ADMISSION DOCUMENT

Kalera AS

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

Admission to trading of shares on Merkur Market

This admission document (the "**Admission Document**") has been prepared by Kalera AS (the "**Company**" and, together with its subsidiaries, the "**Group**" or "**Kalera**") solely for use in connection with the admission to trading (the "**Admission**") of all issued shares of the Company on Merkur Market.

As of the date of this Admission Document, the Company's registered share capital is NOK 1,610,242.39, divided into 161,024,239 shares, each with a par value of NOK 0.01 (the "**Shares**").

The Company's Shares have been approved for trading on Merkur Market, and it is expected that trading in the Shares will commence on Merkur Market on or about 28 October 2020 under the ticker code "KAL-ME". The Shares are, and will continue to be, registered in Norwegian Central Securities Registry (the "**VPS**") in book-entry form. The Shares have been registered on the Norwegian OTC list (the "**N-OTC**") since 21 April 2020 under the ticker code "KALERA", but prior to commencement of trading on Merkur Market the Shares will be deregistered from the N-OTC. All of the issued Shares rank pari passu with one another and each Share carries one vote.

Merkur Market is a multilateral trading facility operated by Oslo Børs ASA. Merkur Market is subject to the rules in the Norwegian Securities Trading Act of 29 June 2007 no 75 (as amended) (the "**Norwegian Securities Trading Act**") and the Norwegian Securities Trading Regulations of 29 June 2007 no 876 (as amended) (the "**Norwegian Securities Trading Regulation**") that apply to such marketplaces. These rules apply to companies admitted to trading on Merkur Market, as do the marketplace's own rules, which are less comprehensive than the rules and regulations that apply to companies listed on Oslo Børs and Oslo Axess. Merkur Market is not a regulated market. Investors should take this into account when making investment decisions.

The Company has engaged ABG Sundal Collier ASA and Arctic Securities AS as its advisors in connection with its Admission to Merkur Market (the "**Merkur Advisors**"). The Company has further engaged Bank of America Merrill Lynch International DAC, Stockholm Branch to act as a financial advisor alongside the Merkur Advisors.

THIS ADMISSION DOCUMENT SERVES AS AN ADMISSION DOCUMENT ONLY, AS REQUIRED BY THE MERKUR MARKET ADMISSION RULES. THIS ADMISSION DOCUMENT DOES NOT CONSTITUTE AN OFFER TO BUY, SUBSCRIBE OR SELL ANY OF THE SECURITIES DESCRIBED HEREIN, AND NO SECURITIES ARE BEING OFFERED OR SOLD PURSUANT THERETO.

Investing in the Company involves a high degree of risk. Prospective investors should read the entire document and, in particular, Section 1 ("Risk Factors") and Section 3.3 ("Cautionary note regarding forward-looking statements") when considering an investment in the Company and its Shares.

Merkur Market Advisors

ABG Sundal Collier ASA

Arctic Securities AS

The date of this Admission Document is 27 October 2020

IMPORTANT INFORMATION

This Admission Document has been prepared solely by the Company in connection with the Admission. The purpose of the Admission Document is to provide information about the Company and its business. This Admission Document has been prepared solely in the English language.

For definitions of terms used throughout this Admission Document, please refer to Section 14 ("Definitions and glossary of terms").

This Admission Document has been prepared to comply with the Admission to Trading Rules for Merkur Market (the "**Merkur Market Admission Rules**") and the Content Requirements for Admission Documents for Merkur Market (the "**Merkur Market Content Requirements**"). Oslo Børs ASA has not approved or reviewed this Admission Document or verified its content.

The Admission Document does not constitute a prospectus under 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 has not been reviewed or approved by any governmental authority.

All inquiries relating to this Admission Document should be directed to the Company or the Merkur Advisors. No other person has been authorized to give any information, or make any representation, on behalf of the Company and/or the Merkur Advisors in connection with the Admission, if given or made, such other information or representation must not be relied upon as having been authorized by the Company and/or the Merkur Advisors.

The information contained herein is current as of the date hereof and subject to change, completion or amendment without notice. There may have been changes affecting the Company subsequent to the date of this Admission Document. Any new material information and any material inaccuracy that might have an effect on the assessment of the Shares arising after the publication of this Admission Document and before the Admission will be published and announced promptly in accordance with the Merkur Market regulations. Neither the delivery of this Admission Document nor the completion of the Admission at any time after the date hereof will, under any circumstances, create any implication that there has been no change in the Company's affairs since the date hereof or that the information set forth in this Admission Document is correct as of any time since its date.

The contents of this Admission Document shall not be construed as legal, business or tax advice. Each reader of this Admission Document should consult with its own legal, business or tax advisor as to legal, business or tax advice. If you are in any doubt about the contents of this Admission Document, you should consult with your stockbroker, bank manager, lawyer, accountant or other professional advisor.

The distribution of this Admission Document in certain jurisdictions may be restricted by law. Persons in possession of this Admission Document are required to inform themselves about, and to observe, any such restrictions. No action has been taken or will be taken in any jurisdiction by the Company that would permit the possession or distribution of this Admission Document in any country or jurisdiction where specific action for that purpose is required.

The Shares may be subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under applicable securities laws and regulations. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. Investors should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time.

This Admission Document shall be governed by and construed in accordance with Norwegian law. The courts of Norway, with Oslo District Court (Nw.: *Oslo tingrett*) as legal venue, shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Admission Document.

Investing in the Company's Shares involves risks. Please refer to Section 1 "Risk factors".

INFORMATION TO DISTRIBUTORS

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Shares have been subject to a product approval process, which has determined that they each are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II (the "**Positive Target Market**"); and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Appropriate Channels for Distribution**"). Notwithstanding the Target Market Assessment, distributors should note that: the price of the Shares may decline and investors could lose all or part of their investment; the Shares offer no guaranteed income and no capital protection; and an investment in the Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. Conversely, an investment in the Shares is not compatible with investors looking for full capital protection or full repayment of the amount invested or having no risk tolerance, or investors requiring a fully guaranteed income or fully predictable return profile (the "**Negative Target Market**", and, together with the Positive Target Market, the "**Target Market Assessment**").

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

Each distributor is responsible for undertaking its own target market assessment in respect of the Shares and determining appropriate distribution channels.

ENFORCEMENT OF CIVIL LIABILITIES

The Company is a private limited liability company incorporated under the laws of Norway. As a result, the rights of holders of the Shares will be governed by Norwegian law and the Company's articles of association (the "**Articles of Association**"). The rights of shareholders under Norwegian law may differ from the rights of shareholders of companies incorporated in other jurisdictions.

Except for Cristian Toma, the members of the Company's board of directors (the "**Board Members**" and the "**Board of Directors**", respectively) are not residents of the United States (the "**United States**" or "**US**"). As a result of the Company being a Norwegian private limited company, it may be difficult for investors in the United States to effect service of process on the Company or its Board Members in the United States or to enforce in the United States judgments obtained in U.S. courts against the Company or its Board Members, including judgments based on the civil liability provisions of the securities laws of the United States or any State or territory within the United States. Uncertainty exists as to whether courts in Norway will enforce judgments obtained in other jurisdictions, including the United States, against the Company or its Board Members under the securities laws of those jurisdictions or entertain actions in Norway against the Company or its Board Members under the securities laws of other jurisdictions. In addition, awards of punitive damages in actions brought in the United States or elsewhere may not be enforceable in Norway. The United States does not currently have a treaty providing for reciprocal recognition and enforcement of judgements (other than arbitral awards) in civil and commercial matters with Norway.

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1 RISK FACTORS

Investing in the Shares involves inherent risks. Before making an investment decision, investors should carefully consider the risk factors and all information contained in this Admission Document, including the Financial Information and related notes. The risks and uncertainties described in this Section 1 are the principal known risks and uncertainties faced by the Group as of the date hereof that the Company believes are the material risks relevant to an investment in the Shares. 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 all or part of their investment. The absence of a negative past experience associated with a given risk factor does not mean that the risks and uncertainties described herein should not be considered prior to making an investment decision.

If any of the risks were to materialize, individually or together with other circumstances, it could have a material and adverse effect on the Group and/or its business, financial condition, results of operations, cash flow and/or prospects, which may cause a decline in the value of the Shares that could result in a loss of all or part of any investment in the Shares. The risks and uncertainties described below are not the only risks the Group may face. Additional risks and uncertainties that the Company currently believes are immaterial, or that are currently not known to the Company, may also have a material adverse effect on its business, financial condition, results of operations and cash flow. The order in which the risks are presented below is not intended to provide an indication of the likelihood of their occurrence nor of their severity or significance.

The risk factors described in this Section 1 "Risk factors" are sorted into a limited number of categories, where the Company has sought to place each individual risk factor in the most appropriate category based on the nature of the risk it represents. The risks that are assumed to be of the greatest significance are described first. This does not mean that the remaining risk factors are ranked in order of their materiality or comprehensibility, and the fact that a risk factor is not mentioned first in its category does not in any way suggest that the risk factor is less important when taking an informed investment decision. The risks mentioned herein could materialise individually or cumulatively.

The information in this Section 1 is as of the date of this Admission Document.

1.1 Risks related to the Group and the industry in which it operates

The Group is in an early commercial phase, and is highly dependent on a successful roll-out and commercialization of its products

The Group is in an early commercial phase, and is highly dependent on succeeding with its roll-out and commercialization strategy in order to deliver future operating profits. In 2019, the Group started to execute a strategy for rapid capacity expansion based on installing and operating large-scale production facilities allowing the Group to target and expand its customer base to large US regional and national accounts such as grocery chains, distributors and contract food service companies. The Group has to date focused on the US market, and its current roll-out and commercialization plan involves to establish itself throughout the US, by building new large-scale production facilities in US cities and areas that the Group is currently not present in and that provide attractive markets. The Group is also seeking to establish itself internationally.

The Group's failure to execute its roll-out and commercialization strategy or to manage its growth effectively could adversely affect the Group's business, financial condition, results of operations, cash flow and/or prospects. In addition, there can be no guarantee that even if the Group successfully implements its strategy, it would result in the Group achieving its business and financial objectives. The Group's Management team will review and evaluate the business strategy with the Company's board of directors on a regular basis, and the Group may decide to alter or discontinue elements of the Group's business strategy and may adopt alternative or additional strategies in response to the Group's operating environment or competitive situation or other factors or events beyond the Group's control.

The Group lacks useful financial information for the estimation of its future capex and unit economics

As a result of the Group being in an early commercial phase, the Group lacks useful financial information for the estimation of its future capex and unit economics. This applies in particular for its Orlando facility which commenced operations in February 2020, and for which its capex and unit economics for new facilities are based on. Any failure of the Group to estimate its capex and unit economics could limit the Group's ability to implement its roll-out and commercial strategy and to accurately forecast future results of operations. In addition to the risk of failure to estimate its capex and unit economics, the economics for new facilities can also be subject to adverse changes or developments affecting any new facilities and that could impair the Group's ability to produce the business results and prospects as expected. Such adverse changes and developments include, but are not limited to, natural disasters, fire, power interruptions, disease outbreaks or pandemics (such as Covid-19). The Group's failure to estimate its capex and unit economics, could adversely affect the Group's business, financial condition, results of operations, cash flow and/or prospects, and could furthermore lead to the capex and unit economics for new facilities being incorrect.

The Group has incurred significant operating losses since its inception and expects to continue to incur losses going forward

The Group is in an early commercial phase and has incurred significant operating losses since its incorporation.

The Group has financed its operations through the sale of equity securities and convertible debt. Going forward, the Group expects to continue to incur operating losses and no assurances can be given on when, or if at all, the Group will achieve profitability from its operations and the size of the Group's losses going forward will depend, in part, on the Group's future expenses and its ability to generate revenue. Achieving profitability is dependent on a number of factors, amongst other the Group's succeeding with its roll-out and commercialization strategy, but also the operating environment, the competitive situation and other factors or events beyond the Group's control.

The Group may never succeed in becoming profitable and, even if it does, it may never generate revenue or sustainable income that is significant enough to achieve profitability. Should any of these risks materialize, it could have a material and adverse effect on the Group's business, financial condition, results of operations, cash flows, time to market and prospects.

The Group is facing and will continue to face competition from other companies

The Group competes in an industry still under establishment that is highly competitive and rapidly increasing and it faces and will continue to face competition from other companies. Competition comes from both traditional farming and other vertical farming companies. The Group expects to continue to experience competition from existing and new competitors, some of which are more established and who may have (i) greater capital and/or commercial, marketing and technical resources, and/or (ii) more superior brand recognition than the Group. Although the Group believes that its business strategy and production methods enjoys a number of key advantages compared to its competitors, there is no assurance that the Group will be able to compete successfully in such a competitive marketplace. Further, the Company believes competition will be more severe when revenue creating business models are implemented. If the Group is unable to remain competitive, this could have a material adverse effect on the Group's revenues, profitability, liquidity, cash flow, financial positions and/or prospects.

The success, competitive position and future revenues will depend in part on the Group's ability to further develop and protect its intellectual property and know-how

The Group’s intellectual property mainly relates to production processes and methods, plant nutrient mixture formulas, custom hardware and software code as well as its trademarks and is an inherent part of the business strategy of the Group. Any failure to protect the Group's proprietary rights adequately could result in the Group’s competitors offering similar products, potentially resulting in the loss of some of the Group's competitive advantage and a decrease in the Group's revenue which would adversely affect the Group's business, prospects, financial condition, operating results and/or prospects. The Group’s success depends, at least in part, on the Group's ability to further develop and protect the Group's intellectual property. The Group relies on a combination of patents, trade secrets, including know-how, limiting access to key information, confidentiality provisions in agreements, confidentiality procedures and IT security to protect its intellectual property rights. The Group cannot give any assurance that the measures implemented to protect intellectual property rights will give satisfactory protection. Whether or not measures to secure the intellectual property and other confidential information are successful, such information may still become known to existing or new competitors of the Group or be independently developed. The Group's failure to process, obtain or maintain adequate protection of its intellectual property rights for any reason, may have a material adverse effect on the Group's business, results of operations, financial condition and/or prospects.

The commercial success of the Group is dependent on the Group's ability to enter into produce distribution agreements and other agreements with third parties

The Group's large scale production facilities in general serves customers within a 500 kilometer (km) radius of the relevant facility. As the Group continue its roll-out plan by building new facilities, the Group will be dependent on entering into new produce distribution agreements with new customers located within the target radius or renegotiating existing produce distribution agreements to also cover such new areas. Should the Group not be successful in entering into new produce distribution agreements, this could in turn have a material adverse effect on the Group's business, results of operations, financial condition and/or prospects.

Consumer satisfaction is important to the Group's success, and the lack thereof, may have material effect on the Group's financial performance

The Group's products are ultimately sold to consumers which may have different product criteria and expectations to vegetables, such as, but not limited to, cleanness, pesticide-free, non-GMO, locally grown, nutrient rich, quality in general and price. Failing to meet one or more of such criteria can reduce consumer satisfaction for the Group's products, and result in consumers not buying the Group's products. Unsatisfied consumers may further generate negative publicity and affect the Group's reputation. Even if the Group meets one or more of the aforementioned criteria, other factors could result in the consumers not buying the Group's products, amongst other, spending habits among consumers, concerns regarding vertical farming as opposed to traditional farming, the Group not being able to differentiate the quality of the Group's products from those of its competitors, competitors being able to market and advertise their products towards consumers better, the Group not being successful in identifying trends in consumer preferences and growing or developing products that respond to such trends in a timely manner. Should consumers, for any reason, not buy the Group's products, this may impacting the willingness of the Group's customers, which are predominantly distributors to the foodservice segment, to renew their contracts with the Group, which in turn have a material adverse effect on the Group's business, results of operations, financial condition and/or prospects.

Estimates of market opportunity and forecasts of market growth may prove to be inaccurate or not materialize, and even if the market in which the Group competes achieves the forecasted growth, the Group's business could fail to grow at similar rates, if at all.

The global market for lettuce and chicory has seen stable growth with a CAGR of 1.2% from 2007 to 2017, and is projected to continue its stable development, resulting in an increased market volume in the years to come. Projections and estimates on future market growth may not prove to be accurate, particularly in light of the ongoing Covid-19 pandemic and the related economic impact. The variables that go into the calculation of expected market opportunity are subject to change over time, and there is no guarantee that any particular number or percentage of customers covered by these market opportunity estimates will purchase the Group's products at all or generate any particular level of revenue for the Group.

The Group is reliant on key personnel and the ability to attract new, qualified personnel

The Group is highly dependent upon having a highly qualified team and is therefore reliant on key personnel and the ability to retain and attract new, qualified personnel. The loss of a key person might impede the achievement of the development and commercial objectives. Competition for key personnel with the required competences and experience is intense, and the competition for such personnel is expected to continue to increase. There is no assurance that the Group will be able to recruit the required new key personnel in the future. Any failure to retain or attract such personnel could result in the Group not being able to successfully implement its strategy, which could have a material and adverse effect on the Group's business, financial condition, results of operations, cash flows and/or prospects.

The Group faces risks inherent in the agriculture business, including the risks of diseases and pests

The Group is producing lettuce and chicory inside a growing facility. As such, they are subject to the risks inherent in an agricultural business, such as insects, plant and seed diseases and similar agricultural risks, which may include crop losses. Although the grocery will be grown in climate-controlled circumstances, there can be no assurance that natural elements will not have an effect on the production of these products. In particular, plant diseases, such as root rot, virus, or pest infestations, which could eliminate or significantly reduce production at a growing facility.

Although the Group uses cleanroom technologies and procedures to reduce the risks of diseases and pests, such risks may not be totally eliminated.

If any such agricultural risks and natural elements were to effect the production of the Group's products this could have a material and adverse effect on the Group's business, financial condition, results of operations, cash flows and/or prospects

The outbreak of Covid-19 may have significant negative effects on the Group

The Group's performance is affected by the global economic conditions in the market in which it operates. The global economy has been experiencing a period of uncertainty since the outbreak of the coronavirus SARS-CoV-2 ("**Covid-**

19"), which was recognized as a pandemic by the World Health Organization in March 2020. The global outbreak of Covid-19, and the extraordinary health measures and restrictions on local and global basis imposed by authorities across the world has, and are expected to continue to cause, disruptions in the Group's value chain. Moreover, as a result of the Covid-19 situation, national authorities have adopted several laws and regulations with immediate effect and which provide legal basis for the government to implement measures in order to limit contagion and the consequences of Covid-19. Some of the consequences for the Group, more specifically, have been:

- Some of the Group's key customers, such as US Foods, FreshPoint and Levy, are predominantly distributors to the foodservice segment, and sales through these channels have been negatively impacted by temporary shutdowns due to Covid-19, causing a lesser demand for the Group's products from these customers.
- Covid-19 has significantly impacted the foodservice industry in Central Florida and beyond resulting in lower production needs. As a consequence, the Group had to reduce its production from the large scale facility in Orlando.
- The Group's on-site HyCube installation supplying Marriott's Orlando World Center resort has been affected due to a slow-down of hotel activities.

Certain offsetting measures have been taken and the Group is, as of the date of this Admission Document, working on scaling up its operations. In April 2020, the Group partnered with Publix, the largest grocery retailer in Florida for supplying lettuce to over 165 Central Florida stores, and providing for an alternative sales channel of its products. Further, the Group is as of the date of this Admission Document scaling to full production at the large scale Orlando facility as demand increases, and continues to partner and develop its relationship with all the top-tier foodservice distributors including Sysco, FreshPoint, and US Foods, for which the Orlando facilities capacity was originally planned for and remains a key sales channel for the Group. The Group believes this, combined with the new sales channel into retail, will lead to increased volume and demand as the foodservice industry regains momentum.

Prospective investors should note that, even if certain offsetting measures have been implemented and the Group is currently working on scaling up its operations, the Covid-19 situation is continuously changing, and new laws and regulations that could directly, or indirectly, affect the Group's operations may enter into force. The effects of the Covid-19 situation could in turn negatively affect the Group's revenue and operations going forward, where the severity of the Covid-19 situation and the exact impacts for the Group are highly uncertain. As of the date of this Admission Document, it is too early to estimate the effects Covid-19 will have on the Group, its further operations and how it will be affected financially in the long term.

A delay in the completion of, or cost overruns in relation to, the construction of new facilities may affect the Group's ability to achieve its operational plan and full schedule of production, thereby adversely impacting the Group's business and results of operations

As of the date of this Admission Document, the Group has three facilities under construction, all expected completed during 2021. Further, pursuant to its current roll-out plan, the Group will start construction on several new large scale facilities during 2021 and 2022. For the large scale facilities, the Group leases buildings, but bears the cost associated with customizing the buildings for its vertical farming operations. For customizing the buildings, the Group relies on third party constructors and other service providers. Any delay by such third parties in the completion of construction may result in a decrease in revenues expected to be received by the Group from operations as a result of the commencement of full-scale operations on a date later than originally expected, thereby adversely impacting the Group's business and results of operations, especially if completion of construction is delayed on several large scale production facilities at the same time. The construction of new facilities are also subject to other risks that may cause delays or cost overruns, which in turn could cause disruption in operations and the need to implement changes in production to adapt to such delays, including the commissioning of systems before final completion, all of which could have a material adverse effect on production and the Group's business, results of operations, cash flows, financial condition and/or prospects.

A cybersecurity incident or other technology disruptions could negatively impact the Groups business

The Group uses or plans to use computers, software and technology in certain parts of its business operations. Such uses give rise to cybersecurity risks, including security breaches, espionage, system disruption, theft and inadvertent release of information. Cybersecurity incidents are increasing in their frequency, sophistication and intensity, with third-party phishing and social engineering attacks in particular increasing in connection with the Covid-19 pandemic. The Group's business involves sensitive information and intellectual property, including know-how, private information about employees and financial and strategic information about the Group, its current and targeted business partners.

While the Group has implemented and plans to implement measures to prevent security breaches and cyber incidents, these preventative measures and incident response efforts may not be entirely effective. The theft, destruction, loss, misappropriation or release of sensitive information or intellectual property, or interference with the Group's information technology systems or the technology systems of third parties on which it relies, could result in business disruption, negative publicity, brand damage, violation of privacy laws, loss of customers and distributors, potential liability and competitive disadvantage all of which could negatively impact the Group's business, financial condition, results of operations and/or prospects.

The Group relies on information technology systems and any inadequacy, failure, interruption or security breaches of those systems may harm the Group's ability to effectively operate its business

The Group is dependent on various information technology systems, including, but not limited to, networks, applications and outsourced services in connection with the current and planned operation of its business. A failure of these information technology systems to perform as anticipated could cause the Group's business to suffer. For example, the Group uses Cloud-based and IoT-based automation and "big data" analytics and AI for precise control of air and water quality, temperature and humidity, light, and nutrients in its operations. If this software does not perform as anticipated, the Group's equipment used in production may receive inadequate or erroneous information about the condition of the vegetables being grown, which may result in increased mitigation expenses, waste, additional labor expenses and partial or full loss of the produce.

In addition, the Group's information technology systems may be vulnerable to damage or interruption from circumstances beyond its control, including fire, natural disasters, systems failures, viruses and security breaches. Any such damage or interruption could negatively impact the Group's business, financial condition, results of operations, cash flows, and/or prospects.

1.2 Risks related to financing and market risk

Failure to obtain necessary capital when needed could force the Group to delay, limit, reduce or terminate its product development or commercialization efforts

The Company will require additional capital in the future to further pursue its business plan, and may require additional capital due to unforeseen liabilities, delayed or failed technical or commercial launch of its products and services or in order for it to take advantage of opportunities that may be presented to it. Failure to obtain this necessary capital when needed could force the Group to delay, limit, reduce or terminate its product development or commercialization efforts.

Fluctuations in currency exchange rates may impact the Group's capital expenses and operational income in the future

The Group is seeking to establish itself internationally, meaning that the Group could earn revenues, pay expenses, own assets and incur liabilities in countries using currencies other than the U.S. Dollar in the future. The Group's consolidated financial statements are presented in U.S. Dollars, hence revenues, income and expenses, as well as assets and liabilities arising from any international operations must be converted into U.S. Dollars at exchange rates in effect during or at the end of each reporting period. Increases or decreases in the value of the U.S. Dollar against other currencies can accordingly affect the Group's operating revenues, operating income and the value of balance sheet items denominated in foreign currencies in the future.

The Group may require additional capital in the future in order to execute its roll-out and commercialization strategy or for other purposes, which may not be available on favorable terms, or at all

Because the Group currently is in an early phase of its roll-out and commercialization strategy process, the Group may require additional funds in order to execute and complete its roll-out and commercialization strategy, or for other purposes. Consequently there is a risk that the liquidity the Group has in place is not sufficient to cover the Group's existing or future expenditures. If the Group requires additional funds in order to execute its commercialization and growth strategy, or for other purposes, there is a risk that adequate sources of funds may not be available, or available at acceptable terms and conditions, when needed. If the Group raises additional funds by issuing additional equity securities, the existing shareholders may be significantly diluted. If funding is insufficient at any time in the future, the Group may be unable to fund its current and ongoing roll-out and commercialization strategy and lose business opportunities and thereby risk to fail to respond to competitive pressures. If the Group for any reason does not obtain additional funding as needed in the future, this could have a material adverse effect on the Group's revenues, profitability, liquidity, cash flow, financial positions and/or prospects.

1.3 Risks related to laws, regulations and litigation

The Group may be subject to litigation

The Group may become subject to litigation and disputes. Whether or not the Group ultimately prevails, legal disputes are costly and can divert Management's attention from the Group's business. In addition, the Group may decide to settle a legal dispute, which could cause the Group to incur significant costs. An unfavorable outcome of any legal dispute could imply that the Group becomes liable for damages or will have to modify its business model. A settlement or an unfavorable outcome in a legal dispute could have an adverse effect on the Group's business, financial condition, results of operations, cash flows, time to market and/or prospects.

The Group is exposed to risks related to regulatory processes and changes in regulatory environment
The manufacture and marketing of food products is highly regulated in the United States, and the Group is subject to a variety of laws and regulations. These laws and regulations apply to many aspects of the Group's business, including the manufacture, packaging, labeling, distribution, advertising, sale, quality, and safety of its products, as well as the health and safety of its employees and the protection of the environment.

In the United States, the Group is subject to regulation by various government agencies, including the U.S. Food and Drug Administration (FDA), the Federal Trade Commission (FTC), the Occupational Safety and Health Administration (OSHA), the Environmental Protection Agency (EPA), and U.S. Department Of Agriculture (USDA), as well as various state and local agencies. Further regulations outside the United States by various international regulatory bodies could also apply in the future as the Group, under its current roll-out plan, is seeking to establish itself internationally. In addition, depending on customer specification, the Group may be subject to certain voluntary, third-party standards, such as Global Food Safety Initiative, or GFSI, standards and review by voluntary organizations, such as the Council of Better Business Bureaus' National Advertising Division. The Group could incur costs, including fines, penalties and third-party claims, because of any violations of, or liabilities under, such requirements, including any competitor or consumer challenges relating to compliance with such requirements. The loss of third-party accreditation could result in lost sales and customers, and may adversely affect the Group's business, results of operation, and financial condition. In connection with the marketing and advertisement of its products, the Group could be the target of claims relating to false or deceptive advertising, including under the auspices of the FTC and the consumer protection statutes of some states.

The regulatory environment in which the Group operates could change significantly and adversely in the future. Any change in manufacturing, labeling or packaging requirements for the Group's products may lead to an increase in costs or interruptions in production, either of which could adversely affect its operations and financial condition. New or revised government laws and regulations could result in additional compliance costs and, in the event of non-compliance, civil remedies, including fines, injunctions, withdrawals, recalls, or seizures and confiscations, as well as potential criminal sanctions, any of which may adversely affect the Group's business, results of operations, cash flows, financial condition and/or prospects.

Food safety and foodborne illness incidents or advertising or product mislabeling may materially adversely affect the Group's business by exposing the Group to lawsuits, product recalls, or regulatory enforcement actions, increasing its operating costs and reducing demand for its product offerings

Selling food for human consumption involves inherent legal and other risks, and there is increasing governmental scrutiny of and public awareness regarding food safety. Unexpected side effects, illness, injury or death related to allergens, foodborne illnesses or other food safety incidents caused by products the Group sells could result in the discontinuance of sales of these products, or otherwise result in increased operating costs, regulatory enforcement actions, or harm to the Group's reputation. Shipment of adulterated or misbranded products, even if inadvertent, can result in criminal or civil liability. Such incidents could also expose the Group to product liability, negligence, or other lawsuits, including consumer class action lawsuits.

The occurrence of foodborne illnesses or other food safety incidents could also adversely affect the price and availability of affected raw materials, resulting in higher costs, disruptions in supply and a reduction in sales. Furthermore, any instances of food contamination or regulatory noncompliance, whether or not caused by the Group's actions, could compel the Group or its customers, depending on the circumstances, to conduct a recall in accordance with FDA regulations, and comparable state laws. Food recalls could result in significant losses due to their costs, the destruction of product inventory, lost sales due to the unavailability of the product for a period of time and potential loss of existing distributors or customers and a potential negative impact on the Group's ability to attract new customers due to negative consumer experiences or because of an adverse impact on the Group's brand and reputation. The costs of a recall could be outside the scope of the Group's existing or future insurance policy coverage or limits.

In addition, food companies have been subject to targeted, large-scale tampering as well as to opportunistic, individual product tampering, and the Group, like any food company, could be a target for product tampering. Forms of tampering could include the introduction of foreign material, chemical contaminants, and pathological organisms into consumer products as well as product substitution. FDA regulations require businesses like the Group to analyze, prepare, and implement mitigation strategies specifically to address tampering designed to inflict widespread public health harm. If the Group does not adequately address the possibility, or any actual instance, of product tampering, it could face possible seizure or recall of its products, suspension of its facilities' registrations, and/or the imposition of civil or criminal sanctions, which could materially adversely affect the Group's business, financial condition, cash flows, operating results and/or prospects.

