Information Document

Arctic Fish Holding AS

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

Admission to trading of shares on Euronext Growth

This information document (the "**Information Document**") has been prepared by Arctic Fish Holding AS (the "**Company**" or "**Arctic Fish**" and, together with its subsidiaries, the "**Group**") solely for use in connection with the admission to trading (the "**Admission**") of all issued shares of the Company on Euronext Growth, operated by Oslo Børs ("**Euronext Growth Oslo**").

As of the date of this Information Document, the Company's registered share capital is NOK 31,876,653 divided into 31,876,653 shares, each with a par value of NOK 1 (the "**Shares**").

The Shares have been approved for admission to trading on Euronext Growth Oslo and it is expected that the Shares will start trading on or about 19 February 2021 under the ticker code "AFISH". The Shares are, and will continue to be, registered in the Norwegian Central Securities Depository (the "**VPS**") in book-entry form. All of the issued Shares rank pari passu with one another and each Share carries one vote.

Euronext Growth is a market operated by Euronext. Companies on Euronext Growth, a multilateral trading facility (MTF), are not subject to the same rules as companies on a Regulated Market (a main market). Instead they are subject to a less extensive set of rules and regulations adjusted to small growth companies. The risk in investing in a company on Euronext Growth may therefore be higher than investing in a company on a Regulated Market. **Investors should take this into account when making investment decisions**.

The present Information Document does not constitute a prospectus within the meaning of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71.

The present Information Document has been drawn up under the responsibility of the Company. It has been reviewed by the Euronext Growth Advisor and has been subject to an appropriate review of its completeness, consistency and comprehensibility by Euronext.

THIS INFORMATION DOCUMENT SERVES AS AN INFORMATION DOCUMENT ONLY, AS REQUIRED BY THE EURONEXT GROWTH MARKETS RULE BOOK. THIS INFORMATION DOCUMENT DOES NOT CONSTITUE AN OFFER TO BUY, SUBSCRIBE OR SELL ANY OF THE SECURITIES DESCRIBED HEREIN, AND NO SECURITIES ARE BEING OFFERED OR SOLD PURSUANT HERETO.

Investing in the Shares 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.

Managers and Euronext Growth Advisors

DNB Markets, a part of DNB Bank ASA

Pareto Securities AS

The date of this Information Document is 19 February 2021

IMPORTANT INFORMATION

This Information Document has been prepared solely by the Company, only to provide information about the Company and its business and in connection with the Admission. This Information Document has been prepared solely in the English language.

For definitions of terms used throughout this Information Document, please refer to Section 12 (Definitions and glossary of terms).

The Company has engaged DNB Markets, a part of DNB Bank ASA, and Pareto Securities AS as its advisors in connection with the Admission to Trading on Euronext Growth Oslo (the "**Euronext Growth Advisors**"). This Information Document has been prepared to comply with the Euronext Growth Markets Rule Book for Euronext Growth Oslo (the "**Euronext Growth Markets Rule Book**") and the Content Requirements for Information Documents for Euronext Growth Oslo (the "**Euronext Growth Oslo Content Requirements**"). Oslo Børs ASA has not approved this Information Document or verified its content.

The Information 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 Information Document should be directed to the Company or the Euronext Growth Advisors. No other person has been authorized to give any information, or make any representation, on behalf of the Company and/or the Euronext Growth Advisors in connection with the Admission to Trading, if given or made, such other information or representation must not be relied upon as having been authorized by the Company and/or the Euronext Growth 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 Information 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 Information Document and before the Admission to Trading will be published and announced promptly in accordance with the Euronext Growth Oslo regulations. Neither the delivery of this Information Document nor the completion of the Admission to Trading 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 Information Document is correct as of any time since its date.

The contents of this Information Document shall not be construed as legal, business or tax advice. Each reader of this Information 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 Information Document, you should consult with your stockbroker, bank manager, lawyer, accountant or other professional advisor.

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

Investing in the Shares involves risks. Please refer to Section 1 "Risk factors" of this Information Document.

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 (as defined below), 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.

The members of the Company's board of directors (the "**Board Members**" and the "**Board of Directors**", respectively) and the members of the Company's senior management (the "**Management**") are not residents of the United States of America (the "**United States" or the "U.S**."), and a substantial portion of the Company's assets are located outside the United States. As a result, it may be very difficult for investors in the United States to effect service of process on the Company, the Board Members or members of the Management in the United States or to enforce judgments obtained in U.S. courts against the Company or those persons, whether predicated upon civil liability provisions of federal securities laws or other laws of the United Stated (including any State or territory within the United States).

The United States and Norway do not currently have a treaty providing for reciprocal recognition and enforcement of judgements (other than arbitral awards) in civil and commercial matters. 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 or members of Management under the securities laws of those jurisdictions or entertain actions in Norway against the Company or its Board Members or members of Management 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.

Similar restrictions may apply in other jurisdictions.

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1 RISK FACTORS

An investment in the Shares involves inherent risks. Before making an investment decision with respect to the Shares, investors should carefully consider the risk factors set forth below and all information contained in this Information 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 Company as of the date hereof that the Company believes are 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 to lose all or part of their investment. The absence of 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 materialise, 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 flows 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 the Group's business, financial condition, results of operations and cash flow. The order in which the risks are presented below does not reflect the likelihood of their occurrence or the magnitude of their potential impact on the Group's business, financial condition, results of operations, cash flows and/or prospects. The risks mentioned herein could materialise individually or cumulatively.

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

1.1 Risk relating to the Group's business and the industry in which it operates

1.1.1 The Group's revenue and future development are dependent on market prices of farmed Atlantic salmon

The Group's revenue, and thereby its financial position and future development, is inextricably linked with the obtainable market price of farmed Atlantic salmon at any given time. Prices can vary significantly over time, due to factors both on the supply and demand side. Demand for the Group's products is affected by a number of different factors, such as changing customer preferences, seasonality, changes in prices and volumes of substitute products and general economic conditions. The driving factors behind the obtainable market price of farmed salmon are primarily external, and therefore the Group has limited flexibility to adjust product prices.

Further, as the Group primarily exports to Europe, it is more sensitive to price volatility in this market, with a decline in prices for the Group's products in this market having a particularly negative effect on the Group's profitability. A short-term or long-term decline in the price for the Group's products could have a material adverse effect on its revenue, and thereby affect its overall operational result, financial position or ability for future development.

1.1.2 Risks relating to export markets

A significant portion of the Group's products are exported out of Iceland. Export activities also subject the Group to additional regulatory risks in its current and new export markets, including in relation to trade barriers. Additional restrictions in the Group's main export markets, or increased customs or other taxes, could affect the Group's ability to supply such markets with its products on favourable terms, if at all. If any sudden changes are imposed, the Group may be prohibited from trading with certain jurisdictions and it may not be able to replace its activities with trade to a new market on a timely basis or at all. Limitation in its ability to sell its products to certain countries or increased customs or other taxes could adversely affect its operating result and future prospects.

1.1.3 Risks relating to operating in a global and highly competitive market

The Group's business is reliant on continued global demand for farmed Atlantic salmon. In order to continue to achieve good results, it is dependent on breeding, processing, marketing and selling salmon that satisfies customer demand at acceptable price levels for both the customer and the Group. The seafood industry is a global industry and considered highly competitive, with many producers ensuring supply of a broad range of various fish and other seafood products worldwide. Going forward, the Group expects to face competition from new market entrants given that the technology surrounding land-based and offshore farming is rapidly evolving. Many of the Group's competitors produce similar products as the Group does, use the same suppliers as the Group and serves the same customer base, which can drive the price of the Group's products down whilst the cost of raw materials, labour and energy is subject to its own respective variability. Certain costs, such as costs relating to feed, transport and well boats are, and may continue to be, higher in Iceland compared to other countries. Increased prices for raw materials and supplies in combination with lower obtainable prices for the Group's products will result in a lower operating profit for the Group.

1.1.4 Risks relating to retaining and attracting skilled employees for its operations

The Group's performance is to a large extent dependent on highly skilled personnel and management, and the Group's continued ability to compete effectively, implement its strategy and further develop its business depends on its ability to attract new and skilled employee candidates (with experience from the aquaculture sector) and retain and motivate existing employees. Employment agreements entered into by the Management include a mutual notice period for termination of six (6) months, and the agreements do not contain any restrictive covenants, such as non-compete or non-solicitation restrictions. Any loss of key employees, particularly to competitors, or the inability to attract and retain highly skilled personnel could have a material adverse effect on the Group's business, operating result, financial position and/or prospects.

1.1.5 Risks relating to technological advancements

The Group operates within an industry where use of technology is becoming increasingly important for the Group in order to limit its operating expenses and stay competitive. Technology is not only an important asset in order to produce products of higher quality at lower costs, but also to be able to meet rapid changes in customer preferences for products and product packaging. In addition, we have recently seen authorities in various jurisdictions, such as Norway and Canada, indicating that the regulatory regime and the granting of licenses may award fish farmers that are able to develop and implement new technologies designated to solve or minimize different environmental and sustainability issues, such as closed fish farms. There can be no guarantee that the Group will be able to keep up with technological advancements or regulatory technological requirements within the industry, nor that it will have sufficient financial resources to invest in new and relevant technology going forward. If the Group is unable to implement new technology, its operations, as well as competitiveness, could be adversely affected.

1.1.6 Risks relating to land-based hatcheries

The Group carries out smolt production on land utilising recirculating aquaculture systems ("**RAS**") technologies. During its operational lifetime, the Group has suffered one major incident relating to fish mortality; on 14 December 2018 the Group had an incident at its smolt production facility in Norður-Botn, Talknafjordur, due to failures in the systems resulting in water being pumped to the fish tanks. The total loss was 444,473 smolt. Although the Group has only suffered one incident of mass fish mortality thus far, similar events may also occur in the future. Such events may result in a substantial loss of biomass and consequently have a material adverse effect on the Group's business, operating result, financial position and/or prospects.

1.1.7 Risks relating to political influence

The aquaculture industry is highly politically influenced. Fish farm operators carrying out the conventional type of aquaculture, including the Group, are highly dependent on access to suitable fish farming sites along the coast-line, and are subject to the potential opinions and actions of neighbours, local fisherman and environmental organisations amongst others. The industry also has an environmental impact which is debated, particularly with respect to sustainability, including relating to sea lice and fish escapes. Political decisions in Iceland, as well as influence from other countries such as Norway, the UK and the European Union may influence the regulation of the industry and consequently the Group's operations and profitability.

1.1.8 Risks relating to biological and environmental aspects and contamination

The operation of fish farming facilities involves an inherent risk of being affected by biological contaminants such as viruses, bacteria, parasites, algae blooms, jelly fish and other biological contaminants, as well as the outbreak of disease, leading to increased mortality, forced premature harvesting or decreased product quality. If exposed to such risk, the Group may, in addition to the direct loss of fish, incur substantial costs in the form of lost biomass growth, accelerated harvesting, reduced quality of harvested fish and a subsequent period of reduced production capacity and loss of income.

Furthermore, the Group may not be able to prevent contamination of its herring roe supply by environmental pollutants such as dioxins or heavy metals. Such contamination is primarily the result of environmental contamination. Residues of environmental pollutants present in the Group's products may pass undetected in its products and may reach consumers due to failure in surveillance and control systems. The industry in general experiences high levels of customer awareness with respect to safety and product quality, information and traceability. Outbreaks of disease or exposure to other biological or environmental contaminants may have a material adverse effect on the Group's business, operating result, financial condition and/or prospects.

Fish farming in the sea is sensitive with respect to changes in sea temperatures. Occasionally, the Group experiences higher mortality than expected due to low temperatures – in particular during the winter. Lasting cold temperatures may lead to increased mortality and reduced production, which may in turn result in a loss of income.

1.1.9 Risks relating to food safety and health concerns

Food safety issues and perceived health concerns may have a negative impact on the reputation of, and the demand for, the Group's products. As the Group's products are for human consumption, it is critically reliant on its products being perceived as safe and healthy in all relevant markets. The food industry in general has heightened customer awareness with respect to food safety and product quality, information and traceability. A failure by the Group to meet new and exacting customer requirements may reduce the demand for its products.

Non-governmental organisations, such as environmental organisations and animal rights groups, campaigning groups, research communities or others may direct negative publicity towards the fish farming industry. Negative media attention could raise consumer scares in relation to farmed salmon, which may negatively impact the reputation of farmed salmon, even if there is no direct risk to human health, and result in lower demand for the Group's products. Various perceived health concerns of farmed salmon have attracted negative attention in the media in the past, including in relation to the level of organic contaminants, cancer causing PCB (polychlorinated biphenyls) and dioxins. New perceived health concerns or food safety issues relating to products offered by the Group may nevertheless arise in the future and affect the Group's ability to market and distribute its products. Any of these risks materialising may have a material adverse effect on the Group's business, financial condition, operating result, cash flow and/or prospects.

The Group mainly uses lumpfish in order to combat sea lice. Recently, there has been an increased focus on fish welfare relating to mass mortality of lumpfish used for the purpose of combating sea lice. An extensive use of lumpfish may cause negative publicity to be directed towards the fish farming industry, including the Group. Further, guidelines and legislation with tougher requirements might be implemented, which in turn may imply higher costs for the food industry (e.g. enhanced traceability, level of documentation, testing variables, etc.) might impact the Group's activities, and have material adverse effect on the price of the Company's Shares.

1.1.10 Risks relating to sabotage

Certain environmental organisations are strongly against salmon farming, and risk of sabotage (i.e. damage to production facilities with the intention of hurting the Group financially and/or exposing it to negative media coverage) cannot be ruled out and may have a material adverse effect on the business, financial condition, operating result or cash flow of the Group.

1.1.11 Risks relating to production related disorders

As with all other forms of intensive food productions, a number of production-related disorders may arise, i.e. disorders caused by intensive farming methods. Well-known production-related disorders include physical deformities and cataracts, which have the ability to cause loss by way of reduced growth and inferior health, reduced quality of harvesting and damage to the Group's reputation. Research has shown that deformities can be caused by, but not limited to: excessively high temperatures during the fish's early life; not enough phosphorus in the fish's diet; acidic water as well as too much carbon dioxide in the water during the freshwater production phase; and growth that is not sufficiently monitored, resulting in growth which is too rapid. Such production related disorders may have a material adverse effect on the Group's business, financial condition, operating result, cash flow and/or prospects.

1.1.12 Risks relating to disruption at production or processing facilities

A significant part of the Group's activities (and value creation) is created in pens at sea. As such, the Group is reliant on the functionality of its seawater facilities for the majority of its revenue. Like all salmon farmers, the Group's farming operations, especially at sea, may be affected by disruptions such as unexpected extreme weather conditions, with the possibility of it disrupting normal business operations or causing damage to assets. Such disruptions normally have short durations, but if the Group experiences more frequent or longer business disruptions at one or more of its seawater facilities, including in the event of machinery or equipment breakdowns, fire or natural disasters, this could result in severe disruptions to the Group's supply chain. There is also a risk of fish escape which may result in a substantial loss of biomass, repair costs, the spreading of disease and genetic interaction with wild salmon, negative publicity or sanctions from governmental authorities. Further, the Group relies on a third party to process harvested fish, and prolonged disruption to such processing activities, regardless of cause, may result in contamination of the fish and thereby production losses, liability claims from customers, or logistical challenges and delays in delivery of products to customers thus reducing shelf life.

Ultimately, any such disruptions could result in inter alia high repair costs for the Group's equipment, liability under customer contracts, amendments or loss of license, or loss in reputation if the Group fails to ensure timely delivery to customers over time.

1.1.13 Risks relating to the Group's current fish farming licences and pending applications

The Group's activities are dependent upon licenses and permits from the Icelandic regulators, which may be revoked or not renewed, including if the Group breaches the applicable laws and regulations governing the licenses and permits (including any special terms and conditions of any such licenses or permit). The Group's existing and active licenses in Ísafjarðardjúpi (5,300 tonnes for production of rainbow trout), Dýrafjörður (4,000 tonnes for production of salmon) and Patreksfjörður and Tálknafjörður (7,800 tonnes for production of salmon) must be renewed in 2036/2030, 2027/2033 and 2023/2033 (operational/environmental), respectively, as well as the existing licence for smolt rearing in Norðurbotn which must be renewed in 2029/2035 (operational/environmental). Further, the Group has licence applications pending in relation to: increasing the capacity at Dýrafjörður from 4,000 to 10,000 tonnes of salmon; granting 4,000 tonnes of salmon production in Arnarfjörður; converting the current rainbow trout licence at Ísafjarðardjúpi to salmon, and increasing capacity to 10,100 tonnes; and increasing the land farming smolt production capacity at Tálknafjörður – Norðurbotn to 2,400 tonnes of maximum biomass. In addition, the issuance of the operating licence for 5,300 tonnes of production of trout at Ísafjarðardjúpi has, separately from the Group's application to convert the licence to salmon, been appealed to an independent appeals committee on environmental and resource issues. It is unknown how such appeal will be handled, and any ruling of the committee may nevertheless have a serious material impact on the Group's operations and results.

No assurance can be given that the Group will be able to maintain its licenses (in particular the licence at Ísafjarðardjúpi), renew its licences upon expiration, that its pending or future licence applications will be granted, or that any decisions of courts, independent appeals committees or similar will be decided in the Group's favour. Furthermore, should the Group not be able to obtain additional licences, it will not be able to fulfil its expansion plans, which in turn may negatively impact the financial prospects of the Group.

1.1.14 The Covid-19 pandemic may have significant negative effects on the Group

The outbreak of the corona virus (COVID-19) and resulting pandemic, may have material adverse effect on the Group. COVID-19 pandemic may affect the overall performance of the Group’s services and result in delays, additional costs and liabilities. The Group has due to COVID-19 experienced significant reductions in the price impacting the Group's revenues and may experience additional and continued reductions in both price and/or volume of export due to severe delays on border areas because of passport and custom checks. Furthermore, the COVID-19 pandemic may lead to financial distress of the Groups’ customers or force majeure events to running customer contracts, which may lead to late payments and outstanding receivables.

1.1.15 Risks relating to third party suppliers

In order for the Group to fulfil its expansion plans, the Group is reliant upon a steady and increased supply of ova/eyed eggs, smolt, feed, well boat capacity and other important supplies. The Group is also reliant on its outsourcing of the processing of fish and its sole third party distributor, Seaborn AS (who under the current sales agreement has an exclusive right to purchase all the production of salmon from the Group). As all Icelandic salmon farmers, the Group is particularly reliant on its supply of eggs from Stofnfiskur, the only broodstock company in Iceland. The Group has an existing contract with Stofnfiskur for 2021. The Group considers Stofnfiskur has the required capacity to deliver ova/eyed eggs to the Group in accordance with the increasing demand due to the Group's expansion plans. Reliance on only one supplier nevertheless involves some inherent risks, and there may be national import restrictions for importing ova/eyed eggs from e.g. Norway and Scotland.

Feed costs account for a significant portion of the Group's total production costs, and an increase in feed prices could have a major impact on the Group's profitability. The feed industry is characterised by large, global suppliers operating under cost plus contracts, and feed prices are accordingly directly linked to the global markets for fishmeal, vegetable meal, animal proteins and fish/vegetable/animal oils which are the main ingredients in fish feed. Increases in the prices of these raw materials will accordingly result in an increase in feed prices. The Group may not be able to pass on increased feed costs to its customers. Due to the long production cycle for farmed fish, there may be a significant time lag between changes in feed prices and corresponding changes in the prices of farmed fish and finished products to customers. As the main feed suppliers normally enter into fixed contracts and adapt their production volumes to prevailing supply commitments, there is limited excess of fish feed available in the market. Currently, the Group's feed is exclusively delivered by Ewos AS. If the Group's feed contract with Ewos AS was to be terminated on short notice prior to its expiration date, the Group may not be able to find alternative suppliers in the market. Shortage in feed supply may lead to starving fish, accelerated harvesting, loss of biomass and reduced income.

If other supplies are disrupted, there is an inherent replacement delay risk whilst alternative suppliers are put in place. There is also an inherent production risk in relation to the production amount of smolt, and the Group may not be able to supply smolt to itself in sufficient quantities and meet contractual obligations with its smolt customers.

1.1.16 The Group's business is concentrated in one industry

The Group's business is overwhelmingly focused on salmon farming, and so the Group may be more vulnerable to economic, political, regulatory, environmental or other developments affecting such industry than a company that holds a more diversified portfolio of assets would.

1.2 Risks related to laws and regulations

1.2.1 Risks relating to the imposition of taxes or fees

Aquaculture and salmon farming is a young and fast-growing industry in Iceland. As such, it may be expected that new legislation may be introduced over time as the industry develops. In 2019, the Icelandic Parliament adopted an act introducing a levy for fish farming and a fish farming fund. The levy is being implemented incrementally from 2020, and the development of this levy, and other industry specific taxes and fees that may be imposed by the Icelandic government, may have an adverse effect on the Group's profitability.

1.2.2 Risks relating to industry regulation

The Group's activities are subject to extensive international and national regulations, in particular relating to environmental, animal welfare and food safety regulations. The Group has in the past not experienced any significant issues related to non-compliance, but may in the future be subject to compliance monitoring. The Group's products are made for human consumption. This subjects the Group to numerous food safety regulations regarding, amongst other things, standards for the Group's processing facilities and the handling of products, which are dependent on certifications from Icelandic authorities. Changes to domestic or international food safety requirements may adversely affect the Group's current scale of operations, as well as its access to certain markets. If Icelandic and/or international authorities impose more stringent regulations, the Group may be required to change the way it currently carries out its processing activities, which may require significant investments or other changes to ensure compliance with applicable law.

Substantial changes have been made in Icelandic aquaculture legislation in recent years (especially in 2019 and 2020) that have not been incorporated in the licenses issued before the legislation was enacted. The Icelandic Food and Veterinary Authority and the Environment Agency of Iceland may change operational licenses and environmental licenses granted prior to the recent changes (including several of the Group's licenses), respectively, to ensure that they comply with current risk assessments and bearing capacity assessments. In general, changes in law may have a material adverse effect on the business' operations and profitability. The Group cannot predict the extent to which its future operations and earnings may be affected by mandatory compliance with new or amended legislation or regulation.

Relevant authorities may also further regulate the operations of the Group, with enhanced harvesting or processing standards, or more stringent environmental or animal welfare requirements. Investments necessary to meet new regulatory requirements may be significant and expensive for the Group. More stringent legislation and regulations are expected and may incur higher costs for the food industry. In particular the ability to trace products through all stages of the value chain, as well as certifications and documentation, are becoming the norm in food safety requirements. Further, the potential future introduction of increased food safety or quality standards by authorities may also have a material adverse effect on the business, financial conditions, operating result or cash flow of the Group.

1.2.3 *Risks relating to product liability claims*

A failure by the Group to meet new and existing customer requirements may lower the demand for its products. Moreover, this also exposes the Group to the risk of product liability claims from its customers as well as end-consumers. All of the Group's products are sold directly for human consumption. Should any contamination or other food safety issues related to the Group's products occur, it would not only have financial consequences due to product recalls and liability claims, but also reputational consequences as it may result in consumers being deterred from purchasing the Group's products. In the past, the Group has had no significant incidents of product recalls. However, this does not guarantee that it will not occur in the future.

