Information Document

Arctic Bioscience AS

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

Admission to trading of shares on Euronext Growth Oslo

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

As of the date of this Information Document, the Company's registered share capital is NOK 2,429,953.90 divided into 24,299,539 shares, each with a par value of NOK 0.10 (the "**Shares**"). The Shares are registered in the Norwegian Central Securities Depository (the "**VPS**") in book-entry form.

The Company has applied for admission to trading of its Shares on Euronext Growth Oslo and it is expected that the Shares will start trading on or about 24 February 2021 under the ticker symbol "ABS".

Euronext Growth Oslo is a market operated by Euronext. Companies on Euronext Growth Oslo, 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 Oslo 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 Advisors and has been subject to an appropriate review of its completeness, consistency and comprehensibility by Euronext Growth Oslo.

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

Euronext Growth Advisors

ABG Sundal Collier ASA **DNB Markets**

The date of this Information Document is 24 February 2021

IMPORTANT INFORMATION

This Information Document has been prepared solely by the Company in connection with the Admission to trading of the Shares on Euronext Growth Oslo. This Information Document has been prepared solely in the English language. For definitions of terms used throughout this Information Document, see Section 12 "Definitions and glossary of terms".

The Company has engaged ABG Sundal Collier ASA ("**ABGSC**") and DNB Markets, a part of DNB Bank ASA ("**DNB Markets**") 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 and related Notices for Euronext Growth Oslo, and the Content Requirements for Information Documents for Euronext Growth Oslo. 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 (the "**Prospectus Regulation**"), 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 on Euronext Growth Oslo 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 on Euronext Growth Oslo 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 may in certain jurisdictions 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 as legal venue, shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Information Document.

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

STABILISATION

In connection with the Private Placement (as defined below), DNB Markets (the **"Stabilisation Manager**"), or its agents, may engage in transactions that stabilise, maintain or otherwise affect the price of the Shares for up to 30 days commencing at the time at which trading in the Shares commences on Euronext Growth Oslo. Specifically, the Stabilisation Manager may affect transactions with a view to supporting the market price of the Offer Shares at a level higher than that which might otherwise prevail. The Stabilisation Manager and its agents are not required to engage in any of these activities and, as such, there is no assurance that these activities will be undertaken; if undertaken, the Stabilisation Manager or its agents may end any of these activities at any time and they must be brought to an end at the end of the 30-day period mentioned above. Save as required by law or regulation, the Stabilisation Manager does not intend to disclose the extent of any stabilisation transactions under the Private Placement.

Any stabilization activities will be conducted in accordance with the principles of section 3-12 of the Norwegian securities trading act dated 29 June 2007 no. 75 (as amended) (the "**Norwegian Securities Trading Act**") and the EC Commission Regulation 2273/2003 and regarding buy-back programmes and stabilization of financial instruments, as well as, to the extent applicable, article 5(4) of the EU Market Abuse Regulation and chapter III of the supplemental rules set out in the Commission Delegated (EU) 2016/1052 of 8 March 2016 with regard to regulatory technical standards for the conditions applicable to buy-back programmes and stabilization measures, in order to support the market price of the Shares.

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 are each: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II (the "**Positive Target Market**"); and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Appropriate Channels for Distribution**"). Notwithstanding the Target Market Assessment, distributors should note that: the price of the Shares may decline and investors could lose all or part of their investment; the Shares offer no guaranteed income and no capital protection; and an investment in the Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. Conversely, an investment in the Shares is not compatible with investors looking for full capital protection or full repayment of the amount invested or having no risk tolerance, or investors requiring a fully guaranteed income or fully predictable return profile (the "**Negative Target Market**", and, together with the Positive Target Market, the "**Target Market Assessment**"). For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Shares. Each distributor is responsible for undertaking its own Target Market Assessment in respect of the Shares and determining appropriate distribution channels.

ENFORCEMENT OF CIVIL LIABILITIES

The Company is a private limited liability company incorporated under the laws of Norway. As a result, the rights of holders of the Shares will be governed by Norwegian law and the Company's articles of association, as amended from time to time (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 (each a "**Board Member**" and jointly the "**Board of Directors**") and save for one member, the members of the Group's executive management (the "**Management**") are not residents of the United States and all 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 and members of the Management in the United States or to enforce judgments obtained in United States courts against the Company or those persons, whether predicated upon civil liability provisions of federal securities laws or other laws of the United States (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 judgements obtained in other jurisdictions, including the United States, against the Company or its Board Members or members of the Management under the securities laws of those jurisdictions or entertain actions in Norway against the Company or its Board Members or members of the 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.

TABLE OF CONTENTS

APPENDICES

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 and/or the Group 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 document.

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

The majority of the Group's revenues derive from sales of products containing herring roe derived Omega-3 fatty acids, phospholipids or proteins, and the Group is heavily dependent on the market acceptance of such products and the long-term price development of such products

The Group's business consists primarily of processing, manufacturing, distributing and selling herring roe derived products for the Omega-3 fatty acid (in particular docosahexaenoic acid ("DHA")) and protein markets. Such products account for the majority of the Group's total revenues and the Group's business is heavily dependent on the stability of the market for products containing DHA and other Omega-3 fatty acids and/or phospholipids as well as the markets for herring roe derived DHA and Omega-3 fatty acids and proteins. The Group's products and brand are considered premium and are therefore generally priced accordingly. Shifts in consumer preferences away from premium products such as the Group's products would have a material adverse effect on the Group's business, results of operations, financial condition, cash flows and/or prospects. Furthermore, there can be no assurance that the Group will be successful in establishing its Romega brand in the USA, China and Europe. The Group's brand may fail to obtain sufficient demand in such markets, and the Group's existing white label customers, although currently a relatively minor proportion of the Group's customer base, could react negatively to the Group's establishment of its own brand, which may be considered as a competitor to the customers' brands.

The degree of market acceptance for the Group's products will depend upon a number of factors, including consumer perception regarding the quality and safety of the Group's products and Omega-3 fatty acid and protein products generally, and the establishment and demonstration of the potential advantages of the Group's products over new and competing products. Adverse publicity about the Group, other participants in the markets in which the Group operates or the overall market, in the form of published scientific research or otherwise that associates consumption of Omega-3 fatty acid, phospholipid or protein products with illness or other adverse effects, that questions the benefits of such products or that claims such products are ineffective could have a material effect on the Group's ability to generate revenue. For example, any negative articles, studies, reports or other publicity questioning the safety or efficacy of Omega-3 fatty acid or protein products may have a material adverse effect on the Group's reputation, the demand for the Group's nutraceutical products, future pharmaceutical products under development and the Group's revenues.

The markets in which the Group operates may become more competitive, or may not sufficiently accept some of the Group's products

The Group's current or future competitors may develop and commercialise new technologies and products that may gain market share from the Group and cause declines in the Group's revenues and profits. Any business combinations or mergers among the Group's competitors that result in larger competitors with greater resources or distribution networks, or the acquisition of a competitor by a major technology, pharmaceutical or nutrition corporation seeking to enter the markets in which the Group operates, could further increase competition the Group faces and have a material adverse effect on its business, financial condition, results of operations, cash flow and/or prospects. The Group's current or future operations could be disrupted due to seasonal fluctuations in fisheries, production capacity and market needs. This can have a negative impact on availability of raw materials, lower production capacity, maintaining product quality and the ability to develop new products.

The Group's nutraceutical business operates in a more competitive market with more competitors compared to the Group's target pharmaceutical business, which is also a competitive market. The Group's products and brands are considered premium and the relatively higher prices charged compared to some competitors is dependent on the market demanding such premium products. There are potential alternative supplies of phospholipid-bound Omega-3 fatty acids, including but not limited to krill oil and salmon roe oil. Current available krill oil products are much lower in DHA than the Group's products, and salmon roe oil products vary considerably in composition and quality due to the mixture of multiple salmon species from the Pacific Ocean. There is considerable competition to the Group's nutraceutical product offering from lower priced Omega-3 products from other sources. The Group's nutraceutical products are dependent on their acceptance in the premium nutraceutical market, which cannot be guaranteed.

The Group bases its price assumptions for its pharmaceutical product candidate, HRO350, on the current market offering for the treatment of psoriasis, as well as the current known market competition. Prices for alternative treatments for psoriasis may come down, and the market for such products may become more competitive, meaning obtainable prices for HRO350 or any other pharmaceutical product candidates may be lower than expected. There is also a risk that the Group's pharmaceutical product candidate HRO350 may not get marketing authorisation, and even if it does, the actual market share achieved may be lower than the expected market share, it may be difficult or prove impossible to acquire a licensing deal and prices obtainable for such product may be lower than expected. Even if HRO350 receives marketing authorisation, it may not be reimbursed by national health services or insurers. If a marketing authorisation is given for HRO350, challenges may be made to marketing and selling the Group's nutraceutical products with similar composition as non-pharmaceutical food supplements.

The Group may not attain sufficient market acceptance of the Group's current pharmaceutical product candidate, HRO350, among physicians, patients or the health care or medical community in the event they are commercialised, if at all. There is a risk that HRO350 is perceived as a "natural product" rather than a "drug". It is unknown whether HRO350 will be perceived in a positive, neutral or negative way by regulators or the market generally. Whilst the Group has conducted searches for ongoing clinical trials for potential competitors to HRO350 and for the pharmaceutical treatment of psoriasis generally, there may be other pharmaceutical product candidates that the Group is not aware of. Whilst there are currently few competitors in the Group's target market for HRO350 (oral treatments for mild to moderate psoriasis), market competition may increase in the future. Further, inflammatory diseases such as psoriasis appear to be becoming prevalent and the population is increasing and growing older, and as the total available market increases, it may attract the focus of larger established pharmaceutical competitors.

The Group does not yet have any approved pharmaceutical products, and the nutraceutical side of the Group's business may not become a cash contributor to pharmaceutical development

Whilst the Group has completed a small pilot clinical trial regarding herring roe oil extract for the treatment of mild-to-moderate psoriasis, and which yielded statistically significant results on improvement in psoriasis versus placebo which have been published[1], the Group does not yet have any approved pharmaceutical products. Clinical drug development involves a lengthy and expensive process, with an uncertain outcome. The Group may incur additional costs or experience delays in initiating, completing, or ultimately be unable to complete, the development and commercialisation of HRO350. In addition, there may be regulatory changes before HRO350 is launched, which may entail unexpected

[1] Tveit KS, Brokstad KA, Berge RK, Sæbø PC, Hallaråker H, Brekke S, Meland N, Bjørndal B. A Randomized, Double-blind, Placebo-controlled Clinical Study to Investigate the efficacy of Herring Roe Oil for treatment of Psoriasis. Acta Derm Venereol. 2020 May 28;100(10):adv00154. doi: 10.2340/00015555-3507. PMID: 32378724

new barriers to market access or further delay to releasing the pharmaceutical to market. Additionally, the Group is planning to produce the GMP drug product HRO350 in a facility which is yet to be built, and the successful development and production of this GMP product is a prerequisite for the conduct of a future phase III clinical trial, for marketing authorisation and delivering HRO350 to the market after a potential marketing authorisation. The Group's success for the foreseeable future is highly dependent upon the commercialisation of HRO350. No assurance can be given as to whether or when it will be successfully developed or commercialised, and if so, that it will generate revenue.

In addition, the Group's nutraceutical side of its business is expected to be a cash contributor to the Group's pharmaceutical development activities. If the Group's nutraceutical business projections do not go to plan, or there is a loss of revenue from the sale of the Group's nutraceutical products, the pharmaceutical development and commercialisation activities of the Group may be put at risk, unless additional funding on terms acceptable to the Group can be found.

The Group's success for the foreseeable future is highly dependent upon the commercialisation of HRO350. No assurance can be given as to whether or when it will be successfully developed or commercialised, and if so, that it will generate revenue.

Risk of delays or failures at any stage of the clinical programme may prevent commercialisation of the Group's pharmaceutical product candidate in line with the Group's planned timeline, or at all

The Group is in the early stages of clinical development of its pharmaceutical product candidate, HRO350. Clinical drug development involves a lengthy and expensive process, with clinical trials having an uncertain outcome. The Group may incur additional costs or experience delays in completing, or ultimately be unable to complete, the development and commercialisation of its pharmaceutical product candidates.

The Group has received scientific advice from the European Medicines Agency's ("**EMA**") Committee for Medicinal Products for Human Use ("**CHMP**") on the planned drug development program and Good Manufacturing Practice ("**GMP**") production of HRO350 proposed for marketing authorisation application, and has received scientific advice in relation to drafting a Phase IIb dose establishing study protocol. The final protocol is under development for submission of a clinical trial application to the EMA. The Phase IIb study aims to establish the efficacy, safety and explore dosage of HRO350. There is a risk that doses chosen for the study are not appropriate to meet statistical significance of endpoints and may result in unexpected safety signals and there is a risk of patient drop-out from the trial or other factors may hinder a significant outcome of the trial. If Phase IIb does not demonstrate statistical significance at any of the doses in the study, the clinical development programme would likely be paused and a Phase III study may not be conducted. If the Group's clinical development programme progresses to Phase III, there is a risk that HRO350 does not demonstrate the required efficacy and safety, that further unexpected safety signals appear, amongst other potential unknowns.

The Group's clinical trials may not deliver expected results and may not be indicative of results in later stage trials. The Group plans to submit marketing authorisation applications to both the EMA in Europe and the Food and Drug Administration (FDA) in the USA. There is a risk that any clinical trial in the USA is not able to recruit sufficient numbers of participants, and therefore market authorisation may not be obtained in the USA. There is also a risk that a clinical trial protocol is accepted by the EMA but not by the FDA or vice versa, and that the results from clinical trials may be found sufficient for obtaining marketing authorisation by either the EMA or FDA or both. The Group does not intend to launch its pharmaceutical product until 2027, after completion of one Phase IIb and at least one Phase III clinical trial and eventually marketing authorisation. Any failure or delay in completing clinical trials for any of the Group's drug candidates may prevent it from obtaining marketing authorisation, regulatory approval or commercialising product candidates on a timely basis, or at all, which would require the Group to incur additional costs and delay receipt of any pharmaceutical product revenue. Further, there is a risk that HRO350 does not work as anticipated, and it is possible that the Group may have to abandon its attempts to create a pharmaceutical product as a result, which could have a adverse impact on the Group's business plan and potential to generate revenue.

Risks associated with the late-onset of action of the Group's pharmaceutical product candidate in the market

There is a risk that the Group's pharmaceutical product candidate may have late-onset of action compared to other comparative treatments, which may affect user adherence to treatment and may

reduce perceived real-world reported effectiveness. Regulators' and payers perceptions may be affected by the same late onset of action. There is also a risk that post-authorisation trials may uncover adverse events after long term usage, or other unexpected events may cause marketing authorisation to be revoked. GMP production of HRO350 may encounter issues or delays, leading to a temporary or permanent stop in production. This risks the pharmaceutical product being unavailable on the market for a period of time where patients may be switched to other available treatments and may not be re-treated with HRO350 when and if it is made available again. Further, even in the event of commercialisation, the Group may not attain expected market acceptance of HRO350 or any other pharmaceutical product candidate among payers such as insurance companies, health care system providers, physicians, patients or the health care or medical community in general, if at all.

The Group is dependent on the protection of its intellectual property and the Group's drug candidates, products or operations could infringe upon third-party intellectual property rights

The Group's patent portfolio consists of patents, patent applications and patent claims covering composition, processing and method of use regarding treatment of psoriasis. Composition of matter claims are typically the most valuable intellectual property when compared to other types of claims. The Group could be unsuccessful in obtaining method of use claims for indications other than psoriasis. The success, competitive position and future revenues of the Group will depend on its ability to protect its intellectual property and safeguard its know-how and trade secrets. The Group could be unsuccessful in obtaining adequate patent protection for one or more of its drug candidates. Issued patents covering one or more of the Group's drug candidates could be found invalid or unenforceable if challenged.

Further, the Group may receive inquiries from holders of patents or other proprietary rights inquiring whether the Group infringe their proprietary rights. Companies holding patents or other intellectual property rights relating to the Group's drug candidates, products or operations may bring suits alleging infringement of such rights or otherwise asserting their rights and seeking licenses. Thus, third parties may assert claims against the Group for infringement of third party intellectual property rights. Any claims that the Group's drug candidates, products or operations 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.

The Group relies on the supply of raw materials, which may be subject to availability or price fluctuations

The Group generally has raw materials stockpiled that is equivalent to approximately one to two years of manufacture. However, the supply of the Group's raw materials in sufficient quantities and at prices that are acceptable for the Group is subject to variation, and is especially true for products purchased outside of existing agreements the Group has with its suppliers. The effect of low availability and higher prices will negatively affect the profitability of the Group's business.

Risks associated with the Group's distributor and partner agreements

Whilst to a limited extent the Group does sell its current nutraceutical product offering directly to consumers via its website, the Group also relies on distribution of its products via international distribution partners. The Group's current distribution arrangements, including but not limited to those it has in China, Europe and the USA, may not achieve expected targets or sale results, and plans to develop new strategic partnerships in new regions may not come to fruition.

Risks associated with the construction of the Group's planned new facility

The Group plans to construct a new facility to manufacture its products, both nutraceutical and pharmaceutical. Whilst the Group has accepted an offer of commitment for a construction loan which purpose is to finance the construction of the new facility together with parts of the proceeds from the Private Placement, the Company may not be able to enter into the final loan agreement or fulfill conditions related to the construction loan, in which case the construction of the new facility may be delayed or not completed at all. There may also be a risk that construction costs may overrun, potentially delaying construction or requiring further financing to be obtained. Further there is a risk that the construction will not be completed due to the Group not being able to enter into all required construction contracts, non performance under such contracts or lack of regulatory approvals. In any such scenario the growth plan of the Group may be severely impacted.

Several risks will remain similar to the Group's current risks in relation to the outsourcing of the manufacturing of its nutraceutical products, such as the risk that manufacturing operations may have

to be suspended due to serious incidents, and the risk that products are not made according to specifications. Certain new risks will arise as a result of switching production of nutraceutical products to the Group's new facility, such as delays to the start of operations or that the plant does not deliver as expected. The Group expects production at the new facility to bring margin improvements, but this cannot be guaranteed, and if expected margin improvements fail to materialise, there may be a need for the Group to obtain additional financing.

The growth plans of the Group for the nutraceutical side of the business, as well as production of HRO350 and the execution of the Phase 3 clinical trial on the pharmaceutical side, is dependent on the Group's expected timeline and business plan for the Group's prospective pharmaceutical business. The Phase 3 clinical trial of HRO350 is dependent on HRO350 being produced at the planned new facility. Any delays in relation to the construction and final sign-off of the planned new facility will lead to a delayed starting of the Phase 3 clinical trial, and will consequently lead to knock-on delays in market authorisation applications and the ultimate granting of market authorisation. Furthermore, the new facility is planned to be the only site that will produce HRO350, in line with GMP, and production issues such as malfunctions, delays or batch recalls may lead to HRO350 not being available in the market for a period of time and, if it causes a significant delay, may lead to the revocation of market authorisation.

The Group's planned new facility and manufacturing plant will be at risk of being damaged or lost, and may increase the exposure of the Group to liability claims

Upon completion of construction of the Group's planned new facility, damage to or loss of the entire plant or parts therein may result in severe loss of revenue. In addition, due to the tailormade process, GMP and other regulatory limitations for the manufacturing of pharmaceutical products, there is currently no backup pharmaceutical manufacturing site. The Group may also experience losses or higher costs resulting from death or injury to its personnel, contractors, repair or new-build costs and/or higher insurance rates. Any environmental accidents and/or non-compliance with applicable laws or permits may result in severe governmental fines, penalties or restrictions on conducting business, or may damage the Group's reputation and customer relationships generally. Any severe happening or accident as described above may cause a stop in the facility operations while being investigated or problems being solved. The costs of unpredicted manufacturing or processing equipment repairs may be substantial and the Group will lose earnings whilst any such repairs take place. In the case of quality failures or errors in production, batches of HRO350 with insufficient quality may not be released to the market, and if such quality issues are discovered after release of the batch, a product recall may be required. There can be no assurance that such events and costs will be covered by the Group's insurance. Any of these consequences could have a material adverse effect on the Group's business, financial condition, results of operations, cash flows and/or prospects.

Risks related to global economic, political, social and health conditions, including Covid-19

The Group operates on an international level, and may consequently be affected by global economic and political conditions in the markets in which it operates, especially in the USA and EU which the Group considers as its most important markets. The uncertainties and recent downturn of the global economy, including the ongoing Covid-19 situation, and other macroeconomic factors have adversely affected, and may continue to adversely affect, the Group's business. For example, revenues of the Group are down approximately 33% in 2020 compared to 2019 and deliveries of machinery have been delayed. It may also be more difficult to run clinical studies during the Covid-19 pandemic due to pressure on healthcare services and potential limits to the number of clinical trials able to be conducted at any one time. Furthermore, shipping of investigational drug products for conducting the clinical trial in Norway and other countries may be hindered by transport delays due to the Covid-19 pandemic, future pandemics or other global conditions.

The prospects for global economic growth remain uncertain with respect to credit, liquidity and interest risk in addition to operational risks and uncertainties relating to, amongst other things, fluctuations in annual herring roe harvesting, onshore production processes, product quality, the ability to develop new products and inherent market risk. Downturns in general economic conditions may affect customer income, capital and liquidity, which in turn could affect the ability of customers to pay for the Group's products. Factors such as consumer spending, business and consumer confidence, employment trends, business investment, government spending, inflation and the volatility and strength of both debt and equity markets may all affect the prices and demand for the Group's products, and thereby affect the revenue, profitability and financial condition of the Group.

