

National Prospectus



HAVILA **Havila Kystruten AS**

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

Subsequent Offering of up to 60,000,000 Offer Shares towards Eligible Shareholders with a Subscription Price of NOK 1 per Offer Share

This national prospectus (the "**Prospectus**") has been prepared by Havila Kystruten AS, org. no. 927 216 841 ("**Havila Kystruten**" or the "**Company**"), and together with its subsidiaries, the "**Group**"), solely for use in connection with the offering (the "**Subsequent Offering**") of up to 60,000,000 new shares, each with a nominal value of NOK 1 (the "**Offer Shares**") to be issued at a subscription price of NOK 1 per Offer Share (the "**Subscription Price**").

The subscription period for the Subsequent Offering (the "**Subscription Period**") will commence at 09:00 hours Central European Summer Time ("**CEST**") on 11 September 2023 and end at 16:30 (CEST) on 22 September 2023. The number of Offer Shares to be issued will be determined based on the number of Offer Shares subscribed for in the Subscription Period, but will not exceed 60,000,000 Offer Shares.

The shareholders of the Company as of 18 July 2023 as registered in the Norwegian Central Securities Depository ("**Verdipapirsentralen**" or the "**VPS**") as of 20 July 2023 (the "**Record Date**"), except for (i) shareholders who were allocated shares in the private placement of 758,703,962 new shares announced on 18 July 2023 (the "**Private Placement**"), (ii) shareholders who were offered participation in the pre-sounding for the Private Placement and (iii) shareholders who are resident in a jurisdiction where such offering would be unlawful, or would (in jurisdictions than Norway) require any prospectus, filing, registration or similar action (such eligible shareholders jointly, "**Eligible Shareholder**"), will be granted non-transferable subscription rights (the "**Subscription Rights**") that, subject to applicable law, gives a right to subscribe for and be allocated Offer Shares in the Subsequent Offering. The Subscription Rights will be registered on each Eligible Shareholder's VPS on or about 11 September 2023.

Each Eligible Shareholder will be granted four (4) non-tradeable Subscription Rights for each share held by such Eligible Shareholder in the Company as of the Record Date. Each Subscription Right will, subject to applicable law, give the preferential right to subscribe for, and be allocated, one Offer Share in the Subsequent Offering, rounded down to the nearest whole share. Oversubscription will be permitted, however, subscription without Subscription Rights will not be permitted.

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

The Company's existing shares are, and the Offer Shares will be, listed on Euronext Growth Oslo under the ticker code "HKY".

Investing in the Company's shares, including the Offer Shares (the "Shares") involves a high degree of risk. Prospective investors should read the entire Prospectus and in particular Sections 3.7, 3.8, 3.9 and 3.10 before investing in the Shares.

*This Prospectus is a national prospectus (Nw.: nasjonalt prospekt) and has been registered with the Norwegian Register of Business Enterprises in accordance with section 7-8 of the Norwegian Securities Trading Act. Neither the Financial Supervisory Authority of Norway (Nw.: Finanstilsynet) (the "**Norwegian FSA**") nor any other public authority has carried out any form of review, control or approval of the Prospectus. This Prospectus does not constitute an EEA-prospectus.*

Managers

Arctic Securities AS

Fearnleys Securities AS

Nordea Bank Apb, filial i Norge

The date of this Prospectus is 8 September 2023

IMPORTANT INFORMATION

This Prospectus has been prepared by the Company solely in connection with the Subsequent Offering. This Prospectus has been prepared to comply with the Norwegian Securities Trading Act of 29 June 2007 no. 75, as amended (the "**Norwegian Securities Trading Act**"). The Prospectus is a national prospectus prepared in accordance with Section 7-5 of the Norwegian Securities Trading Act, and it does not fulfil the requirements of the Prospectus Regulation (EU) 2017/1129 (the "**Prospectus Regulation**") and has not been reviewed or approved by the Norwegian FSA. This Prospectus has been prepared solely in the English language.

Arctic Securities AS ("**Arctic**"), Fearnley Securities AS ("**Fearnleys**") and Nordea Bank Abp, filial i Norge ("**Nordea**") acts as Managers (the "**Managers**") and subscription agents in the Subsequent Offering.

The information contained herein is current as at the date of this Prospectus and is subject to change, completion and amendment without notice. In accordance with Section 7-10 of the Norwegian Securities Trading Act, significant new factors, material mistakes or material inaccuracies relating to the information included in this Prospectus, which may affect the assessment of the securities and which arises or is noted between the time of registration of the Prospectus with the Norwegian Register of Business Enterprises and the end of the Subscription Period, will be mentioned in a supplement to this Prospectus without undue delay. Neither the publication nor distribution of this Prospectus, nor the sale of any Offer Share, shall under any circumstances imply that there has been no change in the Company's affairs or that the information herein is correct as at any date subsequent to the date of this Prospectus.

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

The distribution of this Prospectus and the Subsequent Offering may in certain jurisdictions be restricted by law. This Prospectus does not constitute an offer of, or an invitation to purchase, any of the Offer Shares 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 Offer 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 this investment for an indefinite period of time. Any failure to comply with these restrictions may constitute a violation of applicable securities laws.

In making an investment decision, prospective investors must rely on their own examination, analysis of, and enquiry into, the Company and the terms of the Subsequent Offering, including the merits and risks involved. None of the Company or the Managers, or any of their respective representatives or advisors, 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. This Prospectus is not to be considered as legal, business or tax advice. Each investor should consult its own advisors as to legal, business, financial or tax aspect of this Prospectus, the Subsequent Offering and the Offer Shares, and any investors in any doubt about the content of this Prospectus should consult their stockbroker, bank manager, lawyer, accountant or other professional advisor.

Investing in the Company's Shares, including the Offer Shares, involves a high degree of risk. See Sections 3.7, 3.8, 3.9 and 3.10.

This Prospectus and the terms and conditions of the Subsequent Offering as set out in this Prospectus and any sale and purchase of the Offer Shares shall be governed by, and construed in accordance with, Norwegian law. The courts of Norway, with Oslo District Court as legal venue, shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Subsequent Offering and/or this Prospectus.

This Prospectus may include "forward-looking" statements that may reflect the Company's current views with respect to future events and financial and operational performance; including but not limited to, statements relating to the risks specific to the Company's business, future earnings, the ability to distribute dividends, the solution to contractual disagreements with counterparties, the implementation of strategic initiatives as well as other statements relating to the Company's future business development and economic performance.

These forward-looking statements can be identified by the use of forward-looking terminology; including the terms "assumes", "projects", "forecasts", "anticipates", "believes", "estimate", "expects", "seeks to", "may", "might", "plan", "will", "would", "can", "could", "should" or, in each case, their negative or other variations or comparable terminology.

Forward-looking statements appear in a number of places throughout this Prospectus and may include statements regarding the Company's intentions, beliefs or current expectations concerning, among other things, goals, objectives, financial condition and results of operations, liquidity, outlook and prospects, growth, strategies, impact of regulatory initiatives, capital resources and capital expenditure and dividend targets, and the industry trends and developments in the markets in which the Company operates.

By their nature, forward-looking statements involve and are subject to known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of the Company, or as the case may be, the industry, to materially differ from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company's present and future business strategies and the environment in which the Company will operate. Because of these known and unknown risks, uncertainties and assumptions, the outcome may differ materially from those set out in the forward-looking statements. Should one or more of these risks and uncertainties materialize, or should

any underlying assumption prove to be incorrect, the Company's business, actual financial condition, cash flows or results of operations could differ materially from that described herein as anticipated, believed, estimated or expected.

These forward-looking statements speak only as of the date of this Prospectus. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as result of new information, future events or otherwise, other than as required by law or regulation. All subsequent written and oral forward-looking statements attributable to the Company or to persons acting on the behalf of the Company are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this Prospectus.

This Prospectus may contain industry and market data obtained through third parties, including, inter alia, independent industry publications, purchased market reports, market research, internal surveys and other publicly available information. Any information sourced from third parties has been accurately reproduced and, as far as the Company is aware and are able to ascertain from information published by said third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

ENFORCEMENT OF CIVIL LIABILITIES

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

None of the members of the Company's board of directors (the "**Board of Directors**") and none of the members of the Group's executive management (the "**Management**") are residents of the United States of America (the "**United States**"), and virtually all of the Company's assets are located outside the United States. As a result, it may be difficult for investors in the United States to effect service of process on the Company, the members of the Board and the Management in the United States or to enforce judgments obtained in U.S. courts against the Company or those persons, whether predicated upon civil liability provisions of federal securities laws or other laws of the United States (including any State or territory within the United States).

The United States and Norway do not currently have a treaty providing for reciprocal recognition and enforcement of judgements (other than arbitral awards) in civil and commercial matters. Uncertainty exists as to whether courts in Norway will enforce judgments obtained in other jurisdictions, including the United States, against the Company or the members of the Board or the Management under the securities laws of those jurisdictions or entertain actions in Norway against the Company or the members of the Board or the Management under the securities laws of other jurisdictions. In addition, awards of punitive damages in actions brought in the United States or elsewhere may not be enforceable in Norway.

Similar restrictions may apply in other jurisdictions.

DATA PROTECTION

As data controller, the Manager(s) processes 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, including the General Data Protection Regulation (EU) 2016/679 (the "GDPR") and the Norwegian Data Protection Act of 15 June 2018 No. 38. 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 the Managers' processing of personal data, please review the Managers' privacy policy, which is available on its website or by contacting the Manager(s). 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 Managers' privacy policy to the individuals whose personal data it discloses to the Managers.

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1 STATEMENT OF RESPONSIBILITY

This Prospectus has been prepared by Havila Kystruten AS, a private limited liability company with business registration number 927 216 841 and registered address Mjølstadnesvegen 24, 6092 Fosnavåg, Norway, solely in connection with the Subsequent Offering.

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

8 September 2023

The Board of Directors of Havila Kystruten AS

Per Rolf Sævik
Chairman of the Board

Hege Sævik Rabben
Board Member

Vegard Sævik
Board Member

Anita Nybø
Board Member

Karina Halstensen Birkelund
Board member

Svein Roger Selle
Board member

2 INFORMATION ABOUT THE COMPANY

2.1 Corporate information

The legal and commercial name of the Company is Havila Kystruten AS. The Company is registered with the Norwegian Register of Business Enterprises with business registration number 927 216 841 and its Legal Identity Identifier ("LEI") code is 549300HQNL6UPBRT4P26.

The Company is a private limited liability company organised and existing under the laws of Norway pursuant to the Norwegian Private Limited Liability Companies Act of 13 June 1997 no. 44, as amended (Nw.: *aksjeloven*) (the "**Norwegian Private Companies Act**").

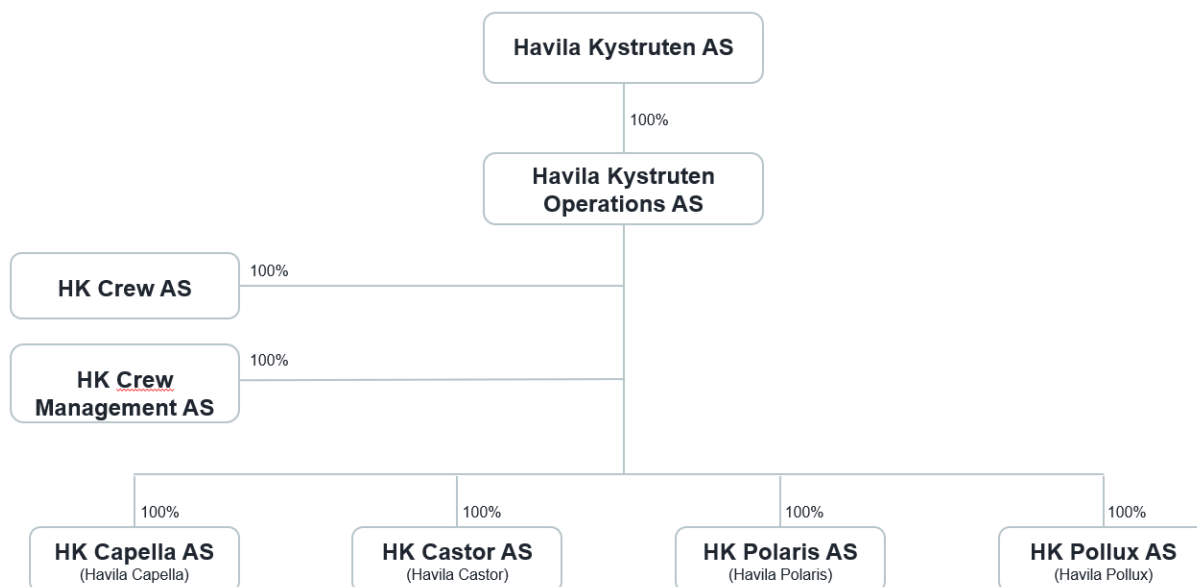
The Company was incorporated in Norway on 18 May 2021.