The Group is exposed to risks related to regulatory processes and changes in regulatory environment

Changes in laws and regulations applicable to the Group could increase compliance costs, mandate significant and costly changes to the way the Group implements its products, and threaten the Group's ability to serve certain markets. Such changes in laws and regulations applicable to the Group could have a material adverse effect on the Group's business, financial condition, cash flows, operating revenue and profitability.

1.4 Risks relating to the Shares and the Admission

The Company will incur increased costs as a result of being listed on Merkur Market

As a company with its shares listed on Merkur Market, the Company will be required to comply with Oslo Børs' reporting and disclosure requirements for companies listed on Merkur Market. The Company will incur additional legal, accounting and other expenses in order to ensure compliance with these and other applicable rules and regulations. The Company anticipates that its incremental general and administrative expenses as a company with its shares listed on Merkur Market will include, among other things, costs associated with annual and interim reports to shareholders, shareholders' meetings, investor relations, incremental director and officer liability insurance costs and officer and director compensation. In addition, the Board of Directors and Management may be required to devote significant time and effort to ensure compliance with applicable rules and regulations for companies with its shares listed on Merkur Market, which may entail that less time and effort can be devoted to other aspects of the business. Any such increased costs, individually or in the aggregate, could have an adverse effect on the Company's business, financial condition, results of operations, cash flows and/or prospects.

An active trading market for the Company's shares on Merkur Market may not develop

The Shares have not previously been tradable on any stock exchange, other regulated marketplace or multilateral trading facilities. No assurances can be given that an active trading market for the Shares will develop on Merkur Market, nor sustain if an active trading market is developed. The market value of the Shares could be substantially affected by the extent to which a secondary market develops for the Shares following completion of the Admission.

The price of the Shares may fluctuate significantly, and could result in investors' losing a significant part of their investment

An investment in the Shares involves risk of loss of capital, and securities markets in general have been volatile in the past. The trading volume and price of the Shares may fluctuate significantly in response to a number of factors beyond the Company's control, including adverse business developments and prospects, variations in revenue and operating results, changes in financial estimates, announcements by the Company or its competitors of new development or new circumstances within the industry, legal actions against the Group, unforeseen events and liabilities, changes in management, changes to the regulatory environment in which the Group operates or general market conditions. The market value of the Shares could also be substantially affected by the extent to which a secondary market develops or sustains for the Shares.

Negative publicity or announcements, including those relating to any of the Company's substantial shareholders or key personnel, may adversely affect the market price of the Shares, whether or not this is justifiable. Such negative publicity or announcement may include involvement in insolvency proceedings, failed attempts in takeovers or joint ventures etc.

Dividends or other distributions from the Company cannot be expected in the foreseeable future

As of the date of this Admission Document, the Company is in an expansion phase and will focus on deploying the proceeds from the Private Placement as well as its operating cash flow into profitable growth initiatives. Dividends or other distributions from the Company cannot be expected in the foreseeable future.

Shareholders will be diluted if they are unable or unwilling to participate in future share issuances

The Company have so far largely relied on shareholders and investors to fund its commercialization and roll-out plan, and may in the future decide to offer additional Shares or other securities in order to finance its further growth, or in connection with unanticipated liabilities or expenses or for any other purposes. Any such additional offering could reduce the proportionate ownership and voting interests of holders of Shares, as well as the earnings per share and the net asset value per share of the Company, and any offering by the Company could have a material adverse effect on the market price of the Shares.

Pre-emptive rights to subscribe for and be allotted Shares in any share issue may be unavailable to United States shareholders and shareholders in certain other jurisdictions and the transfer of Shares is subject to restrictions under the securities laws of the United States and other jurisdictions

None of the Shares have been registered under the US Securities Act of 1933 (as amended) (the "**US Securities Act**") or any US state securities laws or any other jurisdiction outside of Norway. As such, the Shares may not be offered or sold except pursuant to an exemption from, or in transactions not subject to, the registration requirements of the US Securities Act and other applicable securities laws. In addition, there is no assurances that shareholders residing or domiciled in the United States will be able to participate in future capital increases or rights offerings

Norwegian law imposes certain restrictions on shares and shareholders

The rights of shareholders of the Company are governed by Norwegian law and by the articles of association of the Company. These rights may differ from the rights of shareholders in companies incorporated in other jurisdictions. In particular, Norwegian law limits the circumstances under which shareholders of Norwegian companies may bring derivative actions. For instance, under Norwegian law, any action brought by a company in respect of wrongful acts committed against such company will be prioritized over actions brought by shareholders claiming compensation in respect of such acts. Further, it may be difficult to prevail in a claim against the Company under, or to enforce liabilities predicated upon, securities laws in other jurisdictions.

Exchange rate fluctuations could adversely affect the value of the Shares and any dividends paid on the Shares for an investor whose principal currency is not NOK

The Shares on Merkur Market will be priced in NOK, and any future payments of dividends on the Shares will be made in NOK. Investors registered in the VPS who have not supplied the VPS with details of their bank account, will not receive payment of dividends unless they register their bank account details with the VPS Registrar. The exchange rate(s) that is applied when denominating any future payments of dividends to the relevant investor's currency will be the VPS Registrar's exchange rate on the payment date. Exchange rate movements of NOK will therefore affect the value of these dividends and distributions for investors whose principal currency is not NOK. Further, the market value of the Shares as expressed in foreign currencies will fluctuate in part as a result of foreign exchange fluctuations. This could affect the value of the Shares and of any dividends paid on the Shares for an investor whose principal currency is not NOK.

2 RESPONSIBILITY FOR THE ADMISSION DOCUMENT

This Admission Document has been prepared solely in connection with the Admission to trading on Merkur Market.

The Board of Directors of Kalera AS accepts responsibility for the information contained in this Admission Document. The members of the Board of Directors confirm that, after having taken all reasonable care to ensure that such is the case, the information contained in this Admission Document is, to the best of their knowledge, in accordance with the facts and contains no omission likely to affect its import.

27 October 2020

The Board of Directors of Kalera AS

Bjørge Gretland	Øystein Arnulf Landvik
Erik Sauar	Cristian Eugen Toma

Sakip-Umur Hürsever

3 GENERAL INFORMATION

3.1 Other important investor information

The Company has furnished the information in this Admission Document. No representation or warranty, express or implied, is made by the Merkur Advisors as to the accuracy, completeness or verification of the information set forth herein, and nothing contained in this Admission Document is, or shall be relied upon as a promise or representation in this respect, whether as to the past or the future. The Merkur Advisors assume no responsibility for the accuracy or completeness or the verification of this Admission Document and accordingly disclaim, to the fullest extent permitted by applicable law, any and all liability whether arising in tort, contract or otherwise which they might otherwise be found to have in respect of this Admission Document or any such statement.

Neither the Company nor the Merkur Advisors, or any of their respective affiliates, representatives, advisors or selling agents, is making any representation to any purchaser of the Shares regarding the legality of an investment in the Shares. Each investor should consult with his or her own advisors as to the legal, tax, business, financial and related aspects of a purchase of the Shares.

3.2 Presentation of financial and other information

3.2.1 Financial information

The Group's audited consolidated financial statements as of and for the financial years ended 31 December 2019 and 2018 (the "**Annual Financial Statements**") have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("**IFRS**") and IFRIC interpretations as adopted by the European Union. The Annual Financial Statements have been audited by PricewaterhouseCoopers AS ("**PwC**"). PwC has not audited, reviewed or produced any report on any other information in this Admission Document.

The Group has prepared unaudited consolidated interim financial information for the six months period ended 30 June 2020 (the "**Interim Financial Statements**"). The Interim Financial Statements should be read in conjunction with the Annual Financial Statements. The accounting policies applied in the preparation of the Interim Financial Statements are consistent with those applied in the preparation of the Annual Financial Statements, please see note 2 in the Annual Financial Statements for further information about accounting policies.

The Group presents the Annual Financial Statements and the Interim Financial Statements in USD (presentation currency). Reference is made to Section 8 ("Selected financial information and other information") for more information.

3.2.2 Industry and market data

In this Admission Document, the Company has used industry and market data obtained from independent industry publications, market research and other publicly available information. Although the industry and market data is inherently imprecise, the Company confirms that where information has been sourced from a third party, such information has been accurately reproduced and that as far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted that would render the reproduced information inaccurate or misleading. Where information sourced from third parties has been presented, the source of such information has been identified.

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. The Company has not independently verified and cannot give any assurances as to the accuracy of market data contained in this Admission Document that was extracted from 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 data and 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 Admission Document (and projections, assumptions and estimates based on such information) may not be reliable indicators of the Company'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 1 (Risk factors) and elsewhere in this Admission Document.

Unless otherwise indicated in the Admission Document, the basis for any statements regarding the Company's or the Group's competitive position is based on the Company's and/or Group's own assessment and knowledge of the market in which it operates.

3.3 Cautionary note regarding forward-looking statements

This Admission Document includes forward-looking statements that reflect the Company's current views with respect to future events and financial and operational performance. These forward-looking statements may be identified by the use of forward-looking terminology, such as 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. These forward-looking statements are not historic facts. 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 industry in which the Group operates, may differ materially from those made in, or suggested, by the forward-looking statements contained in this Admission Document. The Company cannot guarantee that the intentions, beliefs or current expectations upon which its forward-looking statements are based will occur.

By their nature, forward-looking statements involve, and are subject to, known and unknown risks, uncertainties and assumptions as they relate to events and depend on circumstances that may or may not occur in the future. Because of these known and unknown risks, uncertainties and assumptions, the outcome may differ materially from those set out in the forward-looking statements. For a non-exhaustive overview of important factors that could cause those differences, please refer to Section 1 "Risk factors".

These forward-looking statements speak only as at the date on which they are made. The Company undertakes no 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 Company or to persons acting on the Company's behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this Admission Document.

4 REASONS FOR THE ADMISSION

The Company has experienced an increasing interest from the investor community, both from domestic as well as international investors, and considers the Admission as an excellent opportunity for meeting this demand.

The Company believes the Admission will:

- attract high quality shareholders, diversify the shareholder base and enable investors to take part in the Company's future growth and value creation;
- enhance the Group's profile with investors, business partners, suppliers and customers;
- allow for a trading platform and liquid market for the Shares;
- enable the Company to access the capital markets to fund attractive opportunities; and
- further improve the ability of the Group to attract and retain key management and employees.

No equity capital or proceeds will be raised by the Company upon the Admission, but the Company has completed a private placement immediately prior to the Admission, as further described in Section 6 ("The Private Placement").

5 DIVIDENDS AND DIVIDEND POLICY

5.1 Dividends policy

The Company will strive to follow a dividend policy favourable to the shareholders. The amount of any dividend to be distributed will be dependent on, among other things, the Company's investment requirements and rate of growth. As of the date of this Admission Document, the Company is in an expansion phase and will focus on deploying the proceeds from the Private Placement as well as its operating cash flow into profitable growth initiatives. As such the Company does not intend to declare or pay any dividends to its shareholders in the near future. Further, in the future there can be no assurance that in any given year a dividend will be proposed or declared, or if proposed or declared, that the dividend will be as contemplated by the 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 Section 5.2 ("Legal and contractual constraints on the distribution of dividends") below, as well as capital expenditure plans, financing requirements and maintaining the appropriate strategic flexibility.

The Company has not paid any dividends on its Shares during the financial years 2019 and 2018.

5.2 Legal and contractual constraints on the distribution of dividends

In deciding whether to propose a dividend and in determining the dividend amount in the future, the Board of Directors must take into account applicable legal restrictions, as set out in the Norwegian Private Limited Liability Companies Act of 13 June 1997 no. 44 (as amended) (the "**Norwegian Private 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 force at the time of the dividend may place on its ability to pay dividends and the maintenance of appropriate financial flexibility. Except in certain specific and limited circumstances set out in the Norwegian Private Companies Act, the amount of dividends paid may not exceed the amount recommended by the Board of Directors.

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

- Section 8-1 of the Norwegian Private Companies Act regulates what may be distributed as dividend, and provides that the Company may distribute dividends only to the extent that the Company after said distribution still has net assets to cover (i) the share capital and (ii) other restricted equity (i.e. the reserve for unrealized gains and the reserve for valuation of differences).

- 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 dividend shall be applied. Following the approval of the annual accounts for the last financial year, the general meeting may also authorize the Board of Directors to declare dividends on the basis of the Company's annual accounts. Dividends may also be resolved by the general meeting based on an interim balance sheet which has been prepared and audited in accordance with the provisions applying to the annual accounts and with a balance sheet date not further into the past than six months before the date of the general meeting's resolution.

- Dividends can only be distributed to the extent that the Company's equity and liquidity following the distribution is considered sound.

Pursuant to the Norwegian Private Companies Act, the time when an entitlement to dividend arises depends on what was resolved by the general meeting when it resolved to issue new shares in the company. A subscriber of new shares in a Norwegian private limited company will normally be entitled to dividends from the time when the relevant share capital increase is registered with the Norwegian Register of Business Enterprises. The Norwegian Private 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 or specific procedures for non-Norwegian resident shareholders to claim dividends. For a description of withholding tax on dividends applicable to non-Norwegian residents, see Section 11 ("Norwegian taxation").

5.3 Manner of dividends payment

Any future payments of dividends on the Shares will be denominated in the currency of the bank account of the relevant shareholder, and will be paid to the shareholders through the VPS Registrar. Shareholders registered in the VPS who have not supplied the VPS Registrar with details of their bank account, will not receive payment of dividends unless they register their bank account details with the VPS Registrar. The exchange rate(s) that is applied when denominating any future payments of dividends to the relevant shareholder's currency will be the VPS Registrar's exchange rate on the payment date. Dividends will be credited automatically to the VPS registered shareholders' accounts, or in lieu of such registered account, at the time when the shareholder has provided the VPS Registrar with their bank account details, without the need for shareholders to present documentation proving their ownership of the Shares. Shareholders' right to payment of dividend will lapse three years following the resolved payment date for those shareholders who have not registered their bank account details with the VPS Registrar within such date. Following the expiry of such date, the remaining, not distributed dividend will be returned from the VPS Registrar to the Company.

6 THE PRIVATE PLACEMENT

6.1 Details of the Private Placement

On 26 October 2020, the Company announced the successful completion of a private placement with a total transaction size of NOK 930 million (equivalent to approx. USD 100 million) through the allocation of 31,000,000 Shares in the Company at a price of NOK 30.00 per share (the "**Subscription Price**") (the "**Private Placement**"). The Private Placement consisted of 27,900,000 new Shares (the "**New Shares**") and an over-allotment of 3,100,000 additional Shares (the "**Additional Shares**") by the managers in the Private Placement (ABG Sundal Collier ASA and Arctic Securities AS, together the "**Managers**").

In connection with the allocation of the Additional Shares, Convexa AS, a company owned by the chairman of the Board of Directors, granted Arctic Securities AS (the "**Stabilisation Manager**"), on behalf of the Managers, an option to borrow a number of Shares equal to the number of Additional Shares in order to facilitate over-allotment (the "**Borrowing Option**") and delivery of the Additional Shares. The Stabilisation Manager, on behalf of the Managers, has further been granted an option by the Company to purchase a number of new Shares equal to the number of Additional Shares at a price per Share equal to the Subscription Price (the "**Greenshoe Option**"), exercisable, in whole or in part, within a 30-day period commencing on the first day of trading of the Shares on Merkur Market.

The application period for the Private Placement took place from 21 October 2020 to 23 October 2020, notifications of allocation were issued on 26 October 2020 and payment on a delivery-versus-payment basis (DvP) is expected to take place on or about 28 October 2020. In order to enable a DvP settlement of the New Shares to the investors being allocated New Shares in the Private Placement, the Managers pre-funded the gross proceeds pertaining to the New Shares to the Company, pursuant to a pre-funding agreement entered into with the Company.

The New Shares were resolved issued by the Board of Directors on 26 October 2020 pursuant to an authorisation granted to the Board of Directors by the Company's general meeting on 23 October 2020. Any new Shares to be issued under the Greenshoe Option will be issued pursuant to the same authorisation.

The New Shares were issued in accordance with the Norwegian Private Companies Act. These Shares rank in all respects pari passu with the other existing Shares and carry full shareholder rights, including the rights to dividends, from the time the share capital increase pertaining to the New Shares were registered in the Norwegian Register of Business Enterprises.

Following the registration of the share capital increase pertaining to the New Shares with the Norwegian Register of Business Enterprises on 27 October 2020, the Company has a share capital of NOK 1,610,242.39, divided into 161,024,239 Shares, each with a nominal value of NOK 0.01.

6.2 Price stabilisation

The Stabilisation Manager (Arctic Securities AS) may, upon exercise of the Borrowing Option, from the first day of trading of the Shares on Merkur Market, effect transactions with a view to support the market price of the Shares at a level higher than what might otherwise prevail, through buying Shares in the open market at prices equal to or lower than the Subscription Price. There is no obligation on the Stabilisation Manager to conduct stabilisation activities and there is no assurance that stabilisation activities will be undertaken. Such stabilising activities, if commenced, may be discontinued at any time, and will be brought to an end at the latest 30 days after the commencement of trading in the Shares on Merkur Market (the "**Stabilisation Period**").

Any stabilisation activities will be conducted based on the principles set out in Section 3-12 of the Norwegian Securities Trading Act and the EC Commission Regulation 2273/2003 regarding buy-back programs and stabilisation of financial instruments.

The Company and the Managers have agreed that any net profit resulting from stabilisation activities conducted by the Stabilisation Manger, on behalf of the Managers, will be for the account of the Company.

Within one week after the expiry of the Stabilisation Period, the Stabilisation Manager will publish information as to whether or not price stabilisation activities were undertaken. If stabilisation activities were undertaken, the statement will also include information about: (i) the total amount of Shares sold and purchased; (ii) the dates on which the Stabilisation Period began and ended; (iii) the price range between which stabilisation was carried out, as well as the highest, lowest and average price paid during the Stabilisation Period; and (iv) the date at which stabilisation activities last occurred.

It should be noted that stabilisation activities might result in market prices that are higher than would otherwise prevail. Stabilisation may be undertaken, but there is no assurance that it will be undertaken and it may be stopped at any time.

6.3 Use of proceeds

The net proceeds from the Private Placement will be used to finance the construction of new facilities as part of the Company's roll-out plan for 2021 as well as for general corporate purposes. See Section 7.6 ("Financial targets, strategy and growth plans") for a further description of the Company's financial targets, strategy and growth plans.

6.4 Dilution

The immediate dilution for the existing shareholders not participating in the Private Placement was approximately 21.0% for the New Shares and 23.3% taken together with the Additional Shares.

6.5 Net proceeds and expenses related to the Private Placement

The gross proceeds to the Company from the New Shares was NOK 837 million. The Company's costs, fees and expenses payable to the Managers and the Company's other advisors relating to the Private Placement and the admission of the Company's Shares on Merkur Market are estimated to amount to approximately NOK 52 million.

No expenses or taxes were charged by the Company or the Managers to the subscribers in the Private Placement.

6.6 Lock-up

The Company has agreed to a lock-up on its Shares of 90 days from the payment and delivery date (i.e. on or about 28 October 2020), subject to customary exceptions or waiver by the Managers.

7 BUSINESS OVERVIEW

This section provides an overview of the Group's business as of the date of this Admission Document. The following discussion contains forward-looking statements that reflect the Group's plans and estimates, see Section 3.3 ("Cautionary note regarding forward-looking statements") above, and should be read in conjunction with other parts of this Admission Document, in particular Section 1 ("Risk factors").

7.1 Introduction

Kalera is a technology driven vertical farming company with unique growing methods combining optimized nutrients and light recipes, precise environmental controls, and clean room standards to produce safe, highly nutritious, pesticide-free, non-GMO vegetables with consistent high quality and longer shelf life year-round. Kalera's high-yield, automated, data-driven hydroponic production facilities have been designed for rapid roll-out with industry-leading payback times to grow vegetables faster, cleaner, at a lower cost, and with less environmental impact.

The operational entity in the Group, Kalera Inc., was established in 2010 and is incorporated in the state of Delaware, USA and headquartered in Orlando, Florida. Kalera has operations in the state of Florida and operations in the states of Georgia, Texas and Colorado are expected to commence in 2021. Kalera's vision is to become a global leader in vertical farming for leafy greens.

7.2 History and important events

The table below shows the Group's key milestones from its incorporation and to the date of this Admission Document:

Year	Event
2010	Establishment of Kalera Inc.
2013	Started construction of Tradeport R&D facility.
2014	Tradeport R&D facility operational.
2016	Started construction of Marriott World Center (HyCube) facility.
2018	Commencement of operations at the Marriott World Center (HyCube) facility.
2019	Start of construction for the first large scale facility by retrofitting an existing warehouse in Orlando.
2020	The large scale facility in Orlando was completed and started to operate.
2020	Start of construction for three new large scale facilities in Atlanta, Houston and Denver.
2020	Registered and traded on the NOTC-list in Norway.
2020	Completion of a total of five private placements raising gross proceeds of USD 57,725,000 in equity.
2020	The Private Placement with a total transaction size of approximately USD 100,000,000.

7.3 Principal activities

Kalera is a hydroponics company combining plant science, clean room technology and big data. Kalera is planting non-GMO seed, and has plant and data science driven methods to optimize nutrient mixtures, light recipes, and environmental controls resulting in highly nutritious vegetables with consistent high quality year-round.

Kalera grows clean, high quality, nutrient rich greens in a cost efficient and sustainable way near point of consumption. Kalera has developed disruptive technologies with leading yields/output per square foot and has an efficient CapEx utilization in its facilities. Kalera's customized growing layouts and equipment/technology provide a basis for strong unit economics. Furthermore, Kalera has developed rapid buildout, installation and roll-out capabilities.

By using a closed loop nutrient distribution system, Kalera's plants grow while consuming 95% less water compared to traditional field farming. Furthermore, Kalera utilize optimized nutrition uptake and distribution and have custom nutrient mixtures ratios for more than 150 produce varieties perfected. The technology has several advantages including growth cycle acceleration, consistent high yields and a high-quality produce. Kalera utilizes semiconductor-based cleanroom technology and processes to eliminate the use of chemicals. The cleanroom technology includes advanced air filtration and decontamination technologies, advanced water purification and decontamination technologies and has developed methods to avoid contamination of hardware, seeds, and media.

Kalera's innovative production method – involving Cloud-based and IoT-based automation and "big data" analytics and AI for precise control of air and water quality, temperature and humidity, light, and nutrients – will allow for a steady yield of crisp, flavorful, and nutritious produce without seasonal and regional limitations. Essential plant growing parameters are under strict control and automatically adjusted, 24/7 internet monitoring of temperature, humidity, lights, nutrients, and maintenance events. Comparing to existing commercial systems that can't meet precision vertical farming needs, Kalera's system integrates large arrays of IoT sensors (vs. a just few centralized sensors), uses adaptive ion-specific nutrient dosing controls (vs. traditional controls using global measures of nutrient concentration), and is deployed via a distributed, resilient and scalable cluster-based hybrid Cloud architecture (vs. traditional centralized process control systems).

Kalera produces over 300 times more output per sqft. than traditional farming and without any seasons (365 days a year). With indoor facilities situated right where the demand is, Kalera is able to supply an abundance of produce locally, eliminating the need to travel long distances when shipping perishable products and ensuring the highest quality and freshness. The advanced plant science together with the cleanroom technology results in clean and safe produce, which is free of contamination and bacteria. In addition, there are no hormones, additives, pesticides, fungicides or insecticides involved. Consequently, the product has consistent quality, and is rich in vitamins and antioxidants.

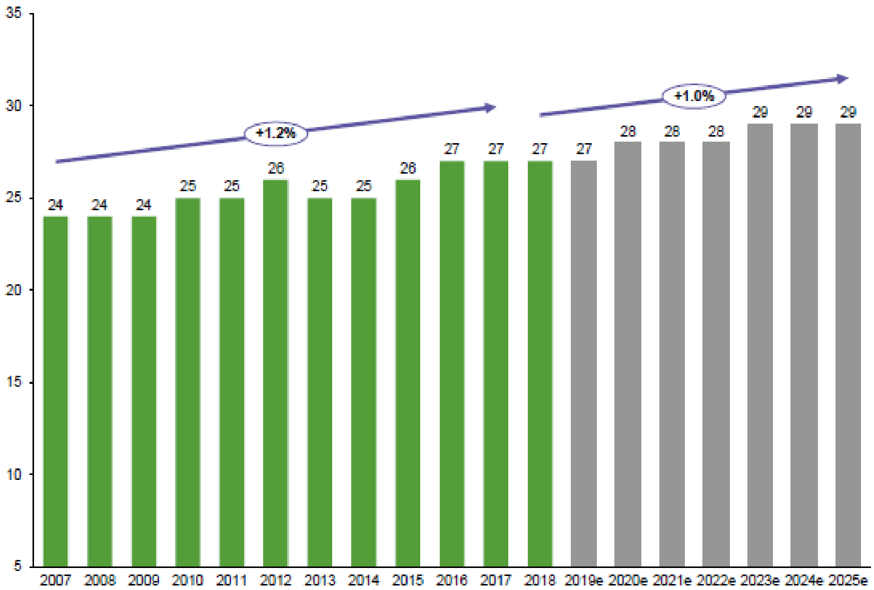
Kalera delivers various types of lettuces, microgreens, and other leafy greens and herbs sold under the brands HyTaste and Kalera. The products are marketed as "better than organic" as traditional organic produce uses small amounts of pesticides. A selection of Kalera’s produce varieties can be seen in the picture below.

Kalera sells its products to foodservice companies, resorts, hospitality, cruise lines, airlines, grocery chains and restaurant chains. The product is beneficial for customers, retailers, foodservices and chefs, as it is healthy, fresh, has longer shelf life, consistent quality and is available at an affordable price. Kalera has established a top-tier customer base, which is presented in the following picture.

7.4 Principal markets

Kalera operates in the lettuce and chicory market. The global market for lettuce and chicory is around 27 million tonnes. This market has seen stable growth with a CAGR of 1.2% from 2007 to 2017. This market is projected to continue its stable development, growing at +1.0% p.a. from 2018 to 2025, resulting in an estimated market volume of 29 million tonnes in 2025. In terms of value, the global lettuce and chicory market, excluding logistics costs, retail marketing costs and margins, amounted to USD 30 billion in 2017.

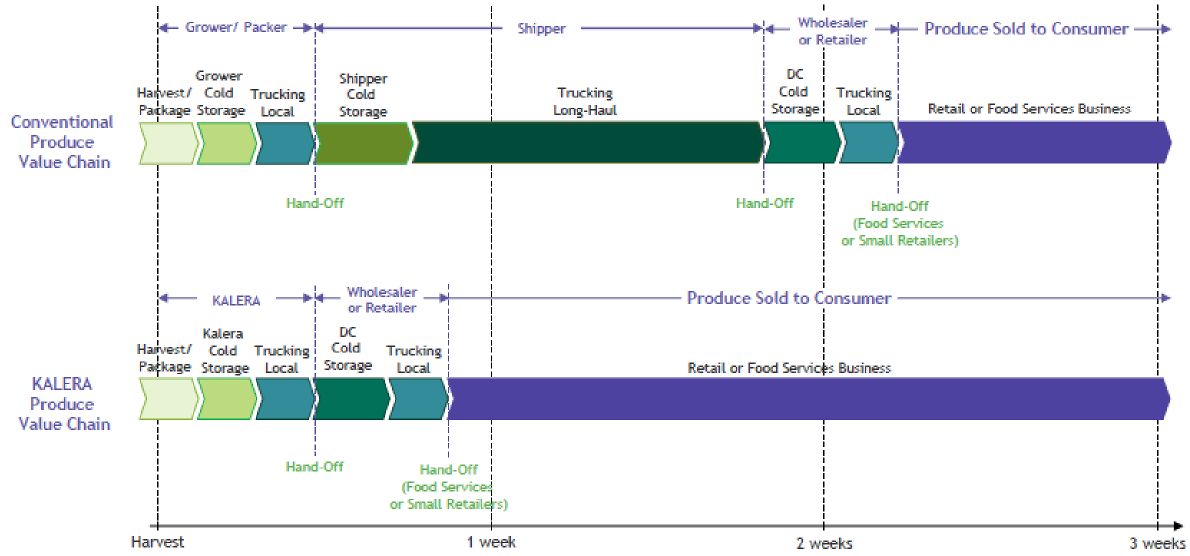
Lettuce and Chicory Market in million tonnes consumption



Source: Indexbox: "World -Lettuce And Chicory -Market Analysis, Forecast, Size, Trends and Insights", 2019

Geographically, Kalera operates in the US, which is the world's second largest producer of lettuce with ~3.8 million tonnes of annual production. The US lettuce production is concentrated around Arizona and California. Hence, supply to the largest US cities implies transportation, often by trucks, which increase costs and result in an average spoilage of over 20% according to the USDA. Today, shipping to the US East Coast translates to a USD 6-8/case transportation cost for California and Arizona sourced produce. Depending on variety and packaging, transportation costs can average between USD 0.3-0.6/lb. By being able to deploy its production facilities close to its markets, Kalera and vertical farming peers can reduce transportation costs significantly. In addition, these products have ~10-14 days longer shelf life than traditional farmed products combined with an earlier store arrival, providing a significant potential to reduce cost from waste.

Conventional produce value chain vs. the Kalera value chain



Kalera is focusing on the leafy and romaine lettuce market and not traditional head (Iceberg) lettuce. In 2018, leaf and romaine lettuce production totalled 1.8 million tonnes – approximately the same as head lettuce volumes. Nonetheless, produce attributes, such as higher nutrition and more prominent taste, as well as consumer awareness has resulted in leafy and romaine lettuce steadily taking market share from traditional head.

