

National Prospectus

HORISONT ENERGI AS

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



Subsequent Offering of up to 769,230 Offer Shares at a Subscription Price of NOK 65 per Offer Share Subscription Period from 09:00 hours (CET) on 25 January 2022 to 8 February 2022 at 16:30 hours (CET)

This prospectus (the "**Prospectus**") has been prepared by Horisont Energi AS ("**Horisont Energi**" or the "**Company**"), a private limited liability company incorporated under the laws of Norway in connection with a subsequent repair offering (the "**Subsequent Offering**") of up to 769,230 new shares in the Company, each with a nominal value of NOK 0.01 (the "**Offer Shares**"), at a subscription price of NOK 65 per Offer Share (the "**Subscription Price**").

The Subsequent Offering is directed towards existing shareholders in the Company as of 12 January 2022 (as registered in the Norwegian Central Securities Depository (the "**VPS**") two trading days thereafter, on 14 January 2022 (the "**Record Date**"), who

(i) were not allocated shares in the private placement of 5,706,495 new shares completed on 20 January 2022 (the "**Private Placement**") and (ii) 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 (the "**Eligible Shareholders**").

Each Eligible Shareholder will receive 0.048 non-tradeable subscription rights (the "**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 securities laws, give the preferential right to subscribe for, and be allocated, one Offer Share in the Subsequent Offering, rounded down to the nearest whole share. Over-subscription will be permitted; however, there can be no assurance that Offer Shares will be allocated for such subscriptions. Subscription without subscription rights will not be permitted.

The subscription period will commence on 25 January 2022 and end on 8 February 2022 at 16:30 hours, Central European Time ("CET") (the "**Subscription Period**"). Subscription Rights that are not used to subscribe for Offer Shares before the expiry of the Subscription Period will have no value and will lapse without compensation to the holder. The due date for payment of the Offer Shares is on 11 February 2022 (the "**Payment Date**"). The Offer Shares will when issued be registered in the VPS in book-entry form and are expected to be delivered to the applicant's VPS account on or about 16 February 2022. Trading in the Offer Shares on Euronext Growth Oslo is expected to commence on the same date, under the ticker code "HRGI".

The Subscription Rights and the Offer Shares are being offered only in those jurisdictions in which, and only to those persons to whom, offers and sales of the Offer Shares (pursuant to the exercise of Subscription Rights) may lawfully be made and, for jurisdictions other than Norway, would not require any filing, registration or similar action. The Shares have not been, and will not be, registered under United States Securities Act of 1933, as amended (the "U.S. Securities Act") or with any securities regulatory authority of any state or other jurisdiction in the United States of America ("U.S." or "United States"), and are being offered and sold: (i) in the United States only to Qualified Institutional Buyers ("QIBs") in reliance on Rule 144A or pursuant to another exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act; and (ii) outside the United States in compliance with Regulation S. Prospective purchasers are hereby notified that sellers of Offer Shares may be relying on the exemption from the provisions of Section 5 of the U.S. Securities Act provided by Rule 144A. The distribution of this Prospectus and the offer and sale of the Offer Shares in certain jurisdictions may be restricted by law. Persons in possession of this Prospectus are required to inform themselves about and to observe any such restrictions. See Section 5.11.7 «Selling and Transfer Restrictions».

Investing in the Company's Shares, including the Offer Shares, involves a high degree of risk. See Section 2 "**Risk Factors**".

This Prospectus is a national prospectus (Norwegian: 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 (Norwegian: 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.

Manager

Fearnley Securities AS

The date of this Prospectus is 24 January 2022

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 Financial Supervisory Authority of Norway (*Norwegian: Finanstilsynet*) (the "**Norwegian FSA**"). This Prospectus has been prepared solely in the English language.

Fearnley Securities AS ("**Fearnleys**") acts as Manager (the "**Manager**") and subscription agent 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 Manager 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. See Section 5.11.7 "*Selling and Transfer Restrictions*".

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 Manager, or any of their respective representatives or advisers, is making any representation to any offeree or purchaser of the Offer Shares regarding the legality of an investment in the Offer Shares by such offeree or purchaser under the laws applicable to such offeree or purchaser. 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 adviser.

Investing in the Company's Shares, including the Offer Shares, involves a high degree of risk. See Section 2 "*Risk Factors*".

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.

ENFORCEMENT OF CIVIL LIABILITIES

Horisont is a private limited liability company incorporated under the laws of Norway. As a result, the rights of holders of the Shares will be governed by Norwegian law and the Company's articles of association (the "Articles of Association"). The rights of shareholders under Norwegian law may differ from the rights of shareholders of companies incorporated in other jurisdictions. The members of the Company's board of directors (the "Board Members" and the "Board of Directors", respectively) and the members of the senior management of the Company (the "Management") are not residents of the United States. All of the Company's assets and the assets of the Board Members and members of Management are located outside the United States. As a result, it may be impossible or difficult for investors in the United States to effect service of process upon the Company, the Board Members and members of Management in the United States or to enforce against the Company or those persons judgments obtained in U.S. courts, whether predicated upon civil liability provisions of the federal securities laws or other laws of the United States.

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

DATA PROTECTION

As data controller, the Manager 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 Manager's processing of personal data, please review the Manager's privacy policy, which is available on its website or by contacting the Manager. The privacy policy contains information about the rights in connection with the processing of personal data, such as the access to information, rectification, data portability, etc. If the applicant is a corporate customer, such customer shall forward the Manager's privacy policy to the individuals whose personal data it discloses to the Manager.

Table of contents

1	STATEMENTS	6
1.1	Responsibility for the Prospectus.....	6
1.2	Forward-looking statements	7
1.3	Third party information.....	7
2	RISK FACTORS.....	8
2.1	Risks related to the Company and its business.....	8
2.2	Regulatory risks	14
2.3	Risks relating to the Shares	15
3	PRESENTATION OF HORIZONT ENERGI AS – GENERAL INFORMATION	17
3.1	Company name, business registration number and LEI.....	17
3.2	Business address and contact details	17
3.3	Organizational structure and applicable legislation.....	17
3.4	Date of incorporation.....	17
3.5	Objective of the Company.....	17
3.6	Shares, share capital and outstanding authorisations.....	17
3.7	Board of Directors, CEO and CFO.....	19
3.8	Articles of association	21
3.9	Lock-up undertakings.....	22
4	PRESENTATION OF THE BUSINESS OF THE COMPANY	23
4.1	Business overview	23
4.2	Principal Activities	24
4.3	Principal Markets.....	27
4.4	History and Development.....	29
4.5	Technology, Know-How and Intellectual Property	31
4.6	Disclosure About Dependency on Contracts, Patents and Licenses / Governmental Approvals	32
4.7	Material Contracts	32
4.8	Legal and Arbitration Proceedings.....	33
4.9	Additional information for large transactions.....	33
4.10	Financial Information.....	33
5	INFORMATION ABOUT THE SUBSEQUENT OFFERING AND THE OFFER SHARES	39
5.1	Purpose and background for the Subsequent Offering	39
5.2	Terms for the Subsequent Offering.....	39
5.3	Number and type of securities offered.....	40
5.4	Rights conferred by the Offer Shares	40
5.5	ISIN	40
5.6	Subscription Price	40
5.7	Proceeds related to the Subsequent Offering.....	40

5.8	Estimated costs related to the Subsequent Offering	40
5.9	Eligible Shareholders and allocation in the Subsequent Offering	40
5.10	Resolution relating to the Subsequent Offering	41
5.11	Subscription Period and subscription procedures	43
5.12	Manager and legal advisor	49
5.13	Conditions for completion of the Subsequent Offering.....	49
5.14	Payment for, and delivery of, the Offer Shares	49
5.15	Underwriting.....	50
5.16	Governing law and legal venue.....	51
6	APPENDICES	52
6.1	Appendix A: Articles of association.....	53
6.2	Appendix B: Financial Statements	56
6.3	Appendix C: Subscription form in the Subsequent Offering.....	57

1 STATEMENTS

1.1 Responsibility for the Prospectus

This Prospectus has been prepared in connection with the Subsequent Offering as described herein.

The Board of Directors of Horisont Energi AS is responsible for this Prospectus. The members of the Board of Directors declare 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.

24 January 2022

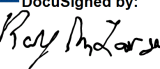
The board of Directors of Horisont Energi AS

DocuSigned by:

4E485E8414F64D6...

Kåre Johannes Lie

Chairman

DocuSigned by:

EA52C9526F53456...

Rolf Magne Larsen

Board Member

DocuSigned by:

C1816DC69E3B4CF

Bjørgulf Haukelidsæter Eidesen


CEO

DocuSigned by:

993ABA3E8EF9417...

Rob Matheus Maria Stevens

Board Member

DocuSigned by:

D5FC693F6DB444C...

Øystein Stray Spetsten

Board Member

DocuSigned by:

777081188A5A4A8

Dan Jarle Flølo

CFO

1.2 Forward-looking statements

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.

The information contained in this Prospectus, including the information set out under Investing in the Company's Shares, including the Offer Shares, involves a high degree of risk. Section 2 "*Risk Factors*", identifies additional factors that could affect the Company's financial position, operating results, liquidity and performance.

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.

1.3 Third party information

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.

2 RISK FACTORS

An investment in shares in the Company involves inherent risks. Investors should consider all information set forth in this Prospectus and, in particular, the specific risk factors set out below. An investment in shares in the Company is suitable only for investors who understand the risks associated with this type of high-risk investment and who can afford a loss of all or part of their investment. The absence of negative past experience associated with a given risk factor does not mean that the risks and uncertainties described herein should not be considered prior to making an investment decision. If any of the risks described below materialise, individually or together with other circumstances, they may have a material adverse effect on the Company's business, financial condition, results of operations and cash flow and/or prospects, which may cause a decline in the value of shares in the Company that could result in a loss of all or part of any investment in shares in the Company. The risks and uncertainties described below are the principal known risks and uncertainties faced by the Company as of the date hereof. Additional risks and uncertainties that the Company currently believes are immaterial, or that are currently not known to the Company, may also have a material adverse effect on its business, financial condition, results of operations and cash flow. The information in this Section is as of the date of this Prospectus.

2.1 Risks related to the Company and its business

2.1.1 *The Company has limited operating history and limited revenues*

The Company is in a development stage and has a limited operating history. The Company's current business model is to generate revenues by producing carbon-neutral energy products, including but not limited to the production of blue ammonia, blue hydrogen, green hydrogen and green ammonia, and capture and storage of fossil and renewable CO₂ (CCS). The Company has to date not achieved positive operating results. The Company has to date financed its operations by raising capital from new and existing stakeholders as well as receiving grants. The Company has currently no firm contracts that generates future revenues. Further, the Company's existing contracts that potentially provide future revenues are subject to various terms, conditions, termination events, amendments etc. implying that future revenues on such contracts may be uncertain and/or may change substantially from what has been expected or estimated. To become and remain profitable, the Company must succeed in its ongoing projects and prospects, and also succeed in commercializing its business and its technologies in a way that they generate revenues. This will require the Company to be successful in a range of complex and interdependent activities. The Company may never succeed in these activities and, even if it does, it may not generate revenues that are sufficient to achieve profitability. The Company is a growth company, is not fully financed (nor following the Private Placement and the Subsequent Offering) and has made certain assumptions about the costs and funding requirements to grow and optimize its operations. If the Company's estimates are incorrect, it could lead to the need for additional financing sooner than expected and or the Company may not be able to achieve profitability. Furthermore, the contracts, rights and obligations of the Company are likely to carry a higher degree of uncertainty and risk than more mature businesses.

2.1.2 *The Company is in a development stage and has not carried out any full-scale projects*

To date the Company has not yet carried out any full-scale projects and the Company's business model, technology and partner network have never operated on an ordinary course basis. There is consequently a risk that such ordinary course projects never will take place or that the Company's business model proves to be inefficient or inadequate for such projects. The Company's target is to have world class ammonia EPC suppliers that shall provide ammonia production technology with world leading performance. This is considered to be required for the Company's business model in order to achieve full-scale projects and expected by customers to enable the possibility to obtain debt financing. As an early development company, the Company does not have extensive experience with contract management, standardised contract terms, etc. The terms and conditions that the Company is subject to therefore varies from project to project.

2.1.3 *Risks related to the Company's ability to implement its core plans to establish an ammonia plant and CCS operations*

The Company's plans related to the ammonia plant in Finnmark and to initiate CCS operations are conditional on a number of unresolved matters, including, but not limited to the following:

Key Agreements are yet to be negotiated and formally entered into. In order to successfully implement its plans, the Company will need to negotiate and enter into several key agreements, including, but not limited to (i) collaboration agreement with Equinor and Vår Energi, for the onshore ammonia production in Finnmark (Project Barents Blue) based on an MoU dated 18 November 2020; (ii) delivery agreement with Knutsen OAS Shipping AS, for supply of CO₂ carriers and technology for CO₂ carriers; (iii) licensing agreement with Haldor Topsøe A/S for ammonia production technology (SynCOR Ammonia™) through a EPC contractor and EPC delivery agreement for the ammonia plant; and (iv) delivery agreements for offshore including Baker Hughes, Alcatel Submarine Networks and others for the supply of the full offshore scope. There is no guarantee that the Company will ultimately enter into definitive agreements, or if it does, on what terms the agreements will be made.

2.1.4 The Company has not secured the rights to the carbon storage required. There is no guarantee that the Company will be able to secure such agreements or rights.

As with any CCS project for the storage of CO₂ in subsea reservoirs, the Company's CCS operations is founded on assumptions regarding certain offshore CO₂ storage reservoirs. There is a risk that the identified offshore CO₂ storage reservoirs are less suitable for storage of CO₂ than anticipated, which may cause cost overruns and delay of CCS projects.

The Company's business relies on permits from relevant authorities in accordance with current carbon storage regulations, which have not been obtained. The Company's activities within carbon storage are conditional on the Company obtaining the necessary permits for exploration for subsea reservoirs for storage of CO₂ and for exploitation, transportation and permanent storage of carbon dioxide in an offshore reservoir, identified, licensed and matured by the Company. The Company has identified a promising carbon storage, for which a license application has been sent, and award is expected in H1 2022. As of the date hereof however, no license or carbon storage permit have yet been obtained. There is no guarantee that the Company will obtain the required permits when such permits are applied for.

2.1.5 The Company's business plans depend on acquiring and protecting proprietary technology and intellectual property rights

The Company's business is highly dependent upon proprietary technology. The Company's business is based on a combination of patent applications, trade secrets, know-how, key suppliers and confidential procedures, and is partly protected as registered IPR and through contractual provisions to maintain secrecy and prevent un-authorised use. The Company cannot guarantee that its measures for preserving the secrecy of its know-how and trade secrets are sufficient to prevent others from obtaining such information and use the know-how. Currently, the Company has several pending patent applications, however with no certainty of issuance. The lack of proper and clearly defined IPR regulations in agreements, or lack of agreements/regulations at all, may also expose the Company of risks related to breach of IPR and/or weak IPR protection for the Company. Loss of key personnel may also create a risk that such personnel may exploit knowledge, information and know-how to the detriment of the Company, and/or that the Company may face difficulties to operate its technology or business methods as a result of the loss of such personnel. The extent of the Company's intellectual property rights varies in different countries, and filing, prosecuting, maintaining and defending the Company's patents throughout the world could be highly expensive.