Pursuant to section 2 of the Company's articles of association, the Company's business shall be to conduct shipping, transport and tourism activities, including development and investment in other companies, and other activities that are naturally related to this.

The Company's registered business address is Mjølstadnesvegen 24, 6092 Fosnavåg, Norway, its telephone number is +47 700 07 070. The Company's website is www.havilavoyages.com. The contents of the website are not incorporated by reference into, nor otherwise form part of, this Prospectus.

2.2 Corporate structure of the Group

The Company is the top holding company of the Group. The corporate structure of the Group is set out below:



The Group's vessels, Havila Capella, Havila Castor, Havila Polaris and Havila Pollux (the "**Vessels**") are wholly owned by the Group financed by HPS Investment Partners LLC ("**HPS**"), completed early August 2023.

Havila Kystruten Operations AS ("**HKO**") operates the business of the Group, being the operator of the Vessels on the cruise line between Bergen and Kirkenes. HKO and HK Crew Management AS employ the Group's management. HK Crew AS employs the Group's seafarers. Total number of employees is around 550 persons.

2.3 Shares and share capital

As of the date of this Prospectus, the Company's share capital is 833,353,962 divided into 833,353,962 Shares, each with a nominal value of NOK 1. All the Shares have been issued under the Norwegian Private Companies Act and are validly issued and fully paid. The shares are registered in book-entry form in the VPS with International Securities Identification Number ("ISIN") NO 001 1045429.

The table below shows the development in the share capital of the Company since 18 May 2021 and up to the date of this Prospectus.

Date registered	Event	Capital increase (NOK)	Par value (NOK)	Share price (NOK)	Share capital (NOK)	New shares issued	Total no. of Shares
18 May 2021	Incorporation	30,000	1.00	1.00	30,000	30,000	30,000
28 July 2021	Contribution in kind of the shares in Havila Kystruten Operations AS	29,970,000	1,000.00	21,302.80	30,000,000	N/A	30,000
28 July 2021	Share split – one share split into 1000 shares	N/A	1.00	N/A	30,000,000	N/A	30,000,000
28 July 2021	Capital increase through a private placement	19,650,000	1.00	25.50	49,650,000	19,650,000	49,650,000
30 December 2022	Capital increase through a private placement	25,000,000	1.00	12.00	74,650,000	25,000,000	74,650,000
28 July 2023	The Private Placement	758,903,962	1.00	1.00	833,353,962	758,903,962	833,353,962

The Company has one class of shares, and all shares provide equal rights, including the right to dividend and voting rights. The Shares carry one vote each.

2.4 Convertible instruments, warrants and share options

As of the date of this Prospectus, the Company has not issued any options, warrants, convertible loans or other instruments that would entitle a holder of any such instrument to subscribe for any Shares in the Company.

2.5 Outstanding authorisations

As of the date of this Prospectus, the Board holds an authorisation to increase the share capital in connection with the Subsequent Offering. Reference is made to Section [4.10].

Other than as described above, the Board holds no authorisation to increase the Company's share capital.

2.6 The Board of Directors, CEO and CFO

2.6.1 The Board of Directors

Name	Position	Served since	Term expires	Shares
Per Rolf Sævik	Chairman	2021	2024	*
Hege Sævik Rabben	Board Member	2021	2024	**
Vegard Sævik	Board Member	2021	2024	**
Anita Nybø	Board Member	2022	2024	
Svein Roger Selle	Board Member	2023	2024	
Karina Halstensen Birkelund	Board Member	2023	2024	
Njål Sævik	Alternate Board Member	2023	2024	**

* Per Sævik indirectly owns 10% of the shares in Havila Holding AS. Havila Holding AS owns more than 50% of the Company's shares and will continue to do so upon completion of the Subsequent Offering.

** Njål Sævik, Hege Sævik Rabben and Vegard Sævik indirectly owns 30% of the shares in Havila Holding AS each. Havila Holding AS owns more than 50% of the Company's shares and will continue to do so upon completion of the Subsequent Offering.

Per Rolf Sævik, Chairman of the Board

Per Rolf Sævik (born in 1940) has more than 50 years' experience of the operation and management of fishing supply vessels, and is currently the CEO of Havila AS and Havilafjord AS. Sævik was also a member of the Norwegian parliament (Nw.: *Stortinget*) for a four-year period. He currently chairs and serves as director on the board of several companies, including companies in the Havila Group. Mr. Sævik is a Norwegian citizen and resides in Remøy, Norway.

Hege Sævik Rabben, Board member

Hege Sævik Rabben (born 1971) is employed in Havila AS. She is a trained children's nurse and has worked in a day care centre as a children's nurse. She holds board positions in various companies. Ms. Sævik Rabben is a Norwegian citizen and resides in Remøy, Norway.

Vegard Sævik, Board member

Vegard Sævik (born 1978) is employed in Havila AS and holds board positions in various companies associated with the Havyard Group, including as Deputy Managing Director in Havila Holding AS and chairman of the board of directors in Havyard. He is also chairman of the board in Fjord1 AS and holds a Bachelor of commerce from Handelshøyskolen BI. Mr. Sævik is a Norwegian citizen and resides in Leinøy, Norway.

Anita Nybø, Board member

Anita Nybø (born 1971) is currently the CEO of Fløibanen AS and holds board positions in Fjord Norge AS and Bekkjarvik Gjestgiveri Hotel & Suites. She also has experience from previously holding a board position in GC Rieber Eiendom AS and holds a Bachelor of commerce from Handelshøyskolen BI. Ms. Nybø is a Norwegian citizen and resides in Bergen, Norway.

Karina Halstensen Birkelund, Board member

Karina H. Birkelund (born 1980) is currently employed in Farvatn Venture AS and holds board positions in Birdsview AS and Eika Kapitalforvaltning AS. She has experience from being employed in various companies, including DNB and BKK and holds a Master in Business and Economics from Norges Handelshøyskole. Ms. Birkelund is a Norwegian citizen and resides in Bergen, Norway.

Svein Roger Selle, Board member

Svein Roger Selle (born 1973) is the founder and CEO of the consultancy firm Selle & Partners. He has over 20 years of experience working as a strategic advisor, partner, and leader at Geelmuyden Kiese, and has extensive expertise in brand building, particularly in the tourism industry, frequently focusing on sustainability. He holds a Master in Business and Economics from Norges Handelshøyskole. Mr. Selle is a Norwegian citizen and resides in Søreidgrend, Norway.

Njål Sævik, Alternate board member

Njål Sævik (born 1969) has significant experience from maritime and tourism industries, and is currently the CEO of Havila Shipping AS. He also holds board positions in various companies in the Havila Group. Mr. Sævik is a Norwegian citizen and resides in Remøy, Norway

2.6.2 The Company's top management

Name	Position	Employed since	Shares
Bent Martini	CEO	2021	42,286
Arne Johan Dale	CFO	2021	

Bent Martini, Chief Executive Officer (CEO)

Mr. Martini was appointed CEO of the Company in May 2021 and took on his position in August 2021. Mr Martini has his education from the Royal Norwegian Navy (Naval Academy, Staff College) and Duke University. He has wide relevant experience from top management roles in the maritime industry, both from shore and ships, with his background from the Norwegian Navy, the Federation of Norwegian Coastal Shipping, HSD/ Tide Sjø, Torvald Klaveness shipping company and from Hurtigruten Group.

Arne Johan Dale, Chief Financial Officer (CFO)

Mr. Dale was appointed CFO of Havila Shipping ASA in spring 2008. From April 2021 he was appointed as CFO of the Havila Group including CFO of the Company. He was acting as CEO for the Company from June to August 2021. Mr. Dale is educated from Bankakademiet and different specialized fields from BI. Mr. Dale has previously held the position as Finance Manager of Glitnir Bank ASA, former KredittBanken ASA in Ålesund, where he was a part of the leadership that established the bank in 1992. Before that he was the Chief Accountant of Volda og Ørsta Sparebank from 1983.

2.6.3 Convictions for fraudulent offences, bankruptcy etc.

During the last five years preceding the date of this Prospectus, none of the members of the Board of Directors, the CEO or the CFO has, or had, as applicable:

1. any convictions in relation to indictable offences or convictions in relation to fraudulent offences;
2. 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
3. been declared bankrupt or been associated with any bankruptcy, receivership or liquidation in his or her capacity as a founder, director or manager of a company.

2.7 Lock-up undertakings

There are no lock-up undertakings applicable to the shares in the Company.

3 BUSINESS OF THE COMPANY

3.1 Principal activities and operations of the Company, including principal markets

3.1.1 Introduction

The Group's business is to provide services to the Coastal Route under a ten year contract with the Norwegian Ministry of Transport (the "**Ministry**") with a fleet of four purpose built vessels. The Group commenced its ordinary operation for the two vessels Havila Capella and Havila Castor in January 2022 and in May 2022 respectively and for the Havila Polaris and Havila Pollux in August 2023.

The Company is headquartered in Fosnavåg, Norway with sales offices also in Oslo, Sweden, the United Kingdom and Germany. The Group employs 550 employees (incl. sales office in Norway). The Group has all arrangements for marketing, sales, booking, invoicing and accounting as in-house services. Tickets are sold through the Group's own booking office and web channel, and also through agents.

3.1.2 The Coastal Route

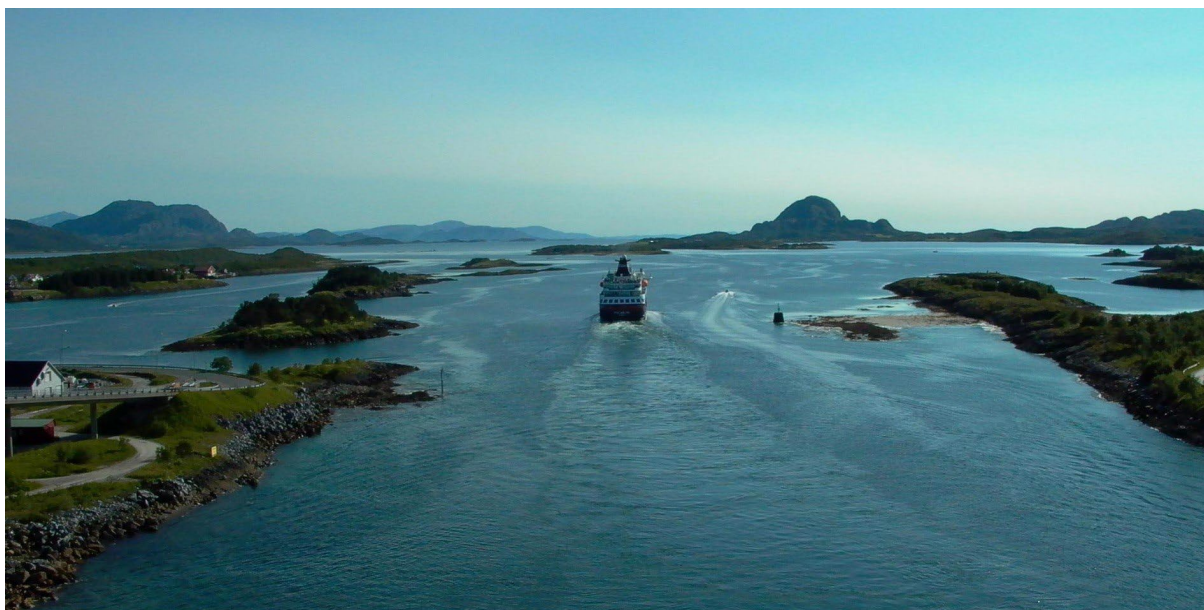
The Coastal Route is regulated by a governmental concession covering a total of eleven vessels, of which the Group will operate four. The Coastal Route is a ship-based transportation service between Bergen and Kirkenes, covering a large number of ports with daily northbound and southbound calls for cargo and passengers, which has served the coastal line since 1893 and is a vital part of the coastal infrastructure.

The sailing pattern of the Coastal Route is illustrated by the map. The trip from Bergen to Kirkenes takes a little over five days with a sailing distance of approximately 1,250 nautical miles (2,300 km), meaning that the service roundtrip takes eleven days. Hence, eleven vessels are required for the daily north- and southbound service at each port.