1.2.4 *Litigation risk*

The operating hazards inherent in the Group's business increase the Group's exposure to litigation, which may involve, among other things, contract disputes, personal injury, environmental, employment, intellectual property litigation, tax and securities litigation, and litigation that arises in the ordinary course of business. Any litigation may have a material adverse effect on the Group because of potential negative outcomes, the costs associated with defending the lawsuits, the diversion of the Group's management's resources and other factors.

The Group is currently involved in a civil dispute with *inter alia* a company owning the neighbouring hotel to the sites Patreks- and Tálknafjörður demanding the withdrawal of Arctic Sea Farm's operating license for 7,800 tonnes of production of salmon. The dispute is still pending and, should the plaintiffs succeed, a potential outcome (although considered unlikely by the Group) may be that the operational licenses for production of 7,800 tonnes of production of salmon is withdrawn (either permanently or for a period until the relevant issues relating to the license are resolved). The Group also currently has a disagreement with Vesturbyggð municipality, who believes that the Group has not paid port fees imposed for farmed fish landed in the municipality.

Furthermore, the Group is involved in a civil dispute against *inter alia* two environmental organisations relating to the operational license for production of 5,300 tonnes of rainbow trout in Ísafjarðardjúp (license which is intended to be converted into a salmon production license). The dispute is a result of a demand for withdrawal of the said operating license, and is currently handled at an administrative level. Any administrative decision from the independent appeal committee may be submitted before the courts of Iceland. If the plaintiffs should succeed in their appeal, a potential outcome (although considered unlikely by the Company) may be that the operational license for production of 5,300 tonnes of production of rainbow trout is withdrawn (either permanently or for a period until the relevant issues are resolved).

Any loss of such licences will significantly reduce the Group's licensed production volume and production capacity, and a negative outcome of these matters may have significant adverse effects on the Group's financial position or profitability.

1.2.5 *Risks relating to exposure to laws and regulations in several jurisdictions*

The industry of fish farming is heavily regulated by numerous national, international and supra-national regulations which directly affects the Group's operations and consequently its profitability. Furthermore, laws and regulations are subject to continual changes, whereas some legislative changes may be either disadvantageous to the Group's business or could oblige the Group to change its course of business or amend its business strategy to a less profitable strategy. The Group has in the past not experienced any significant issues related to non-compliance, but may in the future be subject to compliance monitoring. Any failure to comply with applicable national and/or international laws and regulations may lead to costly litigations, penalties or other sanctions, and may adversely affect the overall performance of the Group.

1.2.6 *Risks relates to trade tariffs, customs barriers and free trade agreements*

The Group's products are sold globally, and thereby competes with other suppliers in countries worldwide for market share. Trade tariffs and free trade agreements affect which export markets the Group considers as favourable, which can differ from jurisdiction to jurisdiction and is subject to change. Any such change may make certain industry players in certain jurisdictions more competitive than their peers in other jurisdictions. Such competitiveness can be seen by products being offered cheaper to end-customers by industry players that do not have to pay tariffs, compared to those who do. Changes in various free trade agreements and customer barriers, especially to the Group's main markets, may affect the Group's ability to export to such market and/or affect the profitability of such export compared to its peers with a higher percentage of domestic sales, or from competitors from other jurisdictions competing in the same markets as the Group, and who are under more favourable trading terms.

1.2.7 *Risks relating to intellectual property rights*

The Group owns trademarks for its products and brand names. The Group cannot ensure that third parties will not infringe on or misappropriate these rights, patents, copyrights or other intellectual property rights, for example, by imitating the Group's products, or trademarks, or in trademarks that are similar to trademarks that the Group owns. In addition, the Group may fail to discover infringement of its trademarks, and/or any steps taken or that will be taken by the Group may not be sufficient to protect its trademarks or prevent others from seeking to invalidate its trademarks or block sales of its products by alleging a breach of their trademarks. For example, the Group's agreements with its employees lack intellectual property rights protection, which may result in infringements or disputes related to the Group's intellectual property rights.

Further, the Group has recently filed for registrations of intellectual property rights, such as to the Norwegian Industrial Property Office for a combined/figurative trademark regarding its logo, and there is also an existing entity in Norway, outside the Group, operating under the registered name "Arctic Fish AS". Third parties may assert claims against the Group for infringement of third party intellectual property rights. Infringement claims could harm the Group's reputation, lead to changes in the Group's operations, and ultimately result in liability for the Group or prevent the Group from offering the products and services affected by such claims. In addition, any claims that the Group's products and services infringe the intellectual property rights of third parties, regardless of the merit or resolution of such claims, may result in significant costs, time and focus in defending and resolving such claims.

1.3 Financial risks

1.3.1 Exchange rate fluctuations may significantly affect the Group's profitability

The Group's operations are carried out in Iceland, with a substantial part of operating expenses being denominated in EUR, while a majority of the Group's total revenue is generated from its export markets, with NOK as its main export currencies. In addition, part of the operating expenses of the Group are in ISK. Factors affecting the exchange rate between NOK and EUR may have adverse effects on the obtainable price for the Group's products, and factors affecting the exchange rate between ISK and EUR may have adverse effects on the operating expenses of the Group denominated in EUR, both of which may ultimately result in lower profitability for the Group.

1.3.2 Risks relating to accounts receivable

Consequently, the Group is reliant on the credit worthiness of its customers. Customers of the Group are sometimes unable to pay for the goods when on arrival, which may result in non-payment and loss on receivables, and the Group may have to re-sell all or part of the shipment from the arrival destination. Such additional sales efforts result in increased costs for the Group, and may also result in the Group having to sell its products at prices lower than it otherwise would. The Group may in the future experience non-payment, loss on receivables and loss of sales due to non-payments from its customers, which may also lead to additional expenses in order to successfully redistribute its goods or be required to sell its products at lower prices to ensure that any such unpaid products are sold.

1.3.3 Risks related to terms of current financing and events of default

The Group is primarily financed by loans and credit lines from Arion Bank hf. and DNB Bank ASA provided to Arctic Fish ehf. The Group has one loan agreement dated 11 December 2020 with Arion Bank hf. and DNB Bank ASA, as set out in Section 7.10 (the "**Arion/DNB Credit Agreement**"). The Arion/DNB Credit Agreement contains various financial covenants and undertakings binding Arctic Fish ehf. such as inter alia: to provide audited financial statements; restrictions on distributions, additional indebtedness, mergers, consolidations, liquidations, sale of assets, insurance (including biomass insurance) and capex investments limited to EUR 12 million in aggregate for the duration and EUR 6 million in any financial year; the equity ratio to at all times be equal to or exceed 40%; leverage not applicable for the relevant period expiring 31 December 2020 and 31 March 2021, leverage not exceeding 5:1 for the relevant period expiring 30 June 2021, 30 September 2021 and 31 December 2021, and leverage not exceeding 4.5:0 for the relevant period expiring 31 March 2022 and all subsequent relevant periods; minimum EBITDA (measured on a rolling 12-month basis) shall during the relevant periods ending on each of 31 December 2020 and 31 March 2021 exceed EUR 3 million (EBITDA definition includes inter alia biomass fair value adjustments); the amounts outstanding under the revolving biomass facility (up to EUR 30 million) shall not exceed the amount under the borrowing base (the borrowing base means, on a consolidated basis for Arctic Fish ehf. and its subsidiaries, the sum of: (i) 60% of the insured biomass on land; (ii) 60% of the insured biomass in sea; and (iii) 65% of account receivables (calculated at face value)).

The Group's ability to comply with the covenants described above, as well as maintaining adequate security, may be impacted by events beyond its control and it may be unable to comply. Upon the occurrence of an event of default, the lenders could inter alia declare all amounts outstanding under the Arion/DNB Credit Agreement to be immediately due and payable. In addition, the lenders would have the right to proceed against the assets the Group provided as collateral pursuant to the related security agreements.

Furthermore, the Arion/DNB Credit Agreement includes a change of control clause. A change of control event will be triggered if NRS ceases to directly or indirectly own/control 50% of the shares or if any other shareholder of Arctic Fish ehf. (other than NRS or Bremesco Holdings Limited) ends up owning/controlling 20% or more of the shares / voting rights following a flotation (whether acting separately or acting in concert with other shareholder(s)).

If the debt under the Arion/DNB Credit Agreement were to be accelerated (including through a change of control event), the Group may not have sufficient cash on hand, or be able to refinance the loans or sell sufficient collateral to repay it, which would have an immediate adverse effect on its business and operating results.

1.4 Risks related to the Shares and the Admission to Trading

1.4.1 An active trading market on Euronext Growth Oslo may not develop and the Shares may be difficult to sell in the secondary market

The Shares have not been traded on any stock exchange, other regulated marketplaces or multilateral trading facilities, and there has, accordingly, been no public market for the Shares. If an active public market does not develop or is not maintained, shareholders may have difficulty in selling their Shares. There can be no assurance that an active trading market will develop or, if developed, that such a market will be sustained at a certain price level. The Company cannot predict at what price the Shares will trade upon following the admission to trading on Euronext Growth Oslo, and the market value of the Shares can be substantially affected by the extent to which a secondary market develops for the Shares following the admission to trading on Euronext Growth Oslo.

1.4.2 Norway Royal Salmon ASA is the largest shareholder of the Company and has significant voting power and the ability to influence matters requiring shareholder approval

Above 50 % of the Shares are held by NRS, a Norwegian public limited company listed on Oslo Børs. Through its shareholding, NRS will have the ability to, to a significant extent, control the outcome of matters submitted for the vote at General Meetings, including the election of directors to the Board of Directors. The commercial interest of NRS, and those of the Group, may not always be aligned, and this concentration of ownership may not always be in the best interest of the Company's other shareholders. This could have a material adverse effect on the market value of the Shares.

1.4.3 The Company will incur increased costs as a result of being listed on Euronext Growth Oslo

As a company with its Shares admitted to trading on Euronext Growth Oslo, the Company will be required to comply with the Euronext Growth Markets Rule Book and related Notices issued by Oslo Børs (the "**Euronext Growth Rule Book**") including, but not limited to, specific reporting and disclosure requirements. The Company will incur additional legal, accounting and other expenses in order to ensure compliance with the Euronext Growth Rule Book and other application rules and regulations. The Company anticipates that its incremental general and administrative expenses as a company with its Shares admitted to trading on Euronext Growth Oslo will include, among other things, costs associated with annual and interim reports, general meetings, investor relations, incremental director and officer liability insurance costs and officer and director compensation. In addition, the Board of Directors and executive management may be required to devote significant time and effort to ensure compliance with the Euronext Growth Rule Book and other applicable rules and regulations for companies with its shares admitted to trading on Euronext Growth Oslo, 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 Group's business, financial position and profits.

1.4.4 The price of the Shares may fluctuate significantly and may 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, many of which are beyond the Company's control, including the following: (i) actual or anticipated fluctuations in the Company's quarterly results of operations, (ii) recommendations by securities research analysts, (iii) changes in the economic performance or market valuations of other issuers that investors deem comparable to the Company, (iv) addition or departure of the Company's executive officers, directors and other key personnel, (v) release or expiration of lock-up or other transfer restrictions on outstanding Shares or securities convertible into Shares, (vi) sales or perceived sales of additional Shares or securities convertible into Shares, (vii) significant acquisitions or business combinations, strategic partnerships, joint ventures or capital commitments by or involving the Company or its competitors, and (viii) news reports relating to trends, concerns, technological or competitive developments, regulatory changes and other related issues in the Company's industry or target markets. The market price of the Shares may also decline due to market fluctuations if the Company's operating results, underlying asset values or prospects have not changed.

Additionally, these factors, as well as other related factors, may cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses. As well, certain institutional investors may base their investment decisions on consideration of the Company's environmental and governance and social practices and performance against such institutions' respective investment guidelines and criteria, and failure to meet such criteria may result in limited or no investment in the Shares by those institutions, which could materially adversely affect the trading price of the Shares. There can be no assurance that continuing fluctuations in price and volume will not occur. If such increased levels of volatility and market turmoil continue for a protracted period of time, the Company's operations could be materially adversely impacted and the trading price of the Shares may be materially adversely affected.

1.4.5 Future issuances of Shares or other securities could dilute the holdings of shareholders and could materially affect the trading price of the Shares

The Company may in the future decide to offer additional Shares or other securities in order to finance new capital-intensive projects, in connection with unanticipated liabilities or expenses or for any other purposes. The Company cannot predict what effect, if any, future issuances and sales of Shares will have on the price of the Shares (particularly following the admission to trading on Euronext Growth Oslo). Furthermore, depending on the structure of any future offering, existing shareholders may not have the ability to subscribe for or purchase additional equity securities. If the Company raises additional funds by issuing additional equity securities, this may result in a significant dilution of the existing shareholders, including in relation to dividends, shareholding percentages and voting rights.

1.4.6 Financial reporting and other public company requirements

As a result of the admission to trading on Euronext Growth Oslo, the Company will become subject to reporting and other obligations under applicable law, including the Norwegian Securities Trading Act and the ongoing obligations. Such reporting and other obligations will place significant demands on the Company's Management, administrative, operational and accounting resources. Any failure of the Company to maintain effective internal controls could cause the inability of the Company to meet its reporting obligations or result in material misstatements in its financial statements. If the Company cannot provide reliable financial reports or prevent fraud, its reputation and operating results could be materially harmed which could also cause investors to lose confidence in the Company's reported financial information, which could result in a reduction in the trading price of the Shares.

1.4.7 Shareholders may not be able to exercise their voting rights for Shares registered on a nominee account

Beneficial owners of the Shares that are registered on a nominee account or otherwise through a nominee arrangement (such as brokers, dealers or other third parties) may not be able to exercise voting rights and other shareholders rights as readily as shareholders whose Shares are registered in their own names with the VPS prior to the Company's general meetings. The Company cannot guarantee that beneficial owners of the Shares will receive the notice for the Company's general meeting in time to instruct their nominees to either effect a re-registration of their Shares in the manner described by such beneficial owners.

1.4.8 Shareholders outside of Norway are subject to exchange rate risk

All of the Shares will be priced in Norwegian Kroner ("**NOK**"), the lawful currency of Norway, and any future payments of dividends on the Shares or other distributions from the Company will be denominated in NOK. Shareholders outside of Norway are subject to exchange rate risk which may affect the value of the shares and dividends paid on the shares.

2 STATEMENT OF RESPONSIBILITY

We declare that, to the best of our knowledge, the information provided in this Information Document is fair and accurate and that, to the best of our knowledge, the Information Document is not subject to any material omissions, and that all relevant information is included in the Information Document.

19 February 2021

The Board of Directors of Arctic Fish Holding AS

Svein Sivertsen Chairman	Ola Loe Board member
Johan Michelsen Board member	Sigurður Pétursson Board member

3 GENERAL INFORMATION

3.1 Other important investor information

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

Neither the Company nor the Euronext Growth 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 Company was incorporated on 1 October 2020, and is a holding company which owns 100% of the shares in Arctic Fish ehf., the former parent company of the Group, incorporated on 1 July 2011. The Company has prepared audited financial statements for the year end 2020, however Arctic Fish ehf. had not yet been acquired by the Company as at year end 2020. As of the date of this Information Document, Arctic Fish ehf. is the Company's only direct subsidiary and the Company does not hold any other assets. The financial statements presented herein are the audited consolidated financial statements of Arctic Fish ehf. for the years ending 31 December 2019 and 31 December 2018 (the "**Annual Financial Statements**"), and the presentation of, and any reference to, the Group's or the Company's historical financial information, or similar terms or references, shall be understood accordingly.

In addition, Arctic Fish ehf. has prepared consolidated interim financial statements for the nine month period ended 30 September 2020 (the "**Interim Financial Statements**", together with the Annual Financial Statements the "**Financial Statements**"). The Company has, in addition, prepared audited accounts of the Company for the period 1 October 2020 (incorporation) to 31 December 2020, although noting that Arctic Fish ehf. had not yet been acquired at year end 2020 (the "**Parent Company Financial Statements**").

The Annual Financial Statements have been prepared in accordance with Icelandic Generally Accepted Accounting Principles ("**IS-GAAP**"), the Annual Accounts Act No. 3/2006 and the Auditing Act No. 79/2008. The Annual Financial Statements and have been audited by KPMG ehf. The Interim Financial Statements have been prepared in accordance with IAS 34. The Parent Company Financial Statement has been prepared in accordance with NGAAP and has been audited by KPMG AS.

The Company presents the Financial Statements in EUR (presentation currency), noting that the audited consolidated financial statements of Arctic Fish ehf. for the year ending December 2018 is presented in ISK with comparative figures in the audited consolidated financial statements of Arctic Fish ehf. for the year ending December 2019 converted to EUR at the closing exchange rate for the year 2018. Please see Section 7 ("Selected financial information and other information") for further information.

The Annual Statements are included herein as Appendix B and C, respectively. The Interim Financial Statement is included herein as Appendix D. The Parent Company Financial Statement is included herein as Appendix E.

3.2.2 Industry and market data

In this Information 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 Information 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 Information 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 Information Document.

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

3.3 Cautionary note regarding forward-looking statements

This Information 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 Company's actual financial position, operating results and liquidity, and the development of the industry in which the Company operates, may differ materially from those made in, or suggested, by the forward-looking statements contained in this Information 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 Information Document.

4 REASONS FOR THE ADMISSION

The Company believes the Admission will:

- enhance the Group's profile with investors, business partners, suppliers and customers;
- allow for a trading platform and more liquid market for the Shares;
- facilitate for a more diversified shareholder base and enable additional investors to take part in the Group's future growth and value creation;
- provide better access to capital markets; and
- further improve the ability of the Group to attract and retain key management and employees.

5 PRESENTATION OF THE COMPANY

5.1 Introduction

Arctic Fish ehf. was founded in 2011 by Sigurður Pétursson and Gudmundur Stefansson, and is now one of the leading salmon farmers in Iceland, situated in the West Fjords, a region with favourable conditions for fish farming. The West Fjords are known for their pristine nature, good seawater conditions, low density and high growth potential. The Norwegian seafood company NRS, a Norwegian salmon farmer listed on the Oslo Stock Exchange, currently owns just above 50% of the Company's shares.

The Group has a modern and high-capacity smolt facility with recirculating aquaculture systems ("**RAS**") technology, being currently the only RAS facility in Iceland with large-scale production capacity. 7,400 tonnes of head-on gutted ("**HOG**") salmon was harvested by the Group in 2020 and considerable growth is expected in the coming years with a predicted estimated harvest volume of approximately 11,700 tonnes HOG for 2021. The Group has farming licences for a total of 17,100 maximum allowed biomass ("**MAB**"), of which 5,300 tonnes relate to licences for rainbow trout that are in the process of being converted to salmon licences (expected in 2021).

The Group has an integrated value-chain with good sea site locations and a modern freshwater hatchery. The Group has a partnership with the logistics handler Seaborn AS, a major distributor of Atlantic salmon farmed in Norway and Iceland, which distributes and sells the fish produced by the Group under the ICEBORN brand.

5.2 Important events

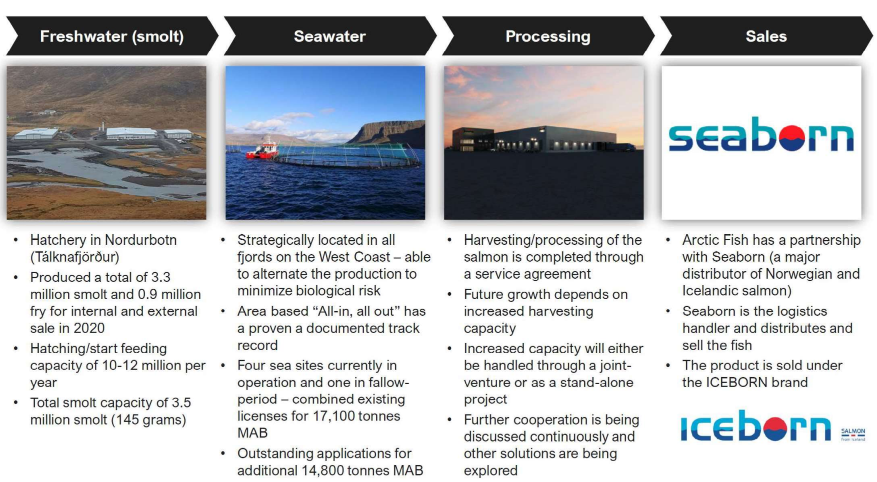
The table below provides an overview of key events in the history of the Company:

Year	Main Events
2011	Arctic Fish was founded by Sigurður Pétursson with his business partner Gudmundur Stefansson
2011	Trout farming and the processing of white fish was started
2011	Jerzy Malek, the founder of Morpol and Milarex, became a part-owner
2014	Construction of smolt hatchery in Norðurbotn was initiated
2016	NRS acquired 50% of the shares in Arctic Fish ehf.
2017	First smolt released to sea
2018	The first stage of the hatchery was completed
2019	The first salmon was harvested in January 2019
2019	3,300 tonnes of HOG salmon was harvested during 2019
2020	7,400 tonnes of HOG salmon was harvested during 2020
2021	The Company raised approximately NOK 350 million in gross proceeds in a private placement completed in February 2021 and intends to list its shares on Euronext Growth Oslo

5.3 Principal activites

5.3.1 Integrated Value Chain

The Group's principal activity is salmon farming, producing smolt in its own freshwater hatchery and farming salmon at sea before the fish is harvested and finally sold to the market.



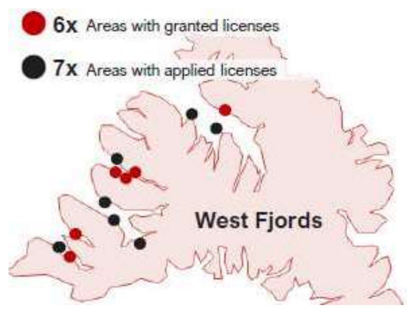
Freshwater smolt

The Group has a modern freshwater hatchery in Norðurbotn (Tálknafjörður), using RAS technology. The hatchery is the largest single investment by the Group at EUR 30 million and is 100% owned by Arctic Fish. It has access to natural water temperatures of between 6°C and 22°C all year round and good geothermic conditions. The hatchery has a proven record of smolt production, with more than 8.7 million smolt being produced at the hatchery since 2017. It produced and delivered approximately 487 tonnes of smolt and fry for internal and external sale in 2020. The Group also owns a 36.3 km^2 land area in close proximity to the smolt facility.

Seawater sites

The Group's seawater sites are strategically located in all fjords on the West Coast of Iceland, with six sites with granted licenses, and another seven sites with license applications pending. This ensures that production may be alternated to minimise biological risk with a proven low mortality rate and feed conversion ratio.

The Group currently holds licenses for a production capacity of 17,100 tonnes MAB with additional applications for 14,800 tonnes MAB that the Group expects to receive within 2022. Existing licenses are divided into 11,800 tonnes MAB of salmon and 5,300 tonnes MAB of trout that is in process of being converted to salmon licenses during 2021.



