

# PROSPECTUS



## ATLANTIC SAPPHIRE ASA

(A public limited liability company incorporated under the laws of Norway)

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### Rights Issue and listing on Euronext Oslo Børs of up to 6,844,800,000 Offer Shares with a Subscription Price of NOK 0.10 per Offer Share with Subscription Rights for Existing Shareholders, where the subscribers will receive 0.5 Warrants per Offer Share allocated

Subscription Period for the Rights Issue: From and including 20 September 2024 to 16:30 hours (CEST) on 4 October 2024

Trading in Subscription Rights: From and including 20 September 2024 to 16:30 hours (CEST) on 30 September 2024

### Listing on Euronext Oslo Børs of up to 7,700,400,000 Warrants

### Listing on Euronext Oslo Børs of 641,700,06 Underwriting Commission Shares

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This prospectus (the "**Prospectus**") has been prepared by Atlantic Sapphire ASA (the "**Company**" or "**Atlantic Sapphire**") a public limited liability company incorporated under the laws of Norway, (together with its consolidated subsidiaries, the "**Group**") in connection with a partially underwritten rights issue, and the listing on Euronext Oslo Børs (the "**Oslo Stock Exchange**") of up to 6,844,800,000 new shares in the Company with a nominal value of NOK 0.05 (the "**Offer Shares**") at a subscription price of NOK 0.10 per Offer Share (the "**Subscription Price**"), and up to 7,700,400,000 warrants (the "**Warrants**"), where the issuance of the Offer Shares will raise gross proceeds of up to approximately NOK 684.48 million (the "**Rights Issue**"). The subscribers in the Rights Issue will receive 0.5 Warrants per Offer Share allocated and paid for. The Warrants will be granted free of charge. Each Warrant will give the holder a right to subscribe one (1) new Share in the Company at a strike price which will vary between NOK 0.115 to NOK 0.13, depending on when the Warrants are exercised. The Warrants may be exercised at the earliest of the first 10 business days in December 2025 or in connection with a Qualifying Equity Raise (as defined below), with further exercise windows as described in Section 11.27 "The Warrants". The Prospectus has also been prepared in connection with an anticipated listing of the Warrants on the Oslo Stock Exchange and the Listing of 641,700,06 Underwriting Commission Shares.

The subscription period for the Rights Issue (the "**Subscription Period**") will commence at 09:00 Central European Summer Time ("**CEST**") on 20 September 2024 and end at 16:30 hours (CEST) on 4 October 2024. Holders of the Company's shares (the "**Shares**") in the Company's shareholder register with the Norwegian Central Securities Depository (Nw. Verdivapirsentralen) (the "**VPS**") as of the expiry of 19 September 2024 (the "**Record Date**") (the "**Existing Shareholders**"), will be granted transferable subscription rights (the "**Subscription Rights**") that, subject to applicable law, provide preferential rights to subscribe for and be allocated Offer Shares in the Rights Issue at the Subscription Price. For the purposes of determining entitlement to Subscription Rights, the Company will look solely to its register of shareholders as of the expiry of the Record Date. Provided that the delivery of traded Shares is made with ordinary T+2 settlement in the VPS, Shares that are acquired on or before 17 September 2024 (the "**Cut-off Date**") will give the right to receive Subscription Rights, whereas Shares that are acquired from and including 18 September 2024 will not give the right to receive Subscription Rights.

Each Existing Shareholder will be granted 61.0552 Subscription Rights for every one (1) Existing Share registered as held by such Existing Shareholder as of the Record Date. The Subscription Rights will be registered on each Existing Shareholders' VPS Account. Each Subscription Right will give the right to subscribe for, and be allocated, one (1) Offer Share in the Rights Issue. The Subscription Rights will be listed and be tradable on the Oslo Stock Exchange under the ticker code "ASAT" from 09:00 CEST on 20 September 2024 and until 16:30 hours CEST on 30 September 2024, i.e. four trading days prior to the end of the Subscription Period in the Rights Issue. Oversubscription with Subscription Rights and subscription without Subscription Rights will be permitted, however, there can be no assurance that Offer Shares will be allocated for such subscriptions.

Subscription Rights that are not used to subscribe for Offer Shares before the expiry of the Subscription Period, or that are not sold before 30 September 2024 16:30 hours CEST, will have no value and will lapse without compensation to the holder. Following expiry of the Subscription Period, any Offer Shares, up to an amount corresponding the total aggregate Underwriting Obligations (as defined below), that have not been subscribed for and allocated in the Rights Issue will be subscribed and paid for at the Subscription Price by an underwriting syndicate consisting of certain Existing Shareholders and new investors (collectively, the "**Underwriters**"), subject to the terms and conditions of the underwriting agreement entered into between the Company and the Underwriters dated 20 August 2024 (the "**Underwriting Agreement**").

The Company is not taking any action to permit a public offering of the Subscription Rights, the Offer Shares or the Warrants in any jurisdiction outside Norway. The Offer Shares and the Warrants are being offered only in those jurisdictions in which, and only to those persons whom, offers of the Offer Shares (pursuant to exercise of Subscription Rights) and the Warrants may be lawfully made. The distribution of this Prospectus and the offer and sale of the Subscription Rights, the Offer Shares and the Warrants may in certain jurisdictions be restricted by law. The Subscription Rights, the Offer Shares and the Warrants have not, and will not be, registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or under the securities laws of any state or other jurisdiction in the United States and may not be offered, sold, pledged or otherwise transferred within the United States. For more information regarding restrictions in relation to the Rights Issue pursuant to this Prospectus, see Section 12 "Selling and transfer restrictions".

The due date for the payment of the Offer Shares is expected to be on or about 10 October 2024. Delivery of the Offer Shares and the Warrants is expected to take place on or about 16 October 2024, through the facilities of the VPS. Trading in the Offer Shares on the Oslo Stock Exchange is expected to commence on or about 16 October 2024.

All of the Shares are, and the Offer Shares and the Underwriting Commission Shares will upon issuance, be registered in the VPS in book-entry form. All of the issued Shares (including the Offer Shares and the Underwriting Commission Shares when issued) rank pari passu with one another and each carry one vote.

**Investing in the Company's Shares involves material risks. Prospective investors should read the entire Prospectus and, in particular, consider Section 2 "Risk Factors" when considering an investment in the Company's Shares.**

**Joint Bookrunner**

Arctic Securities AS

**Joint Bookrunner**

DNB Markets, a part of DNB Bank ASA

The date of this Prospectus is 19 September 2024

## IMPORTANT INFORMATION

For the definitions of terms used throughout this Prospectus, see Section 16 "Definitions" of this Prospectus, which also applies to the front page.

This Prospectus has been prepared to provide information about the Company and its business in relation to the Rights Issue and the listing of the Offer Shares, the Warrants and the Underwriting Commission Shares, and to comply with the Norwegian Securities Trading Act of 29 June 2007 no. 75 (as amended) (the "**Norwegian Securities Trading Act**") and related secondary legislation, including Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2014/71/EC, as amended, and as implemented in Norway in accordance with Section 7-1 of the Norwegian Securities Trading Act (the "**EU Prospectus Regulation**"). This Prospectus has been prepared solely in the English language.

This Prospectus has been reviewed and approved by the Financial Supervisory Authority of Norway (Nw: *Finanstilsynet*) (the "**NFSA**"), as competent authority under the EU Prospectus Regulation. The NFSA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the EU Prospectus Regulation, and such approval should not be considered as an endorsement of the issuer or the quality of the securities that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the securities.

This Prospectus has been drawn up as a part of the simplified prospectus regime in accordance with Article 14 of the EU Prospectus Regulation.

The Company has engaged Arctic Securities AS and DNB Markets, a part of DNB Bank ASA, as joint bookrunners for the Rights Issue (collectively, the "**Managers**").

The information contained herein is current as of the date hereof and subject to change, completion, and amendment without notice. Pursuant to Article 23 of the EU Prospectus Regulation, significant new factors, material mistakes or inaccuracies relating to the information included in this Prospectus, which are capable of affecting the assessment of the Shares between the time when this Prospectus is approved by NFSA and the date of the listing of the Offer Shares on the Oslo Stock Exchange, will be included in a supplement to this Prospectus. Neither the publication nor distribution of this Prospectus, nor the sale of any Offer Share, Warrant or Subscription Right, shall under any circumstances create any implication that there has been no change in the Company's affairs or that the information herein is correct as of any date subsequent to the date of this Prospectus.

No person is authorised to give information or to make any representation concerning the Group or in connection with the Rights Issue or the sale of Offer Shares, Subscription Rights or Warrants other than as contained in this Prospectus. If any such information is given or made, it must not be relied upon as having been authorised by the Company, the Managers or by any of their respective affiliates, representatives or advisors.

**The distribution of this Prospectus and the offer and sale of the Offer Shares and the granting or use of the Subscription Rights and Warrants may in certain jurisdictions be restricted by law. This Prospectus does not constitute an offer of, or an invitation to purchase, any of the Offer Shares or Subscription Rights or Warrants in any jurisdiction in which such offer or sale would be unlawful. No one has taken any action that would permit a public offering of the Offer Shares or Subscription Rights or Warrants to occur outside of Norway. Accordingly, neither this Prospectus nor any advertisement or any other offering material may be distributed or published in any jurisdiction except as permitted by applicable laws and regulations. Persons in possession of this Prospectus are required to inform themselves about, and to observe, any such restrictions. In addition, the Shares, the Subscription Rights and the Warrants are subject to restrictions on transferability and resale in certain jurisdictions and may not be transferred or resold except as permitted under applicable securities laws and regulations. Investors should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time. None of the Company or the Managers, in any of their respective capacities in connection with the Rights Issue, accept any legal responsibility for any violation by any person, whether or not a prospective purchaser of Warrants and Offer Shares, of any such restrictions. The Company and the Managers reserve the right in their own absolute discretion to reject any offer to purchase shares that the Company, the Managers or their respective agents believe may give rise to a breach or violation of any laws, rules or regulations. Any failure to comply with these restrictions may constitute a violation of applicable securities laws. For further information on the sale and transfer restrictions, see Section 12 "Selling and transfer restrictions".**

This Prospectus shall be governed by and construed in accordance with Norwegian law. The courts of Norway, with Oslo as legal venue, shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with this Prospectus.

The content of this Prospectus is not to be construed or interpreted as legal, financial or tax advice. It is not intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Company, the Group, the Managers or any of their respective representatives that any recipient of this Prospectus should subscribe for or purchase any Shares. **In making an investment decision, prospective investors must rely on their own examination, and analysis of, and enquiry into the Group, the Shares and the terms and conditions of the Rights Issue, including the merits and risks involved.** The Company, the Managers and their representatives and advisers are not making any representation to any purchaser of the Shares, the Warrants or the Subscription Rights regarding the legality or

suitability of an investment in the Shares, the Warrants or the Subscription Rights by such purchaser under the laws applicable to such purchaser. Each investor should consult with his or her own advisors as to the legal, tax, business, financial and related aspects of a purchase or investment in the Shares, the Subscription Rights or the Warrants.

The Company has furnished the information in this Prospectus. No representation or warranty, expressed or implied, is made by the Managers as to the accuracy, completeness or verification of the information set forth herein, and nothing contained in this Prospectus is, or shall be relied upon as, a promise or representation in this respect, whether as to the past or the future. The Managers assume no responsibility for the accuracy or completeness or the verification of this Prospectus and accordingly disclaim, to the fullest extent permitted by applicable law, any and all liability whether arising in tort, contract or otherwise which they might otherwise be found to have in respect of this Prospectus or any such statement. Investing in the Company and its Shares involve a high degree of risk, please see Section 2 "Risk Factors".

All Sections of the Prospectus should be read in context with the information included in Section 4 "General Information".

#### **NOTICE TO INVESTORS IN THE UNITED STATES**

Because of the following restrictions, prospective investors are advised to consult legal counsel prior to making any offer, resale, pledge or other transfer of the Shares, the Warrants or the Subscription Rights. The Offer Shares, the Warrants or the Subscription Rights have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction in the United States and may not be offered, sold, pledged or otherwise transferred within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with any applicable state securities laws. Accordingly, the Offer Shares and the Warrants are being offered and sold: (i) in the United States only to QIBs in reliance upon Rule 144A under the U.S. Securities Act ("**Rule 144A**") or another available exemption from the registration requirements of the U.S. Securities Act; and (ii) outside the United States in "offshore transactions" as defined in, and in compliance with, Regulation S under the U.S. Securities Act ("**Regulation S**").

Prospective purchasers are hereby notified that sellers of Offer Shares, the Warrants or Subscription Rights may be relying on the exemption from the provisions of Section 5 of the U.S. Securities Act provided by Rule 144A. Any Shares offered or sold in the United States will be subject to certain transfer restrictions as set forth under Section 13.

The securities offered hereby have not been recommended by any United States federal or state securities commission or regulatory authority. Further, the foregoing authorities have not passed upon the merits of the Rights Issue or confirmed the accuracy or determined the adequacy of this Prospectus. Any representation to the contrary is a criminal offense under the laws of the United States.

In the United States, this Prospectus is being furnished on a confidential basis solely for the purposes of enabling a prospective investor to consider purchasing the particular securities described herein. The information contained in this Prospectus has been provided by the Company and other sources identified herein. Distribution of this Prospectus to any person other than the offeree specified by the Managers or their representatives, and those persons, if any, retained to advise such offeree with respect thereto, is unauthorised and any disclosure of its contents, without prior written consent of the Company, is prohibited. Any reproduction or distribution of this Prospectus in the United States, in whole or in part, and any disclosure of its contents to any other person is prohibited. This Prospectus is personal to each offeree and does not constitute an offer to any other person or to the public generally to purchase Offer Shares or subscribe for or otherwise acquire any Shares.

#### **NOTICE TO INVESTORS IN THE UNITED KINGDOM**

Any offer or sale of the Offer Shares, the Subscription Rights and the Warrants may only be made to persons in the United Kingdom who are "qualified investors" or otherwise in circumstances that do not require publication by the Company of a prospectus pursuant to section 85(1) of the U.K. Financial Services and Markets Act 2000.

This Prospectus is only being distributed to and is only directed at (i) persons who are outside the United Kingdom or (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**") or (iii) high net worth companies, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "**Relevant Persons**"). The Offer Shares and the Warrants are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such Shares will be engaged in only with, Relevant Persons. Any person who is not a Relevant Person should not act or rely on this Prospectus or any of its contents.

#### **NOTICE TO INVESTORS IN THE EEA**

In relation to any member state of the European Economic Area (the "**EEA**") other than Norway (each a "**Member State**"), this communication is only addressed to and is only directed at qualified investors in that Member State within the meaning of Article 2(e) of the EU Prospectus Regulation. This Prospectus has been prepared on the basis that all offers of Offer Shares and Warrants outside Norway will be made pursuant to an exemption under the EU Prospectus Regulation from the requirement to produce a prospectus for offer of shares. Accordingly, any person making or intending to make any offer within the EEA of Offer Shares and Warrants which is the subject of the Rights Issue contemplated in this Prospectus within any EEA member state (other than Norway) should only do so in circumstances in which no obligation

arises for the Company or the Managers to publish a prospectus pursuant to Article 1 of the EU Prospectus Regulation or a supplement prospectus pursuant to Article 23 of the EU Prospectus Regulation, in each case, in relation to such offer. Neither the Company, nor the Managers have authorized, nor do they authorize, the making of any offer of Shares through any financial intermediary, other than offers made by the Managers which constitute the final placement of Offer Shares contemplated in this Prospectus.

Each person in a Relevant Member State other than, in the case of paragraph (a) below, persons receiving offers contemplated in this Prospectus in Norway, who receives any communication in respect of, or who acquires any Offer Shares or Warrants under, the offers contemplated in this Prospectus will be deemed to have represented, warranted and agreed to and with the Managers and the Company that:

- a) it is a "qualified investor" within the meaning of Article 2(e) of the EU Prospectus Regulation; and
- b) in the case of any Offer Shares or Warrants acquired by it as a financial intermediary, as that term is used in the EU Prospectus Regulation, (i) such Offer Shares and Warrants acquired by it in the Rights Issue have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than qualified investors, as that term is defined in the EU Prospectus Regulation, or in circumstances in which the prior consent of the Managers have been given to the offer or resale; or (ii) where such Offer Shares and Warrants have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those Offer Shares and Warrants to it is not treated under the EU Prospectus Regulation as having been made to such persons.

For the purposes of this provision, the expression an "offer to the public" in relation to any Offer Shares in any Relevant Member State means a communication to persons in any form and by any means presenting sufficient information on the terms of the Rights Issue and the Offer Shares to be offered, so as to enable an investor to decide to acquire any Offer Shares. See Section 12 "Selling and transfer restrictions" for certain other notices to investors.

#### INFORMATION TO DISTRIBUTORS

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Shares have been subject to a product approval process, which has determined that they each are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Target Market Assessment**").

Notwithstanding the Target Market Assessment, distributors should note that: the price of the Subscription Rights and the Shares may decline and investors could lose all or part of their investment; the Subscription Rights, the Shares and the Warrants offer no guaranteed income and no capital protection; and an investment in the Subscription Rights, the Shares and the Warrants is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. Conversely, an investment in the Shares, the Warrants or the Subscription Rights is not compatible with investors looking for full capital protection or full repayment of the amount invested or having no risk tolerance, or investors requiring a fully guaranteed income or fully predictable return profile.

The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Rights Issue.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Subscription Rights or the Shares.

Each distributor is responsible for undertaking its own Target Market Assessment in respect of the Subscription Rights or the Shares and determining appropriate distribution channels.

#### ENFORCEMENT OF CIVIL LIABILITIES

The Company is a public limited liability company incorporated under the laws of Norway. As a result, the rights of holders of the Shares will be governed by Norwegian law and the Company's articles of association (the "**Articles of Association**"). The rights of shareholders under Norwegian law may differ from the rights of shareholders of companies incorporated in other jurisdictions. As a result, it may be difficult for investors in the United States to effect service of process on persons connected to the Company (such as Directors or members of the Management) in the United States or to enforce in the United States judgments obtained in U.S. courts against the Company or those persons based on the civil liability provisions of the U.S. securities laws. It is doubtful whether courts in Norway will enforce judgments obtained in other jurisdictions, including the United States, against the Company or its directors or officers under the securities laws of those jurisdictions or entertain actions in Norway against the Company or its directors or officers under the securities laws of other jurisdictions. In addition, awards of punitive damages in actions brought in the United States or elsewhere may not be enforceable in Norway. The United States does

not currently have a treaty providing for reciprocal recognition and enforcement of judgments (other than arbitral awards) in civil and commercial matters with Norway.

#### **DATA PROTECTION**

As data controllers, the Managers process personal data to deliver the products and services that are agreed between the parties and for other purposes, such as to comply with laws and other regulations, including the General Data Protection Regulation (EU) 2016/679 (the "**GDPR**") and the Norwegian Data Protection Act of 15 June 2018 No. 38. The personal data will be processed as long as necessary for the purposes, and will subsequently be deleted unless there is a statutory duty to keep it. For detailed information on the Managers' processing of personal data, please review the Managers' privacy policy, which is available on its website or by contacting the Managers. The privacy policy contains information about the rights in connection with the processing of personal data, such as the access to information, rectification, data portability, etc. If the applicant is a corporate customer, such customer shall forward the Managers' privacy policy to the individuals whose personal data it discloses to the Managers.

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## 1 SUMMARY

### 1.1 Introduction and warnings

#### 1.1.1 Warnings

*This summary contains all the sections required by the Prospectus Regulation to be included in a summary for a Prospectus regarding this type of securities and issuer. This summary should be read as an introduction to the Prospectus. Any decision to invest in the securities described in this Prospectus should be based on a consideration of the Prospectus as a whole by the investor, including any appendices thereto. An investment in the Company's Shares involves inherent risk and an investor investing in the securities could lose all or part of the invested capital. Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might under the applicable national legislation of a Member State, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, and applied for its notification, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities.*

#### 1.1.2 Overview of the issuer, its securities and the competent authority having approved this Prospectus

Name of securities	Atlantic Sapphire (ticker "ASA")
ISIN	NO 0013249896
Issuer	Atlantic Sapphire ASA
Issuer's office address	Daugstadvegen 445, 6392 Vikebukt, Norway
Issuer's postal address	Daugstadvegen 445, 6392 Vikebukt, Norway
Issuer's LEI (Legal Entity Identifier)	2138007BY85FI48VX666
Issuer's phone number	+1 7864311404
Issuer's e-mail	investorrelations@atlanticsapphire.com
Issuer's website	<a href="http://www.atlanticsapphire.com/">http://www.atlanticsapphire.com/</a> . Note that the information on the website does not form part of the Prospectus unless such information is incorporated explicitly by reference into the Prospectus.
The competent authority approving the Prospectus	The Financial Supervisory Authority of Norway (Nw: <i>Finanstilsynet</i> ).
Visiting address, the Financial Supervisory Authority of Norway	Revierstredet 3, 0151 Oslo, Norway
Postal address, the Financial Supervisory Authority of Norway	Postboks 1187, Sentrum 0107 Oslo, Norway
E-mail, the Financial Supervisory Authority of Norway	Post@finansstilsynet.no
Date of approval of this Prospectus	19 September 2024

### 1.2 Key information on Atlantic Sapphire

#### 1.2.1 Who is the issuer of the securities?

##### Corporate information

The Company's legal and commercial name is Atlantic Sapphire ASA. The Company is a Norwegian public limited liability company incorporated in Norway under and governed by the Norwegian Public Limited Liability Companies Act, with business registration number 895 436 232. The Company's LEI (Legal Entity Identifier) number is 2138007BY85FI48VX666.

### Principal activities

Atlantic Sapphire is a land-based Atlantic salmon farming company with production operations in Homestead, Florida, USA (the "**Homestead Bluehouse**"). The Group uses Bluehouse® production technology. Each Bluehouse contains all facilities needed for a salmon's full growth cycle, from an egg hatchery to grow out tanks to harvest processing capabilities. The Homestead Bluehouse has a production capacity of approximately 9,500 tonnes HOG. The Group's activities include farming, harvesting, processing, marketing and sales of its products. The Group's value and production chain is comprised of the following production cycles: (i) land-based freshwater hatching, fry and smoltification; (ii) land-based saltwater grow out; (iii) processing and (iv) distribution and sale. As of the date of this Prospectus, the Group had approximately 200 employees.

The Group's current range of products include fresh whole salmon and salmon fillets, frozen fillets and portions, mostly sold to the food service sectors. The Group also has additional products such as smoked salmon and other ready-to-eat items in the market. The Group manages sales and operations from its offices in Homestead and Miami, Florida, USA and sells its products primarily in the United States and Canada, and historically also in Denmark, the UK, France, Switzerland and the Netherlands, among others. Going forward, the Group expects that the United States will be the main market for the Group's products.

### Major shareholders

As recorded in the shareholders' register of the Company with the VPS on 16 September 2024 (the latest practical date prior to the date of this Prospectus), the following shareholders own or control more than 5% of the issued share capital in the Company:

- Nordlaks Holding AS holds 14,516,804 Shares, corresponding to approximately 12.95 % of the Shares and votes;
- Morgan Stanley & Co. LLC (as nominee for beneficial shareholders) holds 14,379,741 Shares, corresponding to approximately 12.83% of the Shares and votes;
- UBS Switzerland AG (as nominee for beneficial shareholders holds 11,391,032 Shares, corresponding to approximately 10.16% of the Shares and votes;
- Strawberry Capital AS holds 9,607,699 Shares, corresponding to approximately 8.57% of the Shares and votes; and
- Joh Johansson Eiendom AS holds 9,036,799 Shares, corresponding to approximately 8.06% of the Shares and votes.

In so far as is known to the Company, no person or entity, directly or indirectly, jointly or severally, may exercise or could exercise control over the Company. The Company is not aware of any agreements or similar understandings that the operation of which may at a subsequent date result in a change of control in the Company.

### Executive management

The members of the Group's executive management are set forth in the table below:

Name	Position	Name	Position
Pedro Courard	Chief Executive Officer	Svein Taklo	Chief Development and Infrastructure Officer
Mario Palma	Chief Operating Officer	Valerie Leath	Director of Human Resources
Gunnar Aasbø-Skinderhaug	Chief Financial Officer/ Deputy Chief Executive Officer		

### Statutory auditor

The Company's independent auditor is PricewaterhouseCoopers AS (PwC) with registration no. 987 009 713 and registered address at Dronning Eufemias gate 71, 0194 Oslo, Norway.

### 1.2.2 What is the key financial information regarding the issuer?

#### Selected consolidated statements of comprehensive loss

(USD 1,000)	Six months ended		Year ended 31	
	30 June		December	
	2024	2023	2023	2022
	IAS 34	IAS 34	IFRS	IFRS
Revenue	11,196	8,058	13,995	18,954
Operating loss	(47,901)	(43,703)	(126,188)	(62,259)
Net loss for the period	(52,011)	(48,377)	(133,758)	(65,006)
Retrospectively adjusted basic earnings per Share (USD)*	(0.53)	(2.01)	(3.28)	(4.40)
Retrospectively adjusted diluted earnings per Share (USD)*	(0.53)	(2.01)	(3.28)	(4.40)

\*Earnings per Share have been adjusted for issuances of Shares in the periods covered above.

#### Selected consolidated statements of financial position

(USD 1,000)	As of 30 June		As of 31 December	
	2024	2023	2023	2022
	IAS 34	IAS 34	IFRS	IFRS
Total assets	328,447	365,654	342,258	357,551
Total equity	264,730	304,561	283,140	296,382
Total liabilities	63,717	61,093	59,118	61,169
<b>Total equity and liabilities</b>	<b>328,447</b>	<b>365,654</b>	<b>342,258</b>	<b>357,551</b>

#### Selected consolidated statement of cash flows

(USD 1,000)	Six months ended 30 June		Year ended 31 December	
	2024	2023	2023	2022
	IAS 34	IAS 34	IFRS	IFRS
Net cash flows used in operating activities	(39,998)	(36,534)	(77,762)	(52,904)
Net cash flows used in investing activities	(7,552)	(15,214)	(33,481)	(55,824)
Net cash provided by financing activities	35,436	52,308	110,325	116,535

### 1.2.3 What are the key risks specific to the issuer?

- The Group's operations involve inherent risks relating to control and stability of conditions in its facilities, many of which are outside of the Group's control, which could adversely impact production and financial performance.
- Land-based salmon farming is a new, technology intensive method of salmon farming. The Group's inability to effectively compete with existing methodologies and increased competition from other land-based farming companies, could result in, among other things, a reduction of the Group's revenue.
- The Group has incurred operating losses in the past, expects to incur operating losses in the future and may not achieve or maintain profitability in the future.
- The Group may require additional capital in the future in case of cost overruns related to Phase 2 and to realize the Group's further business plan.
- The Group is dependent on the consumer demand, consumer preferences and the market price for farmed salmon, all of which is subject to significant fluctuations.

- The Group's operations are in areas exposed to natural disasters, such as flooding, tropical storms and hurricanes.
- The Group relies on a limited number of suppliers, manufacturers and third-party contractors to manage its systems and for production of its products and a failure of any of these partners to perform contracted service or a loss of any such partners could negatively affect its business.
- The Group is subject to laws, regulations and permit requirements (especially within environmental, agricultural and building regulations) in several jurisdictions and the Group's failure to comply with such could negatively affect its business.
- The Group is dependent on certain key personnel and highly skilled, technical expertise.

### 1.3 Key information of the securities

#### 1.3.1 What are the main features of the securities?

<b>The securities' type, class and ISIN</b>
All of the Shares are ordinary shares in the Company have been created under the Norwegian Public Limited Liability Companies Act and are, and the Offer Shares and the Underwriting Commission Shares will be, registered in book-entry form with the VPS under ISIN NO 0010768500. The Subscription Rights have been created under the Norwegian Public Limited Liability Companies Act and, will upon issuance, be registered in book-entry form with the VPS under ISIN NO 001336222. The Warrants have been created under the Norwegian Public Limited Liability Companies Act and, will upon issuance, be registered in book-entry form with the VPS under ISIN NO 0013340802.
<b>The securities' currency, denomination, par value, the number of securities issued and the term of the securities</b>
The Shares and Warrants are issued in NOK. Any Shares issued upon exercise of the Warrants will also be issued in NOK. As of the date of this Prospectus, the Company's share capital is NOK 112,108,442, divided by 112,108,442 Shares, with each Share having a par value of NOK 1.00. On 17 September 2024, an extraordinary general meeting of the Company resolved to decrease the Company's share capital in connection with the Rights Issue, through a reduction of the par value of the Company's Shares from NOK 1.00 to NOK 0.05. This share capital decrease will enter into force in connection with the completion of the Rights Issue, and the Offer Shares are therefore offered with a par value of NOK 0.05.
<b>The rights attached to the securities</b>
The Company has one class of Shares, and each Share carries one vote. All the Shares are validly issued and fully paid. All shareholders have equal voting rights in the Company. Pursuant to the Norwegian Public Limited Liability Companies Act, the Shares have equal rights to the Company's profits, in the event of liquidation and to receive dividend, unless all the shareholders agree otherwise. In the event of insolvency, the Shares will be subordinated all debt. The Warrants do not hold voting rights, but each Warrant grants the holder the right to require issuance of one new Share upon payment of an exercise price.
<b>Restrictions on transferability</b>
The Shares and the Warrants are freely transferable. Neither the Norwegian Public Limited Liability Companies Act nor the Articles of Association provide for any restrictions on the transfer of Shares and the Warrants or a right of first refusal for the Company or its shareholders. The transferability of the Shares and the Warrants may, however, be restricted in certain jurisdictions, and each investor in the Company should inform themselves about and observe such restrictions.
<b>Dividend policy</b>
Atlantic Sapphire does not expect to pay any dividend in the near future. The Company is focused on developing and commercializing its products, production methods and technology, as well as increasing facility capacity, and intends to retain future earnings to finance development activities, operations and growth of the business. Any future decision to pay a dividend will also depend on the Company's financial position, operating profit, capital requirement and the terms and conditions of the Company's debt facilities. The Company has not previously distributed any dividends to its shareholders.

#### 1.3.2 Where will the securities be traded?

The Shares are listed and tradable on Oslo Stock Exchange under ticker "ASA". The Offer Shares are expected to become listed on the Oslo Stock Exchange on or about 16 October 2024, under the same ticker as the ordinary Shares of the Company ("ASA"). The Underwriting Commission Shares are expected to become listed on the Oslo Stock Exchange on or about 18 October 2024, under the same ticker as the ordinary Shares of the Company ("ASA"). The Company has applied for listing of the Warrants, and the Company anticipates that Warrants will become listed on the Oslo Stock Exchange shortly after delivery of such Warrants, but no assurance can be given that such listing will actually occur. The Company has not applied for admission to trading of the Shares on any other stock exchange or regulated market.

### 1.3.3 What are the key risks that are specific to the securities?

A brief summary of the key risks that are specific to the Shares are set out below:

- The trading price for the Shares may significantly fluctuate and may not always reflect the underlying asset value of the Group. A number of factors outside of the Company's control may impact its performance and the price of the Shares.
- Subscription Rights issued to Existing Shareholders in the Rights Issue or purchased by other persons, which are not used to subscribe for the Offer Shares before expiry of the Subscription Period, will have no value and will lapse without compensation at the end of the Subscription Period. Existing Shareholders that do not subscribe for Offer Shares and who has not sold the Subscription Rights will not be able to realize any economic value of the grant of Subscription Rights and will also be subjected to dilution. Existing Shareholders that do not participate in the Rights Issue will not be entitled to receive any Warrants, and may be diluted if the Warrants are exercised.
- Certain Existing Shareholders may be unable to take up and exercise their Subscription Rights as a matter of applicable law (such Existing Shareholders being referred to as Ineligible Shareholders).
- Shareholders will be diluted if they are unable or unwilling to participate in future share issues.

## 1.4 Key information on the offer of securities to the public and the admission to trading on a regulated market

### 1.4.1 Under which conditions and timetable can I invest in this security?

#### Terms and Conditions for the Rights Issue

The Rights Issue consist of a partially underwritten offer by the Company to issue up to 6,844,800,000 Offer Shares at a Subscription Price of NOK 0.10 per Offer Share, and up to 7,700,400,000 Warrants, where the issuance of the Offer Shares will raise gross proceeds of up to approximately NOK 684.48 million. The subscribers in the Rights Issue will receive 0.5 Warrants per Offer Share allocated and paid for. In addition, the Underwriters will receive 0.5 Warrants for each Offer Share that the Underwriter has guaranteed subscription for. The Warrants will be granted free of charge. Each Warrant will give the holder a right to subscribe one (1) new Share in the Company at a strike price that will vary between NOK 0.115 to NOK 0.13 (or as subsequently adjusted), depending on when the Warrants are exercised. The Warrants may be exercised in certain exercise windows, as further described in Section 11.27 "The Warrants".

Existing Shareholders will be granted Subscription Rights in the Rights Issue that, subject to applicable law, provide preferential rights to subscribe for, and be allocated Offer Shares at the Subscription Price. Each Existing Shareholder will be granted 61.0552 Subscription Rights for every one (1) Existing Share registered as held by such Existing Shareholder as of the Record Date. The aggregate number of Subscription Rights will be rounded down to the nearest whole Subscription Right. Each Subscription Right will, subject to applicable securities law, give the right to subscribe for, and be allocated, one (1) Offer Share. Subscription Rights will not be issued in respect of any existing Shares held in treasury by the Company. Oversubscription with Subscription Rights and subscription without Subscription Rights will be permitted, however, there can be no assurance that Offer Shares will be allocated for such subscriptions.

The Subscription Rights will be credited to and registered on each Existing Shareholder's VPS account on or about 20 October 2024 under ISIN NO 001 3336222. The Subscription Rights will be distributed free of charge to Existing Shareholders. **Subscription Rights that are not sold before 30 September 2024 at 16:30 hours (CEST) or exercised to subscribe for Offer Shares before 4 October 2024 at 16:30 hours (CEST) will have no value and lapse without compensation to the holder.**

The below timetable sets out certain key dates for the Rights Issue (which are subject to change).

Event	Date
Last day of trading in the Shares including Subscription Rights (Cut-off Date)	17 September 2024
First day of trading in the Shares excluding Subscription Rights .....	18 September 2024
Record Date.....	19 September 2024
Start of Subscription Period .....	At 09:00 CEST on 20 September 2024
Start of trading in Subscription Rights.....	At 09:00 CEST on 20 September 2024
End of trading in Subscription Rights.....	At 16:30 CEST on 30 September 2024
End of Subscription Period .....	At 16:30 CEST on 4 October 2024
Allocation of Offer Shares.....	7 October 2024
Allocation notes distributed .....	7 October 2024
Payment Date .....	10 October 2024
Delivery Date.....	On or about 16 October 2024
Listing and start of trading in the Offer Shares on the Oslo Stock Exchange	On or about 16 October 2024

The Subscription Period may not be shortened, but the Board of Directors may extend the Subscription Period if this is required by law as a result of the publication of a supplemental prospectus.

#### **Listing of the Offer Shares, the Underwriting Commission Shares and the Warrants**

The Offer Shares will be listed on the Oslo Stock Exchange, expected on or about 16 October 2024. The Underwriting Commission Shares will be listed on the Oslo Stock Exchange, expected on or about 18 October 2024. The Offer Shares will be listed under the same ISIN as the Company's existing Shares, being ISIN NO 0013249896. The Company has applied for listing of the Warrants, and the Company anticipates that Warrants will become listed on the Oslo Stock Exchange shortly after delivery of such Warrants, but no assurance can be given that such listing will actually occur.

#### **Allocation**

Allocation of the Offer Shares and the Warrants will take place after the expiry of the Subscription Period, expected on or about 7 October 2024. Subscriptions based on granted and acquired Subscription Rights to subscribers who have validly exercised Subscription Rights during the Subscription Period have first priority, and the allocation will be made in accordance with Section 11.14 "Allocation of the Offer Shares". Any unallocated Offer Shares shall be allocated to the Underwriters, up to the total amount of their Underwriting Obligation, as further described in Section 11.21 "The Underwriting". Subscribers in the Rights Issue will, for every Offer Share allocated and paid, receive 0.5 Warrant. In addition, the Underwriters will receive 0.5 Warrants for each Offer Share that the Underwriter has guaranteed subscription for.

## Dilution

The dilutive effect following the Rights Issue is summarized below. The percentage dilution set out in the table below shows the situation for Existing Shareholders that do not exercise any of the Subscription Rights they are granted in the Rights Issue. In addition, any conversion of the Convertible Loan to new Shares will result in dilution to shareholders that are not Lenders under the Convertible Loan.

	Prior to the Rights Issue	Subsequent to the Rights Issue <sup>1</sup>	Subsequent to the issuance of Underwriting Commission Shares	Subsequent to the issuance of new shares upon exercise of all Warrants
Number of Shares	112,108,442	6,956,908,442	7,598,608,448	15,299,008,448
% dilution		98.39%	98.52%	99.27%

## Proceeds and Estimated Expenses

Assuming subscription of all Offer Shares in the Rights Issue, transaction costs and all other directly attributable costs in connection with the issuance of the Offer Shares are estimated to be approximately NOK 37.5 million (excluding the aggregate underwriting fee as this shall be settled through the issuance of new Shares), thus resulting in net cash proceeds of up to approximately NOK 646.98 million. The underwriting fee will be 10% of the Underwriting Obligation (i.e., the fee will amount to approximately NOK 64.17 million) and will be settled through the issuance of the Underwriting Commission Shares. No expenses will be charged to the investors by the Company.

### 1.4.2 Who is the offeror and/or the person asking for listing

The Company is the offeror of the Offer Shares.

### 1.4.3 Why is this Prospectus being produced?

## Reasons for the offer/listing of the Offer Shares

The Prospectus is being produced in connection with the offering of Offer Shares and Warrants in the Rights Issue, and listing of the Offer Shares, the Underwriting Commission Shares and Warrants following completion of the Rights Issue. The purpose of the Rights Issue is further described in Section 11.2 "Use of proceeds".

## Underwriting

The Rights Issue is partially underwritten by certain Existing Shareholders and new investors subject, as further described in Section 11.21 "The Underwriting" below.

## Material conflicts

Each Underwriter will receive an underwriting fee of 10% of their respective Underwriting Obligation, to be settled in new Shares in the Company. The Managers or their affiliates have provided from time to time, and may provide in the future, financial advisory, investment and commercial banking services, as well as financing, to the Company and its affiliates in the ordinary course of business, for which they may have received and may continue to receive customary fees and commissions. The Managers do not intend to disclose the extent of any such investments or transactions otherwise than in accordance with any legal or regulatory obligation to do so. The Managers will receive a fee in connection with the Rights Issue and, as such, have an interest in the Rights Issue. Except for the abovementioned, the Company is not aware of any interest, including conflicting ones, of natural or legal persons involved in the Rights Issue.

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<sup>1</sup> Assuming subscription and allocation of 6,844,800,000 Offer Shares



## 2 RISK FACTORS

*Investing in the Company's Shares involves a high degree of risk. An investor should consider carefully the risks and uncertainties described below, together with all of the other information in this Prospectus, including the Financial Statements and the accompanying notes, elsewhere in this Prospectus before deciding whether to invest in the Shares.*

*While the most material risk factor in each category is set out first, the remaining risk factors in each section are not ranked in order of materiality or probability of occurrence. The absence of negative past experiences associated with a given risk factor does not mean that the risks and uncertainties associated with that risk factor are not genuine or pose a potential threat to the Group. If any one of the following risks occur, the Group's business, financial condition, operating results and future prospects could be materially and adversely affected. In that event, the market price of the Company's Shares could decline, and resulting in loss of all or part of an investment in the Shares.*

### 2.1 Risks relating to the Group and its business and the industry in which it operates

#### 2.1.1 *The Group's operations involve inherent risks relating to control and stability of conditions in its facilities*

The Group's operations depend on control and stability of the systems used to develop and grow salmon, many of which are outside of the Group's control. The technology used in land-based salmon farming involves inherent risks, in particular related to; (i) management of gas levels, (ii) management of water quality and temperature, (iii) accumulation of sludge and particles in the RAS systems, (iv) periodic recycling of water, and (v) mechanical risks such as the interruption of power supply and single points of mechanical failure (for example, with respect to the injection wells and dependency on a central energy system). The Group has experienced two mortality incidents in its former Denmark Bluehouse and two in the Homestead Facility; (i) in 2017, the mortality incident at its Denmark Bluehouse was due to hydrogen sulphide poisoning caused by clogging (sedimentation build-up) in certain biofilters, (ii) in 2020, higher nitrogen levels than desired at its Denmark Bluehouse caused a mortality incident, (iii) in July 2020, Atlantic Sapphire USA, was forced to initiate an emergency harvest from one of its grow-out systems and the reason was assumed to be disruptive construction work close to the operating environment, including loud sounds and severe vibrations, which stressed the fish. There was no indication of intoxication or disease being the cause of this event, and (iv) in March 2021 at the Homestead Facility, significant amounts of particles flowed from the drum filters (particle filtration systems) into the biofilters and trickling filters. In October 2022, the Group also experienced that fish in certain of the systems at the Homestead Bluehouse, due to sub-optimal operational procedures, lost its appetite and that mortality rates in these systems were higher than normal, which required the Group to harvest fish in these systems at suboptimal weights.

During July and August 2023, the Group was exposed to temperature-related challenges assumed to be due to lower chiller capacity caused, *inter alia*, by higher-than-anticipated downtime for maintenance, that resulted in slower growth and restricted feeding and thereby also reduction in harvest volumes and revenue. In the second quarter of 2024, the Group has also experienced that the fish did not grow as fast as intended due to lower feeding volumes as a result of unplanned maintenance and limitations to the RAS facility to treat water. These challenges are examples of the inherent risk factors related to control and stability of conditions at the Homestead Bluehouse.

The above evidence that any change or interruption in the operation and management of these systems, including but not limited to, changes in nitrogen and hydrogen sulphide levels in the various tanks and variations in water temperature may result in reduced growth rates and increased mortality for the fish, thereby adversely impacting production and the Group's revenues.

The Group further experienced a mortality event when a fire erupted in the Denmark Bluehouse facility on 15 September 2021, also resulting in material and substantial damages to the facility.

*2.1.2 Land-based salmon farming is a new, technology intensive method of salmon farming. If the Group is unable to effectively compete with existing methodologies, the Group's business and financial prospects would be adversely impacted.*

The Group is applying recirculating aquaculture systems ("RAS") to farm salmon in land-based facilities, creating a new alternative to sea-based net pen salmon farming. The Group faces significant competition from existing, well-established and low-cost alternatives within sea-based net pen salmon farming, and the Group expects to face competition from established players as well as new market entrants given that the technology surrounding land-based salmon farming, as well as solutions for traditional and offshore fish farming, is rapidly evolving. In addition, consumers may be hesitant to switch to the Group's products. Further, while the Group works to complete the Homestead Bluehouse, competitors may be able to capitalize on the Group's work towards solutions and know-how for land-based salmon farming, and through work-arounds of the Group's intellectual property rights (as further described under Section 2.1.7 "*The Group's intellectual property rights are valuable, and any inability to protect them could reduce the value of its business and products*"), to compete more effectively with sea-based net pen farming. As the industry evolves, the Group expects to become subject to additional competition. As a result, the Group has historically made significant investments in research and development (R&D) and will continue to invest in R&D to advance its business. These investments may not achieve expected returns, and the Group may be unable to sustain its development of technologies in this area.

In addition, the Group's competitors may adopt certain of the Group's technology and innovations in a more cost-effective manner. The Group's inability to effectively compete with existing farming methods and increased competition from other land-based farming companies and methods for land-based farming such as flow-through technology could result in, among other things, a reduction of the Group's revenue. For all of these reasons, the Group may not be able to compete successfully against its current and future competitors. The Group's inability to compete effectively would have an adverse effect on, or otherwise harm, its business, financial condition and operating results.

*2.1.3 The Group has incurred operating losses in the past, expects to incur operating losses in the future and may not achieve or maintain profitability in the future*

The Group has incurred operating losses each year since its inception in 2010 and expects to continue to incur net losses for the foreseeable future. The Group expects its operating expenses to increase in the future as it increases its sales and marketing efforts, continues to invest in research and development, expands infrastructure and develops by-products. These efforts and related expenses may be more costly than expected, and the Group cannot guarantee that it will be able to increase its revenue to offset its operating expenses. The Group's operating expenses have increased recently due to general price increases as a result of rising inflation, and the Group has highly limited possibilities in countering such price increases by choosing alternative vendors, materials or similar. The Group's operating expenses compared to revenue will also increase if the Group is not able to reach projected harvest volumes going forward, for example if the planned expansion of the Homestead Bluehouse does not lead to a corresponding increase in harvest volumes. Revenue growth may slow, or revenue may decline for a number of other reasons, including reduced demand for the Group's product, increased competition, a decrease in the growth or reduction in size of the Group's overall market or if the Group cannot capitalize on growth opportunities. If the Group's revenue does not grow at a greater rate than its operating expenses, the Group will not be able to achieve and maintain profitability. All of the above factors will affect the Group's business, financial conditions and operating results and will have a material adverse effect on the Group

if it is not able to handle its operating expenses in a satisfactory manner or if the Group's projected revenue growth from time to time is not realized.