Consequently, the Company may be unable to prevent third parties from infringing its rights in certain countries, especially in jurisdictions offering no or little protection of intellectual property rights, or in jurisdictions where enforcement may be difficult. Competitors could potentially also use the Company's technology in jurisdictions where the Company has not obtained IPR protection. There is also a risk that competitors or other third parties may claim that the Company does not have rights or exclusive rights to the intellectual property it uses or infringe its key patents or otherwise obtain and use its intellectual property without authorisation. To prevent infringement in the future, the Company may have to file infringement claims. Such claims can be time consuming and costly to prosecute and there can be no assurance that any such claims will be successful. Policing unauthorised use of the Company's intellectual property is difficult and costly, and the Company may not successfully prevent misappropriation of its proprietary rights. Unauthorised use of intellectual property may damage the Company's reputation, decrease the value of such property and reduce its market share. Parties may initiate litigation against the Company for alleged infringement of their proprietary rights. In the event of a successful claim of infringement and the Company's failure or inability to develop non-infringing technology or content or to licence the infringed or similar technology or content on a timely

basis, the Company's future business could suffer. Moreover, even if the Company is able to licence the infringed or similar technology or content, it could be required to pay licence fees to the licensor that are substantial or uneconomical. In the event that these or other circumstances damage the Company's intellectual property rights, it could have a material adverse effect on its business, results of operations, financial condition and prospects. The Company cannot assure that its know-how and trade secrets will provide the Company with any competitive advantage, as the know-how and trade secrets may become known to or be independently developed by others including the Company's competitors, regardless of measures the Company may take to try to preserve the confidentiality. The Company cannot give assurance that its measures for preserving the secrecy of its trade secrets and confidential information are sufficient to prevent others from obtaining such information.

Further, the Company does not yet possess technology or rights to technology required to implement its business plans. Key technology is intended to be purchased by entering into agreements, including an agreement with Haldor Topsøe A/S for ammonia production technology (SynCOR Ammonia™).

2.1.6 Risks relating to sub-contractors and supplier/partner network

The Company will rely on experienced suppliers to perform important key tasks in the Company's projects, including among other things, construction of the ammonia plant, construction of CO₂ storage components and transportation. Problems in the supply chain, such as delays, cost-overruns, error with products, etc, may have adverse consequences for the product and services to be delivered by the Company, compliance with project agreements, customer relations etc., resulting in adverse effect on the Company's business and results of operation. The loss of key suppliers could result in costs for the Company and there is a risk that the Company may not be able to replace the supplier with adequate alternative suppliers, at commercial attractive terms or at all. Each such risk could adversely affect the Company's business and results of operations. The Company seeks to use established sub-contractors; however, no assurance can be given that its sub-contractors are able to perform their contractual obligations in time or otherwise in accordance with agreement. The Company is consequently exposed to risks relating to subcontractors not being able to fulfil its contractual obligations, which in turn could increase the costs and delay the Company's projects and operations.

2.1.7 Risk of projects being delayed in time creating uncertainties as to the cash inflow

The construction of a large-scale ammonia plant and carbon storage facilities are large undertakings where project duration from initiation to completion will span over several years. During the project duration, important risks can relate to the feasibility of the chosen project location, weather and natural conditions, obtaining and maintaining permits and approvals for the projects, technical risks in connection with the installation of the systems and delays caused by subcontractors (as described herein). In general, materialisation of such risks could lead to amendments to the project and delays, which in turn can have adverse effect on cash flows of the Company.

2.1.8 Technological evolution

The market for the Company's products and services is subject to continued evolution in technology, evolving industry standards, changes in customer needs, competition and frequent new product introduction. As such, the Company will require significant investments in scaling up the organization to keep good traction in technology development and scale up sales force. If the Company is unable to anticipate future changes in technology and customer requirements, or fails to develop and introduce its technology and services on a timely basis, it may have an adverse impact on the Company's business and prospects. There can be no assurance that the Company will have sufficient resources to make such investments. Furthermore, if any technical or other difficulties that could delay the introduction of new technologies or enhancements, are encouraged, further investment may be required to endure the desirability of the Company's product and service to customers.

2.1.9 Risks relating to obtaining future financing needed in order for the Company to achieve its goals

The Company is dependent on additional financing to be able to reach its growth goals. The Private Placement is expected to secure funding for several of the Company's new activities. Company will need additional financing to realize amongst other activities the Barents Blue train 2, the new green ammonia plant and the carbon storage assets.

From before Company is developing the Barents Blue project that needs an additional NOK 5-10 billion or more, according to its own estimations, in order to fully finance the Barents Blue Project. The Company intends to obtain financing in the form of equity, a bank debt and governmental grants and infrastructure fund partners. The Company's ability in the future to obtain additional capital on commercially reasonable terms, or at all, may be limited. If the Company is unable to obtain such financing on commercially reasonable terms, it could reduce funds available to the Company for purposes such as financing its working capital, capital expenditures, strategic acquisitions and other general corporate purposes. Further, it could restrict the Company's ability to introduce new products or exploit business opportunities, and it could increase the Company's vulnerability to economic downturns and competitive pressures in the markets in which it operates and place the Company at a competitive disadvantage.

2.1.10 Market price of the Company's products and services

The Company's business model entails that the Company's sales of clean ammonia constitute a material share of its future, estimated gross profit. The profitability depends to a large extent on the demand for blue ammonia and the cost of gas for the production of ammonia. Gas prices are likely to fluctuate, and an increase of the price of gas will likely reduce the relative margins for the production of blue ammonia and increased inventory for the Company. While this is further influenced by government subsidies and support, the development of the industry in general, and the Company in particular, will to a significant degree depend on the development in prices over time. A significant increase in other sources of carbon neutral energy and fuel sources may also reduce the wholesale price of blue ammonia. Broader regulatory changes related to CO₂ emissions and sources for carbon neutral fuel and energy could have an impact on the prices for blue ammonia, blue hydrogen, green hydrogen and green ammonia and CCS services. A decline in the market price of carbon neutral energy and fuel could materially adversely affect the financial attractiveness of new projects.

2.1.11 Government subsidies, incentives and other support mechanisms

The Company has previously been granted public funding from Norwegian authorities. However, there is no guarantee that the Company will qualify for such grants in the future. Consequently, it is a risk that the ability for the Company to access public funding, in Norway, EU or elsewhere, could be unavailable, limited or restricted.

Political developments could lead to a material deterioration of the conditions for, or a discontinuation of, current incentives for CCS and carbon neutral energy and fuel. It is also possible that government financial support will be subject to judicial review and determined to be in violation of EU law and applicable constitutional or legal requirements or be significantly reduced or discontinued for other reasons. A reduction of government support and financial incentives in any of the markets in which the Company currently operates or intends to operate in the future could result in a material decline in the availability of investment opportunities. The Company is planning to broaden its market presence and become active in new markets going forward. Incentives for carbon neutral energy are currently important in all these markets.

There is a risk that the Company will not receive grants as expected, which again will cause the Company's need for other sources of financing to increase. It is uncertain whether future applications for EU grants will succeed.

2.1.12 The Company's business is dependent on its ability to maintain and scale its technical infrastructure

The Company's business depends on ammonia production technology and CCS technology. In order for the Company to compete effectively, the Company must reduce product costs and improve its technology. If the Company fails to successfully maintain, expand or upgrade its products and services, or is unable to do so on a timely basis, or on commercially reasonable terms, its offerings and services may become less attractive to customers, and the Company may lose customers and partners to its competitors.

2.1.13 The Company may not be able to develop new technology that may be required to expand and/or keep up with competitors

The Company has a growth strategy and is targeting an expansion of its customer base for existing and new products. Research and development are expensive, time-consuming, and entails considerable uncertainty with respect to both

achieving positive results and, if successful, the ability to commercially sell products and services using such technology. Due to long development processes, changing regulatory requirements, changing market conditions and customer preferences and other factors, new variants of existing technologies or new technologies may take longer and cost more to develop and may be less successful than the Company anticipates. It is expected that an increased target market and customer base will result in increased competition. Furthermore, the Company may be unable to reduce costs as required to maintain a competitive position. No assurance can be given that any existing or new technologies under research and development will be commercially successful.

If the Company is unable to keep up with competitors, develop new technology or have commercial success with its existing or technology under research and development, this could adversely affect the future development on the Company's business, financial condition, results of operations and/or prospects. Production of blue and green ammonia and CCS services are fairly new industries and relevant technologies are expected to be developed rapidly due to practical implementation of research taking place in several different companies simultaneously. The Company's ability to stay on top of and contribute to this development will impact the success of the Company as well as the development of the whole industry. There is no guarantee that the Company's technology will be competitive with other methods of producing carbon neutral energy or CCS in the future. In addition to the inherent risks involved due to the Company being in a development phase in a new industry, such as risks related to faults in maintenance and the Company's technology etc., there is also a risk that the Company's commercialisation strategy is found inefficient or unattractive, and that other competitors in the industry are able to commercialise at a more rapid pace than the Company, which may in turn have material adverse effects on the Company's results, financial condition, cash flows and prospects.

2.1.14 New technology and impact of faults in an early phase

The CCS systems and production technology for ammonia developed by the Company represents new technology in the market, which means that customers and potential customers have little to no experience with the Company's products. In this phase, there is a risk that any defaults or unsuccessful projects, which could be due to factors within and outside of the Company's control, could have a proportionate material impact on the reception of the technology in the market and be decisive in respect of whether customers are willing to invest in the technology and buy the Company's products and services, and which in turn can have a significant severe impact on the Company's ability to successfully establish itself in the market and implement the Company's business plan.

2.1.15 The Company is reliant on key personnel

The Company has currently a limited number of employees. All such employees are considered important for the Company's success and ability to implement its business model. Consequently, any loss of current key employees may be detrimental to the Company and its business. Further, the Company's future growth and success depends, in part, upon the leadership, performance and continuing service of key personnel. The Executive Management's technical, finance, marketing and administrative skills and experience are important to the operation of the Company's business. The Company's ability to meet its operational requirements and its future growth and profitability is dependent upon, amongst other things, its Executive Management. If any key person resigns, a suitable replacement with requisite skills, contacts and experience may not be immediately found and the Company may experience negative market or industry perception, which could have a material adverse effect on its business, financial condition, prospects and results of operations. The Company's ability to continue to identify and develop opportunities depends on the management's knowledge of, and expertise in, the industry in and such local jurisdictions and on their external business relationships. The Company's growth and success also depend on its ability to attract, hire and retain additional highly qualified and skilled technical, research, sales, managerial and finance personnel. If the Company experiences shortage of skilled personnel, or, if a significant portion of the employees were to engage in strikes, work slowdowns or other actions, the Company may not be able to continue to sell its products, develop new products or effectively manage its global operations. Further, any failure to effectively integrate new personnel could prevent the Company from successfully growing.

The counterpart of being dependent on retaining its key personnel, is that the Company faces a corresponding risk of losing its employees to competitors and that they bring with them knowledge about the IPR of the Company. The Company has not included non-compete provisions in its employee agreements with Dan Jarle Flølo (CFO), Eivind Torheim (COO) and Ellen Braune (Head of Drilling and HSEQ), and the other employees only have a three month non-

compete period in their respective employment agreements. However, key employees with shares in the Company have a three-year Lock-up agreement related to their shares.

2.1.16 The Company anticipates that the markets in which it operates will become more competitive

The Company anticipates that the number of companies seeking to develop carbon neutral energy and fuel and CCS methods will increase in the future due to the current situation of undersupply. The Company may face competitors that range in size from small, single product companies to large, diversified corporations, which may have greater financial, technical, marketing and other resources. For instance, there is a risk that the Company will be unable to compete with competitors with stronger balance sheet and/or funding capabilities that may enable them to use more resources on inter alia product offering, R&D, marketing, ramp-up, continue with limited profits and on other basis. Given the Company being in a development and growth phase in a new industry, the Company sees this risk more apparent compared to more established markets. The Company's competitors may develop and commercialize new technologies and products that may gain market share from the Company and cause decline in its revenue and profits. Any business combinations or mergers among the Company's competitors that result in larger competitors with greater resources or distribution networks, or the acquisition of a competitor by a major technology or energy corporation seeking to enter the markets which the Company operates, could further increase competition the Company face and have a material adverse effect on its business, financial condition, results of operations, cash flow and/or prospects.

2.1.17 The Company may or may not pay dividends for the foreseeable future. Shareholders may never obtain a return on their investment

As of the date of this Prospectus, the Company is in a growth phase and is not in a position to pay any dividends. There can be no assurance that in any given year a dividend will be proposed or declared, or if proposed or declared, that the dividend will be as contemplated by the policy. Any payment of future dividends will depend on legal restrictions, the Company's capital requirements, including capital expenditure requirements, its financial condition, general business conditions and any restrictions that its borrowing arrangements or other contractual arrangements in place at the time of the dividend may place on its ability to pay dividends and the maintaining of appropriate financial flexibility.

2.1.18 Risks related to the COVID 19 pandemic

The current outbreak of 2019 coronavirus ("COVID-19") has resulted in a global pandemic and has severely impacted companies and markets globally. It is currently not possible to predict the consequences for the Company, its business partners, Norway, the industry in which the Company operates or global business and markets. The future of the Company and its business, including the ability for the Company to realise its current plans are therefore more uncertain under such circumstances. The occurrence of an epidemic or pandemic is beyond the Company's control and there is no assurance that any future outbreak of COVID-19 or other contagious diseases occurring in areas in which the Company or its suppliers, partners or customers operate, or even in areas in which the Company do not operate, will not seriously interrupt the Company's business, including planned constructions or those of the Company's suppliers or customers. Such event could have a material adverse effect on the Company business, results of operations or financial condition.

2.1.19 The Company is exposed to liquidity risks relating to lack of liquidity that may affect the Company's ability to cover its obligations

The Company is subject to liquidity risk in relation to meeting future obligations associated with its financial liabilities, which normally include operating costs. If the Company is unable to manage its liquidity efficiently or has insufficient liquidity, the Company may not be able to fulfil its obligations, when due. In case the Company should experience a liquidity shortfall, there is a risk that additional capital cannot be raised when needed, that capital cannot be raised on terms favourable to the Company, or that the capital raised should prove insufficient to cover the Company's liquidity needs which could have an adverse effect on the Company's business, results of operations, cash flows, financial condition and prospects.

2.1.20 The Company is exposed to risks associated with international operations

The Company is expected to have operations, suppliers and customers in countries outside of Norway. Key suppliers viable for project execution are situated in Asia and Europe. The Company's operations are consequently subject to risks inherent in international business operations, including, but not limited to, general economic conditions in each country in which the Company operates, overlapping differing tax structures, problems related to management of an organization spread over various countries, unexpected changes in regulatory requirements, compliance with a variety of local laws and regulations, and longer accounts receivable payment cycles in certain countries. The materialization of such risks might have a material adverse effect on the Company's business, prospects, financial position and operating results.

2.1.21 VAT registration and deduction for main activities

The Company is registered in the VAT register. According to the Norwegian VAT Act section 8-1, a VAT registered entity is entitled to deduct input VAT in procurements of goods and services that are intended for use in the registered business. The Company must meet two conditions in order to be eligible for VAT deduction: Firstly, the acquisitions must be intended for use in the company's own VAT registered business (the allocation criterion), and secondly the acquisitions must be sufficiently relevant for this business (the relevance criterion).

As for the Polaris Project the plan is to set up a separate legal entity. Hence there is uncertainty to what extent the Company meets the allocation criterion as far as acquisitions to the Polaris Project are concerned. Furthermore, as the Company and its partners have not yet decided on the legal structure for developing the Barents Blue Project, the Company is not in a position to claim VAT deduction for this activity as of today.