The Coastal Route serves both passengers and cargo, with a total of 34 port calls catering to the needs of the coastal communities. The vessels are well equipped for both purposes.



Passenger traffic includes both commuters ("distance travellers") and tourists. The "distance traveller" segment is a part of the concession fundament for the Coastal Route. Over time, the tourism segment has developed into a very significant part of the business, which adds the potential for a broader revenue base, including on-board food and excursions. The Norwegian Coastal Route is recognized as one of the most beautiful sea trips globally, displaying Norway's pure and unspoilt nature along with coastal culture. Accordingly, many tourists take a Coastal Route trip as an adventure cruise, taking the full coastal line or a part of it. The Group's vessels are well suited for this purpose.



Based on information provided by the operator of all eleven ships serving the Norwegian Coastal Route until end-2020, the total Coastal Route market amounted to EUR 444 million in 2019. The COVID-19 pandemic caused a significant drop in revenues in 2020, when total revenues were EUR 172 million.

3.1.3 *The Service Agreement*

The Norwegian state, through the Ministry, purchases local transport and freight shipment services along the Norwegian coast. The Coastal Route is regulated by a governmental concession and has historically been operated by several companies, but in the latest years, by one company. In 2018, the Ministry put out a tender for the contract period 2021-2030 (with an option for the Ministry to extend for one year) where the service was split into packages of three, four and four ships, respectively, totalling eleven ships. One of the tenders (for four ships) was awarded to the Group, while the two remaining tenders were awarded to the former operator of all ships. The agreement entered into with the Ministry for this purpose is hereinafter referred to as the "**Service Agreement**".

Both the Company and the other operator cover the same ports – 34 ports in total – where one roundtrip takes 11 days and where the times of call are the same each day regardless of which ship that is arriving that day.

Important elements in the service award, in addition to price and quality, was a significant focus on climate and environmental footprint.

Under the Service Agreement, the Group provides the regular service under defined parameters which includes regularity and availability for certain users. As compensation for such service, the Group receives an annual payment adjusted by price index for the main cost components involved.

3.1.4 *The Vessels*

The Vessels have been built pursuant to shipbuilding contracts with the Turkish yard Tersan Tersanecilik San. Ve Tic. A.Ş ("**Tersan**") The Vessels are purpose designed and built for their intended service and are ideally suited for efficient and comfortable transportation with a minimal environmental footprint. The Vessels have a length of 124 meters and a beam of 22 meters. Each ship has 179 spacious passenger cabins with a total passenger capacity of 640, with a span of various comfort levels catering to different demands, including those desiring deluxe cabins or suites with panoramic view. The Vessels have excellent amenities including restaurants with local quality food, jacuzzies, shops, etc. The design matches the Norwegian landscapes and allows for enjoyment of the beautiful nature along the route.

The Vessels have been designed by HAV Design AS, a Norwegian specialist ship design company which is part of HAV Group ASA. In the design of the ships, a wide range of design parameters and technologies have been employed to ensure that the environmental footprint is optimized. This includes such factors as:

- The world's largest battery packs, enabling four hours' sailing with zero emissions;
- Charging current from hydropower at the quay;
- LNG powered engines that cut CO₂ emissions by 25% and NO_x emissions by 90%;
- Energy efficient hull designs;
- Heat recovery from the sea and cooling water.

The Vessels are eligible for funding from the NO_x Fund due to the positive environmental footprint they provide. The NO_x fund is founded and owned by 15 business organisations to reduce NO_x emissions in Norway. Enterprises pay a small fee to the NO_x Fund instead of the high fiscal fee to the government. Affiliated companies can apply for NO_x Funding for NO_x reduction measures.

The Company estimates to be able to recover a significant amount, approx. NOK 82 million per Vessel, in total approx. NOK 327 million, based on documentation on future reduction in NO_x emissions. The company has received 50% of the amount and the rest is expected to be received in September or October this year.

3.1.5 *Financing*

The acquisition of the Vessels were initially financed through sale-leaseback agreements with the Russian owned company GTLK, one of the world's largest leasing companies. Due to sanctions imposed against Russia, the loans have now been refinanced under a bond loan agreement with HKO as issuer, Nordic Trustee as bond trustee and HPS funding the loan (the "**Bond Loan**").

The Bond Loan includes an extensive security package in favour of HPS, including security over: each of the Vessels, shareholder loans, shares in HKO and each Vessel owner, Vessel insurances and bareboat charters, machinery, plant, inventory and trade receivables of each Vessel owner and a guarantee from the Company and each of its subsidiaries.

The Bond Loan comprises of two series of bonds issued on 26 July 2023 in the aggregate amount of EUR 305,000,000. The series A bonds in an aggregate amount of EUR 225,000,000 (the "**Series A Bonds**") will mature on 26 July 2026. The series B bonds in an aggregate amount of EUR 50,000,000 (the "**Series B Bonds**"), will mature on 26 October 2024.

The Bonds will accrue interest at a floating rate subject to a step-down mechanism. Under certain conditions, including financial covenant performance and the Series B Bonds having been redeemed, the interest rate on the Series A Bonds can be decreased. HKO may, at its discretion, choose to pay a portion of the interest for any interest period by issuing additional Bonds (payment-in-kind), provided that, inter alia, no default is continuing.

The Bond Loan agreement contains general, financial and vessel covenants customary in high yield bonds. In addition, given the circumstances surrounding the refinancing, a number of the provisions are particularly strict, including mandatory prepayment provisions, many of which attract a make-whole payment and substantive call premia, including in certain circumstances events outside HKO's control.

3.2 **History and important events**

The table below shows the Company's key milestones from the Company's incorporation to the date of this Prospectus:

Year, month	Main events
2017	
January	HKO was incorporated
2018	
April	Havila Holding AS was awarded a one ten year contract to operate four vessels in the coastal route between Bergen and Kirkenes with contract commencement 1 January 2021 by the Ministry. The contract was later transferred to HKO.
May	HKO ordered two newbuilding cruise vessels from Tersan Shipyard in Turkey with scheduled delivery 30 September 2020 and 31 October 2020.
2020	
	HKO ordered two additional newbuilding cruise vessels from Tersan Shipyard in Turkey with scheduled delivery 19 November 2021 and 17 December 2021.
	Tersan Shipyard could not meet the original delivery schedule following delays from the COVID-19 pandemic and declared force majeure.
2021	
May	Establishment of new holding company, the Company.
December	Delivery of the Havila Capella
2022	
February	War in Ukraine starts, GTLK sanctioned
April	Delivery of the Havila Castor
2023	
July	Completion of the Private Placement
August	Successful refinancing of the GTLK debt through the Bond Loan with HPS
August	Delivery of the Havila Polaris and Havila Pollux
23 August	All four Vessels in service

During the 12 months following the Prospectus, the Company will operate the Vessels on the Coastal Route pursuant to the Service Agreement.

3.3 Related party transactions previous two years

Below is a summary of certain agreements between the Group and its related parties.

3.3.1 Shareholder loan with Havila Holding AS

As part of the refinancing concluded in August 2023, Havila Holding AS granted the Company a shareholder loan of EUR 20 million (the "**Shareholder Loan**"). The Shareholder Loan is set to mature on 26 July 2028 and will accrue interest at a rate of 3-month EURIBOR plus 9.5 per cent. per annum. The interest is compounded to the principal amount quarterly on 21 January, 21 April, 21 July and 21 October each year.

The shareholder loan is subordinated to the Bond Loan through an intercreditor agreement dated 26 July 2023 entered into between, among others, Havila Holding AS, the Company, HKO and Nordic Trustee AS (the "**Intercreditor Agreement**"). The Company may not make any payment in respect of the shareholder loan unless the prior written consent of the bondholders under the Bond Loan is obtained to that payment being made (subject to certain exceptions to fund administrative costs of the Company and its subsidiaries in an amount not exceeding EUR 2,000,000 in any calendar year).

3.3.2 Agreement for transfer of interest and exposure of claims

In 2021, HKO and Havila Holding AS entered into an agreement for transfer of interest and exposure of claims under HKO's disputes with Abarca and Barreras. Further details are included in note 20 in the Company's annual report of 2022.

3.4 Intellectual property

The Company has registered certain trademarks and domain names. Other than that, the Company does not hold any registered intellectual property rights.

3.5 Dependency on contracts, patents, licenses etc.

To conduct its operations and activities in the manner set out in Section 3.1, the Company is dependent on the Service Agreement and the Bond Loan. Reference is made to Sections 3.1.3 "*The Service Agreement*" and 3.1.5 "*Financing*".

Other than the above, the Company is not dependent on any patents, licenses, industrial, commercial or financial contracts or new manufacturing processes.

3.6 Legal and arbitrational proceedings

Reference is made to Section 3.3.2 above regarding the disputes with Abarca / Barreras and 3.9.1 below regarding the ESA complaint.

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

3.7 Risk factors

3.7.1 Introduction

The risks and uncertainties described in this Prospectus are the principal known risks and uncertainties faced by the Company as of the date hereof that the Company believes are the material risks relevant to an investment in the Shares. An investment in the Shares is suitable only for investors who understand the risks associated with this type of investment and who can afford a loss of all or part of their investment. The absence of a negative past experience associated with a given risk factor does not mean that the risks and uncertainties described herein should not be considered prior to making an investment decision.

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 Company's business, financial condition, results of operations, cash flows and/or prospects. The risks mentioned herein could materialize individually or cumulatively. The information in the risk factor sections is as of the date of this Prospectus.

3.7.2 The Company is exposed to the LNG prices; compensation was received from the Ministry of Transport for 2022, but from 2023 LNG prices are included in the indexation of the ordinary payment for the agreed services

The cost of LNG accounts for an important part of the Group's operating expenses and represents a financial risk as a consequence of changes in the LNG price. The Group will consider any opportunity to limit such risk. Still, changes in the LNG price could have a material effect on the costs and profits of Company.

3.7.3 A general risk of defects apply to all Vessels

All four Vessels are "sister vessels" with identical arrangement and specifications, as set out in Section 3.1.4 "*The vessels*".

Tersan has a warranty obligation according to the provisions of the Norwegian Standard Form Shipbuilding Contract 2000. However, such warranty have expired for two of the Vessels, in which case the Company may incur important repair costs, which could have an impact on its earnings, costs and profitability.

3.7.4 General risk of physical loss or damage

The Group's operations are subject to the risk of physical loss or damage to its Vessels. Although the Group will have a number of safety measures and routines, unwanted events can still occur. Loss or damage to any of the Group's assets, whether caused by fire, explosion, collision with other vessels or infrastructure such as wharfs or other port facilities, or as a result of the perils of the sea, may adversely affect the Group's financial performance. Although the Group maintains insurance cover for its fleet, claims made pursuant to insurance policies may be disputed, or the cover may prove to be inadequate. In addition, there may be exposure to legal liability arising out of the Group's ownership or operation of that vessel, whether related to loss or damage to third party property or bodily injury.

3.7.5 Operational or technical issues with the Group's vessels may reduce revenue and increase costs

The Group's vessels are complex, and their operations are technically challenging and require substantial capital expenditures. The Group depends on the availability of its vessels, and any breakdown, extended dry-docking or loss of a vessel could have a material adverse impact on the Group's business. Operational problems may lead to loss of revenues, and operating expenses may be higher than anticipated or require additional capital expenditures. Any of these results could harm the Group's business, financial condition and operating results.

3.7.6 Risk of the Service Agreement not being extended beyond 31 December 2030

The Service Agreement will expire on 31 December 2030 with an option for the Ministry of Transport to extend the contract with one year. There is a risk that the option period will not be exercised and that new tenders will not be awarded the Company. The long term of contracts imply a risk for committing to potentially unprofitable projects for a period of time, should the Company be erroneous in its calculations and/or assumptions forming the basis for the offers made in the respective tender process.

3.7.7 The Company faces competition on the coastal route

The Group faces competition from another operator on the coastal route with a longer track record. To compete effectively the Group depends upon its ability to attract customers to the new brand. If the Group fails to meet this competition or fails to react to market changes or trends, including necessary changes and, there is a risk that this will have an adverse effect on the Group's business, earnings and financial position.

3.7.8 The Company's operations depend to some extent on airline services

The Group relies to some extent on scheduled commercial airline services for customer connections, and increases in the price of, or major changes or reductions in, commercial airline services could adversely affect demand for the Group's products and have an adverse effect on its profitability.