Vertical farming has received increased attention over the last years with several competitors emerging. Some of Kalera's competitors include but are not limited to AeroFarm, Bowery Farming, Plenty, Infarm and Spread. Still, none of these has more than 3 operating farms.

7.5 Production facilities

7.5.1 Current facilities

Kalera has one large scale and two pilot facilities in operation. These are shown below.

The large scale Orlando facility started its operations in February 2020. The ramp-up of this facility has been slower than projected, which has been caused by Covid-19. The hospitality market has been week due to the pandemic, which has had a negative impact on Kalera that planned to gear a large percentage of its sales towards this segment. However, the Company has managed to pivot its distribution sources and the ramp-up has accelerated recently. Facility utilisation was around 80-90% at the beginning of October 2020.

7.5.2 New facilities (under construction and planned)

The Company has 3 facilities under construction and planned. These are shown in the overview below.

Atlanta

Expected Plant Heads per Year: ~10.3 million

Project Start Date: **April 2020**

Operations Starting Date (Expected): **March 2021**

Houston

Expected Plant Heads per Year: ~12.9 million

Project Start Date: **July 2020**

Operations Starting Date (Expected): **July 2021**

Denver

Expected Plant Heads per Year: ~11.2 million

Project Start Date: **September 2020**

Operations Starting Date (Expected): **August 2021**

These will provide an annual estimated run-rate production of around 34 million lettuce heads per year and are expected finished and operational in 2021. Further details on these are shown in the following table.

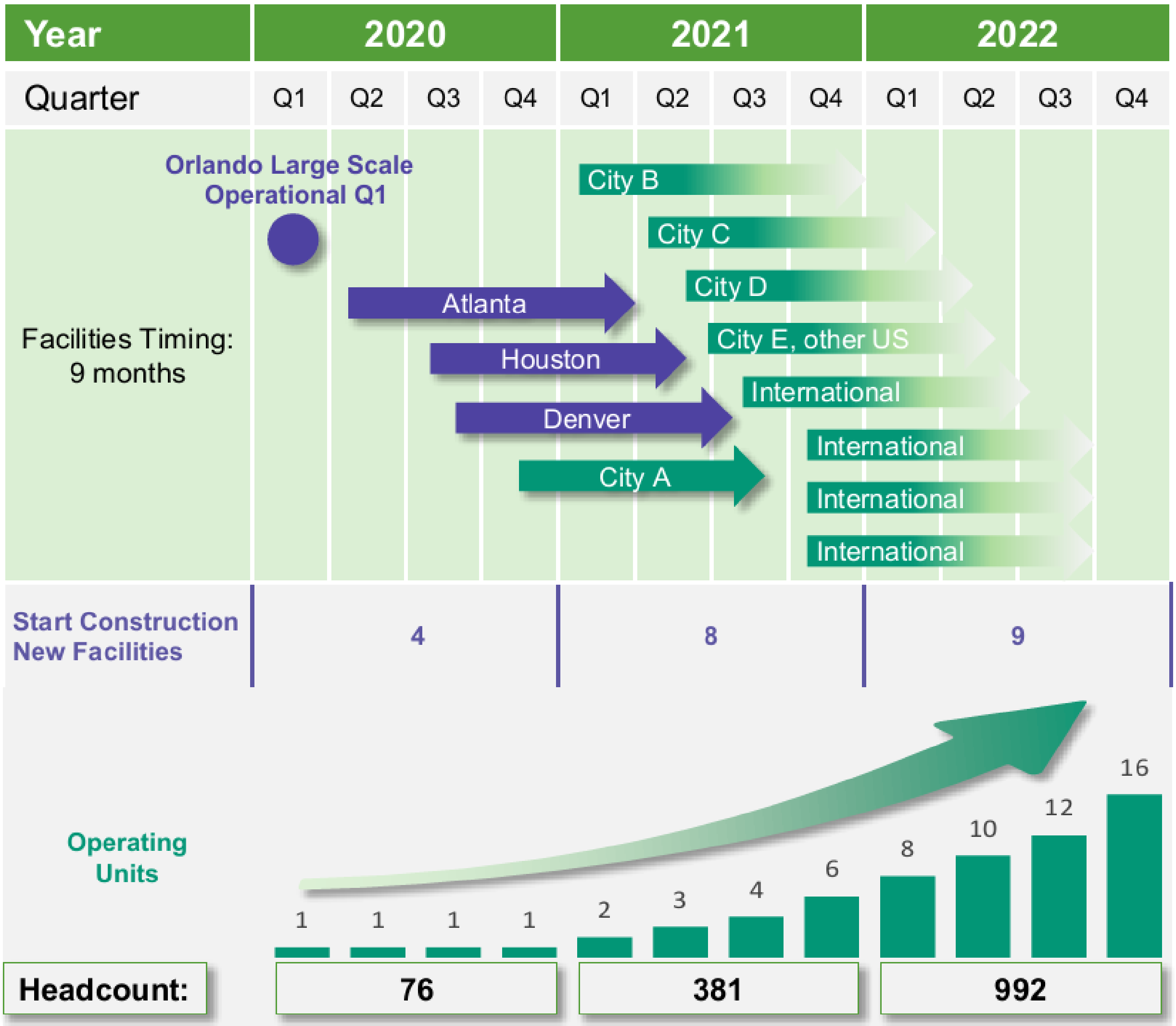
	Atlanta	Houston	Denver
			
Size	77,000 sqft total / 40,000 sqft grow room	83,400 sqft total / 44,000 sqft grow room	75,109 sqft total / 35,686 sqft grow room
Est. Output Volume	~10.3 million lettuce heads (~1,463 mt) per year	~12.9 million lettuce heads (~1,832 mt) per year	~11.2 million lettuce heads (~1,590 mt) per year
CapEx	USD 12.7m / USD 165/sqft	USD 15.5m / USD 186/sqft	USD 13.1m / USD 174/sqft
Est. Profitability	~60% Gross Margin | ~37% EBITDA Margin	~61% Gross Margin | ~37% EBITDA Margin	~60% Gross Margin | ~35% EBITDA Margin
Payback (unleveraged)	~3.3 years	~3.2 years	~3.3 years
Est. Construction Time (months)	9-10	10	9
Key Cities in Radius	Nashville, Charlotte, Birmingham	San Antonio, Austin, Dallas	Rocky Mountain Resorts, Boulder, Colorado Springs
Produce Distribution Centers in Radius	25	27	17

Other than the HyCube facility, which is owned by Kalera (but not the land on which it is located), all of the buildings for the current and new production facilities are leased pursuant to long-term lease agreements.

7.6 Financial targets, strategy and growth plans

Kalera aims to continue its growth plan in domestic markets, as well as in new, international markets. As of today, Kalera has launched four large facilities (including facilities under construction), and targets to accelerate this development over the coming years. In addition, Kalera seeks to continue investing in its organisation, as a consequence of the increased production footprint.

The figure below shows Kalera's current expansion plan throughout the 2020 – 2022 year period, and includes both the launch of new operating units as well as the existing operating units in operation and under construction.



Kalera seeks to achieve its growth plan through four main avenues, namely:

- Roll-out in additional US cities;
- International growth and roll-out;
- Expansion of product line; and
- Partnerships.

In addition to the roll-out plan, Kalera also has a view on its foreseen production facility economies, including the payback time for each facility. Note that the facility economic analysis is based on the facilities in a fully ramped-up phase, and that this contribution excludes corporate expenses such as corporate IT, personnel expenses (corporate), office rental etc. The current run-rate corporate cost level is at approximately USD 5 million.

To address this sustained expansion plan, Kalera has developed rapid roll-out capabilities related to design, buildout, installation and centred around the following key aspects:

- Established supply chains for key technology/equipment;
- Replicate experience on design, installation, lease agreements and work relationships with architects and design companies;

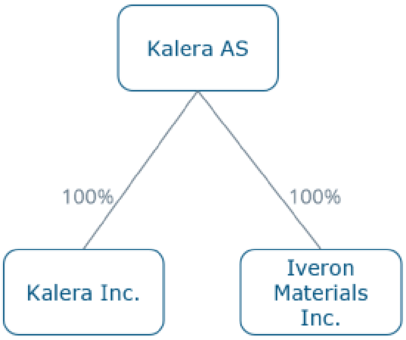
- Ability to manage multiple construction projects at a time;
- Using general contractors and sub-contractors to provide supervision, manpower and materials to cover construction project workloads as needed;
- Modular designs – based on components that can be reused in various configurations; and.
- Standardization- shorten lead times and internal review by design teams to create streamline franchise style builds.

7.7 Group organisation

7.7.1 Overview

The Company is the parent company of the Group, with limited activity other than being the ultimate holding company. The Company has two direct subsidiaries, both of which are wholly owned and incorporated in the United States.

The figure below sets forth an overview of the Group’s current legal structure.



7.7.2 Kalera Inc.

Kalera Inc. is a US private C-corp company and is the operating entity for the Group's vertical farming business. The company has entered into all customer and lease agreements pertaining to the Group's vertical farming business. The company's offices are located in Orlando, Florida.

7.7.3 Iveron Materials Inc.

Iveron Materials Inc. is a US private C-corp company established for the Group's geopolymer concrete business (which is conducted separately from the Group's vertical farming business). As of the date of this Admission Document, the company holds a license to patented technology related to geopolymer concrete, however no revenue generating activities are carried out. The company's offices are located in Orlando, Florida.

7.8 Material contracts

7.8.1 Material contracts entered into in the ordinary course of business

The Group has entered into certain material contracts in the ordinary course of business which are key to the Group's operations and/or key for the Group's roll out plan. These are the Group's lease agreements for the large scale production facilities and the supplier agreement with Signify (Philips) for the LED grow lights used in the production facilities. The lease agreements for the large scale production facilities are all long term agreements with extension options for the Group, while the agreement with Signify (Philips) remains in force until the earlier of 31 December 2022 and the Group buying USD 10 million worth of products.

7.8.2 Material contracts outside the ordinary course of business

Neither the Company nor any other 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 Admission Document. Further, the Group has not entered into any other contract outside the ordinary course of business that contains any provision under which any member of the Group has any obligation or entitlement that is material to the Group as of the date of this Admission Document.

7.9 Dependency on contracts, patents, licenses etc.

It is the Company's opinion that the Group's existing business and profitability are not dependent upon any patents, licences or contracts, however the contracts described in Section 7.8.1 above are deemed material to the Group Further, the Group believes its success depends, at least in part, on the Group's ability to further develop and protect its intellectual property.

7.10 Intellectual property rights

The Group's intellectual property mainly relates to production processes and methods, plant nutrient mixture formulas, custom hardware and software code as well as its trademarks and is an inherent part of the business strategy of the Group. The Group believes its success depends, at least in part, on the Group’s ability to further develop and protect its intellectual property and relies on a combination of patents, trade secrets and know-how which are protected through limiting access to key information, confidentiality provisions in agreements, confidentiality procedures and IT security.

7.11 Related party transactions

Other than the convertible loan arrangement mentioned below and the service contract entered into with the Chairman of the Board of Directors as further described in Section 9.6 ("Benefits upon termination and service contracts"), the Company has not had any related party transactions for the periods covered by the historical financial information included in this Admission Document and up to the date of this Admission Document.

In May 2019, the Group obtained a convertible loan of USD 3 million from LGT Global Invest Limited, a company within the same company group as the Company's shareholder LGT Bank AG, pursuant to a convertible loan agreement. The loan (including accumulated interests) was converted into equity in the Company in April 2020 in line with the convertible loan agreement

For further information on related party transactions of the Group, please refer to the Annual Financial Statements (note 17 in both), included in this Admission Document as Appendix B and Appendix C.

7.12 Legal and arbitration proceedings

From time to time, the Group may become involved in litigation, disputes and other legal proceedings arising in the course of its business. No Group company, 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.

8 SELECTED FINANCIAL INFORMATION AND OTHER INFORMATION

8.1 Introduction and basis for preparation

The following selected financial information has been extracted from the Group's unaudited interim consolidated financial statements as of and for the six months period ended 30 June 2020 (the Interim Financial Statements) and the Group's audited consolidated financial statements as of, and for the years ended 31 December 2019 and 2018 (the Annual Financial Statements).

The Annual Financial Statements have been prepared in accordance with IFRS. The Annual Financial Statements are included herein as Appendix B and Appendix C, respectively. The Annual Financial Statements have been audited by the Company's independent auditor, PwC, as set forth in their auditor's report, which is included in the Annual Financial Statements (see Appendix B and Appendix C). The auditor's reports do not include any qualifications.

In addition, the Company has prepared the Interim Financial Statements, which are unaudited. The Interim Financial Statements are included herein as Appendix D.

The Annual Financial Statements and the Interim Financial Statements are also referred to herein as the "**Financial Information**". The Company presents the Financial Information in USD (presentation currency).

The selected financial information presented in Section 8.2 to Section 8.6 below has been derived from the Financial Information, solely, and should be read in connection with, and is qualified in its entirety by reference to, the Annual Financial Statements and the Interim Financial Statements included herein as Appendix B and Appendix C and Appendix D, respectively.

8.2 Summary of accounting policies and principles

For information regarding accounting policies and the use of estimates and judgments, please see note 2 in each of the Annual Financial Statements, incorporated herein as Appendix B and Appendix C.

8.3 Selected statement of income

The table below sets out selected data from the Group's audited consolidated income statement and other comprehensive income for the year ended 31 December 2019, the year ended 31 December 2018 and from the Group's unaudited consolidated statement of income and comprehensive income for the six months ended 30 June 2020.

(In USD)	**Six months ended 30 June**	**Year ended 31 December**	
	2020 *(unaudited)*	**2019** *(audited)*	**2018** *(audited)*
Operating income			
Revenue	242,750	101,230	46,217
Total operating income	**242,750**	**101,230**	**46,217**
Raw materials and consumables used	90,803	12,890	2,176
Employee benefit expense	1,867,567	1,921,823	1,560,800
Depreciation and amortization expense	434,484	404,481	99,064
Other expenses	871,305	1,508,692	1,440,919
Other gains and losses	-	-562,408	-403,156
Operating profit	**-3,021,409**	**-4,309,064**	**-3,459,899**
Financial income	448	6,803	4,842
Financial costs	213,447	227,434	-
Change in fair value of assets and liabilities	-382,286	-1,027,286	-
Finance costs - net	**-595,285**	**-1,247,917**	**4,842**
Share of profit of associates	**-**	**-**	-50,098
Profit/loss before income tax	**-3,616,694**	**-5,556,981**	**-3,505,155**
Income tax expense	-	-	-

(In USD)	Six months ended 30 June	Year ended 31 December	
	2020 *(unaudited)*	**2019** *(audited)*	**2018** *(audited)*
Profit/loss from the period from continuing operations	**-3,616,694**	**-5,556,981**	**-3,505,155**
Profit of the period for discontinued operations	-	-	-
Profit/loss for the period	**-3,616,694**	**-5,556,981**	**-3,505,155**
Profit attributable to:			
Owners of the parent	-3,616,694	-5,556,981	-3,505,155
Profit/loss of the period	**-3,616,694**	**-5,556,981**	**-3,505,155**
Other comprehensive income:			
Currency translation differences	245,763	-150,940	74,198
Other comprehensive income for the period, net of tax	**245,763**	**-150,940**	**-74,198**
Total comprehensive income for the period	**-3,370,930**	**-5,707,921**	**-3,579,353**
Attributable to:			
Owners of the parent	-3,370,930	-5,707,921	-3,579,353
Non-controlling interests	-	-	-
Total comprehensive income for the period	**-3,370,930**	**-5,707,921**	**-3,579,353**

8.4 Selected statement of financial position

The table below sets out selected data from the Group's audited consolidated statement of financial position as of 31 December 2019 and 31 December 2018, and from the Group's unaudited statement of financial position as of 30 June 2020.

(In USD)	As of 30 June	As of 31 December	
	2020 *(unaudited)*	**2019** *(audited)*	**2018** *(audited)*
Non-current assets			
Property, plant and equipment	13,400,136	11,642,630	2,543,021
Intangible assets	685,732	685,732	685,732
Investments in associates	-	-	37,932
Trade and other receivables	698,396	389,945	337,388
Total non-current assets	**14,784,264**	**12,718,307**	**3,604,073**
Current assets			
Trade and other receivables	211,216	6,348	16,316
Employee loans	-	-	124,719
Cash and cash equivalents including bank overdrafts	34,482,161	3,394,796	2,049,700
Total current assets	**34,693,377**	**3,401,144**	**2,190,735**
Total assets	**49,477,642**	**16,119,451**	**5,794,809**

(In USD)	As of 30 June 2020 (unaudited)	As of 31 December 2019 (audited)	2018 (audited)
Equity and liabilities			
Equity attributable to owners of the parent			
Share capital	153,527	98,231	81,357
Share premium	61,829,482	21,901,473	14,178,644
Other reserves	-18,117,996	-14,747,066	-9,039,145
Total equity	**43,865,014**	**7,252,638**	**5,220,856**
Liabilities			
Non-current liabilities			
Borrowings	571,005	157,422	41,963
Long-term lease liabilities	3,350,537	3,475,669	-
Total long-term liabilities	**3,921,542**	**3,633,091**	**41,963**
Current liabilities			
Trade and other payables	257,854	167	34,951
Accrued liabilities	-	592,087	487,235
Convertible loans	-	4,223,286	-
Provision for other liabilities and charges	992,487	4,681	9,804
Short term lease liabilities	440,746	413,501	-
Total short-term liabilities	**1,691,087**	**5,233,722**	**531,990**
Total liabilities	**5,612,628**	**8,866,812**	**573,953**
Total equity and liabilities	**49,477,642**	**16,119,450**	**5,794,809**

8.5 Selected statement of cash flows

The table below sets out selected data from the Group's audited consolidated statement of cash flows for the year ended 31 December 2019, the year ended 31 December 2018 and from the Group's unaudited consolidated statement of cash flows for the six months ended 30 June 2020.

(In USD)	Six months ended 30 June 2020 (unaudited)	Year ended 31 December 2019 (audited)	2018 (audited)
Cash flows from operating activities			
Profit and loss for the period	-3,616,694	-5,556,981	-3,505,155
Depreciation	434,484	404,481	99,064
Finance costs – net accrued	212,999	226,513	-
Trade and other receivables	-513,319	82,131	-382
Trade and other payables	-653,405	-158,301	-462,651
Net loss on operating assets	-	562,408	403,156
Net share of profit and loss from associates	-	-	50 098
Change in fair value of assets and liabilities	382,286	1,027,286	-
Cash flows from operating activities	**-3,753,649**	**-3,412,464**	**-3,415,869**
Cash flows from investing activities			
Purchase of property, plant and equipment	-2,191,991	-5,540,332	-1,216,739
Purchase of intangible assets	-	-	-
Loans to associates	-	-127,628	-
Cash flow from investing activities	**-2,191,991**	**-5,667,960**	**-1,216,739**
Cash flows from financing activities			
Acquisition of shares in subsidiary, net of cash	-	-	-
Proceed from issuance of shares	36,716,286	7,739,702	-
Proceeds from borrowings	437,775	3,000,000	-
Repayment of loans	-24,192	-237,388	-7,678
Cash flows from financing activities	**37,129,870**	**10,502,314**	**-7,678**
Net changes in cash and cash equivalents	**31,184,230**	**1,421,891**	**-4,640,287**
Cash and cash equivalents at the beginning of the year	**3,394,796**	**2,049,700**	**6,893,550**
Exchange gains/losses on cash and cash equivalents	**-96,865**	**-76,794**	**-203,563**
Cash and cash equivalents at the end of the period	**34,482,161**	**3,394,796**	**2,049,700**

8.6 Selected statement of changes in equity

The table below sets out selected data from the Company's audited statement of changes in equity for the year ended 31 December 2019, 31 December 2018 and unaudited consolidated statement of changes in equity for the six months period ended 30 June 2020.

(In USD)	Share capital	Share premium	Other reserves	Total equity
Company				
As of 1 January 2018	75,096	9,285,395	-560,285	8,800,208
Registration of shares Issued in 2017	6,261	4,893,248	-4,899,508	-
Total comprehensive income for the year	-	-	-3,579,353	-3,579,353
As at 31 December 2018	**81,357**	**14,178,643**	**-9,039,146**	**5,220,856**
As of 1 January 2019	81,357	14,178,643	-9,039,146	5,220,856
Issue of shares	16,873	7,722,829	-	7,739,702
Total comprehensive income for the year	-	-	-5,707,921	-5,707,921
As at 31 December 2019	**98,230**	**21,901,473**	**-14,747,067**	**7,252,638**
As of 1 January 2020	98,230	21,901,473	-14,747,067	7,252,638
Issue of shares	52,408	37,752,177	-	37,804,585
Issue of shares (not yet registered)	2,889	2,175,831	-	2,178,720
Total comprehensive income for the period	-	-	-3,370,930	-3,370,930
As at 30 June 2020	**153,527**	**61,829,482**	**-18,117,996**	**43,865,014**

8.7 Large transactions

Other than the completion of several private placements and equity fundings in 2020 (including the Private Placement) raising aggregate gross proceeds of approximately USD 160 million (including the Additional Shares subject to the Greenshoe Option being exercised in full), the Group has not carried out any transactions after the last audited accounts that represent a change of more than 25% in its total assets, revenue or profit or loss.

8.8 Working capital statement

The Company is of the opinion that the working capital available to the Group, taking into account the Private Placement, is sufficient for the Group's present requirements, for the period covering at least 12 months from the date of this Admission Document.

9 THE BOARD OF DIRECTORS, EXECUTIVE MANAGEMENT AND OTHER CONSULTANTS

9.1 Introduction

The general meeting is the highest decision-making authority of the Company. All shareholders of the Company are entitled to attend and vote at general meetings and to table draft resolutions for items to be included on the agenda for a general meeting.

The overall management of the Company is vested with the Board of Directors and its senior management team (the "**Management**"). In accordance with Norwegian law, the Board of Directors is responsible for, among other things, supervising the general and day-to-day management of the Company's business ensuring proper organization, preparing plans and budgets for its activities ensuring that the Company's activities, accounts and assets management are subject to adequate controls and undertaking investigations necessary to perform its duties.

The Management is responsible for the day-to-day management of the Company's operations in accordance with Norwegian law and instructions set out by the Board of Directors. Among other responsibilities, the Company's Chief Executive Officer (the "**CEO**"), is responsible for keeping the Company's accounts in accordance with existing Norwegian legislation and regulations and for managing the Company's assets in a responsible manner. In addition, the CEO must, according to Norwegian law, brief the Board of Directors about the Company's activities, financial position and operating results at a minimum of one time per month.

9.2 The Board of Directors

9.2.1 General

The Company's articles of association (the "**Articles of Association**") provide that the Board of Directors shall have up to six board members, as elected by the Company's general meeting.

The Company's registered business address, c/o Tyveholmen AS, Tjuvholmen allé 19, 0252 Oslo, Norway, serves as business address for the members of the Board of Directors in relation to their directorship in the Company.

9.2.2 The composition of the Board of Directors

The names and positions of the members of the Board of Directors are set out in the table below.

Name	Function	Served since	Term expires	Shares[1]	Options held
Bjørge Andre Gretland......	Chairman	June 2013	AGM 2022[2]	5,166,177[3]	-
Øystein Arnulf Landvik......	Director	June 2013	AGM 2022	4,802,503[4]	-
Erik Sauar..............................	Director	June 2018	AGM 2022	641,676[5]	-
Cristian Eugen Toma..........	Director	June 2013	AGM 2022	5,347,412	-
Sakip-Umur Hürsever........	Director	August 2018	AGM 2022	270,000[6]	-

1 Not including any New Shares or Additional Shares issued and sold in the Private Placement.

2 The Board of Directors have historically, in general, been elected/re-elected at the Company's annual general meeting.

3 Bjørge Gretland owns the 5,166,177 Shares through his wholly owned company Convexa AS.

4 Øystein Arnulf Landvik owns all the shares in Tersus AS, which again owns approximately 33.33% of the shares in UFI AS. UFI AS owns 4,802,503 Shares in the Company.

5 Erik Sauar owns the 641,676 Shares through his wholly owned company Sauar Invest AS.

6 Sakip-Umur Hürsever owns the 270,000 Shares indirectly through a nominee arrangement whereby LGT Global / LGT Bank is the nominee shareholder and holds the shares.

9.2.3 Brief biographies of the Board Members

Set out below are brief biographies of members of the Board of Directors, including their managerial expertise and experience, in addition to an indication of any significant principal activities performed by them outside of the Company.

Bjørge Gretland, PhD - Chairman

Mr. Gretland holds a Siviløkonom (Master of Economics) and a Dr. Oecon (PhD) in strategy and finance from the Norwegian School of Economics and Business Administration (NHH). He was a Research Scholar at Stanford University 1989-1991 and has broad international experience from venture capital, mergers & acquisitions and capital markets. Bjørge is the owner of the Norwegian venture investment company Convexa AS which invests in early-stage/growth technology companies.

Øystein Arnulf Landvik - Director

Mr. Landvik is one of the founding partners and the CEO of UNION Gruppen, a Norwegian investment management- and brokerage company within the commercial real estate market. He has more than 35 years of experience in commercial real estate as owner or partner in the companies he has worked in. He also serves on the board of directors in several listed and unlisted companies. Mr. Landvik is a state – authorized real estate agent CCIM.

Erik Sauar, PhD - Director

Dr. Sauar holds a doctorate degree in Thermodynamics from the Department of Physical Chemistry at the Norwegian University of Science and Technology and a Master in Anthropology from the University of Trondheim. Dr. Sauar has more than 20 years of management experience from the global PV industry and was one of the co-founders of Renewable Energy Corporation, where he served for 12 years as the Chief Technology Officer – developing the company from the beginning to about USD 2 billion in revenue. He has served on the board of directors of several international PV institutes and companies. During the last 7 years he has invested in and assisted/managed start-up companies in the clean tech space with a particular attention to solar energy and energy storage. Dr. Sauar is the inventor of about 35 patents and patent applications and has co-authored over 20 scientific publications.

Cristian Toma, PhD - Director

Mr. Toma founded Kalera in 2010, and he brings to the company over 30 years of R&D experience. Prior to founding Kalera, Mr. Toma had worked in the biomedical and telecom industries with Fortune 500 companies such as Becton Dickinson and Lucent Technologies and with several biomedical device start-ups, in various technology development and R&D management positions. Mr. Toma has a Ph.D. in Electronics Engineering from the Polytechnic University of Bucharest and a Professional Doctorate in Software Engineering from Eindhoven University of Technology, has several patents and patent applications, has lectured advanced courses in signal and image processing, and has co-authored several peer-reviewed scientific articles. Mr. Toma is also the Group's Chief Science Officer.

Sakip-Umur Hürsever - Director

Mr. Hursever is a Partner at LGT Lightstone responsible for direct private equity investments with over 20 years of investment experience. Prior to joining LGT, Mr. Hursever spent eight years with Capital Group Private Markets, the private equity business of Capital Group, responsible for private equity investments in Europe, the Middle East and Africa. Prior to Capital Group Private Markets, Mr. Hursever spent ten years at private equity group CCMP Capital and its predecessor JPMorgan Partners in London, focusing on growth capital and LBO investments across Europe. Prior to that, he worked in the mergers & acquisitions group of Salomon Brothers (now part of Citi) in New York and London. Mr. Hursever holds a B.A. in economics and mathematics from Macalester College, Minnesota, USA.

9.3 Management

9.3.1 General

As of the date of this Admission Document, the Company's senior management team consists of ten individuals. The names of the members of the senior management team and their respective positions are presented in the table below.

Name	Position	Employed since	Shares[1]	Options held
Daniel Malechuk	Chief Executive Officer	August 2019	-	4,000,000
Fernando Cornejo	Chief Financial Officer	July 2020	-	1,100,000
Austin Martin	Chief Operating Officer	May 2020	-	1,600,000
Cristian Toma	Chief Science Officer	August 2013[2]	5,347,412	-
Jeremy Johnston	Chief Information Officer	March, 2020	66,667	850,000
Rodolfo Ochoa	Head of SW Technology & Automation	June 2018	-	40,000

Josh McCollom	Head of Construction & Installations	June 2018	-	1,000,000
Nicholas Villari	Head of Production	May 2019	40,000	80,000
Marc Jennings	VP of Sales for Food Services	September 2020	-	250,000
Mark Gagnon	VP of Sales for Retail	September 2020	-	250,000

1 Not including any New Shares or Additional Shares issued and sold in the Private Placement.

2 Mr. Toma was appointed as the Group's Chief Science Officer in August 2019. Between February 2013 and August 2019, Mr. Toma held the position as Group CEO.

Kalera Inc.'s business address, 8440 Tradeport Dr., Suite 102, Orlando, FL 32827, USA, serves as business address for the members of the Company's senior management team in relation to their employment with the Group.

9.3.2 Brief biographies of the management

Daniel Malechuk - Chief Executive Officer

Daniel has 20 years of experience in the food industry, beginning his career as a District Manager at ALDI, and was subsequently promoted to Director of Corporate Purchasing at ALDI's US headquarters. There he headed several of the company's perishable programs and focused on global sourcing, purchasing, marketing, and product development. In addition, he developed the company's corporate seafood sustainability policy. After his tenure at ALDI, Daniel served as an executive in several of the country's leading food and produce companies in both sales and supply chain management, as well as having full P&L ownership roles. While at Shamrock Foods, Daniel led the retail division driving growth and expansion across the Southwest US. Daniel also served as Vice President at Keysource Foods, where he led company strategy and sales operations. Daniel has a B.Sc. in Business Management from North Carolina State University and a Master's in Business Administration from the University of Arizona.