The ongoing Covid-19 crisis inherently increases many of these risks: markets become more uncertain, operations become more vulnerable to interruptions and policy makers around the world gravitate towards stricter regulations impacting international trade. Without global economic growth, the

anticipated growth in the sales of the Group's products could be adversely affected or delayed, especially given the premium branding of some of the Group's products compared to alternative ingredients. For example alternatives to certain of the Group's products, such as other fish oils, with a lower price, could be favoured by end customers and in turn reduce sales to our customers.

The outbreak of the Covid-19 virus may have significant negative effects on the Group. The Group may be affected by the global economic conditions of the markets in which it operates. The global economy has been experiencing a period of uncertainty since the recent outbreak of the Covid-19 virus, which was recognized as a pandemic by the World Health Organization in March 2020. The global outbreak of Covid-19, and the extraordinary health measures imposed as a result, risk causing disruptions in the Group's value chain. This may in turn negatively impact future revenues and operations of the Group.

The Group is exposed to risks associated with its international operations

The Group's two business areas, nutraceuticals and pharmaceuticals, are regulated by several separate types of regulatory authorities in the countries to which it sells or is planning to sell it products to, including: food safety authorities (including Mattilsynet in Norway, the European Food Safety Authority in the EU and the FDA in the USA and other national or international regulatory authorities) and pharmaceutical authorities (including the Norwegian Medicines Agency in Norway, the European Medicines Agency in the EU and the FDA in the USA and other national or international regulatory authorities). The Group has to follow several regulatory structures in Norway and other markets where the Group sells its products, and as such the Group will need to follow local regulations for market authorisation, sales and the marketing of its products. The Group is currently planning to obtain market authorisation for HRO350 in the USA and the European Economic Area, and thereafter seek market authorisation in the rest of the world.

The Group's revenues are derived from sales in multiple countries around the world, including the United States of America (the "**U.S.**" or the "**United States**"), the European Economic Area (the "**EEA**"), China as well as other markets. The Group's international operations and sales are subject to a number of risks, including: multiple regulatory regimes; potentially longer accounts receivable collection periods and greater difficulties in their collection; disruptions or delays in shipments caused by customs brokers; work stoppages or government agencies; potential imposition by governments of controls that prevent or restrict the transfer of funds; regulatory limitations imposed by foreign governments and unexpected changes in regulatory requirements, tariffs, customs duties, tax laws and other trade barriers; difficulties in staffing and managing foreign operations; laws and business practices favouring local competition and potential preferences for locally produced products; potentially adverse tax consequences; difficulties in protecting or enforcing intellectual property rights in certain foreign countries; fluctuations in exchange rates, as described more fully below; the difficulties and increased expense in complying with multiple and potentially conflicting domestic and foreign laws, regulations, product approvals and trade standards; political or social unrest; economic instability, conflict or war in a specific country or region; and protests by nongovernmental organizations ("**NGOs**").

In relation to the various regulatory environments that the Group is subject to across multiple countries, reimbursement by national health services or insurance companies may be limited or unavailable in certain market segments, which could make it more difficult for the Group to sell its products profitably. Failure to obtain and maintain regulatory approvals may prevent the Company from developing and marketing its products and product candidates. Should HRO350 or any other potential pharmaceutical product candidates be approved in the future, the Group will be subject to ongoing regulatory obligations and continued regulatory overview, which may result in significant additional expense or the imposition of restrictions on marketing and commercialisation, and further the Group's results of operations and sales may be adversely affected by changes in the environment and/or regulations for pharmaceutical products.

Further, the Group's operations are consequently subject to risks inherent in international business operations, including compliance with a variety of local laws and regulations (e.g. environmental laws and anti-bribery and anti-corruption laws), international sanctions and other trade restrictions,

If the Group fails to overcome the challenges that it encounters in its international sales or operations, as a result of international business risk or a changing regulatory environment, the Group's business, results of operations, financial position, cash flows and/or prospects could be materially adversely affected.

Contamination of raw materials or products may result in supply interruptions and human exposure to hazardous substances and subject the Group to civil or criminal enforcement actions, private litigation or product recall obligations

The Group's products may be subject to contamination by food-borne pathogens, such as Listeria, Salmonella and E. Coli. These pathogens are found in the environment, and there is a risk that one or more of these pathogens could affect the Group's products due to improper handling, failed quality controls, poor processing hygiene or cross-contamination by the Group, the ultimate consumer or any intermediary. The herring roe that the Group purchases, freezes and processes is perishable and may deteriorate due to, among other things, malfunctioning cold storage facilities, delivery delays or poor handling. The Group also has little, if any, control over handling procedures once it ships its products for distribution, which may contribute to the oxidation of the products and therefore their nutritional value and/or active ingredients including DHA concentration levels.

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. Any contamination could therefore have a material adverse effect on the Group's business, results of operations, financial condition, cash flows and/or prospects. Release of contaminated products to the market may lead to recall and complaints or legal claims from consumers, including potentially future patients.

The Group is reliant on third party suppliers

The Group currently relies on two third party suppliers to supply herring roe, the raw material it uses to produce both its nutraceutical and pharmaceutical products. Other suppliers of herring roe are available, although the number of suppliers is limited. The Group also relies on third party suppliers to supply fish oil carriers for inclusion in final products. Supply of such fish oil carriers is in general good, but the Group is vulnerable to price fluctuations and availability of pacific fish oil, which may impact on the profitability of the Group.

The Group relies on a single third party to manufacture its entire intermediary and finished nutraceutical product range, Naturex S.A, and the Group would find it difficult to find an alternative supplier in the short term. Should this supplier experience any disruption to production or terminate its current arrangement with the Group, the Group would be unable to produce its nutraceutical products and which could have a material adverse effect on the Group's business, results of operations, financial condition and cash flows, as well as potential negative effects on its reputation should it not be able to satisfy customer demand.

The Group relies on a single third party to manufacture clinical Phase II supplies of its pharmaceutical product candidates. The loss of this supplier, or their failure to provide the Group with sufficient quantities at acceptable quality levels or prices, or at all, would materially and adversely affect the Group's pharmaceutical development, and ultimately, the business prospects of the Group. In addition, the Group relies on a third party supplier to encapsulate its current pharmaceutical product candidate, and any delays or disruptions to this supply in the short-term may lead to delays in proceeding with the Group's clinical testing programme until any such disruptions are resolved, or a satisfactory alternative supplier can be found.

If the Group fails to implement its business strategy or manage its growth effectively, then the business could be disrupted

The Group's ability to implement its strategy and growth, including its ability to develop and commercialise its pharmaceutical product candidates and obtain a licensing partner, and achieve its business and financial objectives is subject to a variety of factors – many of which are beyond the Group's control. In relation to the Group's nutraceutical business, the entering into new regions for sale directly to consumers including in the USA and Europe, increasing focus on finished goods as opposed to the sale of bulk products globally, particularly in China, towards its business to business to consumer market and plans to develop and launch new products may not go as expected. The Group's failure to execute its business strategy could adversely affect the Group's business, prospects, financial condition and results of operation. The Group may encounter unforeseen expenses, difficulties, complications, delays or other known or unknown factors in achieving its business objectives. In addition, there can be no guarantee that even if the Group successfully implements its strategy, it would result in the Group achieving its business and financial objectives.

The Group's operating results may fluctuate significantly, which makes future operating results difficult to predict and could cause future operating results to fall below expectations. The Group has experienced business growth since its inception, but suffered a setback in 2020 coinciding with the Covid-19 pandemic, and the Group's future financial performance and its ability to commercialise its products and to compete effectively will depend, in part, on its ability to manage any future growth effectively. The Group has made and expects to continue to make significant investments to enable future growth through, among other things, new product innovation and pharmaceutical development. Lower ramp-up of herring roe harvesting or processing capacity than planned could lead to a slower growth curve for the Group. The Group must also be prepared to expand its workforce and to train, motivate and manage additional employees as the need for additional personnel arises. The Group's personnel, facilities, systems, procedures and controls may not be adequate to support its future operations. Any failure to manage future growth effectively could have a material adverse effect on the Group's business, results of operations, financial condition, cash flows and/or prospects.

The Group's business relies on the experience and expertise of its senior management, as well as on its ability generally to retain existing, or hire additional, skilled personnel

The Group's success depends upon the continued service and performance of its senior management. The loss of the services of any of these individuals could delay or prevent the continued successful implementation of its growth strategy, or could otherwise affect its ability to manage the Group effectively and to carry out its business plan. Members of the senior management team may resign at any time and there can be no assurance that the Group may be able to continue to retain such individuals. The Group is small with few employees, not all managerial positions have delegates or back-up in the case of unexpected leave of absence, and there is no formal succession plan in place. The Group's growth and success also depend on its ability to attract, hire and retain additional highly qualified and skilled technical, research, sales, managerial and finance personnel as well as employees experienced in food science or pharmaceutical development. Competition for such skilled personnel is tough and the unexpected loss of an employee with a particular skill could materially adversely affect the Group's operations until a replacement can be found and trained. If the Group experiences a shortage of skilled personnel the Group may not be able to continue to harvest and process the raw materials it needs, nor sell its products, develop new products or effectively manage its global operations. Further, any failure to effectively integrate new personnel could prevent the Group from successfully growing.

Interruptions in information technology systems could adversely affect the Group's business

The Group relies on the efficient and uninterrupted operation of several information technology systems and networks to operate its business. Any significant disruptions to the Group's systems or networks, including, but not limited to, new system implementations, computer viruses, security breaches, facility issues, natural disasters, terrorism, war, telecommunication failures or energy blackouts could have a material adverse impact on the Group's operations, sales and operating results. The Group's third-party service providers and other vendors have access to certain portions of the Group's information technologies system. Certain failure or negligence of these service providers may cause material disruptions in the Group's supply chain, which could affect the Group's ability to deliver its products in a timely manner.

1.2 Risks related to financing

The Group is exposed to currency exchange rate risk

The Group's reporting and functional currency is NOK. Most of the Group's revenues are in USD and EUR. The Group's expenses are predominantly in NOK, USD and EUR and largely evenly split between NOK, USD and EUR. As a result, the Group is exposed to the risks that USD and/or EUR may appreciate or depreciate relative to NOK, which could have material adverse effects on the Group's results of operations, financial position and/or cash flow.

Covenants and clauses in debt agreements and other contracts could limit the Group's flexibility, including regarding the payment of dividends

Terms of debt agreements and other contracts may require the Group to comply with a number of customary financial and other covenants and clauses that may limit the Group's flexibility in its operations, opportunities or obtaining additional financing. For example, the Group's existing loan arrangements contain, and any future borrowing arrangements may contain, covenants and event of default clauses, including restrictive covenants and performance requirements (e.g. financial covenants and working capital requirements and restrictions on its ability to service shareholder debt, pay dividends or otherwise undertake distributions that directly or indirectly benefit any shareholder without consent

of its lenders), which could affect the operational and financial flexibility of the Group. The satisfaction of these restrictive covenants and performance requirements could also be affected by factors outside of the Group's control, such as a slowdown in economic activity which could result in a decline in the value of the Group's assets. Such restrictions could affect, and in many respects limit or prohibit, amongst other things, the Group's ability to pay dividends, incur additional indebtedness, create liens, sell assets, or engage in mergers or acquisitions. Any breach of covenants could result in defaults under instruments governing applicable indebtedness and may require the Group to repay or restructure indebtedness. If the Group is unable to refinance indebtedness at maturity or meet payment obligations, the amount of distributable cash flows and the Group's financial condition would be adversely affected.

The Group's indebtedness could limit cash flow available for its operations, or its ability to react to changes in the economy or industry

Subject to the terms of its existing debt arrangements, the Group may incur indebtedness in the future. This level of debt could have important consequences to the Group, including the following:

- the Group's ability to obtain additional financing for working capital, capital expenditures, acquisitions or other purposes may be impaired or such financing may be unavailable on favourable terms;
- the Group's costs of borrowing could increase as it becomes more leveraged;
- the Group may need to use a substantial portion of its cash from operations to make principal and interest payments on its debt, reducing the funds that would otherwise be available for operations, future business opportunities and dividends to its shareholders;
- the Group's debt level could make it more vulnerable than its competitors with less debt to competitive pressure, a downturn in its business or the economy generally; and
- the Group's debt level may limit its flexibility in responding to changing business and economic conditions.

The Group's ability to service its future debt will depend upon, among other things, its future financial and operating performance, which will be affected by prevailing economic conditions as well as financial, business, regulatory and other factors, some of which are beyond its control. If the Group's operating income is not sufficient to service its current or future indebtedness, the Group will be forced to take action such as reducing or delaying its business activities, acquisitions, investments or capital expenditures, restructuring or refinancing its debt or seeking additional equity capital. The Group may not be able to affect any of these remedies on satisfactory terms, or at all. Any failure to remedy may result in a breach of the terms under the Group's financing agreements.

Increases in interest rates could increase the amount of debt payments

The Group has incurred, and may in the future incur, significant amounts of debt. The Group has a floating interest under its debt arrangements, and is thereby exposed to interest rate risk. Any hedging arrangements entered into by the Group will only combat fluctuations in interest rates in the short term. The longer term cost effects of fluctuations in the floating interest rate will be borne by the Group. As such, movements in interest rates could materially and adversely affect the Group's business, results of operations, cash flows, financial condition and prospects.

The Group's ability to obtain additional capital on commercially reasonable terms in the future may be limited

The Group may need in the future to seek additional financing to compete effectively. If the Group is unable to obtain capital on commercially reasonable terms, it could reduce funds available to the Group for purposes such as working capital, capital expenditures, strategic acquisitions and other general corporate purposes; restrict the Group's ability to introduce new products or exploit business opportunities; increase the Group's vulnerability to economic downturns and competitive pressures in the markets in which it operates; and place the Group at a competitive disadvantage.

1.3 Risks related to laws and regulations

The Group operates in a legal and regulatory environment that exposes and subjects it to litigation and disputes, which could have a negative impact on the Group's operations

The Group may from time to time be subject to commercial disagreements, contractual disputes and, possibly, litigation with its counterparties, in the ordinary course of its operations such as product and system liability claims, administrative claims and intellectual property claims as well as in relation to insurance matters, environmental issues, and governmental claims for taxes or duties. The Group cannot

predict with certainty the outcome or effect of any future disagreement, dispute or litigation involving the Group. The ultimate outcome of any disagreement, dispute or litigation, and the potential costs, time and management focus associated with prosecuting or defending such, could have a material adverse effect on the Group's business, financial condition and cash flows. In addition, the Group might suffer economic and/or reputational damage from involvement in claims or disputes, which could have a material adverse effect on the Group's business, financial position and profits, as well as lead to the deterioration of existing customer relationships and the Group's ability to attract new customers.

Changes in intellectual property law could diminish the value of the Group's patents

Obtaining and enforcing patents involves technological and legal complexity, and is costly, time consuming, and inherently uncertain. Patent policy also continues to evolve and the issuance, scope, validity, enforceability and commercial value of the Group's patent rights are highly uncertain. Furthermore, decisions by courts could change the laws and regulations governing patents in unpredictable ways that may weaken or undermine the Group's ability to obtain new patents or to enforce its existing or future patents. Any such development could impair the Group's ability to protect its products, which could have a material adverse effect on the Group's results of operations, financial position and/or cash flows.

The Group may fail to comply with data protection and privacy laws, which could negatively affect its business

The Group processes, collects, stores and handles personal data, including customer data, and its operations are accordingly subject to a number of laws relating to data privacy, including the General Data Protection Regulation (EU) 2016/79 in EEA/EU member states, as well as relevant local data protection and privacy laws in jurisdictions in which the Group operates. In the conduct of future clinical trials, the Group will be required to abide by a number of regulations about the handling of personal information, and of processing, analysing and protecting data. The Group does not yet have a complete documented overview of all the personal data it processes, nor has it documented all of its routines and procedures in relation to data protection. There is a risk that the Group is unaware of certain data processing it carries out, and therefore risks carrying out such processing in contravention of data protection and privacy laws. There is also a risk that the Group's technical and organisational measures are not sufficient in order to comply with the requirements set forth in applicable laws, or that its internal policies and procedures fully ensure compliance with applicable laws.

Further, there is a risk that the Group has not established adequate data processing agreements and that data processing agreements are outstanding in relation to certain suppliers or customers. Any of these circumstances could result in material administrative fines or other regulatory action. Furthermore, breach of data privacy legislation could result in the Group being subject to claims from its customers, its customers' employees or its own employees that it has infringed their privacy rights, and it could face administrative proceedings (including criminal proceedings) initiated against it by the data protection regulators of the relevant jurisdictions in which the Group operates.

Complying with these obligations could cause the Group to incur substantial costs and could increase negative publicity surrounding any incident that compromises customer or other sensitive data. Lack of compliance with data protection, storage or handling during or after the conduct of future clinical trials could lead to regulatory issues. Additionally, if third parties that the Group works with (such as suppliers of data or other service providers) violate applicable laws or agreements, such violations may also put the Group's customer information at risk and could in turn have an adverse effect on the Group's business. In addition, any inquiries made, or proceedings initiated by, regulators or any other claims of non-compliance with data protection and privacy laws, whether correct or not, could lead to negative publicity in addition to potential liability for the Group, which could have a material adverse effect on the Group's business, financial position and profits.

1.4 Risks related to the Shares and the admission to trading on Euronext Growth Oslo

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 the 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.

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

Although the Shares in the Company are freely transferable and will be admitted to trading on Euronext Growth Oslo, investors must expect that it may be difficult to sell the Shares in the secondary market. Prior to the expected admission to trading on Euronext Growth Oslo, 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.

Potential volatility of share prices

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.

Another factor that may influence the market price of the Shares is the annual yield on the Shares. An increase in market interest rates may lead purchasers of shares to demand a higher annual yield, which accordingly could materially adversely affect the market price of the Shares.

Financial markets have recently experienced significant price and volume fluctuations that have particularly affected the market prices of equity securities of public entities and that have, in many cases, been unrelated to the operating performance, underlying asset values or prospects of such entities. Accordingly, the market price of the Shares may decline even 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.

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

The proceeds from the Private Placement are not expected to be sufficient to fully finance HRO350 until a commercial stage. The Company may in the future decide to offer additional Shares or other securities in order to finance further development of HRO350 and/or 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 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.

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 Continuing Obligations. These 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.

The Management does not expect that the Company's disclosure controls and procedures and internal controls over financial reporting will prevent all error and all fraud. A control system, no matter how well-designed and implemented, can provide only reasonable, not absolute, assurance that the control system's objectives will be met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Due to the inherent limitations in any control systems, no evaluation of these controls can provide absolute assurance that all control issues within an organization are detected. The inherent limitations include the realities that judgments in decision making can be faulty, and that breakdowns can occur because of simple errors or mistakes. Controls can also be circumvented by individual acts of certain persons, by collusion of two or more people or by management override of the controls. Due to the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and may not be detected in a timely manner or at all.

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.

The transfer of Shares is subject to restrictions under the securities laws of the United States and other jurisdictions

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

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

The Board of Directors of Arctic Bioscience AS 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.

24 February 2021

The Board of Directors of Arctic Bioscience AS

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Harald Nordal
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Harald Nordal
Chairman

DocuSigned by:
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Jostein Christian Dalland
Board Member

DocuSigned by:
Asbjørn Solevågseide
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Asbjørn Solevågseide
Board Member

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Board Member

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Per Magne Eggesbø
Board Member

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Tore Andreas Frøysa Tønseth
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 they 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's audited consolidated financial statements for the financial year ended 31 December 2020 and the Company's audited financial statements for the financial year ended 31 December 2019 (together referred to as, the "**Financial Statements**") have been prepared in accordance with the Norwegian generally accepted accounting principles for small enterprises in Norway, NRS 8 ("**NGAAP**") and the Norwegian Accounting Act of 17 July 2017 no 56 (the "**Accounting Act**"), and are attached hereto as Appendix B and C. The Company's Financial Statements have been audited by Contabile AS ("**Contabile**").

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

Reference is made to Section 7 "Selected financial information" for further information.

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, except for market data from IQVIA which are publicly available, but have been obtained against payment. 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. BUSINESS OVERVIEW

5.1 Introduction

The Company is a Norwegian biotechnology company established in 2011. It was founded based on knowledge and know-how around the benefits of products based on herring roe, and its mission is to provide unique nutraceutical and pharmaceutical products. It is located in Ørsta on the west coast of Norway and therefore has direct access to the raw materials it requires. The Group develops and commercialises high-value marine products extracted from herring roe and supplies premium and differentiated nutraceutical ingredients and finished products to the dietary supplements market globally. The Group is also in the process of developing a novel oral pharmaceutical treatment for mild-to-moderate psoriasis, with a planned Phase IIb study scheduled to be initiated in the first quarter of 2022.

