

TO THE SHAREHOLDERS OF BLOM ASA

NOTICE OF EXTRAORDINARY GENERAL MEETING

The Board of Directors hereby calls an Extraordinary General Meeting of Blom ASA

*at 10:00 a.m. on Friday 27 September 2013 in the auditorium, 1st floor,
Drammensveien 165, 0277 Oslo.*

Board Chairman Tom H. Knoff will open the General Meeting.

The following items are on the agenda:

1. **Election of a chairperson for the meeting**
2. **Approval of the notice of the meeting**
3. **Election of a representative to sign the minutes jointly with the chairperson**
4. **Statement of the company's financial situation and proposed restructuring**
5. **Proposed election of a new Board of Directors**
6. **Proposed reduction of capital**
7. **Proposed conversion of a bond loan to share capital**
8. **Proposed combination of shares**
9. **Proposal that the company may own up to 10% of its own shares**
10. **Proposal that the company is allowed, in the period of the mandatory bid, to carry out a sale of subsidiaries and other assets on commercial terms**
11. **Proposed remuneration to Board Members resigning from the Board of Directors**

Item 5 – Election of a new Board of Directors

Board Members Tom Knoff, Siv Sandvik, Ingvild Myhre and Olav Fjell will resign from the Board of Directors. Proposed new Board Members and a new Board Chairman will be published later.

Item 6 – Proposed reduction of capital

The Board of Directors finds that it would be appropriate to reduce the nominal value of the shares. Recently the Company's shares have traded at a price that is close to the nominal

value of the shares. The fact that the nominal value is so high in relation to the market value limits the Company's flexibility to increase the share capital. A reduction of the nominal value of the shares is also necessary in order to carry out the conversion of debt that is proposed in Item 7 in the notice. The Board of Directors proposes therefore a reduction in capital in the form of a reduction in the nominal value of the shares.

The Board of Directors proposes that the General Meeting adopt the following resolution with regard to a reduction of the Company's capital:

- (i) *The Company's share capital shall be reduced by NOK 15,163,976.25 from NOK 16,848,862.50 to NOK 1,684,886.25 by a reduction of the nominal value of the Company's shares from NOK 0.50 to NOK 0.05.*
- (ii) *The amount of the reduction shall be allocated to a fund to be used as decided by the General Meeting, ref. section 12-1 (1) no. 3 of the Public Limited Liability Companies Act.*
- (i) *Section 4 of the Articles of Association shall be amended to reflect the share capital and nominal value of the shares after the reduction in capital.*
- (ii) *The reduction in capital is carried out upon the expiry of the period allowed for notice to creditors pursuant to section 12-6 of the Public Limited Liability Companies Act.*

Item 7 – Proposed conversion of a bond loan to share capital

The Company has had an ongoing dialogue for some time with a majority of the key bondholders for the Company's bond loan with a view to strengthening the Company's capital structure through an increase in equity. The bondholders are prepared to contribute to re-establishing a healthy balance sheet for the Company and securing adequate liquidity so that the Company can follow its original business plan. In this connection an amendment agreement was recently entered into with the bondholders that extended the term of the Company's NOK 26.7 million bond loan (ISIN NO 001064747.2) to 26 September 2013. The aim of this extension was to allow the Company additional time to make conclusions under the various alternatives in the ongoing restructuring process.

The Company's Board of Directors has decided now to propose to the General Meeting that the bond loan with total amount outstanding of NOK 97,336,716.10 be converted to equity. This measure will have a positive impact on the Company's balance sheet by reducing the debt burden. At the same time it will contribute to a necessary strengthening of the Company's equity and its ability to comply with its debt liabilities. Conversion of the bond loan will take place in the form of a capital increase in which the bonds and the accrued interest will be used to subscribe for shares. The company will thus not receive any injection of cash, but the balance sheet will improve by converting debt to equity. The subscription price will be NOK 0.10 per share.

Conversion of the bond loan requires the consent of the bondholder meeting. The plan is for this to be held prior to the General Meeting.

The Board of Directors proposes accordingly that the company's General Meeting pass the following resolution:

A: Capital increase in connection with conversion of ISIN NO 001064747.2

- (i) *The Company's share capital shall be increased by NOK 18,025,000 by the issuance of 360,500,000 new shares, each with a nominal value of NOK 0.05.*
- (ii) *The new shares shall be issued at a subscription price of NOK 0.10 per share.*
- (iii) *The new shares are issued to the bondholders of the bond loan ISIN NO 001064747.2.*
- (iv) *Subscription for the new shares shall be made in the minutes of the General Meeting.*
- (v) *Settlement for the new shares will take place by offsetting so that the principal, including capitalised interest, and accrued, uncapitalised interest for the period up to, and including, 27 September 2013 under the Bond Loan is used as share deposit in its entirety. The amount that is set off constitutes NOK 36,050,000.00. Such offsetting shall take place from the point in time when the new shares are subscribed for.*
- (vi) *The new shares will be entitled to dividends from the date when the capital increase is registered with the Register of Business Enterprises.*
- (vii) *Section 4 of the Articles of Association shall be amended so that it reflects the share capital and number of shares after the increase in capital.*
- (viii) *Completion of the capital increase is subject to completion of the preceding capital reduction, cf. Item 6 on the General Meeting's agenda, and combination of shares, cf. Item 8 on the General Meeting's agenda. The capital increase will be completed at the time of registration of the completion of this capital reduction and combination of shares at the earliest.*
- (ix) *The Company's estimated costs in connection with the capital increase are NOK 25,000.*

B: Capital increase in connection with conversion of ISIN NO 001064285.3

- (i) *The Company's share capital shall be increased by NOK 25,261,430.05 by the issuance of 505,228,601 new shares, each with a nominal value of NOK 0.05.*
- (ii) *The new shares shall be issued at a subscription price of NOK 0.10 per share.*
- (iii) *The new shares are issued to the bondholders of the bond loan ISIN NO 001064285.3.*
- (iv) *Subscription for the new shares shall be made in the minutes of the General Meeting.*
- (v) *Settlement for the new shares will take place by offsetting so that the principal, including capitalised interest, and accrued, uncapitalised interest for the period up to, and including, 27 September 2013 under the Bond Loan is used as share deposit in its entirety. The amount that is set off constitutes NOK 50,522,860.15. Such*

offsetting shall take place from the point in time when the new shares are subscribed for.

- (vi) The new shares will be entitled to dividends from the date when the capital increase is registered with the Register of Business Enterprises.*
- (vii) Section 4 of the Articles of Association shall be amended so that it reflects the share capital and number of shares after the increase in capital.*
- (viii) Completion of the capital increase is subject to completion of the preceding capital reduction, cf. Item 6 on the General Meeting's agenda, and combination of shares, cf. Item 8 on the General Meeting's agenda. The capital increase will be completed at the time of registration of the completion of this capital reduction and combination of shares at the earliest.*
- (ix) The Company's estimated costs in connection with the capital increase are NOK 25,000.*

C: Capital increase in connection with conversion of ISIN NO 001 064753.0

- (i) The Company's share capital shall be increased by 5,381,927.95 by the issuance of 107,638,559 new shares, each with a nominal value of NOK 0,05.*
- (ii) The new shares shall be issued at a subscription price of NOK 0.10 per share.*
- (iii) The new shares are issued to the bondholders of the bond loan ISIN NO 001 064753.0.*
- (iv) Subscription for the new shares shall be made in the minutes of the General Meeting.*
- (v) Settlement for the new shares will take place by offsetting so that the principal, including capitalised interest, and accrued, uncapitalised interest for the period up to, and including, 27 September 2013 under the Bond Loan is used as share deposit in its entirety. The amount that is set off constitutes NOK 10,763,855.95. Such offsetting shall take place from the point in time when the new shares are subscribed for.*
- (vi) The new shares will be entitled to dividends from the date when the capital increase is registered with the Register of Business Enterprises.*
- (vii) Section 4 of the Articles of Association shall be amended so that it reflects the share capital and number of shares after the increase in capital.*
- (viii) Completion of the capital increase is subject to completion of the preceding capital reduction, cf. Item 6 on the General Meeting's agenda, and combination of shares, cf. Item 8 on the General Meeting's agenda. The capital increase will be completed at the time of registration of the completion of this capital reduction and combination of shares at the earliest.*
- (ix) The Company's estimated costs in connection with the capital increase are NOK 25,000.*

With regard to events after the date of the last balance sheet and circumstances that must be emphasised in terms of subscription for new shares, reference is made to the Company's stock exchange announcements, which are available at www.blomasa.com and www.newsweb.no.

A copy of the most recent annual accounts, annual report and auditor's report are available at the Company's offices.

Item 8 – Proposed combination of shares

The Board of Directors proposes that the number of shares in the Company be reduced by a combination of the shares. The Board of Directors proposes that the combination be carried out by combining 100 shares with a nominal value of NOK 0.05 into one share with a nominal value of NOK 5.00.

The purpose of this proposal is to increase the minimum share price and thus avoid major price fluctuations for the Company's shares and ineffective pricing as a result of this. This proposal is in accordance with the continuing obligations in section 2.4 of the Stock Exchange Rules from Oslo Børs.

Some of the Company's shareholders currently own a number of shares that is not divisible by 100. The Board of Directors proposes therefore that the treasury shares held by the Company be used to transfer the number of shares required so that the shareholders' holdings are rounded up to the nearest whole share free of charge so that the combination of shares can be executed by the central securities depository (VPS). The Company's largest shareholder, Merckx AS, has, to the extent that the Company's own shareholding should prove insufficient, undertaken, upon the execution of the combination of shares in VPS, to transfer the number of shares necessary in order for such shareholders to have their new shareholding rounded up to the nearest whole share.