*2.1.4 The Group is dependent on consumer demand, consumer preferences and the market price for farmed salmon*

The Group's financial position and future development depend on consumer demand, consumer preferences and the market price for farmed salmon, which are all subject to significant fluctuations.

The development of wholesale, food service and retail consumer preference for the Group's land-based farmed salmon over other farmed salmon, wild-caught salmon or other seafood is critical to the Group's growth and expanding demand for its products. Therefore, a failure to obtain and increase wholesale, commercial and retail consumer acceptance of the Group's product could have a material adverse effect on the Group's growth, as well as its financial position, liquidity, results of operations and cash flows.

In addition, the Group depends on consumers' willingness to pay a premium price for healthy, sustainably farmed salmon, such as the Group's salmon farmed in its Bluehouses. Such consumers may not be willing to pay premium prices and/or demand for farm-raised salmon may decrease in the future. As a result of the long production cycle, the Group has limited flexibility to manage its harvest volumes and supply. Decreases in the prices of farmed salmon would in turn have an adverse effect on, or otherwise harm, the Group's business, financial condition and operating results.

*2.1.5 The Group's operations are in areas exposed to natural disasters, such as flooding, tropical storms and hurricanes*

The Group's main facility is located in Homestead, Florida (the Homestead Bluehouse), which is in an area prone to exposure to tropical storms and hurricanes from June to November each year and, in particular, at risk of storm surge as a result of Category 4 or higher storms. In addition to flooding, hurricane force winds could cause severe damage to the Group's facility and systems and interrupt power supply, therefore leading to the closure of the Group's main operating facility and the loss of biomass. A potential future hurricane or other severe weather conditions may adversely affect the Group's facility. A tropical storm or hurricane would adversely impact the Group's business, financial condition and operating results.

*2.1.6 The Group relies on a limited number of suppliers, manufacturers and third-party contractors to manage its systems and for production of its products*

The Group relies on third-party contractors, manufacturers and suppliers *inter alia* to provide design and technological services to its facilities and to provide feed, salmon eggs and other production input. In particular, the Group relies on certain contractors in connection with the design and maintenance of its RAS systems, which are complex and delicate systems that require precise and immediate attention. The Group has, for example, previously experienced an issue with the stability of its supply of bulk liquid oxygen, which the Group relies on to maintain necessary water quality. Although the Group can temporarily reduce its reliance on and consumption of liquid oxygen, a prolonged shortage of liquid oxygen will have a material adverse effect on water quality and ultimately the Group's biomass. The Group depends on these contractors and suppliers for the seamless operation of its infrastructure. The performance from such third-party contractors and suppliers are outside of the control of the Group. The failure of such third-party providers to perform could lead to technical errors, the loss of power, limits in capacity, breaches in routine and system failures, all of which could result in fish mortality and the loss of biomass, which would in turn have an adverse effect on, or otherwise harm, the Group's reputation, business, financial condition and operating results. Especially during seasons of peak

demand, a failure to perform could cause the Group to experience a significant disruption in its ability to produce and deliver product to its customers.

If the Group needs to replace an existing supplier or partner, it may be unable to supplement or replace them on acceptable terms without business interruption, incurring material additional costs and/ or substantial delays, which may undermine the Group's production capacity and quality. For example, it may take a significant amount of time to identify a feed supplier that has the capability and resources to provide enough feed of the correct quality and composition to meet the Group's daily needs to meet growth projections. Identifying suitable suppliers, manufacturers and contractors is an extensive process that requires significant time investment from the Group and key executives. Accordingly, a loss of any of the Group's significant suppliers, manufactures or partners could have an adverse effect on its business, financial condition and operating results.

#### *2.1.7 The Group's intellectual property rights are valuable, and any inability to protect them could reduce the value of its business and products*

The Group's success depends in large part on its proprietary technology and patents, trade secrets, trademarks and other intellectual property rights. The Group relies on, and expects to continue to rely on, a combination of trademark, trade dress, copyright, trade secret and patent laws, as well as confidentiality and license agreements with its employees, contractors, consultants and third parties with whom it has relationships, to establish and protect its business and intellectual property rights. The Group's long-term competitive advantage depends, in part, on its ability to protect its intellectual property rights. The Group is currently working on numerous other patent applications which are currently pending. However, the Group's intellectual property rights may not be sufficient to protect against other building facilities that are substantially similar to the Group's and that compete with its business. The Group's current patents relating to its core technology are only registered in the United States. There is a general risk of third parties attempting to use substantially similar technology to build competing business, both in the United States and other jurisdictions. Competitors could attempt to work around the Group's registered intellectual property rights, thereby trying to achieve the same results without necessarily infringing the Group's rights.

The Group's intellectual property rights may be challenged, which could result in them being narrowed in scope or declared invalid or unenforceable. In order to protect the Group's intellectual property rights, the Group may be required to spend significant resources to monitor and protect these rights. Litigation brought to protect and enforce the Group's intellectual property rights could be costly, time-consuming and distracting to management and could result in the impairment or loss of portions of its intellectual property. Furthermore, the Group's efforts to enforce its intellectual property rights may be met with defences, counterclaims and countersuits attacking the validity and enforceability of its intellectual property rights. The Group's failure to secure, protect and enforce its intellectual property rights could seriously damage its business.

#### *2.1.8 Cybersecurity risks could adversely affect the Group's business and disrupt its operations*

Threats to network and data security are increasingly diverse and sophisticated and the Group's servers, computer systems and those of third parties that it uses in its operations are vulnerable to cybersecurity risks. For example, the Group's operations depend on the maintenance and monitoring of water quality in general, and in particular keeping various gases in the tanks at specific levels, and such maintenance and monitoring depend to a large extent on uninterrupted performance of the Group's IT systems. Maintaining sufficient water quality is critical for the growth and wellbeing of the Group's biomass. Any cyber-attack or other security breach could jeopardize the performance of the Group's IT systems leading to a disruption or tampering of the Group's systems and, potentially, the loss of biomass. Any cyber-attack that attempts to disrupt system service or

otherwise access IT systems of the Group or those of third parties which the Group uses, if successful, could adversely affect the Group's business, financial condition and operating results and be expensive to remedy.

*2.1.9 The Group's future success depends on the continuing efforts of its key employees and its ability to attract and retain highly skilled personnel and senior management*

The Group's future success depends, in part, on its ability to continue to identify, attract, develop, integrate and retain qualified and highly skilled personnel, including senior management and engineers. Competition for highly skilled personnel is often intense, especially in the salmon farming industry, which is of limited size. Further, the Group is developing operations in a geographic area where salmon farming did not previously exist and, therefore, is dependent on highly skilled personnel relocating from other areas. The Group may not be successful in attracting, integrating or retaining qualified personnel to fulfil its current or future needs. The Group has from time to time experienced, and it expects to continue to experience, difficulty in hiring and retaining highly skilled employees with appropriate qualifications.

If the Group chooses to terminate the employment of one of its employees, it may be met with claims for severance payments as well as law-suits for wrongful termination, which is more common in the US labour market than in the labour markets of comparable countries, and such severance payments and/ or law suits may affect the Group's financial position and divert management from the Group's business. The Group has agreed customary non-compete and non-solicitation provisions in the employment agreements of its key management, but there is a clear risk that such provisions may be difficult to enforce, or not possible to enforce at all, which implies a risk that former employees become involved in competing businesses or entice other employees away from the Group.

In addition, job candidates and existing employees often consider the value of the equity-linked awards they receive in connection with their employment. If the value of the Company's Shares declines, it may adversely affect the Group's ability to hire or retain highly skilled employees. In addition, the Group may periodically change its equity-linked compensation practices, which may include reducing the number of employees eligible for equity-linked awards or reducing the size of equity-linked awards granted per employee. If the Group is unable to attract, integrate or retain the qualified and highly skilled personnel required to fulfil its current or future needs, the Group's business and future growth prospects could be harmed.

*2.1.10 The Group has grown rapidly in recent years and has limited operating experience at its current scale of operations*

The Group has expanded its operations rapidly and has limited operating experience at its current size. For example, between 31 December 2017 and December 2023, the Group's employee headcount increased from 18 to 175. Further, as the Group grows, its business becomes increasingly complex. Continued growth could strain existing resources, and the Group could experience ongoing operating difficulties in managing its business across jurisdictions. Successful implementation of the Group's growth strategy will require significant expenditures before any substantial associated revenue is generated and it cannot guarantee that these increased investments will result in corresponding and offsetting revenue growth.

Because the Group has a limited history operating its business at its current scale, it is difficult to evaluate the current business and future prospects, including its ability to plan for and model future growth. This limited operating experience at this scale, combined with the substantial uncertainty concerning how the land-based salmon farming industry may develop, and other economic factors beyond the Group's control, reduces its ability to accurately forecast quarterly or annual revenue. Failure to manage future growth effectively could have an adverse effect on the Group's business, financial condition and operating results.

*2.1.11 The Group's business involves certain operating risks and the Group's insurance may not be adequate to cover all insured losses or liabilities*

The Group has insurance policies in place with respect to general liability, builder's risk, property damage, flood and workers' compensation. For losses in excess of the Group's self-insurance limits, it maintains insurance from unaffiliated commercial carriers. However, the Group's insurance may not be adequate to cover all losses or liabilities that it might incur in its operations. Furthermore, the Group's insurance may not adequately protect it against liability from all of the hazards of its business. In addition, for certain of these, such as the loss of eggs or biomass, there are limited insurance carriers in the market. The Group has biomass insurance for the Homestead Facility; however, the insurance is limited and involves high deductibles. As a result of market conditions, premiums and deductibles for certain of the Group's insurance policies may substantially increase. In some instances, certain insurance could become unavailable or available only for reduced amounts of coverage. The Group also is subject to the risk that it may be unable to maintain or obtain insurance of the type and amount it desires at a reasonable cost. If the Group was to incur a significant liability for which it was uninsured or for which it was not fully insured, it could have a material adverse effect on the Group's financial position, results of operations and cash flows.

*2.1.12 Delays or cost overruns in relation to the construction of the Homestead Bluehouse, and any inability to acquire further land plots, may adversely affect the Group*

The Group has completed construction of the grow-out systems planned under Phase 1 of the construction on the Homestead Bluehouse, however maintenance and optimization work related to Phase 1 has and will be carried out following completion of the Phase 1 construction. The Group has commenced work to further expand the Homestead Bluehouse through its Phase 2 expansion and in connection with such expansion Atlantic Sapphire USA entered into contracts with Wharton-Smith Inc ("**Wharton-Smith**") as general contractor (subject to renewal) and Hazen and Sawyer, D.P.C. with regards to design, with a current focus for Phase 2 on finalizing design and budget over the next months. Further information on these agreements is included in Section 5.1.6 "Agreements for Phase 2 construction". Under the Group's contract with Wharton-Smith, Wharton-Smith is engaged as a project leader and is the main responsible party for the construction activities under various individual bid packages in Phase 2. The Group pays a monthly fee to Wharton-Smith in addition to fees payable under the various individual bid packages ordered by the Group from time to time.

Construction work on Phase 2 at the Homestead Bluehouse is inherently subject to risk of delays compared to construction progress estimates set by the Company and Wharton-Smith from time to time (whether or not agreed as fixed construction deadlines and project milestones), including if there are delays in engaging sub-contractors or if Wharton-Smith and its sub-contractors are not able to fulfil its obligations on time. If such delays occur, the Group may not be able to achieve a full scale of operations in accordance with its business plan and which may adversely impact the Group's results of operations. Any delay in the completion of construction works may result in the Group not achieving intended scale of operations as determined and communicated from time to time, and this may imply a material adverse impact on the Group's business, revenues and results of operations.

For an extended period, the construction projects have faced persistent risks associated with ongoing higher construction costs and general price increases, outcomes that are tightly linked to the steady rise of inflation. These enduring challenges may disrupt operations and compel the implementation of adaptive production changes. Such adaptations may include initiating system commissioning prior to project completion, all of which carry the risk of materially affecting production, as well as the Group's overall business, results of operations, cash flows and financial condition.

In order to achieve the Group's long-term plan of achieving harvest volumes of 220,000 tonnes HOG, the Group will need to acquire additional tracts of land. The Group currently owns 160 acres of land, enough for approximately half of its 220,000 tonnes business plan. The Group expects that it will be able to purchase additional tracts of land at commercially acceptable terms well ahead of the time such land is needed for further expansion, however the Group may not actually be able to make such purchases at commercially acceptable terms or at all.

*2.1.13 The Group is currently involved in a dispute with a former contractor, and is subject to risks related to disputes and litigation*

The Group is currently involved in an arbitration against OHLA Building, Inc. ("**OHL**"), who performed work in connection with the construction of Phase 1 of the Homestead Bluehouse, which is ongoing and not settled at the date hereof.

OHL has made a claim for the Group's alleged failure to pay for approved work and change order, in the aggregate amount of approximately USD 5.6 million, and also reimbursement of attorneys' fees and interest. The Group is denying that there has been a failure of payment, and has filed a counterclaim in the arbitration, in the aggregate amount of USD 20 million (such number may be adjusted later in the process), on the grounds of alleged faulty workmanship by OHL and its subcontractors.

In connection with the dispute with OHL, the sub-contractors Billund Aquaculture A/S ("**Billund Design**"), a company that was engaged by the Group for design work related to Phase 1 and also acted as sub-contractor to OHL in the construction of Phase 1, and Billund Aquaculture US Corp. ("**Billund Construction**"), a company that was engaged by OHL as a sub-contractor to OHL in the construction of Phase 1, have also each become party to the arbitration process.

The Group, OHL, Billund Design and Billund Construction participated in a mediation with a view to reach an amicable solution in October 2022, but such mediation was unsuccessful, and the matter is therefore expected to move forward to a formal arbitration hearing, currently expected to take place in the first or second quarter of 2025. Even if the Group should succeed in the arbitration proceeds and be awarded compensation for its losses, the Group will still be exposed to the risk of not being able to recover such awards. This risk is showcased by Billund Design recently having entered into bankruptcy proceedings.

The various Group companies may from time to time also become subject to other legal disputes. Whether or not the relevant Group company involved in a dispute ultimately prevails, legal disputes are costly, especially in the US where the arbitration procedure described above is carried out, and reimbursement of attorney's fees may not be awarded even if the Group company is successful in sustaining its main claims in any legal dispute. Legal disputes can also divert management's attention from the Group's business. In addition, the relevant Group company may decide to settle a legal dispute, which could cause the Group to incur significant costs. Although the Group has not budgeted with receipt of compensation in the abovementioned arbitration process, an unfavorable outcome of that process and any other legal dispute could, among other things, imply that the relevant Group company becomes liable for payment of damages which may restrict the Group's ability to realize its projects and business plan and thereby have adverse effects on the Group's business, results of operations, cash flows, financial condition and prospects.

## **2.2 Risks relating to laws and regulations**

### *2.2.1 The Group's business and operations is subject to extensive laws, regulations and permit requirements*

The Group's business and operations are subject to extensive laws and regulations, especially within environmental, agricultural and building regulations. Further, the Group's operations are dependent on obtaining and maintaining permits in the United States (and, in particular, Miami-Dade County and the City of Homestead) in connection with construction, operations, water management and processing. To the Company's knowledge, the Group has been granted all federal and state level permits necessary to carry out its Homestead Bluehouse business at this stage in the construction process, including permits relating to construction, water management and aquaculture certification and Certificate of Use. The Group also holds all required permits to produce land-based salmon in Denmark and otherwise carry out business in Denmark, although such permits are not currently being utilized. The Group will need to obtain several additional licenses in the future in order to be able to carry out the contemplated business in the United States at full scale and the Group may be unable to obtain such licenses. Any failure to obtain or maintain, or loss of, any of the permits it requires to operate its business could materially impact production and results of operations.

Salmon farming is strictly regulated by licenses and permits granted by governmental authorities in the United States. In addition, the Group's operations pose risks of environmental liability, including leakage from its operations to surface or subsurface soils, surface water or groundwater (including the Biscayne Aquifer). Some environmental laws and regulations may impose strict liability, joint and several liability, or both. Therefore, in some situations, the Group could be exposed to liability as a result of its conduct that was lawful at the time it occurred or the conduct of, or conditions caused by, third parties without regard to whether the Group caused or contributed to the conditions. Actions arising under these laws and regulations could result in the shutdown of the Group's operations, fines and penalties, expenditures for remediation or other corrective measures, and claims for liability for property damage, exposure to hazardous materials, exposure to hazardous waste or personal injuries. Sanctions for non-compliance with applicable environmental laws and regulations also may include the assessment of administrative, civil or criminal penalties, revocation of permits, temporary or permanent cessation of operations in a particular location and issuance of corrective action orders. In addition, in certain instances strict liability attached to such permits. For example, the Group's water permit providing for its right to utilise fresh and saline groundwater in from the Biscayne Aquifer is issued with the condition that Atlantic Sapphire USA agrees to hold and save the South Florida Water Management District agency and its successors harmless from any and all damages, claims or liabilities that may arise from the construction, maintenance or use of activities authorised by the water permit. Such claims, sanctions or indemnities and related costs could cause the Group to incur substantial costs or losses and could have a material adverse effect on the Group's business, financial condition, results of operations and cash flow. Future changes in applicable municipal, state, federal and international laws and regulations could adversely affect the Group's business, financial condition and results of operations.

## **2.3 Financial risks**

### *2.3.1 The Group will require additional capital in the future in relation to Phase 2 construction and to realise the Group's further business plan, and may also require additional funding in relation to Phase 1*

If and when the Group finalizes the design and budget for Phase 2 construction and resolves to move forward with the Phase 2 construction, the Group will incur significant capital expenditures related thereto. Due to, among other things, the general price increases due to rising inflation and recent global supply chain disruptions it is difficult for the Company to determine with certainty the amount of capital expenditures related to Phase 2, but Management expects the total capital expenditures for the project to be in the range of USD 350 – 400



million. The capital expenditures related to Phase 2 are intended to be funded with funding sources to be identified at a later stage (if and when required). As the Group has not yet made any firm commitments to initiate the Phase 2 expansion, it has not yet identified the sources of financing for the Phase 2 expansion. As such, the availability of any required financing, and the terms of such financing, is subject to significant uncertainty. Failure to obtain financing on favourable terms, or at all, must be expected to adversely impact the Group's possibilities of concluding the Phase 2 expansion as well as adversely affecting the Group's growth prospects.

In addition, the Group may require additional capital in the future pursuant to its business plan, due to unforeseen liabilities or in order for it to take advantage of opportunities that may be presented to it. The Group may be unable to obtain necessary funding in a timely manner and on acceptable terms to support Phase 1 into proven state (if current estimates are not met) and complete Phase 2 and the Group's business plan in general. If the Group is not able to obtain such funding on acceptable terms or at all, this would adversely impact the Group's business, financial condition and operating results.

### *2.3.2 Covenants in the Group's Credit Facility and related security documents may restrict its operations and adversely impact its financial condition*

The Group has been extended loans pursuant to its Credit Facility and will incur further debt under the Credit Facility. The Credit Facility contains various covenants, including, among other things, minimum liquidity and EBITDA requirements, restrictions on the Group's ability to dispose of assets, make acquisitions or investments, incur debt or liens, enter into, modify or amend certain material contracts, make distributions to the Company's shareholders or enter into certain types of related party transactions and that the Company shall hold and maintain authorizations to increase the share capital and to issue convertible bonds (the Company will decide, in its sole discretion, whether these authorizations shall be used). These restrictions may restrict the Group's current and future operations, particularly its ability to respond to certain changes in its business or take future actions. Pursuant to the Credit Facility, the Group granted the parties thereto a security interest in substantially all of its assets.

Further, the Credit Facility requires the Company to observe certain financial covenants, including, among other things, maintenance of minimum levels for book equity ratio, minimum EBITDA levels and a blocked cash account. Further, the Company may be unable to comply with agreed covenants at later measuring dates and the Group has at certain measuring dates not been compliant with the financial covenants, including that the Group have received waivers (dated 23 June 2022, 12 December 2022 and 29 June 2023, respectively from non-compliance with the financial covenant stating that the ratio of the Group's Net Interest Bearing Debt to EBITDA shall exceed a certain level as of 30 June 2022, as of 31 December 2022 and as of 30 June 2024, respectively, and that the minimum EBITDA shall exceed a certain level as of 30 June 2023. Additionally, the Group received a formal waiver on 21 December 2023 and 28 June 2024 in anticipation of potentially not being able to meet its EBITDA requirements as of 31 December 2023 and 30 June 2024, respectively. If the Group is unable to comply with agreed covenants in the future, the Group may be unable to obtain waivers from non-compliance with relevant covenants.

The Group's ability to comply with the covenants described above can be impacted by events beyond its control and it may be unable to do so, and the requirements to hold and maintain authorizations to increase the share capital and to issue convertible bonds are subject to approval by a qualified majority of the shareholders present at the general meetings which discuss grants of these authorizations. The Credit Facility and related security documents provide that the Group's breach or failure to satisfy certain covenants constitutes an event of default. Upon the occurrence of an event of default, the lenders could elect to declare all amounts outstanding under the Credit Facility to be immediately due and payable. In addition, the lenders would have the right to

proceed against the assets the Group provided as collateral pursuant to the related security agreements. If the debt under its Credit Facility was to be accelerated, the Group may not have sufficient cash on hand, or be able to refinance the loan or to sell sufficient collateral to repay it, which would have an immediate adverse effect on its business and operating results. This could potentially cause the Group to cease operations and result in a complete loss of an investment in the Shares.

## **2.4 Risks relating to the Shares**

### *2.4.1 Issuances of Shares or other securities may dilute the holdings of shareholders and could materially affect the price of the Share*

The Company has several times over the years issued Shares to finance its principal activities, and will issue the Offer Shares through the Rights Issue as described in this Prospectus. The issuance of the Offer Shares will result in dilution for Existing Shareholders that do not exercise the Subscription Rights granted to them. Further, the Group will issuance Warrants in connection with the Rights Issue and will also raise the Convertible Loan, as described in this Prospectus. The exercise of Warrants and conversion of the Convertible Loan into new Shares in the Company must be expected to result in dilution for shareholders that do not hold or do not exercise or such instruments. The Company may, in the future, also decide to offer additional Shares or other securities to finance new capital-intensive projects, in connection with unanticipated liabilities or expenses or for any other purposes which require additional funding of the Group. Additionally, one of the covenants under the Credit Facility states that the Company shall obtain annual resolutions from the Company's general meeting to issue convertible bonds in the principal aggregate amount of up to USD 150,000,000. If such bonds are issued, the Company's current and other future shareholders may not have pre-emptive rights to participate in any conversion of such bonds and could hence be diluted. Depending on the structure of any future offerings, the holdings and voting interests of existing shareholders could be diluted and the market price of the Shares could be materially and adversely affected. In addition, shareholders residing or domiciled in the United States may be unable to participate in future capital increases.

### *2.4.2 Subscription Rights issued in the Rights Issue will be of no value if not used or sold*

Subscription Rights issued to Existing Shareholders in the Rights Issue or purchased by other persons, which are not used to subscribe for the Offer Shares before expiry of the Subscription Period, will have no value and will lapse without compensation at the end of the Subscription Period. Hence, Existing Shareholders who do not use the Subscription Rights to subscribe for Offer Shares before the expiry of the Subscription Period will not be entitled to be allocated any Offer Shares or Warrants. Existing Shareholders that do not want to subscribe for Offer Shares and who has not sold the Subscription Rights will not be able to realize any economic value of the grant of Subscription Rights to such Existing Shareholder and will also be subjected to dilution of their proportionate ownership of Shares in the Company. Existing Shareholders that do not participate in the Rights Issue will not be entitled to receive any Warrants, and may therefore experience dilution if the Warrants are exercised.

### *2.4.3 The sale of Subscription Rights on behalf of shareholders who do not take up their Subscription Rights may result in a reduction in the market price of the Subscription Rights and the Shares and increased volatility in the Shares*

Certain Existing Shareholders may be unable to take up and exercise their Subscription Rights as a matter of applicable law. The Subscription Rights of such Existing Shareholders, with the exception of Subscription Rights held through financial intermediaries, will, to the extent possible, be sold on their behalf in the market by the Managers pursuant to instructions from the Company, but no assurance can be given as to whether such sales

may actually take place or as to the price that may be achieved and Existing Shareholders that are unable to take up and exercise their Subscription Rights as a matter of applicable law will also be subjected to dilution of their proportionate ownership of Shares in the Company. Other Existing Shareholders may also choose not to exercise their Subscription Rights and therefore sell them in the market. The sale of Subscription Rights by or on behalf of Existing Shareholders could cause significant downward pressure on, and may result in a substantial reduction in, the price of the Subscription Rights and the Shares.

#### *2.4.4 The market value of the Shares may fluctuate*

The trading price for the Shares may significantly fluctuate and may not always reflect the underlying asset value of the Group, and the trading price of the Shares have fluctuated significantly since the listing of the Company on the Oslo Stock Exchange. When the Company became listed on the Oslo Stock Exchange, the trading price of the Shares was approximately NOK 113 per Share and subsequently increased to NOK 150 per Share (the Share prices has not been adjusted for the reverse share split carried out in May 2024). The trading price of the Shares has decreased significantly in recent years, including as a consequence of the mortality incidents as further described in Section 2.1.1 *The Group's operations involve inherent risks relating to control and stability of conditions in its facilities, which could adversely impact production and financial performance*. Thus, the Shares are arguable exceedingly more exposed to share fluctuations compared to shares listed by industry peers that have a longer proven operational history.

### 3 RESPONSIBILITY FOR THE PROSPECTUS

This Prospectus has been prepared in connection with; (i) the Rights Issue as described herein, (ii) the listing of the Warrants, (iii) the listing of the Underwriting Commission Shares, and (iv) to provide information about the Group and its business.

The Board of Directors of the Company accepts responsibility for the information contained in this Prospectus. The members of the Board of Directors hereby declare that the information contained in this Prospectus is, to the best of our knowledge in accordance with the facts and contains no omissions likely to affect its import.

19 September 2024

The Board of Directors of Atlantic Sapphire ASA

Kenneth Jarl Andersen

*Chairman*

Eirik Welde

*Deputy Chairman*

Ellen Marie Sætre

*Director*

Marta Rojo Alonso

*Director*

Patrick Dempster

*Director*

## 4 GENERAL INFORMATION

### 4.1 The approval of this Prospectus by the Norwegian Financial Supervisory Authority

The Financial Supervisory Authority of Norway (Nw: *Finanstilsynet*) (the NFSA) has approved this Prospectus, as competent authority under the EU Prospectus Regulation. This Prospectus has been drawn up as part of a simplified prospectus regime in accordance with Article 14 of the EU Prospectus Regulation and the level of disclosures in this Prospectus is in accordance with the regime.

The NFSA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the EU Prospectus Regulation, and such approval should not be considered an endorsement of the issuer or the quality of the securities that are the subject of this Prospectus.

The Prospectus was approved by the NFSA on 19 September 2024. This Prospectus is valid for a period of 12 months from the date of approval by the NFSA. **Investors should make their own assessment as to the suitability of investing in the Company's Shares.**

### 4.2 Other important investor information

The information contained herein is current as of the date hereof and subject to change, completion and amendment without notice. In accordance with article 23 of the Prospectus Regulation, significant new factors, material mistakes or inaccuracies relating to the information included in this Prospectus, occurring between the time of approval of this Prospectus by the NFSA and the listing of the Offer Shares on the Oslo Stock Exchange, will be included in a supplement to this Prospectus. Neither the publication nor distribution of this Prospectus shall under any circumstances imply that there has been no change in the Group's affairs or that the information herein is correct as of any date subsequent to the date of this Prospectus.

No person is authorised to give information or to make any representation concerning the Company other than as contained in this Prospectus. If any such information is given or made, it must not be relied upon as having been authorised by the Company or the Managers or by any of the affiliates, representatives, advisors or selling agents of any of the foregoing.

The Company has furnished the information in this Prospectus. No representation or warranty, express or implied is made by the Managers as to the accuracy, completeness or verification of the information set forth herein, and nothing contained in this Prospectus is, or shall be relied upon as, a promise or representation in this respect, whether as to the past or the future. The Managers assume no responsibility for the accuracy or completeness or the verification of this Prospectus and accordingly disclaim, to the fullest extent permitted by applicable law, any and all liability whether arising in tort, contract or otherwise which they might otherwise be found to have in respect of this Prospectus or any such statement. **Investing in the Company and its Shares involve a high degree of risk. See Section 2 "Risk Factors".**

### 4.3 Presentation of financial and other information

#### 4.3.1 Financial information

The Company's audited consolidated financial statements as of, and for the year ended, 31 December 2023, with comparable figures as of, and for the year ended, 31 December 2022, have been prepared in accordance with IFRS® Accounting Standards as adopted by the EU ("IFRS") (the "Annual Financial Statements").

The Company's unaudited consolidated interim financial statements as of and for the six months period ended 30 June 2024, with comparable figures for the six months period ended 30 June 2023 (the "**Interim Financial Statements**"), have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" as adopted by the EU ("**IAS 34**").

The Annual Financial Statements and the Interim Financial Statements are referred to herein as the "**Financial Information**" and have been incorporated by reference into this Prospectus. Please refer to Section 14 "Incorporation by Reference and Documents" for further information on documents incorporated by reference.

The Annual Financial Statements have been audited by PricewaterhouseCoopers AS, as set forth in their report included therein.

The Company's uses USD as the presentation currency in the Annual Financial Statements.

#### 4.3.2 Alternative performance measures (APMs)

In order to enhance investors' understanding of the Group's performance, the Group presents certain measures in the Financial Information and in its other external communication that might be considered as alternative performance measures ("**APMs**") as defined by the European Securities and Markets Authority ("**ESMA**") in the ESMA Guidelines on Alternative Performance Measures 2015/1057. These measurements have been included to enhance the understanding of the performance of the operating segments of the Group, but not does not replace the Financial Information prepared in accordance with IFRS (Annual Financial Statements). Certain of the APMs used by the Group are presented in this Prospectus and are further described below.

"**EBITDA**" is defined as Revenue less cost of goods sold, fair value adjustment on biological assets, salary and personnel costs, selling, general, and administrative costs and other income, net. EBITDA is considered to be an APM that is similar to the Group's cash flows and is useful for assessing the Group's financial performance relative to comparables as it is based on variable costs and excludes depreciation and amortization of the Group's assets. EBITDA is a non-IFRS financial measure, but it should not replace measures in the Financial Information prepared in accordance with IFRS.

The Group presents the APM "**Net-Interest Bearing Debt**". Net-Interest Bearing Debt is defined in this Prospectus as non-current borrowings plus current borrowings less cash. The APM is presented to give a simple overview of the indebtedness of the Group to investors and the broader market. It is also a key performance indicator under the Credit Facility as it relates to interest margin determination. Net Interest-Bearing Debt is a non-IFRS financial measure, but it should not replace measures in the Financial Information prepared in accordance with IFRS.

Readers should note that APMs should not be viewed as substitutes for profit/(loss) for the period, profit/(loss) before tax from continuing operations, operating income, cash and cash equivalents at period end or other income statement or cash flow items computed in accordance with IFRS. The APMs do not necessarily indicate whether cash flow will be sufficient or available to meet the Group's cash requirements and may not be indicative of the Group's historical operating results, nor are APMs meant to be predictive of the Group's future results. Please note that EBITDA may be determined or calculated differently by other companies.

#### 4.3.3 Industry and market data

This Prospectus contains statistics, data, statements and other information relating to markets, market sizes, market shares, market positions and other industry data pertaining to Atlantic Sapphire's business and the

industries and markets in which it operates. Unless otherwise indicated, such information reflects Atlantic Sapphire's estimates based on analysis of multiple sources, including data compiled by professional organisations, consultants, subscribed research reports, analysts and information otherwise obtained from other third party sources, such as annual and interim financial statements and other presentations published by listed companies operating within the same industry as Atlantic Sapphire, as well as Atlantic Sapphire's internal data and its own experience, or on a combination of the foregoing.

Although Atlantic Sapphire believes its estimates to be reasonable, these estimates have not been verified by any independent sources, and Atlantic Sapphire cannot assure prospective investors as to their accuracy or that a third party using different methods to assemble, analyse or compute market data would obtain the same results. In addition, behaviour, preferences and trends in the marketplace tend to change. Atlantic Sapphire does not intend and does not assume any obligations to update industry or market data set forth in this Prospectus.

Industry publications or reports generally state that the information they contain has been obtained from sources believed to be reliable, but the accuracy and completeness of such information is not guaranteed. Atlantic Sapphire has not independently verified and cannot give any assurances as to the accuracy of market data contained in this Prospectus that was extracted from these industry publications or reports and reproduced herein. Market data and statistics are inherently predictive and subject to uncertainty and not necessarily reflective of actual market conditions. Such statistics are based on market research, which itself is based on sampling and subjective judgments by both the researchers and the respondents, including judgments about what types of products and transactions should be included in the relevant market.

As a result, prospective investors should be aware that statistics, data, statements and other information relating to markets, market sizes, market shares, market positions and other industry data in this Prospectus and projections, assumptions and estimates based on such information may not be reliable indicators of Atlantic Sapphire's future performance and the future performance of the industry in which it operates. Such indicators are necessarily subject to a high degree of uncertainty and risk due to the limitations described above and to a variety of other factors, including those described in Section 2 "Risk Factors" and elsewhere in this Prospectus.

#### 4.3.4 Currencies

In this Prospectus, all references to "**NOK**" are to the lawful currency of Norway, all references to "**USD**" are to the lawful currency of the United States of America and all references to "**EUR**" are to the lawful common currency of the EU member states who have adopted the Euro as their sole national currency. The Financial Statements are presented in USD.

#### 4.3.5 Rounding

Certain figures in this Prospectus have been subject to rounding adjustments (by rounding to the nearest whole number, decimal or fraction, as the case may be). Accordingly, figures shown for the same category presented in different tables may vary slightly. As a result of rounding adjustments, the figures presented may not add up to the total amount presented.

#### 4.3.6 Exchange rates

The following table sets forth, for the previous three years as indicated, information regarding the average, high and low reference rates for NOK, expressed in NOK per USD, in each case rounded to the nearest four decimal places, based on the daily exchange rate announced by the Central Bank of Norway:

Fiscal year	Average	High	Low	Period end
2022	9.6245	10.9332	8.6467	9.8573
2023	10.5605	11.1712	10.0014	10.2615
Half year 2023	10.4637	11.2370	9.8275	10.7712
Half year 2024	10.6248	11.0703	10.2971	10.6460

No representation is made that the NOK amounts have been or could have been converted into USD, or vice versa, at the exchange rates indicated in the tables above or any other exchange rate.

#### 4.4 Cautionary note regarding forward-looking statements

This Prospectus includes forward-looking statements that reflect the Group's current intentions, beliefs or current expectations concerning, among other things, financial position, operating results, liquidity, prospects, growth, strategies and the industry and markets in which the Group operates. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "anticipates", "assumes", "believes", "can", "could", "continue", "estimates", "expects", "forecasts", "intends", "may", "might", "plans", "projects", "should", "will", "would" or, in each case, their negative, or other variations or comparable terminology. Forward-looking statements as a general matter are all statements other than statements as to historic facts or present facts or circumstances. They appear in a number of places throughout this Prospectus, including, without limitation, in Section 5 "Business of the Group" and in Section 6.6 "Profit forecasts", and include, among other things, statements relating to:

- the Group's strategy, outlook and growth prospects and the ability of the Group to implement its strategic initiatives;
- the Group's future results of operations;
- the Group's financial condition;
- the Group's working capital, cash flows and capital investments;
- the Group's dividend policy;
- the impact of regulations on the Group;
- general economic trends and trends in the Group's industry and markets;
- the competitive environment in which the Group's operates;
- political, governmental and regulatory changes;
- access to funding; and
- technological changes introduced into the Group's industry.

Prospective investors in the Shares are cautioned that forward-looking statements are not guarantees of future performance, circumstances or events and that the Group's actual financial position, operating results and liquidity, and the development of the industries and markets in which the Group operates, may differ materially from those made in or suggested by the forward-looking statements contained in this Prospectus. The Group can provide no assurances that the intentions, beliefs or current expectations upon which its forward-looking statements are based will occur. These forward-looking statements are subject to risks, uncertainties and assumptions, including those discussed elsewhere in this Prospectus.



These forward-looking statements speak only as of the date of this Prospectus. Save as required by Article 23 of the EU Prospectus Regulations, by the stock exchange rules and by other applicable law, the Group expressly disclaims any obligation to publicly update or publicly revise any forward-looking statement, whether as a result of new information, future events or otherwise. All subsequent written and oral forward-looking statements attributable to the Group or to persons acting on the Group's behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this Prospectus. Accordingly, prospective investors are urged not to place undue reliance on any of the forward-looking statements.

## 5 BUSINESS OF THE GROUP

### 5.1 Principal activities and product offering

#### 5.1.1 Introduction

Atlantic Sapphire is a land-based salmon farming company with production operations in Homestead, Florida, USA (the "**Homestead Bluehouse**"). The Group uses Bluehouse production technology, which was developed by the Group in collaboration with a wide range of supply chain partners to optimize growing conditions for Atlantic salmon. The Homestead Bluehouse contains all facilities needed for a salmon's full growth cycle<sup>2</sup>, from an egg hatchery to grow out tanks to harvest processing capabilities. Consolidated operations enable the Group to control the entire production cycle without having to transport salmon to sea-based net pens. The Homestead Bluehouse has a production capacity of approximately 9,500 tonnes HOG (prior to expansion of the Homestead Bluehouse as discussed below).

The Group has previously had production operations in Hvide Sande, Denmark (the Denmark Bluehouse). On 15 September 2021, a fire broke out in the Denmark Bluehouse facility resulting in material and substantial damages, and as of the date of this Prospectus, the Group has ceased operations at the Denmark Bluehouse. As of the date of this Prospectus, there are no concrete plans to resume the Group's operations in Denmark.

The Group's production cycle starts with the introduction of salmon eggs into the egg hatchery. As eggs hatch and develop, the fish are moved into larger freshwater tank systems until they reach the smolt stage in the production cycle. Smolt typically mature to approximately 100 to 200 grams before they are moved to saltwater grow-out tanks where the adult salmon are fed and raised to the target harvest size of 3 to 5 kilograms. Once harvested, the salmon are processed into consumer-ready products and loaded onto trucks for transportation to retailers, restaurants and other customers. The complete production cycle takes between 18 and 22 months.

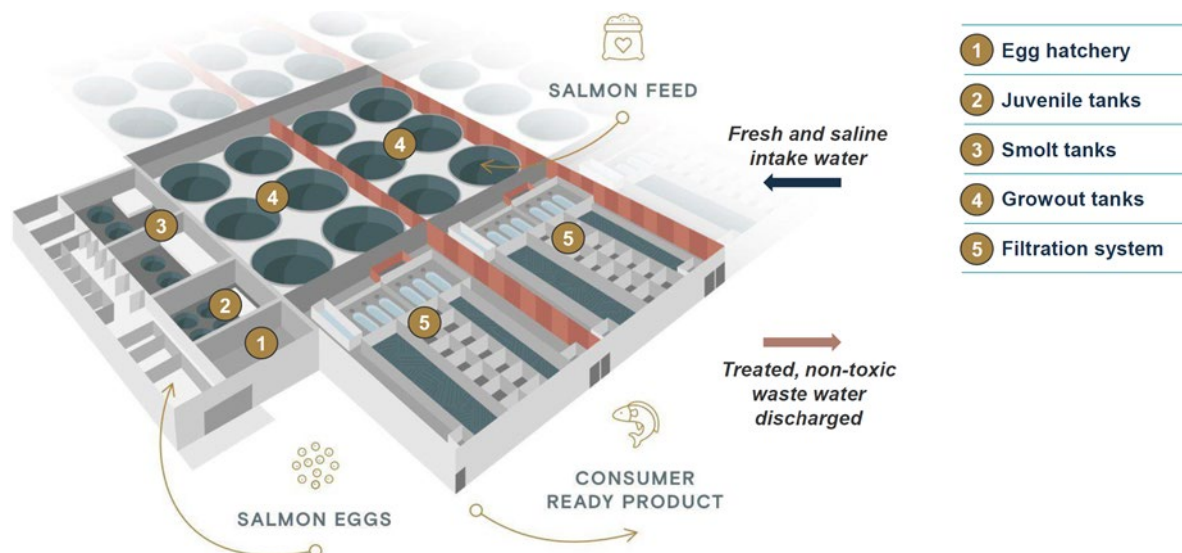
The Group's activities include farming, harvesting, processing, marketing and sales of its products. The Group has historically sold its products mainly in the North American markets.

The Group's value and production chain is comprised of the following production cycles: (i) land-based freshwater hatching, fry and smoltification; (ii) land-based saltwater grow out; (iii) processing and (iv) distribution and sale.

The diagram below sets forth the Group's full cycle of operations and activities in a Bluehouse.

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<sup>2</sup> Please note, however, that the Company relies on third party supply of salmon eggs.



Atlantic Sapphire ASA (the Company) is the holding company for the Group's operations in Denmark and Florida, and therefore has no operations itself. Atlantic Sapphire ASA, through its subsidiary, Atlantic Sapphire USA LLC conducts the Group's activities in Florida. The Company was incorporated in 2010 in Norway. An organisation chart of the Group is included in Section 8.2 "Legal structure".

#### 5.1.2 Homestead Bluehouse

The Group's US production facility in Homestead, Florida is located approximately 35 miles southwest of Miami, Florida.

The Company began construction of the Homestead Bluehouse in 2018. As portions of the facility were completed, such sections were commissioned for use in phases beginning with the hatchery and progressing through the tanks supporting each stage of the salmon growth cycle so that the Company could commence production at the facility. As such, the Company made significant capital expenditures in connection with such design, construction and real property improvements, together with investments in hiring additional employees, all in order to support the planned capacity expansion. The Homestead Bluehouse has completed the construction work under Phase 1, and the Group has received a permanent Certificate of Use for the facility. Although the main construction work under Phase 1 has been finished, the Group has and will continue to undertake maintenance and optimization works related to Phase 1.

The Group completed the first commercial harvest from its Homestead Bluehouse facility on 29 September 2020.

The Company expects that the Phase 1 of the Homestead Bluehouse in steady state production will have a theoretical production capacity of approximately 9,500 tonnes HOG and a tank volume of approximately 65,000 m<sup>3</sup>, spread across seven freshwater systems (six sets of tank systems plus two hatcheries) and twelve grow-out systems (three grow-out tanks in each system), all of which are independent water systems.

The Company has a target to gradually expand production at the Homestead Bluehouse up to 220,000 tonnes in annual production capacity. It is however noted that no commitments have been made in respect of such capacity expansion as of the date of this Prospectus and no assurance can be given that the Group will actually expand capacity at the Homestead Bluehouse beyond its current level.

In addition to Phase 1, the Group has plans to further expand the Homestead Bluehouse through its Phase 2 expansion and the Group has entered into contracts with the Contractors with respect to the construction and design. As of the date of this Prospectus, the Group has invested approximately USD 110 million into the Phase 2 expansion. The Group is currently working on finalizing the Phase 2 design and will thereafter finalize the Phase 2 budget.

However, the Group's current main focus is towards steady state production and profitability of Phase 1. The Group's activities relating to Phase 2 are therefore currently focused on finalizing design and Phase 2 budget with targets to increase cash conservation, value engineering and optimization of cost and quality for outstanding Phase 2 construction. The timing of the ramp-up in harvest volume and full steady state Phase 2 production is dependent on the final schedule for construction completion and when the Group resolves to allocate further funds towards Phase 2.

Production from the Homestead Bluehouse will be transported via ground freight to various states within the US, Canada and Mexico.

The Group expects to have an all-in cost delivered US (including freight costs) that is well below the incumbent industry. This is specifically because the Group will have lower transportation costs to its markets in the US, Canada and Mexico compared to salmon which is transported by air freight from for example Norway or Chile. The Group will not face air freight costs, which represents a large cost advantage. When it comes to pure production costs, the Group expects to have a cost/kg "farm-gate"<sup>3</sup> that is higher than sea-based production initially, but the production cost will decrease over time as the US production increases in scale.

