

## PROSPECTUS



### POLIGHT ASA

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

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Subsequent Offering of up to 181,818 Offer Shares towards Eligible Shareholders

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Subscription Period: 3 June 2020 - 16 June 2020

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poLight ASA (the "**Company**" or "**poLight**"), and together with its consolidated subsidiaries, the "**Group**") completed a private placement (the "**Private Placement**") of 727,273 new Shares on 16 April 2020. The new Shares issued in the Private Placement represented less than 20% of the total issued Shares of the Company and was therefore exempt from the listing prospectus requirements. Following the Private Placement, the Company is offering up to 181,818 new Shares in the Company (the "**Offer Shares**"), each with a par value of NOK 0.20, at a subscription price of NOK 55 per Offer Share (the "**Subscription Price**") in a subsequent offering (the "**Subsequent Offering**") to Eligible Shareholders (as defined below). Holders of the Company's Shares as of 16 April 2020, as registered in the Norwegian Securities Depository (the "**VPS**") as of 20 April 2020 (the "**Record Date**") (the "**Existing Shareholders**"), except (i) shareholders who were allocated shares in the Private Placement, and (ii) shareholders who are resident in a jurisdiction where such offering would be unlawful or would require any filing, registration or similar action (other than publishing a prospectus in Norway) (the "**Eligible Shareholders**"), are, on the terms and conditions of this Prospectus being granted non-tradable subscription rights (the "**Subscription Rights**") that, subject to applicable law, provide rights to subscribe for and be allocated Offer Shares in the Subsequent Offering at the Subscription Price. Eligible Shareholders will be granted approximately 0.03786 Subscription Rights for each Share held as of the Record Date. The number of Subscription Rights granted to each Eligible Shareholder will give the right to subscribe for and be allocated one (1) Offer Share rounded down to the nearest whole share, subject to applicable securities laws. Over-subscription will be permitted, but there can be no assurance that Offer Shares will be allocated for such subscriptions. Subscription without Subscription Rights will not be permitted. The subscription period commences on 3 June 2020 and expires on 16 June 2020 at 16.30 CEST (the "**Subscription Period**"). Assuming due payment of the Offer Shares subscribed for and allocated in the Subsequent Offering, delivery of the Offer Shares in VPS is expected to take place on or about 24 June 2020.

**Subscription Rights that are not used to subscribe for Offer Shares before expiry of the Subscription Period will have no value and will lapse without compensation to the holder.**

The Company is not taking any action to permit a public offering of Subscription Rights of the Offer Shares in any jurisdiction outside Norway. The Offer Shares are being offered only in those jurisdictions in which, and only to those persons to whom, offers of the Offer Shares (pursuant to the exercise of Subscription Rights or otherwise) may lawfully be made. For more information regarding restrictions in relation to the Subsequent Offering pursuant to this Prospectus, please refer to Section 6 "Selling and Transfer Restrictions".

This Prospectus, has in compliance with the Norwegian Securities Trading Act section 7-8, been registered with the Norwegian Register of Business Enterprises for notoriety purposes, but has not been reviewed or approved by the Financial Supervisory Authority of Norway or any other public authority or stock exchange.

**Investing in the Company involves material risks and uncertainties. See Section 3.10 "Risk factors related to the Company and its business" and Section 4.15 "Risks related to the Shares and the Offer Shares".**

#### Managers



**ABG Sundal Collier**



**Arctic Securities**

The date of this Prospectus is 29 May 2020

## IMPORTANT INFORMATION

Please refer to Section 8 "Definitions and Glossary" for definitions of terms used throughout this Prospectus, which also apply to the preceding page.

This Prospectus and its appendices have been prepared by poLight in order to provide information about the Company, the Subsequent Offering and the Offer Shares (as defined below). This Prospectus, and the sequence of information in this Prospectus, has been prepared in accordance with the Securities Trading Regulation section 7-3, cf. the Securities Trading Act section 7-5. The Prospectus has been published in an English version only. This Prospectus has not been reviewed by any public authority or stock exchange.

The Company has engaged ABG Sundal Collier ASA ("**ABG Sundal Collier**") and Arctic Securities AS ("**Arctic**") as "**Managers**" for the Subsequent Offering.

The Company is solely responsible for the Prospectus and its contents. To the best knowledge of the Company, the information contained in this Prospectus is in all material respects in accordance with the facts as of the date hereof and contains no material omissions likely to affect its import. This Prospectus includes information obtained from third parties. Such information has been accurately reproduced and, as far as the Company is aware and able to ascertain from the information published by that third party, no facts have been omitted that would render the reproduced information to be inaccurate or misleading. This Prospectus does not intend to provide a complete description of the Company or the Group, but merely represents a summary of certain parts of its business and economic status. No representation or warranty (express or implied) is made as to, and no reliance should be placed on, any information, including projections, estimates, targets and opinions, contained herein, and no liability whatsoever is accepted as to any errors, omissions or misstatements contained herein, and, accordingly, neither the Company, their advisors, any of their parent or subsidiary undertakings or any such person's officers or employees accepts any liability whatsoever arising directly or indirectly from the use of this Prospectus. By receiving this Prospectus, you acknowledge that you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance of the Company's business.

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

An investment in the Company involves inherent risk, and several factors could cause the actual results, financial performance and results of the Company to be materially different from any future results, performance or achievements that may be expressed or implied by statements and information in this Prospectus, including, among others, risks or uncertainties associated with the Company's business, segments, development, growth management, financing, market acceptance and relations with customers, and, more generally, general economic and business conditions, changes in domestic and foreign laws and regulations, taxes, changes in competition and pricing environments, fluctuations in market development, limited liquidity in the shares, as well as other company specific risk factors. Please refer to Section 3.10 "Risk factors related to the Company and its business" and Section 4.15 "Risks related to the Shares and the Offer Shares" for a description of certain risk factors. These and other risks could lead to actual results or achievements varying materially from those described in this Prospectus. Potential investors should not base their decision to invest on the Prospectus solely but should independently study and consider relevant information. The value of the Offer Shares may be reduced as a result of these or other risk factors, and investors may lose part or all of their investments. An investment in the Company should only be made by investors able to sustain a total loss of their investment.

**In making an investment decision, prospective investors must rely on their own examination, and analysis of, and enquiry into the Group and the Shares (including the Offer Shares), including the merits and risks involved. The Company, the Managers and their representatives and advisors are not making any representation to any purchaser of the Shares regarding the legality of an investment in the Shares by such purchaser under the laws applicable to such purchaser. Each investor should consult with his or her own advisors as to the legal, tax, business, financial and related aspects of a purchase of the Shares.**

This Prospectus contains certain forward-looking statements relating to the business, financial performance and results of the Company, the industry in which it operates and/ or the market in general. Forward-looking statements include all statements that are not historical facts, and may be identified by words such as "anticipate", "believe", "estimate", "expect", "seek to", "may", "plan", "project", "should", "will" or "may" or the negatives of these terms or similar expressions. The forward-looking statements contained in this Prospectus, including assumptions, opinions and views of the Company or cited from third party sources are solely opinions and forecasts which are subject to risks, uncertainties and other factors that may cause actual events to differ materially from any anticipated development. None of the Company or their advisors or representatives or any of their parent or subsidiary undertakings or any such person's officers or employees provides any assurance that the assumptions underlying such forward-looking statements are free from errors nor does any of them accept any responsibility for the future accuracy of the opinions expressed in this Prospectus or the actual occurrence of the forecasted developments.

**The distribution of this Prospectus in certain jurisdictions may be restricted by law. This Prospectus does not constitute an offer of, or an invitation to purchase or subscribe, any of the Shares in any jurisdiction, including in any jurisdiction in which such offer or sale would be unlawful. Neither this Prospectus nor any advertisement or any other offering material may be distributed or published in any jurisdiction except under circumstances that will result in compliance with applicable laws and regulations. Persons in possession of this Prospectus are required to inform themselves about and to observe any such restrictions. In addition, the Shares are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under applicable securities laws and regulations. Investors should be aware that they may be required to bear the financial risks of an investment in the Shares for an indefinite period of time. Any failure to comply with these restrictions may constitute a violation of applicable securities laws. See Section 6 "Selling and Transfer Restrictions".**

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

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## 1 STATEMENT OF RESPONSIBILITY

This Prospectus has been prepared by poLight ASA in connection with the Subsequent Offering.

The board of directors of the Company (the "**Board**") confirms that, after having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus, is to the best of their knowledge, in accordance with the facts and contains no omission likely to affect its import.

29 May 2020

The Board of poLight ASA

Eivind Bergsmyr  
*Chairman*

Ann-Tove Kongsnes  
*Deputy chair*

Grethe Viksaas  
*Director*

Juha Alakarhu  
*Director*

Svenn-Tore Larsen  
*Director*

## 2 INFORMATION ABOUT THE ISSUER

### 2.1 Name and corporate information

The name of the Company is poLight ASA. The Company is a public limited liability company incorporated under the laws of Norway and registered with the Norwegian Register of Business Enterprises with registration number 988 862 703.

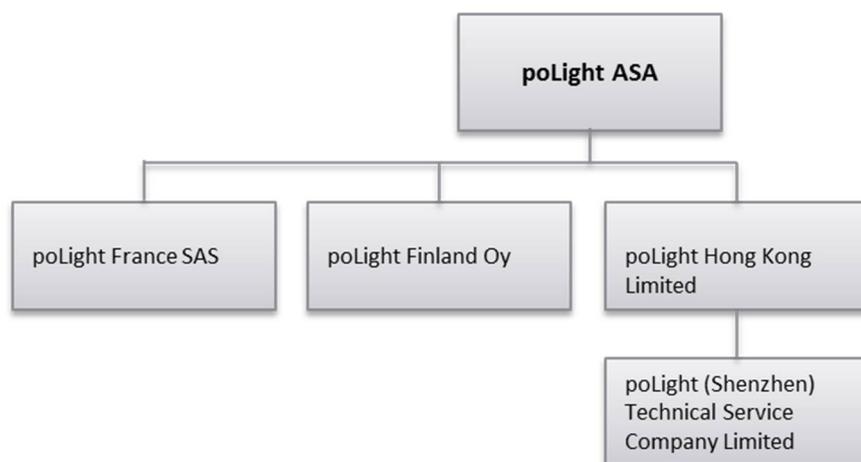
The registered business address of the Company is Kongeveien 77, 3188 Horten, Norway, and the postal address of the Company is Postboks 163, 3192 Horten, Norway. The Company's main telephone number at that address is +47 33 07 12 60. The Company's website can be found at [www.polight.com](http://www.polight.com). The content of [www.polight.com](http://www.polight.com) is not incorporated by reference into or otherwise forms part of this Prospectus.

The LEI code of the Company is 2138007ZPDNUIHX6Z659. The Shares of the Company are registered in the VPS under ISIN NO 0010341712.

The Company's Shares are listed at the main market of the Oslo Stock Exchange ("**Oslo Børs**"), with ticker "PLT".

poLight ASA is both an operational and a holding company and is the parent company of the Group.

The Group consists of poLight ASA and 4 subsidiaries. The following chart sets out the Group's legal structure as of the date of this Prospectus:



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

Company name	Country of incorporation	Field of activity	% holding	% of votes
poLight France SAS	France	R&D	100	100
poLight Finland Oy	Finland	R&D	100	100
poLight Hong Kong Limited	Hong Kong, China	Holding company	100	100
poLight (Shenzhen) Technical Service Company Limited	China	Sales & Customer Support	100	100 (held through poLight Hong Kong Limited)

## 2.2 Board of Directors and Management

### 2.2.1 General

The General Meeting is the highest authority of the Company. All shareholders in the Company are entitled to attend and vote at General Meetings of the Company and to table draft resolutions for items to be included on the agenda for a General Meeting.

The overall management of the Group is vested in the Company's 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 Group's business ensuring proper organisation, preparing plans and budgets for its activities ensuring that the Group'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 Group's chief executive officer, or CEO, is responsible for keeping the Group's accounts in accordance with prevailing Norwegian legislation and regulations and for managing the Group's assets in a responsible manner. Another task of the CEO under Norwegian law is to once a month (at a minimum) brief the Board of Directors about the Group's activities, financial position and operating results.

### 2.2.2 Board of Directors

The Articles of Association stipulate that the Board shall consist of up to 7 Board members.

The names and positions and current term of office of the Board members as at the date of this Prospectus are set out in the table below.

Name	Position	Served since	Term expires	Shares owned
Eivind Bergsmyr	Chairman	January 2010	AGM 2022	-
Ann-Tove Kongsnes	Deputy chair	March 2012	AGM 2022	-
Grethe Viksaas	Director	June 2018	AGM 2021	-
Juha Alakarhu	Director	May 2019	AGM 2021	-
Svenn-Tore Larsen	Director	May 2019	AGM 2021	-

#### Brief biographies of the members of the Board

Set out below are brief biographies of the Board Members, including their relevant management expertise and experience.

##### Eivind Bergsmyr, Chairman

Eivind Bergsmyr has been a partner at Viking Venture since 2009, and serves on the boards of several Viking Venture portfolio companies. He is the current chair of Xait AS, DinERP AS, Tamigo ApS, Flowbox AB, Humly Edtech AB and board member of Attensi AS. He is the former chair of GasSecure AS (sold to Dräger) and former board member of Nanoradio AB (sold to Samsung). Mr. Bergsmyr was previously CEO of the Norwegian startup Nacre AS, sold in 2007 to Sperian Protection and recognized as the Nordic Venture Exit of the Year. Prior to this, Mr. Bergsmyr acquired extensive industrial experience during his time at Siemens. He holds an MSc in Electronic Engineering from NTNU.

### Ann-Tove Kongsnes, Deputy Chair

Ann-Tove Kongsnes is an Investment Director at Investinor AS. Kongsnes has over her career gained extensive experience from investments, development, M&A, IPO's and exits of technology companies. Prior to this, she worked for 7 years with international marketing, and was formerly a Director of Marketing and Operations. Kongsnes has extensive board experience, and currently serves on the boards of 6 of Investinor's portfolio companies in addition to 4 Chair/ member seats in Nomination committees. She holds an MSc in Economics and Business Administration from HIB and took the Advanced Program in Corporate Finance at NHH.

### Grethe Viksaas, Director

Ms. Viksaas has a long career from the Northern European managed service provider company Basefarm AS. First as founder and CEO, and later as executive chair of the board of directors. Prior to Basefarm AS, Viksaas served as CEO for SOL System AS and in several management positions in IT companies. She has experience from numerous board positions, including Zenitel Group and ICT Norway. She currently chairs the foundation Norsk Regnesentral and is a non-executive director on the boards of Telenor ASA and Crayon Group Holdings ASA. She also serves on the boards of various start-up companies. Ms. Viksaas has a master's degree in computer science from the University of Oslo.