2.1.22 Fluctuations in exchange rates could affect the Company's cash flow and financial condition

The Company presents its financial statements in NOK. At this stage most of the cost is in NOK, but going forward the Company expect to mainly have costs in Euro and revenue in USD. As the Company operates in the global market and has a global strategy, it is and will be exposed to currency fluctuations, primarily through fluctuations in NOK, USD and EUR. Any fluctuations in exchange rates between these currencies could materially and adversely affect the Company's business, results of operations, cash flows, financial condition and/or prospects. The Company plan to have currency hedging arrangements in place to limit the exposure to exchange rate fluctuations.

2.1.23 Risk relating to estimates, targets, forecasts, assumptions and Forward-looking Statements contained herein

This Prospectus includes Forward-looking Statements, including estimates, targets, forecasts, plans and similar projected information. Such information is based on various assumptions made by the Company and/or third parties that are subject to inherent risks and may prove to be inaccurate or unachievable. Such assumptions are not verified. Forward-looking Statements included are based on current information, estimates and plans that may change rapidly and without notice. Investors are cautioned to place undue reliance on such Forward-looking Statements.

2.2 Regulatory risks

2.2.1 Risk relating to regulatory environment

The Company's activities are subject to extensive national and international regulations. The Company's future sale of its products (if and when developed) is also subject to restrictions on international trade. Future changes in the domestic and international laws and regulations applicable to the Company, can be unpredictable and are beyond the control of the Company, and such changes could imply the need to materially alter the Company's operations and set-up and may prompt requirement to apply for permits, which could in turn have a material adverse effect on the business, financial condition, results of operations or cash flow of the Company.

2.3 Risks relating to the Shares

2.3.1 The price of shares in the Company may fluctuate significantly

The trading price of shares in the Company could fluctuate significantly in response to a number of factors beyond the Company's control, including quarterly variations in operating results, adverse business developments, changes in financial estimates and investment recommendations or ratings by securities analysts, significant contracts, acquisitions or strategic relationships, publicity about the Company, its products and services or its competitors, lawsuits against the Company, unforeseen liabilities, changes to the regulatory environment in which it operates or general market conditions. In recent years, the stock market has experienced extreme price and volume fluctuations. 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 shares in the Company may therefore fluctuate based upon factors that have little or nothing to do with the Company, and these fluctuations may materially affect the price of Shares.

2.3.2 A trading market that provides adequate liquidity may not develop

There can be no assurance that an active trading market for the Company's shares on Euronext Growth will develop or be sustained. The market value of shares could be substantially affected by the extent to which a secondary market develops for shares following the completion of the Listing.

2.3.3 Future sales, or the possibility of future sales of substantial numbers of shares in the Company could affect the shares' market price

The Company cannot predict what effect, if any, future sales of shares, or the availability of shares for future sales, will have on the market price of the shares. Sales of a substantial number of shares in the public market following the offering, or the perception that such sales could occur, could adversely affect the market price of shares, making it more difficult for holders to sell their shares, or the Company to sell equity securities in the future, at a time and price that they deem appropriate. Although the Company's CEO, CFO and COO have undertaken lock-up restrictions, subject to certain exceptions, on their ability to sell or transfer their shares for a defined period after completion of the contemplated Private Placement, the Manager may, in its sole discretion and at any time, waive such restrictions on sales or transfers during this period.

2.3.4 Future issuances of shares or other securities in the Company may dilute the holdings of shareholders and could materially affect the price of shares in the Company

It is possible that the Company may decide to offer new shares or other securities, in order to finance new capital-intensive investments in the future, in connection with unanticipated liabilities or expenses, the need for a repair issue, or for any other purposes. Any such offering could reduce the proportionate ownership and voting interests of holders of shares as well as the earnings per share and the net asset value per share of the Company, and any offering by the Company could have a material adverse effect on the market price of the shares. Depending on the structure of such future offering, existing shareholders may not have the ability to purchase additional equity securities. The Company has resolved to grant share options to certain employees of the Company, see section 3.5.6 for further details.

2.3.5 Investors may not be able to exercise their voting rights for shares in the Company registered in a nominee account

Beneficial owners of shares that are registered in a nominee account (such as through brokers, dealers or other third parties) may not be able to vote for such shares unless their ownership is (a) re-registered in their names with the VPS prior to the Company's General Meetings or (b) the registered nominee holder grants a proxy to such beneficial owner in the manner provided in the Articles of Association in force at that time and pursuant to the contractual relationship, if any, between the nominee and the beneficial owner, to vote for such Shares. The Company cannot guarantee that beneficial owners of the Shares will receive the notice of a general meeting of shareholders of the Company in time to instruct their nominees to either effect a re-registration of their shares or otherwise vote for their Shares in the manner desired by such beneficial owners. Any persons that hold their shares through a nominee arrangement should consult the nominee to ensure that any shares beneficially held are voted for in the manner desired by such beneficial owner.

2.3.6 Shareholders' ability to bring an action against the Company may be limited by Norwegian Law

The shareholders' rights are governed by Norwegian law and by the Company's Articles of Association. Such 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. Under Norwegian law, any action brought by the Company in respect of wrongful acts committed against the Company will be prioritised over actions brought by shareholders claiming compensation in respect of such acts. In addition, it could be difficult to prevail in a claim against the Company under, or to enforce liabilities predicated upon, securities laws in other jurisdictions.

2.3.7 Investors may have difficulty enforcing any judgment obtained in the United States against the Company or its directors or officers in Norway

The Company is incorporated under the laws of Norway and all of its current directors and executive officers reside outside the United States. Furthermore, most of the Company's assets and most of the assets of the Company's directors and executive officers are located outside the United States. As a result, investors may be unable to effect service of process on the Company or its directors and executive officers or enforce judgments obtained in the United States courts against the Company or such persons in the United States, including judgments predicated upon the civil liability provisions of the federal securities laws of the United States. The United States and Norway do currently not have a treaty providing for reciprocal recognition and enforcement of judgments (other than arbitral awards) in civil and commercial matters.

2.3.8 The transfer of shares in the Company is subject to restrictions under the securities laws of the United States and other jurisdictions

The shares in the Company have not been registered under the U.S. Securities Act or any U.S. state securities laws or any other jurisdiction outside of Norway and are not expected to be registered in the future. As such, shares in the Company may not be offered or sold except pursuant to an exemption from the registration requirements of the U.S. Securities Act and applicable securities laws. In addition, there can be no assurances that shareholders residing or domiciled in the United States will be able to participate in future capital increases or rights offerings.

2.3.9 Shareholders outside Norway are subject to exchange risk

The shares in the Company are priced in NOK, and any future payments of dividends on the shares listed on Euronext Growth will be paid in NOK. Investors registered in the VPS who have not supplied the VPS with details of their bank account, will not receive payment of dividends unless they register their bank account details with the Company's VPS registrar from time to time (the "VPS Registrar"). The exchange rate(s) that is applied when denominating any future payments of dividends to the relevant investor's currency will be the VPS Registrar's exchange rate on the payment date. Accordingly, any investor outside Norway is subject to adverse movements in NOK against their local currency as the foreign currency equivalent of any dividends paid on the shares listed on Euronext Growth or price received in connection with sale of such shares could be materially adversely affected.

3 PRESENTATION OF HORISONT ENERGI AS – GENERAL INFORMATION

3.1 Company name, business registration number and LEI

The Company's current registered and commercial name is Horisont Energi AS. The Company's registration number in the Norwegian Register of Business Enterprises is 923 377 476 and its Legal Entity Identifier ("LEI") code is 549300Y78E2ZIKWG3N54.

3.2 Business address and contact details

The Company's registered address is at Grenseveien 21, 4313 Sandnes, Norway, its telephone number is +47 48135113 and its e-mail is hello@horisontenergi.no. The Company's website can be found at www.horisontenergi.no. The content of www.horisontenergi.no is not incorporated by reference into, nor otherwise forms part of, this Prospectus.

3.3 Organizational structure and applicable legislation

The Company is a private limited liability company organised and registered under the laws of Norway pursuant to the Norwegian Private Limited Liability Companies Act.

3.4 Date of incorporation

The Company was incorporated in Norway on 27 August 2019 as a private limited liability company.

3.5 Objective of the Company

Pursuant to section 3 of the Company's articles of association, the Company's business shall be to deliver carbon neutral energy products like clean ammonia, capturing and storing CO₂ with the aim of commercialising carbon storage or businesses in connection with this.

3.6 Shares, share capital and outstanding authorisations

3.6.1 Shares and share capital

As of the date of this Prospectus, the Company's share capital is NOK 215,567.50 divided into 21,556,570 Shares, fully paid and each Share having a par value of NOK 0.01. The Shares have been issued under Norwegian law and are registered on the Company's ISIN NO 001 0917339 with the VPS in book-entry form.

The table below shows the development in the share capital of the Company since 27 August 2019 and up to the date of this Prospectus.

Type of change	Date	Capital Increase (NOK)	Share Capital After Change (NOK)	Par Value of Shares (NOK)	Subscription Price per Share (NOK)	New Shares	Total Number of Outstanding Shares
Company established	27 August 2019	50,000	50,000.00	0.01	0.017	5,000,000	5,000,000
Capital Increase*	10 October 2019	6,607	56,607.14	0.01	0.017	660,714	5,660,714
Capital Increase*	25 February 2020	5,000	61,607.14	0.01	0.017	500,000	6,160,714
Capital Increase*	17 June 2020	4,000	65,607.14	0.01	0.017	400,000	6,560,714
Capital Increase*	7 July 2020	400	66,007.14	0.01	0.017	40,000	6,600,714
Capital Increase*	30 July 2020	1,200	67,207.14	0.01	0.017	120,000	6,720,714
Capital Increase*	25 September 2020	6,694	73,901.28	0.01	5.952	669,414	7,390,128
Private Placement	19 January 2021	79,000	152,901.28	0.01	19	7,900,000	15,290,128
Capital increase**	22 January 2021	5,601.27	158,502.55	0.01	0.01	560,127	15,850,255
Private Placement	20 January 2022	57,064.95	215,567.50	0.01	65	5,706,495	21,556,750

* Capital increases directed to employees of the Company.

** Capital increase directed to investors in accordance with the Company's former warrant program towards external investors under the Norwegian Startup's Lead Investment Paper (the "SLIP") and one option holder. The Company had issued 524,735 warrants under its SLIP, each warrant giving the holder a right to subscribe for one share at a subscription price equal to the Share's par value (NOK 0.01). The Company had also awarded one business partner 35,392 options, each option with a right to acquire one Share at a subscription price equal to the Share's par value (NOK 0.01).

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.

3.6.2 Board authorization to issue Shares - general

On 27 May 2021, the annual general meeting granted the Board of Directors an authorisation to increase the share capital on one or more occasions by up to a nominal value of NOK 77,751.27 by issuing up to 7,775,127 shares. The authorisation may be used for multiple purposes, including private placements towards strategic partners. The Board is authorised to waive the shareholders' pre-emptive rights when issuing shares and the authorisation is valid up until the next annual general meeting, but no later than 30 June 2022. NOK 57,064.95 of the authorization has been used for the purpose of the Private Placement.

3.6.3 Board authorization to issue Shares – employee incentive scheme

On 27 May 2021, the annual general meeting granted the Board of Directors an authorisation to increase the share capital on one or more occasions by up to a nominal value of NOK 1,500 by issuing up to 150,000 shares. The authorisation may be used to meet the Company's obligations pursuant to share based incentive programs. The Board is authorised to waive the shareholders' pre-emptive rights when issuing shares and the authorisation is valid up until the next annual general meeting, but no later than 30 June 2022. Per the date of this Prospectus, no shares have been issued pursuant to the authorization has been u

3.6.4 Authorisation to acquire treasury Shares

The Company does not have any outstanding authorisation to acquire treasury shares. On the date of this Prospectus, the Company owns zero treasury shares.

3.6.5 Share incentive program – stock options

The Board has resolved to grant share options to certain employees of the Company. At the date of this Prospectus, a total of 340,000 share options in the Company have been either reserved for later distribution or have been distributed amongst a total of 11 employees.

Each option, when exercised, carries the right to acquire one share in the Company, giving employees the right to acquire up to 340,000 shares. For 60,000 of the options, the exercise price is NOK 25 with a vesting period of 30 months after the day of the grant (end of 2023), provided the option holder is still an employee of the Company. The exercise price has been set based on the price per share at the time of signed employment agreement, beginning of 2021.

The remaining 280,000 options are subject to individual vesting schedules. 105,000 options vest 18 months after the start of the applicable vesting period; 85,000 options vest 24 months after the start of the applicable vesting period; and 90,000 options vest 36 months after the start of the applicable vesting period. The exercise price for the remaining options have been determined applying a base price typically based upon the closing price of the Company's shares on Euronext Growth (Oslo) on the date of the start of employment or signed employment agreement, which is multiplied by a factor of 1.5, 2 and 2.5 for options vesting 18, 24 and 36 months after the grant date, respectively. The base price for these options prior to multiplying with a factor varies between NOK 43.70 and 46.90.

Of the 280,000 options, 205,000 options will vest in 2023, 55,000 will vest in 2024, and 75,000 will vest in 2025. The exercise period of the options are 24 months.

3.7 Board of Directors, CEO and CFO

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

Overview of Board of Directors			
Name	Position	Served since	Term expires
Kåre Johannes Lie	Chairman	2020	2022
Rob Matheus Maria Stevens	Board Member	2021	2023
Rolf Magne Larsen	Board Member	2020	2022
Øystein Stray Spetalen	Board Member	2021	2022
Bjørn Simonsen	Observer	2021	2023

Kåre Johannes Lie

Mr. Kåre Johannes Lie was elected as chairman of the board of directors of the Company at the EGM 17 December 2019. He is also a member of the Board in Reach Subsea. He has 48 years of experience primarily from offshore contractor and marine operations services businesses. He has held management positions in Knutsen OAS, Stolt Comex Seaway, Interrov and Seateam technology. He founded Deep Ocean and co-founded Reach Subsea, and is also an investor himself. Mr. Lie holds a MSc in Marine Technology from NTH in Trondheim, Norway.

Rolf Magne Larsen, Director

Mr. Rolf Magne Larsen was elected as member of the board of directors of the Company at the EGM 17 December 2019. Mr. Rolf Magne Larsen has more than 37 years of experience from Statoil, of which 10 years was spent as head of the international division of Statoil with activities in many countries. Rolf Magne Larsen has also has a board position in Wellguard AS and other companies, he is also an investor himself. Mr. Larsen holds a MSc in Petroleum Prospecting from NTH in Trondheim, Norway.

Rob Matheus Maria Stevens, Director

Rob started his career at Yara in product and technology development for fertilisers. Over the next 20 years, Rob held several management positions in Yara related to ammonia production and use (Netherlands, Qatar, Norway, Australia). Rob brought forward ammonia energy as General Manager at Yara Pilbara, Western Australia. He executed the clean ammonia energy agenda as VP Technology Scouting and VP Ammonia Energy and Shipping Fuel at Yara HQ (Corporate Innovation, Climate Neutrality), ultimately contributing to the establishment of the Yara Clean Ammonia business unit. Now, Rob is VP Ammonia Opportunities at Saga Pure, facilitating clean ammonia energy investments and board member with Horisont Energi. Since the 1st August 2021 Rob is the elected President of the Ammonia Energy Association

Øystein Stray Spetalen, Director

Mr. Spetalen is Chairman and owner of investment firm Ferncliff TIH AS. Mr. Spetalen is an independent investor. He has worked in the Kistefos Group as an investment manager, as corporate advisor in different investment banks and as a portfolio manager in Gjensidige Forsikring. Mr. Spetalen is a chartered petroleum's engineer from NTNU. Mr. Spetalen is a Norwegian citizen and resides in Oslo, Norway.