The Company selected Homestead, Florida as the location for its operations in the US because it is situated above abundant amounts of both fresh and saline groundwater in different layers of the unique South Florida aquifers. The Group has access to fresh water through the Biscayne Aquifer, access to saline water through the Floridan Aquifer and can sustainably dispose its wastewater into the Boulder Zone. Other land-based RAS may depend on sea water that has been exposed to biological activity. The Group expects that the use of groundwater without biological activity will reduce the risk of contamination and increase the stability in operations. The Group has secured groundwater infrastructure rights and received a discharge permit for 19.93 million gallons of water per day. The Group extracts fresh water from approximately 45 feet below the surface and saline water from up to approximately 2,000 feet below the surface. Following use in the Homestead Bluehouse treatment, the Group disposes treated water through disposal wells to 3,000 feet.

The constant stability of the water in the aquifers makes it easy for the Group to dimension the necessary pre-treatment of its intake water, as the intake water constantly has the same quality and specifications. The freshwater is sent through a basic filtration system before being introduced to the Bluehouse, which effectively kills off any potential threats to the fish that might have come through the intake water. Similarly, the saline water from the Floridan aquifer, which does not require any pumping to get out of the ground as the water source is under artesian pressure, is sent through pre-treatment before it enters the system (e.g. de-gassing, removal of metals) to make sure that the water that enters the farm is completely dead and does not represent any harm to either fish or the system. The pre-treatment systems utilize technology that has been developed for water treatment in various industries. The water temperature straight from the source is around 26 Celsius, hence the water has to be cooled down to the ideal water temperature in the Bluehouse of around 14 Celsius.

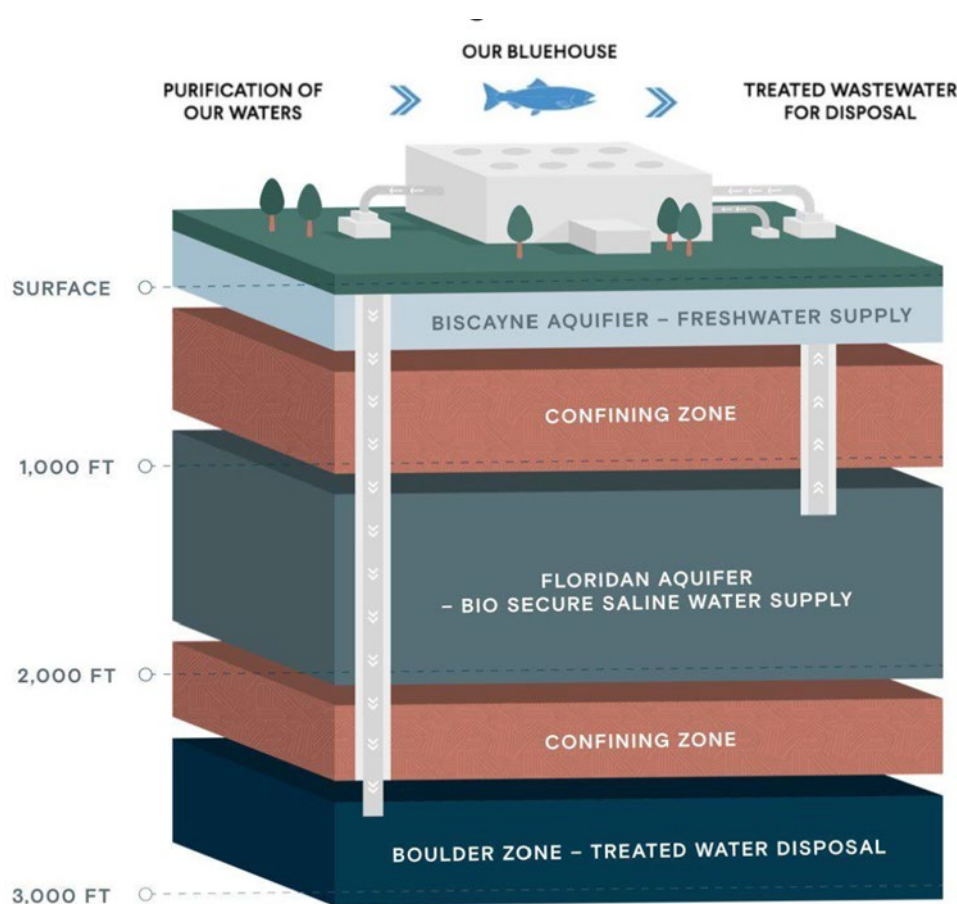
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<sup>3</sup> Farm-gate is defined as the cost of production or price achievement to a farm, i.e., the cost of production before any transportation costs, further value added processing or other sales related expenses (non-exhaustive list). Similarly, on price achievement, it's the net price returned to farm after subtracting costs related to transportation, further value added and other sales costs. In short, "farm-gate" can be defined as what the fish farmers ends up with.

Once the water enters the Bluehouse, the new intake water is heat-exchanged with the cool water leaving the Bluehouse for the injection well. Thereafter, the water is cooled further down to the ideal temperature, around 12-14 Celsius, and enters the internal loop of the system. As the Group operates two saltwater wells, one with brackish, low salinity water, the other with high salinity water (same salinity as sea water), these two water sources are then blended to reach the desired salinity.

In short, all the water in every tank is sent through the RAS system for filtration (the internal loop) approximately every 30 minutes, while all the water is exchanged with new intake water from the aquifers approximately every 5 to 10 days (the external loop).

The processes and technology used by the Group to extract and dispose of water used in its operations is currently patented through 2036. The diagram below sets forth additional detail regarding this process and the use of water from the Biscayne Aquifer.



### 5.1.3 Products

The Group's current range of products include fresh whole salmon and salmon fillets, frozen fillets and portions. The Group has mostly sold fresh whole fish (2 – 7 kg) and fillets of up to 1.8 kg to the food service sectors, and mostly fillets between 0.9 to 1.8 kg to retailers.

The Group has also launched additional products, i.e. smoked salmon, and is working on other ready-to-eat and ready-to-cook items that will be launched in the future.

#### 5.1.4 Sales and marketing

The Group's Bluehouse salmon is currently available in approximately 2,000 retail locations in North America and has been available with various retailers such as Publix (an American supermarket chain), Albertsons (an American leading food and drug retailer), H-E-B (an American chain of privately owned supermarkets), Sprouts Farmers Market (an American supermarket chain), Wegman's (an American supermarket chain) and New Seasons Market (a chain of privately owned grocery stores) in the US, and Sobeys (the second largest food retailer in Canada) and Longo's (an up-scale grocery chain in the Greater Toronto and Hamilton Area in Ontario) in Canada. The Group is also working with The Chef's Warehouse (a specialty food distributor to the food service sector, i.e. restaurants, hotels, caterers and gourmet stores) in North America for sales to more than 100 restaurants.

The sales and marketing strategy of the Group has been to create brand awareness for Bluehouse Salmon and leverage in store marketing, public relations as well as different digital and social media tactics to generate product trial at the point of sale. The brand building efforts create value by achieving a price premium centred around our messaging on (i) the advantages of having healthy salmon raised without antibiotics or hormones, (ii) raising salmon locally in the USA with no negative effect on coastal areas or wild species, (iii) reducing the carbon footprint of the traditional value chain within farming and sales, (iv) supporting the local economy, and (v) increasing the resiliency of the US food system and ensuring food security for the American people.

The Group has established its own sales and marketing team, consisting of six people. The Group sells all its product through its in-house sales team but may from time to time also partner up with third-party seafood trading companies. Outbound logistics is mainly handled by third-party logistics companies or by the customers themselves.

#### 5.1.5 Collaboration with Nordlaks

The Group collaborates closely with Nordlaks AS, one of the largest privately owned salmon farmers in Norway and one of the largest shareholders in the Company. The parties share knowledge about RAS systems, including operation, design and engineering of such, and biological experience with salmon farming to advance the operations of both parties. The parties may also initiate specific research and development projects from time to time.

The collaboration with Nordlaks AS does not involve any financial consideration from either party. Instead, the Group allocates management resources, including time and personnel, and other non-financial resources (besides disbursements related to travel etc.) towards the collaboration with Nordlaks AS.

#### 5.1.6 Agreements for Phase 2 construction

The Group has commenced work to further expand the Homestead Bluehouse through its Phase 2 expansion and in connection with such expansion Atlantic Sapphire USA entered into contracts with Wharton-Smith as general contractor (subject to renewal) and Hazen and Sawyer, D.P.C. with regards to design. Under the Wharton-Smith contract, several individual bid packages with third parties are required in order to complete Phase 2 construction and the works under the contract. As mentioned under Section 5.1.2 "Homestead Bluehouse", the Group's activities relating to Phase 2 are currently focused on finalizing design and Phase 2 budget with targets to increase cash conservation, value engineering and optimization of cost and quality for outstanding Phase 2 construction. Therefore, there is only limited construction work being undertaken under individual bid packages as of the date of this Prospectus.

The pricing format has not yet been decided as between the Group and Wharton-Smith, i.e. whether to agree upon guaranteed maximum price, cost plus/time spent basis or otherwise. This is mainly due to the current uncertainty surrounding pricing and scope of the various bid packages but will be decided once a final Phase 2 design is completed.

If the Group elects to agree upon a guaranteed maximum price, there is an inherent risk that the guaranteed maximum price will exceed the price if the work had been carried out on a cost-plus basis. If, on the other hand, the work is carried out with no guaranteed maximum price, the Group runs the risk of cost overruns which potentially could be significant.

Due to the uncertainty surrounding the Group's deliverables and the various bid packages required under the Wharton-Smith contract, construction deadlines and project milestones have not yet been agreed, and there is no active regime for liquidated damages. If liquidated damages are agreed upon, the Group will be entitled to receive financial compensation from Wharton-Smith under certain circumstances.

## 5.2 The Group's intellectual property rights




The Group, through its direct, wholly-owned subsidiary Atlantic Sapphire IP, LLC, owns and controls a variety of intellectual property. This intellectual property includes, but is not limited to, patents, proprietary information and applications that, in the aggregate, are material to the Group's business. The Group holds, and continues to seek and protect, numerous patents, trade secrets, or other intellectual property rights covering its processes, designs, or inventions in general.

The table below shows the Group's registered patents and pending patent applications. In addition, the Group has various pending patent applications.

Patent Title	Geographical Protection Area	Status	Application No.	Patent No. (If Applicable)	Filing Date (or Issue Date, if Issued)
<b>SYSTEMS AND METHODS OF INTENSIVE RECIRCULATING AQUACULTURE</b>	United States	Issued Patent	15/157,296	10,694,722	30 June 2020
<b>SYSTEMS AND METHODS OF INTENSIVE RECIRCULATING AQUACULTURE</b>	United States	Issued Patent	15/867,100	10,034,461	18 July 2018
<b>BOTTOM GRADING APPARATUSES FOR AQUACULTURE SYSTEMS</b>	United States	Issued Patent	15/862,573	10,959,411	30 March 2021
<b>METHOD FOR OPTIMIZATION OF FILTRATION IN AN AQUACULTURE SYSTEM</b>	United States	Issued Patent	17/079,007	11,425,895	30 August 2022
<b>SYSTEMS AND METHODS OF INTENSIVE RECIRCULATING AQUACULTURE</b>	United States	Issued Patent	16/916986	11,484,015	1 November 2022
<b>TRANSFER ASSEMBLY AND SYSTEM FOR AQUACULTURE</b>	United states	Issued Patent	16/990,271	11,596,132	7 March 2023

<b>TRANSFER ASSEMBLY AND SYSTEM FOR AQUACULTURE</b>	United states	Issued Patent	16/990,697	11,627,729	18 April 2023
<b>SYSTEM AND METHOD FOR FEED VALIDATION MEASUREMENT</b>	United states	Issued Patent	17/351,997	11,662,291	30 May 2023
<b>BOTTOM GRADING APPARATUSES FOR AQUACULTURE SYSTEMS</b>	United states	Issued Patent	16/952,828	11,785,921	17 October 2023
<b>FEED CONSUMPTION MONITORING SYSTEM</b>	United States	Pending	16/952,828	Not yet allocated	24 February 2022

The table below shows the Group's registered trademark and trademark applications:

TRADEMARK	Geographical Protection Area	Status	Application No.	Registration No. (if Applicable)	In Connection With
<b>ATLANTIC SAPPHIRE and Design:</b> 	United States	Incontestable Registered Trademark	79/099,146	4,095,182	Fish
ATLANTIC SAPPHIRE	United States	Registered Trademark	79/095,499	4,040,433	Fish, not live; fish fillets; fish, preserved
ATLANTIC SAPPHIRE	United States	Registered Trademark	90/375,559	6,485,860	Fish, not live, namely, salmon
<b>OCEAN SAFE SUSTAINABLY LAND RAISED and Design:</b> 	United States	Registered Trademark	90/160,605	6,747,757	Smoked fish, namely, salmon; the foregoing being land raised and farmed using ocean safe methods
<b>NON GMO SALMON and Design:</b> 	United States	Registered Trademark	90/160,629	6,603,884	Smoked fish, namely, salmon; the foregoing being non-genetically modified
BLUEHOUSE	United States		87/682,377	6,403,811	Seafood products, namely, cold smoked seafood, hot smoked seafood



		Registered Trademark			
<b>BLUEHOUSE</b>	United States	Registered Trademark	87/983,588	6,251,784	Seafood, not live; frozen fish; fish fillets
<b>BLUE IS THE NEW GREEN</b>	United States	Allowed (will become Registered)	87/922,213		Seafood, not live; seafood products, namely, cold smoked seafood, hot smoked seafood, breaded seafood, coated seafood and seafood sausages; frozen fish; fish fillets; smoked fish; fresh and frozen prepared meals consisting substantially of seafood; fresh and frozen prepared entrees consisting substantially of seafood
<b>OCEAN SAFE SUSTAINABLY LAND RAISED and Design:</b> 	United States	Pending	90/498,210		Fish, not live, namely, salmon; the foregoing being land raised and farmed using ocean safe methods
<b>NON GMO SALMON and Design:</b> 	United States	Pending	90/498,239		Smoked fish, namely, salmon; the foregoing being non-genetically modified
<b>ATLANTIC SAPPHIRE</b>	Norway	Registered Trademark	2010/13,241	260,046	Fish (not live); fish fillets; fish, preserved
<b>ATLANTIC SAPPHIRE and Design:</b> 	Norway	Registered Trademark	2011/02,931	261,166	Meat, fish, poultry and game; meat extracts; preserved, dried, frozen and cooked fruits and vegetables, jellies, jams, compotes, eggs, milk and dairy products; edible oils and fats
				18,384,751	Seafood, not live, namely salmon; seafood products, namely, cold smoked seafood, hot smoked seafood, breaded seafood,

<b>SAPPHIRE SALMON</b>	European Union (now excluding the United Kingdom)	Registered Trademark	18,348,751		coated seafood, and seafood sausages; frozen fish; fish fillets; smoked fish; fresh and frozen prepared meals consisting substantially of seafood; fresh and frozen prepared entrees consisting substantially of seafood
<b>BLUEHOUSE</b>	European Union (now excluding the United Kingdom)	Registered Trademark	18,349,089	18,349,089	Seafood, not live, namely salmon; seafood products, namely, cold smoked seafood, hot smoked seafood, breaded seafood, coated seafood, and seafood sausages; frozen fish; fish fillets; smoked fish; fresh and frozen prepared meals consisting substantially of seafood; fresh and frozen prepared entrees consisting substantially of seafood
<b>BLUEHOUSE</b>	Canada	Pending	2,069,440		Seafood, not live, namely salmon; seafood products, namely, cold smoked seafood, hot smoked seafood, breaded seafood, coated seafood, and seafood sausages; frozen fish; fish fillets; smoked fish; fresh and frozen prepared meals consisting substantially of seafood; fresh and frozen prepared entrees consisting substantially of seafood
<b>ATLANTIC SAPPHIRE</b>	Madrid Protocol Designating: China, Europe, Japan, Russia, U.S.	Registered		1,072,302	fish, not live; fish fillets; fish, preserved
<b>ATLANTIC SAPPHIRE &amp; Design</b> 	Madrid Protocol Designating: Europe, Japan, Russia, U.S	Registered		1,082,048	fish, meat, and poultry

### 5.3 Regulatory framework

Aquaculture in the US is regulated at the federal and state level. The Food and Drug Administration (the "**FDA**") of the Department of Health and Human Service (the "**DHHS**"), the Department of Agriculture (the "**USDA**") and the Environmental Protection Agency (the "**EPA**"), are the leading federal agencies that regulate aquaculture within the US. There are other agencies and programs at the federal level involved in aquaculture activities, such as the National Oceanic and Atmospheric Administration in the Department of Commerce, the Joint Subcommittee on Aquaculture, the Center for Veterinary Medicine, the Animal and Plant Health Inspection Service and the US Fish and Wildlife Service of the Department of the Interior. The federal government regulates aquaculture activities that involve the trade of goods and services between the states or internationally.

The relevant federal statutes rarely address aquaculture directly, and more detailed legislation exists at the state level. For example, the Federal Water Pollution Control Act, the Food, Drug & Cosmetic Act, the Animal Drug Availability Act, and the Magnuson-Stevens Fisheries Conservation Act do not significantly address aquaculture, but provide the statutory framework for regulating food safety, veterinary medicines, HACCP programs, coastal zone management, and other activities related to aquaculture. In many instances, it is the state that monitors and enforces both federal and state aquaculture regulations. Federal regulations become applicable within the state when aquaculture activities involve interstate modes of transport, or interstate waters.

In Florida, aquaculture is defined in the Aquaculture Policy Act, which is a part of the Florida Statutes on Agriculture, Horticulture and Animal Industry (Chapter 597, Title XXXV). Aquaculture is also defined in the annual Florida Aquaculture Plan. "Aquaculture" is defined as "the cultivation of aquatic organisms". In Florida, the Division of Aquaculture regulates and certifies aquaculture activities within the state. Any person engaging in aquaculture must be certified by the Division of Aquaculture. The Group currently has an active agriculture certification in accordance with the Florida Aquaculture Policy Act, Chapter 597, Florida Statutes. In addition, in accordance with requirements under Aquaculture Best Management Practices, the Group has the following plans in place: Solid Waste Management Plan and an Aquatic Animal Health Management Plan.

Wastewater discharge and water quality are controlled at both the federal and the state level. The EPA is the lead federal agency that regulates water quality, and the Department of Environmental Protection handles water management in Florida. In Florida, the Department is further divided into five water management districts, each of which issues a separate consumptive use permit. Under the Federal Water Pollution Control Act (the "**Clean Water Act**"), any activity that may result in a discharge of pollutants into navigable waters, including construction or operation of a facility, must provide a state-issued permit, certifying the discharge is in compliance with specified federal standards. The Group has a permit from the Florida Department of Environmental Protection for wastewater disposal and a general permit for thermal wells.

The Clean Water Act also directs the EPA to review effluent guidelines and set schedules for effluent guidelines within federal waters. In 2004, the EPA finalized the Effluent Limitations Guidelines and New Source Performance Standards for the Concentrated Aquatic Animal Production Point Source Category. The rule establishes effluent limitations guidelines (ELGs) for facilities that directly discharge wastewater, produce at least 100,000 pounds of fish a year, and use flow-through, recirculating, or net pen systems.

A Prior Notice of Imported Food Shipments must be filed with the FDA before the arrival of fish into the US. The FDA also regulates the importation, interstate movement and field testing of genetically modified organisms (GMOs), including fish, pursuant to its regulatory authority under the Plant Protection Act of 2000. Exporters of fish or fish products must keep records demonstrating that the products meet the requirements the Federal Food Drug & Cosmetic Act. Records related to food should be kept for a minimum of three years and all other records should be kept for a time period required by good manufacturing practice or quality systems regulations.

Depending on the foreign nation, an export health certificate endorsed by the USDA's Animal and Plant Health Inspection Service may be required to verify the health status of the fish. A food permit from the Florida Department of Agriculture and Consumer Services is required for the processing and sale of food products. The FDA regulates the use of feed additives, used in aquaculture activities and the safety of food and drugs in fish and fish products and the facility must be registered with the FDA.

As it relates to onsite processing of fish products, the Group has received approval from the Florida Environmental Quality Control Board for a variance on wastewater disposal for fish processing onsite. The Group is in the process of obtaining additional permits and licenses relevant to this portion of the business, however the Group does not anticipate any issues with obtaining any such approvals. All seafood processors must comply with FDA Fish and Fishery Products HACCP regulation (21 C.F.R. § 123). The FDA HACCP program focuses on food safety hazards associated with fish species and processes. The FDA has enforcement authority and may take regulatory action in the event of non-compliance with HACCP regulations. The federal HACCP plan must list the food safety hazards associated with fish species and processes that are likely to occur and identify the conditions that must be controlled for fish products. The Company has an approved HACCP plan.

The Group has received a permanent Certificate of Use for the Homestead Bluehouse.

#### **5.4 Material contracts**

Other than the Credit Facility and the Convertible Loan described below, neither the Company nor any member of the Group has entered into any material contract outside the ordinary course of business for the two years prior to the date of this Prospectus. Further, neither the Company nor any member of the Group has entered into any other contract outside the ordinary course of business that contains any provision under which the Company or any member of the Group has any obligation or entitlement which is material to the Group as at the date of this Prospectus.

##### **5.4.1 Credit Facility**

On 21 April 2020, Atlantic Sapphire USA and Atlantic Sapphire Denmark, as co-borrowers, together with S.F. Development, L.L.C., Atlantic Sapphire IP, LLC and AS Purchasing, LLC, as subsidiary guarantors, and the Company, as parent guarantor, amended and restated its existing Credit Facility (as amended, amended and restated, modified or otherwise supplemented from time to time (the "**Credit Facility**"). An overview of the Credit Facility is described below.

DNB Bank is the sole lender under the Credit Facility. The Credit Facility consists of financing for construction of Phase 1 of the Homestead Bluehouse as well a revolving credit facility. In connection with the Rights Issue, the Group has agreed with DNB Bank that the USD 100 million term loan that were to be used for construction of Phase 2 shall be cancelled, in order to remove commitment fees on the undrawn debt and to improve liquidity for the Group.

- The financing for construction of Phase 1 consists of a USD 40.9 million term loan (as of 30 June 2024), all of which has been drawn by the Group.
- A revolving credit facility of up to USD 20 million, of which approximately USD 14.27 million has been drawn at the date of this Prospectus.

Further, the Credit Facility has been amended through an amendment agreement in connection with the Rights Issue (the "**13<sup>th</sup> Amendment of the Credit Facility**"). Execution of the 13<sup>th</sup> Amendment of the Credit Facility was subject to certain terms and conditions, including that the Company shall raise new capital with total proceeds

greater than or equal to USD 80 million (which will be secured through the Underwritten Rights Issue and the Convertible Loan).

In connection with the 11<sup>th</sup> Amendment of the Credit Facility (an amendment agreed in connection with an earlier private placement carried out by the Company), DNB Bank agreed to extend the loan terms until October 2026. All debt under the Credit Facility shall consequently be finally repaid in October 2026.

The interest rate of the Credit Facility shall correspond to the three-month SOFR<sup>4</sup> plus an applicable margin to be calculated based on the Net Interest Bearing Debt to EBITDA level calculated over the last twelve months. The applicable margin is between 2% and 5%. Accrued interests are paid quarterly through the term of the Credit Facility.

The term loans under the Credit Facility shall be repaid with quarterly payments of principal. In connection with the 13<sup>th</sup> Amendment of the Credit Facility, it has been agreed that the Group shall not pay installments on the USD 40.9 million term loan for the remaining part of 2024 and for 2025. The obligations of the Group under the Credit Facility are secured by all of the Group's material assets, including intellectual property rights, real estate mortgages on its real property located in Homestead, Florida, USA, an indemnity deed of the Group's leasehold interest in the real property located in Hvide Sande, Denmark, and pledges of the shares in all of its subsidiaries.

The Company has not entered into any interest rate swaps to manage its exposure to changes in variable interest rates applicable to the Credit Facility.

#### 5.4.2 Certain terms of the Credit Facility

Pursuant to the terms of the Credit Facility, the Group is required to comply with several affirmative and negative covenants, which in the event of noncompliance and following the provision of notice, the passage of time or both, provide the lenders thereunder with, among other things, the right to declare the outstanding debt as due and payable and to terminate the Credit Facility. There can be no assurance that the Group will be able to comply with these covenants in the future or what actions, if any, the lenders thereunder may take in the event of noncompliance, which is evidenced by the fact that the Group was not in compliance with a minimum EBITDA covenant as 30 June 2021 and 2022 and the minimum liquidity covenant in Q3 2023. In anticipation of potentially not being able to meet its EBITDA requirements as of 31 December 2023 and 30 June 2024, the Group received a formal waiver from the lenders dated 21 December 2023 and 28 June 2024, respectively.

Covenants under the Credit Facility include, but are not limited to, the following:

- Restrictions on distributions from the Company, however subject to certain customary exemptions;
- Minimum cash account requirements;
- Restrictions on creation of additional indebtedness;
- Restrictions on entering into, modify or amend certain material contracts;
- Restrictions on making distributions to the Company's shareholders;
- Restrictions on entering into certain types of related party transactions;
- The Company shall maintain an authorization to its Board to increase the share capital through issuance of at least 10,000,000 new Shares. The Company will decide, in its sole discretion, whether the authorization shall be used;

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<sup>4</sup> SOFR means the Secured Overnight Financing Rate.

- The Company shall obtain annual resolutions from the general meeting to issue convertible bonds in the principal aggregate amount of up to USD 150,000,000. The Company will decide, in its sole discretion, whether the authorization shall be used; and
- Restrictions on mergers, consolidations, liquidations, sale of assets and acquisitions of property.

Further, the main financial covenants under the Credit Facility include:

- The book equity ratio shall not be less than 45%, measured quarterly;
- That the EBITDA of the Company and its consolidated subsidiaries for various periods during the term of the Credit Facility shall exceed certain levels, and the levels were recently adjusted in connection with 13<sup>th</sup> Amendment to the Credit Facility; and
- The Company and its consolidated subsidiaries shall maintain USD 10 million in a minimum cash account, which has been reduced from USD 15 million in connection with the 13<sup>th</sup> Amendment of the Credit Facility.

The Group has at certain measuring dates not been compliant with the financial covenants, including that the Group have received waivers (dated 23 June 2022, 12 December 2022 and 29 June 2023) from non-compliance with the financial covenant stating that the ratio of the Group's Net Interest Bearing Debt to EBITDA or minimum EBITDA shall exceed a certain level as of 30 June 2022, 31 December 2022 and 30 June 2023, respectively. Further, the Group was in breach of the minimum available liquidity covenant in Q3 2023 and received a waiver for such breach. In anticipation of potentially not being able to meet its EBITDA requirements as of 31 December 2023 and 30 June 2024, the Group received a formal waiver from the lenders dated 21 December 2023 and 28 June 2024, respectively.

Pursuant to the Credit Facility, an occurrence of change of control will result in an event of default thereunder. A "change of control" is defined as; (1) the Company ceasing to control 100% of any one of its subsidiaries; (2) at any time prior to the listing of the Company's Shares on the Oslo Stock Exchange (such listing was completed in May 2020), (a) any person (other than Alsco AS and its shareholders) acquires beneficial ownership or control of more than one third of the outstanding Shares of the Company, and (3) at any time following the listing of the Company's shares on the Oslo Stock Exchange, any person or group (other than Alsco AS or its shareholders) becomes the beneficial owners of more than one third of the outstanding Shares of the Company.

#### 5.4.3 The Convertible Loan

In connection with the Rights Issue, the Company has agreed to raise a convertible loan of minimum USD 20 million and maximum USD 31 million (the "**Convertible Loan**") from Condire Management L.P. ("**Condire**"), and potentially Nordlaks Holding AS ("**Nordlaks**", and together with Condire, the "**Lenders**"). The minimum amount of USD 20 million will in any case be subscribed by Condire, regardless of any adjustment in accordance with the above.

The raise of the Convertible Loan was approved by the Company's general meeting on 17 September 2024, subject to agreement and execution of final loan documentation for the Convertible Loan (the "**Convertible Loan Agreement**").

The main terms of the Convertible Loan are expected to be as follows:

- The maturity date will be six years after receipt of the loan amounts from the Lenders, i.e. in October 2030.

- The Group's obligations under the Convertible Loan will be unsecured and rank pari passu with the other non-subordinated debt obligations of the Group;
- The Convertible Loan may be converted into new shares in the Company, where each Lender may convert all or parts of its share of the Convertible Loan (including accrued PIK Interest, as defined below) into new shares at any time in the period from when the Company has received the subscription amount and until the earliest of 10 business days prior to:
  - The date falling 5 years after 17 September 2024, or such later date pursuant to any resolution by the Company to extend the conversion right; or
  - Any earlier date fixed for repayment of the Convertible Loan pursuant to the Convertible Loan Agreement; but
  - However so that if the Company carries out one or more equity raises after completion of the Rights Issue, which in aggregate gives gross proceeds to the Company of at least USD 100 million (including any Warrants that are exercised in connection with such share capital increase, a "**Qualifying Equity Raise**"), the conversion right will expire within 20 business days after registration of the latest share capital increase relating to the Qualifying Equity Raise. After such time, the Convertible Loan may no longer be converted.
- The conversion price shall be NOK 0.13 per share, unless the Convertible Loan is converted in the period of 20 business days following a Qualifying Equity Raise, in which case the conversion price will be NOK 0.115 per share.
- The Convertible Loan shall carry an interest of 10% p.a., where the interest shall be added to the principal ("**PIK Interest**"). The interest shall be settled on a semi-annual basis.
- No Lender shall be permitted to exercise conversion rights if and to the extent that such exercise would result in such Lender, taken together with its affiliates and related parties, owning more than 19.99% of the issued share capital of the Company.
- The Convertible Loan Agreement shall include customary anti-dilution mechanisms.

On 17 September 2024, an extraordinary general meeting of the Company passed the following resolution with regards to the Convertible Loan:

- (i) *The Company shall raise a convertible loan (the "**Convertible Loan**") pursuant to the rules in the Norwegian Public Limited Liability Companies Act ("**PLCA**") chapter 11. The Convertible Loan shall have a principal amount of minimum NOK 213,900,000 and maximum NOK 328,822,625. The final size of the Convertible Loan shall be determined in connection with the allocation of shares in the rights issue proposed in item 4 above (the "**Rights Issue**"), and such that if the allocation of shares in the Rights Issue and allocation of consideration shares to the underwriters implies that one or more Lenders (as defined below) in the Convertible Loan exceed (individually) an ownership stake of 19.99% in the Company after completion of the Rights Issue, the excess amounts shall be transferred to the Convertible Loan, however so that the amount of the Convertible Loan shall in any case be within the amounts of minimum NOK 213,900,000 and maximum NOK 328,822,625.*
- (ii) *The Convertible Loan may be subscribed by Condire Management LP and Nordlaks Holding AS (each, a "**Lender**", and jointly, the "**Lenders**"). Subscription shall be made at a separate subscription form within the expiry of 30 September 2024. Allocation of the Convertible Loan, including upon over-subscription, shall be determined by the Board of Directors pursuant to the allocation provision included in item (i) above. The shareholders' pre-emptive right to subscribe for the Convertible Loan pursuant to Section 11-4 of the PLCA is thus deviated from.*
- (iii) *The Convertible Loan shall be subscribed at par value.*
- (iv) *The subscription amount shall be settled simultaneously with the subscription of the Convertible Loan, by*

*cash payment to a bank account indicated by the Company. Nordlaks Holding AS shall settle its subscription amount by payment in NOK. Condire Management LP shall settle its subscription amount by payment of an amount in USD which corresponds to the subscription amount in NOK. An exchange rate for USD:NOK of 1:10.695 shall apply. If paid in USD, the Company's debt obligation shall still be a debt in NOK, including with regards to repayment and conversion of the Convertible Loan to shares in the Company.*

- (v) The Convertible Loan shall fall due for payment in its entirety on 30 September 2030, or alternatively the date falling six years after the time the Convertible Loan is actually subscribed for (the "**Maturity Date**").*
- (vi) The Convertible Loan shall carry an interest of 10% p.a. which shall be added to the principal ("**PIK Interest**"). The interest shall be settled on a semi-annual basis.*
- (vii) The Loan is unsecured and shall rank pari passu with other non-subordinated debt in the Company.*
- (viii) Each Lender may convert all or part of its share of the Convertible Loan (including accrued PIK Interest) to shares in the Company (through set-off) at any time in the period from when the Company has received the subscription amount and until the earliest of 10 business days prior to:*
  - (a) The date falling 5 years after the date of this general meeting or such later date pursuant to any resolution by the Company to extend the conversion right; or*
  - (b) Any earlier date fixed for repayment of the Convertible Loan pursuant to the Loan Agreement (as defined below).*

*However so that if the Company carries out one or more equity raises after completion of the Rights Issue, which in aggregate gives gross proceeds to the Company of at least USD 100 million (including any Warrants that are exercised or will be exercised in connection with such share capital increase) (a "**Qualifying Equity Raise**"), conversion right will expire within 20 business days after registration of the latest share capital increase relating to the Qualifying Equity Raise. After such time, the Convertible Loan may no longer be converted.*

*Upon the conversion, the Lender's claim towards the Company shall be set off towards the Company's claim for share deposit. Following conversion, the statement of the Company's share capital and number of shares in the Articles of Association shall be amended accordingly.*

*Conversion cannot under any circumstances take place five years after the general meeting has adopted the Convertible Loan, cf. Public Limited Liability Companies Act § 11-2 (2) no. 9. The Loan Agreement (as defined below) provides that the Company must, however, propose to a new general meeting to make a new decision regarding the Convertible Loan before the end of this deadline so that the Convertible Loan can be converted to shares throughout the entire term of the loan.*

- (ix) The exercise price upon a conversion of the Convertible Loan shall be NOK 0.13 per share, or NOK 0.115 per share if conversion occurs after a Qualifying Equity Raise. The exercise price may be adjusted pursuant to the provisions in this resolution and in the Loan Agreement. The number of new shares to be issued upon conversion shall equal the aggregate principal amount of the Convertible Loan (and accrued PIK Interest) that is to be converted, divided by the applicable conversion price. If this does not result in a whole number of shares, it shall be rounded down to the nearest number of whole shares.*
- (x) The conversion right may not be separated from the receivable or exercised independently of the receivable, cf. the PLCA section 11-2 (2) no. 13.*
- (xi) Shares that are issued upon conversion of the Convertible Loan shall be equal with the already issued shares and shall give the right to dividends from the time the relevant share capital increase is registered in the Norwegian Register of Business Enterprises.*
- (xii) Upon distributions, share capital increases, issuance of financial instruments as per Chapter 11 of the PLCA,*



*upon mergers or de-mergers, as well as other company changes which is in the disfavor of the Lenders, the conversion price shall be adjusted to the extent described in the draft loan agreement included as Appendix 5 to the minutes (the "**Loan Agreement**"), and which forms part of this resolution. Other than the above, the Lenders shall not have rights upon decisions as mentioned in Section 11-2 (2) no. 11 of the PLCA. The conversion price shall not be adjusted below the nominal value of a share. However, the conversion price adjustment provisions will provide for fair market value compensation to the Lenders in respect of any event that would otherwise cause such an adjustment, as set out in the Loan Agreement.*

- (xiii) The terms of the draft Loan Agreement, which forms part of this resolution, are approved. Within the limitations of this resolution, the Board of Directors is authorized to negotiate and enter into the final Loan Agreement.*
- (xiv) The Chairman of the Board of Directors is authorized to sign all relevant documents in connection with the Convertible Loan on behalf of the Company, including the Loan Agreement and documents thereto related, as well as agree to amendments and additions to the extent such falls within the limitations of this resolution.*
- (xv) The completion of this resolution is dependent upon; (i) entry into and execution of the Loan Agreement, and (ii) the general meeting also approving the Board's proposals in items 4, 5, 7 and 8.*

## **5.5 Recent developments and trends**

For an extended period, the Group has been affected by general price increases as a consequence of rising inflation due to, among other things, high energy prices, supply chain issues and geopolitical events that have increased costs with regards to Phase 1 operations and expenses related to Phase 2 construction.

Save for the abovementioned, the Group has not:

- experienced or has any information about significant trends in production, sales and inventory, costs and selling prices since 31 December 2023 and until the date of this Prospectus;
- experienced any significant change in the financial performance of the Group since 31 December 2023 and until the date of this Prospectus, including that the Group has not:
  - introduced any significant new products and/ or services;
  - initiated development of any new products and/ or services;
  - experienced any material changes in the Group's regulatory environment; and
- experienced trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Group's prospects for the current financial year.

## **5.6 Legal and arbitration proceedings**

The Group is involved in various claims, lawsuits and legal proceedings that arise from time to time in the ordinary course of its business. Litigation is subject to inherent uncertainties, and an adverse result in there or other matters that may arise in the future may harm the Group's business.

The Group is currently involved in an arbitration against OHLA Building, Inc. ("**OHL**"), who performed work in connection with the construction of Phase 1 of the Homestead Bluehouse, which is ongoing and not settled at the date hereof.

OHL has made a claim for the Group's alleged failure to pay for approved work and change order, in the aggregate amount of approximately USD 5.6 million, and also reimbursement of attorney's fees and interest. The Group is denying that there has been a failure of payment, and has filed a counterclaim in the arbitration,

in the aggregate amount of USD 20 million (such number may be adjusted later in the process), on the grounds of alleged faulty workmanship by OHL and its subcontractors.

In connection with the dispute with OHL, the sub-contractors Billund Design, a company that was engaged by the Group for design work related to Phase 1 and also acted as sub-contractor to OHL in the construction of Phase 1, and Billund Construction, a company that was engaged by OHL as a sub-contractor to OHL in the construction of Phase 1, have also each become party to the arbitration process. In July 2024, Billund Design filed for bankruptcy in Denmark, which may have a negative impact on the Group's ability to fully recover any compensation that the Group may be awarded in the arbitration process.

The Group, OHL, Billund Design and Billund Construction participated in a mediation with a view to reach an amicable solution in October 2022, but such mediation was unsuccessful, and the matter is therefore expected to move forward to a formal arbitration hearing, currently expected to take place in the first or second quarter of 2025.

As of the date of this Prospectus and apart as described above, the Group is not, nor has been during the course of the preceding 12 months, involved in any legal, governmental or arbitration proceedings which may have, or have had in the recent past, significant effects on the Company's and/or the Group's financial position or profitability, and the Company is not aware of any such proceedings which are pending or threatened.

## 6 CERTAIN FINANCIAL AND OPERATING INFORMATION

### 6.1 Capitalisation and indebtedness

#### 6.1.1 Introduction

This Section 6.1 "Capitalisation and indebtedness" provides information of the Group's consolidated capitalization and net financial indebtedness on an actual basis as at 30 June 2024, derived from the Interim Financial Statements. The information presented below should be read in conjunction with other parts of this Prospectus, in particular the Financial Information and the notes related thereto, incorporated by reference into this Prospectus, see Section 14 "Incorporation by Reference and Documents".

In addition, in the "Adjustment amount" and "As adjusted" columns set out in the tables, the Company presents its capitalization and indebtedness adjusted for the following material post-balance sheet events and effects:

- The underwritten net proceeds from the Rights Issue to be completed in October 2024 (approx. NOK 600.6 million, corresponding to approximately USD<sup>5</sup> 57.2 million), and the minimum proceeds from the Convertible Loan (approx. NOK 210.0 million, corresponding to approximately USD 20 million), being a total of NOK 810.6 million (corresponding to approximately USD 77.2 million) in net proceeds. The Underwriting Obligation of the Underwriters is subject to certain conditions, as further described in Section 11.21 "The Underwriting".
- Draw-down of approximately USD 8.3m under the RCF included in the Credit Facility between 30 June 2024 and the date of this Prospectus.
- Reclassification adjustment of USD 10.1 million from share capital to share premium (within legal reserves) to reflect retrospective presentation of equity based on a revised NOK 0.05 par value (previously NOK 1.00 in par value per share).

Other than this, there have not been any material changes in the capitalisation or indebtedness position of the Group since 30 June 2024.

#### 6.1.2 Capitalisation

	As of 30 June 2024 (unaudited)	Adjustment for RCF draws, the Rights Issue, the Convertible Loan and reclassification of equity (unaudited)	As adjusted (unaudited)
(In USD 000)			Note
<i>Total current debt (including current portion of non-current debt):</i>	24,349	8,270	32,619
Guaranteed	-	-	-
Secured	9,910	8,270	1 18,180
Unguaranteed/unsecured	14,439	-	2 14,439
<i>Total non-current debt (excluding current portion of non-current debt):</i>	39,368	20,000	59,368

<sup>5</sup> For the purposes of this Section, an USD:NOK exchange rate of 1:10.5 has been applied.

Guaranteed	-	-	-	
Secured	37,894	20,000	1	57,894
Unguaranteed/unsecured	1,474	-	3	1,474
<b>Total indebtedness</b>	<b>63,717</b>	<b>28,270</b>		<b>91,987</b>
<b>Shareholders' equity</b>				
Share capital	11,726	23,486	4	35,212
Legal reserves	260,340	33,714	4	294,054
Other reserves	(7,336)	-		(7,336)
<b>Total shareholders' equity</b>	<b>264,730</b>	<b>57,200</b>		<b>321,930</b>
<b>Total capitalisation</b>	<b>328,447</b>	<b>85,470</b>		<b>413,917</b>

- 1) Current and non-current secured debt consists of borrowings under the amended Credit Facility, which are secured by substantially all Group assets. This includes existing and after-acquired personal and real property held, the equity interests in the various Group companies, certain receivables, and certain bank accounts. The Group drew USD 6.0m from the RCF and repaid USD 1.3m on the US Term Loan for the six months ended 30 June 2024. Debt has been adjusted by an additional USD 8.3m drawn on the RCF after 30 June 2024 and a further USD 20.0m to account for the expected minimum proceeds of the Convertible Loan. For further information, please refer to Note 19 "Borrowings" in the Annual Financial Statements (Note 7 "Borrowings" in the Interim Financial Statements).
- 2) Current unguaranteed/ unsecured debt consists of trade vendor payables and lease obligations associated with right-of-use assets. For further information, please refer to Notes 8 "Leases" and 13 "Financial Instruments" in the Annual Financial Statements (Note 8 "Financial Instruments" in the Interim Financial Statements).
- 3) Non-current unguaranteed/ unsecured debt consists of lease obligations associated with right-of-use assets. For further information, please refer to Note 8 "Leases" in the Annual Financial Statements.
- 4) Legal reserves consist of share premium, employee stock options, and accumulated earnings and losses. Share capital and share premium is adjusted to reflect the net proceeds of the underwritten part of the Rights Issue to be completed (approx. USD 57.2m) and retrospective presentation of equity based on a revised NOK 0.05 par value. Of the equity adjustments, USD 10.1m represents the retrospective par value reclassification from share capital to share premium within legal reserves. The amount is considered a material adjustment and is presented net of expected equity transaction fees of approximately USD 2.8m

#### 6.1.3 Net financial indebtedness

		Adjusted for RCF draws, the Rights Issue, the Convertible Loan and reclassification of equity			As adjusted
		As of 30 June 2024 (unaudited)	equity (unaudited)	Note	(unaudited)
(In USD 000)					
(A)	Cash	25,588	85,470	1	111,058
(B)	Cash equivalents	-	-		-
(C)	Other current financial assets	3,382	-	2	3,382
(D)	<b>Liquidity (A)+(B)+(C)</b>	<b>28,970</b>	<b>85,470</b>		<b>114,440</b>

		As of 30 June 2024 (unaudited)	Adjusted for RCF draws, the Rights Issue, the Convertible Loan and reclassification of equity (unaudited)	Note	As adjusted (unaudited)
	(In USD 000)				
	Current financial debt (including debt instruments, but excluding current portion of non-current financial debt				
(E)		471	-	3	471
(F)	Current portion of non-current financial debt	9,910	8,270	4	18,180
(G)	<b>Current financial debt (E) + (F)</b>	<b>10,381</b>	<b>8,270</b>		<b>18,651</b>
	<b>Net current financial indebtedness</b>				
(H)	<b>(G) – (D)</b>	(18,589)	(77,200)		(95,789)
(I)	Non-current financial debt (excluding current portion and debt instruments)	37,894	20,000	4	57,894
(J)	Debt instruments	-	-		-
(K)	Non-current trade and other payables	1,474	-	3	1,474
	<b>Non-current financial indebtedness (I)</b>				
(L)	<b>+ (J) + (K)</b>	<b>39,368</b>	<b>20,000</b>		<b>59,368</b>
(M)	<b>Total financial indebtedness (H) + (L)</b>	<b>20,779</b>	<b>(57,200)</b>		<b>(36,421)</b>

1) Cash consists of cash, restricted cash, and restricted deposits (restricted cash held in connection with Borrowings). The figure has been adjusted to reflect amounts drawn on the RCF after 30 June 2024 (USD 8.3m), the net debt of the minimum proceeds from the Convertible Loan (USD 20.0m) and the net equity proceeds of the underwritten part of the Rights Issue to be completed (USD 57.2m).

