

## PROSPECTUS



AQUA BIO TECHNOLOGY ASA

### Aqua Bio Technology ASA

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

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#### Listing of 1,303,707 Private Placement Shares issued in a Private Placement

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The information contained in this prospectus (the "**Prospectus**") relates to the listing on Euronext Expand, a regulated market operated by Oslo Børs ASA, of 1,303,707 new shares (the "**Private Placement Shares**"), at a subscription price of NOK 11.45 per Private Placement Share (the "**Subscription Price**"), each with a nominal value of NOK 2.50, in Aqua Bio Technology ASA (the "**Company**" or "**ABT**" and together with its consolidated subsidiaries, the "**Group**"), issued in a private placement directed towards certain investors and the investment company Akvakulturpartner AS for gross proceeds of approximately NOK 15 million (the "**Private Placement**"). The Company's currently issued and outstanding shares and the Private Placement Shares are hereinafter referred as the "**Shares**" unless the context dictates otherwise.

The Private Placement Shares were issued by a resolution by the Company's board of directors (the "**Board**" or the "**Board of Directors**") on 29 April 2021, pursuant to an authorization from the Extraordinary General Meeting on 11 September 2020 and the Annual General Meeting on 10 June 2020. Besides the Private Placement Shares that were directed towards Akvulturpartner AS, the Private Placement Shares were settled with existing and unencumbered shares in the Company already listed on Euronext Expand, pursuant to a customary share lending agreement (the "**Share Lending Agreement**") between an existing shareholder (the "**Lender**") and the Company, in order to facilitate a delivery-versus-payment settlement with latest payment date on 15 May 2021. The existing shares were consequently tradable upon delivery. The Company will settle the share loan according to the Share Lending Agreement with the Private Placement Shares, which has been delivered to the Lender on a separate, non-tradable ISIN, and will be transferred to the Company's ordinary ISIN and be tradable on Euronext Expand under the ticker "ABT" upon approval and publication of this Prospectus.

The Private Placement Shares have been delivered to Akvakulturpartner AS on a separate, non-tradable ISIN, and will be transferred to the Company's ordinary ISIN and be tradable on Euronext Expand under the ticker code "ABT" upon approval and publication of this Prospectus.

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

**This Prospectus serves as a listing prospectus only. The Prospectus does not constitute an offer, or invitation to purchase, subscribe or sell, any of the securities described herein, and no shares or other securities are being offered or sold in any jurisdiction pursuant to this Prospectus.**

The date of this Prospectus is 9 July 2021

## IMPORTANT INFORMATION

For the definitions of terms used throughout this Prospectus, see Section 15 "Definitions and Glossary" of this Prospectus, which also applies to the front page.

This Prospectus has prepared to provide information about the Company and its business in relation to the Private Placement and the listing of the Private Placement 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 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 Private Placement Shares between the time when this Prospectus is approved by NFSA and the date of the listing of the Private Placement Shares on Euronext Expand, will be included in a supplement to this Prospectus. Neither the publication nor distribution of this Prospectus 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 Subsequent Offering 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 by any of its respective affiliates, representatives or advisors.

**The distribution of this Prospectus in certain jurisdictions may be restricted by law. Persons in possession of this Prospectus are required to inform themselves about and to observe any such restrictions. This Prospectus does not constitute an offer of, or an invitation to purchase, any of the Shares described herein and no Shares are being offered or sold pursuant to this Prospectus in any jurisdictions. In addition, the Shares are subject to restrictions on transferability and resale 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 an investment in the Shares for an indefinite period of time. Any failure to comply with these restrictions may constitute a violation of applicable securities laws.**

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.

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

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## 1 SUMMARY

### 1.1 Introduction and warnings

#### 1.1.1 Warnings

*This summary contains all the sections required by the EU 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. 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	Aqua Bio Technology (ticker: ABT)
ISIN	NO 0010307135
Issuer	Aqua Bio Technology ASA
Issuer's office address	Fornebuveien 37, N-1366 Lysaker, Bærum, Norway
Issuer's postal address	Fornebuveien 37, N-1366 Lysaker, Bærum, Norway
Issuer's LEI (Legal Entity Identifier)	529900RG33DF0N88RJ88
Issuer's phone number	+47 91628092
Issuer's e-mail	<a href="mailto:info@aquabiotech.no">info@aquabiotech.no</a>
Issuer's website	<a href="http://www.aquabiotechnology.com/">http://www.aquabiotechnology.com/</a>
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	<a href="mailto:Post@finanstilsynet.no">Post@finanstilsynet.no</a>
Date of approval of this Prospectus	9 July 2021

### 1.2 Key information on the Company

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

##### **Corporate information, principal activities and markets**

Aqua Bio Technology ASA is a Norwegian public limited liability company organized and existing under the laws of Norway pursuant to the Norwegian Public Limited Liability Companies Act. The Company was incorporated in Norway on 10 February 2004, and its registration number with the Norwegian Register of Business Enterprises

is 529900RG33DF0N88RJ88. ABT is domiciled in Bærum, Norway. The Company's LEI code is 5967007LIEEXZXGGE044.

### Major shareholders

As of 6 July 2021, which was the latest practical date prior to the approval of this Prospectus, and insofar as known to the Company, the following shareholders own or control more than 5 % of the issued share capital in the Company:

- RH Industri AS, holding 4,489,904 Shares, corresponding to approximately 22.8% of the outstanding votes and Shares;
- Swelandia International AB, holding 2,500,000 Shares, corresponding to approximately 12.7 % of the outstanding votes and Shares;
- Blixen Invest AS, holding 1,280,793 Shares, corresponding to approximately 6.5% of the outstanding votes and Shares;
- Kjeveortoped Espen Dahl AS holding 1,169,105 Shares, corresponding to approximately 5.9% of the outstanding votes and Shares; and
- Initia AB, holding 998,146 Shares, corresponding to approximately 5.1% of the outstanding votes and Shares.

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 executive management of the Company consists of the individuals as set out in the table below:

Name	Position
Håvard Lindstrøm	Chief Executive Officer
Espen Østhagen Kvale	Chief Operating Officer

### Statutory auditor

The Company's auditor is RSM Norge AS, with business registration number 982 316 588 and registered address at Filipstad brygge 1, 0252, Oslo.

1.2.2 What is the key financial information regarding the issuer?

### Selected consolidated statement of comprehensive income

(NOK 1,000)	Year ended	
	2020 (audited)	2019 (audited)
Sales revenue	812,6	1.295,1
Operating loss	-16.104,7	-13.124,5
Net loss for the period	-14.703,9	-13.215,5
Basic earnings per Share (NOK)	-0,91	-1,03

### Selected consolidated statement of financial position

(NOK 1,000)	As at 31 December	
	2020 (audited)	2019 (audited)
<b>Total assets</b>	<b>16.237,9</b>	<b>10.386,1</b>
Total equity	8.321,1	7.322,9
Total liabilities	7.916,8	3.063,2
<b>Total equity and liabilities</b>	<b>16.237,9</b>	<b>10.386,1</b>

### Selected consolidated statement of cash flow

(NOK 1,000)	Year ended	
	2020 (audited)	2019 (audited)
Net cash from operating activities	-13.335,0	-17.194,4
Net cash from investing activities	-3.267,4	-17,8
Net cash from financing activities	15.155,9	20.706,4

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

Prospective investors should consider, among other factors, the following risks outlined below related to the Company and the industry in which ABT operates.

- The Company faces risks in conjunction with the continuing effects of COVID-19. COVID-19 has impacted the Company's markets, especially in Asia, Europe and the Middle East. The continued and future impact of the COVID-19 could have a material adverse effect on the Company's business, financial condition, results of operations and prospects. Also, the impact of COVID-19 may heighten or exacerbate many other of the risks discussed in the "Risk Factor" Section.
- The cosmetics and skincare markets are highly competitive and if the Company is not able to increase and/or maintain its market share, this could have a material adverse effect on the Company's business, result of operations, financial condition and prospects.
- Health and safety issues related to the Company's products may decrease demand and expose the Company to liability which could have a material adverse impact on ABT's products and thus also its business, operating results, prospects and financial condition.
- Manufacturing of the Company's products require access to raw material from various countries, including New Zealand, and sufficient access to such material cannot be guaranteed. If the Company is not able to obtain the required access to such raw materials, this could have a material adverse effect on the Company's business, operating results, prospects and financial condition.
- The Company offers new high-end products and sells at higher prices compared its competitors. If the Company is not able to obtain expected prices for its products this could therefore have a material adverse effect on the Company's business, financial condition, prospects and operating results.



- The Company has a small management team and is dependent on the continued service of its key personnel. The loss of any members of management or failure to attract skilled personnel could have a material adverse effect on the Company's business, financial condition, prospects and operating results.
- The commercial success of the Company's products depends on the performance of third parties and i.e. lack of performance of such business partners may have a material adverse effect on the Company's business, financial condition, prospects and operating results.
- The Company may not be able to implement its business strategy successfully, including commercialization of the Company's new biotechnology, or manage its growth effectively which could have a material adverse effect on the Company's business, prospects, financial condition and results of operations.
- The Company relies upon certain proprietary confidential information, trademarks, unpatented know-how, unpatented trade secrets and improvements and continuing technological innovation to develop and main its competitive position. If the Company's intellectual property rights are not adequately protected, this could have material adverse effect on the Company's business, prospects, financial condition and results of operations.

Prospective investors should consider, among other factors, the following risks relating to the financing of the Company:

- The Company is in a growth phase and should the Company not be able to obtain required capital in the future, i.e. due to unforeseen liabilities or other circumstances, this could have a material adverse effect on the Company's business, prospects, financial condition and results of operations.
- The Company expects that a large part of its operating income will be denominated in other currencies than NOK, including NZD and EUR. Currency fluctuations and depreciation of foreign currencies may therefore have a material adverse effect on the Company's business, operating results, prospects and financial condition.

### 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>	<p>All the current and outstanding Shares have been created under the Norwegian Public Limited Liability Companies Act and are registered in book-entry form with the VPS under ISIN NO 0010307135.</p> <p>Upon approval and publication of this Prospectus, the Private Placement Shares will be registered in book-entry form with the VPS under the same ISIN number as the Company's current issued and outstanding Shares.</p>
<b>The securities' currency, denomination, par value, the number of securities issued and</b>	<p>As of the date of this Prospectus, the Company's share capital is NOK 49,257,695, divided into 19,703,078 Shares, with each Share having a par value of NOK 2.50.</p> <p>The currently issued and outstanding Shares are issued in NOK and are currently traded in NOK on Euronext Expand.</p>

<b>the term of the securities</b>	
<b>The rights attached to the securities</b>	<p>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.</p> <p>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.</p>
<b>Restrictions on transferability</b>	<p>Neither the Norwegian Public Limited Liability Companies Act nor the Articles of Associations provide for any restrictions on the transfer of Shares or a right of first refusal for the Company or its shareholders. Share transfers are not subject to approval by the Board of Directors. The transferability of the Shares may, however, be restricted in certain jurisdictions, and each investor in the Company should inform themselves about and observe such restrictions.</p>
<b>Dividend policy</b>	<p>The Company intends to follow a dividend policy favourable to the shareholders. The amount of any dividends to be distributed will be dependent on the Company's investment requirements and rate of growth as well as the general development and financing requirements of the Company.</p>

### 1.3.2 Where will the securities be traded?

The Shares are listed and tradable on Euronext Expand under ticker "ABT". The Private Placement Shares are expected to become listed on Euronext Expand on or about 12 July 2021, under the same ticker ("ABT") subject to the approval of the Prospectus by the NFSA. Such approval was granted on 9 July 2021.

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:

- Future sales, or the possibility of future sales of substantial number of Shares, in particular by the Company's main shareholders could affect the Shares' market price.
- Future issuance of Shares or other securities could dilute the holdings of shareholders and could materially affect the price of the Shares.

## 1.4 Key information on the admission of securities 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 Offer

Not applicable. There is no offering of Shares.

## **Dilution**

The issuance of the Private Placement Shares resulted in an immediate dilution of approximately 6.62% with respect to voting rights for the Company's existing shareholders.

## **Proceeds and Estimated Expenses**

The Subscription Price in the Private Placement per new Share was NOK 11.50, amounting to an aggregate subscription price and gross proceeds of NOK 14,927,445, all of which were cash proceeds. The total costs are expected to be approximately NOK 150,000, implying net proceeds from the Private Placement of about NOK 14,777,445.

1.4.2 Why is this Prospectus being produced?

## **Reasons for the Private Placement**

The main reason for the Private Placement was to raise proceeds which shall be used for general corporate purposes, various research and development activities and business development activities, including research and development related to the production of Aquabeautine XL, the Company's first and proprietary ingredient.

## **Underwriting agreements**

Not applicable. There was no underwriting in relation to the Private Placement.

## **Material conflicts of interest in the Private Placement**

The Company is not aware of any interest of any natural and legal persons involved in Private Placement that is material to the listing of the Private Placement Shares.

## **2 RISK FACTORS**

*An investment in the Company and its Shares involves inherent risk. An investor should consider carefully all information set forth in this Prospectus and, in particular, the specific risk factors set out below. An investment in the Shares is suitable only for investors who understand the risks associated with this type of investment and who can afford a loss of the entire investment. The risks and uncertainties described in this Section 2 "Risk factors" are the material known risks and uncertainties faced by the Group as of the date hereof, and represents those risk factors that the Company believes to represent the most material risks for investors when making their investment decision in the Shares.*

*The risk factors included in this Section 2 "Risk factors" are presented in a limited number of categories, where each risk factor is sought placed in the most appropriate category based on the nature of the risk it represents. Within each category the risk factors deemed most material for the Group, taking into account their potential negative effect for the Group and the probability of their occurrence, are set out first. This does not mean the remaining risk factors are ranked in order of their materiality or comprehensibility, nor based on a probability of their occurrence. The absence of negative past experience associated with a given risk factor does not mean that the risks and uncertainties in that risk factor are not genuine and potential threats, and they should be therefore be considered prior to making an investment decision. If any of the following risks were to materialize, either individually, cumulatively or together with other circumstances, it could have a material adverse effect on the Group and/ or its business, results of operations, cash flows, financial condition and/ or prospects, which may cause a decline in the value and trading price of the Shares, resulting in loss of all or part of an investment in the Shares.*

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

#### *2.1.1 The Company faces risks with respect to the continuing effect of COVID-19*

The COVID-19 pandemic ("**COVID-19**") and the corresponding response has adversely impacted the Company's business, results of operations, financial condition and prospects, and may continue to adversely impact the Company and also its employees, customers and business partners. Specifically, the Company's expected sales in its new markets in Europe, the Middle East and APAC have not materialized due to the impact of COVID-19.