Fernando Cornejo - Chief Financial Officer

Fernando has been working in finance for more than 25 years, working on Wall Street for 15 years as banker for M&A and capital raising at Citibank, Bear Stearns, and Credit Suisse. Later he worked for 5 years as Segment CFO for Argo Group where he became CFO for Argo Re, a reinsurer in Bermuda with a total of USD 6.5 billion in investment assets. After Argo, Fernando became Chief Financial Officer for Exin Group, a private equity fund created by Calamos Investments. Fernando has a B.Sc. in Industrial Engineering from ITESM and a Master's in Business Administration from Georgetown University.

Austin Martin - Chief Operating Officer

Austin has nearly 20 years of executive experience in the food and the downstream energy industries, both with large public and private companies, including Target, Aldi, Delek US and Shamrock Foods. As an executive of Fortune 500 companies, Austin has successfully built and led high performing teams to scale businesses and return shareholder value. Austin has extensive experience in all functional aspects of the food industry, from food production to purchasing and supply chain management, to sales and marketing, in the food services and retail segments. Austin holds a B.A. in World Business and German Language from University of Tennessee and a Master's in Business Administration from Vanderbilt University.

Cristian Toma - Chief Science Officer

See information in Section 9.2.3 ("Brief biographies of the Board Members") above.

Jeremy Johnston - Chief Information Officer

Jeremy brings over 15 years of experience in a broad range of fields, including technology, manufacturing, and retail. Jeremy has spent his career leading information technology for some of the world's largest companies including Deloitte, Amazon and National Oilwell Varco. Jeremy has also start-up experience, as the CTO of Qoreboard and PH6 Labs. At Deloitte Jeremy managed several massive technology transformations in the oil & gas and healthcare verticals. At Amazon, Jeremy led the design and implementation of Amazon's internal HR system responsible for the timekeeping and payroll for over 250,000 employees across nine countries. Jeremy spent eight years at National Oilwell Varco early in his career where he oversaw custom application development, data warehousing, and ERP implementation for over 40,000 employees in 21 countries. Jeremy has a B.Sc. in Computer Science and a Master's in Business Administration.

Rodolfo Ochoa - Head of SW Technology & Automation

Rodolfo has nearly 15 years of experience in software development, with expertise ranging from Internet of Things systems to Cloud computing and Big Data systems. Prior to Kalera he had worked in various software development positions with Oracle, Bloomberg, General Electric Transportation, Disney Parks, and Freescale Semiconductor. He has a B.Sc. in Software and Electronics Engineering and a M.Sc. in Information Technology from Universidad de Guadalajara.

Josh McCollom - Head of Construction & Installations

Josh has more than 15 years of experience managing commercial construction projects, valued from USD 15 million to over USD 150 million with Skanska USA Building, Wyndham, TRT Holdings/Omni Hotels, Pulte Homes, among other. Josh brings to Kalera detailed working knowledge of all aspects of commercial construction, from design phase oversight, value engineering, estimation, scheduling, budgeting, bidding, contractor management, to on-site project management. Josh has a B.Sc. in Engineering.

Nicholas Villari - Head of Production

Nicholas has 10 years of experience managing farming operations including hydroponic greenhouses to grow a variety of leafy greens and microgreens. Prior to Kalera, Nicholas held various master grower and farm management positions with Fresh Water Greens, McGregor's Greens, and Walt Disney World, being responsible for managing plant production operations, quality control, food safety programs and certifications. Nicholas has a B.Sc. in Plant Sciences from University of Delaware.

Marc Jennings - VP of Sales for Food Services

Marc has nearly 30 years of experience in the food industry in various sales executive positions with Fortune 500 companies such as Cargill Inc., where he was VP of Sales, and VP of National Accounts, with Campbell Soup Company as National Account Manager, and with Foodservice of America, a leader in full line food distribution, as Sr. VP of Sales and Marketing. Marc was also the Chief Commercial Officer for Martin Preferred Foods, a leading producer of specialty foods. Marc has a B.Sc. in Business Administration from University of North Carolina.

Mark Gagnon - VP of Sales for Retail

Mark has 30 years of experience in the food industry in various sales executive positions with Fortune 500 companies such Dole Food Company as National Account Manager, with Fresh Del Monte Produce as VP of Sales – National Accounts, with Chiquita Brands as National Director of Sales, and with Chobani as Sr. Director of Sales. Mark has a B.Sc. in Business Administration from Xavier University.

9.4 Incentive stock option plan

The Group has implemented an incentive stock option plan available for selected employees and eligible consultants of the Group and the members of the Board of Directors. As of the date of this Admission Document, 9,470,000 options have been issued to selected employees, of which 7,220,000 are outstanding but not vested. Each option gives the right to purchase one Share in the Company at a price of between the NOK equivalent of USD 0.75 - 2.50 per share. The options are subject to an average vesting period of four years.

The stock option plan is, as of the date of this Admission Document, administered by the Board of Directors.

9.5 Employees

As of the date of this Admission Document, the Group has 72 employees. Moving forward, the Group will add approximately 60 employees for each new standard facility.

The table below shows the development in the numbers of employees over the last two years:

	Year ended 31 December	
	2019	2018
Number of employees[1]..	52	21

1 Number of employees stated as at the end of each financial year.

9.6 Benefits upon termination and service contracts

No employee, including any member of Kalera's senior management team, has entered into employment agreements which provide for any special benefits upon termination. None of the members of the Board of Directors have any service contract which provide for any benefits upon termination of office. The only Board Member having a service contract is Bjørge Gretland.

In connection with Bjørge Gretland being elected as the Company's chairman in 2013, a service contract between the Company and Bjørge Gretland was entered into. Pursuant to which, Bjørge Gretland shall, in addition to perform his duties as a Board Member, be engaged in key issues related to the Company's corporate strategy/business development, financing, restructurings and mergers & acquisitions, IPO and similar corporate transactions/activities. Given the increased workload associated with such tasks, and which are in excess of that of a chairman in comparable companies, Bjørge Gretland is compensated separately for this work.

9.7 Corporate governance

The Company is not subject to the Norwegian Code of Practice for Corporate Governance (the "**Corporate Governance Code**") or any other code of practice for corporate governance. Nonetheless the Board of Directors has a responsibility to ensure that the Company has sound corporate governance mechanisms and may consider the requirements of the Corporate Governance Code going forward.

9.8 Conflicts of interests etc.

No member of the Board of Directors or Management has, or have had, as applicable, during the last five years preceding the date of the Admission Document:

- any convictions in relation to fraudulent offences;
- received any official public incrimination and/or sanctions by any statutory or regulatory authorities (including designated professional bodies) or was disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company; or
- been declared bankrupt or been associated with any bankruptcy, receivership or liquidation in his or her capacity as a founder, member of the administrative body or supervisory body, director or senior manager of a company, other than the Board Member Erik Sauar, who was a director on the board of directors of Brighterlite Singapore, a holding company that was liquidated in 2019 without any residual claims.

To the Company's knowledge, there are currently no actual or potential conflicts of interest between the Company and the private interests or other duties of any of the Board Members and members of the Management, including any family relationships between such persons.

10 SHARE CAPITAL AND SHAREHOLDER MATTERS

10.1 Corporate information

The Company's legal name is Kalera AS and the Company's commercial name is Kalera. The Company is a private limited liability company (Nw.: *aksjeselskap*), validly incorporated and existing under the laws of Norway and in accordance with the Norwegian Private Limited Liability Companies Act of 13 June 1997 no 44 (as amended). The Company is registered in the Norwegian Register of Business Enterprises with company registration number 911 703 130. The Company was incorporated on 6 March 2013.

The Company's registered business address is c/o Tyveholmen AS, Tjuvholmen allé 19, 0252 Oslo, Norway, however the principal place of business for the Group is Orlando, Florida. The address for and telephone number to the Group's main offices in Orlando, Florida is 8440 Tradeport Dr., Suite 102, Orlando, FL 32827, USA and +1 407 574 8204, respectively. The Company's and Group's website is https://www.kalera.com/.

The Shares are registered in book-entry form with VPS under ISIN NO0010874597. The Company's register of shareholders in VPS is administrated by the VPS Registrar, Danske Bank. The Company's LEI-code is 254900GA95BC3S1MPB40.

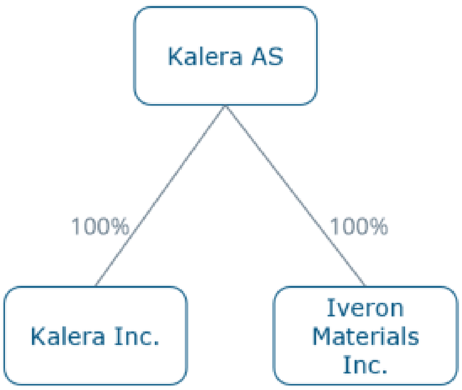
10.2 Legal structure

The Company is the parent company of Kalera Inc. and Iveron Materials Inc. See Section 7.7 ("Group organisation") for more information on the Group companies.

The following table sets out brief information about the Company's subsidiaries at the date of this Admission Document.

Company name	Registered office	Activity	Ownership interest
Kalera Inc.	Orlando, Florida, United States	Operating entity for the Group's vertical farming business	100%
Iveron Materials Inc.	Orlando, Florida, United States	Entity established for the Group's geopolymer concrete business.	100%

The following chart sets out the Group's legal structure as of the date of this Admission Document.



10.3 Share capital and share capital history

10.3.1 Overview

As of the date of this Admission Document, the Company's registered share capital is NOK 1,610,242.39, divided into 161,024,239 shares, each with a par value of NOK 0.01. All of the Shares have been created under the Norwegian Private Companies Act, and are validly issued and fully paid.

The Company has one class of shares, and accordingly there are no differences in the voting rights among the Shares. The Company's shares are freely transferable, meaning that a transfer of Shares is not subject to the consent of the Board of Directors or rights of first refusal. Pursuant to the Articles of Association, the Company's shares shall be registered in the Norwegian Central Securities Registry ("**VPS**").

10.3.2 Share capital history

The table below shows the development in the Company's share capital for the period covered by the Annual Financial Statements to the date of the Admission Document. There have not been any other capital increases in the Company other than as set out in the table below, neither by way of contribution in cash or in kind for the period covered by the Annual Financial Statements until the date of this Admission Document.

Date of registration	Type of change	Change in share capital (NOK)	New share capital (NOK)	Nominal value (NOK)	New number of total issued Shares	Subscription price per share (NOK)
5 January 2018	Share capital increase	52,450	536,731.88	0.01	5,245,000	8.37
8 May 2019	Share capital increase	104,619.62	641,351.50	0.01	10,461,962	3.85
4 December 2019	Share capital increase	40,983.28	682,334.78	0.01	4,098,328	6.82065
19 December 2019	Share capital increase	2,000	684,334.78	0.01	200,000	6.894225
16 April 2020	Share capital increase	200,000	884,334.78	0.01	20,000,000	7.85805
21 April 2020	Share capital increase	62,657.62	946,992.40	0.01	6,265,762	7.67513
23 April 2020	Share capital increase	3,000	949,992.40	0.01	300,000	7.85805
22 June 2020	Share capital increase	254,016	1,204,008.40	0.01	25,401,600	7.5412
6 July 2020	Share capital increase	66,666.66	1,297,909.06	0.01	6,666,666	14.2962
10 August 2020	Share capital increase	33,333.33	1,331,242.39	0.01	3,333,333	27.2955
27 October 2020	Share capital increase	279,000	1,610,242.39	0.01	161,024,239	30.00

10.4 Ownership structure

To the Company's knowledge, as of the date of this Admission Document (not including the New Shares and Additional Shares issued and sold in the Private Placement), no shareholder other than LGT Bank AG (14,87%) and Canica AS (7,26%) holds more than 5% of the issued Shares. It is noted that several of the Company's shareholders hold their Shares through nominee accounts, and the Company is not aware of the exact shareholding of the shareholders holding their Shares through nominee accounts.

As of the date of this Admission Document, the Company does not hold any treasury shares.

There are no arrangements known to the Company that may lead to a change of control in the Company.

10.5 Authorisation to increase the share capital and to issue Shares

At an extraordinary general meeting held on 23 October 2020, the Board of Directors was granted an authorization to increase the share capital of the Company by up to up to NOK 400,000. The authorisation may be used to resolve share capital increases where settlement is in the form of cash, set-off or contribution in kind, in connection with acquisition of businesses, including mergers pursuant to Section 13-5 of the Norwegian Private Companies Act, and share capital increases for any other corporate purposes. The authorisation may also be utilized as part of a share program for management, employees, board members and eligible consultants in the Company.

The Board of Directors used NOK 279,000 of the authorisation to issue the New Shares in the Private Placement and may also use it in connection with any exercise of the Greenshoe Option by the Stabilisation Manager.

10.6 Financial instruments

Except for options issued to selected employees and described in Section 9.4 ("Incentive stock option plan"), no Group company has issued any options, warrants, convertible loans or other instruments that would entitle a holder of any such instrument to subscribe for any shares in the Company or its subsidiaries.

10.7 Shareholder rights

The Company has one class of shares in issue and all Shares provide equal rights in the Company, including the rights to any dividends. Each of the Company's shares carries one vote. The rights attached to the Shares are further described in Section 10.8 ("The Articles of Association") and Section 10.9 ("Certain aspects of Norwegian corporate law").

10.8 The Articles of Association

The Articles of Association are enclosed in Appendix A to the Admission Document. Below is a summary of provisions of the Articles of Association as of 26 October 2020.

10.8.1 Objective of the Company

Pursuant to section 3, the objective of the Company is to develop and commercialize technological solutions for sustainable data-driven hydroponic food production and conduct business related to such, including investments in and operation, rent and sale of food production facilities, licensing of technology, and own stakes in companies with similar objectives.

10.8.2 Share capital and par value

Pursuant to section 4, the Company's share capital is NOK 1,610,242.39, divided into 161,024,239 shares, each with a nominal value of NOK 0.01.

10.8.3 The board of directors

Pursuant to section 5, the Board of Directors shall have up to six members as resolved by the general meeting.

10.8.4 Restrictions on transfer of Shares

The Articles of Association do not provide for any restrictions on the transfer of Shares. The Shares shall be registered with the Norwegian Central Securities Depository (VPS).

The Company's shares are freely transferable.

10.8.5 Signatory right

Pursuant to section 6, the signatory right lies with the board of directors, alternatively the chairperson solely or two directors jointly.

10.8.6 General meetings

Pursuant to section 7, the annual general meeting shall deal with and decide the following matters:

- Approval of the annual accounts and the annual report, including distribution of dividend; and
- Any other matters, which according to the law or the articles of association fall within the responsibility of the general meeting.

Documents relating to matters to be dealt with by the Company's general meeting, including documents which pursuant to law shall be included in or attached to the notice of the general meeting, do not need to be sent to the shareholders if such documents have been made available at the Company's website. A shareholder may nevertheless request that documents which relates to matters to be dealt with at the general meeting, are sent to him/her.

10.9 Certain aspects of Norwegian corporate law

10.9.1 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 a written notice of annual general meetings setting forth the time of, the venue for and the agenda of the meeting is sent to all shareholders with a known address no later than seven days before the annual general meeting of a Norwegian private limited liability company shall be held, unless the articles of association stipulate a longer deadline, which is not currently the case for the Company.

A shareholder may vote at the general meeting either in person or by proxy (the proxy holder is appointed at their own discretion). Although Norwegian law does not require the Company to send proxy forms to its shareholders for general meetings, the Company plans to include a proxy form with notices of general meetings. All of the Company's shareholders who are registered in the shareholders' register kept and maintained with VPS as of the date of the general meeting, or who otherwise have reported and documented ownership of shares in the Company, are entitled to participate at general meetings, without any requirement of pre-registration.

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 shall also be convened if, in order to discuss a specified matter, the auditor or shareholders representing at least 10% of the share capital demands such in writing. The requirements for notice and admission to the annual general meeting also apply to extraordinary general meetings.

10.9.2 Voting rights – amendments to the articles of association

Each Share carries one vote. In general, decisions 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 (e.g. to the board of directors), the person(s) who receive(s) the greatest number of votes cast is elected. However, as required under Norwegian law, certain decisions, including resolutions to waive preferential rights to subscribe for shares 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 authorize an increase or reduction of the share capital, to authorize an issuance of convertible loans or warrants by the Company or to authorize 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 the general meeting in question. Moreover, Norwegian law requires that certain decisions, i.e. decisions that 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 general, only a shareholder registered in VPS is entitled to vote for such Shares. Beneficial owners of the Shares that are registered in the name of a nominee are generally not entitled to vote under Norwegian law, nor is any person who is designated in the VPS register as the holder of such Shares as nominees.

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

10.9.3 Additional issuances and preferential rights

If the Company issues any new Shares, including bonus share issues, the Company's 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. The preferential rights may be deviated from by a resolution in the general meeting passed with the same vote required to amend the articles of association. A deviation 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, authorize the board of directors to issue new Shares, and to deviate 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 par 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 or from the Company's share premium reserve 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 and other jurisdictions upon the exercise of preferential rights may require the Company to file a registration statement or prospectus in the United States under United States securities laws or in such other jurisdictions under the laws of such jurisdictions. Should the Company in such a situation decide not to file a registration statement or prospectus, the Company's U.S. shareholders and shareholders in such other jurisdictions may not be able to exercise their preferential rights. To the extent that shareholders are not able to exercise their rights to subscribe for new shares, the value of their subscription rights will be lost and such shareholders' proportional ownership interests in the Company will be reduced.

10.9.4 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 10% or more of the Company's share capital have a right to demand in writing that the Board of Directors convenes 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 Company is notified in time for such item to be included in the notice of the meeting. 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.

10.9.5 Rights of redemption and repurchase of shares

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

The Company may purchase its own Shares provided that the Board of Directors has been granted an authorisation to do so by a general meeting with the approval of at least two-thirds of the aggregate number of votes cast and at least two-thirds of the share capital represented at the meeting. The aggregate nominal value of treasury shares so acquired, and held by the Company must not lead to the share capital with deduction of the aggregate nominal of the holding of own shares is less than the minimum allowed share capital of NOK 30,000, and treasury shares may only be acquired if the Company's distributable equity, according to the latest adopted balance sheet, exceeds the consideration to be paid for the shares. The authorisation by the general meeting of the Company's shareholders cannot be granted for a period exceeding two years.

10.9.6 Shareholder vote on certain reorganizations

A decision of the Company's shareholders to merge with another company or to demerge requires a resolution by 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 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 two weeks prior to the general meeting to pass upon the matter.

10.9.7 Liability of board members

Board members 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.

Board members 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 passing upon the matter. If a resolution to discharge the 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 Board Members from liability or not to pursue claims against the 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.

10.9.8 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.

10.9.9 Distribution of assets on liquidation

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

10.10 Dividend policy

Pursuant to the Norwegian Private Companies Act, dividends may only be declared to the extent that the Company has distributable funds and the Board of Directors finds such a declaration to be prudent in consideration of the size, nature, scope and risks associated with the Company's operations and the need to strengthen its liquidity and financial position. Apart from this, there are no formal restrictions on the distribution of dividends. However, as the Company's ability to pay dividends is dependent on the availability of distributable reserves, it is, among other things, dependent upon receipt of dividends and other distributions of value from its subsidiaries and companies in which the Company may invest. See Section 5 ("Dividends and dividend policy") for more information on the Company's dividend policy.

10.11 Takeover bids and forced transfers of shares

The Company is not subject to the takeover regulations set out in the Norwegian Securities Trading Act, or otherwise.

The Shares are, however, subject to the provisions on compulsory transfer of shares as set out in the Norwegian Private Companies Act. If a private limited liability company alone, or through subsidiaries, owns 9/10 or more of the shares in the subsidiary, and may exercise a corresponding part of the votes that may be cast in the general meeting, the board of directors of the parent company may resolve that the parent company shall take over the remaining shares in the company. Each of the other shareholders in the subsidiary have the right to require the parent company to take over the shares. The parent company shall give the shareholders a redemption offer pursuant to the provisions of the Norwegian Private Companies Act. The redemption amount will in the absence of agreement or acceptance of the offer be fixed by a discretionary valuation.

11 NORWEGIAN TAXATION

11.1 General

This section describes certain tax rules in Norway applicable to shareholders who are resident in Norway for tax purposes ("**Norwegian Shareholders**") and to shareholders who are not resident in Norway for tax purposes ("**Non-Resident Shareholders**"). The statements herein regarding taxation are based on the laws in force in Norway as of the date of this Admission Document and are 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. Investors are advised to consult their own tax advisors concerning the overall tax consequences of their ownership of Shares. Shareholders resident in jurisdictions other than Norway and investors 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 advisers 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. The statements in the summary only apply to shareholders who are beneficial owners of Shares.

Please note that for the purpose of the summary below, references to Norwegian Shareholders or Non-Resident Shareholders refers to the tax residency rather than the nationality of the shareholder. Please also note that the tax legislation in the Company's jurisdiction of incorporation and the tax legislation in the jurisdictions in which the shareholders are resident for tax purposes may have an impact on the income received from the Shares.

11.2 Norwegian shareholders

11.2.1 Taxation of dividends

Dividends distributed to shareholders who are limited liability companies (and certain similar entities) resident in Norway for tax purposes ("**Norwegian Corporate Shareholders**") are comprised by the Norwegian participation exemption. Under the exemption, only 3% of dividend income on shares in Norwegian limited liability companies is subject to tax as ordinary income (22% flat rate as of 2019), implying that such dividends are effectively taxed at a rate of 0.66%. For Norwegian Corporate Shareholders that are considered to be "Financial Institutions" under the Norwegian financial activity tax the effective rate of taxation for dividends is 0.75%.

Dividends distributed to shareholders who are individuals resident in Norway for tax purposes ("**Norwegian Individual Shareholders**") are grossed up with a factor of 1.44 before taxed as ordinary income (22% flat rate, resulting in an effective tax rate of 31.68%) to the extent the dividend exceeds a tax-free allowance.

The tax-free allowance is calculated on a share-by-share basis for each individual shareholder on the basis of the cost price of each of the Shares multiplied by a risk-free interest rate. The risk-free interest rate is based on the effective rate after tax of interest on treasury bills (Nw.: *statskasseveksler*) with three months maturity plus 0.5 percentage points. The tax-free allowance is calculated for each calendar year and is allocated solely to Norwegian Individual Shareholders holding Shares at the expiration of the relevant calendar year. Norwegian Individual 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 tax-free allowance one year exceeding the dividend distributed on the Share ("unused allowance") may be carried forward and set off against future dividends received on (or gains upon realization of, see below) the same Share. Any unused allowance will also be added to the basis of computation of the tax-free allowance on the same Share the following year.

The Shares will not qualify for Norwegian share saving accounts (Nw.: *aksjesparekonto*) for Norwegian Individual Shareholders as the shares are listed on Merkur Market (and not Oslo Børs or Oslo Axess).

11.2.2 Taxation of capital gains

Sale, redemption or other disposal of Shares is considered as a realization for Norwegian tax purposes.

Capital gains generated by Norwegian Corporate Shareholders through a realization of shares in Norwegian limited liability companies, such as the Company, are comprised by the Norwegian participation exemption and therefore tax exempt. Net losses from realization of Shares and costs incurred in connection with the purchase and realization of such Shares are not tax deductible for Norwegian Corporate Shareholders.

Norwegian Individual Shareholders are taxable in Norway for capital gains derived from realization of Shares, and have a corresponding right to deduct losses. This applies irrespective of how long the Shares have been owned by the individual shareholder and irrespective of how many Shares that are realized. Gains are taxable as ordinary income in the year of realization and losses can be deducted from ordinary income in the year of realization. Any gain or loss is grossed up with a factor of 1.44 before taxed at a rate of 22% (resulting in an effective tax rate of 31.68%). Under current tax rules, gain or loss is calculated per Share, as the difference between the consideration received for the Share and the Norwegian Individual Shareholder's cost price for the Share, including costs incurred in connection with the acquisition or realization of the Share. Any unused tax-free allowance connected to a Share may be deducted from a capital gain on the same Share, but may not create or increase a deductible loss i.e. any unused allowance exceeding the capital gain upon the realisation of a share will be annulled. Unused tax-free allowance related to a Share cannot be set off against gains from realization of other Shares.

If a Norwegian shareholder realizes Shares acquired at different points in time, the Shares that were first acquired will be deemed as first sold (the "first in first out"-principle) upon calculating taxable gain or loss. Costs incurred in connection with the purchase and sale of Shares may be deducted in the year of sale.

A shareholder who ceases to be tax resident in Norway due to domestic law or tax treaty provisions may become subject to Norwegian exit taxation of capital gains related to shares in certain circumstances.

11.2.3 Net wealth tax

The value of Shares is included in the basis for the computation of net wealth tax imposed on Norwegian Individual Shareholders. The marginal net wealth tax rate is currently 0.85% of the value assessed. The value for assessment purposes for the Shares is equal to 65% of the total tax value of the Company as of 1 January of the year before the tax assessment year. However, in certain situations the value for assessment purposes for the Shares is instead equal to 65% of the total tax value of the Company as of 1 January of the tax assessment year, inter alia if the share capital in the Company has been increased or reduced by payment from or to shareholders in the year before the tax assessment year and if the Company has acquired its own shares without reduction of the share capital in the year before the tax assessment year. The value of debt allocated to the Shares for Norwegian wealth tax purposes is reduced correspondingly (i.e. to 65%).

Please note that on 7 October 2020, the Norwegian Government proposed that only 55% of the value of the Shares is included in the basis for the computation of net wealth tax imposed on Norwegian Individual Shareholders. It is further proposed that the value for assessment purposes for debt allocated to the Shares shall be reduced correspondingly. If the proposals are adopted by the Norwegian Parliament, the amendments will be effective as of 1 January 2021.

Norwegian limited liability companies and similar entities are exempted from net wealth tax.

11.3 Non-Resident Shareholders

11.3.1 Taxation of dividends

Dividends paid from a Norwegian limited liability company to Non-Resident Shareholders are generally subject to Norwegian withholding tax at a rate of 25% unless the recipient qualifies for a reduced rate according to an applicable tax treaty or other specific regulations. The shareholder's country of residence may give credit for the Norwegian withholding tax imposed on the dividend.

If a Non-Resident Shareholder is carrying on business activities in Norway and the Shares are effectively connected with such activities, the Non-Resident Shareholder will be subject to the same taxation of dividend as a Norwegian Shareholder, as described above.

Non-Resident Shareholders that are corporate shareholders (i.e. limited liability companies and similar entities) ("**Foreign Corporate Shareholders**") resident within the European Economic Area ("**EEA**") are exempt from Norwegian withholding tax pursuant to the Norwegian participation exemption provided that the Foreign Corporate Shareholder is the beneficial owner of the Shares and the Foreign Corporate Shareholder is genuinely established and carries out genuine economic activities within the EEA.

Dividends paid to Non-Resident Shareholders that are individual shareholders (i.e. shareholders who are natural persons) ("**Foreign Individual Shareholders**") are as the main rule subject to Norwegian withholding tax at a rate of 25%, unless a lower rate has been agreed in an applicable tax treaty. If the individual shareholder is resident within the EEA, the shareholder may apply to the tax authorities for a refund of an amount corresponding to the calculated tax-free allowance on each individual share, see Section 11.2.1 ("Taxation of dividends"). 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.

In accordance with the present administrative system in Norway, a distributing company will generally deduct withholding tax at the applicable rate when dividends are paid directly to an eligible Non-Resident Shareholder, based on information registered with the VPS. Foreign Corporate Shareholders and Foreign Individual Shareholders must document their entitlement to a reduced withholding tax rate by (i) obtaining a certificate of residence issued by the tax authorities in the shareholder's country of residence, confirming that the shareholder is resident in that state, which cannot be older than three years, and (ii) providing a confirmation from the shareholder that the shareholder is the beneficial owner of the dividend. In addition, Foreign Corporate Shareholders must also present either (i) an approved withholding tax refund application or (ii) an approval from the Norwegian tax authorities confirming that the recipient is entitled to a reduced withholding tax rate or a withholding tax exemption. Such documentation must be provided to either the nominee or the account operator (VPS). Dividends paid to Non-Resident Shareholders in respect of nominee registered shares are not eligible for reduced treaty withholding tax rate at the time of payment unless the nominee, by agreeing to provide certain information regarding beneficial owner, has obtained approval for reduced treaty withholding tax rate from the Norwegian tax authorities. The withholding obligation lies with the company distributing the dividends and the Company assumes this obligation.

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

Non-Resident Shareholders should consult their own advisers regarding the availability of treaty benefits in respect of dividend payments.

11.3.2 Taxation of capital gains

Gains from realization of Shares by Non-Resident Shareholders will not be subject to tax in Norway unless the Non-Resident Shareholders are holding the Shares in connection with business activities carried out or managed from Norway. Such taxation may be limited according to an applicable tax treaty or other specific regulations.

11.3.3 Net wealth tax

Non-Resident Shareholders are not subject to Norwegian net wealth tax with respect to the Shares, unless the shareholder is an individual, and the shareholding is effectively connected with a business which the shareholder takes part in or carries out in Norway. Such taxation may be limited according to an applicable tax treaty.

11.4 Transfer taxes etc. VAT

No transfer taxes, stamp duty or similar taxes are currently imposed in Norway on purchase, issuance, disposal or redemption of shares. Further, there is no VAT on transfer of shares.

12 SELLING AND TRANSFER RESTRICTIONS

12.1 General

As a consequence of the following restrictions, prospective investors are advised to consult legal counsel prior to making any offer, resale, pledge or other transfer of the Shares admitted to trading on Merkur Market.