Processing

All processing of the Group's salmon is currently handled externally through a service agreement with Arnarlax ehf. at a processing facility in Bildudalur, Arnarfjordur. When the fish are ready for harvesting, the fish are transported from different locations with well boats. The Group is in dialogue to increase harvest capacity or, potentially, build a harvesting plant. The Group considers the current slaughtering price as high and new and more modern harvesting solutions are being explored.

Sales

The fish are currently sold "Free On Board" through a sales agreement with Seaborn AS, a major distributor of Icelandic and Norwegian salmon. The Group has a global footprint with sales in more than 15 countries in 2019. Current export routes are considered well-established, and there is potential to enter new markets in the future.

5.3.2 Licences

The Group currently holds licences for production capacity in sea farming of 17,100 tonnes of MAB in 4 separate fjords (Patreksfjordur, Tálknafjörður – 2 fjords that are considered to be one farming area, Dýrafjörður and Ísafjarðardjúpi) and six farming locations. The licence for Ísafjarðardjúpi makes up 5,300 of the 17,100 tonnes MAB and relates to rainbow trout. The remaining licenses and 11,800 MAB are for fertile salmon. The Group also has three pending applications for an additional 14,800 tonnes MAB in total, which includes the conversion of the existing trout license to a fertile salmon license. The Group also holds a license for land based smolt production on its own land in Norðurbotn, which is required for the Group's ongoing smolt production.

A summary of all licences held by the Group is detailed in the table below.

Location	Status	Capacity (Tonnes)	Comments
Patreksfjörður and Tálknafjörður	Valid	7,800 salmon	Valid until 2023 / 2033 (Food authorities / Environmental agency)
Dýrafjörður	Valid	4,000 salmon	Valid until 2027 / 2033 (Food authorities / Environmental agency)
Ísafjarðardjúpi	Valid	5,300 rainbow trout	Valid until 2036 / 2030 (Food authorities / Environmental agency)
Tálknafjörður - Norðurbotn	Valid	1,000 land based smolt production	Valid until 2029 / 2035 (Food authorities / Environmental agency)
Dýrafjörður	Pending	6,000 salmon	Will increase the capacity of Dýrafjörður up to 10,000 tonnes
Arnarfjörður	Pending	4,000 salmon	A new fjord for Arctic Fish

Ísafjarðardjúpi	Pending	10,100	5,300 tonnes of this pending application includes conversion of the existing rainbow trout licenses in Ísafjarðardjúpi to fertile salmon.
Tálknafjörður - Norðurbotn	Pending	1,400 land based smolt production	Will increase the land farming capacity in Norðurbotn to 2,400 tonnes maximum biomass, for salmon or trout.

Under the previous license regime, the Icelandic Government gave permission to produce specific species in a specific quantity at specific sites. Licence and harvesting volumes were limited by carrying capacity and farming areas were not defined. Under the new Icelandic license regime, similar to the Norwegian model, production is limited by MAB per specific site the license is awarded for. These specific sites are within fjords that have a defined total MAB for the fjord and also takes into consideration risk assessments concerning the impact on the wild salmon stock.

5.4 Principal markets

The Group currently sells all its salmon through Seaborn AS, which ensures logistics and distribution to the customer in both the industrial and retail markets. The majority of volumes are shipped to various European countries, with the Netherlands accounting for the largest share of volume in 2020. The Group also exports its products to the USA, Canada, UK and China, making the Group less dependent on demand in any single market. Due to the Free Trade Agreement with China and the Faroe Islands, Iceland does not impose any taxes or tariffs (in comparison to Norway with 10%). Iceland's location allows for efficient and fast transportation to the USA, Europe, China and Russia by cargo planes or freight ships.

Future sales and marketing strategies for the Group are considered to be based on Icelandic identity and branding to achieve price premium.

The COVID-19 pandemic has had an adverse effect on the salmon market, which has led to a negative price development for salmon in general due to weak market demand. This has negatively affected the Group's revenue generation, and has therefore had an impact on the profitability of the Group in 2020. The Group expects the market situation created by COVID-19 to improve in the second half of 2021. COVID-19 has not had, and is not expected to have, an impact on the Group's production.

5.5 Material contracts outside the ordinary course of business

Arctic Fish ehf. granted a bonus structure to a key employee capped at EUR 1.45 million, which is triggered in parts at certain milestones. One third of the bonus will be paid upon Admission, and two thirds of the bonus will be paid when the company (i) has been granted 20,000-25,000 tonnes MAB for production of salmon and (ii) has reached 8,000-10,000 tonnes annual harvest of salmon.

5.6 Dependency on contracts, patents, licenses, etc.

The Group's current smolt rearing and fish farming activities are dependent on licences from the Icelandic government. In particular, it relies on the existing licences for fish farming in Ísafjarðardjúpi, Dýrafjörður and Patreksfjörður and Tálknafjörður which must be renewed in 2036/2030, 2027/2033 and 2023/2033 (operational/environmental), respectively, as well as the existing licence for smolt rearing in Norðurbotn which must be renewed in 2029/2035 (operational/environmental). The Group's expansion plans are also dependent on being granted further licences from the Icelandic government, which have been submitted and are currently under consideration.

The Group is dependent on its agreement with Arnarlax ehf. to carry out its harvesting, which includes the slaughtering, bleeding, gutting and packaging of fresh salmon and which is currently the sole supplier of fish processing services to the Group.

The Group's sole distributor on the sales side is Seaborn AS, which currently purchases all of the Group's production of salmon and will continue to do until the end of 2023, with an option to extend for another two years on the agreement of both parties. The price paid is largely determined by the NASDAQ Salmon Index.

The Group is dependent on its supply of eggs from Stofnfiskur, the only broodstock company in Iceland. The Group has an existing contract with Stofnfiskur for 2021. The Group considers Stofnfiskur has the required capacity to deliver ova/eyed eggs to the Group in accordance with the increasing demand due to the Group's expansion plans.

The Group is dependent on the financial agreement between Arctic Fish ehf., Arion Bank hf. and DNB Bank ASA which accounts for the Group's material financing. Please see Section 6.9 ("Material borrowings and financial commitments") for further information.

Other than the above, the Company has no dependency on any business-critical patents or licenses, nor commercial or financial contracts.

5.7 Related party transactions

NRS purchased nearly all of the salmon the Group harvested in the first half of 2020, for a total price of €8,424,232.33. Pricing was based on an open book assumption, where prices fluctuated with actual price achievement, but linked to the NASDAQ Salmon Index. Novo ehf. also purchased a relatively smaller amount of harvested salmon, for a total price of €245,761.76.

The Group was invoiced by NRS for €182,883 in 2018, €254,270 in 2019 and €191,911 in 2020 for the wages of employees that worked for the benefit of the Group.

During 2018 and 2019, a company owned by the same owners of Bremesco Holding Ltd, a large shareholder of the Company, supplied materials and services related to the maintenance and construction of the Group's freshwater production facility for €1,036,011, as well as similar maintenance equipment in 2020 for €85,093.

The following intra-group agreements have been entered into: (1) between Arctic Smolt hf. as seller and Arctic Sea Farm hf. as buyer for the supply and delivery of smolt; (2) between Arctic Sea Farm hf. as seller and Arctic Oddi ehf. as buyer for the supply and delivery of farmed salmon for slaughter and processing for sale on the wholesale market; and (3) between Arctic Fish ehf. as services provider and Arctic Smolt hf., Arctic Sea Farm hf. and Arctic Oddi ehf. as buyers for the supply of administrative services (the "**Intra-Group Agreements**"). The Intra-Group Agreements are all based on payment of cost price for the applicable goods and services.

5.7.1 Convertible Loan

Arctic Fish ehf. entered into a number of subordinated loan agreements with related parties: NRS, Novo ehf. and Friendmall Ltd. The terms of the subordinated loan agreements provided that loan amounts may be converted into shares issued by Arctic Fish ehf. if requested an approved by the same proportion of the shareholders' votes that is needed to increase the share capital of Arctic Fish ehf.. All subordinated loan amounts were converted into equity, and the Group has no share options outstanding.

5.8 Legal and regulatory proceedings

From time to time, the Group may become involved in litigation, disputes and other legal proceedings arising in the course of its business.

The Group is involved in a civil dispute against *inter alia* two environmental organisations relating to the operational license for production of 5,300 tonnes of rainbow trout in Ísafjarðardjúp (license which is intended to be converted into a salmon production license). The dispute is a result of a demand for withdrawal of the said operating license, and is currently handled at an administrative level. Any administrative decision from the independent appeal committee may be submitted before the courts of Iceland. If the plaintiffs should succeed in their appeal, a potential outcome (although considered unlikely by the Company) may be that the operational license for production of 5,300 tonnes of production of rainbow trout is withdrawn (either permanently or for a period until the relevant issues are resolved).

The Group is currently involved in a civil dispute with *inter alia* a company owning the neighbouring hotel to the sites Patreks- and Tálknafjörður demanding the withdrawal of Arctic Sea Farm's operating license for 7,800 tonnes of production of salmon. The dispute is still pending and, should the plaintiffs succeed, a potential outcome (although considered unlikely by the Group) may be that the operational licenses for production of 7,800 tonnes of production of salmon is withdrawn (either permanently or for a period until the relevant issues relating to the license are resolved).

The Group currently has a disagreement with Vesturbyggð municipality, who believes that the Group has not paid port fees imposed for farmed fish landed in the municipality.

A key employee filed a lawsuit against Arctic Fish ehf.. regarding interpretation of the employment contract in relation to the key employee's incentive plan. The matter was settled in December 2020, before any proceedings were commenced.

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

6 DIVIDEND AND DIVIDEND POLICY

6.1 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, inter alia, the Company's investment requirements and rate of growth. As of the date of this Information Document, the Company is in a growth phase and will most likely not be in a position to pay dividends in the near 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 6.2 ("Legal and contractual constraints on the distribution of dividends") below, as well as capital expenditure plans, financing requirements and maintaining the appropriate strategic flexibility.

Neither the Company nor Arctic Fish ehf. have paid any dividends during the financial years 2019 or 2018.

6.2 Legal and contractual constraints on the distribution of dividends

The Norwegian Private Limited Liability Companies Act provides several constraints on the distribution of dividends:

- Dividend may only be distributed to the extent that the Company after the distribution has a sound equity and liquidity.
- The Company may only distribute dividends to the extent that its net assets following the distribution are at least equal to the sum of (i) the Company's share capital, (ii) the reserve for valuation differences and (iii) the reserve for unrealised gains. In determining the distribution capacity, deductions must be made for (i) the aggregate amount of any receivables held by the Company and dating from before the balance sheet date which are secured by a pledge over Shares in the Company, (ii) any credit and collateral etc. from before the balance sheet date which according to Sections 8-7 to 8-10 of the Norwegian Private Limited Liability Companies Act must not exceed the Company's distributable equity (unless such credit has been repaid or is set-off against the dividend or such collateral has been released prior to the decision to distribute the dividend), (iii) other dispositions carried out after the balance sheet date which pursuant to law must not exceed the Company's distributable equity and (iv) any amount distributed after the balance sheet date through a capital reduction.
- The calculation of the distributable equity shall be made on the basis of the balance sheet in the Company's last approved annual accounts, provided, however, that the registered share capital as of the date of the resolution to distribute dividends shall apply. Dividends may also be distributed 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 which does not lie further back in time than six months before the date of the general meeting's resolution.

In addition, there are certain equity requirements under the operating company's fish farming licenses which may restrict the amount of dividend that is able to be paid.

6.3 Manner of dividends payment

Any dividends on the Shares will be denominated in NOK. Any dividends or other payments on the Shares will be paid through the Company's registrar in the VPS, DNB Bank ASA (the "**VPS Registrar**"). Dividends and other payments on the Shares will be paid, on a payment dated determined by the Company, to the bank account registered in connection with the VPS account of the registered shareholder as of the record date for the distribution.

Dividends and other payments on the Shares will not be paid to shareholders who have not registered a bank account with their VPS account. Shareholders who have not received dividends for this reason will receive payment if they register a bank account with their account operator in the VPS and inform the VPS Registrar of the details of such bank account.

Shareholders with a registered address outside of Norway may register a bank account in another currency than NOK with their VPS account. Shareholders who have done so will receive payment in the currency of such bank account. The exchange rate(s) applied will be the VPS Registrar's rate on the date of payment.

The Norwegian Private Limited 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. Accordingly, a shareholder's right to receive dividends or other distributions will lapse three years after the payment date if bank account details have not been provided to the VPS Registrar within such date. Following the expiry of the limitation period, any remaining dividend amounts will be returned from the VPS Registrar to the Company.

7 SELECTED FINANCIAL INFORMATION

7.1 Introduction and basis for preparation

The Company was incorporated on 1 October 2020, and is a holding company which owns 100% of the shares in Arctic Fish ehf., the former parent company of the Group, incorporated on 1 July 2011. As of the date of this Information Document, Arctic Fish ehf. is the Company's only direct subsidiary and the Company does not hold any other assets. The following selected financial information has been extracted from the consolidated interim financial statements for the nine months' period ended 30 September 2020 (the "**Interim Financial Statements**") and the audited consolidated financial statements of Arctic Fish ehf. for the years ending 31 December 2019 and 31 December 2018 (the "**Annual Financial Statements**", together with the Interim Financial Statements the "**Financial Statements**").

The Annual Financial Statements have been prepared in accordance with IS-GAAP, the Annual Accounts Act No. 3/2006 and the Auditing Act No. 79/2008. The Annual Statements are included herein as Appendix B and C, respectively. The Interim Financial Statements have been prepared in accordance with IAS 34 and are included herein as Appendix D. The Annual Financial Statements have been audited by KPMG ehf., the independent auditor of Arctic Fish ehf., as set forth in the auditor's reports which are included in the Annual Financial Statements respectively (please see Appendix B and Appendix C). The auditor's reports do not include any qualifications. The Interim Financial Statements have been subject to a limited review by KMPG ehf. in accordance with ISRE 2410.

The Company presents the Financial Statements in EUR (presentation currency), noting that the audited consolidated financial statements of Arctic Fish ehf. for the year ending December 2018 is presented in ISK with comparative figures in the audited consolidated financial statements of Arctic Fish ehf. for the year ending December 2019 converted to EUR at the closing exchange rate for the year 2018.

The selected financial information presented in Section 6.2 to Section 6.6 below has been derived from the Financial Statements and should be read in connection with, and is qualified in its entirety by reference to, the Financial Statements included herein as Appendix B, Appendix C and Appendix D.

7.2 Summary of accounting policies and principles

For information regarding accounting policies and the use of estimates and judgments, please see note 1 in each of the Financial Statements, incorporated herein as Appendix B, Appendix C and Appendix D.

7.3 Selected statement of income

The table below sets out selected data from Arctic Fish ehf.'s consolidated unaudited interim financial statements for the nine month period ended 30 September 2020, with comparable figures for the nine month period ended 31 September 2019, and from the audited statement of income for the year ended 31 December 2019 with comparable figures for the year ended 31 December 2018.

		Nine months ended 30 September		**Year ended 31 December**	
	Notes	**2020**	**2019**	**2019**	**2018**
In EUR		*(consolidated)*	*(consolidated)*	*(consolidated)*	*(consolidated)*
Operating revenue……………………….		23,444,678	11,638,828	16,615,601	585,536
Cost of goods sold……………………….		21,274,153	12,635,821	17,749,578	529,355
Impairment on biological assets……….				899,661	716,460
Administration and management……….		476,539	358,173	449,660	538,407
		21,750,692	12,993,994	19,098,899	1,784,223
Operating income (loss)……………….		1,693,986	(1,355,166)	(2,483,298)	(1,198,686)
Interest revenue………………………….		44,646	0	1,729	4,609
Interest expense………………………….		(2,181,809)	(1,252,657)	(2,395,958)	(1,062,899)
Exchange rate difference………………..		313,385	(199,789)	(29,773)	(1,429,190)
		(1,823,778)	(1,452,446)	(2,424,002)	(2,487,480)
Share of profit (loss) of subsidiaries……		0	0	0	0
Loss before income tax………………..				(4,907,300)	(3,686,167)
Income tax………………………………...	21			0	0
Loss for the period……………........		(129,792)	(2,807,612)	(4,907,300)	(3,686,167)

In EUR	Notes	Nine months ended 30 September 2020 (consolidated)	2019 (consolidated)	Year ended 31 December 2019 (consolidated)	2018 (consolidated)
EBITDA……………………………………	13	4,405,890	769,819		

7.4 Selected statement of financial position

The table below sets out selected data from Arctic Fish ehf.'s consolidated unaudited interim balance sheet for the nine month period ended 30 September 2020, with comparable figures for the nine month period ended 31 September 2019, and from the audited balance sheet for the year ended 31 December 2019 with comparable figures for the year ended 31 December 2018.

In EUR	Notes	Nine months ended 30 September 2020 (consolidated)	Year ended 31 December 2019 (consolidated)	2018 (consolidated)
Assets:				
Property, plant and equipment….........................	15, 14	52,137,325	48,460,676	38,991,571
Intangible assets…...……………………………	16, 15	2,554,095	2,146,394	1,518,472
Investments in subsidiaries………………………	17, 16	0	0	0
Investments in other companies…………………		59,584	53,419	53,419
Total non-current assets		54,751,004	50,660,489	40,563,462
Biological assets…………………………………	18, 17	36,955,804	25,301,159	15,376,229
Inventories………………………………………	19, 18	1,772,607	1,043,740	396,352
Trade receivables………………………………..		5,127,428	1,223,314	25,970
Loans to related parties…………………………	23, 22	0	146,930	1,114,854
Other receivables……………………..............		5,840,907	5,052,331	1,869,676
Cash and cash equivalents…………………….		5,172,494	981,476	857,097
Total current assets		54,869,240	33,748,950	19,640,179
Total assets		109,620,244	84,409,439	60,203,640
Equity:				
Share capital………………………………………..		43,772,153	43,772,153	43,772,153
Accumulated deficit……………………………...		(18,243,742)	(18,113,950)	(13,206,650)
Total equity	20, 19	25,528,411	25,658,203	30,565,503
Liabilities:				
Loans and borrowings……………………………..	21, 20	19,417,666	21,567,647	11,746,551
Liabilities from related parties…………………….	23, 22	22,174,657	14,325,619	0
Provision for subsidiary…………………………	23, 22	0	0	0
Deferred tax liability………………………………..	22, 21	239,661	239,661	239,661
Total non-current liabilities		41,831,984	36,132,927	11,986,212
Trade payables……………………………………..		14,568,006	6,083,503	3,658,042
Loans and borrowings……………………………..	21, 20	26,528,413	16,209,373	1,659,356
Liabilities from related parties…………………….	23, 22	0	0	12,084,688
Other payables……………………………………..		1,163,430	325,433	249,839
Total current liabilities		42,259,849	22,618,309	17,651,925
Total liabilities		84,091,833	58,751,236	29,638,137

In EUR	Notes	Nine months ended 30 September 2020	Year ended 31 December 2019	2018
Total equity and liabilities		109,620,244	84,409,439	60,203,640

7.5 Selected statement of cash flows

The table below sets out selected data from Arctic Fish ehf.'s consolidated unaudited interim statement of cash flows for the nine month period ended 30 September 2020, with comparable figures for the nine month period ended 31 September 2019, and from the audited statement of cash flows for the year ended 31 December 2019 with comparable figures for the year ended 31 December 2018.

		Nine months ended 30 September		**Year ended 31 December**	
	Notes	**2020**	**2019**	**2019**	**2018**
In EUR		*(consolidated)*	*(consolidated)*	*(consolidated)*	*(consolidated)*
Cash flows from operations					
Loss for the year…...…………………………		(129,792)	(2,807,612)	(4,907,300)	(3,686,167)
Adjustments for:					
Gain on sale of property, plant and equipm.		0	25,376	48,267	0
Depreciation………………………………......	16, 15	2,711,904	2,099,609	2,986,199	1,286,265
Net finance expense………………………….		1,823,778	1,452,446	2,424,002	2,487,480
Share of loss subsidiaries………………….....	17, 16	0	0	0	0
		4,405,890	769,819	551,168	87,579
Change in operating assets and liabilities:					
Biological assets, (increase)…………………		(11,654,646)	(5,998,809)	(9,924,930)	(10,736,598)
Inventories, (increase) decrease…………….		(728,867)	(888,813)	(647,388)	(16,100)
Receivables, (increase) decrease…………..		(4,286,652)	(5,865,171)	(4,380,000)	(692,734)
Current liabilities, increase (decrease)……..		9,352,019	6,572,784	2,500,687	2,438,948
Change in operating assets and liabilities		(7,318,146)	(6,180,009)	(12,451,630)	(9,006,485)
Interest income received…………………………..		44,646	0	1,729	8,932
Interest expenses paid…………………………….		(1,829,067)	(1,452,446)	(1,775,025)	(668,896)
Net cash (used in) from operating activities		(4,696,677)	(6,862,636)	(13,673,758)	(9,578,870)
Cash flows to investment activities					
Investm. in subsidiaries, net of cash acquired…..				0	0
Purchases of property, plant and equipment…....	15, 14	(6,286,002)	(9,337,265)	(12,553,975)	(7,218,750)
Proceeds from sale of property and equipment...	15, 14	0	25,376	60,989	0
Capitalised R&D cost ……………………………..	16, 15	(510,251)	(417,106)	(638,507)	
Investments in other companies………………….		(6,165)	0		
Loans to related parties, changes………………..	16, 15	0	0	0	(960,414)
		(6,802,418)	(9,728,995)	(13,131,493)	(8,179,164)
Cash flows from (to) financing activities					
Long-term loans and borrowings, changes……..		(2,705,574)	19,675,050	26,499,002	7,170,802
Related parties, changes………………………….		8,546,211	0	430,628	8,492,621
Bank overdrafts, change..………………………...		9,849,476	1,823,344	0	0
		15,690,113	21,498,394	26,929,630	15,663,423
Changes in cash and cash equivalents………		4,191,018	4,906,763	124,379	(2,094,611)

In EUR	Notes	Nine months ended 30 September		Year ended 31 December	
		2020	2019	2019	2018
		(consolidated)	*(consolidated)*	*(consolidated)*	*(consolidated)*
Cash and cash equiv. at the beg. of the year..		981,476	863,290	857,097	2,951,708
Cash and cash equiv. at the end of the year...		5,172,494	5,770,053	981,476	857,097

7.6 Selected statement of changes in equity

Changes in equity is presented in the equity note of Arctic Fish ehf.'s financial statements as of and for the year ending on 31 December 2018 and 2019, and as of 30 September 2020. Each share of Arctic Fish ehf. has the nominal value of one ISK. An overview presented in EUR is included below.