### Juha Alakarha, Director

Juha Alakarhu is the VP of Imaging at Axon in Tampere, Finland. He runs the Axon R&D office in Finland and is responsible for the imaging system for Axon camera products. Dr. Alakarhu's entire career has been devoted to developing cameras. Before joining Axon in 2018, he worked for Nokia and Microsoft, where he developed several pioneering camera solutions, such as oversampling (the 41-megapixel camera), optical image stabilizer, and virtual reality technology. Juha Alakarhu holds a PhD from Tampere University of Technology.

### Svenn-Tore Larsen

Mr. Larsen is an Electronic Engineer from the University of Strathclyde, UK. He was appointed Chief Executive Officer of Nordic Semiconductor in February 2002. Mr. Larsen has broad international experience in the semiconductor business, previously as Director for the Nordic Region for Xilinx Inc. He has also been working at Philips Semiconductor.

## 2.2.3 Management

The Group's senior management team ("**Management**") consists of four individuals. The names of the members of the Management as at the date of this Prospectus, and their respective positions, are presented in the table below:

Name	Current position within the Group	Employed with the Group since	Shares owned	Options held
Dr. Øyvind Isaksen	Chief Executive Officer	August 2014	24,856 <sup>1)</sup>	256,750
Alf Henning Bekkevik	Chief Financial Officer	February 2016	3,379	63,000
Pierre Craen	Chief Technology Officer	January 2010	1,120	63,000
Marianne Sandal	Chief Operating Officer	May 2016	2,667	63,000

1) Held indirectly through Oimacon AS

## **Brief biographies of the members of Management**

Set out below are brief biographies of the members of Management, including their relevant management expertise and experience.

### Dr. Øyvind Isaksen, Chief Executive Officer

Øyvind Isaksen has been CEO of poLight since August 2014. He has previously held several CEO positions, most recently in the publicly listed company Q-Free ASA, which he left in January 2014. Øyvind Isaksen holds a PhD in Applied Physics.

### Alf Henning Bekkevik, Chief Financial Officer

Alf Henning Bekkevik has a background from Arthur Andersen (E&Y), Wallendahl, Fjord Line, Grenland Group and, most recently, as VP Finance for Wood Group Norway AS. He holds a master's degree in business & economics (*siviløkonom*) from NHH, and is a certified public accountant.

### Pierre Craen

Pierre Craen has more than 20 years' experience in opto-mechanical systems engineering. Prior to joining poLight, he managed product development teams at Varioptic, Barco and Motorola/ Symbol. Mr. Craen holds an MSc in Optical Engineering from Sup-Optic, as well as an MSc in Applied Physics.

### Marianne Sandal

Marianne Sandal has more than 15 years' experience heading worldwide operations in Nera ASA (telecommunications) and Q-Free ASA (intelligent transportation systems). Ms. Sandal holds a BSc in Mechanical Engineering, in addition to courses in economics and management from BI Norwegian School of Management.

#### 2.2.4 Disclosure regarding convictions, sanctions, bankruptcy etc.

Except that Grethe Viksaas was a director in House of Nerds Oslo AS when it was declared bankrupt in April 2020, during the last five years preceding the date of this Prospectus, none of the Board Members and the members of the Management has, or had, as applicable:

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

### **3 ADDITIONAL INFORMATION ON THE ISSUER**

#### **3.1 Legal form and applicable law**

poLight ASA is a Norwegian public limited liability company organized and existing under the laws of Norway pursuant to the Norwegian Public Limited Companies Act. The Company is subject to the laws applicable in the jurisdictions in which it operates.

#### **3.2 Date of incorporation**

The Company was incorporated on 20 October 2005 and registered with the Norwegian Register of Business Enterprises on 9 November 2005 with registration number 988 862 703.

#### **3.3 The purpose of the Company pursuant to the Articles of Association**

The purpose of the Company is set out in section 3 of the Articles of Association, and reads as follows:

*Objective of the Company - § 3*

*The objective of the Company is to develop and deliver optical components and related business, including owning shares and other securities in other companies.*

#### **3.4 Description of the Shares and rights to Shares**

##### **3.4.1 Shares and share capital**

As of the date of the Prospectus, the share capital of the Company is NOK 1,768,773.00 divided into 8,843,865 issued Shares with a par value of NOK 0.20 per Share. All Shares have been issued under the Norwegian Public Limited Companies Act and are validly issued and fully paid. The Shares are registered electronically in the VPS under ISIN NO 0010341712. The Company's register of shareholders in the VPS is administrated by DNB Bank ASA, Dronning Eufemias gate 30, 0191 Oslo, Norway.

The Company has one class of shares and accordingly there are no differences in voting rights among Shares. As of the date of the Prospectus, the Company holds no Shares in treasury.

The Company's Shares are freely transferable and listed on the Oslo Børs with ticker "PLT".

##### **3.4.2 Financial instruments**

#### **Share options**

The Company has established a general share option scheme, whereby share options in the Company are granted to all employees. Share options may also be granted to consultants. The exercise price of the share options is equal to, or higher than, the market price of the underlying Shares on the date of grant. The share options are vested in equal parts, with 1/36 each month over 3 years, at the expiry of each calendar month, starting at the date of grant, and conditional on the employee's continued employment in poLight.

The share options can be exercised up to two years after the three-year vesting period. Vested options may be exercised and shares issued once per quarter, each following the release of the Company's quarterly reports.

The Board holds an authorization to issue Shares under the Share option scheme, and may issue up to 751,725 new Shares, each with a par value of NOK 0.20 (corresponding to a total share capital increase of up to NOK 150,345) pursuant to such authorization.

Please find below and overview of the share options granted, forfeited, exercised and expired during the financial years of 2018 and 2019 as well as the weighted average exercise price (WAEP):

	2019		2018	
	Number of Share options	WAEP (NOK)	Number of Share options	WAEP (NOK)
Outstanding at 1 January	421,475	52.7	425,534	112.5
Granted during the year	2018,322	26.6	415,420	51.8
Forfeited during the year	-37,874	45.0	-8,278	112.5
Cancelled <sup>1)</sup> during the year	-	-	-333,670	112.5
Exercised during the year	-	-	-	-
Expired during the year	-11,097	105.0	-77,531	112.5
<b>Outstanding at 31 December</b>	<b>590,826</b>	<b>41.6</b>	<b>421,475</b>	<b>52.7</b>
<b>In % of outstanding Shares</b>	<b>7.28%</b>	<b>-</b>	<b>5.19%</b>	<b>-</b>
Exercisable at 31 December	205,265	43.6	45,216	66.0

- 1) On 18 October 2018, the Board of Directors decided to offer the employees of the Company the possibility to exchange their existing Share options with new Share options at an exercise price corresponding to the offer price in the Company's initial public offering of NOK 50 per Share. A new share option agreement was entered into, and vesting started at the date the new share option agreement was entered into.

For further information about the share option scheme, please refer to note 18 of the Company's Annual Report for the financial year ended 31 December 2019, incorporated by reference into this Prospectus (see Section 7 "Incorporation by reference").

### No other financial instruments

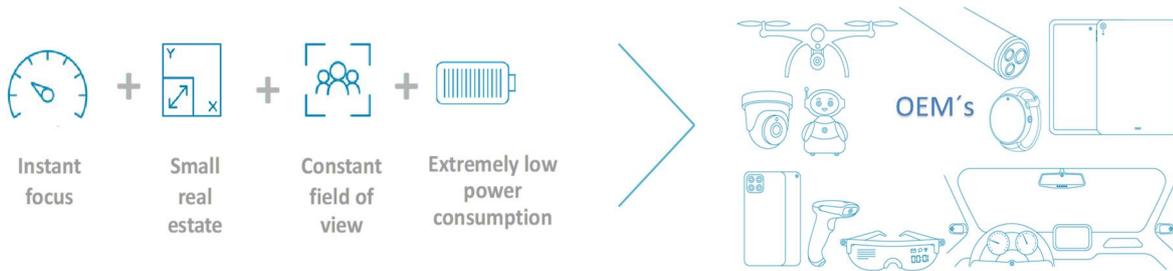
Apart from those share options described above, neither the Company nor any of its subsidiaries has, as of the date of this Prospectus, issued any options, warrants, convertible loans or other instruments that would entitle a holder of any such instrument to subscribe for any Shares in the Company or its subsidiaries.

## 3.5 The business of poLight

### 3.5.1 Introduction

poLight ASA is a Norwegian company, headquartered in Horten, which has introduced a unique optical lens to the market for both consumer devices and industrial applications. The new lens replicates the lens of the human eye, enabling new user experiences and ease the implementation of autofocus functions in various applications.

poLight's patented, proprietary technology offers considerable benefits, such as extremely fast focus, compact xy-dimension, no magnetic interference, low power consumption and constant field of view. These features, and others, open the way for its use in a multitude of as yet unimagined ways. The main features of the Company's products and certain use areas are illustrated below:



poLight has offices in Norway, Finland, China and France, and is also represented in South Korea and Taiwan. Since the Company was founded in 2005, it has since acquired world-class expertise in optics, polymers (i.e. the lens material) and MEMS technology. The poLight team comprises highly skilled researchers and developers, all aiming to develop the world's leading imaging technologies.



### 3.5.2 Technology

The Company has developed and patented the Tunable Optical Lens (the "TLens"), which, in the view of the Company, outperforms today's standard Voice Coil Motor (VCM) lens in that it offers instant focus, small size, low power consumption, stable field of view and no magnetic interference.

poLight's TLens is constructed around a piezo element (pzt film), which is placed on a thin glass membrane and plays the role of an actuator. A patented polymer is sandwiched between two high-quality glass layers.



The piezo material on the thin glass membrane is designed to spherically deform the polymer when a voltage is applied to it. This structure offers a tuneable lens of high optical quality. When the piezo is in standby mode, no force is applied to the thin glass, and light passes through the two glass components, and the polymer, without deviation. When a voltage is applied, the piezo actuator will immediately force the thin glass membrane to bend accordingly. This generates a perfect lens, and an optical power, which focuses the light rays. Due to the optical

matching between the glass membrane, the polymer and the supporting glass, and poLight's unique anti-reflective coating, the optical transmittance is optimised for the visible spectrum. Other coatings can be applied to change the characteristics of the product. The TLens can either be used on top of a fixed-focus camera module (*i.e.* add-on concept) or integrated as part of the lens stack (*i.e.* add-in concept).

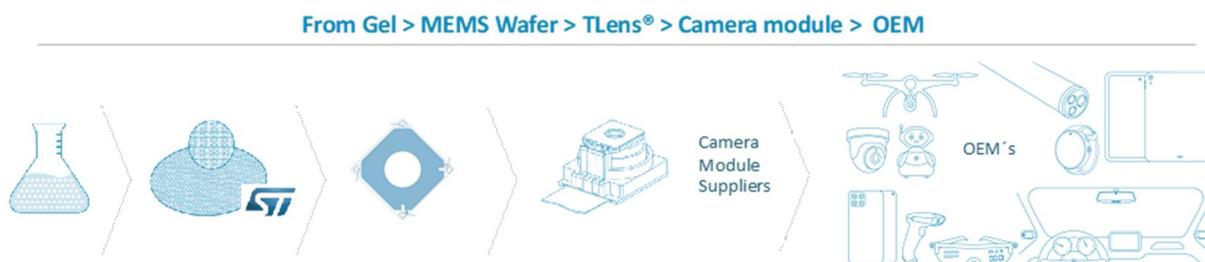
### 3.5.3 Product portfolio

Based on the TLens technology platform (see above), poLight has released its TLens Silver and TLens Silver Premium to the market, as well as the related ASIC driver (PDA 50), which controls the supply of variable voltage to all TLens products and makes them change focus. TLens Platinum may be the next product to be completed. TLens Platinum is currently on hold to prioritise the commercialisation of already released products. From an application perspective, the main difference between the various TLens products is that they can be used with different sensor formats (size of the image sensor) due to different aperture sizes (the transparent "opening" in the actuator). The TLens can be supplied as a "packaged" version to enable quick integration/testing.

In addition to the above, poLight is currently at an early stage of defining new products/solutions based on the same technology platform.

### 3.5.4 Supply chain

poLight is fabless and uses partners for most manufacturing processes, except for the polymer, which is produced at the Company's headquarters in Norway. STMicroelectronics is poLight's manufacturing partner for the MEMS actuator, utilizing their thin film piezo technology in an 8-inch semiconductor fabrication plant in Italy. Polymer and wafers with actuators are shipped to an assembly partner in Taiwan, which assembles the complete TLens product and ships to camera module vendors.



The Company is currently working on establishing a new assembly partner. The assembly line is expected to become fully operational during the first half of 2020. Furthermore, discussions are underway with the assembly partner used previously with respect to transferring poLight's production to a lower-cost factory.

### 3.5.5 Market opportunities for TLens

poLight's TLens technology is suitable for a wide variety of applications, for example, where there is a need for compact and high-quality autofocus solutions that benefit from high speed, small size and low power consumption. Such applications include, but are not limited to smartwatches, smartphones, AR (augmented reality) glasses, other wearables/IoT, industrial scanners, readers and sensors, and medical equipment.

Smartphones represent the biggest market currently being explored. Virtually all current smartphones are shipped with both front-facing and rear-mounted cameras. Dual or multicamera solutions have also become increasingly common. The multicamera trend generates new requirements, like the need for non-magnetic actuation, high optical axis stability and more compact and robust AF/OIS actuation solutions.

For most smartphone users, the camera is an important function. This assumption is supported by the uptake in the number of photos and videos recorded by mobile phones and smartphones being distributed via leading global social media applications such as Snapchat and YouTube. The deployment of 5G is expected to reinforce this trend. New technology that enhances the camera-related user-experience is therefore a key area of innovation for smartphone manufacturers.

Another consumer market that is maturing is the wearable market, specifically smartwatches, and augmented reality glasses. Smartwatch phones for various segments will develop new uses, and the camera function could quickly become very important. AR (augmented reality) solutions provide the ability to overlay a visual and audio experience onto a real-world environment, as viewed through a computer, mobile device or special hardware. There are many potential use-cases for AR, ranging from pure entertainment, such as gaming, visiting places or seeing events, to real-world applications in medicine, education and the workplace.

For the wearable segment, power consumption and compactness will be essential. It is therefore a key market for poLight. The wearable segment has the potential to eventually become a new high-volume market for poLight as evidenced by poLight recent breakthroughs in the smartwatch phone segment, with the TLens now being included in two smartwatch phones being sold in China.

The first smartwatch phone with advanced AF functionality based on poLight's TLens was launched on 7 January 2020 by the Chinese vendor Xiaomi. The watch targets a growing market for devices tailored to children in China. It comes with two cameras, and the main camera, which is used to take pictures, is based on the (AF) function delivered by poLight.

The second smartwatch phone with advanced AF using poLight's TLens was launched on 10 February 2020. The XUN Smartwatch Max Pro is aimed at children in the Chinese market. It has two cameras, one main camera used to take pictures, which includes an advanced autofocus (AF) function delivered by poLight, and one face camera without AF integrated in the screen.