2) Other current financial assets consist primarily of net trade receivables and "other investments".

3) Current financial debt and non-current other payables consist of lease obligations associated with right-of-use assets. For further information, please refer to Note 8 "Leases" in the Annual Financial Statements.

4) Current and non-current secured debt consists of borrowings under the amended Credit Facility, which are secured by substantially all Group assets. This includes existing and after-acquired personal and real property held, the equity interests in the various Group companies, certain receivables, and certain bank accounts. The Group drew USD 6.0m from the RCF and repaid USD 1.3m on the US Term Loan for the six months ended 30 June 2024. Debt has been adjusted by an additional USD 8.3m drawn on the RCF after 30 June and a further USD 20.0m to account for the expected minimum proceeds of the Convertible Loan. For further information, please refer to Note 19 "Borrowings" in the Annual Financial Statements (Note 7 "Borrowings" in the Interim Financial Statements).

## 6.2 Working capital statement

The Company is of the opinion that the working capital available to the Group is not sufficient for the Group's present requirements, for the period covering at least 12 months from the date of this Prospectus.

Unless additional capital is raised through the Rights Issue, the Company expects that it may not be able to satisfy its liabilities as they fall due following the third quarter of 2024. According to the Group's current

proposed scale of operations, the Group expects that it will need approximately NOK 810.6 million in order to have sufficient working capital for the period covering at least 12 months from the date of this Prospectus. The Group expects to obtain the required working capital through the Rights Issue and the Convertible Loan. As the Group will raise at least NOK 810.6 million in net proceeds from the underwritten Rights Issue and the Convertible Loan (for which the Company is in agreement with the Lenders with regards to the terms of the Convertible Loan), the Group is confident that the Rights Issue and the Convertible Loan will rectify the working capital shortfall identified above and secure the Group being able to continue as a going concern over the next 12 months.

Although the Company is confident that it will raise the necessary working capital through the Rights Issue and the Convertible Loan, the actual disbursement of the Convertible Loan remains subject to execution of final documentation and satisfaction of customary conditions precedent and the obligations of the Underwriters pursuant to the Underwriting Agreement is subject to the Underwriting Agreement remaining in full force and effect<sup>6</sup>. If or when it should become clear that the Convertible Loan will not be disbursed or that the Underwriters will not satisfy their Underwriting Obligations, the Board will need to assess raising the required funds from other sources. If the Company is not able to raise adequate funding from other sources and subsequently runs out of working capital, the Board will need to consider and implement strategic options like restructuring, sale or controlled closure of the Group's activities, disposal of assets and, if all other options fail, voluntary dissolution or entering into administration and insolvency proceedings.

### **6.3 Material investments**

#### **6.3.1 Historical investments**

The Group has not made any significant investments since 30 June 2024, which are in progress and/or for which firm commitments have already been made.

#### **6.3.2 Ongoing investments**

The Group's priorities with respect to investment opportunities are the completion of construction of the Homestead Bluehouse and the expansion thereof. The construction of Phase 1 of the Homestead Bluehouse was initiated in 2017 and was completed in 2021.

Once the final budget and financing of Phase 2 is in place, the Group expects to be in a capital-intensive construction phase, where the Group expects to incur significant capital expenditures related to Phase 2. Due to, among other things, the general price increases due to rising inflation and recent global supply chain disruptions it is difficult for the Company to determine with certainty the amount of capital expenditures related to Phase 2. The Group has incurred and spent approximately USD 110 million on Phase 2 construction as of 30 June 2024).

In order to increase capacity of the Homestead Bluehouse, the Company began the Phase 2 construction in Q2 2021 which is expected to add an additional 15,000 tonnes HOG of production capacity. The Phase 2 would not include a hatchery or fish processing facilities, as there is spare capacity in the Phase 1 infrastructure. As

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<sup>6</sup> See Section 11.21 "The Underwriting" for further information on the Underwriting Agreement, where it is, *inter alia*, noted that the Underwriters may terminate the Underwriting Agreement in the event that the Company is in material breach of the Underwriting Agreement. Further, the Company may at any time prior to the registration of the share capital increase pertaining to the Offer Shares in the Rights Issue terminate the Underwriting Agreement.

described in Section 5.1.2 "Homestead Bluehouse", the Group is currently working towards finalizing design and budget for Phase 2 and investments amount towards Phase 2 construction is therefore relatively low.

### 6.3.3 Future investments

The Group has no firm commitments to make future investments.

## 6.4 Related Party Transactions

In the ordinary course of its business activities, the Company and/or other Group companies may enter into transactions with related parties. Such transactions include various intra-group transactions that are eliminated upon consolidation in the Financial Statements. Further, the Group may from time to time sell its products to NovoMar Inc. (previously named Platina Seafood Inc.) and its affiliated company NovoPro Inc. may provide the Company with certain processing services. NovoMar Inc., is a fish trading company and NovoPro Inc. is a processing company, both based in Miami, FL, USA controlled by Emil Andreassen, who is the son of the Company's former CEO Johan Andreassen.

During the ordinary course of business, the Group may sell salmon products to NovoMar, Inc. ("**NovoMar**"). For the six months ended 30 June 2024 and 30 June 2023, the Group sold USD 1.7m and USD 0.4m of salmon products to NovoMar, respectively. As of 30 June 2024 and 30 June 2023, the Group had USD 1.1m and USD 0.1m of net amounts due from NovoMar and the amounts are included as part of the Group's current trade and other receivables balance, respectively.

During the ordinary course of business, NovoPro Inc. provides harvesting services for the Group (the provision of such services commenced in June 2023). For the six months period ended 30 June 2024 and 30 June 2023, the Group incurred harvesting costs of USD 0.1m and USD 0.2m, respectively. Such amounts are included as part of cost of goods sold in the accompanying consolidated statements of operations.

Apart from intra-group transactions that are eliminated upon consolidation in the Financial Information and the transactions between the Group and Novomar Inc. as described above, there have been no transactions between the Company and related parties for the period between 30 June 2024 and up to the date of this Prospectus.

## 6.5 Significant changes in financial position and financial performance

On 20 September 2024, the Group announced that it intends to carry out the Rights Issue (including the issuance of the Warrants) and to raise the Convertible Loan as well as certain amendments to the Credit Facility, all as further described in this Prospectus.

Apart from the above, there have not been any significant changes in the financial position or performance of the Group since 30 June 2024 and up to the date of this Prospectus.

## 6.6 Profit forecasts

### 6.6.1 Introduction

As described in Section 11.2 "Use of proceeds", the net proceeds from the Rights Issue, together with existing cash on the balance sheet, the existing RCF, amendments to the Credit Facility, and the Convertible Loan, is

currently estimated to be sufficient to fund investments and operations towards achieving positive EBITDA<sup>7</sup> for Phase 1<sup>8</sup>, currently estimated for the fourth quarter of 2025 (the "**EBITDA Forecast**").

The EBITDA Forecast has been identified by the Company as a profit forecast, as further described in this Section 6.6 "Profit forecasts". The accounting policies applied pertaining to the EBITDA Forecast are in accordance with the accounting policies described in Note 1 "Summary of Significant Accounting Policies" of the Annual Financial Statements (which are incorporated into this Prospectus by reference, see Section 14.1 "Cross reference table").

The EBITDA Forecast is based on a number of assumptions, of which the most significant are detailed below in Sections 6.6.3 "Key Management assumptions within the Management's influence" to 6.6.5 "Key Management assumptions that could materially change the outcome of the forecast", and many of which are outside of the Group's control or influence.

The EBITDA Forecast is a forward-looking statement (see Section 4.4 "Cautionary note regarding forward-looking statements" for further information). Investors should not place undue reliance on the EBITDA Forecast. The EBITDA Forecast included in this Prospectus has been prepared by and is the sole responsibility of the Company. The Company's independent auditors, PwC, have not audited, reviewed, examined, compiled nor applied agreed-upon procedures with respect to the forecast, and, accordingly, PwC does not express an opinion or any other form of assurance with respect thereto. PwC's audit report for the Annual Financial Statements (incorporated by reference into this Prospectus, see Section 14.1 "Cross reference table") relate solely to the Annual Financial Statements. They do not extend to the Group's outlook on the EBITDA Forecast, and should not be read to do so. The Group's outlook on the EBITDA Forecast was not prepared with a view toward compliance with published guidelines of the Securities and Exchange Commission or the guidelines established by the American Institute of Certified Public Accountants for preparation or presentation of prospective financial information.

#### 6.6.2 Methodology and assumptions

The EBITDA Forecast is a profit forecast, as defined in Commission Delegated Regulation (EU) 2019/980, Article 1 (d), that has been compiled and prepared on a basis which is both; (a) comparable with the Financial Information presented in this Prospectus, and (b) consistent with the Company's accounting policies as set out in Note 1 "Summary of Significant Accounting Policies" of the Annual Financial Statements. Although the EBITDA Forecast has been prepared on a basis comparable to the historical financial information, the EBITDA Forecast is based on estimates made by the Company based on assumptions about future events, which are subject to numerous and significant uncertainties, for example caused by business, economic, technical and competitive risks and uncertainties, which could cause the Company's actual EBITDA development to differ materially from the EBITDA Forecast presented herein.

The EBITDA Forecast is also based on factors which are outside the Group's control or influence. These include changes in political, legal, fiscal, market or economic conditions, improvements and deteriorations in macroeconomic conditions, and actions by suppliers, customers and competitors.

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<sup>7</sup> EBITDA is a non-IFRS financial measure. Please see Section 4.3.2 "Alternative performance measures (APMs)" for further information.

<sup>8</sup> For a description of Phase 1 and Phase 2 of the Homestead Bluehouse, please refer to Section 5.1.2 "Homestead Bluehouse".



As a result of the above, the EBITDA Forecast is inherently subject to significant, business, operational, economic and competitive uncertainties and contingencies, and based upon future business decisions that are subject to change.

#### 6.6.3 Key Management assumptions within the Management's influence

In the EBITDA Forecast, the Company is expressing its expectations on the EBITDA effect of the Group's anticipated stabilization in production, including new initiatives to secure improved utilization of Phase 1, and the Group's expectation to materially improve price achievement from the fourth quarter of 2024 and benefits to the Group's cost base from improved utilization of Phase 1.

The Group's Management has a significant role to play in influencing the Group's ability to reach the EBITDA Forecast. There are several key assumptions within the Management's influence that could impact the Group's ability to reach the EBITDA Forecast, such as;

- (i) the Group being successful in its focus on increasing daily feeding volume through increased proactivity and by removing bottlenecks in the water treatment capacity. The current capacity of the Homestead Bluehouse for water treatment restricts the daily feeding volume to approximately 23 tonnes. Following completion of the Rights Issue, the Company intends to invest in improvements in the water treatment capacity in order to reduce current bottlenecks and thereby increase the daily feeding capacity up to approximately 33 tonnes. The increased feeding capacity is expected to give an estimated annualized harvest volume of 7,500 tonnes HOG (when the improvements in water treatment capacity are fully implemented and commissioned), and is also expected to increase average harvest weight from the biomass. An increase in average harvest weight is beneficial for improving price achievement per kg of HOG equivalents harvested, and, provided that the Group is successful in increasing feeding volume as set out below, the Company estimates an average sales price for the Group's products of approximately USD 12 per KG of HOG equivalents in the fourth quarter of 2025.
- (ii) whether the Group is successful in its ongoing efforts to optimize overall water quality as this will be a key factor in achieving a satisfactory biological performance, cf. item (i) above,
- (iii) The farming conditions at the Homestead Bluehouse being stable in the period covered by the EBITDA Forecast, without the occurrence of adverse events and with a stable and low mortality rate for the biomass
- (iv) that the actual operational expenditures per kilo of production of the Group for the period relevant for the EBITDA Forecast is reduced due to the Group achieving the assumptions set out in items (i) and (ii) above.

If one or more of the abovementioned assumptions within the Management's influence does not materialize, this could materially change the outcome of the EBITDA Forecast.

#### 6.6.4 Key Management assumptions outside of Management's influence

There must be a clear distinction between assumptions about factors which the Management can and cannot influence. The Group's ability to reach the EBITDA Forecast depends on many factors outside the Group's control or influence, including those relating to; (i) increases in costs of the Group's production input in the operations of the Homestead Bluehouse, including without limitation feed costs, oxygen, chemicals and electricity, which may, for example be caused by inflation and general price increases, (ii) decrease in the average price of salmon paid by consumers or the overall demand for salmon in the Group's geographical markets, (iii) changes in political, legal, fiscal, market or economic conditions, (iv) improvements or deterioration in macroeconomic conditions, and (iv) timely actions/ decisions by the Group's suppliers, customers or competitors. In these

principal assumptions, Management assumes that the aforementioned factors are relatively stable during the relevant period for the EBITDA Forecast.

#### 6.6.5 Key Management assumptions that could materially change the outcome of the forecast

The Group has identified the following factors that could cause the actual EBITDA achieved for the relevant period for the EBITDA Forecast to materially deviate from the EBITDA Forecast; (i) the Group not achieving satisfactory growth rate for its standing biomass, i.e. unsatisfactory biological performance, and thereby not achieving the expected increase in harvest volumes and revenues, and (ii) unexpected operational challenges and/ or unexpected mortality events (which can be caused by deficiencies in water quality, reduction in feeding capacity and/ or water treatment capacity, and by several other factors that may cause reduced fish growth) that increase the operational expenditure and/ or decrease the revenues of the Group, especially taking into account the Group's relatively limited history of operating the Homestead Bluehouse (and as further described in Section 2.1.1 "*The Group's operations involve inherent risks relating to control and stability of conditions in its facilities*").

#### 6.6.6 Previous profit forecast

The prospectus dated 18 October 2023 included the following profit forecast from the Company: *the net proceeds from the Private Placement will be used to reach an estimated EBITDA break-even for Phase 1 of the Group's Homestead Bluehouse during the first half of 2024.*

The profit forecast mentioned above was predicated on certain assumptions, including the biological performance of the Group's biomass returning to budgeted steady-state production levels as was observed in June 2023 which was regarded as a key management assumption within the management's influence. However, the profit forecast has been rendered invalid due primarily to unforeseen deviations from expected biological performance, which primarily arised from a higher degree of fish maturation levels related to the temperature challenges in Q3 2023 that were not anticipated which, among other things, necessitated the private placement in February 2024 to support Phase 1 to proven state.

## 7 BOARD OF DIRECTORS AND MANAGEMENT

### 7.1 Board of Directors

The Articles of Association of the Company provide that the Board of Directors shall consist of a minimum of two and a maximum of seven members of the Board of Directors (the "**Directors**") elected by the Company's shareholders. The Company's registered business address, Daugstadvægen 445, 6392 Vikеbukt, Norway, serves as the business address for the Directors with respect to their directorships.

With the exception of Eirik Welde, all Directors are independent of the Company's Management, business relations and main shareholders (shareholders holding more than 10% of the Shares and votes of the Company). Eirik Welde is the CEO of Nordlaks Holding AS (one of the largest shareholders in the Company, currently holding approximately 12.95% of the Shares, and is therefore not independent of the Company's main shareholders.

The following table provides information regarding the Directors as of the date of this Prospectus:

Name	Position	Served on the Board since <sup>9</sup>	Expiry of current term <sup>10</sup>	Shares held	Options held
Kenneth Jarl Andersen	Chairman	2022	AGM 2025	-	-
Eirik Welde	Deputy Chair	2023	AGM 2025	-	-
Ellen Marie Sætre	Director	2020	AGM 2025	-	-
Marta Rojo Alonso	Director	2023	AGM 2025	-	-
Patrick Dempster	Director	2024	AGM 2025	-	-

In addition to the Directors listed above, Ryan Schedler and Keith Reid have been elected as observers to the Board of Directors.

Below are brief biographies of each Director, along with disclosures about significant principal activities performed by them outside of the Company and the companies and partnerships of which each Director has been member of the administrative, management or supervisory bodies in the previous five years.

#### **Kenneth Jarl Andersen, Chairman**

Kenneth Jarl Andersen has served as a Director since August 2022. Andersen is the CEO of Strawberry Capital AS. Andersen has extensive experience from the Strawberry group, where he has been employed since 2007. In addition, Andersen has experience from Terra Fondsforvaltning and Arthur Andersen Consulting.

Mr. Andersen is a Norwegian citizen, currently residing in Oslo, Norway.

#### Current directorships and senior management positions:

*Superstocks AS (CEO and Chairman), Strawberry Equities AS (CEO), Strawberry Advisory AS (CEO), Strawberry Capital AS (CEO), Strawberry Stories AS (Chairman), Fidl AS (Chairman), Settl AS*

<sup>9</sup> The column indicates when the relevant Director was elected to the Board of Directors.

<sup>10</sup> The column indicates when the current election term of the relevant Director expires. Directors are generally elected for terms of two years, but may also be elected for shorter terms.

(Director), Staffers AS (Director), Eika Kapitalforvaltning AS (Director), Ecohz AS (Chairman), Ecohz Invest AS (Chairman), Ecohz Holding AS (Chairman), Seen AS (Chairman), Scandinavian Beauty AS (Director), Hurtigruten Group AS (Director), Hurtigruten NewCo AS (Director), Loyaltyco AS (Director)

Previous directorships and senior management positions last five years:

Explorer II AS (Director), Belmonte Vino Holding AS (Chairman), Highered AS (Director)

### **Eirik Welde, Deputy Chair**

Eirik Welde is a Norwegian national who holds a veterinarian degree from the Norwegian School of Veterinary Science (2001) and has over 20 years of experience from the Norwegian aquaculture industry. He has worked with fish health, production management and design of live fish support systems, including hatcheries and post-smolt facilities. He has experience as project manager and project executive within several aquaculture species and RAS technology. From 2012, he was the general manager of Nordlaks Smolt AS, and since 2019 he has been CEO of the Nordlaks Group.

Current directorships and senior management positions:

Nordlaks Holding AS (CEO), Nordlaks Oppdrett AS (CEO), Nordlaks Produkter AS (Chairman), Nordlaks Eiendom AS (Chairman), Nordlaks Transport AS (Chairman), Nordlaks Smolt AS (Chairman), Nordlaks Prosjekt AS (Chairman), Nordlaks Havbruk AS (Chairman), Fiskebøl Eiendom AS (Chairman), Nordlaks Brønnbåt AS (Chairman), NI Brønnbåt AS (Chairman), Nordlaks Maritime AS (Chairman), Nordlaks Sales AS (Chairman)

Previous directorships and senior management positions last five years:

N/A

### **Ellen Marie Sætre, Director**

Ellen Marie Sætre is an educated veterinary from the Norwegian School of Veterinary Science (2006). She has been working as a consultant in private fish health companies on questions regarding fish health, welfare, hygiene and biosecurity since 2006. Now she is leader of the fish health department in Møre og Romsdal for Åkerblå AS. Ms. Sætre is a Norwegian citizen, currently residing in Vikebukt, Norway.

Current directorships and senior management positions:

None.

Previous directorships and senior management positions last five years:

Kystlab AS (director).

### **Marta Rojo Alonso, Director**

Marta Rojo Alonso is a Spanish national with over 25 years of international experience in Europe, Asia and Latin America. She has worked with various large companies within the aquaculture industry, such as Mowi, Skretting and as CFO of Salmenes Camanchaca in Chile (listed on the Oslo Stock Exchange) and as CEO of Sterner Group, a Norwegian water treatment technology provider working with RAS. She has a Master's degree in Economics and Management from the University of Madrid, as well as an Executive MBA from Nyenrode Business University in the Netherlands.

Current directorships and senior management positions:

*Mra Consulting AS (CEO and Chairman)*

Previous directorships and senior management positions last five years:

*Salmones Camanchaca (CFO), Skretting Group (Global Procurement Director), Sterner Group AS (CEO), Sterner Seafood AS (CEO)*

## Patrick Dempster, Director

Patrick Dempster is the current CEO of Aquagen Chile, a leading genetics provider to the salmon industry owned by EW Group, one of the major shareholders of the Company. Dempster holds a degree in agronomical engineering from Pontificia Universidad Católica de Chile and a Master's degree in Aquaculture from the University of Stirling.

Current directorships and senior management positions:

*Aquagen Chile (CEO), Aquagen AS (Director)*

Previous directorships and senior management positions last five years:

*Instituto Técnico del Salmón (Director)*

## 7.2 Management

The Group's executive management (the "**Management**") consists of five individuals. The following table provides information regarding the members of the Management as at the date of this Prospectus:

Name	Position	Employed with the Group since	Shares held	Options held
Pedro Courard	Chief Executive Officer	2024	-	1,400,000
Gunnar Aasbø-Skinderhaug	Chief Financial Officer/ Deputy CEO	2024	-	1,000,000
Mario Palma	Chief Operating Officer	2022	-	835,708
Svein Taklo	Chief Development and Infrastructure Officer	2019	299,099	572,835
Valerie Leath	Director of Human Resources	2021	-	80,000

The registered business address of the Company's subsidiary Atlantic Sapphire USA LLC, 22275 SW 272<sup>nd</sup> St. Homestead, Florida, serves as business address for the Management with respect to their employment.

Below are brief biographies of each member of the Management, along with disclosures about significant principal activities performed by them outside of the Company and the companies and partnerships of which each member of the Management has been member of the administrative, management or supervisory bodies in the previous five years.

## Pedro Courard, Chief Executive Officer

Pedro Courard is an Industrial Engineer with a Master in Business Administration. He has been involved in the salmon industry in Chile for over 25 years, holding different management positions, most of them related to production and operation. During the last 15 years he has held management positions in different companies;

he was the Managing Director of Ocea Chile (today Scale), Farming Director in Multi X and, since 2022, the Managing Director of Cermaq Chile, Chile's second largest salmon producer. In Cermaq, Mr. Courard has been part of the team that led the successful turnaround process of Cermaq Chile, positioning the company as a top performer in the Chilean salmon farming industry.

<u>Current directorships and senior management positions:</u>	<i>Asociación de la Industria de Salmón de Chile (Director), Asociación de Salmonicultores de Magallanes (Director), Consejo del Salmón de Chile (Director)</i>
<u>Previous directorships and senior management positions last five years:</u>	<i>Cermaq Chile (Managing Director), Instituto Técnico del Salmón (Director), Multi X (Farming Director)</i>

#### **Gunnar Aasbø-Skinderhaug, Chief Financial Officer/ Deputy CEO**

Gunnar Aasbø-Skinderhaug has more than 15 years of experience from the seafood industry and salmon farming and joins Atlantic Sapphire from the position as Director of Cermaq Norway Salmon. Aasbø-Skinderhaug has had multiple operational executive roles in the Norwegian entity and worked on operational improvements in the Norwegian and Chilean operations of Cermaq. Aasbø-Skinderhaug has more than 10 years experience as CFO, including previously Oslo Stock Exchange-listed Aker Seafoods, as well as several years of experience with land-based farming, including RAS production.

<u>Current directorships and senior management positions:</u>	<i>Mobilnote AS (CEO and Chairman), Elgseter Personalutleie AS (CEO and Chairman)</i>
<u>Previous directorships and senior management positions last five years:</u>	<i>Cermaq Norway Salmon (Managing Director)</i>

#### **Mario Palma, Chief Operating Officer**

Mario Palma was appointed the Chief Operating Officer of the Group in October 2023. Mr. Palma has been involved with the Group's US operations since such operations commenced, and prior to being appointed Chief Operating Officer he held the position as Director of Aquaculture Engineering within the Group. Mr. Palma also has more than 8 years of experience from other companies within aquaculture, including 5 years in various positions at Mowi. Mr. Palma holds an engineering degree from the Universidad Católica del Norte in Chile.

<u>Current directorships and senior management positions:</u>	<i>Oceano del Sur (Chairman).</i>
<u>Previous directorships and senior management positions last five years:</u>	<i>None.</i>

#### **Svein Taklo, Chief Development and Infrastructure Officer**

Svein Taklo has served as the Chief Development and Infrastructure Officer since October 2019. Prior to joining Atlantic Sapphire, Mr. Taklo served as the Vice President Marine & Technical for The World and as Chief Operational Officer and Senior Vice President of Maritime Operations for Hurtigruten. Mr. Taklo holds a bachelor's degree in Maintenance and Safety Technology from Høgskolesenteret i Vestfold in Norway and completed the Executive Education Program conducted by Wharton School of Business, University of Pennsylvania.

<u>Current directorships and senior management positions:</u>	<i>Infinite Invest AS (managing director and chairman), Operations360 LLC (manager).</i>
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<u>Previous directorships and senior management positions last five years:</u>	Hurtigruten (SVP Maritime Op. / COO), ROW Management Ltd (The World) (VP Marine & Tech).
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### **Valerie Leath, Director of Human Resources**

Valerie Leath joined Atlantic Sapphire in 2021 as a Director of Compensation and Benefits, and currently serves as Director of Human Resources. Leath has broad experience within the fields of HR with a strong focus on compensation, compliance and strategic management. She is a professional member of the Society for Human Resource Management and currently holds the Senior Professional in Human Resources designation through HRCL. Leath's prior work experience includes her role as HR/Benefits Manager at Weller Management and HR Consultant with Corporate Business Solutions. Leath has a strong academic background, and holds a Bachelor's degree in Public Relations from the University of Florida, a Master's degree in International Business from the University of Florida and a Master's degree in Business Administration from the EM Lyon Business School.

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<u>Current directorships and senior management positions:</u>	None.
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<u>Previous directorships and senior management positions last five years:</u>	None.
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## **7.3 Share based incentive programs**

### **7.3.1 Long-Term Incentive Program**

The Company believes that its ability to grant equity-based awards is a valuable compensation tool that enables the Company to attract, retain, and motivate its employees, consultants and directors by aligning their respective financial interests with those of the Company's shareholders. The principal features of the Company's equity incentive plan are summarized below.

The Board of Directors has adopted a share option plan as part of a long-term incentive ("LTI") program, which was approved by the annual general meeting of the Company on 23 June 2017. The Board of Directors administers the plan and the awards granted thereunder.

Individual LTI grants will be determined based on the Group's performance, comparable market practices and performance. As of the date of this Prospectus, the individual LTI grants include the following, (i) Share options granted at the five-day trading average as of the date of grant, (ii) performance-based Share options granted at a strike price of 30% above the five-day trading average as of the date of the grant, and (iii) Share options granted at a strike price set at the discretion of the Board of Directors, but not below the current market price of the Shares at the time of the grant. The share option grants to each individual are determined based on the Group's performance, comparable market practices and performance. All share options referenced above and granted under the LTI program are subject to at least four-year vesting periods and certain other requirements.

Each share option grants the holder a right to require delivery of one (1) Share in the Company.

As of 30 June 2024, options to acquire 5,050,859 new Shares in the Company had been granted and remained outstanding under the LTI program. The share options outstanding as of 30 June 2024 had a weighted-average exercise price of NOK 66.99 per Share. Please refer to Section 7.2 "Management" for an overview of the number of options held by each of the Management.

### 7.3.2 Grant of share options to senior Management

In connection with the appointment of Pedro Courard as new CEO and in order to optimally incentivize the new CEO, the Board granted Mr. Courard consisting of 1,400,000 share options with a four-year vesting period. The first 25% of the option grant vested upon the grant, and the remaining portions of the grant will vest annually thereafter. Further, on 24 June 2024, Gunnar Aasbø-Skinderhaug, Deputy Chief Executive Officer and Chief Financial Officer, was been granted 1,000,000 share options and Mario Palma, Chief Operating Officer, was been granted 450,000 share options.

The strike price of each share option referred to above is NOK 13.50, and each share option gives the right to require issuance of one (1) Share in the Company.

### 7.4 Audit committee

The audit committee is composed of the following two members: Ellen Marie Sætre and Marta Rojo Alonso (Chair). Pursuant to Section 6-42 of the Norwegian Public Limited Liability Companies Act, the audit committee is elected by the Board of Directors and must consist of members of the Board. At least one member of the audit committee shall be independent from the operations of the Company and shall also have qualifications within accounting or auditing. Board members who are senior employees in the Company may not be elected as members of the audit committee. The audit committee shall collectively have the competence which is necessary from the perspective of the organization and operation of the Company in order to fulfill its tasks.

Pursuant to Section 6-43 of the Norwegian Public Limited Liability Companies Act, the primary purposes of the audit committee are to:

- prepare the Board's supervision of the Company's financial reporting process;
- monitor the systems for internal control and risk management;
- have continuous contact with the Company's auditor regarding the audit of the annual accounts; and
- review and monitor the independence of the Company's auditor, including in particular the extent to which services other than auditing provided by the auditor or the audit firm represent a threat to the independence of the auditor.

The audit committee reports and make recommendations to the Board of Directors. However, the members of the Board retain responsibility for implementing such recommendations.

### 7.5 Compensation committee

The Company has established a compensation committee composed of two Directors. Currently, Kenneth J. Andersen is the Chair of the compensation committee, while Eirik Welde is a member of the committee. The composition of the compensation committee meets the requirements for independence under the Corporate Governance Code. Each member of this committee is a non-employee Director.

The compensation committee is responsible for, among other things:

- reviewing and recommending compensation and the terms of any compensatory agreements of the Company's executive officers;



- reviewing and making recommendations with respect to the Company's share incentive plans and other equity compensation; and
- assisting in establishing the Company's overall compensation philosophy.

## **7.6 Nomination committee**

Article 6 of the Articles of Association (as described below in Section 8.10 "The Articles of Association") provide for a nomination committee composed of 2 or 3 members, and such nomination committee was approved in an extraordinary general meeting of the Company held on 16 April 2020. The nomination committee consists of Bjørn-Vegard Løvik (chair) and Kjell Bjordal. The members of the nomination committee are elected for terms of two years.

The nomination committee is responsible for proposing candidates for the Board of Directors and the nomination committee.

## **7.7 Conflicts of interests etc.**

For the five years preceding the date of this Prospectus, none of the Directors or member of Management have, or had, as applicable

- any convictions in relation to indictable offences or convictions in relation to fraudulent offences;
- received any official public incrimination and/or sanctions by any statutory or regulatory authorities (including designated professional bodies) or was disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company, or
- been declared bankrupt or been associated with any bankruptcy, receivership, liquidation or a company being put into administration in his or her capacity as a founder, director or senior manager of a company.

Other than as described above, there are currently no actual or potential conflicts of interest between the Company and the private interest or other duties of any Director and the members of the Management, including any family relationships between such persons.

## 8 CORPORATE INFORMATION; SHARES AND SHARE CAPITAL; SHAREHOLDERS

### 8.1 Incorporation; registration number; registered office and other Company information

The Company's legal and commercial name is Atlantic Sapphire ASA. The Company is a Norwegian public limited liability company (Nw: *allmennaksjeselskap*), incorporated under the laws of Norway and in accordance with the Norwegian Public limited Liability Companies Act. The Company's business registration number in the Norwegian Register of Business Enterprises is 895 436 232. The Company was incorporated on 15 March 2010.

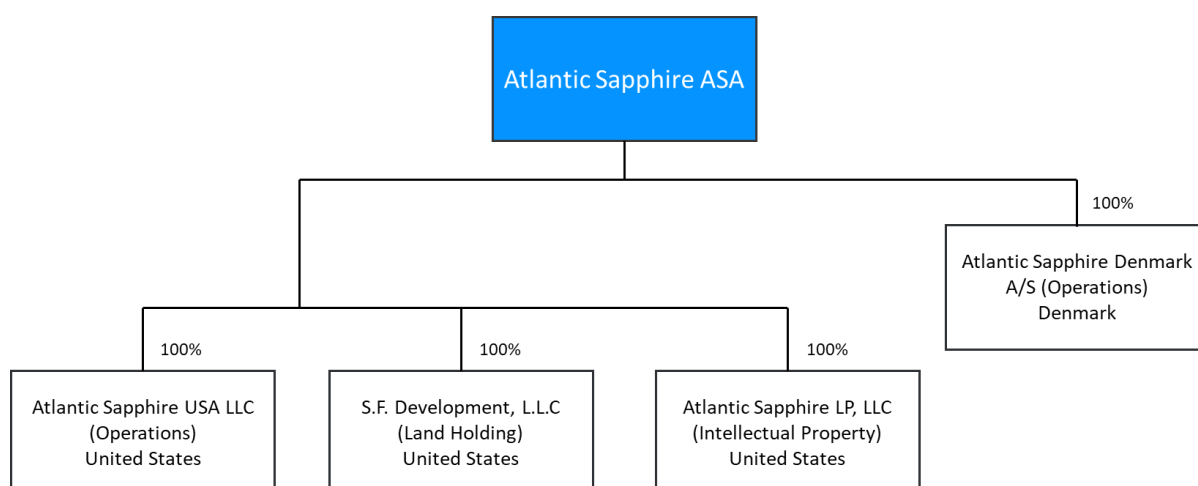
The head office and registered address of the Company is Daugstadvægen 445, 6392, Vikеbukt, Norway, its telephone number +1 7864311404 and its website is <https://atlanticsapphire.com/>. The information included on <https://atlanticsapphire.com/> does not form part of the Prospectus.

The LEI number of the Company is 2138007BY85FI48VX666.

### 8.2 Legal structure

Atlantic Sapphire ASA is a holding company and is the parent company of the Group.

The Group consists of Atlantic Sapphire ASA and five subsidiaries. The following chart sets out the Group's legal structure as of the date of this Prospectus:



The table below contains a list of the Company's subsidiaries:

Company name	Country of incorporation	Field of activity	% holding	% of votes
Atlantic Sapphire Denmark A/S	Denmark	Operations	100	100
Atlantic Sapphire USA LLC	United States	Operations	100	100
S.F. Development, L.L.C.	United States	Land holding	100	100
Atlantic Sapphire IP, LLC	United States	Intellectual property	100	100

### 8.3 The Shares

The share capital of the Company is NOK 112,108,442, divided into 112,108,442 ordinary Shares each with a nominal value of NOK 1.00. In the extraordinary general meeting held on 17 September 2024, it was resolved to decrease the share capital to NOK 5,605,422.10 divided by 112,108,442 Shares, each with a par value of NOK 0.05. This share capital decrease will first enter into force upon completion of the Rights Issue, and will be registered together with the share capital increase relating to the Rights Issue. This share capital decrease will enter into force immediately after registration as the Company's share capital through the Rights Issue will be increased through subscription of new shares by contribution that results in higher tied-up equity than earlier. All the Shares have been created under the Norwegian Public Limited Liability Companies Act and are validly issued and fully paid. The Company's Shares are freely transferable.

The Shares of the Company are admitted to trading on the Oslo Stock Exchange and trade under the ticker symbol "ASA". The Shares are not admitted to trading on any other regulated market, third country market, SME Growth Market or MTF, and the Company has not applied for admission to trading of the Shares on any such market. However, the Company's shares are quoted on the OTCQX Best Market, a US market operated by OTC Markets Group, under the ticker "OTCQX:AASZF".

The Shares are registered in book-entry form with the VPS under ISIN NO 0010768500. The Company's register of shareholders with the VPS is administrated by DNB Bank ASA, Dronning Eufemias gate 30, 0191 Oslo, Norway.

As of the date of this Prospectus, the Company does not hold any treasury shares, nor do any of its subsidiaries hold shares in the Company.

No entity has given any commitment to act as intermediary in secondary trading to provide liquidity through bid and offer rates.

### 8.4 Shareholder rights

The Company has one class of Shares in issue, and in accordance with the Norwegian Public Limited Liability Companies Act, all Shares in that class provide equal rights in the Company. Each of the Shares carries one vote. The rights attaching to the Shares are described in section 8.11 "Certain aspects of Norwegian law".

### 8.5 Major shareholders

The table below shows the Company's 20 largest shareholders as recorded in the shareholders' register of the Company with the VPS as of 16 September 2024 (the latest practical date prior to the date of this Prospectus).

#	Shareholder name	No. of Shares	Approx. % of total Shares
1	Nordlaks Holding AS	14,516,804	12.95
2	Morgan Stanley & Co. LLC*	14,379,741	12.83
3	UBS Switzerland AG*	11,391,032	10.16
4	Strawberry Capital AS	9,607,699	8.57
5	Joh Johannson Eiendom AS	9,036,799	8.06
6	Morgan Stanley & Co. Int. Plc.*	4,171,572	3.72
7	UBS AG*	3,666,250	3.27

8	The Bank of New York Mellon*	3,629,475	3.24
9	Skagen Kon-Tiki Verdipapirfond	1,447,500	1.29
10	Wenaasgruppen AS	1,162,054	1.04
11	J.P. Morgan SE	1,085,310	0.97
12	Nordnet Livsforsikring AS	970,234	0.87
13	Middelboe AS	742,833	0.66
14	Clearstream Banking S.A.*	732,625	0.65
15	Nordnet Bank AB*	722,849	0.64
16	Kristian Falnes AS	700,000	0.62
17	Nerland Investment AS	641,805	0.57
18	O. Hovde AS	594,031	0.53
19	Future Invest AS	577,667	0.51
20	Norsk Landbrukskjem AS	570,000	0.51
* Indicates nominee accounts			

Shareholders with ownership of 5% or more must comply with disclosure obligations according to the Norwegian Securities Trading Act section 4-2. The following shareholders hold an amount of Shares that exceeds the thresholds set out in the Norwegian Securities Trading Act section 4-2, as recorded in the shareholders' register of the Company with the VPS on 16 September 2024 (the latest practical date prior to the date of this Prospectus):

- Nordlaks Holding AS holds 14,516,804 Shares, corresponding to approximately 12.95% of the Shares and votes;
- Morgan Stanley & Co. LLC (as nominee for beneficial shareholders) holds 14,379,741 Shares, corresponding to approximately 12.83% of the Shares and votes;
- UBS Switzerland AG (as nominee for beneficial shareholders holds 11,391,032 Shares, corresponding to approximately 10.16% of the Shares and votes;
- Strawberry Capital AS holds 9,607,699 Shares, corresponding to approximately 8.57% of the Shares and votes; and
- Joh Johansson Eiendom AS holds 9,036,799 Shares, corresponding to approximately 8.06% of the Shares and votes.

All Shares have equal voting rights, with each Share holding one vote. Hence all major shareholders have the same voting rights relative to the number of Shares held.

The Company is not aware of any shareholders who through ownership or other arrangements control the Company. The Company has not taken specific steps to prevent the abuse of such control if any shareholder should obtain control over the Company through ownership or other arrangements. The Company is not aware of any arrangements, including in the Articles of Association, which at a later date may result in a change of control of the Company.

The Shares have not been subject to any public takeover bids.

## 8.6 Financial instruments – warrants and convertible securities

In the annual general meeting of the Company held on 23 May 2024, the Board of Directors was granted an authorization to raise convertible loans for an amount corresponding to up to USD 150 million pursuant to the Norwegian Public limited Liability Companies Act section 11-8. If such convertible loans are raised and later

converted into shares in the Company, the share capital of the Company may be increased with up to NOK 13,948,650. The authorization is valid until the annual general meeting in 2025, however not later than 30 June 2025.

Further, in the extraordinary general meeting of the Company held on 17 September 2024, the Board of Directors was granted an authorization to raise convertible loans for an amount corresponding to up to USD 150 million pursuant to the Norwegian Public limited Liability Companies Act section 11-8. If such convertible loans are raised and later converted into shares in the Company, the share capital of the Company may be increased with up to NOK 118,057,353.55. The authorization is valid until the annual general meeting in 2025, however not later than 30 June 2025.

In the Rights Issue, the Company may issue up to 7,700,400,000 Warrants.

Save for the abovementioned and the options described in Section 7.3 "Share based incentive programs", neither the Company nor any of its subsidiaries has, as of the date of this Prospectus, issued any options, warrants, convertible loans or other instruments that would entitle a holder of any such instrument to subscribe for any shares in the Company or its subsidiaries. Further, none of the companies in the Group has issued any convertible loans or subordinated debt or transferrable securities.

## **8.7 Authorisation to increase the share capital and to issue Shares**

As of the date of this Prospectus, the Board of Directors holds the following authorizations to increase the Company's share capital:

<b>Date granted</b>	<b>Purpose</b>	<b>Possible increase of share capital</b>	<b>Amount utilized</b>	<b>Valid until</b>
17 September 2024	Issuance of consideration shares to Underwriters	NOK 32,130,000	-	15 January 2025
17 September 2024	Share option program	NOK 4,625,000	-	AGM 2025
17 September 2024	General corporate purposes	NOK 95,000,000	-	AGM 2025

## **8.8 Authorisation to acquire treasury Shares**

There are no existing authorisations for the Board of Directors to acquire treasury Shares.

## **8.9 Dividend policy**

### **8.9.1 The dividend policy of the Company**

Atlantic Sapphire does not expect to pay any dividend in the near future. The Company is focused on developing and commercializing its products, production methods and technology, as well as increasing facility capacity, and intends to retain future earnings to finance development activities, operations and growth of the business.

Any future decision to pay a dividend will also depend on the Company's financial position, operating profit, capital requirement and the terms and conditions of the Company's debt facilities. The Company has not previously distributed any dividends to its shareholders.

### 8.9.2 Manner of dividend payments

The Company's equity capital is denominated in NOK and all dividends on the Shares will therefore be declared in NOK. As such, investors whose reference currency is a currency other than NOK may be affected by currency fluctuations in connection with a dividend distribution by the Company. Any future payments of dividends on the Shares will be denominated in the currency of the bank account of the relevant shareholder and will be paid to the shareholders through the VPS Registrar. Shareholders registered in the VPS who have not supplied the VPS with details of their bank account, will not receive payment of dividends unless they register their bank account details with the VPS Registrar. The exchange rate(s) that is applied will be the VPS Registrar's rate on the date of issuance. Dividends will be credited automatically to the VPS registered shareholders' accounts, or in lieu of such registered account, at the time when the shareholder has provided the VPS Registrar with their bank account details, without the need for shareholders to present documentation proving their ownership of the Shares. Shareholders' right to payment of dividend will lapse three years following the resolved payment date for those shareholders who have not registered their bank account details with the VPS Registrar within such date. Following the expiry of such date, the remaining, not distributed dividend will be returned from the VPS Registrar to the Company.

### 8.10 The Articles of Association

The Company's Articles of Association are set out in Appendix A to this Prospectus. Please find below an in-house translation of certain of the provisions of the Articles of Association which are in force at the date of this Prospectus.

#### **§ 1 Business name**

*The Company's business name is Atlantic Sapphire ASA. The Company is a public limited liability company.*

#### **§ 3 Objective**

*The objective of the Company is to engage and participate in land-based salmon production, both nationally and internationally, including through investments in other companies, and other activities in relation to this.*

#### **§ 5 Notification requirements for Warrant holders**

*Where a holder of independent subscription rights (a "Rights Holder"), direct or indirect, proportion of independent subscription rights issued by the Company exceeds or falls below 10 per cent, 15 per cent, 20 per cent, 25 per cent, 1/3, 50 per cent, 2/3 or 90 per cent of the Company's share capital, the Rights Holder shall notify the Company of this in writing.*

*The calculation of the holding shall be made based on the registered share capital when an agreement to acquire or dispose is entered into.*

*Shares, financial instruments and other circumstances as mentioned in Sections 4-2 to 4-4 in the Norwegian Securities Trading Act shall be considered equal to independent subscription rights.*

*Notification shall be submitted to the Company immediately, and in any event not later than, within the opening of Oslo Børs on the second trading day after an agreement on acquisition or disposal has been entered into, or after the party required to notify becomes aware or should have become aware of the acquisition, disposal or other circumstance giving rise to the notification obligation. The Company shall*

*immediately after the receipt of such notification, publish a stock exchange notice regarding the abovementioned circumstances.*

*The duty of notification pursuant to this provision shall not apply to persons who do not hold independent subscription rights, but only holds shares or other financial instruments as mentioned in the Norwegian Securities Trading Act Sections 4-2 to 4-4. The purpose of this provision is to extend the notification duty for large shareholdings to also encompass independent subscription rights issued by the company.*

*If a Rights Holder is in substantial non-compliance with its duty of notification pursuant to this provision, the right to exercise independent subscription rights shall lapse for the Rights Holder and for the related parties of the Rights Holder, as defined in the Norwegian Securities Trading Act Section 4-4 (1) no. 3 and (3).*

#### **§ 6 The Board of Directors**

*The Company's Board of Directors consists of between 3 and 7 members pursuant to the general meeting's further decision. Members of the Board of Directors may be elected with shorter election periods than 2 years.*

*The chairman of the Board of Directors together with one Director jointly have the right to sign for and on behalf of the Company. The Board of Directors may grant procuration.*

#### **§ 7 Nomination committee**

*The Company shall have a nomination committee of 2-3 members, elected by the general meeting.*

*The nomination committee shall propose candidates for the Board of Directors and the nomination committee. The proposals of the nomination committee shall be reasoned.*

*The members of the nomination committee shall be elected for terms of two years.*

#### **§ 8 General meetings**

*Documents relating to matters to be dealt with by the Company's general meeting, including documents that by law shall be included in or attached to the notice of the general meeting, do not need to be sent to shareholders if the documents are available at the Company's website.*

*The annual general meeting shall consider and decide the following matters:*

- 1. Approval of the annual accounts and the annual report, including distribution of dividend.*
- 2. Other matters, which pursuant to law or the Articles of Association fall within the responsibility of the general meeting.*

*The general meetings of the Company, including extraordinary general meetings, may be held virtually, through hybrid solutions, or physically in the municipality of Vestnes, in the municipality of Oslo or in Miami, Florida, USA, pursuant to the Board of Directors' decision.*

*The Company may in the notice for general meetings give a deadline for shareholders that wish to attend the general meeting to notify the Company of this, within a deadline that cannot expire earlier than two calendar days before the general meeting.*

*The Board of Directors may allow shareholders to cast their vote in writing, including through the use of electronic communication. The use of such advance voting is conditional upon there being available satisfactory methods for authenticating the sender. The Board of Directors shall decide, before each general meeting, whether advance voting shall be allowed and whether satisfactory methods for authenticating senders. The notice for the general meeting shall state whether it is permitted to vote in advance and the guidelines, if any, that apply to such advance voting.*

## **§ 9 Relation to the Public Limited Companies Act**

*For other matters, reference is made to the Public Limited Liability Companies Act, as applicable from time to time.*

### **8.11 Certain aspects of Norwegian law**

#### **8.11.1 General meetings**

Through the general meeting, shareholders exercise supreme authority in a Norwegian company. In accordance with Norwegian law, the annual general meeting of shareholders is required to be held each year on or prior to 30 June. Norwegian law requires that written notice of annual general meetings setting forth the time of, the venue for and the agenda of the meeting be sent to all shareholders with a known address no later than 21 days before the annual general meeting of a Norwegian public limited liability company shall be held, unless the articles of association stipulate a longer deadline, which is not currently the case for the Company.