As of the date of this Prospectus, it is not possible to predict the consequences of the COVID-19 for the Company, its affiliates, business partners, the skin care industry or global business and markets – other than the expectations of adverse negative effects may be long term.

It is likely that such consequences will impact the Company and its current and planned projects and operations, including the Company's ability to raise further capital or secure financing, customer's ability to buy the Company's products at attractive prices at all, and its business partners, including, but not limited to, the Company's Indian partner DNO Group, ability to distribute and license the Company's products across their respective markets.

As the Company operates on an international scale, such as in India, it is disproportionality more exposed to the continuing effect of the COVID-19 compared to its peers in the cosmetics and skincare markets that have their operations nationally and/or regionally. Further, and partly because of the Company having international operations, the continuing effect of COVID-19 may heighten or exacerbate many other of the risks highlighted in the "Risk Factor" Section of this Prospectus.

Any of the foregoing may have a material adverse effect on the Company's business, results of operations, financial condition and prospects.

#### *2.1.2 The cosmetics and skincare markets are highly competitive*

The Company both commercializes ingredients for use in cosmetic products and markets ready-to-use skincare products manufactured by business partners or contract manufacturers. Both the market for ingredients in cosmetic products and the market for ready-to-use skincare products are highly competitive. The Company may not be able to compete successfully for its products in the competitive cosmetics and skincare markets. The competition in the market where the Company operates may lead to reduced profitability and/or expansion opportunities. Further, the Company may not be successful in entering new markets, as there may be participants with greater experience or financial strength than the Company. The Company is exposed to several markets and any changes to any of these markets will have a significant impact on the Company as a whole. If the Company is not competitive, the Company's business, results of operations, prospects and financial condition may be materially adversely affected. Since the Company is introducing products to the skincare market that are new to consumers and have a limited customer base, the Company is exceedingly more exposed to the competition in the cosmetics and skincare markets compared to its peers that have that have more established high-end products and a broader customer base.

#### *2.1.3 Health and safety issues related to the Company's products may decrease demand and expose the Company to liability*

The products produced, marketed and commercialized by the Company are manufactured in compliance with regulatory requirements and are considered safe for use by consumers. However, there can be no assurance that individual products will not fulfil regulatory requirements, due to inter alia fault in manufacturing processes and ingredients used or human errors. Further, it is an inherent risk in the cosmetics industry that the products may be used by persons with special health conditions. Any non-compliant product or products that are used by persons with special health conditions could lead to product liability claims, negative media attention and public concern. This could have a material adverse effect on the demand for ABT's products, which in turn could have a material adverse effect on the Company's business, operating results, prospects and financial condition.

#### *2.1.4 Manufacturing of the Company's products require access to raw materials, and sufficient access to such raw materials cannot be guaranteed*

The manufacturing of the Company's products require access to raw materials from natural sources and is dependent on sufficient access to raw material of a consistent and high quality. Even though the Company has a sound stock level of raw material as of the date of this Prospectus, no guarantees can be made regarding the future quality of the raw material or the continued access to raw material from the expected sources.

As further described in Section 6 "Presentation of AQUA BIO TECHNOLOGY and its business", the Company obtains raw materials for its products from various markets across the world. The Moana Skincare products, for instance, are based on potent extracts from plants found in New Zealand. The Company's international scope of operations makes it arguably disproportionality more exposed to not being able to obtain access to raw materials for its products, compared to the Company's peers in the cosmetics and skincare markets which obtain their materials from national and/or regional sources.

Should the Company not be able to obtain the required or sufficient access to the raw materials for its products, this could have a material adverse effect on the Company's business, operating results, prospects and financial condition.

#### *2.1.5 The Company offers high-end products, but may not be able to sell its products at intended prices*

The Company's skincare products are newly introduced high-end products and sells at higher prices than many of the products offered by its competitors. There is no guarantee that the Company will be able to obtain the expected prices, and if it fails to obtain such expected pricing, such failure will have a material adverse effect on the Company's business, financial condition and operating results. Further, market conditions could lead to changes of what is perceived as obtainable prices in the market. A change in the market conditions could lead to lower sales prices or volumes, which would have a material adverse effect on the Company's business, financial condition, prospects and operating results.

Due to the Company's products being new to the market, it is far more exposed to not being able to sell its products at intended prices compared to its peers in the cosmetics and skincare markets that have more established high-end products and a broader customer base.

#### *2.1.6 The Company may not be able to retain key personnel*

The Company's Management currently consist of two individuals and the business and prospects of the Company depend, to a significant extent, on the continued services of its key personnel. ABT may, due to financial difficulties or other factors, fail to retain or attract skilled personnel to operate and provide services for its business. The loss of any of the members, including due to leave of absence due to sickness of the members of Management or their closely related parties, of its senior management or other key personnel or the inability to attract a sufficient number of qualified employees could have a material adverse effect the Company's business, results of operations, prospects and financial condition. The Company has few members of Management and is therefore disproportionality more exposed to not being able to retain and/or attract key personnel compared to its peers in the cosmetics and skincare markets that have a larger personnel base.

#### *2.1.7 The commercial success of the Company's products depends on the performance of third parties*

The Company's commercialization strategy inter alia involves the granting of licenses and entering into distribution, marketing and sales agreements with third parties, often on an exclusive basis, in each of the Company's principal markets, for the purpose of obtaining regulatory approval (where such approval is required) for marketing the Company's products and ingredients. ABT's strategy thus involves several exclusive distribution agreements with third parties. The Company's revenues will depend on its ability to enter into such agreements, as well as the terms of these distribution, marketing and sales agreements and the efforts of the third parties thereto, which ABT does not control.

Currently, the Company has entered into several distribution agreements for distribution of ready-to-use skincare products and a license/ marketing agreement related to ingredients. If the Company fails to enter into additional distribution agreements or licensing/ marketing agreements in line with its strategy, this will have a material adverse effect on the Company's business, financial condition and results of operations. The exclusive nature of the agreements, and the various restrictions on ABT's ability to terminate these contracts, may also make it difficult to find replacement partners should the chosen third parties fail to generate market demand and distribute the Company's products.

The commercial success of ABT's sales strategy depends on the cooperation of its partners and the level of resources they commit to the marketing and selling of the Company's products in each respective jurisdiction and, in part, on ABT's ability to establish, maintain and productively manage these relationships. Chosen partners may not perform their obligations as expected, and disagreements may arise between the Company and such partners, leading to supply or production delays or lower sales revenues. Litigation or arbitration may

also result from such disagreements, which could be time consuming and result in expensive settlements or damages payable to ABT's partners. Any of these events could have a material adverse effect on ABT's business, financial condition and results of operations. Furthermore, where ABT does not have exclusivity agreements with existing partners, the Company may seek to develop relationships with new partners. No assurance can be given that the Company will be able to do so successfully, and a failure to do so may limit ABT's ability to further commercialize its product offering, which could in turn have a material adverse effect on the Company's business, financial condition and results of operations.

#### 2.1.8 The Company is dependent on third parties for supply of products

The Company purchases its ready-to-use products from third parties/contract manufacturers and is dependent on supply from these third parties in order to have products to sell to the customers of the Company. If the Company's agreements with third parties are terminated or the terms of such agreements become less favourable for the Company or if the third party suppliers experience delays, disruptions, capacity constraints or quality problems in their operations, this may have a material adverse effect on the Company's business, results of operations, cash flow and financial condition.

If the Company is required to change third party suppliers, it may incur increased costs and reduction of sales to customers. There can be no assurance that the Company is able to enter into agreements with other third party suppliers. If the Company's current agreements with third party suppliers are terminated, this may have a material adverse effect on the Company's business, results of operations, cash flow and financial condition.

#### 2.1.9 *The Company may not be able to implement its business strategy successfully or manage its growth effectively*

The Company's current business models includes the commercialization of new biotechnology, development of new ingredients for skin care and introducing ready-to-use skin care products to selected markets. The implementation of these business models is currently ongoing and future growth will depend on the successful implementation of these business models.

The Company's Management will review and evaluate the business strategy with the Board of Directors on a regular basis. A failure to execute the Company's business strategy or to manage growth effectively could adversely affect the Company's business, prospects, financial condition and results of operations. Furthermore, the Company may decide to alter or discontinue aspects of the business strategy and may adopt alternative or additional strategies in response to the Group's operating environment or competitive situation or factors or other events beyond the Company's control.

#### 2.1.10 *The Company is dependent on intellectual property rights and such rights may not be adequately protected*

Aqua Bio Technology relies upon certain proprietary confidential information, trademarks, unpatented know-how, unpatented trade secrets and improvements and continuing technological innovation to develop and maintain its competitive position. On the date of this Prospectus, the Company has patents and pending patent applications in 6 patent families, consisting of 117 granted patents and 10 pending patent applications. There can be no assurance that any of the patents applied for by the Company will be granted. Patent protection may not, in any event, prevent competitors from developing alternative solutions or products that are more favoured by end consumers. If Aqua Bio Technology is unable to adequately protect its intellectual property, technology, trade secrets or proprietary knowhow, or enforce its existing or future patents, this might have a material adverse effect on its business, results of operations and financial condition.

The business of the Company is also dependent on utilization of patented or otherwise proprietary technology of third parties, to which ABT will have or seek right of use as further regulated in license agreements and arrangements. No assurances can be given that such license rights will be renewed and upheld in the future, or that a renewal can be made on the same terms as for the existing rights.

Any of the above events could result in the value of the intellectual property of the Company being lower than expected, or that the Company may not be able to carry out its business as expected, which could have a material adverse effect on the Company's business, financial condition and operating results.

## **2.2 Risks relating to financing**

### *2.2.1 The Company may require additional capital in the future*

The Company may require additional capital in the future pursuant to its business plan, due to unforeseen liabilities or other circumstances or in order for it to take advantage of opportunities that may be presented to it. Further, negative developments in sales or production cost may lead to a strained liquidity position and the potential need for additional funding through equity funding, debt financing or other means. Any additional equity financing may be dilutive to the shareholders. There can be no assurance that the Company will be able to obtain necessary funding in a timely manner and on acceptable terms.

If funding is insufficient at any time in the future, the Company could be forced to delay, limit, reduce or terminate its product development and commercialisation efforts, and further may not be able to fund acquisitions, take advantage of business opportunities, respond to competitive pressures or other commercially reasonable efforts to secure sales growth, any of which could adversely impact the Company's results of operations, cash flow and financial condition. If the Company is not successful in raising necessary additional capital, it may become insolvent and, if no other alternatives exist, enter into administration.

### *2.2.2 Foreign exchange risk*

Fluctuations in currency exchange rates may impact the Company's operational income. The Company expects that a large part of its operating income will be denominated in other currencies than NOK, including USD, NZD and EUR. Currency fluctuations and depreciation of foreign currencies may have a material adverse effect on the Company's business, operating results and financial condition. The Company is thus exceedingly more exposed to foreign exchange risk compared to its peers in the cosmetics and skincare markets that do not have their operating income denominated in foreign currencies.

## **2.3 Risks related to the Shares**

### **2.3.1 Future sales, or the possibility for future sales, of substantial numbers of Shares could affect the Shares' market price**

The Company cannot predict what effect, if any, future sales of the Shares, for example from its existing main shareholders or the availability of Shares for future sales, will have on the market price of the Shares. On 6 July 2021, which was the last practical date before this Prospectus was approved, approximately 75 % of the Company's Shares were owned by its top 20 shareholders and there has been little turnover in the Company's Shares by its main shareholders in the two preceding years prior to the date of this Prospectus. Sales of substantial amounts of the Shares in the public market following the listing of the Private Placement Shares, or the perception that such sales could occur, could therefore adversely affect the market price of the Shares,



making it more difficult for holders to sell their Shares or the Company to sell equity securities in the future at a time and price that they deem appropriate.

### **3 RESPONSIBILITY FOR THE PROSPECTUS**

The Company's Board of Directors accepts responsibility for the information contained in this Prospectus. The members of the Board of Directors confirm that the information contained in this Prospectus is, to the best of their knowledge, in accordance with the facts and that the Prospectus makes no omissions likely to affect its import.

9 July 2021

The Board of Directors of Aqua Bio Technology ASA

Edvard Cock  
Chairman

Tone Bjørnov  
Director

Jan Pettersson  
Director

Roger Hofseth  
Director

Kristin Aase  
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 reviewed and approved this Prospectus, 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 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 Shares in the Company. The Prospectus was approved by the Norwegian FSA on 9 July 2021.

This Prospectus is valid for a period of 12 months from the date of approval by the NFSA.

### **4.2 Simplified prospectus in accordance with Article 14 of the 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 that regime.

### **4.3 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 Norwegian FSA and the Listing of the Private Placement Shares on the Oslo Børs, 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 Group 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 Group or by any of its affiliates, representatives, advisors or selling agents of any of the foregoing.

### **4.4 Presentation of financial and other information**

#### **4.4.1 Financial information**

The Group's audited consolidated financial statements as of, and for the year ended, 31 December 2020, which includes comparative figures for the year ended 31 December 2019, has been prepared in accordance with International Financial Reporting Standards as adopted by the EU ("IFRS"). The audited consolidated financial statements as of, and for the year ended, 31 December 2020, which includes comparative figures for the year ended 31 December 2019, are hereinafter referred to as the "**Annual Financial Statements**" and have been incorporated by reference into this Prospectus.

Please refer to Section 13 "Incorporation by reference and documents" for further information on documents incorporated by reference.