There are other attractive market segments with different characteristics, such as longer product lifecycles, less cost pressure and lower volumes. Barcode readers constitute one such segment. Most of today's barcode readers make use of one-dimensional lasers. There is a growing demand for two-dimensional barcodes in several industries where direct part-marking is becoming crucial to the establishment of more efficient and better controlled supply chains. A key factor for success in this market is to provide a component which reduces the risk of scanning errors and secures high throughput (high-speed AF) and an extended working range (AF capability) for their products. Overall annual volume demand in this segment is expected to be in the range of some thousands to a few million units. Here, the typical product lifetime is several years, as opposed to the smartphone market where the product lifetime ranges from 3 to 12 months.

In the first quarter of 2020, poLight achieved a breakthrough in the barcode reader segment, as a leading barcode maker has designed TLens into its next generation barcode scan engine. The product is expected to go onto the market in the third-quarter 2020, however subject to successful testing and other external factors.

### 3.6 History and important events

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

Date	Important event
2005	TLens is based on Ignis' soft polymer material intended for telecom components
2005	The Company is incorporated under the name Ignis Display AS

2006	Basic patents regarding TLens filed in 2006
2008	The Company changes its name to poLight to focus more on lens
2009	First round of venture capital investments - Alliance Venture and Viking Venture
2011	First attempt to develop manufacturing processes (Texas Instruments)
2011	Second round of venture capital investments - Investinor
2013	STMicroelectronics chosen as MEMS manufacturing partner
2015	Third round of venture capital investments – Industrifonden
2016	Internal product qualification process finalised
2016	Pre-IPO funding – the Company raised NOK 160 million in a private placement.
2017	Numerous customer tests carried out with upgraded TLens as a result
2018	PoCs initiated for smartphone, barcode and AR segments.
2018	IPO and listing on Oslo Børs
2020	First design-win – The Company announced that its TLens solution is being used in a smartwatch for children launched to market in January 2020.
2020	Second design-win – The Company announced that its TLens solution is included in a new smartwatch phone for children, named XUN Smartwatch Max Pro and launched to market in February 2020.
2020	Private placement of NOK 40 million

### 3.7 Planned investments

The Company does not currently have any investment plans, firm commitments or obligations to make significant future investments in tangible or intangible assets, or financial assets. However, the Company will incur additional R&D costs for further development of the Group's products and such costs are currently expected to be at the same level as it has in the period covered by the historical financial information. The Company may modify its plans in the future to address, among others, changes in market conditions for its products and changes in the competitive conditions.

### 3.8 Related party transactions

As part of the ordinary course of business, intercompany agreements are entered into by the Company with all of the subsidiaries in the Group. All sales in the subsidiaries are made through the parent company. All transactions are considered to be on an arm's length basis.

On 29 December 2016, the Company concluded a subordinated loan agreement of EUR 3,000,000 with poLight France SAS. The agreement replaced the existing intercompany balance between the Company and poLight France SAS and entails that only the part of the balance that exceeds a prudent level, with regards to both the equity and the subordinated loan combined, shall be regarded as loan in respect to interest accrual. For the financial years 2018 and 2019, the entire principal has been considered as equity and consequently not interest-bearing. As the loan is considered to be a part of the Company's net investment in France, the currency translation effect is recognized in the line item Other Comprehensive Income.

Apart from the above, the Company is not aware of any other transactions that have been made with other related parties for the relevant financial periods.

For further information on related party transactions of the Group, please refer to Note 20 of the annual reports for 2019 and 2018 and note 9 of the Q1 reports for 2020 and 2019.

### **3.9 Material contracts**

The Company entered into a wafer supply agreement in August 2015 and a development agreement with STMicroelectronics in November 2016. Pursuant to the wafer supply agreement, STMicroelectronics shall manufacture and supply MEMS wafers based on the Group's TLens design. Pursuant to the development agreement, the Parties have agreed to assist each other in carrying out development and/ or engineering activities for the industrialization of the manufacturing process of the TLens product family. STMicroelectronics is among the largest semiconductor companies in the world, and their production of the actuator/ MEMS wafer used in the TLens is material to the Group.

In May 2016, the Company entered into an assembly and test agreement with THEIL. This agreement expired on 10 March 2020, and the Company has established a new assembly partner and is in the last stage of qualification process with this assembly partner. Furthermore there is an ongoing dialog with THEIL to restart the cooperation in a different factory outside Taiwan.

In May 2016, the Company entered into a Driver Design Services Agreement with EASii IC, an independent French design company, whereby EASii IC shall assist poLight in designing a new ASIC TLens driver, and in the ensuing engineering and qualification phase of such driver. The agreement with EASii IC is material to the Group.

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

### 3.10 Risk factors related to the Company and its business

*An investment in the Offer Shares involves inherent risk. Before making an investment decision with respect to the Offer Shares, investors should carefully consider the risk factors and all information contained in this Prospectus, including the financial statements and related notes. The risks and uncertainties described in this Section 3.10 "Risk factors related to the Company and its business" and Section 4.15 "Risks related to the Shares and the Offer Shares" are the principal known risks and uncertainties faced by the Group as of the date hereof that the Company believes are relevant to an investment in the Offer Shares. An investment in the Offer 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 in respect of the Offer Shares. If any of the following risks were to materialise, individually or together with other circumstances, they 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 could cause a decline in the value and trading price of the Offer Shares, resulting in the loss of all or part of an investment in the same.*

*The order in which the risks are presented 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 3.10 "Risk factors related to the Company and its business" is as of the date of this document.*

#### 3.10.1 Risks related to the business of the Group and the industry in which it operates

***The Group is involved in various qualification tests with its TLens product family for various applications. These tests may identify needs for product adaption, and hence delay in commercialization, or otherwise be unsuccessful***

The Group's TLens technology, and products derived from this technology, is involved in various qualification tests with the TLens product family for various applications by potential customers. There can be no assurance that the TLens products (or other products produced by the Group) will meet the performance parameters set by the potential customers, or by parties testing the Group's product at a later time. If the Group's products do not meet such performance parameters, the Group may be required to implement changes to its products or may not be able to enter into commercial agreements with potential customers. Any requirement to implement changes to the Group's product may imply a delay in the commercialization of the Group's technology and may also require significant costs that may not be recovered. Further, there can be no assurance that changes to the Group's products will be sufficient to satisfy the demands of the Group's potential customers. Failure to enter into commercial agreements will have a material adverse effect on the Group's revenues, profitability and financial condition.

***The Company has incurred significant operating expenses since its inception. The Company expects to incur losses over the next years and may never achieve or maintain profitability***

The Company has devoted substantially all of the Company's resources and efforts to research and development and has incurred significant operating expenses with no significant revenues. To date, the Company has financed its operations mainly through private placements. The Company expects to continue to incur significant expenses and losses over the next years. The Company's net losses may fluctuate from quarter to quarter. To become and remain profitable, the Company must succeed in both development and further commercialisation of products that generate revenue. This will require the Company to be successful in a range of challenging activities, including initiating and completing successful testing of the Company's products with camera module companies, mobile phone vendors and other potential customers, and in manufacturing, marketing and selling

products which have completed successful testing. The Company may never succeed in these activities and, even if it does, may never generate revenues that is significant enough to achieve profitability.

***The financial success of the Company requires obtaining acceptable price for its products***

There can be no guarantee that the Group will be able to obtain the expected prices, and if it fails to obtain such expected pricing, such failure may have a material adverse effect on the Company's profitability and/or marketability. Further, market conditions could lead to changes of what is perceived as obtainable prices in the market. A change in the market conditions could lead to lower sales prices or volumes.

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

The Group's products, business and business strategy are tied to its technology. The Group's technology is protected by a portfolio of intellectual property rights consisting primarily of patents (both granted and applied for), trade secrets and copyrights, and the Group is required to obtain and maintain patent protection for its products, methods and other technology, to preserve trade secrets, to prevent third parties from infringing on proprietary rights and to operate without infringing the proprietary rights of third parties. The Group cannot give assurances that its measures for preserving the secrecy of its trade secrets and confidential information are sufficient to prevent others from obtaining that information, neither can it predict the degree and range of protection any patents will afford against competitors and competing technologies, including whether third parties will find ways to invalidate or otherwise circumvent the patents, if and when additional patents will be issued, whether or not others will obtain patents claiming aspects similar to those covered by the Group's patents and patent applications, whether the Group will need to initiate litigation or administrative proceedings, or whether such litigation or proceedings are initiated by third parties against the Group, or whether third parties will claim that the Group's technology infringes upon their rights.

***Third parties may illegally copy the Group's products or violate its patents, utility models and intellectual property***

Illegal copies of the Group's products or misuse of its brand and/ or patents and/or other intellectual property may cause loss of revenue and damage to the Group's brand. Despite the Group's efforts to protect its proprietary technology and trade secrets, unauthorised parties may attempt to misappropriate, reverse engineer or otherwise obtain and use them. The Group may be unable to determine the extent of any unauthorized use or infringement of their products, technologies or intellectual property rights. Further, legal actions against such unauthorized use may not be successful and could be very costly.

***The Group faces risks of claims for intellectual property infringement***

The Group's competitors or other persons may already have obtained, or may in the future obtain, patents or other intellectual property relating to one or more aspects of the Group's technology or products. If the Group is sued for patent infringement or infringement of other intellectual property rights, it may be forced to incur substantial costs in defending itself. If litigation were to result in a judgment that the Group infringed a valid and enforceable patent, a court may order the Group to pay substantial costs to develop and implement alternative, non-infringing technology or products, or to obtain a license from the patent owner. The Group cannot give assurance that it would be able to develop non-infringing alternatives at a reasonable cost that would be commercially acceptable, or that it would be able to obtain a license from any patent owner on commercially acceptable terms, if at all.

***Patent applications filed by others could limit the Group's freedom to operate***

Competitors may claim that one or more of the Group's product candidates infringe upon their patents or other intellectual property. Resolving a patent or other intellectual property infringement claim can be costly and time

consuming and may require the Group to enter into royalty or license agreements. If this should be necessary, the Group cannot guarantee that it would be possible to obtain royalty or license agreements on commercially advantageous terms. A successful claim of patent or other intellectual property infringement could subject the Group to significant damages or an injunction preventing the manufacture, sale or use of the Group's affected products or otherwise limit the freedom to operate. Any of these events could have a material adverse effect on the business, its financial position and/or cash flows.

***The Group operates in a highly competitive industry***

The consumer industry is highly competitive with many small and large players and subject to rapid and substantial technological change. Developments by others may render the Group's product or technologies obsolete or non-competitive. The Group's products and product candidates may not gain the market acceptance required to be profitable even if they successfully complete product testing and implementation. Many of the competitors and potential competitors have substantially greater capital resources, research and development resources, operational experience, manufacturing and marketing experience and product facilities. If the Group fails to ultimately commercialise products and/or achieve or maintain profitability, an investment in the Shares could ultimately result in a significant or total loss of the investment.

***The markets in which the Group compete in is undergoing rapid technological change, and the Group's future success will depend on its ability to meet the changing needs of its clients***

For the Group to survive and grow, it must continue to enhance and improve the functionality of its products, services and technology. If new industry standards and practices emerge, the Group's existing products, services and technology may become obsolete. The Group's future success depends, *inter alia*, on its ability to:

- (i) Develop new products, services and technologies that address the increasingly sophisticated and varied needs of prospective clients; and
- (ii) Respond to technological advances and emerging industry standards and practices on a cost-effective and timely basis.

Developing the Group's products, services and other technologies entails significant technical and business risks and substantial costs. The Group may use any new technologies ineffectively, or it may fail to adapt the Group's products and services to user requirements or emerging industry standards. Industry standards may not be established, and if they become established, the Group may not be able to conform to these new standards in a timely fashion or maintain a competitive position in the market. If the Group faces material delays in introducing new products, services and enhancements, the Group may fail to attract new clients and existing users may forego the use of the Group's products and instead use those of the Group's competitors.

***The Group may experience operational problems when delivering products and solutions***

The Group's products are technically challenging and is suitable for several solutions and markets. In connection with market introduction of end user products that utilize the Company's products, there is an inherent risk that these end user products will not be successful after being deployed to the market, both in relation to market acceptance, end user satisfaction and in terms of operational problems, which may lead to loss of revenue or higher than anticipated operating expenses. Any of these results could adversely affect the Group's business, financial condition and operating results.

***The Group is dependent on third party suppliers***

The Group depends on third party suppliers in connection with the manufacturing of the Group's products, especially the Group's suppliers of wafers and assembly services. If the Group's agreements with third party suppliers are terminated or the terms of such agreements become less favourable for the Group or if the third party suppliers experiences delays, disruptions, capacity constraints or quality problems in their operations, this

may have a material adverse effect on the Group's business, results of operations, cash flow and financial condition.

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

***The Group may be subject to litigation that could have a material adverse effect on the Group's business, results of operations, cash flow and financial condition***

While the Group is currently not involved in any litigation, there can be no assurance that the Group may not become involved in such litigation in the future. The Group cannot predict with certainty the outcome or effect of any claim or other litigation matter. Any future litigation may have a material adverse effect on the Group's business, results of operations, cash flow and financial condition, and have a potential negative outcome. Also, there may be significant costs associated with bringing or defending such lawsuits and management's attention to these matters may divert their attention from the Group's operations.

***The Group is exposed to risks associated with international operations***

In addition to Norway, the Group has business operations and offices in Finland, China and France, and is also represented in Korea and Taiwan. The Group's operations in international markets are subject to risks inherent in international business operations, including, but not limited to, general economic conditions in each foreign country in which the Group will operate, overlapping different tax structures, problems related to management of an organization spread over various countries, unexpected changes in regulatory requirements, compliance with a variety of foreign laws and regulations, and longer accounts receivable payment cycles in certain countries.

The materialization of such risks may have a material adverse effect on the Group's business, prospects, financial position and operating results.

### 3.10.2 Risks related to financing

***In order to execute the Group's growth strategy, the Group may require additional capital in the future, which may not be available and any failure to obtain necessary additional capital could force the Group to delay, limit, reduce or terminate its product development and commercialisation efforts***

The Group's operations and R&D efforts have consumed substantial amounts of cash since inception. The Group's ability to generate sufficient cash from operations is dependent on the Group entering into new agreements for sales of its products. There can be no assurance that the Group will be able to enter into new agreements for sales of its products.

To the extent the Group does not generate sufficient cash from operations, the Group may need to raise additional funds or additional equity financings to execute the Group's growth strategy and to fund capital expenditures. The Group's primary source of funds since inception has been equity financing from its shareholders and governmental funding. Adequate sources of capital funding may not be available when needed or may not be available on favourable terms. The Group's ability to obtain such additional capital or financing will depend in part upon the Company's ability to achieve and maintain a positive cash flow, ability to comply with conditions for governmental funding, prevailing market conditions as well as conditions of its business and its operating results, and those factors may affect its efforts to arrange additional financing on satisfactory

terms. If the Group raises additional funds by issuing additional shares or other equity or equity-linked securities, it may result in a dilution of the holdings of existing shareholders.