As at the time of this Prospectus, the Company's Chief Executive Officer ("CEO") is Bjørgulf H. Eidesen and Chief Financial Officer ("CFO") is Dan Jarle Flølo.

Bjørgulf Haukelidsæter Eidesen, CEO

Mr. Bjørgulf Haukelidsæter Eidesen has 17 years of experience from the energy business, mainly in Equinor. He has held several management positions, as well as project leader and project manager positions, both within business development, project development and technology development. Mr. Eidesen holds a MSC in Cybernetics/Control engineering from NTNU in Trondheim, Norway.

Dan Jarle Flølo, CFO

Mr. Dan Jarle Flølo has over 36 years of experience from energy. He has held positions within Kongsberg, Exxon Norge, Elf E&P / Total E&P, Equinor, Njord Gas Infrastructure where he was CEO, and also worked as deal advisor. Mr. Flølo holds an MSc in Business administration and finance from the Norwegian Business School in Oslo, Norway.

Overview of Board of Directors and Management shares and options			
Name	Holding Company or privately held	Shares	Options
Kåre Johannes Lie	Joso Invest AS	126,805	0
Rob Matheus Maria Stevens	Stebua AS	219	0
Rolf Magne Larsen	RM Consultants AS and privately held	45,293	0
Øystein Stray Spetalen	Ferncliff Listed DAI AS	1,028,000	0
Björgulf Haukelidsæter Eidesen	Føniks Innovasjon AS	5,125,000	0
Dan Jarle Flølo	DJ Advisors AS	552,515	0

During the last five years preceding the date of this Prospectus, neither of the members of the Company's Board of Directors, the CEO nor the CFO has:

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

3.8 Articles of association

The 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.

According to the Company's Articles of Association Section 6, the Company shall have a nomination committee consisting of three members. Pursuant to the guidelines for the nomination committee, the nomination committee shall, inter alia, assess the need of change in the Board of Directors, propose candidates for election to the Board of Directors and propose remuneration for to be paid to such members. The current members of the nomination committee are Torkel Aaberg (chair), Mia Fogelfors Wredmark and Tor Mørne.

Pursuant to Section 8 of the Articles of Association, certain resolutions by the general meeting requires the affirmative vote of more than 75 % of the votes and share capital represented in such general meeting.

Pursuant to Section 9 of the Articles of Association, for as long as E.ON Energy Projects GmbH, or a company within the same group of companies, controls more than 12 % of the shares in the company, E.ON Energy Projects GmbH or the group company shall have the right to appoint one member of the board with one personal deputy board member.

Pursuant to Section 9 of the Articles of Association, the Board may by unanimous vote adopt and approve a board instruction which may determine more stringent majority requirement for certain resolutions in the board than required pursuant to the Norwegian Private Limited Liability Company's Act Section 6-25. On 20 January 2022, the Board resolved to adopt and approve such board instructions.

3.9 Lock-up undertakings

As part of the private placement in connection with the IPO in January 2021, the CEO, CFO and COO entered into lock-up agreements of 48 months, with 25% of their respective shareholding being released under the lock-up undertaking after each 12 months. In addition, the other employees have existing lock-up agreements for three years following the specific dates in 2020 when they as individual shareholders purchased shares at discounted price.

In connection with the investment agreement with E.ON dated 12 January 2022, Føniks Innovasjon AS, Saga Pure ASA, Spesialfondet KLP Alfa Global Energi, Ferncliff Listed DAI AS and QVT Family Office Fund have undertaken for a period of six months not to dispose of any of its shares in Horisont owned per such date, without the consent of E.ON. Should the market price exceed NOK 130 per share in the period, 50% of the respective shareholder's restricted shares are released from the lock-up undertaking. Føniks Innovasjon AS will be permitted to sell such number of shares needed in order for the Company's CEO, Bjørgulf Haukelidsæter Eidesen, owner of Føniks Innovasjon AS, to settle his personal wealth tax.

4 PRESENTATION OF THE BUSINESS OF THE COMPANY

4.1 Business overview

Introduction and history

The Company is a Norwegian private limited company founded in 2019. The CEO and the CFO founded the Company and spent 2019 developing the business model and the business plans, evaluating several different carbon neutral value chains. Towards the end of 2019 the COO of the Company joined.. From the beginning the Company was built to deliver at scale, providing carbon neutral energy and commercialisation of carbon capture, transport and storage (CCS). The carbon storage activity is an offshore activity governed by the carbon storage regulation in Norway (from 2014 building upon the CCS Directive in EU). The Company decided upon clean ammonia as the preferred value chain providing the scale that the Company was looking for. Through 2020 the Company has developed an organisation and a governance system satisfying the requirements for companies having offshore activities in Norway. The Company' Early organisation grew to eleven employees towards the end of the year.

January 2021, the Company went public on the Euronext Growth Oslo stock exchange in Norway, after having successfully raised capital through a private placement. The main investors were KLP, Saga Pure, Tycoon Industrier and New York based QVT Family Office. Through 2021, the Company has continued maturing the clean ammonia value chain and have completed feasibility studies and concept studies for the Barents Blue clean ammonia project and the offshore Polaris carbon storage project. The Company has chosen Hammerfest, Norway as site for the Barents Blue ammonia plant, and Saipem and Technip Energies were selected for independent concept studies for conceptual Barents Blue carbon-neutral ammonia plant. Additionally, the company received financial concept study support from Enova (10 MNOK). The Company has entered into collaboration agreements with both Equinor and Vår Energi on the development of the Barents Blue project, and on the Polaris Carbon Transport and Storage project. The Barents Blue project is planned to have a production capacity of up to 3000 tons of ammonia per day (per train, three trains planned for) from the start, then planned to scale to up to 6000 tons per day after train 2 enters operation expected 1-2 years after train 1, making it one of the largest clean ammonia plants in the world in this decade. The Polaris carbon storage reservoir is a key part of the Barents Blue project which is set to be Europe's first world-scale carbon neutral ammonia plant. In December, the company, together with partners Equinor and Vår energi, delivered its first application for a carbon storage license in the Barents Sea for the Polaris CO₂ storage facility. At the end of 2021, the Barents Blue project was awarded NOK 482 million by Enova SF to participate in the Important Projects of Common European Interest (IPCEI) Hydrogen, subject to final approval by the EU commission and the EFTA surveillance authority. The company has entered into a collaboration agreement with the Koole Terminals and is working on establishing an ammonia terminal at the port of Rotterdam for marketing on the continent. Local offtake in Hammerfest of clean ammonia is also planned for. During the year the Company has hired fourteen new employees, growing to twenty-five employees towards the end of the year.

Early 2022, the cCompany entered into a strategic cooperation agreement with E.ON for the development of a European end-to-end carbon capture, transport and storage service offering, development of a carbon removal business, and production and value chains for clean hydrogen and ammonia. Along with the agreement, E.ON acquired a 25 percent stake in the company. The work together with E.ON on the development of the business together with E.ON is expected to start in February 2022.

The Company has decided to focus on two business areas, clean ammonia and commercialisation of carbon storage. Based upon this the Company focuses on development of two types of Assets, clean ammonia facilities and offshore carbon storages. The carbon storages are a requirement for delivering clean ammonia based upon natural gas. Furthermore, the carbon storage will provide storage for European industries and powerplants capturing CO₂, building a CCS value chain.

The Company has a patent application pending for its proprietary carbon injection and storage technology. This technology is expected to provide the lowest CO₂ storage cost in Europe, in addition it reduces the risks for investing in and operating CO₂ storages compared to other solutions. Being a first mover within CCS both in regards of the technology and building an attractive CCS value chain represent competitive advantages for the Company and has

resulted in the signing of a collaboration agreement with major European energy company E.ON, targeting the development of a joint European CCS business.

4.2 Principal Activities

Products and technologies

The Company is developing 3 projects: “Project Barents Blue” (including Polaris), a CCS value chain for 3rd party CO₂ and a Green Ammonia plant project (in Finnmark).

Project Barents Blue is the development of clean ammonia production located in Finnmark in Northern Norway. This production plant will be operational by 2025/26 (the first train) and have a production capacity of 3000 tons of ammonia per day (per train) and 1 million tons annually (per train). Currently, two production trains are in planning for a total planned capacity of 6000 tons ammonia per day, and 2 million tons annually. In September 2021 Horisont Energi entered into a cooperation agreement with Equinor and Vår Energi becoming joint partners in the development of Project Barents Blue, which is set to become Europe’s first large-scale production facility for clean ammonia.

There are three important elements of the Project Barents Blue value chain:

1. Purchase of gas feedstock for hydrogen and ammonia production

The Company will purchase natural gas used for hydrogen/ammonia production from the Snøhvit Unit owners (the already existing Snøhvit field), brought to shore via pipeline to the Melkøya LNG onshore facility outside Hammerfest, which is within transport distance from the expected production plant. The Melkøya LNG onshore facility receives and processes natural gas from the Snøhvit field through a 160 km gas pipeline to the facility, which became operational in the autumn of 2007. Equinor has operational responsibility for the facility.

It should be noted that the gas feedstock is about 75-85% of the production cost of existing ammonia plants (conventional without carbon transport and storage), hence attractive cost of gas feedstock is an important competitive advantage. In addition, the electricity prices are favorable in Northern Norway also providing a competitive advantage.

2. Economy of scale ammonia production

The blue ammonia production plant will be based on the proven and competitive SynCOR Ammonia™ production technology developed by Haldor Topsøe. Haldor Topsøe is a Danish catalyst company founded in 1940 with approximately 2,300 employees. Haldor Topsøe specialises in the production of heterogeneous catalysts and the design of process plants based on catalytic processes. Haldor Topsøe is one of the world's leading companies within the field of heterogeneous catalysis, and over 50% of the ammonia used for fertilizer on a worldwide scale is made with the help of technology from Haldor Topsøe.

The production process chosen for the Company’s production plant is based around an autothermal reformer, requiring limited staffing whilst allowing for automation and remote operation/monitoring. This results in higher energy efficiency, economy of scale effects and a large degree of process automation which will reduce OPEX by up to USD 30-40 per tons of ammonia produced compared to existing, conventional production processes.

It should be noted that the existing producers of ammonia mainly use steam methane reforming (SMR) which uses a technology called tubular reformers as the main reformer. In order to increase capacity additional tubes are added providing capacity increases that does not provide particular scaling benefits, compared to autothermal reformers (ATR) that provides economies of scale benefits for large capacities, e.g. from 3000 MT ammonia/day and upwards. Using SMR a limited amount of carbon capture is feasible to capture, whilst with the novel production system of the Barents Blue project using ATR above 99% overall CO₂ capture is feasible and planned for. Other improvements providing environmental and safety benefits are also included in the design providing a more sustainable and safe ammonia plant compared to existing practices.

3. Carbon transportation and storage

The last important element of the project is the cost-efficient capturing, transportation and storing of the CO₂ from the ammonia production process. The Company has six patent applications pending for its technology for injection and storage of CO₂ offshore. The technologies allows for a lower CAPEX, scalable capacity and operational flexibility. With the use of these technologies more cost-efficient, reliable, and secure CO₂ storage is expected. Capturing CO₂ at high pressure is very efficient with the Hot Potassium Carbonate (HPC) technology designed for the Company's plant, saving both CAPEX and OPEX. The company Giammarco Vetrocoke (GV) is planned to provide the HPC technology for the CO₂ capture system. This provides a clean and sustainable CO₂ capture solution with a harmless solvent and by-product.

The Company are developing a CCS value chain for 3rd party CO₂ focusing on transportation of the CO₂ from capture site to final injection of the CO₂ on the Norwegian continental shelf ("transportation & storage"). The CCS value chain is expected to be operational by 2025/26 and expected to have an annual transportation and storage capacity in excess of 10,000,000 MT of CO₂ with a ramping-up of capacity from start-up. It is expected that the development will enhance the Company to be among the first and largest carbon storage operators in Europe. After the announcement of the cooperation agreement with E.ON, Company is now pleased to inform that the European-wide ambition of an end-to-end CCS service soon will be development. This is expected to give Company a leading position in European CCS in this decade.

There are three important elements of the CCS value chain for 3rd party CO₂:

1. Transportation of CO₂ from capture sites in Europe

The Company will establish a transportation / vessel base, using standardized vessels chartered from experienced shipping companies, to build a logistics chain for CO₂ transportation across Europe. The vessels will collect the CO₂ at the CO₂ capture site or CO₂ hubs across Europe, whereafter the CO₂ will be shipped to Norway. The vessel base will enable the Company to serve the CO₂ costumers while optimizing the usage of the vessels.

2. Establish "CO₂ hubs" / temporary storage

Upon arrival to Norway, the CO₂ will be collected in "CO₂ hubs" where the CO₂ will be reconditioned and thereafter will be ready for loading, final transport and injection on the Norwegian shelf.

3. Developing carbon "last mile" transportation and storage

The final stage of the Company's value chain is to transport the CO₂ from the temporary storage to final injection on the Norwegian Continental Shelf ("last mile"). The Company expects to use the same technology for injection and storage of CO₂ as shortly described above for the ammonia production or alternatively a CO₂ pipeline.

The Green Ammonia project with St1 in Finnmark is in the shaping phase, where energy sourcing, site selection, technology selection and value chain are the focus areas. The ambition of the work is to scope a leading green ammonia project that is competitive in the green ammonia space. The shaping phase is expected to be completed within end of Q2 2022.

Business model for commercialisation

As with any new production process in a commodity industry, the key is to produce profitably compared with the current, established production technology, and not relying on Government subsidies. In order for blue ammonia to compete on cost, it has to be cost competitive with grey ammonia, which is ammonia without CCS (Carbon capture and storage). The cost gap identified is USD 60/tons of ammonia at the December 2020 EU ETS¹ cost (at about 25 EUR/ton of CO₂), as detailed in the graph below:

¹ EU ETS – European Union Emission Trading System, CO₂ emission cost

Ammonia production cost benchmark



The challenge: How to close the 60 USD/ton cost gap between dirty and clean (blue) ammonia?

Horisont Energi has developed a value chain which will reduce costs by USD 55-90/ton of ammonia compared to conventional ammonia production on the European continent, thereby making their clean ammonia cost competitive with grey ammonia already at current prices in Europe. With the current carbon cost level (expected to grow going forward), or a price premium for carbon free ammonia (expected following CBAM²), profitability for Horisont Energi is expected to increase compared to the provided numbers below. In January 2022, the cost of CO₂ emissions under EU ETS has been between 80-90 EUR/ton.

The elements of this USD 55-90/ton of ammonia cost reduction range are detailed below, and consists of:

1. Access gas with attractive cost – *Estimated cost reduction: USD 30-45 USD/ton*
 - Gas is the key cost driver for ammonia production. In the Barents Sea there are abundant volumes of gas, but the cost of transporting it to central Europe is high (USD 1.7-2.3/MMbtu). Horisont Energi is well positioned in Finnmark for this local gas market
2. Economy of scale ammonia production – *Estimated cost reduction: USD 30-40 USD/ton*
 - The production plant will be based on Haldor Topsøe's large scale autothermal reforming units (SynCOR Ammonia™ technology), providing USD 30-40 /ton of ammonia cost reduction compared to plants using SMR due to energy savings and benefits of scale
 - *The scaling potential in the planned project up to three trains provides an additional material upside, that has not been estimated or included yet*
3. Proprietary carbon storage – *Estimated cost reduction: USD 10-25 USD/ton*
 - Horisont Energi has developed a proprietary concept for the transportation and storage of CO₂, with several patents pending to be approved. The concept is based on transportation of CO₂ by vessels or pipeline and direct injection to the reservoir with only subsea installations. The Company will also provide CO₂ storage to third parties, thereby creating an additional revenue stream

As the production plant will be located in Finnmark, the Company estimates an added transportation cost to market of USD 15-20/ton of ammonia, resulting in a net cost reduction compared to current blue ammonia technology of USD

² Carbon Border Adjustment Mechanism – a EU carbon toll directive legislative proposal expected to be adopted within 1.5 years.