A shareholder may vote at the general meeting either in person or by proxy appointed at their own discretion. In accordance with the requirements of the Norwegian Securities Trading Act, the Company will include a proxy form with notices of general meetings. All of the Company's shareholders who are registered in the register of shareholders maintained with the VPS as of the date falling five business days before the general meeting (the record date) are entitled to participate at general meetings, without any requirement of pre-registration.

Further, beneficial owners of Shares that are registered in the name of a nominee are entitled to participate in a general meeting if they have notified the Company of this in advance and provided that such advance notification is received by the Company at the latest two business days prior to the date of the general meeting.

Apart from the annual general meeting, extraordinary general meetings of shareholders may be held if the Board of Directors considers it necessary. An extraordinary general meeting of shareholders must also be convened if, in order to discuss a specified matter, the auditor or shareholders representing at least 5% of the share capital demands this in writing. The requirements for notice and admission to the annual general meeting also apply to extraordinary general meetings. However, the annual general meeting of a Norwegian public limited liability company may with a majority of at least two-thirds of the aggregate number of votes cast as well as at least two-thirds of the share capital represented at a general meeting resolve that extraordinary general meetings may be convened with a fourteen days' notice period until the next annual general meeting provided the company has procedures in place allowing shareholders to vote electronically.

#### **8.11.2 Voting rights – amendments to the Articles of Association**

Each of the Company's Shares carries one vote. In general, decisions that shareholders are entitled to make under Norwegian law or the Articles of Association may be made by a simple majority of the votes cast. In the case of elections or appointments, the person(s) who receive(s) the greatest number of votes cast are elected. However, as required under Norwegian law, certain decisions, including resolutions to waive preferential rights to subscribe in connection with any share issue in the Company, to approve a merger or demerger of the



Company, to amend the Articles of Association, to authorise an increase or reduction in the share capital, to authorise an issuance of convertible loans or warrants by the Company or to authorise the Board of Directors to purchase Shares and hold them as treasury shares or to dissolve the Company, must receive the approval of at least two-thirds of the aggregate number of votes cast as well as at least two-thirds of the share capital represented at a general meeting. Norwegian law further requires that certain decisions, which have the effect of substantially altering the rights and preferences of any shares or class of shares, receive the approval by the holders of such shares or class of shares as well as the majority required for amending the Articles of Association.

Decisions that (i) would reduce the rights of some or all of the Company's shareholders in respect of dividend payments or other rights to assets or (ii) restrict the transferability of the Shares, require that at least 90% of the share capital represented at the general meeting in question vote in favour of the resolution, as well as the majority required for amending the Articles of Association.

Shareholders registered in the VPS five business days prior to the date of the general meeting are entitled to vote for such shares that they are registered as the owner of on such date. Further, beneficial owners of Shares that are registered in the name of a nominee are entitled to participate and vote in a general meeting if they have notified the Company of this in advance and provided that such advance notification is received by the Company at the latest two business days prior to the date of the general meeting.

There are no quorum requirements that apply to the general meetings.

#### 8.11.3 Additional issuances and preferential rights

If the Company issues any new Shares, including bonus share issues, the Articles of Association must be amended, which requires the same vote as other amendments to the Articles of Association. In addition, under Norwegian law, the Company's shareholders have a preferential right to subscribe for new Shares issued by the Company. Preferential rights may be derogated from by resolution in a general meeting passed by the same vote required to amend the Articles of Association. A derogation of the shareholders' preferential rights in respect of bonus issues requires the approval of all outstanding Shares.

The general meeting may, by the same vote as is required for amending the Articles of Association, authorise the Board of Directors to issue new Shares, and to derogate from the preferential rights of shareholders in connection with such issuances. Such authorisation may be effective for a maximum of two years, and the nominal value of the Shares to be issued may not exceed 50% of the registered nominal share capital when the authorisation is registered with the Norwegian Register of Business Enterprises.

Under Norwegian law, the Company may increase its share capital by a bonus share issue, subject to approval by the Company's shareholders, by transfer from the Company's distributable equity and thus the share capital increase does not require any payment of a subscription price by the shareholders. Any bonus issues may be affected either by issuing new shares to the Company's existing shareholders or by increasing the nominal value of the Company's outstanding Shares.

Issuance of new Shares to shareholders who are citizens or residents of the United States upon the exercise of preferential rights may require the Company to file a registration statement in the United States under United States securities laws. Should the Company in such a situation decide not to file a registration statement, the Company's U.S. shareholders may not be able to exercise their preferential rights. If a U.S. shareholder is ineligible to participate in a rights offering, such shareholder would not receive the rights at all and the Company would seek to sell such rights on the shareholder's behalf.

#### 8.11.4 Minority rights

Norwegian law sets forth a number of protections for minority shareholders of the Company, including but not limited to those described in this paragraph and the description of general meetings as set out above. Any of the Company's shareholders may petition Norwegian courts to have a decision of the Board of Directors or the Company's shareholders made at the general meeting declared invalid on the grounds that it unreasonably favours certain shareholders or third parties to the detriment of other shareholders or the Company itself. The Company's shareholders may also petition the courts to dissolve the Company as a result of such decisions to the extent particularly strong reasons are considered by the court to make necessary dissolution of the Company.

Minority shareholders holding 5 % or more of the Company's share capital have a right to demand in writing that the Board of Directors convene an extraordinary general meeting to discuss or resolve specific matters. In addition, any of the Company's shareholders may in writing demand that the Company place an item on the agenda for any general meeting as long as the Board of Directors is notified within seven days before the deadline for convening the general meeting and the demand is accompanied with a proposed resolution or a reason for why the item shall be on the agenda. If the notice has been issued when such a written demand is presented, a renewed notice must be issued if the deadline for issuing notice of the general meeting has not expired.

#### 8.11.5 Rights of redemption and repurchase of Shares

The share capital of the Company may be reduced by reducing the nominal value of the Shares or by cancelling Shares. Such a decision requires the approval of at least two-thirds of the aggregate number of votes cast and at least two-thirds of the share capital represented at a general meeting. Redemption of individual Shares requires the consent of the holders of the Shares to be redeemed.

The Company may purchase its own Shares provided that the Board of Directors has been granted an authorisation to do so by a general meeting with the approval of at least two-thirds of the aggregate number of votes cast and at least two-thirds of the share capital represented at the meeting. The aggregate nominal value of treasury shares so acquired, and held by the Company must not lead to the share capital with deduction of the aggregate nominal of the holding of own shares is less than the minimum allowed share capital (and, for public limited liability companies, not exceed 10% of the Company's share capital), and treasury shares may only be acquired if the Company's distributable equity, according to the latest adopted balance sheet, exceeds the consideration to be paid for the shares. The authorisation by the general meeting of the Company's shareholders cannot be granted for a period exceeding 24 months.

#### 8.11.6 Shareholder vote on certain reorganisations

A decision of the Company's shareholders to merge with another company or to demerge requires a resolution by the general meeting of the shareholders passed by at least two-thirds of the aggregate votes cast and at least two-thirds of the share capital represented at the general meeting. A merger plan, or demerger plan signed by the Board of Directors along with certain other required documentation, would have to be sent to all the Company's shareholders, or if the Articles of Association stipulate that, made available to the shareholders on the company's website, at least one month prior to the general meeting to pass upon the matter.

#### 8.11.7 Liability of directors

Members of the Board of Directors owe a fiduciary duty to the Company and its shareholders. Such fiduciary duty requires that the Directors act in the best interests of the Company when exercising their functions and exercise a general duty of loyalty and care towards the Company. Their principal task is to safeguard the interests of the Company.

Members of the Board of Directors may each be held liable for any damage they negligently or wilfully cause the Company. Norwegian law permits the general meeting to discharge any such person from liability, but such discharge is not binding on the Company if substantially correct and complete information was not provided at the general meeting of the Company's shareholders passing upon the matter. If a resolution to discharge the Company's Directors from liability or not to pursue claims against such a person has been passed by a general meeting with a smaller majority than that required to amend the Articles of Association, shareholders representing more than 10% of the share capital or, if there are more than 100 shareholders, more than 10% of the shareholders may pursue the claim on the Company's behalf and in its name. The cost of any such action is not the Company's responsibility but can be recovered from any proceeds the Company receives as a result of the action. If the decision to discharge any of the Company's Directors from liability or not to pursue claims against the Company's Directors is made by such a majority as is necessary to amend the Articles of Association, the minority shareholders of the Company cannot pursue such claim in the Company's name.

#### 8.11.8 Indemnification of Directors

Neither Norwegian law nor the Articles of Association contains any provision concerning indemnification by the Company of the Board of Directors. The Company is permitted to purchase insurance for the Directors against certain liabilities that they may incur in their capacity as such.

#### 8.11.9 Distribution of assets on liquidation

Under Norwegian law, the Company may be wound-up by a resolution of the Company's shareholders at the general meeting passed by at least two-thirds of the aggregate votes cast and at least two-thirds of the share capital represented at the meeting. In the event of liquidation, the Shares rank equally in the event of a return on capital.

#### 8.11.10 Legal constraints on the distribution of dividend

In deciding whether to propose a dividend and in determining the dividend amount in the future, the Board of Directors must take into account applicable legal restrictions, as set out in the Norwegian Public Limited Liability Companies Act, the Company's capital requirements, its financial condition, general business conditions and any restrictions that its contractual arrangements in place at the time of the dividend may place on its ability to pay dividends and the maintenance of appropriate financial flexibility. Except in certain specific and limited circumstances, the amount of dividends paid may not exceed the amount recommended by the Board of Directors.

Dividends may be paid in cash or in some instances in kind. Norwegian law provides the following constraints on the distribution of dividends applicable to the Company:

- Section 8-1 of the Norwegian Public Limited Liability Companies Act regulates what may be distributed as dividend and provides that the Company may distribute dividends only to the extent that the

Company after said distributions still has net assets to cover (i) the share capital, (ii) the reserve for valuation variances and (iii) the reserve for unrealised gains.

- The calculation of the distributable equity shall be made on the basis of the balance sheet included in the approved annual accounts for the last financial year, provided, however, that the registered share capital as of the date of the resolution to distribute dividends shall be applied. Following the approval of the annual accounts for the last financial year, the general meeting may also authorise the Board of Directors to declare dividends on the basis of the Company's annual accounts. Dividends may also be resolved by the general meeting based on an interim balance sheet which has been prepared and audited in accordance with the provisions applying to the annual accounts and with a balance sheet date not further into the past than six months before the date of the general meeting's resolution.
- Dividends can only be distributed to the extent that the Company's equity and liquidity following the distribution is considered sound.

Pursuant to the Norwegian Public Limited Liability Companies Act, the time when an entitlement to dividend arises depends on what was resolved by the general meeting when it resolved to issue new shares in the company. A subscriber of new shares in a Norwegian public limited liability company will normally be entitled to dividends from the time when the relevant share capital increase is registered with the Norwegian Register of Business Enterprises. The Norwegian Public Limited Liability Companies Act does not provide for any time limit after which entitlement to dividends lapses. Subject to various exceptions, Norwegian law provides a limitation period of three years from the date on which an obligation is due. There are no dividend restrictions for non-Norwegian resident shareholders to claim dividends. For further information on procedures for payment of dividends to non-Norwegian resident shareholders, please refer to Section 8.9.2 "Manner of dividend payments".

## 9 TAXATION

### 9.1 Norwegian taxation

*Set out below is a summary of certain Norwegian tax matters related to an investment in the Company. The summary regarding Norwegian taxation is based on the laws in force in Norway as of the date of the Prospectus, which may be subject to any changes in law occurring after such date. Such changes could possibly be made on a retrospective basis.*

*The following summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the Shares in the Company. Shareholders who wish to clarify their own tax situation should consult with and rely upon their own tax advisors. Shareholders resident in jurisdictions other than Norway and shareholders who cease to be resident in Norway for tax purposes (due to domestic tax law or tax treaty) should specifically consult with and rely upon their own tax advisors with respect to the tax position in their country of residence and the tax consequences related to ceasing to be resident in Norway for tax purposes.*

*Please note that for the purpose of the summary below, a reference to a Norwegian or non-Norwegian shareholder refers to the tax residency rather than the nationality of the shareholder. Please be warned that the tax legislation of an investor's tax jurisdiction and of the Company's country of incorporation may have an impact on the income received from the securities.*

#### 9.1.1 Taxation of dividends

##### **Norwegian Personal Shareholders**

Dividends from the Company received by shareholders who are individuals resident in Norway for tax purposes ("**Norwegian Personal Shareholders**") are currently taxable as ordinary income in Norway for such shareholders at an effective tax rate of 37.84% to the extent the dividend exceeds a tax-free allowance (i.e. dividends received, less the tax free allowance, shall be multiplied by 1.72 which is then taxable at a flat rate of 22%, increasing the effective tax rate on dividends to 37.84%.

The allowance is calculated on a share-by-share basis. The tax-free allowance for each share is equal to the cost price of the share multiplied by a risk-free interest rate (Norwegian: "*skjermingsrente*") based on the effective rate after tax of interest on treasury bills (Norwegian: "*statskasserveksler*") with 3 months maturity plus 0.5 percentage points. The allowance is calculated for each calendar year and is allocated solely to Norwegian Personal Shareholders holding shares at the expiration of the relevant calendar year.

Norwegian Personal Shareholders who transfer shares will thus not be entitled to deduct any calculated allowance related to the year of transfer. Any part of the calculated allowance one year exceeding the dividend distributed on the share ("excess allowance") may be carried forward and set off against future dividends received on, or gains upon realization, of the same share, and will be added to the basis for the allowance calculation. Allowance cannot result in a deductible loss.

Norwegian Personal Shareholders may hold their shares through a share savings account (Norwegian: "*aksjesparekonto*"). Dividends received on shares held through a share saving account will not be taxed with immediate effect. Instead, withdrawal of funds from the share savings account exceeding the paid in deposit will be regarded as taxable income, regardless of whether the funds are derived from gains or dividends related to the shares held in the account. Such income will be taxed with an effective rate of 37.84%, cf. above. The rules for tax free allowance also apply to share savings account as such and not to the individual share. Please

refer to 9.1.2 "Taxation of capital gains on realization of Shares" under *Norwegian Personal Shareholders* for further information in respect of Norwegian share savings accounts.

### **Norwegian Corporate Shareholders**

Dividends distributed from the Company to shareholders who are limited liability companies (and certain similar entities) resident in Norway for tax purposes ("**Norwegian Corporate Shareholders**") are effectively taxed at a rate of 0.66% (3% of dividend income from such shares is included in the calculation of ordinary income for Norwegian Corporate Shareholders and ordinary income is currently subject to tax at a flat rate of 22%). For Norwegian Corporate Shareholders that are considered to be "Financial Institutions" (banks, holding companies, etc.), the tax rate for ordinary income is 25%, resulting in an effective tax rate for dividends of 0.75%.

### **Non-Norwegian Personal Shareholders**

Dividends distributed to shareholders who are individuals not resident in Norway for tax purposes ("**Non-Norwegian Personal Shareholders**") are as a general rule subject to Norwegian withholding tax at a rate of 25%. The withholding tax rate of 25% is normally reduced through tax treaties between Norway and the country in which the shareholder is resident. It is the Non-Norwegian Personal Shareholder which is responsible for the registration of residency. The withholding obligation lies with the company distributing the dividend and the Company assumes this obligation.

All Non-Norwegian Personal Shareholders must document their entitlement to a reduced withholding tax rate by obtaining a certificate of residence issued by the tax authorities in the shareholder's country of residence, confirming that the shareholder is resident in that state. The documentation must be provided to either the nominee or the account operator (i.e. the one who sets up and administrates the VPS account) together with a confirmation that the Non-Norwegian Personal Shareholder is the beneficial owner of the dividend.

Non-Norwegian Personal Shareholders resident within the EEA for tax purposes may apply individually to Norwegian tax authorities for a refund of an amount corresponding to the calculated tax-free allowance on each individual share (please see under "*Norwegian Personal Shareholders*" above). However, the deduction for the tax-free allowance does not apply in the event that the withholding tax rate, pursuant to an applicable tax treaty, leads to a lower taxation on the dividends than the withholding tax rate of 25% less the tax-free allowance.

If a Non-Norwegian Personal Shareholder is carrying on business activities in Norway and the shares are effectively connected with such activities, the shareholder will be subject to the same taxation of dividends as a Norwegian Personal Shareholder, as described under "*Norwegian Personal Shareholders*" above.

Non-Norwegian Personal Shareholders who have suffered a higher withholding tax than set out in an applicable tax treaty may apply to the Norwegian tax authorities for a refund of the excess withholding tax deducted.

Non-Norwegian Personal Shareholders should consult their own advisers regarding the availability of treaty benefits in respect of dividend payments, including the possibility of effectively claiming a refund of withholding tax.

Non-Norwegian Personal Shareholders resident in the EEA for tax purposes may hold their shares through a Norwegian share savings account. Dividends received on, and gains derived upon the realisation of, shares held through a share saving account by a Non-Norwegian Personal Shareholder resident in the EEA will not be taxed with immediate effect. Instead, withdrawal of funds from the share savings account exceeding the Non-Norwegian Personal Shareholder's paid in deposit, will be subject to a withholding tax at a rate of 25% (unless reduced pursuant to an applicable tax treaty). Capital gains realised upon realisation of shares held through the

share saving account will be regarded as paid in deposits, which may be withdrawn without taxation. Losses will correspondingly be deducted from the paid in deposit, reducing the amount which can be withdrawn without withholding tax.

The obligation to deduct and report withholding tax on shares held through a share savings account, cf. above, lies with the account operator.

### **Non-Norwegian Corporate Shareholders**

Dividends distributed to shareholders who are limited liability companies (and certain other entities) not resident in Norway for tax purposes ("**Non-Norwegian Corporate Shareholders**") are as a general rule subject to withholding tax at a rate of 25%. The withholding tax rate of 25% is normally reduced through tax treaties between Norway and the country in which the shareholder is resident.

Dividends distributed to Non-Norwegian Corporate Shareholders resident within the EEA for tax purposes are exempt from Norwegian withholding tax provided that the shareholder is the beneficial owner of the shares, and that the shareholder is genuinely established and performs genuine economic business activities within the relevant EEA jurisdiction.

If a Non-Norwegian Corporate Shareholder is carrying on business activities in Norway and the shares are effectively connected with such activities, the shareholder will be subject to the same taxation of dividends as a Norwegian Corporate Shareholder, as described above under "*Norwegian Corporate Shareholders*".

Non-Norwegian Corporate Shareholders who have suffered a higher withholding tax than set out in an applicable tax treaty may apply to the Norwegian tax authorities for a refund of the excess withholding tax deducted. The same will apply to Non-Norwegian Corporate Shareholders who have suffered withholding tax although qualifying for the Norwegian participation exemption.

All Non-Norwegian Corporate Shareholders must document their entitlement to a reduced withholding tax rate by either; (i) presenting an approved withholding tax refund application, or (ii) present an approval from the Norwegian tax authorities confirming that the recipient is entitled to a reduced withholding tax rate. In addition, a certificate of residence issued by the tax authorities in the shareholder's country of residence, confirming that the shareholder is resident in that state, must be obtained. Such documentation must be provided to either the nominee or the account operator (i.e. the one who sets up and administrates the VPS account) together with a confirmation that the Non-Norwegian Corporate Shareholder is the beneficial owner of the dividend.

Nominee registered shares will be subject to withholding tax at a rate of 25% unless the nominee has obtained approval from the Norwegian Tax Directorate for the dividend to be subject to a lower withholding tax rate. To obtain such approval, the nominee is required to file a summary to the tax authorities including all beneficial owners that are subject to withholding tax at a reduced rate.

The withholding obligation in respect of dividends distributed to Non-Norwegian Corporate Shareholders and on nominee registered shares lies with the company distributing the dividends and the Company assumes this obligation.

Non-Norwegian Corporate Shareholders should consult their own advisers regarding the availability of treaty benefits in respect of dividend payments, including the possibility of effectively claiming a refund of withholding tax.

## 9.1.2 Taxation of capital gains on realization of Shares

### Norwegian Personal Shareholders

Sale, redemption or other disposal of shares is considered a realization for Norwegian tax purposes. A capital gain or loss generated by a Norwegian Personal Shareholder through a disposal of shares is taxable or tax deductible in Norway. Such capital gain or loss is included in or deducted from the Norwegian Personal Shareholder's ordinary income in the year of disposal, with an effective tax rate of 37.84% (i.e. capital gains (less the tax-free allowance) and losses shall be multiplied by 1.72 which is then taxable at a flat rate of 22%, increasing the effective tax rate on gains/losses to 37.84%).

The gain is subject to tax and the loss is tax deductible irrespective of the duration of the ownership and the number of shares disposed of.

The taxable gain/deductible loss is calculated per share as the difference between the consideration for the share and the Norwegian Personal Shareholder's cost price of the share, including costs incurred in relation to the acquisition or realization of the share. From this capital gain, Norwegian Personal Shareholders are entitled to deduct a calculated allowance provided that such allowance has not already been used to reduce taxable dividend income. Please refer to Section 9.1.1 "Taxation of dividends", "Norwegian Personal Shareholders", above for a description of the calculation of the allowance. The allowance may only be deducted in order to reduce a taxable gain and cannot increase or produce a deductible loss. Any unused allowance exceeding the capital gain upon the realization of a share will be annulled.

If the Norwegian Personal Shareholder owns shares acquired at different points in time, the shares that were acquired first will be regarded as the first to be disposed of, on a first-in first-out basis.

Special rules apply for Norwegian Personal Shareholders that cease to be tax-resident in Norway.

Norwegian Personal Shareholders may hold shares through a Norwegian share savings account (Norwegian: "*aksjesparekonto*"). Gains derived upon the realisation of shares held through a share saving account will be exempt from immediate Norwegian taxation and losses will not be tax deductible. Instead, withdrawal of funds from the share savings account exceeding the Norwegian Personal Shareholder's paid in deposit, will be regarded as taxable income, subject to tax at an effective tax rate of 37.84%. Losses are first deductible upon closing of the share savings account. Norwegian Personal Shareholders will be entitled to a calculated tax-free allowance provided that such allowance has not already been used to reduce taxable dividend income, cf. Section 9.1 "Taxation of dividends" under "*Norwegian Personal Shareholders*" above. The tax-free allowance is calculated based on the lowest paid in deposit in the account during the income year, plus any unused tax-free allowance from previous years. The tax-free allowance can only be deducted in order to reduce taxable income, and cannot increase or produce a deductible loss. Any excess allowance may be carried forward and set off against future withdrawals from the account or future dividends received on shares held through the account.

### Norwegian Corporate Shareholders

Norwegian Corporate Shareholders are exempt from tax on capital gains derived from the realization of shares qualifying for the participation exemption, including shares in the Company. Losses upon the realization and costs incurred in connection with the purchase and realization of such shares are not deductible for tax purposes.

Special rules apply for Norwegian Corporate Shareholders that cease to be tax-resident in Norway.



### **Non-Norwegian Personal Shareholders**

Gains from the sale or other disposal of shares by a Non-Norwegian Personal Shareholder will not be subject to taxation in Norway unless the Non-Norwegian Personal Shareholder holds the shares in connection with business activities carried out or managed from Norway.

Please refer to Section 9.1.1 "Taxation of dividends" under "*Non-Norwegian Personal Shareholders*" above for a description of the availability of a Norwegian share savings account.

### **Non-Norwegian Corporate Shareholders**

Capital gains derived by the sale or other realization of shares by Non-Norwegian Corporate Shareholders are not subject to taxation in Norway.

#### **9.1.3 Net Wealth Tax**

### **Norwegian Personal Shareholders**

The value of the Shares held by a Norwegian Personal Shareholder at the end of each income year will be included in the computation of his/her taxable net wealth for municipal and state net wealth tax purposes. The marginal rate of net wealth tax is currently 1% for net worth above a minimum threshold of NOK 1,700,000, and 1.1% for net worth above a minimum threshold of NOK 20,000,000.

Shares listed on the Oslo Stock Exchange are valued at 80% of the quoted value at 1 January in the assessment year. The value of debt allocated to the shares for Norwegian wealth tax purposes is reduced correspondingly (i.e. to 80%).

### **Norwegian Corporate Shareholders**

Norwegian Corporate Shareholders are not subject to net wealth tax.

### **Non-Norwegian Personal Shareholders and Non-Norwegian Corporate Shareholders**

Shareholders not resident in Norway for tax purposes are not subject to Norwegian net wealth tax. Non-Norwegian Personal Shareholders can, however, be taxable if the shareholding is effectively connected to the conduct of trade or business in Norway.

#### **9.1.4 VAT and Transfer Taxes**

No VAT, stamp or similar duties are currently imposed in Norway on the transfer or issuance of shares.

#### **9.1.5 Inheritance tax**

A transfer of shares through inheritance or as a gift does currently not give rise to inheritance or gift tax in Norway.

## **10 SECURITIES TRADING IN NORWAY**

### **10.1 Introduction**

The Oslo Stock Exchange was established in 1819 and is the principal market in which shares, bonds and other financial instruments are traded in Norway. The Oslo Stock Exchange is 100 % owned by Euronext Nordics Holding AS, a holding company established by Euronext N.V following its acquisition of Oslo Børs VPS Holding ASA in June 2019. Euronext owns eight regulated markets across Europe, including Amsterdam, Brussels, Dublin, Lisbon, London, Milan, Oslo and Paris.

### **10.2 Trading and settlement**

Trading of equities on the Oslo Stock Exchange is carried out in Euronext's electronic trading system, Optiq®.

Official trading on the Oslo Stock Exchange takes place between 09:00 hours (CEST) and 16.20 hours (CEST) each trading day, with pre-trade period between 07:15 hours (CEST) and 09:00 hours (CEST), closing auction from 16:20 hours (CEST) to 16:25 hours (CEST) and a post trade period from 16:25 hours (CEST) to 17:30 hours (CEST). Reporting of off-book on exchange trades can be done until 18:00 hours (CEST).

The settlement period for trading on the Oslo Stock Exchange is two trading days (T+2). This means that securities will be settled on the investor's account in VPS two days after the transaction, and that the seller will receive payment after two days.

The Oslo Stock Exchange offers an interoperability model for clearing and counterparty services for equity trading through LCH Limited, EuroCCP and Six X-Clear.

Investment services in Norway may only be provided by Norwegian investment firms holding a license under the Norwegian Securities Trading Act, branches of investment firms from an EEA member state or investment firms from outside the EEA that have been licensed to operate in Norway. Investment firms in an EEA member state may also provide cross-border investment services into Norway.

It is possible for investment firms to undertake market-making activities in shares listed in Norway if they have a license to this effect under the Norwegian Securities Trading Act, or in the case of investment firms in an EEA member state, a license to carry out market-making activities in their home jurisdiction. Such market-making activities will be governed by the regulations of the Norwegian Securities Trading Act relating to brokers' trading for their own account. However, such market-making activities do not as such require notification to the NFSA or the Oslo Stock Exchange except for the general obligation of investment firms that are members of the Oslo Stock Exchange to report all trades in stock exchange listed securities.

### **10.3 Information, control and surveillance**

Under Norwegian law, the Oslo Stock Exchange is required to perform a number of surveillance and control functions. The Surveillance and Corporate Control unit of the Oslo Stock Exchange monitors all market activity on a continuous basis. Market surveillance systems are largely automated, promptly warning department personnel of abnormal market developments.

The NFSA controls the issuance of securities in both the equity and bond markets in Norway and evaluates whether the issuance documentation contains the required information and whether it would otherwise be unlawful to carry out the issuance.

Under Norwegian law, a company that is listed on a Norwegian regulated market, or has applied for listing on such market, must promptly release any inside information directly concerning the company (i.e., precise information about financial instruments, the issuer thereof or other matters which are likely to have a significant effect on the price of the relevant financial instruments or related financial instruments, and which are not publicly available). A company may, however, delay the release of such information in order not to prejudice its legitimate interests, provided that it is able to ensure the confidentiality of the information and that the delayed release would not be likely to mislead the public. The Oslo Stock Exchange may levy fines on companies violating these requirements.

#### **10.4 The VPS and transfer of shares**

The Company's principal share register is operated through the VPS. The VPS is the Norwegian paperless centralised securities register. It is a computerised book-keeping system in which the ownership of, and all transactions relating to, Norwegian listed shares must be recorded. The VPS and the Oslo Stock Exchange are both wholly-owned by Euronext Nordics Holding AS.

All transactions relating to securities registered with the VPS are made through computerised book entries. No physical share certificates are, or may be, issued. The VPS confirms each entry by sending a transcript to the registered shareholder irrespective of any beneficial ownership. To give effect to such entries, the individual shareholder must establish a share account with a Norwegian account agent. Norwegian banks, Norges Bank (being, Norway's central bank), authorised securities brokers in Norway and Norwegian branches of credit institutions established within the EEA are allowed to act as account agents.

As a matter of Norwegian law, the entry of a transaction in the VPS is prima facie evidence in determining the legal rights of parties as against the issuing company or any third party claiming an interest in the given security. A transferee or assignee of shares may not exercise the rights of a shareholder with respect to such shares unless such transferee or assignee has registered such shareholding or has reported and shown evidence of such share acquisition, and the acquisition is not prevented by law, the relevant company's articles of association or otherwise.

The VPS is liable for any loss suffered as a result of faulty registration or an amendment to, or deletion of, rights in respect of registered securities unless the error is caused by matters outside the VPS' control which the VPS could not reasonably be expected to avoid or overcome the consequences of. Damages payable by the VPS may, however, be reduced in the event of contributory negligence by the aggrieved party.

The VPS must provide information to the NFSA on an ongoing basis, as well as any information that the NFSA requests. Further, Norwegian tax authorities may require certain information from the VPS regarding any individual's holdings of securities, including information about dividends and interest payments.

#### **10.5 Shareholder register – Norwegian law**

Under Norwegian law, shares are registered in the name of the beneficial owner of the shares. As a general rule, there are no arrangements for nominee registration and Norwegian shareholders are not allowed to register their shares in VPS through a nominee. However, foreign shareholders may register their shares in the VPS in the name of a nominee (bank or other nominee) approved by the NFSA. An approved and registered nominee has a duty to provide information on demand about beneficial shareholders to the company and to the Norwegian authorities. In case of registration by nominees, the registration in the VPS must show that the

registered owner is a nominee. A registered nominee has the right to receive dividends and other distributions but cannot vote in general meetings on behalf of the beneficial owners.

#### **10.6 Foreign investment in shares listed in Norway**

Foreign investors may trade shares listed on the Oslo Stock Exchange through any broker that is a member of the Oslo Stock Exchange, whether Norwegian or foreign.

#### **10.7 Disclosure obligations**

If a person's, entity's or consolidated group's proportion of the total issued shares and/or rights to shares or certain other financial instruments (as further regulated in the Norwegian Securities Trading Act chapter 6) in a company listed on a regulated market in Norway (with Norway as its home state, which will be the case for the Company) reaches, exceeds or falls below the respective thresholds of 5%, 10%, 15%, 20%, 25%, 1/3, 50%, 2/3 or 90% of the share capital or the voting rights of that company, the person, entity or group in question has an obligation under the Norwegian Securities Trading Act to notify the Oslo Stock Exchange and the issuer immediately. The same applies if the disclosure thresholds are passed due to other circumstances, such as a change in the company's share capital.

In addition, the Company's Articles of Association provides for a notification requirement where a holder of independent subscription rights (a "**Rights Holder**"), direct or indirect, proportion of independent subscription rights issued by the Company exceeds or falls below 10 per cent, 15 per cent, 20 per cent, 25 per cent, 1/3, 50 per cent, 2/3 or 90 per cent of the Company's share capital, the Rights Holder shall notify the Company of this in writing. Please refer to Section 8.10 "The Articles of Association" for further information.

#### **10.8 Insider trading**

According to Norwegian law, subscription for, purchase, sale or exchange of financial instruments that are listed, or subject to the application for listing, on a Norwegian regulated market, or incitement to such dispositions, must not be undertaken by anyone who has inside information, as defined in Article 7 of Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse, and as implemented in Norway in accordance with Section 3-1 of the Norwegian Securities Trading Act. The same applies to the entry into, purchase, sale or exchange of options or futures/forward contracts or equivalent rights whose value is connected to such financial instruments or incitement to such dispositions.

#### **10.9 Mandatory offer requirement**

The Norwegian Securities Trading Act requires any person, entity or consolidated group that becomes the owner of shares representing more than one-third of the voting rights of a company listed on a Norwegian regulated market (with the exception of certain foreign companies not including the Company) to, within four weeks, make an unconditional general offer for the purchase of the remaining shares in that company. A mandatory offer obligation may also be triggered where a party acquires the right to become the owner of shares that, together with the party's own shareholding, represent more than one-third of the voting rights in the company and the Oslo Stock Exchange decides that this is regarded as an effective acquisition of the shares in question.

The mandatory offer obligation ceases to apply if the person, entity or consolidated group sells the portion of the shares that exceeds the relevant threshold within four weeks of the date on which the mandatory offer obligation was triggered.

When a mandatory offer obligation is triggered, the person subject to the obligation is required to immediately notify the Oslo Stock Exchange and the company in question accordingly. The notification is required to state whether an offer will be made to acquire the remaining shares in the company or whether a sale will take place. As a rule, a notification to the effect that an offer will be made cannot be retracted. The offer and the offer document required are subject to approval by the Oslo Stock Exchange before the offer is submitted to the shareholders or made public.

The offer price per share must be at least as high as the highest price paid or agreed by the offeror for the shares in the six-month period prior to the date the threshold was exceeded. If the acquirer acquires or agrees to acquire additional shares at a higher price prior to the expiration of the mandatory offer period, the acquirer is obliged to restate its offer at such higher price. A mandatory offer must be in cash or contain a cash alternative at least equivalent to any other consideration offered.

In case of failure to make a mandatory offer or to sell the portion of the shares that exceeds the relevant threshold within four weeks, the Oslo Stock Exchange may force the acquirer to sell the shares exceeding the threshold by public auction. Moreover, a shareholder who fails to make an offer may not, as long as the mandatory offer obligation remains in force, exercise rights in the company, such as voting in a general meeting, without the consent of a majority of the remaining shareholders. The shareholder may, however, exercise his/her/its rights to dividends and pre-emption rights in the event of a share capital increase. If the shareholder neglects his/her/its duty to make a mandatory offer, the Oslo Stock Exchange may impose a cumulative daily fine that runs until the circumstance has been rectified.

Any person, entity or consolidated group that owns shares representing more than one-third of the votes in a company listed on a Norwegian regulated market (with the exception of certain foreign companies not including the Company) is obliged to make an offer to purchase the remaining shares of the company (repeated offer obligation) if the person, entity or consolidated group through acquisition becomes the owner of shares representing 40%, or more of the votes in the company. The same applies correspondingly if the person, entity or consolidated group through acquisition becomes the owner of shares representing 50% or more of the votes in the company. The mandatory offer obligation ceases to apply if the person, entity or consolidated group sells the portion of the shares which exceeds the relevant threshold within four weeks of the date on which the mandatory offer obligation was triggered.

Any person, entity or consolidated group that has passed any of the above-mentioned thresholds in such a way as not to trigger the mandatory bid obligation, and has therefore not previously made an offer for the remaining shares in the company in accordance with the mandatory offer rules is, as a main rule, obliged to make a mandatory offer in the event of a subsequent acquisition of shares in the company.

#### **10.10 Compulsory acquisition**

Pursuant to the Norwegian Public Limited Liability Companies Act and the Norwegian Securities Trading Act, a shareholder who, directly or through subsidiaries, acquires shares representing 90% or more of the total number of issued shares in a Norwegian public limited liability company, as well as 90% or more of the total voting rights, has a right, and each remaining minority shareholder of the company has a right to require such majority shareholder, to effect a compulsory acquisition for cash of the shares not already owned by such majority shareholder. Through such compulsory acquisition the majority shareholder becomes the owner of the remaining shares with immediate effect.

If a shareholder acquires shares representing more than 90% of the total number of issued shares, as well as more than 90% of the total voting rights, through a voluntary offer in accordance with the Securities Trading

Act, a compulsory acquisition can, subject to the following conditions, be carried out without such shareholder being obliged to make a mandatory offer: (i) the compulsory acquisition is commenced no later than four weeks after the acquisition of shares through the voluntary offer, (ii) the price offered per share is equal to or higher than what the offer price would have been in a mandatory offer, and (iii) the settlement is guaranteed by a financial institution authorised to provide such guarantees in Norway.

A majority shareholder who effects a compulsory acquisition is required to offer the minority shareholders a specific price per share, the determination of which is at the discretion of the majority shareholder. However, where the offeror, after making a mandatory or voluntary offer, has acquired more than 90% of the voting shares of a company and a corresponding proportion of the votes that can be cast at the general meeting, and the offeror pursuant to Section 4-25 of the Norwegian Public Limited Liability Companies Act completes a compulsory acquisition of the remaining shares within three months after the expiry of the offer period, it follows from the Norwegian Securities Trading Act that the redemption price shall be determined on the basis of the offer price for the mandatory/voluntary offer unless specific reasons indicate another price.

Should any minority shareholder not accept the offered price, such minority shareholder may, within a specified deadline of not less than two months, request that the price be set by a Norwegian court. The cost of such court procedure will, as a general rule, be the responsibility of the majority shareholder, and the relevant court will have full discretion in determining the consideration to be paid to the minority shareholder as a result of the compulsory acquisition.

Absent a request for a Norwegian court to set the price or any other objection to the price being offered, the minority shareholders would be deemed to have accepted the offered price after the expiry of the specified deadline.

#### **10.11 Foreign exchange controls**

There are currently no foreign exchange control restrictions in Norway that would potentially restrict the payment of dividends to a shareholder outside Norway, and there are currently no restrictions that would affect the right of shareholders of a company that has its shares registered with the VPS who are not residents in Norway to dispose of their shares and receive the proceeds from a disposal outside Norway. There is no maximum transferable amount either to or from Norway, although transferring banks are required to submit reports on foreign currency exchange transactions into and out of Norway into a central data register maintained by the Norwegian customs and excise authorities. The Norwegian police, tax authorities, customs and excise authorities, the National Insurance Administration and the NFSA have electronic access to the data in this register.

## 11 THE RIGHTS ISSUE

### 11.1 Overview of the Rights Issue

The Rights Issue consist of a partially underwritten offer by the Company to issue up to 6,844,800,000 Offer Shares at a Subscription Price of NOK 0.10 per Offer Share, and up to 7,700,400,000 Warrants, where the issuance of the Offer Shares will raise gross proceeds of up to approximately NOK 684.48 million. The subscribers in the Rights Issue will receive 0.5 Warrants per Offer Share allocated and paid for. The Warrants will be granted free of charge. Each Warrant will give the holder a right to subscribe one (1) new Share in the Company at a strike price that will vary between NOK 0.115 and NOK 0.13, depending on when the Warrants are exercised. The Warrants may be exercised at the earliest of the first 10 business days in December 2025 or in connection with a Qualifying Equity Raise, or at certain other exercise windows, as further described in Section 11.27 "The Warrants". Exercise of Warrants will increase the gross proceeds to the Company.

The Underwriters have been given the possibility of settling their subscriptions for Offer Shares in USD, and three Underwriters have accepted this offer, for an aggregate subscription (including subscription of Offer Shares pursuant to their Underwriting Obligations) of up to approximately USD 31.69 million. The settlement for such Offer Shares (to the extent allocated) will be settled through a contribution in-kind of approximately USD 0.00935 per Offer Share, which corresponds to NOK 0.10 at an applied exchange rate of USD:NOK of 1:10.695, which was set based on the FX forward rate available to the Company on 13 September 2024.

Existing Shareholders will be granted tradable Subscription Rights that, subject to applicable law, provide a preferential right to subscribe for, and be allocated, Offer Shares at the Subscription Price in the Rights Issue. Oversubscription with Subscription Rights and subscription without Subscription Rights will be permitted, however, there can be no assurance that Offer Shares will be allocated for such subscriptions. Over-subscription of Warrants is not permitted.

The Rights Issue is partially underwritten by the Underwriters pursuant to, and subject to the limitations in, the Underwriting Agreement, as further described in Section 11.21 "The Underwriting".

The final size of the Rights Issue will depend on the allocation of Offer Shares in the Rights Issue, as it has been agreed with the Lenders in the Convertible Loan that neither of Condire nor Nordlaks shall (individually) own more than 19.99% of the Shares following completion of the Rights Issue and issuance of the Underwriting Commission Shares. If the allocation of Offer Shares shows that either of Condire or Nordlaks exceeds a holding of more than 19.99% of the Shares following completion of the Rights Issue and issuance of the Underwriting Commission Shares, the excess amounts will be transferred from the Rights Issue to the Convertible Loan. The final size of the Rights Issue and the underwritten amount thereunder will be reduced correspondingly if amounts from the Rights Issue are transferred to the Convertible Loan pursuant to the above.

No action will be taken to permit a public offering of the Offer Shares, the Subscription Rights and/ or the Warrants in any jurisdiction outside of Norway. Neither the Subscription Rights, the Offer Shares or the Warrants have been, or will be, registered under the U.S. Securities Trading Act or with any securities regulatory authority of any state or other jurisdiction in the United States, and are being offered and sold: (i) in the United States only to Existing Shareholders who are QIBs as defined in Rule 144A pursuant to transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and (ii) outside the United States in "offshore transactions" as defined in, and in compliance with, Regulation S.

## 11.2 Use of proceeds

The net proceeds from the Rights Issue are, together with existing cash on balance sheet, an existing RCF, the amendments to the Credit Facility, and the Convertible Loan, currently estimated to be sufficient to fund investments and operations towards achieving positive EBITDA for Phase 1, currently estimated for Q4 2025.

The abovementioned funds will be used for the following purposes and with the following approximate amounts:

- USD 11 million will be used for an investment in a well for Phase 2 of the Homestead Bluehouse;
- USD 25 million will be used for investments in Phase 1;
- USD 19 million will be used for build-up of working capital;
- USD 29 million will be used for operational cash flow; and
- USD 10 million will be used for financing costs and general corporate purposes.