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

#### ***Risks associated with exchange rate fluctuation***

The Group has operations that will generate cash flows primarily in USD. Although the Group's main currency is USD, the Group prepares its financial statements in NOK. Because the Group reports financial results in NOK, the Group faces a currency financial risk to the extent that the assets, liabilities, revenues and expenses of the Group's subsidiaries are denominated in currencies other than NOK. In order to prepare the Group's financial statements, the Group translates the values of these assets, liabilities, revenues and expenses into NOK at the applicable exchange rates. Future variations in the exchange rate could therefore have an impact on the Group's reported financial results.

#### ***The Group may encounter financial reporting risks***

As part of its responsibility to prevent and detect errors and fraud affecting its financial statements, the Group's Management has set up specific accounting and reporting procedures in relation to, amongst other things, revenue recognition process, taxation and other complex accounting issues. Any failure to prevent and detect errors and fraud within the implementation of such procedures may affect its reputation, business, financial results as well as its ability to meet its objectives. Further, the Management makes certain assumptions and accounting judgments when preparing the Company's financial statements. Such assumptions and accounting judgments are inherently uncertain. In the view of the Management, the most significant risk in respect of accounting judgments is related to valuation of capitalized developments costs and the impairment assessment. No assurance can be made that the assumptions used, and judgments made by the Management when preparing the financial statements prove to be correct.

#### ***Norwegian tax authorities are claiming repayment of VAT refunds***

The Norwegian tax authorities (*Skatt Sør*) has resolved to claim repayment of refunded VAT for the period since 2013, totalling an amount of NOK 12.4 million. The grounds for the claim are that the Norwegian tax authorities consider that the Company's business is not capable of being profitable, and does therefore not qualify as a "business" pursuant to the Norwegian laws and regulation regarding VAT. Further, the tax authorities have resolved to strike the Company from the Norwegian VAT Register and impose an additional tax of NOK 1.2 million. The claim for repayment of refunded VAT was paid in October 2018, while the claim for additional tax is not required to until the matter has been finally settled. The Company has filed a complaint over the resolution and thereby seek to recover the repayment of refunded VAT, but there can be no assurance that the Company will be successful in doing so. If the Company is not successful in contesting the claim, the Company will not be able to recover the full amount of refunded VAT for the period since 2013 and that it will be liable to pay the additional tax and interest. Further, the Company has been stricken from the Norwegian VAT Register with effect from the first VAT term of 2013 and going forward. As the Company has been stricken from the VAT register, the Company will not be able to impose VAT on outgoing revenues and will not be able to deduct VAT on incoming goods and services.

There is also a risk that the Company will use significant internal and external resources on this matter that it may not be able to recover.

## **4 THE SUBSEQUENT OFFERING AND THE OFFER SHARES**

### **4.1 Reasons for and overview of the Subsequent Offering and use of proceeds**

#### **4.1.1 Background**

On 16 April 2020, the Company announced that it had completed a private placement of 727,273 new Shares (the Private Placement) at a price per Share of NOK 55. On the same date, the Company announced that it intended to initiate a subsequent offering (the Subsequent Offering) of up to 181,818 new Shares (the Offer Shares) in the Company.

The Subsequent Offering is initiated to limit the dilutive effect of the Private Placement by enabling Existing Shareholders who were not offered to subscribe for New Shares to subscribe for Offer Shares. In the Private Placement, the pre-emptive rights for subscription of Shares pursuant to the Norwegian Public Limited Companies Act section 10-4 was set aside as the Private Placement was directed to certain Existing Shareholders and new investors.

In order to facilitate the principle of equal treatment of the Company's shareholders, the Board proposed to initiate a Subsequent Offering at the Eligible Shareholders. The annual general meeting of the Company passed the necessary corporate resolution to initiate the Subsequent Offering on 28 July 2020.

#### **4.1.2 Overview**

In the Subsequent Offering, the Company's shareholders as of 16 April 2020 (the Existing Shareholders), as registered in the VPS on 20 April 2020 (the Record Date), except (i) shareholders who were allocated shares in the Private Placement, and (ii) shareholders who are resident in a jurisdiction where such offering would be unlawful or would require any filing, registration or similar action (other than publishing of a prospectus in Norway) (the Eligible Shareholders) are offered to subscribe for a total of 181,818 Offer Shares, each with a par value of NOK 0.20, at a subscription price of NOK 55 per Offer Share (the Subscription Price), which is equal to the subscription price in the Private Placement. Oversubscription will be permitted. Subscription without Subscription Rights will not be permitted.

Eligible Shareholders will, based on their registered holding in the VPS at the end of the Record Date, be granted non-tradable subscription rights to subscribe for and be allocated Offer Shares in the Subsequent Offering (the Subscription Rights). The Company will issue approximately 0.03786 Subscription Rights per 1 (one) Share registered as held in the Company on the Record Date.

The number of Subscription Rights issued to each Eligible Shareholder will be rounded down to the nearest whole number of Subscription Rights without compensation to the holder. Each Subscription Right grants the holder the right to subscribe for and be allocated 1 (one) Offer Share in the Subsequent Offering.

No expenses or taxes will be charged by the Company to the subscribers in the Subsequent Offering. No action has been taken to permit a public offering of the Offer Shares in any jurisdiction outside of Norway.

Any announcements regarding the Subsequent Offering will be made as stock exchange notices published at [www.newsweb.no](http://www.newsweb.no).

#### 4.1.3 Use of proceeds

The gross proceeds of up to approximately NOK 10 million from the Subsequent Offering will be used for general corporate purposes and working capital.

#### 4.2 Conditions for completion of the Subsequent Offering

Completion of the Subsequent Offering is conditional upon the minimum number of Offer Shares (i.e. 1 Offer Share) being subscribed, payment being received for all subscribed Offer Shares and due registration of the share capital increase pertaining to the Offer Shares with the Norwegian Register of Business Enterprises.

#### 4.3 The Offer Shares

##### 4.3.1 Offer Shares

The Offer Shares will be issued as ordinary shares in accordance with Norwegian law.

The Offer Shares will rank pari passu in all respects with the existing Shares and carry full shareholder rights in the Company from the date of registration of the share capital increase pertaining to the Subsequent Offering in the Norwegian Register of Business Enterprises. The Offer Shares are eligible for any dividends the Company may declare after said date. For a description of rights attached to the Shares, please refer to Section 4.4 "Rights pertaining to the Shares, including the Offer Shares".

##### 4.3.2 Subscription Rights

Eligible Shareholders will be granted Subscription Rights giving a right to subscribe for and be allocated Offer Shares. Each Eligible Shareholder will be granted approximately 0.03786 Subscription Rights for every existing Share registered as held in the VPS by such Eligible Shareholder on the Record Date. One (1) Subscription Right will, subject to applicable securities laws, give the right to subscribe for and be allocated 1 (one) Offer Share in the Subsequent Offering.

The number of Subscription Rights issued to each Eligible Shareholder will be rounded down to the nearest whole number of Subscription Rights without compensation to the holder.

The Subscription Rights will be credited to and registered on each Eligible Shareholder's VPS account by the start of the Subscription Period under the International Securities Identification Number (ISIN) NO NO 0010884588. The Subscription Rights are distributed free of charge to the Eligible Shareholders.

**The Subscription Rights must be used to subscribe for Offer Shares before the end of the Subscription Period (i.e. 16 June 2020 at 16.30 hours CEST). Subscription Rights that are not exercised before 16.30 hours CEST on 16 June 2020 will have no value and will lapse without compensation to the holder. Holders of Subscription Rights should note that subscriptions for Offer Shares must be made in accordance with the procedures set out in this Prospectus.**

Subscription Rights of shareholders resident in jurisdiction where the Prospectus may not be distributed and/or with legislation that, according to the Company's assessment, prohibits or otherwise restricts subscription for Offer Shares or (for jurisdictions other than Norway) would require any prospectus, filing, registration or similar action ("**Ineligible Jurisdictions**") will initially be credited to such persons' ("**Ineligible Shareholders**") VPS accounts. Such credit specifically does not constitute an offer to Ineligible Shareholders. The Company will

instruct the Managers, as far as possible, to withdraw the Subscription Rights from such Ineligible Shareholder's VPS accounts. If the relevant Ineligible Shareholder by 16.30 CEST on 10 June 2020 documents to the Company a right to receiving the Subscription Rights withdrawn from its VPS account, the Managers will re-credit the withdrawn Subscription Rights to the VPS account of the relevant ineligible Shareholder.

#### 4.3.3 Allocation of Offer Shares

Allocation of the Offer Shares will take place on or about 17 June 2020 in accordance with the following criteria:

- (i) Allocation will be made to subscribers on the basis of granted Subscription Rights which have been validly exercised during the Subscription Period. Each Subscription Right will give the right to subscribe for and be allocated 1 Offer Share; and
- (ii) If not all Subscription Rights are validly exercised in the Subscription Period, subscribers having exercised their subscription rights and who have over-subscribed will have the right to be allocated remaining Offer Shares on a pro rata basis based on the number of Subscription Rights exercised by the subscriber. If a pro rata allocation is not possible, the Company will determine the allocation by lot drawing.
- (iii) No fractional Offer Shares will be allocated. The Company reserves the right to reject or reduce any subscription for Offer Shares not covered by Subscription Rights.
- (iv) Allocation of fewer Offer Shares than subscribed for by a subscriber will not impact on the subscribers' obligation to pay for the number of Offer Shares allocated.

The result of the Subsequent Offering will be published on or about 17 June 2020 in the form of a stock exchange notification from the Company through the Oslo Stock Exchange information system. Notifications of allocated Offer Shares and the corresponding subscription amount to be paid by each subscriber are expected to be distributed in a letter on or about 17 June 2020. Subscribers having access to investor services through their VPS account will be able to check the number of Offer Shares allocated to them from approximately 14:00 hours (CEST) on 17 June 2020. Subscribers who do not have access to investor services through their VPS account manager may contact the Managers from 14.00 hours (CEST) on 17 June 2020 to request information about the number of Offer Shares allocated to them.

The Offer Shares may not be traded until they are listed on Oslo Børs, which is expected to be on or about 25 June 2020.

#### 4.4 Rights pertaining to the Shares, including the Offer Shares, and certain related matters

The Company has one class of Shares in issue, and in accordance with the Norwegian Public Limited Companies Act, all Shares in that class provide equal rights in the Company. Each of the Shares carries one vote. The rights attaching to the Shares are described in Section 5.3 "The Articles of Association" and Section 5.4 "Certain aspects of Norwegian law".

#### 4.5 ISIN of the Offer Shares

The Offer Shares will be issued electronically under the ordinary ISIN of the Company's Shares (ISIN NO 0010341712) in registered form in accordance with the Norwegian Public Limited Companies Act.

#### 4.6 Subscription price

The Subscription Price of the Offer Shares is NOK 55.00 per Offer Share, which is equivalent to the subscription price in the Private Placement. The subscription price in the Private Placement was determined through an accelerated bookbuilding process.

#### 4.7 Gross and net proceeds of the Subsequent Offering

The gross proceeds to the Company in the Subsequent Offering will be up to approximately NOK 10 million. The net proceeds to the Company are estimated to up to approximately NOK 9.1 million.

The final gross and net proceeds to the Company will depend on the number of Offer Shares being subscribed.

#### 4.8 Fees and expenses

The Company will bear the fees and expenses related to the Subsequent Offering and the listing of the Offer Shares, which are estimated to amount to approximately NOK 0.9 million (assuming that the Subsequent Offering is fully subscribed). No expenses or taxes will be charged by the Company to the subscribers in the Subsequent Offering.

#### 4.9 Shareholders that are eligible to participate in the Subsequent Offering

In the Subsequent Offering, the Company's shareholders as of 16 April 2020 (the Existing Shareholders, as registered in the VPS on 20 April 2020 (the Record Date), except (i) shareholders who were allocated shares in the Private Placement, and (ii) shareholders who are resident in a jurisdiction where such offering would be unlawful or would require any filing, registration or similar action (other than publishing of a prospectus in Norway) (the Eligible Shareholders) are offered to subscribe Offer Shares.

#### 4.10 Resolution regarding the Subsequent Offering

On 28 May 2020, the extraordinary general meeting of the Company passed the following resolution in order to initiate the Subsequent Offering:

- (i) *The share capital is increased with minimum NOK 0.20 and maximum NOK 36,363.60 through issuance of minimum 1 share and maximum 181,818 shares ("**Offer Shares**"), each with a par value of NOK 0.20.*
- (ii) *The Company's shareholders as of 16 April 2020, as registered in the VPS on 16 April 2020 (the "**Record Date**"), except (i) shareholders who were allocated shares in the Private Placement completed on 16 April 2020, and (ii) shareholders who are resident in a jurisdiction where such offering would be unlawful or would require any filing, registration or similar action (other than publishing of a prospectus in Norway) (the "**Eligible Shareholders**"), shall receive non-transferable subscription rights (the "**Subscription Rights**") to subscribe and be allocated Offer Shares in the Subsequent Offering. The pre-emptive rights of the shareholders in accordance with the Norwegian Public Limited Companies Act are therefore set aside.*
- (iii) *The Eligible Shareholders shall receive 0.03786 Subscription Rights per share the Eligible Shareholder owned in the Company per 16 April 2020, as evident from the Company's shareholder register in the VPS as of the Record Date. Each Subscription Right gives the right to subscribe and be allocated one (1) Offer Share.*
- (iv) *The subscription price shall be NOK 55 per Offer Share.*
- (v) *Over-subscription shall be permitted. Subscription without Subscription Rights is not permitted.*

- (vi) Allocation of the Offer Shares shall be made by the Board of Directors. The following allocation criteria shall apply:
- (a) Allocation will be made to subscribers on the basis of granted and acquired Subscription Rights which have been validly exercised during the subscription period. Each Subscription Right will give the right to subscribe for and be allocated one (1) Offer Share;
  - (b) If not all Subscription Rights are validly exercised in the subscription period, subscribers having exercised their Subscription Rights and who have over-subscribed will have the right to be allocated remaining Offer Shares on a pro rata basis based on the number of Subscription Rights exercised by the subscriber. If a pro rata allocation is not possible, the Company will determine the allocation by lot drawing;
  - (c) No fractional Offer Shares will be allocated. The Company reserves the right to reject or reduce any subscription for Offer Shares not covered by Subscription Rights; and
  - (d) Allocation of fewer Offer Shares than subscribed for by a subscriber will not impact on the subscribers' obligation to pay for the number of Offer Shares allocated.
- (vii) The offer to subscribe for Offer Shares will be made through a national prospectus pursuant to chapter 7 (II) of the Norwegian Securities Trading Act (the "**Offering Prospectus**"). The Offer Shares cannot be subscribed for by shareholders in jurisdictions in which the offer cannot legally be made on the basis of the Offering Prospectus.
- (viii) The subscription period shall commence on 3 June 2020 and expire on 16 June 2020 at 16.30 hours (CEST). Subscription shall be made by signing and submitting the subscription form to be attached to the Offering Prospectus or by subscribing through VPS Investor Services.
- (ix) Settlement for the Offer Shares shall be made on 18 June 2020 to a specific share issue account. Upon subscription of Offer Shares, each subscriber will by signature on the subscription form provide Arctic Securities AS with a one-time authorisation to debit a specified account for an amount corresponding to the number of subscribed Offer Shares multiplied by the subscription price. Upon allocation, Arctic Securities AS will debit the specified account for an amount corresponding to the number of allocated Offer Shares multiplied by the subscription price. Subscribers without a Norwegian bank account must pay in accordance with instructions from Arctic Securities AS.
- (x) The Offer Shares shall rank *pari passu* with the existing shares and carry full shareholder rights in the Company, including the rights to dividends, from the date of registration of the share capital in the Norwegian Register of Business Enterprises.
- (xi) Section 4 of the Company's articles of association shall be amended accordingly.
- (xii) The estimated expenses related to the share capital increase are NOK 900,000.