55-90/ton of ammonia, thereby closing the cost gap to grey ammonia. The production hub in Finnmark is close to the EU market compared to many other producers.

In the CCS business the two most important elements for market access are end-to-end CCS cost and market sector CO₂ price/tax. Reducing cost of end-to-end CCS opens new market segments for carbon storage. Increasing CO₂ prices also opens new markets for CCS. The strategy of Horisont Energi is to be cost leading in CCS using the Company's proprietary technology enabling early market access and scaling the business whilst improving profitability through economy of scale. As the CO₂ prices increase additional market shares may be captured by employing the benefit of economies of scale.

The Green Ammonia project in Finnmark with St1 is in the project shaping phase, and announcements will be made when this project has been fully framed and planned, and moves into the developing phase. The intention is to build a large-scale green ammonia plant.

Customers and projects

The global market for ammonia is well established and large, with approximately 180 million tonnes of production per year globally. About 85% of the ammonia produced is used in agriculture as fertilizer, but other uses include refrigerant gas, purification of water supplies, and in the manufacture of plastics, explosives, textiles, pesticides, dyes and other chemicals. 50% of the ammonia is used for production of urea which is the most common fertiliser around. It should be noted that 50% of the world's agriculture depends upon ammonia-based fertiliser to produce the required amount of crops globally.

The Company expects the market for carbon free ammonia to increase more than the underlying total ammonia market, as companies are required to decarbonize their value chain both for legislative and reputational reasons. The effects of legislative changes are evidenced by the price of benchmark EU carbon permits, which has increased 30.73 EUR or 93.92% (as of 12.11.21) since the beginning of 2021, reaching an all time high of more than 63 EUR on October 5th, 2021. Since October 2021 the price has also surpassed the 70 EUR/ton limit, the 80 EUR/ton limit, and has been close to the 90 EUR/ton limit. The price hike has been a result of EU leaders reaching a deal on more ambitious emissions cuts towards 2030 (from 40% to 55%), and prices are expected to rise further as available EU carbon permit quotas are reduced. Combined with Carbon Border Adjustment Mechanism (CBAM) taxes on imported grey ammonia this will continue to drive the value of carbon-free ammonia in Europe.

Horisont Energi has already engaged in discussion about long-term offtake agreements with large industrial buyers regarding ammonia sales in Northern Europe and Eastern Asia. Including MoU with Koole Terminals in Rotterdam enabling market of the Ammonia from Rotterdam, close to the shipping industry (for marine fuel) and close to the biggest industrial sites in Europe (for energy use or chemical use).

Finally, Horisont Energi expects the market for carbon storage to grow significantly, as companies with excess, captured CO₂ will need a reservoir to safely store it.

4.3 Principal Markets

Market introduction

The market for ammonia is relatively mature, having been a critical raw material for the agriculture sector as a nitrogen fertilizer source for decades. This sector represents approximately 85% of ammonia demand, with the balance coming from various industrial sectors, as a raw material in environmental products, explosives, glue, melamine, and other chemicals³. Within the fertilizer segment, most of the world's ammonia output is converted to urea, a nitrogen fertilizer type that is easier to transport and apply on crop fields.³

³ Yara Fertilizer Industry Handbook 2018

In total, global production of ammonia reached 183 million metric tonnes in 2019⁴, having increased at a compounded annual growth rate of 1.4% since 2000.⁵ China is the largest producer of ammonia, accounting for 26.4% of global production in 2020, with Russia and United States each producing ~10%.⁶ Traded volumes of ammonia amounts to ~18 million tonnes annually, with transportation infrastructure in place at 120 ports globally.⁷

The conventional production process for ammonia is based on the Haber-Bosch method, which combines natural or synthetic gas, a source of Hydrogen (H₂), with Nitrogen (N₂) from air in a high-temperature and high-pressure process.³ The finished product is ammonia (NH₃) and the by-product is CO₂, which makes ammonia production a relatively large greenhouse gas emission source, representing the third largest industrial CO₂ emission source globally.^{3,8}

Ammonia can also be produced through an electrolysis process, whereby Hydrogen is separated from water with electricity, before being combined with Nitrogen from the air to produce ammonia. This offers the potential to produce clean, carbon-free ammonia if the electricity is generated from a renewable source, such as wind or solar power. This results in what the industry calls “green” ammonia. Horisont Energi’s approach to clean ammonia production, involving carbon capture and storage, yields what the industry generally calls “blue” ammonia. The term “blue” ammonia however has been used for many different types of ammonia production schemes, also for far less environmental sustainable schemes than the Barents Blue plant. Hence, the term clean ammonia is better for the Barents Blue project, as the clean ammonia product is comparable to green ammonia production in terms of carbon foot print and environmental standards. Conventional ammonia with its unfavourable carbon footprint, is called “grey” ammonia.

Market development, size and growth outlook

Global ammonia capacity is expected to grow 4% over the next four years, with positive demand growth expected in all regions.⁹ Based on historical growth rates for both the agriculture and industrial segments, the annual ammonia market could grow by 97 million tonnes by 2050 (for conventional uses).⁹

As a large source of CO₂ emissions, ammonia production is expected to meet increasing pressure to decarbonize, especially in regions with emissions trading schemes, such as Europe¹⁰, and carbon taxes. Thus, demand for carbon-free ammonia, whether green or blue, is expected to outgrow demand for grey ammonia over time.

⁴ IEA (2021), Ammonia Technology Roadmap, IEA, Paris <https://www.iea.org/reports/ammonia-technology-roadmap>

⁵ U.S. Geological Survey Mineral Commodity Summaries 2000-2021

⁶ U.S. Geological Survey Mineral Commodity Summaries 2021

⁷ White paper by Alfa Laval, Hafnia, Haldor Topsoe, Vestas, and Siemens Gamesa (2020): Ammonfuel – an industrial view of ammonia as a marine fuel

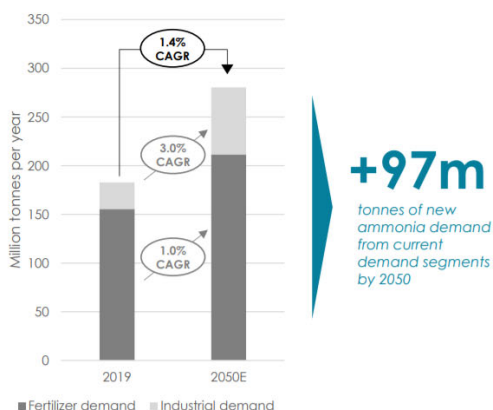
⁸ McKinsey & Company (2018), IEA

⁹ U.S. Geological Survey Mineral Commodity Summaries 2021

¹⁰ Ammonia production in EU is taxed under the EU ETS by 70%, receiving 30% free emission quotas

Additionally, demand growth for clean ammonia is also expected from new segments, mainly the marine fuel and the power sectors as ammonia has a relatively high energy density and can be an attractive replacement for fossil fuels. The potential from marine fuel alone is estimated at 150 million tonnes ammonia per year in 2050.¹¹ This would represent a growth of 82% compared to global ammonia production in 2019. Demand for clean ammonia from the power sector may reach 30 million tonnes in Japan alone, with other countries representing additional growth potential.¹²

Current verticals: Fertilizer and industry



Emerging verticals: Fuel and power



Marine fuel

Ammonia considered a highly viable alternative fuel for maritime transport, with DNV-GL expecting its share of the fuel consumption to reach 30-60% of the total by 2050

+150m

tonnes of new ammonia demand from marine fuel by 2050



Power sector

Countries reliant on imported fossil fuels for power production see ammonia as a high-potential alternative. Japan alone could demand 30m tonnes of ammonia to supply only 10% of its power needs. The ambition is 100% carbon free power production.

+30m

tonnes of new ammonia demand from Japanese power sector. Other countries may also make a similar transition.

Note: Assumes ammonia production growth in line with historical average, with 15% of total demand coming from industrial sector in 2019. Marine fuel demand assumes 30% of fuel mix in 2050 is from ammonia

4.4 History and Development

Time	Main event
2019	
27 August	Company founded by Bjørgulf Haukelidsæter Eidesen and Dan Jarle Flølo.
2020	
11 February	Start-up meeting for the prequalification process with PSA and NPD
15 February	CO ₂ storage Polaris identified as a storage for what later became the Barents Blue project
18 February	Awarded funding for the first CCS technology project from Norwegian Research Council
1 March	Development studies initiated for the basis for the project Barents Blue
3 April	Awarded funding for CCS commercialisation project from Innovation Norway
6 May	Work with Haldor Topsøe (ammonia technology licensor) to mature the basis for project Barents Blue started
15 June	SynCOR™ Ammonia (Haldor Topsøe owned technology) selected as the base case technology for project Barents Blue
24 August	Awarded funding for CCS project from Innovation Norway
15 September	Prequalification meeting held with PSA and NPD for becoming eligible for owning licenses offshore Norway
12 October	Completed first phase of screening of sites for onshore plant in the Barents Blue project in Finnmark
6 November	Filing patent application for CO ₂ injection and storage patent (Norway and EPO)

¹¹ White paper by Alfa Laval, Hafnia, Haldor Topsoe, Vestas, and Siemens Gamesa (2020): Ammonfuel – an industrial view of ammonia as a marine fuel

¹² The Insitute of Energy Economics, Japan

Time		Main event
17 November	Signed MoU with a major European energy company for development of a joint European CCS business	
18 November	Signed MoU with Equinor for cooperation in the Barents Blue project	
2021		
27 January	Horisont Energi was officially listed on the Stock exchange Euronext Growth Oslo	
1 February	Sent an expression of interest for the Barents Blue Project to be considered as a Norwegian candidate project for IPCEI Hydrogen	
5 February	Haldor Topsøe selected as technology licensor for the Barents Blue ammonia plant	
19 March	Barents Blue project selected by Enova as one of five hydrogen projects in Norway to be considered for matchmaking process	
23 March	Signed MoU with Baker Hughes for the Polaris carbon storage project exploring the development and integration of technologies to minimize carbon footprint, cost and delivery time of carbon capture, transport and storage (CCTS).	
21 April	Barents Blue project short-listed by Enova as Norwegian candidate for EU's IPCEI hydrogen	
23 April	Entered CO2 transport agreement with Knutsen Group for the Polaris project	
27 April	Barents Blue project awarded 10 MNOK funding for Concept Study by Enova	
30 April	Became member of the European Clean Hydrogen Alliance	
3 May	Entered Climate collaboration with Bellona working on carbon-negative solutions	
12 May	Signed MoU with TGS for CCS collaboration to identify and develop efficient methods for identification and classification of CO2 storage reservoirs, and 4D monitoring technology for surveillance of CO2 injection	
19 May	Entered joint development agreement with Equinor on Polaris Carbon Transport and Storage Project	
26 May	Completed the feasibility phase of the Barents Blue project, concluding the first phase of Europe's first large-scale clean ammonia project	
3 June	Hammerfest, Norway chosen as site for Barents Blue ammonia plant	
15 June	Saipem and Technip Energies selected for independent concept studies for conceptual Barents Blue carbon-neutral ammonia plant	
30 June	Signed letters of intent for commercial carbon storage with several major European companies	
1 July	Joined the Ammonia Energy Association	
5 August	Signed MoU with the Port of Rotterdam regarding setting up a corridor for transport of blue ammonia from Norway to Rotterdam	
16 August	Signed MoU with St1 Nordic Oy for the joint development of a green ammonia project in Finnmark, Northern Norway	
9 September	Entered cooperation agreement with Equinor and Vår Energi for Barents Blue ammonia plant	
10 September	Applied for carbon storage license in the Barents Sea for the Polaris CO2 storage facility	
6 October	Signed engineering framework agreement with Wood	
8 October	Signed MoU with Koole Terminals on development of ammonia terminal and storage facility at Port of Rotterdam	
27 October	Entered into framework agreement with ASCO Norge as provider of logistics and supply services	
8 December	Applied for the Polaris carbon storage license together with Vår Energi and Equinor	
10 December	Entered joint development agreement with Vår Energi and Equinor on the Polaris Carbon Transport and Storage project	
10 December	Entered cooperation with Helsen for carbon capture, utilization and storage (CCUS)	
17 December	Horisont Energi Barents Blue project awarded NOK 482 million Enova grant for IPCEI participation	

Time		Main event
2022		
12 January	Horisont Energi and E.ON enter cooperation agreement, and E.ON acquiring 25 percent stake in Horisont Energi	

During the next 12 months the Company expects to pursue the following activities:

- Perform concept select, initiate FEED studies and pass DG2 in the Barents Blue Ammonia project based upon development of two production trains;
- Perform concept select, initiate FEED studies and pass DG2 in the Barents Blue Ammonia project based upon development of injection of 4 million tons of CO₂ annually;
- Raise around 300 million NOK in equity capital related to the project financing of the Polaris project;
- Initiate the development of the Company's first pureplay third-party carbon storage project including onshore facilities;
- Conduct work related to the carbon removal business;
- Develop the basis of the planned business activities with E.ON;
- Complete project framing, and move into project development with the Green Ammonia project in Finnmark;
- Continue to develop the shipping activity in the Company;

Hire 20-25 new people and open two new offices, in Oslo and Hammerfest.

No significant investments planned during the next 12 months, but planning for the investment decision and project financing of the Barents Blue ammonia project and the Polaris carbon storage project is expected to be performed in the next 12 months.

4.5 Technology, Know-How and Intellectual Property

Horisont Energi has focused on the development of innovative value chains for clean ammonia production and cost-efficient carbon transport, injection and storage. In the ammonia value chains, Horisont Energi has focused on achieving carbon neutral system designs, and is evaluating patentability of a few system designs. In addition, Horisont Energi is evaluating patentability of ammonia value chain solutions. One particular focus of Horisont Energi is solutions that are compliant with the EU taxonomy, thus representing a higher environmental standard for the ammonia processing solutions.

Horisont Energi is developing a carbon transport, injection and storage patent portfolio, with the first patent applied for in Norway (No 20201208) and EPO (No 20206071.1) (with possible later expansion to the whole world). The first patent is a combined apparatus and method patent containing the full system design of the Company's offshore CO₂ injection and storage system. Following the first patent, five additional patents have been filed on offshore carbon injection solutions.

In addition, the Company is gradually investigating patentability and developing applications for additional solutions in the CCS patent space.

Horisont Energi's know-how is related to development of carbon storage assets and onshore hydrogen and ammonia plants. In addition, the Company has know-how related to value chain integration of ammonia and CO₂.

4.6 Disclosure About Dependency on Contracts, Patents and Licenses / Governmental Approvals

Horisont has developed and delivered its first carbon storage license application, and the application was submitted to the Norwegian Petroleum Directorate on December 8, 2021. The application was developed by Horisont and Equinor. The original application written by Horisont Energi and delivered 26 March was approved as a qualified application, leading to the Norwegian Ministry of Petroleum and Energy opening the application process for an exploitation permit for the storage of CO₂ in this area off the coast of Finnmark on September 10.

Horisont Energi has formalised a cooperation agreement with Equinor and Vår Energi as project partners in the Barents Blue ammonia plant. The same parties have also entered a cooperation agreement for the offshore part of the Barents Blue project with Equinor as the operator.

In preparation for future license acquisition processes, Horisont Energi is structuring the company to be prepared for offshore operator roles for carbon storage projects.