The Annual Financial Statements have been audited by the Company's auditor, RSM Norge AS, as set forth in their report included in the Annual Financial Statements.

The Company presents the Historical Financial Information in NOK (presentation currency).

#### 4.4.2 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 ABT's business and the industries and markets in which it operates. Unless otherwise indicated, such information reflects ABT's estimates based on analysis of multiple sources, including data compiled by professional organisations, consultants and 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 ABT, as well as ABT's internal data and its own experience, or on a combination of the foregoing.

Although ABT believes its estimates to be reasonable, these estimates have not been verified by any independent sources, and ABT 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. ABT 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. ABT 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 ABT'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.

#### 4.4.3 Other information

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 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 Historical Financial Information is published in USD.

#### 4.4.4 Rounding

Certain figures included in this Prospectus have been subject to rounding adjustments (by rounding to the nearest whole number or 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.

#### 4.4.5 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 industries 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", "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 2 "Risk factors", 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 industries and markets; and
- the competitive environment in which the Group's operates.

Prospective investors in the Shares are cautioned that forward-looking statements are not guarantees of future performance 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 Regulation or 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 herein.

## **5 INFORMATION CONCERNING THE SECURITIES ADMITTED TO TRADING**

### **5.1 The background for the Private Placement, the purpose of and the use of proceeds**

As disclosed to the market on 14 April 2021, the Private Placement was initiated on the basis of an approach from the investment company Akvakulturpartner AS which is focusing on attractive and innovative aquaculture opportunities. Akvakulturpartner is ultimately owned by Bjørn-Vegard Løvik (CEO and chairman), Johan E. Andreassen, Andre Skarbø, Jim Solbakken and Ole Gunnar Solskjær.

Bjørn-Vegard Løvik and Johan E. Andreassen are co-founders of and largest shareholders in Atlantic Sapphire and have significant experience in the salmon farming and the broader seafood industry from Villa Organic, a 30,000 tonnes capacity salmon farming. In addition, CEO Mr. Løvik owns two Norwegian salmon smolt and post smolt facilities, Hjelvik Settefisk and Saetre Settefisk and has founded and led Prophylaxia AS, an R&D-focused net pen salmon farming business in Norway.

Following the approach from Akvakulturpartner AS, the Board of Directors explored the possibility of raising additional capital from other external investors.

The net proceeds from the Private Placement of NOK 14,777,445 million will be used for general corporate purposes and various research and development activities and business development activities, including research and development related to the production of Aquabeautine XL, the Company's first and proprietary ingredient. For more information about the Company's products, see Section 6.4 "Products/ingredients".

### **5.2 The Private Placement**

#### **5.2.1 Overview**

The terms and conditions of the Private Placement are set out in Section 5.2.5.

The Company completed the Private Placement on 15 April 2021 of 1,303,707 Private Placement Shares directed towards certain investors, including Akvakulturpartner AS. The Private Placement was approved by the Board of Directors on 29 April 2021 pursuant to (i) an authorization to issue new shares in connection with private placements resolved by an Extraordinary General Meeting in the Company on 11 September 2020 and (ii) an authorization to issue new shares in connection with private placements resolved by an Annual General Meeting in the Company on 10 June 2020.

The Private Placement deviated from the Company's shareholders' existing preferential rights to subscribe for Private Placement Shares. The Board of Directors considered it was appropriate, and in the joint interest of the Company and its shareholders, to deviate from the shareholders' preferential rights as (i) an investment from Akvakulturpartner AS in the Company's shares was regarded as strategically important to the Company as the net proceeds received could be used to strengthen the Company's research and development activities and further commercialization of its products, (ii) the equity injections from external investors would strengthen the Company's working capital and be used for other corporate purposes, including strengthening the prerequisites for continued operations, and (iii) the Private Placement Shares were only allocated to new investors in the Company.

The Private Placement Shares could not be admitted to trading prior to approval and publication of this Prospectus. As such, and also to facilitate a delivery-versus-payment settlement of the Private Placement Shares with 15 May 2021 as the latest payment date, the delivery of Private Placement Shares, excluding the Private

Placement Shares that were allocated to Akvakulturpartner AS, was settled with existing unencumbered and already listed Shares in the Company pursuant to the Share Lending Agreement between the Company and the Lender.

The share loan pursuant to the Share Lending Agreement was settled by the Company on 29 April 2021 with the Private Placement Shares, which were delivered immediately upon registration of the associated share capital increase being registered in the Norwegian Register of Business Enterprises on 25 May 2021. The admission of the Private Placement Shares to trading on Euronext Expand remained subject to approval and publication this Prospectus in accordance with Article 3 of the EU Prospectus Regulation.

Upon registration of the share capital increase associated with the Private Placement Shares, the Private Placement Shares allocated to Akvakulturpartner AS and the Shares borrowed from the Lender were issued on a separate and non-tradable ISIN Number and, immediately after the approval and publication of this Prospectus, such Private Placement Shares shall be transferred to the ordinary ISIN number of the Company's Shares that are traded on Euronext Expand.

Prior to the consummation of the Private Placement, the Company's share capital was NOK 45,998,427.50 divided into 18,399,371 Shares, each with a par value of NOK 2.50. Following registration of the share capital increase in conjunction with the Private Placement, the Company has an issued share capital of NOK 49,257,695 divided into 19,703,078 Shares, each with a par value of NOK 2.50.

#### 5.2.2 Subscription Price

The Subscription Price of NOK 11.45 per Private Placement Share was determined as a fixed price by the Board of Directors. The Subscription Price was announced through the Oslo Stock Exchange's electronic information system, NewsWeb, on 14 April 2021.

#### 5.2.3 Allocation, payment for and subscription of the Private Placement Shares

The application period for the Private Placement ran from and including 14 April 2021 at 18:45 (CET) to and including 15 April 2021 at 8:00 (CET). The minimum amount of application was NOK 100,000. Any application to subscribe for shares was irrevocable and could not be withdrawn from the respective applicant. The Private Placement and the allocation were approved by the Board on 29 April 2021.

Notifications and payment instructions for the Private Placement were sent to the applicants on 16 April 2021. Besides the subscription amount payable by Akvakulturpartner AS, the subscription amount for the Private Placement Shares was timely paid in full to the designated share issue account within the payment deadline. The share capital increase associated with the Private Placement Shares issued towards the other external investors were registered in the Company Registry on 25 May 2021, whereas the Private Placement Shares that were issued towards Akvakulturpartner AS were registered in the Company Registry on 29 May 2021.

For settlement of the Share Lending Agreement and the delivery of the Private Placement Shares issued to Akvakulturpartner AS, see Section 5.2.1.

The following investors were allocated more than 5% of the Private Placement Shares.

<b>Name of investor</b>	<b>Number of Private Placement Shares Allocated</b>	<b>% of the Private Placement</b>
Akvakulturpartner AS	698,690	53.59

AS Invest AS	171365	12.75%
Bohan & CO AS	105511	8.7%
SPC Invest AS	98106	7.5%

#### 5.2.4 Admission to trading

The Company's shares are listed on Euronext Expand under the ticker-code "ABT".

The listing on Euronext Expand of the Private Placement Shares is subject to the approval of the Prospectus by the Norwegian FSA pursuant to the rules of the Norwegian Securities Trading Act. Such approval was granted on 9 July 2021.

Besides the Private Placement Shares allocated to Akvakulturpartner AS and the Lender pursuant to the Share Lending Agreement, the Private Placement Shares were admitted to trading on Euronext Expand as soon as they were delivered to the investors.

The registrar in the VPS for the Shares is DNB Bank ASA, Verdipapirservice, Dronning Eufemias gate 30, NO-0191, Oslo, Norway.

The Company has not entered into any underwriting agreement, stabilization agreements, market making agreements or similar agreements for trading of its Shares on Euronext Expand.

#### 5.2.5 Resolutions to issue the Private Placement Shares

The issuance of the Private Placement Shares was approved by the Board of Directors through the resolutions on the basis of board authorizations provided by the Company's shareholders.

Pursuant to the board authorization provided by the Company's Extraordinary General Meeting held 11 September 2020, the Board made the following resolution:

- (i) *The Board resolved that the Company's share capital is increased with NOK 1,746,725 by issuance of 698,690 new shares, each with a nominal value of NOK 2.50.*
- (ii) *The subscription price per share is NOK 11.45.*
- (iii) *The new shares shall be subscribed by Akvakulturpartner AS. The existing shareholders' preferential right is deviated from.*
- (iv) *The subscription of the new shares shall be made in the minutes to this Board meeting no later than 15 May 2021.*
- (v) *The subscription price shall be paid within 15 May 2021 to the Company's bank account at Danske Bank.*
- (vi) *The new shares shall carry shareholder rights, including right to dividends, from registration of the share capital increases in the Norwegian Register of Business Enterprises.*
- (vii) *The estimated costs related to the private placement are approximately NOK 75,000.*

Pursuant to the board authorization provided by the Company's Annual General Meeting held 10 June 2020, the Board made the following resolution:



- (i) *The Board resolved that the Company's share capital is increased with NOK 1,512,524.5 by issuance of 605 017 new shares, each with a nominal value of NOK 2.50.*
- (ii) *The subscription price per share is NOK 11.45.*
- (iii) *The new shares shall be subscribed by the investors and with the allocation as set out in Appendix 1 to the minutes to this Board meeting. The existing shareholders' preferential right is deviated from.*
- (iv) *The subscription of the new shares shall be made in the minutes to this Board meeting no later than 15 May 2021.*
- (v) *The subscription price shall be paid within 15 May 2021 to the Company's bank account at Danske Bank.*
- (vi) *The new shares shall carry shareholder rights, including right to dividends, from registration of the share capital increases in the Norwegian Register of Business Enterprises.*
- (vii) *The estimated costs related to the private placement are approximately NOK 75,000.*

By reason of the above resolutions, Section 4 of the Company's Articles of Association was amended to read:

*The Company's share capital is NOK 49,257,695 divided into 19,703,078 shares, each with a nominal value of NOK 2.50.*

### **5.3 Dilution**

The net asset value in the Annual Financial Statements on 31 December 2020 was NOK 8,3 million, which translates to NOK 0,45 per Share outstanding before the share capital increases in connection with the Private Placement. The Subscription Price in the Private Placement was NOK 11.45 per Private Placement Share.

The dilutive effect following the consummation of the Private Placement is summarized in the table below:

	Prior to the Private Placement	Subsequent to the Private Placement
Number of Shares each with a nominal value of NOK 2.50	18,399,371	19,703,078
% dilution		6.62%

### **5.4 Shareholder's rights relating to the Private Placement Shares**

The Company has one class of Shares, and all Shares carry equal rights as set out in Section 4-1(1) first sentence, of the Norwegian Public Limited Companies Act. The Shares are registered in the VPS with ISIN NO 0010307135. The Shares are issued in NOK and are quoted and traded in NOK at Euronext Expand.

The rights attached to the Private Placement Shares are tantamount to those attached to the Company's existing Shares. The Private Placement Shares will be issued electronically and will rank pari passu with existing Shares in all respects from such time as the share capital increase in connection with the issuances of the Private Placement Shares are registered in the Company Registry.

See Section 9.9 "Certain aspects of Norwegian law" on details concerning the rights attached to Shares and issues regarding shareholding in a Norwegian Public Limited Company.

The Private Placement Shares will have the same VPS registrar and the same ISIN number as the Company's other Shares. The Private Placement Shares allocated to Akvakulturpartner AS and the Private Placement Shares that shall be re-delivered to the Lender pursuant to the Share Lending Agreement have been issued on a separate and non-tradeable ISIN number pending approval and publication of this Prospectus.

#### **5.5 Lock-up**

No lock-up agreements have been entered into in conjunction with the Private Placement.

#### **5.6 Expenses**

The gross proceeds to the Company for the Private Placement Shares were NOK 14,927, 445, all of which were cash proceeds.

The Company will bear the fees and expenses related to the Private Placement, which are estimated to amount to up to approximately NOK 150,000. The net proceeds from the Private Placement will thus be around NOK 14,777,445. No expenses or taxes have been charged by the Company to the subscribers in the Private Placement

#### **5.7 Advisor**

Advokatfirmaet CLP DA has been acting as the Company's legal advisor in connection with the Private Placement.

#### **5.8 Interest of Natural and Legal Persons Involved in the Private Placement**

One existing shareholder in the Company provided the Company with a share loan in accordance with the Share Lending Agreement to facilitate delivery of listed shares to the investors in the Private Placement on a payment versus delivery basis as further set out in Section.

There is no interest of any natural and legal person involved in the Private Placement, including any conflict of interest, that has been material to the Private Placement.

## **6 PRESENTATION OF AQUA BIO TECHNOLOGY AND ITS BUSINESS**

### **6.1 Introduction**

ABT is a Norwegian biotechnology company that both commercializes ingredients for cosmetics and markets ready-to-use skincare products manufactured by business partners. ABT directs its marketing efforts for ingredients towards industrial customers. The skincare products are marketed both directly towards consumers and through commercial partners.

The Company's ambition for the ingredients business model is to bring new biotechnology and ingredients to the cosmetics market. ABT seeks to obtain licenses from various players that does not on its own have the commercial competence or knowledge to develop cosmetic products, and ABT will, based on such license, seek to commercialize the relevant technology. ABT currently has three European partners within this business model.

In January 2017, the Company decided to expand its business model to also include marketing and sales of third-party products to consumers and professional users. Since 2017 and until 2020, ABT has marketed and sold skincare products two brand owners, and has had the right to sell their products to consumers in Europe, the Middle East and Africa. As of June 2020, ABT entered into a strategic agreement with a Canadian cosmetics manufacturer that secured the company two new brands with the potential for more going forward. These brands will launch in 2021 and ABT has global rights excluding Canada. As of September 2020, ABT purchased all the rights for the brand Moana Skincare, a cosmetic brand that the company had held a license for since 2017. ABT now has global rights for the Moana Skincare brand. It is the Company's ambition to further develop this business model going forward.