3.7.9 The Group relies on the services of third-parties

The Group relies on third-party providers to carry out various services, such as shipyards, food, beverage and excursion providers, IT system providers, including all hosting services and technical services, and any of these third parties may act in ways that could be adverse to the Group. Events, such as work stoppages and other labour actions, insolvencies, "force majeure" events or other financial difficulties experienced at the shipyards and among the subcontractors and suppliers that build, repair, maintain or refurbish the Group's vessels could prevent or delay the completion of the refurbishment, repair and maintenance of the Group's vessels. These events could adversely affect the Group's operations, including causing delays or cancellations of the Group's trips or unscheduled or prolonged dry-docks and repairs. The consolidation of ownership of certain cruise shipyards, capacity reductions at shipyards or insolvencies could reduce competition and result in increased prices for new builds and repairs.

3.7.10 The Group is dependent on its key personnel

The loss of key personnel or the Group's inability to recruit or retain qualified personnel could adversely affect its results of operations. The Group may be unable to recruit or retain key personnel who are critical to the Group's success, which could result in harm to its guest and employee relationships, loss of key information, expertise or know-how and unanticipated recruitment and training costs, which could adversely affect the Group's results of operations. For the Group's operations, key personnel are particularly the senior management, marine officers and crew.

3.7.11 No working capital assurances

There can be no assurance that the Company's financial resources will be adequate for its operations, or that financing will be available to the Company on terms being deemed attractive for its shareholders at any time in the future.

3.8 Risk related to the Company's financing

3.8.1 Certain events, including a change of control over the Company, may trigger mandatory prepayment provisions under the Company's financing

Change of control provisions apply under the current financing with HPS so that the Company's principal shareholder, Havila Holding AS, shall remain a controlling shareholder in the Company.

Should a change of control occur, each bondholder will have the right to require redemption of the Bonds. Similarly, certain other events, would trigger a mandatory prepayment of the Bonds. Any such prepayment of the Bonds shall be made together with a redemption premium and the Group would likely have to seek alternative financing. Such financing may not be available on comparable terms or at all, which may have a material adverse effect on the Group's financial condition. Failure to make any such mandatory prepayment may constitute an event of default which, if continuing, may give the relevant lenders the right to accelerate the loans and enforce security, including the guarantee granted by the Company and the transaction security granted over the majority of the Group's assets (as further described in Section 3.1.5 above).

3.8.2 The Group's financial arrangements imposes financial covenants and restrictions which could limit the Group's liquidity and flexibility in obtaining additional financing

The Group's financing is subject to restrictive covenants, including debt service and loan-to-value covenants, as well as other customary covenants. Such restrictions including in relation to sanctions may affect the operational and financial flexibility of the Group, the Group's ability to finance its future operations or capital needs, and additional indebtedness or equity financing may not be available to the Group in the future for the refinancing or repayment of existing indebtedness.

The Group's ability to comply with financial covenants and restrictions may be affected by events outside of the Group's control, and any failure by the Group to comply with such covenants may constitute an event of default which, if continuing, may give the relevant lenders the right to accelerate the loans and enforce security, including the guarantee granted by the Company and the transaction security granted over the majority of the Group's assets (as further described in Section 3.1.5 above).

3.8.3 The Company is exposed to interest rate risk

Most of the Group's interest-bearing debt has and will have variable interest rates. As a consequence, the Group is exposed to interest rate risk, and shifts in such rates may adversely affect the Group's debt service obligations and adversely affect the Group's financial results. The Group has no plans to hedge the floating interest rate.

3.8.4 *The Company is exposed to currency exchange rate risk*

The Group operates in multiple currencies with most of the expected income in NOK, EUR, USD, GBP and SEK while most of the operating costs are in NOK and EUR, and the financing is in EUR. The Group does currently not have in place any foreign exchange rate hedging arrangements. Any material changes in the exchange rates related to these currencies affects the Group's financial results. The Company's ambition is for revenues denominated in foreign currency to gradually provide a satisfactory reduction in risk associated with foreign currency.

3.9 Risks related to laws, regulations and litigation

3.9.1 *A complaint has been filed to ESA against Norwegian authorities on the basis of alleged breach of EFTA requirements in connection with the Service Agreement which could result in claims against the Company*

In 2022, an unknown claimant submitted a claim against the Norwegian authorities to the European Surveillance Authority (ESA) for the Norwegian authorities' alleged breach of EU / EFTA provisions by providing subsidies to the Company and the Norwegian authorities not enforcing of applying the default provisions in the Service Agreement.

The Company has only been notified about the complaint by the Norwegian press and has not received a copy of the complaint or any draft response to be prepared by the Norwegian Authorities.

Provided the complaint is being acknowledged by ESA, there is a risk that the Norwegian Authorities will be forced to take actions against the Company, such as claiming reimbursement of subsidies given.

3.9.2 *The Company is subject to other regulatory and political risks*

The Group is subject to environmental, health and safety laws and regulations which could adversely affect its operations. Any changes in the current laws and regulations could lead to increased costs or decreased revenue. Further, the costs of compliance associated with environmental and safety regulations and changes thereto could require significant expenditures, and failure to comply with such regulations could result in the imposition of material fines and penalties or temporary or permanent suspension of operations. An incident involving environmental contamination could also harm the Group's reputation and business.

3.9.3 *Failure to comply with data protection and privacy regulations could materially and adversely affect the Group*

The Group receives, stores and processes personal data through its business and operations, which makes the Group subject to data protection and data privacy laws and regulations which impose stringent requirements and provides high possible penalties for non-compliance, including the General Data Protection Regulation (EU) 2016/679 ("**GDPR**"). Any failure to comply with applicable data protection and data privacy laws and regulations, including privacy-related obligations to customers, and any compromise of security that results in an unauthorized release, transfer or use of personal data in any of the countries in which the Group operates, may result in governmental enforcement, such as customer reactions, administrative fines, claims for compensation, actions, litigation or public statements against the Group and, in certain circumstances, breach of obligations towards customers, which could in turn have an adverse effect on the Group's current and future business and lead to reputational damage. Any significant change to applicable laws, regulations or industry practices regarding the collection, use, retention, security or disclosure of users' personal data, could increase the Group's costs and require the Group to modify its services and features.

The Group will be processing personal data pertaining to passengers and also employees and contracting parties. This processing will be subject to the requirement under the GDPR. The Group has an extensive internal regulatory system, but GDPR requirements are currently not implemented as a part of this system. In order to ensure GDPR compliance, the Group must develop and implement the necessary mandatory documentation required under the GDPR and plans to do so within 2021.

3.10 Risks related to the Shares, including the Offer Shares

3.10.1 The Share price could fluctuate significantly

An investment in the Shares is associated with a high degree of risk, and the price of the Shares may not develop favourably. Investors may not be in a position to sell their shares quickly at the market price or at all if there is no active trading in the Shares.

The share prices of companies admitted to trading on Euronext Growth Oslo can be highly volatile, and the trading volume and price of the Shares could fluctuate significantly. 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 Company'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 Company's strategy, as well as the evaluation of the related risks, changes in general economic conditions or the equities markets generally, changes in the industries in which the Company operates, 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 due to factors that have little or nothing to do with the Company, and such fluctuations may materially affect the price of the Shares.

3.10.2 The prohibition against change of control over the Company under its financing may prevent otherwise beneficial transactions in the Company's equity

The Company's principal shareholder, Havila Holding AS, a company owned and controlled by the Sævik family, currently holds, and will, after completion of the Subsequent Offering, to continue to hold a majority of the Shares in the Company. While such control is a requirement under the Company's financing, maintaining a concentration of ownership may in effect also prevent a change of control of the Company that could otherwise be economically beneficial to other shareholders or the Company. Further, the interests of shareholders exerting a significant influence over the Company may not in all matters be aligned with the interests of the Company and the other shareholders of the Company.

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

The Company may in the future decide to offer and issue new Shares or other securities in order to finance new capital intensive projects, in connection with unanticipated liabilities or expenses or for any other purposes. Depending on the structure of any future offering, certain existing shareholders may not have the ability to purchase additional equity securities.

An issuance of additional equity securities or securities with rights to convert into equity could reduce the market price of the Shares and would dilute the economic and voting rights of the existing shareholders if made without granting subscription rights to existing shareholders. Accordingly, the Company's shareholders bear the risk that any future offerings could reduce the market price of the Shares and/or dilute the economic and voting rights of the existing shareholders.

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

The Company is a private limited liability company organized under the laws of Norway. All of the members of the Board of Directors and the Management reside 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.

3.10.5 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 example, under Norwegian law, any action brought by the Company in respect of wrongful acts committed against the Company will be prioritized 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.

4 THE SUBSEQUENT OFFERING AND THE OFFER SHARES

4.1 Purpose of and overview of the Subsequent Offering

On 18 July 2023, the Company announced the Private Placement issuing a total of 758,703,962 new shares in the Company at a subscription price of NOK 1 per share, which raised gross proceeds of NOK 758,703,962, of which NOK 465,820,000 was in the form of conversion of debt to equity. The purpose of the Subsequent Offering is to enable the Eligible Shareholders to subscribe for, and be allocated, new Shares in the Company at the same price as in the Private Placement, thus also limiting the dilution of their shareholding resulting from the Private Placement.

The net proceeds from the Subsequent Offering will be used as working capital and for general corporate purposes.

The Subsequent Offering consist of an offer of up to 60,000,000 new Offer Shares in the Company, each with a nominal value of NOK 1 per share, directed towards the Eligible Shareholders. The Subscription Price per share is equal to the subscription price in the Private Placement, NOK 1 per Offer Share. Eligible Shareholders will be granted non-transferable Subscription Rights that, subject to applicable laws, provide the right to subscribe for, and be allocated, Offer Shares in the Subsequent Offering. Subscriptions for Offer Shares are made on the terms set out in this Section 4 and the subscription form to be used for subscribing for the Offer Shares (the "**Subscription Form**") set out in Appendix C.

The Subsequent Offering is not underwritten or guaranteed.

Any announcement regarding the Subsequent Offering will be posted on the Company's website (www.havilavoyages.com). In addition, the Company will use the Oslo Stock Exchange's information system to publish such announcements under the Company's ticker HKY.

The timetable set out below provides certain indicative key dates for the Subsequent Offering (subject to shortening or extensions):

Name	Key date
Last trading day, including right to receive Subscription Rights	18 July 2023
First trading day, excluding right to receive Subscription Rights	19 July 2023
Record Date	20 July 2023
Commencement of Subscription Period	11 September 2023
End of Subscription Period	22 September 2023
Allocation of the Offer Shares	on or about 25 September 2023
Publication of the results of the Subsequent Offering	on or about 25 September 2023

Payment Date	on or about 27 September 2023
Registration of the share capital increase pertaining to the Offer Shares	on or about 29 September 2023
Delivery of the Offer Shares	on or about 2 October 2023
Listing and commencement of trading of the Offer Shares on Euronext Growth	on or about 2 October 2023

4.2 Conditions for completion of the Subsequent Offering

The completion of the Subsequent Offering is subject to (i) the Board of Directors resolving the necessary corporate resolutions to carry out the Subsequent Offering, including the resolution to issue Offer Shares, (ii) due payment of the Offer Shares by the subscribers, (iii) the share capital increase related to the issuance of the Offer Shares being registered with the Norwegian Register of Business Enterprises, and (iv) the delivery of the Offer Shares to the subscribers in the VPS.

The Board of Directors reserves the right to withdraw or cancel the Subsequent Offering at any time and for any reason before completion of the Subsequent Offering. If the Subsequent Offering is withdrawn or not carried out, all subscriptions for Offer Shares will be disregarded and any payments for Offer Shares will be returned to the subscribers without interest or any other compensation.

4.3 Number and type of securities offered

The Subsequent Offering consist of an offer by the Company to issue up to 60,000,000 Offer Shares, each with a nominal value of NOK 1. The Offer Shares are ordinary shares in the Company and will therefore rank equal with and carry the same rights as the Company's outstanding Shares. The Offer Shares will be registered in the VPS in book-entry form.

4.4 Rights pertaining to the Shares, including the Offer Shares

The Offer Shares will be ordinary Shares in the Company, each having a nominal value of NOK 1. The Offer Shares will be issued electronically in registered form in accordance with the Norwegian Private Companies Act.

The Offer Shares will in all respects rank *pari passu* with the outstanding Shares of the Company and carry full shareholder rights, including dividend rights, from the time of registration of the Offer Shares in the Norwegian Register of Business Enterprises. All shares, including the Offer Shares, have voting rights and other rights and obligations which are standard under the Norwegian Private Companies Act, and are governed by Norwegian law. The Company's Articles of Association do not provide for any restrictions on the transfer of Shares, or a right of first refusal for the Company. Share transfers are not subject to approval by the Board of Directors.