#### **4.11 Subscription Period and subscription procedure**

##### **4.11.1 Timetable for the Subsequent Offering**

The timetable set out below provides certain indicative key dates for the Subsequent Offering, including the Subscription Period:

Event	Date
Last day of trading in the Shares including Subscription Rights.....	16 April 2020
First day of trading in the Shares excluding Subscription Rights.....	17 April 2020
Record Date.....	20 April 2020
Subscription Period commences.....	3 June 2020 at 09.00 hours (CEST)
Subscription Period ends.....	16 June 2020 at 16.30 hours (CEST)
Allocation of the Offer Shares.....	17 June 2020
Distribution of allocation letters.....	17 June 2020
Payment Date.....	18 June 2020
Registration of share capital increase in the Norwegian Register of Business Enterprises.....	On or about 24 June 2020
Delivery of Offer Shares to the VPS accounts of the subscribers in the Subsequent Offering.....	On or about 24 June 2020
Listing and commencement of trading in the Offer Shares on Oslo Børs.....	On or about 25 June 2020

The above dates are indicative and subject to change.

#### 4.11.2 Subscription procedure

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

All online subscribers must verify that they are Norwegian residents by entering their national identity number (*Nw: personnummer*). The Company does not assume any responsibility for failure to subscribe for Offer Shares due to technical or internet problems.

Subscriptions for Offer Shares may also be made by submitting a correctly completed subscription form (such form is enclosed to this Prospectus as Appendix 2, the "**Subscription Form**") to the Managers during the Subscription Period. The Subscription Forms may be submitted to:

**ABG Sundal Collier ASA**  
Munkedamsveien 45 Vika Atrium  
P.O. Box 1444 Vika  
N-0115 Oslo  
Norway  
Tel: +47 22 01 60 00  
E-mail: [subscription@abgsc.no](mailto:subscription@abgsc.no)

**Arctic Securities AS**  
Haakon VII's gate 5  
P.O. Box 1833 Vika  
N-0123 Oslo  
Norway  
Tel: +47 21 01 30 40  
E-mail: [subscription@arctic.com](mailto:subscription@arctic.com)

Correctly completed Subscription Forms must be received by the Managers no later than 16 June 2020 at 16.30 hours (CEST).

It is not sufficient for the Subscription Form to be postmarked within the expiry of the Subscription Period. Subscribers for Offer Shares bear the risk of any postal delays or technical computer problems relating to the above-mentioned internet addresses which result in a subscription or a Subscription Form not being received within the Subscription Period.

Neither the Company nor the Managers may be held responsible for postal delays, internet lines or servers or other logistical or technical problems that may result in subscriptions not being received in time or at all by the Manager. Subscription Forms received after the end of the Subscription Period and/or incomplete or incorrect Subscription Forms and any subscription that may be unlawful may be disregarded at the sole discretion of the Company without notice to the subscriber. The Managers have the right to disregard any application, without any liability towards the subscriber if a LEI or NID number<sup>1</sup> or any other compulsory information requested in the Subscription Form is not populated. If a LEI number or other compulsory information is not populated by the subscriber, the Managers also reserve the right to obtain such information through publicly available sources and use such number to complete the Subscription Form.

Subscriptions are binding and irrevocable, and cannot, subject to applicable law, be withdrawn, cancelled or modified by the subscriber after having been received by the Manager. The subscriber is responsible for the correctness of the information filled into the Subscription Form. By signing and submitting a Subscription Form, the subscribers confirm and warrant that they have read this Prospectus and are eligible to subscribe for Offer Shares under the terms set forth herein.

There is no minimum subscription amount for which subscriptions in the Subsequent Offering must be made. Oversubscription (i.e. subscription for a number of the Offer Shares higher than the number of allocated Subscription Rights) will be permitted. Subscription without Subscription Rights will not be permitted.

Multiple subscriptions (i.e. subscriptions on more than one Subscription Form) are allowed. Please note, however, that two separate Subscription Forms submitted by the same subscriber with the same number of Offer Shares subscribed for on both Subscription Forms will only be counted once unless otherwise explicitly stated in one of the Subscription Forms.

#### 4.11.3 Mandatory anti-money laundering procedures

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

Subscribers who are not registered as existing customers of the Managers must verify their identity to the Managers in accordance with the requirements of the Anti-Money Laundering Legislation, unless an exemption is available. Subscribers who have designated an existing Norwegian bank account and an existing VPS account on the Subscription Form are exempted, unless verification of identity is requested by the Managers. Subscribers who have not completed the required verification of identity prior to the expiry of the Subscription Period will not be allocated Offer Shares.

Furthermore, participation in the Subsequent Offering is conditional upon the subscriber holding a VPS account. The VPS account number must be stated in the Subscription Form. VPS accounts can be established with authorized VPS registrars, who can be Norwegian banks, authorized securities brokers in Norway and Norwegian branches of credit institutions established within the EEA. However, non-Norwegian investors may use nominee VPS accounts registered in the name of a nominee. The nominee must be authorized by the Norwegian FSA.

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<sup>1</sup> A LEI number is a global identification code for legal entities and a NID number is a global identification code for natural persons. As a result of MiFID II/ MIFIR, all legal entities and natural persons need a LEI/ NID number in order to participate in financial transactions from 3 January 2018. For Norwegian citizens, the NID code is the same as the national identity number (Nw: *personnummer*) with NO as a prefix.

Establishment of a VPS account requires verification of identification to the VPS registrar in accordance with the Anti-Money Laundering Legislation.

#### 4.11.4 Financial intermediaries

##### **General**

All persons or entities holding Shares or Subscription Rights through financial intermediaries (*e.g.*, brokers, custodians and nominees) should read this Section 4.11.4 "Financial intermediaries". All questions concerning the timeliness, validity and form of instructions to a financial intermediary in relation to the exercise of Subscription Rights should be determined by the financial intermediary in accordance with its usual customer relations procedure or as it otherwise notifies each beneficial shareholder.

Neither the Company nor the Managers are liable for any action or failure to act by a financial intermediary through which Shares are held.

##### **Subscription rights**

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

##### **Subscription period**

The time by which notification of exercise instructions for subscription of Offer Shares must validly be given to a financial intermediary may be earlier than the expiry of the Subscription Period. Such deadlines will depend on the financial intermediary. Eligible Shareholders who hold their Shares through a financial intermediary should contact their financial intermediary if they are in any doubt with respect to deadlines.

##### **Subscription**

Any Eligible Shareholder who holds its Subscription Rights through a financial intermediary and wishes to exercise its Subscription Rights, should instruct its financial intermediary in accordance with the instructions received from such financial intermediary. The financial intermediary will be responsible for collecting exercise instructions from the Eligible Shareholders and for informing the Managers of their exercise instructions.

Please refer to Section 6 "Selling and Transfer Restrictions" for a description of certain restrictions and prohibitions applicable to the exercise of Subscription Rights in certain jurisdictions outside Norway.

##### **Method of payment**

Any Eligible Shareholder who holds its Subscription Rights through a financial intermediary should pay the Subscription Price for the Offer Shares that are allocated to it in accordance with the instructions received from the financial intermediary. The financial intermediary must pay the Subscription Price in accordance with the instructions in the Prospectus. Payment by the financial intermediary for the Offer Shares must be made to the Managers no later than the Payment Date. Accordingly, financial intermediaries may require payment to be provided to them prior to the Payment Date.

## 4.12 Managers

ABG Sundal Collier and Arctic are acting as Managers for the Subsequent Offering.

## 4.13 Payment Due Date for the Offer Shares

### 4.13.1 Payment Date

The payment for Offer Shares allocated to a subscriber falls due on 18 June 2020 (the "**Payment Date**"). Payment must be made in accordance with the requirements set out in section 4.13.2 "Subscribers who have a Norwegian bank account" or section 4.13.3 "Subscribers who do not have a Norwegian bank account" below.

### 4.13.2 Subscribers who have a Norwegian bank account

Subscribers who have a Norwegian bank account must, and will by signing the Subscription Form or by the online subscription registration for subscriptions through the VPS online subscription system, provide Arctic (the "**Settlement Agent**") with a one-time irrevocable authorization to debit a specified bank account with a Norwegian bank for the amount payable for the Offer Shares which are allocated to the subscriber. Payment by direct debiting is only available for subscribers who are allocated Offer Shares for an amount below NOK 5,000,000.

The specified bank account is expected to be debited on or after the Payment Date, and subscribers must make sure that there are sufficient funds available on the designated bank account from and including the banking date before the Payment Date. The Settlement Agent is only authorized to debit such account once but reserves the right to make up to three debit attempts, and the authorization will be valid for up to seven working days after the Payment Date.

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

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

Payment by direct debiting is a service that banks in Norway provide in cooperation. In the relationship between the subscriber and the subscriber's bank, the standard terms and conditions for "Payment by Direct Debiting – Securities Trading" will apply, provided, however, that subscribers who are allocated Offer Shares for an amount exceeding NOK 5,000,000 must contact the Settlement Agent for further details and instructions, and ensure that payment with cleared funds for the Offer Shares allocated to them is made on or before the Payment Date.

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

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

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

#### 4.13.4 Overdue payments

Overdue payments will be charged with interest at the applicable rate from time to time under the Norwegian Act on Interest on Overdue Payment of 17 December 1976 No. 100, currently 9.50% per annum. If a subscriber fails to comply with the terms of payment, the Offer Shares will, subject to the restrictions in the Norwegian Public Limited Companies Act and at the discretion of the Managers, not be delivered to the subscriber. The Managers, on behalf of Company, reserve the right, at the risk and cost of the subscriber to, at any time, to cancel the subscription and to re-allocate or otherwise dispose of allocated Offer Shares for which payment is overdue, or, if payment has not been received by the third day after the Payment Date, without further notice sell, assume ownership to or otherwise dispose of the allocated Offer Shares on such terms and in such manner as the Managers may decide in accordance with Norwegian law. The subscriber will remain liable for payment of the subscription amount, together with any interest, costs, charges and expenses accrued and the Managers, on behalf of the Company, may enforce payment for any such amount outstanding in accordance with Norwegian law.

#### 4.14 Delivery of the Offer Shares and listing of the Offer Shares

All subscribers subscribing for Offer Shares must have a valid VPS account (established or maintained by an investment bank or Norwegian bank that is entitled to operate VPS accounts) to receive Offer Shares. The share capital increase pertaining to the Subsequent Offering will be registered with the Norwegian Register of Business Enterprises as soon as practicable after payment of the total subscription amount for all the Offer Shares has been received by the Company. Assuming that payments from all subscribers are made when due, it is expected that the share capital increase will be registered with the Norwegian Register of Business Enterprises on or about 24 June 2020 and that the delivery of the Offer Shares will take place on or about 24 June 2020. The final deadline for registration of the share capital increase pertaining to the Subsequent Offering with the Norwegian Register of Business Enterprises, and hence for the subsequent delivery of the Offer Shares, is, pursuant to the Norwegian Public Limited Companies Act, three months from the expiry of the Subscription Period. In order to avoid delays in the registration of the share capital increase, the Company may (but has no obligation to) arrange for the Managers or other third parties to make a pre-payment for the Offer Shares.

Delivery of Offer Shares to a subscriber will only take place if such subscriber has made full payment for the Offer Shares in accordance with the payment instructions set out in Section 4.13 "Payment Due Date for the Offer Shares". Trading in the Offer Shares must not take place until delivery of the Offer Shares.

The Offer Shares are expected to be listed on Oslo Børs on or about 25 June 2020.

#### **4.15 Risks related to the Shares and the Offer Shares**

*An investment in the Offer Shares involves inherent risk. Before making an investment decision with respect to the Offer Shares, investors should carefully consider the risk factors and all information contained in this Prospectus, including the financial statements and related notes. The risks and uncertainties described in this Section 4.15 "Risks related to the Shares and the Offer Shares" and Section 3.10 "Risk factors related to the Company and its business" are the principal known risks and uncertainties faced by the Group as of the date hereof that the Company believes are relevant to an investment in the Offer Shares. An investment in the Offer 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 in respect of the Offer Shares. If any of the following risks were to materialise, individually or together with other circumstances, they 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 could cause a decline in the value and trading price of the Offer Shares, resulting in the loss of all or part of an investment in the same.*

*The order in which the risks are presented 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 4.15 "Risks related to the Shares and the Offer Shares" is as of the date of this document.*

##### ***The price of the Shares could fluctuate significantly***

The trading volume and price of the Shares could fluctuate significantly. Securities markets in general have been volatile in the past. Some of the factors that could negatively affect the Share price or result in fluctuations in the price or trading volume of the Shares include, for example, changes in the Group's actual or projected results of operations or those of its competitors, changes in earnings projections or failure to meet investors' and analysts' earnings expectations, investors' evaluations of the success and effects of the strategy described in this Prospectus, as well as the evaluation of the related risks, changes in general economic conditions, changes in shareholders and other factors. This volatility has had a significant impact on the market price of securities issued by many companies. Those changes may occur without regard to the operating performance of these companies. The price of the Shares may therefore fluctuate based upon factors that have little or nothing to do with the Group, and these fluctuations may materially affect the price of the Shares.

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

The Company cannot predict what effect, if any, future sales of the Shares, or the availability of Shares for future sales, will have on the market price of the Shares. Sales of substantial amounts of the Shares in the public market, or the perception that such sales could occur, could adversely affect the market price of the Shares, making it more difficult for holders to sell their Shares or the Company to sell equity securities in the future at a time and price that they deem appropriate.

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

The Company may in the future decide to offer additional Shares or other securities in order to finance new capital-intensive projects, in connection with unanticipated liabilities or expenses or for any other purposes. There is no assurance the Company will not decide to conduct further offerings of securities in the future. Depending on the structure of any future offering, certain existing shareholders may not have the ability to

purchase additional equity securities. If the Company raises additional funds by issuing additional equity securities, holdings and voting interests of existing shareholders could be diluted.