ABT's vision is to commercialize natural and sustainable skincare with documented cosmetic benefits that meet consumer needs and demands. The Company's strategy is to be a "commercial greenhouse" for bringing new biotechnology and ingredients to the cosmetics market as well as commercializing skincare products manufactured by business partners to primarily industrial customers but also individual consumers through its own web stores.'

### **6.2 Aqua Bio Technology's vision**

ABT's vision is to commercialize natural and sustainable skincare with documented cosmetic benefits that meet consumer needs and demands. The Company's strategy is to be a "commercial greenhouse" for bringing new biotechnology and ingredients to the cosmetics market as well as commercializing skincare products manufactured by business partners to primarily industrial customers but also individual consumers through its own web stores.

### **6.3 Business concepts**

#### **6.3.1 Ingredients**

As part of the Company's business strategy, the Company seeks to commercialize cosmetic ingredients. The Company was built and incorporated on its proprietary hatching fluid technology that yielded several cosmetic ingredients, including Aquabeautine XL, which is the only cosmetic ingredient being commercialized today and which is licensed to Restorsea on an exclusive basis. The Company does currently only develop ingredients in cooperation with business partners. Going forward, the Company will continue to assess new biotechnology that it may be able to commercialize as cosmetic ingredients within this part of the business model.

The commercialization of the Company's proprietary hatching fluid technology was the first step in this business concept. The hatching fluid technology, and the patent filed to protect this technology, was the foundation for the incorporation of the Company. Through a lengthy development phase ranging from 2000 through 2011, the hatching fluid technology and the commercial concept evolved to achieve its breakthrough in 2012 through the signing of two exclusivity agreements with two US business partners. One of those exclusivity agreements is still in effect and currently forms the only revenue generating part of the Company's business concept related to ingredients. The Company generates revenue from the hatching fluid technology in the form of potential ingredient sales as well as royalty payments from its business partner. Further to the above, the Company expects renewal fee payments for extension of exclusivity in 2022 (USD 2.5M) and 2027 (USD 2.5M).

The second step of this part of the business model is to position the Company as a "commercial greenhouse" for new biotechnology and ingredients to the cosmetics market. Through its current network, through consultants, and through active searches within the cosmetic industry, the Company seeks to obtain licenses from various business partners that does not on its own have the commercial competence, or knowledge or funds to finalize cosmetic ingredients and products for commercialization. ABT will, based on such licenses, seek to commercialize the relevant technology within the cosmetic market. ABT currently has three European partners within this business.

In order to commercialize new technologies within the cosmetic market, the Company performs a series of assessments that involves; 1) assessment of the technology from a regulatory point of view (are there potential regulatory barriers that the Company believes it will be difficult to overcome?), 2) an efficacy point of view (does the technology meet consumer wants/needs?), 3) a scalability point of view (is it possible to manufacture the ingredient or the cosmetic products in such quantities to fulfill potential future demand?) as well as 4) the uniqueness of the technology (is it patented or is the technology protected through trade secrets?). Based on the assessments above, a market feasibility assessment is performed that involves, amongst other things, presenting the technology to select focus groups to get early feedback from potential future customers. All assessments taken together, a final cost-benefit assessment is done before the technology is presented to the Board of Directors for approval of investments in such technologies. If the Board of Directors give their approval, the Company will perform the necessary studies to gather the required documentation in order to best position the technology for commercial success.

With regards to the Company's cosmetic ingredient portfolio, these ingredients will primarily be attempted commercialized through the Company's network of distributors globally, however, brand owners may also be targeted directly in certain markets/regions.

The development and commercialization of ingredients traditionally follows a time-frame of about one-three years before the Company achieves revenues from such business. The research and development of new ingredients are typically made by the Company's business partners, which can typically be scientific-based companies or institutes, which work towards developing an ingredient that is ready to be commercialized (including through verification of characteristics and product properties of the ingredient and of assessment of the ability to successfully scale up production of the ingredient). Contact between the Company and potential business partners within the ingredients business concept is usually established at trade shows, seminars and conferences. When the ingredient is ready to be commercialized, the Company will be granted a license to market and sell the ingredient to manufacturers of cosmetics globally in exchange for an obligation to pay royalties to the business partner that has developed the ingredient. In addition to the royalty obligation, the Company has historically paid non-significant upfront fees to such business partners to fund research and development.

The Company's business partners within this business concept are AlgoSource, Zembra and Banco Español de Algas (BEA), where the ingredients/potential ingredients are Spirulysat®, Zand Exfoliator, and marine betaglacans, respectively.

### 6.3.2 Skincare products

The Company's skincare business concept includes the commercialization and distribution/ sales of third-party consumer products directly to consumers and professional partners. The Company's business partners are contract manufacturers of cosmetic products. ABT seeks to obtain exclusive licenses from its business partners for the commercialization of the products. This business concept was established to both reduce risk through diversification as well as achieve an improved revenue potential, placing the Company in a larger part of the cosmetic product value chain. The Company also believes that being a cosmetic ingredient provider increases its credibility in the cosmetic consumer products market.

The time to revenue for consumer goods follows a different pattern than for ingredients and is typically 6-12 months after introduction to the market. Consumer goods typically have lower margins; however, this segment typically also generates larger volume sales.

The Company's commercial strategy for the product portfolio vary by type of product. In general, the short-term focus will be on available European markets (examples of such markets are Germany, France, the United Kingdom, Spain, Portugal and Italy), the APAC markets (such as Australia, New Zealand and China), and EMEA (such as Egypt). In addition to this, the products will be promoted to high-end, key-opinion leaders in Scandinavia, Switzerland and Austria as well as Kuwait and Saudi Arabia. It is expected that ABT will launch its new skincare products comprising of Seidr, Seidr Clinique and B Natural during the third quarter of 2021.

The Company usually receives complete packaged products that are ready for distribution and sales from the contract manufacturers. The Company has however in past experienced product quality issues with the Moana Skincare product which has caused delayed turnover and growth of the Company's commercial activities within this part of the business model. These issues have been addressed with both licensors and have been corrected.

The Company believes its products will strengthen its competitiveness with new packaging and new brands. The consumer brands receive high customer satisfaction and brand approval amongst customers<sup>1</sup>. With product quality issues resolved and availability of new key products, the Company has re-engaged its business model described above.

ABT's network of distributors covers 17 markets in Europe, Middle East and APAC.

## 6.4 Products/ingredients

### 6.4.1 Aquabeautine XL

Aquabeautine XL, the first-generation ingredient from the Company's proprietary hatching fluid technology, is a unique combination of a protease, polypeptides and egg shell proteins. The raw material used in the manufacture of Aquabeautine XL is collected as a by-product after fertilized salmon eggs hatch. This hatching fluid is considered as a waste product in the fish industry.

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<sup>1</sup> This statement is based on informal feedback from customers and professional partners.

In contrast to other cosmetic ingredients that is extracted from salmon eggs, Aquabeautine XL is extracted from the hatching water resulting from hatching of fertilized salmon eggs while the rest of the industry utilize ingredients/products extracted from non-fertilized salmon eggs. The process of collecting the hatching water, as well as the manufacture and use of Aquabeautine XL, is protected by both trade secrets and patents.

The protease is secreted by specific cells of the fish larva during the hatching stage of its development. This component of Aquabeautine XL is not found in other salmon-based cosmetic ingredients in the cosmetic market. The protease helps the delicate baby fish get out of its eggshell by digesting the tough, fibrous protein structure of the eggshell, without harming the fish larvae itself. The protease mimics skin enzymes and degrades corneodesmosomes, specific cell binding sites in the stratum corneum/upper layers of the skin. Dead skin cells are gently removed without harming the living skin cells beneath. The resulting effect is microexfoliation, an important process in optimizing the effects of cosmetic products.

The polypeptides in Aquabeautine XL are also specific to hatching water from fertilized salmon eggs. These polypeptides are secreted by specific cells of the fish larva and help to protect the baby fish against the harsh environment once it is born. On the skin the polypeptides provide an anti-ageing effect through stimulation of growth and the differentiation of new skin cells.

The egg shell proteins in Aquabeautine XL are hydrolysed by the protease within the fish egg resulting in proteins that promote transport and retain moisture into the stratum corneum/upper skin layer and replenish the skin.

#### 6.4.2 Moana Skincare

##### **General information**

The Company purchased all rights to Moana Skincare in September 2020. The entire product line consists of 13 products for women, 2 products for men, and 4 products for babies. The Company will focus on the commercialization of products for women and men in the first phase and consider the baby products for future commercialization.

Moana Skincare is inspired by the pristine nature and oceans of New Zealand. The uniqueness lies in utilizing premium botanicals from New Zealand. In addition to this, Moana Skincare products contain a proprietary native red seaweed which contains polyglycans important for important anti-ageing effects. These marine polyglucans are extracted into the proprietary ingredient, Glycoplus®, and are able to penetrate deep into your skin with extreme antioxidant effect, representing a truly "superfood" for your skin.

New Zealand is one of the most pristine countries in the World and its government goes far and beyond to protect its oceans and nature. The strict rules and regulations put in place by the government also applies to their definition and certification process of organic products. The Moana Skincare brand has obtained a Certified Organic status through its AsureQuality, the New Zealand Government's body for governing these processes and definitions.

A 14-day clinical study showed that Moana skincare provided 60-hour hydration of the skin an effect, 8 to 10 times higher than traditional cosmetics. Skin hydration and antioxidant effect is key for multiple skin benefits, supporting the skin's free-radical defence and importance for anti-ageing properties, improving the skin barrier function though boosted nutrient reservoirs in the skin, promoting a flawless skin appearance.

Altogether, Moana Skincare is a Certified Organic skincare line that meets consumer demands for efficacy, natural alternatives as well as providing effects through advanced glybiology, helping your skin help itself.

## Product line

The Moana Skincare product line is mainly targeted towards women and men above the age of 30, and consist of the following products:

Moana Skincare	Tau	Moana Baby
Toner	Serum	Protecting balm
Serum	Moisturiser	Oil
Renewal Day Cream		Lotion
Oil		Calming Cream
Nourishing Cream		
Night Repair Serum		
Night Repair Complex		
Moisturiser		
Make-Up Remover		
Instant Lifting Mask		
Gentle Exfoliator		
Eye Firming Gel		
Cleansing Milk		



### 6.4.3 Spirulysat

The Company holds a global, exclusive license for Spirulysat® from Algosource within cosmetics. Spirulysat® is a novel and unique combination of a strong antioxidant and vitamin-boosted spirulina for cosmetic use, combining the unique effects of commodities like spirulina and phycocyanin into a state-of-the-art cosmetic ingredient. This unique combination of actives gives manufacturers and brand owners a potent and effective cosmetic ingredient that, in the Company's opinion, meet consumer wants and need.

#### 6.4.4 Marine betaglucans

The Company entered into a development project with Banco Español de Algas ("BEA") in 2017. The goal of the development project is to explore new and innovative marine resources for the production of marine betaglucans that can be commercialized as an ingredient in the cosmetic market. The Company believes that marine betaglucans meet consumer demands and trends in an otherwise crowded cosmetic ingredient market and that this has a strong potential in the cosmetic products. Product candidates have been identified and the Company is working with BEA to further develop these.

#### 6.4.5 Zand

The Company holds a global, exclusive license for Zand from Zembra UK within cosmetics. Zand Exfoliator is an environmentally-friendly exfoliator sourced from olive kernels for cosmetic use that also has additional cosmetic benefits. The product combines unique exfoliation properties with additional antioxidant benefits from tannins and terpene acids. Zand Exfoliator represents a unique combination of exfoliation and antioxidant benefits and gives manufacturers and brand owners an environmental-friendly and effective cosmetic ingredient that, in the Company's opinion, meet consumer wants and need. The licensors manufacturing costs are, today, high and this limits market access for Zand Exfoliator. The Company is working with the licensor to assess if an improved cost-benefit ratio is possible to achieve.

### 6.5 Significant changes in operating activities

There has not been any significant change in the operating and principal activities of the Group since 31 December 2020.

### 6.6 Material contracts outside the ordinary course of business

Neither the Company nor any member of the Group has entered into any material contracts outside the ordinary course of business for the two years prior to the date of this Prospectus. Further, the Group has not entered into any other contract outside the ordinary course of business which contains any provision under which any member of the Group has any obligation or entitlement.

### 6.7 Legal and arbitration proceedings

From time to time, the Group is involved in litigation, disputes and other legal proceedings arising in the normal course of its business. Neither the Company nor any other company in the Group is, 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.



## 7 BOARD OF DIRECTORS AND MANAGEMENT

### 7.1 Board of Directors

#### 7.1.1 General

The Board of Directors of ABT is responsible for the supervision and administration of the Company's affairs and for ensuring that the Company's operations are organized in a satisfactory manner. For more details pertaining to the obligations of the Board of Directors, see Section 9.9.

#### 7.1.2 Overview of the Board of Directors

The Company's Articles of Association provide that the Board of Directors shall consist of a minimum of three and a maximum of six Board Members elected by the Company's shareholders. The names and positions and current term of office of the Board Members as at the date of this Prospectus are set out in the table below.

Name	Position	Served since	Term expires	Shares held
Edvard Cock	Chairman	February 2016	AGM 2022	1,280,793 <sup>2</sup>
Tone Bjørnov	Board member	August 2008	AGM 2022	128,203
Kristin Aase	Board member	June 2015	AGM 2022	1,406,278 <sup>3</sup>
Jan Pettersson	Board member	June 2015	AGM 2022	4,435,885 <sup>4</sup>
Roger Hofseth	Board Member	January 2019	AGM 2022	4 514 904 <sup>5</sup>

The composition of the Board of Directors is in compliance with the independence requirements of the Corporate Governance Code (as defined below), meaning that (i) the majority of the shareholder elected members of the Board of Directors is independent of the Company's executive management and material business contacts, (ii) at least two of the shareholder elected Board Members are independent of the Company's main shareholders (shareholders holding more than 10% of the Shares in the Company), and (iii) no members of the Company's Management serves on the Board of Directors.

The Company's registered business address, Fornebuveien 37, N-1366 Lysaker, Bærum, Norway, serves as the c/o address for the Board Members in relation to their directorship of the Company.