In EUR

2018	**Share capital**	**Accumulated deficit**	**Total**
Equity 1.1.2018……………………………………………	5,831,764	(1,268,414)	4,563,350
Net loss for the year………………………………………		(491,108)	(491,108)
Equity 31.12.2018………………………………………...	5,831,764	(1,759,522)	4,072,242

In EUR

2019	**Share capital**	**Accumulated deficit**	**Total**
Equity 1.1.2019……………………………………………	43,772,153	(13,206,650)	30,565,503
Net loss for the year………………………………………		(4,907,300)	(4,907,300)
Equity 31.12.2019………………………………………...	43,772,153	(18,113,950)	25,658,203

In EUR

As of 30 September 2020	**Share capital**	**Accumulated deficit**	**Total**
Equity 1.1.2019……………………………………………	43,772,153	(18,113,950)	25,657,203
Net loss for the period……………………………………		(4,907,300)	(4,907,300)
Equity 31.12.2019………………………………………...	43,772,153	(18,243,742)	25,528,411

7.7 General Financial Trend

During 2019 and 2020 the Group has been growing in terms of revenue generation. The first generations of salmon were harvested in 2019 and in general the Group had relatively high production costs due the lack of economies of scale. The Group also made significant investments in biomass during 2019 and 2020. There was a net loss in 2019 and 2020 while the Group was building up capacity. Under normal market conditions, the Group has achieved good earnings before interest and taxes margins on sold salmon, but since Q2 2020 the market for salmon has been comparatively weaker with lower prices. Production costs have, however, improved and the cost performance of the Group remains competitive.

7.8 Significant changes in the Group's financial or trading position

Other than the internal reorganisation whereby the Company became the parent of the Group, the Private Placement (as further described in section 8), the Group entering into the Arion/DNB Credit Agreement (as further described in section 7.10) and conversion of the shareholder convertible loans to equity in Arctic Fish ehf. (as further described in section 5.7.1), there have been no significant changes in the Company's financial or trading positions after the Interim Financial Statements..

7.9 Working capital statement

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

7.10 Material borrowings and financial commitments

The Group's current material financing consists of the Arion/DNB Credit Agreement that amounts to a total of €67,000,000, with an optional additional €7,000,000 for further construction projects. The loan amount is purposed as follows:

i) €14,000,000 to finance the construction of a smolt production facility including the equipment needed for the same, of which almost all has been drawn;

ii) €20,000,000 to finance purchasing equipment to be used in farming operations, of which approximately €13,400,000 has been drawn;
iii) €30,000,000 as a revolving credit facility for biomass production, of which approximately €22,400,000 has been drawn;
iv) €3,000,000 as an overdraft facility, of which approximately €2,500,000 has been drawn; and
v) an optional further €7,000,000 to finance the expansion of the smolt production facility.

Pursuant to the Arion/DNB Loan, the following financial covenants inter alia apply: to provide audited financial statements; restrictions on distributions, additional indebtedness, mergers, consolidations, liquidations, sale of assets, insurance (including biomass insurance) and capex investments limited to EUR 12 million in aggregate for the duration and EUR 6 million in any financial year; the equity ratio to at all times be equal to or exceed 40%; leverage not applicable for the relevant period expiring 31 December 2020 and 31 March 2021, leverage not exceeding 5:1 for the relevant period expiring 30 June 2021, 30 September 2021 and 31 December 2021, and leverage not exceeding 4.5:0 for the relevant period expiring 31 March 2022 and all subsequent relevant periods; minimum EBITDA (measured on a rolling 12-month basis) shall during the relevant periods ending on each of 31 December 2020 and 31 March 2021 exceed EUR 3 million (EBITDA definition includes inter alia biomass fair value adjustments); the amounts outstanding under the revolving biomass facility (up to EUR 30 million) shall not exceed the amount under the borrowing base (the borrowing base means, on a consolidated basis for Arctic Fish ehf. and its subsidiaries, the sum of: (i) 60% of the insured biomass on land; (ii) 60% of the insured biomass in sea; and (iii) 65% of account receivables (calculated at face value)). Arctic Fish ehf. is currently not in breach of any covenant. All covenants in Arctic Fish ehf.'s existing and contemplated financing agreements are in line with common market practice. Arctic Fish ehf. is not aware of any terms in its existing financings agreements or that are contemplated in its new financing agreements that deviate from market practice.

8 The Private Placement

8.1 Details of the Private Placement

On 12 February 2021, the Company announced the completion of a private placement raising gross proceeds of NOK 350 million through issuance of 5,718,954 new Shares at a subscription price of NOK 61.20 per Share (the "**Private Placement**"). The Euronext Growth Advisors, acted as managers for the Private Placement.

The application period for the Private Placement took place from 11 February 2021 at 09:00 CET to 12 February 2021 at 16:30 CET. Settlement was completed on 15 February 2021. See Section 8.4 for further information about the settlement.

Price stabilisation measures were carried out in connection with the Private Placement, of approximately 9% of the total number of shares sold in the Private Placement. The price stabilisation measures were arranged through a share lending agreement between the Euronext Growth Advisors and Bremesco Holding Ltd, as well as through the issuance of an over-allotment option.

8.2 Use of Proceeds

The net proceeds from the Private Placement to the Company is intended to be used to fund growth and develop the Company's value chain within existing license portfolio, including investment in the expansion of smolt capacity, farming equipment, biomass build up processing initiatives, to increase the value chain capacity in the expectation of receiving additional license capacity and general corporate purposes.

8.3 Resolution to carry out the Private Placement and issue the new Shares

The Private Placement and the issuance of the new Shares was approved by an extraordinary general meeting of the Company on 15 February 2021.

8.4 Settlement and issuance of the new Shares

The new Shares allocated in the Private Placement were settled through a normal delivery-versus-payment transaction on 15 February 2021. The delivery-versus-payment settlement was facilitated by a pre-funding agreement between the Company and the Managers. The share capital increase for the new Shares was registered in the Norwegian Register of Business Enterprises on 17 February 2021.

8.5 Lock-up

In connection with the Private Placement, customary lock-up undertakings were given by the Company, members of the Management, members of the Board of Directors of the Company holding shares, NRS, Bremesco Holding Ltd and Novo ehf. which will restrict, subject to certain conditions, their ability to, without the prior written consent of the Euronext Growth Advisors, issue, sell or dispose of any Shares, as applicable. Pursuant to these undertakings, there will be a 12 months' lock-up for the Company, members of the Management and members of the Board of Directors of the Company holding shares, and a 6 months' lock-up for NRS, Bremesco Holding Ltd and Novo ehf., starting from the date of the first day of trading of the Shares on Euronext Growth Oslo.

8.6 Expenses related to the Private Placement

The Company's total costs and expenses in connection with the Private Placement is estimated to be approximately EUR 2 million.

8.7 Dilution

The Private Placement resulted in an immediate dilution of approximately 17.9% for shareholders of the Company who did not participate in the Private Placement.

9 THE BOARD OF DIRECTORS, MANAGEMENT AND EMPLOYEES

9.1 Overview

The overall management of the Company is vested in the Board of Directors and 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 asset 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 Group'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 is responsible for keeping the Company's accounts in accordance with prevailing Norwegian legislation and regulations and for managing the Group's assets in a responsible manner. In addition, the Company's Chief Executive Officer must, according to Norwegian law, brief the Board of Directors about the Company's activities, financial position and operating results at least once a month.

9.2 The Board of Directors

9.2.1 Overview

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

Name	Position	Served since	Term expires	Shares	Share options
Svein Sivertsen	Chairman	09.11.2020	Annual General Meeting 2022	16,339	N/A
Ola Loe	Board member	09.11.2020	Annual General Meeting 2022	40,849	N/A
Charles Høstlund	Board member	First day of Admission	Annual General Meeting 2023	18,000	N/A
Nicolaj Weiergang	Board member	First day of Admission	Annual General Meeting 2023	1,634	N/A
Hildur Árnadóttir	Board member	First day of Admission	Annual General Meeting 2023	Nil	N/A

The Company's registered office, at Ferjemannsveien 10, 7042 Trondheim, Norway serves as the business address for the members of the Board of Directors in relation to their directorships in the Company.

9.2.2 Brief biographies of the members of the Board of Directors

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

Svein Sivertsen, Chairman

Svein Sivertsen has been a partner at Borgersen & Partners AS since 2005 until 2020, and has extensive experience of executive management in industry, finance and research. He currently sits on the board of directors of Aalesundfisk Holding AS, B&B Holding AS and BOA Offshore AS, amongst others. Prior to joining Borgersen & Partners AS, he was vice president of SINTEF Gruppen, and prior to that was the Chief Executive Officer of Fokus Bank and DDB Fokus Invest. Mr Sivertsen is a certified civil engineer from the Norwegian University of Science and Technology (NTNU).

Ola Loe, Board member

Ola Loe has been the Chief Financial Officer of NRS ASA since 2009. He is also currently chairman of the board of Ramsfjell AS, and holds a management position within the same company. Prior to joining NRS, he worked as a senior manager at KPMG and as group auditor for Cermaq, Norway Pelagic, Fjord Seafood and Midnor Group. Mr Loe is a Certified Public Accountant from the Norwegian School of Economics and Business Administration (NHH) and also has a Bachelor's Degree in auditing from South Trøndelag University College.

Charles Høstlund, Board member

Charles Høstlund has been the Chief Executive Officer of NRS since 2014. He is also currently chairman of NRS Settefisk AS, NRS Farming AS and Nor Seafood AS (amongst others). Prior to joining NRS, he was Regional Director of Marine Harvest Norway AS and CEO of Jøkelfjord Laks AS. Mr Høstlund holds a Master's Degree in Aqua-medicine, and an Executive Master's Degree in Economics and Business Administration from the Norwegian School of Economics and Business Administration (NHH).

Nicolaj Weiergang, Board member

Nicolaj Weiergang has been the Chief Executive Officer of Arctic Seafood Group AS since 2013. He is also currently chairman of the board of Adjutec Pharma AS and sits on the board of directors of Credicare AS. Prior to joining Arctic Seafood Group AS, he was Chief Financial Officer of Codfarmers ASA. Mr Weiergang holds a Master's Degree in Business and Economics from the Norwegian Business School and a Master's Degree in Finance and Investment from the University of Durham.

Hildur Árnadóttir, Board member

Hildur Árnadóttir has since 2016 worked as an independent advisor in finance and accounting in addition to being an independent board member for various companies. She currently sits on the board of directors of Sjóvá-Almennar tryggingar hf., Business Iceland, Eldey TLH hf., BBL 151 ehf. and Norðursigling hf., and is a committee member of Iceland's Public Auditor's Oversight Board (PAOB). Prior to joining PAOB, she was Executive Director Treasury in Íslandsbanki hf. and Chief Financial Officer of the Bakkavör Group hf.. Ms Árnadóttir holds a Master's Degree in Business Administration from the Oecon University of Iceland.

9.3 Management

9.3.1 Overview

The names and positions of the members of the Management as at the date of this Information Document are set out in the table below.

Name	Position	Employed since	Shares	Share options
Stein Ove Tveiten	Chief Executive Officer	2017	4,084	N/A
Neil Shiran K Þórisson	Chief Financial Officer	2015	335,000	N/A
Sigurður Pétursson	Business Development Manager	2011	16,340	N/A
Steinunn Einarsdottir	Quality Manager	2016	Nil	N/A
Johan Hansen	Site Manager at NordBotn	2017	16,339	N/A
Isak Oskarsson	Site Manager Petro/Talkna	2019	16,107	N/A
Bernhardur Gudmundsson	Site Manager Dýrafjörður	2011	490	N/A
Egil Olafsson	Technical Supervisor	2014	5,359	N/A

The registered office of Arctic Fish ehf., Aðalstræti 20, 400 Ísafjörður, Iceland serves as the business address for the members of the Management in relation to their employment in the Company.

9.3.2 Brief biographies of the members of the Management

Set out below are brief biographies of the members of the Management, including their relevant management expertise and experience and an indication of any significant principal activities performed by them outside the Company.

Stein Ove Tveiten – Chief Executive Officer

Stein Ove Tveiten has been the Chief Executive Officer for Arctic Fish ehf. since 2017. Prior to joining Arctic Fish ehf., he was Chief Executive Officer of NRS Feoy AS. He has over 20 years' experience of working with aquaculture and fish farming, and has held a number of managerial positions in various fish farming companies such as general manager, site manager and production manager. Mr Tveiten holds a bachelor's degree in Aquaculture from Sogn og Fjordane University College and a qualification in Economics from the Norwegian Business School.

Neil Shiran K Þórisson – Chief Financial Officer

Neil Shiran K Þórisson has been the Chief Financial Officer for Arctic Fish ehf. since 2015. Prior to joining Arctic Fish ehf., he was the Chief Executive Officer of the Westfjords Economic Development Agency and the Chief Executive Officer of Hvetjandi a regional investment fund. Mr Þórisson holds a Postgraduate Diploma in Economic Management and Policy, a Master's Degree in International Business and a Bachelor's Degree in Business Administration.

Sigurður Pétursson – Business Development Manager

Sigurður Pétursson is one of the founders of Arctic Fish ehf. in 2011 and has been Business Development Manager since 2016. He holds a Master's Degree in Marine Biology and Fisheries.

Steinunn Einarsdóttir – Quality Manager

Steinunn Einarsdottir has been Quality Manager since 2016. She has a background in sales and the fishing industry generally, with 5 years' experience in aquaculture. She holds a Bachelor's Degree in Tourism.

Johan Hansen – Site Manager at NordBotn

Johan Hansen has been Site Manager at NordBotn since 2016. He has 35 years' experience of smolt production and extended RAS experience from Norway and the Faroe Islands.

Isak Oskarsson – Site Manager Petro/Talkna

Isak Oskarsson has been Site Manager of Petro/Talkna since 2018. He has 10 years' experience at sea, with 3 of those years as captain. He has a background from fish factories and graduated from skipper school.

Bernhardur Gudmundsson – Site Manager Dýrafjörður

Bernhardur Gudmundsson has been Site Manager of Dýrafjörður since 2011. He has 13 years' of experience with fish farming, both at sea and land based. He is also an agronomist.

Egil Olafsson – Technical Supervisor

Egil Olafsson has been Technical Supervisor since 2014. He has a background in managing the processing of salmon and trout, is a former fisherman and captain and was educated at the School of Navigation.

9.4 Employees

As of the date of this Information Document, the Group has approximately 70 employees of which approximately 47 are employed in seawater production, 13 in freshwater production, and 10 in total across finance, administration, quality management and human resource functions within the Group.

9.5 Benefits upon termination

No members of the Management or the Board of Directors are entitled to any additional remuneration following the termination of their employments/service.

9.6 Corporate governance requirements

The Board of Directors has a responsibility to ensure that the Company has sound corporate governance mechanisms. The Company is not listed on a regulated market and thus not subject to mandatory corporate governance codes. Trading at Euronext Growth Oslo does not require implementation of a specific corporate governance code, such as the Norwegian Code of Practice for Corporate Governance (the "**Code**"). However, the Company intends to maintain a high level of corporate governance standard and will consider the implications of the Code going forward.

9.7 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 Information Document:

i) any convictions in relation to fraudulent offences;

ii) received any official public incrimination and/or sanctions by any statutory or regulatory authorities (including designated professional bodies) or was disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company; or

iii) other than Svein Sivertsen, who is associated with the bankruptcy of Albert E Olsen AS in 2019 by way of being the chairman of the board at the time of bankruptcy, 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.

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 members of the Board of Directors and members of the Management, including any family relationships between such persons.

10 CORPORATE INFORMATION AND DESCRIPTION OF SHARE CAPITAL

10.1 General corporate information

The Company's legal name is Arctic Fish Holding AS, while its commercial name is "Arctic Fish". The Company is a private limited liability company, validly incorporated and existing under the laws of Norway and in accordance with the Norwegian Private Limited Liability Companies Act.

The Company is registered in the Norwegian Register of Business Enterprises with company registration number 825 904 042. The Company was incorporated on 1 October 2020.

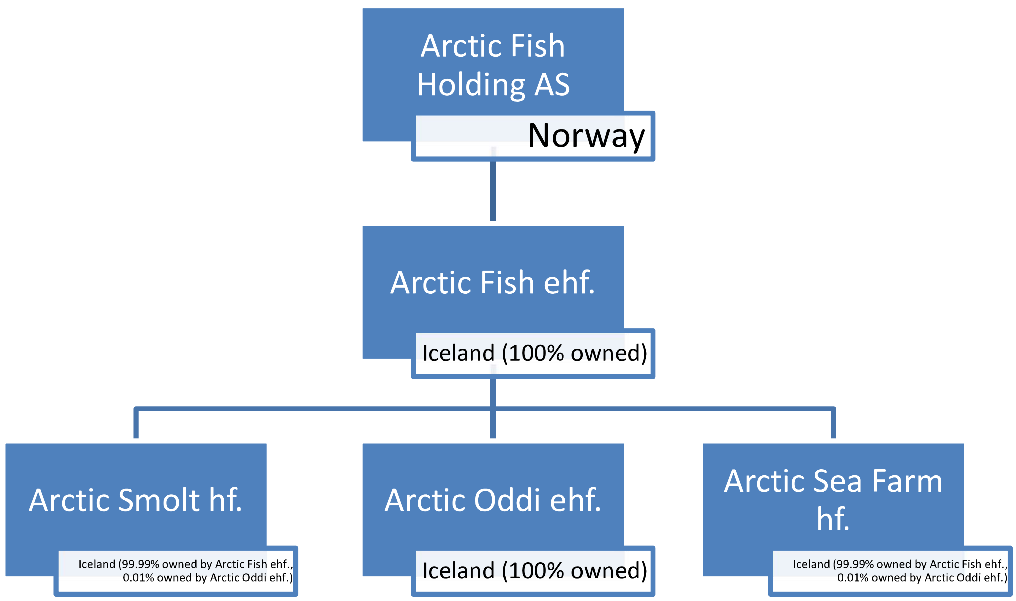
The Company's registered business address is Ferjemannsveien 10, 7042 Trondheim, Norway, and its principal place of business is Aðalstræti 20, Ísafjörður, Iceland. The telephone number to the Company's principal offices is +354 4567100 and its website is www.arcticfish.is.

The Shares are registered in book-entry form with VPS under ISIN NO 001 0917719. The Company's register of shareholders in VPS is administrated by the VPS Registrar, DNB Bank ASA. The Company's LEI-code is 549300WIEAOXRI8H0046.

10.2 Legal structure

The Company is the parent company of the Group. The operations of the Group are carried out through the Company and its subsidiaries.

Below is a chart of the Group's legal structure:



The following table sets out information about the Company's subsidiaries:

Company	Country of incorporation	% holding
Arctic Fish ehf.	Iceland	100
Arctic Smolt hf.	Iceland	100[1]
Arctic Sea Farm hf.	Iceland	100[2]
Arctic Oddi ehf.	Iceland	100[3]

10.3 Ownership structure

As of the date of this Information Document, no shareholders other than NRS and Bremesco Holding Ltd hold more than 5% of the Shares. There are no specific measures in place regulating the exercise of the influence which follows from holding a majority of the Shares in the Company.

As of the date of this Information 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.

10.4 Share capital and share capital history

As of the date of this Information Document, the Company's registered share capital is NOK 31,876,653 divided into 31,876,653 Shares, each with a par value of NOK 1. All of the Shares have been created under the Norwegian Private Limited Liability 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.

The table below shows the development in the Company's share capital for the period covered by the Financial Statements to the date of this Information Document. Other than set out below, there have not been any share capital changes in the Company, neither share capital increases by way of contribution in kind or cash nor share capital decreases, for the period from incorporation to the date of the Information Document.

Date	Type of change	Change in issued share capital (NOK)	New issued share capital (NOK)	New no. of issued Shares	Par value per share (NOK)
01.10.2020	Incorporation	N/A	30,000	3,000	10
03.02.2021	Share split	-	30,000	30,000	1
03.02.2021	Capital decrease and simultaneous capital increase	26,157,698	26,157,698	26,157,699	1
15.02.2021	Capital increase	5,718,954	31,876,653	31,876,653	1

10.5 Authorisations

As of the date of this Information Document, the Board of Directors has an authorisation to increase the share capital in the company up to NOK 3,000,000, and an authorisation to acquire Shares in the Company for an amount up to NOK 3,000,000. The authorisations are valid until 14 February 2023.

10.6 Financial instruments

Other than as described in section **Error! Reference source not found.**, 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 shares in any of the Group Companies.

[1] Indirectly through Arctic Fish ehf., with Arctic Oddi ehf. holding approximately 0.01% of the shares in Arctic Smolt hf.

[2] Indirectly through Arctic Fish ehf., with Arctic Oddi ehf. holding approximately 0.01% of the shares in Arctic Sea Farm hf.

[3] Indirectly through Arctic Fish ehf.

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 10.11 ("Certain aspects of Norwegian corporate law").

10.8 Articles of Association

The Articles of Association are attached as Appendix A to this Information Document. Below is a summary of the provisions of the Articles of Association as at the date of this Information Document.

Section	Description
Name of the Company	The business name of the company is Arctic Fish Holding AS.
Objective of the Company	The purpose of the company shall be to own and manage shares and other securities related to fish farming in Iceland, and to conduct other associated activities.
Share capital and nominal value	The share capital of the company is NOK 31,876,653 divided by 31,876,653 shares, each with a nominal value of NOK 1. The shares shall be registered in a securities register.
Tradability of the Shares	The company's shares are freely tradeable. Acquisitions of shares in the company shall not require the consent of the company, and Section 4-15 (2) of the Private Limited Liability Companies Act on pre-emption rights is disapplied.
No pre-emption rights	The shareholders do not have pre-emption rights upon any change of ownership of shares in the company, and the provisions of the Private Limited Liability Companies Act on pre-emption rights, including Section 4-15 (3), are disapplied.
Documents made available to General Meeting	When documents concerning matters to be discussed at general meetings in the company have been made available to the shareholders on the company's web pages, the board of directors may decide that the documents shall not be sent to the shareholders. This also applies to documents which are required by law or by the articles of association to be included in or appended to notices of general meetings. A shareholder may demand that documents concerning matters to be discussed at the general meeting be sent to him or her. The company cannot demand any form of compensation for sending the documents to the shareholders.

10.9 Takeover bids and forced transfer 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 Private Limited Liability 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 Private Limited Liability Companies Act. The redemption amount will in the absence of agreement or acceptance of the offer be fixed by a discretionary valuation.

10.10 Insider trading

In accordance with the Norwegian Securities Trading Act, subscription for, purchase, sale or exchange of financial instruments that are admitted to trading, or subject to an application for admission to trading on a Norwegian regulated market or a Norwegian multilateral trading facility, or incitement to such dispositions, must not be undertaken by anyone who has inside information. The same applies in the case of financial instruments that are admitted to trading on a Norwegian multilateral trading facility. "Inside information" refers in accordance with Section 3-2 of the Norwegian Securities Trading Act to precise information about financial instruments issued by the company admitted to trading, about the company admitted trading itself or about other circumstances, which are likely to have a noticeable effect on the price of financial instruments issued by the company admitted to trading or related to financial instruments issued by the company admitted to trading, and which is not publicly available or commonly known in the market. Information that is likely to have a noticeable effect on the price shall be understood to mean information that a rational investor would probably make use of as part of the basis for his or her investment decision. The same applies to the entry into, purchase, sale or exchange of options or futures/forward contracts or equivalent rights whose value is connected to such financial instruments or incitement to such dispositions. Breach of insider trading obligations may be sanctioned and lead to criminal charges.

