutions and Kværner will be market based and measured by the volume weighted average price ("VWAP") of the shares for the 30 consecutive days (incl. both trading days and non-trading days), commencing two trading days after the Aker Solutions share trades ex the dividend as specified in item 4 and 11 in the merger plan.

The Boards of each party have obtained independent fairness opinions which assess the appropriateness of the valuation method to arrive at the consideration and exchange ratio. To validate the consideration and exchange ratio the fairness opinions have assessed the valuations by, inter alia, comparison against future discounted cash flow estimates, trading multiples of comparable entities, relevant precedent transactions and the historic market value of the entities to assess the reasonableness of the relative enterprise values of the parties as per the VWAP ratio calculation.



In determining the consideration, no specific difficulties have been encountered, however the uncertainties resulting from the impacts of COVID-19 and the significant drop in oil-price in 2020 have been considered and assessed.

## The independent expert's opinion

We have performed our procedures and issue our opinion in accordance with the Norwegian auditing standard NSAE 3802 "The auditor's assurance reports and statements required by Norwegian Company legislation<sup>1</sup>" issued by the Norwegian Institute of Public Accountants. The standard requires that we plan and perform procedures to obtain reasonable assurance about whether the basis for the consideration to the shareholders of Kværner is reasonable and objective. Our procedures include an assessment of the valuation method to be used and the assumptions that will form the basis of the consideration.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Opinion

In our opinion the basis for the consideration to the shareholders of Kværner of the number of shares, to be determined based on the described method, in Aker Solutions for each share in Kværner, is reasonable and objective.

The opinion will be updated on 21 September 2020 with the final exchange ratio of the consideration to the shareholders of Kværner of the number of shares in Aker Solutions for each share in Kværner.

Oslo, 20 August 2020  
KPMG AS

Arve Geyoll  
State Authorised Public Accountant

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<sup>1</sup> Norwegian name of standard: SA 3802-1 Revisors uttalelser og redegjørelser etter aksjelovgivningen