4.5 ISIN

The Subscription Rights will be registered under ISIN NO 001 3014639. The Offer Shares will be issued electronically under the ordinary ISIN of the Company's Shares (ISIN NO 001 1045429) in the VPS in book-entry form in accordance with the Norwegian Private Companies Act. The Company's registrar with the VPS is DNB Bank ASA, Norwegian branch (reg.no. 984 851 006), registrars department, with registered address Dronning Eufemias gate 30, 0191 Oslo (the "**VPS Registrar**").

4.6 Subscription Price

The Subscription Price of the Offer Shares is NOK 1 per Offer Share, of which NOK 1 is share capital, being equal to the subscription price in the Private Placement.

4.7 Gross and net proceeds from and use of the proceeds from the Subsequent Offering

The gross proceeds to the Company in the Subsequent Offering will depend on the number of subscribed and allocated Offer Shares, however limited up to NOK 60,000,000.

The net proceeds will correspond to the gross proceeds less a deduction of the fees and expenses related to the Subsequent Offering referred to in section 4.8 below.

4.8 Estimated fees and expenses related to the Subsequent Offering

The Company will bear the fees and expenses related to the Subsequent Offering. The Managers will receive consideration from the Company for carrying out their assignment as Managers for the Subsequent Offering, which will be based on the amount of gross proceeds received from investors.

Assuming full subscription, the estimated total fees and expenses for the Subsequent Offering is estimated to approximately NOK 3,000,000. Subscribers in the Subsequent Offering will not incur any costs in connection with their participation in the Subsequent Offering.

4.9 Eligible Shareholders and allocation in the Subsequent Offering

The shareholders that are eligible to participate in the Subsequent Offering are the Company's shareholders as of 18 July 2023 (as registered in the VPS on the Record Date), except for shareholders (i) who were allocated shares in the Private Placement, (ii) who were not offered participation in the pre-sounding for the Private Placement and (iii) who are resident in a jurisdiction where such offering would be unlawful, or would (in jurisdictions than Norway) require any prospectus, filing, registration or similar action.

Allocation of the Offer Shares will take place after the expiry of the Subscription Period on or about 25 September 2023.

The Offer Shares in the Subsequent Offering will be allocated to Eligible Shareholders who have subscribed for Offer Shares by exercise of Subscription Rights. Any Offer Shares remaining of the Subsequent Offering that have not been allocated on the basis of Subscription Rights will be allocated to Eligible Shareholders who have oversubscribed, pro rata based on the number of Subscription Rights exercised by such Eligible Shareholder. In the event that pro rata allocation is not possible due to the number of remaining Offer Shares, the Company will determine the allocation by lot drawing.

Allocation of fewer Offer Shares than subscribed for by a subscriber will not impact on the subscriber's obligation to pay for the number of Offer Shares allocated. The Company will not allocate fractional Offer Shares.

The results of the Subsequent Offering is expected to be published on or about 25 September 2023 in the form of a stock exchange notification from the Company through the Company's site on NewsWeb. 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 12:00 (CEST) on 25 September 2023. Subscribers who do not have access to investor services through their VPS account manager may contact the Managers from 12:00 (CEST) on 25 September 2023 to obtain information about the number of Offer Shares allocated to them.

4.10 Resolution regarding the Subsequent Offering

On 20 July 2023, the Company's extraordinary general meeting granted the following authorisation to the Board to issue shares, as registered in the Norwegian Register of Business Enterprises on 28 July 2023:

- i) *In accordance with section 10-14 first paragraph of the Norwegian Private Limited Liability Companies Act, the Board is authorised to increase the Company's share capital by up to NOK 60,000,000 by the issuing of up to 60,000,000 new shares, for a total subscription amount of up to NOK 60,000,000.*
- ii) *The subscription price per share upon the use of the authorisation shall be NOK 1 of which the entire amount is share capital.*
- iii) *The authorisation may only be used to carry out a subsequent offering in the Company following the increase in share capital resolved under items 4 and 5 above. The authorisation may be used to offer new shares to existing shareholders in the Company as of 18 July 2023 and as registered in the Company's shareholder register in VPS two days thereafter, and who (i) were not allocated shares in the private placement, (ii) were not offered participation in the pre-sounding for the private placement and (iii) are not resident in a jurisdiction where such offering would be unlawful, or would (in jurisdictions other than Norway) require any prospectus, filing, registration or similar action. Use of the authorisation is subject to the publication of a prospectus to the extent required. It is the Board's discretionary right to make use of this authorisation.*
- iv) *The authorisation is valid until 31 December 2023.*
- v) *The shareholders' preferential rights cf. section 10-4 of the Norwegian Private Limited Liability Companies Act may be waived.*
- vi) *The authorisation covers share capital increases against cash. The authorisation does not cover a right to incur special obligations to the Company, cf. section 10-2 of the Norwegian Private Limited Liability Companies Act.*
- vii) *The authorisation does not cover decisions on mergers pursuant to section 13-5 of the Norwegian Private Limited Liability Companies Act.*
- viii) *The resolution is conditional upon the general meeting resolving the other proposals on the agenda.*
- ix) *The Board reserves the right to withdraw the proposal for a subsequent offering if the Board considers that the share price has been at such level that there is no significant need for a subsequent offering.*

On 8 September 2023, the Board passed a resolution to launch the Subsequent Offering process in accordance with the authorisation from the general meeting, with such conditions and terms as set out in this Section 4.

The Offer Shares to be issued in relation to the Subsequent Offering will be determined in a board meeting after the Subsequent Offering process, applying the authorisation from the general meeting as set out above.

4.11 Subscription Period

Please see Section 4.1.

4.12 Subscription Rights

For each Share registered as held in the Company as of the expiry of the Record Date, each Eligible Shareholder will receive four (4) Subscription Rights.

One (1) Subscription Right will give the right to subscribe for one (1) Offer Share.

The Subscription Rights may be used to subscribe for, and be allocated, Offer Shares in the Subsequent Offering before the end of the Subscription Period. Subscription Rights that are not exercised before end of the Subscription Period 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 and that the Subscription Rights do not as such constitute a subscription of Offer Shares.

The Subscription Rights will not be tradeable, but will be visible as credited in the individual Eligible Shareholder's investor account with the VPS on or about 11 September 2023.

Oversubscription by Eligible Shareholders is allowed, but no guarantees are made as to allocation of Offer Shares pursuant to oversubscription. Subscription without Subscription Rights will not be permitted.

4.13 Subscription procedures

Subscriptions for Offer Shares must be made by submitting a correctly completed subscription form as set out in Appendix [C] (the Subscription Form) to one of the Managers during the Subscription Period, or may, for subscribers who are residents of Norway with a Norwegian personal identification number, be made online as further described below.

Eligible Shareholders will receive Subscription Forms that include information about the number of Subscription Rights granted to the Eligible Shareholder and certain other matters relating to the shareholding.

Correctly completed Subscription Forms must be received by one of the Managers no later than 16:30 hours (CEST) on 22 September 2023 at the following postal or e-mail address, or in case of online subscriptions, be registered by 16:30 hours on 22 September 2023:

Arctic Securities AS
 Haakon VII's gate 5
 N-0107 Oslo
 Norway
 Tel: + 47 21 01 31 00
 E-mail: subscriptions@arctic.com
www.arctic.com/offerings

Fearnley Securities AS
 Dronning Eufemias gate 8
 N-0123 Oslo
 Norway
 Tel: + 47 22 93 60 00
 E-mail: HKY-emisjon@fearnleys.com
<https://transaksjoner.fearnleys.com>

Nordea Bank Abp, filial i Norge
 Essendrops gate 7
 N-0169 Oslo
 Norway
 Tel: + 47 22 48 88 99
 E-mail: nis@nordea.com
www.nordea.com/en/issuances

All subscriptions will be treated in the same manner regardless of which of the above Managers subscriptions are placed with. Further, all subscriptions will be treated in the same manner regardless of whether they are submitted by delivery of a Subscription Form or through the Norwegian VPS' online application system.

Subscribers who are residents of Norway with a Norwegian personal identification number are encouraged to subscribe for Offer Shares through the Norwegian VPS' online subscription system (or by following the links set out above 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.: *fødselsnummer*). In addition, the VPS online subscription system is only available for individual persons and is not available for legal entities; legal entities must thus submit a Subscription Form in order to subscribe for Offer Shares. Subscriptions made through the VPS online subscription system must be duly registered before the expiry of the Subscription Period.

None of the Company or the Managers may be held responsible for postal delays, unavailable 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. 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 and/or the Managers without notice to the subscriber.

Subscriptions are binding and irrevocable, and cannot be withdrawn, cancelled or modified by the subscriber after having been received by the Managers, or in the case of subscriptions through the VPS online subscription system, upon registration of the subscription. The subscriber is responsible for the correctness of the information filled into

the Subscription Form or, in case of applications through the VPS online subscription system, the online subscription form. By signing and submitting a Subscription Form, or by subscribing via the VPS online subscription system, 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 subscriptions in the Subsequent Offering. 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. In case of multiple subscriptions through the VPS online subscription system or subscriptions made both on a Subscription Form and through the VPS online subscription system, all subscriptions will be counted.

4.14 Mandatory Anti-Money Laundering Procedures

The Subsequent Offering is subject to the Norwegian Money Laundering Act of 1 June 2018 No. 23 and the Norwegian Money Laundering Regulations of 14 September 2018 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 authorised VPS registrars, who can be Norwegian banks, authorised 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 authorised by the Norwegian FSA. Establishment of a VPS account requires verification of identification to the VPS registrar in accordance with the Anti-Money Laundering Legislation.

4.15 Target Market assessment

The manufacturer Target Market (MIFID II product governance) for the Subsequent Offering is a) retail clients, professional clients and eligible counterparties, who; b) have at least a common/normal understanding of the capital markets, c) is able to bear the losses of their invested amount, d) is willing to accept risks connected with the Company's shares, and e) have an investment horizon which takes into consideration the liquidity of the Company's shares. ESG target market: The Company has not published sufficient data for the manufacturer to determine whether an investment in the Offer Shares is compatible for investors who have expressed sustainability related objectives with their investments based on that which i) is an environmentally sustainable investment under the EU Taxonomy Regulation, ii) represents a sustainable investment under Regulation (EU) 2019/2088 (the "SFDR"), and/or iii) takes into consideration any Principle Adverse Impacts on sustainably factors as per the SFDR. Negative target market: The negative target market for the Offer Shares is clients that seek full capital protection or full repayment of the amount invested or having no risk tolerance, or investors requiring a liquid trading market for the Shares, fully guaranteed income or fully predictable return profile.

Notwithstanding, and without affecting the manufacturers target market assessment as per the above, the Managers will only allow distribution through its distribution channels to investors who in the EU meet the requirements set out in the manufacturers target market assessment. For distribution to investors located outside of the EU, distribution of the shares is only allowed to such investors which a) the Managers can approach as per the rules of the jurisdiction in which the investor reside, and b) which can provide adequate confirmations to this effect, and c) which as per minimum meets the requirements of the manufacturers target market assessment.

4.16 Selling and transfer restrictions

4.16.1 General

The grant of Subscription Rights and issue of Offer Shares upon exercise of Subscription Rights and the offer of unsubscribed Offer Shares to persons resident in, or who are citizens of countries other than Norway, may be affected by the laws of the relevant jurisdiction. Investors should consult their professional advisors as to whether they require any governmental or other consent or need to observe any other formalities to enable them to exercise Subscription Rights or purchase Offer Shares.

The Company is not taking any action to permit a public offering of the Subscription Rights and 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 territory 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 Subscription Rights and Offer Shares, unless, in the relevant jurisdiction, such an invitation or offer could lawfully be made to that investor, or the Subscription Rights and Offer 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 the Subscription Rights and Offer Shares to any person or in or into any jurisdiction where to do so would or might contravene local securities laws or regulations. If the investor forwards this Prospectus into any such territories (whether under a contractual or legal obligation or otherwise), the investor should direct the recipient's attention to the contents of this Section.