10.11 Certain aspects of Norwegian corporate law

10.11.1 General meetings

Through the general meeting, shareholders exercise supreme authority in a Norwegian company. In accordance with Norwegian law, the annual general meeting of shareholders is required to be held each year on or prior to 30 June. Norwegian law requires that 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). 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.

10.11.2 Voting rights

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.

10.11.3 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.

10.11.4 *Minority rights*

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

Minority shareholders holding 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.

10.11.5 *Rights of redemption and repurchase of shares*

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

The Company may purchase its own Shares provided that the Board of Directors has been granted an authorization 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.

See Section 8.4 for information about such authorization granted to the Board of Directors.

10.11.6 *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 one month prior to the general meeting to pass upon the matter.

10.11.7 *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.

11 NORWEGIAN TAXATION

11.1 Introduction

*The following is a summary of certain Norwegian tax considerations relevant to the acquisition, ownership and disposition of shares by holders that are residents of Norway for purposes of Norwegian taxation ("**Norwegian Shareholders**") and holders that are not residents of Norway for such purposes ("**Non-Norwegian Shareholders**").*

The summary is based on applicable Norwegian laws, rules and regulations as they exist in force as of the date of this Prospectus. Such laws, rules and regulations may be subject to changes after this date, possibly on a retroactive basis for the same tax year. The summary is of a general nature and does not purport to be a comprehensive description of all the tax considerations that may be relevant to the Shareholders and does not address foreign tax laws.

As will be evident from the description, the taxation will differ depending on whether the investor is a limited liability company or a natural person.

Please note that special rules apply for shareholders that cease to be tax resident in Norway or that for some reason are no longer considered taxable to Norway in relation to their shareholding.

Each Shareholder should consult with and rely upon their own tax advisor to determine the particular tax consequences for him or her and the applicability and effect of any Norwegian or foreign tax laws and possible changes in such laws.

For the purpose of the summary below, a reference to a Norwegian or Non-Norwegian shareholder or company refers to tax residency rather than nationality.

11.2 Norwegian shareholders

11.2.1 *Taxation of dividends – Norwegian shareholders who are natural persons*

Norwegian Shareholders who are natural persons are in general tax liable to Norway for their worldwide income. Dividends distributed to Norwegian Shareholders who are natural persons are taxed at a rate of 22%, then the tax base is adjusted upwards by a factor of 1.44, thus implying an effective tax rate of 31.68% (2021).

However, only dividends exceeding a statutory tax-free allowance (Norwegian: "skjermingsfradrag") are taxable. The allowance is calculated on a share-by-share basis, and the allowance for each share is equal to the cost price of the share multiplied by a determined risk-free interest rate based on the effective rate after tax of interest on treasury bills (Norwegian: "statskasseveksler") with three months maturity. The Directorate of Taxes announces the risk free-interest rate in January the year after the income year. The risk-free interest rate for 2020 was 0.6%. The risk free interest rate for 2021 will be published mid January 2022.

The allowance is allocated to the Norwegian Shareholder owning the share on 31 December in the relevant income year. Norwegian Shareholders who are natural persons and who transfer shares during an income year will thus not be entitled to deduct any calculated allowance related to the year of transfer. Any part of the calculated allowance one year exceeding dividend distributed on the same share ("excess allowance") can be carried forward and set off against future dividends received or capital gains upon realization of the same share. Furthermore, excess allowance can be added to the cost price of the share and included in the basis for calculating the allowance on the same share the following year.

The repayment of paid-in share capital and paid-in share premium of each share is not regarded as dividend for tax purposes and thus not subject to tax (if properly documented). Such repayment will lead to a reduction of the tax input value of the shares corresponding to the repayment.

11.2.2 *Taxation of dividends – Norwegian corporate shareholders*

Norwegian Shareholders who are corporations (i.e. limited liability companies, mutual funds, savings banks, mutual insurance companies or similar entities resident in Norway for tax purposes) are generally exempt from tax on dividends received on shares in Norwegian limited liability companies, pursuant to the Norwegian participation exemption method (Norwegian: "fritaksmetoden"). However, 3% of dividend income is generally deemed taxable as general income at a flat rate of 22% (2021), implying that dividends distributed from the Company to Norwegian Shareholders who are corporations are effectively taxed at a rate of 0.66% (2021).

However, Norwegian Shareholders who are corporations that fall within the scope of the participation exemption method and have an ownership stake in excess of 90% of the limited liability company, are not taxed upon the receipt of dividends from this company.

The repayment of paid-in share capital and paid-in share premium of each share is not regarded as dividend for tax purposes and thus not subject to tax (if properly documented).

11.2.3 *Taxation of capital gains – Norwegian shareholders who are natural persons*

Sale, redemption or other disposal of shares is considered a realization for Norwegian tax purposes. A Norwegian Shareholder being a natural person with a capital gain or loss generated through a disposal of shares in the Company is taxable or tax deductible in Norway. Such capital gain or loss is included in or deducted from the shareholder's ordinary income in the year of disposal. Ordinary income is taxed at a rate of 22%, then the tax base is adjusted upwards by a factor of 1.44, thus implying an effective tax rate of 31.68% (2021). The gain is subject to tax and the loss is tax-deductible irrespective of the duration of the ownership and the number of shares disposed of.

The taxable gain/deductible loss is calculated per share, as the difference between the consideration for the share and the Norwegian Shareholder's cost price of the share, including any costs incurred in relation to the acquisition or realization of the share. From this capital gain, Norwegian Shareholders who are natural persons are entitled to deduct a calculated allowance, provided that such allowance has not already been used to reduce taxable dividend income. The allowance may only be deducted in order to reduce a taxable gain, and cannot increase or produce a deductible loss, i.e. any unused allowance exceeding the capital gain upon the realization of a share will be annulled.

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

11.2.4 Taxation of capital gains – Norwegian corporate shareholders

Capital gains, by Norwegian Shareholders who are corporations, derived from the realization of shares qualifying for participation exemption are exempt from taxation. Losses incurred upon realization of such shares are not deductible.

11.2.5 Net wealth tax

Norwegian Shareholders being limited liability companies and certain similar entities are exempt from Norwegian net wealth tax.

For other Norwegian Shareholders (i.e. Shareholders who are natural persons), the shares will form part of the basis for the calculation of net wealth tax. The current marginal net wealth tax rate is 0.85% of taxable values (subject to a basic allowance).

Shares traded on Euronext Growth Oslo are valued at 55% of their net wealth tax value on 1 January in the income year.

11.3 Non-Norwegian shareholders – Norwegian taxation

This Section summarizes certain Norwegian tax rules relevant to Non-Norwegian Shareholders. The potential tax liabilities for Non-Norwegian Shareholders in the jurisdiction where they are resident for tax purposes or other jurisdictions will depend on tax rules applicable in the relevant jurisdictions and is not discussed here.

11.3.1 Taxation of dividends – Non-Norwegian Shareholders who are natural persons

Dividends distributed to Non-Norwegian Shareholders who are natural persons are in general subject to withholding tax at a rate of 25%, unless otherwise provided for in an applicable tax treaty or the recipient is covered by the specific regulations for corporate shareholders tax-resident within the European Economic Area ("**EEA**") (ref. the Section below for more information on the EEA exemption). The company distributing the dividend is normally responsible for the withholding. Norway has entered into tax treaties with more than 80 countries. In most tax treaties the withholding tax rate is reduced to 15%.

In accordance with the present administrative system in Norway, the Norwegian distributing company will normally withhold tax at the regular rate or reduced rate according to an applicable tax treaty, based on the information registered with the VPS with regard to the tax residence of the Non-Norwegian Shareholder. Shares registered on nominee-accounts may, subject to certain documentation requirements, qualify for reduced withholding tax rate.

Non-Norwegian Shareholders who are exempt from withholding tax and Shareholders who have been subject to a higher withholding tax than applicable in the relevant tax treaty, may apply to the Norwegian tax authorities for a refund of the excess withholding tax.

If a Non-Norwegian Shareholder is engaged in business activities in Norway, and the shares are effectively connected with such business activities, dividends distributed to such shareholder will generally be subject to the same taxation as that of a Norwegian Shareholders, cf. the description of tax issues related to Norwegian Shareholders above.

Non-Norwegian Shareholders should consult their own advisers regarding the availability of treaty benefits in respect of dividend payments, including the ability to effectively claim refunds of withholding tax.

11.3.2 Taxation of dividends - Non-Norwegian corporate shareholders

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

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

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

11.3.3 Capital gains tax - Non-Norwegian Shareholders

Capital gains generated by Non-Norwegian Shareholders are normally not taxable in Norway. This applies both for Non-Norwegian shareholders being corporations and natural persons.

If a Non-Norwegian Shareholder is engaged in business activities in Norway or has business activities managed from Norway, and the shares are effectively connected with such business activities, capital gains realized by such shareholder will generally be subject to the same taxation.

11.3.4 Net wealth tax

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

11.4 Inheritance tax

Norway does not impose inheritance tax on assignment of shares by way of inheritance or gift. If any shares of the Company are assigned by way of inheritance or gift, the tax input value of such shares on the part of the originator of such inheritance or gift will be attributed to the recipient of said inheritance or gift (based on continuity). Thus, the heir will, upon realization of the shares, be taxable for any increase in value in the donor's ownership period. However, the principles of continuity only apply if the donor was taxable to Norway.

11.5 Stamp duty

There is currently no Norwegian stamp duty or transfer tax on the transfer or issuance 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 Euronext Growth Oslo.

The Company is not taking any action to permit a public offering of the Shares in any jurisdiction. Receipt of this Information Document does not constitute an offer and this Information Document is for information only and should not be copied or redistributed. If an investor receives a copy of this Information Document, the investor may not treat this Information 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 Information 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 Euronext Growth Advisors have 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 10.3.1 ("United States").

12.2.2 United Kingdom

The Euronext Growth Advisors have represented, warranted and agreed that:

a) it has 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) it has 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 other than Norway 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 Euronext Growth 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 Euronext Growth 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 Information Document.

12.2.4 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 Information 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 Information 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 Euronext Growth 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 Information 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 Euronext Growth 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 Information Document will be deemed to have represented, warranted and agreed to and with the Euronext Growth 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 Euronext Growth 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 AND DOCUMENTS ON DISPLAY

13.1 Admission to Trading on Euronext Growth Oslo

On 5 February 2021, the Company applied for Admission to Trading on Euronext Growth Oslo. The first day of trading on Euronext Growth Oslo is expected to be on or about 19 February 2021.

Neither the Company nor any other entity of the Group have securities listed on any stock exchange or other regulated market place.

13.2 Auditor

The Company's independent auditor is KPMG AS with business registration number 935 174 627 and registered business address at Sørkedalsveien 6, 0369 Oslo, Norway. The partners of KPMG AS are members of The Norwegian Institute of Public Accountants (*Nw.: Den Norske Revisorforening*). KPMG AS has been the Company's independent auditor since 9 November 2020.

KPMG ehf. has been the auditor of Arctic Fish ehf. and its subsidiaries for the last two years. The partners of KPMG ehf. are members of The Institute of State Authorised Public Accountants in Iceland (Is.: *Félag löggiltra endurskoðenda*).

Neither KPMG AS nor KPMG ehf. has audited, reviewed or produced any report on any other information in this Information Document.

13.3 Advisors

DNB Markets, a part of DNB Bank ASA (Dronning Eufemias gate 30, 0191 Oslo, Norway) and Pareto Securities AS (Dronning Mauds gate 3, 0250 Oslo, Norway) are acting as Euronext Growth Advisors.

Advokatfirmaet Wiersholm AS (Dokkveien 1, 0250 Oslo, Norway) is acting as Norwegian legal counsel to the Company.

13.4 Documents on display

Copies of the following documents will be available for inspection at the Company's registered office during normal business hours from Monday to Friday each week (except public holidays) for a period of 12 months from the date of this Information Document:

- the Articles of Association;
- the Financial Statements; and
- this Information Document.

13.5 Third-party information

In this Information 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 Information Document.

14 DEFINITIONS AND GLOSSARY TERMS

Admission to Trading	Admission to trading of the Company's Shares on Euronext Growth Oslo.
Annual Financial Statements...........	The audited consolidated financial statements of Arctic Fish ehf. for the years ending 31 December 2019 and 31 December 2018.
Appropriate Channels for Distribution	All distribution channels for the Shares that are permitted by MIFID II.
Articles of Association.....................	The Company's articles of association.
Board Members	The members of the Company's board of directors.
Board of Directors...........................	The Company's board of directors.
CEO..	The Company's CEO.
Code...	The Norwegian Code of Practice for Corporate Governance.
Company	Arctic Fish Holding AS
EEA	European Economic Area.
EUR..	Euro, the lawful currency of the Member States of the European Union which adopt or have adopted it as their currency in accordance with the relevant provisions of the Treaty on the European Union and the Treaty on the Functioning of the European Union or their succeeding treaties.
Euronext Growth Advisors	DNB Markets, a part of DNB Bank ASA and Pareto Securities AS.
Euronext Growth Markets Rule Book	The Euronext Growth Markets Rule Book for Euronext Growth Oslo.
Euronext Growth Oslo.....................	A multilateral trading facility operated by Oslo Børs ASA.
Euronext Growth Oslo Content Requirements	The Content Requirements for Information Documents for Euronext Growth Oslo.
Euronext Growth Rule Book............	The Euronext Growth Markets Rule Book and related Notices issued by Oslo Børs.
FSMA	The Financial Services and Markets Act 2000 in the United Kingdom.
HOG	Head-on gutted.
Information Document.....................	This Information Document dated 19 2021.
Interim Financial Statements...........	The consolidated interim financial statements of Arctic Fish ehf. for the nine month period ended 30 September 2020.
Intra-Group Agreements	The agreements: (1) between Arctic Smolt hf. as seller and Arctic Sea Farm hf. as buyer for the supply and delivery of smolt; (2) between Arctic Sea Farm hf. as seller and Arctic Oddi ehf. as buyer for the supply and delivery of farmed salmon for slaughter and processing for sale on the wholesale market; and (3) between Arctic Fish ehf. as services provider and Arctic Smolt hf., Arctic Sea Farm hf. and Arctic Oddi ehf. as buyers for the supply of administrative services.
IS-GAAP..	Icelandic Generally Accepted Accounting Principles.
ISIN	International Securities Identification Number.
ISK..	Icelandic Kroner, the lawful currency of Iceland.
MAB..	Maximum allowed biomass.
Management...................................	The members of the Company's management listed in section 9.3.1.
MiFID II...	The 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.
NASDAQ Salmon Index...................	The weighted average of weekly reported sales prices and corresponding volumes in fresh Atlantic Superior Salmon, head on gutted (HOG), reported to Nasdaq Copenhagen, BMR Administrator by a panel of Norwegian salmon exporters and salmon producers with export license.
Negative Target Market....................	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.
NGAAP...	Norwegian Generally Accepted Accounting Principles.
NOK..	Norwegian Kroner, the lawful currency of Norway.

Non-Norwegian Corporate Shareholders	Holders of Shares who are limited liability companies (and certain other entities) not resident in Norway for tax purposes.
Non-Norwegian Shareholders	Holders of Shares that are not residents of Norway for tax purposes.
Norwegian Securities Trading Act	The Norwegian Securities Trading Act of 28 June 2007, no. 75 (*Nw.: Verdipapirhandelloven*).
Norwegian Shareholders..................	Holders of Shares that are residents of Norway for tax purposes.
NRS..	Norway Royal Salmon.
Parent Company Financial Statements	The audited accounts of the Company for the period 1 October 2020 (incorporation) to 31 December 2020.
Positive Target Market	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.
Private Placement...........................	The private placement raising gross proceeds of approximately NOK 350 million through the issuance of 5,718,954 new Shares at a subscription price of NOK 61.20 per Share.
RAS..	Recirculating aquaculture systems.
Relevant Member State	A member state of the EEA.
Share(s)..	The shares of the Company, consisting as at the date of this Information Document of 31,876,653 common shares each with a par value of NOK 1.
Target Market Assessment	The Negative Target Market together with the Positive Target Market.
U.S. Securities Trading Act	U.S. Securities Act of 1933, as amended.
VPS account....................................	An account with VPS for the registration of holdings of securities.
VPS Registrar..................................	DNB Bank ASA.
VPS	The Norwegian Central Securities Depository (*Nw.: Verdipapirsentralen ASA*).

Arctic Fish Holding AS

Ferjemannsveien 10,

7042 Trondheim

Norway

www.arcticfish.is

DNB Markets

Dronning Eufemias gate 30

0191 Oslo

Norway

www.dnb.no

Pareto Securities AS

Dronning Mauds gate 3

0250 Oslo

Norway

www.paretosec.no

Appendix A

VEDTEKTER FOR ARCTIC FISH HOLDING AS

(sist endret ved generalforsamling den

15. februar 2021)

§1

Selskapets foretaksnavn er Arctic Fish Holding AS.

§2

Selskapets virksomhet skal være å eie og forvalte aksjer og andre verdipapirer knyttet til fiskeoppdrett på Island, og annen virksomhet i tilknytning til dette.

§3

Selskapets aksjekapital er NOK 31 876 653 fordelt på 31 876 653 aksjer, hver pålydende NOK 1. Aksjene skal være registrert i et verdipapirregister.

§4

Selskapets aksjer er fritt omsettelige. Erverv av aksjer er ikke betinget av selskapets samtykke, og aksjelovens § 4-15 (2) gjelder ikke.

§5

Aksjonærer har ikke forkjøpsrett til aksjer som skifter eier, og aksjelovens bestemmelser om forkjøpsrett, herunder § 4-15 (3), gjelder ikke.

§6

Når dokumenter som gjelder saker som skal behandles på generalforsamlinger i selskapet er gjort tilgjengelige for aksjeeierne på selskapets internettsider, kan styret beslutte at dokumentene ikke skal sendes til aksjeeierne. Dette gjelder også dokumenter som etter lov skal inntas i eller vedlegges innkallinger til generalforsamlinger. En aksjeeier kan kreve å få tilsendt dokumenter som gjelder saker som skal behandles på generalforsamlingen. Selskapet kan ikke kreve noen form for godtgjøring for å sende dokumentene til aksjeeierne.

ARTICLES OF ASSOCIATION FOR ARCTIC FISH HOLDING AS

(last amended by general meeting held on

15 February 2021)

Article 1

The business name of the company is Arctic Fish Holding AS.

Article 2

The purpose of the company shall be to own and manage shares and other securities related to fish farming in Iceland, and to conduct other associated activities.

Article 3

The share capital of the company is NOK 31 876 653 divided by 31 876 653 shares, each with a nominal value of NOK 1. The shares shall be registered in a securities register.

Article 4

The company's shares are freely tradeable. Acquisitions of shares in the company shall not require the consent of the company, and Section 4-15 (2) of the Private Limited Liability Companies Act on pre-emption rights is disapplied.

Article 5

The shareholders do not have pre-emption rights upon any change of ownership of shares in the company, and the provisions of the Private Limited Liability Companies Act on pre-emption rights, including Section 4-15 (3), are disapplied.

Article 6

When documents concerning matters to be discussed at general meetings in the company have been made available to the shareholders on the company’s web pages, the board of directors may decide that the documents shall not be sent to the shareholders. This also applies to documents which are required by law or by the articles of association to be included in or appended to notices of general meetings. A shareholder may demand that documents concerning matters to be discussed at the general meeting be sent to him or her. The company cannot demand any form of compensation for sending the documents to the shareholders.

Appendix B

Arctic Fish ehf.

Financial Statements
2018

Artic Fish ehf.

Suðurgata 12
400 Ísafirði

Reg. no. 480711-0840

Contents

Endorsement by the Board of Directors and the CEO

Arctic Fish ehf. ("the Company") is a parent company for a fish farming operation based on various locations in Iceland. The financial statements incorporate the consolidated financial statements of Arctic Fish ehf. and its subsidiaries and the financial statements of the parent company. The company owned directly three subsidiaries at year-end 2018.

According to the income statement for the year the net loss amounted to ISK 491 million. According to the balance sheet for the year, book value of equity is ISK 4.072 million, including share capital in the amount of ISK 5.832 million.

At year-end, shareholders in Arctic Fish ehf. were three as in the beginning of the year. The Company's shares at year-end are divided between Norway Royal Salmon with 50,0% of shares, Bremesco Holding Ltd. with 47,5% with and Novo ehf. with 2,5%.

The Company's Board of Directors proposes that no dividend be paid to shareholders in the year 2019. Reference is made to notes in the financial statement regarding information on changes in equity.

It is the opinion of the Board of Directors and the CEO that the financial statements include all information necessary to give a fair view of the balance sheet at year-end, operating results for the year and changes in cash and cash equivalents for the year 2018.

The Board of Directors and the CEO of Arctic Fish ehf. hereby confirm the company's financial statements for the year 2018 by means of their signatures.

Ísafjörður, 28th of May 2019

Board of Directors:

CEO:

Independent Auditor's Report

To the Board of Directors and shareholder of Arctic Fish ehf.

Report on the Audit of the Financial Statements of the Group and the Parent Company

Opinion

We have audited the financial statements of Arctic Fish ehf. ("the Group and Parent Company") for the year 2018. The financial statements of the Group and the Parent Company comprise the balance sheet as at December 31, 2018, 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 other explanatory information.

In our opinion, the financial statements give a true and fair view of the financial position of the Group and the Parent Company as at December 31, 2018, and of the financial performance and cash flows for the Group and the Parent Company for year then ended in accordance with the Icelandic Financial Statement Act.

Basis for opinion

We conducted our audit in accordance with 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 of the Group and the Parent company section of our report. We are independent of the Group in accordance with International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of financial statements in Iceland and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and CEO for the Financial Statements of the Group and the Parent Company

The Board of Directors and CEO are responsible for the preparation and fair presentation of the financial statements of the Group and the Parent Company in accordance with the Icelandic Financial Statement Act, and for such internal control as they determine 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, the Board of Directors and CEO are responsible for assessing the ability of the Group and the Parent Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group or the Parent Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Parent Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements of the Group and the Parent Company
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 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and the Parent Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and the Parent Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group or the Parent Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Group and the Parent Company, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

Pursuant to the legal requirement under Article 104, Paragraph 2 of the Icelandic Financial Statement Act No. 3/2006, we confirm that, to the best of our knowledge, the report of the Board of Directors and CEO accompanying the financial statements of the Group and the Parent Company includes the information required by the Financial Statement Act if not disclosed elsewhere in the financial statements.

Reykjavík, / 2019.

KPMG ehf.