## 11.3 Timetable

The timetable set out below provides certain indicative key dates for the Rights Issue (subject to shortening or extensions):

Event	Date
Last day of trading in the Shares including Subscription Rights (Cut-off Date)	17 September 2024
First day of trading in the Shares excluding Subscription Rights .....	18 September 2024
Record Date.....	19 September 2024
Start of Subscription Period .....	At 09:00 CEST on 20 September 2024
Start of trading in Subscription Rights.....	At 09:00 CEST on 20 September 2024
End of trading in Subscription Rights.....	At 16:30 CEST on 30 September 2024
End of Subscription Period .....	At 16:30 CEST on 4 October 2024
Allocation of Offer Shares.....	7 October 2024
Allocation notes distributed .....	7 October 2024
Payment Date .....	10 October 2024
Delivery Date.....	On or about 16 October 2024
Listing and start of trading in the Offer Shares on the Oslo Stock Exchange	On or about 16 October 2024

Note that the Subscription Period cannot be shortened, but the Board of Directors may extend the Subscription Period if this is required by law as a result of the publication of a supplemental prospectus. In the event of an extension of the Subscription Period, the allocation date, the Payment Date, the Delivery Date and the date of commencement of trading in the Offer Shares will be changed accordingly. The Rights Issue may not be revoked following the start of the Subscription Period, however if the minimum number of Offer Shares to be issued are not subscribed, the share capital increase pertaining to the Rights Issue may not be registered with the Norwegian Register of Business Enterprises. The subscription of the minimum number of Offer Shares to be issued is underwritten by the Underwriters, and as such, non-subscription of the minimum number of Offer Shares will only occur if the Underwriters does not satisfy their Underwriting Obligations.



## 11.4 Resolutions by the Company's general meeting

### 11.4.1 Resolution to issue the Offer Shares

On 17 September 2024, the Company's extraordinary general meeting passed the following resolution to decrease the Company's share capital by reduction of the par value of the Shares, and to increase the Company's share capital and issue the Offer shares in connection with the Rights Issue:

- (i) *The share capital of the Company of NOK 112,108,442 shall be reduced to NOK 5,605,422.10 through reduction of the par value of the Company's shares from NOK 1 to NOK 0.05 per share. The reduction amount shall be transferred to other equity, cf. the Norwegian Public Limited Liability Companies Act section 12-1 (1) no. 3. The share capital decrease enters into force immediately after registration, cf. the Norwegian Public Limited Liability Companies Act Section 12-5 (2), as the share capital is increased by subscription of new shares by contribution that results in higher tied-up equity than earlier.*
- (ii) *The share capital is increased with minimum NOK 263,388,692.60, and maximum NOK 342,240,000.00 by the issuance of minimum 5,267,773,852 new shares and maximum 6,844,800,000 new shares, each with a nominal value of NOK 0.05 each. If the allocation of shares in this rights issue and consideration shares to the underwriters implies that one or more lenders in the Company's convertible loan as proposed in item 6 below exceeds (individually) an ownership stake of 19.99% of the shares in the Company after completion of the rights issue, the excess amounts shall be transferred to the convertible loan proposed in item 6 below, and the total size of the share capital increase proposed in this resolution will be reduced accordingly, however not below the minimum amount of the share capital increase set out above.*
- (iii) *Shareholders in the Company as per the end of 17 September 2024, as registered with the Company's shareholders register in the VPS following ordinary T+2 settlement on 19 September 2024 (the "**Record Date**"), shall have preferential rights to subscribe for the new shares pro rata to their existing holdings of shares, as further described below. Such shareholders shall receive subscription rights proportionate to the number of shares in the Company that may be issued in the rights issue and registered as held by such shareholder as of the Record Date in the VPS, rounded down to the nearest whole subscription right, cf. section 10-4 (1) of the Norwegian Public Limited Liability Companies Act. Each subscription right will give right to subscribe and be allocated 1 new share in the share capital increase.*
- (iv) *The subscription rights shall be tradable, and be sought listed on the Oslo Stock Exchange as of the start of the subscription period and up until 16:30 (CEST) on the trading day falling four trading days prior to the end of the subscription period.*
- (v) *Over-subscription with subscription rights and subscription without subscription rights is permitted, and shares will be allocated on such subscription as set out in item (viii) below.*
- (vi) *An EEA prospectus approved by the Financial Supervisory Authority of Norway pursuant to chapter 7 of the Norwegian Securities Trading Act and related secondary legislation shall be published in connection with the share capital increase (the "**Prospectus**"). Unless the board otherwise determines, the Prospectus shall not be registered or approved by authorities outside Norway.*
- (vii) *The new shares cannot be subscribed for by investors in jurisdictions where such offering in the opinion of the Company would be unlawful or would (in jurisdictions other than Norway) require approval of a prospectus, registration or similar action. The new shares and the subscription rights will not be registered in the United States pursuant to the US Securities Act and may not be offered, sold, pledged or otherwise transferred within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and in compliance with any applicable state securities laws. All offers and sales in the United States will be made only in transactions not subject to, the registration requirements of the U.S. Securities Act, including to "qualified institutional buyers" (QIBs)*

*as defined in Rule 144A under the U.S. Securities Act, as well as to major U.S. institutional investors under SEC Rule 15a-6 to the United States Exchange Act of 1934. All offers and sales outside the United States will be made in "offshore transactions" as defined in, and in reliance on, Regulation S under the U.S. Securities Act. The Company (or someone appointed or instructed by it) has the right, but not an obligation, to sell subscription rights issued to shareholders in jurisdictions where the offer may not be made against transfer of the net proceeds from such sale to the shareholder, as further described in the Prospectus.*

- (viii) The allocation of new shares shall be resolved by the Board. The following allocation criteria shall apply:*
  - (a) shares will be allocated in accordance with granted and acquired subscription rights to subscribers who have validly exercised subscription rights during the subscription period;*
  - (b) any unallocated shares following the allocation under (a) above shall be allocated to subscribers who have over-subscribed on a proportional basis based on the number of subscription rights exercised by each subscriber;*
  - (c) any unallocated shares following the allocation under (b) above shall be allocated on a proportional basis to underwriters who have subscribed for shares in the subscription period, however limited upwards to each such underwriters' respective underwriting obligation.*
  - (d) any unallocated shares following the allocation under (c) above shall be allocated to underwriters who have subscribed for new shares in excess of their respective underwriting obligation on a proportional basis;*
  - (e) any unallocated shares following the allocation under (d) above shall be allocated to subscribers without subscription rights; and*
  - (f) any unallocated shares following the allocation under (e) above shall be allocated to the underwriters who have not fulfilled their underwriting obligation through subscription for shares in the subscription period, pro rata to their respective underwriting obligation.*
- (ix) The subscription price in the rights issue shall be NOK 0.10 per share.*
- (x) The subscription period shall commence at 09:00 (CEST) on 20 September 2024 and end at 16:30 (CEST) on 4 October 2024, provided however, that the subscription period, if the Prospectus is not approved in time or must be postponed or prolonged as required by law, shall be adjusted accordingly. Any shares not subscribed for at the expiry of the subscription period and, thus, allocated to the underwriters cf. item (xvi) below, shall be subscribed for by the underwriters within 1 business days after expiry of the subscription period.*
- (xi) Subscription is made by signing and returning the subscription form that will be included in the Prospectus. Shares that are subscribed by underwriters pursuant to their underwriting obligations, cf. item (xvii) below, shall be subscribed at a separate subscription form within 1 business day after expiry of the subscription period for the rights issue.*
- (xii) The due date for payment of the share contribution is 10 October 2024, or 3 business days after the expiry of the subscription period if the subscription period is postponed or prolonged according to sub-item (x) above. When subscribing for shares (except for those subscribers indicated in (xiii) below), subscribers domiciled in Norway must grant DNB Markets, a part of DNB Bank ASA, or Arctic Securities AS a specific power of attorney to debit a stated bank account in Norway for an amount equal to the subscription price for the allotted number of shares. Upon allotment, DNB Markets or Arctic Securities AS will debit the subscriber's account for the allotted amount. The debit will take place on or around the due date of payment. Payment of the subscription amount by subscribers without a Norwegian bank account shall be made to a separate bank account.*
- (xiii) Certain of the underwriters in the Rights Issue (cf. item (xvii) below), as set out in Appendix 3 to the minutes,*

*shall settle their share deposits for shares that are subscribed and allocated by a contribution in-kind of approximately USD 0.00935 per new share, each share with a par value of NOK 0.05 (corresponding to approximately USD 0.00468 in par value per share). This obligation to contribute USD applies independently of the grounds for subscription and allocation of new shares, including whether through granted or acquired subscription rights or pursuant to the underwriting agreement with the Company. The contribution of approximately USD 0.00935 per new share corresponds to a subscription price of NOK 0.10 per share, based on the exchange rate as described in the statement from an independent expert for the contribution in-kind (attached as Appendix 4 to the minutes), and where the Board of Directors is responsible for the valuation discussed in the statement from the independent expert.*

- (xiv) The new shares will give full shareholder rights in the Company, including the right to dividends, from the time the share capital increase is registered with the Norwegian Register of Business Enterprises.*
- (xv) Section 4 of the Company's Articles of Association shall be amended to reflect the new share capital, the number of shares and par value following the share capital decrease and share capital increase.*
- (xvi) The Company's estimated expenses in connection with the share capital increase are NOK 37.5 million, assuming subscription of all shares in the share capital increase and excluding the underwriting commission stated in item (xvi) below.*
- (xvii) An underwriting consortium consisting of existing shareholders and new investors has through a separate agreement with the Company underwritten the share capital increase with an aggregate amount of the NOK-equivalent of USD 60.0 million. The underwritten amount shall be reduced if the allocation of shares in this rights issue and consideration shares to the underwriters implies that one or more lenders in the Company's convertible loan as proposed in item 6 below exceeds (individually) an ownership stake of 19.99% shares in the Company after completion of the rights issue. In such event, the excess amounts shall be transferred to the convertible loan proposed in item 6 below. As consideration for the underwriting, each of the underwriters will receive an underwriting commission from the Company equal to 10% of its underwritten amount. The underwriting commission shall be settled by issuance of new shares in the Company at the same subscription price as the subscription price in the rights issue, where the underwriters' claim for underwriting commission will be documented by issuance of a promissory note that shall be used for set-off against the Company's claim for share deposit. Such share capital increase shall be resolved by the board pursuant to a board authorization proposed in item 8 below. In addition, the underwriters shall receive independent subscription rights pursuant to item 5 below. The underwriters' underwriting commitment is made on a pro rata basis, based on their respective underwritten amount and is subject to certain customary conditions for such commitments pursuant to a separate underwriting agreement.*
- (xviii) The completion of this resolution is dependent upon the general meeting also approving the Board's proposals in items 5, 6, 7 and 8.*

#### 11.4.2 Resolution to issue the Warrants

On 17 September 2024, the Company's extraordinary general meeting passed the following resolution to issue Warrants:

- (i) The Company shall issue a minimum of 7,486,500,051 independent subscription rights and a maximum of 7,700,400,000 independent subscription rights (the "Warrants"), cf. the Norwegian Public Limited Liability Companies Act section 11-12.*
- (ii) The Warrants may be subscribed by the following shareholders and investors:*

- (a) *Subscribers that have subscribed in the rights issue proposed in item 4 above (the "**Rights Issue**"). For this group, subscription of Warrants will be made on a subscription form included in the Company's prospectus for the Rights Issue. The subscription period shall be the same as the subscription period in the Rights Issue.*
  - (b) *Underwriters in the Rights Issue. For this group, subscription of Warrants will be made on a separate subscription form within the expiry of 1 trading day after expiry of the subscription period in the Rights Issue.*
  - (c) *Lenders in the convertible loan proposed in item 6 below (the "**Convertible Loan**"). For this group, the subscription of Warrants shall be made on a separate subscription form within 1 trading day after expiry of the subscription period in the Rights Issue.*
- (iii) *Warrants that are subscribed for shall be allocated by the Board of Directors pursuant to the following principles:*
- (a) *For each share subscribed, allocated and paid in the Rights Issue, the respective subscriber shall receive 0.5 Warrant (rounded down to the nearest whole Warrant);*
  - (b) *For each share underwritten in the Rights Issue, the underwriters shall receive 0.5 Warrant (rounded down to the nearest whole Warrant); and*
  - (c) *Lenders in the Convertible Loan shall receive 0.5 Warrant for each share that would have been allocated if the proceeds from the Convertible Loan had participated in the Rights Issue (rounded down to the nearest whole Warrant).*
- (iv) *Over-subscription is not permitted, and the pre-emptive right of the shareholders pursuant to Section 11-13 (1) of the Norwegian Public Limited Liability Companies Act is deviated from, cf. Section 10-5 of the Norwegian Public Limited Liability Companies Act.*
- (v) *The Warrants shall be granted free of charge.*
- (vi) *Each Warrant gives the right to subscribe for one (1) new share in the Company. Each Warrant can be exercised in the following exercise windows, and at the following exercise prices and pursuant to the following terms:*

- (a) Warrants may be exercised in the first 10 business days of December 2025, at an exercise price of NOK 0.12 per share, alternatively as adjusted pursuant to the other items in this resolution.
- (b) Warrants may be exercised in the first 10 business days of December 2026, at an exercise price of NOK 0.13 per share, alternatively as adjusted pursuant to the other items in this resolution.
- (c) Warrants may be exercised if the Company carries out one or more share capital increases after completion of the Rights Issue, and which before 14 December 2026, in total gives gross proceeds to the Company of at least USD 100 million (including any share capital increases relating to Warrants that are exercised or will be exercised in connection with such share capital increase (a "**Qualifying Equity Raise**"). A Qualifying Equity Raise is considered completed when the share capital increase that leads to a Qualifying Equity Raise has been registered in the Norwegian Register of Business Enterprises. The exercise price upon a Qualifying Equity Raise shall be NOK 0.115 per share, alternatively as adjusted pursuant to the other items in this resolution. Warrants that are exercised upon a Qualifying Equity Raise must be exercised in connection with such Qualifying Equity Raise, within (but not conditional upon the Company giving such notification) 10 business days after the Company has notified the Warrant holders of (i) a potential Qualifying Equity Raise, and (ii) the exercise period for Warrants in connection with the Qualifying Equity Raise (such notice may, inter alia, be given as a stock exchange notice, in the notice period for a general meeting that shall approve a Qualifying Equity Raise or after registration of a Qualifying Equity Raise in the Norwegian Register of Business Enterprises. The exercise will be conditional upon completion of the Qualifying Equity Raise.
- (d) In the period starting four months after the completion of a Qualifying Equity Raise and ending on 14 December 2026 (the "**Calculation Period**"), the Company shall issue a stock exchange notice if the volume weighted average price of the Company's shares on the Oslo Stock Exchange exceeds 200% of the Warrant exercise price then in effect over a period of 20 consecutive trading days (where also trading days prior to the Calculation Period may be included, provided that the period of 20 consecutive trading days expire in the Calculation Period). Following such stock exchange notice, the Warrant holders shall have a right to exercise Warrants, in the subsequent 10 trading days, at either NOK 0.12 per share (if such stock exchange notice is published within the expiry of the 10 first trading days in December 2025), or at NOK 0.13 per share (if such stock exchange notice is published after the expiry of the 10 first trading days in December 2025), alternatively as adjusted pursuant to the other items in this resolution.
- (e) Following the expiry of the 10 first trading days in December 2026 (i.e. after 14 December 2026), the Warrants may not be exercised and will lapse without compensation.
- (f) The Warrants must be exercised pursuant to such procedures as indicated by the Company prior to each exercise window.
- (vii) In the event of a resolution in the Company to increase or reduce the share capital, issuance of new subscription rights pursuant to the Norwegian Public Limited Liability Companies Act chapter 11, or resolution on liquidation, merger, demerger or transformation of the Company, the rights holder shall not have other rights than what explicitly follow from the law and this resolution.
- (viii) If the Company's shares are subject to reverse split or split, or the Company issues new shares by bonus issue, the number of Warrants owned by the rights holder and the subscription price shall be adjusted accordingly so that the reverse split, split or bonus issue does not have an effect on the value of the Warrants.
- (ix) If the Company pays dividend to its shareholders or upon reduction of the share capital of the Company with distribution to shareholders, the subscription price shall be adjusted so that a deduction is made in the subscription price for 100% of the dividend or distribution resolved per share in the Company (the strike

*price may however not be reduced to lower than the nominal value per share). In the event of a reduction of the share capital of the Company without distribution, no adjustment shall be made.*

- (x) In the event the Company resolves a merger where the Company is the acquiring entity, no adjustments shall be made. In the event the Company resolves a merger where the Company is the transferring entity, the Warrants shall be transferred to a right to subscribe shares in the acquiring entity on terms adjusted for the exchange ratio applicable to the merger.*
- (xi) In the event the Company resolves a demerger, the Warrants shall be continued in both companies, for the same share of the two companies' shares as before the demerger, but the subscription price shall be adjusted based on the exchange ratio applicable to the demerger and the nominal value of the shares in the demerged company.*
- (xii) If the adjustment provisions stated in (vii) – (xi) above results in an exercise price lower than the nominal value of the Company's shares, the Board of Directors shall ensure that the Warrant holders are provided with fair market value compensation in order to compensate for not being able to exercise Warrants at such reduced exercised price.*
- (xiii) Shares issued through exercise of Warrants shall be equal with the already issued shares and shall give the right to dividends from the time the relevant share capital increase is registered in the Norwegian Register of Business Enterprises.*
- (xiv) The Warrants shall be transferable in the same manner as the Company's shares.*
- (xv) If a Warrant holder is in substantial non-compliance of its information duties pursuant to Section 5 of the Company's articles of association (that shall be resolved pursuant to item 7 below), the right for the holder to exercise Warrants pursuant to this resolution shall then lapse for the Warrant holder and for its related parties as set out in Section 4-4 (1) no. 1 and (3).*
- (xvi) The completion of this resolution is dependent upon the general meeting also approving the Board's proposals in item 4, 6, 7 and 8.*

#### **11.4.3 Resolution to grant the Board of Directors an authorization to issue the Underwriting Commission Shares**

On 17 September 2024, the Company's extraordinary general meeting passed the following resolution to authorize the Board of Directors to increase the Company's share capital in connection with the issuance of the Underwriting Commission Shares:

- (i) In accordance with section 10-14 of the Norwegian Public Limited Liability Companies Act, the Board of Directors is authorized to increase the Company's share capital with up to NOK 32,130,000 through the issuance of up to 642,600,000 new shares, each with a par value of NOK 0.05.*
- (ii) The subscription price per new share upon use of the authorization shall be NOK 0.10. Other terms of subscription shall be set by the Board of Directors.*
- (iii) The authorization can only be used by the Board to issue shares to underwriters pursuant to an agreement to underwrite subscriptions in the rights issue proposed in item 4.*
- (iv) The authorization is valid until 15 January 2025.*
- (v) The shareholders' preferential rights to new shares pursuant to sections 10-4 and 10-5 of the Norwegian Public Limited Liability Companies Act, may be deviated from.*
- (vi) The authorization covers share capital increase against contribution in kind, cf. section 10-2 of the*

*Norwegian Public Limited Liability Companies Act. The authorization does not cover decisions on mergers or demergers pursuant to sections 13-5 and 14-6 (2) of the Norwegian Public Limited Liability Companies Act.*

- (vii) The Board is given authorization to change the articles of association regarding the size of the share capital in accordance with such share capital increases as decided by the Board of Directors under this authorization.*
- (viii) The resolution is conditional upon the general meeting resolving the proposed resolution in item 4 of the agenda, and may only be registered together with the share capital increase included in item 4.*

### **11.5 Subscription Price**

The Subscription Price in the Rights Issue is NOK 0.10 per Offer Share. Certain of the Underwriters will settle their subscriptions for Offer Shares by a contribution in-kind of USD, and will thus pay approximately USD 0.00935 per Offer Share, which corresponds to the Subscription Price of NOK 0.10 at an applied exchange rate of USD:NOK of 1:10.695, which was set based on the FX forward rate available to the Company on 13 September 2024.

### **11.6 Subscription Period**

The Subscription Period will commence at 09:00 (CEST) on 20 September 2024 and end at 16:30 (CEST) on 4 October 2024. The Subscription Period may not be shortened, but the Board of Directors may extend the Subscription Period if this is required by law as a result of the publication of a supplemental prospectus.

### **11.7 Record Date for Existing Shareholders**

Shareholders who are registered in the Company's shareholder register in the VPS at the Record Date (19 September 2024) will receive Subscription Rights.

For the purposes of determining entitlement to Subscription Rights, the Company will look solely to its register of shareholders as of expiry of the Record Date.

Provided that the delivery of traded Shares was made with ordinary T+2 settlement in the VPS, Shares that were acquired on or before the Cut off-Date on 17 September 2024 will give the right to receive Subscription Rights, whereas Shares that were acquired from and including 18 September 2024 will not give the right to receive Subscription Rights.

### **11.8 Subscription Rights**

Existing Shareholders will be granted tradable Subscription Rights in the Rights Issue that, subject to applicable law, provide preferential rights to subscribe for, and be allocated, Offer Shares at the Subscription Price. Each Existing Shareholder will be granted 61.0552 Subscription Rights for every one (1) Existing Share registered as held by such Existing Shareholder as of the Record Date. The aggregate number of Subscription Rights will be rounded down to the nearest whole Subscription Right. Each Subscription Right will, subject to applicable securities law, give the right to subscribe for, and be allocated, one (1) Offer Share. Subscription Rights will not be issued in respect of any Existing Shares held in treasury by the Company.

The Subscription Rights will be credited to and registered on each Existing Shareholder's VPS account on or about 20 September 2024 under ISIN NO 001 3336222. The Subscription Rights will be distributed free of charge

to Existing Shareholders. If the prevailing market price of the Company's Shares that are already listed on the Oslo Stock Exchange exceed the Subscription Price, the Subscription Price will hold an economic value.

The Subscription Rights may be used to subscribe for Offer Shares in the Rights Issue before the expiry of the Subscription Period on 4 October 2024 at 16:30 (CEST) or be sold before 30 September 2024 at 16:30 (CEST). Acquired Subscription Rights will give the same right to subscribe for and be allocated Offer Shares as Subscription Rights granted to Existing Shareholders on the basis of their shareholdings on the Record Date.

**The Subscription Rights, including acquired Subscription Rights, must be used to subscribe for Offer Shares before the end of the Subscription Period (i.e. 4 October 2024 at 16:30 hours (CEST)) or be sold before 30 September 2024 at 16:30 hours (CEST). Subscription Rights that are not sold before 30 September 2024 at 16:30 hours (CEST) or exercised to subscribe for Offer Shares before 4 October 2024 at 16:30 hours (CEST) will have no value and lapse without compensation to the holder. Holders of Subscription Rights (whether granted or acquired) should note that subscriptions for Offer Shares must be made in accordance with the procedures set out in this Prospectus and that the acquisition of Subscription Rights does not in itself constitute a subscription for Offer Shares.**

Subscription Rights of Existing Shareholders resident in jurisdictions where the Prospectus may not be distributed and/or with legislation that, according to the Company's assessment, prohibits or otherwise restricts subscription for Shares (the "**Ineligible Shareholders**") will initially be credited to such Ineligible Shareholders' VPS accounts. Such crediting specifically does not constitute an offer to Ineligible Shareholders. The Company will instruct the Managers to, as far as possible, withdraw the Subscription Rights from such Ineligible Shareholders' VPS accounts, and may sell them in the period from and including 25 September 2024 to 16:30 hours (CEST) on 30 September 2024 for the account and risk of such Ineligible Shareholders, unless the relevant Subscription Rights are held through a financial intermediary. See Section 11.13 "Financial intermediaries" below for a description of the procedures applicable to Subscription Rights held by Ineligible Shareholders through financial intermediaries.

The Managers will use commercially reasonable efforts to procure that the Subscription Rights withdrawn from the VPS accounts of Ineligible Shareholders (and that are not held through financial intermediaries) are sold on behalf of, and for the benefit of, such Ineligible Shareholders during the above period, provided that (i) the Managers are able to sell the Subscription Rights at a price at least equal to the anticipated costs related to the sale of such Subscription Rights, and (ii) the relevant Ineligible Shareholder has not by 16:30 hours (CEST) on 24 September 2024 documented to the Company through the Managers the right to receive the Subscription Rights withdrawn from its VPS account, in which case the Managers shall re-credit the withdrawn Subscription Rights to the VPS account of the relevant Ineligible Shareholder. The proceeds from the sale of the Subscription Rights (if any), after deduction of customary sales expenses, will be credited to the Ineligible Shareholder's bank account registered in the VPS for payment of dividends, provided that the net proceeds attributable to such Ineligible Shareholder amount to or exceed NOK 200. If an Ineligible Shareholder does not have a bank account registered in the VPS, the Ineligible Shareholder must contact one of the Managers to claim the proceeds. If the net proceeds attributable to an Ineligible Shareholder are less than NOK 200, such amount will be retained for the benefit of the Company. There can be no assurance that the Managers will be able to withdraw and/or sell the Subscription Rights at a profit or at all. Other than as explicitly stated above, neither the Company nor the Managers will conduct any sale of Subscription Rights not sold before 16:30 hours (CEST) on 30 September 2024 or utilized before the end of the Subscription Period.



### 11.9 Trading in Subscription Rights

The Subscription Rights will be fully tradable and listed on the Oslo Stock Exchange with ticker code "ASAT" from and including 20 September 2024 at 09:00 (CEST) and to and including 30 September 2024 at 16:30 (CEST).

**The Subscription Rights will hence only be tradable during part of the Subscription Period.**

Persons intending to trade in Subscription Rights should be aware that the trading in, and exercise of, Subscription Rights by holders who are located in jurisdictions outside of Norway may be restricted or prohibited by applicable securities laws. See Section 12 "Selling and transfer restrictions" below for a description of such restrictions.

### 11.10 Subscription procedures

**Subscribers who are residents of Norway with a Norwegian personal identification number are encouraged to subscribe for Offer Shares through the VPS online subscription system by following the link on [www.arctic.com/secno/en/offerings](http://www.arctic.com/secno/en/offerings) or [www.dnb.no/emisjoner](http://www.dnb.no/emisjoner) (both of which will redirect to the VPS online subscription system).**

All online subscribers must verify that they are Norwegian residents by entering their national identity number (*Nw. fødselsnummer*). In addition, the VPS online subscription system is only available for individual persons and is not available for legal entities; legal entities must thus submit a Subscription Form in order to subscribe for Offer Shares. Subscriptions made through the VPS online subscription system must be duly registered before the expiry of the Subscription Period.

Subscriptions for Offer Shares may also be made by submitting a correctly completed subscription form as set out in Appendix B (the "**Subscription Form**") to one of the Managers during the Subscription Period, or may, for subscribers who are residents of Norway with a Norwegian personal identification number, be made online as further described below. The Subscription Forms may be submitted to:

#### **Arctic Securities AS**

Haakon VII's gate 5  
P.O. Box 1833 Vik  
N-0123 Oslo  
Norway

Tel: +47 21 01 31 00

E-mail: [subscription@arctic.com](mailto:subscription@arctic.com)  
[www.arctic.com/secno/en/offerings](http://www.arctic.com/secno/en/offerings)

#### **DNB Markets, Registrar Department**

Dronning Eufemias gate 30  
P.O. Box 1600 Sentrum  
N-0021 Oslo  
Norway

Tel: +47 915 04800

e-mail: [retail@dnb.no](mailto:retail@dnb.no)  
[www.dnb.no/emisjoner](http://www.dnb.no/emisjoner)

Correctly completed Subscription Forms must be received by one of the Managers no later than 16:30 hours (CEST) on 4 October 2024 at the following postal or e-mail address, or in case of online subscriptions, be registered by 16:30 hours (CEST) on 4 October 2024.

All subscriptions will be treated in the same manner regardless of which of the above Managers the subscriptions are placed with and whether they are submitted by delivery of a Subscription Form or through the Norwegian VPS' online application system.

None of the Company or the Managers may be held responsible for postal delays, unavailable internet lines or servers or other logistical or technical problems that may result in subscriptions not being received in time or at all by the Managers. Subscription Forms received after the end of the Subscription Period and/or incomplete or incorrect Subscription Forms and any subscription that may be unlawful may be disregarded at the sole discretion of the Company and/or the Managers without notice to the subscriber.

Subscriptions are binding and irrevocable and cannot be withdrawn (save in the case the Company has been required to publish a supplemental prospectus pursuant to article 23 (2) of the EU Prospectus Regulation), cancelled or modified by the subscriber after having been received by the Manager, or in the case of subscriptions through the VPS online subscription system, upon registration of the subscription. The subscriber is responsible for the correctness of the information filled into the Subscription Form or, in case of applications through the VPS online subscription system, the online subscription registration. By signing and submitting a Subscription Form, or by registration of a subscription via the VPS online subscription system, the subscribers confirm and warrant that they have read this Prospectus and are eligible to subscribe for Offer Shares under the terms set forth herein.

There is no minimum subscription amount for which subscriptions in the Rights Issue must be made. Oversubscription (i.e. subscription for more Offer Shares than the number of Subscription Rights held by the subscriber entitles the subscriber to be allocated) and subscription without Subscription Rights will be permitted, but there can be no assurance that Offer Shares will be allocated for such subscriptions.

Multiple subscriptions (i.e. subscriptions on more than one Subscription Form) are allowed. Please note, however, that two separate Subscription Forms submitted by the same subscriber with the same number of Offer Shares subscribed for on both Subscription Forms will only be counted once unless otherwise explicitly stated in one of the Subscription Forms. In case of multiple subscriptions through the VPS online subscription system or subscriptions made both on a Subscription Form and through the VPS online subscription system, all subscriptions will be counted.

#### **11.11 Timeliness, validity, form and eligibility of subscriptions**

All questions concerning the timeliness, validity, form and eligibility of any subscription for Offer Shares will be determined by the Board of Directors, whose determination will be final and binding. The Board of Directors, or the Managers upon being authorized by the Board of Directors, may in their sole discretion waive any defect or irregularity in the Subscription Forms, permit such defect or irregularity to be corrected within such time as the Board of Directors or the Managers may determine, or reject the purported subscription of any Offer Shares. It cannot be expected that Subscription Forms will be deemed to have been received or accepted until all irregularities have been cured or waived within such time as the Board of Directors or the Managers shall determine. Neither the Board of Directors, the Company nor the Managers will be under any duty to give notification of any defect or irregularity in connection with the submission of a Subscription Form or assume any liability for failure to give such notification. Further, neither the Board of Directors, the Company nor the Managers are liable for any action or failure to act by a financial intermediary through whom any Existing Shareholder holds its Shares or by the Managers in connection with any subscriptions or purported subscriptions.

#### **11.12 Mandatory Anti-Money Laundering Procedure**

The Rights Issue is subject to applicable anti-money laundering legislation, including the Norwegian Money Laundering Act of 1 June 2018, no. 23 and the Norwegian Money Laundering Regulations of 14 September 2018, no. 1324 (collectively, the "Anti-Money Laundering Legislation").

Subscribers who are not registered as existing customers of one of the Managers must verify their identity to a Manager in accordance with the requirements of the Anti-Money Laundering Legislation, unless an exemption is available. Subscribers who have not completed the required verification of identity prior to the expiry of the Subscription Period will not be allocated Offer Shares.

Furthermore, participation in the Rights Issue is conditional upon the subscriber holding a VPS account. The VPS account number must be stated in the Subscription Form. VPS accounts can be established with authorized VPS registrars, who can be Norwegian banks, authorized securities brokers in Norway and Norwegian branches of credit institutions established within the EEA. However, non-Norwegian investors may use a nominee VPS account registered in the name of a nominee. The nominee must be authorized by the NFSA. Establishment of a VPS account requires verification of the identification to the VPS registrar in accordance with the Anti-Money Laundering Legislation.

### **11.13 Financial intermediaries**

#### **11.13.1 General**

All persons or entities holding Shares or Subscription Rights through financial intermediaries (e.g., brokers, custodians and nominees) should read this Section 11.13 "Financial intermediaries". All questions concerning the timeliness, validity and form of instructions to a financial intermediary in relation to the exercise of Subscription Rights should be determined by the financial intermediary in accordance with its usual customer relations procedure or as it otherwise notifies each beneficial shareholder.

The Company is not liable for any action or failure to act by a financial intermediary through which Shares are held.

#### **11.13.2 Subscription Rights**

If an Existing Shareholder holds Shares registered through a financial intermediary on the Record Date, the financial intermediary will customarily give the Existing Shareholder details of the aggregate number of Subscription Rights to which it will be entitled. The relevant financial intermediary will customarily supply each Existing Shareholder with this information in accordance with its usual customer relations procedures. Existing Shareholders holding Shares through a financial intermediary should contact the financial intermediary if they have received no information with respect to the Rights Issue.

Subject to applicable law, Existing Shareholders holding Shares through a financial intermediary may instruct the financial intermediary to sell some or all of their Subscription Rights, or to purchase additional Subscription Rights on their behalf. See Section 12 "Selling and transfer restrictions" for a description of certain restrictions and prohibitions applicable to the sale and purchase of Subscription Rights in certain jurisdictions outside Norway.

Existing Shareholders who hold their Shares through a financial intermediary and who are Ineligible Shareholders will not be entitled to exercise their Subscription Rights but may, subject to applicable law, instruct their financial intermediary to sell their Subscription Rights transferred to the financial intermediary. As described in Section 11.8 "Subscription Rights", neither the Company nor the Managers will sell any Subscription Rights transferred to financial intermediaries.

### 11.13.3 Subscription Period and period for trading in Subscription Rights

The time by which notification of exercise instructions for subscription of Offer Shares must validly be given to a financial intermediary may be earlier than the expiry of the Subscription Period. The same applies for instructions pertaining to trading in Subscription Rights and the last day of trading in such rights (which accordingly will be a deadline earlier than 30 September 2024 at 16:30 hours (CEST). Such deadlines will depend on the financial intermediary. Existing Shareholders who hold their Shares through a financial intermediary should contact their financial intermediary if they are in any doubt with respect to deadlines.

### 11.13.4 Subscription

Any Existing Shareholder who is not an Ineligible Shareholder and who holds its Subscription Rights through a financial intermediary and wishes to exercise its Subscription Rights, should instruct its financial intermediary in accordance with the instructions received from such financial intermediary. The financial intermediary will be responsible for collecting exercise instructions from the Existing Shareholders and for informing the Managers of their exercise instructions.

A person or entity who has acquired Subscription Rights that are held through a financial intermediary should contact the relevant financial intermediary for instructions on how to exercise the Subscription Rights.

See Section 12 "Selling and transfer restrictions" below for a description of certain restrictions and prohibitions applicable to the exercise of Subscription Rights in certain jurisdictions.

### 11.13.5 Method of Payment

Any Existing Shareholder who holds its Subscription Rights through a financial intermediary should pay the Subscription Price for the Offer Shares that are allocated to it in accordance with the instructions received from the financial intermediary.

The financial intermediary must pay the Subscription Price in accordance with the instructions in the Prospectus. Payment by the financial intermediary for the Offer Shares must be made to the Managers no later than the Payment Date.

Accordingly, financial intermediaries may require payment to be provided to them prior to the Payment Date.

## 11.14 Allocation of the Offer Shares

Allocation of the Offer Shares will take place on or about 7 October 2024 in accordance with the following criteria:

- (i) First, Offer Shares will be allocated in accordance with granted and acquired Subscription Rights to subscribers who have validly exercised Subscription Rights during the Subscription Period;
- (ii) Second, any unallocated Offer Shares following the allocation under (i) above shall be allocated to subscribers who have over-subscribed on a pro-rata basis on the number of Subscription Rights exercised by each subscriber;
- (iii) Third, any unallocated Offer Shares following the allocation under (ii) above shall be allocated on a pro-rata basis to Underwriters who have subscribed for Offer Shares, however limited upwards to each

such Underwriter's respective Underwriting Obligation for the aggregate Underwriting Obligation of NOK 641.7 million (corresponding to USD 60.0 million at an exchange rate of USD:NOK 1:10.695).

- (iv) Fourth, any unallocated Offer Shares following the allocation under (iii) above shall be allocated to Underwriters who have subscribed for Offer Shares in excess of their respective Underwriting Obligation on a pro-rata basis;
- (v) Fifth, any unallocated Offer Shares following the allocation under (iv) above shall be allocated to subscribers without Subscription Rights; and
- (vi) Finally, any unallocated Offer Shares following the allocation under (v) above shall be allocated to the Underwriters who has not fulfilled their underwriting obligation through subscription for Offer Shares in the Subscription Period, pro rata to their respective Underwriting Obligations as further described in Section 11.21 "The Underwriting".

No fractional Offer Shares will be allocated. The Company reserves the right to round off, reject or reduce any subscription for Offer Shares not covered by Subscription Rights (i.e. over-subscription or subscriptions made without Subscription Rights) and will only allocate such Offer Shares to the extent that Offer Shares are available to cover over-subscription based on Subscription Rights or subscriptions made without Subscription Rights.

Allocation of fewer Offer Shares than subscribed for by a subscriber will not impact on the subscriber's obligation to pay for the number of Offer Shares allocated.

Any Offer Shares that are unsubscribed by the end of the Subscription Period will be subscribed by the Underwriters, up to the amount of their aggregate Underwriting Obligations, in accordance with their Underwriting Obligations, as described in Section 11.21 "The Underwriting".

Subscribers in the Rights Issue will, for every Offer Share allocated and paid, receive 0.5 Warrant.

The result of the Rights Issue is expected to be published on or about 7 October 2024 in the form of a stock exchange notification from the Company through the Company's site on NewsWeb and on the Company's webpage ([www.atlanticsapphire.com](http://www.atlanticsapphire.com)). Notifications of allocated Offer Shares and corresponding subscription amount to be paid by each subscriber are expected to be distributed in a letter from the VPS on or about 7 October 2024. Subscribers having access to investor services through their VPS account manager will be able to check the number of Offer Shares allocated to them from 12:00 (CEST) on 7 October 2024. Subscribers who do not have access to investor services through their VPS account manager may contact one of the Managers from 12:00 (CEST) on 7 October 2024 to obtain information about the number of Offer Shares allocated to them.

For allocation of Underwriting Commission Shares, please refer to Section 11.21 "The Underwriting".

#### **11.15 Payment for the Offer Shares**

The payment for Offer Shares allocated to a subscriber falls due on 10 October 2024 (the Payment Date). Payment must be made in accordance with the requirements set out in this Section 11.15. Payment for the Underwriting Commission Shares will be made by set-off, where the Company's claim for share deposit will be

set-off against the Underwriters' claim for underwriting commission (to be documented by the Company's issuance of a promissory note after registration of the share capital increase pertaining to the Rights Issue).

#### 11.15.1 Subscribers who have a Norwegian bank account

Subscribers who have a Norwegian bank account must, and will by signing the Subscription Form or by submitting the online subscription registration for subscriptions through the VPS online subscription system, provide each of the Managers with a one-time irrevocable authorisation to debit a specified bank account with a Norwegian bank for the amount payable for the Offer Shares which are allocated to the subscriber.

The specified bank account is expected to be debited on or after the Payment Date. The Managers are only authorised to debit such account once but reserves the right to make up to three debit attempts, and the authorisation will be valid for up to seven working days after the Payment Date.

The subscriber furthermore authorises the Managers to obtain confirmation from the subscriber's bank that the subscriber has the right to dispose over the specified account and that there are sufficient funds in the account to cover the payment.

If there are insufficient funds in a subscriber's bank account or if it for other reasons is impossible to debit such bank account when a debit attempt is made pursuant to the authorisation from the subscriber, the subscriber's obligation to pay for the Offer Shares will be deemed overdue.

Payment by direct debiting is a service that banks in Norway provide in cooperation. In the relationship between the subscriber and the subscriber's bank, the standard terms and conditions for "Payment by Direct Debiting – Securities Trading", which are set out on page 2 of the Subscription Form, will apply, provided, however, that subscribers who subscribe for an amount exceeding NOK 5 million by signing the Subscription Form provide the each of the Managers with a one-time irrevocable authorisation to manually debit the specified bank account for the entire subscription amount.

#### 11.15.2 Subscribers who do not have a Norwegian bank account

Subscribers who do not have a Norwegian bank account must ensure that payment with cleared funds for the Offer Shares allocated to them is made on or before the Payment Date.

Prior to any such payment being made, the subscriber must contact the Managers for further details and instructions.

#### 11.15.3 Overdue payments

Overdue payments will be charged with interest at the applicable rate from time to time under the Norwegian Act on Interest on Overdue Payment of 17 December 1976 no. 100, currently 12.5% per annum as of the date of this Prospectus. If a subscriber fails to comply with the terms of payment, the Offer Shares will, subject to the restrictions in the Norwegian Public Limited Companies Act and at the discretion of the Managers, not be delivered to the subscriber.

The Managers, on behalf of the Company, reserve the right, at the risk and cost of the subscriber, at any time, to cancel the subscription and to re-allocate or otherwise dispose of allocated Offer Shares for which payment is overdue, or, if payment has not been received by the third day after the Payment Date, without further notice sell, assume ownership to or otherwise dispose of the allocated Offer Shares on such terms and in such manner

as the Managers may decide in accordance with Norwegian law. The subscriber will remain liable for payment of the subscription amount, together with any interest, costs, charges and expenses accrued and the Managers, on behalf of the Company, may enforce payment for any such amount outstanding in accordance with Norwegian law.

The Company and the Managers further reserve the right (but have no obligation) to have the Managers advance the subscription amount on behalf of subscribers who have not paid for the Offer Shares allocated to them within the Payment Date. The non-paying subscribers will remain fully liable for the subscription amount payable for the Offer Shares allocated to them, irrespective of such payment by the Managers.

#### **11.16 Delivery and listing of the Offer Shares and Warrants**

Subject to timely payment of the entire subscription amount in the Rights Issue, the share capital increase pertaining to the Offer Shares will be registered with the Norwegian Register of Business Enterprises ("NRBE") on or about 15 October 2024 and the Offer Shares and the Warrants will be delivered to the VPS accounts of the subscribers to whom they are allocated on or about 16 October 2024. The final deadline for registration of the share capital increase pertaining to the Offer Shares in the NRBE, and hence the subsequent delivery of the Offer Shares, is, pursuant to the Norwegian Public Limited Liability Companies Act, three months from the expiry of the subscription period (i.e. 4 January 2025).

The share capital increase pertaining to the Underwriting Commission Shares is expected to be registered with the NRBE on or about 17 October 2024, and will be delivered to the VPS accounts of the Underwriters on or about 18 October 2024.

All subscribers for Offer Shares and Warrants must have a valid VPS account to receive the Offer Shares and the Warrants.

Trading in the Offer Shares on Oslo Stock Exchange is expected to commence on or about 16 October 2024. Trading in the Underwriting Commission Shares on the Oslo Stock Exchange is expected to commence on or about 18 October 2024. Neither the Offer Shares nor the Underwriting Commission Shares may be transferred or traded before they are fully paid and the share capital increases pertaining to the Offer Shares in the Rights Issue and the Underwriting Commission Shares, respectively, has been registered with the NRBE and the Offer Shares and the Underwriting Commission Shares, respectively, have been issued in the VPS. For the avoidance of doubt, transfer and trade of the Offer Shares can commence immediately after registration of the share capital increase pertaining to the Rights Issue with the NRBE and issuance of the Offer Shares in the VPS.

All of the Offer Shares and the Underwriting Commission Shares will be subject to admission to trading on Oslo Stock Exchange. The Shares will not be sought or admitted to trading on any other regulated market.

The Company has applied for listing of the Warrants, and the Company anticipates that Warrants will become listed on the Oslo Stock Exchange shortly after delivery of such Warrants, but no assurance can be given that such listing will actually occur.

#### **11.17 The rights conferred by the Offer Shares**

The Offer Shares issued in the Rights Issue and the Underwriting Commission Shares will be ordinary Shares in the Company each having a nominal value of NOK 0.05 and be issued in accordance with the Norwegian Public Limited Liability Companies Act with ISIN NO 0013249896. The Offer Shares and the Underwriting Commission Shares will rank *pari passu* in all respects with the existing shares and carry full shareholder rights in the

Company from the date of registration of the share capital increase pertaining to the Offer Shares in the NRBE. The Offer Shares and the Underwriting Commission Shares are eligible for any dividends the Company may declare after said date. For a description of rights attached to the Shares, please refer to Section 8 "Corporate Information; Shares and Share capital; Shareholders".

#### **11.18 VPS Registration**

The Offer Shares and the Underwriting Commission Shares will be issued electronically in book-entry form in the VPS with ISIN NO 0013249896, i.e., the same ISIN as the Company's existing Shares. The Subscription Rights will be issued electronically in book-entry form in the VPS and will hold ISIN NO 001 3336222. The Warrants will be issued electronically in book-entry form in the VPS and will hold ISIN 0013340802.

The Company's VPS Registrar is DNB Bank ASA, Dronning Eufemias gate 30, 0191 Oslo, Norway.

#### **11.19 National Client Identifier and Legal Entity Identifier**

In order to participate in the Rights Issue, applicants will need a global identification code. Physical persons will need a so-called National Client Identifier ("**NCI**") and legal entities will need a so-called Legal Entity Identifier LEI.