5.2 Important events

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

Year	Key event
2011	The Company was incorporated on 15 February 2011
2012	The pharmaceutical potential of the Company's products is discovered
2017	Pilot clinical trial is initiated
2019	Pilot clinical trial completed
2019	Strategic partnership entered into with the Kotler Marketing Group China
2019	Business to business bulk sales of nutraceuticals surpasses NOK 20,000,000
2020	Business to consumer subscription is launched in Norway
2020	Dr. Mercola sales in the USA pass USD 300,000 in a single order
2020	First clinical study results published in Acta Dermato-Venereologica, an international peer-reviewed journal for clinical and experimental research in the field of dermatology and venereology
2020	Scientific advice received from the European Medicines Agency

5.3 Principal activities

5.3.1 Overview

The Group consists of two businesses, nutraceutical and pharmaceutical, shaped around a proprietary platform technology. The Group's nutraceutical business involves the design, production and sale of intermediary (bulk) and finished food supplements to businesses (B2B) and consumers (B2C) across the globe. Production of the Group's nutraceutical products is currently undertaken by a third party supplier, although the Group plans to move production to the Group's proposed new facility in Ørsta by Q1 2023. The Group offers a subscription service for its Romega® branded capsules to customers in Norway. Otherwise, the Group sells its intermediary and finished nutraceutical products to domestic and international business customers and distributors. The Group's nutraceutical business achieved revenue of approximately NOK 20,600,000 in 2020. The Group plans to develop its nutraceutical business through: (1) further developments of its B2C subscription business; (2) further development of its strategic partnerships; and (3) a shift in focus towards the sale of finished products to its business customers.

The Group's pharmaceutical business is in the process of developing a pharmaceutical product candidate (HRO350) – a novel oral treatment for mild-to-moderate psoriasis. The Group currently uses a third party supplier to produce HRO350 for the clinical development programme, with a large randomised Phase IIb study scheduled to be initiated in 2022. The Group plans to manufacture HRO350 at the Group's proposed new facility in Ørsta, once built.

5.3.2 Market Segments

The Group's nutraceutical business sells nutraceutical products B2B and B2C, and operates in the premium market segment of food supplements. The Group provides a subscription service for the supply of Romega® capsules directly to consumers in Norway, with achieved revenues of approximately NOK 3,400,000 in 2020. The majority of the Group's nutraceutical business' revenue is from business to business sales, both to business customers and distributors in Norway and internationally, with the following approximate geographical distribution in 2020: 26% in Norway, 7% in China, 44% in Europe

and 23% in the USA. Going forward, the USA and APAC market are expected to account for an increasing share of revenue.

The Group has entered into a partnership with the Kotler Marketing Group to support its market potential and strategy in China, being the second largest Omega-3 market in the world, with a total addressable market for Omega-3 products alone estimated to be USD 2 billion by 2027 with a rising middle-class population. The Group's partnership with the Kotler Marketing Group is illustrative of the preferred business to business to consumer (B2B2C) go-to-market strategy going forward.

The Group's target market for its pharmaceutical product candidate, HRO350, is patients with mild-to-moderate psoriasis across the EU and the USA (approximately 21 million patients based on a psoriasis prevalence of between 2-6% of the population in the USA and the five largest countries in Western Europe, with 90% of those patients suffering from mild-to-moderate disease). There are currently few treatment options for patients with mild-to-moderate psoriasis, including topical corticosteroids and phototherapy with few treatment advances in recent years. Based on a US survey of 5,604 patients with mild, moderate or severe psoriasis, 52.3% of all patients that sought treatment were dissatisfied with their treatment. Key opinion leaders in dermatology surveyed by IQVIA in a market research report (2020) believe there is therefore a significant unmet medical need in treating patients with mild-to-moderate psoriasis for a cost-effective, safe and effective oral treatment. The Group's product, HRO350, which is to be taken orally, may be able to meet this need.

5.3.3 Brands

The Group uses the brand Romega® to market its nutraceutical products, with a loyal and growing customer base. The Group sells subscriptions directly to consumers in Norway through its own website with the Romega® name. Over the past two years, the Group has produced ten different Romega® products with seven oil products and three protein products, which are sold globally, as well as using tailored local branding such as the Group's recently launched prenatal product in China. The Group has attractive selling points, with its nutraceutical products operating in the premium market segment. Caviar products are considered as high status in China, putting the Group in a good position to sell to this market.

5.3.4 Value Chain

The Group's proximity to Norwegian herring fisheries ensures sustainable and reliable access to the Group's key raw material, immature herring roe. The roe is a by-product of herring fillet production, and is purchased by the Group as a valuable source of marine lipids and proteins and the key raw material it uses for both its nutraceutical and pharmaceutical products. The roe is harvested, frozen and stored for use.

The Group currently uses a third party in Spain to process its herring roe to produce herring roe extracts, partly using the Group's advanced know-how, and currently produces the Group's entire range of intermediary and finished nutraceutical products. The Group uses another third party to produce batches of its pharmaceutical product candidate, HRO350, to be used in the Group's clinical development programme. Once the Group's new state-of-the-art manufacturing facility with a GMP standard is constructed and operational in Ørsta, the Group plans to move production of both nutraceuticals and pharmaceuticals to Norway and retain proprietary product know-how, intellectual property and control of the value chain. It is also expected to: contribute to the Group's sustainable low carbon footprint, increase barriers to entry and create a better competitive position and improve gross margins.

The Group sells its nutraceutical products through a number of channels, both domestically and internationally. The Group sells to Norwegian consumers either directly, through the Group's own website which allows consumers to purchase subscription deliveries, or indirectly through national Norwegian retailers. The Group also sells its nutraceutical products globally, with key distribution agreements covering Europe, the USA, China and beyond. In particular, the Group has entered into a partnership with the Kotler Marketing Group in China, which is well-known for its world class marketing expertise, has a deep local market insight and resources available for sales and distribution, and has established diverse e-commerce platforms for initial market entry. This gives the Group access to the large addressable Chinese market – the largest Omega-3 market in the world and estimated to be worth approximately USD 2 billion by 2027 with a rising middle-class population, and is illustrative of the Group's preferred B2B2C go-to-market strategy in new markets going forward.

If Arctic Bioscience is able to successfully develop its pharmaceutical product candidate HRO350, its current strategy is to pursue a commercial partnership for the commercialisation of HRO350, with such partner initiating sales if approvals from relevant regulatory bodies can be obtained, and the Company receiving royalties depending on successful achievement of global sales and sales milestones.

5.3.5 Customers

The Group's B2B nutraceutical customer contracts are largely to distributors in both domestic and international markets. Certain distributors are given the exclusive right to distribute the Group's nutraceutical products across geographical territories, including but not limited to China, Hong Kong, Macao, Chile, France, Spain, Portugal, Germany, Poland and Austria. B2B customer contracts are largely purchase order based, with no hard minimum purchase volumes, although in some cases if minimum purchase volumes are not met the applicable distributor loses exclusivity.

The Group also provides a subscription delivery service for consumers in Norway, and plans to expand to new regions.

The customer base is loyal, growing, and largely diversified, and other than Kotler (the Group's exclusive distributor in China, Hong Kong and Macao) the Group does not consider any one customer as critical.

5.3.6 Clinical Development

Whilst several studies have investigated the effects of Omega-3 on psoriasis, these studies used Omega-3 or fish oil with a DHA:EPA ratio of 1:1, or which contained more EPA and DHA. Herring roe oil ("HRO"), which the Group exploits, is different as it has a 3:1 DHA to EPA ratio, with approximately two thirds of fatty acids being phospholipids. There is further anecdotal evidence supporting HRO350's relevance across inflammatory diseases, with a shared fundamental mechanism. HRO350 may have potential relevance for other autoimmune diseases. HRO350 contains a number of active substances with the potential to affect a number of molecular processes. Romega® and HRO350 build on the same technology, but HRO350 is an extract of a specified combination of complex phospholipid-esters. This is extracted in a different way and produced according to GMP (pharmaceutical grade production), currently by a third party supplier for the Group's clinical development programme, but production is planned to be moved to the Group's new facility in Ørsta once built and operational.

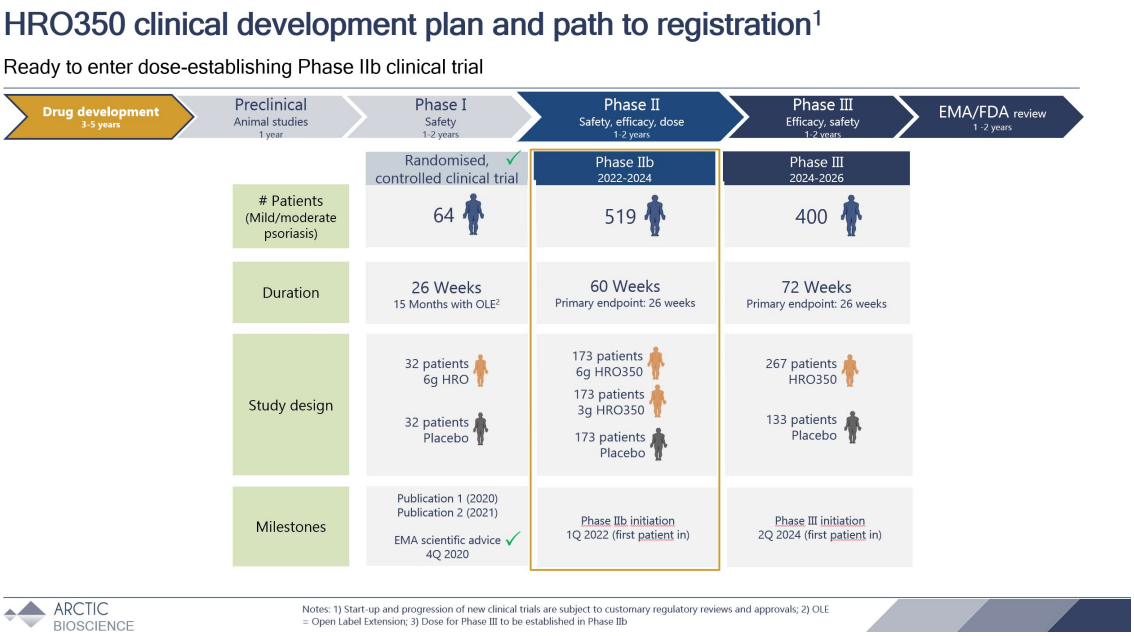
Clinical Phase IIa data is supportive for the development of HRO350. The Group conducted a randomised, double-blind, placebo controller pilot clinical trial on a developmental HRO version for the treatment of psoriasis in 2017, consisting of 64 patients with mild-to-moderate symptoms. The pilot clinical trial was published in 2020[2] with long term open label follow-up published in January 2021[3]. HRO showed promising results with significant improvements, reduced disease activity and an average PASI reduction in subjects with 5.5 < PASI at baseline < 10 in the HRO group of 38% at week 26 and 55% at week 60. 40% of patients achieved clear or almost clear skin at week 65, and 46.6% of patients had a reduction in their PSGA score. There was also a Dermatology Life Quality Index improvement in the HRO group with PASI > 5.5 at baseline of 68% at week 60. In addition, at week 26 significantly more patients in the HRO treated group had a decrease in plasma levels (n=10) than an increase (n=2) of Interleukin-23 (IL-23), indicating that IL-23 could be involved in the observed disease improvement. 15 month long-term data from the pilot clinical trial is scheduled to be published during the course of 2021.

Further development of HRO350 is highly encouraged by key opinion leaders surveyed by IQVIA in a market research report (2020), and the intention to develop HRO350 for mild-to-moderate psoriasis is supported in scientific advice received from the EMA CHMP (confidential scientific advice received 2020). The Group plans to initiate a Phase IIb dose response study in the first quarter of 2022, designed in accordance with scientific advice received from the EMA. The Phase II trial will involve 519 patients with mild-to-moderate psoriasis over 60 weeks, with a planned 6 month inclusion time and 6 month data read-out Q2 2023.

The Group currently expects to run a Phase III clinical trial between 2024 to 2026, with plans to have results of the same reviewed by the EMA and FDA thereafter.

[2] Tveit KS, Brokstad KA, Berge RK, Sæbø PC, Hallaråker H, Brekke S, Meland N, Bjørndal B. A Randomized, Double-blind, Placebo-controlled Clinical Study to Investigate the efficacy of Herring Roe Oil for treatment of Psoriasis. Acta Derm Venereol. 2020 May 28;100(10):adv00154. doi: 10.2340/00015555-3507. PMID: 32378724.

[3] Tveit KS et al. Long Term Efficacy and Safety of Herring Roe Oil in the Treatment of Psoriasis, a 39-week Open-label Extension Study. International Journal of Clinical and Experimental Medical Sciences. Vol. 7, No. 1, 2021, pp. 13-20. doi: 10.11648/j.ijcems.20210701.13



The Group's intellectual property is of vital importance for the protection of its technology platform in both the nutraceutical and pharmaceutical arenas, together with its unique know-how in proprietary production processes. The Group currently has three business critical patents issued and seven patents pending. Please see Section 5.5.3 ("Business-critical intellectual property, patents and licenses") for further information.

5.3.7 ESG assessment

The Group recognises its environmental, social and corporate governance ("**ESG**") responsibilities and supports the UN Sustainable Development Goals initiative. The Group has a robust ESG footprint, addressing at least six UN Sustainable Development Goals, including:

- **#3 Good Health and Well-Being:** by improving the quality of life for psoriasis patients.
- **#5 Gender Equality:** by dedication to employee gender balance, with three out of eight of the Group's executive management team being women, including the CFO and Global Medical Director.
- **#6 Clean Water and Sanitation:** by producing products from wild herring, which contributes to clean oceans when compared to fish farming.
- **#9 Industry, Innovation and Infrastructure:** by building a new facility in Ørsta, Norway to produce HRO350 and the Group's nutraceuticals, having a dedicated R&D department working on developing novel products and having a medical department dedicated to running clinical trials, which contribute to local industry, innovation and infrastructure.
- **#12 Responsible Consumption and Production:** by producing products (including HRO350) from herring roe, a by-product of the herring fishing industry, which is repurposed for the production of the Group's products.
- **#13 Climate Action:** by building the new facility by the fjord in Ørsta, Norway where herring roe can be delivered directly from the fisheries fleet on the Møre coast, yielding a production with a lower carbon footprint, and by moving production of the Group's nutraceuticals from Spain to Norway which is expected to lower the Group's CO_2 emissions.

5.4 Financial targets for nutraceutical business

Arctic Bioscience aims to achieve mid-term revenue growth per year for its nutraceutical business of >40%, while gradually decreasing towards a growth level of approximately 20% long-term. The highest growth is expected in high margin finished product categories (both B2C and B2B) and protein. Mid-term gross margin level for the nutraceutical business is targeted in the area of approximately 60%, with gradual increase towards 70%+ long-term. B2C/subscription based revenues' share of total

nutraceutical revenues is targeted to step increase to approximately 30% mid-term and to comprise a relatively steady share of revenues thereafter. B2B finished goods sales' share of total B2B revenues is targeted to be in the area of approximately 50% mid-term and with continued gradual increase long-term to 70%. International sales' share of nutraceutical revenues is targeted at 70%+ mid-term and with continued gradual increase long-term towards 80%.

5.5 Group structure

The Company functions as both an operative entity and the parent company of the Group. The following table sets out information about the Company's (directly or indirectly owned) subsidiaries.

Subsidiary	Shareholding	Voting rights	Country	Description
Arctic BioPharma AS	100%	100%	Norway	Currently a dormant subsidiary
Romega AS	100%	100%	Norway	Currently a dormant subsidiary
Arctic Nutrition AS	100%	100%	Norway	Currently a dormant subsidiary

5.6 Material contracts and business-critical patents or licenses

5.6.1 Dependency on contracts

The Group is currently dependent on third parties for the production of its nutraceutical products and to produce batches of HRO350.

The Group currently outsources the manufacturing of its nutraceutical range of products to Naturex S.A. in Spain, who has supplied the Group since 2011. The Group's nutraceutical business is therefore heavily reliant on this arrangement for the supply of its entire product range of nutraceutical products, both intermediary and finished. The agreement renews for successive periods of 1 year on the first day of each year, and either party has the option to terminate on at least 3 months' notice prior to each successive period. The Group intends to move the entirety of production to its planned new facility in Ørsta, Norway when constructed and operational – currently expected to be Q1 2023.

The Group is developing the GMP production technology with Corden Pharma as supplier in France, as well as having ordered batches of HRO350 for the Group's clinical development needs. Delivery is expected by November 2021, which is expected to supply the Group's clinical development needs for the next two years.

Other than the abovementioned contracts, the Group's existing business and profitability are not dependent on any contracts.

5.6.2 Out of the ordinary material contracts

The Group has not entered into any material contracts outside of its ordinary course of business for the two years prior to the date of this Information Document. Further, the Group has not entered into any other contract outside of its ordinary course of business that contains any provision under which any member of the Group has any obligation or entitlement that is material to the Group as of the date of this Information Document.

5.6.3 Business-critical intellectual property, patents and licenses

The Group's intellectual property is of vital importance for the protection of its technology platform in both the nutraceutical and pharmaceutical arenas. The Group currently has three business critical patents issued with numbers: US 8,846,604; US 9,458,409; and US 10,076,530. The Group also has seven patents pending, with application numbers: 16/133,185; 2980043; 16765894.7; 18109476.4; 15/559,705; 62/848,855; and 62/891,307.

The Group has entered into a number of customer contracts with international and Norwegian companies in relation to several geographic regions, although no single customer contract is considered as business-critical by the Group.

5.7 Related party transactions

The Group has not entered into any transactions with its related parties, including the Company and its subsidiaries, as well as members of the Board of Directors, members of management and their related parties in the period covered by the Financial Statements and up to the date of this Information

Document other than the leasing agreement entered into between the Company as tenant and Life Capitol AS as lessor for leasing of some of the Group's offices. The chairman of the Board of Directors of the Company has an ownership interest in Life Capitol AS through Capra Invest AS and is also the chief executive officer of Life Capitol AS.

5.8 Legal and regulatory proceedings

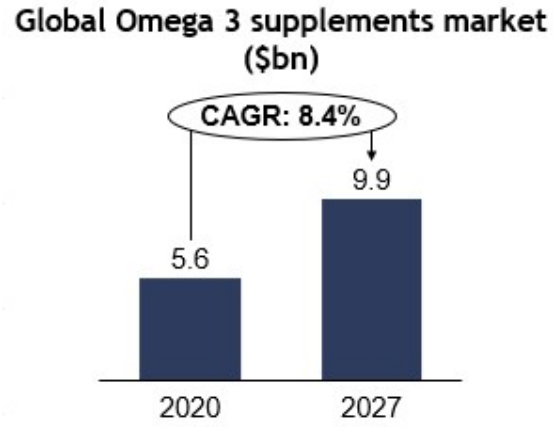
The Group is not, nor has been, during the course of the preceding twelve months, involved in any legal, governmental or arbitration proceedings which may have, or have had in the recent past, significant effects on the Group's financial position or profitability. The Company is not aware of any such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

6. PRINCIPAL MARKETS

The Group focuses primarily on two main markets in accordance with its business segments: the market for the treatment of psoriasis and the market for Omega-3 supplements. The former was established based on reports of improvement in psoriasis from customers who used the latter.

6.1 Nutraceutical market

The global market for Omega-3 supplements is estimated to have been worth approximately USD 5.6 billion in 2020 and is expected to increase to approximately USD 9.9 billion by 2027 (8.4% CAGR)[4]. Increased use of Omega-3 as an active pharmaceutical ingredient, general health consciousness in the world population and awareness of Omega-3 benefits are primary drivers of the expected growth going forward.



The nutraceutical business is targeting the global market for Omega-3 supplements both through the sale of finished goods and ingredients. The segment is made up of regular Omega-3 supplements and more purpose-tailored products, such as for cardiovascular health, eye diseases, diabetes, brain function, the nervous system and others. Currently, the nutraceutical business' main product is encapsulated Omega-3 supplement. However, the strategy going forward is to pursue all commercial opportunities made possible by the technology platform. The company's immediate growth focus is in the US, EU and China.

The Omega-3 market is competitive and populated by a variety of products with differing nutritional properties depending on formulation and source. Within finished goods, substitute products exist both in liquid, soft gel and capsulated form, and both from marine and plant sources. Romega products are differentiated from the typical Omega-3 products (including fish oil and krill oil) due to its high content of Omega-3 in phospholipid form and relative content of DHA and EPA (3:1). Notable Omega-3 players include Orkla Health, Aker BioMarine, GC Rieber Oils, BASF and Lonza.

[4] Grandview research: Omega 3 Supplements Market Size, Share & Trends Analysis Report By Source (Fish Oil, Krill Oil), By Form (Soft Gels, Capsules), By Functionality, By End-user, By Distribution Channel, By Region, And Segment Forecasts, 2020 – 2027, Omega 3 Supplements Market Size & Share Report 2020-2027 (grandviewresearch.com)

The company's go-to-market strategy for nutraceutical products is multi-dimensional: (1) B2C sale of premium branded products on a subscription basis; (2) B2B sale of finished goods and ingredients globally; and (3) B2B2C strategic partnerships where marketing, sale and distribution is outsourced to a partner with specific geographic capabilities.

6.2 Pharmaceutical market

The pharmaceutical business is currently developing a product extracted from herring roe for the treatment of mild-to-moderate psoriasis. Psoriasis prevalence rates range from 2% to 6% of the population in western countries, and approximately 90% of patients suffering from mild-to-moderate disease[5]. This corresponds to around 21.2 million Psoriasis patients based on figures from the USA, UK, Germany, France, Italy and Spain[6].

The market is typically categorised based on severity of the psoriasis condition. In terms of psoriasis severity, the market is often split into three segments: mild, moderate, and severe psoriasis.