Income Statement for the year 2018

	Notes	Consolidation 2018	Consolidation 2017	Parent Company 2018	Parent Company 2017
Operating revenue		78.011	874.923	156.800	101.827
Cost of goods sold		70.526	850.816	0	0
Impairment on biological assets		95.454	0	0	0
Administration and management		71.732	152.044	206.169	152.044
		237.712	1.002.860	206.169	152.044
Operating loss		(159.701)	(127.937)	(49.369)	(50.217)
Interest revenue		614	57.751	291	57.110
Interest expense		(141.610)	(53.895)	(104.671)	(17.935)
Exchange rate difference		(190.411)	(63.788)	(144.421)	(10.602)
		(331.407)	(59.932)	(248.801)	28.573
Share of loss of subsidiaries		0	0	(192.938)	(128.239)
Loss before income tax		(491.108)	(187.869)	(491.108)	(149.883)
Income tax	21	0	0		(37.986)
Loss for the year		(491.108)	(187.869)	(491.108)	(187.869)

Financial Statements of Arctic Fish ehf. 31.12.2018 6 Amounts are in ISK thousand

Balance sheet as at 31 December 2018

	Notes	Consolidation 31.12.2018	Consolidation 31.12.2017	Parent Company 31.12.2018	Parent Company 31.12.2017
Assets:					
Property, plant and equipment	14	5.194.847	4.393.109	43.571	364
Intangible assets	15	202.306	151.422	0	0
Investments in subsidiaries	16	0	0	2.540.737	2.696.312
Investments in other companies		7.117	7.117	5.000	5.000
Total non-current assets		5.404.270	4.551.648	2.589.308	2.701.676
Biological assets	17	2.048.575	618.138	0	0
Inventories	18	52.806	50.661	0	0
Trade receivables		3.460	17.032	32	0
Loans to related parties	22	148.532	18.430	4.415.523	1.771.273
Other receivables		249.097	150.589	64	1.358
Cash and cash equivalents		114.191	393.256	106.937	354.748
Total current assets		2.616.661	1.248.106	4.522.556	2.127.379
Total assets		8.020.931	5.799.754	7.111.864	4.829.055
Equity:					
Share capital		5.831.764	5.831.764	5.831.764	5.831.764
Accumulated deficit		(1.759.522)	(1.268.414)	(1.759.522)	(1.268.414)
Total equity	19	4.072.242	4.563.350	4.072.242	4.563.350
Liabilities:					
Loans and borrowings	20	1.564.993	488.838	1.166.474	0
Liabilities from related parties	22	0	188.100	1.610.043	188.100
Deferred tax liability	21	31.930	31.930	31.930	31.930
Total non-current liabilities		1.596.923	708.868	2.808.447	220.030
Trade payables		487.361	283.726	23.052	17.090
Current maturities of non-current loans	20	221.076	52.461	194.412	0
Liabilities from related parties	22	1.610.043	108.631		0
Other payables		33.286	82.718	13.711	28.585
Total current liabilities		2.351.766	527.536	231.175	45.675
Total liabilities		3.948.689	1.236.404	3.039.622	265.705
Total equity and liabilities		8.020.931	5.799.754	7.111.864	4.829.055

Financial Statements of Arctic Fish ehf. 31.12.2018 7 Amounts are in ISK thousand

Statement of Cash Flows for the period 1 January to 31 December 2018

	Notes	Consolidation 2018 1.1.-31.12.	Consolidation 2017 1.1.-31.12.	Parent Company 2018 1.1.-31.12.	Parent Company 2017 1.1.-31.12.
Cash flows from operations					
Loss for the year		(491.108)	(187.869)	(491.108)	(187.869)
Adjustments for:					
Gain on sale of property, plant and equipm.		0	(13.271)	0	0
Depreciation	15	171.369	116.593	9.022	8
Net finance expense		331.407	59.932	248.801	(28.573)
Share of loss of subsidiaries	16	0	0	192.938	128.239
Income tax		0	0	0	37.986
		11.668	(24.615)	(40.347)	(50.209)
Change in operating assets and liabilities:					
Biological assets, (increase)		(1.430.437)	(77.193)	0	0
Inventories, (increase) decrease		(2.145)	(33.443)	0	0
Receivables, (increase) decrease		(92.293)	(28.329)	1.262	3.716
Current liabilities, increase (decrease)		324.941	245.690	185.500	28.585
Change in operating assets and liabilities		(1.199.934)	106.725	186.762	32.301
Interest income received		1.190	57.751	291	57.110
Interest expenses paid		(89.117)	(53.947)	(52.181)	(17.935)
Net cash from (used) in operating activities		(1.276.193)	85.914	94.525	21.267
Cash flows (to) from investment activities					
Investm. in subsidiaries, net of cash acquired		0	0	0	(1.899.670)
Purchases of property, plant and equipment	14	(961.754)	(1.859.599)	(52.229)	(372)
Proceeds from sale of property and equipment	14	0	40.000	0	0
Capitalised R&D cost	15	(62.304)	(41.359)	0	0
Loans to related parties, changes	15	(127.956)	0	0	0
		(1.152.014)	(1.860.958)	(52.229)	(1.900.042)
Cash flows from (to) financing activities					
Long-term loans and borrowings, changes		955.366	(26.495)	1.094.264	0
Related parties, changes		1.193.775	20.649	(1.384.371)	(116.837)
Bank overdrafts, change		0	(408.529)	0	0
		2.149.141	(414.375)	(290.108)	(116.837)
Changes in cash and cash equivalents		(279.066)	(2.189.419)	(247.812)	(1.995.612)
Cash and cash equivalents at the beg. of the year		393.256	2.582.675	354.748	2.350.360
Cash and cash equivalents at the end of the year		114.190	393.256	106.937	354.748

Financial Statements of Arctic Fish ehf. 31.12.2018 8 Amounts are in ISK thousand

Notes to the Financial Statement

Summary of accounting policies

1. Basis of preparation

Arctic Fish ehf. "the Company", is a parent company for a fish farming operation various locations based in Iceland. The Financial Statements have been prepared in accordance with the Financial Statements Act and the Regulation on the Presentation and Contents of the Financial Statements and Consolidated Financial Statements. The financial statements for the year 2018 comprise the consolidated financial statement of Arctic Fish ehf. (the parent company) and its subsidiaries (together referred to as "the group"), and the financial statements of the parent company.

The Financial Statements are prepared in Icelandic kronas (ISK) and have been prepared using the historical cost method.

The financial statements are presented in thousand ISK, which is the Company's functional currency.

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

2. Revenue recognition

Revenue from sales of goods is recognised in the Income Statement on delivery and when passing of the risks and rewards of ownership have been transferred to the buyer.

3. Property, plant and equipment

Property, plant and equipment are capitalized at cost price less depreciation. Depreciation is calculated on a straight-line basis over the estimated useful life of fixed assets.

4. Capitalised R&D cost

R&D cost is capitalised at cost price less depreciation. Depreciation is calculated on a straight-line basis over the estimated useful life of the assets.

5. Deferred tax assets

The Company's deferred income tax asset is not recorded in the balance sheet due to uncertainty of utilisation. The liability represents the timing difference in the accounting methods used for tax purposes compared to the methods used in the Financial Statements. A deferred income tax asset is only recognised to the extent that it is probable that future taxable profits will be available against the asset. Deferred income tax asset is reviewed at each reporting date.

6. Investments in subsidiaries

Shares in subsidiaries are recorded at value that corresponds to the company's share in the book value of the shareholders' equity of the subsidiaries, taking into account the difference of between the purchase price of the shares and the company's share in the shareholders' equity of the subsidiaries when acquired. Net result of subsidiaries is accounted in parent company income statement.

7. Investment in other companies

Investment in other companies are stated at cost.

8. Deferred tax liabilities

Deferred tax liabilities is calculated using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The reason for this difference is that the tax assessment is based on premises other than those used in the financial statements.

9. Biological assets

Biological assets are valued at cost less impairment. Cost price consist of the cost of smolts, feed, salaries, depreciation and related expenses

10. Inventories

Inventories consist of finished goods and feed.

Feed is valued at cost. The FIFO principle is used concerning the periodic assignment of inventory costs.

Finished goods in inventory, fresh or frozen, are measured at the lesser of cost or the expected sales price less cost of sale. In a case where cost price exceeds sales price less sales cost, impairment is entered and charged to the income statement.

11. Accounts receivables

Account receivables are measured at cost net of provision for doubtful accounts, based on individual and over all assessment.

12. Cash and cash equivalents

Cash and cash equivalents consist of demand deposits at banks.

13. Salaries and related expenses

Salaries and related expenses for the parent company and the group are specified as follows:

	Consolidation		Parent company	
	2018	2017	2018	2017
Salaries	284.253	250.629	76.588	64.689
Pension fund	33.501	25.762	8.556	6.618
Salary related expenses	27.519	21.649	8.033	5.677
Total salaries and salary-related expenses	345.273	298.040	93.177	76.985

Salaries and related expenses is allocated in the financial statement as follows:

Cost of goods sold	122.812	154.150	0	0
Administration and management	222.461	76.985	93.177	76.985
Capitalised salaries and salary related expenses	0	66.905	0	0
Total salaries and salary-related expenses	345.273	298.040	93.177	76.985
Average number of employee	29	29	6	6
Number of employee end of year	29	29	6	6

Amounts are in ISK thousand

14. Property, plant and equipment

Property, plant and equipment and depreciation are specified as follows:

Parent company

	Buildings and land	Ship, shipping equipment, fish pens equipment	Transport vehicles and equipment	Total
Total value 1.1.2018	0	0	372	372
Addition during the year	36.500	0	8.872	45.372
Total value 31.12.2018	36.500	0	9.244	45.744
Total depreciation 1.1.2017	0	0	8	8
Depreciation	730	0	1.435	2.165
Total depreciation 31.12.2018	730	0	1.443	2.173
Carrying amount 31.12.2018	35.770	0	7.801	43.571

Group

	Buildings and land	Ship, shipping equipment, fish pens equipment	Transport vehicles and equipment	Total
Total value 1.1.2018	3.123.252	924.304	664.052	4.711.608
Addition during the year	403.695	410.791	147.268	961.754
Total value 31.12.2018	3.526.947	1.335.095	811.320	5.673.362
Depreciation 1.1.2018	27.355	187.131	104.079	203.020
Depreciation during the year	12.719	102.719	44.512	159.950
Depreciation 31.12.2018	40.074	289.850	148.591	478.515
Book value 31.12.2018	3.486.873	1.045.245	662.729	5.194.847
Depreciation ratio	0 - 5%	5 -12%	8 - 15%	

Depreciation is included in cost of good sold in the income statement. Investment in progress is depreciated at 0%. Official assessment value for the buildings is ISK 694 million (2017: ISK 269million) and insurance value is ISK 3.914 million (2017: ISK 1.492 million).

15. Intangible assets

Intangible assets for the group are specified as follows:

	Goodwill	Capitalised R&D cost	Total
Carrying amount 1.1.2018	38.207	113.215	151.422
Addition during the year	0	62.304	62.304
Depreciation during the year	(6.858)	(4.562)	(11.420)
Carrying amount 31.12.2018	31.349	170.957	202.306

Depreciation are specified as follows:

	Consolidation 2018	Consolidation 2017	Parent company 2018	Parent company 2017
Property, plant and equipment - note 14	159.949	107.054	2.165	8
Intangible assets - note 15	11.420	9.539	6.858	0
Total depreciation	171.369	116.593	9.023	8

Amounts are in ISK thousand

15. Intangible assets, cont:

Depreciation are allocated as follows:

	Consolidation 2018	Consolidation 2017	Parent company 2018	Parent company 2017
Biological assets	141.426	46.018	0	0
Cost of good sold	20.920	70.567	0	0
Administration and management	9.023	8	9.023	8
Total depreciation	171.369	116.593	9.023	8

16. Investments in subsidiaries

Investments in subsidiaries are specified as follows:

	Ownership	Nominal value	Carrying amount
Arctic Sea Farm hf., Iceland	99,96%	2.930.056	1.371.874
Arctic Smolt hf., Iceland	99,96%	1.662.047	1.168.863
Arctic Oddi ehf., Iceland	100,00%	500	(205.004)
Total investments in subsidiaries			2.335.733
Loans to related parties set off against negative equity in subsidiaries			205.004
Total investments in subsidiaries acc. to balance sheet			2.540.737

Share of loss of subsidiaries are specified as follows:

	2018	2017
Share of loss of Arctic Sea Farm hf.	(41.369)	(67.187)
Share of loss of Arctic Smolt hf.	(107.350)	(117.667)
Share of profit Arctic Oddi ehf.	(44.219)	56.615
Total share of loss of subsidiaries	(192.938)	(128.239)

17. Biological assets

Biological assets are specified as follows:

	2018	2017
Smolt, biomass < 400 gr.	308.144	170.500
Biomass >400 gr.	1.740.431	447.638
Total biological assets	2.048.575	618.138
Biological assets 1.1	618.138	540.945
Increase due to production	1.448.052	928.009
Reduction due to sale and harvesting	(17.615)	(850.816)
Impairment on biological assets	0	0
Biological assets 31.12	2.048.575	618.138
Total number of fish	2.353.999	643.000
Estimated average weight per fish	1326 gr.	650 gr.
Carrying amount, biomass > 400 gr.	1.740.431	447.638

Amounts are in ISK thousand

18. Inventories

Inventories are specified as follows:

	2018	2017
Finished products	9.000	36.197
Feed	43.806	14.464
Total inventories	52.806	50.661

Finished products include all products ready for sale, such as fresh and frozen whole salmon, as well as processed salmon products. Biological assets and inventories are pledge for loans and borrowings.

19. Equity

The Company's share capital according to its Articles of Association is ISK 5.832 million. Each share has the nominal value of one ISK. Changes in equity are as follows:

	Share capital	Accumulated deficit	Total
Equity 1.1.2018	5.831.764	(1.268.414)	4.563.350
Net loss for the year		(491.108)	(491.108)
Equity 31.12.2018	5.831.764	(1.759.522)	4.072.242

20. Loans and borrowings

Loans and borrowings are specified as follows:

	Interest	2018	2017
Debts in EUR	4,9%	1.774.833	513.371
Debts in ISK	8,7%	11.236	27.927
Total long term liabilities, incl. current maturities		1.786.069	541.299
Current maturities		(221.076)	(52.461)
Total long term liabilities		1.564.993	488.838

Annual maturities of the Company's long term liabilities at year end are specified as follows over the next years:

	2018	2017
Less than 12 months	221.076	52.461
13 to 24 months	415.496	52.104
25 to 36 months	415.460	48.854
37 to 48 months	414.660	44.282
49 to 60 months	25.529	43.940
Later	293.848	299.658
Total long term liabilities, incl. current maturities	1.786.069	541.299

Amounts are in ISK thousand

21. Deferred tax liabilities

Deferred tax liabilities is specified as follows:

	Consolidation 2018	Consolidation 2017	Parent company 2018	Parent company 2017
Deferred tax liabilities at 1.1	(31.930)	(31.930)	(31.930)	(31.930)
Effects of joint taxation	0	0	0	37.986
Income tax for the year	0	0	0	(37.986)
Deferred tax liabilities at 31.12	(31.930)	(31.930)	(31.930)	(31.930)

Deferred tax liabilities is attributable to the following items:

	Consolidation 2018	Consolidation 2017	Parent company 2018	Parent company 2017
Property, plant and equipment	(24.992)	(28.026)	141	(13)
Deferred taxable exchange rate	13.912	(3.885)	19.963	(908)
Tax loss carry-forwards	446.500	427.792	12.628	12.628
Decrease in value of tax assets	(467.350)	(427.811)	(64.662)	(43.637)
Deferred tax liabilities at 31.12	(31.930)	(31.930)	(31.930)	(31.930)

A deferred tax asset amounting to ISK 497 million (2017: ISK 428 million) is not recognised due to uncertainty of future taxable profit. Carry forward loss expires if it is not used to offset taxable income within ten years. Carry forward tax losses can be used as follows:

Loss to be used before end of 2019	3.559	0	0	0
Loss to be used before end of 2020	4.217	13.632	0	0
Loss to be used before end of 2021	45.988	16.150	0	0
Loss to be used before end of 2022	131.166	139.765	0	0
Loss to be used before end of 2023	194.173	155.933	0	0
Loss to be used before end of 2024	323.361	231.306	63.143	63.143
Loss to be used before end of 2025	315.332	486.673	0	0
Loss to be used before end of 2026	399.025	254.704	0	0
Loss to be used before end of 2027	605.547	768.149	0	0
Loss to be used before end of 2028	463.707	72.644	0	0
Total tax loss carry-forwards	2.486.075	2.138.956	63.143	63.143

Amounts are in ISK thousand

22. Related parties

The Company's related parties are parties that have significant influence on the Company, directly or indirectly, including the parent company, owners and their immediate families, significant investors, key employees and their immediate families in addition to parties controlled by or that are significantly depending on the Company, such as associated companies and joint operations. Transactions with related parties have been carried out on an arm's length basis.

Related parties transactions

	Consolidation		Parent company	
	2018	**2017**	**2018**	**2017**
Sales of goods/services	436.521	675.479	101.827	101.827
Interest expenses	(16.354)	(16.354)	(16.354)	(16.354)
Investment in buildings	1.336.246	1.336.246	0	0

Related parties balance

Receivables*	148.532	18.430	4.415.523	1.771.273
Liabilities	(1.610.043)	(296.731)	(1.610.043)	(188.100)

*In the accounts there is a trade receivable from MK Construction in the accounts. This receivable concerns payments to MK construction for construction costs that are in a settlement discussion, where Arctic Smolt claims repayment due to quality claims on the construction. If the settlement discussions are not conclusive in favour of Arctic Smolt this cost will increase the construction costs of the primary asset of Arctic Smolt. The settlement is to be resolved in 2019 when the formal final assessment of the construction occurs.

Amounts are in ISK thousand

Appendix C

Arctic Fish ehf.

Financial Statements 2019

Artic Fish ehf.

Suðurgata 12
400 Ísafirði

Reg. no. 480711-0840

Contents

Endorsement by the Board of Directors and the CEO

Arctic Fish ehf. ("the Company") is a parent company for a fish farming operation based on various locations in Iceland. The financial statements incorporate the consolidated financial statements of Arctic Fish ehf. and its subsidiaries and the financial statements of the parent company. The company owned directly three subsidiaries at year-end 2019.

The Company's Financial Statements for the year 2019 are the Company's first financial statements presented in Euros (EUR). The Icelandic Corporate Registry accepted the Company's request of presenting their Financial Statements in EUR which is their functional currency. The permission took effect on 1 January 2019. Comparative figures are translated to EUR at the closing exchange rate for the year 2018.

According to the income statement for the year the net loss amounted to EUR 4.1 million. According to the balance sheet for the year, book value of equity is EUR 25.7 million, including share capital in the amount of EUR 37.7 million.

At year-end, shareholders in Arctic Fish ehf. were three as in the beginning of the year. The Company's shares at year-end are divided between Norway Royal Salmon with 50.0% of shares, Bremesco Holding Ltd. with 47.5% with and Novo ehf. with 2.5%.

The Company's Board of Directors proposes that no dividend be paid to shareholders in the year 2020. Reference is made to notes in the financial statement regarding information on changes in equity.

Covid 19 the world pandemic which now sweeps the world will have significant effects all over the world including economic effects. Significant uncertainty prevails regarding the economic impacts of the epidemdic e.g. how long it will go on and what the impact will be after it stops. It can be expected that the effects on the operations of the Company will be significant, at least for the short term. It is the assumption of the management of the Company that at the moment it is not possible to fully estimate the effects of the epidemic on the Company due to above mentioned uncertainties. The Company has responded to those condition by an effective co-operations with its lenders, owners and financial institutions. It is the managements jugdment that the epidemic will not affect the going concern of the Company.

It is the opinion of the Board of Directors and the CEO that the financial statements include all information necessary to give a fair view of the balance sheet at year-end, operating results for the year and changes in cash and cash equivalents for the year 2019.

The Board of Directors and the CEO of Arctic Fish ehf. hereby confirm the company's financial statements for the year 2019 by means of their signatures.

Ísafjörður, 26 May 2020

Board of Directors:

Sig. Pétur

CEO:

Independent Auditor's Report

To the Board of Directors and shareholder of Arctic Fish ehf.

Report on the Audit of the Financial Statements of the Group and the Parent Company

Opinion

We have audited the financial statements of Arctic Fish ehf. ("the Group and Parent Company") for the year 2019. The financial statements of the Group and the Parent Company comprise the balance sheet as at December 31, 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 other explanatory information.

In our opinion, the financial statements give a true and fair view of the financial position of the Group and the Parent Company as at December 31, 2019, and of the financial performance and cash flows for the Group and the Parent Company for year then ended in accordance with the Icelandic Financial Statement Act.

Basis for opinion

We conducted our audit in accordance with 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 in accordance with International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of financial statements in Iceland and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and CEO for the Financial Statements of the Group and the Parent Company

The Board of Directors and CEO are responsible for the preparation and fair presentation of the financial statements of the Group and the Parent Company in accordance with the Icelandic Financial Statement Act, and for such internal control as they determine 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, the Board of Directors and CEO are responsible for assessing the ability of the Group and the Parent Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group or the Parent Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Parent Company's financial reporting process.

Independent Auditors' Report, continued:

Auditor's Responsibilities for the Audit of the Financial Statements of the Group and the Parent Company

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 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and the Parent Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and the Parent Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group or the Parent Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and the Parent Company, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

Pursuant to the legal requirement under Article 104, Paragraph 2 of the Icelandic Financial Statement Act No. 3/2006, we confirm that, to the best of our knowledge, the report of the Board of Directors and CEO accompanying the financial statements of the Group and the Parent Company includes the information required by the Financial Statement Act if not disclosed elsewhere in the financial statements.

Reykjavík, 26 may 2020.

KPMG ehf.