Physical persons need an NCI code to participate in a financial market transaction. For physical persons with only a Norwegian citizenship, the NCI code is the 11-digit personal ID (*Norwegian: fødselsnummer*). If the person in question has multiple citizenships or another citizenship than Norwegian, another relevant NCI code can be used. Investors are encouraged to contact their bank for further information.

Legal entities need a LEI code to participate in a financial market transaction. LEI is a mandatory number for all companies investing in the financial market from 1 January 2019. A LEI is a 20-character identifier that identifies distinct legal entities that engage in financial transactions. The Global Legal Identifier Foundation ("**GLEIF**") is not directly issuing LEIs, but instead it delegates this responsibility to Local Operating Units ("**LOU**").

Norwegian companies can apply for a LEI number through various LOUs, including through the website <https://no.nordlei.org/>. The application can be submitted through an online form and signed electronically with BankID. It normally takes one to two working days to process the application.

Non-Norwegian companies can find a complete list of LOUs on the website <https://www.gleif.org/en/about-lei/get-an-lei-find-lei-issuing-organizations>.

#### **11.20 Dilution**

The following table shows a comparison of participation in the Company's share capital and voting rights for existing shareholders before and after the Rights Issue:



	Prior to the Rights Issue	Subsequent to the Rights Issue <sup>11</sup>	Subsequent to the issuance of Underwriting Commission Shares	Subsequent to the issuance of new shares upon exercise of all Warrants
Number of Shares each with a nominal value of NOK 0.05	112,108,442	6,956,908,442	7,598,608,448	15,299,008,448
% dilution		98.39%	98.52%	99.27%

The percentage dilution set out in the table above shows the situation for Existing Shareholders that do not exercise any of the Subscription Rights they are granted in the Rights Issue.

The Company's total assets (non-current assets and current assets taken together) and total liabilities (non-current liabilities and current liabilities taken together) as of 30 June 2024 were approximately USD 328.447 million and USD 63.717 million, respectively, which translates to approximately USD 2.36 in net asset value per Share at that date. The Subscription Price per Offer Share is NOK 0.10.

In addition, any conversion of the Convertible Loan to new Shares will result in dilution to shareholders that are not Lenders under the Convertible Loan.

#### 11.21 The Underwriting

Pursuant to the Underwriting Agreement dated 20 August 2024, the Underwriters have undertaken, severally and not jointly, and otherwise on the terms and conditions set out in the Underwriting Agreement, to partially underwrite the Rights Issue, i.e., with an aggregate amount of NOK 641.7 million (the "**Underwriting Obligation**"). The Underwriting Obligation only covers part of the maximum gross proceeds from the Rights Issue, and, subject to all Offer Shares being subscribed, the portion of the Rights Issue that is not underwritten will be NOK 42.78 million. If not all Offer Shares are subscribed, the total amount of the Rights Issue may be adjusted as set out in Section 11.1 "Overview of the Rights Issue" through transfer of proceeds to the Convertible Loan, and the portion of the Rights Issue that is not underwritten will in such case be gradually decreased from the number set out above.

The Underwriting Obligation of each Underwriter was denominated in USD, and the Underwriters have been given the possibility of settling any Offer Shares subscribed by the Underwriters in order to satisfy the Underwriting Obligations in either NOK or USD. Three Underwriters have elected to settle their underwriting Obligations in USD, and any Offer Shares to be subscribed pursuant to the Underwriting Obligations of these Underwriters will be settled through a contribution in-kind of approximately USD 0.00935 per Offer Share, which corresponds to NOK 0.10 at an applied exchange rate of USD:NOK of 1:10.695, which was set based on the FX forward rate available to the Company on 13 September 2024.

Pursuant to the Underwriting Agreement, each Underwriter shall receive an underwriting commission equal to 10% of their respective underwriting obligation, which shall be settled in new Shares in the Company (i.e. the Underwriting Commission Shares) to be issued at the Subscription Price. The issuance of the Underwriting Commission Shares to settle the underwriting commission is intended to be resolved by the Company's Board of Directors pursuant to an authorization to increase the share capital granted by the Company's general meeting held on 17 September 2024. The delivery of Underwriting Commission Shares is expected to take place

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<sup>11</sup> Assuming subscription of 6,844,800,000 Offer Shares.

following registration of the share capital increase pertaining to the Rights Issue, and delivery is currently expected on or about 18 October 2024.

Allocation of unsubscribed Offer Shares, up to the total aggregate amount of the Underwriting Obligation, among the Underwriters shall be made according to the following principles:

- (i) Any unsubscribed Offer Shares shall be allocated to each Underwriter based on the pro rata relationship between the Underwriters' Underwriting Obligation, taking into account any adjustments pursuant to paragraph (ii) below.
- (ii) To the extent an Underwriter has validly subscribed for, been allocated and paid for Offer Shares in the Rights Issue, the relevant Underwriter shall be considered immediately released for a portion of its Underwriting Obligation equal to the size of the subscription by the relevant Underwriter.

The obligations of the Underwriters pursuant to the Underwriting Agreements are subject to satisfaction of certain conditions, including (i) the Underwriters having underwritten the full Underwriting Obligation of NOK 641.7 million, (ii) approval by an extraordinary general meeting of the Company of the share capital increase relating to the Offer Shares in the Rights Issue, the issuance of the Warrants and the issuance of the Convertible Loan, and (iii) a prospectus relating to the Rights Issue, as approved by the Norwegian Financial Supervisory Authority, being published by the Company.

All of the above conditions have been satisfied as of the date of this Prospectus, subject only to publication of this Prospectus.

The table below shows the subscription amount each Underwriter has undertaken to underwrite:

Name	Address	Underwritten amount under Underwriting Obligation (USD or NOK)	% of total Underwriting Obligation	Shares to be received as Underwriting commission
Nordlaks Holding AS	Industriveien 14, 8450 Stokmarknes, Norway	NOK 160,425,000	25.00	160,425,000
Condire Management LP	1717 McKinney Avenue, Suite 850, Dallas, Texas 75202, USA	USD 15,000,000	25.00	160,425,000
Strawberry Capital AS	c/o Strawberry Group AS, Postboks 2424 Solli, 0201 Oslo, Norway	NOK 53,475,000	8.33	53,475,000
Nokomis Capital, LLC	1717 McKinney Avenue, Dallas, Texas 75202, USA	USD 15,000,000	25.00	160,425,000
Pelham Long/ Short Master Fund Ltd.	c/o Pelham Long/ Short Bermuda Ltd., Hamilton, Bermuda HM11	USD 1,694,398	2.82	18,121,586
Joh Johannson Eiendom AS	Postboks 130 Sentrum, 0102 Oslo, Norway	NOK 36,243,184	5.65	36,243,183
Wenaasgruppen AS	Sørsidevegen 1740, 6386 Måndalen, Norway	NOK 6,817,346	1.06	6,817,345
Vartdal Holding AS	6170 Vartdal, Norway	NOK 5,900,389	0.92	5,900,388

Nerland Investment	Tømmervegen 2, 6445 Malmefjorden, Norway	NOK 3,624,322	0.56	3,624,321
Kontrari AS	Postboks 356, 4379 Egersund, Norway	NOK 36,243,184	5.65	36,243,183
<b>Total</b>		<b>USD 60,000,001/ NOK 641,700,011</b>	<b>100.00</b>	<b>641,700,006</b>

The Underwriting Obligation will expire in the event that the Underwriters are not notified of any allocation under the Underwriting Obligation within 29 November 2024. Prior to that date, the Underwriters may terminate the Underwriting Agreement in the event that the Company is in material breach of the Underwriting Agreement. The Company may at any time prior to the registration of the share capital increase pertaining to the Offer Shares in the Rights Issue terminate the Underwriting Agreement.

In such events, the completion of the Rights Issue may be delayed or not capable of being registered in the NRBE, if the aggregate minimum subscription amount for the Offer Shares, as set out in the resolution by the Company's extraordinary general meeting on 17 September 2024 in Section 11.4 "Resolutions by the Company's general meeting", is not received by the Company on time or at all. If a minimum amount resolved by the general meeting is not subscribed at the end of a subscription period, the capital increase is void, cf. Section 10-8 of the PLCA. The subscription of the minimum number of Offer Shares to be issued is underwritten by the Underwriters, and as such, non-subscription of the minimum number of Offer Shares will only occur if the Underwriters does not satisfy their Underwriting Obligations.

#### **11.22 Net proceeds and expenses related to the Rights Issue**

Assuming subscription of all Offer Shares in the Rights Issue, transaction costs and all other directly attributable costs in connection with the issuance of the Offer Shares will depend on the total amount of Offer Shares issued. If all Offer Shares are issued, total expenses are estimated to approximately NOK 37.5 million (excluding the aggregate underwriting fee as this shall be settled through the issuance of new Shares), thus resulting in net proceeds of up to approximately NOK 646.98 million. The underwriting fee will be 10% of the Underwriting Obligation (i.e., the fee will amount to a total of approximately NOK 64.17 million) and will be settled through the issuance of new Shares. No expenses or taxes will be charged to the investors by the Company.

#### **11.23 Interests of natural and legal persons involved in the Rights Issue**

Certain of the Underwriters are Existing Shareholders and will receive Subscription Rights for which they may exercise to acquire Offer Shares. Further, each Underwriter will upon completion of the Rights Issue receive an underwriting fee of 10% of their respective Underwriting Obligation, to be settled in new Shares in the Company.

The Managers and/or their affiliates have provided from time to time, and may provide in the future, investment and commercial banking services to the Company and its affiliates in the ordinary course of business, for which they may have received and may continue to receive customary fees and commissions. The Manager, their employees and any affiliates may currently own existing Shares in the Company. Further, in connection with the Rights Issue, the Managers, their employees and any affiliate acting as an investor for its own account may receive Subscription Rights (if they are Existing Shareholders) and may exercise its right to take up such Subscription Rights and acquire Offer Shares, and, in that capacity, may retain, purchase or sell Subscription Rights or Offer Shares and any other securities of the Company or other investments for its own account and may offer or sell such securities (or other investments) otherwise than in connection with the Rights Issue. The Managers do not intend to disclose the extent of any such investments or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

The Managers will receive a fee in connection with the Rights Issue, and, thus, have an interest in the Rights Issue.

Other than the above, the Company is not aware of any interest, including conflicting ones, of natural and legal persons involved in the Rights Issue.

#### **11.24 Participation of major Existing Shareholders and members of the Company's Management or Board of Directors in the Rights Issue**

Nordlaks and Condire have pre-committed to use their Subscription Rights to subscribe for their pro-rata share of the Rights Issue.

In addition, certain Existing Shareholders (including major shareholders Nordlaks, Condire and Joh Johansson Eiendom AS) have made underwriting commitments pursuant to the Underwriting Agreement (see Section 11.21 "The Underwriting").

Other than as set out above, the Company is not aware of whether any major shareholders of the Company or members of the Company's Management, supervisory or administrative bodies intend to subscribe for Offer Shares in the Rights Issue, or whether any person intends to subscribe for more than 5% of the Rights Issue.

#### **11.25 Publication of information related to the Rights Issue**

In addition to press releases which will be posted on the Company's website, [www.atlanticsapphire.com](http://www.atlanticsapphire.com), the Company will use the Oslo Stock Exchange's information system, available at [www.newswest.no](http://www.newswest.no), to publish information regarding the Rights Issue.

#### **11.26 Product governance**

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended (MiFID II); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the MiFID II Product Governance Requirements), and disclaiming all and any liability, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Shares have been subject to a product approval process, which has determined that they each are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the Target Market Assessment).

Notwithstanding the Target Market Assessment, distributors should note that: the price of the Shares may decline and investors could lose all or part of their investment; the Shares offer no guaranteed income and no capital protection; and an investment in the Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. Each distributor is responsible for undertaking its own Target Market Assessment in respect of the Shares and determining appropriate distribution channels.

The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Rights Issue. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Managers will only procure investors who meet the criteria of professional clients and eligible counterparties. For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Shares.

## **11.27 The Warrants**

### **11.27.1 Grant and subscription of Warrants**

The subscribers in the Rights Issue will be allocated 0.5 Warrant issued by the Company for every one (1) Offer Share allocated and paid for in the Rights Issue. Each whole Warrant will give the holder the right to subscribe for one (1) new Shares in the Company, by payment of a strike price as described below. The Warrants will be granted free of charge. Over-subscription of Warrants is not permitted.

In addition to the Warrants granted to subscribers in the Rights Issue, the Company shall also issue Warrants as set out below:

- 0.5 tradable Warrants will be issued to each Underwriter for each Offer Share in the Rights Issue that the Underwriter has guaranteed subscription for (rounded down to the nearest whole number of Warrants); and
- 0.5 tradable Warrants will be issued to Condire and Nordlaks for each share that would have been allocated to them had the funds in the Convertible Loan instead been subscribed in the Rights Issue (rounded down to the nearest whole number of Warrants).

The subscription period for the Warrants to be allocated to subscribers in the Rights Issue shall be the same as the Subscription Period in the Rights Issue. The Warrants will be credited to and registered on the VPS account of each subscriber in the Rights Issue on or about 16 October 2024 under ISIN NO 0013340802.

Subscriptions for Warrants are made in the same Subscription Form as used for the Offer Shares, and otherwise pursuant to the same procedures as for the Offer Shares. Please refer to Section 11.10 "Subscription procedures" for further information.

The Company has applied for listing of the Warrants, and the Company anticipates that Warrants will become listed on the Oslo Stock Exchange shortly after delivery of such Warrants, but no assurance can be given that such listing will actually occur.

**The Warrants must be subscribed for before the expiry of the Subscription Period (i.e. on 4 October 2024 at 16.30 hours (CEST). Warrants that have been subscribed and allocated must be exercised or sold before the expiry of 14 December 2026 at 16.30 hours (CET). Any Warrants that are not subscribed before 4 October 2024 at 16.30 hours (CEST) will not be allocated and Warrants not exercised or sold before 14 December 2026 at 16.30 hours (CET), as further described in Section 11.27.2 "Exercise of Warrants and further terms" below, will have no value and will lapse without compensation to the holder. Holders of Warrants (whether granted or acquired) should note that subscriptions, sale and exercise of the Warrants must be made in accordance with the procedures set out in this Prospectus and that the acquisition of Warrants does not in itself constitute a subscription of new Shares in the Company.**

#### 11.27.2 Exercise of Warrants and further terms

Each Warrant can be exercised in the following exercise windows, and at the following exercise prices and pursuant to the following terms:

- (i) Warrants may be exercised in the first 10 business days of December 2025, at an exercise price of NOK 0.12 per share.
- (ii) Warrants may be exercised in the first 10 business days of December 2026, at an exercise price of NOK 0.13 per share.
- (iii) Warrants may be exercised if the Company carries out a Qualifying Equity Raise before 14 December 2026. A Qualifying Equity Raise is considered completed when the share capital increase that leads to a Qualifying Equity Raise has been registered in the Norwegian Register of Business Enterprises. The exercise price upon a Qualifying Equity Raise shall be NOK 0.115 per share, alternatively as adjusted as set out below. Warrants that are exercised upon a Qualifying Equity Raise must be exercised in connection with such Qualifying Equity Raise, within (but not conditional upon the Company giving such notification) 10 business days after the Company has notified the Warrant holders of (i) a potential Qualifying Equity Raise, and (ii) the exercise period for Warrants in connection with the Qualifying Equity Raise (such notice may, inter alia, be given as a stock exchange notice, in the notice period for a general meeting that shall approve a Qualifying Equity Raise or after registration of a Qualifying Equity Raise in the Norwegian Register of Business Enterprises. The exercise will be conditional upon completion of the Qualifying Equity Raise.
- (iv) In the period starting four months after the completion of a Qualifying Equity Raise and ending on 14 December 2026 (the "**Calculation Period**"), the Company shall issue a stock exchange notice if the volume weighted exercise price of the Company's shares on the Oslo Stock Exchange exceeds 200% of the Warrant exercise price then in effect over a period of 20 consecutive trading days (where also trading days prior to the Calculation Period may be included, provided that the period of 20 consecutive trading days expire in the Calculation Period). Following such stock exchange notice, the Warrant holders shall have a right to exercise Warrants, in the subsequent 10 trading days, at either NOK 0.12 per share (if such stock exchange notice is published within the expiry of the 10 first trading days in December 2025), or at NOK 0.13 per share (if such stock exchange notice is published after the expiry of the 10 first trading days in December 2025), alternatively as adjusted pursuant to the other items in this resolution.
- (v) Following the expiry of the 10 first trading days in December 2026 (i.e. after 14 December 2026), the Warrants may not be exercised and will lapse without compensation.
- (vi) The Warrants must be exercised pursuant to such procedures as indicated by the Company prior to each exercise window.

The exercise prices of the Warrants may be adjusted as set out below:

- In the event of a resolution in the Company to increase or reduce the share capital, issuance of new subscription rights pursuant to the Norwegian Public Limited Liability Companies Act chapter 11, or resolution on liquidation, merger, demerger or transformation of the Company, the Warrant holders shall not have other rights than what explicitly follow from the law and as set out in the resolution relating to issuance of the Warrants;
- If the Company's shares are subject to reverse split or split, or the Company issues new shares by bonus issue, the number of Warrants owned by the Warrant holder and the exercise price shall be adjusted

accordingly so that the reverse split, split or bonus issue does not have an effect on the value of the Warrants;

- If the Company pays dividend to its shareholders or upon reduction of the share capital of the Company with distribution to shareholders, the exercise price shall be adjusted so that a deduction is made in the exercise price for 100% of the dividend or distribution resolved per Share in the Company (the exercise price may however not be reduced to lower than the nominal value per Share). In the event of a reduction of the share capital of the Company without distribution, no adjustment shall be made;
- In the event the Company resolves a merger where the Company is the acquiring entity, no adjustments shall be made. In the event the Company resolves a merger where the Company is the transferring entity, the Warrants shall be transferred to a right to subscribe shares in the acquiring entity on terms adjusted for the exchange ratio applicable to the merger;
- In the event the Company resolves a demerger, the Warrants shall be continued in both companies, for the same share of the two companies' shares as before the demerger, but the subscription price shall be adjusted based on the exchange ratio applicable to the demerger and the nominal value of the shares in the demerged company; and
- If the adjustment provisions stated above results in an exercise price lower than the nominal value of the Company's shares, the Board of Directors shall ensure that the Warrant holders are provided with fair market value compensation in order to compensate for not being able to exercise Warrants at such reduced exercised price.

The payment of the exercise price for new Shares in the Company following exercise of Warrants shall be as set out in separate instructions from the Company in connection with each exercise window, but is expected to fall due three trading days following expiry of the relevant exercise periods set out above.

Any new Shares in the Company that are issued upon exercise of the Warrants will be listed on the Oslo Stock Exchange under the ordinary ISIN of the Company's Shares (being ISIN NO 0013249896) and ticker code "ASA". The new Shares to be issued upon exercise of Warrants will be listed as soon as the pertaining share capital increase has been registered with the Norwegian Register of Business Enterprises and the New Shares have been issued in the VPS, and the Company has published a prospectus in relation to the listing of such Shares, if required. Whether a prospectus will be required in order to list the new Shares to be issued upon exercise of Warrants will depend on, *inter alia*, the number of Warrants exercised. The new Shares may not be transferred or traded before they are fully paid and the share capital increase pertaining to the issuance of such new Shares has been registered with the Norwegian Register of Business Enterprises and the new Shares have been issued in the VPS. If required, the new Shares may be issued at a separate, non-listed ISIN upon delivery, and the new Shares will in such case only become listed upon publication of a listing prospectus in relation to such Shares.

The new Shares that are issued following exercise of Warrants are entitled to dividend rights and other rights pursuant to the Norwegian Public Limited Liability Companies Act from the time of registration of the pertaining share capital increase in the Norwegian Register of Business Enterprises.

The gross proceeds to the Company from the exercise of Warrants will depend on the number of Warrants issued and exercised.

#### **11.28 Governing Law and Jurisdiction**

The Rights Issue, this Prospectus, and the Subscription Form, is governed by, and the Offer Shares, the Underwriting Commission Shares, the Subscription Rights and the Warrants are issued pursuant to, Norwegian

law. Any dispute arising out of, or in connection with, this Prospectus, the Subscription Form or the Rights Issue shall be subject to the exclusive jurisdiction of the courts of Norway, with Oslo as legal venue.



## **12 SELLING AND TRANSFER RESTRICTIONS**

### **12.1 General**

As a consequence of the following restrictions, prospective investors are advised to consult legal counsel prior to making any offer, resale, pledge or other transfer of the Shares, Subscription Rights and Warrants offered hereby.

Other than in Norway, the Company is not taking any action to permit a public offering of the Shares, the Subscription Rights and/ or the Warrants in any jurisdiction. Receipt of this Prospectus will not constitute an offer in those jurisdictions in which it would be illegal to make an offer and, in those circumstances, this Prospectus is for information only and should not be copied or redistributed. Except as otherwise disclosed in this Prospectus, if an investor receives a copy of this Prospectus in any jurisdiction other than Norway, the investor may not treat this Prospectus as constituting an invitation or offer to it, nor should the investor in any event deal in the Shares, the Subscription and/ or the Warrants unless, in the relevant jurisdiction, such an invitation or offer could lawfully be made to that investor, or the Shares, the Subscription Rights and/ or the Warrants could lawfully be dealt in without contravention of any unfulfilled registration or other legal requirements. Accordingly, if an investor receives a copy of this Prospectus, the investor should not distribute or send the same, or transfer Shares, Subscription Rights or Warrants to any person or in or into any jurisdiction where to do so would or might contravene local securities laws or regulations.

### **12.2 Selling restrictions**

#### **12.2.1 United States**

The Offer Shares, the Subscription Rights and the Warrants have not been and will not be registered under the U.S. Securities Act, and may not be offered or sold except: (i) within the United States to QIBs in reliance on Rule 144A; or (ii) to certain persons in offshore transactions in compliance with Regulation S under the U.S. Securities Act, and in accordance with any applicable securities laws of any state or territory of the United States or any other jurisdiction. Accordingly, each Manager has represented and agreed that it has not offered or sold, and will not offer or sell, any of the Offer Shares, the Subscription Rights and/ or the Warrants as part of its allocation at any time other than to QIBs in the United States in accordance with Rule 144A or outside of the United States in compliance with Rule 903 of Regulation S. Transfer of the Offer Shares, the Subscription Rights and the Warrants will be restricted and each purchaser of the Offer Shares, Subscription Rights and/ or Warrants in the United States will be required to make certain acknowledgements, representations and agreements, as described under Section 12.3.1 "United States".

Any offer or sale in the United States will be made by an affiliate of a Manager who is a broker-dealer registered under the U.S. Exchange Act. In addition, until 40 days after the commencement of the Rights Issue, an offer or sale of Offer Shares, the Subscription Rights and the Warrants within the United States by a dealer, whether or not participating in the Rights Issue, may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A of the U.S. Securities Act and in connection with any applicable state securities laws.

#### **12.2.2 United Kingdom**

This Prospectus and any other material in relation to the Rights Issue described herein is only being distributed to, and is only directed at persons in the United Kingdom who are qualified investors within the meaning of Article 2(e) of the Prospectus Regulation ("qualified investors") that are also (i) investment professionals falling

within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order"); (ii) high net worth entities or other persons falling within Article 49(2)(a) to (d) of the Order; or (iii) persons to whom distributions may otherwise lawfully be made (all such persons together being referred to as "Relevant Persons"). The Offer Shares, the Subscription Rights and the Warrants are only available to, and any investment or investment activity to which this Prospectus relates is available only to, and will be engaged in only with, Relevant Persons). This Prospectus and its contents are confidential and should not be distributed, published or reproduced (in whole or in part) or disclosed by recipients to any other person in the United Kingdom. Persons who are not Relevant Persons should not take any action on the basis of this Prospectus and should not rely on it.

### 12.2.3 European Economic Area

In relation to each Relevant Member State, no Offer Shares, Subscription Rights or Warrants have been offered or will be offered to the public in that Relevant Member State, pursuant to the Rights Issue, except that Offer Shares, Subscription Rights and Warrants may be offered to the public in that Relevant Member State at any time in reliance on the following exemptions under the EU Prospectus Regulation:

- a) to persons who are "qualified investors" within the meaning of Article 2(e) in the EU Prospectus Regulation;
- b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the EU Prospectus Regulation) per Relevant Member State, with the prior written consent of the Managers for any such offer; or
- c) in any other circumstances falling within Article 1(4) of the EU Prospectus Regulation;

provided that no such offer of Offer Shares, Subscription Rights and/ or Warrants shall require the Company or the Managers to publish a prospectus pursuant to Article 3 of the EU Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the EU Prospectus Regulation.

For the purpose of this provision, the expression an "offer to the public" in relation to any Offer Shares, Subscription Rights and/ or Warrants in any Relevant Member State means a communication to persons in any form and by any means presenting sufficient information on the terms of the Rights Issue and the Offer Shares, Subscription Rights and/ or Warrants to be offered, so as to enable an investor to decide to acquire any Offer Shares, Subscription Rights and/ or Warrants.

Each person in a Relevant Member State who receives any communication in respect of, or who acquires any Offer Shares, Subscription Rights and/ or Warrants under, the Rights Issue contemplated hereby will be deemed to have represented, warranted and agreed to and with each of the Company and the Managers that it is a qualified investor within the meaning of Article 2(e) of the EU Prospectus Regulation.

This EEA selling restriction is in addition to any other selling restrictions set out in this Prospectus.

### 12.2.4 Additional jurisdictions

#### **Canada**

This Prospectus is not, and under no circumstance is to be construed as, a prospectus, an advertisement or a public offering of the Offer Shares, the Subscription Rights and the Warrants in Canada or any province or territory thereof. Any offer or sale of the Offer Shares, the Subscription Rights and/ or the Warrants in Canada will be made only pursuant to an exemption from the requirements to file a prospectus with the relevant Canadian securities regulators and only by a dealer properly registered under applicable provincial securities

laws or, alternatively, pursuant to an exemption from the dealer registration requirement in the relevant province or territory of Canada in which such offer or sale is made.

### ***Hong Kong***

The Offer Shares, the Subscription Rights and/ or the Warrants may not be offered or sold in Hong Kong by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap. 32) of Hong Kong, or (ii) to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a "prospectus" within the meaning of the Companies Ordinance (Cap. 32) of Hong Kong, and no advertisement, invitation or document relating to the Offer Shares, the Subscription Rights and/ or the Warrants may be issued or may be in the possession of any person for the purposes of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Offer Shares, Subscription Rights and/ or Warrants which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made thereunder.

### ***Singapore***

This Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Offer Shares, the Subscription Rights and/ or the Warrants may not be circulated or distributed, nor may they be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"), (ii) to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

#### **12.2.5 Other jurisdictions**

The Offer Shares, the Subscription Rights and the Warrants may not be offered, sold, resold, transferred or delivered, directly or indirectly, in or into, Japan, Australia or any other jurisdiction in which it would not be permissible to offer the Offer Shares, the Subscription Rights and the Warrants.

In jurisdictions outside the United States and the EEA where the Rights Issue would be permissible, the Offer Shares, the Subscription Rights and the Warrants will only be offered pursuant to applicable exceptions from prospectus requirements in such jurisdictions.

### **12.3 Transfer restrictions**

#### **12.3.1 United States**

The Offer Shares, the Subscription Rights and the Warrants have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Terms defined in Rule 144A or Regulation S shall have the same meaning when used in this Section.

Each purchaser of the Offer Shares, the Subscription Rights and/ or the Warrants outside the United States pursuant to Regulation S will be deemed to have acknowledged, represented and agreed that it has received a copy of this Prospectus and such other information as it deems necessary to make an informed decision and that:

- The purchaser is authorised to consummate the purchase of the Offer Shares, the Subscription Rights and/ or the Warrants in compliance with all applicable laws and regulations.
- The purchaser acknowledges that the Offer Shares, the Subscription Rights and the Warrants have not been and will not be registered under the U.S. Securities Act, or with any securities regulatory authority or any state of the United States, and are subject to significant restrictions on transfer.
- The purchaser is, and the person, if any, for whose account or benefit the purchaser is acquiring the Offer Shares, the Subscription Rights and/ or the Warrants was located outside the United States at the time the buy order for the Offer Shares, the Subscription Rights and/ or the Warrants was originated and continues to be located outside the United States and has not purchased the Offer Shares, the Subscription Rights and/ or the Warrants for the benefit of any person in the United States or entered into any arrangement for the transfer of the Offer Shares, the Subscription Rights and/ or the Warrants to any person in the United States.
- The purchaser is not an affiliate of the Company or a person acting on behalf of such affiliate, and is not in the business of buying and selling securities or, if it is in such business, it did not acquire the Offer Shares, the Subscription Rights and/ or the Warrants from the Company or an affiliate thereof in the initial distribution of such Shares, Subscription Rights and/ or Warrants.
- The purchaser is aware of the restrictions on the offer and sale of the Offer Shares, the Subscription Rights and/ or the Warrants pursuant to Regulation S described in this Prospectus.
- The Offer Shares, the Subscription Rights and/ or the Warrants have not been offered to it by means of any "directed selling efforts" as defined in Regulation S.
- The Company shall not recognise any offer, sale, pledge or other transfer of the Offer Shares, the Subscription Rights and/ or the Warrants made other than in compliance with the above restrictions.
- The purchaser acknowledges that the Company, the Managers and their respective advisers will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.
- Each purchaser of the Offer Shares, the Subscription Rights and/ or the Warrants within the United States pursuant to Rule 144A will be deemed to have acknowledged, represented and agreed that it has received a copy of this Prospectus and such other information as it deems necessary to make an informed investment decision and that:
- The purchaser is authorised to consummate the purchase of the Offer Shares, the Subscription Rights and/ or the Warrants in compliance with all applicable laws and regulations.
- The purchaser acknowledges that the Offer Shares, the Subscription Rights and/ or the Warrants have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and are subject to significant restrictions to transfer.
- The purchaser (i) is a QIB (as defined in Rule 144A), (ii) is aware that the sale to it is being made in reliance on Rule 144A and (iii) is acquiring such Offer Shares, Subscription Rights and/ or Warrants for its own account or for the account of a QIB, in each case for investment and not with a view to any resale or distribution to the Offer Shares, the Subscription Rights and/ or the Warrants.

- The purchaser is aware that the Offer Shares, the Subscription Rights and/ or the Warrants are being offered in the United States in a transaction not involving any public offering in the United States within the meaning of the U.S. Securities Act.
- If, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Offer Shares, the Subscription Rights and/ or the Warrants as the case may be, such Shares, Subscription Rights and/ or Warrants may be offered, sold, pledged or otherwise transferred only (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, (ii) in accordance with Regulation S, (iii) in accordance with Rule 144 (if available), (iv) pursuant to any other exemption from the registration requirements of the U.S. Securities Act, subject to the receipt by the Company of an opinion of counsel or such other evidence that the Company may reasonably require that such sale or transfer is in compliance with the U.S. Securities Act or (v) pursuant to an effective registration statement under the U.S. Securities Act, in each case in accordance with any applicable securities laws of any state or territory of the United States or any other jurisdiction.
- The purchaser is not an affiliate of the Company or a person acting on behalf of such affiliate, and is not in the business of buying and selling securities or, if it is in such business, it did not acquire the Offer Shares the Subscription Rights and/ or the Warrants from the Company or an affiliate thereof in the initial distribution of such Shares.
- The Offer Shares, the Subscription Rights and/ or the Warrants are "restricted securities" within the meaning of Rule 144(a) (3) and no representation is made as to the availability of the exemption provided by Rule 144 for resales of any Offer Shares, the Subscription Rights and/ or the Warrants, as the case may be.
- The Company shall not recognise any offer, sale pledge or other transfer of the Offer Shares, the Subscription Rights and/ or the Warrants made other than in compliance with the above-stated restrictions.
- The purchaser acknowledges that the Company, the Joint Bookrunners and their respective advisers will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

### 12.3.2 European Economic Area

Each person in a Relevant Member State (other than, in the case of paragraph (a), persons receiving offers contemplated in this Prospectus in Norway) who receives any communication in respect of, or who acquires any Offer Shares, Subscription Rights and/ or Warrants under, the offers contemplated in this Prospectus will be deemed to have represented, warranted and agreed to and with each Manager and the Company that:

- a) it is a qualified investor within the meaning of Articles 21 of the EU Prospectus Regulation; and
- b) in the case of any Offer Shares, Subscription Rights and/ or Warrants acquired by it as a financial intermediary, as that term is used in Article 1 of the EU Prospectus Regulation, (i) the Offer Shares, Subscription Rights and/ or Warrants acquired by it in the offer have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than qualified investors, as that term is defined in the EU Prospectus Regulation, or in circumstances in which the prior consent of the Managers have been given to the offer or resale; or (ii) where Offer Shares, Subscription Rights and/ or Warrants have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those Shares to it is not treated under the EU Prospectus Regulation as having been made to such persons.

For the purpose of this representation, the expression an "offer to the public" in relation to any Offer Shares, Subscription Rights and/ or Warrants in any Relevant Member State means a communication to persons in any form and by any means presenting sufficient information on the terms of the Rights Issue and the Offer Shares, Subscription Rights and Warrants to be offered, so as to enable an investor to decide to acquire any Offer Shares, Subscription Rights or Warrants.

## 13 REGULATORY DISCLOSURES

### 13.1 Legal requirements to disclose certain information

Public limited liability companies listed on the Oslo Stock Exchange are subject to disclosure requirements pursuant to the Norwegian Securities Trading Act and the Continuing Obligations of the Oslo Stock Exchange. Section 15.2 "Overview and summary of information disclosed to the market" below provides an overview of the disclosures published on the Company's profile on [www.newsweb.no](http://www.newsweb.no) during the last 12 months prior to the date of this Prospectus.

### 13.2 Overview and summary of information disclosed to the market

INSIDE INFORMATION			
Date	Title	Description	Cross references in this Prospectus
19 September 2023	Contemplated Private Placement	Information that the Company contemplated carrying out a private Placement.	N/A
19 September 2023	Private Placement Successfully Placed	Information that a private placement had been successfully placed.	N/A
29 February 2024	Contemplated Underwritten Private Placement and Q4 Operational Update	Information that the Company contemplated carrying out the Private Placement	N/A
29 February 2024	Private Placement Successfully Placed	Information that the Private Placement had been successfully placed.	N/A
20 August 2024	Proposed fully underwritten rights issue of up to USD 60 million and directed convertible loan issue of minimum USD 20 million	Announcement of the Rights Issue, the Warrants and the Convertible Loan	11/ 5.4.3
ADDITIONAL REGULATORY INFORMATION REQUIRED TO BE DISCLOSED			
Date	Title	Description	Cross references in this Prospectus
19 September 2023	Key information relating to a Potential Subsequent Offering	Disclosure of key information for the Subsequent Offering.	N/A
11 October 2023	Update on Water Temperatures and Q3 Trading Update	Disclosure of updated information on water temperatures and a	N/A

		general trading update for Q3 2023.	
30 October 2023	Changes to Executive Management	Information that Johan Andreassen wishes to step down from his position as CEO, and that Mario Palma had been elected as new COO.	N/A
1 November 2023	Q3 2023 Operational Update	Publication of the Group's operational update for the third quarter of 2023	N/A
7 November 2023	Final results of the Subsequent Offering	Information on the final results of the subsequent offering carried out following the private placement announced in September 2023.	N/A
4 January 2024	Q4 2023 Trading Update	Publication of a trading update for the fourth quarter of 2023.	N/A
8 April 2024	Share capital increase to settle underwriting commission	Information related to the board of directors' resolution to issue the Consideration Shares.	N/A
9 April 2024	Q1 2024 trading update and invitation to a presentation of an operational update for Q1 2024	Publication of a trading update for the first quarter of 2024	N/A
2 May 2024	Key information relating to share split	Publication of a key information notice relating to a share split subject to the approval of an annual general meeting to be convened on 23 May 2024	N/A
2 May 2024	Key information relating to share split	Publication of a key information notice relating to a share split subject to the approval of an annual general meeting to be convened on 23 May 2024	N/A
3 May 2024	Correction: Key information relating to share split	Publication of a corrected key information notice relating to a share split subject to the approval of an annual general meeting to be convened on 23 May 2024	N/A

6 May 2024	Appointment of New CFO/Deputy CEO	Information related that Gunnar Aasbo-Skinderhaug had been appointed new CFO and Deputy CEO	7.2
14 May 2024	Appointment of new CEO	Information that Pedro Courard had been appointed new CEO.	7.2
11 July 2024	Q2 2024 Trading Update and Invitation to Presentation of H1 Financial Statements and Operational Update	Publication of a trading update for the first half of 2024.	N/A
22 August 2024	Key information relating to the preferential rights issue to be carried out by Atlantic Sapphire ASA	Announcement of certain key information for the Rights Issue	11
13 September 2024	Proposed increase of size of Rights Issue – Revised proposals to the extraordinary general meeting	Disclosure of the increased size of the Rights and certain revised proposals to the extraordinary general meeting to be held on 17 September 2024.	11
13 September 2024	Updated key information relating to the preferential rights issue to be carried out by Atlantic Sapphire ASA	Announcement of updated key information for the Rights Issue	11

#### FINANCIAL REPORTS

Date	Title	Description	Cross references in this Prospectus
18 April 2024	Integrated Annual Report for 2023	Disclosure of the Annual Financial Statements for the year ended 31 December 2023.	14.1
24 May 2024	Integrated Annual Report in European Single Electronic Format (ESEF)	Disclosure of the Annual Financial Statements in ESEF format.	N/A
20 August 2024	First Half 2024 Report and Operational Update	Disclosure of the Interim Financial Statements for the six months period ended 30 June 2024, and an operational update	14.1

#### GENERAL MEETINGS

Date	Title	Description	Cross references in this Prospectus
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11 October 2023	Extraordinary General Meeting Concluded	Disclosure of the minutes of the extraordinary general meeting held on 11 October 2023.	N/A
22 March 2024	Extraordinary General Meeting Concluded	Disclosure of the minutes of the extraordinary general meeting held on 22 March 2024.	N/A
23 May 2024	Annual General Meeting Concluded	Disclosure of the minutes of the annual general meeting held on 23 May 2024	N/A

#### MAJOR SHAREHOLDING NOTIFICATIONS

Date	Title	Description	Cross references in this Prospectus
20 September 2023	Flagging i Atlantic Sapphire ASA	Disclosure that the shareholding of funds managed by Skagen AS had been reduced to less than 5% as a consequence of the private placement announced 19 September 2023.	N/A
28 September 2023	Disclosure of significant shareholding in Atlantic Sapphire ASA	Information that the shareholding of undertakings controlled by Pelham Capital Ltd. had sold Shares that implied that their shareholding decreased below 10% of the total number of outstanding Shares (prior to issuance of a shares in a second tranche of the private placement announced 19 September 2023)	8.5
11 October 2023	Disclosure of Large Shareholding	Information that funds and entities managed by Condire Investors, LLC and its affiliates had been allocated new Shares in the private placement announced 19 September 2023, implying that their shareholding had increased to more than 10% of the	8.5

		total number of outstanding Shares following completion of said private placement.	
11 October 2023	Disclosure of Large Shareholding	Information that VLTCM Ltd. and its affiliates had been allocated new Shares in the private placement announced 19 September 2023, implying that their shareholding had increased to more than 10% of the total number of outstanding Shares.	8.5
1 March 2024	Mandatory notification of trades and disclosure of large shareholdings	Information that the shareholdings of Nordlaks Holding AS and Strawberry Capital AS fell below the 10% and 5% thresholds, respectively, as a consequence of the effectuation of the share loans under the Share Lending Agreement relating to the DVP settlement of the Tranche 1 Shares	8.5
11 March 2024	Mandatory notification of trades and disclosure of large shareholdings	Information that the shareholdings of Nordlaks Holding AS and Strawberry Capital AS exceeded the 10% and 5% thresholds, respectively, as a consequence of redelivery of Tranche 1 Shares under the Share Lending Agreement.	8.5
22 March 2024	Mandatory notification of trades and disclosure of large shareholdings	Information that the shareholdings of Nordlaks Holding AS and Strawberry Capital AS fell below the 10% and 5% thresholds, respectively, as a consequence of delivery of Tranche 2 Shares under the Share Lending Agreement.	8.5
4 April 2024	Mandatory notification of trades and disclosure of large shareholdings	Information that the shareholdings of Nordlaks Holding AS and Strawberry	8.5

		Capital AS exceeded the 10% and 5% thresholds, respectively, as a consequence of redelivery of Tranche 2 Shares under the Share Lending Agreement.	
<b>MANDATORY NOTIFICATIONS OF TRADING BY PRIMARY INSIDERS</b>			
<b>Date</b>	<b>Title</b>	<b>Description</b>	<b>Cross references in this Prospectus</b>
19 September 2023	Notifiable Transactions in Connection with Private Placement – Tranche 1	Information that certain primary insiders and close associates of such had subscribed and been allocated new shares in the first tranche of the private placement announced on 19 September 2023.	N/A
11 October 2023	Notifiable Transactions in Connection with Private Placement – Tranche 2	Information that certain primary insiders and close associates of such had subscribed and been allocated new shares in the second tranche of the Private Placement announced on 19 September 2023.	N/A
1 March 2024	Mandatory notification of trades and disclosure of large shareholdings	Information that certain primary insiders and close associates had subscribed Shares, and/or lent out Shares, in tranche 1 of the Private Placement announced on 29 February 2024.	N/A
11 March 2024	Mandatory notification of trades and disclosure of large shareholdings	Information about the redelivery of Shares to certain close associates of primary insiders in accordance with a share lending agreement.	N/A
22 March 2024	Mandatory notification of trades and disclosure of large shareholdings	Information about the delivery of Shares from certain close associates of primary insiders in accordance with a share lending agreement.	N/A

4 April 2024	Mandatory notification of trades and disclosure of large shareholdings	Information about the redelivery of Shares from certain close associates of primary insiders, and the delivery of consideration shares from said persons, in accordance with a share lending agreement.	N/A
16 May 2024	Grant of Share Options – Primary insider notification	Disclosure that various employees, including primary insiders, had been granted share options.	N/A
24 June 2024	Grant of Share Options – Primary Insider Notification	Disclosure that various employees, including primary insiders, had been granted share options.	N/A
5 July 2024	Mandatory notification of trade	Information that AlSCO AS and JEA Invest AS (both close associates of primary insiders) had sold Shares.	N/A
21 August 2024	Mandatory notification of trade	Information that Blue Future Holding AS (a close associate of Board member Patrick Dempster) had sold Shares.	N/A
22 August 2024	Mandatory notification of trade	Information that Blue Future Holding AS (a close associate of Board member Patrick Dempster) had sold Shares.	N/A
<b>TOTAL NUMBER OF VOTING RIGHTS AND CAPITAL</b>			
<b>Date</b>	<b>Title</b>	<b>Description</b>	<b>Cross references in this Prospectus</b>
21 September 2023	Share Capital Increase Registered	Information that the Company's registered share capital had been increased to NOK 33,397,301.50 divided by 333,973,015 Shares, each with a par value of NOK 0.10.	N/A
12 October 2023	Share Capital Increase Registered	Information that the Company's registered share capital had been increased to NOK 78,040,158.60 divided by 780,401,586 Shares, each with a par value of NOK 0.10.	N/A

19 November 2023	Share Capital Increase Registered	Information that the Company's registered share capital had been increased to NOK 79,860,317.20 divided by 798,603,172 Shares, each with a par value of NOK 0.10.	N/A
11 March 2024	Share Capital Increase Registered	Information that the Company's registered share capital had been increased to NOK 95,468,317.20, divided into 954,683,172 shares, each with a nominal value of NOK 0.10.	N/A
4 April 2024	Share Capital Increase Registered	Information that the Company's registered share capital had been increased to NOK 110,572,817.20, divided into 1,105,728,172 shares, each with a nominal value of NOK 0.10.	N/A
12 April 2024	Share Capital Increase Registered	Information that the Company's registered share capital had been increased to NOK 112,108,441.50, divided into 1,121,084,415 shares, each with a nominal value of NOK 0.10.	N/A
28 May 2024	Registration of New Share Capital and Reverse Share Split	Information that the Company's registered share capital had been increased to NOK 112,108,442, divided into 112,108,442 shares, each with a par value of NOK 1.00, and, consequently, that a reverse share split had been registered.	N/A
<b>PROSPECTUS</b>			
<b>Date</b>	<b>Title</b>	<b>Description</b>	<b>Cross references in this Prospectus</b>
3 November 2023	Approval and Publication of Prospectus Supplement	Information that the Company had published a supplement to the prospectus dated 18 October 2023.	N/A

## 14 INCORPORATION BY REFERENCE AND DOCUMENTS

*The Norwegian Securities Trading Act and the Norwegian Securities Trading Regulations, implementing Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017, allow the Company to incorporate by reference information into this Prospectus that has been previously filed with the Oslo Stock Exchange or the NFSA in other documents.*

*The information which has been incorporated into this Prospectus by reference is set out in Section 14.1 "Cross reference table", and this Prospectus should be read in conjunction with the documents set out therein.*

### 14.1 Cross reference table

The information incorporated by reference in this Prospectus should be read in connection with the following cross reference table. References in the table to "Annex" and "Items" are references to the disclosure requirements as set forth in the Norwegian Securities Trading Act cf. the Norwegian Securities Trading Regulations by reference to such Annex (and Item therein) of the Commission Delegated Regulation (EU) 2017/1129.