The Company is not taking any action to permit a public offering of the Shares in any jurisdiction. Receipt of this Admission Document does not constitute an offer and this Admission Document is for information only and should not be copied or redistributed. If an investor receives a copy of this Admission Document, the investor may not treat this Admission Document as constituting an invitation or offer to it, nor should the investor in any event deal in the Shares, unless, in the relevant jurisdiction, the Shares could lawfully be dealt in without contravention of any unfulfilled registration or other legal requirements. Accordingly, if an investor receives a copy of this Admission Document, the investor should not distribute or send the same, or transfer Shares, to any person or in or into any jurisdiction where to do so would or might contravene local securities laws or regulations.

12.2 Selling restrictions

12.2.1 United States

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

12.2.2 United Kingdom

The Merkur Advisors have represented, warranted and agreed that:

a) they have only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 ("**FSMA"**) in connection with the issue or sale of any Shares in circumstances in which Section 21(1) of the FSMA does not apply to the Company; and

b) they have complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Shares in, from or otherwise involving the United Kingdom.

12.2.3 European Economic Area

In no member state (each a "**Relevant Member State**") of the EEA have Shares been offered and in no Relevant Member State will Shares be offered to the public pursuant to an offering, except that Shares may be offered to the public in that Relevant Member State at any time in reliance on the following exemptions under the EU Prospectus Regulation:

a) to persons who are "qualified investors" within the meaning of Article 2(e) in the EU Prospectus Regulation;

b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the EU Prospectus Regulation) per Relevant Member State, with the prior written consent of the Merkur Advisors for any such offer; or

c) in any other circumstances falling under the scope of Article 3(2) of the EU Prospectus Regulation;

provided that no such offer of Shares shall result in a requirement for the Company or Merkur Advisors to publish a prospectus pursuant to Article 3 of the EU Prospectus Regulation or supplementary prospectus pursuant to Article 23 of the EU Prospectus Regulation.

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

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

12.2.3.2 Other jurisdictions

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

In jurisdictions outside the United States and the EEA where an offering would be permissible, the Shares will only be offered pursuant to applicable exceptions from prospectus requirements in such jurisdictions.

12.3 Transfer restrictions

12.3.1 United States

The Shares have not been, and will not be, registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction in the United States, and may not be offered or sold except: (i) within the United States only to QIBs in reliance on Rule 144A or pursuant to another exemption from the registration requirements of the U.S. Securities Act; and (ii) outside the United States in compliance with Regulation S, and in each case in accordance with any applicable securities laws of any state or territory of the United States or any other jurisdiction. Terms defined in Rule 144A or Regulation S shall have the same meaning when used in this section.

Each purchaser of the Shares outside the United States pursuant to Regulation S will be deemed to have acknowledged, represented and agreed that it has received a copy of this Admission Document and such other information as it deems necessary to make an informed investment decision and that:

- The purchaser is authorized to consummate the purchase of the Shares in compliance with all applicable laws and regulations.

- The purchaser acknowledges that the Shares have not been and will not be registered under the U.S. Securities Act, or with any securities, regulatory authority or any state of the United States, subject to certain exceptions, may not be offered or sold within the United States.

- The purchaser is, and the person, if any, for whose account or benefit the purchaser is acquiring the Shares, was located outside the United States at the time the buy order for the Shares was originated and continues to be located outside the United States and has not purchased the Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the Shares or any economic interest therein to any person in the United States.

- The purchaser is not an affiliate of the Company or a person acting on behalf of such affiliate, and is not in the business of buying and selling securities or, if it is in such business, it did not acquire the Shares from the Company or an affiliate thereof in the initial distribution of such Shares.

- The purchaser is aware of the restrictions on the offer and sale of the Shares pursuant to Regulation S described in this Admission Document.

- The Shares have not been offered to it by means of any "directed selling efforts" as defined in Regulation S.

- The Company shall not recognize any offer, sale, pledge or other transfer of the Shares made other than in compliance with the above restrictions.

- If the purchaser is acquiring any of the Shares as a fiduciary or agent for one or more accounts, the purchaser represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements in behalf of each such account.

- The purchaser acknowledges that the Company, the Merkur Advisors and their respective advisers will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

Each purchaser of the Shares within the United States purchasing pursuant to Rule 144A or another available exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act will be deemed to have acknowledged, represented and agreed that it has received a copy of this Admission Document and such other information as it deems necessary to make an informed investment decision and that:

- The purchaser is authorized to consummate the purchase of the Shares in compliance with all applicable laws and regulations.

- The purchaser acknowledges that the Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and are subject to significant restrictions to transfer.

- The purchaser (i) is a QIB (as defined in Rule 144A), (ii) is aware that the sale to it is being made in reliance on Rule 144A and (iii) is acquiring such Shares for its own account or for the account of a QIB, in each case for investment and not with a view to any resale or distribution to the Shares, as the case may be.

- The purchaser is aware that the Shares are being offered in the United States in a transaction not involving any public offering in the United States within the meaning of the U.S. Securities Act.

- If, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Shares, or any economic interest therein, as the case may be, such Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, (ii) outside the United States in a transaction meeting the requirements of Regulation S, (iii) in accordance with Rule 144 (if available), (iv) pursuant to any other exemption from the registration requirements of the U.S. Securities Act, subject to the receipt by the Company of an opinion of counsel or such other evidence that the Company may reasonably require that such sale or transfer is in compliance with the U.S. Securities Act or (v) pursuant to an effective registration statement under the U.S. Securities Act, in each case in accordance with any applicable securities laws of any state or territory of the United States or any other jurisdiction.

- The purchaser is not an affiliate of the Company or a person acting on behalf of such affiliate, and is not in the business of buying and selling securities or, if it is in such business, it did not acquire the Shares from the Company or an affiliate thereof in the initial distribution of such Shares.

- The purchaser will not deposit or cause to be deposited such Shares into any depositary receipt facility established or maintained by a depository bank other than a Rule 144A restricted depository receipt facility, so long as such Shares are "restricted securities" within the meaning of Rule 144(a) (3) under the U.S. Securities Act.

- The purchaser acknowledges that the Shares are "restricted securities" within the meaning of Rule 144(a) (3) and no representation is made as to the availability of the exemption provided by Rule 144 for resales of any Shares, as the case may be.

- The purchaser acknowledges that the Company shall not recognize any offer, sale pledge or other transfer of the Shares made other than in compliance with the above-stated restrictions.

- If the purchaser is requiring any of the Shares as a fiduciary or agent for one or more accounts, the purchaser represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

- The purchaser acknowledges that the these representations and undertakings are required in connection with the securities laws of the United States and that Company, the Merkur Advisors and their respective advisers will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

12.3.2 European Economic Area

Each person in a Relevant Member State who receives any communication in respect of, or who acquires any Shares under, the offers contemplated in this Admission Document will be deemed to have represented, warranted and agreed to and with the Merkur Advisors and the Company that:

a) it is a qualified investor within the meaning of Articles 2(e) of the EU Prospectus Regulation; and

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

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

13 ADDITIONAL INFORMATION

13.1 Admission to Merkur Market

On 19 October 2020, the Company applied for Admission to Merkur Market. The first day of trading on Merkur Market is expected to be on or about 28 October 2020.

Neither the Company nor any other Group Company have securities listed on any stock exchange or other regulated market place. The Shares have been registered on the N-OTC since 21 April 2020 under the ticker code "KALERA", but prior to commencement of trading on Merkur Market the Shares will be deregistered from the N-OTC.

13.2 Information sourced from third parties and expert opinions

In this Admission Document, certain information has been sourced from third parties. The Company confirms that where information has been sourced from a third party, such information has been accurately reproduced and that as far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted that would render the reproduced information inaccurate or misleading. Where information sourced from third parties has been presented, the source of such information has been identified.

The Company confirms that no statement or report attributed to a person as an expert is included in this Admission Document.

13.3 Independent auditor

The Company's independent auditor is PricewaterhouseCoopers AS (business registration number 987 009 713, and registered business address at Dronning Eufemias gate 71, 0194 Oslo, Norway). The partners of PwC are members of the Norwegian Institute of Public Accountants (Nw.: *Den Norske Revisorforening*). PwC has been the Company's independent auditor since 2013.

PwC has not audited, reviewed or produced any report on any other information in this Admission Document.

13.4 Advisors

The Company has engaged ABG Sundal Collier ASA (business registration number 883 603 362, and registered business address at Munkedamsveien 45 Vika Atrium, N-0250 Oslo, Norway) and Arctic Securities AS (business registration number 991 125 175, and registered business address at Haakon VIIs gate 5, 0161 Oslo, Norway) as the Merkur Advisors. The Company has further engaged Bank of America Merrill Lynch International DAC, Stockholm Branch to act as a financial advisor alongside the Merkur Advisors.

Advokatfirmaet Thommessen AS (business registration number 957 423 248, and registered business address at Haakon VIIs gate 10, N-0116 Oslo, Norway) is acting as Norwegian legal counsel to the Company.

Advokatfirmaet Schjødt AS (business registration number 996 918 122, and registered business address at Ruseløkkveien 14-16, 0251 Oslo, Norway) is acting as Norwegian legal counsel to the Merkur Advisors.

14 DEFINITIONS AND GLOSSARY OF TERMS

When used in this Admission Document, the following defined terms shall have the following meaning:

Additional Shares	The 3,100,000 Shares over-allotted in the Private Placement.
Admission	The admission to trading of the Company's shares on Merkur Market.
Admission Document	This admission document, dated 27 October 2020.
Annual Financial Statements	The audited consolidated financial statements of the Group as of and for the years ended 31 December 2019 and 2018.
Appropriate Channels for Distribution	Has the meaning ascribed to such term under "Important Information".
Articles of Association	Articles of Association of the Company as of 26 October 2020.
Board of Directors	The board of directors of the Company.
Board Members	The members of the Board of Directors.
Borrowing Option	The option, on behalf of the Managers, to borrow a number of Shares equal to the number of Additional Shares in order to facilitate over-allotment.
CEO	Chief Executive Officer.
Company	Kalera AS, company registration number 911 703 130.
Corporate Governance Code	The Norwegian Code of Practice for Corporate Governance last updated 30 October 2014.
Covid-19	SARS-CoV-2.
EEA	European Economic Area.
EU Prospectus Directive	The Commission Regulation (EC) no. 809/2004 implementing Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 regarding information contained in prospectuses, as amended, and as implemented in Norway.
FSMA	Financial Services and Markets Act 2000.
Financial Information	The Annual Financial Statements and the Interim Financial Statements.
Foreign Corporate Shareholders	Non-Resident Shareholders that are corporate shareholders (i.e. limited liability companies and similar entities).
Foreign Individual Shareholders	Non-Resident Shareholders that are individual shareholders (i.e. other shareholders than Foreign Corporate Shareholders).
Greenshoe Option	The option to purchase a number of new Shares equal to the number of Additional Shares at a price per Share equal to the Subscription Price.
Group	The Company together with its subsidiaries.
IFRS	International Financial Reporting Standard as adopted by the European Union.
Interim Financial Statements	The unaudited consolidated interim financial statements of the Group for the six months ended 30 June 2020.
Kalera	The Company together with its subsidiaries.
LEI	Legal Entity Identifier.
Management	The members of the Group's senior management.
Managers	The managers in the Private Placement, being ABG Sundal Collier ASA and Arctic Securities AS.
Merkur Advisors	ABG Sundal Collier ASA, company registration number 883 603 362 and Arctic Securities AS, company registration number 991 125 175.
Merkur Market	The multilateral trading facility for equity instruments operated by Oslo Børs ASA.
Merkur Market Admission Rules	Admission to trading rules for Merkur Market as of December 2017.
Merkur Market Content Requirements	Content requirements for Admission Documents for Merkur Market as of January 2017.
MiFID II	EU Directive 2014/65/EU on markets in financial instruments, as amended.
MiFID II Product Governance Requirements	MiFID II, Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II and local implementing measures.
Negative Target Market	Has the meaning ascribed to such term under "Important Information".
New Shares	The 27,900,000 new Shares in the Private Placement.
NOK	Norwegian kroner, the currency of the Kingdom of Norway.
Non-Resident Shareholders	Shareholders who are not resident in Norway for tax purposes.
Norwegian Corporate Shareholders	Shareholders who are limited liability companies (and certain similar entities) domiciled in Norway for tax purposes.
Norwegian Individual Shareholders	Norwegian Shareholders other than Norwegian Corporate Shareholders.
Norwegian Private Companies Act	The Norwegian Private Limited Liability Companies Act of 13 June 1997 no 44 (as amended) (*Nw.: aksjeloven*).
Norwegian Securities Trading Act	The Norwegian Securities Trading Act of 29 June 2007 no. 75 (as amended) (*Nw.: verdipapirhandelloven*).
Norwegian Securities Trading Regulation	The Norwegian Securities Trading Regulation of 29 June 2007 no 876 (as amended) (*Nw.: verdipapirforskriften*).
Norwegian Shareholders	Shareholders who are resident in Norway for tax purposes.
N-OTC	The Norwegian OTC list.
Oslo Børs (or OSE)	Oslo Børs ASA.

Positive Target Market	Has the meaning ascribed to such term under "Important Information".
Private Placement	Has the meaning ascribed to such term under "Details of the Private Placement".
PwC	PricewaterhouseCoopers AS.
Relevant Member State	Each Member State of the European Economic Area which has implemented the EU Prospectus Directive.
Shares (or Share)	Shares in the capital of the Company, each with a nominal value of NOK 0.01, or any one of them.
Stabilisation Manager	Arctic Securities AS.
Stabilisation Period	The 30 calendar days period from commencement of trading in the Shares on Merkur Market.
Subscription Price	The NOK 30 subscription price per Share in the Private Placement.
Target Market Assessment	Negative Target Market together with the Positive Target Market.
USD	United States Dollars, the currency of the United States.
United States (or US)	The United States of America.
US Securities Act	The US Securities Act of 1933, as amended.
VPS	The Norwegian Central Securities Depository (*Nw.: Verdipapirsentralen*).
VPS Registrar	Danske Bank.

***

APPENDIX A

ARTICLES OF ASSOCIATION

VEDTEKTER FOR

KALERA AS

Slik de lyder per 26. oktober 2020

§ 1 - Firma

Selskapets navn er Kalera AS.

§ 2 - Forretningskontor

Selskapets forretningskontor er i Oslo kommune.

§ 3 - Virksomhet

Selskapets virksomhet er utvikling og kommersialisering av teknologiske løsninger for bærekraftig datadrevet hydroponisk matproduksjon og virksomhet som har tilknytning til dette, herunder investeringer i og drift, utleie og salg av matproduksjonsanlegg, lisensiering av teknologi, samt eierskap i selskaper som driver lignende virksomhet.

§ 4 - Aksjekapital

Aksjekapitalen er kr 1 610 242,39 fordelt på 161 024 239 aksjer, hver pålydende NOK 0,01. Selskapets aksjer skal være registrert i Verdipapirsentralen (VPS) og er fritt omsettelige.

§ 5 - Styre

Selskapets styre skal ha inntil 6 medlemmer, etter generalforsamlingens nærmere beslutning.

§ 6 - Signatur

Styret representerer selskapet utad og tegner dets firma. Selskapets firma kan også tegnes av styrets leder alene og av to styremedlemmer i fellesskap.

§ 7 - Generalforsamling

På den ordinære generalforsamling skal følgende spørsmål behandles og avgjøres:

- Godkjennelse av årsregnskapet og årsberetningen, herunder utdeling av utbytte.
- Andre saker som etter loven eller vedtektene hører under generalforsamlingen.

Dokumenter som gjelder saker som skal behandles i selskapets generalforsamling, herunder dokumenter som etter lov skal inntas i eller vedlegges innkallingen til generalforsamlingen, trenger ikke sendes til aksjeeierne dersom dokumentene er gjort tilgjengelige på selskapet hjemmeside. En aksjeeier kan likevel kreve å få tilsendt dokumenter som gjelder saker som skal behandles i generalforsamlingen.

APPENDIX B

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF KALERA AS AS OF AND FOR THE YEAR ENDED 31 DECEMBER 2019

KALERA

Group accounts 2019

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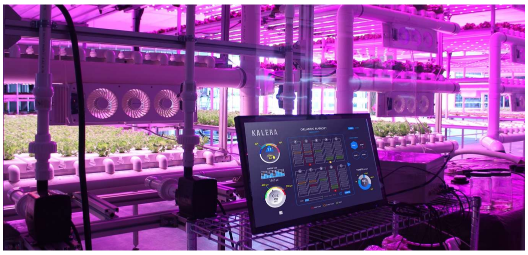
Kalera
Board of Directors Report 2019

Nature of Business and Localization
Kalera AS ("Kalera") develops, builds, and operates High-Precision Clean-Room Hydroponic Food Production systems. The company's headquarters are in Oslo (holding company) whereas the operating entity is located in Orlando, Florida.

Hydroponics
Kalera is a leader in urban food production technology systems. Kalera is a technology driven vertical farming company with unique growing methods that combine optimized nutrients and light recipes, precise environmental controls, and clean room standards to grow safe, highly nutritious, pesticide-free, non-GMO vegetables with consistent high quality and longer shelf life year-round.



The company is planting non-GMO seed, and has perfected over the past years plant and data science driven methods to optimize nutrient mixtures, light recipes, and environmental controls resulting in highly nutritious vegetables with consistent high quality year-round. By using a closed loop nutrient distribution system, Kalera's plants grow while consuming 95% less water compared to field farming. Kalera produces over 300 times more output per sq. ft. than traditional farming and without any seasons (365 days a year). Furthermore, the company utilizes cleanroom technology and processes to eliminate the use of chemicals and remove exposure to factors that can make people sick. With indoor facilities situated right where the demand is, Kalera is able to supply an abundance of produce locally, eliminating the need to travel long distances when shipping perishable products and ensuring the highest quality and freshness.

Kalera's innovative production method – involving Cloud-based and IoT-based automation and "big data" analytics and AI for precise control of air and water quality, temperature and humidity, light, and nutrients – allows for a steady yield of crisp, flavorful, and nutritious produce without seasonal and regional limitations.

The company's high-yield, automated, data-driven hydroponic production facilities have been designed for rapid rollout with industry leading payback times and grow vegetables faster, cleaner, at a lower cost, and with less impact on the environment. Using this platform, Kalera has started in 2019 to execute a strategy for rapid capacity expansion based on installing and operating large-scale production facilities. This strategy allows Kalera to expand its customer base to large, regional, national, and international accounts such as grocery chains, distributors/exporters, and contract food service companies.

In July 2019 Kalera started construction of its first large scale facility by retrofitting an existing warehouse in Orlando. The facility was completed and has started to operate in February 2020 - a record build-out time for the vertical farming industry. The Orlando facility is the highest production volume vertical farm in the Southeast and has the capacity to supply millions of heads of leafy greens per year to consumers in Florida.

In 2019, Kalera continued to operate its on-site hotel hydroponic system – the HyCube™ at Marriott Orlando World Center. The HyCube has a very high marketing value due its modern visual appearance, and supplies the hotel with fresh, on-site grown greens that can be plated within hours of harvesting. The company will continue to deploy smaller footprint on-site, highly visible HyCubes at high-end hotels or event venues in order to create and boost Kalera brand awareness in target metropolitan areas.

Additionally, Kalera operates an R&D facility at its Orlando headquarters, carrying technology development and plant science projects enabling the company to maintain its industry leadership. The company also collaborates with leading academic institutions such as University of Florida.

Kalera has spent years perfecting and fine-tuning it technology to place the company as one of the industry leaders in the local farming ag-tech revolution. As Kalera accelerates its growth over the next few years, it will build additional facilities, expanding production capacity throughout the US and internationally.

In April 2020, Kalera announced that it will open a new state-of-the-art growing facility in Atlanta, Georgia in early 2021. The new Atlanta facility is the next step in Kalera's domestic and international expansion plan focused on growing an abundance of leafy greens locally, right where the consumers are. Kalera has established a streamlined design and construction process which will be important for the scaling and expansion of its business.

During the spring of 2020, COVID-19 has had implications for the food industry. Some of Kalera's key customers such as US Foods, FreshPoint and Levy are predominantly distributors to the foodservice segment, and sales through these channels have been negatively impacted by the temporary shutdowns. On a positive note, Kalera recently started selling its produce to retailers like Publix - the largest grocery chain in Florida - offsetting some of the negative demand effects from the foodservice segment. In addition, on 17 April the company received a forgivable loan of USD 328' under the PPP stimulus package for SMEs following the COVID-19 outbreak.

Going Concern
The Board of Directors confirms that the financial statements are prepared under the assumption that there is no issue of going concern for the group.

Report on the Financial Statement and the Proposed Appropriation of Profits
Total revenues were USD 101 230 and total operating expenses were USD 4 410 294 in 2019. Total comprehensive income for the year was USD - 5 707 921. The Board states that the annual accounts represent a true and fair view on the Company's financial position at the turn of the year. The company ́s solvency and liquidity position is satisfactory. The company has concluded private placements of stock over the last 6 months.

The company is continuously engaged in product development.

Working Environment and Gender Equality
The working environment is considered healthy, something which is reflected in the recorded sick leave. Total sick leave during the year was 60 days, which represents approximately 0.9% of the total working days per year. There have not been specific measures taken to improve the working environment in 2019. No injuries or accidents have been reported.

The company's personnel policy is deemed to be gender neutral in all areas. There has not been any feedback that would indicate that employees consider the company's personnel policy to be discriminatory

27 May 2020

Bjørge Gretland
Chairman of the Board

Daniel Adam Malechuk
CEO

Øystein A. Landvik
Member of the Board

Erik Sauar
Member of the Board

Cristian E. Toma
Member of the Board

Sakip-Umur Hürsever
Member of the Board

Nigel Charles Mccleave
Member of the Board

To the General Meeting of Kalera AS

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Kalera AS, which comprise:

- The financial statements of the parent company Kalera AS (the Company), which comprise the statement of financial position as at 31 December 2019, the income statement and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and

- The consolidated financial statements of Kalera AS and its subsidiaries (the Group), which comprise the statement of financial position as at 31 December 2019, the statement of income and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion:

- The financial statements are prepared in accordance with the law and regulations.

- The accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2019, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

- The accompanying consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2019, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Basis for Opinion

We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by laws and regulations, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information. The other information comprises information in the annual report, except the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director (Management) are responsible for the preparation in accordance with law and regulations, including fair presentation of the financial statements of the Company in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation and fair presentation of the consolidated financial statements of the Group in accordance with International Financial Reporting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements of the Company use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations. The consolidated financial statements of the Group use the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to https://revisorforeningen.no/revisjonsberetninger

Report on Other Legal and Regulatory Requirements

Opinion on the Board of Directors' report

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors' report concerning the financial statements and the going concern assumption is consistent with the financial statements and complies with the law and regulations.

Opinion on Registration and Documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements *(ISAE) 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, it is our opinion that management has fulfilled its duty to produce a proper and clearly set out registration and documentation of the Company's accounting information in accordance with the law and bookkeeping standards and practices generally accepted in Norway.

Oslo, 27. May 2020
PricewaterhouseCoopers AS

Geir Haglund
State Authorised Public Accountant

Consolidated income statement and other comprehensive income

Expressed in USD		Year ended 31 December	
Continuing operations	Note	2019	2018
Revenue		101 230	46 217
Total revenue		101 230	46 217
Raw materials and consumables used		12 890	2 176
Employee benefit expense	6	1 921 823	1 560 800
Depreciation and amortization expense	11, 12	404 481	99 064
Other expenses	14	1 508 692	1 440 919
Other gains and losses	8	-562 408	-403 156
Operating profit		-4 309 064	-3 459 899
Finance income	7	6 803	4 842
Finance costs	7, 16	227 434	-
Change in fair value of assets and liabilities		-1 027 286	-
Finance costs - net		-1 247 917	4 842
Share of profit of associates		-	-50 098
Profit/loss before income tax		-5 556 981	-3 505 155
Income tax expense	9	-	-
Profit/loss from the year from continuing operations		-5 556 981	-3 505 155
Profit of the year for discontinued operations		-	-
Profit/loss for the year		-5 556 981	-3 505 155
Profit attributable to:			
- Owners of the parent		-5 556 981	-3 505 155
Profit/loss for the year		-5 556 981	-3 505 155
Other comprehensive income:			
Currency translation differences	10	-150 940	-74 198
Other comprehensive income for the year, net of tax		-150 940	-74 198
Total comprehensive income for the year		-5 707 921	-3 579 353
Attributable to:			
- Owners of the parent		-5 707 921	-3 579 353
- Non-controlling interests		-	-
Total comprehensive income for the year		-5 707 921	-3 579 353

Consolidated statement of financial position

Expressed in USD

	Note	As at 31 December 2019	2018
Assets			
Non-current assets			
Property, plant and equipment	11, 16	11 642 630	2 543 021
Intangible assets	12	685 732	685 732
Investments in associates		-	37 932
Trade and other receivables		389 945	337 388
		12 718 307	3 604 073
Current assets			
Trade and other receivables		6 348	16 316
Employee loans		-	124 719
Cash and cash equivalents including bank overdrafts	13	3 394 796	2 049 700
		3 401 144	2 190 735
Total assets		16 119 451	5 794 809
Equity and liabilities			
Equity attributable to owners of the parent			
Share capital	15	98 231	81 357
Share premium	15	21 901 473	14 178 644
Other reserves		-14 747 066	-9 039 145
Total equity		7 252 638	5 220 856
Liabilities			
Non-current liabilities			
Borrowings		157 422	41 963
Long term lease liabilites	16	3 475 669	-
		3 633 091	41 963
Current liabilities			
Trade and other payables		167	34 951
Accrued liabilities		592 087	487 235
Convertible loans	17	4 223 286	-
Provision for other liabilities and charges		4 681	9 804
Short term lease liabilities	16	413 501	-
Total liabilities		8 866 812	573 953
Total equity and liabilities		16 119 450	5 794 809

The notes 1 - 19 are an integrated part of these consolidated financial statements.

27 May 2020

Bjørge Gretland
Chairman of the Board

Daniel Adam Malechuk
CEO

Øystein A. Landvik
Member of the Board

Erik Sauar
Member of the Board

Cristian E. Toma
Member of the Board

Sakip-Umur Hürsever
Member of the Board

Nigel Charles Mccleave
Member of the Board

Consolidated statement of changes in equity
Expressed in USD

	Note	Share capital	Share Premium	Other Reserves	Total equity
Opening balance as at 1 January 2018		75 096	9 285 395	-560 285	8 800 208
Registration of shares issued in 2017		6 261	4 893 248	-4 899 508	-
Total comprehensive income for the year		-	-	-3 579 353	-3 579 353
Balance as at 31 December 2018		**81 357**	**14 178 643**	**-9 039 146**	**5 220 856**
Opening balance as at 1 January 2019		81 357	14 178 643	-9 039 146	5 220 856
Issue of shares	15	16 873	7 722 829	-	7 739 702
Total comprehensive income for the year			-	-5 707 921	-5 707 921
Balance as at 31 December 2019		**98 230**	**21 901 473**	**-14 747 067**	**7 252 638**

Consolidated statement of cash flows

Expressed in USD	Note	Year ended 31 December 2019	2018
Cash flows from operating activities			
Profit before income tax		-5 556 981	-3 505 155
Adjustments for:			
- Depreciations	11	404 481	99 064
- Finance costs - net accrued	7	226 513	-
- Trade and other receivables		82 131	-382
- Trade and other payables		-158 301	-462 651
- Net loss on operating assets		562 408	403 156
- Net share of profit and loss from associates		-	50 098
- Change in fair value of assets and liabilities		1 027 286	-
Net cash generated from operating activities		-3 412 464	-3 415 869
Cash flows from investing activities			
Purchase of property, plant and equipment	11	-5 540 332	-1 216 739
Purchase of intangible assets	12	-	-
Loans to associates		-127 628	-
Net cash generated from investing activities		-5 667 960	-1 216 739
Acquisition of shares in subsidiary, net of cash		-	-
Proceed from issuance of shares	15	7 739 702	-
Proceeds from borrowings	17	3 000 000	-
Repayment of loans	16	-237 388	-7 678
Net cash generated from financing activities		10 502 314	-7 678
Net change in cash and cash equivalents		1 421 891	-4 640 287
Cash at the beginning of the period	13	2 049 700	6 893 550
Exchange gains/losses on cash and cash equivalents		-76 794	-203 563
Cash and cash equivalents at end of year	13	3 394 796	2 049 700

1 General information

Kalera AS ("the Company") and its subsidiaries (together, "the Group") develop technologies and conducts operations related to hydroponic food production. In addition the company holds a license to patented technology related to geopolymer concrete. The company has two subsidiaries: Kalera Inc and Iveron Materials Inc.

The Group has operating hydroponic plants in Florida and is in the process of building new plants in new locations outside Florida.

The Company is a private limited liability company incorporated and domiciled in Norway. The address of its registered office is Tjuvholmen allé 19, 0252 OSLO.

2 Summary of significant accounting principles

2.1 Basis for preparation

The consolidated financial statements of Kalera AS have been prepared in accordance with International Financial Reporting Standards and IFRIC interpretations as adopted by the European Union (EU). The consolidated financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 4.

The consolidated financial statements have been prepared on a going concern basis.

All financial numbers in the notes are presented in USD.

2.2 Basis of Consolidation

The Consolidated Financial Statements include the parent company Kalera AS and its subsidiaries Kalera Inc and Iveron Materials Inc. Subsidiaries are all entities over which the Group has the power to control the financial and operating policies.

All transactions and balances between Group companies are eliminated on consolidation, including unrealized gains and losses on transactions between Group companies.

Subsidiaries
Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest’s proportionate share of the recognised amounts of acquiree’s identifiable net assets.