#### 7.1.3 Brief biographies of the members of the Board of Directors

Set out below are brief biographies of the members of the Board of Directors of Aqua Bio Technology as of the date of this Prospectus.

##### **Edvard Cock, Chairman**

Mr. Cock has served as Chairman of the Board since 2016. He is a lawyer and partner with the law firm CLP, having worked as a business attorney since 1997. Mr. Cock holds an MBA degree from the University of Michigan and a cand.jur. law degree from the University of Oslo. Mr. Cock is a Norwegian citizen and resides in Norway.

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<sup>2</sup> Held through wholly owned company Blixen Invest AS.

<sup>3</sup> Including shares held by related party Kjeveortoped Espen Dahl AS and associated companies.

<sup>4</sup> Held personally and through associated companies Initia AB and Swelandia International AB.

<sup>5</sup> Held through controlled company Roger Hofseth AS.

*Current directorships and senior management positions* Advokatfirmaet CLP DA, Partner  
Chairman, Integrated Detector Electronics AS

*Previous directorships and senior management positions last five years* Chairman, Brødboksen TWD AS (liquidated)

#### **Tone Bjørnov, Board member**

Ms. Bjørnov has served on the board since 2008. She is a full-time board member serving on the boards of several public and private companies. Her background is in bank and finance, including having served as an executive with DNB Bank. Ms. Bjørnov holds a business degree from the Norwegian School of Management (BI). Ms. Bjørnov is a Norwegian citizen and resides in Norway.

*Current directorships and senior management positions* Filmparken AS, Chairman of the board of directors  
Storyline Studios AS, Chairman of the board of directors  
Hausmann AS, Chairman of the board of directors  
Dugnad.ai AS, Chairman of the board of directors  
Omsorgsbygg Oslo KS, Deputy Chairman of the board of directors  
Varme og Bad AS, Director  
Atlantic Sapphire ASA, Director

*Previous directorships and senior management positions last five years* Bank 1 Oslo Akershus AS, Director (2006-2017)  
ABG Sundal Collier ASA, Director (2010-2017)  
Intex Resources ASA, Director (2012-2016)  
Serendex Pharmaceuticals AS, Director (2014-2016)  
Storyline Studios AS, Director (2011-2016)  
Norsk Film Kostyme AS, Chairman of the board of directors  
BB Bank ASA, Deputy Chairman of the board of directors  
Guard Automation AS, Director  
Guard Electro AS, Director  
Sparebankstiftelsen BIEN, Director  
TF Bank AB, Director

#### **Kristin Aase, Board member**

Ms. Aase has served on the board since 2015. She is an adviser and partner with her own company Kristin Aase Team og ledelse. She has held leadership positions within several organisations and enterprises. Ms. Aase holds a cand. polit. degree from the University of Oslo. Ms. Aase is a Norwegian citizen and resides in Norway.

*Current directorships and senior management positions* N/A

*Previous directorships and senior management positions last five years* Mentor Media AS, Deputy Chairman of the board (2009 – 2018)  
Vårt Land AS, Deputy Chairman of the board (2009 – 2017)

#### **Jan Pettersson, Board member**

Mr. Pettersson has served on the board since 2015. He is a private investor who takes an active ownership role within several sectors, including the fish industry. Mr Pettersson has studied law at the University of Stockholm. Mr. Pettersson is a Swedish citizen and resides in Sweden.

*Current directorships and senior management positions* Rederi Swelandia AB, CEO and Director  
Swelandia International AB, CEO and Director  
Initia AB, CEO and Director  
Manville Finans AB, CEO and Director  
Vindpark Vänern Drift AB, CEO and Director  
Fastighetsbolaget Fallskärmen 1 AB, CEO and Director  
Björknäs Trä AB, CEO and Director  
Axcel AB, CEO and Director  
S-Pap Pult And Paper AB, Director  
Swelandia Pulp And Paper AB, Director  
Svenska Skolmoduler Holding AB, Director  
Rederiab Bojorten, Director  
Karlstad Vindservice AB, Director  
Digitalfabriken AB, Director  
Svenska Skolmoduler AB, Director  
Kullhagsbacken AB, Director  
Karlstad Rederi AB, Director  
Uberlandia AB, Director  
Petterssons Vind AB, Director

*Previous directorships and senior management positions last five years* Ariterm Group AB, Director  
Omsorgsfastigheter I Sigtuna AB, Director  
Hyrsolor i Vårgårda AB, Director  
Omsorgsfastigheter i Sigtuna 2 AB, Director

#### **Roger Hofseth, Board member**

Mr. Hofseth incorporated Hofseth BioCare in 2009 and has served as a Member of the Board of Directors from incorporation until June 2010 and since October 2011. In August 2017, Roger Hofseth stepped down from the position as chairman of the Board and assumed the position as the Company's CEO. In 2001, Mr. Hofseth incorporated Hofseth Invest AS, which represented the beginning for the Hofseth group, which had developed from having one employee in 2001 to 130 in 2011. Mr. Hofseth has 20 years of experience in the fishery and food industry. This experience includes the founding of several companies and holding the position as member of the board and/or management position in several companies within the fishery, fish farming and ecological food industry.

*Current directorships and senior management positions* Hofseth BioCare ASA, CEO  
HBC Berkåk AS, Board member  
Hofseth Aqua AS, Chairman and CEO  
HIYR AS, Chairman and CEO  
Aqua Shipping AS, Chairman and CEO  
Hofseth International AS, Board member and CEO  
Hofseth AS, Board member and CEO  
Hofseth Aalesund AS, Board member and CEO  
Hofseth Vardø AS, Board member  
Hofseth Logistics AS, Board member  
Seafood Farmers of Norway AS, Board member  
Finnvik Eiendom AS, Chairman and CEO  
Roger Hofseth AS, Chairman and CEO

*Aspøy AS, Chairman and CEO*  
*Norsk Fisketerminal AS, Chairman*

*RHI AS, Chairman*  
*RH Investments AS, Chairman*  
*GHC Fishing AS, Chairman*  
*Teineagn AS, Board member*  
*Incrementum Eiendom AS, Board member*  
*Eeek AS, Board member*  
*Eeek Næring AS, Board member*  
*Syvde Eiendom AS, Board member*  
*Ålesund Kipervikgate 13 AS, Board member*  
*Zenseware AS, Board member*

*Previous directorships and senior management positions last five years* *Seafood Farmers Holding AS, Board member*  
*Vanylven Vekst HF, Board member*  
*Villa Organic AS, Board member,*

## 7.2 Management

### 7.2.1 Overview of the Management

The Group's management team consists of CEO Håvard Lindstrøm and Chief Operating Officer Espen Kvale. The names of the members of the Management as at the date of this Prospectus, and their respective positions, are presented in the table below:

Name	Current position within the Group	Employed with the Group since	Shares held
Håvard Lindstrøm	Chief Executive Officer	2020	344,919 <sup>1)</sup>
Espen Kvale	Chief Operating Officer	2013	521,775

1) Lindstrøm holds his Shares through his wholly owned company Ice Capital AS.

The Company's business address serves as C/O address for the members of Management in relation to their employment with the Company.

### 7.2.2 Brief Biographies of the members of Management

Set out below are brief biographies of the members of the Management, including their relevant management expertise and experience, an indication of any significant principal activities performed by them outside the Company and names of companies and partnerships of which a member of the Management is or has been a member of the administrative, management or supervisory bodies or partner the previous five years (not including directorships and executive management positions in subsidiaries of the Company).

#### **Håvard Lindstrøm, Chief Executive Officer**

Mr. Lindstrøm was appointed Chief Executive Officer of Aqua Bio Technology in July 2021, after having held the position of Head of Business Development at the Company since August 2020. Prior to joining Aqua Bio Technology, Mr. Lindstrøm has worked in the financial sector with a specific focus on derivatives, equities, fixed income products, asset management, hedge funds and private equity. His previous work experience includes

positions at Arctic Fund Management AS, Fenix Capital Markets Trading Ltd., Front Securities AS, Warren AS and Orkla Finans AS. Lindstrøm holds a masters' degree in Marketing Management from BI Norwegian Business School. Mr. Lindstrøm is a Norwegian citizen and resides in Oslo, Norway.

*Current directorships and senior management positions* Ice Capital AS (chairman), Iron Capital AS (chairman)

*Previous directorships and senior management positions last five years* Brødboksen TWD AS (board member), Black Sea Property AS (Chairman), VPH AS (Chairman), Springwell Group AB (chairman), Life Funds EMEA AB (chairman), Phonr App Spain S.L (board member).

### **Espen Kvale, Chief Operating Officer**

Mr. Kvale is the Company's Chief Operating Officer, and has previously also held positions as Chief Executive Officer and consultant to the Company. Prior to joining Aqua Bio Technology, he held leadership positions in several pharmaceutical companies, including Photocure, Nycomed Pharma, Pronova Biocare, Immunocorp and NutraQ. Kvale is a pharmacist (MSc.pharm) and holds a PHD in immunology from the University of Oslo. Dr. Kvale is a Norwegian citizen, and resides in Oslo, Norway.

*Current directorships and senior management positions* N/A

*Previous directorships and senior management positions last five years* CEO in Espen Kvale Consulting LLC from 2017 until 31 May 2020.

## **7.3 Committees**

### **7.3.1 Nomination committee**

The Company's Articles of Association provide for a nomination committee composed of 3 members who are shareholders or representatives of shareholders. The members of the nomination committee are Jon Olav Ødegård (chairman), Lennart F.Clausen and Espen Dahl. The nomination committee will be responsible for recommending candidates for the election of members and chairman to the Board of Directors, and make recommendations for remuneration to the Board Members, as well as recommending members to the nomination committee.

### **7.3.2 Audit committee**

The Company has not established an audit committee as this is not required for the Company.

### **7.3.3 Remuneration committee**

The Company has not established a remuneration committee as the board has considered this to not be suitable due to the Company's size.

## **7.4 Share options/ share incentive schemes**

For a description of the Company's share option scheme, see Section 9.4.

## **7.5 Conflicts of interests etc.**

The Chairman of the Board, Edvard Cock, is a partner at Advokatfirmaet CLP DA, which provides legal services for the Company on a regular basis. The Chairman and the rest of the Board of Directors are conscientious that this could represent a potential conflict of interest and are thus monitoring the situation closely to make sure that no conflict of interest materializes. The Chairman abstains from voting in matters relating to the Company's affiliation to Advokatfirmaet CLP DA.

Reference is further made to Sections 7.1.2, 7.2.1 and 7.4 regarding Shares and share options held by the members of the Board of Directors and the Management, respectively.

Other than the abovementioned and to the Company's knowledge, there are currently no other actual or potential conflict of interest between any duties carried out on behalf of the Company by members of the Board of Directors and members of Management and their private interests.

## **7.6 Convictions for fraudulent offences, bankruptcy, etc.**

Except that Edvard Cock was chairman of Brødboksen TWD AS when it filed for liquidation in January 2018 and that Tone Bjørnov was director in RenoNorden ASA when it went bankrupt in October 2017, during the last five years preceding the date of this Prospectus, none of the Board Members and the members of the Management has, or had, as applicable:

- (i) any convictions in relation to indictable offences or convictions in relation to fraudulent offences;
- (ii) 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
- (iii) been declared bankrupt or been associated with any bankruptcy, receivership or liquidation in his or her capacity as a founder, director or senior manager of a company.

## 8 CERTAIN FINANCIAL AND OPERATING INFORMATION

### 8.1 Capitalisation and indebtedness

#### 8.1.1 Introduction

The information presented below should be read in conjunction with other parts of this Prospectus, in particular the Annual Financial Statements and the notes related thereto, incorporated by reference into this Prospectus, see Section 13.

The following tables have been derived from the consolidated Annual Financial Statements of the Company as of 31 December 2020. The tables set out the Company's capitalization and indebtedness per 31 December 2020 and adjusted for the Private Placement Shares, which is the only material change to the Group's capitalization and indebtedness position

#### 8.1.2 Capitalization and indebtedness

	As of 31 December 2020 (unaudited)	Adjustment amount (unaudited)	Note	As adjusted (unaudited)
<i>(In NOK 000)</i>				
<i>Total current debt:</i>				
Guaranteed				
Secured				
Unguaranteed/unsecured	3.325,9			3.325,9
<i>Total non-current debt:</i>				
Guaranteed				
Secured				
Unguaranteed/unsecured	4.590,9			4.590,9
<b>Total indebtedness</b>	<b>7.916,8</b>			<b>7.916,8</b>
<b>Shareholders' equity</b>				
Share capital	45.998,4	3.259,3	(1)	49.257,7
Share premium	0	11.518,1	(1)	11.518,1
Own shares	-31,9			-31,9
Retained earnings	-37.645,4			-37.645,4
<b>Total shareholders' equity</b>	<b>8.321,1</b>	<b>14.777,4</b>	<b>(2)</b>	<b>23.098,5</b>
<b>Total capitalisation</b>	<b>16.237,9</b>	<b>14.777,4</b>		<b>31.015,3</b>

1) Share capital increase of NOK 3.259.267,50 and increase of share premium in connection with the Private Placement.

2) Net proceeds from the Private Placement.

### 8.1.3 Net financial indebtedness

	As of 31 December 2020 (unaudited)	Adjustment amount (unaudited)	Note	As adjusted (unaudited)
<i>(In NOK 000)</i>				
(A) Cash	5.429,1	14.777,4	(1)	20.206,5
(B) Cash equivalents	0	0		0
(C) Other current financial assets	0	0		0
<b>(D) Liquidity (A)+(B)+(C)</b>	<b>5.429,1</b>	<b>14.777,4</b>		<b>20.206,5</b>
(E) Current financial debt	0	0	(2)	0
(F) Current portion of non-current financial debt	0	0		0
<b>(G) Current financial indebtedness (E+F)</b>	<b>0</b>	<b>0</b>		<b>0</b>
<b>(H) Net current financial indebtedness (G – D)</b>	<b>-5.429,1</b>	<b>-14.777,4</b>		<b>-20.206,5</b>
(I) Non-current financial debt	0	0	(3)	0
(J) Debt instruments	0	0		0
(K) Non-current trade and other payables	1.105,6	0		1.105,6
<b>(L) Non-current financial indebtedness (I + J + K)</b>	<b>1.105,6</b>	<b>0</b>		<b>1.105,6</b>
<b>(M) Total financial indebtedness (H + L)</b>	<b>-4.323,5</b>	<b>-14.777,4</b>		<b>-19.100,9</b>

1) Net proceeds from the Private Placement.