A common way to determine disease severity is through a PASI score (Psoriasis Area and Severity Index). PASI scores of less than 3 indicate mild disease. PASI scores of more than 3 and less than 10 indicate moderate but non-severe disease, while PASI scores over 10 indicate severe disease. Psoriasis may also affect patients' quality of life.[7]

The table below presents, amongst other things, prevalence and severity figures for the US, the UK, Germany, France, Italy and Spain, as reported by IQVIA:

Prevalence of PsO across EU5 countries							
Country	Total population 2019 (Mn)	Incidence rate[15,16]	Prevalence rate	Prevalent pool	Split by Severity		
					Mild	Moderate	Severe
US[1-4]	329	0.07%	3.2%	**10,530,080**	80%	20%	
EU5[1,5-14]							
UK	67.5	0.14%	2.8%	**1,890,840**	51.8%	35.8%	12.4%
Germany	83.5	0.52%	2.5%	**2,087,500**	60.6%	27.8%	11.6%
France	65.1	NA	5.7%	**3,710,700**	73.3%	17.3%	9.5%
Italy	60.5	0.23%	3.1%	**1,875,500**	75%	25%	
Spain	46.7	NA	2.3%	**1,074,100**	70.5%	19.1%	10.4%
EU5 total	**323.3**			**10,638,640**	**66%**	**25%**	**11%**

Source: IQVIA: HRO350 Commercial Opportunity Assessment in Psoriasis (December, 2020)

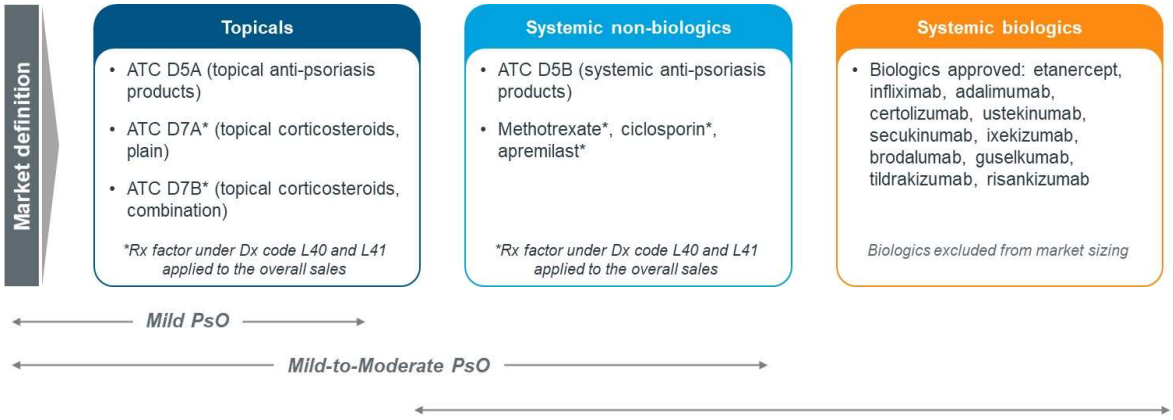
The Group's pharmaceutical business primarily targets subjects with mild-to-moderate psoriasis as the pilot clinical, randomised controlled trial conducted with HRO indicated positive effects for these particular patient groups. In terms of administration, the market can be categorised based on way of administration, namely oral, topical, and systemic treatment options. Treatments for severe psoriasis are often systemic, which means they affect the whole body.

Topical treatments, which are applied to the skin, and phototherapy dominant treatment options for patients with mild and moderate psoriasis. As disease gets more severe, moderate psoriasis patients may also be eligible for certain systemic treatment. The figure below summarizes the main treatment options for the three disease severity classes:

[5] IQVIA: HRO 350 Commercial Opportunity Assessment in Psoriasis (December, 2020)

[6] IQVIA: HRO 350 Commercial Opportunity Assessment in Psoriasis (December, 2020), data on file at the Company

[7] https://www.webmd.com/skin-problems-and-treatments/psoriasis/how-severe-your-psoriasis

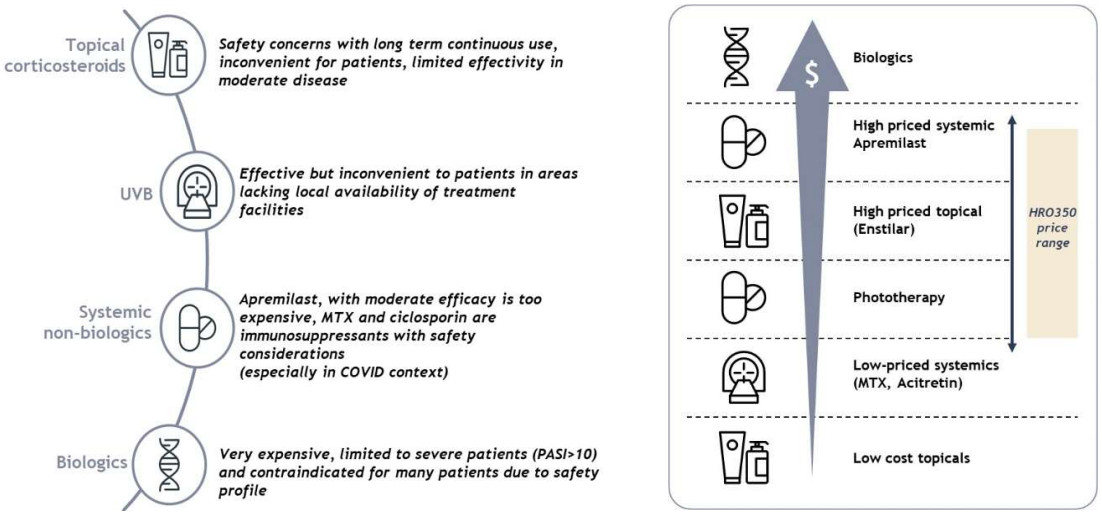


Source: IQVIA: HRO350 Commercial Opportunity Assessment in Psoriasis (December, 2020)

The current available treatment options for mild-to-moderate psoriasis have certain disadvantages. This creates a potential attractive market opportunity for an effective, oral, non-steroidal and cost-effective therapy in this segment. HRO350 has the potential to be the first oral drug in the non-severe psoriasis space, where there have been few treatment advances in recent years.

The simplicity and cost-advantage of HRO350 is an important consideration with respect to adoption and competitive differentiation. The ease of administration of HRO350 (oral capsule) is a clear benefit, as there is a large proportion of patients who can't be put on biologics and where phototherapy is not feasible. As such, indications from key opinion leaders in dermatology surveyed by IQVIA in a market research report (2020) are that there will be a willingness to prescribe HRO350 as an adjunct to topical or systemic treatments for moderate psoriasis[8].

The illustration below indicates the clear need for less costly, yet effective treatment option of mild-to-moderate psoriasis:



Source: IQVIA: HRO350 Commercial Opportunity Assessment in Psoriasis (December, 2020)

The global market for treatment of psoriasis is large and has shown sustained sales growth over the last 5 years. This has been primarily driven by launches of innovative therapeutics whilst the impact of loss of exclusivity and generic/biosimilars is increasing.

The value growth across the EU5 markets can be attributed to the launch of high-priced Apremilast in the systemic non-biologics class for the treatment of moderate-to-severe Psoriasis since 2016. Prior to Apremilast, the systemic non-biologics class was mostly dominated by other low-priced drugs such as methotrexate and acitretin. The overall decline in volume terms within the mild-to-moderate market

[8] IQVIA: HRO350 Commercial Opportunity Assessment in Psoriasis (December, 2020)

over the last five years indicates i) reducing willingness of patients to continue with conventional topicals and systemics, and ii) a shift towards more efficacious non-biologics/biologics for improving overall quality of life[9].

Source: IQVIA MIDAS; SU: Standard Units

The value growth in the US has also been dominated by introduction of systemic non-biologics, as illustrated by a 2016-2020 CAGR of 24%, while methotrexate declined by 2% in the same period. Topicals (value and volume) have witnessed gradual decline since 2016, possibly due to i) poor compliance due to sticky and greasy nature of ointments and creams, ii) long term side effects of steroidal use, and iii) less efficacy.

Source: IQVIA MIDAS; SU: Standard Units, CAGR: Compound Annual Growth Rate

Conclusively, the market for treatments of psoriasis is significant, and the potential for HRO350 as a potential easy-to-administer, effective treatment for mild-to-moderate psoriasis is largely driven by a clear unmet medical need.

[9] IQVIA: HRO350 Commercial Opportunity Assessment in Psoriasis (December, 2020)

In addition to the above, HRO350 contains a number of active substances with the potential to affect a number of molecular processes, with anecdotal evidence supporting relevance across inflammatory diseases. As such, the market potential for HRO350 as a platform technology is significant, potentially opening a very large addressable market. This notwithstanding, the initial focus for the company will remain on psoriasis where the unmet need continues to be high and the market opportunity attractive, especially considering the lack of treatment advances for patients with mild-to-moderate disease in the past years.

7. SELECTED FINANCIAL INFORMATION

7.1 Introduction and basis for preparation

The following selected financial information has been extracted from the Financial Statements which comprise the Group's consolidated audited financial information as of and for the year ended 31 December 2020 and the Company's audited financial information as of and for the year ended 31 December 2019.

The Financial Statements have been prepared in accordance with NGAAP and the Accounting Act. The Financial Statements are attached hereto as Appendix B and C.

The Group presents the Financial Statements in NOK (presentation currency).

The selected financial information presented in Section 7.2 to 7.4 below has been derived from the Financial Statements, solely, and should be read in connection with, and is qualified in its entirety by reference to, the Financial Statements included herein as Appendix B, C and D.

7.2 Summary of accounting policies and principles

For information regarding accounting policies and principles, please refer to the accounting principles note of the Financial Statements, attached as Appendix B and C to this Information Document.

7.3 Selected statement of income

The table below sets out selected data from the Group's income statement for the financial year ending 31 December 2020 and the Company's income statement for the financial year ending 31 December 2019.

(In NOK)	**Year ended 31 December 2020** *(audited)*	**Year ended 31 December 2019** *(audited)*
Revenue	20 496 969	30 038 999
Other operating income	96 116	93 276
Total operating income	**20 593 085**	**30 132 275**
Cost of materials	21 356 916	19 787 214
Variation in stocks of work in progress and produced goods	-6 174 919	-1 981 894
Personnel expenses	10 764 185	5 565 058
Depreciation of operating and intangible assets	1 191 952	1 079 883
Other operating expenses	15 129 675	8 765 507
Total operating expenses	**42 267 809**	**33 215 767**
Operating profit	**-21 674 724**	**-3 083 492**
Financial income and expenses		
Other interest income	18 386	47 753
Other financial income	1 185 597	263 172
Other interest expenses	509 630	469 168
Other financial expenses	1 610 289	748 182
Net financial items	**-915 935**	**-906 425**
Operating result before tax	-22 590 659	-3 989 916
Operating result after tax	**-22 590 659**	**-3 989 916**

Annual net profit	**-22 590 659**	**-3 989 916**
Brought forward		
From other equity	22 590 659	3 989 916
Net brought forward	**-22 590 659**	**-3 989 916**

7.4 Balance sheet

The table below sets out the Group's balance sheet for the financial year ending 31 December 2020 and the Company's balance sheet for the financial year ending 31 December 2019.

(In NOK)	**Year ended 31 December 2020** *(audited)*	**Year ended 31 December 2019** *(audited)*
Assets		
Fixed assets		
Intangible assets		
Research and development	31 902 631	23 286 762
Concessions, patents, licences and trademarks	2 304 458	1 897 266
Total intangible assets	**34 207 089**	**25 184 029**
Tangible assets		
Buildings and land	4 431 175	2 979 718
Equipment and other movables	1 931 080	165 259
Total tangible assets	**6 362 255**	**3 144 977**
Total fixed assets	**40 569 344**	**28 329 006**
Current assets		
Inventories	26 246 067	17 464 930
Debtors		
Accounts receivables	11 007 081	11 705 077
Other short-term receivables	2 777 135	977 678
Total receivables	**13 784 216**	**12 682 756**
Investments		
Cash and bank deposits	12 600 108	23 992 564
Total current assets	**52 630 391**	**54 140 249**
Total assets	**93 199 735**	**82 469 255**

Equity and liabilities		
Paid-up equity		
Share capital	1 289 568	1 289 568
Share premium reserve	40 011 855	62 608 083
Unregistered capital increase	22 637 784	0
Total paid-up equity	**63 939 207**	**63 897 651**
Total equity	**63 939 207**	**63 897 651**
Liabilities		
Other long-term liabilities		
Liabilities to financial institutions	6 575 584	7 158 517
Total of other long-term liabilities	**6 575 584**	**7 158 517**
Current debt		
Liabilities to financial institutions	1 879 863	0
Trade creditors	9 930 944	6 466 354
Public duties payable	1 733 092	975 772
Other current debt	9 141 045	3 970 960
Total current debt	**22 684 945**	**11 413 086**
Total liabilities	**29 260 528**	**18 571 603**
Total equity and liabilities	**93 199 735**	**82 469 255**

7.5 General financial trend

Financial performance of the Group had been improving steadily in recent years, but deteriorated in 2020. Revenues decreased from NOK 30 million in 2019 to NOK 20.6 million in 2020 (a decline of 31.3%), while operating profit decreased from NOK (3.1 million) in 2019 to NOK (21.7 million), in 2020. The decrease in revenue can primarily be attributed to COVID-19 impacting all B2B revenues heavily. The decrease in operating profit is primarily due to rising costs related to: (1) an increase in personnel and sales & marketing expenditures in 2020 to grow the nutraceutical business; (2) other rising personnel costs within the pharmaceutical business; and (3) other increased operating expenditures on pharmaceutical and facility development in line with budget.

The Group raised approximately NOK 40 million in new equity in 2019 and an additional approximately NOK 20 million in 2020 and approximately NOK 18.6 in 2021 (a share issue to Kotler Equity Investment (Dong Guan) Limited). Further, the Group has carried out the Private Placement raising gross proceeds of approximately NOK 300 million as described in Section 9.5 "Information on the Private Placement".

The Group also has a revolving credit facility of NOK 10 million, has received grants totalling NOK 23.7 million still to be used and has accepted an offer of commitment for a NOK 120 million Construction Loan for the construction of the new facility at Ørsta (please see further description of the Construction Loan in Section 7.6.1 "New loan facilities" below). The new facility will have a capex of approximately NOK 185 million, of which approximately 70-75% will be funded through bank loans and grants.

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

Since 31 December 2020, the following significant changes have occurred with respect to the Group's financial and trading position:

7.6.1 New loan facilities

As described above, the Group contemplates to construct its own facility in Ørsta, Norway, and move its production to the new facility. To facilitate construction of the new facility the Group has accepted an offer of commitment for financing from SpareBank1 SMN ("**SB1 SMN**") and SpareBank1 Søre Sunnmøre

("**SB1 SS**") related to a construction loan of up to NOK 120 million (the "**Construction Loan**") pursuant to a commitment letter dated 17 December 2020 from SB1 SMN and SB1 SS and a letter of accept dated 13 January 2021 from the Company. The credit committees of SB1 SMN and SB1 SS have approved the Construction Loan. According to the timeline agreed with SB1 SMN and SB1 SS the loan agreement for the Construction Loan is expected to be signed on or about 15 April 2021. The new facility and the related Construction Loan is a part of the Company's growth strategy, and is not deemed required for carrying on the Company's operations at the current scale.

The Construction Loan includes the following financial covenants:

- the Company's net equity shall at all times be at least NOK 100 million (net equity is defined as book equity less intangible assets); and
- the Company's working capital shall be at least NOK 50 million (working capital is defined as the sum of current assets less short-term debt, of which the cash deposit is included in the current assets and instalments on the Amortized Loan will not be counted as short-term debt).

In addition, the Construction Loan includes, inter alia, the following restrictive undertakings:

- all intellectual property rights that the Company develops must be the Company's property and any future patent applications must be in the Company's name, and the Company's current and future patents, patent applications and/or licences to patents in Norway and/or abroad may not be encumbered or charged specifically to other creditors without Innovation Norway's written consent; and
- the Company may not service shareholder debt, pay dividends or otherwise undertake distributions that directly or indirectly benefit any shareholder, including a capital reduction, without the prior written consent from the lenders.

The Construction Loan matures two years following the start of construction, and shall be repaid within three months after construction of the new facility is completed. Construction of the new facility is expected to start in Q3 2021 and be completed in Q1 2023.

As security for the Company's obligations under the Construction Loan, the Company shall provide the following security in favour of SB1 SMN and SB1 SS: a charge over its plant and machinery; a mortgage over properties gnr 52, bnr 84, gnr 58, bnr 47 and gnr 52, bnr 2 in Ørsta, Norway; a charge over its inventory; a charge over customer receivables; and a charge over its patents and licenses.

Upon completion of the construction of the new facility, the Company has accepted an amortizing loan of up to NOK 120 million from SB1 SMN, SB1 SS and Innovasjon Norge AS ("**Innovasjon Norge**") (the "**Amortizing Loan**") to be used as long-term financing of the new facility by conversion of the Construction Loan into the Amortizing Loan. The Amortizing Loan is split between the lenders with NOK 60 million to be provided by Innovasjon Norge and NOK 30 million to be provided by each of SB1 SMN and SB1 SS.

The Amortizing Loan includes similar financial covenants and restrictive undertakings as described above with respect to the Construction Loan. All covenants in the Construction Loan and the Amortizing Loan are deemed to be in line with common market practice.

The Amortizing Loan will have a maturity of 12 years. As security for the Company's obligations under the Amortizing Loan, the Company shall provide the following security: a mortgage over gnr 52, bnr 84, gnr 58, bnr 47 and gnr 52, bnr 2 in Ørsta, Norway; a charge over inventory; a charge over customer receivables; a charge over plant and machinery; and a charge over patents and licences. In addition, the Company shall grant a charge over all motor and construction vehicles in favour of Innovasjon Norge.

As the Company's financing related to construction of the facility (the Construction Loan and the Amortizing Loan) is provided by, inter alia, SB1 SMN and SB1 SS the Company contemplates to enter into financing agreements with SB1 SMN and SB1 SS related to liquidity loans and credit facilities after the Admission.

7.6.2 Equity raisings

The Company has carried out two equity raisings in 2021. In January 2021, the Group completed a share capital increase towards Kotler Equity Investment (Dong Guan) Limited raising gross proceeds of approximately NOK 18.6 million. In addition, in February 2021 the Company carried out the Private Placement raising gross proceeds of approximately NOK 300 million, as further described in Section 9.5 "Information on the Private Placement" below.

7.7 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.

7.8 Borrowings

The Group's current financing consists of:

- a loan agreement with DNB Bank ASA ("**DNB**") dated 19 June 2013 whereby the Company was granted a loan of NOK 6.25 million for the financing of industry property, machinery and plant in Ørsta (the "**DNB Loan**") with current outstanding amount of approximately NOK 1.5 million;
- a loan agreement with Innovasjon Norge dated 11 June 2013 whereby the Company was granted a loan of NOK 6.25 million for the purpose of financing the purchase of real estate and buildings, plant/machinery and product development (the "**IN Loan**"), with current outstanding amount of approximately NOK 1.5 million; and
- a revolving credit facility agreement with DNB dated 24 May 2019, whereby the Company is granted a revolving credit facility of NOK 10 million (the "**DNB Revolving Credit Facility**").

The DNB Loan and the IN Loan were granted in conjunction as one financial package. Both loans mature in 2024. The DNB Loan and the IN Loan include restrictive undertakings related to providing loans, payment of dividends, group contributions or service subordinated loans with interest or principal without consent from DNB or Innovasjon Norge, respectively.

The Company's obligations under the DNB Loan and IN Loan are secured by, inter alia, mortgages, pledges and/or fixed or floating charges over the Company's inventory, factoring, machinery and plant, and property (gnr. 52, bnr. 2, Ørsta). In addition, the IN Loan is secured by a charge (Nw. pant) over all intellectual property rights the Company at any time has for its business, with any later improvements/versions and/or replacements.

The DNB Revolving Credit Facility runs for successive 1 year periods. The DNB Revolving Credit Facility contains several of the same restrictive undertakings as the DNB Loan and the IN Loan, including restrictions on the providing of loans, payment of dividends, group contributions or servicing subordinated loans with interest or principal without DNB's prior written consent. In addition, the DNB Revolving Credit Facility includes the following restrictive undertakings: draw-down of the credit facility shall be limited to an amount equal to 60% of the book value of the Company's inventory and 75% of the Company's customer receivables. The Company's obligations under the DNB Revolving Credit Facility are secured by charges (Nw. pant) over the Company's inventory, factoring, machinery and plant and property (gnr 52 bnr 84, gnr 58 bnr 47 and gnr 52 bnr 2 in Ørsta).

8. THE BOARD OF DIRECTORS, MANAGEMENT AND EMPLOYEES

8.1 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.

8.2 The Board of Directors

8.2.1 Overview

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

Name	Position	Served since	Term expires	Shares
Harald Nordal	Chairman	23 October 2015	Annual general meeting 2023	-[10]
Jostein Christian Dalland	Board member	3 March 2020	Annual general meeting 2023	-
Asbjørn Solevågseide	Board member	2 April 2019	Annual general meeting 2023	-[11]
Jan Endre Vartdal	Board member	23 October 2015	Annual general meeting 2023	-[12]
Per Magne Eggesbø	Board member	23 October 2015	Annual general meeting 2023	-[13]
Tore Andreas Frøysa Tønseth	Board member	27 January 2021	Annual general meeting 2023	-
Hu Cao	Board member	First day of Admission	Annual general meeting 2023	-[14]

The Company's registered office in Industrivegen 42, 6155 Ørsta, Norway serves as the business address for the members of the Board of Directors in relation to their directorships in the Company.

8.2.2 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.