2.3 **Segment reporting**

The Group is not obliged to report segment information under IFRS 8. Information on business areas are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker.

2.4 **Foreign currency translation**

Functional and presentation currency
Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in US Dollars (USD).

The functional currency of Kalera AS is Norwegian Kroner (NOK).
The functional currency of Kalera Inc is US Dollars (USD).
The functional currency of Iveron Materials Inc is US Dollars (USD)

Transactions and balances
Foreign currency transactions are translated into the presentation currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement. Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the income statement within 'finance income or costs'.

Group companies
The results and financial position of all the Group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(a) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;

(b) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and

(c) all resulting exchange differences are recognised in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in other comprehensive income.

2.5 **Property, plant and equipment**

All property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives, as follows:

- Furniture, fittings and equipment 7 years
- Hydroponic systems: 15 years
- Vehicles: 6 years
- Right of use assets: Depreciated over the expected lifetime of underlying lease agreement

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 2.7).

2.6 **Intangible assets**

(a) Goodwill
Goodwill arises on the acquisition of businesses and represents the excess of the consideration transferred over Kalera Inc's interest in net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the CGUs, or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs to sell. Any impairment is recognised immediately as an expense and is not subsequently reversed.

(b) Licenses
Separately acquired licenses are shown at historical cost. Licenses acquired in a business combination are recognised at fair value at the acquisition date. Licenses have a finite useful life and are carried at cost less accumulated amortization. Amortization is calculated using the straight-line method to allocate the cost of licenses over their estimated useful lives of spanning the life of the patent that the licenses grant access to.

2.7 **Impairment of non-financial assets**

Intangible assets that have an indefinite useful life – for example, goodwill or intangible assets not ready to use – are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

2.8 **Cash and cash equivalents**

In the consolidated statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks and bank overdrafts.

2.9 **Trade receivables**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Trade receivables are classified as current assets if settlement is due within one year or less. If not, they are presented as non-current assets.

2.10 **Share capital**

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new ordinary shares or other equity instruments are shown in equity as a deduction, net of tax, from the proceeds.

2.11 **Trade Payables**

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

2.12 **Borrowings**

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortized cost. Any difference between the initial measurement and the principal value is recognised in the income statement over the period of the borrowings using the effective interest method.

2.13 **Derivatives**

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

2.14 **Current and deferred income tax**

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

2.15 Leases

The Group leases mainly property. The Group previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Group. Under IFRS 16, the Group recognises right-of-use assets and lease liabilities for most of these leases – i.e. these leases are on-balance sheet. At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone price.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-ofuse asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

2.16 Employee benefits

Liabilities for wages and salaries, including non-monetary benefits and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

2.17 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for goods supplied, stated net of discounts, returns and value added taxes. The group recognises revenue when control of a good or service transfers to a customer.

The group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the group's activities. The group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement

2.18 Changes in accounting policies

From 1 January 2019 there are several new standards and amendments that are effective for the current reporting period. The most relevant of the new standards applied as of 1 January 2019 are:
IFRS 16 – Leases

The Group initially applied IFRS 16 Leases from 1 January 2019. A number of other new standards are also effective from 1 January 2019 but they do not have a material effect on the Group's financial statements. The Group applied IFRS 16 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at 1 January 2019. Accordingly, the comparative information presented for 2018 is not restated – i.e. it is presented, as previously reported, under IAS 17 and related interpretations. The details of the changes in accounting policies are disclosed below. Additionally, the disclosure requirements in IFRS 16 have not generally been applied to comparative information.

Definition of a lease
Previously, the Group determined at contract inception whether an arrangement was or contained a lease under IFRIC 4. The Group now assesses whether a contract is or contains a lease based on the definition of a lease, as explained in Note 16. On transition to IFRS 16, the Group applied the IFRS 16 only to contracts that were previously identified as leases. Contracts that were not identified as leases under IAS 17 and IFRIC 4 were not reassessed for whether there is a lease under IFRS 16. Therefore, the definition of a lease under IFRS 16 was applied only to contracts entered into or changed on or after 1 January 2019.

As a lessee
The Group leases mainly property. The Group previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Group. Under IFRS 16, the Group recognises right-of-use assets and lease liabilities for most of these leases – i.e. these leases are on-balance sheet.

Short-term leases and leases of low-value assets
The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

3 **Financial risk management**

3.1 The Group’s activities expose it to a variety of financial risks: market risk (foreign exchange and interest risks) and liquidity risk. The Group seeks to minimize potential adverse effects on the Group’s financial performance.

(a) Market risk

Foreign exchange risk

The Group has funds in Norwegian kroners, which is subject to foreign currency translation risk in the financial statements.

Interest risk

The Group is currently not exposed to market risk in relation to interest rates on borrowings. However in the event of re-financing the market interest rates would constitute a risk for the Group. See also note 16 for information on current borrowings.

(b) Liquidity risk

Cash flow forecasting is performed in the Group. The Group monitors rolling forecasts of the Group’s liquidity requirements to ensure it has sufficient cash to meet operational needs. Such forecasting takes into consideration the Group’s debt financing plans and covenant compliance. The Group is in need of additional funding for maintaining an assumption of going concern.

The table below analyses the Group’s financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

At 31 December 2019	Less than one year
Borrowings	4 223 286
Trade and other payables	596 768
Lease liabilities	413 501

3.2 Capital Management

The Group’s objectives when managing capital are to safeguard the Group’s ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to adjust the capital structure, the Group may issue new shares.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and cash equivalents. Total capital is calculated as ‘equity’ as shown in the consolidated balance sheet plus net debt.

During 2019 the Group’s strategy, was to obtain funding, either as equity or foreign capital. The gearing ratio at 31 December was as follows:

	2019	**2018 (IFRS 16 adjusted)**	**2018**
Total borrowings	8 866 812	1 017 644	573 953
Less: cash and cash equivalents	-3 394 796	-2 049 700	-2 049 700
Net debt	5 472 017	-1 032 055	-1 475 747
Total Equity	7 252 638	5 239 158	5 239 158
Total capital	12 724 655	3 763 411	3 763 411
Gearing ratio	43 %	-27 %	-39 %

4 **Critical accounting estimates and judgments**

Estimates and judgments are continually evaluated and are for 2019 based on expectations of future events that are believed to be reasonable under the circumstances.

4.1 **Critical accounting estimates and assumptions**

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(a) Other gains and losses

The Group has recognised impairment losses related to investments made in projects and assets that has been discontinued.

(b) Estimated impairment of goodwill and intangibles

The group tests annually whether goodwill or other intangibles has suffered any impairment, in accordance with the accounting policy stated in note 2.6. The recoverable amounts of cash-generating units have been determined based on fair value less costs of disposal. See also note 12 for further considerations.

4.2 **Critical judgments in applying the entity’s accounting policies**

There are no current critical judgements applied in the group financial statements.

5 **Business area information**

Management considers the business from both a geographic and products perspective. Management will use the following business areas for the purposes of allocating resources and assessing performance: Geopolymer and Hydroponics in Norway and US.

Assets and liabilities

	Year ended 31 December 2019				
	Net assets	Tangible assets	Intangible assets	Other assets	Liabilities
Norway	-2 113 240	-	-	2 110 046	-4 223 286
US	9 365 878	11 642 630	685 733	1 676 361	-4 638 845

	Year ended 31 December 2018				
	Net assets	Tangible assets	Intangible assets	Other assets	Liabilities
Norway	1 940 119	-	-	1 950 673	-10 554
US	3 280 738	2 543 021	723 665	577 451	-563 399

6 **Employee benefit expense**

	2019	**2018**
Wages and salaries	1 764 960	1 404 287
Social security costs	143 702	126 612
Other remuneration	13 161	29 902
Total	1 921 823	1 560 800

	CEO per year	Board
Salary terms	325 000	157 414
Other benefits*	92 500	-
Total	417 500	157 414

*Including one-off benefits

The Group has 52 employees per 31.12.19.

The Group has not established pension plans for it's employees following that there are no employees in locations where it's obligatory to establish such plans.

The Group has established a stock option plan. As of 31.12.19, a total of 5 000 000 options has been granted with a vesting periode of 25% per year.

There are no employee loans as of 31.12.19.

7 **Finance income and costs**

	2019	2018
Interest expense:		
- Borrowings	200 486	-
- Lease liabilities	26 948	
- Change in fair value of assets and liabilities	1 027 286	
Finance costs	1 254 719	-
Finance income		
- Interest income on short term bank deposits	6 803	4 842
Finance income	6 803	4 842
Net finance	1 247 917	4 842

8 **Other gains and losses**

The group has in 2019 recognised losses of 562 408 USD related to investments in projects under development that the Group has chosen not to proceed with as of December 31 2019.

9 **Income tax expense**

For the year ended 31 December 2019 there is nil taxable income, and thus no tax expense.
Accumulated loss carried forward is USD 14 997 499

Deferred tax assets are recognised in the statement of financial position based on expected utilization of tax losses carried forward and temporarily differences. The calculated deferred tax assets are not booked in the position of financial statement, but will be booked when the Group comes into tax position. This has no consequences on the future utilization of the tax benefits in the years to come.

Taxes

Deferred taxes	2019	2018
Temporary differences		
Fixed assets	-	-
Tax loss carried forward Norway	-1 846 254	-1 711 705
Tax loss carried forward US	-13 151 246	-8 563 014
Temporary differences, in total	**-14 997 499**	**-10 274 720**
Deferred tax assets	**-3 167 937**	**-2 174 808**
Not recognised deferred tax asset	3 167 937	2 174 808
Profit and loss before taxes	-5 515 907	-3 505 155
Tax rate Norway	22,00 %	22,00 %
Tax rate US	21,00 %	21,00 %

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the company by the weighted average number of ordinary shares in issue during the year.

Profit from continuing operations attributable to owners of the parent	-5 556 981
Total	-5 556 981
Weighted average number of shares	35 573 744
Earnings per share	**-0,156**

10 **Foreign currency translation**

The group is exposed to currency translation differences due to the functional currency of NOK in the parent company, ref. note 2.4

The following currency translation differences has been recognised in other comprehensive income

	2019	2018
Translation of intercompany balances	87	-44 675
Other translation differences	-151 027	-29 523
Total	**-150 940**	**-74 198**

11 Property, plant and equipment

	Furniture, fittings and equipment	Hydroponic demo system	HyCube	Tradeport Production Facility	Vehicles	Right of use asset	Total
Year ended 31 December 2018							
Opening net book amount	**117 253**	**296 560**	**925 441**	**270 187**	**55 641**	**-**	**1 665 081**
Additions	79 096	-	1 027 412	144 801	-700	-	1 250 610
Disposals	-	-	273 607	-	-	-	273 607
Depreciation charge	25 577	22 368	21 192	22 427	7 500	-	99 063
Closing net book amount	**170 773**	**274 192**	**1 658 054**	**392 561**	**47 441**	**-**	**2 543 021**
At 31 December 2018						**-**	
Cost or valuation	294 188	323 860	1 679 246	423 788	54 941	-	**2 776 023**
Accumulated depreciation	123 416	49 668	21 192	31 227	7 500	-	233 002
Net book amount	**170 773**	**274 192**	**1 658 054**	**392 561**	**47 441**	**-**	**2 543 021**
Year ended 31 December 2019							
Opening net book amount	170 773	274 192	1 658 054	392 561	47 441	-	2 543 021
IFRS 16 transition affects (see note 16)						425 386	425 386
Adjusted opening net book amount	**170 773**	**274 192**	**1 658 054**	**392 561**	**47 441**	**425 386**	**2 968 407**
Additions	102 455	-	5 280 452	37 041	120 384	3 659 783	9 200 115
Disposals	-	-	121 410	-	-		121 410
Depreciation charge	33 784	22 368	42 726	29 369	13 519	262 715	404 481
Closing net book amount	**239 443**	**251 824**	**6 774 370**	**400 233**	**154 306**	**3 822 453**	**11 642 630**
At 31 December 2019							
Cost or valuation	396 643	323 860	6 838 287	460 829	175 325	4 085 169	12 280 113
Accumulated depreciation	157 200	72 036	63 918	60 596	21 019	262 715	637 483
Net book amount	**239 443**	**251 824**	**6 774 370**	**400 233**	**154 306**	**3 822 453**	**11 642 630**

*Assets are depreciated when construction is finalized and is generating revenues

Depreciation rate	7 years linear	15 years linear	15 years linear*	15 years linear*	6 years linear	Liftetime of lease agreement	

12 Intangible assets

	Licenses	Goodwill	Total
Year ended 31 December 2018			
Opening net book amount	530 035	155 697	685 732
Additions	-	-	-
Amortization and	-	-	-
Closing net book amount	**530 035**	**155 697**	**685 732**
Year ended 31 December 2018			
Cost or valuation	**530 035**	**155 697**	**685 732**
Accumulated amortization and impairment	-	-	-
Net book amount	**530 035**	**155 697**	**685 732**
Year ended 31 December 2019			
Opening net book amount	530 035	155 697	685 732
Additions	-	-	-
Amortization and impairment	-	-	-
Closing net book amount	**530 035**	**155 697**	**685 732**
Year ended 31 December 2019			
Cost or valuation	**530 035**	**155 697**	**685 732**
Accumulated amortization and impairment	-	-	-
Net book amount	**530 035**	**155 697**	**685 732**
Depreciation rate	10-20 years linear*	Not applicable	

*Depreciation of licenses to begin when income is generated from assets.

Licenses arise from payments to the Catholic University of America (CUA) for exclusive access to the necessary patents the Geopolymer business model builds upon. When patents are approved in respective jurisdictions and revenue is recognised by the Group, CUA will receive royalty payments.

Goodwill arises from the business combination where Kalera Inc is the acquiring company from an accounting perspective (reverse takeover). Kalera AS is the legal acquirer. The transaction took place 4 July 2013.

Annual impairment testing of goodwill is performed. The Group has issued shares during 2019 at prices well above book equity in the Group. Goodwill is therefore assessed not to be impaired.

13 Cash and cash equivalents

	2019	**2018**
Cash at bank and in hand	3 394 796	2 049 700
Total	3 394 796	2 049 700
Cash at bank include a restricted account for tax purposes amounting to	6 753	6 597

14 **Other expenses**

Expenses	2019	2018
Rental of premises*	-	216 535
General administrative expenses	827 049	534 309
Research and development	23 334	58 793
Travel expenses	94 358	78 044
Legal/consulting Services	563 950	553 238
Loan expenses	-	-
Total	1 508 692	1 440 919

*Following implementation of IFRS 16, all lease expenses is classified as depreciation/interest.

Auditor remuneration* recognised as costs	2019	2018
Audit	31 237	46 104
Other confirmations	-	-
Tax related services	-	-
Other Services	14 199	3 842
Total	45 435	49 946

* incl. VAT

15 **Share capital and premium**

	Number of shares	Ordinary shares	Share face value	Share premium	Total*
At 1 January 2018	**53 673 188**	**53 673 188**			**14 260 001**
At 31 December 2018	**53 673 188**	**53 673 188**			**14 260 001**
At 1 January 2019	**53 673 188**	**53 673 188**			**14 260 001**
Share issue	10 461 962	10 461 962	0,0012	0,45	4 659 431
Share issue	4 098 328	4 098 328	0,0011	0,75	2 930 271
Share issue	200 000	200 000	0,0011	0,75	150 000
Currency exchange differences					
At 31 December 2019	**68 433 478**	**68 433 478**			**21 999 703**

* Net of transaction costs

16 **Leasing**

The Group has adopted IFRS 16 Leases from 1 January 2019 using the simplified transition approach in accordance with IFRS 16.C5(b) and has not restated comparatives for the 2018 reporting period, as permitted under the specific transitional provisions in the standard. For leases, which had previously been classified as operating leases under the principles of IAS 17 Leases, the lease liability upon adoption of IFRS 16 is measured as the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 January 2019.

The Group's incremental borrowing rate applied to the lease liabilities as of 31.12 2019 was 6%.

The associated right-of use assets were measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet at 31 December 2018. For leases previously classified as financial leases under IAS 17, the carrying amount of the right-of-use asset and the lease liability at the date of initial application of IFRS 16 (1 January 2019) is the carrying amount of the lease asset and lease liability immediately before that date (31 December 2018), measured in accordance with IAS 17.

In applying IFRS 16 for the first time, the Group has used the following practical expedients as permitted by IFRS 16:
The accounting for operating leases with a remaining lease term of less than 12 months as at 1 January 2019 as short-term leases and the exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application. The Group has also elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date the Group relied on its assessment made when applying IAS 17 and IFRIC 4 Determining whether an Arrangement contains a Lease. The reclassifications and adjustments arising from the new leasing rules are recognised in the 1 January 2019 opening balance sheet.

IFRS 16 Transition Table

Lease liability	
Operating lease commitment 31.December, as disclosed in the Groups consolidated fincancial statements	501 000
Discounted using the incremental borrowing rate 1. January 2019	443 692
Recognition exceptions for	
Short-term leases and leases of low-value assets	(18 306)
Lease liability recognised at 1. January 2019	**425 386**
New lease liabilities recognised in the year	3 659 783
Cash payments for the principal portion of the lease liability	(222 946)
Interest expense on lease liabilities	26 948
Total lease liabilities at 31. December.2019	**3 889 170**
Current lease liability	413 501
Non-current lease liability	3 475 669
Total cash outflow for leases	222 946

Right of use asset	
At initial recognition 1.January 2019	425 386
Lease liability recognised at 1. January 2019	**425 386**
Additions, new lease liabilities	3 659 783
Depretiation charge	(262 715)
Total right to use asset at 31. December 2019	**3 822 453**

Maturity analysis - Contractual undiscounted cash flows	2019	2018
Total leasing payments first 12 months*	485 771	209 304
Total leasing payments 2-5 years*	3 145 035	282 120
Total leasing payments more than 5 years*	13 834 801	9 576
Total minimum lease payments	17 465 607	501 000

* Including 11,1 mUSD in payments related to lease agreements commencing in 2020

17 **Loans from related parties**

The Group has in May of 2019 obtained a convertible loan of 3 MUSD from LGT Global Invest Limited. The loan agreement containes a clause of mandatory conversion in the event of a qualifying equity raise by the Group. Conversion price in the agreement is equal to the volume-weighted average price obtained in the qualifying equity raise less 30%.

The loan is in the Group financial statements recognised at fair value through profit or loss.
Fair value of the loan is calculated as the fair value of the shares that the Group will issue to settle the loan as of 31.12.2019. The recognised value will be based on the expected probability of the Group obtaining a qualifying equity raise. As of 31.12.2019 this is considered probable.

	2019	2018
- Loan from LGT Global Invest Limited		
Principal amount USD	3 000 000	-
Accrued interest USD	196 000	-
Fair value adjustment	1 027 286	-
Total NOK	**4 223 286**	**-**

Kalera AS management has no material ownership nor a controlling interest in any entity that trades with the Group.

18 **Shareholders**

Top 20 shareholders as of 31.12.19 was

	Shares	% Ownership
LGT Global Invest Limited	10 472 772	15,30 %
Ruth Ivanescu	7 198 746	10,52 %
Cristian Toma	5 347 412	7,81 %
Convexa AS	5 216 177	7,62 %
Chloe Ivanescu	4 749 214	6,94 %
UFI AS	3 791 345	5,54 %
Canica AS	3 424 155	5,00 %
Macama AS	3 137 474	4,58 %
Larsen Oil & Gas	2 062 073	3,01 %
Robert Ramsey	2 000 000	2,92 %
LANI Invest AS	1 798 702	2,63 %
Hans-Rune Wahlstrom	1 189 286	1,74 %
Jean-Sébastien Jacquetin	1 189 286	1,74 %
R.W. Vine	1 122 686	1,64 %
Weiliang Gong	954 600	1,39 %
Werner Lutze	954 600	1,39 %
Ian Pegg	954 600	1,39 %
Rolin Inc.	917 500	1,34 %
GLS Real Estate AS	804 249	1,18 %
KB Gruppen Kongsvinger AS	800 000	1,17 %
Other Shareholders	10 348 601	15,12 %
Total Outstanding Kalera AS Shares	68 433 478	100 %

Shares owned/controlled by members of the Board and senior management as of 31 December 2019

Shareholder	Postition	Shares	% Ownership
Bjørge Andre Gretland (Convexa AS)	Board chairman	5 216 177	7,62 %
Cristian Toma	Board member	5 347 412	7,81 %
Øystein Arnulf Landvik (UFI AS)	Board member	3 791 345	5,54 %
Erik Sauar (Sauar Invest AS)	Board member	650 000	0,95 %
Totals		15 004 934	21,93 %

19 **Events after the reporting period**

The group has in April 2020 secured further equity financing of approx. 15 MUSD and convertible loan recognised in the balance sheet as of 31.12.2019 has been converted in full. In April 2020, Kalera announced that it will open a new state-of-the art growing facility in Atlanta, Georgia in early 2021

During the spring of 2020, Covid-19 has had implications for the food industry. Some of Kalera's key customers such as US Foods, FreshPoint and Levy are predominantly distributors to the foodservice segment, and sales through these channels have been negatively impacted by the temporary shutdowns. On a positive note, Kalera recently started selling its produce to retailers like Publix - the largest grocery chain in Florida - offsetting some of the negative demand effects from the foodservice segment. In addition, on 17 April the company received a forgivable loan of USD 328' under the PPP stimulus package for SMEs following the COVID-19 outbreak.

Kalera AS
Income statement
Expressed in NOK

	Note	2019	2018
Payroll expenses	6	1 581 230	1 524 180
Other operating expenses	6,7	1 289 382	1 181 490
Total expenses		**2 870 612**	**2 705 670**
Operating result		**-2 870 612**	**-2 705 670**
Financial Income and Expenses			
Currency gains and losses		155 940	6 003 965
Other financial income	10	4 724 091	2 393 474
Other interest expenses	10	1 721 859	-
Net financial income and expenses		**3 158 171**	**8 397 439**
Ordinary result before tax		**287 559**	**5 691 769**
Income tax expense	4	-	-
Net result for the year		**287 559**	**5 691 769**

Kalera AS
Statement of financial position
Expressed in NOK

	Note	2019	2018
ASSETS			
Financial fixed assets			
Investments in subsidiaries	1	1 010 893	1 010 893
Loans to group companies	9	194 418 485	93 171 642
Total financial fixed assets		**195 429 378**	**94 182 535**
Cash and bank deposits	5	18 526 837	16 948 422
Loans to group companies	9	-	6 370 911
Total current assets		**18 526 837**	**23 319 333**
Total assets		**213 956 215**	**117 501 868**
EQUITY AND LIABILITIES			
Paid in Capital			
Share capital	2, 3	684 335	536 732
Share premium reserve	2, 3	184 761 718	116 770 004
Total paid in capital		**185 446 053**	**117 306 736**
Retained earnings			
Other equity	3	390 992	103 433
Total retained earnings		**390 992**	**103 433**
Total equity		**185 837 045**	**117 410 169**
Liabilities			
Current liabilities			
Convertible loans	8	28 061 839	-
Trade creditors		16 227	6 519
Public duties payable		41 104	85 180
Total current liabilities		**28 119 170**	**91 699**
Total liabilities		**28 119 170**	**91 699**
Total Equity and liabilities		**213 956 215**	**117 501 868**

27 May 2020

Bjørge Gretland
Chairman of the Board

Daniel Adam Malechuk
CEO

Øystein A. Landvik
Member of the Board

Erik Sauar
Member of the Board

Cristian E. Toma
Member of the Board

Sakip-Umur Hürsever
Member of the Board

Nigel Charles Mccleave
Member of the Board

Kalera AS

Statement of cash flows

Expressed in NOK	Note	Year ended 31 December 2019	2018
Cash flows from operating activities			
Profit before income tax		287 559	5 691 769
Adjustments for:			
- Trade and other payables		-34 368	-354 210
- Trade and other receivables		-	-63 565
- Net accrued interests, not paid		-2 991 194	-2 377 040
- Currency effects		-155 940	-6 003 965
Net cash generated from operating activities		-2 893 943	-3 107 012
Cash flows from investing activities			
Acquisition of subsidiary, net of cash acquired	1	-	-
Purchase of property, plant and equipment			
Purchase of intangible assets			
Investments in subsidiary		-	-
Net cash used in investing activities		-	-
Cash from financing activities			
Proceed from issuance of shares	3	68 139 317	-
Net borrowings to group companies	9	-90 163 799	-36 135 137
Proceeds from other borrowings	8	26 496 840	-
Net cash used in financing activities		4 472 358	-36 135 137
Net change in cash and cash equivalents		1 578 415	-39 242 149
Cash at the beginning of the period		16 948 422	56 190 571
Exchange gains/losses on cash and cash equivalents			
Cash and cash equivalents at end of year		18 526 837	16 948 422

Accounting principles

The annual accounts have been prepared in compliance with the Accounting Act and accounting principles for small companies generally accepted in Norway.
The financial statements are presented in Norwegian kroners (NOK).

Classification of balance sheet items
Assets intended for long term ownership or use have been classified as fixed assets. Assets relating to the trading cycle have been classified as current assets. Other receivables are classified as current assets if they are to be repaid within one year after the transaction date. Similar criteria apply to liabilities. First year's installment on long term liabilities and long term receivables are, however, not classified as short term liabilities and current assets.

General principle for assessment of balances
Assets are booked at the lowest of cost and fair value.

Investments in other companies
The cost method is applied to investments in other companies. The cost price is increased when funds are added through capital increases or when group contributions are made to subsidiaries. Dividends received are initially taken to income. Dividends exceeding the portion of retained equity after the purchase are reflected as a reduction in purchase cost. Dividend/group contribution from subsidiaries are reflected in the same year as the subsidiary makes a provision for the amount. Dividend from other companies are reflected as financial income when it has been approved.

Impairment tests are carried out if there is indication that the carrying amount of an investment exceeds the estimated recoverable amount.

Liabilities
Liabilities, with the exception of borrowings, are recognized in the balance sheet at nominal amount. Borrowings are recognized at amortized cost.

Foreign currencies
Assets and liabilities in foreign currencies are valued at the exchange rate on the balance sheet date. Exchange gains and losses relating to sales and purchases in foreign currencies are recognized as operating income and cost of goods sold.

Tax
The tax charge in the income statement includes both payable taxes for the period and changes in deferred tax. Deferred tax is calculated at relevant tax rates on the basis of the temporary differences which exist between accounting and tax values, and any carry forward losses for tax purposes at the year-end. Deferred tax asset is not disclosed in the balance.

Note 1 Subsidiaries

	Office	Ownership	Equity 31.12	Booked value
Subsidiary				
Kalera Inc.	Orlando, Florida	100,0 %	-109 486 987	977 105
Iveron Materials Inc.	Orlando, Florida	100,0 %	-3 420 225	33 788
Sum				**1 010 893**

In June 2016 the Board of Kalera Inc decided to spin out the geoploymer business. In order to effect the spin out of the Geopolymer Concrete business, Iveron Materials Inc (which is a US corporation owned 100 % by Kalera AS) purchased and Kalera Inc sold certain assets in exchange for a promissory note payable to Kalera Inc as full consideration for the balance sheet entry for the assets.

Note 2 Share capital

Share capital and premium in NOK

	Number of shares	Ordinary shares	Share face value	Share premium	Total
At 1 January 2019	**53 673 188**	**53 673 188**			**117 306 736**
Share issue	10 461 962	10 461 962	0,1000	3,84	40 065 108
Share issue	4 098 328	4 098 328	0,1000	6,81	26 695 364
Share issue	200 000	200 000	0,1000	6,88	1 378 845
At 31 December 2019	**68 433 478**	**68 433 478**			**185 446 053**

Shareholders

Shareholder	**Shares**	**% Ownership**
LGT Global Invest Limited	10 472 772	15,3 %
Ruth Ivanescu	7 198 746	10,5 %
Cristian Toma	5 347 412	7,8 %
Convexa AS	5 216 177	7,6 %
Chloe Ivanescu	4 749 214	6,9 %
UFI AS	3 791 345	5,5 %
Canica AS	3 424 155	5,0 %
Macama AS	3 137 474	4,6 %
Larsen Oil & Gas	2 062 073	3,0 %
Robert Ramsey	2 000 000	2,9 %
LANI Invest AS	1 798 702	2,6 %
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Jean-Sébastien Jacquetin	1 189 286	1,7 %
R.W. Vine	1 122 686	1,6 %
Weiliang Gong	954 600	1,4 %
Werner Lutze	954 600	1,4 %
Ian Pegg	954 600	1,4 %
Rolin Inc.	917 500	1,3 %
GLS Real Estate AS	804 249	1,2 %
KB Gruppen Kongsvinger AS	800 000	1,2 %
Other Shareholders	10 348 601	15,1 %
Total Outstanding Kalera AS Shares	68 433 478	100,0 %

Shares owned/controlled by members of the Board and senior management as of 31 December 2018

Shareholder	**Postition**	**Shares**	**% Ownership**
Cristian Toma	Board member	5 347 412	7,81 %
Bjørge Andre Gretland (Convexa AS)	Board chairman	5 216 177	7,62 %
Øystein Arnulf Landvik (UFI AS)	Board member	3 791 345	5,54 %
Erik Sauar (Sauar Invest AS)	Board member	650 000	0,95 %
Totals		15 004 934	21,93 %

Note 3 Equity

	Share capital	Share premium reserve	Other equity	Total
Equity 31 December 2018	**536 732**	**116 770 004**	**103 433**	**117 410 169**
Share issue*	104 620	39 960 488		40 065 108
Share issue*	40 983	26 654 381		26 695 364
Share issue*	2 000	1 376 845		1 378 845
Result of the year			287 559	287 559
Equity 31 December 2019	**684 335**	**184 761 718**	**390 992**	**185 837 045**

* Net of transaction cots

Note 4 Tax

Calculation of deferred tax asset	**2019**	**2018**
Temporary differences	-	-
Net temporary differences	10 190 033	9 990 207
Loss carried forward	-16 210 662	-14 872 153
Reduction for costs related to incorporation booked towards equity	-	-
Basis for deferred tax	**-6 020 629**	**-4 881 946**
Deferred tax	-1 324 538	-1 074 028
Hereof not disclosed in the balance	1 324 538	1 074 028
Deferred tax in the balance	**-**	**-**
Deferred tax asset not in the balance	**1 324 538**	**1 074 028**

Note 5 Cash and bank deposits.