2) Including debt instruments but excluding current portion of non-current financial debt.

3) Excluding current portion and debt instruments.

Part of the consideration for the acquisition of Moana Skincare is contingent and not included in the table above. The amount and timing of the contingent consideration is dependent on future Moana sales and the estimated value of the obligation to pay additional consideration is NOK 3.548.224 (per 31 December 2020). The undiscounted maximum amount payable for the most significant part of the contingent consideration is EUR 1.950.000 or NOK 17.558.848 higher than the amount included in the estimated value of the contingent consideration as of 31 December 2020.

## 8.2 Working capital statement

The Company is of the opinion that its working capital is sufficient to cover the Group's present requirements for the 12-month period following the date of this Prospectus.

## 8.3 Investments

### 8.3.1 Historical investments

Beside expenses relating to research and development activities amounting to approximately NOK 1.5 million, the Group has not made any significant investments in the period from 31 December 2020 to the date of this Prospectus.

### 8.3.2 Ongoing investments

The Group has not made any material ongoing investments that are in progress.



### 8.3.3 Future investments

The Group has no firm commitments to make future investments.

## 8.4 Trend information

The Company is not aware of:

- a) any significant recent trends in production, sales and inventory, and costs and selling prices since 31 December 2020;
- b) any significant change in the financial performance of the Group since 31 December up to the date of this Prospectus; and
- c) any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Company's prospects for at least the current financial year.

## 8.5 Related party transactions since 31 December and until the date of this Prospectus

On 18 January 2021, board member Roger Hofseth acquired 25,000 Shares at an average price of approximately NOK 5.63 per Share.

On 20 April 2021, board member Roger Hofseth acquired 4,489,904 Shares from his controlled company Finnvik Eiendom AS at a price of NOK 12.65 per Share through his wholly owned company RH Industri AS.

Reference is made to the Share Lending Agreement as a facilitator for delivery versus payment as a settlement mechanic in the Private Placement, as further described in Section 5.2.1. The Lender pursuant to the Share Lending Agreement, Kjeveortoped Espen Dahl, is a close associate of the Company's board member Kristin Aase. The Share Lending Agreement was settled on 14 June 2021.

On 23 June 2021, Kjeveortoped Espen Dahl AS sold 100,000 Shares at a price of NOK 19.49 per Share. On 24 June 2021 Kjeveortoped Espen Dahl AS sold 100,000 Shares at a price of NOK 19.83 per Share.

Other than the abovementioned transactions, the Company has not as of the date of this Prospectus entered into any other related party transactions since 31 December 2020.

## 8.6 Significant changes in financial position

In the opinion of the Company's management, there have been no material changes in the Company's financial position, the Company's financial performance, or recent trends regarding the operations of the Company, since 31 December 2020 to the date of this Prospectus.

## **9 CORPORATE INFORMATION, SHARES AND SHAREHOLDER MATTERS**

*The following is a summary of certain corporate information and other information relating to the Group, the Shares and share capital of the Company, summaries of certain provisions of the Company's Articles of Association and applicable Norwegian law in effect as of the date of this Prospectus, including the Norwegian Public Limited Liability Companies Act (Nw: Allmennaksjeloven). This summary does not purport to be complete*

### **9.1 Introduction**

The Company's registered name is Aqua Bio Technology ASA, and it also referred to commercially as Aqua Bio Technology. The Company is a public limited liability company organised and existing under the laws of Norway pursuant to the Norwegian Public Limited Companies Act. The Company's registered office is in the municipality of Bærum, Norway. The Company was incorporated in Norway on 10 February 2004 as a private limited company under the name "Biolink AS". The Company changed its name to Aqua Bio Technology AS on 14 May 2007. The Company was converted into a public limited company on 25 September 2017.

The Company's registration number in the Norwegian Register of Business Enterprises is 886 582 412, and the Shares are registered in book-entry form with the VPS under ISIN NO 0010307135. The Company's register of shareholders in the VPS is administrated by Danske Bank, Søndre gate 15, 7011 Trondheim, Norway. The Company's LEI code is 5967007LIEEXZXGGEO44.

The Company's registered office is located at Fornebuveien 37, N-1366 Lysaker, Bærum, Norway and the Company's main telephone number at that address is +47 91 62 80 92. The Company's website can be found at [www.aquabiotechnology.com](http://www.aquabiotechnology.com). The content of [www.aquabiotechnology.com](http://www.aquabiotechnology.com) is not incorporated by reference into or otherwise forms part of this Prospectus.

### **9.2 The Shares and share capital**

The Company's Shares have been listed on Euronext Expand, previously Oslo Axess, since 2008 under the ticker symbol ABT. ABT's Shares are not listed on any other marketplace and ABT does not intend as per now to seek such listing.

The Company has only one class of shares and all Shares have equal rights, including any rights to dividends. Each of the Shares carry on vote.

The Shares are freely transferable pursuant to Norwegian law and the Company's Articles of Association. There are no voting restrictions in ABT. The Articles of Association of ABT does not contain any provisions restricting foreign ownership of the Shares and the Company's articles of association as of the date hereof are incorporate hereto by reference to this Prospectus, see Section 13.

The Company is not aware of any shareholder agreements or other similar understandings among its shareholders that may result in a change of control in ABT. To the best of the Company's knowledge, no shareholders solely or consolidated, control the Company directly or indirectly. The Shares have not been subject to any takeover bids by third parties during the current or last financial year.

For the Company's share capital before and after the Private Placement, see Section 5.2.1. The Private Placement Shares are in all respects equal to the existing Shares of the Company, as further described in Section 5.4.

### 9.3 Major shareholders

Pursuant to the Norwegian Securities Trading Act, shareholders that obtain holdings of shares or rights to shares, that exceed 5% of the Company's share capital or a corresponding portion of the votes, have an interest in the issuer's capital or voting rights which is notifiable. In case of nominee shareholders, the disclosure requirements apply for the beneficial owner of the Shares

As of 6 July 2021, which was the latest practicable date prior to the date of this Prospectus, and insofar as known to the Company, the following persons had, directly or indirectly, interest in 5% or more of the issued share capital of the Company:

#	Shareholder name	No. of Shares	approx. of total Shares
1	RH Industri AS	4,489,904	22.8%
2	Swelandia International AB	2,500,000	12.7%
3	Blixen Invest AS	1,280,793	6.5%
4	Kjeveortoped Espen Dahl AS <sup>6</sup>	1,169,105	5.9%
5	Initia AB	998,146	5.0%

As set out in Section 9.2, all Shares have equal voting rights. Hence all major shareholders have the same voting rights relative to the number of Shares held.

As of the date of this Prospectus, the Group owns 12,789 treasury Shares with a nominal value of NOK 2.50.

### 9.4 Share options

The following Board members and members of Management had options in the Company as of the date of this Prospectus.

Name	Position	Granted options
Edvard Cock	Chairman	499,998
Tone Bjørnov	Board member	75,000
Kristin Aase	Board member	75,000
Håvard Lindstrøm	Chief Executive Officer	499,998
Espen Kvale	Chief Operating Officer	500,001

The options are exercisable in the period until 31 December 2024. Following the expiry of this date, the options will lapse. Each share option holds the right to require delivery of one Share in the Company, in exchange for payment of a pre-defined strike price. Outlined below are some specific details pertaining to each member of the Board and Management's share options.

#### Edvard Cock, Chairman

- 166,666 Share options, with a strike price of NOK 7 per option;
- 166,666 Share options with a strike price of NOK 9 per option; and
- 166,666 Share options with a strike price of NOK 11 per option.

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<sup>6</sup> Together with close associated companies and board member Kristin Aase, Kjeveortoped Espen Dahl AS owns 1,406,278 Shares equivalent to approximately 7.1% of total Shares.

**Tone Bjørnov, Board member**

- 25,000 Share options, with a strike price of NOK 7 per option;
- 25,000 Share options with a strike price of NOK 9 per option; and
- 25,000 Share options with a strike price of NOK 11 per option

**Kristin Aase, Board member**

- 25,000 Share options with a strike price of NOK 7 per option;
- 25,000 Share options with a strike price of NOK 9 per option; and
- 25,000 Share options with a strike price of NOK 11 per option.

**Håvard Lindstrøm, Chief Executive Officer**

- 166,666 share options with a strike price of NOK 7 per option;
- 166,666 share options with a strike price of NOK 9 per option; and
- 166,666 share options with a strike price of NOK 11 per option.

**Espen Kvale, Chief Operating Officer**

- 166,667 share options with a strike price of NOK 7 per option;
- 166,667 share options with a strike price of NOK 9 per option; and
- 166,667 share options with a strike price of NOK 11 per option.

**9.5 Financial instruments – warrants and convertible securities**

Other than as described in Section 9.4, neither the Company nor any of its subsidiaries has issued any options, warrants, convertible loans or other instruments that would entitle a holder of such instrument to subscribe for any Shares in the Company or its subsidiaries.

**9.6 Authorisation to increase the share capital and to issue Shares**

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

<b>Date granted</b>	<b>Purpose</b>	<b>Possible increase of share capital (NOK)</b>	<b>Amount utilized</b>	<b>Valid until</b>
11.09.2020	The authorisation may be used for necessary strengthening of the Company's equity, in connection with acquisitions and partnerships, and to issue shares to the Company's options holders.	15,368,170	1,746,725	No later than 30 June 2021
10.06.2020	The authorisation may be used for necessary strengthening of the Company's equity and issuing of shares as consideration in acquisition of businesses within the Company's purpose.	3,842,042.75	1,512,542.50	No later than 30 June 2021

## 9.7 Authorisation to acquire treasury Shares

Pursuant to an authorization granted by the General Meeting on 10 June 2020, the Board of Directors is authorised to purchase the Company's own shares, in one or more turns, with a total nominal value of NOK 3,842,041.75. This authorization also includes pledging of own shares. The highest and lowest purchase price payable for Shares acquired pursuant to the authorization is maximum NOK 25 and minimum NOK 1, respectively. The Board of Directors is otherwise free to decide on the means to be used to acquire and dispose of own Shares. This authorization is valid no later than 30 June 2021.

## 9.8 Dividends

### 9.8.1 Dividend policy.

In deciding whether to propose a dividend and in determining the dividend amount, the Board of Directors will take into account legal restrictions, as set out in the Norwegian Public Limited Companies Act of 13 June 1997 no. 45 (the "**Norwegian Public Limited Companies Act**") the Company's capital requirements, including capital expenditure 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 maintaining of appropriate financial flexibility. Except in certain specific and limited circumstances set out in the Norwegian Public Limited Companies Act, the amount of dividends paid may not exceed the amount recommended by the Board of Directors.

The Company has set the following dividend policy:

*The Company intends to follow a dividend policy favourable to the shareholders. The amount of any dividends to be distributed will be dependent on the Company's investment requirements and rate of growth as well as the general development and financing requirements of the Company.*

There can be no assurance that a dividend will be proposed or declared in any given year. If a dividend is declared, all Shares outstanding will have equal rights to such dividend (unless all shareholders have consented otherwise).

### 9.8.2 Manner of dividend payments

Any future payments of dividends on the Shares will be denominated in NOK, and will be paid to the shareholders through the VPS. Investors registered in the VPS whose address is outside Norway and who have not supplied the VPS with details of any NOK account, will, however, receive dividends by check in their local currency, as exchanged from the NOK amount distributed through the VPS. If it is not practical in the sole opinion of Danske Bank, being the Company's VPS registrar, to issue a check in a local currency, a check will be issued in USD. The issuing and mailing of checks will be executed in accordance with the standard procedures of Danske Bank. The exchange rate(s) that is applied will be Danske Bank's rate on the date of issuance. Dividends will be credited automatically to the VPS registered shareholders' NOK accounts, or in lieu of such registered NOK account, by check, without the need for shareholders to present documentation proving their ownership of the Shares.

## 9.9 Certain aspects of Norwegian law

### 9.9.1 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 listed on a stock exchange or a regulated market 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 of the general meeting, or who have otherwise reported and documented ownership to Shares, are entitled to participate at general meetings, without any requirement of pre-registration. The Articles of Association do, however, include a provision that allows the Board of Directors to set a time limit (such time limit not to be shorter than five days), for each general meeting, for registration of participation in 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 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.

### 9.9.2 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.

In order to be entitled to vote in a general meeting, a shareholder must, as a general rule, be registered as owner of the Shares in the Company's shareholder register kept by the VPS. Beneficial owners of Shares that are registered in the name of a nominee are generally not entitled to vote under Norwegian law, nor are any persons who are designated in the shareholder register as holding such Shares as nominees. The Company has applied this principle consistently. It should, however, be noted that there are different opinions as to the interpretation of Norwegian law with respect to the right to vote for nominee-registered shares. For example, Oslo Børs has in a statement of 21 November 2003 held that in its opinion beneficial owners of Shares that are registered in the name of a nominee may vote in general meetings if they prove their actual shareholding prior to the general meeting.

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

### 9.9.3 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.

### 9.9.4 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.

#### 9.9.5 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.

#### 9.9.6 Liability of board members

Members of the Board of Directors owe a fiduciary duty to the Company and its shareholders. Such fiduciary duty requires that the board members 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 board members 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 board members from liability or not to pursue claims against the Company's board members 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.

#### 9.9.7 Indemnification of board members

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 board members against certain liabilities that they may incur in their capacity as such.