Horisont Energi has entered into a cooperation agreement with E.ON in the areas of an end-to-end carbon capture, transport and storage service in Europe, development of a carbon removal commercial business, and cooperation on clean ammonia value chains.

The Company has entered into a White Book study contract with Haldor Topsoe for development of a Basic Process Design for the Clean Ammonia plant and for providing additional studies and support during the Barents Blue development project.

The Company entered into two contracts on EPC concept studies for the Barents Blue clean ammonia plant, where the concept study reports was delivered before year end 2021.

The Company also entered into several contracts for offshore concept study work with suppliers on subsea, marine installation, transport and ROV solutions.

The Company entered into a frame agreement with Wood Group in 2021. This frame agreement provides Horisont Energi with access to engineering resources from Wood to all parts of the project development and execution work. Wood Group is a global engineering company with more than 40,000 employees, that has the capacity to support Horisont Energi within every engineering discipline.

The Company entered into a frame agreement with Multiconsult in 2021. This frame agreement provides Horisont Energi with support for civil engineering and work in all project development phases.

The Company entered into a MoU and a seismic purchase agreement with TGS in 2021. The seismic purchase agreement has provided the Polaris offshore carbon storage project with 3D seismic and also with reprocessing of said 3D seismic.

Horisont Energi entered into a MoU with Baker Hughes in 2021 covering development of carbon storages solutions for offshore, but also for other areas within clean energy development like rotating equipment.

Horisont Energi entered into a MoU with St1 in 2021 on the development of a green ammonia plant in Finnmark, and also on cooperation in the area of carbon removal.

Company applied for public support through an IPCEI hydrogen application to Enova and to ESA in 2021. Based upon this application Horisont Energi was awarded 482 million NOK. The award of this funding is subject final approval by the Barents Blue project as a IPCEI hydrogen project by ESA. This is expected to be finalised first half of 2022.

4.7 Material Contracts

The Company has not entered into any material contract, other than contracts entered into in the ordinary course of business.

4.8 Legal and Arbitration Proceedings

As of the date of this Prospectus, the Company is not aware of any governmental, legal or arbitration proceedings during the course of the preceding twelve months, including any such proceedings which are pending or threatened, of such importance that they have had in the recent past, or may have, a significant effect on the Company or the Company's financial position or profitability.

4.9 Additional information for large transactions

On 20 January 2022, the Company completed a private placement (the "**Private Placement**") of 5,706,495 new Shares directed at E.ON Energy Projects GmbH, at a subscription price of NOK 65 per Share ("**Offer Price**"), raising gross proceeds of approximately NOK 370 million:

- The proceeds from the Private Placement and the Subsequent Offering are expected to be used to finance:
 - i. the full project development of the Company's first pure play carbon storage for third party CO₂ including required onshore facilities until investment decision;
 - ii. development of the joint offering in end-to-end European CCS-service with E.ON;
 - iii. the completion of the commercialisation and implementation of the carbon removal or negative emissions business in the Company, including joint activities with E.ON and St1;
 - iv. the development of the shipping activity in the Company, planned for transportation of clean ammonia to the market and CO₂ transport from capture sites as part of the end-to-end CCS business;
 - v. development of new opportunities within CCS;
 - vi. the further development of including the project development of second train in the Barents Blue project until investment decision;
 - vii. the completion of the framing and project shaping of the Green Ammonia project in Finnmark together with St1;
 - viii. development of the joint business plans within clean ammonia value chains together with E.ON;
 - ix. *organisational growth and opening of new offices in Norway.*

4.10 Financial Information

The following financial information has been extracted from the Company's Audited Financial Statements for 2020 and published half year result for 2021 (unaudited). The Financial Statements have been prepared in accordance with N-GAAP (N-GAAP means Norwegian generally accepted accounting principles, including the requirements and principles as in the Norwegian Accounting Act).

The information in the following sections sets out a summary of the Company's audited financial statements for the year ended 31 December 2020, and the approved financial statements for the first half year result for 2021 (unaudited). For information about the 2019 financial statements please see Appendix B and the Company's web page <https://www.horisontenergi.no/>.

4.10.1 Income statement information

The table below sets out a summary of the Company's audited income statement information for the year ended 31 December 2020 and the approved financial statements for the first half year result for 2021 (unaudited).

Income statement

Amounts in NOK	Note	1H 2021	2020
		Unaudited	Audited
Total operating income		0	0
Salary and personnel costs	1, 2, 3	(2 511 131)	(6 086 849)
Depreciation of fixed assets	4	(22 213)	0
Other operating expenses	5	(13 811 024)	(7 410 852)
Sum operating expenses		(16 344 368)	(13 497 701)
Result of operations		(16 344 368)	(13 497 701)
Net financial items		(69 559)	(67 750)
Operating result before tax		(16 413 926)	(13 565 451)
Tax on ordinary result	6	0	9 140 085
Operating result		(16 413 926)	(4 425 366)
Results of the year		(16 413 926)	(4 425 366)

4.10.2 Balance Sheet

The table below shows the Company's audited balance sheet for the year ended 31 December 2020 and the approved balance sheet for the first half year result for 2021 (unaudited).

Balance sheet

Amounts in NOK	Note	1H 2021	2020
		Unaudited	Audited
ASSETS			
Fixed assets			
Tangible fixed assets			
Fixtures and fittings, tools, office machinery, etc	4	227 336	0
Total tangible fixed assets		227 336	0
Total fixed assets		227 336	0
Current assets			
Receivables			
Other debtors		24 539 147	7 511 805
Total receivables		24 539 147	7 511 805
Bank deposits, cash in hand, etc	7	117 207 951	2 439 637
Total bank deposits, cash in hand, etc		117 207 951	2 439 637
Total current assets		141 747 098	9 951 442
Total assets		141 974 434	9 951 442

Balance sheet

Amounts in NOK	Note	1H 2021	2020
		Unaudited	Audited
EQUITY AND LIABILITIES			
Equity			
Paid-in capital			
Share capital	8, 9	158 502	73 901
Share premium reserve	9	152 650 547	4 024 696
Total paid-in capital		152 809 049	4 098 597
Retained earnings			
Losses from previous years	9	(21 149 553)	(4 735 627)
Total retained earnings		(21 149 553)	(4 735 627)
Total equity	9	131 659 496	(637 030)
Liabilities			
Other long-term liabilities			
Liabilities to financial institutions	10	2 400 000	2 400 000
Other long-term liabilities	10	0	5 300 000
Total other long-term liabilities		2 400 000	7 700 000
Total long-term liabilities		2 400 000	7 700 000
Current liabilities			
Trade creditors		4 883 114	1 119 526
Public duties payable		887 166	791 987
Other short-term liabilities		2 144 656	976 958
Total current liabilities		7 914 937	2 888 472
Total liabilities		10 314 937	10 588 472
Total equity and liabilities		141 974 434	9 951 442

Board of Directors, 25 August 2021

Kåre Johannes Lie
Chairman of the Board

Rolf Magne Larsen
Board Member

Øystein Stray Spetålen
Board Member

Rob Matheus Maria Stevens
Board member

Bjergulf Haukelidsæter Eidesen
CEO

4.10.3 Changes in Equity

The table below sets out a summary of the Company's share capital per 1 January 2021 and per the approved financial statements for the first half year 2021 (unaudited) ending 30.06.2021.

Share capital – amounts in NOK

	Share capital	Share premium	Retained earnings (deficit)	Total equity
Balance 01.01.2021	73 901	4 024 696	(4 735 627)	(637 030)
Share issue	84 601	148 625 851		148 710 452
Net profit (loss) for the period			(16 413 926)	(16 413 926)
Balance 30.06.2021	158 502	152 650 547	(21 149 553)	131 659 496

4.10.4 Cash Flow Information

The table below sets out a summary of the Company's cash flow information for the year 2020 (audited) and the 1 half year 2021 ended 30.06.21 (unaudited).

Cash flows

(All amounts in NOK)

	1/1/2021 - 30/06/2021 Unaudited	1/12020 - 31/12/2020 Audited
Cash flow from operating activities		
Profit (loss) before income tax	(16,391,009)	(13,565,451)
Negative instalments tax	-	1,859,730
Change in accounts receivables	-	-
Change in accounts payables	3,763,588	926,756
Change in other short-term receivables and payables	(15,765,169)	1,576,870
Net cash flow from operating activities	(28,392,590)	(9,202,095)
Cash flow from investing activities		
Investments in fixed assets	(249,548)	-
Net cash used in investing activities	(249,548)	-
Cash flow from financing activities		
Capital contribution	143,410,452	4,002,372
Financing from financial institutions	-	2,400,000
Financing from SLIP (Startup Lead Investment Paper)	-	4,250,000
Net cash from financing activities	143,410,452	10,652,372

Net change in cash and cash equivalents	114,768,314	1,450,277
Cash/cash equivalents at the beginning of period	2,439,637	989,360
Cash/cash equivalents at the end of period	117,207,951	2,439,637

30/06/2021 **31/12/2020**

Cash flow from operating activities

Profit (loss) before income tax	(16,391,009)	(13,565,451)
Negative instalments tax	-	1,859,730
Change in accounts receivables	-	-
Change in accounts payables	3,763,588	926,756
Change in other short-term receivables and payables	(15,765,169)	1,576,870
Net cash flow from operating activities	(28,392,590)	(9,202,095)

Cash flow from investing activities

Investments in fixed assets	(249,548)	-
Net cash used in investing activities	(249,548)	-

Cash flow from financing activities

Capital contribution	143,410,452	4,002,372
Financing from financial institutions	-	2,400,000
Financing from SLIP (Startup Lead Investment Paper)	-	4,250,000
Net cash from financing activities	143,410,452	10,652,372

Net change in cash and cash equivalents	114,768,314	1,450,277
Cash/cash equivalents at the beginning of period	2,439,637	989,360
Cash/cash equivalents at the end of period	117,207,951	2,439,637

4.10.5 Borrowings and financial commitments

The Company has not entered into any material short- or long-term borrowing agreements, including overdraft facility agreements.

4.10.6 Related Party Transactions

The Company has not entered into any transactions with its related parties (i.e. those that are considered related parties of the Company pursuant to N-GAAP) for the period covered by the historical financial information and up to the date of this Prospectus

5 INFORMATION ABOUT THE SUBSEQUENT OFFERING AND THE OFFER SHARES

5.1 Purpose and background for the Subsequent Offering

On 20 January 2022, the Company announced the completion of the Private Placement, through the issuance of 5,706,495 new shares in the Company at a price of NOK 65 per share. The gross proceeds from the Private Placement were approx. NOK 371 million. 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 limiting dilution of their shareholding.

The proceeds from the Subsequent Offering will be spent on financing:

- i. the project development of the Green Ammonia project together with St1 in Finnmark until DG2;
- ii. to pursue new clean ammonia project opportunities in Europe.

5.2 Terms for the Subsequent Offering

5.2.1 Overview

The Subsequent Offering consists of an offer of 769,230 Offer Shares at a Subscription Price of NOK 65 per Offer Share, directed towards Eligible Shareholders. Eligible Shareholders will receive non-tradeable Subscription Rights based on their shareholding as of the Record Date, which will, subject to applicable securities laws, give a preferential right to subscribe for, and be allocated, Offer Shares in the Subsequent Offering. Subscriptions for Offer Shares are made on the terms and conditions set out in this Section 5 and the Subscription Form (as defined below) set out in Appendix C to this Prospectus.

5.2.2 Timetable in the Subsequent Offering

The timetable below provides certain indicative key dates for the Subsequent Offering:

Name	Key dates
Date of announcement of terms:	12 January 2022
Last trading day, including right to receive subscription rights	12 January 2022
First trading day, excluding right to receive subscription rights	13 January 2022
Record Date	14 January 2022
Start of Subscription Period	25 January 2022 at 09:00 hours (CET)
End of Subscription Period	8 February 2022 at 16:30 hours (CET)
Allocation of the Offer Shares	On or about 9 February 2022
Publication of the results of the Subsequent Offering	On or about 9 February 2022
Distribution of allocation notes/letters	On or about 9 February 2022
Payment Date for the Offer Shares	On or about 11 February 2022
Registration of the share capital increase pertaining to the Subsequent Offering	On or about 15 February 2022
Delivery date for the Offer Shares	On or about 16 February 2022
Listing and first day of trading of the Offer Shares on Euronext Growth Oslo	On or about 16 February 2022

5.2.3 Publication of information relating to the Subsequent Offering

In addition to press releases which will be posted on the Company's website (www.horizontenergi.no), the Company will use the Oslo Stock Exchange's information system to publish information relating to the Subsequent Offering.

5.3 Number and type of securities offered

The Subsequent Offering consists of an offer by the Company to issue up to 769,230 Offer Shares, each with a nominal value of NOK 0.01. The Offer Shares are ordinary Shares in the Company and will be registered in the VPS in book-entry form.

5.4 Rights conferred by the Offer Shares

The Offer Shares to be issued in the Subsequent Offering will be ordinary Shares in the Company each having a nominal value of NOK 0.01. The Offer Shares will be issued electronically in registered form in accordance with the Norwegian Private Limited Companies Act.

The Offer Shares will rank in all respects *pari passu* with the existing Shares and carry full shareholder rights in the Company, including right to dividends, from the time of registration of the share capital increase with the Norwegian Register of Business Enterprises. The Offer Shares are eligible for any dividends that the Company may declare after such registration. All Shares, including the Offer Shares, have voting rights and other rights and obligations which are standard under the Norwegian Private Limited 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.

5.5 ISIN

The Subscription Rights will be registered under ISIN NO 001 2427006. The Offer Shares will be registered in the VPS with the same ISIN as the existing Shares, i.e. ISIN NO 001 0917339. The Company's registrar with the VPS is SpareBank 1 SR-Bank (business registration number 937 895 321) which has their registered address at Christen Tranes gate 35, 4007 Stavanger, Norway (the "**VPS Registrar**").

5.6 Subscription Price

The Subsequent Offering consists of an offer by the Company to issue up to 769,230 Offer Shares, each with a nominal value of NOK 0.01, at an Offer Price of NOK 65 per Offer Share, being equal to the subscription price in the Private Placement.

5.7 Proceeds related to the Subsequent Offering

Subject to all Offer Shares being issued, the Subsequent Offering will result in approximately NOK 50 million in gross proceeds, with expected net proceeds of approximately NOK 48.7 million.

5.8 Estimated costs related to the Subsequent Offering

Estimated costs related to the Subsequent Offering is approximately NOK 1,250,000 (excl VAT). No expenses will be charged by the Company or the Manager to the investors in the Subsequent Offering.

5.9 Eligible Shareholders and allocation in the Subsequent Offering

5.9.1 Eligible Shareholders

The Subsequent Offering is directed towards Eligible Shareholders, being existing shareholders in the Company as of 12 January 2022 (as registered in the VPS on the Record Date), who (i) were not allocated shares in the Private Placement, and (ii) 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.

5.9.2 Subscription Rights

Each Eligible Shareholder will receive 0.048 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 securities laws, give the preferential right to subscribe for, and be allocated, one Offer Share in the Subsequent Offering, rounded down/up to the nearest whole share. Over-subscription will be permitted; however, there can be no assurance that Offer Shares will be allocated for such subscriptions. Subscription without subscription rights will not be permitted.

The Subscription Rights will be credited to and registered on each Eligible Shareholder's VPS account on 25 January 2022. The Subscription Rights will be distributed free of charge to Eligible Shareholders. The Subscription Rights are non-transferable and will accordingly not be listed on any regulated market place.