The company has cash holdings at the end of the year of 18 526 837 kr.
Of this restricted cash amounts to 59 290 kr.

Note 6 Payroll etc.

	2019	**2018**
The Company has no employees		
Remuneration for the board of directors	1 385 828	1 335 828
Social security tax	195 402	188 352
Other payroll cost	-	-
Total	**1 581 230**	**1 524 180**

Auditors fee	**2019**	**2018**
Audit fee	275 000	375 000
Fee for other services	125 000	31 250
Total	400 000	406 250

Note 7 Other expenses

	2019	**2018**
Other expenses (auditor fee, legal fee, office rent, travel expenses)	1 289 382	1 315 874
Total	**1 289 382**	**1 315 874**

Note 8 Convertible loans

The Group's primary source of financing is equity. In May 2019 the group raised USD 3 million in a convertible loan from LGT Global Investments Limited. In April of 2020 the loan including accumulated interests was converted to equity on line with the Convertible loan agreement.

	2019	2018
Debentures and other loans principal amount	26 340 900	-
Accrued interest	1 720 939	-
Total borrowings	**28 061 839**	**-**

For more information refer to note 16 in the group financial statements.

Note 9 Loan to subsidiary

	2019	2018
Loan to Kalera Inc	174 218 472	84 190 934
Accrued interest	10 009 980	5 297 847
Unrealized currency effects	10 190 033	9 990 207
Total	**194 418 485**	**99 478 988**

Note 10 Financial income and expense

	2019	2018
Interest expense convertible loan	1 720 939	-
Interest income loans to subsidiary	4 712 133	2 377 040
Other fiancial income or expense	166 977	6 020 399
Net financial income and expense	**3 158 171**	**8 397 439**

Note 11 Subsequent events

Refer to note 19 in the Group's financial statements.

APPENDIX C

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF KALERA AS AS OF AND FOR THE YEAR ENDED 31 DECEMBER 2018

KALERA

Group accounts 2018

Contents

Kalera
Board of Directors Report 2018

Nature of Business and Localization
Kalera AS develops, builds, and operates High-Precision Clean-Room Hydroponic Food Production systems. The company's headquarters are in Oslo (holding company) whereas the operating entity is located in Orlando, Florida.

Hydroponics

Kalera AS ("Kalera") is a leader in urban food production technology systems. Kalera has developed a patent-pending technology platform to produce best quality, cleaner than organic greens such as lettuces, herbs, and microgreens, cost efficiently in indoor, vertical and space-efficient production facilities. Focus is on production of the best quality vegetables at lowest cost.

Kalera´s disruptive proven and perfected technology utilizes "semiconductor based" clean room technology, advanced plant science (optimized nutrition uptake/mix) and leading IoT, big data and AI solutions.

Kalera's data-driven, high-tech vertical hydroponic system combines semiconductor industry-inspired environment control techniques with plant science to create perfect growing conditions resulting in produce with superior nutritional value, crispiness, consistency, and vibrancy. With high consumer demand for clean foods and farm-to-table local sourcing, Kalera's urban vertical hydroponic system takes it to the highest possible freshness and purity by growing greens hydroponically close to where the demand is.

Kalera's innovative production method – involving IoT-based automation and "big data" analytics for precise control of air and water quality, temperature and humidity, light, and nutrients – allows for a steady yield of crisp, flavorful, and nutritious produce without seasonal and regional limitations.

In Kalera's highly controlled environment, produce coming from organic, non-GMO seeds grows contamination-free without the use of harmful pesticides, insecticides or fungicides. By eliminating outside climate factors this scientific approach results in high-yields and grow cycle reduction, without any seasonal restrictions on the offered product. When compared to traditional farming, Kalera's system consumes up to 90% less water.

Kalera has several operating hydroponic facilities in Orlando, Florida. In 2018, Kalera built and started to operate its first on-site hotel hydroponic system – the HyCube™ at Marriott Orlando World Center. The HyCube has a very high marketing value due to its modern visual appearance, and supplies the hotel with fresh, on-site grown greens that can be plated within hours of harvesting.

While in 2018 Kalera's marketing has focused on the Hospitality Food Services market segment, the company has developed and has started to implement a strategy for rapid production capacity expansion based on installing and operating *automated large-scale production facilities* for high volume production. The expanded production capacity allows Kalera to expand its customer base to larger accounts such as grocery chains, distributors, exporters, and contract food service companies. At the same time, the company will continue to deploy smaller footprint on-site HyCubes at high-end hotels in order to create and boost Kalera brand awareness in target metropolitan areas.

Going Concern
The Board of Directors confirms that the financial statements are prepared under the assumption that there is no issue of going concern for the group.

Report on the Financial Statement and the Proposed Appropriation of Profits
Total revenues were USD 46 217 and total operating expenses were USD 3 506 116 in 2018. Total comprehensive income for the year was USD - 3 579 353. The Board states that the annual accounts represent a true and fair view on the Company's financial position at the turn of the year. The company´s solvency and liquidity position is satisfactory. The company has concluded private placements of stock over the last 6 months.

The company is continuously engaged in product development.

Working Environment and Gender Equality
The working environment is considered healthy, something which is reflected in the recorded sick leave. Total sick leave during the year was 56 days, which represents approximately 1% of the total working days per year. There have not been specific measures taken to improve the working environment in 2018. No injuries or accidents have been reported.

The company's personnel policy is deemed to be gender neutral in all areas. There has not been any feedback that would indicate that employees consider the company's personnel policy to be discriminatory.

The External Environment
The company's activities have a very limited impact on the environment.

11 June 2018

Bjørge Gretland
Chairman of the Board

Cristian E. Toma
Member of the Board

Øystein A. Landvik
Member of the Board

Erik Sauar
Member of the Board

Sakip-Umur Hürsever
Member of the Board

To the General Meeting of Kalera AS

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Kalera AS, which comprise:

- The financial statements of the parent company Kalera AS (the Company), which comprise the balance sheet as at 31 December 2018, the income statement, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- The consolidated financial statements of Kalera AS and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2018, the income statement, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion:

- The financial statements are prepared in accordance with the law and regulations.
- The accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2018, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.
- The accompanying consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2018, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Basis for Opinion

We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by laws and regulations, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information. The other information comprises information in the annual report, except the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director (Management) are responsible for the preparation in accordance with law and regulations, including fair presentation of the financial statements in accordance with International Financial Reporting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to https://revisorforeningen.no/revisjonsberetninger

Report on Other Legal and Regulatory Requirements

Opinion on the Board of Directors' report

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors' report concerning the financial statements, the going concern assumption and the proposed allocation of the result is consistent with the financial statements and complies with the law and regulations.

Opinion on Registration and Documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements *(ISAE) 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, it is our opinion that management has fulfilled its duty to produce a proper and clearly set out registration and documentation of the Company's accounting information in accordance with the law and bookkeeping standards and practices generally accepted in Norway.

Oslo, 11 June 2019
PricewaterhouseCoopers AS

Geir Haglund
State Authorised Public Accountant

Consolidated income statement and other comprehensive income

Expressed in USD		Year ended 31 December	
Continuing operations	Note	2018	2017
Revenue		46 217	-
Total revenue		46 217	-
Raw materials and consumables used		2 176	-
Employee benefit expense	6	1 560 800	1 015 307
Depreciation and amortization expense	11, 12	99 064	47 035
Other expenses	14	1 440 919	859 095
Other gains and losses	8	-403 156	-44 783
Operating profit		-3 459 899	-1 966 221
Finance income	7	4 842	6 984
Finance costs	7	-	79 041
Finance costs - net		4 842	-72 057
Share of profit of associates		-50 098	-11 788
Profit/loss before income tax		-3 505 155	-2 050 066
Income tax expense	9	-	-
Profit/loss from the year from continuing operations		-3 505 155	-2 050 066
Profit of the year for discontinued operations		-	-
Profit/loss for the year		-3 505 155	-2 050 066
Profit attributable to:			
- Owners of the parent		-3 505 155	-2 050 066
Profit/loss for the year		-3 505 155	-2 050 066
Other comprehensive income:			
Currency translation differences	10	-74 198	80 367
Other comprehensive income for the year, net of tax		-74 198	80 367
Total comprehensive income for the year		-3 579 353	-1 969 698
Attributable to:			
- Owners of the parent		-3 579 353	-1 969 698
- Non-controlling interests		-	-
Total comprehensive income for the year		-3 579 353	-1 969 698

Consolidated statement of financial position

Expressed in USD

	Note	As at 31 December 2018	2017
Assets			
Non-current assets			
Property, plant and equipment	11	2 543 021	1 665 081
Intangible assets	12	685 732	685 732
Investments in associates		37 932	88 212
Trade and other receivables		337 388	91 866
		3 604 073	2 530 890
Current assets			
Trade and other receivables		16 316	1 810
Employee loans		124 719	380 874
Cash and cash equivalents including bank overdrafts	13	2 049 700	6 893 550
		2 190 735	7 276 234
Total assets		5 794 809	9 807 125
Equity and liabilities			
Equity attributable to owners of the parent			
Share capital	15	81 357	75 097
Share premium	15	14 178 644	9 285 395
Share capital not yet registered	15	-	4 899 509
Other reserves		-9 039 145	-5 459 793
Total equity		5 220 856	8 800 208
Liabilities			
Non-current liabilities			
Borrowings		41 963	49 641
		41 963	49 641
Current liabilities			
Trade and other payables		34 951	84 440
Accrued liabilities		487 235	862 454
Provision for other liabilities and charges		9 804	10 381
Total liabilities		573 953	1 006 917
Total equity and liabilities		5 794 809	9 807 125

The notes 1 - 20 are an integrated part of these consolidated financial statements.

11 June 2019

Bjørge Gretland
Chairman of the Board

Øystein A. Landvik
Member of the Board

Cristian E. Toma
CEO / Member of the Board

Erik Sauar
Member of the Board

Sakip-Umur Hürsever
Member of the Board

Consolidated statement of changes in equity
Expressed in USD

	Note	Share capital	Share Premium	Other Reserves	Total	Total equity
Opening balance as at 1 January 2017		67 185	3 799 571	-4 231 225	**-364 470**	**-364 468**
Issue of shares	15	7 912	5 485 824	-	5 493 736	5 493 736
Issue of shares, not yet registered				4 899 508	4 899 508	4 899 508
Accounting effect embedded derivative debt instruments	8			741 130	741 130	741 130
Total comprehensive income for the year		-	-	-1 969 698	-1 969 698	-1 969 698
Balance as at 31 December 2017		**75 096**	**9 285 395**	**-560 285**	**8 800 205**	**8 800 208**
Opening balance as at 1 January 2018		75 096	9 285 395	-560 285	8 800 205	8 800 208
Registration of shares issued in 2017		6 261	4 893 248	-4 899 508	-	-
Total comprehensive income for the year		-	-	-3 579 353	-3 579 353	-3 579 353
Balance as at 31 December 2018		**81 357**	**14 178 644**	**-9 039 146**	**5 220 853**	**5 220 856**

Consolidated statement of cash flows

Expressed in USD	Note	Year ended 31 December 2018	2017
Cash flows from operating activities			
Profit before income tax		-3 505 155	-2 050 066
Adjustments for:			
- Depreciations	11	99 064	47 035
- Finance costs - net accrued	7	-	72 057
- Trade and other receivables		-382	-78 237
- Trade and other payables		-462 651	-2 732
- Net loss on operating assets		403 156	44 783
- Net share of profit and loss from associates		50 098	11 788
Net cash generated from operating activities		-3 415 869	-1 955 372
Cash flows from investing activities			
Purchase of property, plant and equipment	11	-1 216 739	-1 195 465
Purchase of intangible assets	12	-	-
Purchase of shares in associate		-	-100 000
Net cash generated from investing activities		-1 216 739	-1 295 465
Cash flows from financing activities			
Proceed from issuance of shares	15	-	8 503 579
Proceeds from borrowings		-	49 641
Repayment of loans		-7 678	-
Net cash generated from financing activities		-7 678	8 553 221
Net change in cash and cash equivalents		-4 640 287	5 302 382
Cash at the beginning of the period	13	6 893 550	1 456 734
Exchange gains/losses on cash and cash equivalents		-203 563	134 434
Cash and cash equivalents at end of year	13	2 049 700	6 893 550

1 **General information**

Kalera AS ("the Company") and its subsidiaries (together, "the Group") develop technologies and conducts operations related to hydroponic food production. In addition the company holds a license to patented technology related to geopolymer concrete. The company has two subsidiaries: Kalera Inc and Iveron Materials Inc.

The Group has operating hydroponic plants in Florida and is planning to build new plants in Florida and elsewhere.

The Company is a private limited liability company incorporated and domiciled in Norway. The address of its registered office is Tjuvholmen allé 19, 0252 OSLO.

2 **Summary of significant accounting principles**

2.1 **Basis for preparation**

The consolidated financial statements of Kalera AS have been prepared in accordance with International Financial Reporting Standards and IFRIC interpretations as adopted by the European Union (EU). The consolidated financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 4.

The consolidated financial statements have been prepared on a going concern basis.

All financial numbers in the notes are presented in USD.

2.2 **Basis of Consolidation**

The Consolidated Financial Statements include the parent company Kalera AS and its subsidiaries Kalera Inc and Iveron Materials Inc. Subsidiaries are all entities over which the Group has the power to control the financial and operating policies.

All transactions and balances between Group companies are eliminated on consolidation, including unrealized gains and losses on transactions between Group companies.

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest’s proportionate share of the recognised amounts of acquiree’s identifiable net assets.

2.3 **Segment reporting**

The Group is not obliged to report segment information under IFRS 8. Information on business areas are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker.

2.4 **Foreign currency translation**

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in US Dollars (USD).

The functional currency of Kalera AS is Norwegian Kroner (NOK).
The functional currency of Kalera Inc is US Dollars (USD).
The functional currency of Iveron Materials Inc is US Dollars (USD)

Transactions and balances

Foreign currency transactions are translated into the presentation currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement. Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the income statement within 'finance income or costs'.

Group companies

The results and financial position of all the Group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(a) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;

(b) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and

(c) all resulting exchange differences are recognized in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognized in other comprehensive income.

2.5 **Property, plant and equipment**

All property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives, as follows:

- Furniture, fittings and equipment 7 years
- Hydroponic systems: 15 years
- Vehicles: 6 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 2.7).

2.6 **Intangible assets**

(a) Goodwill

Goodwill arises on the acquisition of businesses and represents the excess of the consideration transferred over Kalera Inc's interest in net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the CGUs, or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs to sell. Any impairment is recognized immediately as an expense and is not subsequently reversed.

(b) Licenses

Separately acquired licenses are shown at historical cost. Licenses acquired in a business combination are recognized at fair value at the acquisition date. Licenses have a finite useful life and are carried at cost less accumulated amortization. Amortization is calculated using the straight-line method to allocate the cost of licenses over their estimated useful lives of spanning the life of the patent that the licenses grant access to.

2.7 Impairment of non-financial assets

Intangible assets that have an indefinite useful life – for example, goodwill or intangible assets not ready to use – are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

2.8 Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks and bank overdrafts.

2.9 Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Trade receivables are classified as current assets if settlement is due within one year or less. If not, they are presented as non-current assets.

2.10 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new ordinary shares or other equity instruments are shown in equity as a deduction, net of tax, from the proceeds.

2.11 Trade Payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

2.12 Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortized cost. Any difference between the initial measurement and the principal value is recognized in the income statement over the period of the borrowings using the effective interest method.

2.13 Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

2.14 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognized in the income statement, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognized, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

2.15 Leases

Leases of property, plant and equipment where the group, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other short-term and long-term payables.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

2.16 Employee benefits

Liabilities for wages and salaries, including non-monetary benefits and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

2.17 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties.

The group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the group's activities as described below. The group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement

2.18 Changes in accounting policies

The group has applied the following standards and amendments for the first time for their annual reporting period commencing 1 January 2018:
- IFRS 9 Financial Instruments
- IFRS 15 Revenue from Contracts with Customers

The amendments listed above did not have any impact on the amounts recognised in prior periods, but are however expected to significantly affect the current or future periods.

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2018 reporting periods and have not been early adopted by the group. The group's assessment of the impact of these new standards and interpretations is set out below

IFRS 16 was issued in January 2016. It will result in almost all leases being recognised on the balance sheet by lessees, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases. The group will apply the standard from its mandatory adoption date of 1 January 2019. The group intends to apply the simplified transition approach and will not restate comparative amounts for the year prior to first adoption. Right-of-use assets for property leases will be measured on transition as if the new rules had always been applied. All other right-of-use assets will be measured at the amount of the lease liability on adoption (adjusted for any prepaid or accrued lease expenses)

The Group does not expect a material effect from the implementation of these new standards and amendments to standards on the consolidated statements.
There are no other IFRS standards or IFRIC interpretations that have not yet come into effect that are expected to have a significant impact on the Group's consolidated financial statements.

3 **Financial risk management**

3.1 The Group's activities expose it to a variety of financial risks: market risk (foreign exchange and interest risks) and liquidity risk. The Group seeks to minimize potential adverse effects on the Group's financial performance.

(a) Market risk

Foreign exchange risk

The Group has funds in Norwegian kroners, which is subject to foreign currency translation risk in the financial statements.

Interest risk

The Group is currently not exposed to market risk in relation to interest rates on borrowings. However in the event of re-financing the market interest rates would constitute a risk for the Group. See also note 16 for information on current borrowings.

(b) Liquidity risk

Cash flow forecasting is performed in the Group. The Group monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs. Such forecasting takes into consideration the Group's debt financing plans and covenant compliance. The Group is in need of additional funding for maintaining an assumption of going concern.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

At 31 December 2018	Less than one year
Borrowings	-
Trade and other payables	531 989

At 31 December 2018, if the currency had weakened/strengthened by 10 % against the Norwegian krone with all other variables held constant, the recalculated profit for the year would have been USD - 3 894 616 / - 3 186 504

3.2 Capital Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to adjust the capital structure, the Group may issue new shares.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the consolidated balance sheet plus net debt.

During 2018 the Group's strategy, was to obtain funding, either as equity or foreign capital. The gearing ratio at 31 December was as follows:

	2018	**2017**
Total borrowings	573 953	1 006 917
Less: cash and cash equivalents	-2 049 700	-6 893 550
Net debt	-1 475 747	-5 886 633
Total Equity	5 239 158	8 800 208
Total capital	3 763 411	2 913 575
Gearing ratio	-39 %	-202 %

4 **Critical accounting estimates and judgments**

Estimates and judgments are continually evaluated and are for 2018 based on expectations of future events that are believed to be reasonable under the circumstances.

4.1 **Critical accounting estimates and assumptions**

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(a) Other gains and losses

The Group has recognised impairment losses related to investments made in projects and assets that has been discontinued.

(b) Estimated impairment of goodwill and intangibles

The group tests annually whether goodwill or other intangibles has suffered any impairment, in accordance with the accounting policy stated in note 2.6. The recoverable amounts of cash-generating units have been determined based on fair value less costs of disposal. See also note 12 for further considerations.

4.2 **Critical judgments in applying the entity's accounting policies**

There are no current critical judgements applied in the group financial statements.

5 **Business area information**

Management considers the business from both a geographic and products perspective. Management will use the following business areas for the purposes of allocating resources and assessing performance: Geopolymer and Hydroponics in Norway and US.

Assets and liabilities

	Year ended 31 December 2018				
	Net assets	Tangible assets	Intangible assets	Other assets	Liabilities
Norway	1 940 119	-	-	1 950 673	-10 554
US	3 280 738	2 543 021	723 665	577 451	-563 399

	Year ended 31 December 2017				
	Net assets	Tangible assets	Intangible assets	Other assets	Liabilities
Norway	6 793 987	-	-	6 848 333	-54 346
US	2 006 221	1 665 081	773 944	519 767	-952 571

6 **Employee benefit expense**

	2018	**2017**
Wages and salaries	1 404 287	919 670
Social security costs	126 612	72 657
Other remuneration	29 902	22 980
Total	1 560 800	1 015 307

	CEO per year	Board
Salary terms	170 000	164 232
Other benefits	7 200	-
Total	177 200	164 232

The Group has 21 employees per 31.12.18.

The Group has not established pension plans for it's employees. The Group has no employees in locations where it's obligatory to establish such plans.

The Group has established a stock option plan. However, no options have been granted yet.

As per 31.12.2018 the Group has outstandig 124 719 USD in loans to employees that also are shareholders. Of this, 119 217 USD is loans to CEO.

The loans are interest bearing at the applicable monthly AFR (Applicable Federal Rates) established by US IRS.

7 Finance income and costs

	2018	2017
Interest expense:		
- Borrowings	-	-79 041
Finance costs	-	-79 041
Finance income		
- Interest income on short term bank deposits	4 842	6 984
Finance income	4 842	6 984
Net finance	4 842	-72 057

8 Other gains and losses

The group has in 2018 recognized losses of 273 534 USD related to investments in projects under development that the Group has chosen not to proceed with as of December 31 2018. The remaining other losses of 129 622 USD are related to fulfillment of contractual obligations for construction of non-revenue generating assets.

9 Income tax expense

For the year ended 31 December 2018 there is nil taxable income, and thus no tax expense.
Accumulated loss carried forward is USD 10 274 720.

Deferred tax assets are recognized in the statement of financial position based on expected utilization of tax losses carried forward and temporarily differences. The calculated deferred tax assets are not booked in the position of financial statement, but will be booked when the Group comes into tax position. This has no consequences on the future utilization of the tax benefits in the years to come.

Taxes

Deferred taxes	2018	2017
Temporary differences		
Fixed assets	-	-
Tax loss carried forward Norway	-1 711 705	-1 777 965
Tax loss carried forward US	-8 563 014	-5 129 745
Temporary differences, in total	**-10 274 720**	**-6 907 710**
Deferred tax assets	**-2 174 808**	**-2 204 343**
Not recognized deferred tax asset	2 174 808	2 204 343
Profit and loss before taxes	-3 505 155	-2 050 066
Tax rate Norway	22,00 %	23,00 %
Tax rate US	21,00 %	35,00 %

10 Foreign currency translation

The group is exposed to currency translation differences due to the functional currency of NOK in the parent company, ref. note 2.4

The following currency translation differences has been recognized in other comprehensive income

	2018	2017
Translation of intercompany balances	-44 675	-40 331
Other translation differences	-29 523	120 698
Total	**-74 198**	**80 367**

11 **Property, plant and equipment**

	Furniture, fittings and equipment	Hydroponic demo system	HyCube	Tradeport Production Facility	Vehicles	Total
Year ended 31 December 2017						
Opening net book amount	**60 943**	**311 331**	**144 377**	**-**	**-**	**516 651**
Additions	72 459	7 315	781 064	278 987	55 641	1 195 465
Depreciation charge	16 149	22 086	-	8 800		38 235
Closing net book amount	**117 253**	**296 560**	**925 441**	**270 187**	**55 641**	**413 813**
At 31 December 2017						
Cost or valuation	215 092	323 860	925 441	278 987	55 641	**1 799 020**
Accumulated depreciation	97 839	27 300	-	8 800		133 939
Net book amount	**117 253**	**296 560**	**925 441**	**270 187**	**55 641**	**1 665 081**
Year ended 31 December 2018						
Opening net book amount	**117 253**	**296 560**	**925 441**	**270 187**	**55 641**	**1 665 081**
Additions	79 096	-	1 027 412	144 801	-700	1 250 610
Disposals	-	-	273 607	-	-	273 607
Depreciation charge	25 577	22 368	21 192	22 427	7 500	99 063
Closing net book amount	**170 773**	**274 192**	**1 658 054**	**392 561**	**47 441**	**2 543 021**
At 31 December 2017						
Cost or valuation	294 188	323 860	1 679 246	423 788	54 941	2 776 023
Accumulated depreciation	123 416	49 668	21 192	31 227	7 500	233 002
Net book amount	**170 773**	**274 192**	**1 658 054**	**392 561**	**47 441**	**2 543 021**
Depreciation rate	7 years linear	15 years linear	15 years linear*	15 years linear*	6 years linear	

*Assets are depreciated when construction is finalized and is generating revenues

12 **Intangible assets**

	Licenses	Goodwill	Total
Year ended 31 December 2017			
Opening net book amount	530 035	155 697	685 732
Additions	-	-	-
Amortization and	-	-	-
Closing net book amount	**530 035**	**155 697**	**685 732**
Year ended 31 December 2017			
Cost or valuation	**530 035**	**155 697**	**685 732**
Accumulated amortization and impairment	-	-	-
Net book amount	**530 035**	**155 697**	**685 732**
Year ended 31 December 2017			
Opening net book amount	530 035	155 697	685 732
Additions	-	-	-
Amortization and impairment	-	-	-
Closing net book amount	**530 035**	**155 697**	**685 732**
Year ended 31 December 2017			
Cost or valuation	**530 035**	**155 697**	**685 732**
Accumulated amortization and impairment	-	-	-
Net book amount	**530 035**	**155 697**	**685 732**
Depreciation rate	10-20 years linear*	Not applicable	

*Depreciation of licenses to begin when income is generated from assets.

Licenses arise from payments to the Catholic University of America (CUA) for exclusive access to the necessary patents the Geopolymer business model builds upon. When patents are approved in respective jurisdictions and revenue is recognized by the Group, CUA will receive royalty payments.

Goodwill arises from the business combination where Kalera Inc is the acquiring company from an accounting perspective (reverse takeover). Kalera AS is the legal acquirer. The transaction took place 4 July 2013.

Annual impairment testing of goodwill is performed. The Group has issued shares during 2019 at prices well above book equity in the Group. Goodwill is therefore assessed not to be impaired.

13 **Cash and cash equivalents**

	2018	2017
Cash at bank and in hand	2 049 700	6 893 550
Total	2 049 700	6 893 550
Cash at bank include a restricted account for tax purposes amounting to	6 597	6 985

14 **Other expenses**

Expenses	**2018**	**2017**
Rental of premises	216 535	161 596
General administrative expenses	534 309	301 870
Research and development*	58 793	43 494
Travel expenses	78 044	56 684
Legal/consulting Services	553 238	295 452
Total	1 440 919	859 095

Auditor remuneration* recognised as costs	**2018**	**2017**
Audit	46 104	26 430
Other confirmations	-	-
Tax related services	-	-
Other Services	3 842	11 493
Total	49 946	37 922

* incl. VAT

15 **Share capital and premium**

	Number of shares	Ordinary shares	Share face value	Share premium	Total
At 1 January 2017	**41 873 666**	**41 873 666**			**3 866 756**
Share issue	1 100 000	1 100 000	0,0012	1,00	1 011 928
Share issue	2 100 000	2 100 000	0,0012	1,00	1 934 401
Share issue	500 000	500 000	0,0013	1,00	502 696
Share issue	155 000	155 000	0,0013	1,00	155 045
Share issue	2 699 522	2 699 522	0,0012	0,70	1 889 665
Share issue *	5 245 000	5 245 000	0,0012	1,00	4 899 509
Currency exchange differences					
At 31 December 2017	53 673 188	53 673 188			14 260 001

*(Not registered at Brønnøysund register as of 31.12.2017)

At 1 January 2018	**53 673 188**	**53 673 188**			**14 260 001**
At 31 December 2018	53 673 188	53 673 188			14 260 001

16 **Leasing**

Classification of leasing - Financial leasing and operational leasing

The group considers leasing agreements as financial leasing when the significant risks and benefits associated with the underlying leasing object is transferred to the company. Leasing agreements where the significant risks and benefits stays with the lessor, are defined as operational leasing.

Operational leasing - General description

In the Group, all significant leasing contracts that are considered operational, relates to properties. (land and building elements). Most leases are shorter that the leasing object's expected operational life time, but often contains a renewal option.

Operational leasing - Future minimum lease payments:	**2018**	**2017**
Total leasing payments first 12 months	209 304	209 304
Total leasing payments 2-5 years	282 120	574 107
Total leasing payments more than 5 years	9 576	11 172
Total minimum lease payments	501 000	794 583

Operational leasing - Payments recognised in the income statement	**2018**	**2017**
Lease payments - buildings	239 947	143 236
Lease payments - other assets	4 524	380

Rental of premises
The company has a rental agreement with its current landlord until March 2021, with an option to extend by 5 years.
The nominal value of future monthly payments for rental of premises, including option period, is USD 1 078 000.

17 **Related parties**

The Group is controlled by management, refer to note 19 for largest shareholders.
Other than employee loans, see note 6, there are no transactions with related parties during 2017.

Kalera AS management has no material ownership nor a controlling interest in any entity that trades with the Group.