Harald Nordal, Chairman

Harald Nordal is a co-founder of the Company and has served at the board of directors since the founding of the company. He has served as chairman from 2011 to January 2015 and from October 2015. He has

[10] Does not hold any shares personally, but holds 50% of the shares in Capra Invest AS, which holds 818,644 Shares in the Company. Capra Invest AS has a claim for re-delivery of 725,806 Shares in the Company from the Stabilisation Manager on behalf of the Euronext Growth Advisors in connection with the Over-Allotment Option.

[11] Does not hold any shares personally, but holds 100% of the shares in Ajea Invest AS which holds (i) 258,064 Shares in the Company directly, and (ii) 12.8% of the share capital in PIR IV Invest AS, which holds 2,188,250 Shares in the Company.

[12] Does not hold any shares personally, but holds (i) 100% of the shares in Sustainability Invest AS, which itself has a 50% holding in Brødrene Vartdal AS which holds 803,601 of the Shares in the Company and (ii) 100% of the shares in Future Invest AS, which itself has a 33.33% holding in Vartdal Holding AS which holds 988,543 of the Shares in the Company.

[13] Does not hold any shares personally, but holds (i) 50.5% of the shares in Eros AS, which holds 520,240 of the shares in the Company and (ii) 21% of the shares in Eggesbø Eiendom AS, which holds 520,240 of the shares in the Company.

[14] Does not hold any shares personally, but holds 8.02% of the shares in Kotler Equity Investment (Dong Guan) Limited, which holds 667,330 shares in the Company.

extensive experience from national and international senior board and executive management positions in industry and biosciences and currently serves as CEO of Life Capitol AS. He sits on the board of directors of Regenics AS and Hyperthermics AS. He holds a MSc in Civil Engineering from the Norwegian University of Science and Technology (NTNU) and a MBA in Project Management from the SKEMA Business School, France.

Jostein Christian Dalland, Board member
Jostein Christian Dalland has served as an independent board member of the Company since 2020. He currently holds the position of Executive Vice President and part of the executive management group at Sbanken. Prior to joining the board of directors of the Company, Mr Dalland has worked as CEO of SpinChip Diagnostics, Executive Vice President and part of the executive management group at Storebrand ASA, Chairman of BIOTEK2021 at the Norwegian Research Council, CEO of Inven2, and Executive Vice President of Marketing and Sales at Aker Biomarine ASA after Aker acquisition of Natural ASA where he was the CEO. He has an MBA (*Nw.: siviløkonom*) and a Master of Technology Management from NHH/NTNU.

Asbjørn Solevågseide, Board member
Asbjørn Solevågseide has served as a board member of the Company since 2019. Mr Solevågseide has worked in various senior management positions within fish handling process equipment industries since 1986. He founded Seatech AS in 1997 that merged with Optimar in 2000. In Optimar Mr Solevågseide held the position of CEO and largest owner until Optimar was sold to Franz Haniel &Cie. Gmbh in 2019. He currently works as an investor at Ajea Invest AS and serves in several board positions including as chairman of the board of PIR IV Invest AS.

Jan Endre Vartdal, Board member
Jan Endre Vartdal has served as a board member of the Company since 2015. He is known for his business acumen and passion for developing companies through building teams and culture. In 1997, together with his two siblings, Jan Endre Vartdal took over the family company Vartdal Plastindustri AS. Since 2008 Jan Endre Vartdal has been CEO of the company, which under his leadership has grown from a single factory company with 70 employees to a group employing more than 250 people running five factories located in all parts of Norway under the group name Vartdal Plast and revenues of 800 MNOK in 2019. Jan Endre Vartdal and Vartdal Plast have taken on the role as leaders of the green shift within the EPS industry and their efforts have received praise both in Norway and abroad. Under Jan Endre Vartdal's leadership Vartdal Plast has grown to become one of Scandinavia's market leaders within the EPS industry. Mr. Vartdal currently sits on the board of the Confederation of Norwegian Enterprise Møre og Romsdal (NHO). In addition to this, he is involved in the development of several companies and projects as investor and board director. Mr. Vartdal has his educational background from Norwegian Business School and MR Technical College.

Per Magne Eggesbø, Board member
Per Magne Eggesbø has served as a board member of the Company since 2016. He currently holds the position as CEO of Eros AS and Eggesbø Eiendom AS as well as several other family owned companies. Before he joined the family business in 1998 he worked more than 8 years in Nordea Bank as a Senior Vice President within the Fisheries Division, working both out of Oslo, Seattle and Ålesund. Mr. Eggesbø holds a Master of Science in Business from the Norwegian Business School.

Tore Tønseth, Board member
Tore Andreas Frøysa Tønseth has served as a board member of the Company since 27 January 2021. He currently works as an Investment Director at Ronja Capital AS. Mr Tønseth has worked as an Equity Analyst at SpareBank1 Markets and Pareto AS. Mr Tønseth holds a Master's Degree in Finance from the Norwegian School of Economics.

Hu Cao, Board member
Hu Cao will be a member of the Board of Directors of the Company effective from the first day of trading on Euronext Growth Oslo. Hu Cao has served since 2012 as a global partner in Kotler Marketing Group (KMG) and CEO of the greater China region. Under his leadership and joint effort with nearly 100 marketing professionals in the KMG team, KMG China has been elected by "China Manager" magazine as the No.1 strategic marketing consulting firm in China. From 2001-2011, Mr. Cao worked for KMG China as a business analyst, consultant, project manager and division director. From 1997-2000 he worked as a production manager in the Cosmetics Division of Henkel Group (China). Mr. Cao has over

20 years' management and consulting experience in strategic marketing, brand strategy, B2B marketing, digital marketing transformation, channel management, marketing and sales organization design and optimization in 11 different industries. Recent clients in global marketing strategy and marketing management include: Alibaba International, Baidu, TCL Group, Baosteel Group, AVIC International, Vanke Group, Guangzhou Pharmaceutical Group, Taiji Pharmaceutical Group, Pfizer China, Yangzi River Pharmaceutical Group, Yiling Pharmaceutical Group. Tsinghua Yuanxing Bioscience, Futian Automobile, Yutong Bus, Sany Group, China Storage, Bank of China, P&W, General Motors China, Sinochem Group, Shield Group, China Merchants Group, China Textile Group, Skyworth Group, Ping An Property & Casualty, Vanke Real Estate, China Resources Snow Beer (China) Co., Ltd. Mr. Cao currently serves as Chairman of Kotler Medical Park (Song Shan Lake) China and obtained his bachelor degree in biochemistry from Wuhan University.

8.3 Management

8.3.1 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	Options
Ole Arne Eiksund	Chief Executive Officer	April 2018	126,450	76,180
Danielle Glenn[15]	Chief Financial Officer	July 2020	6,774-[16]	101,570
Runhild Gammelsæter	Global Medical Director	August 2019	6,774	101,570
Hogne Hallaråker	Chief Scientific Officer and Founder	2011	450,000[17]	33,030
Per Christian Sæbø	Chief Operating Officer	July 2012	18,440	57,390
Daniele Mancinelli	Chief Technical Officer	July 2012	76,180[18]	101,570
Dr. Yuming Feng[19]	EVP Global Business Development	September 2018	-	100,000
Lauren Jensen	SVP Sales and Marketing	May 2020	-	40,000

The Company's registered office in Industrivegen 42, 6155 Ørsta, Norway serves as the business address for the members of the Management in relation to their employment in the Company.

8.3.2 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.

Ole Arne Eiksund, Chief Executive Officer

Ole Arne Eiksund has served as the CEO of the Company since April 2018, and has more than 25 years of experience from leading companies in the pharmaceutical and biotechnology industry. Prior to joining the Company, Mr Eiksund worked as the Executive Vice President at Rimfrost AS, the Vice President of Global Sales at Hofseth BioCare ASA and as Commercial Director at GlaxoSmithKline (GSK). He holds an Executive MBA in Business Administration and General Management from the Hult International

[15] The CFO is hired in pursuant to a consultant agreement dated 1 October 2020 between the Company and the CFO's company, KAD Group AS. The consultant agreement expires on 30 September 2021. Pursuant to the consultant agreement the parties shall at the latest during August 2021 discuss continued cooperation after the period ending 30 September 2021.

[16] Shares held through KAD Group AS, which is controlled by Danielle Glenn.

[17] Shares held through Gold Coast Nutrition, which is controlled by Hogne Hallaråker.

[18] Shares held through Futuron AS, which is approximately 60% controlled by Mr. Mancinelli.

[19] Dr. Feng is hired in pursuant to a consultant agreement dated 27 August 2019 between the Company and Dr. Feng. The consultant agreement is automatically renewed for consecutive one year terms unless terminated by one of the parties.

Business School, London and a Master's Degree in Computational Science from the University of Manchester (UMIST).

Danielle Glenn, Chief Financial Officer
Danielle Glenn has served as the Chief Financial Officer of the Company since July 2020 and has more than 20 years of international financial markets, management and entrepreneurial experience. Ms. Glenn spent the majority of her career in finance as global macro hedge fund manager at Goldman Sachs, Caxton Associates and Bywater Capital. Ms Glenn has also worked as the CEO of Sensee, the CEO and CIO of Bywater Capital, the interim CFO/COO of Rosalyn AI and as an interim CSO of Sonitor Technologies. She graduated with a Bachelor's Degree in History and Science, magna cum laude, from Harvard University.

Runhild Gammelsæter, Global Medical Director
Runhild Gammelsæter has served as Global Medical Director of the Company since August 2019 and has international experience from the pharmaceutical industry, as well as with R&D entrepreneurship and biotechnology start-ups. Prior to joining the Company, Dr. Gammelsæter worked as a Medical Director at GlaxoSmithKline Norway, and as a Medical Affairs Manager and later Associate Scientific Director at AbbVie. She studied undergraduate sciences at the University of Washington prior to completing a MSc in physiology at the University of Oslo. As a Fulbright scholar she conducted research in neuroscience and endocrinology at the University of California San Francisco, the Virginia Commonwealth University, and the Joslin Diabetes Centre at Harvard University. She holds a Doctor of Philosophy (PhD) in cell physiology from the University of Oslo.

Hogne Hallaråker, Chief Scientific Officer and Founder
Hogne Hallaråker is a co-founder of the Company and has served as Chief Scientific Officer since April 2018, after having served as CEO of the Company since 2011. Mr Hallaråker is the founder and developer of the Company's business concept, with more than 20 years of experience in the nutraceutical and bio-marine industries. Prior to co-founding the Company, Mr Hallaråker worked as a Project Manager at Life Science Nutrition AS, CEO of Natural Nutrition Development AS, Vice President of R&D at Aker Biomarine, Product Director at Natural ASA and Assistant Professor at Volda University College. He is the author of numerous publications and patents and holds a Master's Degree in Marine and Freshwater Biology from the University of Bergen.

Per Christian Sæbø, Chief Operating Officer
Per Christian Sæbø has served as Chief Operating Officer since July 2012 , Mr. Sæbø has more than 20 years of experience from manufacturing management and process development, including concept architecture, concept testing, and verification, upscaling and operationalization. He holds an MSc in Chemistry from the University of Trondheim.

Daniele Mancinelli, Chief Technical Officer
Daniele Mancinelli has served as Chief Technical Officer since July 2012. Mr. Mancinelli is experienced in R&D specialising in Omega-3 fatty acids. His experience span; concept architecture, concept testing and verification, up-scaling and operationalization as well as process optimization. He holds an MSc in Chemistry and Pharmaceutical Technologies.

Dr. Yuming Feng, EVP Global Business Development
Dr. Yuming Feng has served as EVP Global Business Development since September 2018. Dr. Feng has more than 20 years of experience in the food & nutraceutical business globally. He held various positions as Sr. Scientist & Sr. Procurement Manager at Campbell's, EVP at Zoneco Group Co. and CEO at Zhejiang Holley International. Dr. Feng earned his Ph.D. in Food Science at the University of Massachusetts Amherst.

Lauren Jensen, SVP Sales and Marketing
Lauren Jensen has served as SVP Sales and Marketing since May 2020. Ms. Jensen has over 15 years of global marketing, branding, and communications experience for mid-and large-sized enterprises. In her career, she has developed and executed multiple global marketing strategies utilizing both traditional and digital marketing methodologies. She is especially adept at launching brand campaigns in new or developing regions for sustained business growth. Her abilities and expertise span multiple disciplines and industries, focusing on merging both offline and online marketing and sales. She holds an MBA from Nord University and a Bachelor of Science in Business Administration from Arizona State University.

8.4 Remuneration Committee

The Board of Directors has established a remuneration committee composed of 3 Board Members; Harald Nordal (chair), Jostein Dalland and Jan Endre Vartdal.

The primary purposes of the remuneration committee are to assist the Board of Directors in its work, inter alia, by reviewing and making recommendations in relation to (i) the Company's compensation policies for its Management and (ii) the terms of employment of the Company's CEO and the other members of its Management.

8.5 Employees

As of 31 December 2020 and the date of this Information Document, the Group has 20 effective full-time employees, of which seven are full-time consultants.

8.6 Arrangements involving employees in the Company's capital

The Company has granted a total of 990,070 share options to certain of the members of the Management and consultants, of which 341,620 have been exercised. Out of the 648,810 share options outstanding, 268,170 are vested. A part of the share options are not subject to a vesting period and the option holders are entitled to exercise such options until 1 March 2023. A part of the options are accrued and shall vest with 1/3 on each of 12 months, 24 months and 35 or 36 months, respectively following the signing of each respective option agreement. Certain of these options will vest with 1/3 on each of 23 March 2021, 23 March 2022 and 23 March 2023, while the remaining options, which were granted in January 2021 will vest with 1/3 in each of January 2022, January 2023 and December 2023 or January 2024. The strike price for new Shares ranges from NOK 9.845 to NOK 27.9 per Share with the following split between the granted options:

Options outstanding	**Strike price**
268,170	9.845
240,640	20.628
140,000	27.9

Each option gives the right to subscribe for one share in the Company. However, the Company is entitled to settle the options by way of a cash consideration based on the difference between (i) the value of the shares which the employee has a right to subscribe for (based on the price per share in the latest share transfers prior to the employee's exercise of its options) and (ii) the strike price multiplied with the number of shares which the employee has a right to subscribe for. Further, the employee is entitled to the cash consideration should the Company not meet its obligation to deliver shares to the employee upon the employee's exercise of its options.

The Company intends to implement a new incentive program for its employees in H1 2021 following the Admission.

8.7 Benefits upon termination

Other than the CEO who, if the Board of Directors terminate his employment, is entitled to receive severance pay equal to 24 months base salary, no members of the Management or the Board of Directors are entitled to any additional remuneration following the termination of their employment/service.

8.8 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 in the Shares on 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**"). Nonetheless, the Company intends to maintain a high level of corporate governance standard and will consider the implications of the Code going forward.

8.9 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) 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.

There are no relationships between individual members of the Board of Directors and the Management, major business connections or larger shareholders that may be of significance for evaluating the Admission to trading on Euronext Growth.

9. CORPORATE INFORMATION AND DESCRIPTION OF SHARE CAPITAL

9.1 General corporate information

The Company's legal name is Arctic Bioscience AS, while its commercial name is "Arctic Bioscience". 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 996 638 812. The Company was incorporated on 15 February 2011.

The Company's registered business address is Industrivegen 42, 6155 Ørsta, Norway, which also is its principal place of business. The telephone number to the Company's principal offices is +47 952 93 384 and its website is www.arctic-bioscience.com. The content of the Company's website is not incorporated by reference to, nor otherwise forms part of, this Information Document.

The Shares are registered in book-entry form with VPS under ISIN NO 0010859580. The Company's register of shareholders in VPS is administered by the VPS Registrar, DNB Bank ASA. The Company's LEI-code is 549300Z2HW6I989Q2C78.

9.2 Ownership structure

As of the date of this Information Document, no shareholders other than PIR IV Invest AS and Møre og Romsdal Såkornfond AS hold more than 5% of the issued Shares[20]. 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.

9.3 Share capital and share capital history

As of the date of this Information Document, the Company's registered share capital is NOK 2,429,953.90 divided into 24,299,539 Shares, each with a par value of NOK 0.10. 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 a Central Securities Depository.

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 changes in the share capital of the Company, for the period covered by the Financial Statements and up until the date of the Information Document.

[20] Upon re-delivery of 725,806 Shares in the Company to each of Ronja Capital II AS and Capra Invest AS pursuant to the Over-Allotment Option, Ronja Capital II AS and Capra Invest AS will hold, respectively, approximately 7.5% and 6.4% of the Shares in the Company, provided that the Greenshoe Option is not exercised at all.

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)
19 June 2019	Share capital increase	223,045	1,289,568	1,289,568	1
7 January 2021	Share capital increase	98,293	1,387,861	1,387,861	1
3 February 2021	Share capital increase	66,733	1,454,594	1,454,594	1
5 February 2021	Share split	-	1,454,594	14,545,940	0.10
15 February 2021	Share capital increase	7,618	1,462,212	14,622,120	0.10
23 February 2021	Share capital increase	967,741.90	2,429,953.90	24,299,539	0.10

9.4 Authorizations

On 27 January 2021, an extraordinary general meeting of the Company resolved to grant an authority to the Board of Directors to increase the Company's share capital by up to NOK 693,930. The authority may not be used to issue Shares as consideration in connection with share capital increases by non-cash payment or a right to charge the company with special obligations, cf. section 10-2 of the Norwegian Private Limited Liability Companies Act. The authority remains in force until 30 June 2022. The authorization may be used to strengthen the Company's equity and fulfil existing and future employee share option plans.

On 22 February 2021, the ordinary general meeting of the Company resolved to grant an authority to the Board of Directors to increase the Company's share capital by up to NOK 145,161.20. The authority remains in force until 30 June 2021. The authority shall only be used to fulfil the Company's obligations to issue new Shares to the Stabilization Manager should the Greenshoe Option be exercised (as defined in Section 9.5.1).

9.5 Information on the Private Placement

9.5.1 Details of the Private Placement

On 19 February 2021, the Company announced the completion of a private placement raising gross proceeds of approximately NOK 300 million through issuance of 9,677,419 new Shares at a subscription price of NOK 31 per Share (the "**Offer Price**") (the "**Private Placement**"). ABG Sundal Collier ASA and DNB Markets, a part of DNB Bank ASA, the Euronext Growth Advisors, acted as managers for the Private Placement.

The application period for the Private Placement took place on 16 February 2021 from 09:00 CET to 18 February 2021 at 12:00 CET. Settlement will be completed on or about 24 February 2021. See Section 9.5.4 for further information about the settlement.

In addition, the Euronext Growth Advisors have over-allotted a total of 1,451,612 existing Shares to the applicants, equaling up to approximately 15% of the number of Shares allocated in the Private Placement (the "**Additional Shares**"). In order to permit delivery in respect of such over-allotments made, Capra Invest AS and Ronja Capital II have lent to DNB Markets as Stabilisation Manager, on behalf of the Euronext Growth Advisors, a number of existing Shares in the Company equal to the number of Additional Shares ("**Over-allotment Option**"), with 50% each. Further, the Company has granted to the Stabilisation Manager, on behalf of the Euronext Growth Advisors, an option, through which the Stabilisation Manager is given a right, but not an obligation, to require the Company to issue to the Stabilisation Manager a number of new Shares in the Company up to the number of Additional Shares at a price per Share equal to the Offer Price (the "**Greenshoe Option**"). This Greenshoe Option is exercisable, in whole or in part, by the Stabilisation Manager, on behalf of the Euronext Growth Advisors, until the day after a 30 day period commencing at the time trading ofthe Shares on Euronext Growth Oslo (the "**Stabilisation Period**"). The Stabilisation Manager may close out the short position created by over-allotting shares in the Offering by buying Shares in the open market through stabilisation activities and/or by exercising the over-allotment option.

9.5.2 Use of proceeds

The net proceeds from the Private Placement to the Company is intended to be used to (i) invest in the development of the Company's novel treatment against mild-to-moderate psoriasis, (ii) invest in state-

of-the-art production and process technology, (iii) further strengthen the balance sheet to optimally position the Company for maximizing shareholder value, (iv) selected pre-clinical trials to broaden the pipeline and (v) general corporate purposes.

9.5.3 Resolution to carry of the Private Placement

The Private Placement and the issuance of the new Shares was approved by the ordinary general meeting of the Company on 22 February 2021.

9.5.4 Settlement and issuance of the new Shares

The new Shares allocated in the Private Placement will be settled through a normal delivery-versus-payment transaction on or about 24 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 23 February 2021.

9.5.5 Lock-up

In connection with the Private Placement, customary lock-up undertakings were given by the Company, the members of the Management and Board of Directors of the Company and certain existing shareholders, subject to certain customary exemptions, 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 365 calendar days' lock-up for each of the Company, the members of the Management and Board of Directors and certain existing shareholders, starting from the date of the first day of trading of the Shares on Euronext Growth Oslo.

9.5.6 Stabilisation

The Stabilisation Manager may in the Stabilisation Period effect transactions with a view to supporting the market price of the Shares at a level higher than what might otherwise prevail, through buying shares in the Company in the open market at prices equal to or lower than (but not above) the Offer Price. There is no obligation on the Stabilisation Manager to conduct stabilisation activities and there can be no assurance that stabilisation activities will be undertaken. If stabilisation activities are undertaken, they may be discontinued at any time, and must be brought to an end upon or before expiry of the Stabilisation Period. Within one week following the expiry of the Stabilisation Period, the Stabilisation Manager will publish an announcement under the Company's ticker on https://newsweb.oslobors.no/, with information as to whether or not it has undertaken any stabilisation activities, including the total number of shares sold and purchased, the date at which the stabilisation activities commenced, the date at which stabilisation activities last occurred and the price range within which stabilisation was carried out for each of the dates where stabilisation transactions were made. Any stabilisation activities will be conducted in accordance with the principles set out in Section 3-12 of the Norwegian Securities Trading Act and the EC Commission Regulation 2273/2003 regarding buy-back programmes and stabilization of financial instruments, as well as, to the extent applicable, article 5(4) of the EU Market Abuse Regulation and chapter III of the supplemental rules set out in the Commission Delegated (EU) 2016/1052 of 8 March 2016 with regard to regulatory technical standards for the conditions applicable to buy-back programmes and stabilization measures, in order to support the market price of the Shares.