Since the share capital cannot be combined into a whole number of shares after the combination, it is proposed that 12 new shares be issued prior to the combination. It is proposed that the shares be issued at the nominal price of NOK 0.05 to the largest shareholder. These shares will be used for rounding in connection with the combination.

The Board of Directors proposes that the General Meeting pass the following resolution concerning the capital increase and combination of the Company's shares:

"The Company's share capital shall be increased by NOK 0.75 from NOK 50,353,244.25 to NOK 50,353,245 by issuing 15 new shares to the Company's largest shareholder, Merckx AS, at a subscription price of NOK 0.05. The pre-emptive rights of the existing shareholders shall be waived. The shares shall be subscribed for in the minutes of the General Meeting, and payment of the subscription amount shall be made to the Company's new issue account no later than the same day as the General Meeting. This share shall carry dividend rights from the date the capital increase is registered with the Register of Business Enterprises. The Company's estimated costs in connection with the capital increase are NOK 0.

Thereafter, 100 shares with a nominal value of NOK 0.05 shall be combined to one new share with a nominal value of NOK 5.00. The issuance of share fractions is not permitted. It is a condition for the execution of the combination that the Company transfer the

number of shares that is required free of charge so that all share fractions can be rounded up to the nearest whole share. The combination shall be carried out so that the Company's shares are traded combined from the first trading day after the combination has been registered with the Register of Business Enterprises. The number of shares before the combination is 1,007,064,900, and after the combination the number of shares will be 10,070,649. The combination of shares is subject to, and shall, at the earliest, be carried out at the same time as, the execution of the capital reduction in the form of a reduction in the nominal value of the shares, cf. item 6. The exact date for the execution of the combination shall be determined by the Board of Directors

It is proposed accordingly that article 4 of the Articles of Association be amended to reflect the number of shares and their nominal value after completion of the combination."

Item 9 - Proposal that the company may own up to 10% of its own shares.

The Board of Directors of the Company proposes that the Board of Directors is granted a power of attorney to let the Company acquire treasury shares. Pursuant to sections 9-2 et seq. of the Public Limited Liability Companies Act, the Company may, on further specified terms, acquire treasury shares within a maximum limit of 10% of the share capital. Such acquisition can only take place if the General Meeting, with a majority as for amendments to the Articles of Association, has granted the Board of Directors a power of attorney to do so, and such power of attorney has been registered in the Register of Business Enterprises. As of 27 September this year, the Company holds 107 treasury shares, equal to 0.00001% of the total amount of outstanding shares.

The Board of Directors proposes that the General Meeting pass the following resolution: *The General Meeting grants the Board of Directors a power of attorney to acquire shares in Blom ASA for up to a highest amount of NOK 5,035,324 calculated based on the shares' nominal value. The Board of Directors' acquisition of shares under the power of attorney can only take place between a minimum price of NOK 0.01 and a highest price of NOK 50 per share (after conversion and combination of shares). The power of attorney applies from registration in the Register of Business Enterprises and up until the ordinary general meeting in the spring of 2014, but no later than 30 June 2014. Acquisition and disposal of treasury shares can take place in the manner found appropriate by the Board of Directors.*

Item 10 - Proposal that the company is allowed, in the period of the mandatory bid, to issue shares and to carry out a sale of subsidiaries, treasury shares and other assets on commercial terms

In order to give the Company enough financial flexibility, the Board of Directors proposes that the General Meeting grant the Board of Directors a power of attorney to pass resolutions as stated in section 6-17 (1), item 1 to, and including, 4, of the Securities Trading Act, in acquisition situations too.

Item 11 - Proposed remuneration to Board Members resigning from the Board of Directors

The Board of Directors proposes that the remuneration to the Board Members remain unchanged and be paid on a pro rata basis based on their time of service. It is proposed that

the Board Chairman be granted a remuneration of NOK 150,000 and that the other Board Members be granted a remuneration of NOK 75,000, NOK 375,000 in total.

The Company's share capital totals NOK 16,848,862.50, divided into 33,697,725 shares, each with a nominal value of NOK 0.50. The Company holds 10,707 treasury shares. Voting rights cannot be exercised for the Company's treasury shares, and they shall not be counted when a resolution requires approval by a certain percentage of the share capital, cf. section 5-4 of the Public Limited Liability Companies Act. All other shares carry one vote at the Company's General Meetings. Shareholders are entitled to vote for the number of shares they own, provided the acquisition of the shares has been entered in the register of shareholders by the fifth working day prior to the date of the General Meeting (registration date). The shareholders have the following rights in connection with the General Meeting:

- Right to attend the General Meeting, either in person or by proxy.
- Right to speak at the General Meeting.
- Right to be accompanied by one adviser and to grant him/her the right to speak.
- Right to demand the disclosure of information by members of the Board of Directors and the Managing Director pursuant to the detailed provisions in section 5-15 of the Public Limited Liability Companies Act.
- Right to consideration of items at the General Meeting that they have reported in writing to the Board of Directors far enough in advance so that they can be included in the notice of the meeting. If the notice has already been sent, then a new notice shall be distributed if at least three weeks remain before the General Meeting is to be held.