***Pre-emptive rights to secure and pay for Shares in additional issuance could be unavailable to U.S. or other shareholders***

Under Norwegian law, unless otherwise resolved at the Company's general meeting of shareholders, existing shareholders have pre-emptive rights to participate on the basis of their existing ownership of Shares in the issuance of any new Shares for cash consideration. Shareholders in the United States, however, could be unable to exercise any such rights to subscribe for new Shares unless a registration statement under the U.S. Securities Act is in effect in respect of such rights and Shares or an exemption from the registration requirements under the U.S. Securities Act is available. Shareholders in other jurisdictions outside Norway could be similarly affected if the rights and the new Shares being offered have not been registered with, or approved by, the relevant authorities in such jurisdiction. The Company is under no obligation to file a registration statement under the U.S. Securities Act or seek similar approvals under the laws of any other jurisdiction outside Norway in respect of any such rights and Shares and doing so in the future could be impractical and costly. To the extent that the Company's shareholders are not able to exercise their rights to subscribe for new Shares, their proportional interests in the Company will be diluted.

***Investors could be unable to exercise their voting rights for Shares registered in a nominee account***

Beneficial owners of the Shares that are registered in a nominee account (such as through brokers, dealers or other third parties) could be unable to vote such Shares unless their ownership is re-registered in their names with the VPS prior to any general meeting. There can be no assurance that beneficial owners of the Shares will receive the notice of any general meeting in time to instruct their nominees to either effect a re-registration of their Shares or otherwise vote their Shares in the manner desired by such beneficial owners.

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

The Shares have not been registered under the U.S. Securities Act or any U.S. state securities laws or any other jurisdiction outside 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 the registration requirements of the U.S. Securities Act and applicable securities laws. Please refer to Section 6 "Selling and Transfer Restrictions" for further details. 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 rights offerings.

***The Company's ability to pay dividends is dependent on the availability of distributable reserves and the Company may be unable or unwilling to pay any dividends in the future***

Norwegian law provides that any declaration of dividends must be adopted by the shareholders at the general meeting. Dividends may only be declared to the extent that the Company has distributable funds and the Company's Board finds such a declaration to be prudent in consideration of the size, nature, scope and risks associated with the Company's operations and the need to strengthen its liquidity and financial position. As the Company's ability to pay dividends is dependent on the availability of distributable reserves, it is, among other things, dependent upon receipt of dividends and other distributions of value from its subsidiaries and companies in which the Company may invest. As a general rule, the General Meeting may not declare higher dividends than the Board of Directors has proposed or approved. If, for any reason, the General Meeting does not declare dividends in accordance with the above, a shareholder will, as a general rule, have no claim in respect of such non-payment, and the Company will, as a general rule, have no obligation to pay any dividend in respect of the relevant period.

### ***Investors could be unable to recover losses in civil proceedings in jurisdictions other than Norway***

The Company is a public limited company organised under the laws of Norway with the majority of its members of the Company's Board of Directors and Management residing in Norway. As a result, it may not be possible for investors to effect service of process in other jurisdictions upon such persons or the Company, to enforce against such persons or the Company judgments obtained in non-Norwegian courts, or to enforce judgments on such persons or the Company in other jurisdictions.

### ***Norwegian law could limit shareholders' ability to bring an action against the Company***

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

### ***Market interest rates could influence the price of the Shares***

One of the factors that could influence the price of the Shares is its annual dividend yield as compared to yields on other financial instruments. Thus, an increase in market interest rates will result in higher yields on other financial instruments, which could adversely affect the price of the Shares.

## **4.16 Governing law and jurisdiction**

This Prospectus, and the terms and conditions of the Subsequent Offering, including issuance of the Offer Shares, are governed by Norwegian law. The Company has been incorporated under the Norwegian Public Limited Companies Act and all matters relating to the Offer Shares (and the Shares) will primarily be regulated by this act. Any dispute arising out of, or in connection with, this Prospectus or the Subsequent Offering shall be subject to the exclusive jurisdiction of the courts of Norway, with Oslo as legal venue.

## **5 FURTHER INFORMATION**

### **5.1 Working capital statement**

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

### **5.2 Legal proceedings**

From time to time, the Company and other companies in the Group are involved in litigation, disputes and other legal proceedings arising in the normal course of its business.

On 14 September 2018, the Company received a claim from the Norwegian tax authorities (Skatt Sør) of repayment of refunded VAT for the period since 2013, totalling an amount of NOK 12.4 million. Further, the tax authorities have resolved to strike the Company from the Norwegian VAT Register with effect from the first VAT term of 2013 and going forward, and impose an additional tax of NOK 1.2 million. The claim for repayment of refunded VAT was paid in October 2018, while the claim for additional tax is not required to be paid until the matter has been finally settled. The Company has filed a complaint over the resolution and thereby seek to recover the repayment of refunded VAT, but there can be no assurance that the Company will be successful in doing so. The tax authorities argue that the Company should not have been registered in the VAT Register and has therefore not been eligible to receive VAT refunds on the grounds that the Company's business is not capable of being profitable, and does therefore not qualify as a "business" pursuant to the Norwegian laws and regulation regarding VAT. The Company disagrees with the assessment made by the tax authorities, especially since significant milestones have been passed to commercialize the TLens technology, and will challenge any claims made by the tax authorities. As of the date of this Prospectus, the matter is still pending.

Other than the above, neither the Company nor any other company in the Group is, 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 Company's and/or the Group's financial position or profitability, and the Company is not aware of any such proceedings which are pending or threatened.

### **5.3 The Articles of Association**

The Articles of Association were last amended on 16 August 2020, The Articles of Association as of the date of this Prospectus is enclosed as Appendix A1, respectively, to the Prospectus. Please find a summary of the Articles of Association below:

#### *Objective of the Company - § 3*

The objective of the Company is to develop and deliver optical components and related business, including owning shares and other securities in other companies.

#### *Registered office - § 2*

The Company's registered office is in the municipality of Horten, Norway.

#### *Share capital and par value - § 4*

The Company's share capital is NOK 1,768,773.00 divided into 8,843,865 Shares, each Share with a par value of NOK 0.20.

#### *Board of Directors - § 5*

The Board of Directors shall consist of up to 7 members.

#### *Nomination committee - § 7*

The Company shall have a nomination committee with 2 – 3 members, as elected by the general meeting. The nomination committee shall propose candidates for the Board, and remuneration to the members of the Board.

#### *General meetings - § 8*

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

The Board may set deadlines for registration to general meetings, and such deadlines may not be shorter than 5 days before the general meeting. The Board decides from time to time whether such deadline shall be set.

General meetings may be held in the municipality of Oslo in addition to the municipality of the Company's registered office.

### **5.4 Certain aspects of Norwegian law**

#### **5.4.1 General meetings**

The general meeting of shareholders is the highest authority of a Norwegian company. In accordance with Norwegian law, the annual general meeting of the Company is required to be held each year on or prior to 30 June.

Extraordinary general meetings of shareholders may be held if the board of directors considers it necessary. An extraordinary general meeting of shareholders must also be convened for the consideration of specific matters at the written request of the Company's auditor or of shareholders representing a total of at least 5% of the Company's share capital. Further and provided that the Company has procedures in place to allow for shareholders to vote electronically, the annual general meeting of a Norwegian public limited company may, with a majority of at least two-thirds of the aggregate number of votes cast as well as at least two-thirds of the share capital represented at a general meeting, resolve that extraordinary general meetings may be convened with a fourteen days' notice period until the next annual general meeting.

Norwegian law requires that written notice of general meetings (annual or extraordinary) setting forth the time, date and agenda of the meeting is sent to all shareholders with known address at least 21 days before the general meeting if a Norwegian public company listed on a stock exchange or a regulated market shall be held, unless the articles of association stipulates a longer deadline, which is not currently the case for the Company.

A shareholder may vote at the general meeting either in person or by proxy appointed at their own discretion. Proxy forms may be included together with notices of general meetings. All shareholders who are registered in the register of shareholders maintained with the VPS as of the date of the general meeting, or who have otherwise reported and documented ownership to Shares, are entitled to participate at general meetings, without any requirement of pre-registration. Note, however, that the Company's articles of association may provide for pre-registration requirements in order to participate at the general meeting. The Company has currently included such a provision in its articles of association, and consequently, the Board of Directors may

for each general meeting determine a deadline for registration, which cannot be earlier than 5 days prior to the general meeting.

#### 5.4.2 Voting rights - amendments to the Articles of Association

Each of the Shares carries one vote. In general, decisions made by shareholders under Norwegian law or the Articles of Association may be made by a simple majority of the votes cast. In the case of elections (e.g. of members to the Board of Directors or the nomination committee), the persons who obtain the greatest number of votes cast are elected.

However, Norwegian corporate law provides for a qualified majority requirement applicable to certain decisions, including (a) resolutions to waive shareholders' preferential rights to subscribe for shares in connection with share issues, (b) approval of mergers or demergers of the Company, (c) amendment of the Articles of Association, (d) authorisations to issue shares and increase the share capital (e) reductions in the share capital, (f) authorisations to issue convertible loans or warrants, (g) authorisations to the Board of Directors to acquire and hold treasury shares; and to (h) liquidation of the Company, all of which must receive the approval of at least two-thirds of the aggregate number of votes cast as well as at least two-thirds of the share capital represented at a general meeting. Norwegian law further requires that certain decisions, namely decisions which will result in a substantial alteration of the rights and preferences of any shares or class of shares, receive the approval by the holders of such shares or class of shares, in addition to the qualified majority requirement needed to amend the Articles of Association.

Furthermore, decisions that (a) would reduce the rights of some or all of the Company's shareholders in respect of dividend payments or other rights to assets or (b) 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. Certain types of changes in the rights of shareholders require the consent of all shareholders affected thereby as well as the majority required for amending the Articles of Association.

In general, only shareholders registered in the VPS are entitled to vote for 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. Investors should note that there are varying opinions as to the interpretation of the right to vote on nominee registered shares. A shareholder should, in order to be eligible to vote for such Shares at the general meeting, transfer the Shares from such nominee account to an account in the shareholder's name. Such registration must, as a general rule, appear from a transcript from the VPS, at the latest, on the date of the general meeting.

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

#### 5.4.3 Additional Share issue and preferential rights

Any issue of Offer Shares, including bonus issues, involve an amendment of the Articles of Association, which requires a general meeting approval with at least two-thirds of the aggregate number of votes cast as well as at least two-thirds of the share capital represented at such general meeting. In addition, under Norwegian law, the Company's shareholders have preferential rights to subscribe for Offer Shares issued by the Company. Preferential rights may be derogated from in the resolution by the general meeting. A derogation of the shareholders' preferential rights in respect of bonus issues requires the approval of all outstanding Shares.

At a general meeting the Company's shareholders may, by the same vote as is required for amending the Articles of Association, authorize the board of directors to issue Offer Shares, and to derogate from the preferential rights of shareholders in connection with such issuances. Such authorization may be effective for a maximum of 2 years, and the par value of the Shares to be issued may not exceed 50% of the registered nominal share capital when the authorization is registered with the Norwegian Register of Business Enterprises.

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

#### 5.4.4 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 in the paragraph on "General meetings" above, which contains a description of general meetings. Any of the Company's shareholders may petition Norwegian courts to have a decision by the board of directors or 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. If based on particularly significant matters, the Company's shareholders may require the courts to dissolve the Company as a result of such decisions. Minority shareholders holding 5% or more of the Company's share capital have a right to demand in writing that the Company's board of directors convene an extraordinary general meeting to discuss or resolve specific matters. In addition, any of the Company's shareholders may in writing demand that the Company place an item on the agenda for any general meeting as long as the Company is notified in time for such item to be included in the notice of the meeting. If the notice already has been issued when such a written demand is presented, a renewed notice must be issued if the deadline for the notice has not expired.

The Articles of Association do not contain stricter provisions than the Norwegian Public Limited Companies Act with respect to actions necessary to change the rights of shareholders.

#### 5.4.5 Board Members' Liability

Members of the Board of Directors owe a fiduciary duty to the Company and its shareholders. Such fiduciary duty requires that the directors act in the best interests of the Company when exercising their powers as directors, and that they generally show loyalty and care towards the Company. The principal task of the directors, in their capacities of directors, is to safeguard the interests of the Company.

Members of the board of directors may each be held liable for any damage they negligently or wilfully cause the Company. Norwegian law permits the shareholders at general meetings to discharge any such person from liability, but such discharge is not binding on the Company for such matters which the general meeting did not receive substantially correct and complete information on prior to passing upon the matter. If a resolution to discharge the Company's directors from liability or not to pursue claims against a director has been passed by a general meeting, shareholders representing more than 10% of the share capital or, if there are more than 100 shareholders, more than 10% of the number of shareholders may pursue the claim on the Company's behalf and in its name. The cost of any such action is not the Company's responsibility but can be recovered from any proceeds that the Company receives as a result of the action.

#### 5.4.6 Indemnification of the Board of Directors

The Company is permitted to purchase, and has purchased, insurance to cover the Company's directors against certain liabilities that they may incur in their capacity as such.

#### 5.4.7 Transactions with related parties

Pursuant to the Norwegian Public Limited Companies Act, material agreements between the Company and certain related parties (as set out in the Norwegian Accounting Act) shall be approved by the general meeting. An agreement shall for this purpose be considered to be material where the consideration from the Company at the date of this agreement had an actual value which exceeded 2.5% of the balance sheet amount in the last approved annual accounts of the Company. Failure to obtain approval by the general meeting of material agreements between the Company and related parties may imply that the agreement is not binding for the Company. There are exemptions from this provision, including, *inter alia*, agreements entered into in the normal course of business of the Company on terms and conditions normal for such agreements, agreements for the purchase of securities at a price in accordance with a public quotation and agreements with subsidiaries.

#### 5.4.8 Rights of redemption and repurchase of shares

As of the date of the Prospectus the Company has not issued any redeemable Shares.

The share capital of the Company may be reduced by reducing the par value of the Shares or by cancelling Shares. Such a decision requires the approval of at least two-thirds of the votes cast and at least two-thirds of the share capital represented at a general meeting of the Company's shareholders. 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 the general meeting with the approval of at least two-thirds of the votes cast and at least two-thirds of the share capital represented at such meeting. An authorization cannot be granted for a period exceeding 2 years. The aggregate par value of treasury shares acquired, and held by the Company must not exceed 10% of the Company's share capital, and treasury shares may only be acquired if the Company's distributable equity, according to the latest adopted balance sheet, exceeds the consideration to be paid for the Shares.

#### 5.4.9 Shareholder vote on mergers and demergers

A decision to merge with another company or to demerge requires a resolution by the shareholders at a general meeting passed by at least two-thirds (2/3) of the votes cast and at least two-thirds (2/3) of the share capital represented at the 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 at least 1 month prior to the general meeting held to pass upon the matter.