Except as otherwise noted in this Prospectus and subject to certain exceptions: (i) the Subscription Rights and Offer Shares being granted or offered, respectively, in the Subsequent Offering may not be offered, sold, resold, transferred or delivered, directly or indirectly, in or into, Member States of the EEA that have not implemented the EU Prospectus Directive, Australia, Canada, Hong Kong, Japan, the United States or any other jurisdiction in which it would not be permissible to offer the Subscription Rights and/or the Offer Shares (the "**Ineligible Jurisdictions**"); (ii) this Prospectus may not be sent to any person in any Ineligible Jurisdiction; and (iii) the crediting of Subscription Rights to an account of an Existing Shareholders resident in jurisdictions where the Prospectus may not be distributed and/or with legislation that, according to the Company's assessment, prohibits or otherwise restricts subscription for Shares in the Company (an "**Ineligible Shareholder**") or other person in an Ineligible Jurisdiction or a citizen of an Ineligible Jurisdiction (referred to as "**Ineligible Persons**") does not constitute an offer to such persons of the Subscription Rights or the Offer Shares. Ineligible Persons may not exercise Subscription Rights.

If an investor takes up, delivers or otherwise transfers Subscription Rights, exercises Subscription Rights to obtain Offer Shares or trades or otherwise deals in the Subscription Rights and Offer Shares, that investor will be deemed to have made or, in some cases, be required to make, the following representations and warranties to the Company and any person acting on the Company's or its behalf:

- the investor is not located in an Ineligible Jurisdiction;
- the investor is not an Ineligible Person;
- the investor is not acting, and has not acted, for the account or benefit of an Ineligible Person;
- the investor understands that the Subscription Rights and Offer Shares have not been and will not be registered under the US Securities Act and may not be offered, sold, pledged, resold, granted, delivered, allocated, taken up or otherwise transferred within the United States except pursuant to an exemption from, or in a transaction not subject to, registration under the US Securities Act; and
- the investor may lawfully be offered, take up, subscribe for and receive Subscription Rights and Offer Shares in the jurisdiction in which it resides or is currently located

The Company and any persons acting on behalf of the Company, including the Manager, will rely upon the investor's representations and warranties. Any provision of false information or subsequent breach of these representations and warranties may subject the investor to liability.

If a person is acting on behalf of a holder of Subscription Rights (including, without limitation, as a nominee, custodian or trustee), that person will be required to provide the foregoing representations and warranties to the Company with respect to the exercise of Subscription Rights on behalf of the holder. If such person cannot or is unable to provide the foregoing representations and warranties, the Company will not be bound to authorise the allocation of any of the Subscription Rights and Offer Shares to that person or the person on whose behalf the other is acting. Subject to the specific restrictions described below, if an investor (including, without limitation, its nominees and trustees) is outside Norway, and wishes to exercise or otherwise deal in or subscribe for Subscription Rights and/or Offer Shares, the investor must satisfy itself as to full observance of the applicable laws of any relevant territory including obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any issue, transfer or other taxes due in such territories.

The information set out in this Section is intended as a general guide only. If the investor is in any doubt as to whether it is eligible to exercise its Subscription Rights or subscribe for the Offer Shares, that investor should consult its professional advisor without delay.

Subscription Rights will initially be credited to financial intermediaries for the accounts of all shareholders who hold Shares registered through a financial intermediary on the Record Date. Subject to certain exceptions, financial intermediaries, which include brokers, custodians and nominees, may not exercise any Subscription Rights on behalf of any person in the Ineligible Jurisdictions or any Ineligible Persons and may be required in connection with any exercise of Subscription Rights to provide certifications to that effect.

Financial intermediaries may sell any and all Subscription Rights held for the benefit of Ineligible Persons to the extent permitted under their arrangements with such Ineligible Persons and applicable law and remit the net proceeds to the accounts of such Ineligible Persons.

Subject to certain exceptions, financial intermediaries are not permitted to send this Prospectus or any other information about the Subsequent Offering into any Ineligible Jurisdiction or to any Ineligible Persons. Subject to certain exceptions, exercise instructions or certifications sent from or postmarked in any Ineligible Jurisdiction will be deemed to be invalid and Offer Shares will not be delivered to an addressee in any Ineligible Jurisdiction. The Company reserves the right to reject any exercise (or revocation of such exercise) in the name of any person who provides an address in an Ineligible Jurisdiction for acceptance, revocation of exercise or delivery of such Subscription Rights and Offer Shares, who is unable to represent or warrant that such person is not in an Ineligible Jurisdiction and is not an Ineligible Person, who is acting on a non-discretionary basis for such persons, or who appears to the Company or its agents to have executed its exercise instructions or certifications in, or dispatched them from, an Ineligible Jurisdiction. Furthermore, the Company reserves the right, with sole and absolute discretion, to treat as invalid any exercise or purported exercise of Subscription Rights which appears to have been executed, effected or dispatched in a manner that may involve a breach or violation of the laws or regulations of any jurisdiction.

Notwithstanding any other provision of this Prospectus, the Company reserves the right to permit a holder to exercise its Subscription Rights if the Company, in its absolute discretion, is satisfied that the transaction in question is exempt from or not subject to the laws or regulations giving rise to the restrictions in question. Applicable exemptions in certain jurisdictions are described further below. In any such case, the Company does not accept any liability for any actions that a holder takes or for any consequences that it may suffer as a result of the Company accepting the holder's exercise of Subscription Rights.

No action has been or will be taken by the Managers to permit the possession of this Prospectus (or any other offering or publicity materials or application form(s) relating to the Subsequent Offering) in any jurisdiction where such distribution may lead to a breach of any law or regulatory requirement.

Neither the Company nor the Managers, nor any of their respective representatives, is making any representation to any offeree, subscriber or purchaser of Subscription Rights and/or Offer Shares regarding the legality of an investment in the Subscription Rights and/or the Offer Shares by such offeree, subscriber or purchaser under the laws applicable to such offeree, subscriber or purchaser. Each investor should consult its own advisors before subscribing for Offer Shares or purchasing Subscription Rights and/or Offer Shares. Investors are required to make their independent assessment of the legal, tax, business, financial and other consequences of a subscription for Offer Shares or a purchase of Subscription Rights and/or Offer Shares.

A further description of certain restrictions in relation to the Subscription Rights and the Offer Shares in certain jurisdictions is set out below.

4.16.2 *United States*

The Subscription Rights and Offer Shares have not been and will not be registered under the US Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold, taken up, exercised, resold, transferred or delivered, directly or indirectly, within the United States.

4.16.3 *United Kingdom*

This Prospectus is only being distributed to and is only directed at (i) persons who are outside the United Kingdom or (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (the FSMA) (Financial Promotion) Order 2005 (the Order) or (iii) high net worth entities and other persons to whom it may lawfully be communicated falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as Relevant Persons). The Offer Shares are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such Shares will be engaged in only with, Relevant Persons. Any person who is not a Relevant Person should not act or rely on this Prospectus or any of its contents.

4.16.4 *The European Economic Area*

In relation to each Member State of the EEA other than Norway, which has implemented the Prospectus Regulation (each a "**Relevant Member State**"), delivery of Subscription Rights and/or an offer of Offer Shares which are the subject of the Subsequent Offering contemplated by this Prospectus may not be made to the public in that Relevant Member State, except that delivery of Subscription Rights and/or an offer to the public in that Relevant Member State of any Offer Shares may be made at any time under the following exemptions under the Prospectus Regulation, provided such exceptions have been implemented in that Relevant Member State:

- to legal entities which are qualified investors as defined in the Prospectus Regulation;
- to fewer than 150, natural or legal persons (other than qualified investors as defined in the Prospectus Regulation), as permitted under the Prospectus Regulation, subject to obtaining the prior consent of the Managers for any such offer;
- in any other circumstances falling within Article 1 (4) of the Prospectus Regulation;

provided that no such offer of Offer Shares shall require the Company or the Managers to publish a Prospectus pursuant to the Prospectus Regulation or supplement a prospectus pursuant to the Prospectus Regulation.

For the purposes of this provision, the expression an "offer to the public" in relation to any shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any shares to be offered so as to enable investors to decide to purchase or subscribe for any shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Regulation in that Member State and the expression "Prospectus Regulation" means Regulation (EU) 2017/1129 (and amendments thereto to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in each Relevant Member State.

The EEA selling restriction is in addition to any other selling restrictions set out in this Prospectus.

4.16.5 Additional jurisdictions

The Offer Shares may not be offered, sold, exercised, pledged, resold, granted, allocated, taken up, transferred or delivered, directly or indirectly, in or into the United States, Australia, Canada, the Hong Kong, Japan or any other jurisdiction in which it would not be permissible to offer the Subscription Rights or the Offer Shares.

4.17 Managers and legal advisor

The Company's Managers in the Subsequent Offering are Fearnley Securities AS, Arctic Securities AS and Nordea Bank Abp, filial i Norge.

The Company's legal advisor in the Subsequent Offering is Wikborg Rein Advokatfirma AS.

4.18 Payment for, and delivery of, the Offer Shares

4.18.1 Payment for the Offer Shares

When subscribing for Offer Shares through the VPS online subscription system or correctly completing the Subscription Form enclosed hereto as Appendix C and submitting to the Managers, each subscriber grant the Managers a non-recurring authority to debit a specified bank account in Norway for the subscription amount corresponding to the amount payable for the Offer Shares allocated.

The payment is expected to be debited on 27 September 2023 (the "**Payment Date**"). Payment for the allocated Offer Shares must be available on the specific bank account on the business day prior to the Payment Date, i.e. 26 September 2023. The Company and the Managers reserve the right to make up to three debit attempts within seven working days after the Payment Date if there are insufficient funds in the account on the first debiting date. The Company and the Managers further reserve the right to consider the payment overdue if there are not sufficient funds to cover full payment for the Offer Shares allocated on the account when an attempt to debit account has been made by the Settlement on or after the Payment Date, or if it for other reasons is not possible to debit the bank account.

Subscribers who are not domiciled in Norway must ensure that payment for the Offer Shares allocated to them is made with cleared funds on or before 27 September 2023 and must contact the Managers in this respect.

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 11.75% 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.

4.18.2 Delivery of the Offer Shares

Subject to timely payment of the Payment Date of the subscription amount of all subscribers in the Subsequent Offering, the share capital increase is expected to be registered with the Norwegian Register of Business Enterprises on or about 29 September 2023. Subject to timely registration of the share capital increase with the

Norwegian Register of Business Enterprises, the delivery of the Offer Shares is expected to take place on or about 2 October 2023.

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 4.18.1 "Payment for the Offer Shares".

Trading in the Offer Shares cannot take place until registration of the share capital increase with the Norwegian Register of Business Enterprises and delivery of the Offer Shares.

4.18.3 Listing of the Offer Shares

All Offer Shares will be listed on Euronext Growth Oslo under the same ISIN and ticker code as the Company's existing Shares ("HKY") as soon as the share capital increase pertaining to the Subsequent Offering has been registered with the Norwegian Register of Business Enterprises and the Offer Shares have been registered and delivered to the VPS accounts of the subscribers to whom they are allocated. The listing is expected to take place on or about 2 October 2023. The Offer Shares may not be transferred or traded before they are fully paid and said registrations in the Norwegian Register of Business Enterprises and the VPS have taken place.

4.19 Governing law and jurisdiction

This Prospectus, the Subscription Form and the terms and conditions of the Subsequent Offering shall be governed by and construed in accordance with, and the Offer Shares will be issued pursuant to, Norwegian law. 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 District Court as legal venue.