The shareholders who would like to attend must notify the Company's office as soon as possible and no later than **10:00 a.m. on 26 September 2013** by returning the enclosed attendance slip. The right to attend the General Meeting is reserved for shareholders who have been entered in the register of shareholders by the fifth working day prior to the date of the General Meeting. Fax no. +47 22 13 19 21, e-mail: egil.huseth@blomasa.com.

If you would like to be represented by proxy, we request that you complete the enclosed proxy form and send it to Blom ASA, care of the managing director.

This notice is available on the Company's website: www.blomasa.com.

Oslo, 4 September 2013

Tom H. Knoff
Board Chairman

ATTENDANCE SLIP

To be sent to: Blom ASA, P.O. Box 34 Skøyen, 0212 Oslo, and it must be received by Blom ASA no later than 10:00 a.m. on 26 September 2013. Fax no. +47 22 13 19 21, e-mail: egil.huseth@blomasa.com

The undersigned will attend Blom ASA's General Meeting in the auditorium, 1st floor, Drammensveien 165, 0277 Oslo **10:00 a.m. on 27 September 2013** and vote for:

_____ own shares

_____ other shares pursuant to the enclosed proxy(ies)

For a total of _____ shares

Place: _____

Date: _____

(Name in block letters)

Signature



PROXY WITHOUT VOTING INSTRUCTIONS

If you do not have the opportunity to attend the General Meeting, this proxy can be used by whomever you grant authority, or you can send the proxy without entering the name of the proxy. In this case, the proxy will be given to the Board Chairman or a member of the Board of Directors before the General Meeting is held. If the proxy is to include instructions on how the proxy should vote on each individual item, use the "Proxy with Voting Instructions" form.

The proxy form is to be sent to: Blom ASA, P.O. Box 34 Skøyen, 0212 Oslo, and it must be received by Blom ASA no later than 10:00 a.m. on 26 September 2013. Fax no. +47 22 13 19 21, e-mail: egil.huseth@blomasa.com

The undersigned hereby grants: **The Managing Director**

or _____
(Name of the proxy with block letters)

a proxy to appear and vote at Blom ASA's General Meeting at **10:00 a.m. on Friday 27 September 2013**

for my/our _____ shares.

Place: _____

Date: _____

(Name in block letters)

Shareholder's signature

PROXY WITH VOTING INSTRUCTIONS

If you do not have the opportunity to attend Blom ASA's General Meeting at **10:00 a.m. on Friday, 27 September 2013**, you may appear by proxy. In this case, you can use this proxy form to state your voting instructions.

The proxy is to be sent to: Blom ASA, P.O. Box 34 Skøyen, 0212 Oslo, and it must be received by Blom ASA no later than 10:00 a.m. on 26 September 2013. Fax no. +47 22 13 19 21, e-mail: egil.huseth@blomasa.com

The undersigned hereby grants (tick off)

The Managing Director or whomever he so authorises, or

Name of the proxy (please use capital letters)

the authority to attend and cast a vote for my/our shares at the General Meeting of Blom ASA at **10:00 a.m. on 27 September 2013**. If a proxy is submitted without the name of the proxy, then the proxy will be deemed to have been granted to the Board Chairman or whomever he so authorises.

The voting shall be in accordance with the instructions below. Note that **if the alternatives below are not ticked off, this will be deemed to be an instruction to vote “in favour” of the proposals in the notice**. The proxy will, however, determine the voting if a proposal is put forward in addition to, or as a replacement for the proposals in the notice.

Item:	In favour	Against	Abstention	At proxy's discretion
1. Election of a chairperson for the meeting	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Approval of the notice of the meeting	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Election of a representative to sign the minutes jointly with the chairperson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Proposed election of a new Board	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Proposed reduction of capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Proposed conversion of a bond loan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Proposed combination of shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Proposal that the Company may own up to 10% of its own shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Proposal that the Company is allowed, in the period of the mandatory bid, to carry out a sale of subsidiaries and other assets on commercial terms	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Proposed remuneration to board members resigning from the Board of Directors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The aforementioned proxy has the authority to appear and vote at Blom ASA's General Meeting

at 10:00 a.m. on Friday 27 September 2013 for my/our _____ shares.

Place: _____

Date: _____

(Name in block letters)

Shareholder's signature