### 9.9.8 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.

### 9.9.9 Legal constraints on the distribution of dividend

Dividends may be paid in cash or in some instances in kind. The Norwegian Public Limited Liability Companies Act provides the following constraints on the distribution of dividends applicable to the Company:

- Section 8-1 of the Norwegian Public Limited Liability Companies Act provides that the Company may distribute dividends to the extent that the Company's net assets following the distribution cover (i) the share capital, (ii) the reserve for valuation variances and (iii) the reserve for unrealised gains. The amount of any receivable held by the Company which is secured by a pledge over Shares in the Company, as well as the aggregate amount of credit and security which, pursuant to section 8-7 to 8-10 of the Norwegian Public Limited Liability Companies Act fall within the limits of distributable equity, shall be deducted from the distributable amount.
- 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.
- 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.

## 10 TAXATION

### 10.1 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.*

#### 10.1.1 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 31.68% to the extent the dividend exceeds a tax-free allowance (i.e. dividends received, less the tax free allowance, shall be multiplied by 1.44 which is then taxable at a flat rate of 22%, increasing the effective tax rate on dividends to 31.68%).

The allowance is calculated on a share-by-share basis. The allowance for each share is equal to the cost price of the share multiplied by a risk free interest rate based on the effective rate after tax of interest on treasury bills (Norwegian: "*statskasseveksler*") with 3 months maturity. 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.

##### **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%).

### **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. The withholding obligation lies with the company distributing the dividend and the Company assumes this obligation.

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. 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 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 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.

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.

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.

#### 10.1.2 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 31.68% (i.e. capital gains (less the tax free allowance) and losses shall be multiplied by 1.44 which is then taxable at a flat rate of 22%, increasing the effective tax rate on gains/losses to 31.68%).

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 10.1.1 "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.

### **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.

### **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.

### **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.

#### 10.1.3 Net Wealth Tax

### **Norwegian Personal Shareholders**

The value of shares held on 1 January in the year of assessment is included in the basis for the computation of net wealth tax imposed on Norwegian Personal Shareholders. Currently, the marginal net wealth tax rate is 0.85% of the value assessed.

Listed shares are valued at 55% of their quoted value on 1 January in the assessment year, which is the year following the relevant fiscal year.

### **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.

#### 10.1.4 VAT and Transfer Taxes

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

## **11 SECURITIES TRADING IN NORWAY**

### **11.1 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 Oslo Børs VPS Holding ASA which was acquired by Euronext in 2019. Euronext owns seven regulated markets across Europe, including Amsterdam, Brussels, Dublin, Lisbon, London, Oslo and Paris.

The Oslo Stock Exchange has entered into a strategic cooperation with the London Stock Exchange group with regards to, inter alia, trading systems for equities, fixed income and derivatives.

### **11.2 Trading and settlement**

Trading of equities on the Oslo Stock Exchange is carried out in the electronic trading systems Euronext Optiq, following a migration from the Millennium Exchange system on 9 November 2020.

Official trading on the Oslo Stock Exchange takes place between 09:00 hours (CET) and 16.20 hours (CET) each trading day, with pre-trade period between 08:15 hours (CET) and 09:00 hours (CET), closing auction from 16:20 hours (CET) to 16:25 hours (CET) and a post trade period from 16:25 hours (CET) to 17:30 hours (CET). Reporting of after exchange trades can be done until 17:30 hours (CET).

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.

Securities traded on the Oslo Stock Exchange are cleared through a central counterparty (CCP). The three central counterparties currently authorized to clear trades in shares on the Oslo Stock Exchange are Euro CCP, LCH Limited 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.

### **11.3 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 or commonly known in the market). 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.

#### **11.4 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 Oslo Børs VPS Holding ASA.

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.

#### **11.5 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.

#### **11.6 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.

#### **11.7 Disclosure obligations**

If a person's, entity's or consolidated group's proportion of the total issued shares and/or rights to shares 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.

#### **11.8 Insider trading**

According to Norwegian law, implementing the EU Market Abuser Regulation, 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 the EU Market Abuse Regulation. The same applies to the entry into, purchase, sale or exchange of options or future/forward contracts or equivalent rights whose value is connected to such financial instruments or incitement to such dispositions.

#### **11.9 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.

#### **11.10 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 private or 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.

#### **11.11 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.

## 12 REGULATORY DISCLOSURES

### 12.1 Legal requirements to disclose certain information

Public limited liability companies listed on Euronext Expand are subject to disclosure requirements pursuant to the Norwegian Securities Trading Act and the Continuing Obligations of the Oslo Stock Exchange. Section 12.2 "Overview and summary of information disclosed to the market" below provides an overview of the disclosures published by ABT on its profile on [www.newsweb.no](http://www.newsweb.no) during the last 12 months prior to the date of this Prospectus.

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

INSIDE INFORMATION			
Date	Title	Description	Cross reference in this Prospectus
29.04.2021	Aqua Bio Technology: board issuance of offer shares in completed private placement	The Board of Directors formally resolved to issue the Private Placement Shares.	Section 5
23.04.2021	Aqua Bio Technology receives green light from Al Dawaa pharmacies	ABT announced that it had been informed by Al Dawa Pharmacies, the second largest pharmacy chain in Saudi Arabia, that they were ready to start to distribute Moana Skincare to around 50 pharmacies across Saudi Arabia.	Section 6
15.04.2021	Aqua Bio Technology – completion of private placement	ABT announced that it had completed the Private Placement, which was well oversubscribed.	Section 5
14.04.2021	Aqua Bio Technology – contemplated private placement of approx. NOK 15 million	ATB announced that it contemplated an equity offering for gross proceeds of up NOK 15 million following interest from Akvakulturpartner AS.	Section 5.1
10.03.2021	Aqua Bio Technology: First order from DBK Pharhaceuticals S.A.E confirmed	ATB announced that it had entered into a distribution agreement with DBK Pharmaceuticals S.A.E (DBK) for distribution of the Moana Skincare product across Egypt.	Section 6
25.02.2021	Aqua Bio Technology ASA: Distribution agreement	ABT announced that it had signed an exclusive	Section 6

	signed for New Zealand and Australia	agreement with Moana Active Skincare Limited for distribution of the Moana Skincare product across New Zealand and Australia.	
12.02.2021	Aqua Bio Technology ASA: Distribution agreement signed for Denmark	ABT announced that it had signed a distribution agreement with Galaxa Pharma Aps (Galaxa) pursuant to which Galaxa was granted the distribution rights for the Moan Skincare product in Denmark.	Section 6
08.02.2021	Aqua Bio Technology: Hydrafacial announced partnership with Restorsea and launches new Restorsea Lip Fix Kit.	ABT announced that HydraFacial and Restorsea officially launched the product Restorsea Lip Fix Kit which is based on ABT's hatching fluid ingredient Aquabeautine XL, and that the positive trend from Restorsea's commercialization of ABT's proprietary technology would increase the likelihood that ABT would receive additional renewal payments and increased revenue from the sale of ingredients and royalties from Restorsea and its licenses.	Section 6
04.02.2021	Aqua Bio Technology ASA: Distribution agreement signed for Norway	ABT announced that it had signed an exclusive distribution agreement with Cosmed Beauty AS for the distribution of the Moana Skincare product across Norway. ABT highlighted in the announcement that Cosmed has shown continuous growth in the market and has established a distribution model that covers approx. 900 stores.	Section 6
11.12.2020	Aqua Bio Technology ASA: Hydrafacial has entered	ATB announced an update on Restorsea's	Section 6

	into partnership with Restorsea – Conversion Lab launches Veritas MD platform	commercialization of ATB's hatching fluid ingredient (Aquabeautine XL). Reference was made to the license agreement between Restorsea and Conversion Labs regarding Aquabeautine XL and that Conversion Labs had announced 10 December 2020 that it had launched its new Veritas MD telecommunications health platform, which will roll out the new and Aquabeautine XL based skincare brand Nava MD nationwide.	
27.10.2020	ABT's skincare ingredient enters new U.S market.	ABT announced that its hatching fluid ingredient, Aquabeautine XL, would shortly enter into the new and fast growing U.S market as ABT's American partner Restorsea had entered into a license agreement with Conversion Labs, a company offering telemedicine and electronic consultations on the internet, and thus further strengthening ATB's future revenue potential from the Aquabeautine XL ingredient.	Section 6
11.09.2020	Aqua Bio Technology ASA – Results of subsequent offering	ABT announced it had at the end of the application period received applications corresponding to the maximum amount of shares that could NE allocated in the subsequent offer (505,200 new Shares in the company).	N/A
10.09.2020	Aqua Bio Technology (ABT) buys all rights to Moana Skincare and integrates backwards into the value chain	ABT announced that it had acquired all rights to Moana Skincare, giving ABT control over the entire value chain from	Section 6

		production to global distribution.	
10.09.2020	Aqua Bio Technology ASA: Subscription period ends today	ABT made references to previous stock exchange announcements regarding a subsequent offering to eligible shareholders, and that the subscription period for the subsequent offering shall end 16:30 (CET)	N/A
27.08.2020	Aqua Bio Technology ASA: Subscription period – the subscription period starts today	ATB announced the commencement of the subscription period in relation to a subsequent offering to certain eligible shareholders.	N/A
25.08.2020	Aqua Bio Technology ASA: Resolutions to increase the share capital – further information about the subsequent offering	ATB announced that in order to reduce the dilutive effect on shareholders following the consummation of two private placements, the Board of Directors had decided to initiate a subsequent offering to certain eligible shareholders.	N/A
20.08.2020	Aqua Bio Technology ASA: Notice of Extraordinary General Meeting	ATB announced that an extraordinary general meeting was to be held on 11 September 2020	N/A
18.08.2020	Aqua Bio Technology ASA: Key information relating to the subsequent offering	ATB announced some key information relating a subsequent offering, such as the subscription price and the EGM date for the shareholder approval of the subsequent offering.	N/A
17.08.2020	Aqua Bio Technology ASA: Contemplated Private Placements of NOK 12.6 million – operational update	ATB announced that it had received binding pre-commitments for two private placements and the Company' would also carry out a subsequent offering towards eligible shareholders.	N/A

11.06.2020	ABT in partnership with Canadian skincare products developer	ABT announced that it had entered into a strategic partnership with DCP Dermoscience of Canada, a partnership which would include worldwide distribution rights for several skincare products and joint development of new products.	Section 6
10.06.2020	ABT receives green light in India	ATB announced that it had received marketing approval from Indian authorities for the sale of Moana skincare products.	Section 6
<b>ADDITIONAL REGULATORY INFORMATION REQUIRED TO BE DISCLOSED</b>			
<b>Date</b>	<b>Title</b>	<b>Description</b>	<b>Cross reference in this Prospectus</b>
07.07.2021	Håvard Lindstrøm appointed CEO of Aqua Bio Technology	Information that Håvard Lindstrøm had been appointed CEO of the Company, with Espen Kvale assuming the role as COO.	Section 7.2
10.06.2021	Aqua Bio Technology ASA – Corporate Presentation June 2021	ABT announced a corporate presentation	N/A
09.06.2021	Aqua Bio Technology ASA – Minutes of Annual General Meeting published	ABT published the minutes for its Annual General Meeting for 2021.	N/A
19.05.2021	Aqua Bio Technology ASA: Notice of Annual General Meeting 2021	ABT announced the notice for its General Meeting for 2021.	N/A
12.04.2021	Financial calendar	ABT announced its financial calendar for the financial year of 2020 and 2021.	Section 4.4
21.01.2021	Financial calendar	ABT announced its financial calendar for the financial year of 2020 and 2021.	Section 4.4
10.06.2020	ABT: Minutes of Annual General Meeting published	ABT published its minutes for the Annual General Meeting held 10 June 2020.	Section 5.2.5
20.05.2020	Aqua Bio Technology ASA: notice of annual general meeting 2020	ABT published the notice of its Annual General Meeting to be held 10 June 2020.	Section 5.2.5
<b>NON-REGULATORY PRESS RELEASES</b>			

Date	Title	Description	Cross reference in this Prospectus
28.06.2021	Commercial update Aqua Bio Technology (ABT) – launch of new corporate websites	ABT announced the launch of its new corporate website.	N/A
23.06.2021	Commercial update Aqua Bio Technology (ABT) – launch of new websites	ABT announced that it had launched e-commerce solutions for its three new skincare brands.	N/A
30.04.2021	Commercial update Aqua Bio Technology (ABT)	The Company provided some updates regarding the products series from DCP, B Natural, Restorsea's commercialization of ABT's Aquabeautine XL ingredient and on the new e-commerce website for ABT.	Section 6
04.03.2021	Aqua Bio Technology ASA: Commercial update	ABT announced that (i) the first two skin care series in the partnership with DCP dermoscience would be named "Seidr" and "Seidr Clinique" and (ii) as part of a further commercialization of Moana Skincare, ATB intends to launch the Moana Skincare products under a new sister brand to adapt the products for distribution to new markets.	Section 6
05.01.2021	Aqua Bio Technology ASA: Safety studies of 25 products from the product series Balance & Vitality completed and approved.	ABT announced that it expects the Balance & Vitality product series to be ready for distribution and sale in the first half of 2021 following a confirmation that the first 25 products from Balance & Vitality had passed EU safety studies required to be carried out prior to commercialization.	Section 6
14.12.2020	Aqua Bio Technology ASA: Safety studies of 6 products from the product series Balance & Vitality completed and approved.	ATB provided an update regarding the ongoing safety studies for the Nordic Beauty and Balance & Vitality product series. In that regard, ATB	Section 6



		announced that it had received confirmation that the first 6 products from Balance & Vitality had passed the EU safety studies required to be carried out prior to commercialization.	
10.12.2020	Aqua Bio Technology ASA: Acquisition of Moana Skincare completed – distribution agreement for New Zealand and Australia close	ATB announced that it had acquired all rights to Moana Skincare, and that the Company expects to distribute the product across Australia and New Zealand following the Company entering into a distribution agreement in the near future.	Section 6
27.11.2020	Aqua Bio Technology ASA: Safety studies by Nordic Beauty completed and approved	ATB announced that the Nordic Beauty product had passed the EU safety studies required to be carried out prior commercialization.	Section 6
26.11.2020	Commercial update ABT	ABT announced some commercial updates regarding (i) the development and positioning of Moana Skincare and a new product series from DCP, (ii) the product series Nordic Beauty and Balance & Vitality is in the final phase of the EU safety studies required in order to commercialize the products, (iii) ABT's US partner Restorsea has entered into an agreement to license Aquabeautine XL to conversion Labs and (iv) the impact Covid-19.	Section 6
<b>FINANCAL REPORTS</b>			
<b>Date</b>	<b>Title</b>	<b>Description</b>	<b>Cross reference in this Prospectus</b>