5 DEFINITIONS AND GLOSSARY

Abarca	Abarca Companhia De Serguros S.A
Admission or Admission to Trading	The admission to trading of the Company's Shares on Euronext Growth Oslo, expected to take place on or about 3 August July 2021
Anti-Money Laundering Legislation	Norwegian Money Laundering Act of 1 June 2018 No. 23 and the Norwegian Money Laundering Regulations of 14 September 2018 No. 1324
Articles of Association	The articles of association of the Company as of 29 December 2022
Barreras	The Spanish yard Hijos De J Barreras S.A., Vigo, Spain
Board of Directors or Board Members	The board of directors of the Company
CEO	Chief Executive Officer
CEST	Central European Summer Time
CFO	Chief Financial Officer
Coastal Route	The coastal route between Bergen and Kirkenes regulated by a governmental concession covering a total of eleven ships
Company or Havila Kystruten	Havila Kystruten AS a private limited liability company with business registration number 927 216 841 and registered address Mjølstadnesvegen 24, 6092 Fosnavåg, Norway
EEA	European Economic Area
Eligible Shareholder	The shareholders of the Company as of 18 July 2023 as registered in the VPS as of the Record Date, except for (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 (in jurisdictions than Norway) require any prospectus, filing, registration or similar action
Euronext Growth Advisors or Managers	Arctic Securities AS, Fearnley Securities AS and Nordea Bank Abp, filial i Norge
Euronext Growth Oslo	A multilateral trading facility operated by Oslo Børs ASA as one of several Euronext Growth Markets under Euronext
Euronext Growth Rule Book	The Euronext Rule Book I and the Euronext Rule Book II for Euronext Growth Oslo, collectively
GDPR	The General Data Protection Regulation (EU) 2016/679 (GDPR)
Group	The Company and its subsidiaries as set out in Section 2.2
GTLK	JSC GTLK, a Russian transportation finance company owned by the Russian state
HKO	Havila Kystruten Operations AS, org. no. 918 458 999, a subsidiary company of the Company owning the four subsidiaries which each own one of the Vessels or a shipbuilding contract
HPS	HPS Investment Partners LLC
Ineligible Jurisdictions	Member States of the EEA that have not implemented the EU Prospectus Directive, Australia, Canada, Hong Kong, Japan, the United States or any other jurisdiction in which it would not be permissible to offer the Subscription Rights and/or the Offer Shares
Ineligible Persons	An Ineligible Shareholder or other person in an Ineligible Jurisdiction or a citizen of an Ineligible Jurisdiction
Ineligible Shareholders	An existing shareholder who either (i) was allocated shares in the Private Placement and/or (ii) shareholders who is a resident in a jurisdiction where such offering would be unlawful, or would (in jurisdictions than Norway) require any prospectus, filing, registration or similar action
ISIN	International Securities Identification Number
LEI	Legal Identity Identifier
Management	The members of the Company's executive management
Managers	Arctic Securities AS, Fearnley Securities AS and Nordea Bank Abp, filial i Norge
Ministry	The Norwegian Ministry of Transport
NOK	Norwegian Kroner, the lawful currency of Norway
Norwegian FSA	The Financial Supervisory Authority of Norway
Norwegian Private Companies Act	The Norwegian Private Limited Liability Companies Act of 13 June 1997 no. 44, as amended (Nw.: <i>aksjeloven</i>)
Norwegian Securities Trading Act	The Norwegian Securities Trading Act of 29 June 2007 no. 75, as amended (Nw.: <i>verdipapirhandelloven</i>)
Norwegian Securities Trading Regulation	The Norwegian Securities Trading Regulations of 29 June 2007 no. 876, as amended (Nw.: <i>verdipapirforskriften</i>)
Offer Shares	The shares to be issued in the Subsequent Offering
Payment Date	The date the payment of the Offer Shares is expected to be debited, 27 September 2023
Private Placement	The private placement of 25,000,000 new Shares, each with a par value of NOK 1, at a subscription price of NOK 1 per Share raising gross proceeds of NOK 300,000,000, completed 21 December 2023
Prospectus	This national prospectus being prepared solely for use in connection with the Subsequent Offering
Prospectus Regulation	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a Regulated Market, as amended, and as implemented in Norway
Record Date	The date by which shareholders had to be a shareholder of the Company to be an Eligible Shareholder, 20 July 2023

Regulated Market	A market for financial instruments within the scope of Article 4(1)(21) of the Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments
Relevant Member State	Each Member State of the European Economic Area which has implemented the Prospectus Regulation
Service Agreement	Has the meaning ascribed to such term in Section 3.1.3
Shares	The shares of the Company, consisting as of the date of this Prospectus of 833,353,962 ordinary shares, each with a par value of NOK 1
Subsequent Offering	The offering of up to 60,000,000 Offer Shares, each with a nominal value of NOK 1 to be issued at a subscription price of NOK 12 per Offer Share
Subscription Period	The period of subscription for the Offer Shares in the Subsequent Offering, from 11 September 2023 to 22 September 2023
Subscription Price	The subscription price of the Offer Shares, NOK 1 per.
Subscription Rights	Has the meaning ascribed to such term in Section 4.12
Termination Sums	The sums required to be paid to GTLK subsidiaries to terminate the Sale-Leaseback Agreements
Tersan	The Turkish yard Tersan Tersanecilik San. Ve. Tic. A.Ş
United States or US	The United States of America
Vessels	Havila Capella, Havila Castor, Havila Pollux and Havila Polaris
Verdipapirsentralen or VPS	The Norwegian Central Securities Depository (Nw.: <i>Verdipapirsentralen</i> ASA)

6 APPENDICES

Appendices, including information incorporated by reference to this Prospectus, is set out in this section 6.

6.1 Appendix A: Articles of Association

VEDTEKTER**FOR****HAVILA KYSTRUTEN AS**

(organisasjonsnummer 927 216 841)

(Sist endret 20. juli 2023)

§ 1**Foretaksnavn**

Selskapets foretaksnavn er Havila Kystruten AS

§ 2**Selskapets virksomhet**

Selskapets virksomhet skal være å drive rederi-, transport- og reiselivsvirksomhet, herunder utvikling og investering i andre selskaper, og annet som står i naturlig sammenheng med dette.

§ 3**Aksjekapital og aksjer**

Selskapets aksjekapital er NOK 833 353 962 fordelt på 833 353 962 aksjer, hver pålydende NOK 1. Selskapets aksjer skal være registrert i en verdipapirsentral.

§ 4**Fri omsettelighet av aksjer**

Selskapets aksjer er fritt omsettelige. Erverv av aksjer er ikke betinget av selskapets samtykke. Aksjeeiere har ikke forkjøpsrett ved overdragelse av aksjer.

§ 5**Styret****ARTICLES OF ASSOCIATION****FOR****HAVILA KYSTRUTEN AS**

(organisation number 927 216 841)

(last modified on 20 July 2023)

§ 1**Company name**

The name of the Company is Havila Kystruten AS

§ 2**Business of the Company**

The Company's business is to conduct shipping, transport and tourism activities, including development and investment in other companies, and other activities that are naturally related to this.

§ 3**Share capital and shares**

The Company's share capital is NOK 833,353,962 divided into 833,353,962 shares, each having a nominal value of NOK 1. The Company's shares shall be registered in a central securities depository.

§ 4**Negotiability of shares**

The Company's shares are negotiable. Acquisition of shares is not conditional upon the Company's consent. Shareholders do not have pre-emptive rights at transfer shares.

§ 5**Board of Directors**

Selskapets styre skal ha fra 3-7 medlemmer. Styret velges for ett år om gangen. Styremedlemmer kan ta gjenvalg.

§ 6

Signatur

Selskapets firma tegnes av daglig leder og styrets leder hver for seg, eller to styremedlemmer i fellesskap.

§ 7

Innkalling til generalforsamling

Når dokumenter som gjelder saker som skal behandles på generalforsamlingen, er gjort tilgjengelige for aksjeeierne på selskapets internettsider, gjelder ikke aksjelovens krav om at dokumentene skal sendes til aksjeeierne. Dette gjelder også dokumenter som etter lov skal inntas i eller vedlegges innkallingen til generalforsamlingen.

The Company's Board of Directors shall have from 3-7 members. The Board of Directors is elected for one year at a time. Board members can be re-elected.

§ 6

Signature

The general manager and the Chairman of the Board separately, or two board members jointly shall have signatory power on behalf of the Company.

§ 7

Notice to general meeting

When documents concerning matters to be considered at the general meeting have been made available to the shareholders on the Company's website, the Norwegian Limited Liability Companies Act's requirement that the documents shall be sent to shareholders does not apply. This also applies to documents that by law shall be included in or appended to the notice of the general meeting.

The English language version of this document is an office translation of the original Norwegian text. In case of discrepancies, the Norwegian text shall prevail

6.2 Appendix B: Financial Statements

The Company's audited financial statements as of and for the year ended 31 December 2022 and the Company's unaudited interim financial statements as of and for the [three] month period ended 31 March 2023 are incorporated by reference to Appendix of this Prospectus, cf. Section 7-3 (1) litra d cf. (2) of the Norwegian Securities Trading Regulation.

Audited annual financial statement as of and for the year ended 31 December 2022

www.havilavoyages.com/ir

Unaudited interim financial statements as of and for the [three] month period ended 31 March 2023

www.havilavoyages.com/ir

6.3 Appendix C: Subscription Form

SUBSCRIPTION FORM FOR THE SUBSEQUENT OFFERING

<p>HAVILA KYSTRUTEN AS</p> <p>SUBSEQUENT OFFERING SEPTEMBER 2023</p> <p>In order for investors to be certain to participate in the Subsequent Offering, Subscription Forms must be received no later than on 22 September 2023 at 16:30 CET. 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>SUBSCRIPTION FORM</p> <p>Correctly completed Subscription Forms may be mailed or delivered to the Managers at the address set out below:</p> <table border="1"> <tr> <td>Fearnley Securities AS Tel.: +47 22 93 60 00 Post box 1158 Sentrum N-0107 Oslo, Norway E-mail: HKY-emisjon@fearnleys.com</td> <td>Arctic Securities Tel: +47 21 01 31 40 Post box 1833 Vika N-0123 Oslo, Norway E-mail: subscriptions@arctic.com</td> <td>Nordea Bank Apb, filial i Norge Essendrops gate 7 N-0169 Oslo, Norway E-mail: nis@nordea.com</td> </tr> </table> <p>Norwegian subscribers domiciled in Norway can in addition subscribe for shares at https://transaksjoner.fearnleysecurities.com, www.arctic.com/offerings, or www.nordea.no/en/havilakystnuten</p>	Fearnley Securities AS Tel.: +47 22 93 60 00 Post box 1158 Sentrum N-0107 Oslo, Norway E-mail: HKY-emisjon@fearnleys.com	Arctic Securities Tel: +47 21 01 31 40 Post box 1833 Vika N-0123 Oslo, Norway E-mail: subscriptions@arctic.com	Nordea Bank Apb, filial i Norge Essendrops gate 7 N-0169 Oslo, Norway E-mail: nis@nordea.com
Fearnley Securities AS Tel.: +47 22 93 60 00 Post box 1158 Sentrum N-0107 Oslo, Norway E-mail: HKY-emisjon@fearnleys.com	Arctic Securities Tel: +47 21 01 31 40 Post box 1833 Vika N-0123 Oslo, Norway E-mail: subscriptions@arctic.com	Nordea Bank Apb, filial i Norge Essendrops gate 7 N-0169 Oslo, Norway E-mail: nis@nordea.com		

General information: The terms and conditions for the Subsequent Offering in Havila Kystruten AS (the "Company") of up to 60,000,000 offer shares (the "Offer Shares") are set out in the national prospectus dated 8 September 2023 (the "Prospectus") All announcements referred to in this Subscription Form will be made through the Oslo Stock Exchange's information system under the Company's ticker "HKY".

Subscription Period: The subscription period commences on 11 September 2023 at 09:00 CET and, subject to any extension, expires on 22 September 2023 at 16:30 CET (the "Subscription Period"). Neither the Company nor the Managers may be held responsible for postal delays, issues with 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 may in its discretion 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 reserve 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 irrevocable and binding upon execution of a Subscription Form or the registration of a subscription through the VPS online subscription system, and may not be withdrawn, cancelled or modified once it has been received by the Managers. Multiple subscriptions are allowed.

Subscription Price: The subscription price for one (1) Offer Share is NOK 1.00.

Right to subscribe: The Subscription Rights will be issued to the Company's shareholders as of close of trading on 18 July 2023 (as registered in VPS on 20 July 2023 pursuant to the VPS' standard two days settlement procedure) (the "Record Date") (i) who were not allocated shares in the Private Placement, (ii) who were not actively involved in the presounding for the Private Placement, and (iii) who are not resident in a jurisdiction where such offering would be unlawful or (for jurisdictions other than Norway) would require any prospectus, filing, registration or similar action ("Eligible Shareholders"). Each Eligible Shareholder will be granted 4 non-transferable Subscription Rights for every share recorded as held in the Company as of expiry 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 Subscription Material. 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. Subscribers having access to investor services through their VPS account Managers will be able to check the number of Offer Shares allocated to them from 12:00 CET on 26 September 2023. Subscribers who do not have access to investor services through their VPS account Managers may contact the Managers from 12:00 CET on 26 September 2023 to obtain information about the number of Offer Shares allocated to them.

Payment: The payment for the Offer Shares falls due on 27 September 2023 (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.)
1 SUBSCRIPTION RIGHT GIVES THE RIGHT TO BE ALLOCATED 1 OFFER SHARE	Σx	Subscription price per Offer Share NOK 1.00	Total Subscription amount to be paid NOK

SUBSCRIPTION RIGHT'S SECURITIES NUMBER: ISIN NO 001 3014639

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)

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 the Managers (or someone appointed by the Managers) acting jointly or separately 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 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 Subscription Material and that I/we are aware of the risks associated with an investment in the Offer Shares, that I/we are eligible to subscribe for and purchase Offer Shares under the terms set forth therein, and that I/we acknowledge that the Managers have not engaged any external advisors to carry out any due diligence investigations and that the Managers have not taken any steps to verify the information in the Subscription Material.