Income Statement for the year 2019

	Notes	Consolidation 2019	Consolidation 2018	Parent Company 2019	Parent Company 2018
Operating revenue		16,615,601	585,536	2,005,346	1,176,912
Cost of goods sold		17,749,578	529,355	0	0
Impairment on biological assets		899,661	716,460	0	0
Administration and management		449,660	538,407	2,089,929	1,547,467
		19,098,899	1,784,223	2,089,929	1,547,467
Operating loss		(2,483,298)	(1,198,686)	(84,583)	(370,555)
Interest revenue		1,729	4,609	1,121	2,184
Interest expense		(2,395,958)	(1,062,899)	(2,113,623)	(785,641)
Exchange rate difference		(29,773)	(1,429,190)	52,107	(1,083,998)
		(2,424,002)	(2,487,480)	(2,060,395)	(1,867,455)
Share of loss of subsidiaries		0	0	(2,762,322)	(1,448,157)
Loss before income tax		(4,907,300)	(3,686,167)	(4,907,300)	(3,686,167)
Income tax	21	0	0		0
Loss for the year		(4,907,300)	(3,686,167)	(4,907,300)	(3,686,167)

Balance sheet as at 31 December 2019

	Notes	Consolidation 2019	Consolidation 2018	Parent Company 2019	Parent Company 2018
Assets:					
Property, plant and equipment	14	48,460,676	38,991,571	353,693	327,036
Intangible assets	15	2,146,394	1,518,472	0	0
Investments in subsidiaries	16	0	0	81,855,498	19,070,307
Investments in other companies		53,419	53,419	37,529	37,529
Total non-current assets		50,660,489	40,563,462	82,246,720	19,434,872
Biological assets	17	25,301,159	15,376,229	0	0
Inventories	18	1,043,740	396,352	0	0
Trade receivables		1,223,314	25,970	3,359	240
Loans to related parties	22	146,930	1,114,854	9,219,678	33,142,108
Other receivables		5,052,331	1,869,676	248	480
Cash and cash equivalents		981,476	857,097	799,759	802,650
Total current assets		33,748,950	19,640,179	10,023,044	33,945,478
Total assets		84,409,439	60,203,640	92,269,764	53,380,350
Equity:					
Share capital		43,772,153	43,772,153	43,772,153	43,772,153
Accumulated deficit		(18,113,950)	(13,206,650)	(18,113,950)	(13,206,650)
Total equity	19	25,658,203	30,565,503	25,658,203	30,565,503
Liabilities:					
Loans and borrowings	20	21,567,647	11,746,551	21,509,938	8,755,340
Liabilities from related parties	22	14,325,619	0	14,325,619	12,084,688
Provision for subsidiary	22	0	0	2,934,843	0
Deferred tax liability	21	239,661	239,661	239,661	239,661
Total non-current liabilities		36,132,927	11,986,212	39,010,061	21,079,689
Trade payables		6,083,503	3,658,042	347,720	173,024
Loans and borrowings	20	16,209,373	1,659,356	16,198,879	1,459,221
Liabilities from related parties	22	0	12,084,688	10,927,523	0
Other payables		325,433	249,839	127,378	102,912
Total current liabilities		22,618,309	17,651,925	27,601,500	1,735,157
Total liabilities		58,751,236	29,638,137	66,611,561	22,814,847
Total equity and liabilities		84,409,439	60,203,640	92,269,764	53,380,350

Statement of Cash Flows for the period 1 January to 31 December 2019

	Note	Consolidation 2019	Consolidation 2018	Parent Company 2019	Parent Company 2018
Cash flows from operations					
Loss for the year		(4,907,300)	(3,686,167)	(4,907,300)	(3,686,167)
Adjustments for:					
Gain on sale of property, plant and equipm.		48,267	0	0	0
Depreciation	15	2,986,199	1,286,265	29,042	67,717
Net finance expense		2,424,002	2,487,480	2,060,395	1,867,455
Share of loss of subsidiaries	16	0	0	2,762,322	1,448,157
		551,168	87,579	(55,541)	(302,837)
Change in operating assets and liabilities:					
Biological assets, (increase)		(9,924,930)	(10,736,598)	0	0
Inventories, (increase) decrease		(647,388)	(16,100)	0	0
Receivables, (increase) decrease		(4,380,000)	(692,734)	(2,886)	9,472
Current liabilities, increase (decrease)		2,500,687	2,438,948	199,162	1,392,329
Change in operating assets and liabilities		(12,451,630)	(9,006,485)	196,275	1,401,801
Interest income received		1,729	8,932	1,121	2,184
Interest expenses paid		(1,775,025)	(668,896)	(1,492,690)	(391,661)
Net cash (used in) from operating activities		(13,673,758)	(9,578,870)	(1,350,835)	709,487
Cash flows to investment activities					
Investm. in subsidiaries, net of cash acquired		0	0	(64,203,207)	0
Purchases of property, plant and equipment	14	(12,553,975)	(7,218,750)	(55,696)	(392,021)
Proceeds from sale of property and equipment	14	60,989	0	0	0
Capitalised R&D cost	15	(638,507)		0	0
Loans to related parties, changes	15	0	(960,414)	0	0
		(13,131,493)	(8,179,164)	(64,258,903)	(392,021)
Cash flows from (to) financing activities					
Long-term loans and borrowings, changes		26,499,002	7,170,802	29,687,749	8,213,345
Related parties, changes		430,628	8,492,621	35,919,099	(10,390,835)
Bank overdrafts, change		0	0	0	0
		26,929,630	15,663,423	65,606,848	(2,177,490)
Changes in cash and cash equivalents		124,379	(2,094,611)	(2,890)	(1,860,024)
Cash and cash equivalents at the beg. of the year		857,097	2,951,708	802,650	2,662,674
Cash and cash equivalents at the end of the year		981,476	857,097	799,759	802,650

Notes to the Financial Statement

Summary of accounting policies

1. Basis of preparation

Arctic Fish ehf. "the Company", is a parent company for a fish farming operation various locations based in Iceland. The Financial Statements have been prepared in accordance with the Financial Statements Act and the Regulation on the Presentation and Contents of the Financial Statements and Consolidated Financial Statements. The financial statements for the year 2018 comprise the consolidated financial statement of Arctic Fish ehf. (the parent company) and its subsidiaries (together referred to as "the group"), and the financial statements of the parent company.

The Financial Statements are prepared in Euros (EUR) and have been prepared using the historical cost method and accounting policies. The Company's Financial Statements for the year 2019 are the Company's first financial statements presented in Euros (EUR). The Icelandic Corporate Registry accepted the Company's request of presenting their Financial Statements in EUR which is their functional currency. The permission took effect on 1 January 2019. Comparative figures are translated to EUR at the closing exchange rate for the year 2018.

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

2. Revenue recognition

Revenue from sales of goods is recognised in the Income Statement on delivery and when passing of the risks and rewards of ownership have been transferred to the buyer.

3. Property, plant and equipment

Property, plant and equipment are capitalized at cost price less depreciation. Depreciation is calculated on a straight-line basis over the estimated useful life of fixed assets.

4. Capitalised R&D cost

R&D cost is capitalised at cost price less depreciation. Depreciation is calculated on a straight-line basis over the estimated useful life of the assets.

5. Deferred tax assets

The Company's deferred income tax asset is not recorded in the balance sheet due to uncertainty of utilisation. The liability represents the timing difference in the accounting methods used for tax purposes compared to the methods used in the Financial Statements. A deferred income tax asset is only recognised to the extent that it is probable that future taxable profits will be available against the asset. Deferred income tax asset is reviewed at each reporting date.

6. Investments in subsidiaries

Shares in subsidiaries are recorded at value that corresponds to the company's share in the book value of the shareholders' equity of the subsidiaries, taking into account the difference of between the purchase price of the shares and the company's share in the shareholders' equity of the subsidiaries when acquired. Net result of subsidiaries is accounted in parent company income statement.

7. Investment in other companies

Investment in other companies are stated at cost.

8. Deferred tax liabilities

Deferred tax liabilities is calculated using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The reason for this difference is that the tax assessment is based on premises other than those used in the financial statements.

9. Biological assets

Biological assets are valued at cost less impairment. Cost price consist of the cost of smolts, feed, salaries, depreciation and related expenses

10. Inventories

Inventories consist of finished goods and feed.

Feed is valued at cost. The FIFO principle is used concerning the periodic assignment of inventory costs.

Finished goods in inventory, fresh or frozen, are measured at the lesser of cost or the expected sales price less cost of sale. In a case where cost price exceeds sales price less sales cost, impairment is entered and charged to the income statement.

11. Accounts receivables

Account receivables are measured at cost net of provision for doubtful accounts, based on individual and over all assessment.

12. Cash and cash equivalents

Cash and cash equivalents consist of demand deposits at banks.

13. Salaries and related expenses

Salaries and related expenses for the parent company and the group are specified as follows:

	Consolidation		Parent company	
	2019	**2018**	**2019**	**2018**
Salaries	3,070,351	2,133,551	732,926	574,856
Pension fund	356,519	251,452	87,479	64,220
Salary related expenses	300,386	206,553	60,857	60,294
Total salaries and salary-related expenses	3,727,256	2,591,556	881,262	699,370
Average number of employee	42	29	8	6
Number of employee end of year	47	29	8	6

14. Property, plant and equipment

Property, plant and equipment and depreciation are specified as follows:

Parent company

	Buildings and land	Ship, shipping equipment, fish pens equipment	Transport vehicles and equipment	Total
Total value 1.1.2019	273,962	0	69,384	343,346
Addition during the year	0	0	55,696	55,696
Total value 31.12.2019	273,962	0	125,080	399,042
Total depreciation 1.1.2019	5,479	0	10,831	16,310
Depreciation	8,220	0	20,819	29,039
Total depreciation 31.12.2019	13,699	0	31,650	45,349
Carrying amount 31.12.2019	260,263	0	93,430	353,693

Group

	Buildings and land	Ship, shipping equipment, fish pens equipment	Transport vehicles and equipment	Total
Total value 1.1.2019	26,472,619	10,020,979	6,089,619	42,583,217
Addition during the year	1,228,106	10,705,143	620,726	12,553,975
Transferred	16,990	488,630	(638,420)	(132,800)
Sold and disposed during the year	0	0	(111,357)	(111,357)
Total value 31.12.2019	27,717,715	21,214,752	5,960,568	54,893,035
Depreciation 1.1.2019	300,788	2,175,561	1,115,297	3,591,646
Sold during the year	0	0	(2,101)	(2,101)
Transferred	(37,442)	81,147	(43,705)	0
Depreciation during the year	801,561	1,501,711	539,542	2,842,814
Depreciation 31.12.2019	1,064,907	3,758,419	1,609,033	6,432,359
Book value 31.12.2019	26,652,808	17,456,333	4,351,536	48,460,676
Depreciation ratio	2- 5%	5 -12%	8 - 15%	

Depreciation is included in cost of good sold in the income statement. Official assessment value for the buildings is EUR 5.3 million (2018: EUR 5.2 million) and insurance value is EUR 29.2 million (2018: ISK 29.4 million).

15. Intangible assets

Intangible assets for the group are specified as follows:

	Goodwill	Capitalised R&D cost	Total
Carrying amount 1.1.2019	235,300	1,283,172	1,518,472
Addition during the year	0	638,507	638,507
Transferred	0	132,800	132,800
Depreciation during the year	(51,475)	(91,910)	(143,385)
Carrying amount 31.12.2019	183,825	1,962,569	2,146,394

15. Intangible assets, contd.:

Depreciation are specified as follows:

	Consolidation		Parent company	
	2019	2018	2019	2018
Property, plant and equipment - note 14	2,842,814	1,200,549	29,039	16,250
Intangible assets - note 15	143,385	85,716	51,475	51,467
Total depreciation	2,986,199	1,286,265	80,514	67,717

16. Investments in subsidiaries

Investments in subsidiaries are specified as follows:

	Ownership	Nominal value	Carrying amount
Arctic Sea Farm hf., Iceland	99.96%	60,100,578	48,033,639
Arctic Smolt hf., Iceland	99.96%	38,570,106	33,821,859
Arctic Oddi ehf., Iceland	100.00%	3,753	(2,934,843)
Total investments in subsidiaries			78,920,655
Reclassified as provision for subsidiarie			2,934,843
Total investments in subsidiaries acc. to balance sheet			81,855,498

Share of loss of subsidiaries are specified as follows:

	2019	2018
Share of loss of Arctic Sea Farm hf.	(319,699)	(310,508)
Share of loss of Arctic Smolt hf.	(1,046,498)	(805,749)
Share of profit Arctic Oddi ehf.	(1,396,125)	(331,900)
Total share of loss of subsidiaries	(2,762,322)	(1,448,157)

17. Biological assets

Biological assets are specified as follows:

	2019	2018
Smolt, biomass < 400 gr.	2,389,692	2,312,872
Biomass >400 gr.	22,911,467	13,063,357
Total biological assets	25,301,159	15,376,229
Biological assets 1.1	15,376,229	4,639,631
Increase due to production	29,323,969	10,868,813
Reduction due to sale and harvesting	(18,499,378)	(132,215)
Impairment on biological assets	(899,661)	0
Biological assets 31.12	25,301,159	15,376,229
Total number of fish	3,823,834	2,353,999
Estimated average weight per fish	1580 gr.	1326 gr.
Carrying amount, biomass > 400 gr.	22,911,467	13,063,357

18. Inventories

Inventories are specified as follows:

	2019	2018
Feed	1,043,740	328,800
Finished products	0	67,552
Total inventories	1,043,740	396,352

Finished products include all products ready for sale, such as fresh and frozen whole salmon, as well as processed salmon products. Biological assets and inventories are pledge for loans and borrowings.

19. Equity

The Company's share capital according to its Articles of Association is ISK 5.832 million. Each share has the nominal value of one ISK. Changes in equity are as follows:

	Share capital	Accumulated deficit	Total
Equity 1.1.2019	43,772,153	(13,206,650)	30,565,503
Net loss for the year		(4,907,300)	(4,907,300)
Equity 31.12.2019	43,772,153	(18,113,950)	25,658,203

20. Loans and borrowings

Loans and borrowings are specified as follows:

	Interest	2019	2018
Debts in EUR	4.5%	37,708,817	13,321,572
Debts in ISK	8,7%	0	84,335
Total long term liabilities, incl. current maturities		37,708,817	13,405,907
Current maturities		(2,315,174)	(1,659,356)
Bank overdraft		(13,883,705)	0
Total long term liabilities		21,509,938	11,746,551

Annual maturities of the Company's long term liabilities at year end are specified as follows over the next years:

Bank overdraft	13,883,705	0
Less than 12 months	2,315,174	1,659,356
13 to 24 months	2,795,232	3,118,637
25 to 36 months	18,714,706	3,118,367
37 to 48 months	0	3,112,362
49 to 60 months	0	191,616
Later	0	2,205,569
Total long term liabilities, incl. current maturities	37,708,817	13,405,907

21. Deferred tax liabilities

Deferred tax liabilities is specified as follows:

	Consolidation		Parent company	
	2019	2018	2019	2018
Deferred tax liabilities at 1.1	(239,661)	(239,661)	(239,661)	(239,661)
Deferred tax liabilities at 31.12	(239,661)	(239,661)	(239,661)	(239,661)

Deferred tax liabilities is attributable to the following items:

	Consolidation		Parent company	
	2019	2018	2019	2018
Property, plant and equipment	(288,593)	(187,585)	2,737	1,058
Deferred taxable exchange rate	56,539	104,421	72,468	149,839
Tax loss carry-forwards	5,033,221	3,821,645	771,561	267,416
Decrease in value of tax assets	(5,040,828)	(3,978,142)	(1,086,427)	(657,974)
Deferred tax liabilities at 31.12	(239,661)	(239,661)	(239,661)	(239,661)

A deferred tax asset amounting to EUR 5,040 thousand (2018: EUR 3,822 million) is not recognised due to uncertainty of future taxable profit. Carry forward loss expires if it is not used to offset taxable income within ten years. Carry forward tax losses can be used as follows:

Loss to be used before end of 2019	0	26,713	0	0
Loss to be used before end of 2020	121,553	121,215	0	0
Loss to be used before end of 2021	1,051,972	1,049,051	0	0
Loss to be used before end of 2022	1,173,659	1,170,400	0	0
Loss to be used before end of 2023	1,232,054	1,228,632	0	0
Loss to be used before end of 2024	4,138,302	4,126,809	475,260	473,940
Loss to be used before end of 2025	1,917,091	1,911,767	0	0
Loss to be used before end of 2026	5,781,651	5,765,594	0	0
Loss to be used before end of 2027	1,665,410	1,660,785	0	0
Loss to be used before end of 2028	2,052,959	2,047,258	865,549	863,146
Loss to be used before end of 2029	6,031,456	0	2,516,998	0
Total tax loss carry-forwards	25,166,107	19,108,224	3,857,807	1,337,085

22. Related parties

The Company's related parties are parties that have significant influence on the Company, directly or indirectly, including the parent company, owners and their immediate families, significant investors, key employees and their immediate families in addition to parties controlled by or that are significantly depending on the Company, such as associated companies and joint operations. Transactions with related parties have been carried out on an arm's length basis.

Related parties transactions

	Consolidation		Parent company	
	2019	**2018**	**2019**	**2018**
Sales of goods/services	12,995,185	3,276,447	2,003,299	764,295
Interest expenses	(635,201)	(122,750)	(635,201)	(122,750)
Investment in buildings	968,571	10,029,618	0	0

Related parties balance

Receivables*	146,930	1,114,854	9,219,678	33,142,108
Liabilities	14,325,619	12,084,688	25,253,142	12,084,688

Appendix D

Arctic Fish ehf.

Interim Financial Statements
30 September 2020

Artic Fish ehf.

Suðurgata 12
400 Ísafirði

Reg. no. 480711-0840

Contents

Endorsement by the Board of Directors and the CEO

Arctic Fish ehf. ("the Company") is a parent company for a fish farming operation based on various locations in Iceland. The interim financial statements incorporate the interim consolidated financial statements of Arctic Fish ehf. and its subsidiaries and the financial statements of the parent company. The company owned directly three subsidiaries at the end of September 2020.

According to the income statement for the year the net loss amounted to EUR 130 thousand. According to the balance sheet for the year, book value of equity is EUR 25,528 thousand, including share capital in the amount of EUR 43,772 thousand.

At 30 september 2020, shareholders in Arctic Fish ehf. were three as in the beginning of the year. The Company's shares at year-end are divided between Norway Royal Salmon with 50.0% of shares, Bremesco Holding Ltd. with 47.5% with and Novo ehf. with 2.5%.

Covid 19 the world pandemic which now sweeps the world will have significant effects all over the world including economic effects. Significant uncertainty prevails regarding the economic impacts of the epidemdic e.g. how long it will go on and what the impact will be after it stops. It can be expected that the effects on the operations of the Company will be significant, at least for the short term. It is the assumption of the management of the Company that at the moment it is not possible to fully estimate the effects of the epidemic on the Company due to above mentioned uncertainties. The Company has responded to those condition by an effective co-operations with its lenders, owners and financial institutions. It is the managements jugdment that the epidemic will not affect the going concern of the Company.

It is the opinion of the Board of Directors and the CEO that the interim financial statements include all information necessary to give a fair view of the balance sheet at end of September 2020. Operating results for the first nine months 2020 and changes in cash and cash equivalents for the first nine months 2020.

The Board of Directors and the CEO of Arctic Fish ehf. hereby confirm the company's interim financial statements for the first nine months 2020 by means of their signatures.

Ísafjörður, 17 November 2020

Board of Directors:

Sig. Pétur.

CEO: Stein Ove Iversen

Independent Auditor's Review Report

To the shareholder of Arctic Fish ehf.

Introduction

We have reviewed the accompanying consolidated statement of financial position of Arctic Fish ehf. as at September 30, 2020, the consolidated income statements, changes in cash flows for the nine-month period then ended, and notes to the interim financial information. The Board of Directors and CEO are responsible for the preparation and presentation of this consolidated interim financial information in accordance with IAS 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this consolidated interim financial information based on our review

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial information is not prepared, in all material respects, in accordance with IAS 34 "Interim Financial Reporting".

Reykjavík, 17 November 2020

KPMG ehf.

Income Statement for the period 1 January to 30 September 2020

	Notes	Consolidation 2020 1.1 - 30.9	Consolidation 2019 1.1 - 30.9*	Parent Company 2020 1.1 - 30.9	Parent Company 2019 1.1 - 30.9*
Operating revenue		23.444.678	11.638.828	1.276.540	1.310.785
Cost of goods sold		21.274.153	12.635.821	0	0
Administration and management		476.539	358.173	1.366.924	1.374.649
		21.750.692	12.993.994	1.366.924	1.374.649
Operating income (loss)		1.693.986	(1.355.166)	(90.384)	(63.864)
Interest revenue		44.646	0	44.387	0
Interest expense		(2.181.809)	(1.252.657)	(2.021.491)	(1.113.634)
Exchange rate difference		313.385	(199.789)	38.611	0
		(1.823.778)	(1.452.446)	(1.938.493)	(1.113.634)
Share of profit (loss) of subsidiaries		0	0	1.899.085	(1.630.114)
Loss for the period		(129.792)	(2.807.612)	(129.792)	(2.807.612)
EBIDTA	13	4.405.890	769.819	(22.951)	(4.576)

* un-reviewed

Balance sheet as at 30 September 2020

	Notes	Consolidation 30.9.2020	Consolidation 31.12.2019	Parent Company 30.9.2020	Parent Company 31.12.2019
Assets:					
Property, plant and equipment	15	52.137.325	48.460.676	351.978	353.693
Intangible assets	16	2.554.095	2.146.394	0	0
Investments in subsidiaries	17	0	0	82.555.475	81.855.498
Investments in other companies		59.584	53.419	43.694	37.529
Total non-current assets		54.751.004	50.660.489	82.951.147	82.246.720
Biological assets	18	36.955.804	25.301.159	0	0
Inventories	19	1.772.607	1.043.740	0	0
Trade receivables		5.127.428	1.223.314	3.720	3.359
Loans to related parties	23	0	146.930	34.416.173	9.219.678
Other receivables		5.840.907	5.052.331	980	248
Cash and cash equivalents		5.172.494	981.476	4.932.833	799.759
Total current assets		54.869.240	33.748.950	39.353.706	10.023.044
Total assets		109.620.244	84.409.439	122.304.853	92.269.764
Equity:					
Share capital		43.772.153	43.772.153	43.772.153	43.772.153
Accumulated deficit		(18.243.742)	(18.113.950)	(18.243.742)	(18.113.950)
Total equity	20	25.528.411	25.658.203	25.528.411	25.658.203
Liabilities:					
Loans and borrowings	21	19.417.666	21.567.647	19.374.777	21.509.938
Liabilities from related parties	23	22.174.657	14.325.619	22.174.657	14.325.619
Provision for subsidiary	23	0	0	1.774.340	2.934.843
Deferred tax liability	22	239.661	239.661	239.661	239.661
Total non-current liabilities		41.831.984	36.132.927	43.563.435	39.010.061
Trade payables		14.568.006	6.083.503	87.346	347.720
Loans and borrowings	21	26.528.413	16.209.373	26.528.413	16.198.879
Liabilities from related parties	23	0	0	26.406.917	10.927.523
Other payables		1.163.430	325.433	190.331	127.378
Total current liabilities		42.259.849	22.618.309	53.213.007	27.601.500
Total liabilities		84.091.833	58.751.236	96.776.442	66.611.561
Total equity and liabilities		109.620.244	84.409.439	122.304.853	92.269.764

Statement of Cash Flows for the period 1 January to 30 September 2020

	Notes	Consolidation 2020 1.1 - 30.9	Consolidation 2019 1.1 - 30.9*	Parent Company 2020 1.1 - 30.9	Parent Company 2019 1.1 - 30.9*
Cash flows from operations					
Loss for the year		(129.792)	(2.807.612)	(129.792)	(2.807.612)
Adjustments for:					
Loss on sale of property, plant and equipm.		0	25.376	0	0
Depreciation	16	2.711.904	2.099.609	67.433	59.288
Net finance expense		1.823.778	1.452.446	1.938.493	1.113.634
Share of loss of subsidiaries	17	0	0	(1.899.085)	1.630.114
		4.405.890	769.819	(22.951)	(4.576)
Change in operating assets and liabilities:					
Biological assets, (increase)		(11.654.646)	(5.998.809)	0	0
Inventories, (increase) decrease		(728.867)	(888.813)	0	0
Receivables, (increase) decrease		(4.286.652)	(5.865.171)	91.787	(3.421)
Current liabilities, increase (decrease)		9.352.019	6.572.784	(197.421)	179.931
Change in operating assets and liabilities		(7.318.146)	(6.180.009)	(105.634)	176.510
Interest income received		44.646	0	44.387	0
Interest expenses paid		(1.829.067)	(1.452.446)	(1.765.010)	(1.113.634)
Net cash (used in) from operating activities		(4.696.677)	(6.862.636)	(1.849.208)	(941.700)
Cash flows to investment activities					
Purchases of property, plant and equipment	15	(6.286.002)	(9.337.265)	(27.113)	(49.762)
Proceeds from sale of property and equipment	15	0	25.376	0	0
Capitalised R&D cost	16	(510.251)	(417.106)	0	0
Investments in other companies		(6.165)	0	(6.165)	0
Loans to related parties, changes	16	0	0	(26.402.967)	(25.458.622)
		(6.802.418)	(9.728.995)	(26.436.245)	(25.508.384)
Cash flows from (to) financing activities					
Long-term loans and borrowings, changes		(2.705.574)	19.675.050	2.785.814	22.799.182
Related parties, changes		8.546.211	0	25.251.946	2.030.738
Bank overdrafts, change		9.849.476	1.823.344	4.373.744	1.823.344
		15.690.113	21.498.394	32.411.504	26.653.264
Changes in cash and cash equivalents		4.191.018	4.906.763	4.126.051	203.180
Cash and cash equivalents at the beg. of the year		981.476	863.290	806.782	802.650
Cash and cash equivalents at the end of the year .		5.172.494	5.770.053	4.932.833	1.005.830

*un-reviewed

Notes to the Financial Statement

Summary of accounting policies

1. Basis of preparation

Arctic Fish ehf. "the Company", is a parent company for a fish farming operation various locations based in Iceland. The Interim Financial Statements have been prepared in accordance with the Financial Statements Act and the Regulation on the Presentation and Contents of the Financial Statements and Consolidated Financial Statements. The Interim financial statements for the period 1 January to 30 September 2020 comprise the consolidated interim financial statement of Arctic Fish ehf. (the parent company) and its subsidiaries (together referred to as "the group"), and the interim financial statements of the parent company.