Subscription Rights of Eligible 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 Offer Shares (the "**Ineligible Shareholders**") will initially be credited to such Ineligible Shareholders' VPS accounts. Such credit specifically does not constitute an offer to Ineligible Shareholders to subscribe for Offer Shares. The Company will instruct the Manager to, as far as possible, withdraw the Subscription Rights from such Ineligible Shareholders' VPS accounts with no compensation to the holder.

5.9.3 Allocation of Offer Shares

Allocation of the Offer Shares will take place on or about 9 February 2022 in accordance with the following criteria:

- (a) Allocation of Offer Shares to subscribers will be made in accordance with granted Subscription Rights which have been validly exercised during the Subscription Period. Each Subscription Right will give the right to subscribe for, and be allocated, one Offer Share in the Subsequent Offering.
- (b) If not all Subscription Rights are validly exercised during the Subscription Period, subscribers having exercised their Subscription Rights and who have over-subscribed, will be allocated additional Offer Shares on a pro rata basis based on the number of Subscription Rights exercised by each such subscriber. To the extent that pro rata allocation is not possible, the Company will determine the allocation by the drawing of lots.

Offer Shares not allocated pursuant to (a) or (b) above will be allocated to the Underwriters.

No fractional Offer Shares will be allocated. The Company reserves the right to reject or reduce any subscription for Offer Shares not covered by Subscription Rights.

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 result of the Subsequent Offering is expected to be published on or about 9 February 2022 in the form of a stock exchange notification from the Company through the Oslo Stock Exchange information system and at the Company's website (www.horizontenergi.no). Notifications of allocated Offer Shares and the corresponding subscription amount to be paid by each subscriber are expected to be distributed in a letter on or about 9 February 2022.

5.10 Resolution relating to the Subsequent Offering

On 27 May 2021, the Company's ordinary general meeting granted the following authorization to the Board to issue shares (see also Section 3.6.2 (*General Board authorization to issue shares - general*)):

- (i) *The Board of Directors is authorized to increase the Company's share capital by a total amount of NOK 77,751.27, by one or several share issues of up to a total of 7,775,127 shares, each with a nominal value of NOK 0.01. The Board of Directors is further authorized to determine the price and terms of such offerings and subscription.*

- (ii) *The authorization does not include share capital increases with consideration in kind or the right to allow the Company to incur special obligations; cf. the Companies Act section 10-14 subsection 2 no. 4 cf. section 10-2.*
- (iii) *The authorization does not include an authorization to approve mergers in accordance with the Companies Act section 13-5.*
- (iv) *The preferential rights pursuant to Section 10-4 of the Companies Act may be waived by the Board of Directors.*
- (v) *The authorization shall be effective until the next annual general meeting, but not later than 30 June 2022.*

On 20 January 2022, the Board passed a resolution to issue Offer Shares applying the authorisation from the general meeting, as follows:

- (i) *The share capital of the Company shall be increased by NOK 7,692.30 by subscription of 769,230 shares, each of a nominal value of NOK 0.01. The subscription price is NOK 65 per share, amounting to a total subscription amount of NOK 49,999,950.*
- (ii) *The shares can be subscribed by the shareholders in the Company as per 12 January 2022 (as registered in the VPS per 14 January 2022) who were not offered or invited to participate in the private placement. The subscription rights are issued on the basis of the shareholders' right of preference pursuant to the Companies Act section 10-4. The subscription rights are non-transferable.*

Each one share held by an existing shareholder in the Company as per 12 January 2022 (as registered in VPS per 14 January 2022) shall give the right to subscribe for 0.048 shares in the repair issue. The capital increase is guaranteed to be fully underwritten at NOK 49,999,950 through existing shareholders subscribing to unused subscription rights proportionately. Share subscription pursuant to the subscription right amounting to other than whole shares will be rounded down to the nearest whole share.

The following shareholders have underwritten the repair issue:

QVT Family Office Fund LP 32.63%

KLP Alfa Global 24.17%

Saga Pure ASA 28.22%

Ferncliff Listed Dai 14.98%

No underwriting fee has been agreed.

- (iii) *The subscription amount shall be paid in cash.*
- (iv) *The shares shall be subscribed for on a separate subscription document citing the resolution from the general meeting authorizing the board and the board's resolution of the share capital increase.*
- (v) *A subscription period of two weeks shall apply as from the date of publication of a national prospectus. The final deadline for share subscription shall be no later than 31 March 2022.*
- (vi) *Payment for allocated shares shall be made no later than five days after the end of the subscription period, and in any event no later than 5 April 2022. Payment shall be made to the bank account as informed by the Company.*
- (vii) *The shares shall be entitled to dividend from the time the capital increase is registered in the Norwegian Register of Business Enterprises. Further, the shares are given rights in the Company from the time of registration of the capital increase.*

- (viii) *The costs incurred in connection with the capital increase are estimated to approximately NOK 1,250,000 (exc VAT), and includes fees and reimbursements to the manager of the share issue and the Company's legal advisor and auditor. The costs are to be paid by the Company.*
- (ix) *The provision regarding the Company's share capital (§3) in the articles of association is amended in line with the outcome of the share issue.*

5.11 Subscription Period and subscription procedures

5.11.1 Subscription Period

The Subscription Period will commence on 25 January 2022 at 09:00 hours (CET) and end on 8 February 2022 at 16:30 hours (CET). The Subscription Period may not be revoked, extended or shortened prior to the end of the Subscription Period.

5.11.2 Subscription Rights must be exercised before the end of the Subscription Period

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.

5.11.3 Subscription procedures

Subscriptions for Offer Shares must be made by submitting a correctly completed subscription form, attached hereto as Appendix C (the "**Subscription Form**") to the Manager 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 allocated to the Eligible Shareholder and certain other matters relating to the shareholding.

Correctly completed Subscription Forms must be received by the Manager prior to the end of the Subscription Period (i.e. no later than on 8 February 2022 at 16:30 hours (CET)) at the following postal or email addresses:

Fearnley Securities AS,

PO Box 1158 Sentrum

NO-0107 Oslo, Norway

E-mail: HRGI-emisjon@fearnleys.com

Subscribers who are residents of Norway with a Norwegian personal identification number (Nw.: *fødselsnummer*) may also subscribe for Offer Shares through the VPS online subscription system (or by following the link on <https://transaksjoner.fearnleysecurities.com/> which will redirect the subscriber to the VPS online subscription system). All online subscribers must verify that they are Norwegian residents by entering their personal identification number. 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 Manager may be held responsible for postal delays, unavailable fax lines, internet lines or servers or other logistical or technical problems that may result in subscriptions not being received in time or at all by the Manager. Subscription Forms received after the end of the Subscription Period and/or incomplete or incorrect Subscription Forms and any subscription that may be unlawful may be disregarded at the sole discretion of the Company and/or the Manager 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 Manager, 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. By signing and submitting a Subscription Form, or by subscribing via 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 which subscriptions in the Subsequent Offering must be made. Over-subscription (i.e., subscription for more Offer Shares than the number of Subscription Rights held by the subscriber entitles the subscriber to be allocated) will be permitted; however, there can be no assurance that Offer Shares will be allocated for such subscriptions. Subscription without subscription rights will not be permitted.

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

5.11.4 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 Manager must verify their identity to the Manager 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 Manager. 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.

5.11.5 LEI number

Legal Entity Identifier ("**LEI**") is a mandatory number for all companies investing in the financial market. A LEI is a 20-character identifier that identifies distinct legal entities that engage in financial transactions. The Global Legal Identifier Foundation ("**GLEIF**") is not directly issuing LEIs, but instead it delegates this responsibility to Local Operating Units ("**LOUs**").

Norwegian companies can apply for a LEI number through the website <https://no.nordlei.org/>. The application can be submitted through an online form and signed electronically with BankID. It normally takes one to two working days to process the application.

Non-Norwegian companies can find a complete list of LOUs on the website <https://www.gleif.org/en/about-lei/getan-lei-find-lei-issuing-organizations>.

5.11.6 Financial intermediaries

5.11.6.1 General

All persons or entities holding Shares or Subscription Rights through financial intermediaries (i.e. brokers, custodians and nominees) should read this sub-section. All questions concerning the timeliness, validity and form of instructions to a financial intermediary in relation to the exercise of Subscription Rights should be determined by the financial intermediary in accordance with its usual customer relations procedure or as it otherwise notifies each beneficial shareholder. The Company is not liable for any action or failure to act by a financial intermediary through which Shares are held.

5.11.6.2 Subscription Rights

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

Subject to applicable law, Eligible Shareholders holding Shares through a financial intermediary may instruct the financial intermediary to sell some or all of their Subscription Rights, or to purchase additional Subscription Rights on their behalf. See Section 5.11.7 "*Selling and transfer restrictions*" for a description of certain restrictions and prohibitions applicable to the sale and purchase of Subscription Rights in certain jurisdictions outside Norway.

Eligible Shareholders who hold their Shares through a financial intermediary and who are Ineligible Shareholders will not be entitled to exercise their Subscription Rights but may, subject to applicable law, instruct their financial intermediary to sell their Subscription Rights transferred to the financial intermediary. Neither the Company nor the Manager will sell any Subscription Rights registered in the name of financial intermediaries.

5.11.6.3 Subscription Period

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

5.11.6.4 Subscription

Any Eligible Shareholder who is not an Ineligible Shareholder and who holds its Subscription Rights through a financial intermediary and wishes to exercise its Subscription Rights, should instruct its financial intermediary in accordance with the instructions received from such financial intermediary. The financial intermediary will be responsible for collecting exercise instructions from the Eligible Shareholders and for informing the Manager of their exercise instructions.

A person or entity who has acquired Subscription Rights that are held through a financial intermediary should contact the relevant financial intermediary for instructions on how to exercise the Subscription Rights.

See Section 5.11.7 "*Selling and transfer restrictions*" below for a description of certain restrictions and prohibitions applicable to the exercise of Subscription Rights in certain jurisdictions.

5.11.6.5 Method of Payment

Any Eligible Shareholder who holds its Subscription Rights through a financial intermediary should pay the Subscription Price for the Offer Shares that are allocated to it in accordance with the instructions received from the financial intermediary. The financial intermediary must pay the Subscription Price in accordance with the instructions

in the Prospectus. Payment by the financial intermediary for the Offer Shares must be made to the Manager no later than the Payment Date. Accordingly, financial intermediaries may require payment to be provided to them prior to the Payment Date.

5.11.7 Selling and transfer restrictions

5.11.7.1 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 advisers 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 adviser 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 Manager 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 Manager, 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 advisers 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.

5.11.7.2 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.

5.11.7.3 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.

5.11.7.4 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:

- i. to legal entities which are qualified investors as defined in the Prospectus Regulation;
- ii. 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 Manager for any such offer;
- iii. 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 Manager 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.

5.11.7.5 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.

5.12 Manager and legal advisor

Fearnley Securities AS (address: Dronning Eufemias gate 8, 0191 Oslo, Norway) acts as Manager in the Subsequent Offering.

SANDS Advokatfirma DA (address: Cort Adelers gate 33, N-0254 Oslo, Norway) acts as legal advisor to the Company.

5.13 Conditions for completion of the Subsequent Offering

The completion of the Subsequent Offering is subject to (i) due payment of the Offer Shares by the subscribers, (ii) registration of the share capital increase pertaining to the Subsequent Offering with the Norwegian Register of Business Enterprises, and (iii) delivery of the Offer Shares to the subscribers in the VPS.

5.14 Payment for, and delivery of, the Offer Shares

5.14.1 Payment due date

The Payment Date for Offer Shares allocated to a subscriber falls due on 11 February 2022. Payment must be made in accordance with the requirements set out below in this Section.

5.14.2 Subscribers who have a Norwegian bank account

Subscribers who have a Norwegian bank account must, and will by signing the Subscription Form, provide the Manager with a one-time irrevocable authorisation to debit a specified bank account with a Norwegian bank for the amount payable for the Offer Shares which are allocated to the subscriber.

The specified bank account is expected to be debited on or after the Payment Date. The Manager is only authorised to debit such account once, but reserve the right to make up to three debit attempts, and the authorisation will be valid for up to seven working days after the Payment Date.

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

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

Payment by direct debiting is a service that banks in Norway provide in cooperation. In the relationship between the subscriber and the subscriber's bank, the standard terms and conditions for "Payment by Direct Debiting – Securities Trading", which are set out on page 2 of the Subscription Form, will apply.

5.14.3 Subscribers who do not have a Norwegian bank account

Subscribers who do not have a Norwegian bank account must ensure that payment with cleared funds for the Offer Shares allocated to them is made on or before the Payment Date. Prior to any such payment being made, the subscriber must contact the Manager for further details and instructions.

5.14.4 Overdue payment

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 8.00% per annum as of the date of this Prospectus. 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, not be delivered to such subscriber. The Manager, 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 reallocate 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 Manager 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 Manager, on behalf of the Company, may enforce payment for any such amount outstanding in accordance with Norwegian law.

5.14.5 Delivery of the Offer Shares

Subject to timely payment by the subscribers, the Company expects that the share capital increase pertaining to the Subsequent Offering will be registered with the Norwegian Register of Business Enterprises on or about 15 February 2022 and that the Offer Shares will be delivered to the VPS accounts of the subscribers to whom they are allocated on or about 16 February 2022. The final deadline for registration of the share capital increase pertaining to the Subsequent Offering with the Norwegian Register of Business Enterprises, and hence for the subsequent delivery of the Offer Shares, is, pursuant to the Norwegian Private Limited Companies Act, three months from the expiry of the Subscription Period.

5.14.6 Listing of the Offer Shares

The Offer Shares will be listed on Euronext Growth Oslo (under ticker 'HRGI') 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 16 February 2022. 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.

5.15 Underwriting

The Subsequent Offering is fully underwritten by the Underwriters as listed in the table below, so that the Subsequent Offering is fully subscribed. The Underwriters will not receive any compensation for the underwriting.

The Underwriters have undertaken to use their respective subscription rights and subscribe the number of shares listed below, and further undertaken to subscribe their proportionate part of any unsubscribed part of the Subsequent Offering as set forth below:

Underwriter	Guaranteed amount (NOK)	Direct subscription Shares (#)	Further underwritten Shares (#)
QVT Family Office Fund LP	16,315,585	103,371	147,638
Spesialfondet KLP Alfa Global Energi	12,083,435	76,557	109,342
Saga Pure ASA	14,109,550	89,394	127,676
Ferncliff Listed Dai AS	7,491,380	47,463	67,789
Sum	49,999,950	316,785	452,445

5.16 Governing law and legal venue

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, the Subscription Forms or the Subsequent Offering shall be subject to the exclusive jurisdiction of the courts of Norway, with Oslo District Court as legal venue.