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 ABOUT THE SUBSCRIBER (all fields must be completed)

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

ADDITIONAL INFORMATION FOR THE SUBSCRIBER

Regulatory Issues: In accordance with the Norwegian Securities Trading Act, the Managers must categorize all new clients in one of three customer categories. 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. **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 financial risk, and to withstand a complete loss, of an investment in the Offer Shares.**

The Managers will receive a consideration from the Company and will in conducting its work have to take into consideration the requirements of the Company and the interests of the investors subscribing under the Subsequent Offering and the rules regarding inducements pursuant to the requirements of the Norwegian MiFID II Regulations (implementing the European Directive for Markets in Financial Instruments (MiFID II)).

Selling and Transfer Restrictions: 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.

United States: There will be no public offer of the Offer Shares in the United States. The Offer Shares have not been and will not be registered under the US Securities Act, or under the securities law of any state or other jurisdiction of the United States and may not be reoffered, resold, pledged or otherwise transferred, directly or indirectly, except pursuant to an applicable exemption from the registration requirements of the US Securities Act and in compliance with the securities laws of any state or other jurisdiction of the United States. An Applicant in the United States or an Applicant who is a "U.S. Person" (within the meaning of Regulation S under the US Securities Act), may not execute this Application Agreement or otherwise take steps in order to purchase Offer Shares unless the Applicant is a registered client with a Manager as a "qualified institutional buyer" (QIB) as defined in Rule 144A under the US Securities Act. The Offer Shares are "restricted securities" within the meaning of Rule 144 under the US Securities Act and may not be deposited into any unrestricted depository receipt facility in the United States, unless at the time of deposit the Offer Shares are no longer "restricted securities". The Offer Shares may not be reoffered, resold, pledged or otherwise transferred, except (a) outside the United States in accordance with Rule 903 or Rule 904 of Regulation S, as applicable or (b) pursuant to an applicable exemption from the registration requirements of the US Securities Act and subject to the provisions of the US investor representation letter.

Canada: The distribution of the Offer Shares in Canada is being made only on a private-placement basis, thus exempting it from the requirement that the Company prepare and file a prospectus with the applicable securities regulatory authorities. The Offer Shares are being offered in those jurisdictions and to those persons where and to whom they may lawfully be offered for sale, and therein only by persons permitted to sell such securities. Each Canadian purchaser who purchases Offer Shares must be entitled under applicable securities laws to purchase such securities without the benefit of a prospectus qualified under such securities laws; must be an "accredited investor" within the meaning of National Instrument 45-106 – Prospectus and Registration Exemptions and purchasing the Offer Shares as principal or deemed principal for its own account; and must be a "permitted client" within the meaning of National Instrument 31-103 – Registration Requirements and Exemptions. There is currently no public market for the Offer Shares in Canada and any resale of the Offer Shares in Canada must be made in accordance with applicable securities laws.

United Kingdom: Each UK Applicant confirms that it understands that the Private Placement has only been communicated (a) to persons who have professional experience, knowledge and expertise in matters relating to investments and are "investment professionals" for the purposes of article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (all such persons being referred to as "relevant persons") and (b) only in circumstances where, in accordance with section 86(1)(c) and (d) of the Financial and Services Markets Act 2000 ("FSMA"), the requirement to provide an approved prospectus in accordance with the requirement under section 85 FSMA does not apply as the minimum denomination of and purchase of the Offer Shares exceeds EUR 100,000 or an equivalent amount. Any application for or purchase of the Offer Shares is available only to relevant persons and will be engaged in only with relevant persons and each UK Applicant warrants that it is a relevant person.

European Economic Area and the United Kingdom: This document is not a prospectus as defined in the EU Prospectus Regulation and/or the Prospectus Regulation as it forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "UK Prospectus Regulation") and has not been approved or reviewed by any governmental authority or stock exchange in any jurisdiction. This Application Agreement has been prepared on the basis that all offers of Offer Shares in the EEA and/or the UK will be made pursuant to an exemption from the requirement to prepare a prospectus under the EU Prospectus Regulation and/or UK Prospectus Regulation, together with any connected legislation for member states of the EEA or the UK, as applicable.

Australia and Japan: The Offer Shares will not be registered under the applicable securities laws of Australia or Japan and may not be offered, sold, resold or delivered, directly or indirectly, in or into Australia or Japan except pursuant to an applicable exemption from applicable securities laws.

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 and foreign legislation applicable to the Managers there is a duty of secrecy between the different units of the Managers as well as between the Managers and the other entities in the Managers's group. This may entail that other employees of the Managers or the Managers's group 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's respective corporate finance departments are kept confidential, the Managers's other activities, including equity research and stock broking, are separated from the Managers's corporate finance department by information barriers. The subscriber acknowledges that the Managers's 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 barriers.

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. 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 controller, 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 the Managers' processing of personal data, please review the Managers' privacy policy, which is available on its website or by contacting the Managers. 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 Managers' 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.

National Client Identifier and Legal Entity Identifier: In order to participate in the Subsequent Offering, subscribers will need a global identification code. Physical persons will need a so-called National Client Identifier ("NCI") and legal entities will need a so-called Legal Entity Identifier ("LEI"). NCI code for physical persons: Physical persons will need a NCI code to participate in a financial market transaction, i.e. a global identification code for physical persons. For physical persons with only a Norwegian citizenship, the NCI code is the 11 digit personal ID (Nw. fødselsnummer). If the person in question has multiple citizenships or another citizenship than Norwegian, another relevant NCI code can be used. Subscribers are encouraged to contact their bank for further information. LEI code for legal entities: Legal entities will need a LEI code to participate in a financial market transaction. A LEI code must be obtained from an authorized LEI issuer, and obtaining the code can take some time. Subscribers should obtain a LEI code in time for the subscription. For more information visit www.gleif.org.

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 11.75% per annum. If a subscriber fails to comply with the terms of payment, the Offer Shares will, subject to the restrictions in the Norwegian Private 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.

National Prospectus Supplement



HAVILA **Havila Kystruten AS**

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

Supplementing information contained in the national prospectus dated 8 September 2023 for the Subsequent Offering of up to 60,000,000 Offer Shares towards Eligible Shareholders with a Subscription Price of NOK 1 per Offer Share

This document (the "**Prospectus Supplement**") is a supplement to the prospectus dated 8 September 2023 (the "**Prospectus**") prepared by Havila Kystruten AS ("**Havila Kystruten**" or the "**Company**" and, together with its consolidated subsidiaries, the "**Group**"), in connection with a subsequent repair offering (the "**Subsequent Offering**"). The Subsequent Offering comprises an offer of up to 60,000,000 new shares in the Company, each with a nominal value of NOK 1 (the "**Offer Shares**"), at an offer price of NOK 1 per Offer Share (the "**Subscription Price**").

This Prospectus Supplement constitutes a supplement to the Prospectus. The information included herein is to be considered as part of the Prospectus and (i) supersedes information originally contained in the Prospectus to the extent inconsistent with such information and (ii) supplements information originally contained in the Prospectus so that any statement contained therein will be deemed to be modified to the extent that a statement in this Prospectus Supplement modifies such statement. This Prospectus Supplement must be read together with the Prospectus. Capitalized terms and expressions defined in the Prospectus shall have the same meaning when used in this Prospectus Supplement unless otherwise defined herein or the context otherwise requires. References in the Prospectus to the "Prospectus" should, unless the context otherwise requires, hereafter be read to refer to the Prospectus, as supplemented hereby.

Investing in the Company's shares, including the Offer Shares (the "Shares") involves a high degree of risk. Prospective investors should read the entire Prospectus and in particular Sections 3.7 "Risk factors", 3.8 "Risk related to the Company's financing", 3.9 "Risks related to laws, regulation and litigation" and 3.10 "Risks related to the Shares" beginning on page 14 of the Prospectus before investing in the Shares.

Information in the Prospectus shall still apply unless, and then only to the extent it has not been amended, supplemented, or deleted by this Prospectus Supplement, as described above.

*This Prospectus Supplement is a supplement to a national prospectus (Nw.: nasjonalt prospekt) and has been registered with the Norwegian Register of Business Enterprises in accordance with section 7-8, cf. section 7-10 (2), of the Norwegian Securities Trading Act. Neither the Financial Supervisory Authority of Norway (Nw.: Finanstilsynet) (the "**Norwegian FSA**") nor any other public authority has carried out any form of review, control or approval of the Prospectus. This Prospectus does not constitute an EEA-prospectus.*

Managers

Arctic Securities AS

Fearnleys Securities AS

Nordea Bank Apb, filial i Norge

The date of this Prospectus Supplement is 13 September 2023

IMPORTANT INFORMATION

This Prospectus Supplement is a supplement to the Prospectus prepared and published in connection with the Subsequent Offering.

This Prospectus Supplement and the Prospectus has been prepared by the Company solely in connection with the Subsequent Offering. This Prospectus has been prepared to comply with the Norwegian Securities Trading Act of 29 June 2007 no. 75, as amended (the "**Norwegian Securities Trading Act**"). The Prospectus is a national prospectus prepared in accordance with Section 7-5 of the Norwegian Securities Trading Act, and it does not fulfil the requirements of the Prospectus Regulation (EU) 2017/1129 (the "**Prospectus Regulation**") and has not been reviewed or approved by the Norwegian FSA. This Prospectus Supplement and the Prospectus has been prepared solely in the English language.

For definitions of certain other terms used throughout this Prospectus Supplement, see Section 5 "*Definitions and glossary*" in the Prospectus.

The information in this Prospectus Supplement is to be considered part of the Prospectus and (i) supersedes information originally contained in the Prospectus to the extent inconsistent with such information and (ii) supplements information originally contained in the Prospectus so that any statement contained therein will be deemed to be modified to the extent that a statement in this Prospectus Supplement modifies such statement. Information in the Prospectus shall still apply unless and then only to the extent it has not been amended, supplemented, or deleted by this Prospectus Supplement.

The Company has engaged Arctic Securities AS ("**Arctic**"), Fearnley Securities AS ("**Fearnleys**") and Nordea Bank Abp, filial i Norge ("**Nordea**") to act as managers and bookrunners in the Subsequent Offering (herein referred to as the "**Managers**").

Norwegian law governs this Prospectus Supplement and the Subsequent Offering. The courts of Norway, with Oslo as legal venue, have exclusive jurisdiction to settle any dispute that may arise out of or in connection with the Subsequent Offering or this Prospectus Supplement.

All Sections of the Prospectus Supplement should be read in context with the information included in the Prospectus.

1 STATEMENT OF RESPONSIBILITY

The Board of Directors of Havila Kysttruten AS accepts responsibility for the information contained in this Prospectus Supplement. The members of the Board of Directors confirm that the information contained in this Prospectus Supplement, to the best of their knowledge, is in accordance with the facts and makes no omission likely to affect its import.

13 September 2023

The Board of Directors of Havila Kysttruten AS

Per Rolf Sævik
Chairman of the Board

Hege Sævik Rabben
Board Member

Vegard Sævik
Board Member

Anita Nybø
Board Member

Karina Halstensen Birkelund
Board member

Svein Roger Selle
Board member

2 SUPPLEMENT TO THE PROSPECTUS

2.1 Introduction

The Company has noted a technical error in the Prospectus relating to Appendix B of the Prospectus, which did not contain reference to the audited consolidated financial statements as of and for the year ended 2021.

As a consequence of the above, should any investors who have subscribed for new shares in the Subsequent Offering prior to the publishing of the Prospectus Supplement wish to withdraw their subscription, they may do so by contacting either of the Managers within **15 September 2023 at 16:30 CEST**, cf. section 7-11 (2) of the Norwegian Securities Trading Act.

This Prospectus Supplement reflects the abovementioned changes to the terms of the Subsequent Offering and supersedes corresponding information originally contained in the Prospectus to the extent inconsistent with such.

2.2 Supplements to Appendix B

Appendix B in the Prospectus is supplemented as to read as follows:

The Company's audited consolidated financial statements as of and for the years ended 31 December 2022 and 2021 are incorporated by reference to Appendix B of this Prospectus Supplement, cf. Section 7-3 (1) litra d cf. (2) of the Norwegian Securities Trading Regulation.

Audited consolidated annual financial statement as of and for the years ended 31 December 2022 and 2021.

www.havilavoyages.com/ir