The Financial Statements are prepared in Euros (EUR) and have been prepared using the historical cost method and accounting policies.

The preparation of the interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

2. Revenue recognition

Revenue from sales of goods is recognised in the Income Statement on delivery and when passing of the risks and rewards of ownership have been transferred to the buyer.

3. Property, plant and equipment

Property, plant and equipment are capitalized at cost price less depreciation. Depreciation is calculated on a straight-line basis over the estimated useful life of fixed assets.

4. Capitalised R&D cost

R&D cost is capitalised at cost price less depreciation. Depreciation is calculated on a straight-line basis over the estimated useful life of the assets.

5. Deferred tax assets

The Company's deferred income tax asset is not recorded in the balance sheet due to uncertainty of utilisation. The liability represents the timing difference in the accounting methods used for tax purposes compared to the methods used in the Financial Statements. A deferred income tax asset is only recognised to the extent that it is probable that future taxable profits will be available against the asset. Deferred income tax asset is reviewed at each reporting date.

6. Investments in subsidiaries

Shares in subsidiaries are recorded at value that corresponds to the company's share in the book value of the shareholders' equity of the subsidiaries, taking into account the difference of between the purchase price of the shares and the company's share in the shareholders' equity of the subsidiaries when acquired. Net result of subsidiaries is accounted in parent company income statement.

7. Investment in other companies

Investment in other companies are stated at cost.

8. Deferred tax liabilities

Deferred tax liabilities is calculated using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The reason for this difference is that the tax assessment is based on premises other than those used in the financial statements.

9. Biological assets

Biological assets are valued at cost less impairment. Cost price consist of the cost of smolts, feed, salaries, depreciation and related expenses

10. Inventories

Inventories consist of finished goods and feed.

Feed is valued at cost. The FIFO principle is used concerning the periodic assignment of inventory costs.

Finished goods in inventory, fresh or frozen, are measured at the lesser of cost or the expected sales price less cost of sale. In a case where cost price exceeds sales price less sales cost, impairment is entered and charged to the income statement.

11. Accounts receivables

Account receivables are measured at cost net of provision for doubtful accounts, based on individual and over all assessment.

12. Cash and cash equivalents

Cash and cash equivalents consist of demand deposits at banks.

13. EBITDA

EBITDA for the parent company and the group are specified as follows:

	Consolidation		Parent company	
	2020	**2019**	**2020**	**2019**
	1.1.-30.9.	**1.1.-30.9.**	**1.1.-30.9.**	**1.1.-30.9.**
Operating income (loss) according to income statement	1.693.986	(1.355.166)	(90.384)	(63.864)
Depreciation	2.711.904	2.099.609	67.433	59.288
Loss on sale of property, plant and equipment	0	25.376	0	0
EBITDA	4.405.890	769.819	(22.951)	(4.576)

14. Salaries and related expenses

Salaries and related expenses for the parent company and the group are specified as follows:

	Consolidation		Parent company	
	2020	**2019**	**2020**	**2019**
	1.1.-30.9.	**1.1.-30.9.**	**1.1.-30.9.**	**1.1.-30.9.**
Salaries	2.278.965	2.060.926	494.344	506.860
Pension fund	276.010	251.976	62.894	60.754
Salary related expenses	204.814	183.544	41.515	42.834
Total salaries and salary-related expenses	2.759.789	2.496.446	598.753	610.448
Average number of employee	51	42	8	8
Number of employee end of year	52	47	8	8

Notes, cont.:

15. Property, plant and equipment

Property, plant and equipment and depreciation are specified as follows:

Parent company

	Buildings and land	Ship, shipping equipment, fish pens equipment	Transport vehicles and equipment	Total
Total value 1.1.2020	273.962	0	125.080	399.042
Addition during the year	0	0	27.113	27.113
Total value 30.9.2020	273.962	0	152.193	426.155
Total depreciation 1.1.2020	13.699	0	31.650	45.349
Depreciation	6.164	0	22.664	28.828
Total depreciation 30.9.2020	19.863	0	54.314	74.177
Carrying amount 30.9.2020	254.099	0	97.879	351.978

Group

	Buildings and land	Ship, shipping equipment, fish pens equipment	Transport vehicles and equipment	Total
Total value 1.1.2020	27.717.715	21.214.752	5.960.569	54.893.036
Addition during the period	278.535	3.896.215	2.111.252	6.286.002
Total value 30.9.2020	27.996.250	25.110.967	8.071.821	61.179.038
Depreciation 1.1.2020	1.064.907	3.758.419	1.609.033	6.432.359
Depreciation during the period	626.166	1.499.101	484.087	2.609.354
Depreciation 30.9.2020	1.691.073	5.257.520	2.093.120	9.041.713
Book value 30.9.2020	26.305.177	19.853.447	5.978.701	52.137.325
Depreciation ratio	2- 5%	5 -12%	8 - 15%	

Depreciation is included in cost of good sold in the income statement. Official assessment value for the buildings is EUR 5.3 million (2019: EUR 5.3 million) and insurance value is EUR 29.2 million (2019: ISK 29.2 million).

16. Intangible assets

Intangible assets for the group are specified as follows:

	Goodwill	Capitalised R&D cost	Total
Carrying amount 1.1.2019	183.825	1.962.569	2.146.394
Addition during the year	0	510.251	510.251
Depreciation during the year	(38.605)	(63.945)	(102.550)
Carrying amount 31.12.2019	145.220	2.408.875	2.554.095

16. Intangible assets, contd.:

Depreciation are specified as follows:

	Consolidation		Parent company	
	2020	2019	2020	2019
	1.1.-30.9.	1.1.-30.9.	1.1.-30.9.	1.1.-30.9.
Property, plant and equipment - note 14	2.609.354	2.004.635	28.828	20.683
Intangible assets - note 15	102.550	94.974	38.605	38.605
Total depreciation	2.711.904	2.099.609	67.433	59.288

17. Investments in subsidiaries

Investments in subsidiaries are specified as follows:

	Ownership	Nominal value	Carrying amount
Arctic Sea Farm hf., Iceland	99,96%	60.100.578	48.370.761
Arctic Smolt hf., Iceland	99,96%	38.570.106	34.184.714
Arctic Oddi ehf., Iceland	100,00%	3.753	(1.774.340)
Total investments in subsidiaries			80.781.135
Reclassified as provision for subsidiaries			1.774.340
Total investments in subsidiaries acc. to balance sheet			82.555.475

Share of loss of subsidiaries are specified as follows:

	2020	2019
	1.1.-30.9.	1.1.-30.9.
Share of loss of Arctic Sea Farm hf.	375.725	(230.733)
Share of loss of Arctic Smolt hf.	362.858	(133.919)
Share of profit Arctic Oddi ehf.	1.160.502	(1.265.462)
Total share of loss of subsidiaries	1.899.085	(1.630.114)

18. Biological assets

Biological assets are specified as follows:

	30.9.2020	31.12.2019
Smolt, biomass < 400 gr.	2.080.799	2.389.692
Biomass >400 gr.	34.875.005	22.911.467
Total biological assets	36.955.804	25.301.159
Biological assets 1.1	25.301.159	15.376.229
Increase due to production	31.907.195	29.323.969
Reduction due to sale and harvesting	(20.243.587)	(18.499.378)
Impairment on biological assets	(8.963)	(899.661)
Biological assets 31.12	36.955.804	25.301.159
Total number of fish	5.232.358	3.823.834
Estimated average weight per fish	1950 gr.	1580 gr.
Carrying amount, biomass > 400 gr.	34.875.005	22.911.467

19. Inventories

Inventories are specified as follows:

	30.9.2020	31.12.2019
Feed	1.772.607	1.043.740
Total inventories	1.772.607	1.043.740

Biological assets and inventories are pledge for loans and borrowings.

20. Equity

The Company's share capital according to its Articles of Association is ISK 5.832 million. Each share has the nominal value of one ISK. Changes in equity are as follows:

	Share capital	Accumulated deficit	Total
Equity 1.1.2020	43.772.153	(18.113.950)	25.658.203
Net loss for the period		(129.792)	(129.792)
Equity 30.9.2020	43.772.153	(18.243.742)	25.528.411

21. Loans and borrowings

Loans and borrowings are specified as follows:

	Interest	30.9.2020	31.12.2019
Debts in EUR	4,5%	45.903.190	37.708.817
Current maturities		(2.795.232)	(2.315.174)
Bank overdraft		(23.733.181)	(13.883.705)
Total long term liabilities		19.374.777	21.509.938

22. Deferred tax liabilities

Deferred tax liabilities is specified as follows:

	Consolidation		Parent company	
	30.9.2020	31.12.2019	30.9.2020	31.12.2019
Deferred tax liabilities at 1.1	(239.661)	(239.661)	(239.661)	(239.661)
Deferred tax liabilities at 31.12	(239.661)	(239.661)	(239.661)	(239.661)

A deferred tax asset amounting to EUR 4,642 thousand (2019: EUR 5,040 million) is not recognised due to uncertainty of future taxable profit. Carry forward loss expires if it is not used to offset taxable income within ten years.

23. Related parties

The Company's related parties are parties that have significant influence on the Company, directly or indirectly, including the parent company, owners and their immediate families, significant investors, key employees and their immediate families in addition to parties controlled by or that are significantly depending on the Company, such as associated companies and joint operations. Transactions with related parties have been carried out on an arm's length basis.

Related parties transactions

	Consolidation		Parent company	
	2020	**2019**	**2020**	**2019**
	1.1-30.9	**1.1-30.9**	**1.1-30.9**	**1.1-30.9**
Sales of goods/services	8.815.541	10.091.617	1.276.540	2.003.299
Interest expenses	(349.038)	(437.108)	(349.038)	(437.108)

Related parties balance

	30.9.2020	**31.12.2019**	**30.9.2020**	**31.12.2019**
Receivables	0	146.930	34.416.173	9.219.678
Liabilities	22.174.657	14.325.619	48.581.574	25.253.142

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Til generalforsamlingen i Arctic Fish Holding AS

Uavhengig revisors beretning

Uttalelse om revisjonen av årsregnskapet

Konklusjon

Vi har revidert Arctic Fish Holding AS' årsregnskap som viser et årsresultat på kr 0. Årsregnskapet består av balanse per 31. desember 2020, resultatregnskap for regnskapsåret avsluttet per denne datoen og noteopplysninger til årsregnskapet, herunder et sammendrag av viktige regnskapsprinsipper.

Etter vår mening er det medfølgende årsregnskapet avgitt i samsvar med lov og forskrifter og gir et rettvisende bilde av selskapets finansielle stilling per 31. desember 2020, og av dets resultater for regnskapsåret avsluttet per denne datoen i samsvar med regnskapslovens regler og god regnskapsskikk i Norge.

Grunnlag for konklusjonen

Vi har gjennomført revisjonen i samsvar med lov, forskrift og god revisjonsskikk i Norge, herunder de internasjonale revisjonsstandardene International Standards on Auditing (ISA-ene). Våre oppgaver og plikter i henhold til disse standardene er beskrevet i Revisors oppgaver og plikter ved revisjon av årsregnskapet. Vi er uavhengige av selskapet slik det kreves i lov og forskrift, og har overholdt våre øvrige etiske forpliktelser i samsvar med disse kravene. Etter vår oppfatning er innhentet revisjonsbevis tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon.

Styrets ansvar for årsregnskapet

Styret (ledelsen) er ansvarlig for å utarbeide årsregnskapet i samsvar med lov og forskrifter, herunder for at det gir et rettvisende bilde i samsvar med regnskapslovens regler og god regnskapsskikk i Norge. Ledelsen er også ansvarlig for slik internkontroll som den finner nødvendig for å kunne utarbeide et årsregnskap som ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil.

Ved utarbeidelsen av årsregnskapet må ledelsen ta standpunkt til selskapets evne til fortsatt drift og opplyse om forhold av betydning for fortsatt drift. Forutsetningen om fortsatt drift skal legges til grunn for årsregnskapet så lenge det ikke er sannsynlig at virksomheten vil bli avviklet.

Revisors oppgaver og plikter ved revisjonen av årsregnskapet

Vårt mål med revisjonen er å oppnå betryggende sikkerhet for at årsregnskapet som helhet ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil, og å avgi en revisjonsberetning som inneholder vår konklusjon. Betryggende sikkerhet er en høy grad av sikkerhet, men ingen garanti for at en revisjon utført i samsvar med lov, forskrift og god revisjonsskikk i Norge, herunder ISA-ene, alltid vil avdekke vesentlig feilinformasjon som eksisterer. Feilinformasjon kan oppstå som følge av misligheter eller utilsiktede feil. Feilinformasjon blir vurdert som vesentlig dersom den enkeltvis eller samlet med rimelighet kan forventes å påvirke økonomiske beslutninger som brukerne foretar basert på årsregnskapet.

Som del av en revisjon i samsvar med lov, forskrift og god revisjonsskikk i Norge, herunder ISA-ene, utøver vi profesjonelt skjønn og utviser profesjonell skepsis gjennom hele revisjonen. I tillegg:

- identifiserer og anslår vi risikoen for vesentlig feilinformasjon i regnskapet, enten det skyldes misligheter eller utilsiktede feil. Vi utformer og gjennomfører revisjonshandlinger for å håndtere slike risikoer, og innhenter revisjonsbevis som er tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon. Risikoen for at vesentlig feilinformasjon som følge av misligheter ikke blir avdekket, er høyere enn for feilinformasjon som skyldes utilsiktede feil, siden misligheter kan innebære samarbeid, forfalskning, bevisste utelatelser, uriktige fremstillinger eller overstyring av internkontroll.

- opparbeider vi oss en forståelse av den interne kontroll som er relevant for revisjonen, for å utforme revisjonshandlinger som er hensiktsmessige etter omstendighetene, men ikke for å gi uttrykk for en mening om effektiviteten av selskapets interne kontroll.

- evaluerer vi om de anvendte regnskapsprinsippene er hensiktsmessige og om regnskapsestimatene og tilhørende noteopplysninger utarbeidet av ledelsen er rimelige.

- konkluderer vi på hensiktsmessigheten av ledelsens bruk av fortsatt drift-forutsetningen ved avleggelsen av regnskapet, basert på innhentede revisjonsbevis, og hvorvidt det foreligger vesentlig usikkerhet knyttet til hendelser eller forhold som kan skape tvil av betydning om selskapets evne til fortsatt drift. Dersom vi konkluderer med at det eksisterer vesentlig usikkerhet, kreves det at vi i revisjonsberetningen henleder oppmerksomheten på tilleggsopplysningene i regnskapet, eller, dersom slike tilleggsopplysninger ikke er tilstrekkelige, at vi modifiserer vår konklusjon om årsregnskapet. Våre konklusjoner er basert på revisjonsbevis innhentet inntil datoen for revisjonsberetningen. Etterfølgende hendelser eller forhold kan imidlertid medføre at selskapet ikke fortsetter driften.

- evaluerer vi den samlede presentasjonen, strukturen og innholdet, inkludert tilleggsopplysningene, og hvorvidt årsregnskapet representerer de underliggende transaksjonene og hendelsene på en måte som gir et rettvisende bilde.

Vi kommuniserer med styret blant annet om det planlagte omfanget av revisjonen og til hvilken tid revisjonsarbeidet skal utføres. Vi utveksler også informasjon om forhold av betydning som vi har avdekket i løpet av revisjonen, herunder om eventuelle svakheter av betydning i den interne kontrollen.

Uttalelse om andre lovmessige krav

Konklusjon om registrering og dokumentasjon

Basert på vår revisjon av årsregnskapet som beskrevet ovenfor, og kontrollhandlinger vi har funnet nødvendig i henhold til internasjonal standard for attestasjonsoppdrag (ISAE) 3000 «Attestasjonsoppdrag som ikke er revisjon eller forenklet revisorkontroll av historisk finansiell informasjon», mener vi at ledelsen har oppfylt sin plikt til å sørge for ordentlig og oversiktlig registrering og dokumentasjon av selskapets regnskapsopplysninger i samsvar med lov og god bokføringsskikk i Norge.

Trondheim, 25. januar 2021
KPMG AS

Yngve Olsen
Statsautorisert revisor

Årsregnskap 2020
Arctic Fish Holding AS

Resultatregnskap
Balanse
Noter til regnskapet

Org.nr.: 825 904 042

RESULTATREGNSKAP

ARCTIC FISH HOLDING AS

DRIFTSINNTEKTER OG DRIFTSKOSTNADER

FINANSINNTEKTER OG FINANSKOSTNADER

EKSTRAORDINÆRE INNTEKTER OG KOSTNADER

OVERFØRINGER

BALANSE

ARCTIC FISH HOLDING AS

EIENDELER	**Note**	**2020**
ANLEGGSMIDLER		
IMMATERIELLE EIENDELER		
VARIGE DRIFTSMIDLER		
FINANSIELLE ANLEGGSMIDLER		
OMLØPSMIDLER		
FORDRINGER		
Andre kortsiktige fordringer		24 430
Sum fordringer		**24 430**
INVESTERINGER		
Sum omløpsmidler		**24 430**
Sum eiendeler		**24 430**

BALANSE

ARCTIC FISH HOLDING AS

EGENKAPITAL OG GJELD	Note	2020
EGENKAPITAL		
INNSKUTT EGENKAPITAL		
Aksjekapital	4	30 000
Annen innskutt egenkapital		-5 570
Sum innskutt egenkapital		**24 430**
OPPTJENT EGENKAPITAL		
Sum egenkapital	**3**	**24 430**
GJELD		
AVSETNING FOR FORPLIKTELSER		
ANNEN LANGSIKTIG GJELD		
KORTSIKTIG GJELD		
Sum egenkapital og gjeld		**24 430**

Trondheim, 15.01.2021
Styret i Arctic Fish Holding AS

DocuSigned by:
Ola Loe
D5BF43D4B1D54FC...
Ola Loe
styremedlem

DocuSigned by:
Svein Sivertsen
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Svein Sivertsen
styreleder

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Johan Michelsen
42046F80C3D748A...
Johan Bernt Michelsen
styremedlem

DocuSigned by:
Sig. Pét...
49CF81BEE1D547C...
Sigurður Pétursson
styremedlem

Regnskapsprinsipper

Årsregnskapet er satt opp i samsvar med regnskapsloven og NRS 8 - God regnskapsskikk for små foretak. Selskapet er nystiftet i 2020 (01.10.20). Resultatregnskapet omfatter perioden fra stiftelse til årsslutt – Perioden 1.10.20 – 31.12.20

SKATT
Skattekostnaden i resultatregnskapet omfatter både periodens betalbare skatt og endring i utsatt skatt. Utsatt skatt er beregnet med 22 % på grunnlag av de midlertidige forskjeller som eksisterer mellom regnskapsmessige og skattemessige verdier, samt ligningsmessig underskudd til fremføring ved utgangen av regnskapsåret. Skatteøkende og skattereduserende midlertidige forskjeller som reverserer eller kan reverseres i samme periode er utlignet og nettoført.

FORDRINGER
Kundefordringer og andre fordringer oppføres til pålydende etter fradrag for avsetning til forventet tap. Avsetning til tap gjøres på grunnlag av en individuell vurdering av de enkelte fordringene.

Note 1 Lønnskostnader og ytelser, godtgjørelse til revisor

Arctic Fish Holding AS har ikke hatt lønns- eller personalkostnader i 2020 og det foreligger heller ingen slike forpliktelser. Selskapet har ingen ansatte.

REVISOR
Kostnadsført revisjonshonorar for 2020 utgjør kr 0.
Kostnadsført honorar for andre tjenester for 2020 utgjør kr 0.

Note 2 Skatt

Årets skattekostnad	**2020**	**2019**
Resultatført skatt på ordinært resultat:		
Betalbar skatt	0	0
Endring i utsatt skattefordel	0	0
Skattekostnad ordinært resultat	**0**	**0**
Skattepliktig inntekt:		
Ordinært resultat før skatt	0	0
Permanente forskjeller	-5 570	
Skattepliktig inntekt	**-5 570**	**0**
Betalbar skatt i balansen:		
Betalbar skatt på årets resultat	0	0
Sum betalbar skatt i balansen	**0**	**0**
Beregning av effektiv skattesats		
Resultat før skatt	0	0
Skatteeffekt av permanente forskjeller	-1 225	
Sum	**-1 225**	**0**

Skatteeffekten av midlertidige forskjeller og underskudd til fremføring som har gitt opphav til utsatt skatt og utsatte skattefordeler, spesifisert på typer av midlertidige forskjeller:

	2020	**2019**
Akkumulert fremførbart underskudd	-5 570	0
Inngår ikke i beregningen av utsatt skatt	5 570	0
Utsatt skattefordel (22 %)	**0**	**0**

0Note 3 Egenkapital

	Aksjekapital	**Annen innskutt egenkapital**	**Annen egenkapital**	**Sum egenkapital**
Stiftelse/Kapitalutvidelse	30 000			30 000
Stiftelelsekostnader		-5 570		-5 570
Pr. 31.12.2020	**30 000**	**-5 570**	**0**	**24 430**

Note 4 Aksjonærer

AKSJEKAPITALEN I ARCTIC FISH HOLDING AS PR. 31.12 BESTÅR AV:

	Antall	**Pålydende**	**Bokført**
Ordinære aksjer	3 000	10,00	30 000
Sum	**3 000**		**30 000**

EIERSTRUKTUR

De største aksjonærene i % pr. 31.12 var:

	Ordinære	**Eierandel**	**Stemmeandel**
Norway Royal Salmon ASA	3 000	100,0	100,0
Totalt antall aksjer	**3 000**	**100,0**	**100,0**