#### 5.4.10 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 votes cast and at least two-thirds of the share capital represented at the meeting. In the event of a liquidation, the Shares rank equally in respect of return on capital by the Company, if any.

## **6 SELLING AND TRANSFER RESTRICTIONS**

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

The Company is not taking any action to permit a public offering of the Offer Shares in any jurisdiction other than Norway. Receipt of this Prospectus will not constitute an offer in those jurisdictions in which it would be illegal to make an offer, and, in those circumstances, this Prospectus is for information only and should not be copied or redistributed. Except as otherwise disclosed in this Prospectus, if an investor receives a copy of this Prospectus in any jurisdiction other than Norway, the investor may not treat this Prospectus as constituting an invitation or offer to it, nor should the investor in any event deal in the Shares, unless, in the relevant jurisdiction, such an invitation or offer could lawfully be made to that investor, or 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 Prospectus, 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.

None of the Company or the Managers, or any of their respective representatives or advisers, is making any representation to any offeree or purchaser of the Offer Shares regarding the legality of an investment in the Offer Shares by such offeree or purchaser under the laws applicable to such offeree or purchaser. 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 Offer Shares.

The information set out in this Section 6 "Selling and Transfer Restrictions" is intended as a general guide only. If you are in any doubt about any of the contents of applicable restrictions, or whether any of these restrictions apply to you, you should obtain independent professional advice without delay.

## 7 INCORPORATION BY REFERENCE

The Norwegian Securities Trading Act allow the Company to incorporate by reference certain information into this Prospectus.

The information which has been incorporated into this Prospectus by reference is set out in Section 7.1 "Cross reference table", and this Prospectus should be read in conjunction with the documents set out therein.

### 7.1 Cross reference table

The information incorporated by reference in this Prospectus should be read in connection with the following cross reference table.

Reference document and link
<b>Annual Report 2019, including auditor report</b> <a href="https://s22.q4cdn.com/177975322/files/doc_financials/2019/poLight-Annual-Report-2019.pdf">https://s22.q4cdn.com/177975322/files/doc_financials/2019/poLight-Annual-Report-2019.pdf</a>
<b>Annual Report 2018, including auditor report</b> <a href="https://s22.q4cdn.com/177975322/files/doc_financials/2018/poLight-Annual-Report-2018.pdf">https://s22.q4cdn.com/177975322/files/doc_financials/2018/poLight-Annual-Report-2018.pdf</a>
<b>Q1 Report 2020</b> <a href="https://s22.q4cdn.com/177975322/files/doc_financials/2020/q1/poLight_Q1_2020_report.pdf">https://s22.q4cdn.com/177975322/files/doc_financials/2020/q1/poLight_Q1_2020_report.pdf</a>
<b>Q1 Report 2019</b> <a href="https://s22.q4cdn.com/177975322/files/doc_financials/2019/q1/poLight_Q1_2019_report.pdf">https://s22.q4cdn.com/177975322/files/doc_financials/2019/q1/poLight_Q1_2019_report.pdf</a>

## 8 DEFINITIONS AND GLOSSARY

In this Prospectus, the following defined terms have the following meanings:

Defined term	Meaning
<b>ABG Sundal Collier</b> .....	ABG Sundal Collier ASA.
<b>Arctic</b> .....	Arctic Securities AS.
<b>Anti-Money Laundering Legislation</b> .....	The Norwegian Money Laundering Act of 1 June 2018 no. 23, and the Norwegian Money Laundering Regulation of 14 September 2018 no. 1324, collectively.
<b>Articles of Association</b> .....	The articles of association of the Company.
<b>Board</b> .....	The board of directors of the Company.
<b>Company</b> .....	poLight ASA.
<b>CM</b> .....	Camera module.
<b>Design-win</b> .....	A design-win indicate that one of the Group's product has been designed into a product that will result in a contract with a vendor and on-going volume sales etc.
<b>Eligible Shareholders</b> .....	The Existing Shareholders, except (i) shareholders who were allocated shares in the Private Placement, and (ii) shareholders who are resident in a jurisdiction where such offering would be unlawful or would require any filing, registration or similar action (other than publishing of a prospectus in Norway).
<b>Existing Shareholders</b> .....	The shareholders of the Company as of 16 April 2020, as registered in the VPS on 20 April 2020.
<b>Group</b> .....	The Company and its consolidated subsidiaries.
<b>Ineligible Jurisdictions</b> .....	Jurisdiction where the Prospectus may not be distributed and/ or with legislation that, according to the Company's assessment, prohibits or otherwise restricts subscription for Offer Shares or (for jurisdictions other than Norway) would require any prospectus, filing, registration or similar action.
<b>Ineligible Shareholders</b> .....	Existing Shareholders resident in a jurisdiction where the Prospectus may not be distributed and/or with legislation that, according to the Company's assessment, prohibits or otherwise restricts subscription for Offer Shares.
<b>ISIN</b> .....	International Securities Identification Number.
<b>LEI</b> .....	Legal entity identifier.
<b>Management</b> .....	The senior management team of the Group.
<b>Managers</b> .....	ABG Sundal Collier and Arctic jointly.
<b>Master Supply Agreement or MSA</b> .....	An MSA is a frame agreement regulating all terms and conditions between the parties in connection with production of components. If poLight achieves a Design-win, an MSA will be entered into. There is no volume commitment in an MSA.
<b>MEMS</b> .....	Microelectromechanical systems, a process technology that can be defined as miniaturized mechanical and electro mechanical elements that are being made using a technique by the use of microfabrication.
<b>Norwegian Public Limited Companies Act</b> .....	The Norwegian Public Limited Companies Act of 13 June 1997 no. 45 ( <i>Nw.: allmennaksjeloven</i> ).
<b>OEM</b> .....	Original Equipment Manufacturer.

<b>Offer Shares</b> .....	The 181,818 new Shares offered to Eligible Shareholders in the Subsequent Offering.
<b>Oslo Børs</b> .....	The main market of the Oslo Stock Exchange.
<b>Payment Date</b> .....	18 June 2020
<b>PoC</b> .....	Proof-of-concept.
<b>poLight</b> .....	The Company and its consolidated subsidiaries.
<b>Private Placement</b> .....	The private placement of 727,273 new Shares in the Company at a price per Share of NOK 55, completed on 16 April 2020.
<b>Prospectus</b> .....	This Prospectus, dated 29 May 2020.
<b>Record Date</b> .....	20 April 2020.
<b>Securities Trading Act</b> .....	The Norwegian Securities Trading Act of 29 June 2006 no. 75 ( <i>Nw: verdipapirhandelloven</i> ).
<b>Securities Trading Regulation</b> .....	The regulation of 29 June 2006 no. 876 to the Securities Trading Act ( <i>Nw: verdipapirforskriften</i> ).
<b>Subscription Form</b> .....	The form for subscription of Offer Shares, attached to this Prospectus as <u>Appendix B</u> .
<b>Subscription Period</b> .....	The subscription period in the Subsequent Offering, commencing on 3 June 2020 and ending on 16 June 2020 at 16.30 hours (CEST).
<b>Subscription Price</b> .....	The price to be paid per Offer Share in the Subsequent Offering, being NOK 55.
<b>Subscription Rights</b> .....	Non-tradable subscription rights with ISIN NO 0010884588 granted to each Eligible Shareholder which gives a preferential right to subscribe for and be allocated Offer Shares in the Subsequent Offering.
<b>Subsequent Offering</b> .....	The offering of up to 181,818 Offer Shares directed towards Eligible Shareholders.
<b>THEIL</b> .....	Tong Hsing Electronic Industries, Ltd.
<b>VCM</b> .....	Voice Coil Motor, the most commonly used camera lens technology used today.
<b>VPS</b> .....	The Norwegian Central Securities Depository ( <i>Nw.: Verdipapirsentralen</i> ).
<b>WAEP</b> .....	Weighted Average Exercise Price.

## APPENDIX A – ARTICLES OF ASSOCIATION

### VEDTEKTER FOR POLIGHT ASA

(org.nr. 988 862 703)  
(sist endret 16. april 2020)

#### § 1 Foretaksnavn

Selskapet er et allmennaksjeselskap. Selskapets foretaksnavn er poLight ASA.

#### § 2 Forretningssted

Selskapet skal ha sitt forretningskontor i Horten.

#### § 3 Formål

Selskapets formål er å utvikle og levere optiske komponenter og alt som hører naturlig dertil, herunder å eie aksjer og andre verdipapirer i andre selskaper.

#### § 4 Aksjekapital

Selskapets aksjekapital er NOK 1 768 733,00 fordelt på 8 843 865 aksjer, hver pålydende NOK 0,20.

#### § 5 Styre

Styret i Selskapet skal bestå av inntil 7 styremedlemmer.

#### § 6 Signatur

Selskapets firma tegnes av to styremedlemmer i fellesskap, eller daglig leder og ett styremedlem i fellesskap.

#### § 7 Valgkomité

Selskapet skal ha en valgkomité på 2-3 medlemmer valgt av generalforsamlingen. Etter innstilling fra styret fastsetter generalforsamlingen godtgjørelsen til valgkomiteens medlemmer.

Valgkomiteen skal foreslå kandidater til styret, samt honorarer til styrets medlemmer. Valgkomiteens innstillinger skal begrunnes.

### ARTICLES OF ASSOCIATION FOR POLIGHT ASA

(reg.no. 988 862 703)  
(last amended on 16 April 2020)

#### § 1 Business name

The Company is a public limited liability company. The Company's business name is poLight ASA.

#### § 2 Registered office

The Company's registered office is in the municipality of Horten, Norway.

#### § 3 Objective

The objective of the Company is to develop and deliver optical components and related business, including owning shares and other securities in other companies.

#### § 4 Share capital

The Company's share capital is NOK 1,768,773.00 divided into 8,843,865 Shares, each Share with a par value of NOK 0.20.

#### § 5 The Board of Directors

The Board of Directors shall consist of up to 7 members.

#### § 6 Signatory rights

Two directors jointly, or the chief executive officer and one director jointly, may sign for and on behalf of the Company.

#### § 7 Nomination committee

The Company shall have a nomination committee of 2-3 members, elected by general meeting. Following a recommendation from the Board of Directors, the general meeting shall decide the remuneration to the members of the nomination committee.

The nomination committee shall propose candidates for the board of directors, and remuneration to the members of the Board of

Valgkomiteens medlemmer velges for to år av gangen.

Directors. The proposals of the nomination committee shall be reasoned.

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

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

### **§ 8 Generalforsamling**

Den ordinære generalforsamling skal behandle:

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

Generalforsamling kan holdes i Oslo i tillegg til den kommune Selskapet har sitt forretningskontor.

Selskapet kan ved innkalling til generalforsamling angi en frist for påmelding som ikke må utløpe tidligere enn fem (5) dager før generalforsamlingen. Styret avgjør for den enkelte generalforsamling om det skal fastsettes en slik frist og om denne skal være kortere enn fem (5) dager før generalforsamlingen.

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

### **§ 8 General meetings**

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

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

General meetings may be held in the municipality of Oslo in addition to the municipality of the Company's registered office.

The Board may set deadlines for registration to general meetings, and such deadlines may not be shorter than five (5) days prior to the general meeting. The Board decides from time to time whether such deadline shall be set and if the deadline shall be shorter than five (5) days prior to the general meeting.

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

**APPENDIX B – SUBSCRIPTION FORM**

# POLIGHT ASA – SUBSCRIPTION FORM SUBSEQUENT OFFERING JUNE 2020

<p>Properly completed Subscription Forms must be submitted to one of the Managers as set out below:</p> <p>ABG Sundal Collier ASA PO Box 1444 Vika NO-0115 Oslo, Norway Tel:+47 22 01 60 00 E-mail: <a href="mailto:subscription@abgsc.no">subscription@abgsc.no</a></p> <p>Arctic Securities AS PO Box 1833 Vika NO-0123 Oslo Norway Tel: +47 21 01 30 40 E-mail: <a href="mailto:subscription@arctic.com">subscription@arctic.com</a></p>	<p>In order for investors to be certain to participate in the Subsequent Offering, Subscription Forms must be received no later than on <b>16 June 2020 at 16:30 CEST</b>. The subscriber bears the risk of any delay in the postal communication, busy facsimiles and data problems preventing orders from being received by the Managers.</p> <p><b>NORWEGIAN SUBSCRIBERS DOMICILED IN NORWAY CAN IN ADDITION SUBSCRIBE FOR SHARES AT <a href="http://WWW.ABGSC.NO">WWW.ABGSC.NO</a> AND <a href="http://WWW.ARTIC.COM">WWW.ARTIC.COM</a></b></p>
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**General information:** The terms and conditions for the Subsequent Offering in poLight ASA (the “Company”) of up to **181,818** new shares (the “Offer Shares”) resolved by the Company’s extraordinary general meeting on 28 May 2020 (the “AGM”) are set out in the prospectus dated 29 May 2020 (the “Prospectus”). Terms defined in the Prospectus shall have the same meaning in this Subscription Form. Notice of and minutes from the AGM approving the share capital increase pertaining to the Subsequent Offering, the Company’s Articles of Association and annual accounts and reports for the last two years, and the Prospectus are available at the Company’s registered office. In case of any discrepancies between the Subscription Form and the Prospectus, the Prospectus shall prevail.

**Subscription Period:** The subscription period is from and including 3 June 2020 to 16:30 CEST on 16 June 2020 (the “Subscription Period”). Neither the Company nor the Managers may be held responsible for postal delays, unavailable fax lines, internet lines or servers or other logistical or technical problems that may result in subscriptions not being received in time or at all by the Managers. It is not sufficient for the Subscription Form to be postmarked within the deadline. The Managers have discretion to refuse any improperly completed, delivered or executed Subscription Forms or any subscription which may be unlawful. Subscription Forms that are received too late or are incomplete or erroneous are therefore likely to be rejected without any notice to the subscriber. The Managers have the right to disregard the application, without any liability towards the subscriber, if a LEI or NID number or any other compulsory information requested in the Subscription Form is not populated. If a LEI number or other compulsory information is not populated by the subscriber, the Managers also reserves the right to obtain such information through publicly available sources and use such number to complete the Subscription Form. The subscription for Offer Shares is, subject to applicable law, irrevocable and may not be withdrawn, cancelled or modified once it has been received by the Managers. Multiple subscriptions are allowed. Please note, however, that two separate Subscription Forms submitted by the same subscriber with the same number of Offer Shares subscribed for on both Subscription Forms will only be counted once unless otherwise explicitly stated in one of the Subscription Forms.