6 APPENDICES

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

6.1 Appendix A: Articles of association

I tilfelle avvik mellom den norske og den engelske versjonen av dette dokumentet skal den norske versjonen gjøres gjeldende.	In case of discrepancy between the Norwegian and the English version of this document, the Norwegian version shall prevail.
VEDTEKTER FOR HORISONT ENERGI AS	ARTICLES OF ASSOCIATION FOR HORISONT ENERGI AS
(org.nr. 923 377 476)	(organisation number 923 377 476)
(sist endret 20. januar 2022)	(last amended on 20 January 2022)
§ 1 Foretaksnavn Selskapets navn er Horisont Energi AS.	§ 1 Company name The company's name is Horisont Energi AS.
§ 2 Selskapets forretningsformål Selskapets virksomhet: Foredling og produksjon av karbonnøytrale energiprodukter, fangst og lagring av karbondioksid samt relaterte aktiviteter.	§ 2 The company's business objective The company's activities: Processing and production of carbon neutral energy products, capture and storage of carbon dioxide and related activities.
§ 3 Aksjekapital Selskapets aksjekapital er NOK 215 567,50 fordelt på 21 556 750 aksjer, hver pålydende NOK 0,01. Aksjene skal registreres i Verdipapirsentralen.	§ 3 Share capital The company's share capital is NOK 215,567.50 divided into 21,556,750 shares, each with a nominal value of NOK 0.01. The shares will be registered in the Norwegian Central Securities Depository.
§ 4 Erverv av aksjer Selskapets aksjer er fritt omsettelige. Erverv av aksjer er ikke betinget av samtykke fra selskapet og aksjeeierne har ikke forkjøpsrett iht. aksjeloven.	§ 4 Acquisition of shares The company's shares are freely tradable. Acquisition of shares is not conditional on consent from the company and the shareholders do not have any right of first refusal according to the Limited Liability Companies Act.
§ 5 Saksbehandling Når dokumenter som gjelder saker som skal behandles på generalforsamlingen, er gjort tilgjengelige for aksjonærene på selskapets nettsider gjelder ikke aksjelovens krav om at dokumentene skal sendes til aksjonærene. Dette gjelder også dokumenter som etter lov skal inntas i eller vedlegges innkallingen til generalforsamlingen. En aksjonær kan likevel kreve å få tilsendt dokumenter som gjelder saker som skal behandles på generalforsamlingen.	§ 5 Proceedings When documents concerning matters to be considered at the general meeting have been made available to the shareholders on the company's website, the Companies Act's requirement that the documents be sent to the shareholders does not apply. This also applies to documents that by law must be included in or attached to the notice of the general meeting. A shareholder may nevertheless request that documents relating to matters to be considered at the general meeting be sent to him.

Styret kan bestemme at aksjeeierne skal kunne avgi sin stemme skriftlig, herunder ved bruk av elektronisk kommunikasjon, i en periode før generalforsamlingen. For slik stemmegivning skal det benyttes en betryggende metode for å autentisere avsenderen.	The Board of Directors may decide that the shareholders shall be able to cast their vote in writing, including through the use of electronic communication, for a period before the general meeting. For such voting, a reassuring method shall be used to authenticate the sender.
§ 6 Valg av valgkomité Selskapet skal ha en valgkomité. Valgkomitéen skal bestå av tre medlemmer, som skal være uavhengige av styret og ledelse. Medlemmene av valgkomitéen, inkludert lederen, velges av generalforsamlingen for en periode som utløper ved neste ordinære generalforsamling. Valgkomitéen skal gi sine anbefalinger for valg av aksjonærvalgte styremedlemmer og medlemmer av valgkomitéen, og godtgjørelse til styremedlemmer og medlemmer av valgkomitéen. Godtgjørelse til medlemmer av valgkomitéen fastsettes av generalforsamlingen. Generalforsamlingen kan fastsette en instruks til valgkomitéen.	§ 6 Election of nomination committee The company shall have a nomination committee. The nomination committee shall consist of three members, who shall be independent of the board and management. The members of the nomination committee, including the chairman, are elected by the general meeting for a period expiring at the next ordinary general meeting. The nomination committee shall give its recommendations for the election of shareholder-elected board members and members of the nomination committee, and remuneration to board members and members of the nomination committee. Remuneration to members of the nomination committee is determined by the general meeting. The general meeting may issue an instruction to the nomination committee.
§ 7 Antall styremedlemmer Styret skal bestå av tre til fire styremedlemmer valgt av generalforsamlingen, og ett medlem utpekt etter § 9. Eventuelle medlemmer valgt av og blant ansatte etter reglene i aksjeloven kommer i tillegg.	§ 7 Board members The board shall comprise three to four members elected by the general meeting, and one member appointed pursuant to § 9. Any board members elected by and among the employees shall be in addition.
§ 8 Særskilte flertallskrav Følgende beslutninger i generalforsamlingen krever tilslutning fra mer enn 75 % av stemmene og den aksjekapital som er representert på den aktuelle generalforsamlingen: (a) endring av vedtektene; (b) utstedelse av aksjer eller andre finansielle instrumenter, herunder fullmakter til styret om utstedelse av samme; (c) kapitalnedsettelse; (d) beslutning om fusjon eller fisjon av selskapet;	§ 8 Specific majority requirements The following resolutions in a general meeting shall require the affirmative vote of more than 75 % of the votes and share capital represented in such general meeting: (a) amendments of the articles of association; (b) the issuance of shares or other financial instruments, including authorisation to the board to issue the same;

<p>(e) vedtak om oppløsning og avvikling av selskapet;</p> <p>(f) fullmakt til erverv av egne aksjer;</p> <p>(g) utdeling av utbytte; og</p> <p>(h) beslutning om å sette til side aksjonærenes fortrinnsrett til tegning av aksjer eller andre finansielle instrumenter utstedt av selskapet.</p>	<p>(c) share capital reduction;</p> <p>(d) resolutions on merger or demerger of the company;</p> <p>(e) resolutions to dissolve the company;</p> <p>(f) authorisations to the board to acquire treasury shares;</p> <p>(g) distribution of dividends; and</p> <p>(h) resolution to set aside preferential right to subscribe for shares or other financial instruments issued by the company.</p>
<p>§ 9 Rett til å utpeke styremedlem</p> <p>Så lenge E.ON Energy Projects GmbH, eller et selskap i samme konsern, kontrollerer mer enn 12 % av aksjene i selskapet, skal E.ON Energy Projects GmbH eller konsernselskapet ha rett til å utpeke ett styremedlem samt ett personlig varamedlem.</p>	<p>§ 9 Right to appoint a board member</p> <p>For as long as E.ON Energy Projects GmbH, or a company within the same group of companies, controls more than 12 % of the shares in the company, E.ON Energy Projects GmbH or the group company shall have the right to appoint one member of the board with one personal deputy board member.</p>
<p>§ 10 Styreinstruks</p> <p>Styret kan ved enstemmighet fastsette en styreinstruks som kan sette strengere flertallskrav for visse beslutninger i styret enn det som ellers følger av aksjeloven § 6-25.</p>	<p>§ 10 Board instructions</p> <p>The Board may by unanimous vote adopt and approve a board instruction which may determine more stringent majority requirement for certain resolutions in the board than required pursuant to the Norwegian Private Limited Liability Company's Act Section 6-25.</p>
<p>§ 11 Forholdet til annen lovgivning</p> <p>For øvrig henvises til den enhver tid gjeldende aksjelovgivning.</p>	<p>§ 11 Relationship to other legislation</p> <p>In other matters, reference is made to the current limited liability company legislation.</p>
***	***

6.2 Appendix B: Financial Statements

The Company's audited annual financial statements as of and for the years ended 31 December 2020 and 2019, and the Company's unaudited interim financial statements as of and for the six month period ended 30 June 2021, are incorporated by reference to Appendix B of this Prospectus, cf. Section 7-3 (1) d) (2) of the Norwegian Securities Trading Regulation.

Audited annual financial statement as of and for the year ended 31 December 2020:

<https://www.horizontenergi.no/investor-relations-hrgi/reports-and-presentations/>

Audited annual financial statement as of and for the year ended 31 December 2019:

<https://www.horizontenergi.no/investor-relations-hrgi/reports-and-presentations/>

Unaudited interim financial statement as of and for the six month period ended 30 June 2021:

<https://www.horizontenergi.no/investor-relations-hrgi/reports-and-presentations/>

6.3 Appendix C: Subscription form in the Subsequent Offering

HORISONT ENERGI AS – SUBSCRIPTION FORM – SUBSEQUENT OFFERING JANUARY 2022

<p>Properly completed Subscription Forms must be submitted to the Manager as set out below:</p> <p>Fearnley Securities AS PO Box 1158 Sentrum NO-0107 Oslo, Norway Tel+47 22 93 60 00 E-mail: HRGI-emisjon@fearnleys.com</p>	<p>In order for investors to be certain to participate in the Subsequent Offering, Subscription Forms must be received no later than on 8 February 2022 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 Manager.</p> <p>NORWEGIAN SUBSCRIBERS DOMICILED IN NORWAY ARE STRONGLY ENCOURAGED TO SUBSCRIBE FOR SHARES AT: https://transaksjoner.fearnleys.com/</p>
--	--

General information: The terms and conditions for the Subsequent Offering in Horisont Energi AS (the “Company”) of up to **769,230** new shares (the “Offer Shares”) resolved by the Company's Board of Directors on 20 January 2022 are set out in the prospectus dated 24 January 2022 (the “Prospectus”). Terms defined in the Prospectus shall have the same meaning in this Subscription Form. An extract from the minutes from the Board of Directors' resolution regarding the Subsequent Offering pursuant to an authorization from the Company's extraordinary general meeting held on 27 May 2021 (the “EGM”), the minutes from the EGM approving the authorization to increase the share capital, the Company's Articles of Association and annual accounts and reports for the last two years, and the Prospectus are available at the Company's registered office. In case of any discrepancies between the Subscription Form and the Prospectus, the Prospectus shall prevail.

Subscription Period: The subscription period is from and including 25 January 2022 to 8 February 2022 at 16:30 CET (the “Subscription Period”). Neither the Company nor the Manager may be held responsible for postal delays, unavailable fax lines, internet lines or servers or other logistical or technical problems that may result in subscriptions not being received in time or at all by the Manager. It is not sufficient for the Subscription Form to be postmarked within the deadline. The Manager has discretion to refuse any improperly completed, delivered or executed Subscription Forms or any subscription which may be unlawful. Subscription Forms that are received too late or are incomplete or erroneous are therefore likely to be rejected without any notice to the subscriber. The Manager has the right to disregard the application, without any liability towards the subscriber, if a LEI or NCI 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 Manager also reserves the right to obtain such information through publicly available sources and use such number to complete the Subscription Form. The subscription for Offer Shares is, subject to applicable law, irrevocable and may not be withdrawn, cancelled or modified once it has been received by the Manager. Multiple subscriptions are allowed. Please note, however, that two separate Subscription Forms submitted by the same subscriber with the same number of Offer Shares subscribed for on both Subscription Forms will only be counted once unless otherwise explicitly stated in one of the Subscription Forms.

Subscription Price: The subscription price for each Offer Share is NOK 65.00.

Right to subscribe: The Subscription Rights will be issued to the Company's shareholders as of close of trading on 12 January 2022 (as registered in VPS on 14 January 2022, pursuant to the VPS' standard two days' settlement procedure) (the “Record Date”), except shareholders domiciled in a jurisdiction where such offering would be unlawful, or would require any filing, registration or similar action (other than a prospectus in Norway) (the “Eligible Shareholders”). Each Eligible Shareholder will be granted 0.048 non-transferable Subscription Rights for each share owned as of the Record Date. Subscription Rights not used to subscribe for the Offer Shares (in full or part) will lapse without any compensation upon expiry of the Subscription Period and will consequently be of no value. The number of Subscription Rights allocated to each Eligible Shareholder will be rounded down to the nearest whole Subscription Right. Each Subscription Right will, subject to applicable law, give the right to subscribe for and be allotted Offer Shares at the Subscription Price in the Subsequent Offering.

Allocation: The allocation criteria are set out in the Prospectus. Over-subscription will be permitted. Subscription without Subscription Rights will not be permitted. Allocation of fewer Offer Shares than subscribed for by a subscriber will not impact the subscriber's obligation to pay for the number of Offer Shares allocated. All Subscribers being allotted Offer Shares will receive a notice through VPS Investor Services confirming the number of Offer Shares allotted to the Subscriber and the corresponding subscription amount. This notice is expected to be mailed on or about 9 February 2022. Subscribers having access to investor services through their VPS account manager will be able to check the number of Offer Shares allocated to them from approximately 17:00 CET on 9 February 2022. Subscribers who do not have access to investor services through their VPS account manager may contact the Manager from 10 February 2022 to obtain information about the number of Offer Shares allocated to them.

Payment: The payment for the Offer Shares falls due on 11 February 2022 (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 Manager 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 Manager. The specified bank account is expected to be debited on or after the Payment Date. The Manager is only authorised to debit such account once, but reserves 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 Manager 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.)
<p>EACH SUBSCRIPTION RIGHT GIVES THE RIGHT TO BE ALLOCATED ONE OFFER SHARE</p> <p>SUBSCRIPTION RIGHT'S SECURITIES NUMBER: ISIN NO0012427006</p> <p>IRREVOCABLE AUTHORISATION TO DEBIT ACCOUNT (MUST BE COMPLETED)</p> <p>My Norwegian bank account to be debited for the consideration for shares allotted (number of shares allotted x subscription price).</p>		<p>X</p> <p>Subscription price per Offer Share NOK 65.00 =</p>	<p>Total Subscription amount to be paid NOK</p>

<p>(Norwegian bank account no. 11 digits)</p>

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 Manager (or someone appointed by it) 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 the Manager an authorisation to debit (by direct or manual debiting as described above) the specified bank account for the payment of the Offer Shares allocated to me/us, and (iv) confirm and warrant to have read the Prospectus and that I/we are aware of the risks associated with an investment in the Offer Shares and that I/we are eligible to subscribe for and purchase Offer Shares under the terms set forth therein.

<p>Place and date</p> <p>Must be dated in the Subscription Period</p>	<p>Binding signature</p> <p>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</p>
--	--

INFORMATION ON THE SUBSCRIBER (all fields must be completed)

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

ADDITIONAL INFORMATION FOR THE SUBSCRIBER

Regulatory Issues: In accordance with the Markets in Financial Instruments Directive (“MiFID II”) of the European Union, Norwegian law imposes requirements in relation to business investments. In this respect the Manager must categorize all new clients in one of three categories: eligible counterparties, professional and non-professional clients. All subscribers in the Subsequent Offering who are not existing clients of the Manager will be categorized as non-professional clients. Subscribers can, by written request to the Manager, 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 Manager on telephone +47 22 93 60 00. **The subscriber represents that he/she/it is capable of evaluating the merits and risks of an investment decision to invest in the Company by subscribing for Offer Shares, and is able to bear the economic risk, and to withstand a complete loss, of an investment in the Offer Shares.**

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

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

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

Information Barriers: The Manager is a securities firm that offer a broad range of investment services. In order to ensure that assignments undertaken in the Manager’s respective corporate finance departments are kept confidential, the Manager’s other activities, including analysis and stock broking, are separated from the Manager’s corporate finance department by information walls. The subscriber acknowledges that the Manager’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 walls.

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

Data protection: As data controllers, the Manager 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 Manager’s processing of personal data, please review the Manager’s privacy policy, which is available on its website or by contacting the Manager. The privacy policy contains information about the rights in connection with the processing of personal data, such as the access to information, rectification, data portability, etc. If the applicant is a corporate customer, such customer shall forward the Manager’s privacy policy to the individuals whose personal data is disclosed to the Manager.

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

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

Overdue and missing payments: Overdue and late payments will be charged with interest at the applicable rate from time to time under the Norwegian Act on Interest on Overdue Payment of 17 December 1976 no. 100, currently 8.00% 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 Manager, not be delivered to the subscriber. The Manager, 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 Manager 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 Manager, on behalf of the Company, may enforce payment for any such amount outstanding in accordance with Norwegian law.

REGISTERED OFFICE AND ADVISORS

Horisont Energi AS

Grenseveien 21

N-4313 Sandnes

Norway

Manager

Fearnley Securities AS

Dronning Eufemias gate 8

N-0191 Oslo

Norway

Legal Advisor

SANDS Advokatfirma DA

Cort Adelers gate 33

N-0254 Oslo

Norway

Auditor

PricewaterhouseCoopers AS

Dronning Eufemias gate 71

N-0194 Oslo

Norway