9.5.7 Dilution

The Private Placement resulted in an immediate dilution of approximately 40% for shareholders of the Company who did not participate in the Private Placement. If the Greenshoe Option is exercised in full the dilution will increase to approximately 43%.

9.6 Lock-up

Except for the lock-up agreements described above in Section 9.5.5, the Company is not aware of any other lock-up arrangements relating to the Company's Shares in connection with the admission to trading on Euronext Growth Oslo.

9.7 Financial instruments

The Company has granted options to Saga Corporate Finance AS ("**Saga**") under several option packages as consideration for Saga acting as the Company's advisor and strategic discussion partner, please see further description of the option packages below. Each option gives the right to subscribe for one Share in the Company. However, the Company is entitled to settle the options by way of a cash consideration based on the difference between (i) the value of the Shares which Saga has a right to subscribe for (based on the price per Share in the latest share transfers prior to the Saga's exercise of its options) and (ii) the strike price multiplied with the number of Shares which Saga has a right to

subscribe for. Further, Saga is entitled to the cash consideration should the Company not meet its obligation to deliver Shares to Saga upon Saga's exercise of its options.

Option package 1

The Company has granted 257,920 options to Saga. The options have an exercise period of 3 years calculated from 27 January 2020. The exercise period is prolonged one month at the time if the agreement with Saga as active advisor for the Company is not terminated prior to expiry of the exercise period. The strike price for new Shares is NOK 20.63 per Share.

Option package 2

The Company has granted 13,347 options to Saga. The options have an exercise period of 3 years calculated from 25 January 2021. The exercise period is prolonged one month at the time if the agreement with Saga as active advisor for the Company is not terminated prior to expiry of the exercise period. The strike price for new Shares is NOK 27.90 per Share.

Option package 3 related to the Private Placement

The Company will grant 193,549 options to Saga corresponding to 2% of the Shares issued in the Private Placement. The options have an exercise period of 3 years calculated from the date of grant. The exercise period is prolonged one month at a time if the agreement with Saga as active advisor for the Company is not terminated prior to expiry of the exercise period. The strike price for new Shares is equal to the Offer Price per Share in the Private Placement.

Other than as described in Section 8.6 "Arrangement involving the employees in the Company's capital" and the options granted to Saga as described above, the Company has not issued any options, warrants, convertible loans or other instruments that would entitle a holder of any such instrument to subscribe for any Shares.

9.8 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 9.9 "Articles of Association".

9.9 Articles of Association

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

Section	Description
Objective of the Company	The company's purpose is to identify and commercialize marine active ingredients and everything related to it. Including participation in other companies and enterprises.
Registered office	The company's registered business address is in Ørsta municipality.
Share capital and nominal value	The company's share capital is NOK 2,429,953.90 divided into 24,299,539 shares, each having a nominal value of NOK 0.10. The company's shares shall be registered in Verdipapirsentralen (VPS).
Transfer of Shares	The company's shares are freely transferable. Acquisitions of shares in the company shall not require the consent of the company. Shareholders do not have pre-emption rights upon any change of ownership of shares in the company
Board of Directors	The company shall have a board of directors comprised of 1 to 8 board members.
General meeting	The annual general meeting shall be held every year within six months after the end of each financial year. Notice of the general meeting shall be sent no later than one week before the meeting is to be held. The

notice shall state the matters to be considered at the meeting. Proposals to amend the articles of association shall be reproduced verbatim in the notice. The shareholders may be represented at the general meeting by proxy with a written power of attorney.

At the annual general meeting, the following matters shall be considered and decided:

- Approval of the annual accounts and the annual report, including the distribution of dividends.

- Other matters which according to the law or the articles of association shall be considered at the 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 that are required by law 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.

Shareholders may cast a written vote in advance in matters to be discussed at the general meetings of the company. Such votes may also be cast through electronic communication. The access to cast votes in advance is subject to the presence of a safe method of authenticating the sender. The board of directors decides whether such a method exists before each individual general meeting. The board of directors may issue detailed guidelines for written votes in advance. The notice of a general meeting must state whether votes in advance are permitted and which guidelines, if any, that have been issued for such voting.

9.10 Dividends and dividend policy

9.10.1 Dividend Policy

The Company is currently in a growth phase and will seek to deploy available capital towards growth initiatives. Beyond the growth phase, it is the Company's ambition to pay dividends to shareholders as soon as it considers itself to be in a position to do so and when it is considered to be in the general interest of the shareholders. 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 9.10.2 "Legal and contractual constraints on distribution of dividend" as well as capital expenditure plans, financing requirements, its financial condition, general business conditions and any restrictions that its borrowing arrangements or other contractual arrangements in place at the time of the dividend may place on its ability to pay dividends and maintaining the appropriate strategic flexibility. The Company has not distributed any dividends since the date of its incorporation.

9.10.2 Legal and contractual constraints on the distribution of dividends

In deciding whether to propose dividend and in determining the dividend amount in the future, the Board of Directors must take into account applicable legal restrictions, as set out in the Norwegian Private Limited Liability Companies Act, the Company's capital requirements, including capital expenditure requirements, its financial condition, general business conditions and any restrictions that its contractual arrangements in force at the time of the dividend may place on its ability to pay dividends and the

maintenance of appropriate financial flexibility. Except in certain specific and limited circumstances set out in the Norwegian Private Limited Liability Companies Act, the amount of dividends paid may not exceed the amount recommended by the Board of Directors.

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.

9.10.3 Manner of dividend payments

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 date 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.

9.11 Near-term financial reporting and shareholder meeting calendar

Following the submission of this Information Document, the Company expects to release its half year results for H1 2021 on 26 August 2021. The annual financial statements for the year ending 2020 are attached hereto as Appendix B. Furthermore, the Company's annual general meeting for 2020 was held on 22 February 2020. The Company expects to hold its first annual general meeting following the submission of this Information Document during H1 2022.

9.12 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.

9.13 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.

9.14 Certain aspects of Norwegian corporate law

9.14.1 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.

9.14.2 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.

9.14.3 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.

9.14.4 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.

9.14.5 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.

9.14.6 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.

9.14.7 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.

10. NORWEGIAN TAXATION

10.1 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 Information Document. 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.

10.2 Norwegian shareholders

10.2.1 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.

10.2.2 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).

10.2.3 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.

10.2.4 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.

10.2.5 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.

10.3 Non-Norwegian shareholders – Norwegian taxation

This Section summarizes certain Norwegian tax rules relevant to shareholders that are not tax resident in Norway for Norwegian tax purposes ("**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.

10.3.1 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 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.

10.3.2 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.

10.3.3 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.

10.3.4 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.

10.4 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.

10.5 Stamp duty

There is currently no Norwegian stamp duty or transfer tax on the transfer or issuance of shares.

11. SELLING AND TRANSFER RESTRICTIONS

11.1 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.

11.2 Selling restrictions

11.2.1 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. Transfer of the Shares is 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".

11.2.2 United Kingdom

In the United Kingdom, the issue or sale of any Shares will only be communicated or caused to be communicated in circumstances in which Section 21 (1) of the Financial Services and Markets Act 2000 ("**FSMA**") does not apply to the Company and in accordance with all applicable provisions of the FSMA with respect to the Shares in, from or otherwise involving the United Kingdom.

11.2.3 European Economic Area

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

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

b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) per Relevant Member State; or

c) in any other circumstances falling under the scope of Article 3(2) of the 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 Prospectus Regulation or supplementary prospectus pursuant to Article 23 of the 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.

11.2.4 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.

11.3 Transfer restrictions

11.3.1 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 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.

11.3.2 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 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 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 Prospectus Regulation; 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 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.

12. ADDITIONAL INFORMATION

12.1 Admission to trading on Euronext Growth Oslo

On 7 February 2021, the Company applied for admission to trading of its Shares on Euronext Growth Oslo. The first day of trading in the Shares on Euronext Growth Oslo is expected to be on or about 24 February 2021.

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

12.2 Auditor

The Company's independent auditor is Contabile AS with business registration number 920 738 001 and registered business address at Sjømannsvegen 14, 6008 Ålesund, Norway. The partners of Contabile are members of The Norwegian Institute of Public Accountants (Nw.: *Den Norske Revisorforening*). The Company has not had any other independent auditor than Contabile in the period covering the Financial Statements. Except for the Financial Statements which have been audited by Contabile, Contabile has not audited, reviewed or produced any report on any other information in this Information Document.

12.3 Advisors

ABG Sundal Collier ASA (business registration number 883 603 362, and registered business address at Munkedamsveien 45 Vika Atrium, 0250 Oslo, Norway) and DNB Markets, a part of DNB Bank ASA (business registration number 984 851 006, and registered business address at Dronning Eufemias gate 30, 0191 Oslo, Norway) are acting as Euronext Growth Advisors.

Advokatfirmaet Wiersholm AS (business registration number 981 371 593, and registered business address at Dokkveien 1, 0250 Oslo, Norway) and Adviso Advokatfirma AS (business registration number 998 877 636, and registered business address at Rasmus Rønnebergs gate 21, 6002 Ålesund, Norway) are acting as Norwegian legal counsels to the Company.

12.4 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 of the Company;
- the Financial Statements; and
- this Information Document.

12.5 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.

13. DEFINITIONS AND GLOSSARY TERMS

ABGSC	ABG Sundal Collier ASA.
Accounting Act	The Norwegian Accounting Act of 17 July 2017 no 56.
Admission	Admission to trading of the Company's Shares on Euronext Growth Oslo.
Amortizing Loan	The amortizing loan of up to NOK 120 million financed by SB1 SMN, SB1 SS and Innovasjon Norge.
Appropriate Channels for Distribution	All distribution channels for the Shares that are permitted by MIFID II.
Arctic Bioscience	Arctic Bioscience AS.
Articles of Association	The Company's articles of association, as amended from time to time.
B2B	Sales to businesses.
B2B2C	Sales to businesses for onward sale to consumers.
B2C	Sales to consumers.
Board Member	Members of the Company's Board of Directors.
Board of Directors	The board of directors of the Company.
CAGR	Compound annual growth rate.
CEO	Chief executive officer.
CFO	Chief financial officer.
CHMP	The EMA's Committee for Medicinal Products for Human Use.
Code	The Norwegian Code of Practice for Corporate Governance.
Company	Arctic Bioscience AS.
Construction Loan	The loan agreement between the Company as debtor and SB1 SMN, SB1 SS and Innovasjon Norge as creditors dated 14 January 2021 whereby the Company accepts the offer of a construction loan and long term financing of up to NOK 120 million.
Contabile	Contabile AS.
DHA	Docosahexaenoic acid.
DNB	DNB Bank ASA.
DNB Loan	The loan agreement between DNB as creditor and the Company as debtor dated 19 June 2013 whereby the Company was granted a loan of NOK 6.25 million for the financing of industry property, machinery and plant in Ørsta.
DNB Markets	DNB Markets, a part of DNB Bank ASA.
DNB Revolving Credit Facility	The revolving credit facility agreement between the Company as debtor and DNB as creditor dated 24 May 2019, whereby the Company is granted a revolving credit facility of NOK 10 million.
EEA	The European Economic Area.
EMA	The European Medicines Agency's.
ESG	Environmental, social and corporate governance.
EU	The European Union.
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 ..	ABG Sundal Collier ASA and DNB Markets.
Euronext Growth Oslo.....	A multilateral trading facility operated by Oslo Børs ASA.
Financial Statements	The Company's audited consolidated financial statements for the financial year ended 31 December 2020 and the Company's audited financial statements for the financial year ended 31 December 2019.
FSMA.....	The Financial Services and Markets Act 2000.
GMP	Good manufacturing practices for pharmaceutical grade production.
Greenshoe Option	The granting by the Company to the Stabilisation Manager, on behalf of the Euronext Growth Advisors, of an over-allotment option, through which the Stabilisation Manager is given a right, but not an obligation, to require the Company to issue to the Stabilisation Manager a number of new Shares in the Company up to 1,451,612 at a price per Share equal to the Offer Price.
Group	The Company together with its subsidiaries.
HRO	Herring roe oil.
HRO350	The Group's pharmaceutical product candidate, a novel oral treatment for mild-to-moderate psoriasis.
IFRS.....	The International Financial Reporting Standards, as adopted by the EU.
IN Loan.....	The loan agreement between the Company as debtor and Innovasjon Norge as creditor dated 11 June 2013 whereby the Company was granted a loan of NOK 6.25 million for the purpose of financing the purchase of real estate and buildings, plant/machinery and product development.
Information Document.....	This Information Document dated 24 February 2020.
Innovasjon Norge	Innovasjon Norge AS.
IQVIA	IQVIA World Publications Ltd.
ISIN	International Securities Identification Number.
Management.....	The members of the Group's executive management.
EPA	Eicosapentaenoic acid.
EU5.....	The UK, Germany, France, Italy and Spain.
Euronext Growth Oslo.....	A multilateral trading facility operated by Oslo Børs ASA.
Euronext Growth Oslo Admission Rules	The Admission to Trading Rules for Euronext Growth Oslo.
Euronext Growth Rule Book	The Euronext Growth Markets Rule Book and related notices issued by Oslo Børs.
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.
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.....	The Norwegian Generally Accepted Accounting Principles, NRS 8.
NGO(s)	Nongovernmental organisation(s).

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 Norwegian for purposes of Norwegian law.
Norwegian Securities Trading Act	The Norwegian Securities Trading Act of 28 June 2007, no. 75 (*Nw.: verdipapirhandelloven*).
Norwegian Securities Trading Regulation	The Norwegian Securities Trading Regulation of 29 June 2007 no. 876 (*Nw.: verdipapirforskriften*).
Norwegian Shareholders	Holders of shares that are residents of Norway for purposes of Norwegian taxation.
Offer Price	NOK 31 per Share offered in the Private Placement.
Over-allotment Option	The lending of a number of existing Shares in the Company equal to the number of over-allotted shares from two existing shareholders to the Stabilisation Manager on behalf of the Euronext Growth Advisors.
PASI.....	Psoriasis area and severity index.
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 by the Company raising gross proceeds of approximately NOK 300 million through issuance of 9,677,419 new Shares at a subscription price of NOK 31 per Share.
Prospectus Regulation	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.
R&D	Research & development.
Relevant Member state	A member state of the European Economic Area.
Saga.....	Saga Corporate Finance AS.
Share(s).....	The shares of the Company, consisting as of this date of 24,299,539 shares each with a nominal value of NOK 0.10.
SB1 SMN.....	SpareBank1 SMN.
SB1 SS	Sparebank1 SS.
Stabilisation Manager	DNB Markets.
Stabilisation Period	The 30 day period from the first day of listing of the Company's Shares on Euronext Growth Oslo
Target Market Assessment .	The Negative Target Market together with the Positive Target Market.
UN Sustainable Development Goals.....	A collection of 17 interlinked global goals designed to be a "blueprint to achieve a better and more sustainable future for all" set in 2015 by the United Nations General Assembly and intended to be achieved by the year 2030.
U.S or United States.....	The United States of America.
U.S. Securities Act	U.S. Securities Act of 1933, as amended.
USD	United States Dollars, the lawful currency of the United States of America.
VPS	The Norwegian Central Securities Depository (*Nw.: Verdipapirsentralen ASA*).

VPS Registrar..... DNB Bank ASA.

Appendix A

VEDTEKTER

FOR

ARCTIC BIOSCIENCE AS

(sist endret ved generalforsamling den 22. februar 2021)

1. SELSKAPETS FORETAKSNAVN

Selskapets foretaksnavn er Arctic Bioscience AS.

2. FORRETNINGSKONTOR

Selskapets forretningskontor er i Ørsta kommune.

3. SELSKAPETS VIRKSOMHET

Selskapets virksomhet er å identifisere og kommersialisere marine virkestoffer og alt som derved står i forbindelse. Herunder deltagelse i andre selskaper og virksomheter.

4. SELSKAPETS AKSJEKAPITAL

Selskapets aksjekapital er NOK 2 429 953,90 fordelt på 24 299 539 aksjer, hver pålydende NOK 0,10. Selskapets aksjer skal være registrert i Verdipapirsentralen (VPS).

5. OVERDRAGELSE AV AKSJER

Selskapets aksjer er fritt omsettelige. Erverv av aksjer er ikke betinget av selskapets samtykke. Aksjonærer har ikke forkjøpsrett til aksjer som skifter eier.

ARTICLES OF ASSOCIATION

FOR

ARCTIC BIOSCIENCE AS

(last amended by general meeting held on 22 February 2021)

1. COMPANY NAME

The company name is Arctic Bioscience AS.

2. REGISTERED ADDRESS

The company's registered business address is in Ørsta municipality.

3. OBJECT

The company's purpose is to identify and commercialize marine active ingredients and everything related to it. Including participation in other companies and enterprises.

4. SHARE CAPITAL

The company´s share capital is NOK 2,429,953.90 divided into 24,299,539 shares, each having a nominal value of NOK 0.10. The company's shares shall be registered in Verdipapirsentralen (VPS).

5. TRANSFER OF SHARES

The company's shares are freely transferable. Acquisitions of shares in the company shall not require the consent of the company. Shareholders do not have pre-emption rights upon any change of ownership of shares in the company.

6. STYRET

Selskapets styre skal ha fra 1 til 8 styremedlemmer.

7. ORDINÆR GENERALFORSAMLING

Ordinær generalforsamling avholdes hvert år innen seks måneder etter utgangen av hvert regnskapsår. Innkalling til generalforsamling skal sendes senest en uke før møtet skal holdes. Innkallingen skal bestemt angi de saker som skal behandles. Forslag om å endre vedtektene skal gjengis ordrett i innkallingen. Aksjeeierne kan la seg representere på generalforsamlingen ved fullmektig med skriftlig fullmakt.

På ordinær generalforsamling skal følgende saker behandles og avgjøres:

- Godkjennelse av årsregnskapet og årsberetningen, herunder utdeling av utbytte.

- Andre saker som etter loven eller vedtektene hører under generalforsamlingen.

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.

Aksjeeiere kan avgi skriftlig forhåndsstemme i saker som skal behandles på generalforsamlinger i selskapet. Slike stemmer kan også avgis ved elektronisk kommunikasjon. Adgangen til å avgi forhåndsstemme er betinget av at det foreligger en betryggende metode for

6. BOARD

The company shall have a board of directors comprised of 1 to 8 members.

7. ANNUAL GENERAL MEETING

The annual general meeting shall be held every year within six months after the end of each financial year. Notice of the general meeting shall be sent no later than one week before the meeting is to be held. The notice shall state the matters to be considered at the meeting. Proposals to amend the articles of association shall be reproduced verbatim in the notice. The shareholders may be represented at the general meeting by proxy with a written power of attorney.

At the annual general meeting, the following matters shall be considered and decided:

- Approval of the annual accounts and the annual report, including the distribution of dividends.

- Other matters which according to the law or the articles of association shall be considered at the 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 that are required by law 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.

Shareholders may cast a written vote in advance in matters to be discussed at the general meetings of the company. Such votes may also be cast through electronic communication. The access to cast votes in advance is subject to the presence of a safe

autentisering av avsender. Styret avgjør om det foreligger en slik metode i forkant av den enkelte generalforsamling. Styret kan fastsette nærmere retningslinjer for skriftlige forhåndsstemmer. Det skal fremgå av generalforsamlings-innkallingen om det er gitt adgang til forhåndsstemming og hvilke retningslinjer som eventuelt er fastsatt for slik stemmegivning.

method of authenticating the sender. The board of directors decides whether such a method exists before each individual general meeting. The board of directors may issue detailed guidelines for written votes in advance. The notice of a general meeting must state whether votes in advance are permitted and which guidelines, if any, that have been issued for such voting.

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To the General Meeting of Arctic Bioscience AS

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Arctic Bioscience AS showing a loss of NOK 22 584 636 in the financial statements of the parent company and loss of NOK 22 590 659 in the financial statements of the group. The financial statements comprise:

- The financial statements of the parent company Arctic Bioscience AS (the Company), which comprise the balance sheet as at 31 December 2020, the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- The consolidated financial statements of Arctic Bioscience AS and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2020, the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion:

- The financial statements are prepared in accordance with the law and regulations.
- The accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2020, and its financial performance for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.
- The accompanying consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2020, and its financial performance for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for Opinion

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

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

The Board of Directors and the Managing Director (Management) are responsible for the preparation in accordance with law and regulations, including a true and fair view of the financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable

the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

Report on Other Legal and Regulatory Requirements

Opinion on Registration and Documentation

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

Ålesund, 1 February 2021
Contabile AS

Oddvar Sandnes
State Authorised Public Accountant

Note: This translation from Norwegian has been prepared for information purposes only.