18 **Shareholders**

Shareholder	Shares	% Ownership
LGT Global Invest Limited	6 000 000	11,18 %
Cristian Ivanescu	5 650 817	10,53 %
Cristian Toma	4 897 412	9,12 %
Convexa AS (Bjørge Gretland)	4 897 411	9,12 %
Chloe Ivanescu	4 749 214	8,85 %
Ruth Ivanescu	2 447 929	4,56 %
Larsen Oil & Gas	2 062 073	3,84 %
Canica AS	2 000 000	3,73 %
Robert Ramsey	2 000 000	3,73 %
UFI AS	1 931 812	3,60 %
Macama AS	1 721 474	3,21 %
Jean Sèbastien Jacquetin	1 189 286	2,22 %
Hans-Rune Wahlstrøm	1 189 286	2,22 %
R.W Vine	1 122 686	2,09 %
Weiliang Gong	954 600	1,78 %
Werner Lutze	954 600	1,78 %
Ian Pegg	954 600	1,78 %
Rolin Inc	917 500	1,71 %
KB Gruppen Kongsvinger AS	800 000	1,49 %
Robert L. Knechtel	660 714	1,23 %
EMT Invest AS	625 000	1,16 %
Other Shareholders	5 946 774	11,08 %
Total Outstanding Kalera AS Shares	53 673 188	100 %

Shares owned/controlled by members of the Board and senior management as of 31 December 2016

Shareholder	Postition	Shares	% Ownership
Cristian Toma	CEO / Board member	4 897 412	9,12 %
Bjørge Andre Gretland (Convexa AS)	Board chairman	4 897 411	9,12 %
Øystein Arnulf Landvik (UFI AS)	Board member	1 931 812	3,60 %
Erik Sauar (Sauar Invest AS)	Board member	500 000	0,93 %
Totals		12 226 635	22,78 %

19 **Events after the reporting period**

The group has secured further equity financing of approx. 4,7 MUSD and additonal 3 MUSD in convertible loans during 2019.

Kalera AS
Income statement
Expressed in NOK

	Note	2018	2017
Payroll expenses	6	1 524 180	1 421 294
Other operating expenses	6,7	1 181 490	1 315 874
Total expenses		**2 705 670**	**2 737 168**
Operating result		**-2 705 670**	**-2 737 168**
Financial Income and Expenses			
Currency gains and losses		6 003 965	-1 834 953
Other financial income	10	2 393 474	1 309 648
Other interest expenses	10	-	653 117
Net financial income and expenses		**8 397 439**	**-1 178 422**
Ordinary result before tax		**5 691 769**	**-3 915 590**
Income tax expense	4	-	-
Net loss for the year		**5 691 769**	**-3 915 590**

Kalera AS
Statement of financial position
Expressed in NOK

	Note	2018	2017
ASSETS			
Financial fixed assets			
Investments in subsidiaries	1	1 010 893	1 010 893
Loans to group companies	9	93 171 642	51 527 884
Total financial fixed assets		**94 182 535**	**52 538 777**
Cash and bank deposits	5	16 948 422	56 190 571
Loans to group companies	9	6 370 911	3 434 962
Total current assets		**23 319 333**	**59 625 533**
Total assets		**117 501 868**	**112 164 310**
EQUITY AND LIABILITIES			
Paid in Capital			
Share capital	2, 3	536 732	536 732
Share premium reserve	2, 3	116 770 004	116 770 004
Total paid in capital		**117 306 736**	**117 306 736**
Retained earnings			
Other equity	3	103 433	-5 588 336
Total retained earnings		**103 433**	**-5 588 336**
Total equity		**117 410 169**	**111 718 400**
Liabilities			
Current liabilities			
Convertible loans	8	-	-
Trade creditors		6 519	360 730
Public duties payable		85 180	85 180
Total current liabilities		**91 699**	**445 910**
Total liabilities		**91 699**	**445 910**
Total Equity and liabilities		**117 501 868**	**112 164 310**

11 June 2019

Bjørge Gretland
Chairman of the Board

Cristian E. Toma
CEO / Member of the Board

Øystein A. Landvik
Member of the Board

Erik Sauar
Member of the Board

Sakip-Umur Hürsever
Member of the Board

Kalera AS

Statement of cash flows

Expressed in NOK	Note	31 December 2018	2017
Cash flows from operating activities			
Profit before income tax		5 691 769	-3 915 590
Adjustments for:			
- Trade and other payables		-354 210	334 802
- Trade and other receivables		-63 565	-
- Net accrued interests, not paid		-2 377 040	-641 664
- Currency effects		-6 003 965	1 834 953
Net cash generated from operating activities		-3 107 012	-2 387 499
Cash flows from investing activities			
Investments in subsidiary		-	-
Net cash used in investing activities		-	-
Cash from financing activities			
Proceed from issuance of shares	3	-	65 808 908
Net borrowings to group companies	9	-36 135 137	-8 285 490
Net cash used in financing activities		-36 135 137	57 523 418
Net change in cash and cash equivalents		-39 242 149	55 135 919
Cash at the beginning of the period		56 190 571	1 054 651
Cash and cash equivalents at end of year		16 948 422	56 190 571

Accounting principles

The annual accounts have been prepared in compliance with the Accounting Act and accounting principles for small companies generally accepted in Norway.
The financial statements are presented in Norwegian kroners (NOK).

Classification of balance sheet items
Assets intended for long term ownership or use have been classified as fixed assets. Assets relating to the trading cycle have been classified as current assets. Other receivables are classified as current assets if they are to be repaid within one year after the transaction date. Similar criteria apply to liabilities. First year's installment on long term liabilities and long term receivables are, however, not classified as short term liabilities and current assets.

General principle for assessment of balances
Assets are booked at the lowest of cost and fair value.

Investments in other companies
The cost method is applied to investments in other companies. The cost price is increased when funds are added through capital increases or when group contributions are made to subsidiaries. Dividends received are initially taken to income. Dividends exceeding the portion of retained equity after the purchase are reflected as a reduction in purchase cost. Dividend/group contribution from subsidiaries are reflected in the same year as the subsidiary makes a provision for the amount. Dividend from other companies are reflected as financial income when it has been approved.

Impairment tests are carried out if there is indication that the carrying amount of an investment exceeds the estimated recoverable amount.

Liabilities
Liabilities, with the exception of borrowings, are recognized in the balance sheet at nominal amount. Borrowings are recognized at amortized cost.

Foreign currencies
Assets and liabilities in foreign currencies are valued at the exchange rate on the balance sheet date. Exchange gains and losses relating to sales and purchases in foreign currencies are recognized as operating income and cost of goods sold.

Tax
The tax charge in the income statement includes both payable taxes for the period and changes in deferred tax. Deferred tax is calculated at relevant tax rates on the basis of the temporary differences which exist between accounting and tax values, and any carry forward losses for tax purposes at the year-end. Deferred tax asset is not disclosed in the balance.

Note 1 Subsidiaries

	Office	Ownership	Equity 31.12	Booked value
Subsidiary				
Kalera Inc.	Orlando, Florida	100,0 %	-69 292 344	977 105
Iveron Materials Inc.	Orlando, Florida	100,0 %	-2 569 549	33 788
Sum				**1 010 893**

In June 2016 the Board of Kalera Inc decided to spin out the geoploymer business. In order to effect the spin out of the Geopolymer Concrete business, Iveron Materials Inc (which is a US corporation owned 100 % by Kalera AS) purchased and Kalera Inc sold certain assets in exchange for a promissory note payable to Kalera Inc as full consideration for the balance sheet entry for the assets.

Note 2 Share capital

Share capital and premium in NOK

	Number of shares	Ordinary shares	Share face value	Share premium	Total
At 1 January 2018	**53 673 188**	**53 673 188**			**117 306 736**
At 31 December 2018	**53 673 188**	**53 673 188**			**117 306 736**

Shareholders

Shareholder	Shares	% Ownership
LGT Global Invest Limited	6 000 000	11,2 %
Cristian Ivanescu	5 650 817	10,5 %
Cristian Toma	4 897 412	9,1 %
Convexa AS (Bjørge Gretland)	4 897 411	9,1 %
Chloe Ivanescu	4 749 214	8,8 %
Ruth Ivanescu	2 447 929	4,6 %
Larsen Oil & Gas	2 062 073	3,8 %
Canica AS	2 000 000	3,7 %
Robert Ramsey	2 000 000	3,7 %
UFI AS	1 931 812	3,6 %
Macama AS	1 721 474	3,2 %
Jean Sèbastien Jacquetin	1 189 286	2,2 %
Hans-Rune Wahlstrøm	1 189 286	2,2 %
R.W Vine	1 122 686	2,1 %
Weiliang Gong	954 600	1,8 %
Werner Lutze	954 600	1,8 %
Ian Pegg	954 600	1,8 %
Rolin Inc	917 500	1,7 %
KB Gruppen Kongsvinger AS	800 000	1,5 %
Robert L. Knechtel	660 714	1,2 %
EMT Invest AS	625 000	1,2 %
Other Shareholders	5 946 774	11,1 %
Total Outstanding Kalera AS Shares	53 673 188	100,0 %

Shares owned/controlled by members of the Board and senior management as of 31 December 2018

Shareholder	Postition	Shares	% Ownership
Cristian Toma	CEO / Board meml	4 897 412	9 %
Bjørge Andre Gretland (Convexa AS)	Board chairman	4 897 411	9 %
Øystein Arnulf Landvik (UFI AS)	Board member	1 931 812	4 %
Erik Sauar (Sauar Invest AS)	Board member	500 000	1 %
Totals		12 226 635	22,78 %

Note 3 Equity

	Share capital	Share premium reserve	Other equity	Total
Equity 31 December 2017	**536 732**	**116 770 004**	**-5 588 336**	**111 718 400**
Result of the year			5 691 769	5 691 769
Equity 31 December 2017	**536 732**	**116 770 004**	**103 433**	**117 410 169**

Note 4 Tax

Calculation of deferred tax asset	**2018**	**2017**
Temporary differences	-	-
Net temporary differences	9 990 207	3 986 242
Loss carried forward	-14 872 153	-14 588 202
Reduction for costs related to incorporation booked towards equity	-	-
Basis for deferred tax	**-4 881 946**	**-10 601 960**
Deferred tax	-1 074 028	-2 438 451
Hereof not disclosed in the balance	1 074 028	2 438 451
Deferred tax in the balance	**-**	**-**
Deferred tax asset not in the balance	**1 074 028**	**2 438 451**

Note 5 Cash and bank deposits.

The company has cash holdings at the end of the year of 16 948 422 kr.
Of this restricted cash amount to 57 314 kr.

Note 6 Payroll etc.

	2018	**2017**
The Company has no employees		
Remuneration for the board of directors	1 335 828	1 245 656
Social security tax	188 352	175 638
Other payroll cost	-	-
Total	**1 524 180**	**1 421 294**

Auditors fee	**2018**	**2017**
Audit fee	375 000	218 388
Fee for other services	31 250	94 963
Total	406 250	313 351

Note 7 Other expenses

	2018	**2017**
Other expenses (auditor fee, legal fee, office rent, travel expenses)	1 181 490	1 315 874
Total	**1 181 490**	**1 315 874**

Note 8 Convertible loans

The Group's primary source of financing is equity. Previously raised convertible loan Ziqua Partners AS of NOK 12 million was in November 2017 converted to equity. The conversion was carried out in line with the secured convertible loan agreement dated 28 June 2013 and later amended versions of this agreement. Outstanding principal amount and accrued interests per 15. November 2017 was converted at the maximum conversion price following the amended loan agreements at 0,7 USD per share.

	2018	2017	2016	2015	2014
Debentures and other loans principal amount	-	-	12 000 000	12 000 000	12 000 000
Accrued interest	-	-	2 910 211	2 200 200	1 524 000
Amortization	-	-		-695 020	-1 390 039
Total borrowings	**-**	**-**	**14 910 211**	**13 505 180**	**12 133 961**

For more information refer to note 16 in the group financial statements.

Note 9 Loan to subsidiary

	2018	2017
Loan to Kalera Inc	84 190 934	48 055 797
Accrued interest	5 297 847	2 920 807
Unrealized currency effects	9 990 207	3 986 242
Total	**99 478 988**	**54 962 847**

Note 10 Financial income and expense

	2018	2017
Interest expense convertible loan	-	-652 322
Interest income loans to subsidiary	2 377 040	1 293 985
Other fiancial income or expense	6 020 399	-1 820 086
Net financial income and expense	**8 397 439**	**-1 178 422**

Note 11 Subsequent events

Refer to note 19 in the Group's financial statements.

APPENDIX D

UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS OF KALERA AS AS OF AND FOR THE SIX MONTHS ENDED 30 JUNE 2020

HALF-YEAR REPORT

01.01.2020 – 30.06.2020

KALERA

REPORT 1ST HALF 2020

COMPANY OVERVIEW

Kalera is a technology driven vertical farming company with unique growing methods combining optimized nutrients and light recipes, precise environmental controls, and clean room standards to produce safe, highly nutritious, pesticide-free, non-GMO vegetables with consistent high quality and longer shelf life year-round. The company's high-yield, automated, data-driven hydroponic production facilities have been designed for rapid rollout with industry-leading payback times to grow vegetables faster, cleaner, at a lower cost, and with less environmental impact.

HIGHLIGHTS

KALERA REGISTERED ON THE NOTC-LIST

On the 21st of April 2020 Kalera AS was registered on the NOTC-list in Norway, a marketplace for unlisted shares owned and operated by NOTC AS, a wholly owned subsidiary of Oslo Børs ASA. Kalera is traded under the ticker "KALERA".

COMPLETION OF SEVERAL PRIVATE PLACEMENT ROUNDS

During first half of 2020, Kalera completed several private placement rounds totaling USD 47.5 million from existing shareholders and new institutional investors and family offices, both from Norway and internationally. The company is virtually debt free, and the net proceeds will be used to finance the company's expansion and the construction of several scale production facilities in the United States, each producing several millions of heads of greens annually.

OPERATING VERTICAL FARMS IN ORLANDO

The Company's first large scale facility in Orlando, Florida has been operational since February 2020 and is currently the largest volume producing vertical farm in Southeast United States. It was opened after an industry-leading construction time of only six months and has received much attention from both local and national dignitaries, including a visit from U.S. Secretary of Agriculture, Sonny Perdue in June. After an initial ramp up of the new Orlando facility to full capacity, the plant has been matching production needs with demand as dictated by the COVID-19 pandemic which has significantly impacted the foodservice industry in Central Florida and beyond. In April, Kalera partnered with Publix, the largest grocery retailer in Florida, in supplying lettuce to over 165 Central Florida stores. Kalera will be scaling to full production at the Orlando facility in the third quarter as demand increases, and Kalera continues to partner with all the top-tier foodservice distributors including Sysco, FreshPoint, and US Foods, for which the Orlando facilities capacity was originally planned for and remains a key sales channel for the company. This, combined with the new sales channel into retail that Kalera established, will lead to increased volume and demand as the foodservice industry regains momentum. Furthermore, Kalera has been operating its on-site HyCube installation at Marriott's Orlando World Center since April 2018. The company has used the COVID-19 related slow-down of hotel activities to perform system updates and clean-up, readying the facility for a quick restart as soon as tourism activities ramp-up again and the resort reopens.

NEW INDOOR VERTICAL FARMING FACILITY IN ATLANTA

Kalera announced on the 21st of April 2020 that it will open a new state-of-the-art growing facility in Atlanta, Georgia in early 2021. The new Atlanta facility is the next step in Kalera's rapid domestic and international expansion plan to bring consumers fresh leafy greens right where they are. By placing its farms directly in the communities that they serve, Kalera is able to supply national retailers and foodservice distributors without a long haul across the country, guaranteeing that its leafy greens are fresher longer, and much safer than field-grown lettuce. At this time, the project is on-time and on-budget. The design phase has been completed, permitting is in progress, and preliminary construction activities are underway.

TECHNOLOGY

Kalera continues to be on the forefront of indoor farming technology. In June 2020 the company announced the development of effective light recipes to increase the nutritional quality of indoor-grown red-leaf lettuce. Kalera's proprietary technology continuously collects data and automates plant management. Real-time data points such as temperature, humidity, light intensity, productivity, plant weight and health are all collected and reported as KPIs to support data driven decisions.

EXECUTIVE TEAM – KEY HIRES

Kalera continues its momentum of building a world-class management team with the addition of several key hires in the first half of 2020 including: Jeremy Johnston, Chief Information Officer (April 2020), Austin Martin, Chief Operations Officer (May 2020), and Fernando Cornejo, Chief Financial Officer (July 2020).

NON-RECURRING EXPENSES

In connection to the private placements completed in April and June, the Company incurred non-recurring fee of USD 2.0 million which are booked against equity.

The USD 3.0 million convertible loan obtained in April 2019 from LGT Global Invest Limited was converted to equity in April 2020. The loan was measured at fair value through profit and loss at the end of 2019. The difference between the principal amount including interests and the market value of the loan at the time of conversion amounts to a cost of USD 1.409 million where USD 1.027 million was recognized through profit and loss in 2019 and USD 0.382 million is recognized through profit and loss in H1 2020. These charges are non-cash charges reflecting the conversion discount in the convertible loan agreement.

Further, as a result of recruitment of key personnel to the management team, the Company has incurred one-time recruitment costs of USD 0.25 million during the first half year.

EVENTS AFTER 30 JUNE

Out of the USD 47.5 million raised, Kalera received payment of USD 37.5 million through June 2020. The payment from the latest private placement of USD 10.0 million took place in early July after the new shares from this placement were registered in the Register of Business Enterprises and is not included in the balance sheet as of June 30, 2020. The corresponding fee of USD 0.5 million will be charged against equity and included in the report for the second half year.

OUTLOOK

Kalera is poised to continue executing its sustained growth plans throughout the rest of 2020. On July 13, 2020 the company announced that in the first half of 2021 it will open a production facility in Houston, which will be the largest indoor vertical farm in the state of Texas, and one of the largest in the US. The company is also very well-positioned to continue its industry-leading aggressive expansion plan both domestically and internationally in the near future.

CONSOLIDATED INCOME STATEMENT

USD 1000	H1 2020 (unaudited)	Full year 2019 (audited)
Continuing operations:		
Revenues	243	101
Total revenues	**243**	**101**
Raw materials and consumables used	91	13
Employee benefit expenses	1 868	1 922
Depreciation and amortization	434	404
Other operating expenses	871	1 509
Other gains and losses	0	-562
Operating profit	**-3 021**	**-4 309**
Financial income	0	7
Financial costs	213	227
Change in fair value of assets and liabilities (convertible loan)	-382	-1 027
Net financial items	**-595**	**-1 248**
Share of profit from associates	0	0
Profit/(loss) before income tax	**-3 617**	**-5 557**
Income tax expense	0	0
Profit/loss from the year from continuing operations	**-3 617**	**-5 557**
Profit of the year for discontinued operations	0	0
Profit/loss for the year	**-3 617**	**-5 557**
Profit attributable to:		
- Owners of the parent	-3 617	-5 557

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Profit/(loss) for the period	**-3 617**	**-5 557**
Other comprehensive income:		
Currency translation differences	246	-151
Total other comprehensive income, net of tax	**246**	**-151**
Total comprehensive income/(loss) for the period	**-3 371**	**-5 708**
Attributable to:		
- Owners of the parent	-3 371	-5 708
- Non-controlling interests	0	0
Total comprehensive income for the year	**-3 371**	**-5 708**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

USD 1000	**30.06.2020** (unaudited)	**31.12.2019** (audited)
Assets		
Non-current assets		
Property, plant and equipment	13 400	11 643
Intangible assets	686	686
Investments in associates		
Trade and other receiveables	698	390
Total non-current assets	**14 784**	**12 718**
Current assets		
Trade and other receivables	211	6
Cash and cash equivalents incl. Bank overdrafts	34 482	3 395
Total current assets	**34 693**	**3 401**
Total assets	**49 478**	**16 119**
Equity and liabilities		
Equity attributable to owners of the parent		
Share capital	151	98
Share capital - not yet registered	3	0
Share premium	59 654	21 901
Share premium - not yet registered	2 176	0
Other reserves	-18 118	-14 747
Total equity	**43 865**	**7 253**
Liabilities		
Non-current liabilities		
Borrowings	571	157
Long term lease liabilites	3 351	3 476
Total non-current liabilities	**3 922**	**3 633**
Current liabilities		
Trade and other payables	258	0
Accrued liabilities	0	592
Convertible loans	0	4 223
Provision for other liabilities and charges	992	5
Short term lease liabilities	441	414
Total current liabilities	**1 691**	**5 234**
Total liabilities	**5 613**	**8 867**
Total equity and liabilities	**49 478**	**16 119**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

USD 1000	Share capital	Share Premium	Other reserves	Total equity
Opening balance at 1st January 2019	81	14 179	-9 039	5 221
Issue of shares	17	7 723	0	7 740
Total comprehensive income for the year	0	0	-5 708	-5 708
Balance at 31st December 2019	**98**	**21 901**	**-14 747**	**7 253**
Opening balance at 1st January 2020	98	21 901	-14 747	7 253
Issue of shares	52	37 752	0	37 805
Issue of shares (not yet registered)*	3	2 176	0	2 179
Total comprehensive income for the year	0	0	-3 371	-3 371
Balance at 30th June 2020	**154**	**61 829**	**-18 118**	**43 865**

STATEMENT OF CASH FLOWS

USD 1000	H1 2020 (unaudited)	Full year 2019 (audited)
Cash flows from operating activities		
Profit before income tax	-3 617	-5 557
Adjustments for:		
- Depreciations	434	404
- Finance costs - net accrued	213	227
- Trade and other receivables	-513	82
- Trade and other payables	-653	-158
- Net loss on operating assets	0	562
- Change in fair value of assets and liabilities	382	1 027
Net cash flows from operating activities	**-3 754**	**-3 412**
Cash flows from investing activities		
Purchase of property, plant and equipment	-2 192	-5 540
Loans to associates	0	-128
Net cash flows from investing activities	**-2 192**	**-5 668**
Cash flows from financing activities		
Proceeds from issuance of shares	36 716	7 740
Proceeds from borrowings	438	3 000
Repayment of loans	-24	-237
Net cash flows from financing activities	**37 130**	**10 502**
Net change in cash and cash equivalents	**31 184**	**1 422**
Cash at the beginning of the period	3 395	2 050
Exchange gains/losses on cash and cash equivalents	-97	-77
Cash and cash equivalents at the end of the period	**34 482**	**3 395**

NOTES TO THE QUARTERLY FINANCIAL STATEMENTS

NOTE 1: SHARE CAPITAL

Kalera has, through a number of transactions, increased the share capital during the first half year. In April 2020, the company completed a private placement of USD 15.0 million and at the same time converted a convertible loan of USD 3.0 million. Furthermore, Arctic Securities received a fee through the issuance of 300.000 shares. In June 2020, the company completed two private placements of USD 22.5 million and USD 10.0 million, respectively. In total the Company has raised USD 47.5 million during the first half year in addition to the conversion of the USD 3.0 million loan. Following registration of all new shares related to these transactions the Company has 129.790.906 shares outstanding.

Out of the USD 47.5 million raised, Kalera received payment for USD 37.5 million per June 2020. The payment from the last private placement of USD 10.0 million was paid in early July after the new shares from this placement were registered in the Register of Business Enterprises.

	Number of shares	*Ordinary shares*	*Share face value*	*Share premium*	*Total**
At 1 January 2019	**53 673 188**	**53 673 188**			**14 260 001**
Share issue	10 461 962	10 461 962	0,0012	0,45	4 659 431
Share issue	4 098 328	4 098 328	0,0011	0,75	2 930 271
Share issue	200 000	200 000	0,0011	0,75	150 000
At 31 December 2019	**68 433 478**	**68 433 478**			**21 999 703**
At 1 January 2020	**68 433 478**	**68 433 478**			**21 999 703**
Share issue	20 000 000	20 000 000	0,0010	0,75	15 000 000
Conversion of loan	6 265 762	6 265 762	0,0010	0,52	3 267 020
Share issue	300 000	300 000	0,0010	0,76	228 786
Share issue	25 401 600	25 401 600	0,0011	0,80	19 308 780
Share issue	2 723 400	2 723 400	0,0011	0,80	2 178 720
At 30 June 2020	**123 124 240**	**123 124 240**			**61 983 009**

** Net of transaction cost*

NOTE 2: TOP 20 SHAREHOLDERS AS OF JULY 20, 2020

	Investor	Number of shares	% of total	Type	Country
1	Citibank, N.A.	25 000 111	19,26 %	Nominee	Ireland
2	LGT BANK AG	20 071 866	15,46 %	Nominee	Liechtenstein
3	CANICA AS	9 433 473	7,27 %	Ordinary	Norway
4	J.P. Morgan Securities LLC	8 500 000	6,55 %	Nominee	United States
5	Brown Brothers Harriman & Co.	5 613 627	4,33 %	Nominee	United States
6	CONVEXA AS	5 216 177	4,02 %	Ordinary	Norway
7	MACAMA AS	5 127 269	3,95 %	Ordinary	Norway
8	LANI INVEST AS	4 500 000	3,47 %	Ordinary	Norway
9	UFI AS	4 458 011	3,43 %	Ordinary	Norway
10	Goldman Sachs & Co. LLC	3 838 435	2,96 %	Nominee	United States
11	PERSHING LLC	3 479 388	2,68 %	Nominee	United States
12	VERDIPAPIRFONDET KLP AKSJENORGE	2 670 000	2,06 %	Ordinary	Norway
13	State Street Bank and Trust Comp	2 278 037	1,76 %	Nominee	United States
14	FIRST SOUTHWEST COMPANY	1 917 500	1,48 %	Ordinary	United States
15	LARSEN OIL & GAS AS	1 871 070	1,44 %	Ordinary	Norway
16	KOMMUNAL LANDSPENSJONSKASSE	1 794 333	1,38 %	Ordinary	Norway
17	Citibank, N.A.	1 222 686	0,94 %	Nominee	Ireland
18	WAHLSTRØM HANS RUNE	1 189 286	0,92 %	Ordinary	Norway
19	PORTIA AS	1 155 000	0,89 %	Ordinary	Norway
20	GLS REAL ESTATE AS	1 134 249	0,87 %	Ordinary	Norway
	Total number owned by top 20	*110 470 518*	85,11 %		
	Total number of shares	*129 790 906*	*100,0 %*		

NOTE 3: IFRS 16 TRANSITION TABLE

Lease liability	
Total lease liabilities at 1 January 2020	**3 889 170**
New lease liabilities recognised in the year	-
Cash payments for the principal portion of the lease liability	(208 398)
Interest expense on lease liabilities	110 511
Total lease liabilities at 30 June 2020	**3 791 283**
Current lease liability	440 746
Non-current lease liability	3 350 537
Total cash outflow for leases	(208 398)

Right of use asset	
Total right to use asset at 1 January 2020	**3 822 453**
Additions, new lease liabilities	-
Depretiation charge	(226 620)
Total right to use asset at 30 June 2020	**3 595 834**

Maturity analysis - Contractual undiscounted cash flows	**30.06.2020**	**2019**
Total leasing payments first 12 months*	684 783	485 771
Total leasing payments 2-5 years*	3 894 775	3 145 035
Total leasing payments more than 5 years*	13 336 642	13 834 801
Total minimum lease payments	**17 916 201**	**17 465 607**

** Including USD 11.1 million in payments related to lease agreements commencing in H2 2020.*

NOTE 4: PROPERTY, PLANT AND EQUIPMENT

	Furniture, fittings and equipment	Hydroponic demo system	HyCube	Tradeport Production Facility	Vehicles	Right of use asset	Total
Year ended 31 December 2019							
Opening net book amount	170 773	274 192	1 658 054	392 561	47 441	-	2 543 021
IFRS 16 transition affects						425 386	425 386
Adjusted opening net book amount	**170 773**	**274 192**	**1 658 054**	**392 561**	**47 441**	**425 386**	**2 968 407**
Additions	102 455	-	5 280 452	37 041	120 384	3 659 783	9 200 115
Disposals	-	-	121 410	-	-		121 410
Depreciation charge	33 784	22 368	42 726	29 369	13 519	262 715	404 481
Closing net book amount	**239 443**	**251 824**	**6 774 370**	**400 233**	**154 306**	**3 822 453**	**11 642 630**
At 31 December 2019							
Cost or valuation	396 643	323 860	6 838 287	460 829	175 325	4 085 169	12 280 113
Accumulated depreciation	157 200	72 036	63 918	60 596	21 019	262 715	637 483
Net book amount	**239 443**	**251 824**	**6 774 370**	**400 233**	**154 306**	**3 822 453**	**11 642 630**
Period ended 30 June 2020							
Opening net book amount	**239 443**	**251 824**	**6 774 370**	**400 233**	**154 306**	**3 822 453**	**11 642 630**
Additions	414 923	-	1 773 350	3 718	-	-	2 191 991
Disposals	-	-	-	-	-	-	-
Depreciation charge	18 888	11 184	152 628	15 396	9 768	226 620	434 484
Closing net book amount	**635 478**	**240 640**	**8 395 091**	**388 555**	**144 538**	**3 595 834**	**13 400 137**
At 30 June 2020							
Cost or valuation	811 566	323 860	8 611 637	464 547	175 325	4 085 169	14 472 104
Accumulated depreciation	176 088	83 220	216 546	75 992	30 787	489 335	1 071 967
Net book amount	**635 478**	**240 640**	**8 395 091**	**388 555**	**144 538**	**3 595 834**	**13 400 137**
**Assets are depreciated when construction is finalized and is generating revenues*							
Depreciation rate	7 years linear	15 years linear	15 years linear*	15 years linear*	6 years linear	Liftetime of lease agreement	

NOTE 5: PROVISION FOR OTHER LIABILITIES AND CHARGES

Provision for other liabilities and charges includes USD 0.979 million management fee payable to Arctic Securities.

Kalera AS

Address:

NORWAY

Tjuvholmen allé 19, 7th Floor, NO-0252 Oslo, Norway

Business register number: 911 703 130

UNITED STATES

8440 Tradeport Dr., Suite 102, Orlando, FL 32827, USA

Website:

www.kalera.com

Contact:

Phone: +1 407.574.8204

Email: info@kalera.com