30.04.2021	Aqua Bio Technology ASA (ABT) hadde et krevende år i 2020 med omsetninger og resultater på nivå med året før.	The Company published its Annual Financial Statements.	Section 13 and Section 4.4
26.08.2021	Aqua Bio Technology: affected by the pandemic – preparing expansion	ATB provided a statement on how Covid-19 had impacted its business and financial condition.	Section 2.1
<b>EX DATE</b>			
<b>Date</b>	<b>Title</b>	<b>Description</b>	<b>Cross reference in this Prospectus</b>
18.08.2020	Correction: Key Information Relating to the Subsequent Offering	ABT made some corrections to the announcement made 17 August concerning, among other things, two private placements and a subsequent offering.	N/A
<b>MAJOR SHAREHOLDING NOTIFICATIONS</b>			
<b>Date</b>	<b>Title</b>	<b>Description</b>	<b>Cross reference in this Prospectus</b>
09.06.2021	Aqua Bio Technology – Disclosure of voting proxies for the annual general meeting	ABT announced that its's chairman, Edvard Cock, has received proxies to vote for 9,193,000 Shares and that its CEO at that time, Espen Kvale, had received proxies to vote for 8,734 Shares at the Annual General Meeting held 9 June 2020.	N/A
10.06.2020	Aqua Bio Technology – Disclosure of voting proxies for the annual general meeting	ABT announced that its's chairman, Edvard Cock, has received proxies to vote for 8,130,837 shares at the Annual General Meeting held 10 June 2020.	N/A
<b>MANDATORY NOTIFICATIONS OF TRADING BY PRIMARY INSIDERS</b>			
<b>Date</b>	<b>Title</b>	<b>Description</b>	<b>Cross reference in this Prospectus</b>
24.06.2021	Aqua Bio Technology ASA – Primary Insider Notification	ABT announced that Kjeveortoped Espen Dahl AS, a close associate of board member Kristin	Section 8.5

		Aase, sold 100,000 Shares at a price of 19.83 per share.	
23.06.2021	Aqua Bio Technology ASA – Primary Insider Notification	ABT announced that Kjeveortoped Espen Dahl AS, a close associate of board member Kristin Aase, sold 100,000 Shares at a price of 19.49 per share.	Section 8.5
14.06.2021	Aqua Bio Technology ASA – Notifiable transaction in connection with Private Placement	ABT announced that the Share Lending Agreement had been settled.	Section 5 and Section 8.5.
05.05.2021	Aqua Bio Technology ASA – Primary Insider Notification	ATB announced that Håvard Lindstrøm, Head of Development and primary insider of the Company, had purchased 7,000 Shares at the price of NOK 10.19 per Share through his wholly owned company ICE capital AS.	N/A
30.04.2021	Aqua Bio Technology ASA – Primary Insider Notification	ATB announced that Håvard Lindstrøm, Head of Development and primary insider of the Company, had purchased 11,600 Shares at the price of NOK 10.70 per Share through his wholly owned company ICE capital AS.	N/A
20.04.2021	Aqua Bio Technology ASA – Primary Insider Notification	ATB announced that Roger Hofseth, board member and primary insider of the Company, had purchased 4,489,904 Shares from his controlled company Finnvik Eiendom AS at a price of 12.65, through his wholly owned company RH Industri as part of an internal reorganization where long term assets had been transferred to RH Industri AS.	Section 8.5
15.04.2021	Aqua Bio Technology ASA – Notifiable transaction in	ATB referred to the stock exchange announcement regarding the completion	Section 5.2 and 5.8

	connection with private placement	of the Private Placement and explained that in order to facilitate for a delivery versus payment settlement, the Company entered into the Share Lending Agreement pursuant to which the Lender, as a shareholder of the Company, agreed to lend out 605,017 Shares in the Company.	
18.01.2021	Aqua Bio Technology ASA – Primary Insider Notification	ATB announced that Roger Hofseth, board member and primary insider of the Company, had bought 25,000 Shares at an average price of NOK 5.6 per share.	Section 5.8
11.09.2020	Aqua Bio Technology ASA – Primary Insider Notification	ATB announced that the following of the Company's primary insiders subscribed in a subsequent offering: <ul style="list-style-type: none"> <li>- Edvard Cock (chairman)</li> <li>- Roger Hofseth (board member)</li> <li>- Jan Petterson (board member)</li> <li>- Tone Bjørnov (board member)</li> <li>- Espen Dahl (related party to board member Tone Bjørnov)</li> <li>- Espen Kvale (CEO at that time)</li> <li>- Håvard Lindstrøm (Head of Business Development at that time)</li> <li>- Susanne Arnesen (Business Development Manager Nordic)</li> </ul>	N/A
18.08.2020	Aqua Bio Technology ASA – completion of private	ABT announced that the following of the Company's primary insiders subscribed	N/A

	placements – primary insider disclosures	<p>for the Company's Shares in certain share capital raises whereby the Company's existing shareholders' preferential right was deviated from:</p> <ul style="list-style-type: none"> <li>- Edvard Cock (chairman)</li> <li>- Roger Hofseth (board member)</li> <li>- Jan Pettersen (board member)</li> <li>- Espen Kvale (CEO at that time)</li> <li>- Kristin Aase (board member)</li> <li>- Tone Bjørnov (board member)</li> <li>- Håvard Lindstrøm (Head of Business Development)</li> <li>- Susanne Arnesen (Business Development Manager Nordic)</li> </ul>	
20.05.2020	Aqua Bio Technology ASA – Employee buy shares	ABT announced that Espen Kvale (acting CEO at that time), CTO Hans Kristian Leren and BDM Vigdis Tuft Heinemann had acquired 950,000 Shares in total in the Company from shareholder Finnvik Eiendom AS and board member Jan Pettersson, at a price per Share of NOK 2.50.	N/A
<b>TOTAL NUMBER OF VOTING RIGHTS AND CAPITAL</b>			
<b>Date</b>	<b>Title</b>	<b>Description</b>	<b>Cross reference in this Prospectus</b>
31.05.2021	Aqua Bio Technology ASA – New Share Capital Registered	The Company announced that the share capital increase pertaining to the issuance of Private	Section 5.2.1

		Placement Shares to Akvakulturpartner AS.	
25.05.2021	Aqua Bio Technology ASA – New Share Capital Registered	The Company announced that the share capital increase pertaining to the issuance of the shares to settle the Share Lending Agreement had been registered with the Norwegian Register of Business Enterprises.	Section 5.2.1
21.09.2020	Aqua Bio Technology ASA – Registration of share capital increase	ATB announced that the share capital increases regarding two private placements and a subsequent offering had been registered in the Norwegian Register of Business Enterprises.	N/A

## 13 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 Oslo Børs or the Norwegian Financial Supervisory Authority in other documents.*

*The information which has been incorporated into this Prospectus by reference is set out in Section 13.1 "Cross Reference Table", and this Prospectus should be read in conjunction with the documents set out therein.*

### 13.1 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
N/A	Annex 3, item 11.1	<b>Annual Financial Statements 2020:</b>	All

### 13.2 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.aquabiotechnology.com](http://www.aquabiotechnology.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.

## **14 ADDITIONAL INFORMATION**

### **14.1 Independent auditor**

The Company's independent auditor is RSM Norge AS, with registered business address at Filipstad brygge 1, 0252 Oslo, Norway ("**RSM**"). The partners of RSM are members of the Norwegian Institute of Public Accountants (*Nw: Den Norske Revisorforening*).

RSM has audited the Annual Financial Statements. Besides the Annual Financial Statements, RSM has not audited, reviewed or produced any report on any other information in this Prospectus.

### **14.2 Advisor**

Advokatfirmaet CLP DA is acting as legal adviser (as to Norwegian law) to the Company in connection with the Private Placement.

### **14.3 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.



Defined term	Meaning
<b>ABT</b> .....	The Company
<b>Annual Financial Statements</b> .....	The Group's audited consolidated financial statements as of, and for the year ended, 31 December 2020, which includes comparative figures for 2019.
<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>Articles of Association</b> .....	The articles of association of the Company.
<b>Board of Directors or Board</b> .....	The board of directors of the Company.
<b>Company</b> .....	Aqua Bio Technology ASA
<b>CET</b> .....	Central European Time
<b>EEA</b> .....	European Economic Area.
<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>Euronext Expand</b> .....	The regulated market Euronext Expand, operated by Oslo Børs ASA.
<b>IAS 34</b> .....	International Accounting Standard 34 "Interim Financial Reporting.
<b>IBD</b> .....	Inflammatory Bowel Diseases.
<b>IFRS</b> .....	International Financial Reporting Standards as adopted by the EU.
<b>ISIN</b> .....	International Securities Identification Number.
<b>GLEIF</b> .....	Global Legal Identifier Foundation.
<b>Group</b> .....	The Company and its consolidated subsidiaries.
<b>LEI</b> .....	Legal Entity Identifier.
<b>Management</b> .....	The senior management of the Group.
<b>NCI</b> .....	National Client Identifier.
<b>NFSA</b> .....	The Financial Supervisory Authority of Norway.
<b>NOK</b> .....	Norwegian Kroner, 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 (Nw: <i>Verdipapirhandelloven</i> ).
<b>Order</b> .....	The Financial Services and Markets Act 2000 (Financial Promotion) Order 2005.
<b>Oslo Børs</b> .....	The stock exchange Oslo Børs, operated by Oslo Børs ASA.
<b>MiFID II</b> .....	EU Directive 2014/65/EU on markets in financial instruments, as amended.
<b>MiFID II Product Governance Requirements</b> .....	Articles 9 and 10 of Commission Delegated Directive (EU) 2017/953 supplementing MiFID II, and local implementing measures.
<b>Private Placement</b> .....	The private placement of 1,303,707 Private Placement Shares in the Company resolved by the Board on 29 April 2021.
<b>Private Placement Shares</b> .....	1,303,707 new Shares issued in the Private Placement, the listing of which on Euronext Expand are subject to approval and publication of this Prospectus.

<b>Prospectus</b> .....	This prospectus dated 9 July 2021
<b>QIB</b> .....	"Qualified Institutional Buyer", as defined in Rule 144A under the U.S. Securities Act.
<b>Regulation S</b> .....	Regulation S under the U.S. Securities Act.
<b>Relevant Member State</b> .....	Any member state of the EEA other than Norway.
<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>RSM</b> .....	The Company's auditor RSM Norge AS
<b>Rule 144A</b> .....	Rule 144A under the U.S. Securities Act.
<b>Share(s)</b> .....	The existing outstanding shares in the Company.
<b>Share Lending Agreement</b> .....	A share lending agreement between the Company and a shareholder of the Company, Kjeveortoped Espen Dahl AS, pursuant to which existing Shares in the Company were used to settle 605 017 Private Placement Shares.
<b>Subscription Price</b> .....	NOK 11.45 per Private Placement Share.
<b>Target Market Assessment</b> .....	Has the meaning ascribed to such term on page 4 of this Prospectus.
<b>UK</b> .....	The United Kingdom.
<b>U.S. Exchange Act</b> .....	The U.S. Securities Exchange Act of 1934, as amended.
<b>U.S. Securities Act</b> .....	The United States Securities Act of 1933, as amended.
<b>USD</b> .....	United States Dollars, the lawful currency in the United States.
<b>VPS</b> .....	The Norwegian Central Securities Depository (Nw: <i>Verdipapirsentralen</i> )

## Vedtekter

for

### Aqua Bio Technology ASA

(Sist endret 29. april 2021)

#### § 1 Firma

Selskapets firma er Aqua Bio Technology ASA. Selskapet er et allmennaksjeselskap.

#### §2 Forretningskontor

Selskapets forretningskontor er i Bærum kommune. Selskapets generalforsamling kan avholdes i Bærum og Oslo kommune.

#### §3 Virksomhet

Selskapets formål er å utvikle og markedsføre dermatologiske, kosmetiske og andre helseprodukter gjennom utnyttelse av ny teknologi og forskningsresultater. Dette skal skje ved egen forskning og ved samarbeidende institusjoner, både nasjonalt og internasjonalt. Selskapet kan dessuten investere i andre virksomheter.

#### §4 Aksjekapital

Selskapets aksjekapital er NOK 47,510,970 fordelt på 19,004,388 aksjer, hver pålydende NOK 2,50.

#### §5 Ledelse

Selskapets styre består av 3 til 6 styremedlemmer etter generalforsamlingens nærmere beslutning. Selskapets firma tegnes - enten av styrets leder og daglig leder i fellesskap, eller av to styremedlemmer i fellesskap. Styret kan meddele prokura. Selskapet skal ha en daglig leder.

#### §6 Generalforsamling

Den ordinære generalforsamling skal behandle:

1. Godkjenning av årsregnskapet og årsberetningen, herunder utdeling av utbytte.
2. Andre saker som etter loven eller vedtektene hører under generalforsamlingen.

#### §7 Aksjeeierregister

Selskapets aksjer er fritt omsettelige. Selskapets aksjer skal registreres i Verdipapirsentralen.

#### §8 Valgkomite

Selskapet skal ha en valgkomite bestående av 3 medlemmer som velges av generalforsamlingen. Valgkomiteens medlemmer velges for 2 år av gangen.

#### §9 Forholdet til aksjeloven

For øvrig henvises til den til enhver tid gjeldende lovgivning for allmennaksjeselskaper.

#### §10 Dokumenter som gjelder saker som skal behandles på generalforsamlingen trenger ikke sendes til aksjeeierne dersom dokumentene er gjort tilgjengelige for aksjeeierne på selskapets internettsider. Dette gjelder også dokumenter som etter lov skal inntas i eller vedlegges innkallingen til generalforsamlingen. En aksjeeier kan likevel kreve å få tilsendt dokumenter som gjelder saker som skal behandles på generalforsamlingen.