**Subscription Price:** The subscription price for one (1) Offer Share is NOK 55.

**Right to subscribe:** The Subscription Rights will be issued to the Company’s shareholders as of close of trading on 16 April 2020 (as registered in VPS on 20 April 2020, pursuant to the VPS’ standard two days’ settlement procedure) (the “Record Date”), except (i) shareholders who were allocated shares in the Private Placement completed on 16 April 2020, and (ii) shareholders who are resident in a jurisdiction where such offering would be unlawful or would require any prospectus, filing, registration or similar action (other than publishing of a prospectus in Norway) (the “Eligible Shareholders”). Each Eligible Shareholder will be granted **0.03786** non-transferable Subscription Rights for each share owned as of the Record Date. Subscription Rights not used to subscribe for the Offer Shares (in full or partly) will lapse without any compensation upon expiry of the Subscription Period and will consequently be of no value. The number of Subscription Rights allocated to each Eligible Shareholder will be rounded down to the nearest whole Subscription Right. Each Subscription Right will, subject to applicable law, give the right to subscribe for and be allotted Offer Shares at the Subscription Price in the Subsequent Offering.

**Allocation:** The allocation criteria are set out in the Prospectus. Over-subscription will be permitted. Subscription without subscription rights will not be permitted. Allocation of fewer Offer Shares than subscribed for by a subscriber will not impact the subscriber’s obligation to pay for the number of Offer Shares allocated. All Subscribers being allotted Offer Shares will receive a letter from the Managers confirming the number of Offer Shares allotted to the Subscriber and the corresponding subscription amount. This letter is expected to be mailed on or about 17 June 2020. Subscribers having access to investor services through their VPS account manager will be able to check the number of Offer Shares allocated to them from approximately 14:00 CEST on 17 June 2020. Subscribers who do not have access to investor services through their VPS account manager may contact the Managers from 14:00 CEST on 17 June 2020 to obtain information about the number of Offer Shares allocated to them.

**Payment:** The payment for the Offer Shares falls due on 18 June 2020 (the “Payment Date”). By signing the Subscription Form or registering a subscription through the VPS online subscription system, each subscriber having a Norwegian bank account, provides the Managers with a one-time irrevocable authorisation to debit the bank account specified by the subscriber below for payment of the allotted Offer Shares for transfer to the Managers. The specified bank account is expected to be debited on or after the Payment Date. The Managers are only authorised to debit such account once, but reserve the right to make up to three attempts to debit the Subscribers’ accounts if there are insufficient funds on the account on previous debit dates. The authorisation will be valid for up to seven working days after the Payment Date. Subscribers who do not have a Norwegian bank account must ensure that payment with cleared funds for the Offer Shares allocated to them is made on or before the Payment Date and should contact the Managers in this respect for further details and instructions. should any subscriber have insufficient funds in his or her account, should payment be delayed for any reason, if it is not possible to debit the account or if payments for any reasons are not made when due, overdue interest will accrue and other terms will apply as set out under the heading “Overdue and missing payments” below.

## DETAILS OF THE SUBSCRIPTION

Subscriber’s VPS account	Number of Subscription Rights	Number of Offer Shares subscribed (incl. over-subscription):	(For broker: Consecutive no.)
		Σx	
<b>1 SUBSCRIPTION RIGHT GIVES THE RIGHT TO BE ALLOCATED 1 OFFER SHARE</b>		<b>Subscription price per Offer Share</b> NOK 55	<b>TOTAL Subscription amount to be paid</b> NOK

SUBSCRIPTION RIGHT’S SECURITIES NUMBER: ISIN NO NO0003064107

### IRREVOCABLE AUTHORISATION TO DEBIT ACCOUNT (MUST BE COMPLETED)

My Norwegian bank account to be debited for the consideration for shares allotted (number of shares allotted x subscription price).	_____ (Norwegian bank account no. 11 digits)
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In accordance with the terms and conditions set out in the Prospectus and this Subscription Form, I/we hereby irrevocably (i) subscribe for the number of Offer Shares specified above and (ii) grant each of the Managers (or someone appointed by them) acting jointly or severally to take all actions required to purchase and/or subscribe for Offer Shares allocated to me/us on my/our behalf, to take all other actions deemed required by them to give effect to the transactions contemplated by this Subscription Form, and to ensure delivery of such Offer Shares to me/us in the VPS, (iii) grant each of the Managers an authorisation to debit (by direct or manual debiting as described above) the specified bank account for the payment of the Offer Shares allocated to me/us, and (iv) confirm and warrant to have read the Prospectus and that I/we are aware of the risks associated with an investment in the Offer Shares and that I/we are eligible to subscribe for and purchase Offer Shares under the terms set forth therein.

**Place and date**  
Must be dated in the Subscription Period

**Binding signature**  
The subscriber must have legal capacity. When signed on behalf of a company or pursuant to an authorisation, documentation in the form of a company certificate or power of attorney should be attached

### INFORMATION ON THE SUBSCRIBER (all fields must be completed)

First name		In the case of changes in registered information, the account operator must be contacted. Your account operator is:
Surname/company		
Street address (for private: home address):		
Post code/district/country		
Personal ID number/Organisation number		
Legal Entity Identifier (“LEI”) /National Client Identifier (“NID”)		
Norwegian bank account for dividends		
Nationality		
E-mail address		
Daytime telephone number		

## **ADDITIONAL INFORMATION FOR THE SUBSCRIBER**

**Regulatory Issues:** In accordance with the Markets in Financial Instruments Directive (“MiFID II”) of the European Union, Norwegian law imposes requirements in relation to business investments. In this respect the Managers must categorize all new clients in one of three categories: eligible counterparties, professional and non-professional clients. All subscribers in the Subsequent Offering who are not existing clients of the Managers will be categorized as non-professional clients. Subscribers can, by written request to the Managers, ask to be categorized as a professional client if the subscriber fulfils the applicable requirements of the Norwegian Securities Trading Act. For further information about the categorization, the subscriber may contact the Managers on telephone +47 22 01 60 00 or +47 24 14 74 00. **The subscriber represents that he/she/it is capable of evaluating the merits and risks of an investment decision to invest in the Company by subscribing for Offer Shares, and is able to bear the economic risk, and to withstand a complete loss, of an investment in the Offer Shares.**

**Selling and Transfer Restrictions:** The attention of persons who wish to subscribe for Offer Shares is drawn to section 6 “Selling and Transfer Restrictions” of the Prospectus. The making or acceptance of the Subsequent Offering to or by persons who have registered addresses outside Norway or who are resident in, or citizens of, countries outside Norway, may be affected by the laws of the relevant jurisdiction. The Company is not taking any action to permit a public offering of the Subscription Rights and the Offer Shares in any jurisdiction other than Norway. Receipt of the Prospectus will not constitute an offer in those jurisdictions in which it would be illegal to make an offer or require any filings by the Company and, in those circumstances, the Prospectus is for information only and should not be copied or redistributed. Those persons should consult their professional advisers as to whether they require any governmental or other consents or need to observe any other formalities to enable them to subscribe for Offer Shares. It is the responsibility of any person outside Norway wishing to subscribe for Offer Shares under the Subsequent Offering to satisfy himself/herself as to the full observance of the laws of any relevant jurisdiction in connection therewith, including obtaining any governmental or other consent which may be required, the compliance with other necessary formalities and the payment of any issue, transfer or other taxes due in such territories. The Subscription Rights and Offer Shares have not been registered and will not be registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”) or under the securities law of any state or other jurisdiction of the United States and may not be offered, sold, taken up, exercised, resold, delivered or transferred, directly or indirectly, within the United States. There will be no public offer of the Subscription Rights and Offer Shares in the United States. The Subscription Rights and Offer Shares have not been and will not be registered under the applicable securities laws of Australia, Canada, Hong Kong, Japan or Switzerland and may not be offered, sold, resold or delivered, directly or indirectly, in or into Australia, Canada, Hong Kong, Japan or Switzerland except pursuant to an applicable exemption from applicable securities laws. This Subscription Form does not constitute an offer to sell or a solicitation of an offer to buy Offer Shares in any jurisdiction in which such offer or solicitation is unlawful. Subject to certain exceptions, the Prospectus will not be distributed in the United States, Australia, Canada, Hong Kong, Japan or Switzerland. Except as otherwise provided in the Prospectus, the Subscription Rights and the Offer Shares may not be transferred, sold or delivered in the United States, Australia, Canada, Hong Kong, Japan or Switzerland. Exercise of Subscription Rights and subscription of Offer Shares in contravention of the above restrictions and those set out in the Prospectus may be deemed to be invalid. By subscribing for Offer Shares, persons effecting subscriptions will be deemed to have represented to the Company that they, and the persons on whose behalf they are subscribing for Offer Shares, have complied with the above selling restrictions. Persons effecting subscriptions on behalf of any person located in the United States will be responsible for confirming that such person, or anyone acting on its behalf, has executed an investor letter in the form to be provided by the Managers upon request.

**Execution Only:** The Managers will treat the Subscription Form as an execution-only instruction. The Managers are not required to determine whether an investment in the Offer Shares is appropriate or not for the subscriber. Hence, the subscriber will not benefit from the protection of the relevant conduct of business rules in accordance with the Norwegian Securities Trading Act.

**Information Exchange:** The subscriber acknowledges that, under the Norwegian Securities Trading Act and the Norwegian Financial Institutions Act 2015 and foreign legislation applicable to the Managers, there is a duty of secrecy between the different units of each of the Managers as well as between the Managers and the other entities in the Managers’ group. This may entail that other employees of the Managers or the Managers’ groups may have information that may be relevant to the subscriber and to the assessment of the Offer Shares, but which the Managers will not have access to in their capacity as Managers for the Subsequent Offering.

**Information Barriers:** The Managers are securities firms that offer a broad range of investment services. In order to ensure that assignments undertaken in the Managers’ respective corporate finance departments are kept confidential, the Managers’ other activities, including analysis and stock broking, are separated from the Managers’ corporate finance department by information walls. The subscriber acknowledges that the Managers’ analysis and stock broking activity may act in conflict with the subscriber’s interests with regard to transactions of the Shares, including the Offer Shares, as a consequence of such information walls.

**Mandatory Anti-Money Laundering Procedures:** The Subsequent Offering is subject to the Norwegian Money Laundering Act No. 23 of 1 June 2018 and the Norwegian Money Laundering Regulations No. 1324 of 14 September 2018 (collectively the “Anti-Money Laundering Legislation”). Subscribers who are not registered as existing customers with the Managers must verify their identity in accordance with the requirements of the Anti-Money Laundering Legislation, unless an exemption is available. Subscribers who have designated an existing Norwegian bank account and an existing VPS account on the Subscription Form are exempted, unless verification of identity is requested by the Managers. The verification of identity must be completed prior to the end of the Subscription Period. Subscribers that have not completed the required verification of identity may not be allocated Offer Shares. Further, in participating in the Subsequent Offering, each subscriber must have a VPS account. The VPS account number must be stated on the Subscription Form. VPS accounts can be established with authorised VPS registrars, which can be Norwegian banks, authorised securities brokers in Norway and Norwegian branches of credit institutions established within the EEA. Establishment of a VPS account requires verification of identity before the VPS registrar in accordance with the Anti-Money Laundering Legislation. Non-Norwegian investors may, however, use nominee VPS accounts registered in the name of a nominee. The nominee must be authorized by the Financial Supervisory Authority of Norway.

**Data protection:** As data controllers, each of the Managers process personal data to deliver the products and services that are agreed between the parties and for other purposes, such as to comply with laws and other regulations. The personal data will be processed as long as necessary for the purposes, and will subsequently be deleted unless there is a statutory duty to keep it. For detailed information on each of the Manager’s processing of personal data, please review such Manager’s privacy policy, which is available on its website or by contacting the relevant Manager. The privacy policy contains information about the rights in connection with the processing of personal data, such as the access to information, rectification, data portability, etc. If the applicant is a corporate customer, such customer shall forward the relevant Manager’s privacy policy to the individuals whose personal data is disclosed to the Managers.

**Terms and Conditions for Payment by Direct Debiting - Securities Trading:** Payment by direct debiting is a service the banks in Norway provide in cooperation. In the relationship between the payer and the payer’s bank the following standard terms and conditions will apply:

- a) The service “Payment by direct debiting – securities trading” is supplemented by the account agreement between the payer and the payer’s bank, in particular Section C of the account agreement, General terms and conditions for deposit and payment instructions.
- b) Costs related to the use of “Payment by direct debiting – securities trading” appear from the bank’s prevailing price list, account information and/or information given by other appropriate manner. The bank will charge the indicated account for costs incurred.
- c) The authorization for direct debiting is signed by the payer and delivered to the beneficiary. The beneficiary will deliver the instructions to its bank who in turn will charge the payer’s bank account.
- d) In case of withdrawal of the authorization for direct debiting, the payer shall address this issue with the beneficiary. Pursuant to the Norwegian Financial Contracts Act, the payer’s bank shall assist if the payer withdraws a payment instruction that has not been completed. Such withdrawal may be regarded as a breach of the agreement between the payer and the beneficiary.
- e) The payer cannot authorize payment of a higher amount than the funds available on the payer’s account at the time of payment. The payer’s bank will normally perform a verification of available funds prior to the account being charged. If the account has been charged with an amount higher than the funds available, the difference shall immediately be covered by the payer.
- f) The payer’s account will be charged on the indicated date of payment. If the date of payment has not been indicated in the authorization for direct debiting, the account will be charged as soon as possible after the beneficiary has delivered the instructions to its bank. The charge will not, however, take place after the authorization has expired as indicated above. Payment will normally be credited the beneficiary’s account between one and three working days after the indicated date of payment/delivery.
- g) If the payer’s account is wrongfully charged after direct debiting, the payer’s right to repayment of the charged amount will be governed by the account agreement and the Norwegian Financial Contracts Act.

**Overdue and missing payments:** Overdue and late payments will be charged with interest at the applicable rate from time to time under the Norwegian Act on Interest on Overdue Payment of 17 December 1976 no. 100, currently 9.50% per annum. If a subscriber fails to comply with the terms of payment, the Offer Shares will, subject to the restrictions in the Norwegian Public Limited Companies Act and at the discretion of the Managers, not be delivered to the subscriber. The Managers, on behalf of the Company, reserve the right, at the risk and cost of the subscriber to, at any time, cancel the subscription and to re-allocate or otherwise dispose of allocated Offer Shares for which payment is overdue, or, if payment has not been received by the third day after the Payment Date, without further notice sell, assume ownership to or otherwise dispose of the allocated Offer Shares on such terms and in such manner as the Managers may decide in accordance with Norwegian law. The subscriber will remain liable for payment of the subscription amount, together with any interest, costs, charges and expenses accrued and the Managers, on behalf of the Company, may enforce payment for any such amount outstanding in accordance with Norwegian law.

**REGISTERED OFFICE**



**poLight ASA**  
Kongeveien 77  
N-3188 Horten  
NORWAY

**Managers**

**ABG Sundal Collier ASA**  
Munkedamsveien 45 D  
N-0115 Oslo  
Norway

**Arctic Securities AS**  
Haakon VII's gate 5  
N-0161 Oslo  
Norway

**Legal adviser to the Company**  
(as to Norwegian law)

**Advokatfirmaet CLP DA**  
Sommerrogata 13-15  
N-0255 Oslo  
Norway