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AB AS Consolidated 2020 Annual Report 01.02.2021 - English.pdf

Signers:

Name	*Method*	*Date*
Nordal, Harald	BANKID_MOBILE	2021-02-02 15:27 GMT+1
Per-Magne Eggesbø	BANKID_MOBILE	2021-02-02 15:31 GMT+1
Vartdal, Jan Endre	BANKID_MOBILE	2021-02-02 15:55 GMT+1
Solevågseide, Asbjørn	BANKID_MOBILE	2021-02-02 21:47 GMT+1
Dalland, Jostein Christian	BANKID_MOBILE	2021-02-02 23:22 GMT+1
Eiksund, Ole Arne	BANKID_MOBILE	2021-02-03 08:05 GMT+1
Tønseth, Tore Andreas	BANKID	2021-02-03 13:50 GMT+1

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Consolidated accounts 2020
Arctic Bioscience AS

Org.nr.: 996 638 812

Income statement

Arctic Bioscience AS

Operating income and operating expenses	Note	2020	2019
Revenue		20 496 969	30 038 999
Other operating income		96 116	93 276
Total operating income		**20 593 085**	**30 132 275**
Cost of materials	7	21 356 916	19 787 214
Variation in stocks of work in progress and produced goods		-6 174 919	-1 981 894
Personnel expenses	1, 11	10 764 185	5 565 058
Depreciation of operating and intangible assets	5, 6	1 191 952	1 079 883
Other operating expenses	1	15 129 675	8 765 507
Total operating expenses		**42 267 809**	**33 215 767**
Operating profit		**-21 674 724**	**-3 083 492**
Financial income and expenses			
Other interest income		18 386	47 753
Other financial income		1 185 597	263 172
Other interest expenses		509 630	469 168
Other financial expenses		1 610 289	748 182
Net financial items		**-915 935**	**-906 425**
Operating result before tax		-22 590 659	-3 989 916
Ordinary result after tax		**-22 590 659**	**-3 989 916**
Annual net profit	**8**	**-22 590 659**	**-3 989 916**
Brought forward			
From other equity		22 590 659	3 989 916
Net brought forward		**-22 590 659**	**-3 989 916**

Balance sheet

Arctic Bioscience AS

Assets	Note	2020	2019
Fixed assets			
Intangible assets			
Research and development	3, 5, 12	31 902 631	23 286 762
Concessions, patents, licences and trademarks	5, 12	2 304 458	1 897 266
Total intangible assets		**34 207 089**	**25 184 029**
Tangible assets			
Buildings and land	6, 12	4 431 175	2 979 718
Equipment and other movables	6, 12	1 931 080	165 259
Total tangible assets		**6 362 255**	**3 144 977**
Total fixed assets		**40 569 344**	**28 329 006**
Current assets			
Inventories	7, 12	26 246 067	17 464 930
Debtors			
Accounts receivables	2, 12, 14	11 007 081	11 705 077
Other short-term receivables	2	2 777 135	977 678
Total receivables		**13 784 216**	**12 682 756**
Investments			
Cash and bank deposits	10	12 600 108	23 992 564
Total current assets		**52 630 391**	**54 140 249**
Total assets		**93 199 735**	**82 469 255**

Balance sheet

Arctic Bioscience AS

Equity and liabilities	Note	2020	2019
Paid-up equity			
Share capital	9	1 289 568	1 289 568
Share premium reserve		40 011 855	62 608 083
Unregistered capital increase	8	22 637 784	0
Total paid-up equity		**63 939 207**	**63 897 651**
Total equity	**8**	**63 939 207**	**63 897 651**
Liabilities			
Other long-term liabilities			
Liabilities to financial institutions	2, 12	6 575 584	7 158 517
Total of other long term liabilities		**6 575 584**	**7 158 517**
Current debt			
Liabilities to financial institutions	12	1 879 863	0
Trade creditors		9 930 944	6 466 354
Public duties payable		1 733 092	975 772
Other current debt	13	9 141 045	3 970 960
Total current debt		**22 684 945**	**11 413 086**
Total liabilities		**29 260 528**	**18 571 603**
Total equity and liabilities		**93 199 735**	**82 469 255**

Hovdebygda, 01.02.2021
The board of Arctic Bioscience AS

Harald Nordal chairman of the board	Jan Endre Vartdal member of the board	Per Magne Eggesbø member of the board
Asbjørn Solevågseide member of the board	Jostein Christian Dalland member of the board	Ole Arne Eiksund CEO

Tore Andreas Frøysa Tønseth
member of the board

Accounting principles

The financial statements are set up in accordance with the Accounting Act and NRS 8 - Good accounting practice for small enterprises.

Currency
Monetary items in foreign currency are valued in accordance with the exchange rate at the end of the financial year. The company does not hedge sales in foreign currency.

Sales revenue
Revenue from the sale of goods and services is valued at the fair value of the consideration, net after deduction of VAT, returns, discounts and other discounts. Revenue recognition from the sale of goods takes place at the time of delivery. Services are recognized as income as they are performed.

Tax
The tax expense in the income statement includes both the tax payable for the period and the change in deferred tax. Deferred tax is calculated at 22% on the basis of the temporary differences that exist between accounting and tax values, as well as tax losses carried forward at the end of the financial year. Tax-increasing and tax-reducing temporary differences that reverse or can be reversed in the same period are offset and netted. According to the exemption rules for small enterprises, no deferred tax asset is recognized in the balance sheet.

Classification and assessment of balance sheet items
Assets intended for permanent ownership or use are classified as fixed assets. Assets related to the product cycle are classified as current assets. Receivables are classified as current assets if they are to be repaid within one year. For debt, analogous criteria are used. First-year installments on long-term receivables and long-term debt are nevertheless not classified as current assets and short-term debt.

Intangible assets
The company capitalizes development costs if it is considered probable that these will give the company a future positive cash flow. If there are indicators of impairment, impairment tests are performed. Capitalized development costs are depreciated over their expected useful lives.

Fixed assets
Plots are not depreciated. Property, plant and equipment are capitalized and depreciated on a straight-line basis over the expected useful lives of the fixed assets if they have an estimated useful life of more than 3 years and have a cost price exceeding NOK 15,000. Maintenance of fixed assets is expensed on an ongoing basis. Expenses or improvements are added to the fixed asset's cost price and depreciated in line with the fixed asset. The difference between maintenance and cost / improvement is calculated in relation to the condition of the fixed asset when purchasing the fixed asset. Expenses for renting fixed assets are expensed.

Prepayments are capitalized as prepaid expenses and are distributed over the rental period.

Impairment of fixed assets
If there is an indication that the book value of a fixed asset is higher than the fair value, a test for impairment is performed. The test is performed for the lowest level of fixed assets that have independent cash flows. If the book value is higher than both sales value and value in use (present value for continued use / ownership), a write-down is made to the higher of sales value and value in use.

Previous write-downs, with the exception of write-downs of goodwill, are reversed if the conditions for the write-down are no longer present.

Shares in subsidiaries
Subsidiaries are companies over which the parent company has control, and thus a decisive influence on the unit's financial and operational strategy, normally by owning more than half of the voting capital.

The following companies are included in the group 31.12: Romega AS 100% and Arctic Biopharma AS 100%

Consolidation principles
Subsidiaries are consolidated from the time control is transferred to the group (acquisition date).

In the consolidated financial statements, the item shares in subsidiaries is replaced by the subsidiary's assets and liabilities. The consolidated financial statements are prepared as if the group were one financial unit. Transactions, unrealized profits and balances between the companies in the group are eliminated.

Goods
Inventories of purchased goods are valued at the lower of acquisition cost and net sales value. Work in progress and finished goods are valued at the lower of variable manufacturing cost and net sales value.

Receivables
Accounts receivable and other receivables are entered at face value after deduction of provisions for expected losses. Provisions for losses are made on the basis of an individual assessment of the individual receivables.

Note 1 Labour costs, number of employees, remuneration, loans to employees etc.

Labour costs	**2020**	**2019**
Salaries	7 447 383	3 809 923
Employer's national insurance contributions	2 291 111	1 223 517
Pension costs	0	555 322
Other pay-related benefits	1 025 691	-23 705
Sum	**10 764 185**	**5 565 058**
Employed man-years	13	8

Benefits for leading people	**Managing Director**	**Board**
Salary/board fee	2 026 527	540 000
Pension expenses	0	0
Other remuneration	1 510	0
Sum	**2 028 037**	**540 000**

At the end of 2020, the CEO has earned a bonus of NOK 375,000. Provisions have been made for an obligation.

In 2020, 5,559,884 have been capitalized in wage costs related to research and development. The amount has been reduced to salaries as above. The corresponding activation in 2019 was 4,331,678.

In addition to its own employees, the company has hired consultants corresponding to 7 positions.

No loan / security has been granted to the CEO, the chairman of the board or other related parties.

Expensed remuneration to auditor	**2020**	**2019**
Revision	107 500	59 400
Assistance annual accounts and tax papers	30 700	20 300
Various consultations and other assistance	20 500	9 300
Control actions public support	10 500	20 750
Control actions capital increases	5 500	6 000
Sum	**174 700**	**115 750**

Option agreements

There are the following option agreements with key employees:

Ole Arne Eiksund (CEO): 15,236

Hogne Hallaråker (CSO): 3.003

Per Christian Sæbø (COO): 5,739

Daniele Mancinelli (CTO): 10,157

Runhild Gammelsæter(Global Medical Director): 10,157

KAD Group AS (CFO): 10,157

Global Nutrios Consulting LLC (EVP Business development): 10,000

Lauren Jensen (SVP Sales & Marketing) 4.000

North Star Ingredients Inc. (US Sales Consultant): 3,750

The purpose of options is to stimulate key people to contribute to a healthy and long-term value creation in Arctic Bioscience AS and otherwise contribute to creating value for shareholders based on the company's results, strategic development and reputation.

In addition, 27,127 options have been issued to non-employees.

Option agreements entered into for employees presuppose resolutions at the General Meeting. In the event that a positive decision is not made, the company is obliged to pay the above-mentioned key persons cash consideration.

The CEO has a bonus agreement related to successful registration on Euronext Growth which is linked to an option agreement and is to be used to exercise the option program. This presupposes listing by the end of Q3. Furthermore, the CEO has a Stay-On bonus for being in the position until the end of Q1 2022.

Bonus agreements have also been established for several of the company's senior employees.

Note 2 Receivables and liabilities

	2020	2019
Receivables due later than one year	0	0
Long-term liabilities due later than 5 years	1 010 998	1 750 000

The company's accounts receivable have different credit terms within certain segments.

Note 3 Public grants

The company has several ongoing research and development projects (R&D), which are supported with various public grants. In 2019, the company received a commitment of NOK 14 million in grants from Innovation Norway in connection with the production of the clinical material (GMP production). In 2020, the company has been granted a grant of NOK 12.5 million related to the design of the production unit. In the future, the company will be active in applying for grants from both Norwegian and international organizations.

In 2020, the company recognized other public support as income, NOK 2,800,000 and the SkatteFUNN scheme with, NOK 298,989. The amounts have been entered in their entirety as a reduction of capitalized costs related to the projects. The company uses net recognition of public subsidies.

Note 4 Tax

Calculation of deferred tax/deferred tax assets:

Temporary differences:

	2020	2019	Change
Property, plant and equipment	-4 518 360	-4 544 223	-25 862
Inventory of goods	-333 361	0	333 361
Receivables	-40 191	-40 191	0
Net temporary differences	-4 891 912	-4 584 414	307 499
Accumulated carry-on deficit	-65 345 790	-42 827 282	22 518 508
Basis for calculation of deferred tax	**-70 237 703**	**-47 411 696**	**22 826 007**
Deferred tax assets (22%)	-15 452 295	-10 430 573	5 021 721
Of which, deferred tax assets are not recognised in the balance sheet	15 452 295	10 430 573	-5 021 722
Deferred tax on the balance sheet	**0**	**0**	**0**

Basis for tax expense, change in deferred tax and tax payable

Taxable income:	2020	2019
Profit before tax	-22 590 659	-3 989 916
Permanent differences	-235 347	-622 399
Change in temporary differences	307 499	-164 077
Taxable income	**-22 518 508**	**-4 776 392**

Tax payable:	2020	2019
Tax payable on profit for the year	0	0
Tax payable on the balance sheet	**0**	**0**

This year's tax expense:	2020	2019
Tax payable on profit for the year	0	0
Too much, little allocated in previous years	0	0
Total tax payable	0	0
Change in deferred tax assets	0	0
This year's tax expense	**0**	**0**

Reconciliation of this year's tax charge: Pre-tax profit	-22 590 659	-3 989 916
Calculated tax on pre-tax profit	-4 969 945	-877 782
Tax expense in the income statement	0	0
Difference	4 969 945	877 782
Tax effect of permanent differences	-51 776	-136 928
Other differences	5 021 721	1 014 710
Total explained difference	4 969 945	877 782

Note 5 Intangible assets

	R&D purchased	R&D developed	Patents	Sum
Acquisition cost 01.01.2020	500 000	25 140 394	2 362 163	28 002 557
Access	0	9 532 607	457 988	9 990 595
Departure	0	0	0	0
Acquisition cost 31.12.2020	500 000	34 673 001	2 820 151	37 993 152
Accumulated depreciation	500 000	2 770 370	515 693	3 786 063
Book value as of 31.12.2020	**0**	**31 902 631**	**2 304 458**	**34 207 089**
Write-offs of the year	0	916 739	50 796	967 535
Expected financial life	8y	7-20y	5-20y	
Depreciation plan	Linear	Linear	Linear	

In 2020, the company has carried out various research and development activities. The projects are mainly related to the production process, product development and development of drugs for psoriasis. Several of the projects have been granted various public grants.

The company capitalizes development costs as these are considered to form the basis for future earnings.

Book values related to R&D and patents are always fraught with risk. Should the company not achieve its objectives related to the sale and commercialization of various products, this could lead to write-downs in the accounts. The board is of the opinion that there are no indicators of the obligation to write down at the present time, despite reduced turnover in 2020.

Note 6 Property, plant & equipment

	Buildings and Plots	Operating equipment and machines	Total
Acquisition cost 01.01.2020	3 870 792	910 741	4 781 533
Access	1 592 153	1 849 542	3 441 695
Departure	0	0	0
Acquisition cost 31.12.2020	5 462 945	2 760 283	8 223 228
Accumulated depreciation	-1 031 770	-829 203	-1 860 973
Book value 31.12.2020	**4 431 175**	**1 931 080**	**6 362 255**
Depreciation of the year	140 696	83 721	224 417
Expected economic life	2% building and 10% technical Facilities	6 years	
Depreciation plan	Linear	Linear	

In 2020, the company started a preliminary project related to the construction of a production unit. 1,592,153 have been activated under buildings and plots associated with this project.

Note 7 Goods

	2020	2019
Raw materials	12 067 065	9 127 486
Goods under production	6 005 002	2 798 757
Self-produced finished goods	8 174 000	5 538 687
Sum	**26 246 067**	**17 464 930**

	2020	2019
Inventory carried at acquisition cost	26 579 428	17 464 930
Provision for obsolescence	-333 361	0
Sum	**26 246 067**	**17 464 930**

The company buys the necessary raw materials and sends these to its contract manufacturer abroad for processing. The company's agreement with the contract manufacturer gives the company the opportunity to settle only when the end customer receives the item. Consequently, a provision is made for accrued costs related to the processed warehouse at the end of the year. The agreed production cost is added to the value of work in progress and finished goods. When pricing stock, the daily price on the production date is used as a basis. Liabilities are adjusted for the exchange rate at the end of the year. The obligation to the contract producer at the end of the financial year amounts to NOK 6,684,498. The difference between cost price and production and converted liability is recognized as a currency loss / gain.

Tests carried out on the company's products show good durability and the board considers that there is no risk of reduced quality due to storage time. A small provision has been made for obsolescence related to goods that are considered to have a lower value than cost price.

Note 8 Equity

	Share capital	Premium	Other deposits Equity	Other Equity	Sum Equity
Equity 01.01.2020	1 289 568	62 608 083	0	0	63 897 651
Profit for the year	0	-22 590 659	0	0	-22 590 659
Cost foundation	0	-5 569	0	0	-5 569
Not registered capital increase	0	0	22 637 784	0	22 637 784
Equity at 31.12.2020	**1 289 568**	**40 011 855**	**22 637 784**	**0**	**63 939 207**

Approved non-registered capital increase was registered in Brønnøysund on 07.01.2021. Shares subscribed for in this issue are first registered in VPS upon registration in the Register of Business Enterprises.

The company has completed a capital increase on 27.01.2021 by NOK 18,618,507. 66,733 shares have been subscribed for. The issue has been paid for.

Note 9 Shareholders

The share capital in Arctic Bioscience AS as of 31.12 consists of:

	Quantity	Par	Posted
Ordinary shares	1 387 861	1,0	1 387 861
Sum	**1 387 861**		**1 387 861**

Ownership structure

The largest shareholders in % as at 31.12 were:

	Ordinary	Stake	Vote share
Pir IV Invest AS	218 825	15,8	15,8
Capra Invest AS	154 445	11,1	11,1
Møre Og Romsdal Såkornfond AS	131 396	9,5	9,5
Hawk Invest AS	114 545	8,3	8,3
Ronja Capital II AS	95 831	6,9	6,9
Vartdal Holding AS	89 177	6,4	6,4
Total >5% interest	**804 219**	**57,9**	**57,9**
Total other	583 642	42,1	42,1
Total number of shares	**1 387 861**	**100,0**	**100,0**

Shares and options owned by members of the Board of Directors and CEO:

Name	Role	Ordinary
Ole Arne Eiksund	CEO	5 027
Total number of shares		**5 027**

The CEO has an option to subscribe for 15,236 shares. See note 1 for discussion. The chairman of the board owns shares in the company through the companies Capra Invest AS and Life Capitol AS. Board member Per Magne Eggesbø owns shares in the company through Eggesbø Eiendom AS and Eros AS. Board member Jan Endre Vartdal owns shares through Vartdal Holding AS and Brødrene Vartdal AS. Board member Asbjørn Solevågseide owns shares through Pir Invest IV AS. Unregistered capital increase is included in the list of shareholders on 31 December 2020. 98,293 shares have been issued in this capital increase.

Note 10 Restricted funds

	2020	2019
Of which restricted bank deposits	1 173 440	579 463

Note 11 Pensions

Arctic Bioscience AS has a group pension insurance that covers all of the company's employees. The scheme is a defined contribution scheme. This year's pension premium, adjusted for any contributions to or deductions from the defined contribution fund, is accounted for as a pension expense. Premium paid in 2020 amounts to NOK 835,513.

Note 12 Mortgages and guarantees etc.

Liabilities secured by collateral etc.	**2020**	**2019**
Liabilities to credit institutions	8 455 447	7 158 517
Other long-term liabilities	0	0
Sum	**8 455 447**	**7 158 517**
Carrying amount of assets pledged for own debt		
Land for sale, buildings	4 431 175	2 979 718
Items	26 579 428	17 464 930
Operating accessories	1 931 080	165 259
Accounts receivable	11 007 081	11 611 607
Intangible assets	34 207 089	25 184 029
Sum	**78 155 853**	**57 405 543**

Note 13 Other short-term debt

	2020	**2019**
Holiday pay owed	1 260 306	805 974
Accruing of accrued production cost	6 684 498	2 797 140
Accrued wages	375 000	0
Provision for accrued costs	821 241	359 277
Sum	**9 141 045**	**3 962 391**

Note 14 Accounts receivable

	2020	**2019**
Accounts receivable at face value	11 047 272	11 745 268
Provision for losses	40 191	40 191
Carrying amount of accounts receivable 31.12	**11 007 081**	**11 705 077**

The company has a long credit period for significant parts of the customer portfolio. Of accounts receivable in the balance sheet, NOK 6.986,826 is overdue. The company has regular and stable customers and the board is of the opinion that overdue claims do not represent a risk of loss in excess of what has been allocated in the accounts by NOK 40,000. For all significant receivables, there is a good dialogue with the customer about payment.

After the balance sheet date, a dialogue was initiated with the customer about opportunities to repurchase parts of the sold inventory in connection with the customer's strategic reorganization. This relationship has not been clarified and will represent a possible repurchase that will be settled by offsetting the outstanding so that the trade receivable is not settled in cash. When submitting the annual settlement, it has not been clarified whether such an agreement may be entered into or on what conditions. Outstanding receivables from this customer amount to NOK 3,529,425 as of 31.12.2020

Note 15 Continued operation

Arctic Bioscience AS has met several important milestones in 2020, but the effect of the Corona pandemic has also led to challenges in marketing and sales.

Arctic Bioscience AS received positive feedback on requests for scientific advice from European Medicines Agency, EMA, on the group's plan for the development of the drug candidate HRO350 for treatment of mild and moderate psoriasis. The results of the Haukeland study have been published in two international publications and the group's assessment of the market potential has been verified by the consulting company IQVIA Inc.

Through 2020, plans and necessary funding for the implementation of the HRO350 development were detailed and the board considers it realistic to assume that funding can be secured during 2021. The development of the necessary GMP process to produce HRO 350 has developed according to plan and this will also contribute to increased margins for dietary supplement products under the brand name Romega in the long run.

Existing shareholders and strategic partner Kotler Marketing Group, China, participated in a share issue during 2020.

Revenue from the sale of Romega has been lower in 2020 compared to 2019 and also below budget. International sales in particular were affected by the Corona pandemic. Arctic Bioscience AS has in 2020 invested in the building of a sales & marketing organization for the nutraceutical product Romega. Launch was affected by the Corona pandemic, but the board considers that a foundation has been laid for future growth. The cost of this initiative is reflected in the 2020 increase in staff costs and expenditure.