Section in the Prospectus	Disclosure requirement	Reference document and link	Page (P) in reference document
1.2.2, 4.3, 13.2	Annex 3, item 11.1	<b>Annual Report 2023</b> <a href="https://atlanticsapphire.com/wp-content/uploads/2024/04/20230418-Atlantic-Sapphire-ASA-Integrated-Annual-Report-for-2023.pdf">https://atlanticsapphire.com/wp-content/uploads/2024/04/20230418-Atlantic-Sapphire-ASA-Integrated-Annual-Report-for-2023.pdf</a>	p. 105 - 186
1.2.2, 4.3, 13.2	Annex 3, item 11.1	<b>Auditor's Report 2023</b> <a href="https://atlanticsapphire.com/wp-content/uploads/2024/04/20240418-Atlantic-Sapphire-ASA-Integrated-Annual-Report-for-2023.pdf">https://atlanticsapphire.com/wp-content/uploads/2024/04/20240418-Atlantic-Sapphire-ASA-Integrated-Annual-Report-for-2023.pdf</a>	p. 189 -191
1.2.2, 4.3, 13.2	Annex 3, item 11.1	<b>Half yearly report for 2024</b> <a href="https://atlanticsapphire.com/wp-content/uploads/2024/08/AS-Half-Year-Report-2024-FINAL.pdf">https://atlanticsapphire.com/wp-content/uploads/2024/08/AS-Half-Year-Report-2024-FINAL.pdf</a>	All pages

### 14.2 Documents on display

For twelve months from the date of this Prospectus, copies of the following documents will be available for inspection at the Company's registered office during normal business hours from Monday through Friday each week (except public holidays) and on [www.atlanticsapphire.com](http://www.atlanticsapphire.com):

- The Articles of Association of the Company.
- All reports, letters, and other documents, historical financial information, valuations and statements prepared by any expert at the Company's request any part of which is included or referred to in the Prospectus.

## **15 ADDITIONAL INFORMATION**

### **15.1 Independent auditor**

The Company's independent auditor is PricewaterhouseCoopers AS (PwC), which has registration no. 987 009 713 and registered address at Dronning Eufemias gate 71, 0194 Oslo, Norway. PwC has been the Company's independent auditor since May 2022. PwC is a member of The Norwegian Institute of Public Accountants (Nw: *Den Norske Revisorforening*).

PwC has audited the Company's Annual Financial Statements, incorporated by reference in this Prospectus. PwC has not audited, reviewed or produced any report on any other information in this Prospectus.

### **15.2 Managers**

Arctic Securities AS (Haakon VIIs gate 5, 0161 Oslo, Norway) and DNB Markets, a part of DNB Bank ASA (Dronning Eufemias gate 30, 0190 Oslo, Norway) acted as Joint Bookrunners for the Company in connection with the Rights Issue.

### **15.3 Advisors**

Advokatfirmaet CLP DA is acting as legal adviser (as to Norwegian law) to the Company in connection with the Rights Issue. Advokatfirmaet BAHN AS acted as legal adviser (as to Norwegian law) to the Managers in connection with the Rights Issue.

### **15.4 Confirmation regarding sources**

The Company confirms that when information in this Prospectus has been sourced from a third party it has been accurately reproduced and as far as the Company is aware and is able to ascertain from the information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

## 16 DEFINITIONS

Defined term	Meaning
<b>11<sup>th</sup> Amendment of the Credit Facility</b>	Means the 11 <sup>th</sup> amendment of the Credit Facility, agreed and executed on 25 March 2024.
<b>13<sup>th</sup> Amendment of the Credit Facility</b>	Means the 13 <sup>th</sup> amendment of the Credit Facility, agreed and executed on 20 August 2024.
<b>Anti-Money Laundering Legislation...</b>	The Norwegian Money Laundering Act No. 23 of 1 June 2018 and the Norwegian Money Laundering Regulation No. 1324 of 14 September 2018.
<b>Annual Financial Statements.....</b>	The Company's audited consolidated financial statements as of, and for the year ended, 31 December 2023 with comparable figures as of, and for the year ended, 31 December 2022.
<b>APM.....</b>	Alternative Performance Measure.
<b>Arctic .....</b>	Arctic Securities AS.
<b>Articles of Association .....</b>	The Company's articles of association.
<b>Atlantic Sapphire .....</b>	The Company.
<b>Atlantic Sapphire Denmark .....</b>	Atlantic Sapphire Denmark A/S.
<b>Atlantic Sapphire USA .....</b>	Atlantic Sapphire USA LLC.
<b>Billund Construction.....</b>	Billund Aquaculture US Corp.
<b>Billund Design.....</b>	Billund Aquaculture A/S.
<b>Bluehouse .....</b>	Bluehouse®, the Group's production technology.
<b>Board of Directors .....</b>	The Company's board of directors.
<b>CET.....</b>	Central European Time.
<b>CEST.....</b>	Central European Summer Time.
<b>Clean Water Act.....</b>	The US Federal Water Pollution Control Act.
<b>Company .....</b>	Atlantic Sapphire ASA.
<b>Condire .....</b>	Condire Management L.P.
<b>Contractors .....</b>	Wharton-Smith Inc. and Hazen and Sawyer, D.P.C.
<b>Convertible Loan Agreement .....</b>	The final loan documentation for the Convertible Loan, expected to be entered into shortly after the date of this Prospectus.
<b>Convertible Loan.....</b>	The convertible loan of minimum USD 20 million and maximum USD 31 million, to be raised from Condire and Nordlaks in connection with the Rights Issue.
<b>Corporate Governance Code .....</b>	The Norwegian Corporate Governance Code, last updated 17 October 2018.
<b>Credit Facility .....</b>	The credit agreement dated as of 21 April 2020 (as amended, amended and restated, supplemented or otherwise modified from time to time), by and among Atlantic Sapphire USA LLC and Atlantic Sapphire Denmark A/S, as borrowers, Atlantic Sapphire AS, as parent guarantor, S.F. Development, L.L.C., AS Purchasing, LLC and Atlantic Sapphire IP, LLC, as subsidiary guarantors, DNB Bank ASA, New York Branch, as administrative and collateral agent and the lenders party thereto from time to time.
<b>Denmark Bluehouse .....</b>	The Group's production operations in Hvide Sande, Denmark.
<b>DHHS .....</b>	The US Department of Health and Human Service.
<b>Director(s) .....</b>	Member(s) of the Board of Directors.
<b>DNB Bank.....</b>	DNB Bank ASA, New York Branch.
<b>DNB Markets.....</b>	DNB Markets, a part of DNB Bank ASA.
<b>EBITDA .....</b>	An APM used by the Group, as further described in Section 4.3.2 "Alternative performance measures (APMs)".
<b>EBITDA Forecast.....</b>	The Company's forecast on achieving positive EBITDA for Phase, as further described in Section 6.6 "Profit forecasts".



<b>EEA</b> .....	European Economic Area
<b>EPA</b> .....	The Environmental Protection Agency.
<b>EU Prospectus Regulation</b> .....	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2014/71/EC.
<b>EUR</b> .....	The lawful common currency of the EU member states who have adopted the Euro as their sole national currency.
<b>Existing Shareholders</b> .....	Holders of the Company's Shares as of the Record Date.
<b>FDA</b> .....	The US Food And Drug Administration.
<b>Financial Information</b> .....	The Annual Financial Statements and the Interim Financial Statements jointly.
<b>FSMA</b> .....	The Financial Services and Markets Act 2000, as amended
<b>Group</b> .....	The Company and its subsidiaries.
<b>GLEIF</b> .....	The Global Legal Identifier Foundation.
<b>HOG</b> .....	The head-on-gutted weight measurement.
<b>Homestead Bluehouse</b> .....	The Group's production operations in Homestead, USA.
<b>IFRS</b> .....	IFRS® Accounting Standards as adopted by the EU.
<b>Ineligible Shareholders</b> .....	Existing Shareholders resident in jurisdictions where the Prospectus may not be distributed and/or with legislation that, according to the Company's assessment, prohibits or otherwise restricts subscription for Shares.
<b>Interim Financial Statements</b> .....	The Group's unaudited consolidated financial statements as of, and for the six months ended, 30 June 2024 with comparable figures as of, and for the six months ended 30 June 2023.
<b>LEI</b> .....	Legal Entity Identifier.
<b>Lenders</b> .....	The lenders under the Convertible Loan, being Condire and Nordlaks.
<b>LOUs</b> .....	Local Operating Units.
<b>LTI</b> .....	Long-term incentive.
<b>Management</b> .....	The members of the executive management of the Group.
<b>Managers</b> .....	Arctic and DNB Markets, together acting as Joint Bookrunners.
<b>Net Interest-Bearing Debt</b> .....	An APM used by the Group, as described in Section 4.3.2 "Alternative performance measures (APMs)".
<b>NCI</b> .....	National Client Identifier.
<b>NFSA</b> .....	The Financial Supervisory Authority of Norway.
<b>Nordlaks</b> .....	Nordlaks Holding AS
<b>NOK</b> .....	The lawful currency of Norway.
<b>Non-Norwegian Corporate Shareholders</b> .....	Shareholders who are limited liability companies (and certain other entities) not resident in Norway for tax purposes.
<b>Non-Norwegian Personal Shareholders</b> .....	Shareholders who are individuals not resident in Norway for tax purposes.
<b>Norwegian Corporate Shareholders</b> .....	Shareholders who are limited liability companies (and certain similar entities) resident in Norway for tax purposes.
<b>Norwegian Personal Shareholders</b> ...	Shareholders who are individuals resident in Norway for tax purposes.
<b>Norwegian Securities Trading Act</b> .....	The Norwegian Securities Trading Act of 29 June 2007 no. 75 (as amended).
<b>Offer Shares</b> .....	New Shares in the Company with a nominal value of NOK 0.05 issued in connection with the Rights Issue.
<b>Order</b> .....	The Financial Services and Markets Act 2000 (Financial Promotion) Order 2005.
<b>Oslo Stock Exchange</b> .....	Euronext Oslo Børs, a Norwegian stock exchange being part of Euronext® operated by Oslo Børs ASA.

<b>Payment Date</b> .....	10 October 2024
<b>Phase 1</b> .....	The first phase of construction at the Homestead Bluehouse, where the Homestead Bluehouse in steady state production will have a theoretical production capacity of approximately 9,500 tonnes HOG.
<b>Phase 2</b> .....	The planned second phase of construction of the Homestead Bluehouse, where the Group is currently focused on finalizing design for the phase.
<b>PIK Interest</b> .....	Interest under the Convertible Loan, where the accrued interest shall be added to the principal amount outstanding under the Convertible Loan.
<b>PLCA</b> .....	The Norwegian Public Limited Companies Act of 13 June 1997 no. 45 (as amended).
<b>Prospectus</b> .....	This prospectus dated 19 September 2024, including its appendices.
<b>PwC</b> .....	PricewaterhouseCoopers AS, the Company's independent auditors.
<b>Qualifying Equity Raise</b> .....	One or more equity raises after completion of the Rights Issue, which in aggregate gives gross proceeds to the Company of at least USD 100 million (including any Warrants that are exercised in connection therewith).
<b>RAS</b> .....	Recirculating aquaculture systems.
<b>Record Date</b> .....	19 September 2024
<b>Regulation S</b> .....	Regulation S under the U.S. Securities Act.
<b>Relevant Persons</b> .....	Persons in the UK that are; (i) investment professionals falling within Article 19 (5) of the Order, or (ii) high net worth entities, and other persons to whom this Prospectus may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order.
<b>Rights Holder</b> .....	A holder of independent subscription rights issued by the Company, where each Rights Holder may be subject to a notification requirement pursuant to the Articles of Association.
<b>Rights Issue</b> .....	The partially underwritten rights issue of up to 6,844,800,000 new shares in the Company at a subscription price of NOK 0.10 per Offer Share raising gross proceeds of up to approximately NOK 684.48 million, where each subscriber will receive 0.5 Warrants per Offer Share allocated and paid for.
<b>Rule 144A</b> .....	Rule 144A under the U.S. Securities Act.
<b>Share(s)</b> .....	The existing outstanding shares in the Company.
<b>Subscription Price</b> .....	NOK 0.10 per Offer Share.
<b>Subscription Form</b> .....	The subscription form attached to this Prospectus as Appendix B.
<b>Subscription Period</b> .....	The subscription period in the Rights Issue commencing at 09:00 hours (CEST) on 20 September 2024 and ending at 16:30 hours (CEST) on 4 October 2024.
<b>Subscription Rights</b> .....	Transferable subscription rights in the Rights Issue that, subject to applicable law, provide preferential rights to subscribe for, and be allocated, Offer Shares at the Subscription Price.
<b>UK</b> .....	The United Kingdom.
<b>Underwriters</b> .....	An underwriting syndicate consisting of certain Existing Shareholders and new investors that will partially underwrite the Rights Issue.
<b>Underwriting Agreements</b> .....	The underwriting agreement entered into between the Company, the Managers and the Underwriters dated 20 August 2024.
<b>Underwriting Commission Shares</b> ....	The new Shares to be received by the Underwriters as underwriting commission, as further described in Section 11.21 "The Underwriting"
<b>Underwriting Obligation</b> .....	The Underwriters' obligation to partially underwrite the Rights Issue.
<b>USD</b> .....	The lawful currency of the United States of America.
<b>USDA</b> .....	The US Department of Agriculture.
<b>VPS</b> .....	The Norwegian Central Securities Depository, Euronext Securities Oslo.

<b>VPS Registrar .....</b>	The Company's registrar in the VPS, being DNB Bank ASA.
<b>Warrant.....</b>	Means warrants (Nw: <i>frittstående tegningsretter</i> ) issued by the Company, each of which will give the holder a right to subscribe one (1) new share in the Company, as further described in Section 11.27 "The Warrants".

## **Appendix A – Articles of Association**

## VEDTEKTER FOR ATLANTIC SAPPHIRE ASA

(org.nr. 895 436 232)  
(sist endret 17. september 2024)

### § 1 Foretaksnavn

Selskapets foretaksnavn er Atlantic Sapphire ASA. Selskapet er et allmennaksjeselskap.

### § 2 Forretningskontor

Selskapets forretningskontor er i Vestnes kommune.

### § 3 Virksomhet

Selskapets virksomhet er å engasjere seg og delta i landbasert lakseproduksjon, både nasjonalt og internasjonalt, herunder gjennom investeringer i andre selskaper, og annen virksomhet tilknyttet dette.

### § 4 Aksjekapital

Selskapets aksjekapital er NOK 112 108 442 fordelt på 112 108 442 aksjer, hver aksje pålydende NOK 1,00. Selskapets aksjer skal være registrert i Verdipapirsentralen (VPS).

### § 5 Meldeplikt vedrørende frittstående tegningsretter

Hvis en eier av frittstående tegningsretters (en "Rettighetshaver"), direkte eller indirekte andel av frittstående tegningsretter utstedt av Selskapet overstiger eller faller under 10 prosent, 15, prosent, 20 prosent, 25 prosent, 1/3, 50 prosent, 2/3 eller 90 prosent av Selskapets aksjekapital, skal Rettighetshaveren gi skriftlig melding om dette til Selskapet.

Beregning av beholdningen gjøres ut ifra registrert aksjekapital på det tidspunkt avtale om erverv eller avhendelse inngås.

Like med frittstående tegningsretter regnes aksjer, finansielle instrumenter og andre omstendigheter som nevnt i verdipapirhandelloven §§ 4-2 til 4-4.

Melding skal sendes til Selskapet straks, og

## ARTICLES OF ASSOCIATION FOR ATLANTIC SAPPHIRE ASA

(reg.no. 895 436 232)  
(last amended on 17 September 2024)

### § 1 Business name

The Company's business name is Atlantic Sapphire ASA. The Company is a public limited liability company.

### § 2 Registered office

The Company's registered office is in the municipality of Vestnes, Norway.

### § 3 Objective

The objective of the Company is to engage and participate in land-based salmon production, both nationally and internationally, including through investments in other companies, and other activities in relation to this.

### § 4 Share capital

The Company's share capital is NOK 112,108,442 divided into 112,108,442 shares, each with a par value of NOK 1.00. The Company's shares shall be registered with the Norwegian Central Securities Depository (Nw: Verdipapirsentralen).

### § 5 Duty of notification related to independent subscription rights

Where a holder of independent subscription rights (a "Rights Holder"), direct or indirect, proportion of independent subscription rights issued by the Company exceeds or falls below 10 per cent, 15 per cent, 20 per cent, 25 per cent, 1/3, 50 per cent, 2/3 or 90 per cent of the Company's share capital, the Rights Holder shall notify the Company of this in writing.

The calculation of the holding shall be made based on the registered share capital when an agreement to acquire or dispose is entered into.

Shares, financial instruments and other circumstances as mentioned in Sections 4-2 to 4-4 in the Norwegian Securities Trading Act shall be considered equal to independent subscription rights.

Notification shall be submitted to the Company

uansett ikke senere enn innen åpningen av Oslo Børs andre handelsdag etter at avtale om erverv eller avhendelse er inngått, eller etter at den meldepliktige blir kjent med eller burde ha blitt kjent med erverv, avhendelse eller annen omstendighet som fører til at meldeplikten inntreffer. Selskapet skal straks etter mottak av slik melding offentliggjøre børsmelding om forholdet.

Meldeplikt etter denne bestemmelsen gjelder ikke for personer som ikke har frittstående tegningsretter, men kun har aksjer eller andre finansielle instrumenter som nevnt i verdipapirhandelloven §§ 4-2 til 4-4. Formålet med denne bestemmelsen er å utvide flaggeplikten til å også omfatte frittstående tegningsretter utstedt av selskapet.

Hvis en Rettighetshaver vesentlig har misligholdt sin informasjonsplikt etter denne bestemmelsen, skal retten til å utøve tegningsrettigheter bortfalle for Rettighetshaveren og for vedkommendes nærstående, slik det er definert i verdipapirhandelloven § 4-4 (1) nr. 1 og (3).

#### **§ 6 Ledelse**

Selskapets styre består av 3 til 7 styremedlemmer etter generalforsamlingens nærmere beslutning. Styremedlemmer kan velges med kortere valgperiode enn 2 år.

Selskapets firma tegnes av styreleder og ett styremedlem i fellesskap. Styret kan meddele prokura.

#### **§ 7 Valgkomité**

Selskapet skal ha en valgkomité på 2-3 medlemmer valgt av generalforsamlingen.

immediately, and in any event not later than, within the opening of Oslo Børs on the second trading day after an agreement on acquisition or disposal has been entered into, or after the party required to notify becomes aware or should have become aware of the acquisition, disposal or other circumstance giving rise to the notification obligation. The Company shall immediately after the receipt of such notification, publish a stock exchange notice regarding the abovementioned circumstances.

The duty of notification pursuant to this provision shall not apply to persons who do not hold independent subscription rights, but only holds shares or other financial instruments as mentioned in the Norwegian Securities Trading Act Sections 4-2 to 4-4. The purpose of this provision is to extend the notification duty for large shareholdings to also encompass independent subscription rights issued by the company.

If a Rights Holder is in substantial non-compliance with its duty of notification pursuant to this provision, the right to exercise independent subscription rights shall lapse for the Rights Holder and for the related parties of the Rights Holder, as defined in the Norwegian Securities Trading Act Section 4-4 (1) no. 3 and (3).

#### **§ 6 The Board of Directors**

The Company's Board of Directors consists of between 3 and 7 members pursuant to the general meeting's further decision. Members of the Board of Directors may be elected with shorter election periods than 2 years.

The chairman of the Board of Directors together with one Director jointly have the right to sign for and on behalf of the Company. The Board of Directors may grant procuration.

#### **§ 7 Nomination committee**

The Company shall have a nomination committee of 2-3 members, elected by general meeting.

Valgkomiteen skal foreslå kandidater til styret og valgkomité. Valgkomiteens innstillinger skal begrunnes.

The nomination committee shall propose candidates for the board of directors and the nomination committee. The proposals of the nomination committee shall be reasoned.

Valgkomiteens medlemmer velges for to år av gangen.

The members of the nomination committee shall be elected for terms of two years.

#### **§ 8 Generalforsamling**

Dokumenter som gjelder saker som skal behandles i selskapets generalforsamling, herunder som etter lov skal inntas i eller vedlegges innkallingen til generalforsamlingen, trenger ikke sendes til aksjeeierne dersom dokumentene er tilgjengelige på selskapets hjemmeside.

#### **§ 8 General meetings**

Documents relating to matters to be dealt with by the Company's general meeting, including documents that by law shall be included in or attached to the notice of the general meeting, do not need to be sent to the shareholders if the documents are available at the Company's website.

Den ordinære generalforsamling skal behandle:

The annual general meeting shall consider and decide the following matters:

1. Godkjenning av årsregnskapet og årsberetningen, herunder utdeling av utbytte.
2. Andre saker som etter loven eller vedtektene hører under generalforsamlingen.

1. Approval of the annual accounts and the annual report, including distribution of dividend.
2. Other matters, which pursuant to law or the Articles of Association fall within the responsibility of the general meeting.

Generalforsamlinger i selskapet, herunder ekstraordinære generalforsamlinger, kan avholdes virtuelt, gjennom hybride løsninger, og fysisk i Vestnes kommune, i Oslo kommune eller i Miami, Florida, USA, etter styrets beslutning.

The general meetings of the Company, including extraordinary general meetings, may be held virtually, through hybrid solutions, or physically in the municipality of Vestnes, in the municipality of Oslo or in Miami, Florida, USA, pursuant to the Board of Directors' decision.

Selskapet kan i innkallingen til generalforsamlingen fastsette at aksjeeiere som vil delta i generalforsamlingen skal meddele dette til selskapet innen en frist som ikke kan utløpe tidligere enn to kalenderdager før generalforsamlingen.

The Company may in the notice for general meetings give a deadline for shareholders that wish to attend the general meeting to notify the Company of this, within a deadline that cannot expire earlier than two calendar days before the general meeting.

Styret kan tillate at aksjonærer kan avgi sin stemme skriftlig, herunder ved bruk av elektronisk kommunikasjon. Bruk av slike forhåndsstemmer er betinget av at det foreligger en betryggende metode for å autentisere avsenderen. Styret fastsetter før hver generalforsamling om det skal åpnes opp for skriftlig stemmegivning og om det foreligger betryggende metoder for å

The Board of Directors may allow shareholders to cast their vote in writing, including through the use of electronic communication. The use of such advance voting is conditional upon there being available satisfactory methods for authenticating the sender. The Board of Directors shall decide, before each general meeting, whether advance voting shall be

autentisere avsender, og kan også fastsette nærmere retningslinjer for forhåndsstemmer. Det skal fremgå av innkallingen til generalforsamlingen hvorvidt det åpnes for forhåndsstemmer, samt eventuelle retningslinjer for slike forhåndsstemmer.

#### **§ 9 Forholdet til allmennaksjeloven**

For øvrig henvises til den til enhver tid gjeldende aksjelovgivning.

allowed and whether satisfactory methods for authenticating senders. The notice for the general meeting shall state whether it is permitted to vote in advance and the guidelines, if any, that apply to such advance voting.

#### **§ 9 Relation to the Public Limited Companies Act**

For other matters, reference is made to the Public Limited Liability Companies Act, as applicable from time to time.



## Appendix B – Subscription Form

Atlantic Sapphire ASA  
Rights issue

SUBSCRIPTION FORM  
Securities number: ISIN NO 0013249896

**General information:** The terms and conditions of the rights issue (the "Rights Issue") of up to 6,844,800,000 new shares (the "Offer Shares") in Atlantic Sapphire ASA (the "Company") pursuant to a resolution by the Company's extraordinary general meeting held on 17 September 2024 are set out in the prospectus dated 19 September 2024 (the "Prospectus"). Terms defined in the Prospectus shall have the same meaning in this subscription form (the "Subscription Form"). The notice of, and the minutes from, the extraordinary general meeting held on 17 September 2024 (with appendices), the Company's articles of association and the annual accounts and directors' reports for the last two years are available at the Company's registered office at Daugstadvægen 445, 6392 Vikеbukт, Norway.

**Subscription procedure:** The subscription period in the Rights Issue will commence at 09:00 hours (CEST) on 20 September 2024 and expire at 16:30 hours CEST on 4 October 2024 (the "Subscription Period"). The Subscription Period may be extended if required by law due to the publication of a supplemental prospectus. Correctly completed Subscription Forms must be received by one of the Managers no later than on 4 October 2024 at 16:30 hours (CEST) at the following addresses: (i) Arctic Securities AS, P.O. Box 1833 Vika, 0123 Oslo, Norway or email: [subscription@arctic.com](mailto:subscription@arctic.com), (ii) DNB Markets, a part of DNB Bank ASA, P.O. Box 1600 Sentrum, 0021 Oslo, Norway or email: [retail@dnb.no](mailto:retail@dnb.no), or in case of online subscriptions be registered, no later than 16:30 hours (CEST) on 4 October 2024. The subscriber is responsible for the correctness of the information included in the Subscription Form. Subscription Forms received after the end of the Subscription Period and/or incomplete or incorrect Subscription Forms and any subscription that may be unlawful may be disregarded at the sole discretion of the Company and/or the Managers without notice to the subscriber.

**Subscribers who are Norwegian residents with a Norwegian personal identity number (Nw.: fødselsnummer) may subscribe for Offer Shares through the VPS online subscription system (or by following the link on either [www.arctic.com/secno/en/offerings](http://www.arctic.com/secno/en/offerings) or [www.dnb.no/emisioner](http://www.dnb.no/emisioner), both of which will redirect the subscriber to the VPS online subscription system). Subscriptions made through the VPS online subscription system must be duly registered before the expiry of the Subscription Period.**

Neither the Company nor the Managers may be held responsible for postal delays, unavailable internet lines or servers or other logistical or technical problems that may result in subscriptions not being received in time or at all by the Managers. Subscriptions are binding and irrevocable, and cannot be withdrawn, cancelled or modified by the subscriber after being received by the Managers or, in the case of

subscriptions through the VPS online subscription system, upon registration of the subscription. By signing and submitting this Subscription Form, or registering a subscription through the VPS online subscription system, the subscriber confirms and warrants to have read the Prospectus and to be eligible to subscribe for Offer Shares under the terms set forth therein.

**Subscription Price:** The subscription price in the Rights Issue is NOK 0.10 per Offer Share (the "Subscription Price").

**Subscription Rights:** The shareholders in the Company as of 17 September 2024 (and being registered as such in the VPS as of the expiry of 19 September 2024 pursuant to the two days' settlement procedure in VPS (the "Record Date")) (the "Existing Shareholders"), will be granted tradable subscription rights (the "Subscription Rights") in the Rights Issue that, subject to applicable law, provide preferential right to subscribe for, and be allocated, Offer Shares at the Subscription Price. For the purposes of determining entitlement to Subscription Rights, the Company will look solely to its register of shareholders as of the expiry of the Record Date. The Subscription Rights will be listed and tradable on the Oslo Stock Exchange from 09:00 hours (CEST) on 20 September 2024 to 16:30 hours (CEST) on 30 September 2024 under the ticker code "ASAT". **The Subscription Rights will hence only be tradable during part of the Subscription Period.** Existing Shareholders will be granted 61.0552 Subscription Rights for each existing Share registered as held by such Existing Shareholder as of the Record Date, rounded down to the nearest whole Subscription Right. Subscription Rights acquired during the trading period for the Subscription Rights carry the same right to subscription as the Subscription Rights held by Existing Shareholders. Each Subscription Right will, subject to applicable securities laws, give the right to subscribe for, and be allocated, one Offer Share. Over-subscription (i.e. subscription for more Offer Shares than the number of Subscription Rights held by the subscriber) and subscription without Subscription Rights will be permitted, however there can be no assurance that Offer Shares will be allocated for such subscriptions. **Subscription Rights that are not used to subscribe for Offer Shares before the expiry of the Subscription Period (i.e. 4 October 2024 at 16:30 hours (CEST)) or not sold before 30 September 2024 at 16:30 hours (CEST) will have no value and will lapse without compensation to the holder.**

**Warrants:** The subscribers in the Rights Issue will be allocated 0.5 Warrant issued by the Company for every one (1) Offer Shares allocated to, and paid by, them in the Rights Issue. Each Warrant will give the holder the right to subscribe for one new share in the Company on the terms set out in the Prospectus. No payment shall be made upon issuance of the Warrants. The Warrants will automatically be subscribed for through delivery of this Subscription Form correctly completed prior to the expiry of the Subscription Period (i.e. on 4 October 2024 at 16:30 hours (CEST)).

**Allocation of Offer Shares and Warrants:** The Offer Shares and the Warrants will be allocated to the subscribers based on the allocation criteria set out in the Prospectus. No fractional Offer Shares and Warrants will be allocated. Notification of conditionally allocated Offer Shares and the corresponding subscription amount to be paid by each subscriber are expected to be distributed in a letter from the VPS on or about 7 October 2024. Subscribers having access to investor services through their VPS account manager will be able to check the number of Offer Shares allocated to them from 12:00 hours (CEST) on 7 October 2024. Subscribers who do not have access to investor services through their VPS account manager may contact the Managers from 12:00 hours (CEST) on 7 October 2024 to obtain information about the number of Offer Shares allocated to them.

**Payment:** The payment for Offer Shares allocated to a subscriber falls due on 10 October 2024 (the "Payment Date"). By signing this Subscription Form, subscribers having a Norwegian bank account provide the Managers with a one-time irrevocable authorisation to debit the bank account specified below for the subscription amount payable for the Offer Shares allocated to the subscriber. The Managers are only authorised to debit such account once, but reserves the right to make up to three debit attempts, and the authorisation will be valid for up to seven working days after the Payment Date. The subscriber furthermore authorises the Managers to obtain confirmation from the subscriber's bank that the subscriber has the right to dispose over the specified account and that there are sufficient funds in the account to cover the payment. If there are insufficient funds in a subscriber's bank account or if it for other reasons is impossible to debit such bank account when a debit attempt is made pursuant to the authorisation from the subscriber, the subscriber's obligation to pay for the Offer Shares will be deemed overdue. Subscribers who do not have a Norwegian bank account must ensure that payment with cleared funds for the Offer Shares allocated to them is made on or before the Payment Date. Prior to any such payment being made, the subscriber must contact the Managers on; (i) telephone number +47 21 01 31 00 (for Arctic Securities), or (ii) +47 915 04800 (for DNB Markets) for further details and instructions. Should any subscriber have insufficient funds on his or her account, should payment be delayed for any reason, if it is not possible to debit the account or if payments for any other reasons are not made when due, overdue interest will accrue and other terms will apply as set out under the heading "Overdue and missing payments" below.

**PLEASE SEE PAGE 2 OF THIS SUBSCRIPTION FORM FOR OTHER PROVISIONS THAT ALSO APPLY TO THE SUBSCRIPTION**

DETAILS OF THE SUBSCRIPTION

Subscriber's VPS account	Subscriber's LEI code (20 digits):	Number of Subscription Rights	Number of Offer Shares subscribed	(For broker: Consecutive no.)
SUBSCRIPTION RIGHTS' SECURITIES NUMBER: ISIN NO 001 3336222			Subscription Price per Offer Share	Subscription amount to be paid
			X NOK 0.10	=NOK _____

IRREVOCABLE AUTHORISATION TO DEBIT ACCOUNT (MUST BE COMPLETED BY SUBSCRIBERS WITH A NORWEGIAN BANK ACCOUNT)

Norwegian bank account to be debited for the payment for Offer Shares allocated (number of Offer Shares allocated x NOK 0.10).	<table><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr></table> (Norwegian bank account no.)										

In accordance with the terms and conditions set out in the Prospectus and this Subscription Form, I/we hereby irrevocably subscribe for the number of Offer Shares specified above and subscribe for 0.5 Warrant per one (1) Offer Share allocated and paid for, and grant the Manager authorisation to debit (by direct debiting or manually as described above) the specified bank account for the payment of the Offer Shares allocated to me/us. By signing this Subscription Form, subscribers subject to direct debiting accept the terms and conditions for "Payment by Direct Debiting – Securities Trading" set out on page 2 of this Subscription Form.

Place and date  
Must be dated in the Subscription Period

Binding signature. The subscriber must have legal capacity. When signed on behalf of a company or pursuant to an authorisation, documentation in the form of a company certificate or power of attorney should be attached.

INFORMATION ON THE SUBSCRIBER

First name:	
Surname / company:	
Street address:	
Post code / district / country:	
Personal ID number / company registration number:	
Legal Entity Identifier ("LEI") / National Client Identifier ("NCI"):	
Nationality:	

E-mail address:	
Daytime telephone number:	

## ADDITIONAL GUIDELINES FOR THE SUBSCRIBER

**Regulatory Issues:** In accordance with the Markets in Financial Instruments Directive (MiFID II) of the European Union, implemented in Norwegian securities legislation imposes requirements in relation to the Managers' services connected with the Rights Issue. In this respect the Managers must categorise all new clients in one of three categories: eligible counterparties, professional and non-professional clients. All subscribers in the Rights Issue who are not existing clients of the Manager will be categorised as non-professional clients. Subscribers can by written request to the Managers ask to be categorised as a professional client if the subscriber fulfils the applicable requirements of the Norwegian Securities Trading Act. For further information about the categorisation, the subscriber may contact the Manager. **The subscriber represents that he/she/it is capable of evaluating the merits and risks of an investment decision to invest in the Company by subscribing for Offer Shares, and is able to bear the economic risk, and to withstand a complete loss, of an investment in the Offer Shares.**

The Managers will receive a consideration from the Company and will in conducting its work have to take into consideration the requirements of the Company and the interests of the investors subscribing under the Rights Issue and the rules regarding inducements pursuant to the requirements of the Norwegian MiFID II Regulations (implementing the European Directive for Markets in Financial Instruments (MiFID II)).

**Selling and Transfer Restrictions:** The attention of persons who wish to acquire Subscription Rights and/or subscribe for Offer Shares is drawn to Section 12 of the Prospectus "Selling and transfer restrictions". The making or acceptance of the Rights Issue to or by persons who have registered addresses outside Norway, or who are resident in, or citizens of, countries outside Norway, may be affected by the terms of the Rights Issue and the laws of the relevant jurisdiction. Those persons should read Section 12 of the Prospectus and consult their professional advisers as to whether they are eligible to acquire Subscription Rights and/or subscribe for Offer Shares or require any governmental or other consents or need to observe any other formalities to enable them to acquire Subscription Rights and/or subscribe for Offer Shares. It is the responsibility of any person outside Norway wishing to acquire Subscription Rights and/or subscribe for Offer Shares under the Rights Issue to satisfy himself/herself/itself as to the full observance of the terms and conditions of the Rights Issue and the laws of any relevant jurisdiction in connection therewith, including obtaining any governmental or other consent which may be required, the compliance with other necessary formalities and the payment of any issue, transfer or other taxes due in such territories. The Subscription Rights and the Offer Shares have not been registered and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or under the securities law of any state or other jurisdiction of the United States and may not be offered, sold, taken up, exercised, resold, delivered or transferred, directly or indirectly, within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements under the U.S. Securities Act and in compliance with the securities laws of any state or other jurisdiction of the United States. There will be no public offer of the Subscription Rights and the Offer Shares in the United States. **Other than persons who are QIBs, no person in the United States may purchase Subscription Rights or otherwise acquire Offer Shares by exercise of Subscription Rights.** The Subscription Rights and the Offer Shares have not been and will not be registered under the applicable securities laws of Australia, Canada, the Hong Kong Special Administrative Region of the People's Republic of China, South Africa or Japan and may not be offered, sold, resold or delivered, directly or indirectly, in or into Australia, Canada, the Hong Kong Special Administrative Region of the People's Republic of China, South Africa or Japan except pursuant to an applicable exemption from applicable securities laws. This Subscription Form does not constitute an offer to sell or a solicitation of an offer to buy Offer Shares in any jurisdiction in which such offer or solicitation is unlawful. Subject to certain exceptions, the Prospectus will not be distributed in the United States, Australia, Canada, the Hong Kong Special Administrative Region of the People's Republic of China, South Africa or Japan. Except as otherwise provided in the Prospectus, the Subscription Rights and the Offer Shares may not be transferred, sold or delivered in the United States, Australia, Canada, the Hong Kong Special Administrative Region of the People's Republic of China, South Africa or Japan. A notification of exercise of Subscription Rights and subscription of Offer Shares in contravention of the above restrictions may be deemed to be invalid.

**Execution Only:** The Managers will treat the Subscription Form as an execution-only instruction. The Managers are not required to determine whether an investment in the Offer Shares is appropriate or not for the subscriber. Hence, the subscriber will not benefit from the protection of the relevant conduct of business rules in accordance with the Norwegian Securities Trading Act.

**Information Exchange:** The subscriber acknowledges that, under the Norwegian Securities Trading Act and the Norwegian Financial Undertakings Act and foreign legislation applicable to the Manager, there is a duty of secrecy between the different units of the Managers, as well as between the Managers and other entities in the Managers' groups. This may entail that other employees of the Managers or the Managers' groups may have information that may be relevant to the subscriber, but which the Manager will not have access to in its capacity as Manager for the Rights Issue.

**Information Barriers:** The Managers are securities firm that offers a broad range of investment services. In order to ensure that assignments undertaken in the Managers' corporate finance department are kept confidential, the Managers' other activities, including analysis and stock broking, are separated from the Managers' corporate finance department by information walls. The subscriber acknowledges that the Managers' analysis and stock broking activity may conflict with the subscriber's interests with regard to transactions in the Shares, including the Offer Shares, as a consequence of such information walls.

**VPS Account and Mandatory Anti-Money Laundering Procedures:** The Rights Issue is subject to applicable anti-money laundering legislation, including the Norwegian Money Laundering Act No. 23 of 1 June 2018 and the Norwegian Money Laundering Regulations No. 1324 of 14 September 2018 (collectively, the "**Anti-Money Laundering Legislation**"). Subscribers who are not registered as existing customers with the Manager must verify their identity to the Manager in accordance with the requirements of the Anti-Money Laundering Legislation, unless an exemption is available. The verification of identity must be completed prior to the end of the Subscription Period. Subscribers who have not completed the required verification of identity may not be allocated Offer Shares. Further, in participating in the Rights Issue, each subscriber must have a VPS account. The VPS account number must be stated on the Subscription Form. VPS accounts can be established with authorised VPS registrars, which can be Norwegian banks, authorised securities brokers in Norway and Norwegian branches of credit institutions established within the European Economic Area (the "**EEA**"). Non-Norwegian investors may, however, use nominee VPS accounts registered in the name of a nominee. The nominee must be authorised by the Financial Supervisory Authority of Norway. Establishment of a VPS account requires verification of identity to the VPS registrar in accordance with the Anti-Money Laundering Legislation.

**Personal data:** The subscriber confirms that it has been provided information regarding the Managers' processing of personal data, and that it is informed that the Managers will process the subscriber's personal data in order to manage and carry out the Rights Issue and the subscription from the subscriber, and to comply with statutory requirements. The data controller who are responsible for the processing of personal data is the Manager. The processing of personal data is necessary in order to fulfil the application and to meet legal obligations. The Norwegian Securities Trading Act and the Anti-Money Laundering Legislation require that the Manager process and store information about clients and trades, and control and document activities. The subscriber's data will be processed confidentially, but if it is necessary in relation to the purposes, the personal data may be shared between the Manager, the company(ies) participating in the Rights Issue, with companies within the Manager's groups, the VPS, stock exchanges and/or public authorities. The personal data will be processed as long as necessary for the purposes, and will subsequently be deleted unless there is a statutory duty to keep it.

If the Managers transfers personal data to countries outside the EEA, that have not been approved by the EU Commission, the Managers will make sure the transfer takes place in accordance with the legal mechanisms protecting the personal data, for example the EU Standard Contractual Clauses.

As a data subject, the subscribers have several legal rights. This includes, inter alia, the right to access its personal data, and a right to request that incorrect information is corrected. In certain instances, the subscribers will have the right to impose restrictions on the processing or demand that the information is deleted. The subscribers may also complain to a supervisory authority if they find that the Manager's processing is in breach of the law. Supplementary information on processing of personal data and the subscribers' rights can be found at the Managers' websites.

**Terms and Conditions for Payment by Direct Debiting - Securities Trading:** Payment by direct debiting is a service the banks in Norway provide in cooperation. In the relationship between the payer and the payer's bank the following standard terms and conditions will apply:

- The service "Payment by direct debiting – securities trading" is supplemented by the account agreement between the payer and the payer's bank, in particular Section C of the account agreement, General terms and conditions for deposit and payment instructions.
- Costs related to the use of "Payment by direct debiting – securities trading" appear from the bank's prevailing price list, account information and/or information given by other appropriate manner. The bank will charge the indicated account for costs incurred.
- The authorisation for direct debiting is signed by the payer and delivered to the beneficiary. The beneficiary will deliver the instructions to its bank who in turn will charge the payer's bank account.
- In case of withdrawal of the authorisation for direct debiting the payer shall address this issue with the beneficiary. Pursuant to the Norwegian Financial Contracts Act, the payer's bank shall assist if the payer withdraws a payment instruction that has not been completed. Such withdrawal may be regarded as a breach of the agreement between the payer and the beneficiary.
- The payer cannot authorise payment of a higher amount than the funds available on the payer's account at the time of payment. The payer's bank will normally perform a verification of available funds prior to the account being charged. If the account has been charged with an amount higher than the funds available, the difference shall immediately be covered by the payer.
- The payer's account will be charged on the indicated date of payment. If the date of payment has not been indicated in the authorisation for direct debiting, the account will be charged as soon as possible after the beneficiary has delivered the instructions to its bank. The charge will not, however, take place after the authorisation has expired as indicated above. Payment will normally be credited the beneficiary's account between one and three working days after the indicated date of payment/delivery.
- If the payer's account is wrongfully charged after direct debiting, the payer's right to repayment of the charged amount will be governed by the account agreement and the Norwegian Financial Contracts Act.

**Overdue Payment:** Overdue payments will be charged with interest at the applicable rate from time to time under the Norwegian Act on Interest on Overdue Payment of 17 December 1976 No. 100, currently 12.5% per annum as at the date of the Prospectus. If a subscriber fails to comply with the terms of payment, the Offer Shares will, subject to the restrictions in the Norwegian Public Limited Companies Act, not be delivered to such subscriber. The Managers, on behalf of the Company, reserve the right, at the risk and cost of the subscriber, at any time, to cancel the subscription and to re-allocate or otherwise dispose of allocated Offer Shares for which payment is overdue, or, if payment has not been received by the third day after the Payment Date, without further notice sell, assume ownership to or otherwise dispose of the allocated Offer Shares on such terms and in such manner as the Managers may decide in accordance with Norwegian law. The subscriber will remain liable for payment of the subscription amount, together with any interest, costs, charges and expenses accrued and the Managers, on behalf of the Company, may enforce payment for any such amount outstanding in accordance with Norwegian law. The Company and the Managers further reserve the right (but have no obligation) to have the Manager advance the subscription amount on behalf of subscribers who have not paid for the Offer Shares allocated to them within the Payment Date. The non-paying subscribers will remain fully liable for the subscription amount payable for the Offer Shares allocated to them, irrespective of such payment by the Managers.

**National Client Identifier and Legal Entity Identifier:** In order to participate in the Rights Issue, subscribers will need a global identification code. Physical persons will need a so-called National Client Identifier ("**NCI**") and legal entities will need a so-called Legal Entity Identifier ("**LEI**"). **NCI code for physical persons:** Physical persons will need a NCI code to participate in a financial market transaction, i.e. a global identification code for physical persons. For physical persons with only a Norwegian citizenship, the NCI code is the 11- digit personal ID (Nw: "**fødselsnummer**"). If the person in question has multiple citizenships or another citizenship than Norwegian, another relevant NCI code can be used. Subscribers are encouraged to contact their bank for further information. **LEI code for legal entities:** Legal entities will need a LEI code to participate in a financial market transaction. A LEI code must be obtained from an authorized LEI issuer, and obtaining the code can take some time. Subscribers should obtain a LEI code in time for the subscription. For more information visit [www.gleif.org](http://www.gleif.org). Further information is also included in Section 11.19 ("**National Client Identifier and Legal Entity Identifier**") of the Prospectus.