The group is preparing a fundraising to primarily finance the development of HRO350 and plans to apply for listing of Arctic Bioscience AS shares at Euronext Growth, Oslo during 2021. Some costs associated with this work are included in the accounts for 2020.

In the Board's opinion, the company is well positioned for further operations and growth.

Til generalforsamlingen i Arctic Nutrition AS

Uavhengig revisors beretning

Uttalelse om revisjonen av årsregnskapet

Konklusjon

Vi har revidert Arctic Nutrition AS' årsregnskap som viser et underskudd på kr 3 989 916. Årsregnskapet består av balanse per 31. desember 2019, resultatregnskap for regnskapsåret avsluttet per denne datoen og noter 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 2019, 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 og daglig leders ansvar for årsregnskapet

Styret og daglig leder (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.

For videre beskrivelse av revisors oppgaver og plikter vises det til:
https://revisorforeningen.no/revisjonsberetninger

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.

Ålesund, 25. februar 2020
Contabile AS

Oddvar Sandnes
Statsautorisert revisor

Årsregnskap 2019
Arctic Nutrition AS

Org.nr.: 996 638 812

Resultatregnskap

Arctic Nutrition AS

Driftsinntekter og driftskostnader	Note	2019	2018
Salgsinntekt		30 038 999	24 849 066
Annen driftsinntekt		93 276	84 756
Sum driftsinntekter		**30 132 275**	**24 933 822**
Varekostnad	7	19 787 214	16 200 336
End. beh. varer u.tilv. og ferdigvarer		-1 981 894	-302 905
Lønnskostnad	1, 11	5 565 058	6 177 361
Avskrivning av driftsmidler og immaterielle eiendeler	5, 6	1 079 883	526 524
Annen driftskostnad	1	8 765 507	3 482 256
Sum driftskostnader		**33 215 767**	**26 083 573**
Driftsresultat		**-3 083 492**	**-1 149 750**
Finansinntekter og finanskostnader			
Annen renteinntekt		47 753	9 253
Annen finansinntekt		263 172	201 254
Annen rentekostnad		469 168	519 594
Annen finanskostnad		748 182	251 109
Resultat av finansposter		**-906 425**	**-560 196**
Ordinært resultat før skattekostnad		-3 989 916	-1 709 946
Ordinært resultat		**-3 989 916**	**-1 709 946**
Årsresultat	9	**-3 989 916**	**-1 709 946**
Overføringer			
Overført fra overkurs		3 989 916	1 709 946
Sum overføringer		**-3 989 916**	**-1 709 946**

Balanse

Arctic Nutrition AS

Eiendeler	Note	2019	2018
Anleggsmidler			
Immaterielle eiendeler			
Forskning og utvikling	4, 5, 12	23 286 762	16 233 009
Konsesjoner, patenter o.l.	5, 12	1 897 266	1 908 854
Sum immaterielle eiendeler		**25 184 029**	**18 141 863**
Varige driftsmidler			
Tomter, bygninger o.a. fast eiendom	6, 12	2 979 718	2 967 256
Driftsløsøre, inventar o.a. utstyr	6, 12	165 259	247 890
Sum varige driftsmidler		**3 144 977**	**3 215 146**
Finansielle anleggsmidler			
Investeringer i datterselskap	13	30 000	0
Sum finansielle anleggsmidler		**30 000**	**0**
Sum anleggsmidler		**28 359 006**	**21 357 009**
Omløpsmidler			
Lager av varer og annen beholdning	7, 12	17 464 930	15 938 982
Fordringer			
Kundefordringer	3, 12	11 705 077	6 012 088
Andre kortsiktige fordringer	3	977 678	1 285 048
Sum fordringer		**12 682 756**	**7 297 136**
Investeringer			
Bankinnskudd, kontanter o.l.	10	23 962 561	811 542
Sum omløpsmidler		**54 110 246**	**24 047 660**
Sum eiendeler		**82 469 252**	**45 404 669**

Balanse

Arctic Nutrition AS

Egenkapital og gjeld	Note	2019	2018
Innskutt egenkapital			
Aksjekapital	8	1 289 568	1 066 523
Overkurs		62 616 650	20 819 889
Sum innskutt egenkapital		**63 906 218**	**21 886 412**
Sum egenkapital	**9**	**63 906 218**	**21 886 412**
Gjeld			
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	3, 12	7 158 517	8 240 250
Sum annen langsiktig gjeld		**7 158 517**	**8 240 250**
Kortsiktig gjeld			
Gjeld til kredittinstitusjoner	12	0	3 822 676
Leverandørgjeld		6 466 354	5 856 977
Skyldig offentlige avgifter		975 772	1 038 408
Annen kortsiktig gjeld		3 962 390	4 559 945
Sum kortsiktig gjeld		**11 404 516**	**15 278 007**
Sum gjeld		**18 563 033**	**23 518 256**
Sum egenkapital og gjeld		**82 469 252**	**45 404 669**

Hovdebygda, 25.02.2020
Styret i Arctic Nutrition AS

Harald Nordal
styreleder

DocuSigned by:
73B778FC1FA8437...
Jan Brevig Remmereit
styremedlem

Jan Endre Vartdal
styremedlem

Per Magne Eggesbø
styremedlem

Frede Klinkby Uldbæk
styremedlem

Ole Arne Eiksund
daglig leder

DocuSigned by:
Asbjørn Solevågseide
AC8C0B49C26B4EE...
Asbjørn Solevågseide
styremedlem

Reidar Bjerkestrand
styremedlem

Regnskapsprinsipper

Årsregnskapet er satt opp i samsvar med regnskapsloven og NRS 8 - God regnskapsskikk for små foretak.

Valuta
Pengeposter i utenlandsk valuta vurderes iht. kursen ved regnskapsårets slutt.

Driftsinntekter
Inntektsføring ved salg av varer skjer på leveringstidspunktet. Tjenester inntektsføres etter hvert som de leveres.

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. Etter untaksreglene for små foretak balanseføres ikke utsatt skattefordel.

Klassifisering og vurdering av balanseposter
Eiendeler bestemt til varig eie eller bruk er klassifisert som anleggsmidler. Eiendeler som er knyttet til varekretsløpet er klassifisert som omløpsmidler. Fordringer klassifiseres som omløpsmidler hvis de skal tilbakebetales i løpet av ett år. For gjeld er analoge kriterier lagt til grunn. Første års avdrag på langsiktige fordringer og langsiktig gjeld klassifiseres likevel ikke som omløpsmiddel og kortsiktig gjeld.

Immaterielle eiendeler
Selskapet balanseører utviklingskostnader om det vurderes som sannsynlig at disse vil gi selskapet en fremtidig positiv kontantstrøm. Om det foreligger indikatorer på verdifall gjennomføres nedskrivningstester. Balanseførte utviklingskostnader avskrives over forventet levetid.

Varige driftsmidler
Tomter avskrives ikke. Varige driftsmidler balanseføres og avskrives lineært over driftsmidlenes forventede levetid dersom de har antatt levetid over 3 år og har en kostpris som overstiger kr 15 000. Vedlikehold av driftsmidler kostnadsføres løpende. Påkostninger eller forbedringer tillegges driftsmidlets kostpris og avskrives i takt med driftsmidlet. Skillet mellom vedlikehold og påkostning/forbedring regnes i forhold til driftsmidlets stand ved kjøp av driftsmidlet. Utgifter til leie av driftsmidler kostnadsføres. Forskuddsbetalinger balanseføres som forskuddsbetalt kostnad, og fordeles over leieperioden.

Aksjer i datterselskap
Investeringer i datterselskap er vurdert etter kostmetoden ettersom konsernet samlet ikke overstiger grensen for små foretak.

Varer
Varer er vurdert til det laveste av anskaffelseskost og netto salgsverdi. Anskaffelseskost for varer tilsvarer direkte kostnader.

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, antall ansatte, godtgjørelser, lån til ansatte m.v.

Lønnskostnader	**2019**	**2018**
Lønninger	3 809 923	4 637 449
Arbeidsgiveravgift	1 223 517	985 438
Pensjonskostnader	555 322	463 603
Andre lønnsrelaterte ytelser	-23 705	90 871
Sum	**5 565 058**	**6 177 361**

Sysselsatte årsverk	8	8

Ytelser til ledende personer	**Daglig leder**	**Styret**
Lønn/styrehonorar	1 367 655	365 000
Pensjonsutgifter	0	0
Annen godtgjørelse	4 396	0
Sum	**1 372 051**	**365 000**

Det er ikke gitt lån/sikkerhetsstillelse til daglig leder, styrets leder eller andre nærstående parter.

Kostnadsført godtgjørelse til revisor	**2019**	**2018**
Revisjon	59 400	64 950
Bistand årsregnskap og ligningspapirer	20 300	19 800
Diverse konsultasjoner og annen bistand	9 300	25 600
Kontrollhandlinger offentlig støtte	20 750	0
Kontrollhandlinger bekreftelser	6 000	0
Sum	**115 750**	**110 350**

Opsjonsavtaler

Det foreligger følgende opsjonsavtaler med sentrale medarbeidere:

Ole Arne Eiksund (CEO): 17.163 aksjer.

Hogne Hallaråker (CSO): 25.393 aksjer.

Per Christian Sæbø (COO): 10.157 aksjer.

Formålet med opsjonen er å stimulere til at nøkkelpersoner bidrar til en sunn og langsiktig verdiskaping i Arctic Nutrition AS og for øvrig bidrar til å skape verdier for aksjonærer basert på selskapets resultater, strategiske utvikling og omdømme.

Inngåtte opsjonsavtaler forutsetter vedtak i Generalforsamling. I det tilfelle positivt vedtak ikke fattes, plikter selskapet å betale ovennevnte nøkkelpersoner kontantvederlag.

Note 2 Skatt

Beregning av utsatt skatt/utsatt skattefordel:

Midlertidig forskjeller:	2019	2018	Endring
Varige driftsmidler	-4 544 223	-4 648 962	-104 740
Fordringer	-40 191	-99 528	-59 337
Netto midlertidig forskjeller	-4 584 414	-4 748 490	-164 077
Akkumulert fremførbart underskudd	-42 818 715	-38 341 312	4 477 403
Grunnlag for beregning av utsatt skatt	**-47 403 128**	**-43 089 803**	**4 313 326**
Utsatt skattefordel (22 %)	-10 428 688	-9 479 757	948 932
Herav ikke balanseført utsatt skattefordel	10 428 688	9 479 757	-948 932
Utsatt skatt i balansen	**0**	**0**	**0**

Grunnlag for skattekostnad, endring i utsatt skatt og betalbar skatt

Skattepliktig inntekt:	2019	2018
Resultat før skattekostnad	-3 989 916	-1 709 946
Permanente forskjeller	-323 409	-1 254 353
Endring i midlertidige forskjeller	-164 077	1 142 275
Skattepliktig inntekt	**-4 477 403**	**-1 822 024**

Betalbar skatt:	2019	2018
Betalbar skatt på årets resultat	0	0
Betalbar skatt i balansen	**0**	**0**

Årets skattekostnad:	2019	2018
Betalbar skatt på årets resultat	0	0
For mye, lite avsatt tidligere år	0	0
Sum betalbar skatt	0	0
Endring i utsatt skattefordel	0	0
Årets skattekostnad	**0**	**0**

Avstemming av årets skattekostnad:		
Resultat før skatt	-3 989 916	-1 709 946
Beregnet skatt av resultat før skatt	-877 782	-393 288
Skattekostnad i resultatregnskapet	0	0
Differanse	877 782	393 288
Skatteeffekt av permanente forskjeller	-71 150	-288 501
Andre forskjeller	948 932	681 789
Sum forklart differanse	877 782	393 288

Note 3 Fordringer og gjeld

	2019	2018
Fordringer med forfall senere enn ett år	0	0
Langsiktig gjeld med forfall senere enn 5 år	1 750 000	2 920 678

Selskapets kundefordringer har ulik kredittid innenfor enkelte segment.

Note 4 Offentlige tilskudd

Selskapet har flere pågående forsknings- og utviklingsprosjekt (FoU), som er støttet med ulike offentlig tilskudd. I 2019 er fikk vi blant annet tilsagn om NOK 14 mill. i tilskudd fra fra Innovasjon Norge i forbindelse med produksjon av det kliniske materiale (GMP produksjon). Selskapet vil i fremtiden være aktiv i å søke til tilskudd fra både norske og internasjonale organisasjoner.

Selskapet har i 2019 inntektsført annen offentlig støtte med, NOK 450 000 og SkatteFUNN-ordningen med, NOK 325 752. Beløpene er i sin helhet ført som reduksjon av aktiverte kostnader knyttet til prosjektene.

Note 5 Immaterielle eiendeler

	FoU kjøpt	FOU utviklet	Patenter	Sum
Anskaffelseskost 01.01.2019	500 000	17 113 361	2 337 322	19 950 683
Tilgang	0	8 027 033	24 841	8 051 874
Avgang	0	0	0	0
Anskaffelseskost 31.12.2019	500 000	25 140 394	2 362 163	28 002 557
Akkumulerte avskrivninger	500 000	1 853 632	464 897	2 818 529
Bokført verdi per 31.12.2019	**0**	**23 286 762**	**1 897 266**	**25 184 028**
Årets avskrivinger	57 300	915 978	36 429	1 009 707
Forventet økonomisk levetid	8 år	7-20 år	5-20 år	
Avskrivningsplan	Lineær	Lineær	Lineær	

Selskapet har i 2019 gjennomført ulike forsknings- og utviklingsaktiviteter. Prosjektene er hovedsakelig relatert produksjonsprosess, produktutvikling og legemiddel. Flere av prosjektene er innvilget ulike offentlig tilskudd.

Selskapet balanseører utviklingskostnader ettersom disse er vurdert å danne grunnlag for fremtidig inntjening.

Balanseførte verdier knyttet til FoU og patenter er alltid beheftet med risiko. Skulle selskapet ikke nå sine målsetninger relatert til salg og kommersialisering av ulike produktet vil dette kunne medføre nedskrivinger i regnskapet. Styret er av den oppfatning at det ikke foreligger indikatorer på nedskrivingsplikt på nåværende tidspunkt. Denne vurderingen står fast tross enkelte forsinkelser med henhold til utvikling og kommersialisering.

Note 6 Varige driftsmidler

	Bygninger og tomter	Driftsløsøre	Totalt
Anskaffelseskost 01.01.2019	3 870 792	910 741	4 781 533
Tilgang	0	0	0
Avgang	0	0	0
Anskaffelseskost 31.12.2019	3 870 792	910 741	4 781 533
Akkumulerte avskrivninger	-891 074	-745 482	-1 636 556
Bokført verdi 31.12.2019	**2 979 718**	**165 259**	**3 144 977**
Årets avskrivninger	-12 462	82 631	70 169
Forventet økonomisk levetid	2% bygning og 10% teknisk anlegg	6 år	
Avskrivningsplan	Lineær	Lineær	

Det er gjennomført en mindre korreksjon i avskrivningsplan bygninger i 2019

Note 7 Varer

	2019	2018
Råvarer	9 127 486	9 583 432
Varer under tilvirkning	2 798 757	990 371
Egentilvirkede ferdigvarer	5 538 687	5 365 179
Sum	**17 464 930**	**15 938 982**

	2019	2018
Varebeholdning vurdert til anskaffelseskost	17 464 930	15 938 982
Varebeholdning vurdert til virkelig verdi	0	0
Sum	**17 464 930**	**15 938 982**

Selskapet kjøper inn nødvendige råvarer og sender disse til sin kontraktsprodusent i utlandet for bearbeiding. Selskapets avtale med kontraktsprodusenten gir selskapet mulighet for først å gjøre opp når sluttkunde mottar varen. Det settes følgelig av for påløpt kostnad relatert til bearbeidet lager ved utgangen av året. Avtalt produksjonskostnad legges til verdien av varer i arbeid og ferdigvarer. Ved prising av lager legges dagskurs på produksjonsdato til grunn. Forpliktelser er kursjustert til valutakurs ved utgangen av året. Forpliktelse til kontraktsprodusent utgjør ved utgangen av regnskapsåret NOK 2.797.140. Differanse mellom kostpris og produksjon og omregnet forpliktelse føres som valutatap/-gevinst.

Gjennomførte tester av selskapets varer viser god holdbarhet og styret vurderer at det ikke foreligger risiko for redusert kvalitet på grunn av lagringstid.

Note 8 Aksjonærer

Aksjekapitalen i Arctic Nutrition AS pr. 31.12 består av:

	Antall	Pålydende	Bokført
Ordinære aksjer	1 289 568	1,00	1 289 568
Sum	**1 289 568**		**1 289 568**

Eierstruktur

De største aksjonærene i % pr. 31.12 var:

	Ordinære	Eierandel	Stemmeandel
Pir Invest IV AS	192 941	15,0	15,0
Capra Invest AS	152 445	11,8	11,8
Møre Og Romsdal Såkornfond AS	131 396	10,2	10,2
Life Capitol AS	122 965	9,5	9,5
Hawk Invest AS	110 795	8,6	8,6
Vartdal Holding AS	83 800	6,5	6,5
Nye Brødrene Vartdal AS	62 797	4,9	4,9
Eggesbø Eiendom AS	52 024	4,0	4,0
Eros AS	52 024	4,0	4,0
Gold Coast Nutrition	45 000	3,5	3,5
Romsdalsfisk AS	43 479	3,4	3,4
Triplenine Vedde AS	34 000	2,6	2,6
Norholmen AS	21 528	1,7	1,7
Margentum AS	20 607	1,6	1,6
Høgenipa AS	18 504	1,4	1,4
Soltun Invest AS	14 600	1,1	1,1
Sydvestor AS	13 168	1,0	1,0
Sum >1% eierandel	**1 172 073**	**90,9**	**90,9**
Sum øvrige	117 495	9,1	9,1
Totalt antall aksjer	**1 289 568**	**100,0**	**100,0**

Aksjer og opsjoner eiet av medlemmer i styret og daglig leder:

Navn	Verv	Ordinære
Ole Arne Eiksund	daglig leder	5 027

Daglig leder har opsjon på å tegne 17 163 aksjer. Se note 1 for omtale.

Styreleder eier aksjer i Arctic Nutrition AS gjennom selskapene Capra Invest AS og Life Capitol AS. Styremedlem Jan Brevig Remmereit eier aksjer i selskapet gjennom Life Capitol AS. Styremedlem Per Magne Eggesbø eier aksjer i selskapet gjennom Eggesbø Eiendom AS og Eros AS. Styremedlem Jan Endre Vartdal eier aksjer gjennom Vartdal Holding AS og Brødrene Vartdal AS. Styremedlem Frede Klinkby Uldbæk eier aksjer gjennom Sydvestor AS. Styremedlem Asbjørn Solevågseide eier aksjer gjennom Pir Invest IV AS.

Note 9 Egenkapital

	Aksjekapital	Overkurs	Annen innskutt egenkapital	Annen egenkapital	Sum egenkapital
Egenkapital 01.01.2019	1 066 523	20 819 889	0	0	21 886 412
Årets resultat	0	-3 989 916	0	0	-3 989 916
Kapitalendring	223 045	45 786 678	0	0	46 009 723
Egenkapital 31.12.2019	**1 289 568**	**62 616 651**	**0**	**0**	**63 906 219**

Note 10 Bundne midler

	2019	2018
Herav bundne bankinnskudd	579 463	442 759

Note 11 Pensjoner

Arctic Nutrition AS har en kollektiv pensjonsforsikring som omfatter alle 8 ansatte. Ordningen er en innskuddsordning. Årets pensjonspremie, korrigert med eventuelle innbetalinger til eller trekk på innskuddsfondet, er regnskapsført som pensjonskostnad.

Note 12 Pantstillelser og garantier m.v.

Gjeld som er sikret ved pant o.l	**2019**	**2018**
Gjeld til kredittinstitusjoner	7 158 517	12 062 926
Øvrig langsiktig gjeld	0	0
Sum	**7 158 517**	**12 062 926**
Balanseført verdi av eiendeler pantsatt for egen gjeld		
Tomter, bygninger	2 979 718	2 967 256
Varer	17 464 930	15 938 982
Driftstilbehør	165 259	247 890
Kundefordringer	11 864 666	6 012 088
Immaterielle eiendeler	25 184 029	18 141 863
Sum	**57 658 602**	**43 308 079**

	Eier-/stemmeandel	Balanseført verdi	Resultat 2019	Egenkapital 31.12.2019
Arctic Biopharma AS	100%	30 000	0	30 000
Totalt	**0**	**30 000**	**0**	**30 000**

Note 14 Fortsatt drift

Arctic Nutrition AS' omsetningsvekst i 2019 var på 20,89 % sammenlignet med 2018 og forsterker den positive omsetningsutvikling som har vært i selskapet siden 2015. Selskapets salgsvekst har skjedd mot både nye og eksisterende kunder. Selskapet vil i 2020 bygge videre på de gode erfaringer oppnådd i 2018 og 2019.

Parallelt med høyt fokus på salg og marked, gjennomfører selskapet flere forsknings- og utviklingsprosjekt. I 2019 fortsatte fokuset på selskapets utvikling av legemiddel mot psoriasis. Resultatene vurderes som gode. Selskapet går følgelig videre med sine planer knyttet til legemiddelutviklingen.

I 2019 ble selskapet tilført ny kapital, gjennom emisjon. Selskapet står dermed godt rustet for videre forventet vekst. Selskapet vil søke ytterligere finansiering for utvikling av legemiddel.

De siste årene har selskapet hatt positiv utvikling og skapt et fundament for vekst. Følgelig er styret i oppfatning av at forutsetning for videre drift er tilstede.